

REPORT NO. 583

**CREATION OF A TEMPORARY REBATE PROVISION ON ORDINARY
CUSTOMS AND SAFEGUARD DUTIES APPLICABLE ON CERTAIN
HOT-ROLLED STEEL PLATE AND HOT-ROLLED STEEL COILS
CLASSIFIABLE UNDER TARIFF HEADINGS 72.08 AND 72.25**

The International Trade Administration Commission herewith presents its **Report No. 583: CREATION OF A TEMPORARY REBATE PROVISION ON ORDINARY CUSTOMS AND SAFEGUARD DUTIES APPLICABLE ON CERTAIN HOT-ROLLED STEEL PLATE AND HOT-ROLLED STEEL COILS CLASSIFIABLE UNDER TARIFF HEADINGS 72.08 AND 72.25**, with recommendations.



.....
DUMISANI MBAMBO
DEPUTY CHIEF COMMISSIONER

PRETORIA

29/05/2018

REPUBLIC OF SOUTH AFRICA

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

REPORT NO. 583

CREATION OF A TEMPORARY REBATE PROVISION ON ORDINARY CUSTOMS AND SAFEGUARD DUTIES APPLICABLE ON CERTAIN HOT-ROLLED STEEL PLATE AND HOT-ROLLED STEEL COILS CLASSIFIABLE UNDER TARIFF HEADINGS 72.08 AND 72.25

Synopsis

On 20 October 2017, the Commission initiated a review into the creation of rebate provisions on ordinary customs and safeguard duties applicable to certain primary steel products classifiable under Chapter 72 not manufactured locally.

Following the publication of the review in the Government Gazette, TW Profile Services (Pty) Ltd ("TW Profile") submitted information in support of the creation of a temporary rebate provision on both ordinary customs and safeguard duties applicable on certain hot-rolled steel plate and certain hot-rolled steel coils, classifiable under tariff heading 72.08 and 72.25. The subject products are hot-rolled structural steel and hot-rolled wear resistant steel in the form of plate and coil.

The Commission considered all the relevant information at its disposal. The Commission found that the subject products are not manufactured locally. As such, the applicable ordinary and safeguard duties have an unnecessary cost-raising effect.

The duty relief, through the creation of a rebate provision, will contribute to the reduction in production cost and improvement in the competitive position of the domestic industry manufacturing various downstream steel products which are manufactured using the subject products as an input material.

The rebate provision will be made subject to an ITAC permit issued in terms of guidelines, rules and conditions.

In light of the foregoing, the Commission recommended the creation of a temporary rebate provision on ordinary and safeguard duties applicable on certain hot-rolled steel plate and certain hot-rolled steel coils, classifiable under tariff heading 72.08 and 72.25, as outlined in paragraph 20 of the Submission.

THE APPLICATION AND TARIFF POSITION

1. In response to the review initiated by the Commission, TW Profile Services (Pty) Ltd ("TW Profile") submitted information in support of a creation of a temporary rebate provision on both ordinary customs and safeguard duties applicable on certain hot-rolled steel plate and hot-rolled steel coils, classifiable under tariff heading 72.08 and 72.25.
2. The subject products are hot-rolled structural steel plates, and hot-rolled wear resistant steel plate and 2 metre wide hot-rolled steel coils, in the following specifications:
 - 400 BHN plate;
 - 500 BHN plate;
 - S690QL plate;
 - S355J2 + N(S1E1 UT); and
 - S355 JR + AR coil.
3. TW Profile imports the subject products from Asia and embarks on a wide range of value-adding activities before supplying it to a diverse customer base. The value adding activities include: laser cutting, plasma cutting, drilling, bending, and profiling, amongst others.
4. The company's facilities are located in Boksburg, Gauteng Province.
5. As motivation for the creation of a temporary rebate provision on ordinary and safeguard duties applicable to certain hot-rolled steel plate and hot-rolled coils,

the respondent cited that there are no manufacturers of the subject products in the SACU region.

6. The existing ordinary customs duty structure for the subject products is as follows:

Table 1: Ordinary customs duty structure for the subject products

Tariff Heading	Tariff Subheading	Description	Statistical Unit	Rate of duty				
				General	EU	EFTA	SADC	MERCOSUR
72.08		Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated:						
	7208.3	Other, in coils, not further worked than hot-rolled:	kg	10%	Free	Free	Free	10%
	7208.36	Of a thickness exceeding 10 mm	kg	10%	Free	Free	Free	10%
	7208.37	Of a thickness of 4,75 mm or more but not exceeding 10 mm	kg	10%	Free	Free	Free	10%
	7208.5	Other, not in coils, not further worked than hot-rolled:	kg	10%	Free	Free	Free	10%
72.25		Flat-rolled products of other alloy steel, of a width of 600 mm or more:						
	7225.40	Other	kg	10%	Free	Free	Free	10%

7. The subject products attract a general rate of ordinary customs duty of 10% *ad valorem*. The WTO bound rate is 10% *ad valorem*.

8. The existing safeguard duty structure for the subject products is as follows:

Table 2: Current safeguard duty structure for the subject products

Item	Tariff Heading	Code	CD	Description	Rebate Items	Imported from or Originating In	Rate of Safeguard
260.00	BASE METALS AND ARTICLES OF BASE METAL						
260.03	IRON AND STEEL						
Item	Tariff Heading	Code	CD	Description	Rebate Items	Imported from or Originating In	Rate of Safeguard
260.00	BASE METALS AND ARTICLES OF BASE METAL						
260.03	72.08	01.04	47	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coated (excluding that imported from or originating in: Afghanistan, Albania, Algeria, American Samoa, Angola, Argentina, Armenia, Azerbaijan, Bangladesh, Belarus, Belize, Benin, Bhutan, Bolivia (Plurinational State of), Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad, Chile, Chinese Taipei (Taiwan) Colombia, Comoros, Congo (Democratic Republic of the), Congo, Republic, Costa Rica, Côte d'Ivoire, Cuba, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, Arab Republic, El Salvador, Eritrea, Ethiopia, Fiji, Gabon, Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Indonesia, Iran, Islamic Republic, Iraq, Jamaica, Jordan,	301.00-399.00; 401.00-499.00 (excluding 460.15/7208.5/ 01.05 460.15/7208.5/ 02.05; and 460.15/7208.5/ 03.05	All countries	12%

				Kazakhstan, Kenya, Kiribati, Korea, Democratic Peoples Republic of, Kosovo, Kyrgyz Republic, Lao People's Democratic Republic, Latvia, Lebanon, Lesotho, Liberia, Libya, Lithuania, Macedonia, the Former Yugoslav Republic of, Madagascar, Malawi, Malaysia, Maldives, Mali, Marshall Islands, Mauritania, Mauritius, Mexico, Micronesia, Federated States of, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Romania, Russian Federation, Rwanda, Samoa, Sao Tome and Principe, Senegal, Serbia, Seychelles, Sierra Leone, Solomon Islands, Somalia, South Sudan, Sri Lanka, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sudan, Suriname, Swaziland, Syrian Arab Republic, Tajikistan, Tanzania, united Republic of, Thailand, Timor-Leste, Togo, Tonga, Tunisia, Turkey, Turkmenistan, Tuvalu, Uganda, Ukraine, Uruguay, Uzbekistan, Vanuatu, Venezuela, Bolivarian Republic of), Vietnam, West Bank and Gaza, Yemen, Zambia, Zimbabwe)			
260.03	7225.40	01.08	67	Other, not further worked than hot-rolled, not in coils(excluding that imported from or originating in: Afghanistan, Albania, Algeria, American Samoa, Angola, Argentina, Armenia, Azerbaijan, Bangladesh, Belarus, Belize, Benin, Bhutan, Bolivia (Plurinational State of), Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad, Chile, Chinese Taipei (Taiwan) Colombia, Comoros, Congo (Democratic Republic of the), Congo, Republic, Costa Rica, Côte d'Ivoire, Cuba, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, Arab Republic, El Salvador, Eritrea, Ethiopia, Fiji, Gabon, Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Indonesia, Iran, Islamic Republic, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Korea, Democratic Peoples Republic of, Kosovo, Kyrgyz Republic, Lao People's Democratic Republic, Latvia, Lebanon, Lesotho, Liberia, Libya, Lithuania, Macedonia, the Former Yugoslav Republic of, Madagascar, Malawi, Malaysia, Maldives, Mali, Marshall Islands, Mauritania, Mauritius, Mexico, Micronesia, Federated States of, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Romania, Russian Federation, Rwanda, Samoa, Sao Tome and Principe, Senegal, Serbia, Seychelles, Sierra Leone, Solomon Islands, Somalia, South Sudan, Sri Lanka, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Sudan, Suriname, Swaziland, Syrian Arab Republic, Tajikistan, Tanzania, united Republic of, Thailand, Timor-Leste, Togo, Tonga, Tunisia, Turkey, Turkmenistan, Tuvalu, Uganda, Ukraine, Uruguay, Uzbekistan, Vanuatu, Venezuela, Bolivarian Republic of), Vietnam, West Bank and Gaza, Yemen, Zambia, Zimbabwe)	301.00-399.00; 401.00-499.00	All countries	12%

9. The subject products currently attract a 12% safeguard duty. The safeguard duty will be liberalised to 10%, 8%, and free of duty on 11 August 2018, 11 August 2019, and 11 August 2020, respectively.

10. The application was published in the Government Gazette on 20 October 2017 for comments by interested parties, as follows:

“Creation of temporary rebate provisions on ordinary customs and safeguard duties applicable on primary flat steel not manufactured locally, classifiable under chapter 72”

11. TW Profile submitted the description for the rebate provision as provided by the South Africa Revenue Services (SARS), as follows:

Structural Steel (S690QL):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a yield strength of 460 MPa or more but not exceeding 960 Mpa and having an impact strength of 27 Joules or more but not exceeding 300 joules at -20⁰C or less but not less than -60⁰C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a yield strength of 460 MPa or more but not exceeding 960 Mpa and having an impact strength of 27 Joules or more but not exceeding 300 joules at -20⁰C or less but not less than -60⁰C, classifiable in tariff subheading 7225.40, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Structural Steel S355J2 + N (S1E1 /S2E2 /S2E3 UT LEVEL):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 300 mm, with a yield strength of 200 MPa or more but not exceeding 500 Mpa and having an impact strength of 27 Joules or more but not exceeding 350 joules at -20⁰C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 300 mm, with a yield strength of 200 MPa or more but not exceeding 500 Mpa and having an impact strength of 27 Joules or more but not exceeding 350 joules at -20⁰C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Structural Plate:

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness not exceeding 160 mm, with a yield strength of 295 MPa or more but not exceeding 500 Mpa and having an impact strength of 27 Joules or more but not exceeding 260 joules at -20⁰C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Wear Resistant Steel (400BHN):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 380 HBW or more but not exceeding 460 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40⁰C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade

Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 380 HBW or more but not exceeding 460 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40°C, classifiable in tariff subheading 7225.40, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Wear Resistant Steel (500BHN):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 469 HBW or more but not exceeding 540 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 469 HBW or more but not exceeding 540 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40°C, classifiable in tariff subheading 7225.40, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Coil In 2 meter wide (5-12 mm) S355 JR and J2 + AR:

Other flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, in coils, not further worked than hot-rolled, of a thickness of 5 mm or more but not exceeding 10 mm, with a yield strength of 355 MPa but not exceeding 500 MPa and having an impact strength of 14 Joules or more but not exceeding 300 joules at -20°C, classifiable in tariff subheading 7208.37, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Other flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, in coils, not further worked than hot-rolled, of a thickness of 10 mm or more but not exceeding 12 mm, with a yield strength of 355 MPa but not exceeding 500 MPa and having an impact strength of 14 Joules or more but not exceeding 300 joules at -20°C, classifiable in tariff subheading 7208.36, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

INDUSTRY AND MARKET

12. The subject products are certain hot-rolled steel plate and certain hot-rolled steel coils of iron or non-alloy steel and of other alloy steel with distinct properties such as welding, bending, cutting and machining which are required in the manufacture of a wide range of products including, but not limited to: heavy machinery, trailers, pressure vessels, boilers and earthmoving equipment, where greater abrasion resistance and higher yield strength are necessary.
13. The subject products are used in sectors such as mining, energy, agriculture and construction.
14. There are no known manufacturers of the subject hot-rolled steel plate and hot-rolled coil in the SACU region.

COMPETITIVE POSITION

15. The rebate provision on the relevant ordinary customs duty and safeguard duty will contribute to the reduction in the costs of production and improvement in the competitive position of the domestic industry manufacturing various downstream steel products.

COMMENTS RECEIVED

16. ArcelorMittal South Africa Limited ("AMSA") submitted comments in support of the creation of a rebate provision for the subject products. Furthermore, AMSA emphasised that a control mechanism will be required to address the risk of circumvention of the applicable duties. The mechanism, according to AMSA, should ensure that the products entered under the rebate permit meet the description of the temporary rebate provision. This is to ensure that only the subject hot-rolled steel plates and coils which are not manufactured locally are imported through the temporary rebate provision.

FINDINGS

17. The Commission found that the subject products are not manufactured locally. As such, the applicable ordinary and safeguard duties have an unnecessary cost-raising effect on the downstream users of such products.
18. The duty relief, through the creation of a rebate provision, will contribute to the reduction in production cost and improvement in the competitive position of the domestic industry manufacturing various downstream steel products which are manufactured using the subject products as input material.
19. The rebate provision will be made subject to an ITAC permit issued in terms of guidelines, rules and conditions.

RECOMMENDATION

20. In light of the foregoing, the Commission recommended the creation of a temporary rebate provision on ordinary customs and safeguard duties applicable on certain hot-rolled steel plate and certain hot-rolled steel coils, classifiable under tariff headings 72.08 and 72.25, as follows:

Structural Steel (S690QL):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a yield strength of 460 MPa or more but not exceeding 960 Mpa and having an impact strength of 27 Joules or more but not exceeding 300 joules at -20°C or less but not less than -60°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a yield strength of 460 MPa or more but not exceeding 960 Mpa and having an impact strength of 27 Joules or more but not exceeding 300 joules at -20°C or less but not less than -60°C, classifiable in tariff subheading 7225.40, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Structural Steel S355J2 + N (S1E1 /S2E2 /S2E3 UT LEVEL):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 300 mm, with a yield strength of 200 MPa or more but not exceeding 500 Mpa and having an impact strength of 27 Joules or more but not exceeding 350 joules at -20°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 300 mm, with a yield strength of 200 MPa or more but not exceeding 500 Mpa and having an impact strength of 27 Joules or more but not exceeding 350 joules at -20°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Structural Plate:

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness not exceeding 160 mm, with a yield strength of 295 MPa or more but not exceeding 500 Mpa and having an impact strength of 27 Joules or more but not exceeding 260 joules at -20°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Wear Resistant Steel (400BHN):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 380 HBW or more but not exceeding 460 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

(c)

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 380 HBW or more but not exceeding 460 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40°C, classifiable in tariff subheading 7225.40, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Wear Resistant Steel (500BHN):

Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 469 HBW or more but not exceeding 540 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40°C, classifiable in tariff subheading 7208.50, in such quantities, at such times and subject to such conditions as the International Trade

Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Flat-rolled products of other alloy steel, of a width of 600 mm or more, not in coils, not further worked than hot-rolled, of a thickness of 2 mm or more but not exceeding 160 mm, with a Brinell hardness of 469 HBW or more but not exceeding 540 HBW and having an impact strength of 15 Joules or more but not exceeding 200 joules at -40⁰C, classifiable in tariff subheading 7225.40, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Coil in 2 meter wide (5-12 mm) S355 JR and J2 + AR:

Other flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, in coils, not further worked than hot-rolled, of a thickness of 5 mm or more but not exceeding 10 mm, with a yield strength of 355 MPa but not exceeding 500 MPa and having an impact strength of 14 Joules or more but not exceeding 300 joules at -20⁰C, classifiable in tariff subheading 7208.37, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;

Other flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, in coils, not further worked than hot-rolled, of a thickness of 10 mm or more but not exceeding 12 mm, with a yield strength of 355 MPa but not exceeding 500 MPa and having an impact strength of 14 Joules or more but not exceeding 300 joules at -20⁰C, classifiable in tariff subheading 7208.36, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit, provided the products are not available in the SACU market;