

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 1424 OF 2022

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

CUSTOMS TARIFF APPLICATIONSLIST 10/2022

The International Trade Administration Commission (herein after referred to as ITAC or the Commission) has received the following applications concerning the Customs Tariff. Any objection to or comment on these representations should be submitted to the Chief Commissioner, ITAC, Private Bag X753, Pretoria, 0001. Attention is drawn to the fact that the rate of duty mentioned in these applications is that requested by the applicant and that the Commission may, depending on its findings, recommend a lower or higher rate of duty.

CONFIDENTIAL INFORMATION

The submission of confidential information to the Commission in connection with customs tariff applications is governed by section 3 of the Tariff Investigations Regulations, which regulations can be found on ITAC's website at <http://www.itac.org.za/documents/R.397.pdf>.

These regulations require that if any information is considered to be confidential, then a non-confidential version of the information must be submitted, simultaneously with the confidential version. In submitting a non-confidential version the regulations are strictly applicable and require parties to indicate:

- ❑ Each instance where confidential information has been omitted and the reasons for confidentiality;*
- ❑ A summary of the confidential information which permits other interested parties a reasonable understanding of the substance of the confidential information; and*
- ❑ In exceptional cases, where information is not susceptible to summary, reasons must be submitted to this effect.*

This rule applies to all parties and to all correspondence with and submissions to the Commission, which unless clearly indicated to be confidential, will be made available to other interested parties.

The Commission will disregard any information indicated to be confidential that is not accompanied by a proper non-confidential summary or the aforementioned reasons.

If a party considers that any document of another party, on which that party is submitting representations, does not comply with the above rules and that such deficiency affects that party's ability to make meaningful representations, the details of the deficiency and the reasons why that party's rights are so affected must be submitted to the commission in writing forthwith (and at the latest 14 days prior to the date on which that party's submission is due).

Failure to do so timeously will seriously hamper the proper administration of the investigation, and such party will not be able to subsequently claim an inability to make meaningful representations on the basis of the failure of such other party to meet the requirements.

1. INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

“Front windscreens (windshields), rear windows and other windows specified in subheading Note 1 to Chapter 87, by way of creating a new 8-digit tariff subheading for front windscreens (windshield) classifiable under tariff subheading 8708.22”.

APPLICANT:

Shatterprufe, a division of PG Group (Proprietary) Limited

P.O. Box 810

Gqeberha

6000

Enquires: ITAC Ref: **08/2022**. Mr. Tshepiso Sejamoholo,
Ms. Mpho Mafole and Ms Mukeliwe Manyoni. **Tel:** 012 394 1605/3697/3676
and/or alternatively **Email:** tsejamoholo@itac.org.za/MMafole@itac.org.za/
mmanyoni@itac.org.za.

REASONS FOR THE APPLICATION:

- Historically windscreens for vehicles to be used in the replacement market were imported and classified under tariff subheading 7007.21.20, which attract a 30% *ad valorem* import duty;
- A new tariff subheading 8708.22 was created and came into effect on 01 January 2022 to make a clear distinction between motor vehicle windows and other motor vehicle parts as per tariff subheading 8708.29. This tariff subheading carries a 20% *ad valorem* import duty;
- As a result of the creation of the new tariff subheading 8708.22, the opportunity now exists that this tariff subheading can be used to import windscreens legally and/or to circumvent the ordinary rate of customs duty of 30% *ad valorem* that currently applies to tariff subheading 7007.21.20 also for the importation of windscreens;
- It would thus allow for windscreens to be imported at a 10 percentage point lower rate (or 33% lesser rate) of *ad valorem* duty, which products would then compete with the windscreens that are produced in the Southern African Customs Union (“SACU”) for use in the aftermarket market; and
- Such circumvention would also undermine the importers that import windscreens and classify them under tariff subheading 7007.21.20.

PUBLICATION PERIOD:

Written representations should be made within **four (4) weeks** of the date of this notice.

2. INCREASE IN THE GENERAL RATE OF CUSTOMS DUTY ON:

“Coated welded wire mesh, classifiable under tariff subheading 7314.39, from 5% ad valorem to the World Trade Organisation (“WTO”) bound rate of 15% ad valorem”

APPLICANT:

Clear Creek Trading 167 (Pty) Ltd, trading as Wireforce
P O Box 4341
Germiston South
1411

Enquires: ITAC Ref: **07/2022**. Ms Diphetogo Rathete and Ms Mukeliwe Manyoni.
Tel: 012 394 3683/3676 and/or alternatively **Email:** drathete@itac.org.za/
mmanyoni@itac.org.za.

REASONS FOR THE APPLICATION:

As reasons for the application, the applicant cited, amongst others, the following:

- The locally produced coated welded wire mesh offers an opportunity for import replacement as well as export opportunities;
- An additional 10% tariff protection would assist the industry in the initial stage to develop, increase economies of scale and enhance global competitiveness;
- There is an anomaly in the tariff structure as the main input material used in the manufacture of coated welded wire mesh (i.e., wire rod) currently attracts a higher ordinary customs duty of 10% *ad valorem* whilst the end-product remains significantly below the WTO bound rate at only 5% *ad valorem*; and
- Should the tariff support not be granted and low-priced imports of the coated wire mesh, specifically those from China, continue to increase at the rate observed in recent years, this would be to the detriment of the SACU domestic industry.

PUBLICATION PERIOD:

Written representations should be submitted within **four (4) weeks** of the date of this notice.

3. INCREASE IN THE RATE OF CUSTOMS DUTY ON:

Thermal paper rolls of a width not exceeding 150 mm, from free of duty to 5% *ad valorem*, classifiable under various tariff subheadings in Chapter 48 of the Customs and Excise Act, 1964, through the creation of additional 8-digit tariff subheadings, which reads as follows:

Heading	Proposed tariff subheadings	Article Description
48.10	4810.13.xx	Paper and paperboard of a kind used for writing, printing or other graphic purposes, not containing fibres obtained by a mechanical or chemi-mechanical process or of which not more than 10 per cent by mass of the total fibre content consist of such fibres: In rolls: Thermocopy paper: Of a width not exceeding 150 mm
	4810.14.xx	In sheets with one side not exceeding 435mm and the other side not exceeding 297mm in the unfolded state: Thermocopy paper: Thermocopy Paper: Of a width not exceeding 150 mm
	4810.19.xx	Thermocopy paper: Of a width not exceeding 150 mm
	4810.29.xx	Other :Thermocopy Paper: Of a width not exceeding 150 mm
48.11	4811.60.xx	Paper, paperboard, cellulose wadding and webs of cellulose fibres, coated, impregnated, covered, surface-coloured, surface-decorated or printed, in rolls or rectangular (including square) sheets, of any size (excluding goods of the kind described in heading 48.03, 48.09 or 48.10): Paper and paperboard, coated, impregnated or covered with wax, paraffin wax, stearin, oil or glycerol: Coated with a thermosensitive layer: In rolls of a width not exceeding 150mm
	4811.90.xx	Other: Other paper, paperboard, cellulose wadding and webs of cellulose fibres: Coated with a thermosensitive layer: In rolls of a width not exceeding 150mm

Source: South African Revenue Service

APPLICANT:

Printing Industries Federation of South Africa (PIFSA NPC) on behalf of Rotunda (Pty) Ltd
575 Lupton Drive,
Halfway House,
Midrand
1682

Enquiries: Ref: 09/2022. Ms Khosi Mzinjana, at email: kmzinjana@itac.org.za; Ms Dolly Ngobeni at **Email:** dngobeni@itac.org.za; or Ms Amina Varachia at email: avarachia@itac.org.za

REASONS FOR THE APPLICATION:

- “Import volumes of finished thermal paper rolls into the SACU market have increased over the past few years and have resulted in a decline in local converter's domestic market share;
- The poor-quality imports are slowing down the growth of local converters that can make a real difference to the South African economy by providing employment. Paper quality, including manufacturing processes such as sources of pulp and chemistry contained are ignored, including the basic metrics of the finished rolls such as grammage, length, width and outer and core diameters;
- These rolls are often low priced and do not comply with any standards and local converters compromised as they are not able to compete on price against these imported products”.

PUBLICATION PERIOD:

Representation should be submitted to the above officials within **four (4) weeks** of the date of this notice.