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## GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

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### DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NO. 2336

3 August 2022

### INTERNATIONAL TRADE ADMINISTRATION COMMISSION

#### Automotive Production and Development Programme

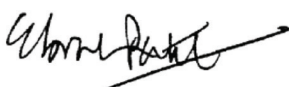
#### Phase 2 (APDP2) Regulations

I, Ebrahim Patel, in my capacity as the Minister of Trade, Industry and Competition, acting under powers vested in me by Section 59 of the International Trade Administration Act, 2002, (Act No. 71 of 2002), hereby amend the Automotive Production and Development Programme post 2020 (APDP2) Regulations promulgated in Government Gazette No. 44144, Notice No. R.80 dated 11 February 2021 as set out in the Schedule hereto.

The amendment in the Schedule hereto comes into effect on the date of the publication of this notice. Comments are requested on the amendment and subsequent revisions can be made to the APDP2 Regulations as may be required. Comments should be forwarded electronically within 14 days of the publication date of this notice to the officials and email addressed indicated immediately below, using "APDP2 Amendment" in the subject line of the email:

- Ms Pateka Busika: [pbusika@itac.org.za](mailto:pbusika@itac.org.za)
- Mr Mustaqeem de Gama: [MDeGama@thedtic.gov.za](mailto:MDeGama@thedtic.gov.za)

A copy of the consolidated Regulations incorporating the change is available at <http://www.thedtic.gov.za/wp-content/uploads/APDP.pdf>



**EBRAHIM PATEL**

**MINISTER OF TRADE, INDUSTRY AND COMPETITION**

## SCHEDULE

### 1. Definition

In this Schedule, "**Regulations**" means the APDP2 Regulations promulgated in Government Gazette No. 44144, Notice No. R.80 dated 11 February.

### 2. Amendment of Part F and Section 22 of the Regulations:

Part F and Section 22 of the Regulations is hereby amended by the substitution of the following:

#### "Part F- Exceptional circumstance

22. Notwithstanding anything to the contrary in these regulations, in the event a final manufacturer participating under the programme suffers extensive damage to its production facility/(ies) and, consequently, significantly reduced production volumes as a result of an occurrence that has resulted in the declaration of a National State of Disaster by the President, it may approach ITAC to seek a limited deviation from the normal rules relating to accruing and claiming of benefits under APDP2. Prior to applying to ITAC, a final manufacturer must approach the Accounting Officer of the Department of Trade, Industry and Competition who must confirm that exceptional circumstances exist to warrant a deviation from normal requirements related to accruing and claiming of benefits under APDP2. Requests will be adjudicated on a case-by-case basis by ITAC and approval may be subject to conditions as determined by the ITAC, provided it is of the view that a limited deviation from the normal requirements is in the interest of promoting local manufacturing and is in line with ensuring the commercial viability of the final manufacturer under the APDP2 whose ability to manufacture has been severely affected by the

aforementioned occurrence.”

### **3. Insertion of Part G and Section 23 of the Regulations (Previously Part F and Section 22 in the Regulation):**

The following Part G and article is hereby inserted into the Regulations after Part F and Section 22.

#### **“Part G – Transitional Notes**

#### **23. QUARTERLY CUSTOMS ACCOUNT AND OTHER MATTERS**

23.1 Note 10 to rebate item 317.04 of Schedule No. 3 to the Customs Act has reference regarding matters applicable to the quarterly Customs account of light motor vehicle manufacturers.

23.2 The first phase of the Automotive Production Development Programme (APDP) will end on 30 June 2021. Accordingly, although claims for sales on or before 30 June 2021 may still be submitted up to 29 June 2022, no application for a production rebate certificate (PRC) based on sales after the termination of the APDP will be entertained.

23.3 Specified light motor vehicles, automotive components and/or automotive tooling manufactured before 30 June 2021, but only sold after 30 June 2021, will qualify for APDP2 benefits provided that no benefits were claimed on these sales under the APDP.

23.4 To ease the transition from the APDP to the APDP2, the following conditions will apply to existing light motor vehicle manufacturers to qualify for a CSP during 2021:

23.4.1 Only light motor vehicle manufacturers that have a production capacity of 10 000 units per annum will qualify for a CSP;

23.4.2 The CSP for the third quarter of 2021 will be calculated using financial and statistical information applicable to the last quarter of 2020; and

23.4.3. A most recent four quarter total of 10 000 units must be achieved during the 3th quarter of 2022, unless an OEM has successfully applied for a dead quarter concession.”