General Notices • Algemene Kennisgewings

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 381 OF 2021

REQUEST FOR PUBLIC COMMENT ON THE EXTENSION OF THE POLICY DIRECTIVE ON THE EXPORTATION OF FERROUS AND NON-FERROUS WASTE AND SCRAP METAL

- By virtue of the powers vested in me in terms of section 5 of the International Trade Administration Act, 2002 (Act No. 71 of 2002), I, Ebrahim Patel, Minister of Trade, Industry and Competition hereby –
 - (a) notify as follows:
 - (i) On 10 May 2013 the Minister of Economic Development issued a Trade Policy Directive to the International Trade Administration Commission of South Africa (ITAC) in terms of section 5 of the International Trade Administration Act No. 71 of 2002 (the ITA Act) on the exportation of ferrous and non-ferrous waste and scrap metal and subsequently reviewed and extended this Policy Directive;
 - (ii) On the 17 December 2020 in Government Gazette No. 44008, the Minister of Trade, Industry and Competition (the Minister) extended the Policy Directive for a further period of 7 months until 31 July 2021 to allow for work by the South African Revenue Service (SARS) to bring the export tax on ferrous and non-ferrous waste and scrap metal into operation in terms of any applicable taxation law; and consideration by the department and ITAC on which aspects, if any, of the Policy Directive may be continued in order to complement and support the operation of the export tax on ferrous and non-ferrous waste and scrap metal.
 - (iii) On 9 February 2021, industry stakeholders adopted the Steel and Metal Fabrication Masterplan 1.0 (the "Masterplan"). The Masterplan

provides a blueprint for growth and renewal in the steel and metal fabrication industry. As part of the Masterplan, a working group on scrap metal, involving key stakeholders from across the industry, was established to determine which, if any or all, of the Policy Directive should remain following the commencement by SARS of the export tax on ferrous and non-ferrous waste and scrap metal. The working group has recommended to the Minister that the Policy Directive be extended for a further long-term period to provide policy certainty for the downstream beneficiation industry.

- (iv) Following the recommendation from the working group on scrap metal referred to in 1(a)(iii) above, taking into account the recently adopted Masterplan for the steel industry, the Minister is considering extending the Policy Directive for a further period of two years from 31 July 2021 until 31 July 2023 to support the export tax and to enable consideration of the implication of having both systems in place to support the availability of affordable scrap metal for the domestic consuming industry.
- (b) requests comment from interested parties and stakeholders before the Minister decides whether to extend the Policy Directive. Stakeholders and interested parties are invited to submit representations and comments regarding the proposed extension of the Policy Directive within a period of 14 days from publication of this notice, to the Minister of Trade, Industry and Competition for the attention of Dr Umeesha Naidoo, email: <u>unaidoo@thedtic.gov.za</u>, or hand delivered at 77 Meintjies Street, Block A, 1ST Floor, Sunnyside, 0132.

MR EBRAHIM PATEL MINISTER OF TRADE, INDUSTRY AND COMPETITION DATE: $\frac{32}{6}/\frac{6}{2}$