

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

GENERAL NOTICE 1877 OF 2023

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

1. By virtue of the powers vested in me in terms of section 5 of the International Trade Administration Act, 71 of 2002 (the "ITA Act"), I, Ebrahim Patel, Minister of Trade, Industry and Competition (the "Minister") hereby notify as follows:
 - (a) In Government Notice No. 470, published in *Government Gazette* No 36451 dated 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 ITA Act on the exportation of ferrous and non-ferrous waste and scrap metal (the "2013 Trade Policy Directive") and subsequently reviewed and extended the 2013 Trade Policy Directive from time to time.
 - (b) The objective of the 2013 Trade Policy Directive was to ensure the availability of affordable quality ferrous and non-ferrous waste and scrap metal, essential to the scrap processing industry. In terms of the 2013 Trade Policy Directive, ferrous and non-ferrous waste and scrap metal should not be exported unless it has first been offered to domestic users of scrap, for a period and at a price discount or other formula determined by ITAC to facilitate local rather than export sale.
 - (c) Pursuant to the 2013 Trade Policy Directive, ITAC implemented the price preference system for the exportation of ferrous and non-ferrous waste and scrap metal (the "PPS"), which is set out in the Amended Export Control Guidelines on the Exportation of Ferrous and Non-Ferrous Waste and Scrap as published in Government Notice No. 532, *Government Gazette* No. 43765 of 2 October 2020, as amended from time.
 - (d) 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.
 - (e) In Government Notice No. 654 published in *Government Gazette* No. 44905 dated 28 July 2021, the Minister extended the 2013 Trade Policy Directive until 31 July 2023.

- (f) In Government Notice No. R. 2802 published in Government Gazette No. 47627 dated 30 November 2022, the Minister published a trade policy directive and notice in terms of sections 5 and 6 respectively of the ITA Act that:
- (i) notwithstanding Government Notice No. R.92 published in *Government Gazette* No. 35007, as amended from time to time, ferrous and non-ferrous waste and scrap metal of a kind listed in the schedule to that trade policy directive and notice may not be exported from the Republic of South Africa for a temporary period of six months (from 30 November 2022 to 30 May 2023), subject to certain provisos; and
 - (ii) ITAC shall suspend the operation of the PPS, insofar as it relates to ferrous and non-ferrous waste and scrap metal of a kind listed in the schedule to that trade policy directive and notice, for a period of six months (from 30 November 2022 to 30 May 2023), subject to a certain proviso.
- (g) The working groups established under the Masterplan (the "Working Groups") have recommended, and industry stakeholders have requested, the extension of the 2013 Trade Policy Directive for periods varying from two to five years.
- (h) In Government Notice No. R. 3552 published in *Government Gazette* No. 48791 dated 15 June 2023, the Minister published a trade policy directive and notice in terms of sections 5 and 6 respectively of the ITA Act that:
- (i) notwithstanding Government Notice No. R.92 published in *Government Gazette* No. 35007, as amended from time to time, ferrous and non-ferrous waste and scrap metal of a kind listed in the schedule below, may not be exported from the Republic of South Africa for a further temporary period of six months from the date of publication of that trade policy directive and notice; and
 - (ii) ITAC shall suspend the operation of the PPS insofar as it relates to ferrous and non-ferrous waste and scrap metal of a kind listed in the schedule below for a further temporary period of six months from the date of publication of that trade policy directive and notice or until the date on which the 2013 Trade Policy Directive terminates, whichever is the earlier.

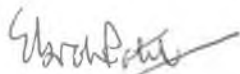
- (i) Following the recommendations from the Working Groups, the requests from industry stakeholders and taking into account the Masterplan, but subject to (h)(ii) above, the Minister is considering extending the 2013 Trade Policy Directive for a further period of two to five years.
2. The Minister hereby requests interested parties and stakeholders to make submissions and/or comments on the proposed extension.

SCHEDULE

Description of goods	Tariff heading
Ferrous waste and scrap, remelting scrap ingots of iron or steel except for (i) waste and scrap of stainless steel, and (ii) ferrous waste and scrap generated in the ordinary course of business as a by-product of a manufacturing process	72.04 (excluding 7204.21)
Copper waste and scrap	7404.00

PROCEDURES AND TIME LIMITS

All comments and submissions must be submitted to the Director-General of Trade, Industry and Competition, marked for the attention of the Director General, either by e-mail on PPS2023@thedtic.gov.za or hand delivered at 77 Meintjies Street, Block A, 1st floor, Sunnyside, Pretoria, 0002, by no later than 14 calendar days from the date of publication hereof.



MR EBRAHIM PATEL
MINISTER OF TRADE, INDUSTRY AND COMPETITION