

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 1587 OF 2023

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

GUIDELINES, RULES AND CONDITIONS PERTAINING TO TITANIUM DIOXIDE CLASSIFIABLE UNDER TARIFF SUBHEADING 3206.11 IMPORTED IN TERMS OF REBATE ITEM 306.04/3206.11/01.06 FOR USE IN THE MANUFACTURE OF PAINTS, VARNISHES AND PREPARED DRIERS CLASSIFIABLE IN TARIFF HEADINGS 32.08, 32.09, 32.10 AND 32.11 VALID FOR A PERIOD OF 30 MONTHS FROM DATE OF IMPLEMENTATION BEING 20 JANUARY 2023

Note: In terms of section 26 (4) of the International Trade Administration Act, 71 of 2002, the Commission may, *inter alia*, require an applicant to provide additional information in respect of the application. The conditions attached to and the information requested below reflects the minimum requirements, which ITAC would apply to evaluate an application under this rebate provision.

1. Applications for permits must be addressed to the International Trade Administration Commission (ITAC), Private Bag X 753, Pretoria or delivered by hand to the DTI Campus, (Block E), 77 Meintjies Street, Sunnyside, Pretoria, 0002.
2. Applications for permits must be submitted according to the requirements as set out in the attached application form. If the space provided in the application form is insufficient, please use the format of the application form to submit the requested information.
3. If all the information requested in the application form is not submitted, the application will be deemed deficient. The application will not be considered, and it will be returned to the applicant.
4. At least fourteen (14) days should be allowed for the processing of applications and the issue of permits, provided that all necessary information which renders the application duly completed has been submitted to ITAC.
5. Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate item. The rebate permit may only be valid for a period of twelve (12) months, commencing from the date on which the permit is issued. The permit may be issued for a shorter period as requested by the applicant, or as decided upon by ITAC.
6. If an applicant intends to apply for a subsequent permit for which the period of validity should commence on the day after the expiry date of the permit issued in terms of paragraph 7, this must be clearly indicated in a new application.

The application must be submitted to ITAC at least two weeks prior to the expiry date of the previous permit as permits cannot be issued with retrospective effect.

7. Rebate permits issued will be subject to the following conditions and reciprocities:
 - 7.1. The applicant must provide a formal letter on the applicant's business letter head confirming that the applicant complies with labour laws, regulations and agreements gazetted by the Minister of Labour.
 - 7.2. The applicant must submit a SARS PIN to enable ITAC to verify the Applicant's tax clearance status on the SARS Tax Clearance System.
 - 7.3. Where there are local manufacturer(s) of titanium dioxide, applications must be accompanied by written evidence of engagements, such as letters or emails, with the said local manufacturer(s). The applicant can request the manufacturers to respond within 14 days of the request.
 - 7.4. Should the local manufacturer(s) of titanium dioxide not be able to supply the quantity requested, the applicant(s) must obtain a confirmation letter from the manufacturer stating that they are not able to supply and the reasons thereof. Letters received from titanium dioxide manufacturer(s) must be submitted with the application form and should have a date, not older than 30 days from the date of application.
 - 7.5. As a rebate provision is considered for the purpose of providing relief to domestic producers that may experience injurious import pressures against similar imported end products, the benefit of the rebate provision will be tied to conditions related to economic performance over time and may be reviewed after a specified period. Reciprocity commitments as set out in the application form must be addressed in each application submitted.
 - 7.6. The applicant must commit, *inter alia*, to the creation of employment and provide in each permit the number of jobs it expects to create annually as a result of the rebate permit granted. The applicant must submit to ITAC a quarterly report on its job creation performance.
8. Rebate permits may not be transferred in any manner by the holder thereof to any other person, or be used to the benefit of any person, not named in the permits.
9. Any request for an amendment to a rebate permit must be forwarded to ITAC for consideration. Amendments will only be considered in the following instances:
 - a) Error by ITAC on permit;

10. Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oath, stating that the permit was lost and the circumstances surrounding loss of such permit. ITAC may, on the facts furnished, exercise its discretion to issue a new permit that replaces the lost permit. Should the lost permit be found the applicant must return such permit to ITAC.
11. Extension of the validity period from which the permit is valid may be granted. Extensions will only be granted where the relevant permit has not expired, and in the view of ITAC, good cause warrants extension of such permit. Such discretion shall lie solely with ITAC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to ITAC, furnishing reasons and good cause for the extension.
12. If a *prima facie* case is established that any condition of this permit is not being adequately complied with, the permit holder will upon detection of such contravention be issued with a compliance notice to show good cause and submit evidence within seven (7) days of receipt thereof, why ITAC should not make any adverse finding/s on the prima facie evidence of non-compliance with the above conditions. Thereafter the matter will be considered by ITAC and if ITAC determines that a contravention of any of these permit conditions have occurred, this permit may be varied, amended or revoked/rescinded.

Should non-compliance with any applicable legislation governing the issue of this permit be detected by ITAC, at any time, ITAC will take such non-compliance by a permit holder or related party who facilitates such conduct into account, in considering whether to revoke/rescind this permit. In terms of section 54(1)(b) of the International Trade Administration Act, Act 71 of 2002, it is an offence to fail to comply with a condition stated in this permit and any person found guilty of such an offence is liable to a fine not exceeding R500 000,00 or to imprisonment for a period not exceeding ten years or to both such fine and imprisonment.

By accepting this permit, the person/entity and its Directors and persons exercising management control over it, to which this permit is issued, irrevocably binds himself/herself/itself/ jointly and severally, to the conditions contained herein as well as any legislative requirements and/or obligations contained in the relevant guidelines, rules and conditions associated with the rebate items concerned.

INTERNATIONAL TRADE ADMINISTRATION COMMISSION OF SOUTH AFRICA

APPLICATION FOR A PERMIT IN TERMS OF REBATE ITEM 306.04/3206.11/01.06

FOR REBATE OF DUTY ON TITANIUM DIOXIDE CLASSIFIABLE UNDER TARIFF SUBHEADING 3206.11 IMPORTED IN TERMS OF REBATE ITEM 306.04/3206.11/01.06 FOR USE IN THE MANUFACTURE OF PAINTS, VARNISHES AND PREPARED DRIERS CLASSIFIABLE IN TARIFF HEADINGS 32.08, 32.09, 32.10 AND 32.11 VALID FOR A PERIOD OF 30 MONTHS FROM DATE OF IMPLEMENTATION BEING 20 JANUARY 2023

APPLICATION FORM

BEFORE COMPLETING THIS FORM, PLEASE ACQUIANT YOURSELF WITH THE GUIDELINES AND CONDITIONS PERTAINING TO THIS REBATE ITEM

306.04/3206.11/01.06

FOR REBATE OF THE DUTY ON TITANIUM DIOXIDE CLASSIFIABLE UNDER TARIFF SUBHEADING 3206.11 IMPORTED IN TERMS OF REBATE ITEM XXX FOR USE IN THE MANUFACTURE OF PAINTS, VARNISHES AND PREPARED DRIERS CLASSIFIABLE IN TARIFF HEADINGS 32.08, 32.09, 32.10 AND 32.11 VALID FOR A PERIOD OF 30 MONTHS FROM DATE OF IMPLEMENTATION BEING 20 JANUARY 2023

NB: ALL INFORMATION REQUESTED SHOULD BE FURNISHED

Manufacturer: _____ Importer's code: _____ VAT registration no: _____	Importer: _____ Importer's code: _____ VAT registration no: _____
Contact details of applicant (Manufacturer): Contact person: _____ Postal Address: _____ _____ _____ Telephone no.: _____ Cell no.: _____ Fax no.: _____ Email address: _____	Physical address where manufacturing takes place:

2.

a) Description of the titanium dioxide that will be imported:

.....

b) Furnish the following information in respect of titanium dioxide mentioned in 2a:

Product	1 HS Tariff code (8- digits)	2 Duty payable	3 Estimated quantity	4 Customs (FOB) Value	5 Country of origin	6 Planned date of importation

3.

a) Description of the products that will be manufactured from the titanium dioxide described in 2 (a & b)

1
 2
 3

b) Furnish the following information in respect of each of the products mentioned in 3(a):

Product	1 HS Tariff code 8- digits	2 Quantity to be processed (kg)	3 Estimated sales value (ex-factory)
1.			
2.			
3.			
4.			

4. Describe the method of manufacturing of products mentioned in 3a:

5. Furnish the following information in respect of the value of total sales in the Southern African Customs Union (SACU) as well as exports for the past three years in respect of the products mentioned in 4:

Year	Product	HS Tariff code (8 – digits)	Total Sales (in SACU)	Total export sales

6. a) Are the goods/materials/components to be imported (as mentioned in 2(a) manufactured locally?

YES	NO
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- b) Why do you have to import the goods/materials/components? (This information is for record purposes only). *(Please submit letters from manufacturers as proof of efforts made to obtain titanium dioxide locally)*

7. Provide information pertaining to the number of jobs the firm will create annually as a result of the rebate. *(Submit with the application a letter signed by the Chief Executive Officer to provide a quarterly report on job creation performance)*

8. Give an assessment (consumer benefit or downstream benefit to a specific industry) of how your cost and price structure would be affected should the permit application succeed. To what extent will your firm's selling price for the product be influenced should the permit application be successful?

9. How do you support or plan to support the participation in manufacturing and related activities by small businesses, black-owned or black-managed enterprises and Common Customs Area supply chains?

Name of Chief Executive Officer:.....

Tel No:.....Fax No:.....

10. State the increased economic benefits that can be realised subsequent to being granted tariff relief, by completing the table below: By completing this table the applicant gives consent that the information provided in this table and related information can be shared with the relevant parties as indicated in the affidavit for purposes of monitoring and reporting progress with commitments made in terms of this rebate provision.

Reciprocity commitments

No.	items	Should the support be given		
		year 1	year 2	year 3
1	Expected total production volume (Kg/li/unit)			
2	Expected ex-factory selling price/per (Kg/li/unit)			
3	Expected total investment (Rm)			
	Plant & Machinery			
	Buildings			
4	Supply side measures (Rm)			
	Research and development			
	Skills development and training			
	Upgrading machinery & equipment.			
	Other (list)			
5	Expected total export			
	Volume (Kg/li/units)			
	Value (R)			
6	Expected total Employment			
	Skilled			
	• Youth (18-35)			
	Semiskilled			
	• Youth (18-35)			
	Unskilled			
	• Youth (18-35)			
	Total direct factory workers			
	• Youth (18-35)			
7	Expected total wage (R)			
	Skilled			
	• Youth (18-35)			
	Semiskilled			
	• Youth (18-35)			
	Unskilled			
	• Youth (18-35)			
	Total direct factory workers			
	• Youth (18-35)			
8	Expected local off-take of titanium dioxide			
	Quality testing			
and/or	Actual off-take			

DECLARATION IN RESPECT OF AN APPLICATION FOR A PERMIT FOR REBATE OF DUTY TITANIUM DIOXIDE CLASSIFIABLE UNDER TARIFF SUBHEADING 3206.11 IMPORTED IN TERMS OF REBATE ITEM 306.04/3206.11/01.06 FOR FOR USE IN THE MANUFACTURE OF PAINTS, VARNISHES AND PREPARED DRIERS CLASSIFIABLE IN TARIFF HEADINGS 32.08, 32.09, 32.10 AND 32.11 OF SCHEDULE 3 TO THE CUSTOMS AND EXCISE ACT, 1964, VALID FOR A PERIOD OF 30 MONTHS FROM DATE OF IMPLEMENTATION BEING 20 JANUARY 2023

NB: The obligation to complete and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the claimant

I,..... (Full names) with identity number , in my capacity as – managing director/chief executive (in respect of a company) or senior member/ person with management responsibility (close corporation, partnership or individual)

(Delete whichever is not applicable)

of..... (hereinafter referred to as the applicant) hereby declare that –

- a) the applicant complies with prescribed requirements in order to qualify for rebate in terms of the above-mentioned rebate provision;
- b) I have satisfied myself that the preparation of the application has been done in conformity with the guidelines and requirements in respect of the above-mentioned rebate provision, with which I have fully acquainted myself and to which I unconditionally agree to;
- c) I undertake to provide the Commission with reports detailing its adherence to the reciprocity commitments detailed in paragraph 7.5 of the Guidelines and paragraph 10 of this application. No amendment, variation, waiver or cancellation of this undertaking shall be of any force and effect unless agreed to in writing and signed by the Chief Commissioner of the Commission.
- d) I agree to the sharing of the information in the table under paragraph 10 to be shared with the relevant sector desk at the dtic and SARS for purposes of monitoring and reporting on the commitments made.
- e) I accept that the decision by the Chief Commissioner: International Trade Administration will be final and conclusive and that the said Chief Commissioner may at any time conduct or order that an investigation to verify information furnished in the application form, be conducted;
- f) The information furnished in this application is true and correct;
- g) The applicant or any one of its associates, or related party is not subject of an investigation by either the South African Police, the Office for Serious Economic Offences, International Trade Administration, or the Commissioner for South African Revenue Services (SARS) into previous claims or other related matters.

NAME: DESIGNATION:

SIGNATURE: DATE AND YEAR:

I CERTIFY THAT THE DEPONENT HAS ACKNOWLEDGED THAT HE KNOWS AND UNDERSTANDS THE CONTENTS OF THIS AFFIDAVIT, AND THAT HE HAS NO OBJECTION TO TAKING THE PRESCRIBED OATH, AND THAT HE CONSIDERS THIS OATH TO BE BINDING ON HIS CONSCIENCE.

SIGNED and SWORN to before me at on this Day of Year.

.....
COMMISSIONER OF OATHS
FULL NAMES:.....
CAPACITY:.....