

DEPARTMENT OF TRADE AND INDUSTRY
NOTICE 260 OF 2020
INTERNATIONAL TRADE ADMINISTRATION COMMISSION
CUSTOMS TARIFF APPLICATIONS
LIST 05/2020

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 comments 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 RATE OF CUSTOMS DUTY ON:

“Foot operated grease gun, classifiable under tariff subheading 8479.89.90, by way of creating an additional 8-digit tariff subheading from free of duty to 10% *ad valorem*”.

APPLICANT:

Gurtech (Pty) Ltd

P. O Box 225

Howick

3290

Enquiries: ITAC Ref: 26/2019. Enquires: Ms. Mukeliwe Manyoni/Ms. Lavhelesani Mulaudzi/Ms. Lufuno Maliaga. Tel: 012 394 3676/1678/3835. E-mail at mmanyoni@itac.org.za/ lmulaudzi@itac.org.za/ lmaliaga@itac.org.za

REASONS FOR THE APPLICATION:

- The applicant is the only manufacturer of foot-operated grease guns in the SACU Region. Gurtech, through its sourcing strategy, supports the growth and sustainability of intermediate manufacturers of its input products;
- Since the patent to manufacture the subject product lapsed, international manufacturers of lubrication equipment copied the Gurtech foot operated grease gun and are aggressively targeting the Gurtech client base;
- The domestic industry is experiencing decreased sales volumes, revenue, and production. This is negatively affecting the industry's ability to retain employment; and
- An increase in the rate of customs duty will enable the applicant to retain domestic volumes, increase capacity utilisation and improve sustainability of industries manufacturing inputs products.

PUBLICATION PERIOD:

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

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

“Tubes, pipes and hollow profiles, seamless, of iron (excluding cast iron) or steel, classifiable under tariff subheadings 7304.19.90, 7304.23.90, 7304.29.90, and 7304.39.35, from 10% *ad valorem* to 15% *ad valorem*”.

APPLICANT:

Hall Longmore Holdings (Pty) Ltd

Private Bag X 024

Wadeville

Germiston

1422

Enquiries: ITAC Ref: **28/2019**. Mr. Njabulo Mahlalela/Ms. Lufuno Maliaga. Tel: 012 394 3684/3835. E-mail: nmahlalela@itac.org.za/lmaliaga@itac.org.za.

REASONS FOR THE APPLICATION:

- Imported seamless tubes and pipes of equivalent diameters to domestically manufactured welded tubes and pipes compete directly for market share in many applications;
- The increasing levels of imports of seamless tubes since 2012, coupled with the decreasing price levels at which these are being imported, has put the viability of the SACU industry manufacturing welded tubes and pipes at risk;
- There is an anomaly in the tariff structure across the value chain, wherein the upstream raw material (hot rolled steel) enjoys the same level of tariff protection as the downstream final product (welded tubes and pipes), thereby putting the downstream industry at a competitive disadvantage;
- The tariff increase requested will prevent imports from entering the country at impermissible low prices; and
- An increase in the general rate of customs duty on the subject products will protect the domestic industry manufacturing welded tubes and pipes against the fierce competition of low-priced imports.

PUBLICATION PERIOD:

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

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

“Certain cylindrical primary cells and primary batteries (excluding those of a height not exceeding 7 mm), of a diameter exceeding 19 mm, classifiable under tariff subheadings 8506.10.25 and 8506.80, from 10% *ad valorem* to 20% *ad valorem*”.

APPLICANT:

Eveready (Pty) Ltd
P.O. Box 3191
North End
Port Elizabeth
6056

Enquiries: ITAC Ref: 30/2019, Enquires: Mr. Tshepiso Sejamoholo/Ms. Pateka Busika/Ms. Lufuno Maliaga. Tel: 012 394 1605/3595/3835. E-mail:
tsejamohlo@itac.org.za/pbusika@itac.org.za/lmaliaga@itac.org.za

REASONS FOR THE APPLICATION:

As motivation for the application, the applicant cited, *inter alia*, the following:

- Following the closures of SAFT South Africa (Pty) Ltd and Chloride SA (Pty) Ltd, Eveready is the only known manufacturer of the zinc-chloride batteries in the SACU region;
- Eveready is facing strong competition from low-priced imported zinc-carbon and alkaline batteries that compete directly with locally manufactured products;
- These have had a negative impact on Eveready's sales volume, production volumes and capacity utilisation during the period of investigation; and

- Tariff support will enable the domestic industry to compete and as a result increase sales volumes, market shares, and employment opportunities in the Eastern Cape Province.

PUBLICATION PERIOD:

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