
GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 2242 OF 2023

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

CUSTOMS TARIFF APPLICATIONS

LIST 08/2023

The International Trade Administration Commission (herein after referred to as ITAC or the Commission) has received the following application concerning the Customs Tariff. Any objection to or comment on this representation 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 this application 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.

**AMENDMENTS TO THE AUTOMOTIVE PRODUCTION AND DEVELOPMENT PROGRAMME
PHASE II (APDP2) INFORMATION DOCUMENTS TO CATER FOR THE EXTENSION OF THE
IMPLEMENTATION OF THE BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-
BBEE) REQUIREMENTS FOR AUTOMOTIVE COMPONENT AND TOOLING
MANUFACTURERS**

APPLICANT:

International Trade Administration Commission of South Africa
Private Bag X753
Pretoria
0001

ITAC Ref: **07/2023** enquires: Ms. Mpho Mafole, Ms. Nompumelelo Nkosi and Mr. Tshepiso Sejamoholo
Tel: 012 394 3697/1378/1605 or by email: mmafole@itac.org.za/nnkosi@itac.org.za/
tsejamoholo@itac.org.za.

THE FOLLOWING ARE THE REASONS FOR THE PUBLICATION:

Following the Minister of Trade, Industry and Competition's ("the Minister") directive for the extension of the implementation of the broad-based black economic empowerment ("B-BBEE") requirements under APDP2, for component and tooling manufacturers to be level 6 compliant from 01 October 2023. Consultations with the industry established that more time is required to prepare for its implementation and to find a more flexible regime to address B-BBEE within the realities of the sector.

As a consequence, the Minister directed ITAC that to participate under the APDP2, component and tooling manufacturers (excluding material suppliers) will need to attain a minimum B-BBEE level 6 by 01 January 2024 and level 4 by 01 January 2025, as set out in Codes of Good Practice ("Codes") issued under the B-BBEE Act No 53 of 2003 as Amended by Act No 46 of 2013. Alternatively, components and tooling manufacturers can participate through a contribution to a Transformation Fund managed by the Automotive Industry Transformation Fund ("AITF"), provided that the participating firm has a minimum B-BBEE level 8 according to the B-BBEE Codes by 2024 and level 6 by 2025. The participants will be required to provide support equal to 2.72% of annual turnover, contributed over a ten-year period, in the following combination – a 32% cash portion contributed to a fund determined by **the dtic** and 68% procurement spend in qualifying black owned suppliers. Participation in this fund will not impact the firm's generic scorecard, but rather serve as a qualification for the APDP2 related measures. More details are provided in the relevant Information Documents.

ITAC is requested to conduct a review of these requirements every two years, which review will also consider the appropriate minimum B-BBEE levels to be applicable under the APDP2. The relevant Draft APDP2 Information Documents have been published on the ITAC website to invite comments on the amendments, which will be implemented from 01 January 2024 subject to potential future revision.

PUBLICATION PERIOD:

Written representations must be submitted within **two (2) weeks** of the date of this Notice.