

DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION

NOTICE 841 OF 2022

INTERNATIONAL TRADE ADMINISTRATION COMMISSION

CUSTOMS TARIFF APPLICATIONSLIST 03/2022

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.

REQUEST FOR ADDITIONAL COMMENT RE: MINISTERIAL DIRECTIVE TO REVIEW REBATE ITEMS 311.18/63.09/01.04 AND 460.11/00.00/01.00 TO THE CUSTOMS AND EXCISE ACT, NO.91 of 1964.

Notice 625 of 2021 (list 13/2018) of Government Gazette No. 45352 was published on 22 October 2021, soliciting comments from interested parties regarding a directive to review rebate items 311.18/63.09/01.04 and 460.11/00.00/01.00 to the Customs and Excise Act, No.91 of 1964.

In terms of a review, it should be noted that the Commission may decide to, amongst others, consider withdrawing rebate provisions immediately or follow a phased approach over a period of time, based on information at the Commission's disposal. Following the preliminary evaluation of the information at the Commission's disposal, the Commission is considering withdrawing the rebate items concerned and request comments on this and an appropriate withdrawal period. The relevant rebate items are as set out below:

Rebate item 311.18/63.09/01.04 reads as follows:

"Worn clothing and other worn articles of textile materials containing 35 per cent or more by mass of cotton fibres (excluding brassieres, girdles, corsets, braces, suspenders, garters, jackets, blazers, jerseys, pullovers, cardigans, overcoats, car-coats, raincoats, anoraks, ski-jackets, duffle-coats, mantles, parkas, swimwear, socks and similar clothing articles) at such times, in such quantities and subject to such conditions as the International Trade Administration Commission may allow by specific permit for the manufacture of wiping rags and cleaning cloths"

Rebate item 460.11/00.00/01.00 reads as follows:

"Used overcoats, car-coats, raincoats, anoraks, ski-jackets, duffle-coats, mantles, three-quarter coats, greatcoats, hooded caps, trench coats, gabardines, padded waistcoats and parkas (excluding any other clothing articles) classifiable in tariff headings 61.01, 61.02, 62.01, 62.02 and 6309.00.13, in such quantities, at such times and subject to such conditions as the International Trade Administration Commission may allow by specific permit"

ENTITY:

The Department of Trade, Industry and Competition (The dtic)

Private Bag X84,

Pretoria,

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THE REASONS PROVIDED FOR THE REVIEW AND WITHDRAWAL AND/OR PHASE-OUT OF REBATE ITEMS ARE AS FOLLOWS:

- a) *The Ministerial Directive follows concerns which were raised by the Intergovernmental Illicit Economy Trade Task Team about the potential abuse and/or misuse of the aforementioned rebate items, their contribution to illicit trade and the detrimental and negative effect this may have on the domestic clothing and textile industry.*
- b) *It was further considered that the subject rebate items have not recently been reviewed.*
- c) *Rebate items have been abused and mis-used through mis-declaration, under-invoicing or smuggling to allow second hand clothing or even new clothing to be imported under these rebate items.*

PUBLICATION PERIOD

Representation should be submitted to the aforementioned ITAC officials within two (2) weeks of the date of this notice. [NOTE: Representations/comments must be provided in the format of a questionnaire obtainable on ITAC's website at www.itac.org.za by following the links: 'Services – Tariff investigations – Government Gazette Notices – Other publication notices.']