



Latest News

INTENTION TO REGISTER KAROO LAM/KAROO LAMB AS A SOUTH AFRICAN GEOGRAPHICAL INDICATION (Comment invited by 1 September 2019)

The Executive Officer: Agricultural Product Standards intends to register the terms "Karoo Lam" (Afrikaans) and "Karoo Lamb" (English) as a South African Geographical Indication (GI) in terms of the Regulations relating to the protection of Geographical Indications used on agricultural products intended for sale in the Republic of South Africa.

The Regulations were published as REGULATIONS RELATING TO THE PROTECTION OF GEOGRAPHICAL INDICATIONS USED ON AGRICULTURAL PRODUCTS INTENDED FOR SALE IN THE REPUBLIC OF SOUTH AFRICA in *Government Gazette* No. 42324 under Notice No. 447 of 22 March 2019.

The Notice was published under section 15 of the Agricultural Product Standards Act, 1990 (Act No. 119 of 1990) and the Regulations come into operation on 22 September 2019.

Notice No. 1016 of 2 August 2019 was published in *Government Gazette* No. 42608.

More information regarding the proposed Geographical indication is available on the website of the South African Department of Agriculture, Fisheries and Forestry (DAFF) at www.daff.gov.za under Branches/Agricultural Production Health and Safety/Food Safety and Quality Assurance/Geographical Indications.

Customs Tariff Applications and Outstanding Tariff Amendments

The International Trade Administration Commission (ITAC) is responsible for tariff investigations, amendments, and trade remedies in South Africa and on behalf of SACU.

Tariff investigations include: Increases in the customs duty rates in Schedule No. 1 Part 1 of Jacobsens. These applications apply to all the SACU Countries, and, if amended, thus have the potential to affect the import duty rates in Botswana, Lesotho, Namibia, Swaziland and South Africa.

Reductions in the customs duty rates in Schedule No. 1 Part 1. These applications apply to all the SACU Countries, and, if amended, thus have the potential to affect the import duty rates in Botswana, Lesotho, Namibia, Swaziland and South Africa.

Rebates of duty on products, available in the Southern African Customs Union (SACU), for use in the manufacture of goods, as published in Schedule No. 3 Part 1, and in Schedule No. 4 of Jacobsens. Schedule No. 3 Part 1 and Schedule No. 4, are identical in all the SACU Countries.

Rebates of duty on inputs used in the manufacture of goods for export, as published in Schedule No. 3 Part 2 and in item 470.00. These provisions apply to all the SACU Countries.

Refunds of duties and drawbacks of duties as provided for in Schedule No. 5. These provisions are identical in all the SACU Countries.

Trade remedies include: Anti-dumping duties (in Schedule No. 2 Part 1 of Jacobsens), countervailing duties to counteract subsidisation in foreign countries (in Schedule No. 2 Part 2), and safeguard duties (Schedule No. 2 Part 3), which are imposed as measures when a surge of imports is threatening to overwhelm a domestic producer, in accordance with domestic law and regulations and consistent with WTO rules.

To remedy such unfair pricing, ITAC may, at times, recommend the imposition of substantial duties on imports or duties that are equivalent to the dumping margin (or to the margin of injury, if this margin is lower).

Countervailing investigations are conducted to determine whether to impose countervailing duties to protect a domestic industry against the unfair trade practice of proven subsidised imports from foreign competitors that cause material injury to a domestic producer.

Safeguard measures, can be introduced to protect a domestic industry against unforeseen and overwhelming foreign competition and not necessarily against unfair trade, like the previous two instruments.

Dumping is defined as a situation where imported goods are being sold at prices lower than in the country of origin, and also causing financial injury to domestic producers of such goods. In other words, there should be a demonstrated causal link between the dumping and the injury experienced.

The International Trade Commission of South Africa (ITAC) also publishes Sunset Review Applications in relation to anti-dumping duty in terms of which any definitive anti-dumping duty will be terminated on a date not later than five years from the date of imposition, unless the International Trade Administration Commission determines, in a review initiated before that date on its own initiative or upon a duly substantiated request made by or on behalf of the domestic industry, that the expiry of the duty would likely lead to continuation or recurrence of dumping and material injury.

The latest application (List 05/2019) was published under Notice No. 392 of 2019 which was published in *Government Gazette* No. 42593 of 26 July 2019.

The International Trade Administration Commission of South Africa (ITAC) published two applications to amend the Common External Tariff (CET) of the Southern African Customs Union (SACU).

The first application is made for the reduction in the general rate of duty on cooker hoods having a maximum horizontal slide not exceeding 120 cm, domestic type, classifiable under tariff subheading 8414.60.20 from 15% to free.

Enquiries should be directed to Mr Tsepiso Scjamoholo or Ms Ndivhuzanny Mokou at tsejamoholo@itac.org.za or at mmokou@itac.org.za. The second application relates to the creation of a rebate facility on optic fibre cables classifiable in tariff subheading 8544.70, for use in international submarine optic fibre cable infrastructure.

Enquiries should be directed to Mr Pfarelo Phaswana or Mr Pardon Hadzhi at pphaswana@itac.org.za or phadzhi@itac.org.za.

Comments are due by 23 August 2019.

Customs Tariff Amendments

With the exception of certain parts of Schedule No. 1, such as Schedule No. 1 Part 2 (excise duties), Schedule No. 1 Part 3 (environmental levies), Schedule No. 1 Part 5 (fuel and road accident fund levies), the other parts of the tariff are amended by SARS based on recommendations made by ITAC resulting from the investigations relating to Customs Tariff Applications received by them. The ITAC then investigates and makes recommendations to the Minister of Trade and Industry, who requests the Minister of Finance to amend the Tariff in line with the ITAC's recommendations. SARS is responsible for drafting the notices to amend the tariff, as well as for arranging for the publication of the notices in Government Gazettes.

Parts of the South African Tariff are not amended resulting from ITAC recommendations.

These parts (for example Parts of Schedule No 1 other than Part 1 of Schedule No. 1), must be amended through proposals that are tabled by the Minister of Finance, or when the Minister deems it expedient in the public interest to do so.

Once a year, big tariff amendments are published by SARS, which is in line with the commitments of South Africa and SACU under international trade agreements.

Under these amendments, which are either published in November or early in December, the import duties on goods are reduced under South Africa's international trade commitments under existing trade agreements.

The rate of duty on tinplate classifiable under HS tariff subheadings 7210.11, 7210.12.10, 7210.10.90 and 7212.10 have been increased as recommended in ITAC Report No. 606.

The amendment was published on 16 August 2019 under Notices R. 1075 in *Government Gazette* No. 42640.

Customs Rule Amendments

The Customs and Excise Act is amended by the Minister of Finance. Certain provisions of the Act are supported by Customs and Excise Rules, which are prescribed by the Commission of SARS. These provisions are numbered in accordance with the sections of the Act. The rules are more user-friendly than the Act, and help to define provisions which would otherwise be unclear and difficult to interpret.

Forms are also prescribed by rule, and are published in the Schedule to the Rules.

There were no amendments to the rules to the Customs and Excise Act at the time of publication.

The latest amendment to the Rules was published in *Government Gazette* No. 42621 of 8 August under Notice No. R. 1042. Under this amendment form DA 1 in respect of the inward/outward movement of ships was amended.

The reference number for that amendment was DAR/186.

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