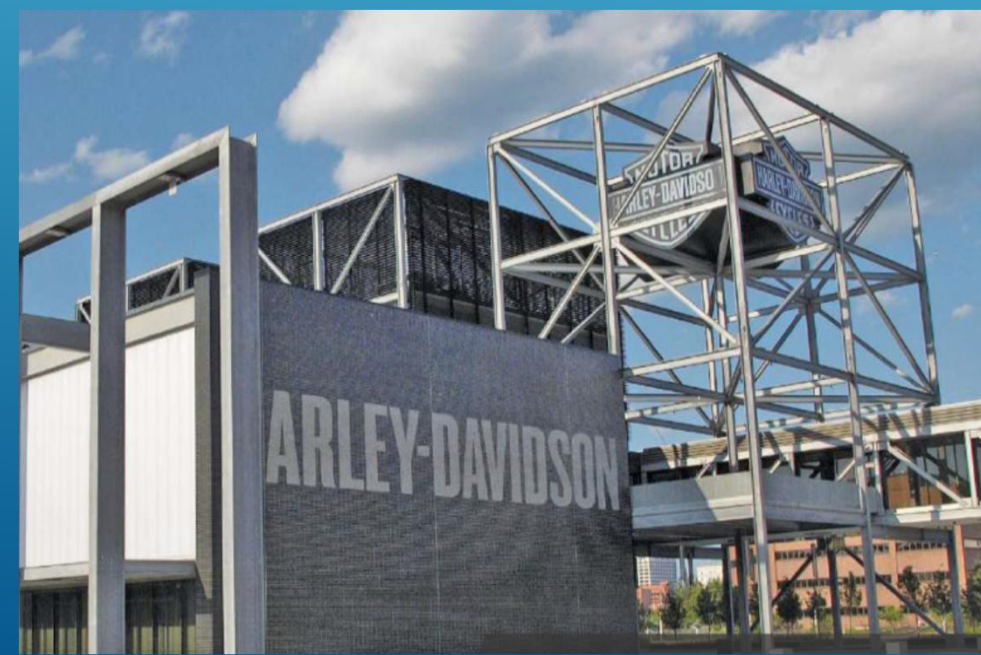




# International Zinc Association

*Zinc...essential for modern life*



**Submission by:**  
**The International Zinc Association**  
**( Africa Desk – Cape Town SA )**  
**To the Standing Committee on Finance**  
**of the National Assembly**

**Export tariff on Scrap Metal in the**  
**2020 Draft Taxation Laws Amendment Bill**

**Compiled by:**  
**S V Norton – IZA Africa Desk**  
**October 2020**

The **International Zinc Association** promotes and supports the sustainable use of **ZINC** in a wide range of applications including:

- ✓ Hot dip galvanizing of steel items
- ✓ Continuous sheet galvanizing of steel sheet
- ✓ Zinc in medicine and cosmetics
- ✓ Zinc in tyre manufacture
- ✓ Zinc in die casting of high added value components
- ✓ Zinc in health supplements & lozenges
- ✓ Zinc in fertilizer for grains and crops
  
- ✓ **ZINC** is incorporated into various **NON FERROUS METAL ALLOYS** including Brass and Phosphor Bronze and zinc die casting alloys
  
- ✓ In the Hot Dip Galvanizing of steel there are created **TWO** byproducts named **ASH** and **DROSS** which are **RICH** in Zinc and needed for downstream secondary Zinc industries in South Africa

**NON FERROUS METAL SCRAP can include:**

**Copper & copper alloys**

**Aluminium & Aluminium alloys**

**Zinc & zinc alloys**

**Lead from used batteries**

**Tungsten & tungsten alloys**

**Titanium & Titanium alloys**

# ZINC: THE HEALTHY METAL

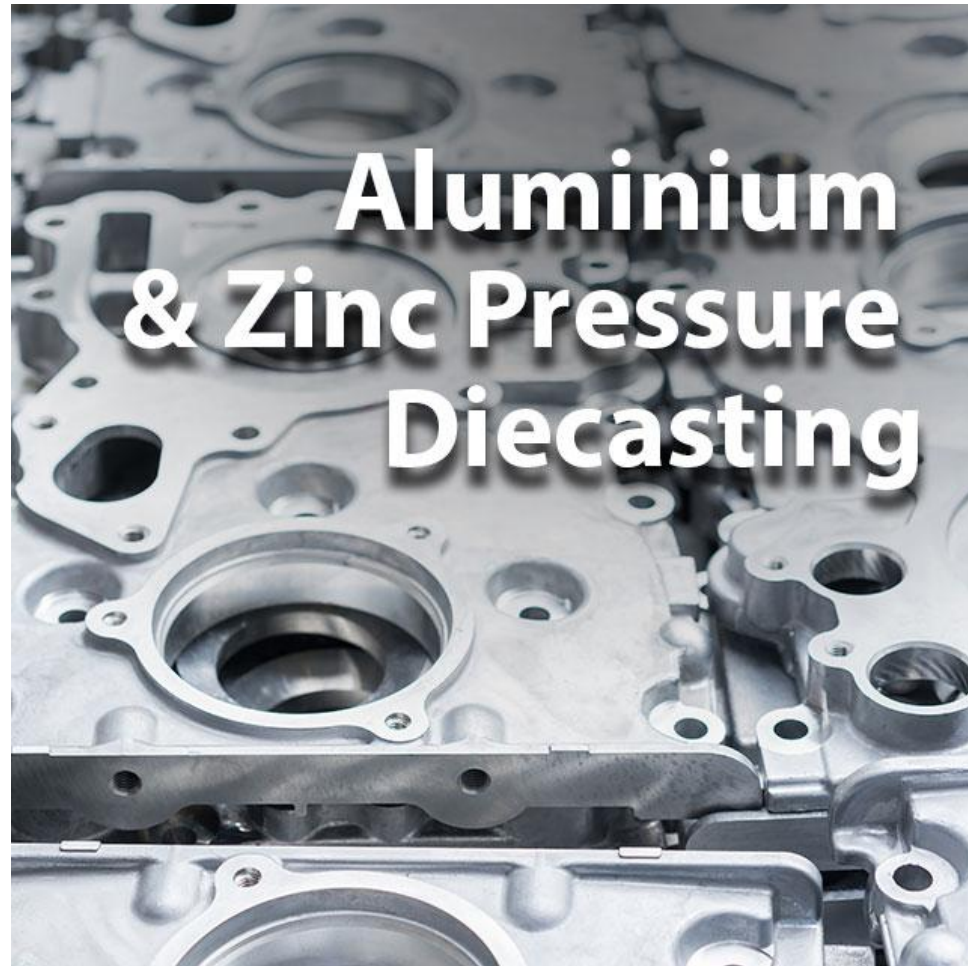


24<sup>th</sup> most abundant  
element in Earth's crust

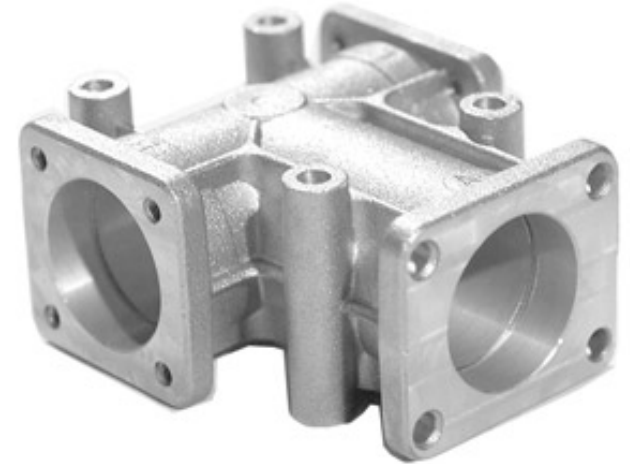


Naturally found in air, water, and soil  
5.8 million tons of zinc are cycled  
through the environment annually





# Aluminium & Zinc Pressure Diecasting



**BENEFITS OF RECYCLING  
IN THE DIE CASTING  
INDUSTRY**

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**Tungsten** is one of the most unique and rare of the base metals. **Classified as a strategic metal**, it has the highest melting point of all the elements, and is incredibly hard in its purest form. It's also finite, which means tungsten recycling is imperative to preserving the limited natural supply. Its unique qualities and scarcity directly contribute to high tungsten scrap price. However, value greatly depends on the grade, form and quality of the tungsten scrap.

Export Duty	Heading /	Article Description	Statistical	Rate of Export Duty				
Item no.	Subheading		Unit	General	EU	EFTA	SADC	MERCOSUR
<b>193.00</b>	<b>EXPORT DUTY ON SCRAP METAL</b>							
<b>193.00</b>	<b>72.04</b>	<b>Ferrous waste and scrap; remelting scrap ingots of iron or steel:</b>						
193.01	7204.10	Waste and scrap of cast iron	t	R1000/t	R500/t	free	free	R1000/t
<b>193.02</b>	<b>7204.2</b>	<b>Waste and scrap of alloy steel:</b>						
193.02.01	7204.21	Of stainless steel	t	R1000/t	R500/t	free	free	R1000/t
193.02.03	7204.29	Other	t	R1000/t	R500/t	free	free	R1000/t
193.02.05	7204.30	Waste and scrap of tinned iron or steel	t	R1000/t	R500/t	free	free	R1000/t
<b>193.03</b>	<b>7204.4</b>	<b>Other waste and scrap:</b>						
193.03.01	7204.41	Turnings, shavings, chips, milling waste, sawdust, filings, trimmings and stampings, whether or not in bundles	t	R1000/t	R500/t	free	free	R1000/t
193.03.03	7204.49	Other	t	R1000/t	R500/t	free	free	R1000/t
193.03.05	7204.50	Remelting scrap ingots	t	R1000/t	free	free	free	R1000/t
<b>193.04</b>	<b>7404.00</b>	<b>Copper waste and scrap</b>	<b>t</b>	<b>R8 426/t</b>	<b>R8 426/t</b>	<b>free</b>	<b>free</b>	<b>R8 426/t</b>
<b>193.05</b>	<b>7602.00</b>	<b>Aluminium waste and scrap</b>	<b>t</b>	<b>R3 000/t</b>	<b>R2 000/t</b>	<b>free</b>	<b>free</b>	<b>R3 000/t</b>



## We propose with respect to the Table shown above

1. That **the following additional categories** be introduced under 193.03 – **Add words “ Non Ferrous Metals”** on the DUTY TABLE in Part 6 as shown on Page 43 of the 2020 Draft Tax Laws Amendment Bill

### A. Under 193.03.01

Add the types “ Galvanizing dross & galvanizing ash “

### B. After Export duty item no 193.05 to add the following additional categories

Zinc and Zinc alloy waste and scrap

Titanium and Titanium alloy waste and scrap

Lead scrap including lead from used batteries

Tungsten and Tungsten alloy waste and scrap

2. That **the Export tariff on items added under 1B above be set at R 3000 /kg** for the Rate of Export Duty categories “ General, EU and Mercosur “

3. Insert a clause “That the **National Treasury and ITAC review the Export Tariff rate at least twice per annum** so so as to keep track of international trends in Non Ferrous Metal prices and adjust the Export Tariffs accordingly after consulting with SEIFSA, the Non Ferrous Metals Industry Association and interested industry participants”



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