

**NATIONAL ASSEMBLY**  
**QUESTION FOR WRITTEN REPLY**  
**QUESTION NUMBER PQ3089 (NW3613E)**  
**DUE TO PARLIAMENT: 28 OCTOBER 2011**

**3089. Mr G G Hill-Lewis (DA) to ask the Minister of Finance:**

1. Why does the SA Revenue Services (SARS) require exporters to state (a) full ingredients lists, (b) proportions of ingredients and (c) details of the manufacturing processes of products exported to the European Union prior to shipping?
2. Whether the required specifications for exports to the EU are compliant with the protection of intellectual property rights of South African goods; if not, what action plans are being considered to rectify the problem; if so, how was this conclusion reached? NW3613E

**REPLY:**

1. The agreement on trade, development and cooperation (TDCA) between the European Union (EU) and South Africa provides, *inter alia*, detailed rules of origin in order to ensure that products benefiting from the preferential arrangements come only from South Africa or the EU.

In order to determine whether the correct the correct duty has been paid in respect of all imports and that the correct tariff heading has been declared in respect of all exports, importers and exporters are required as a matter of course to provide, *inter alia*, ingredients lists and proportions of those ingredients and details of the manufacturing processes. This is in line with international agreements and rules of origin including those set by the World Customs Organisation (WCO) which is the international governing body for customs rules. It is also in line with Section 49 of the Customs and Excise Act no. 91 of 1964 which provides the legislative arrangements for agreements in respect of preferential rates of duty. The provisions of Section 39 of the Act specify what documents importers and exporter are required to produce to SARS Customs when making an import or export declaration.

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2. Any information acquired by SARS Customs officials in the performance of their duties are subject to strict confidentiality and secrecy provisions in terms of Section 4 of the Customs Act and may not be disclosed. In addition, with specific reference to the SA-EU Trade Agreement, Article 10 of Protocol 2 of this agreement specifies the confidentiality clauses applicable to any information communicated pursuant to the Protocols, including the protection extended under the relevant laws of the Contracting Party that received it. As such, any information provided does not pose a threat to intellectual property rights.
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