

GUIDELINES, RULES AND CONDITIONS PERTAINING TO REBATE ITEMS 311.40/5513.21/01.06 FOR REBATE OF THE DUTY ON WOVEN FABRICS OF POLYESTER STAPLE FIBRES, CONTAINING 60 PER CENT OR MORE BY MASS OF SUCH FIBRES BUT NOT EXCEEDING 70 PER CENT, MIXED MAINLY OR SOLELY WITH COTTON, CONTAINING YARNS WITH A DTEX OF 115 BUT NOT EXCEEDING 145, OF A MASS EXCEEDING 100 G/M² BUT NOT EXCEEDING 119 G/M², DYED, PLAIN WEAVE, CLASSIFIABLE IN TARIFF SUBHEADING 5513.21 IN SUCH QUANTITIES, AT SUCH TIMES AND SUBJECT TO SUCH CONDITIONS AS THE BOTSWANA TRADE COMMISSION MAY ALLOW BY SPECIFIC PERMIT FOR THE MANUFACTURE OF SCHOOL SHIRTS CLASSIFIABLE IN TARIFF HEADINGS 62.05 AND 62.06

1. Purpose

- 1.1 This document serves to provide guidelines, rules and conditions applicable to the permits issued under rebate items 311.40/5513.21/01.06.

2. Rebate Provision

- 2.1 Rebate item 311.40/65513.21/01.06 (Schedule No. 3) of Textiles and Textile Articles of Customs Duty provides for the rebate on customs duty of woven fabrics of polyester staple fibres, containing 60 per cent or more by mass of such fibres but not exceeding 70 per cent, mixed mainly or solely with cotton, containing yarns with a dtex of 115 but not exceeding 145, of a mass exceeding 100 g/m² but not exceeding 119 g/m², dyed, plain weave specified in the permit for use in the manufacture of **school shirts**; subject to a permit being issued by the Botswana Trade Commission on behalf of Ministry of Trade and Industry.

3. WHO QUALIFIES?

- 3.1 Only manufacturers qualify to apply.

4. Application procedures

- 4.1 Applicants must acquaint themselves with the provisions of the Customs Act No. 33 of 2018, the Botswana Trade Commission Act, 2013 (BOTC Act) and other legislation relating to the importation of goods into the Republic of Botswana.
- 4.2 A qualified participant in the scheme, as per paragraph 3.1, must first register with Botswana Unified Revenue Services (BURS). The applicant should contact BURS for details on procedures and requirements to register as a user of rebate item 311.40/5513.21/01.06. Once registered the applicant can submit

the completed application to the Botswana Trade Commission (BOTC) (Annexure A).

- 4.3 The applicant must obtain the 311.40/5513.21/01.06 application form from BOTC's website www.botc.org.bw and shall provide BOTC with the required information as per the relevant application form (**Annexure A**). Should the space provided in the application form not be sufficient, applicants may use the format of the application form as a guide to submit the required information. The following documents are requirements for processing Rebate 311.40/5513.21/01.06:

1. BURS registration certificate (proof that importer is registered with BURS);
2. List of raw materials registered by BURS under Rebate 311.40/5513.21/01.06;
3. Reconciliation form (indicating goods imported in the past 12 months);
4. Copy of previous permit (for the second application and onwards);
5. Copy of Tax Clearance Certificate and VAT Certificate; and
6. Manufacturing licence;

- 4.4 These Guidelines must be read and understood before completing the application form. Completed original applications for the permit should be addressed to:

Chief Executive Officer
Botswana Trade Commission
Private Bag 3AAD
Poso House
Gaborone

Or hand delivered to:

Plot 55745
Block 8
Botswana Bureau of Standards

Or emailed to: info@botc.org.bw

- 4.5 Should an application be found to be insufficient, it will not be processed further, and the applicant will be informed accordingly. An application will be regarded as insufficient if the following is found:

- i) The application is not submitted in the correct format;
- ii) The application has not complied with the guidelines, rules and conditions as set out in this document;
- iii) The requisite information is not submitted; and
- iv) The application contains conflicting or incorrect information.

- 4.6 The applicant who submits deficient application must re-submit duly completed application form to replace the deficient application form, should he/she wish to proceed.

- 4.7 An application must be made well in advance of the shipment of the goods, as rebate permit will not be issued retrospectively. The applicant should allow an issuance period of fourteen (14) working days from date BOTC received a properly documented and duly complete application.
- 4.8 If an applicant intends to apply for a subsequent permit for which the period of validity should commence on the day after the expiry date of the previous permit issued, this must be clearly indicated in a new application. The application must be submitted to BOTC at least fourteen (14) working days prior to the expiry date of the previous permit as permits cannot be issued retrospectively.
- 4.9 Each rebate permit issued defines the period during which the goods concerned can be cleared under the rebate, and the period shall be for twelve (12) months starting from the date on which the permit was issued, or as decided upon by the issuer.
- 4.10 Should the application be rejected, the applicant will be informed in writing of the decision and the reasons thereof to enable them to seek appropriate recourse.
- 4.11 Extension of the validity period as provided for in paragraph 4.9 may only be granted where the relevant permit has not expired, and in BOTC's view, good cause warrants extension of such permit. Such discretion shall lie solely with BOTC. Extensions will only be permitted for a period up to 3 months and the party applying for the extension must submit a letter and supporting documents to BOTC, furnishing reasons and good cause for the extension.

5. Applicable conditions

- 5.1 There should be an intention by the applicant(s) to manufacture school shirts as described in the rebate provision to such an extent that there is a visible permanent change in the fabrics, and a change in tariff heading, as such, the rebate provision is exclusively applicable to manufacturers of school shirts with in-house Cut, Make, Trim (CMT) operators.
- 5.2 BOTC may satisfy itself as to whether the information supplied by the applicant is accurate by conducting verifications at such time and place as it deems necessary, including verification visits prior to issuance of a rebate permit, i.e., physical inspection of equipment and manufacturing process, at the premises of the applicant.
- 5.3 BOTC reserves the right to conduct an audit on the usage (meters/kg of fabric imported under rebate against units of school shirts produced) of the rebate facility by rebate holders.
- 5.4 The applicant must submit a letter of consent agreeing to transparency of information in that the following information may be shared with industry stakeholders:

- a) Name of applicant;
- b) Contact details of applicant;
- c) Technical description of fabric (i.e. weave type, width, weight, thread count, yarn density and finish);
- d) Volume applied for; and
- e) Units of school shirts to be manufactured from imported subject fabric.

5.5 The purpose of this rebate provision is to provide relief to domestic manufacturers in instances of temporary supply constraints i.e. inputs to the production processes are in short supply within SACU and/or input costs are high due to tariffs/duties.

5.6 The applicant must commit, inter alia, to improve productivity and creation of employment and provide in each permit application the number of jobs it expects to create annually as a result of the rebate provision. The applicant must submit to BOTC an annual report on its economic performance.

5.7 The applicant is required to keep verifiable records of school shirts manufactured under the rebate and sold by type, size and volume of each category.

5.8 The applicant must comply with labour laws, regulations and agreements gazetted by the Minister responsible for Labour and Home Affairs;

5.9 The applicant must submit a BURS letter of approval for registration as rebate user in terms of the provision under the rebate item 311.40/5513.21/01.06.

5.10 The applicant should be registered with Companies and Intellectual Property Authority (CIPA) Companies Act Chapter 42:01.

5.11 A fee of P300.00 is required for the issuance of the rebate permit.

5.12 Any request for an amendment to a rebate permit must be forwarded to BOTC for consideration. Amendments will only be considered in the following instances:

- i) Error by BOTC on permit.
- ii) Error by applicant regarding the product description or tariff subheading. This will only be processed if the request is accompanied by a confirmation from BURS in this regard.

Note: No amendments will be effected in instances where the applicant was responsible for the submission of incorrect information. In such instances a new application will be required.

5.13 Should any party misplace a permit, the applicant should submit an affidavit on a company letterhead endorsed by a Commissioner of Oath, stating that the permit was lost and the circumstances surrounding loss of such permit. BOTC may, on the facts furnished, exercise its discretion to issue a new permit that

replaces the lost permit. Should the lost permit be found, the applicant must return such permit to BOTC.

- 5.14 Rebate permits may not be transferred in any manner by the holder thereof, to any other person, or be used to the benefit of any person, not named in the permits.

6. Non-compliance to the conditions of permits

- 6.1 Where there is non-compliance, appropriate action will be taken against the relevant party in terms of the Customs Act No. 33 of 2018 and/or BOTC Act. This action may include (without limitation) criminal charge, withdrawal of the permit/s concerned, and it may affect future applications for permits.
- 6.2 Should it be found that any condition of this permit is not complied with, BURS can seize the consignment in terms of which the rebate permit was used. Also, if the goods imported in terms of the rebate permit are used for any purpose, other than that specified in the rebate provision and in the permit, the applicable customs duty and penalties will be imposed by BURS.

APPLICATION FORM FOR A PERMIT IN TERMS OF REBATE ITEM 311.40/5513.21/01.06 FOR THE MANUFACTURE OF SCHOOL SHIRTS CLASSIFIABLE IN TARIFF HEADINGS 62.05 AND 62.06

NOTE: BEFORE COMPLETING THIS FORM, PLEASE ACQUIANT YOURSELF WITH THE GUIDELINES AND CONDITIONS PERTAINING TO REBATE ITEM 311.40/5513.21/01.06

NB: ALL INFORMATION REQUESTED SHOULD BE FURNISHED

1 (a). Applicant's name and postal address: Contact Person: Position: Address: Tel No.: Fax No: Date completed: Email address: Company registration No: VAT Registration No: BURS Importer Registration No:	1(b). Physical address where manufacturing will take place:
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2 (a). Technical description of the FABRICS that will be IMPORTED:

1.
2.
3.

2 (b). Furnish the following information in respect of each of the FABRICS mentioned in 2(a)

Product	1 HS Tariff code (8- digits)	2 Duty payable	3 Estimated quantity	4 Customs (f.o.b) Value	5 Country of origin	6 Planned date of importation
1.						
2.						
3.						

3 (a). Description of the products that will be manufactured from the fabrics described in 2(a)

1
 2
 3

3 (b) Furnish the following information in respect of each of the products mentioned in 3(a):

Product	1 HS Tariff code 8- digits	2 Quantity of school shirts to be processed	3 Estimated sales value (ex-factory)
1. 2. 3.			

4. Provide the conversion ratio from fabric to end product in terms of 1 employee per amount of units of school shirts manufactured:

1. Unit of measurement HS Tariff Code	
2. Unit of measure as per your application	
3. Conversion factor item 1 and 2 to produce one item	

5. Furnish the following information in respect of the Yield/formula of manufacture:

a) What quantities of each of the fabrics listed in 2(a) will be needed to produce a UNIT quantity of the product listed in 3(a)?

6. Describe the method of manufacturing of products mentioned in 3(a)

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7. Please indicate the value of your total sales in the Southern African Customs Union (SACU) as well as exports for the past three years in respect of the products mentioned in 3(a):

Year	Imported fabric (in meters and kg)	School shirts manufactured (units)	HS Tariff code (8 – digits)	Total Sales (in SACU)	Total export sales

8. (a) Are the goods/materials/components to be imported (as mentioned in 2(a) manufactured locally?

YES	NO
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8. (b) Why do you have to import the goods/materials/components? (This information is for record purposes only) *(Please submit letters from the local manufacturers as proof of efforts made to obtain the fabrics locally).*

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9. Provide information pertaining to the number of jobs the firm will create annually as a result of the rebate. *(Please submit with the application a letter signed by the Chief Executive Officer to provide an annual report on job creation performance)*
10. State the increased economic benefits that can be realised subsequent to being granted tariff relief, by completing the table below:

Reciprocity commitments

No. Items	Should the support be given		
	Year 1	Year 2	Year 3
1. Expected total production volume (KG/li/unit)			
2. Expected ex-factory selling price/per (KG/li/unit)			
3. Expected total investment (Pm)			
Plant & Machinery			
Buildings			
4. Supply side measure (Pm)			
Research and development			
Skills development and training			
Upgrading machinery & equipment			
Other (list)			
5. Expected total export			
Volume (KG/li/unit)			
Value (P)			
6. Expected total employment			
Skilled			
• Youth (18-35)			

Semiskilled - Youth (18-35) Unskilled - Youth (18-35) Total direct factory workers - Youth (18-35)			
7. Total expected wage (P)			
Skilled - Youth (18-35) Semiskilled - Youth (18-35) Unskilled - Youth (18-35) Total direct factory workers - Youth (18-35)			

11. Give an assessment (consumer benefit or downstream benefit to a specific industry) of how your cost and price structure would be affected should the permit application succeed. To what extent will your firm's selling price for the product be influenced should the permit application be successful?
12. How do you support or plan to support the participation in manufacturing and related activities by small businesses, citizen-owned enterprises and Common Customs Area supply chains?
13. Submit with the application a letter signed by the Chief Executive Officer to provide an annual report on reciprocity commitments made in paragraph 10.
14. Name of Chief Executive Officer:

Tel No:Fax No:

SWORN AFFIDAVIT

DECLARATION IN RESPECT OF AN APPLICATION FOR A PERMIT IN TERMS OF REBATE PROVISIONS 311.40/5513.21/01.06 OF SCHEDULE 3 TO THE CUSTOMS ACT, NO. 33 OF 2018.

NB: The obligation to complete and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the claimant

**I, (full names) with identity number, in my capacity as – Managing Director/Chief Executive Officer (in respect of a company) or senior member/ person with management responsibility (close corporation, partnership or individual)
(Delete whichever is not applicable)**

of

(Hereinafter referred to as the applicant) hereby declare that

- a) the applicant complies with prescribed requirements in order to qualify for rebate in terms of the above-mentioned rebate provision;
- b) I have satisfied myself that the preparation of the application has been done in conformity with the guidelines and requirements in respect of the above-mentioned rebate provision, with which I have fully acquainted myself and to which I unconditionally agree to;
- c) I accept that the decision by the Chief Executive Officer: Botswana Trade Commission will be final and conclusive and that the said Chief Executive Officer may at any time conduct or order that an investigation to verify information furnished in the application form, be conducted;
- d) The information furnished in this application is true and correct;
- e) The applicant, or any one of its associates, or related party is not subject of an investigation by either the Botswana Police, the Directorate on Corruption and Economic Crime, Botswana Trade Commission, or the Commissioner General for Botswana Unified Revenue Service (BURS) into previous claims or other related matters.

NAME: DESIGNATION:

SIGNATURE: DATE AND YEAR:

**I CERTIFY THAT THE DEPONENT HAS ACKNOWLEDGED THAT HE KNOWS
AND UNDERSTANDS THE CONTENTS OF THIS AFFIDAVIT, AND THAT HE
HAS NO OBJECTION TO TAKING THE PRESCRIBED OATH, AND THAT HE
CONSIDERS THIS OATH TO BE BINDING ON HIS CONSCIENCE.**

**SIGNED and SWORN to before me at on
this Day of Year.....**

COMMISSIONER OF OATHS

FULL NAMES:

CAPACITY:

Check List

Please note: Before the Rebate item **311.40/5513.21/01.06**, application form is submitted to BOTC, the applicant is required to complete the check list which is shown in Table 1 below:

Table 1: Check List

Documents and information to be submitted	Mark with an X
Company Registration Certificate	
Industrial Licence	
Proof or e-services registration with BURS Code	
TIN Number	
Tax Clearance Certificate	
Copy of previous permit (if applicable)	
BOTC application form	
BURS letter of approval for registration as rebate user in terms of the provision under the rebate	
Applicant identification document (Omang, Passport)	
Signed affidavit	