

Local vehicle exporters welcome tariff move

By [Alexander Parker](#)

12 Nov 2012

Vehicle exporters have welcomed Transnet National Ports Authority's (TNPA's) recent tariff application. The application allows for tariff increases of inflation plus 3% for three years from 2014.



In terms of the proposed schedule, export tariffs would be lower than import tariffs, shipping lines would pay slightly higher tariffs and container dues for imports and exports would be reduced.

Vehicle manufacturer executives in South Africa have long flagged logistical inefficiencies and costs among the great challenges faced by the industry.

BMW spokesman Guy Kilfoil described the proposed reduced port tariffs for vehicles as "great news" for the industry. BMW exports the 3-Series from its Rosslyn plant to markets in the US, China and Japan.

"We're based at the bottom end of the southern hemisphere and there is a competitive disadvantage to our location," he said.

Kilfoil said it was "good to see" that stakeholders were getting together and that all parties have a good understanding of the disadvantage of our location.

"Plants in South Africa increasingly compete with plants in Asia and we need every competitive advantage we can get," Kilfoil said.

Mercedes-Benz South Africa's manufacturing chief, Arno van der Merwe, agreed. "Along with other industry partners, we have been calling on government to review port tariffs and cargo duties.

"We are heartened that our entreaties are starting to be addressed and that Transnet is engaging in fact-finding and benchmarking exercises," he wrote in a response.

The Transnet proposal to reduce cargo duty would assist the automotive industry in cutting inbound and outbound logistics costs, he said.

Toyota South Africa's spokesman Leo Kok said the company would "keep a close eye on this development and is delighted with any initiative that supports our goal of becoming more cost-competitive".

General Motors' Denise van Huyssteen said the company was "still studying the document".

Source: *Business Day* via I-Net Bridge

For more, visit: <https://www.bizcommunity.com>