

27 May 2024

Elias Monage  
SEIFSA President  
42 Anderson Street  
Marshalltown  
Johannesburg

## RE: Removal of Export Tax on Scrap Metal

Dear Elias

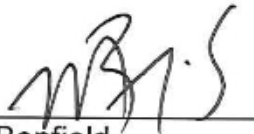
I am in principle, in support of your letter to National Treasury requesting that the Export Tax on Scrap Metal be removed.

Trade policy and the mechanisms used to affect it must not favour one player in the sector over another. The PPS and Export Tax does that. The implications of a lower scrap price are negative to many players in the sector. The Mini Mills need to be efficient and competitive but not at the expense of the integrated Steel Producers like AMSA or downstream steel users that generate scrap.

An international free market mechanism remains the best mechanism to provide the balance between the two different inputs (scrap vs iron ore) to ensure a fair play ground is achieved.

In due course the PPS system should also be removed on the same basis.

Yours sincerely



Mike Benfield  
GROUP CEO  
Macsteel Service Centres SA (Pty) Ltd