

How catalytic converter firm diversified to stay in the game

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Faced with the collapse of the catalytic converter market, an Eastern Cape auto components manufacturer made a bold pivot.

CRH Africa, a Korsten-based component manufacturer with a plant in Durban, diversified its business into seats, metal pressings and subcomponents for local original equipment manufacturers.

CRH general manager Gareth Fismer told Deputy President Paul Mashatile that the gamble had paid off — not only keeping the company's doors open, but expanding its workforce from 160 to 1,000 employees.

The company was one of the hundreds of exhibitors at the 2025 National Association of Automotive Component and

Allied Manufacturers (NAA-CAM) Show in Gqeberha last week.

"Initially, we started in the catalytic converter business, but North America and European volumes ran out, so we had to diversify our business.

"If we didn't do that eight years ago, we would've closed down," Fismer said.

"We're a 51% blacked-owned business. We've embraced transformation. We also have a good learnership programme. Through our skills in the converter business, we've developed local content for Isuzu Motors SA, VW Group Africa and Toyota SA.

"We also export seats to Argentina for VW."

During the NAACAM Show, speakers told how cheaper imports had eroded the sales of locally manufactured cars.

NAACAM chief executive Renai Moothilal said 64% of the vehicles sold in SA were fully imported, which is well below the SA Automotive Master plan's target of 60% for domestic sales.

Fismer said the business

had started as a catalytic converter manufacturer, but due to regulation changes in Europe, moving towards sustainable energy, EVs, there became a risk for the company.

Europe's stringent emission rules aim to clean the air by



THINKING OUTSIDE BOX: CRH Africa general manager for SA, Gareth Fismer

Picture: NOMAZIMA NKOSI

compelling carmakers to produce vehicles with lower pollution levels.

Over the years, the European Union has steadily tightened these limits, making catalytic converters and other exhaust-cleaning technology essential for petrol and diesel cars.

For SA, this was a lifeline.

The country became one of the world's top suppliers of catalytic converters, with factories in the Eastern Cape and KwaZulu-Natal producing parts that were shipped straight into European vehicles.

However, as part of the

European Green Deal, the EU has set 2035 as the target year to end sales of new petrol and diesel cars.

The demand for catalytic converters has shrunk.

"So eight years ago, we started our diversification, going to local OEMs and slowly grew local content via the seats, metal pressings and subcomponents.

"Instead of closing down, we've grown," Fismer said.

"So, exactly what's happening now with [US President Donald] Trump's [30%] tariffs, we had to think outside the box.

"How do we explore new markets? The biggest is a lot of growth in Volkswagen locally, and Isuzu and Toyota in the Durban area as well.

"A lot of growth, so three key OEMs are embracing local content.

"But the challenge for us now is the Chinese imports because they are consuming volume from our OEM customers.

"They're gaining access to market with no real local content yet and that's the risk for the local industry."