



Accelerating transformation

Driving trade, foreign direct investment and economic growth

Article written by Greg Penfold & first published in Black Business Quarterly, Second Quarter 2018

Not only is the automotive sector among the most important, profitable and sustainable parts of the South African manufacturing landscape but it is also an important driver of industrial transformation. This is especially true of the role played by component manufacturers, who employ the most workers and add the most value locally. BBQ spoke to Renai Moothilal, executive director of the National Association of Automotive Component and Allied Manufacturers (NAACAM), for an in-depth analysis of the importance of this key element and driver of the South African economy.

What is the importance of the industry that NAACAM represents in terms of contribution to GDP, employment, and leadership?

The automotive manufacturing sector is a vital cog in South Africa's industrial landscape. Over the past decade the sector has contributed up to 7.5% of the country's GDP and is responsible for more than 100 000 direct, skilled jobs and probably four times that indirectly. The importance of this sector is recognized by the fact that the democratic SA government has provided a sector specific package of policy support to automotive manufacturing since 1995 and plans are being finalized to extend this in a revised form up until 2035, under what is being termed as the South African Automotive Masterplan.

NAACAM represents the component manufacturers, who form the bulk of employment and value addition found in the domestic sector. By way of illustration one can see that the seven vehicle assemblers in SA are supported by more than 300 component manufacturers across different tiers.

What is NAACAM's particular role?

As a member-driven organization, NAACAM is at the forefront of industry leadership, advocacy, knowledge creation and stakeholder management for automotive component manufacturers. To that extent, NAACAM is recognized both domestically and globally as the credible voice of South African automotive component manufacturers. At the end of the day, all that we do must result in a positive and sustainable business environment for companies who produce components in SA.

When you assumed the position of Executive Director in 2016, what challenges did you inherit? What steps did you implement to overcome them?

NAACAM had gone through a period where there was some instability at the top, and the leadership position was unsettled. Similarly, its value proposition needed some freshening up. The period coincided with a change in government stance towards the autos sector as a whole, in that requirements for incentives relative to sector transformation became stricter.

Upon sign-up, part of my mandate was to focus heavily on providing services of value to our members that enable them to run successful businesses whilst remaining aligned to the developmental objectives one sees as necessary to ensure state support remains sustainable. So, you will see that NAACAM now has a major emphasis on being a source of knowledge, as well as working hard to influence and direct activities around transformation, supplier development and deeper localization. Internally we have geared the association up to deliver this.

A further challenge faced was that although it's the most industrious part of the value chain, the component manufacturing sector is not really well known to the general public. So, the sector was not great at showcasing and profiling itself. Much time over the past two years has gone into changing that – better use of digital media, building relationships with other influencing agencies etc. And for the first time last year, we successfully delivered the NAACAM Show, an industry owned and managed event. Preparations are underway for the next edition in 2019.

What is the importance of localisation to the industry and how can it be facilitated?

Localisation is by far the biggest driver of long term growth, competitiveness and sustainability of the local autos sector. It's as simple as that. If we don't have a highly localized sector, at some point SA will become more an assembler of imported content as opposed to being a dynamic manufacturing sector. And localisation is not only about how much the vehicle assemblers buy locally, it also how much our own component manufacturers buy from their own sub-suppliers. That's deep localisation.

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As South Africans we should all demand greater localisation levels as that's what will drive the increases in job and business opportunities, not to mention increases in things like skills and technology transfer.

Policy and incentives such as the APDP are at the heart of developing a case for greater localization and its important that whatever framework is settled on for the period 2021-2035, it has to ensure our domestic sector catches up with the kind of localization levels found in emerging peer automotive economies such as Thailand, Turkey and Mexico.

At the same time, there needs to be a focus on helping the local vehicle assemblers get greater volumes in terms of the platforms they assemble in SA. In 2017 we assembled 0.6% of global vehicles and a move to just 1% by 2035, will more than double our current levels. And volume unlocks localization. It's no coincidence that the original equipment manufacturer (OEM) which has significantly increased its volumes over the past two years, is now sitting at localisation levels of approximately 60%. Volume also ensures that there is a business case for high-value components such as engines and transmissions and that some of the high-end electronics are also done here.

Besides policy, there are practical ways for companies to further their cases to be the recipients of more localization opportunities. Domestic suppliers have to invest for growth. This is a metric where our companies lag suppliers in other countries - not only investment in productive assets, but also in skills development as well as upping the research and development (R&D) and innovation ante domestically.

And of course, a relentless focus on building and maintaining the relationships between buyers and suppliers. In a sector known for its global purchasing strategies, such relationships have to be nurtured. To this extent, using platforms such as industry association linkages, and events, such as the NAACAM Show, is crucial.

Cross-border trade is one of the biggest regional economic opportunities. What is the status of intra-African trade and investment linkages and how can they be improved?

South Africa has a big focus on deepening trade and investment linkages with the rest of the African continent. In the past year 18,0% of South Africa's total automotive exports was into African countries, with the bulk of that being into our Southern African Customs Union (SACU) neighbours. Other trade frameworks that assist our exports include membership of the Southern African Development Community (SADC) free trade area and the soon to be completed Tripartite FTA.

However global learnings show that our desire to deepen trade linkages with our neighbours must be coupled with greater industrial investment into these countries. Thus we have been part of setting up a complementary association known as AAAM (African Association for Automotive Manufacturing). The idea here being that SA automotive companies partner with other African governments to increase investment there, in return for market development mechanisms. A large part of that will involve cutting down the volume of used or grey market imports that are sold into the rest of the continent.

An even more focused way of achieving this will be the creation of some sort of Automotives pact with selected of the large economies such as Nigeria and Kenya. This worked in places such as Southeast Asia and North America. The basic premise would be for SA based assemblers to begin a level of vehicle manufacturing in those countries and SA component supply into those assemblies is preferred.

Which industry sectors are currently or potentially globally competitive and how can they be supported?

The automotive sector, in general, is highly competitive and globalized. This, if any component is produced for vehicle assembly it can be considered competitive, if not it would simply not be considered. That's the nature of global sourcing. So, its misleading to say that any particular component subsector is leading or lagging in terms of global competitiveness. Due to the diverse vehicle assembly segments prevalent in SA, the local component base is just as diverse in the type of component being done locally. What has to happen though to

increase our long-term competitiveness, is the increase in volumes and localisation I mentioned previously.

SA has long had significant levels of production and export of catalytic converters, interestingly enough not due to our mining of platinum group metals (PGMs) which is the main raw material, but rather because of how the production was incentivized. However, even that has reached its plateau, and if we want to increase levels of catcon production, then there has to be some sort of beneficial pricing strategy implemented for companies that procure and beneficiate SA mined PGMs.

What is NAACAM doing to develop Foreign Direct Investment (FDI) and technology partnerships?

NAACAM's role in such activities is mainly around advocating for policies that aid these partnerships as well as being a source of matchmaking and project-specific information. Our well-established global linkages are crucial in this respect. Just recently we facilitated a fairly significant technology agreement between a SA based supplier and a Thai company that resulted in a new production opportunity for supplying one of the new vehicle platforms. Besides such targeted work, an event such as the NAACAM Show, provides foreign industry stakeholders a great opportunity to get a sense of the depth in SA automotive component manufacturing, and meet directly with potential partners

What proportion of the market do black-owned suppliers account for? What programmes are in place to grow their share?

Not enough. At present its insignificant but there is definitely a huge emphasis on growing this. NAACAM resourced initiatives such as the East Cape Automotive Industry Forum (ECAIF), the Automotive Supply Chain Competitiveness Initiative (ASCCI) have targeted black supplier development initiatives, that companies can make use of to develop black-owned companies within their own supply chains. We also provide a service to members of matching them up to black investors who have the capability and capacity to undertake ownership transactions. In addition to that certain NAACAM associate members are strong in their ability to provide incubation services to the manufacturing companies.

This is a long, challenging journey, to increase new, locally owned companies into a highly globalized value chain, but it is essential to ensure this sector has a sustainable future in SA's economic landscape. It is expected that greater opportunity will emerge within the Tier 2 space, and that's why the increase in localisation levels is so crucial

What is the significance to NAACAM of Industry 4.0 in terms of competitive advantage and employment?

Of course, this is important, and common sense will say that the future of manufacturing will be determined by the advances we see within the industry 4.0 domain, but in the autos sector we see this as natural progression. The sector has always been at the technology forefront and its global nature, especially over the recent past has meant that the factors of production that drive it anywhere else will permeate into the SA sector. If not, we will not compete internationally.

So, if technology replaces employment and processes in factories, then the challenge is to ensure that our companies and people have opportunities to exploit. In fact, it could even be said that some of the Industry 4.0 advances such as 3D printing and additive manufacturing, will aid our ability to deepen local content and increase competitiveness. Production in niche runs becomes viable. So, if factories of mass employment are no longer viable, we could see a situation where high tech SMMEs offering business opportunities become the norm.

In the end, there is no escaping the future but let's not ignore what's happening now, and let's maximize the levels of production under existing conditions for South African automotive component manufacturers.

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NAACAM AT THE MANUFACTURING INDABA 2018

by Dylan Jessup, NAACAM Gauteng Regional Vice Chairman (pictured right)

NAACAM was invited to participate in a panel discussion at the Manufacturing Indaba held at the Sandton Convention Centre on 19 and 20 June 2018. The panel discussion NAACAM was invited to participate was held on day 2 of the programme after the Keynote Address from dti's Director-General Lionel October.

Director-General October spoke widely of government's statistical success measurements and how these measurements are being used to develop through wider engagement within government to contribute to the development of future package of incentives to assist manufacturers.

The overarching theme for the Indaba was the 4th Industrial Revolution. The topic of the panel discussion was "The impact of the 4th Industrial Revolution in the Automotive Sector and the downstream application for suppliers to the OEM's". The panel was moderated by Helen Brown, Senior Manager at merSeta, Phillipa Rodseth, Executive Director at The Manufacturing Circle, Sherrie Donaldson, from African Innovators, Dereshin Pillay, an independent consultant, and Dylan Jessup, NAACAM Vice Chair for Gauteng.

The discussion was robust with the focus on embracing smart technology being implemented in the automotive sector and how this would impact the role of employees moving into the future. Phillipa Rodseth expounded on The Manufacturing Circle's initiative to create 1 million jobs by 2020 and what industry leaders are employing to achieve this target. Dereshin Pillay spoke about the use of smart technology that was more specific to the aftermarket with examples that could be borrowed from other industries globally. Sherrie Donaldson spoke about the BRICS challenges faced in transforming the industry and need to take stock of what transformation has already been experienced.

NAACAM spoke to building a collaborative business case with OEM's for the implementation of smart technologies to ensure that South Africa does not inadvertently get left behind globally. This involved ensuring that the sector does not only build their business cases on the back of the available government incentives, namely the APDP. This is exemplified by the Australian case study that the removal of the government incentives has seen the decimation of the automotive industry.

It was further noted that the South African automotive sector is in good health as the findings of the recent benchmarking report states in comparison to the industry globally. An interest was shown from the delegates regards the note on the ASCCI initiative that focusses on the development of component manufacturers and the development of Black component manufacturers in South Africa.

The common concern from the panellists was the impact on employment specifically to displacement of employment that could be retrained and redeployed as opposed to a deadweight employment loss because the skills base does not lend itself for redeployment. NAACAM noted that the component manufacturing industry is a significant employer and a significant contributor to skills development because manufacturing processes employed are comparable with those employed by globally. This contribution cannot be discounted because South Africa is a manufacturing destination of choice and the majority of locally produced vehicles are destined for export markets.

There were questions from the floor centred on more details on the ASCCI initiative, how is innovation being supported by government in the automotive sector, and what was expected from the APDP revision.

It was interesting to note the perception created by the OEM's about the local automotive industry as was seen by some questions that arose from the floor and highlights the need for NAACAM to continue the actions of increasing the brand presence of the component manufacturers to the wider public to avert a skewed perception in the market place.



Business Unusual: Embracing Disruptive Technologies in the Automotive Sector

Rapid technological advancements in the global manufacturing landscape have changed the ways in which manufacturers function – from product design and development, to production optimisation, to techniques selected to penetrate new markets and deliver products to customers. Interest and investment in disruptive technologies have increased significantly in recent years, with a handful of local firms in the automotive sector embracing these technologies. Shatterprufe is one of these companies. Located in the automotive component manufacturing hub of Port Elizabeth, it is the only local automotive glass manufacturer which has the capability to supply the global automotive Original Equipment Manufacturers (OEMs) assembling vehicles in South Africa.

With four million pieces of glass being manufactured annually, with an almost equal revenue split across the three markets of OEM, local aftermarket and the export aftermarket, Shatterprufe is in a unique position to pursue advanced manufacturing technologies to optimise their product development and manufacturing processes. Dave Coffey, Managing Director of Shatterprufe and National Association of Automotive Component and Allied Manufacturers (NAACAM) President, is one of these early adopters. "For Shatterprufe, it is critical to get to the aftermarket early with new products that comply with the stringent quality standards of the OEM's", explained Coffey.

Typically, Shatterprufe will buy an OEM product in Europe, should the

vehicle not be sold locally, bring it to South Africa, develop the computer aided design (CAD) drawings, and then produce the part which will then be sent to the international client for approval. Through exploring new scanning technologies, Shatterprufe will receive a 3-D scan of the product, convert this into a CAD file and commence development and manufacturing; this could include the 3D printing of the checking fixture. Then, the developed part will be scanned and sent to the client for approval. For Shatterprufe, this technology can minimise the sample delivery time by four to six weeks. "We can reduce substantial time in the product development process and therefore reduce lead times to market significantly. We are also prototyping and using this scanning technology for sample approval of components for glass as well. We expect to see a full roll-out of this technology by the end of 2019", said Coffey. He explained that the key advantage provided by the technology is that it allows his company to get to the market first, and to secure both the local and export aftermarket volumes.

The South African Automotive Masterplan (SAAM) includes ambitious growth targets for the sector over the medium- to long-term. Some of this growth will result from the investment in these advanced manufacturing technologies, explains Coffey. "I can foresee these technologies facilitating competitiveness which will enable the growth we need", said Coffey. He suggests that as organisations are always looking for opportunities to grow, and if these technologies are relevant and provide clear benefits, then the industry will willingly embrace

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them. From his experience, he found that people generally embrace technologies once they have seen them being demonstrated, where the technical merits of the technology are clearly outlined. However, and more importantly, the benefit of partnering a client in developing new technology should not be underestimated.

To support this, in 2019, the NAACAM Show will introduce an innovative approach to profiling automotive technologies and innovations through the hosting of technical demonstrations. For the first time, exhibitors will have the opportunity to host 20-minute technical demonstrations in the NAACAM Show's purpose-built Media and Demonstration Centre. Automotive component manufacturers and technology partners will

be encouraged to present a case study or conduct a demonstration on a key technology or innovation which supports the NAACAM Show conference themes, with an explicit focus on the future of manufacturing in the automotive sector. This will be followed by an informal question and answer session where delegates will have the opportunity to seek clarity or advice on the technologies, for their own operations.

"These tech demos will provide unique insight for component manufacturers to gain access to practical, hands-on examples of innovative technologies, as well as provide a platform to stimulate a dialogue around integrating technology into the automotive sector", said Coffey.

Smiths Manufacturing unveil new Science Laboratory for Mariannpark Primary School

Smiths Manufacturing (Pty) Ltd a leading manufacturer and assembler of automotive air-conditioning and engine cooling components based in Pinetown, unveiled a new state of the art Science Laboratory at Mariannpark Primary School, valued at R300 000. An international study placed South Africa's grade 5 and grade 9 pupils right at the bottom for science and second-last for maths.

The Trends in International Maths and Science Study (TIMSS), is conducted every four years and the last results were released late in 2016, which included 59 countries. About 12,500 South African pupils and 330 maths and science teachers from 292 schools participated in the study, according to the Human Sciences Research Council. "This is simply not good enough for one of Africa's economic powerhouses such as South Africa" said Paul Vermaak the Human Resources Director at Smiths Manufacturing.

Vermaak added that "We, at Smiths Manufacturing, truly believe that South Africa's youth deserve the best education we can provide. However, we also recognise that many of our schools are under-resourced, inhibiting both teaching and learning, placing ever greater challenges to bring disadvantaged schools up to appropriate levels. Greater muscle is required to overcome some of these financial challenges, not least of which involves the effective promotion of science and maths education in, especially, disadvantaged schools. In view of this situation, I am pleased to say that Smiths Manufacturing is pleased to have had the opportunity to assist Mariannpark Primary School, providing the R300 000 sponsorship for the new science laboratory and resource facilities.

eThekweni Mayor, Councillor Zandile Gumede, was travelling on the day of the Laboratory handover but sent her representative, Councillor Pearl Luthuli, to convey her message. "Our country and Province is facing a huge skills shortage especially in the field of STEM (Science, Technology, Engineering and Maths) and we urge you our learners to derive maximum benefit from these great facilities and resources that have been provided to you and please also take great care of them. We would also like to thank Smiths Manufacturing for this kind gesture and it is great to see the Private sector getting involved in Education", read the message from the Mayor.

The school's Principal, Mr Lucky Nkosi, and his team have long been passionate about the active promotion of science education, in spite

of lacking the necessary and appropriate laboratory facilities. A delighted Mr Nkosi was beaming with joy at the opening ceremony and said that the laboratory will benefit not only learners from Mariannpark Primary, but that he and his team will open up the laboratory for the other schools in the area as well, and so the entire community benefits. "This is truly a milestone in the history of the school and we would like to commend Smiths Manufacturing for this magnanimous gesture", added Nkosi.

The project was coordinated and managed by Ahmed Motala of the New Africa Education Foundation, an NPO that has partnered with Smiths Manufacturing (Pty) Ltd and the Department of Basic Education (DBE) to roll out projects at previously disadvantaged schools.



From left: Ms Riya Mothilall (Smiths Manufacturing – Organisational Development), Mr Paul Vermaak (Smiths Manufacturing – HR Director), Mr Lucky Nkosi (Head Master – Mariannpark Primary School) Mr Ahmed Motala (CEO - New Africa Education Foundation)

Adient South Africa (Pty) Ltd investment in Learnership Training Programmes

The investment by Adient South Africa (Pty) Ltd in Learnership training programmes facilitated by Siyaya Skills Institute creates a future pipeline for talent development and has become an extension of our Strategic Talent Review process within the Company.

Siyaya Skills Institute also provides strategic guidance and input into the Adient South Africa (Pty) Ltd Broad-Based Black Economic Empowerment Programme which has become a strategic business imperative for our company.

Adient South Africa (Pty) Ltd believes that the learnership projects contribute to the overall upliftment of people within our communities. Our investment in learnerships aligns with the value system of our Company in particular with the values of empowering the best people and to act in a socially responsible manner.



Pictured with the team is Jacques Minnie, Director South Africa and Glen Klopper, Director HR

Willard Easter Promotion a Success

Willard® Batteries held a thrilling promotion in the months of March and April. When consumers purchased a Willard® battery, they received a scratch card and were able to scratch to win an instant prize. Then, by going onto the Willard® website and registering their battery, they stood a chance to win a share of R500 000, with a guaranteed first prize of R300 000.

Huge congratulations to Mr Moshesha who walked away with the grand prize of R300 000.....



and to Mr Manana, the runner up winner of a whopping R100 000!



There were also five weekly winners who each received R20 000.

Reach for a Dream Foundation - Events

AutoX is committed to making a positive impact in its community. This year we have partnered with the Reach For A Dream Foundation as one of our core Corporate Social Responsibility initiatives. Through this partnership, we aim to inspire hope, courage and strength in the lives of critically ill and vulnerable children.

Queen for a Day

Queen for a day affords little girls an entry into a world of pampering, where focus is placed on making them feel beautiful and confident; something, often missing in a hospital environment.

The day is filled with indulging every little girl's dream of being a "princess ". They are treated to limousines, mani-cures, pedicures and makeovers. A professional photographer is also present to capture every moment filled with joy. Each girl is crowned Queen for a day, showing her how



beautiful she is, no matter how her illness may affect her life or her appearance.

AutoX Port Elizabeth recently had the privilege of attending two such Queen For A Day events, helping treat the girls to a morning of pampering.

All who attended enjoyed the day immensely and were really touched by the little girls' presence.

An Unforgettable Outing

Recently AutoX Port Elizabeth went on a special outing to the Boardwalk Magic Company with one of the Reach For A Dream recipients. The morning was spent at the Games Centre, having burgers and then handing over a laptop and internet dongle donated by AutoX. As the dreamer spends a lot of time on her own at home, or in hospital, it is a great way for her to stay connected to all of her friends.

Training

For the past few years, AutoX have sponsored learnerships for unemployed, disabled learners. Working in collaboration with Siyaya Skills Institute, they assist AutoX in the selection and placement of learners. The current group of learners are primarily based in Port Elizabeth, but there are also a few learners in Kwa-Zulu Natal. Some of the group are completing a Generic Management learnership and the rest of the group are completing a Business Administration learnership. Where possible, AutoX have assisted with workplace experience, particularly in regards to the Administration learnership. They also attempt to help place these learners after the successful completion of the program, either by sponsoring another learnership or assisting them to find employment. All learners receive a stipend from AutoX as an allowance whilst they are on the learnership.

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NAAMSA COMMENT ON THE JUNE 2018 INDUSTRY NEW VEHICLE SALES STATISTICS

Commenting on the latest new vehicle sales statistics for the month of June, 2018 – the Association said that the latest domestic sales figures had exceeded industry expectations but that export sales had disappointed. In the event, new vehicle sales at 46,678 units had shown an improvement of 1,346 vehicles or 3,0% from the 45,332 vehicles sold in June last year. June 2018 aggregate export vehicle sales at 26,790 vehicles reflected a decline of 4,805 units or a fall of 15,2% compared to the 31,595 vehicles exported in June, last year.

Overall, out of the total reported Industry sales of 46,678 vehicles, an estimated 38,498 units or 82,5% represented dealer sales, an estimated 11,0% represented sales to the vehicle rental industry, 3,7% to industry corporate fleets and 2,8% to government.

The June 2018 new car market at 29,886 units had registered a marginal improvement of 1,261 cars or a gain of 4,4% compared to the 28,625 new cars sold in June last year. On the back of fleet replenishment the car rental industry contribution had recovered substantially by 15,1% during the month.

Domestic sales of new light commercial vehicles, bakkies and mini buses, at 14,261 units, had declined during June 2018 by 58 units or 0,4% compared to the 14,319 light commercial vehicles sold during the corresponding month last year.

Sales in the low volume medium and heavy truck segments of the Industry had reflected a mixed picture and at 731 units and 1,800 units, respectively, had recorded a decrease of 22 vehicles or a decline of 2,9%, in the case of medium commercial vehicles, and, in the case of heavy trucks and buses, an improvement of 165 vehicles or a gain of 10,1% compared to the corresponding month last year.

The improvement in domestic sales, particularly new car sales, was encouraging given recent weak economic growth and investment numbers. It appeared that the new car market had been supported by improved business and consumer confidence. However, the decline in the leading indicator of the Reserve Bank over the past two months – suggested a challenging economic environment going forward. Normally new vehicle sales during the second half of a calendar year tended to show improvement on first half sales and this reinforced NAAMSA's expectations of a modest annual improvement in 2018 domestic sales volumes compared to 2017.

NAAMSA continued to project growth in export sales over the balance of the year. However, the industry's export performance was likely to be affected by current protectionist policies in the United States which had increased the risk of a global trade war and this could impact on international trade flows, including vehicle exports.

PASSENGER CAR EXPORTS: 2014 - 06/2018

	Into Africa				
	2014	2015	2016	2017	6/2018
Alfa Romeo	1	1	1	4	21
Audi	1	0	0	0	0
Bentley	0	0	0	0	1
Chevrolet	559	291	148	124	0
Chrysler	1	3	0	0	0
Datsun	0	20	0	31	0
Dodge	21	4	1	0	0
Fiat	8	3	9	18	19
Ford	0	0	1	58	77
GWMSA	1	8	0	0	0
Honda	355	384	315	482	183
Infiniti	2	0	0	0	0
Jeep	386	316	112	149	51
Kia	28	29	10	32	0
Mahindra	0	1	1	0	0
Mercedes-Benz	167	430	371	341	44
Mitsubishi	123	118	199	48	56
Nissan	143	56	0	0	0
Porsche	8	11	1	2	1
Renault	4	0	0	0	0
Suzuki	0	4	3	12	17
Toyota	5 814	2 708	1 246	1 553	911
Volkswagen	62	69	23	153	18
VolvoCars	14	18	14	9	0
Total	7 698	4 474	2 455	3016	1 399

	Out of Africa				
	2014	2015	2016	2017	6/2018
BMW	60 234	63 680	56 793	47 991	10 808
Hyundai	59	5	23	3	0
Mercedes	32 600	93 005	109 396	113 308	43 382
Toyota	1 453	2 261	952	1 228	303
Volkswagen	54 556	66 299	68 928	65 411	38 239
Total	148 902	225 250	236 092	227 941	92 732

COMMERCIAL VEHICLE EXPORTS: 2014 - 06/2018

	Into Africa				
	2014	2015	2016	2017	6/2018
Chevrolet	51	97	19	30	0
Daewoo	23	0	0	0	0
DAF	3	39	0	0	0
Daihatsu	0	2	0	0	0
FAW	22	109	161	236	69
Fiat	22	25	45	131	142
Ford	11 348	6 657	3 071	1 374	1 196
Foton	0	5	1	0	0
Fuso	0	0	30	0	10
GWM	27	57	44	0	0
Hino	0	0	0	5	29
Isuzu	1 458	3 035	1 792	3 244	1 670
Iveco	245	146	127	176	12
Jinbei	1	2	0	0	0
JMC	0	3	0	10	1
Kia	3	13	12	17	0
Mahindra	0	5	7	0	0
MAN	421	227	88	102	7
Mazda	486	0	0	0	0
Mercedes-Benz	0	0	0	26	27
Mitsubishi	262	218	116	130	54
Nissan	13 318	8 994	6 267	6 364	3 026
Powerland	0	3	0	9	0
Powerstar	36	20	2	5	0
Renault	15	18	0	0	0
Scania	317	156	195	94	83
Suzuki	0	1	0	2	0
Tata	5	4	8	0	0
Toyota	25 025	16 880	6 815	6 594	3 566
UDTrucks	182	116	103	106	81
VDL	1	0	0	0	0
Volkswagen	5	48	3	34	70
Volvo Group	40	77	144	140	61
Total	53 316	36 957	19 050	18 829	10 104

	Out of Africa				
	2014	2015	2016	2017	6/2018
FAW	0	0	2	8	0
Ford	33 429	31 825	49 527	53 859	28 454
Hyundai	11	0	0	0	0
Isuzu	0	7	7	44	10
Nissan	1 082	10	0	0	0
Toyota	32 497	35 322	37 683	34 396	20 132
Total	67 019	67 164	87 219	88 307	48 600

Source: NAAMSA/Lightstone Auto

VEHICLE SALES BY PROVINCE/AREA January - June 2018 (incl.)		
	Passenger	Commercial
Eastern Cape	6 629	4 552
FreeState	3 850	3 353
Gauteng	64 227	31 679
KwaZulu Natal	24 049	11 679
Limpopo	5 040	4 429
Mpumalanga	7 028	6 902
Northern Cape	1 607	1 718
NorthWest	4 445	3 619
Western Cape	20 250	10 107
Botswana	1 148	1 833
Lesotho	165	338
Namibia	2 668	3 270
Swaziland	276	441
Export	94 131	58 704
Government Units	2 331	3 574
Rental Units	23 182	2 567
Single Units	9 379	1 077
Total	270 405	149 842

Source: NAAMSA/Lightstone Auto

Vehicle Sales: 2014 - June 2018 (incl.)

	2014	2015	2016	2017	4/2018
Changan	0	124	17	72	84
Chery	0	0	18	3	0
Chevrolet	16726	16685	12578	7698	0
Citroen	98	108	3	0	0
Daewoo	0	0	0	22	28
DAF	247	156	162	288	123
Datsun	0	0	176	240	23
Eicher	0	0	0	32	41
Daihatsu	991	44	0	0	0
FAW	613	806	918	967	538
Fiat	605	404	545	490	428
Ford	30026	35403	33891	33907	15802
Foton	763	113	93	33	0
Freightliner	1243	1127	498	5	0
Fuso	1176	1107	1219	1007	557
GWM	1825	1397	516	1515	973
Hino	3423	3601	3047	2995	1505
Hyundai	4270	3951	3860	3556	1600
Isuzu	19541	20865	16344	18178	9221
Iveco	1444	1098	1346	1445	602
Jinbei	611	439	234	0	0
JMC	700	725	398	335	204
Kia	2961	3362	2003	1811	760
Land Rover	440	473	223	33	0
Mahindra	2481	2188	1990	2118	1701
MAN	1880	1605	1611	1810	945
Mazda	2376	1337	661	529	444
Mercedes	5486	5169	4584	4992	2257
Mitsubishi	978	557	43	438	230
Nissan	28642	31637	26874	33112	15787
Opel	140	9	0	0	0
Peugeot	185	199	147	47	40
Powerland	0	16	9	47	6
Powerstar	474	483	384	367	278
Renault Trucks	518	182	271	76	44
Scania	2031	2505	2356	2392	1017
Ssangyong	30	53	4	0	0
Suzuki	67	27	262	301	148
Tata Cars	0	1419	1191	865	705
Tata Trucks	3053	1221	983	903	0
Toyota	56114	52298	54805	55634	29751
UD Trucks	3365	2566	2078	2126	944
VDL Bus/Coach	7	6	4	17	0
Volkswagen	7524	7767	7959	7189	3190
Volvo	2120	1847	1876	1994	1162
Total	205174	205079	186181	189589	91138

Commercial Vehicles

Source: NAAMSA/Lightstone Auto

	2014	2015	2016	2017	4/2018
Abarth	67	45	70	68	22
Alfa Romeo	297	157	117	225	89
Audi	18 375	14 950	11 600	10 806	4 456
Bentley	0	0	42	61	39
BMW	24 521	21 580	20 355	16 142	8 476
Chery	1 125	748	429	181	0
Chevrolet	21 615	14 387	7 847	3 701	0
Chrysler	389	275	9	0	0
Citroen	802	789	437	8	0
Daihatsu	460	47	0	0	0
Datsun	1 573	5 645	4 664	6 673	3 434
Dodge	832	900	110	55	0
FAW	514	683	273	86	0
Ferrari	82	91	95	76	44
Fiat	2 120	1 317	691	851	342
Ford	40 862	43 063	39 965	37 313	12 112
GWM	979	1 097	159	865	401
Honda	10 169	11 064	8 070	7 187	4 080
Hyundai	39 489	33 720	32 894	31 503	16 490
Infiniti	371	526	84	41	1
Isuzu	0	0	0	0	208
Jaguar	954	758	971	1 247	686
Jeep	7 420	6 308	2 892	1 698	549
Kia	18 675	16 610	14 197	15 975	7 857
Land Rover	5 828	5 375	4 099	3 749	2 119
Landwind	0	17	62	132	93
Lexus	1 344	1 027	1 031	885	431
Mahindra	1 028	917	1 749	2 358	1 068
Maserati	26	64	115	164	53
Mazda	2 563	7 649	11 388	12 844	6 998
Mercedes	28 993	25 228	22 331	20 362	8 757
Mini	2 126	2 078	2 230	2 042	1 035
Mitsubishi	3 665	3 130	2 181	1 192	623
Nissan	15 781	10 105	9 401	11 704	7 818
Opel	3 598	6 483	4 098	3 397	1 272
Peugeot	2 166	1 313	982	799	674
Porsche	1 145	1 468	1 409	1 298	631
Proton	92	14	0	0	0
Renault	18 566	19 952	18 525	22 559	11 415
Smart	60	74	1 042	370	92
Ssangyong	105	92	18	5	1
Subaru	1 263	1 101	905	1 002	508
Suzuki	6 402	6 354	5 366	8 532	5 472
Tata	883	675	972	909	171
Toyota	66 653	66 101	58 188	67 925	32 576
Volkswagen	82 093	75 707	67 168	69 166	34 084
Volvo	2 863	2 710	2 034	1 957	1 097
Other	4	3	0	0	0
Total	439 210	412 670	722 530	368 113	176 274

Passenger Cars

BMW - The actual disaggregated new vehicle sales, backdated to February 2017, are now available and have replaced the estimates in the NAAMSA database.
 PORSCHE - The actual disaggregated new vehicle sales, backdated to August 2017, are now available and have replaced the estimates in the NAAMSA database.
 MERCEDES-BENZ - The disaggregated new vehicle sales data has been purified with new vehicle registration data, backdated to January 2017.

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Skills Development & B-BBEE

by Wynand Cronjé, Managing Director of Kunaku Procurement Solutions

With all the factors influencing clients and the economy, Sasfin has introduced a few strategic partners that will offer various services to alleviate these external pressures. The high unemployment rate, lack of skilled workforce and stringent requirements for B-BBEE compliance have all been brought into consideration in these service offerings.

Most organisations are looking at ways of not only maximizing their B-BBEE scores but also ways to implement in-house training. Together with Kunaku, a SETA accredited Training provider, Sasfin has now introduced learnerships as a key solution to these issues.

A Learnership is vocational training, an educational programme that links structured learning with work experience, to obtain a registered qualification. It combines theory and workplace practice into a qualification recognised by the National Qualification Framework (NQF). This training can be executed on your premises/site.

Organisations which have implemented our learnerships have already started to experience the endless benefits gained by this formal training. They are not only fundamental for investing in the

potential of our unemployed youth but also for the development of your own talent pool.

Add to this the fact that skills development is a priority element on the B-BBEE scorecard, which means companies that achieve less than 40% of the target are automatically discounted a level on their overall scorecard, hence the importance of skills development. Organisations that implement learnerships as their skills development initiatives, can optimise their scorecard by training Black South African Employees, unemployed youth and disabled people.

Learnerships are also the most cost-effective form of skills development as there are various rebates and tax incentives that benefits the employer in a massive way. The key to any successful learnership is the quality of the qualification and the choice of learner. Something we consider very carefully before implementation.

Investing wisely in your learnership of choice will create long term benefits for both employer, employee and the unemployed youth of South Africa.



Kunaku Procurement Solutions is a young dynamic skills development company, accredited with two SETA's.

We specialise in Learnerships and Skills Programs, to empower the youth of South Africa.

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60% of respondents agreed or strongly agreed that "It is likely that new business will be secured in the future" based on NAACAM Show 2017 attendance