SA – EU, UK and EFTA TRADE ANALYSIS

The aim of the South Africa - EU, UK and EFTA trade analysis report is to inform and prepare all role-players in the South African automotive industry of the potential direct and measurable impact of the new energy vehicle (NEV) dynamics in its main export regions.

AIEC
P O Box 74166
Lynnwood Ridge
0040
Tel: +27 12 807 0086
Fax: +27 12 807 0671
Website: www.aiec.co.za

AUTOMOTIVE INDUSTRY EXPORT COUNCIL

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South Africa – EU, UK and EFTA Trade Analysis

Climate change is the most pressing grand challenge of the twenty-first century but at the same time it provides an opportunity to build a new economic model. The science is clear that global warming must be kept below 1.5 °C to avoid the worst of climate impacts. To do so, greenhouse-gas (GHG) emissions must be reduced dramatically over the next three decades to reach net-zero emissions by 2050.

Transportation is a major contributor to CO^2 emissions globally, accounting for 24% of total emissions. Of this figure, more than 75% emanates from road transportation in the form of cars, trucks and motorbikes. Passenger cars account for 60% of road transportation emissions globally. Changes in technology are therefore at the core of the transition to the vehicle of the future, which is primarily linked to electrics and electronics, connectivity, safety, environment and fuel efficiency. Governments across the world have been increasingly introducing policies or strengthening existing policies to ensure an uptake in new energy vehicle (NEV) purchases in efforts to reduce carbon emissions.

The South African automotive industry will have to adapt to the current rapid technological transition to NEVs to maintain and further grow its automotive manufacturing ambitions. As vehicle emissions regulations tighten globally, with associated costs, the global motor industry is shifting towards eco-friendly vehicles. The demand for NEVs is driven largely by government incentives and the imperative to combat climate change in regions such as the European Union – the domestic automotive industry's top export region, which aims to become a zero-carbon economy by 2035 – as well as increased consumer demand for greener products and a change in technology.

In the order of 51 countries have already announced complete bans on internal combustion engine (ICE) vehicle sales, providing various NEV incentives in support of these policies which have proved successful in stimulating NEV demand. For the South African automotive industry's NEV transition, support would be required in line with the objectives of the South African Automotive Masterplan (SAAM) 2021-2035. A number of developments in the domestic automotive industry's key export markets, since 2020, contributed to enhance the pace of the NEV landscape in South Africa through government's efforts to green the economy and to position South Africa as a centre for advanced green manufacturing.

The COVID-19 pandemic, while disrupting the automotive markets in terms of sales and profitability, allowed e-mobility to increasingly take centre stage in the global automotive

environment since 2020. These developments mean that vehicle manufacturers have little choice but to launch NEV product offensives. To maintain and further grow its automotive manufacturing ambitions, the South African automotive industry will have to adapt to the current rapid technological shift, and hence, the transition to NEVs.

The aim of the South Africa - EU, UK and EFTA trade analysis report is to inform and prepare all role-players in the South African automotive industry of the potential direct and measurable impact of the NEV dynamics in its main export regions.

Global automotive environment

Over the next decade, the automotive industry will experience changes not seen in over a century since the Model T Ford rolled off the production line in the early 1900s, as new regulations, technologies, and consumer preferences transform its products and business models. The first shift, from internal combustion engine (ICE) technology to electrification, will encourage the development of battery-powered vehicles that contain leading-edge software, connectivity, and systems, including infotainment, high-performing computers, advanced driver-assistance system features, and electric powertrains.

With these emerging trends, and vehicles becoming increasingly sophisticated, a single company may struggle to take end-to-end responsibility for production. Thus, more specialized companies will likely enter the automotive sector and play a larger role in specifying and integrating the components and technologies that they produce. With such changes, the future ecosystem may bear a greater resemblance to today's high-tech sector, with companies becoming technology leaders in different specialties and sometimes setting the industry standards.

The automotive industry ecosystem will continue to evolve even after electrification and autonomous driving become mainstream. OEMs may eventually try to insource newer technologies to capture additional value, likely focusing on areas where they can develop unique offerings. Meanwhile, the number of specialist companies could drop as leaders emerge and the industry consolidates. The timeline for these shifts is uncertain, especially given external events such as the semi-conductor shortage and raw-materials constraints. The automotive industry structure could be very dynamic over the coming years. The only certainty is that OEMs and other automotive stakeholders must be prepared to support and encourage a host of transitions in the years and decades ahead.

Since 2020, sales and penetration of passenger NEVs accelerated in major markets despite the economic crisis caused by the COVID-19 pandemic. McKinsey projects that worldwide demand for NEVs will grow sixfold from 2021 through 2030, with annual sales growing from 6,6 million units to about 40 million units over that period.

While consumer demand appears clear, the automotive ecosystem must quickly address three major constraints before NEV production and sales can gain scale:

- difficulties sourcing enough raw materials, including lithium, nickel, and cobalt, used in batteries;
- an insufficient number of gigafactories that produce batteries, as well as low productivity within existing facilities; and
- a public charging infrastructure that must be built up to keep pace with the number of NEVs on the road.

The impact of the COVID-19 pandemic is still evolving and is expected to continue affecting the automotive industry for the foreseeable future. In the short term, reduced vehicle usage would be a direct outcome. Consequently, a sustained ripple effect on private vehicle sales, public transport, new mobility solutions adoption, trip patterns, urbanisation and infrastructure requirements could disrupt the entire automotive industry. The evolving dynamics are expected to significantly impact overall mobility patterns in the foreseeable future. Businesses, therefore, have to identify ways to overcome the potential challenges and create a growth matrix to fuel success, seek to capitalise on new growth avenues, create smart business models, and embrace the new-age transformations taking over the changing landscape.

Global vehicle production

In 2021, COVID-19 continued to impede personal mobility needs, while supply chain disruptions slowed down the post-pandemic recovery of the global new vehicle market. The intensifying global semi-conductor shortage continued to limit vehicle production around the world. Global vehicle production increased by a modest 3,1% to reach 80,2 million vehicles in 2021, up from the 77,7 million units produced in 2020, but it was still 13,0% below the pre-COVID-19 level of 92,2 million vehicles in 2019. Vehicle production increased in all major regions in 2021, except for the EU, which reflected a year-on-year decline of 5,0%.

Globally, passenger car production increased by 2,0%, from 55,9 million units in 2020 to 57,1 million units in 2021. Light commercial vehicle production increased by 8,0%, from 17,2 million units in 2020 to 18,6 million units in 2021, heavy commercial vehicle production reflected a decline of 1,3%, from 4,4 million units in 2020 to 4,3 million units in 2021, while bus production reflected a decline of 9,6%, from 220 151 units in 2020 to 199 063 units in 2021. Seventeen countries exceeded the one million vehicle production mark in 2021, up from 15 in 2020, which is regarded as the international benchmark. China comfortably remained the world's biggest market with vehicle production of 26,1 million units in 2021, followed by the US with production of 9,2 million units, while Japan retained the number-three slot with production of 7,8 million units. In 2021, India at number four and Korea at number five surpassed Germany in the global vehicle production rankings.

South African vehicle production increased by 11,8%, from 446 215 units produced in 2020 to 499 087 units produced in 2021, exceeding the global year-on-year increase in global vehicle production of 3,1% in 2021. Subsequently the country's global vehicle production ranking improved to 21st in 2021 and its global market share increased to 0,62%. In terms of global LCV production, South Africa was ranked 14th with a market share of 1,25%. South Africa remained the dominant market on the African continent, and accounted for 499 087 vehicles, or 53,6% of the total African vehicle production of 931 056 vehicles in 2021.

South Africa is regarded as a global second-tier player, and forms part of the group of countries producing below one million vehicles per annum. The South African automotive industry's growth strategies have been focused on becoming highly integrated into the global automotive environment on the back of increased foreign direct investment and trade. Under the SAAM 2021-2035, the objective is to produce 1% of global vehicle production, or 1,4 million vehicles, per annum by 2035, which should substantially improve the country's status and global vehicle production ranking. The following table reveals global vehicle production by country for 2021 and 2022.

Global vehicle production by country – 2020 to 2021

Country	Total units produced 2020	Total units produced 2021	Passenger cars	Commercial vehicles
1. China	25 225 242	26 082 220	21 407 962	4 674 258
2. USA	8 821 026	9 167 214	1 563 060	7 604 154
3. Japan	8 067 943	7 846 955	6 619 242	1 227 713
4. India	3 381 819	4 399 112	3 631 095	768 017
5. South Korea	3 506 774	3 462 404	3 162 727	299 677
6. Germany	3 742 570	3 308 692	3 096 165	212 527
7. Mexico	3 177 251	3 145 653	708 242	2 437 411
8. Brazil	2 014 055	2 248 253	1 707 851	540 402
9. Spain	2 268 185	2 098 133	1 662 174	435 959
10. Thailand	1 427 074	1 685 705	594 690	1 091 015
11. Russia	1 435 551	1 566 317	1 352 740	213 577
12. France	1 316 371	1 351 308	917 907	433 401
13. Turkey	1 297 878	1 276 140	782 835	493 305
14. Indonesia	690 176	1 121 967	889 756	232 211
15. Canada	1 376 127	1 115 002	288 235	826 767
16. Czech Republic	1 159 151	1 111 432	1 105 223	6 209
17. Slovakia	990 598	1 000 000	1 000 000	0
18. UK	987 044	932 488	859 575	72 913
19. Iran	880 997	894 298	838 251	56 047
20. Italy	777 057	795 856	442 432	353 424
21. South Africa	**446 215**	**499 087**	**239 267**	**259 820**
Global	**77 711 725**	**80 154 988**	**57 054 295**	**23 100 693**

Source: **naamsa**/ Lightstone Auto, OICA

Global new vehicle sales

A world of choice is available in today's new vehicle market with 14 major global corporations controlling more than 60 brands globally. Although developed economy markets continue to lead the development of the global automotive industry in terms of technology, safety and environmental standards, the future growth of the industry is likely to be strongly driven by emerging and middle-income markets. This is borne out by the fact that China alone was responsible for the major share of global vehicle consumption growth over the past decade, and that the existing profile of vehicle ownership densities in developing and developed economies points to strong emerging economy demand growth over the next 20 years.

In 2021, the global new vehicle market stabilised, increasing by 5,0%, from 78,8 million units in 2020 to 82,7 million units in 2021. Considering that the pandemic and the global semi-conductor shortage had a combined negative effect, the performance can be regarded as acceptable, although there is still a difference of 8,5 million units fewer sales than the pre-pandemic level.

Global vehicle sales by region – 2020 to 2021

Region	Total sales 2020	Total sales 2021	% change 2021/2020
Europe	16 712 898	16 874 893	+1,0%
North America	17 445 480	18 160 120	+4,1%
South America	3 369 352	3 841 032	+14,0%
Africa	924 046	1 145 007	+23,9%
Asia	40 322 544	42 663 736	+5,8%

Source: OICA

China remained the world's biggest market for new vehicles, with sales increasing by 3,8% to 26,3 million units in 2021, mainly due to the popularity of NEVs, staying ahead of the US that saw sales increasing year-on-year by 3,5% to 15,4 million units, while Japan retained the number-three slot, despite sales declining year-on-year by 3,3% to 4,4 million units. The bulk of markets recovered slightly in 2021. Despite the twin threats of COVID-19 and the global shortage of semi-conductors, major markets such as India and Australia recorded significant double-digit growth.

Toyota, with increased year-on-year sales of 10,1%, retained its position as the leading vehicle manufacturer in the world with sales of 10,5 million units in 2021, ahead of the Volkswagen Group, which recorded 8,9 million sales. Toyota's figures include Hino trucks and those of minicar maker Daihatsu, while the VW Group includes MAN and Scania trucks, and a Commercial Vehicles Division.

CO^2 emissions are associated with climate change and there has been a growing trend towards the reduction of CO^2 emissions. Fuel quality is not only seen as a critical component to eliminate or reduce pollutants, such as lead, but it is a prerequisite for the introduction of the latest vehicle emission control technologies, such as catalytic convertors and diesel particulate filters. Globally, vehicle manufacturers are moving towards more stringent engine requirements which reduce fuel consumption resulting in lower CO^2 emissions from new vehicles. The global prominent levels of CO^2 emissions by vehicles are contributing to the greenhouse effect which increases global temperatures and affects the climate. Many countries are heavily investing in research and development to find alternate methods to reduce CO^2 emissions. They are developing diverse CO^2 efficient vehicles which run on alternative fuels, such as biodiesel, ethanol, hydrogen, and natural gas or they use electric and hybrid vehicle technology. Vehicle manufacturers are not pursuing a single strategy but multiple ones to ensure that new alternative and cleaner fuels are globally acceptable.

Global NEV landscape

Globally, the momentum for electric mobility has increased exponentially, as evidenced by the number of NEV sales from 2019 to 2021. Up to 2021 there were almost 20 million passenger NEVs on the road and electrification has spread to other segments of road transport with over 1,3 million commercial NEVs, including buses, delivery vans and trucks. This global shift has primarily been driven by national emission reduction commitments stemming from the Paris Agreement on climate change, growing urban air pollution concerns, and continued crude oil price volatility. Globally, there were over 450 electric car models available in 2021, an increase of more than 15% relative to 2020 offerings and more than twice the number of models available in 2018. This reflects the interests of OEMs to capture NEV market share by producing new options quickly to appeal to a broadening pool of consumers.

Increasingly strict legislation with respect to CO^2 emissions, the impact of government subsidies, and environmental pressure are the key drivers of risk in the clusters related to internal combustion engine (ICE) technology. Electrified vehicles are growing at a frenetic pace, while ICE vehicles are either stagnant or declining. Adding to the complexity, the transition is taking place at different speeds and levels of intensity across countries. As South Africa's automotive volumes are predominantly driven by export demand, the industry is highly vulnerable to changes in demand in export markets, in particular, Europe and the UK.

The one key objective that governments from around the world are striving towards, is for a cleaner environment for the human population to live in. There has been a rapid evolution in alternative engine technologies with low or no emissions owing to the stricter emission control regulations imposed by governments. NEVs offer an important, alternative solution to internal combustion engines in the effort to reduce emissions. The introduction of NEVs in global markets has been supported by a range of government policies and financial incentives, such as tax breaks and toll-free payments. According to Bloomberg, NEVs of all types are at present already displacing 1,5 million barrels per day of oil usage, equivalent to about 3% of total road fuel demand.

NEV sales have been particularly impressive over the last three years, even as the global pandemic shrank the market for conventional cars, and as manufacturers started grappling with supply chain bottlenecks. The net growth in global car sales in 2021 came from NEVs. In 2020, the overall car market contracted, but NEV sales bucked the trend, rising to 3,24 million units, representing 6,0% of total passenger car sales. In 2021, NEV sales more than doubled to 6,6

million, representing 11,7% of the global passenger car market, and more than tripling their market share from two years earlier. The demand continues to soar thanks to the boost from the Chinese market, Tesla and Volkswagen Group.

China accounts for more than half of all electric cars sold, but there's also strong growth in Europe and the US. China led the global growth in the NEV markets in 2021, as sales nearly tripled to 3,4 million units. In other words, more NEVs were sold in 2021 in China alone, than were sold in the entire world in 2020. The Chinese government's official target is for NEVs to reach a market share of 20% in 2025, and their performance in 2021 suggests they are well on track to do so. The government extended NEV subsidies for a further two years after the pandemic broke out, albeit with a planned reduction of 10% in 2021, and 30% in 2022.

Globally, OEMs are accelerating their NEV launch plans, partly to comply with increasingly stringent regulations in Europe and China, along with a raft of new model launches and government-sponsored incentives. BEVs use lithium-ion batteries to power their operation and release no greenhouse gas emissions and are less harmful to the environment when they are charged using electricity generated from renewable sources. China and Europe combined will represent 72% of all passenger NEV sales in 2030, driven by European vehicle CO^2 regulations and China's NEV credit system, fuel economy regulations and city policies restricting new internal combustion vehicle sales. OEMs will continue to focus their passenger NEV efforts on the markets with the most stringent regulations for the next 10 years, leading to low rates of NEV adoption in the rest of world. Price parity between NEVs and internal combustion vehicles is projected to be reached by the mid-2020s in most segments, but there is a wide variation between geographies. Until these tipping points are reached, policy support is still required in most markets.

A key policy in the initial phase is the offering of significant purchase and tax incentives to make NEVs economically attractive compared to ICE vehicles. To disincentivise the purchase of ICE vehicles, India introduced scrappage incentives, while Turkey, Brazil and Thailand introduced tax incentives for NEVs to lower their purchase price. In Thailand, Mexico and Brazil, the excise duty is levied on vehicles based on CO^2 emissions and engine capacity, levying higher rates for high emitting and large vehicles. In parallel, countries extended the public charging infrastructure network, which remains important to increase visibility and reduce range anxiety. In addition, NEVs are exempt from import duty in Morocco, Egypt and Malaysia, while India allows for duty reductions on imported NEVs and parts used in NEV production. To further develop the NEV market, Poland, Thailand, Mexico and Brazil set fleet

targets for the procurement of NEVs by both government agencies and private companies to reduce emissions and switch to zero emitting vehicles. Non-financial incentives are also catalysts to the adoption of NEVs. These range from free parking, preferential access to bus lanes and road toll fee waivers.

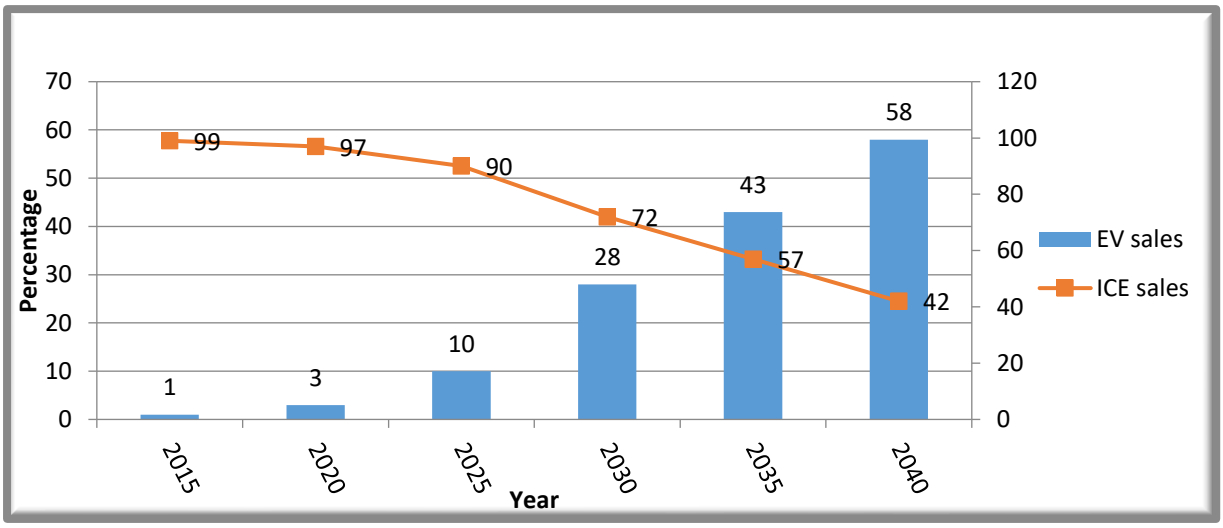
Since the backlash against high emissions vehicles, the movement towards Plug-in Hybrid-Electric Vehicles (PHEVs), as well as Battery Electric Vehicles (BEVs) has gathered more prominence and this momentum will continue. Globally, until the year 2025, PHEVs are expected to play an important role with the move towards electric vehicles. However, because of the engineering complexities of PHEV platforms and the cost thereof, from 2025 onwards, BEVs will be more attractive and are expected to take over and account for the majority of NEV sales. Key factors that will see to the progressive adoption of NEVs in the coming years:

- Short-term regulatory support in key markets like the USA, Europe, and China.
- Decreasing lithium-ion battery prices.
- Increased electric vehicle commitments from global vehicle manufacturers.
- Growing consumer acceptance, sparked by competitively priced electric vehicles across all vehicle classes.
- The growing role of car sharing, ride hailing, and autonomous driving.

Major OEMs have already announced the launch of a staggering 400 new EVs over the 2019-2023 period. Some, such as Volvo, have made ambitious commitments to phase out ICE-based vehicles. New, diverse players are also entering the market in one form or the other. They range from pioneer automotive and energy firm Tesla; information and communications technology companies, such as Google; to mining companies, such as Anglo American; battery manufacturers; and OEMs from emerging economies (primarily China and India) aiming to leverage this shift to take their business to a new dimension, to a multitude of entrepreneurs operating in niche markets. It is estimated that over US$500 billion has been committed by OEMs on BEVs and batteries over the next five to 10 years. German OEMs are intending spending US$185 billion by 2030, Chinese OEMs US$100 billion and US OEMs US$60 billion by 2025 while major Japanese OEMs committed US$40 billion.

According to Bloomberg New Energy Outlook (BNEF), 10% of global passenger vehicle sales will comprise of electric vehicles by 2025, rising to 28% by 2030, and rapidly rising to 58% by 2040. The following figure reveals the global passenger vehicle sales forecast of ICE and NEVs from 2015 to 2040.

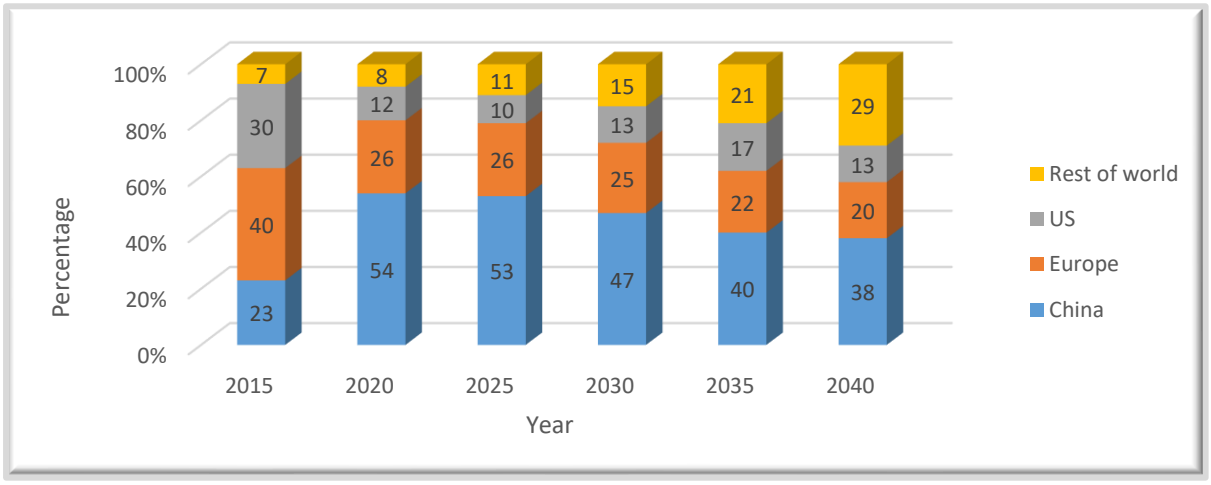
Global passenger vehicle sales forecast of ICE and NEVs from 2015 to 2040



Source: (BNEF, 2021:1)

Global passenger vehicle sales forecast of NEVs up to 2025 is relatively low, however, from 2025 to 2030 the move towards NEVs will start gaining traction. The decrease of battery prices will result in price competitive electric vehicles being sold in all major light duty vehicle segments before 2030, dawning in a period of robust growth for NEVs. It is expected that by 2030 there will be parity between the cost of an ICE vehicle and the cost of an electric vehicle, and at this point it will spark the mass adoption of EVs in most markets. The following Figure highlights the annual global electric vehicle sales forecast by market from 2015 to 2040.

Annual global electric vehicle sales forecast by market from 2015 to 2040



Source: (BNEF, 2021:2)

China and Europe will dominate the global electric vehicle market and the size of these markets, tougher CO^2 regulations, China's NEV credit system, fuel economy regulations, and government support will be the primary drivers of electric vehicle sales. Strong government support for the period 2015 to 2025 will spark demand for electric vehicle adoption in these markets. NEVs' outlook in the long run seems prosperous, as fundamental cost and technology improvements supersede the short-term impacts of the pandemic. Governments worldwide have also announced the plan to shift from ICE vehicles to NEVs using various innovative strategies. The global automotive OEMs are quickly adapting to comply with new stringent regulations being implemented in China and Europe and are launching newer compatible models whilst also taking advantage of the government incentives on offer.

In Europe, NEV sales increased by nearly 70% in 2021, which is significant to South African vehicle manufacturers, as Europe is the country's main new vehicle export market. The surge in NEV sales in Europe in 2021 was partially driven by new CO^2 emissions standards. Purchase subsidies for NEVs were also increased and expanded in most major European markets.

Overall, China, Europe and the US account for roughly two-thirds of the overall car market, but around 90% of electric car sales. In contrast, the market for electric cars is barely growing in Africa, Brazil, India, Indonesia and Japan. The price premium attached to electric cars and a lack of charging infrastructure are key reasons for the sluggish uptake.

Government policies remain the key driving force for global electric car markets, but their dynamism in 2021 also reflects a very active year on the part of the automotive industry. Targets and new model launches have helped strengthen the view that the future of cars is electric. NEVs have become the road transport technology of choice for many governments and the automotive industry. In Europe, the EU Commission proposed bringing the CO^2 emission standard for new cars to zero by 2035. At the same time, several OEMs also announced electrification targets. As manufacturers sharpen their electrification strategies to compete for market share rather than considering NEVs mostly as policy compliance vehicles, more resources will be devoted to advertising, increasingly aggressive pricing and the development of ever more attractive electric models.

In the order of 51 countries have already announced their intentions to ban the sales of new ICE vehicles from as early as 2025, such as Norway. The UK's announcement in late 2020, as the domestic automotive industry's top vehicle export destination since 2014, to bring forward the ban of sales of traditional petrol and diesel cars to 2030, five years earlier than previously

planned, means that the South African automotive industry's electromobility discussion will have to be accelerated to ensure its future sustainability. The following table reveals some of the major countries that will be banning all new petrol and diesel car sales at future dates.

Country	Ban announced	Status and proposed commencement	Scope	Selectivity
China	2017	researching a timetable[7]	Gasoline or diesel	New car sales
Canada	2017	2040 (climate plan)[10]	Emitting	New vehicle sales
France	2017	2040 (climate plan)[13]	Gasoline or diesel	New car sales
Sri Lanka	2017	2040[21]	Gasoline or diesel	All vehicles
Slovenia	2017	2030 (emission limit of 50 g/km)[20]	Gasoline or diesel	New car sales
Netherlands	2017	2030 (coalition agreement)[17]	Gasoline or diesel	All cars
Norway	2017	2025 (tax and usage incentives)[18]	Gasoline or diesel	All cars
Ireland	2018	2030 (private members bill, not passed)[15]	Gasoline or diesel	New car sales
Sweden	2018	2030 (coalition agreement)[22]	Gasoline or diesel	New car sales
Iceland	2018	2030 (climate plan)[14]	Gasoline or diesel	New car sales
Israel	2018	2030[16]	Gasoline or diesel	New imported vehicles
Costa Rica	2019	2050[11][12]	Gasoline or diesel	New car sales
Singapore	2020	2040 (incentives on electric vehicles)[19]	Gasoline or diesel	All vehicles
United Kingdom	2020	2035 or 2032 (proposed dates)[23]	Non-electric	New car sales

Source: Bloomberg, New Energy France

The global shortage of semi-conductors is problematic for NEVs, which require around twice as many chips as equivalent conventional vehicles, mostly owing to additional power electronics components. It is possible that without these disruptions, NEV sales could have been even higher in 2021. The current Russia-Ukraine conflict is anticipated to severely impact global NEV battery-cell production as well as chips, which are already suffering a global shortage. However, according to research firm IHS Markit, NEV sales will account for approximately 40% of the market by 2030, more than 50% by 2035, and up to 100% by 2050.

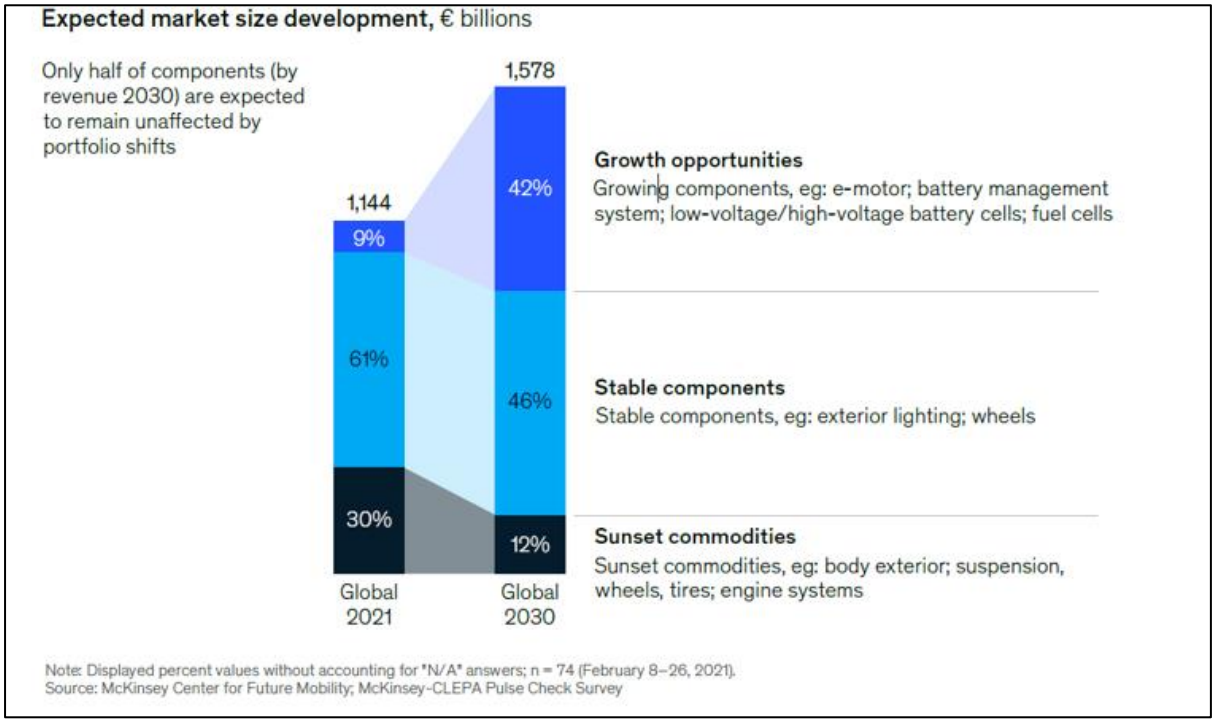
Automotive component suppliers

The global automotive industry has run into massive financial challenges resulting from a combination of economic shutdowns in 2020 and 2021, along with the ongoing semi-conductor crisis and the risk of other raw material shortages looming large on the horizon. Disruptive megatrends, such as supply chain disruptions, electrification, technology convergence, and new market entrants, continue to drive change for automotive component suppliers, even in long-entrenched segments of the industry. Increasingly strict legislation with respect to CO^2 emissions, the impact of government subsidies, and environmental pressure are the key drivers of risk in the clusters related to the ICE technology. Component clusters tied to electrified vehicles are growing at a frenetic pace, while ICE components are either stagnant

or declining. Adding to the complexity, the transition is taking place at different speeds and levels of intensity across countries. Both in the near and long term, automotive component suppliers should adequately prepare their businesses for a future that is arriving faster than expected.

The following graph reveals the changing automotive component landscape and how automotive component suppliers anticipate adapting their portfolios towards growth opportunities up to 2030. ICE vehicle automotive components with the highest risk of contraction with the transition to NEVs include gearboxes, transmission shafts, clutches and shaft couplings, engines, engine parts, radiators and parts, ignition and starting equipment, catalytic converters, and silencers and exhausts.

Changing automotive component landscape



Globally, the automotive industry benefits when the supplier base is strong and competitive. At present, automotive component suppliers not only have to face the effects of the global pandemic but are also required to drive forward the transformation of the automotive value chain towards e-mobility. Big changes in the decade ahead on a global scale include new powertrains, relationships with consumers, modes of ownership, manufacturing processes, and technologies. The ICE vehicle area is confronted with a declining market volume, a high level of market consolidation and the severe negative effects of environmental legislation. This

change carries enormous risks for many suppliers. Rarely has the automotive sector faced such an array of challenges, but also opportunities.

Since 2019 and intensified by the outbreak of COVID-19 in 2020, the overall sales figures for passenger cars have fallen sharply, linked to supply chain disruptions such as the global semi-conductor shortage. There is no doubt that global automotive production is in the process of radical and accelerated change that is driven by technology and alternate energy.

Due to the impact of the pandemic and faster NEV adoption, ICE vehicle sales in the passenger car segment almost certainly passed their peak in 2017 and are now in permanent decline. Automotive component suppliers that are slow in implementing the latest technological and consumer-driven trends, or to follow new regulations run the risk of failure. Products related to the internal combustion engine are coming under increasing pressure, while electromobility is gaining in importance. The greatest challenges are currently in vehicle component clusters that focus on internal combustion engines and exhaust systems. This area is confronted with a declining market volume, a high level of market consolidation and severe negative effects from legislation.

Automotive component suppliers, as part of a supply chain, need to utilise their resources for efficiency, effectiveness, compliance and agility in adapting to the new environment, and, in doing so, drive innovation to survive and be successful. To ensure long-term corporate success, it is essential for automotive component suppliers, their customers and financing partners to establish a continuous and systematic approach to monitoring and evaluating internal and external risks. This requires a structured methodology that makes it possible to identify risks at an early stage and to react to them with the right countermeasures. Suppliers also need to improve their existing supply chain forecasting and planning capabilities to sense demand fluctuations in advance.

It is, therefore, more important than ever to maintain maximum efficiency, ensure cost-effective manufacturing and maintenance, and have the flexibility to respond to changes in the market. This can not only be achieved through major investment and innovations, but also in the little things that yield measurable results in terms of safety, quality, costs and productivity.

South African NEV landscape

The South African automotive industry will have to adapt to the current rapid technological transition to new energy vehicles (NEVs) to maintain and further grow its automotive manufacturing ambitions. The demand for NEVs is driven largely by government incentives and the imperative to combat climate change in regions such as the European Union – the domestic automotive industry's top export region, which aims to become a zero-carbon economy by 2035 – as well as increased consumer demand for greener products and a change in technology.

The export value of vehicles and automotive components rebounded strongly by R31,8 billion, or 18,1%, from the R175,7 billion in 2020 to a record R207,5 billion in 2021, comprising 12,5% of total South African exports. Vehicle exports increased by 26 733 units to 298 020 units in 2021, from the 271 287 vehicles exported in 2020, while the export value increased by R17,1 billion from the R121,2 billion in 2020 to R138,3 billion in 2021. Automotive component exports reflected an increase of R14,7 billion to a record R69,2 billion in 2021, from the R54,5 billion in 2020, mainly driven by record catalytic converter exports to the EU, in line with stricter emission regulations in the region The domestic automotive industry's export destinations increased to 152 countries in 2021 from the 147 destinations in 2020, with the export value doubling from 2020 to 2021 in the case of 32 of these countries.

The South African new vehicle market reflected a robust recovery in 2021, increasing by 22,2% to 464 493 units, compared to the severely COVID-19 affected 380 206 units in 2020. A close correlation exists between domestic new vehicle sales and the overall performance of the economy, and the new vehicle market's performance was aligned with the strong recovery in the country's GDP growth rate to 4,9% for 2021. Sales of passenger cars and light commercial vehicles (LCVs), which contributed 65,5% and 28,7% to the total market, respectively, increased by 23,5% and 20,0%, from 2020 to 2021. The South African truck market, comprising 5,8% of the total market, increased year-on-year by 19,0% in 2021. The following table reveals the sales of passenger cars and commercial vehicles for 2017 through to 2021.

Sales of passenger cars and commercial vehicles – 2017 to 2021

Year	Passenger cars	Light commercial vehicles	Medium and heavy commercial vehicles and buses	Total new vehicle sales
2017	368 114	163 317	26 273	**557 704**
2018	365 247	159 525	27 455	**552 227**
2019	355 379	153 221	28 012	**536 612**
2020	246 541	110 912	22 754	**380 207**
2021	304 340	133 078	27 075	**464 493**

Source: **naamsa**/Lightstone Auto

In 2021, traditional and plug-in hybrid vehicle sales increased to 678 units in 2021, up from the 232 units in 2020, while battery electric vehicle (BEV) sales increased from 92 units in 2020 to 218 units in 2021. Affordability and limited choice have been noted as the main factors inhibiting NEV sales in the country. However, South African new-vehicle buyers will have a choice of around 20 battery electric vehicles (BEVs) by 2023.

The global transition towards NEVs is inevitable and South Africa's rapid adaption is critical for the domestic automotive industry's long-term success and growth. The only way to have a successful automotive manufacturing base is to keep up with technological developments. The South African automotive industry cannot be running on one development technology track whilst the rest of the world is way ahead on the same track. Developed economies have a saturated vehicle demand and a replacement cycle that is heading towards BEVs. Developing economies have a growing middle class which leads to a growth potential for new vehicles. Consumers are becoming smarter and technologically more educated and are demanding newer technology vehicles at a modest price. The transition towards newer automotive technologies, such as NEVs, needs to be seamless because South Africa cannot afford to operate on two parallel technology tracks, manufacturing both old and new types of vehicles because it is already struggling to attain economies of scale. South Africa needs to be on a progressive path by manufacturing new technology vehicles which has a huge growth potential, rather than being on a path which is stagnant with older generation technology whose market is declining.

The South African and the broader regional market is non-dynamic, with only limited projected growth over the next decade. The growth in NEV sales in South Africa will therefore displace

ICE sales, as opposed to generating additional aggregate sales in the market. South Africa needs to be able to compete for production contracts to supply markets that require new energy vehicle technology. South African automotive manufacturers will need to be at the forefront of these new technologies to capitalise on the huge growth opportunities which exist.

The following table reveals the diversity of drivetrain sales in the South African NEV landscape from 2017 through to 2021. Following a substantial increase from 324 NEVs sold in 2020 to 896 NEVs sold in 2021, a total of 2 137 NEVs have been sold during the first half of 2022 by13 industry brands. However, NEV sales still only remained 0,9% of total light new vehicle sales for the first half 2022, up from 0,2% in 2021.

South African NEV landscape from 2017 to 2022 Q2

	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	1st Half 2022
Plug-in hybrid	121	89	72	77	51	82
Traditional hybrid	182	55	181	155	627	1 850
Electric	68	58	154	92	218	205
Total NEVs	**371**	**202**	**407**	**324**	**896**	**2 137**

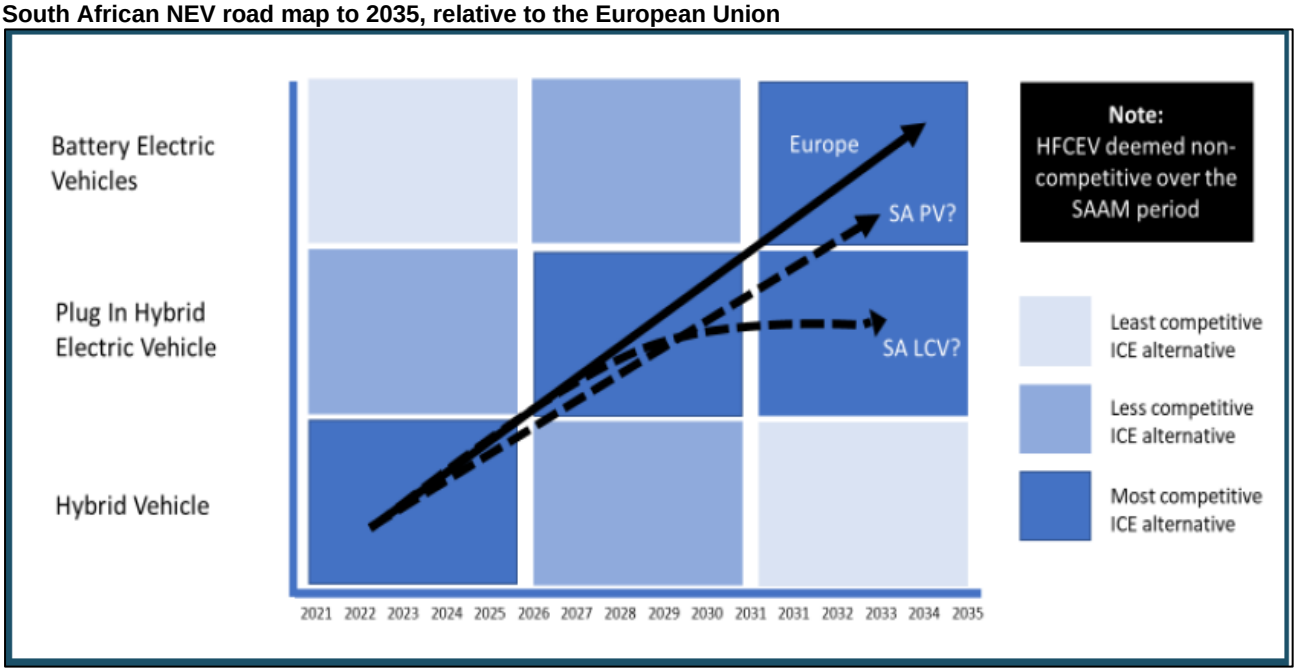
Source: **naamsa**/Lightstone Auto

On 18 May 2021, the DTIC published an Automotive Green Paper on the advancement of new energy vehicles in South Africa. The Green Paper highlighted that the NEV challenge in South Africa is two dimensional, encompassing both demand and supply side considerations, and that it is an inevitable transition for the South African automotive industry, as it will be the future driving technology adopted by the global automotive industry. The outcome of the jointly funded 2022 **naamsa** and DTIC NEV research study will aim to develop an appropriate fiscal and regulatory framework that will make South Africa a leading, highly competitive location for global NEV production.

Sales of NEVs could increase significantly if purchases of these vehicles are taken up by government, industry corporate fleet sales and vehicle rental companies considering that in 2021 sales to government comprised 2,6% or 12 281 units of total new vehicle sales of 464 493 units, sales to industry corporate fleet comprised 2,8% or 12 818 units and sales to the vehicle rental companies comprised 10,1%, or 46 971 units of total new vehicle sales.

Maintaining preferential access to the EU as the automotive industry undergoes its NEV transition is critical to the South African automotive industry, as is access to competitive NEV product supply from that market. In order to maintain the balance between supplying the domestic new vehicle market as well as export markets, it is critical that domestic and international market demand shifts are broadly aligned. This does, however, not mean that consumption in the South African and EU/UK markets needs to be fully aligned in the timing and the profile of NEV consumption. Consistent with most developing economies with substantial automotive industries, South Africa is starting its NEV transition slightly later. The South African NEV roadmap for light vehicles through to 2035 is presented in the following Figure. As highlighted, the EU region is projected to fully transition its market to BEV-only sales by 2035. This transition is being driven by a mix of legislative changes that will essentially ban the sale of pure ICE vehicles by 2035, combined with generous fiscal incentives at national and sub-national levels to purchase NEVs. HEVs will be the most competitive alternative to ICE vehicles in the short term (to 2025), with PHEVs the most competitive alternative from around 2026 to 2030, and BEVs only becoming competitive from 2031 to 2035.

South African NEV road map to 2035, relative to the European Union



Source: **naamsa** / DTIC NEV research study

The passenger vehicle market is expected to follow the same EU trend, albeit with some timing lags, given South African market price sensitivities. There is also an important further distinction in the LCV market. The inherent weight and wind coefficient limitation that arises from the ladder-chassis-based technology underpinning LCVs makes it more difficult to

engineer LCVs that are NEVs. There is therefore potentially a longer time lag before BEV-LCVs is competitive in the domestic market. Consequently, PHEVs are expected to hold a competitive position in respect of LCVs for a potentially longer period in the South African market.

What is required for the domestic automotive industry's transition to NEVs is a supportive regulatory framework in the form of incentives to address the price differential between NEVs and ICE vehicles, additional incentives to manufacture NEVs and NEV components, as well as the roll out of public charging stations across the country.

Relevance of the EU, UK and EFTA

Electric mobility (e-mobility), paired with renewable energy generation, stands to play a major role in significantly lowering global CO^2 emissions in the transportation sector. For environmental sustainability as well as to enhance industrial policy, developing an NEV market is crucial to decarbonise transport and to transform the sector through the application of emerging technologies.

E-mobility can help countries achieve sustainable development objectives and decarbonisation goals but the high purchase price of NEVs and the availability of charging infrastructure remain major barriers to the spread of NEVs. To grow the market, however, a mix of strong and enabling policy measures and incentives addressing the cost, charging infrastructure, and information gap could help to increase the share of NEVs. A key policy in the initial phase is the offering of significant purchase and tax incentives to make NEVs economically attractive compared to ICE vehicles. To further develop the NEV market, fleet targets for the procurement of NEVs by both government agencies and private companies to reduce emissions and switch to zero emitting vehicles could be set. Non-financial incentives are also catalysts to the adoption of NEVs. These range from free parking, preferential access to bus lanes and road toll fee waivers. In addition, manufacturing opportunities for NEVs and components could be enhanced through the provision of relevant funding and incentives.

In Europe, NEV sales increased by nearly 70% in 2021, to 2,3 million units, with about half of those PHEVs. BEV sales registered a record 10% market share of the passenger car sales in Europe during 2021. The market for BEVs in the EU expanded by 63% to 878 432 cars. If EFTA (+51%) and the UK (+76%) were added, the expansion was 63% to 1 218 360 BEV

cars — the first time ever that more than a million BEVs were sold in Europe in a calendar year. Total new passenger vehicle registrations in the EU, the UK and EFTA countries contracted by 1,5% to 11 774 885 cars during 2021 — around 4 million cars less than in pre-pandemic years.

The highest passenger car market share for NEVs in 2021 in Europe were Norway (86%), Iceland (72%), Sweden (43%) and the Netherlands (30%), followed by France (19%), Italy (9%) and Spain (8%). For the first time in 2021, the bigger market of the UK was not included in EU-wide regulations, although it has put in place national law that mirrors EU regulations. The key driver underpinning NEV growth in Europe is the tightening CO^2 emissions standards that occurred in 2020 and 2021. The expansion of purchase subsidies and tax benefits in major markets also contributed to the acceleration of NEV sales.

The Tesla Model 3 and Renault Zoe were the top-selling electric car models in Europe in 2021. Developments in Europe are imperative for the South African automotive industry, as Europe is the country's main vehicle and automotive component export market. Overall, electric cars accounted for 17% of total European sales in 2021, but there were significant differences across markets.

Petrol remained by far the most popular fuel type for new cars sold in Europe in 2021. Although its market share slipped to 40,4%, hybrid electric cars and to a large extent plug-in hybrids too are primarily driven on petrol. The decline in the popularity of diesel continued and it is likely to continue as fewer diesel cars are offered and development halted. Despite the sharp increase in registration of NEVs, full battery electric vehicles (BEVs) still made only a tenth of the European new car market in 2021. BEV passenger car sales in Europe increased by nearly two-thirds in 2021. As a result, BEV passenger cars comprised a record 10,3% market share — up from 6,2% in 2020. Plug-in hybrid (PHEV) sales in Europe increased by 68,5% but were lagging in volume terms well behind BEVs. BEVs at present are pulling ahead of PHEVs and the gap is set to widen further in the years ahead.

European new passenger car market by fuel types – 2021

The new car market in the EU, EFTA, and the UK during 2021 was divided into the following main fuel types according to the ACEA:

Fuel	2021	2020	% Change	% Share
Petrol	4,756,897	5,760,122	-17.4	40.4
Diesel	2,078,022	3,104,226	-33.1	17.6
HEV	2,409,495	1,520,086	58.5	20.5
BEV	1,218,360	745,644	63.4	10.3
PHEV	1,045,022	620,248	68.5	8.9
TOTAL	11,774,885	11,961,182	-1.5	

Note: Total also includes further alternatives, eg LPG and natural gas.

As South Africa's automotive volumes are predominantly driven by export demand, the industry is highly vulnerable to changes in demand in export markets, in particular, the EU and the UK. The following tables reveal the South African automotive industry's significant export performance relating to Europe, including the 27-country EU region, the UK and the 4-country EFTA region with which South Africa enjoys free trade agreements.

South African vehicle export volumes to the EU, UK and EFTA – 2017 to 2021

Country/region	2017	2018	2019	2020	2021
EU	69 657	104 224	171 982	116 412	155 965
UK	98 358	119 578	101 401	67 798	60 620
EFTA	4 179	4 931	6 854	5 966	5 696
Total	**172 194**	**228 733**	**280 237**	**190 176**	**222 281**

Source: **naamsa** / Lightstone Auto

South African vehicle exports to the EU, the UK and EFTA accounted for:

- 222 281 vehicle exports out of a total of 298 020 vehicles exported = 74,6% or nearly three out of every four vehicles exported in 2021.

Total South African automotive export value to the EU, UK and EFTA (R million) – 2017 to 2021

Country/region	2017	2018	2019	2020	2021
EU	77 434,1	88 047,9	111 766,9	91 882,8	107 190,6
UK	8 474,3	17 170,1	17 935,9	13 157,9	17 558,9
EFTA	725,2	1 001,6	940,9	663,6	837,1
Total	**86 633,6**	**106 219,6**	**130 643,7**	**105 704,3**	**125 586,6**

Source: AIEC, SARS

The total South African automotive export value to the EU, the UK and EFTA accounted for:

- R125,6 billion export value out of a total automotive export value of R207,5 billion = 61,1% in 2021.

South African vehicle export value (R million) to the EU, UK and EFTA – 2017 to 2021

Country/region	2017	2018	2019	2020	2021
EU	57 051,7	66 915,4	89 060,0	68 435,7	76 504,7
UK	6 295,3	14 850,7	15 830,5	10 326,4	13 921,5
EFTA	722,0	999,8	938,0	649,6	808,8
Total	**64 069,0**	**82 765,9**	**105 828,5**	**79 411,7**	**91 235,0**

Source: **naamsa** / Lightstone Auto

The South African vehicle export value to the EU, the UK and EFTA accounted for:

- R91,2 billion vehicle export value out of a total vehicle export value of R138,2 billion = 66,0% in 2021.

Total South African automotive component export value to the EU, UK and EFTA (R million) – 2017 to 2021

Country/region	2017	2018	2019	2020	2021
EU	20 382,4	21 132,5	22 706,9	23 447,1	30 685,9
UK	2 179,0	2 319,4	2 105,4	2 831,5	3 637,4
EFTA	3,2	1,8	2,9	14,0	28,3
Total	**22 564,6**	**23 453,7**	**24 815,2**	**26 292,6**	**34 351,6**

Source: AIEC, SARS

The South African automotive component export value to the EU, the UK and EFTA accounted for:

- R34,4 billion automotive component exports out of a total of R69,2 billion = 49,7% in 2021.

A short-term risk for the South African automotive industry relates to Norway which currently has the most ambitious law yet to ban the sales of all new petrol and diesel cars by 2025. The domestic automotive industry exported 2 639 vehicles and automotive components to the value of R11,2 million to Norway in 2021.

A medium-term risk for the South African automotive industry relates to countries that will be banning all new petrol and diesel car sales by 2030, including Belgium (2029), Denmark, Germany, Greece, Iceland, the Netherlands, Slovenia (2031), Sweden and the UK. The domestic automotive industry exported 129 717 vehicles and automotive components to the value of R23,51 billion to these countries in 2021.

The key difference between and ICE vehicle and NEV is the omission of the internal combustion engine, fuel system and exhaust system. The NEV additional systems include larger batteries, power electronics, more elaborate thermal management, high-voltage wiring harnesses, and electric motors.

Considering that nearly 50% of the automotive component export value and three out of every four vehicles exported were destined for the EU, the UK and EFTA in 2021, developments in the broader region have a measurable and direct impact on the South African automotive industry.

Vehicle exports to the EU, UK and EFTA

During 2021, the domestic automotive industry's vehicle exports benefitted from favourable economic conditions abroad, as well as the introduction of new models by major domestic vehicle exporters. The following table reveals the passenger car and light commercial vehicle exports to the EU, UK and EFTA top countries from 2017 to 2021. In terms of number of units in 2021, the UK, Germany, France, Italy and Belgium were the top export destinations. In 2021, VWSA, with its Polo model, maintained its top position for the third consecutive year followed by Ford, Toyota, BMW and Mercedes-Benz.

Top 10 destinations for light vehicles (passenger cars and light commercial vehicles) exported to the EU, the UK and EFTA – 2017 to 2021

Country	2017	2018	2019	2020	2021
Total (R billion)	110,9	123,2	143,4	117,0	133,2
UK	98 358	119 578	101 401	67 798	60 260
Germany	10 423	25 513	37 152	25 736	42 671
France	19 055	23 400	25 629	13 956	22 130
Italy	5 088	8 870	14 624	10 546	18 295
Belgium	6 902	6 338	11 379	10 048	11 752
Spain	5 770	10 833	11 217	7 345	10 876
Hungary	3 833	5 334	8 012	6 341	7 793
Austria	2 105	2 749	12 675	6 376	7 429
Poland	5 285	5 425	7 606	5 441	6 491
Netherlands	468	1 481	12 146	8 321	6 191
Other	14 907	19 212	38 396	28 268	28 393
Total (units)	**172 194**	**228 733**	**280 237**	**190 176**	**222 281**
Light vehicle production	**574 075**	**581 469**	**603 082**	**422 905**	**471 433**
% of production exported	**30,0%**	**39,3%**	**46,5%**	**45,0%**	**47,2%**

Source: **naamsa**/Lightstone Auto, SARS

The domestic industry continues to capitalise on the various trade arrangements enjoyed by South Africa that enhance exports, which include free trade agreements with the EU, the UK and EFTA. The EU region is currently developing legislation to ban the sales of fossil-fuel-reliant vehicles on their roads by 2035 while the UK, which has been the South African automotive industry's top vehicle export destination since 2014, has announced that the ban on new internal combustion engine (ICE) vehicle sales would be brought forward by five years, from 2035 to 2030. Since 2018, vehicle exports to the US under the AGOA trade arrangement declined substantially in view of the fact that the same models by BMW and Mercedes-Benz are being manufactured in both countries and are therefore no longer exported in large volumes from South Africa to the US. Subsequently, vehicle exports by these two major OEMs have been allocated to Europe and hence the increase in the percentage of light vehicle production volumes exported to the EU, the UK and EFTA, which comprised 47,2% of total light vehicle production in 2021.

SA – UK trade analysis

The UK was the South African automotive industry's 3rd largest export destination, 8th largest country of origin and 4th largest trading partner in 2021.

Since 2014, the UK was the domestic automotive industry's top vehicle export destination. The following table reveals the South African automotive industry's total export value to and total import value from the UK for 2021.

South Africa - UK total automotive export and import values – 2021 (R million)

SA – UK Automotive exports and imports	Exports 2021	Imports 2021
Total	17 558,9	5 434,4

"Brexit" was the name given to the United Kingdom's (UK's) departure from the European Union (EU). It is a combination of "Britain" and "exit".

On 23 June 2016, the UK held a referendum on its membership of the EU. The question facing voters was: "Should the United Kingdom remain a member of the European Union or leave the European Union?" 51,89% of voters voted to leave the EU. The UK left the EU on 31 January 2020. Up to 31 December 2020 a transition period was in place. During that time the UK continued to comply with all EU laws and rules. Negotiations were also held on the new relationship between the UK and the EU during this time. The UK formally exited from the EU on 31 January 2020. To date the UK is the only sovereign country to have left the EU. The UK had been a member state of the EU and its predecessor the European Communities (EC) since 1 January 1973.

From a South African perspective, an Economic Partnership Agreement (EPA) between a group of countries in Southern African Development Community (SADC) and the EU entered into force on 10 October 2016, replacing the Trade Development and Cooperation Agreement (TDCA) which was in place since 2000. The SADC EPA group of countries does not consist of the entire SADC bloc, but rather members of the Southern African Customs Union (SACU), namely, Botswana, eSwatini (formerly Swaziland), Lesotho, Namibia, and South Africa, plus Mozambique, with an option for Angola to join in the future. While the SADC-EU EPA is a reciprocal trade agreement, meaning both the EU and the SADC EPA group offer preferential market access to each other, the EU provides greater preferential and duty-free access, while the SADC EPA group are allowed to maintain protection of sensitive sectors. Recently, the terms of the EU EPA have been replicated under a new and separate EPA with the UK, which

entered into force on 1 January 2021. This has allowed for the continuation of preferential trade between South Africa and the UK after Brexit. The new trade agreement with the UK is called the SACUM–UK EPA, which will replace the previous legal framework for SACUM–UK trade under the SADC–EU EPA.

The impact of the decision by the UK government to ban the sale of new petrol and diesel vehicles in 2030, with hybrids to follow in 2035, will have far reaching implications for the South African automotive industry. The UK government has officially confirmed in March 2021 that the ban on sales of new petrol and diesel cars has been moved forward to 2030 as part of its 10-point "Green Industrial Revolution". The Green Industrial Revolution plan focuses on increasing ambition in the following areas:

- advancing offshore wind
- driving the growth of low carbon hydrogen
- delivering new and advanced nuclear power
- accelerating the shift to zero emission vehicles
- green public transport, cycling and walking
- "jet zero" and green ships
- greener buildings
- investing in carbon capture, usage and storage
- protecting our natural environment
- green finance and innovation

The 10-point plan will mobilise £12 billion of government investment, and potentially three times as much from the private sector, to create and support up to 250 000 green jobs.

The UK was the second largest NEV car market in Europe with BEV passenger car sales comprising a market share of 18,6% in 2021. Sales of BEVs increased year-on-year by 76,3% in 2021 to 190 727 units, comprising a passenger car market share of 11,6%. PHEVs increased year-on-year by 70,6% in 2021 to 114 554 units comprising a passenger car market share of 7,0%. According to the International Organisation of Motor Vehicle Manufacturers (OICA), vehicle production in the UK declined by 5,5%, from 987 044 units in 2020 to 932 488 units in 2021. The UK has remained one of Europe's most lucrative new vehicle markets with total new vehicle sales increasing by 4,0% from 1,96 million in 2020 to 2,04 million in 2021.

UK vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
1 749 385	1 604 328	1 381 405	987 044	932 488
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
2 910 405	2 742 472	2 736 559	1 964 660	2 044 091

Source: OICA

The following table reveals the major light vehicle manufacturing plants in the UK.

Major UK light vehicle manufacturing plants

Brand	Model
Ashton Martin	Ashton Martin
BMW	Mini, Rolls Royce
Honda	Civic
Nissan	Juke, Leaf Qashqai
Stellantis	Opel Astra
Tata Motors	Jaguar, Land Rover
Toyota	Suzuki Swace, Corolla

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from the UK through 2017 to 2021.

South Africa vehicle exports to and imports from the UK – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	98 358	119 578	101 401	67 798	60 260
2017 – 2021 high volume light vehicle exports to the UK	BMW X-3 Ford Ranger Mercedes-Benz AMG C, C-Class Toyota Hilux VW Polo				
Vehicle imports	10 423	25 513	37 152	25 736	42 671
2017 – 2021 main volume light vehicle imports from the UK	Honda CR-V Jaguar F-Pace Land Rover Discovery/Sport, Range Rover Evoque/Sport/Velar Mini Clubman, Hatch Nissan Juke, Qashqai				

Source: **naamsa**/Lightstone Auto

The following table reveals that total automotive exports (vehicles and components) to the UK amounted to R17,56 billion in 2021, up by R4,40 billion, or 33,5%, if compared to the R13,16 billion export value in 2020. Vehicle exports to the UK declined in volume terms by 11,1%,

from the 67 798 units exported in 2020 to 60 260 units exported in 2021, but in value terms increased by R3,58 billion, or 34,7%%, from R10,33 billion in 2020 to R13,91 billion in 2021 on the back of new, premium locally manufactured models exported. Automotive component exports increased by R817,4 billion, or 28,9% from the R2,83 billion exported in 2020 to R3,65 billion in 2021, mainly due to the 43,7% year-on-year increase in catalytic converter exports.

Exports to the UK

United Kingdom	2017	2018	2019	2020	2021
Total	**8 474,3**	**17 170,1**	**17 935,9**	**13 157,9**	**17 558,9**
Light vehicles	6 292,1	14 850,7	15 828,7	10 326,3	13 909,9
Catalytic convertors	1 492,3	1 606,3	1 199,4	2 052,7	2 949,8
Other components	227,3	240,7	369,0	265,0	203,8
Tyres	62,7	52,6	55,1	123,6	195,6
Automotive glass	113,2	129,5	131,3	141,7	118,7
Batteries	0,0	0,5	24,2	47,3	35,2
Engine parts	30,8	36,8	49,5	31,4	26,5
Automotive tooling	32,0	28,4	20,3	16,0	18,9
Lighting equipment / parts	15,2	16,1	11,3	14,6	15,5
Medium / Heavy vehicles	3,2	0,0	1,8	0,1	11,6
Engines	23,8	24,1	16,6	9,9	10,4
Transmission shafts / cranks	14,5	11,3	10,5	14,3	8,5
Body parts / panels	0,8	1,3	4,6	8,7	8,1
Gaskets	15,3	12,8	12,5	8,5	6,9
Springs	3,9	5,0	4,0	4,0	6,8
Silencers / exhausts	10,2	8,2	5,5	4,4	6,7
Gauges / instruments / parts	23,9	34,9	25,8	5,5	6,0
Road wheels / parts	55,2	72,2	133,7	64,6	3,4
Axles	6,3	4,7	3,6	3,1	3,0
Gear boxes	10,7	8,8	4,6	3,1	2,7
Shock absorbers	5,3	3,6	1,7	1,1	2,3
Clutches / shaft couplings	0,8	0,5	3,9	1,9	1,7
Alarm systems	3,6	1,4	8,4	1,0	1,4
Radiators / parts	0,6	2,1	0,7	1,2	1,3
Wiring harnesses	0,6	1,9	0,9	0,8	1,0
Stitched leather seats / parts	1,7	2,6	1,8	1,2	0,8
Steering wheels / columns / boxes	2,7	1,3	0,8	0,6	0,6
Ignition / starting equipment	2,9	9,0	3,8	3,1	0,4
Brake parts	0,4	0,3	1,4	0,9	0,4
Filters	20,4	0,5	0,4	0,3	0,3
Air conditioners	0,6	0,0	0,0	0,8	0,3
Seatbelts	0,0	0,1	0,1	0,0	0,2
Car radios	1,0	0,6	0,1	0,1	0,1
Jacks	0,5	1,1	0,0	0,0	0,0
Seats	0,1	0,0	0,0	0,1	0,0

The following table reveals that total automotive imports (vehicles and components) from the UK amounted to R5,43 billion in 2021, up by R1,06 billion, or 24,2%, if compared to the R4,38 billion import value in 2020. Vehicle imports from the UK increased in volume terms by 65,8%%, from the 25 736 units imported in 2020 to 42 671 units imported in 2021, but in value terms declined by 6,3% from R1,48 billion in 2020 to R1,39 billion in 2021 due to changes in the mix of imports as well as a stronger Rand exchange rate of 3,7% against the Pound on an average annual basis in 2021. Original equipment component imports increased by a substantial 57,5% from R1,49 billion in 2020 to R2,35 billion in 2021 in line with the 11,8% year-on-year increase in domestic vehicle production in 2021 as well as in accommodating the introduction of new locally manufactured models.

Imports from the UK

United Kingdom	2017	2018	2019	2020	2021
Total	**7 241,5**	**7 191,3**	**6 679,5**	**4 375,3**	**5 434,4**
Light vehicles	3 479,2	3 739,4	2 707,4	1 480,0	1 387,3
Medium / Heavy vehicles	0,1	0,2	1,0	0,0	0,0
Original equipment components	1 898,8	1 751,4	2 240,4	1 492,0	2 350,5
Other components	534,7	557,0	531,5	413,0	473,8
Engines	293,0	208,5	221,8	188,8	294,7
Automotive tooling	95,3	89,5	196,6	107,2	174,8
Engine parts	181,8	168,3	163,3	154,7	155,2
Gauges / instruments / parts	138,0	139,0	146,1	114,4	124,5
Alarm systems	81,1	92,8	88,7	60,8	89,8
Transmission shafts / cranks	60,5	70,0	52,1	53,0	60,2
Catalytic converters	158,7	91,1	53,3	88,3	56,1
Filters	43,0	50,3	42,6	54,0	48,6
Tyres	56,2	46,0	35,7	24,1	43,5
Gear boxes	5,7	7,7	15,1	15,6	25,2
Break parts	30,4	26,0	19,2	15,2	18,2
Body parts / panels	21,3	20,6	19,4	14,6	17,3
Gaskets	22,6	19,2	24,8	22,5	13,8
Clutches / shaft couplings	23,4	13,4	30,5	8,0	13,3
Shock absorbers Shock absorbers	18,8	11,6	11,5	9,1	12,9
Lighting equipment / parts	14,3	13,9	11,4	8,5	12,2
Road wheels / parts	4,9	7,2	5,1	3,8	10,9
Stitched leather seats / parts	8,8	10,7	7,7	6,0	10,7
Radiators / parts	20,9	4,9	6,5	5,8	6,6
Axles	5,6	7,7	7,9	6,4	6,3
Seats	2,0	3,2	3,3	3,3	5,0
Wiring harnesses	3,2	3,2	8,3	3,9	4,8
Ignition / starting equipment	13,0	11,5	5,7	3,1	4,1
Silencers / exhausts	4,9	3,4	4,7	6,1	4,0
Automotive glass	13,1	13,4	10,1	4,7	2,9
Steering wheels / columns / boxes	1,8	2,5	2,7	1,8	2,4
Springs	3,5	4,0	2,0	3,1	2,4
Seatbelts	0,7	0,7	1,0	1,3	1,4
Batteries	0,4	1,1	0,5	0,4	0,3
Car radios	0,3	0,3	0,3	0,2	0,2
Jacks	1,0	0,6	0,6	0,3	0,2
Air conditioners	0,2	0,9	0,6	1,0	0,1

South Africa – EU trade analysis

The European Union accounted for 13% of global greenhouse gas emissions in 2021. The EU indicated that by 2025 it wants one million EV charging stations in the region and 30 million NEVs on the road by 2030.

The European Union (EU), as a block, remained the South African automotive industry's top trading region in 2021, with the Economic Partnership Agreements with the EU underpinning this relationship. Vehicle and automotive component exports to the EU increased by R15,06 billion, or 16,4%, from R91,88 billion in 2020 to R106,94 billion in 2021. Automotive imports from the EU increased by R12,76 billion, or 15,6%, from R81,92 billion in 2020 to R94,68 billion in 2021.

South Africa - EU automotive export and import values –2021 (R million)

EU	Exports	Imports
2021	106 935,3	94 675,2

Source: AIEC, SARS

In view of the significant trade between South Africa and the EU, developments in the region have a measurable and direct impact on the South African automotive industry. The transition to eco-friendly vehicles via government regulation, the pricing of carbon in the form of a tax on ICE vehicles, government-provided consumer incentive schemes, the availability of charging infrastructure, and an even stronger environmental consciousness among society in the EU are driving developments in the domestic automotive industry to a large extent.

Initially the EU consisted of just six countries: Belgium, Germany, France, Italy, Luxembourg and the Netherlands. Denmark, Ireland and the United Kingdom joined in 1973, Greece in 1981, Spain and Portugal in 1986 and Austria, Finland and Sweden in 1995. In May 2004, the biggest ever enlargement took place with ten countries joining: Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia and Slovak Republic. On 1 January 2007 the EU welcomed its 26th and 27th members, Bulgaria and Romania. Croatia applied for EU membership in 2003 and was in negotiations from 2005 until 2011. On 9 December 2011 leaders from the EU and Croatia signed the accession treaty. The country became the 28th EU member country on 1 July 2013. Poland, the Czech Republic, Hungary, Slovak Republic and Slovenia are significant to the automotive sector. All new countries are bound by the current free trade agreement.

The EU-SA Free Trade Agreement on trade, development and co-operation became effective on 1 January 2000. The main objective of the TDCA was to create a free-trade area between South Africa and the European Union (EU) over a 12-year period: it removed 90% of all trade barriers. The EU and South Africa, in terms of the agreement, opened their markets to each other at a different pace. The agreement was based on preferential rates of import duties for certain products having been deemed to originate in the partner country. South Africa granted duty-free status to 86% of its EU imports, while the EU provided duty-free status to 95% of South Africa's exports.

The implications, from a South African perspective on the automotive industry, were only finalized on 15 December 2006 and meant that between 15 December 2006 and 1 January 2008 the EU would drop all import tariffs on South African-manufactured vehicles and automotive components and South Africa would return the compliment by applying preferential tariffs. Passenger cars into the EU normally attract an import duty of 10% and light commercial vehicles 22% while original equipment components an import duty of 3% and aftermarket automotive parts an import duty of 4,5%. Effectively from 1 January 2000, when the SA-EU Free Trade agreement was signed, the applied tariffs for automotive components into the EU were reduced by 50% below normal EU duty rates, which provided South Africa with a competitive advantage against competing countries. The impact of these preferences is evident in the component and vehicle export trade data in respect of the EU. The automotive part of the TDCA was only concluded on 15 December 2006. As a result, the 3% import duty on original equipment components and the 4,5% duty on aftermarket parts were reduced to duty-free on 15 December 2006, while the 10% import duty on passenger cars was reduced to 3,5% on 15 December 2006, further reduced to 1,5% on 1 January 2007, and was reduced to zero in January 2008. South Africa, in turn, granted the EU a 7% preference on passenger cars and light commercial vehicles, and an 8% preference on medium and heavy commercial vehicles and buses. Original equipment components received no preference, but a large number of aftermarket automotive parts qualified for lower import duties. In order to qualify for zero tariffs into the EU, South African vehicles and automotive components must contain at least 60% local content with respect to the rules of origin. The definition of local content includes South African raw materials, labour, parts, transport, manufacturing costs and profit margins, as well as the value of components and sub-components originally sourced from the EU.

On 10 October 2016 an Economic Partnership Agreement (EPA) between a group of countries in SADC and the EU entered into force, replacing the Trade Development and Cooperation

Agreement (TDCA). The SADC EPA group of countries does not consist of the entire SADC bloc, but rather members of the SACU, namely, Botswana, eSwatini (formerly Swaziland), Lesotho, Namibia, and South Africa, plus Mozambique, with an option for Angola to join in the future. The EPA has a strong focus on regional integration and the fostering of regional value chains in the SADC EPA group of countries. While the SADC-EU EPA is a reciprocal trade agreement, meaning both the EU and the SADC EPA group offer preferential market access to each other, the EU provides greater preferential and duty-free access, while the SADC EPA group are allowed to maintain protection of sensitive sectors.

While the supply chain disruptions hindered the sales of traditional models in 2021, over 20% of new cars sold in the EU in 2021 were 100% electric. These developments are significant to the South African OEMs as Europe is the country's main new vehicle export market.

According to the International Organisation of Motor Vehicle Manufacturers (OICA), vehicle production in the EU declined by 5,0%, from 13,80 million units in 2020 to 13,10 million units in 2021. Germany, with vehicle production of 3,31 million units, led the region's production, followed by Spain with 2,01 million units, and France with 1,35 million units.

New vehicle sales in the EU increase by a modest 0,1% from 13,63 million units in 2020 to 13,64 million units in 2021, which was still 10,0% below the pre-pandemic level of 91,76 million units in 2019. The impact of the chip shortage on vehicle output impacted negatively on the EU's sales performance. Germany, the major market in the region, reflected a year-on-year decline of 9,0% in 2021.

EU vehicle production and sales – 2020 to 2021

	2020	2021	% change 2021/2020
Vehicle production	13 797 533	13 101 506	-5,0%
Vehicle sales	13 629 925	13 643 798	+0,1%

Source: OICA

The following table reveals that total automotive exports (vehicles and components) to the EU amounted to R108,15 billion in 2021, up by R15,50 billion, or 16,7%, if compared to the R92,65 billion export value in 2020. Vehicle exports to the EU increased in volume terms by 16,4%, from the 197 355 units exported in 2020 to 229 672 units exported in 2021, and in value terms increased by R8,23 billion, or 11,9%, from R69,04 billion in 2020 to R77,27 billion in 2021. Automotive component exports increased by R7,25 billion, or 30,7%, from the R23,60 billion exported in 2020 to R30,86 billion in 2021, mainly due to the substantial 33,9% year-on-year increase in catalytic converter exports to the region. Exports to the 13 new member countries,

now forming part of the expanded EU, comprised a significant R11,35 billion, or 10,5% of the R108,15 billion export value in 2021, compared to the R9,57 billion export value in 2020.

Exports to the EU by product category – 2017 to 2021

	2017	2018	2019	2020	2021
Total: (Export)	**78 264,4**	**89 159,1**	**112 797,8**	**92 649,1**	**108 148,1**
Air conditioners	2,2	3,9	0,8	8,3	1,9
Alarm systems	4,9	5,3	10,0	6,7	6,7
Automotive glass	236,1	289,3	282,4	281,8	319,6
Automotive tooling	229,3	195,9	201,3	203,9	190,5
Axles	293,8	263,6	402,8	306,3	440,8
Batteries	3,4	5,8	4,2	8,0	11,7
Body parts / panels	125,4	138,6	333,0	65,3	94,4
Brake parts	65,3	99,5	72,8	37,3	21,8
Car radios	2,9	0,2	0,0	0,2	0,2
Catalytic converters	12 278,7	12 533,1	13 958,1	16 753,3	22 429,4
Clutches / shaft couplings	395,9	381,6	357,5	344,0	404,5
Engine parts	931,6	1 163,7	1 305,9	763,6	1 590,7
Engines	47,3	40,9	18,7	37,8	145,8
Filters	190,8	210,1	168,3	198,6	228,9
Gaskets	20,4	20,5	13,9	16,5	30,6
Gauges / instruments / parts	21,4	19,8	27,8	14,4	17,1
Gear boxes	4,8	10,8	13,0	32,2	19,7
Ignition / starting equipment	21,0	31,5	30,2	24,3	20,1
Jacks	1,8	0,3	1,0	0,7	0,8
Original equipment components	0,4	2,8	2,0	1,0	53,4
Radiators / parts	883,5	963,3	846,7	749,4	714,8
Road wheels / parts	211,8	134,8	58,2	27,0	38,2
Seatbelts	0,5	0,7	0,9	0,8	1,0
Seats	3,2	3,7	3,0	5,9	4,3
Shock absorbers	429,0	450,7	408,6	320,4	276,5
Silencers / exhausts	285,8	268,3	206,8	121,2	182,0
Springs	4,9	7,9	11,6	22,1	18,8
Steering wheels / columns / boxes	9,1	11,7	9,8	11,0	13,0
Stitched leather seats / parts	488,8	470,7	158,5	53,6	22,9
Transmission shafts / cranks	147,4	142,6	147,8	155,3	148,1
Tyres	644,9	773,0	731,5	675,0	763,2
Wiring harnesses	36,7	23,7	31,9	31,7	40,4
Other components	2 404,1	2 496,4	2 901,9	2 264,8	2 526,5
Lighting equipment / parts	113,1	118,3	118,0	59,5	77,5
Light vehicles	57 699,3	67 869,6	89 958,1	69 044,0	77 273,8
Medium / Heavy vehicles	25,1	6,6	0,7	3,3	18,6

Source: AIEC, SARS

The following table reveals that total automotive imports (vehicles and components) from the EU amounted to R95,20 billion in 2021, up by R12,70 billion, or 15,4%, if compared to the R82,50 billion import value in 2020. The higher import value in 2021 could be attributed to higher original equipment component imports in line with the 11,8% year-on-year increase in vehicle production in South Africa in 2021 as well as in accommodating the introduction of new locally manufactured models.

Imports from the EU by product category – 2017 to 2021

	2017	2018	2019	2020	2021
Total: (Import)	**103 576,8**	**101 095,8**	**113 090,0**	**82 497,2**	**95 201,9**
Air conditioners	116,6	92,6	71,7	157,8	199,2
Alarm systems	119,0	117,4	111,1	93,4	97,7
Automotive tooling	2 809,9	1 533,3	1 710,5	2 557,4	1 564,6
Axles	131,8	242,7	481,8	347,1	334,7
Body parts / panels	441,8	382,7	378,9	282,7	435,2
Brake parts	475,2	567,0	822,5	609,4	656,8
Car radios	16,6	11,8	10,7	8,6	10,6
Catalytic converters	821,5	470,0	275,8	297,6	295,3
Clutches / shaft couplings	313,5	325,2	326,3	273,8	358,1
Engines	686,5	552,9	638,0	644,5	692,0
Engine parts	1 532,6	1 571,7	1 581,6	1 443,3	1 547,4
Gaskets	205,5	240,5	205,0	215,6	236,6
Gauges / instruments / parts	1 100,7	1 250,6	1 166,6	1 115,2	1 078,0
Gear boxes	163,1	163,8	127,6	114,5	189,7
Automotive glass	123,6	127,7	115,2	104,9	136,3
Ignition / starting equipment	204,4	182,9	202,9	162,8	203,5
Jacks	23,4	25,7	17,3	23,3	21,3
Lighting equipment / parts	556,1	612,7	609,8	489,3	557,6
Radiators / parts	247,1	228,5	220,8	177,3	258,9
Road wheels / parts	109,7	101,4	108,0	84,9	93,9
Seats	26,8	31,1	40,2	32,5	34,1
Stitched leather seats / parts	1 069,7	1 139,5	1 281,1	879,7	1 310,9
Seatbelts	59,6	64,8	61,9	44,8	55,3
Shock absorbers	151,4	219,1	242,0	210,1	275,1
Silencers / exhausts	151,3	167,5	148,6	144,4	169,7
Springs	106,1	130,7	121,3	108,8	169,6
Steering wheels / columns / boxes	605,1	366,3	769,1	572,3	550,9
Transmission shafts / cranks	917,7	869,2	862,9	875,9	986,0
Tyres	1 720,7	2 046,8	1 945,6	1 330,4	1 871,2
Wiring harnesses	85,1	85,5	82,5	71,2	97,3
Original equipment components	51 619,7	52 032,4	57 884,9	42 544,6	52 838,2
Batteries	358,2	676,5	707,7	987,0	798,2
Filters	592,2	602,8	577,7	569,6	574,3
Other components	9 079,4	8 726,7	8 650,3	7 747,0	9 344,9
Light vehicles	25 213,2	22 972,7	28 057,1	15 606,0	15 828,5
Medium / Heavy vehicles	1 621,9	2 163,0	2 475,1	1 569,7	1 330,5

EU NEV transitional announcements

The EU aims to legislate banning the sale of internal combustion engine (ICE) vehicles in 2035. It is part of an ambitious effort to spur the use of electric vehicles with some countries and global brands already transforming to NEVs by as early as 2025. The European Commission has proposed a 55% cut in CO^2 emissions from cars by 2030 compared to 2021 levels, which is much higher than the existing target of 37,5%. It has also mandated a 100% cut in CO^2 emissions by 2035, which would make it impossible to sell new ICE vehicles in the 27 EU countries.

The following announcements have recently been made resulting that the NEV transition in the EU would accelerate faster versus the 2020 forecast, especially in the small passenger car segment, and hence an even faster transition to NEVs in South Africa is required:

In Discussion:

- Introduction of a new road vehicle CO^2 emissions regulatory regime in 2024
- Introduction of carbon border tax

EU7 Emission Regulation (EU & UK)

- Significant additional measures are required to meet EU7
- The new Euro 7 emission standard will have a tangible impact. At the very least, Euro 7 will result in higher car prices for consumers looking to buy a new petrol or diesel vehicle. The increase in mandated emissions-reducing technology in cars and more stringent emissions testing means that manufacturers will have to raise prices to maintain their already narrow profit margins.
- Increased material cost ~ R55 000/vehicle making both the small ICE passenger car segment and LCV in the EU and the UK non-viable, accelerating the off-take of NEVs in the EU.

New Green Deal (EU)

- 2035: Ban of sale of ICE vehicles and switch to zero-emission vehicles.
- Carbon Border Adjustment Mechanism (CBAM): Carbon life-cycle price on imports of certain goods from outside the EU.

The European Commission proposed ambitious targets for reducing the CO^2 emissions of new passenger cars and vans.

- 55% reduction of emissions from cars by 2030
- 50% reduction of emissions from vans by 2030
- 100% reduction of emissions from new cars by 2035

On 14 July 2021, the European Commission adopted a series of legislative proposals setting out how it intends to achieve climate neutrality in the EU by 2050, including the intermediate target of an at least 55% net reduction in greenhouse gas emissions by 2030. The package proposed to revise several pieces of EU climate legislation, including the EU ETS (Effort Sharing Regulation), transport and land use legislation, setting out in real terms the ways in which the Commission intends to reach EU climate targets under the European Green Deal.

First climate action initiatives under the Green Deal include:

- European Climate Law to enshrine the 2050 climate-neutrality objective into EU law.
- European Climate Pact to engage citizens and all parts of society in climate action.
- 2030 Climate Target Plan to further reduce net greenhouse gas emissions by at least 55% by 2030.
- New EU Strategy on Climate Adaptation to make Europe a climate-resilient society by 2050, fully adapted to the unavoidable impacts of climate change.

The European Green Deal set the blueprint for this transformational change. All 27 EU Member States committed to turning the EU into the first climate neutral continent by 2050. To get there, they pledged to reduce emissions by at least 55% by 2030, compared to 1990 levels. This will create new opportunities for innovation and investment and jobs, as well as:

- reduce emissions
- create jobs and growth
- address energy poverty
- reduce external energy dependency
- improve our health and wellbeing

At the same time, it will ensure there are opportunities for everyone, supporting vulnerable citizens by tackling inequality and energy poverty, and strengthening the competitiveness of European companies.

The Commission promotes the growth of the market for zero- and low- emissions vehicles. In addition, from 2026, road transport will be covered by emissions trading, putting a price on pollution, stimulating cleaner fuel use, and re-investing in clean technologies. The Commission

proposed a mechanism to ensure that, even when they are from countries with less strict climate rules, companies importing into the EU have to pay a carbon price as well. The EU wants to preserve its climate ambition by avoiding that efforts by its industry to cut emissions are undermined by unfair competition from abroad.

As part of the EU Green Deal, the EU introduced its “Fit for 55” plan in 2021. Under this plan, all sectors including energy, agriculture, transport, and buildings are required to reduce their carbon emissions by 55% by 2030 from 1990 levels, in alignment with the 2030 Climate Target Plan and the European Green Deal to mitigate against climate change. “Fit for 55” is crucial for the transition to sustainable mobility solutions in Europe. A key proposal towards decarbonising the transport industry includes a ban on the sale of carbon emitting passenger vehicles and light commercial vehicles from 2035, including HEVs. The EU requires its member states to steer away from fossil fuel-based transport through the structural transformation of the automotive value chain to producing completely different powertrain components for NEVs, and to develop the required supporting charging and refuelling infrastructure.

One of the emerging risks for South Africa relates to the Carbon Border Adjustment Mechanism (CBAM) that the EU aims to implement from January 2023, with a transitional period to 2026. A recent analysis by Trade and Industrial Policy Strategies on the imposition, under CBAM, of a tax on embedded greenhouse-gas emissions on carbon-intensive imports into the EU, shows that the risk to the South African iron, steel and aluminium industries is particularly high.

The European Union’s Just Transition Mechanism is integral to the EU’s Green Deal, targeted at ensuring “a fair transition to a climate-neutral economy, leaving no one behind” and aims to mobilise at least €150 billion over the period 2021-2027. The European Union’s Carbon Border Adjustment Mechanism (CBAM) is a headline policy initiative of the European Green Deal. It levies a tax on greenhouse gases embedded in products imported into the EU to stop industries from shifting production to jurisdictions with weaker carbon pricing and regulation. It will function in parallel with and mirror the EU’s Emission Trading Scheme (ETS). The CBAM will gradually replace the current mechanisms used to address carbon leakage, specifically free allocations.

The first draft of the CBAM was announced in July 2021. The European Commission did something that no other major governing body had ever attempted, it tied trade policy to

climate policy. Reaching the EU's goal of cutting net greenhouse-gas emissions by 55% by 2030 will require the EU to reduce emissions both at home and beyond its borders. To this end, the Commission's Fit for 55 initiative includes a CBAM – an import tax designed to corral other countries into tackling climate change. It only covered direct emissions from electricity and 29 product categories from the cement, fertiliser, steel and aluminium industries. Since then, the EU's Committee on the Environment, Public Health and Food Safety proposed and voted on amendments to the CBAM. The amendments include the following:

- Extending the scope to include organic chemicals, plastics, hydrogen and ammonia as well as indirect emissions (notably emissions from electricity use).
- The transitional period will be shortened to apply from 1 January 2023 to the end of 2024. During the transitional period, the burden will be administrative rather than financial. After the transitional period, exporters will have to buy digital CBAM certificates at a rate corresponding to the carbon price paid under the Emissions Trading System (ETS).
- CBAM will be implemented for all sectors of the EU ETS by 2030, five years earlier than proposed by the Commission.
- Free allowances will be fully phased out by 2030.
- The revenues from the CBAM should be used to support least-developed countries decarbonisation efforts.
- A centralised EU CBAM authority should be created, to make implementation efficient, transparent and cost effective. This would also help to combat forum shopping from importers.

The proposed CBAM has an extended scope and tighter timelines, meaning that the number of products and the extent of the exposure has increased. South Africa's main vulnerable sectors are iron and steel, aluminium, plastics, organic fertilizers and hydrogen. This is because these sectors rely on coal-powered electricity or coal feedstock for production.

The South African government and exporters need to pay close attention to the developments as the legislative process for CBAM continues. Exporters should embrace and prepare by assessing CBAM's impact on business, looking at mitigation measures, and by aligning their business model to fit a low-carbon future. South Africa should also fast-track its journey towards a low-carbon economy, as other countries could follow the EU in introducing border carbon taxes.

The CBAM is set to cover direct and indirect (from electricity consumption) GHG emissions. This is problematic for South Africa, which due to its coal-based power supply is one of the world's most carbon-intensive exporters. South African manufacturing exports have a carbon content of about 2 250 tonnes of carbon dioxide equivalent (tCO^2e) per $1m, while most countries sit between 300 and 1 100 tCO^2e per $1m.

A total of $1,5bn of South African exports, based on 2021 data, is at risk. This includes, in value of national export, 30% of organic chemicals, 26% of iron and steel, 25% of aluminium and 10% of plastics.

Sout Africa's electricity grid will not be decarbonised by 2027, nor will a carbon tax equivalent to the European carbon pricing of €85 per tonne at the moment, be in place. Exporters in affected sectors need to proactively prepare for the CBAM – or face the consequences. Firms must align their business models to a low-carbon future by decarbonising their production.

The recent dispensation easing the rollout of renewable energy projects and scrapping of the 100 MW license-exemption threshold provides an avenue for many firms to maintain – if not increase – their competitiveness. Exporters will also have to carry the burden of proof and have to demonstrate their carbon performance to a single EU-based authority (set up to prevent forum shopping).

The EU's CBAM is also expected to lead other countries – the US, the UK, Canada and Japan, among countries – to implement their own border carbon taxes.

The CBAM would tax imported goods sold in EU markets on the basis of their carbon content (the emissions required to produce them), which depends on their material and energy inputs. The proposed levy is intended to address so-called carbon leakage, which occurs when businesses in the EU move production to non-member countries with less stringent emissions rules.

The CBAM will initially apply to the highest-emitting industries most at risk of leakage – iron and steel, cement, fertilizers, aluminum, and electricity generation – and will likely be expanded to other sectors in the coming years. If a country already has a domestic carbon price, the border tax will be lowered or waived. This is meant to encourage countries to tax carbon in their own markets. Those that cannot or will not institute a carbon tax will have to pay the full levy.

The EU tax will be phased in over the next four years. By 2023, importers will be required to report emissions embedded in the goods they import, though the tax on those emissions will not be imposed until 2026. Europe sees itself as a global leader in the race to net-zero emissions. By helping to finance the developing world's green transition, the EU could mitigate the protectionist threat in its own climate agenda.

South Africa EU trade by country

The following table reveals South African automotive exports to and imports from the 27 EU countries, ranked according to the 2021 export performance.

South Africa - EU automotive exports and imports – 2021 (R million)

	Exports 2021	Imports 2021
Total	**106 935,3**	**94 675,2**
1.Germany	66 416,0	51 571,8
2.Belgium	12 832,7	2 117,6
3.Czech Republic	8 207,1	4 638,3
4.Spain	7 044,3	7 028,6
5.France	4 641,7	2 482,9
6.Hungary	1 452,5	2 520,6
7.Netherlands	1 078,1	1 617,0
8.Italy	768,2	3 409,6
9.Poland	698,8	3 470,4
10.Austria	655,9	1 506,6
11.Finland	475,6	233,7
12.Portugal	464,3	2 252,0
13.Greece	418,0	5,4
14.Sweden	416,5	4 650,9
15.Romania	324,4	3 184,4
16.Estonia	306,1	20,4
17.Slovenia	278,9	370,1
18.Ireland	191,5	36,4
19.Denmark	128,9	392,3
20.Cyprus	38,3	0,6
21.Slovak Republic	21,9	2 773,3
22.Latvia	14,9	10,3
23.Luxembourg	5,4	98,0
24.Malta	0,7	28,3
25.Bulgaria	0,6	191,5
26.Lituania	0,6	30,7
27.Croatia	0,2	33,5

Source: AIEC, SARS

Vehicle production in the EU declined by 5,1% from 12,81 million units in 2020 to 12,16 million units in 2021 while sales declined marginally by 0,2% from 12,12 million units in 2020 to 12,09 million units in 2021. Supply chain disruptions hindered the sales of traditional models in 2021, but over 20% of new passenger cars sold in the EU in 2021 were 100% electric. The surge in NEV sales in Europe in 2021 was driven by new CO^2 emission standards as well as purchase subsidies in most major European markets. Developments in the EU are significant to the South African OEMs as Europe is the country's main new vehicle export market. The following tables reveal the 27-country EU's vehicle production and sales for 2020 and 2021.

EU vehicle production and sales – 2020 to 2021

	2020	2021	% change 2021/202
Vehicle production	12 810 489	12 160 002	-5,1%
Vehicle sales	12 115 096	12 089 528	-0,2%

Source: OICA

In 2021, there were about 5,5 million electric cars on European roads – more than three-times the stock of 2019 before the COVID-19 outbreak. As in previous years, new sales were evenly split between BEVs and PHEVs. In 2021, Europe's stock of electric cars was about 55% BEVs as the CO^2 regulation structure in Europe makes BEVs very attractive for OEMs in terms of compliance.

The market share of NEVs in the EU was 18,0% in 2021 – with battery electric vehicles at 9,1% and plug-in hybrid vehicle sales at 8,9%. Their combined sales share has multiplied by six since 2019 in the EU27, boosted by EU CO^2 targets for the second year running. There were, however, significant differences across markets.

NEV sales grew faster in Central and Eastern Europe (+71%) than in the EU14 (+67%) in 2021. The largest BEV markets remained Germany, France and Italy but, in terms of sales shares, the Netherlands led, followed by Sweden and Austria. BEV sales surged fastest in Greece with a 226% increase in 2021. NEV growth was also higher in countries such as Croatia, Lithuania and Bulgaria than in Western Europe.

In 2021, Germany was the largest single-country market in Europe for both BEVs as well as PHEVs. Both battery and plug-in hybrids received huge government incentives in Germany. Norway, with the highest market share for battery-electric cars, remained the fourth largest market for BEVs, despite the relatively small total market. BEV sales in Italy more than doubled with similar increases in Sweden and Austria.

Government policies remain the key driving force for global electric car markets. Many governments set targets to phase out sales of internal combustion engine cars within the next two decades, as did several car manufacturers. Huge incentives for buying electric cars as well as OEMs requiring electric car sales to offset higher emissions, encouraged electric car sales. The range of electric cars on the market also expanded vastly. Like the rest of the market, electric car production also suffered from a shortage in semi-conductors with the issue intensifying during the second half of 2021 and expected to extend well into 2022. Furthermore, COVID-19 restrictions continued to dampen the market to varying degrees in individual countries but were overshadowed by the production issues. Central Europe is facing stiff competition from other production hubs in Europe, including Spain, which has spent €14 billion on developing an NEV "ecosystem" and promoting sales to consumers. That investment has paid off as the country is already building dozens of EV and hybrid models, and is attracting major new investments. Further developments in Central and Eastern Europe include the following:

- In Central Europe, Slovak Republic is leading the pack, with nine models in production or on the drawing board while the Czech Republic, Hungary and Poland are producing only a few models each.
- A lack of government support for expanding the NEV fleet in the region – where sales are only a fraction of those in leading European markets – could also put the countries at a disadvantage as OEMs mull where to build electric cars.
- NEV usage very much affects decisions as the OEMs want to allocate production close to demand. Central and Eastern Europe does not have good incentives, and so when the cut-off comes in 2035 these countries won't be ready.
- Battery plants are a major focus for any car-producing country because they form a hub around which networks of NEV suppliers will mushroom. They also determine where production is likely to take place, as OEMs want to avoid transporting batteries – which weigh around half a ton and are rated as dangerous goods – over long distances.

The vast majority of electric LCVs in Europe are BEVs, only a few PHEVs have been sold. This may reflect that most electric LCVs are acquired for specific uses within fixed delivery areas and may not need an extended driving range.

NEVs have become the road transport technology of choice for many governments as well as the automotive industry. In Europe, the EU Commission proposed to bring the CO^2 emission standard for new cars to zero by 2035, with variuos countries targeting earlier dates. Driven

by the availability of more models as well as a market expansion and purchase incentives, the European market is expected to continue along this trend as countries within the EU adopt stricter CO^2 emission standards and move toward zero-emission vehicle mandates.

1. Germany

Germany was the South African automotive industry's top export destination, top country of origin and largest trading partner in 2021.

BEV sales in Germany increased year-on-year by 83,3% and PHEV sales by 62,3% in 2021, with a total of NEV sales of 681 874 units in 2021, up 72,6% from 2020. Germany will be banning all new petrol and diesel car sales by 2030. In 2021, Germany was the largest single-country market in Europe for BEVs as well as PHEVs with both battery and plug-in hybrids receiving huge government incentives. Germany aims for 15 million NEVs on the road by 2030.

According to the International Organisation of Motor Vehicle Manufacturers (OICA), vehicle production in Germany declined by 11,6%, from 3,74 million units in 2020 to 3,31 million units in 2021 while sales declined by 9,0% from 3,27 million units in 2020 to 2,97 million units in 2021. Germany led the EU region's vehicle production and sales in 2021.

Germany vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
2 225 700	2 269 600	4 947 316	3 742 570	3 308 692
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
3 810 408	3 822 060	4 017 059	3 266 759	2 973 319

Source: OICA

The following table reveals the light vehicle manufacturing plants in Germany.

German light vehicle manufacturing plants

Brand	Model
BMW	1,2 AT/GT,3,4,5,6 GT,7,8 Series, iX, i3, X1, X2
Ford	Fiesta, Focus
Mercedes-Benz	AMG one, C-Class/Coupe, E-Class Coupe, EQC, EQE, GLC/Coupe, SL-Class, Sprinter H/L, A-Class, B-Class, EQA, GLA, GLE, AMG GT/GT4, CLS, EQS, GLA, GLE, GLS, S-Class
Porsche	Macan, Panamera, 911, Boxster/718, Cayman/718, Taycan
Stellantis	Opel Grandland X, DS DS4, Astra, Insignia, Vivaro Peugeot Expert/Traveller, Jumpy/Spacetourer
Tesla	Model Y
Volkswagen	Golf, ID 3/4/5, Aerton, Passat, Multivan T7, Transporter, T-Roc, Tiguan, Touran Seat Taracco Audi A3, A4, A5, A6, A7, A8/e-tron GT, R8, Q2, Q6 e-tron, Q4 e-tron/Sportback, Cupra Born

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Germany through 2017 to 2021.

South Africa vehicle exports to and imports from Germany – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	10 423	25 513	37 152	25 736	42 671
2017 – 2021 high volume light vehicle exports to Germany	BMW X3 Ford Ranger Mercedes Benz C-Class Toyota Hilux VW Polo				
Vehicle imports	55 480	41 791	36 760	21 660	19 801
2017 – 2021 high volume light vehicle imports from Germany	Audi A3, A4, A5, Q2, Q5 BMW 1, 2, 3, 4, and 5-series, X1, X2 Ford Fiesta, Focus Mercedes-Benz A-Class, C-Class, E-Class, GLA, GLC Porsche 911, Cayenne, Macan VW Golf 7, Tiguan, Transporter				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Germany increased by 18,5% from R56,04 billion in 2020 to R66,42 billion in 2021, which could mainly be attributed to the 58,3% year-on-year increase in catalytic converter exports.

Exports to Germany

Germany	2017	2018	2019	2020	2021
Total	**46 721,3**	**57 611,7**	**71 518,1**	**56 042,2**	**66 416,0**
Light vehicles	32 599,5	43 911,2	57 372,8	44 474,6	48 720,0
Medium / Heavy vehicles	21,7	0,0	0,7	1,2	0,0
Other components	1 578,5	1 794,7	2 138,9	1 269,4	1 639,1
Catalytic converters	8 890,9	8 093,8	8 217,3	7 918,2	12 535,4
Engine parts	853,4	1 083,0	1 218,4	653,7	1 453,3
Axles	290,7	259,7	397,6	292,0	436,6
Clutches / shaft couplings	372,1	357,9	316,0	327,9	377,6
Shock absorbers	425,3	448,0	402,2	315,7	273,7
Radiators / parts	526,2	564,1	404,9	239,8	205,3
Filters	150,2	145,6	137,8	165,3	198,2
Engines	5,6	27,3	9,2	28,5	136,4
Tyres	268,4	105,7	137,1	75,0	105,8
Body parts / panels	109,2	121,7	283,5	14,2	45,8
Automotive tooling	40,9	75,7	50,4	46,6	41,8
Lighting equipment / parts	88,2	88,5	77,0	31,6	37,4
Silencers / exhausts	129,2	113,4	123,5	33,4	34,1
Transmission shafts / cranks	23,7	44,3	26,8	25,1	33,8
Automotive glass	8,8	15,4	42,0	24,0	31,4
Road wheels / parts	15,0	18,1	37,0	21,3	27,2
Stitched leather seats / parts	268,1	251,3	63,3	10,6	16,8
Batteries	2,0	5,6	4,2	7,9	11,5
Gear boxes	0,8	2,1	5,4	20,3	11,0
Wiring harnesses	23,5	12,7	10,9	9,0	10,1
Ignition / starting equipment	4,6	13,1	12,9	5,1	7,8
Springs	4,0	5,1	5,0	5,0	7,4
Gaskets	3,0	11,0	4,6	4,4	6,4
Alarm systems	0,2	0,7	0,9	1,7	3,7
Seats	1,8	0,8	0,4	1,5	3,4
Gauges / instruments / parts	5,4	4,6	9,9	7,7	2,6
Brake parts	3,4	29,7	5,1	5,8	0,9
Jacks	0,0	0,0	0,8	0,0	0,7
Air conditioners	0,0	0,1	0,1	0,5	0,4
Seatbelts	0,1	0,0	0,3	0,3	0,2
Steering wheels / columns / boxes	3,8	6,6	1,1	4,6	0,1
Car radios	2,9	0,1	0,0	0,2	0,1

The following table reveals that automotive imports from Germany increased by 13,8% from R45,33 billion in 2020 to R51,57 billion in 2021, which could mainly be attributed to the 17,8% year-on-year increase in original equipment components in line with the 11,8% year-on-year increase in vehicle production in the domestic automotive industry.

Imports from Germany

Germany	2017	2018	2019	2020	2021
Total	69 333,0	61 387,8	63 146,2	45 333,4	51 571,8
Light vehicles	16 255,0	12 837,0	16 008,5	7 296,0	7 507,6
Medium / Heavy vehicles	651,1	978,2	859,2	522,9	270,6
Original equipment components	40 929,9	37 297,2	35 785,9	28 251,6	33 266,7
Other components	4 596,2	4 231,6	4 330,3	3 674,5	4 577,4
Engine parts	701,0	717,2	716,9	669,9	746,1
Automotive tooling	1 064,7	588,3	678,2	1 190,6	507,2
Tyres	505,4	524,9	556,2	305,9	501,4
Transmission shafts / cranks	461,8	460,6	434,4	395,4	463,9
Gauges / instruments / parts	385,2	408,8	377,7	368,6	429,7
Steering wheels / columns / boxes	552,0	284,0	240,0	184,8	329,9
Filters	283,6	275,5	288,2	291,8	302,4
Axles	87,8	191,7	437,3	295,5	290,7
Body parts / panels	306,6	276,8	249,5	174,6	242,5
Stitched leather seats / parts	280,4	252,4	279,0	170,3	240,3
Engines	389,6	223,2	248,7	196,0	227,8
Brake parts	171,3	216,5	336,9	220,1	217,3
Batteries	137,3	239,5	144,3	138,6	182,5
Clutches / shaft couplings	134,5	147,6	146,0	115,6	154,3
Shock absorbers	68,7	119,1	134,8	92,8	147,8
Catalytic converters	537,0	239,5	128,3	124,3	135,2
Gaskets	134,7	158,0	130,8	124,5	133,9
Gear boxes	117,2	116,5	83,9	70,1	122,9
Lighting equipment / parts	95,3	113,8	93,3	68,3	94,4
Springs	56,5	72,4	52,7	50,5	83,8
Radiators / parts	74,1	63,2	68,1	52,7	79,3
Silencers / exhausts	96,4	93,6	80,4	68,5	70,1
Ignition / starting equipment	71,9	77,2	93,7	69,6	65,7
Road wheels / parts	38,7	39,9	44,6	41,4	40,2
Wiring harnesses	21,7	17,3	16,0	14,5	38,2
Automotive glass	41,2	39,8	29,4	22,1	29,8
Seats	21,8	24,8	31,1	26,5	22,9
Alarm systems	34,0	33,9	23,6	15,4	18,7
Air conditioners	19,4	13,4	7,5	11,4	17,7
Jacks	5,4	10,2	9,0	15,5	9,2
Seatbelts	4,0	3,0	1,5	2,0	3,1
Car radios	1,7	1,5	0,5	0,6	0,8

2. Belgium

Belgium was the South African automotive industry's 4th largest export destination, 21st largest country of origin and 8th largest trading partner in 2021.

BEV and PHEV sales in Belgium increased year-on-year by 50,9% to 70 438 units in 2021. Expressed as a share of the total passenger car market, PHEVs and Hybrids comprised 17,5% in 2021, while BEVs comprised 5,3%. Overall, that raised the total market share of electrified vehicles to about 23% of the Belgian new passenger car market. Belgium will be banning all new petrol and diesel car sales by 2029. NEV market penetration in Belgium, in comparison with other European countries, is progressing much slower. The Belgian government has largely halted NEV incentives they offered in the past but continues to promote electric mobility with tax breaks for EVs and chargers.

According to OICA, vehicle production in Belgium declined by 2,3%, from 267 293 units in 2020 to 261 038 units in 2021 while sales declined by 9,3 from 509 994 units in 2020 to 462 536 units in 2021.

Belgium vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
377 002	308 493	285 797	267 293	261 038
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
633 642	639 434	642 000	509 994	462 536

Source: OICA

The following table reveals the light vehicle manufacturing plants in Belgium.

Belgium light vehicle manufacturing plants

Brand	Model
Volkswagen	Audi e-tron Sportback
Volvo	Volvo C40, V60, XC40

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Belgium through 2017 to 2021.

South Africa vehicle exports to and imports from Belgium – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	6 902	6 338	11 379	10 048	11 752
2017 – 2021 high volume light vehicle exports to Belgium	BMW X3 Ford Ranger Mercedes-Benz C-Class Toyota Hilux VW Polo				
Vehicle imports	2 744	2 718	1 169	772	718
2017 – 2021 high volume light vehicle imports from Belgium	Audi A1 Sportback Volvo V40				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Belgium increased by 8,6% from R11,82 billion in 2020 to R12,83 billion in 2021.

Exports to Belgium

Belgium	2017	2018	2019	2020	2021
Total	13 948,1	11 537,3	18 466,5	11 815,6	12 832,7
Light vehicles	13 016,1	10 352,0	17 474,1	10 789,6	11 655,6
Medium / Heavy vehicles	0,8	0,0	0,0	0,0	0,0
Other components	100,2	106,4	159,4	220,6	346,8
Tyres	217,3	415,3	253,7	232,5	272,6
Automotive glass	111,7	145,8	134,7	161,6	179,9
Engine parts	51,2	51,5	65,1	58,8	75,5
Automotive tooling	21,6	40,9	51,4	73,6	50,1
Body parts / panels	14,0	15,7	47,0	42,8	46,6
Lighting equipment / parts	11,6	13,0	27,8	17,8	33,1
Radiators / parts	110,5	146,2	69,6	74,0	32,6
Clutches / shaft couplings	13,6	13,7	25,1	12,7	25,7
Brake parts	54,5	64,6	56,1	26,8	19,6
Transmission shafts / cranks	64,2	10,9	8,7	7,8	19,2
Gaskets	7,2	3,6	2,4	5,3	16,0
Filters	26,5	28,1	17,8	17,9	9,5
Engines	8,4	5,1	7,3	3,7	8,6
Catalytic converters	91,3	88,8	26,2	29,9	7,7
Road wheels / parts	3,9	4,6	10,0	4,5	6,5
Silencers / exhausts	3,4	3,4	4,2	6,6	5,1
Gauges / instruments / parts	3,4	4,9	3,7	1,6	3,5
Gear boxes	0,8	3,0	1,8	11,0	3,4
Axles	1,1	1,4	1,0	1,2	2,5
Stitched leather seats / parts	1,1	1,2	1,3	5,1	2,3
Shock absorbers	1,0	1,6	5,9	0,8	2,2
Wiring harnesses	3,3	1,6	0,8	3,0	2,2
Ignition / starting equipment	2,5	6,8	3,4	3,0	2,1
Steering wheels / columns / boxes	4,9	4,1	5,3	1,7	1,9
Seatbelts	0,3	0,4	0,5	0,5	0,8
Springs	0,5	0,7	0,5	0,7	0,7
Alarm systems	1,4	1,3	1,5	0,1	0,1
Batteries	0,0	0,2	0,0	0,0	0,1
Air conditioners	0,0	0,3	0,2	0,2	0,0
Seats	0,1	0,1	0,1	0,2	0,0

The following table reveals that automotive imports from Belgium increased by 23,3% from R1,72 billion in 2020 to R2,12 billion in 2021, which could mainly be attributed to the 78,3% year-on-year increase in original equipment components.

Imports from Belgium

Belgium	2017	2018	2019	2020	2021
Total	1 086,9	1 423,1	1 709,1	1 716,8	2 117,6
Light vehicles	702,0	746,8	375,5	304,5	124,7
Medium / Heavy vehicles	24,8	46,6	16,0	159,6	90,0
Original equipment components	23,5	207,3	852,4	877,4	1 564,7
Other components	194,6	220,5	187,3	137,6	159,1
Lighting equipment / parts	25,4	84,6	101,9	90,0	59,0
Catalytic converters	5,9	9,3	23,5	7,9	14,7
Automotive tooling	10,2	19,4	65,8	51,0	14,2
Engine parts	19,9	18,2	17,9	12,7	12,8
Transmission shafts / cranks	21,1	12,1	15,5	11,4	12,7
Shock absorbers	4,5	3,9	7,0	7,5	10,8
Gaskets	3,4	5,1	4,2	5,9	9,8
Stitched leather seats / parts	4,8	6,9	4,9	6,8	8,0
Body parts / panels	2,3	4,6	2,3	3,0	5,8
Automotive glass	7,4	7,2	5,7	3,4	4,4
Gauges / instruments / parts	8,3	7,2	8,2	5,8	4,2
Gear boxes	1,5	2,7	2,8	1,9	4,0
Axles	0,8	2,7	4,2	6,1	3,7
Springs	0,6	1,1	1,9	2,3	2,7
Steering wheels / columns / boxes	1,1	1,9	1,2	1,1	2,2
Clutches / shaft couplings	2,4	1,9	1,4	1,8	1,9
Batteries	0,4	0,3	0,2	1,0	1,5
Brake parts	0,5	0,5	0,4	1,6	1,4
Silencers / exhausts	0,4	0,5	1,6	0,6	1,1
Road wheels / parts	0,3	0,4	0,2	1,2	0,8
Alarm systems	0,8	4,0	0,9	1,2	0,7
Filters	11,0	1,2	0,7	0,6	0,7
Engines	0,3	0,0	0,0	8,9	0,7
Radiators / parts	2,9	2,9	1,9	1,5	0,4
Wiring harnesses	0,5	0,4	0,3	0,3	0,3
Tyres	1,3	1,1	1,3	0,3	0,3
Seats	0,3	0,1	0,0	0,0	0,1
Ignition / starting equipment	3,3	1,6	1,4	1,7	0,1
Seatbelts	0,1	0,1	0,1	0,0	0,1
Air conditioners	0,4	0,3	0,5	0,0	0,0

3. Czech Republic

The Czech Republic was the South African automotive industry's 3rd largest export destination, 8th largest country of origin and 10th largest trading partner in 2021.

BEV and PHEV sales in the Czech Republic increased year-on-year by 25,5% to 6 608 units in 2021. The automotive industry is the bedrock of the Czech economy, accounting for 26% of all industrial output and more than 9% of GDP. There is no specific regulation solely for NEVs in the Czech Republic. However, alongside Poland, the Czech Republic is believed to be a front-runner in the race to secure a gigafactory. Although competition is stiff, the country offers proximity to Germany as well as distance from the war in the Ukraine.

According to OICA, vehicle production in the Czech Republic declined by 4,1%, from 1,16 million units in 2020 to 1,11 million units in 2021, while sales increased by 3,2% from 228 834 units in 2020 to 236 221 units in 2021.

Czech Republic vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
1 305 865	1 345 041	1 433 961	1 159 151	1 111 432
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
301 805	292 759	281 423	228 834	236 221

Source: OICA

The following table reveals the light vehicle manufacturing plants in the Czech Republic.

Czech Republic light vehicle manufacturing plants

Brand	Model
Kia	Hyundai i30, Kona, Tucson
TPCA	Citroen C1 Mazda 2 Peugeot 108 Toyota Aygo, Aygo X, Yaris
Volkswagen	Seat Ateca, Skoda Karoq, Superb, Enyaq, Fabia, Kamiq, Octavia, Scala

Source: Ward's

The following table reveals details of South African high-volume model imports from the Czech Republic through 2017 to 2021.

South Africa vehicle imports from the Czech Republic – 2017 to 2021

Vehicle imports	1 401	1 103	931	789	314
2017 – 2021 high volume light vehicle imports from the Czech Republic	Peugeot 108 Toyota Aygo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to the Czech Republic increased by 14,7% from R7,15 billion in 2020 to R8,21 billion in 2021, which could mainly be attributed to the 13,8% year-on-year increase in catalytic converter exports.

Exports to Czech Republic

Czech Republic	2017	2018	2019	2020	2021
Total	**1 485,1**	**2 259,1**	**3 467,2**	**7 152,4**	**8 207,1**
Other components	27,2	53,4	56,0	43,3	33,3
Catalytic converters	1 242,1	2 003,9	3 227,1	6 774,8	7 709,5
Radiators / parts	22,6	13,0	153,8	294,4	365,8
Silencers / exhausts	80,2	68,1	19,5	36,4	92,6
Wiring harnesses	1,2	1,7	1,3	2,2	2,3
Engine parts	0,0	2,7	1,4	0,0	1,7
Gaskets	0,0	0,1	0,0	0,0	0,5
Stitched leather seats / parts	1,0	1,5	0,1	0,2	0,4
Engines	0,0	0,0	0,1	0,5	0,4
Automotive tooling	18,2	7,6	0,4	0,4	0,2
Brake parts	0,2	0,1	0,0	0,0	0,1
Seats	0,0	0,0	0,3	0,0	0,1
Alarm systems	0,0	0,0	0,1	0,0	0,0
Lighting equipment / parts	2,4	0,7	0,0	0,0	0,0
Gauges / instruments / parts	0,0	0,0	0,1	0,0	0,0
Road wheels / parts	88,4	106,3	7,0	0,0	0,0
Shock absorbers	1,5	0,0	0,0	0,0	0,0
Tyres	0,0	0,0	0,0	0,1	0,0
Filters	0,0	0,0	0,0	0,1	0,0

The following table reveals that automotive imports from the Czech Republic increased by 1,5% from R4,57 billion in 2020 to R4,64 billion in 2021.

Imports from Czech Republic

Czech Republic	2017	2018	2019	2020	2021
Total	3 661,5	5 295,0	7 369,1	4 569,1	4 638,3
Light vehicles	249,1	123,9	1 121,6	319,0	6,8
Original equipment components	1 892,8	3 639,4	4 542,1	2 864,6	2 777,0
Other components	555,7	601,3	589,1	437,5	586,9
Brake parts	26,8	149,2	286,2	210,8	180,4
Tyres	142,8	164,1	150,5	82,9	162,2
Batteries	35,2	71,2	85,4	117,0	158,5
Automotive tooling	136,6	36,2	67,2	75,1	151,5
Stitched leather seats / parts	193,9	133,1	154,8	133,1	140,8
Engine parts	77,2	66,2	70,9	62,1	84,7
Lighting equipment / parts	178,4	111,5	103,0	77,9	84,7
Air conditioners	0,2	0,9	0,3	8,3	48,4
Filters	37,0	57,2	48,4	54,4	46,7
Radiators / parts	32,0	33,7	30,0	21,1	37,2
Silencers / exhausts	8,4	2,4	1,9	2,2	19,7
Automotive glass	11,5	13,5	13,3	12,9	17,6
Catalytic converters	8,5	15,7	19,0	19,7	17,4
Transmission shafts / cranks	8,2	6,7	7,3	9,1	16,8
Springs	1,1	1,4	1,7	2,8	15,5
Body parts / panels	8,5	8,5	9,5	6,7	15,0
Clutches / shaft couplings	14,2	15,8	12,6	10,9	12,8
Gear boxes	1,5	1,4	1,0	0,9	12,4
Gauges / instruments / parts	7,4	7,9	12,0	11,2	9,3
Alarm systems	4,4	5,5	6,7	5,9	7,1
Road wheels / parts	6,0	4,6	5,1	3,7	6,2
Shock absorbers	1,5	2,5	3,8	5,3	5,3
Seatbelts	3,2	3,4	3,4	2,5	4,1
Gaskets	2,3	3,3	6,7	2,8	3,9
Wiring harnesses	7,4	5,9	7,4	4,2	3,8
Steering wheels / columns / boxes	2,3	2,4	2,5	1,7	2,1
Car radios	5,1	3,7	2,7	0,8	1,2
Ignition / starting equipment	1,2	1,0	1,6	0,8	1,0
Axles	0,7	0,6	0,7	1,1	0,7
Jacks	0,3	0,7	0,4	0,3	0,4
Seats	0,0	0,1	0,0	0,0	0,1
Engines	0,1	0,1	0,3	0,0	0,0

4. Spain

Spain was the South African automotive industry's 6th largest export destination, 7th largest country of origin and 9th largest trading partner in 2021.

BEV and PHEV sales in Spain increased year-on-year by 62,3% to 66 916 units in 2021. Spain is the second largest vehicle manufacturer in Europe and the ninth largest in the world. NEV sales in Spain are expected to remain at relatively low levels from 2022 to 2025, negatively affected by the slow development of its charging infrastructure. NEV adoption across Spain will also be impacted by NEV prices, likely to increase in the short-term due to the surge in the price of key metals used for battery manufacturing and weakened real wages due to rising inflation. The Spanish Government has presented the first Strategic Project for Economic Recovery and Transformation (PERTE), which aims to create the necessary ecosystem in Spain to develop and manufacture electric and grid-connected vehicles and turn the country into the European hub for electromobility. The PERTE calls for a total investment of more than Euro 24 billion from 2021 to 2023.

According to OICA, vehicle production in Spain declined by 7,5%, from 2,27 million units in 2020 to 2,10 million units in 2021 while sales increased by 0,3% from 1,030 million units in 2020 to 1,034 million units in 2021.

Spain vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
2 848 317	2 819 565	2 822 632	2 268 185	2 098 133
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
1 434 593	1 563 495	1 501 244	1 030 746	1 034 063

Source: OICA

The following table reveals the light vehicle manufacturing plants in Spain.

Spain light vehicle manufacturing plants

Brand	Model
Ford	Galaxy, Kuga, Mondeo, S-Max, Transit Connect
Mercedes-Benz	V-Class, Vito
Renault-Nissan-Mitsubishi	Nissan Navara, NV200 Renault Alaskan, Kadjar, Megane, Captur
Stellantis	Citroen Berlingo, C3 AirCross, C4, C4 Picasso, C4 SpaceTourer, C-Elysee Opel Combo, Corsa, Crossland X Peugeot 301, 2008, Partner Toyota Proace City
Volkswagen	Polo, Taigo, T-Cross Audi A1/E1, Cupra Formentor SEAT Arona, Ibiza, Leon

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Spain through 2017 to 2021.

South Africa vehicle exports to and imports from Spain – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	5 770	10 833	11 217	7 345	10 876
2017 – 2021 high volume light vehicle exports to Spain	BMW X3 Ford Ranger Mercedes-Benz C-Class Toyota Hilux				
Vehicle imports	10 387	9 439	11 946	10 129	11 135
2017 – 2021 high volume light vehicle imports from Spain	Audi Q3 Ford Kuga, Tourneo Custom, Transit Custom Mercedes-Benz V-Class, Vito, X-Class Nissan NV200 Opel Corsa, Crossland X, Mokka X Peugeot Partner; Renault Capture, Kadjar VW T-Cross				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Spain declined by 8,8% from R7,72 billion in 2020 to R7,04 billion in 2021.

Exports to Spain

Spain	2017	2018	2019	2020	2021
Total	7 440,8	7 913,9	7 980,0	7 723,6	7 044,3
Light vehicles	5 230,6	5 987,2	5 915,1	6 083,4	5 485,8
Medium / Heavy vehicles	0,0	0,0	0,0	0,0	3,8
Other components	89,3	89,8	158,0	123,3	99,2
Catalytic converters	1 742,6	1 487,4	1 597,5	1 266,7	1 241,9
Radiators / parts	160,2	201,5	168,2	122,9	92,3
Tyres	20,2	7,4	38,6	43,2	47,2
Automotive glass	35,2	40,3	32,8	33,2	38,6
Silencers / exhausts	35,9	48,9	29,4	16,2	17,6
Steering wheels / columns / boxes	0,0	0,1	0,6	4,5	9,4
Engine parts	0,6	1,6	1,9	0,6	2,8
Automotive tooling	15,6	17,7	28,9	20,4	2,1
Road wheels / parts	99,9	0,0	0,0	0,0	1,2
Alarm systems	0,0	0,0	0,2	0,2	0,5
Wiring harnesses	0,0	0,0	0,0	0,2	0,3
Ignition / starting equipment	0,0	0,0	0,1	0,2	0,2
Brake parts	2,8	1,4	0,6	0,5	0,2
Seats	0,4	0,3	0,3	0,0	0,2
Lighting equipment / parts	0,9	0,0	0,0	0,0	0,2
Stitched leather seats / parts	0,0	0,0	0,0	0,0	0,2
Gaskets	0,0	0,0	0,0	0,0	0,2
Transmission shafts / cranks	0,3	5,5	1,0	0,4	0,1
Body parts / panels	0,2	0,0	0,5	0,0	0,1
Engines	0,0	0,2	0,0	4,1	0,1
Gauges / instruments / parts	1,6	0,6	0,5	0,1	0,0
Jacks	1,7	0,2	0,0	0,0	0,0
Shock absorbers	0,0	0,0	0,0	3,4	0,0
Axles	0,1	0,0	1,4	0,0	0,0
Gear boxes	2,8	4,7	4,4	0,0	0,0

The following table reveals that automotive imports from Spain increased by 7,8% from R6,52 billion in 2020 to R7,03 billion in 2021, which could mainly be attributed to a 22,7% year-on-year increase in original equipment component imports.

Imports from Spain

Spain	2017	2018	2019	2020	2021
Total	**6 381,9**	**6 708,5**	**7 993,1**	**6 518,3**	**7 028,6**
Light vehicles	2 797,9	2 753,9	3 238,6	2 639,2	2 420,9
Medium / Heavy vehicles	166,7	113,2	157,1	62,3	69,2
Original equipment components	1 759,3	2 360,9	3 069,1	2 330,6	2 858,5
Other components	462,9	547,5	628,7	554,3	713,0
Batteries	51,0	134,2	167,6	321,2	246,7
Stitched leather seats / parts	72,2	154,3	161,6	120,5	131,1
Shock absorbers	20,0	44,0	59,6	75,3	73,1
Tyres	277,5	210,3	118,4	51,6	70,9
Body parts / panels	26,8	34,2	52,0	34,9	68,7
Automotive tooling	462,9	67,9	59,4	73,2	62,1
Engine parts	55,9	53,9	72,2	64,4	56,3
Brake parts	54,2	43,2	26,4	34,8	48,5
Lighting equipment / parts	41,1	42,1	39,8	34,6	47,7
Transmission shafts / cranks	26,2	25,0	30,0	27,3	32,9
Ignition / starting equipment	15,0	15,6	16,3	13,2	22,6
Gauges / instruments / parts	7,1	9,3	8,7	8,1	14,5
Filters	10,5	20,1	18,6	5,0	12,9
Silencers / exhausts	5,7	13,5	15,6	22,3	11,0
Radiators / parts	7,3	10,8	9,4	6,7	10,9
Gaskets	8,1	7,0	6,0	5,6	7,7

5. France

France was the South African automotive industry's 11th largest export destination and 18th largest country of origin in 2021.

BEV and PHEV sales in France increased year-on-year by 63,2% to 303 168 units, comprising 18,3% of the passenger car sales share in 2021 as the second largest NEV market in the EU. NEV sales in France overtook petrol-powered equivalents for the first time in the first quarter 2022, a major milestone for lower-emission vehicles amid high prices at petrol pumps and government subsidies for electrified models.

According to OICA, vehicle production in France increased by 2,7%, from 1,32 million units in 2020 to 1,35 million units in 2021 while sales increased by 2,0% from 2,10 million units in 2020 to 2,14 million units in 2021.

France vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
2 225 700	2 269 600	2 175350	1 316 371	1 351 308
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
2 549 402	2 692 748	2 755 728	2 100 030	2 142 284

Source: OICA

The following table reveals the light vehicle manufacturing plants in France.

France light vehicle manufacturing plants

Brand	Model
Bugatti	Bugatti
Renault-Nissan-Mitsubishi	Nissan NV400, Micra, NV250, Townstar Renault Master, Apline A110, Bollore Bluecar/Bluesummer, Espace, Megane E-TECH, Scenic, Talisman, Zoe ZE, Kangoo Opel Movano Mercedes-Benz Citan,
Stellantis	DS DS7 Crossback Peugeot 508,308 SW, 3008, 5008, Expert/Traveller Citroen C5 Aircross, Jumpy/Spacetourer Fiat Scudo Opel Vivaro, Zafira, Grandland X Toyota Proace
Toyota	Yaris, Yaris Cross

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from France through 2017 to 2021.

South Africa vehicle exports to and imports from France – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	19 055	23 400	25 629	13 956	22 130
2017 – 2021 high volume light vehicle exports to France	BMW X3 Ford Ranger Toyota Fortuner, Hilux				
Vehicle imports	6 261	6 374	5 059	2 110	2 184
2017 – 2021 main volume light vehicle imports from France	Peugeot 208, 2008, 3008 Renault Clio IV Toyota Yaris				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to France increased by 48,0% from R3,14 billion in 2020 to R4,64 billion in 2021, which could be attributed to a significant 52,0% year-on-year increase in the vehicle export value.

Exports to France

France	2017	2018	2019	2020	2021
Total	**3 136,1**	**3 076,7**	**4 315,3**	**3 135,4**	**4 641,7**
Light vehicles	2 989,9	2 945,4	4 175,6	2 952,7	4 487,9
Medium / Heavy vehicles	0,0	2,9	0,0	1,0	11,5
Other components	24,0	20,9	21,2	44,8	33,7
Automotive glass	42,3	48,9	54,1	42,1	48,7
Catalytic converters	5,9	8,4	26,3	21,2	10,7
Filters	10,5	11,5	10,2	11,3	10,4
Springs	0,0	0,0	4,3	15,5	9,5
Tyres	11,1	11,3	2,3	8,0	8,5
Automotive tooling	9,8	4,6	2,7	17,7	6,8
Transmission shafts / cranks	2,4	2,2	1,4	1,0	3,2
Lighting equipment / parts	3,9	4,5	4,6	4,8	3,0
Engine parts	3,8	2,4	1,9	5,8	1,5
Gaskets	0,5	0,3	0,5	1,3	1,2
Gauges / instruments / parts	2,8	1,9	2,5	1,9	1,1
Radiators / parts	0,9	0,4	0,7	0,0	1,1
Gear boxes	0,0	0,0	0,6	0,0	0,7
Axles	0,1	0,0	0,0	0,3	0,6
Steering wheels / columns / boxes	0,0	0,0	0,7	0,1	0,5
Clutches / shaft couplings	0,0	0,0	0,0	0,0	0,4
Alarm systems	0,9	1,2	2,8	1,9	0,2
Shock absorbers	0,0	0,1	0,0	0,0	0,2
Ignition / starting equipment	0,3	1,1	1,1	0,1	0,1
Brake parts	0,0	0,4	0,1	0,1	0,1
Stitched leather seats / parts	0,3	0,1	0,1	0,1	0,1
Wiring harnesses	0,9	0,1	0,3	0,5	0,0
Silencers / exhausts	0,3	0,4	0,0	1,6	0,0
Seats	0,1	0,0	0,0	0,0	0,0
Road wheels / parts	0,1	0,1	0,4	0,0	0,0
Air conditioners	0,0	0,1	0,0	0,3	0,0
Body parts / panels	0,0	0,0	0,0	1,4	0,0
Engines	24,1	7,6	1,0	0,0	0,0
Batteries	1,2	0,0	0,0	0,0	0,0

The following table reveals that automotive imports from France increased by 6,2% from R2,34 billion in 2020 to R2,48 billion in 2021.

Imports from France

France	2017	2018	2019	2020	2021
Total	2 538,5	3 215,7	3 774,8	2 337,3	2 482,9
Light vehicles	924,7	1 132,6	1 076,5	343,3	475,0
Medium / Heavy vehicles	6,8	11,8	3,5	0,8	10,6
Original equipment components	507,3	959,8	1 184,1	660,3	880,9
Other components	377,5	331,9	341,8	296,2	297,9
Tyres	138,2	166,8	151,6	107,4	140,1
Steering wheels / columns / boxes	12,0	14,9	362,6	244,4	100,5
Engines	71,4	97,1	95,0	90,1	82,8
Gauges / instruments / parts	65,6	76,3	72,5	76,1	79,2
Engine parts	63,1	76,3	66,4	79,9	74,1
Transmission shafts / cranks	43,8	48,6	49,4	85,6	54,3
Automotive tooling	56,1	60,0	99,6	58,6	42,6
Brake parts	25,3	31,3	30,5	23,0	40,0
Filters	39,0	43,6	45,2	46,7	37,6
Clutches / shaft couplings	32,1	25,5	24,5	27,5	26,0
Gaskets	14,0	12,3	8,1	10,4	22,8
Ignition / starting equipment	13,6	14,3	15,4	15,7	20,7
Gear boxes	14,9	14,9	12,2	15,0	18,5
Lighting equipment / parts	15,4	18,5	17,2	14,2	17,7
Silencers / exhausts	4,0	3,4	5,1	5,8	12,3
Alarm systems	19,4	11,5	22,3	17,3	7,3
Batteries	24,1	12,8	42,8	69,1	5,5
Radiators / parts	6,8	7,9	5,5	4,4	5,1
Catalytic converters	7,7	8,3	8,7	12,1	4,7
Automotive glass	5,1	5,1	4,0	3,9	3,8
Axles	14,2	2,6	4,6	11,6	3,8
Springs	1,7	1,5	2,5	2,1	3,6
Body parts / panels	9,2	5,5	5,9	3,8	3,1
Wiring harnesses	3,4	3,6	3,7	2,1	2,3
Shock absorbers	3,0	2,1	3,2	3,9	2,3
Road wheels / parts	5,8	6,9	3,4	2,1	2,3
Air conditioners	0,9	1,1	1,5	0,3	1,6
Seats	0,5	0,7	1,3	0,7	1,6
Stitched leather seats / parts	5,0	1,8	1,7	1,4	1,1
Jacks	0,6	1,3	0,6	0,8	1,0
Seatbelts	0,4	0,3	0,2	0,3	0,3
Car radios	5,8	2,9	1,4	0,4	0,2

6. Hungary

Hungary was the South African automotive industry's 21st largest export destination and 17th largest country of origin in 2021.

BEV and PHEV sales in Hungary increased year-on-year by 41,5% to 8 548 units in 2021. In Hungary the NEV share of total new vehicle sales is 5,7% percent, which is higher than in the surrounding Central and Eastern European countries.

According to OICA, vehicle production in Hungary declined by 3,0%, from 406 497 units in 2020 to 394 302 units in 2021 while sales declined by 2,3% from 153 978 units in 2020 to 150 387 units in 2021.

Hungary vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
419 435	430 988	498 158	406 497	394 302
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
136 465	143 000	190 090	153 978	150 387

Source: OICA

The following table reveals the light vehicle manufacturing plants in Hungary.

Hungary light vehicle manufacturing plants

Brand	Model
Mercedes-Benz	A-Class, CLA, EQB
Suzuki Group	SX4, S-Cross, Vitara
Volkswagen	Audi Q3, Q3 Sportback, TT

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Hungary through 2017 to 2021.

South Africa vehicle exports to and imports from Hungary – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	3 833	5 334	8 012	6 341	7 793
2017 – 2021 high volume light vehicle exports to Hungary	Ford Ranger Toyota Hilux VW Polo				
Vehicle imports	2 242	2 150	2 094	1 263	597
2017 – 2021 high volume light vehicle imports from Hungary	Mercedes-Benz CLA Suzuki Vitara				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Hungary increased by 22,8% from R1,18 billion in 2020 to R1,45 billion in 2021, which could be attributed to a substantial 57,2% year-on-year increase in the vehicle export value.

Exports to Hungary

Hungary	2017	2018	2019	2020	2021
Total	**804,3**	**881,7**	**1 112,2**	**1 183,0**	**1 452,5**
Light vehicles	561,5	467,2	759,1	846,9	1 331,0
Other components	7,9	26,9	31,3	16,1	55,1
Transmission shafts / cranks	2,7	36,8	42,8	45,2	60,1
Engine parts	0,3	1,5	2,3	2,5	3,3
Catalytic converters	221,2	343,6	268,4	260,6	1,3
Brake parts	1,6	1,1	3,2	3,7	0,4
Gauges / instruments / parts	0,0	0,0	0,1	0,0	0,3
Air conditioners	0,0	0,0	0,0	5,5	0,3
Alarm systems	0,0	0,0	0,0	0,0	0,2
Gaskets	0,5	0,6	2,3	1,4	0,1
Axles	0,0	0,0	0,0	0,0	0,1
Steering wheels / columns / boxes	0,0	0,0	0,0	0,0	0,1
Automotive tooling	0,0	0,4	0,0	0,3	0,1
Wiring harnesses	0,0	0,0	0,0	0,0	0,1
Clutches / shaft couplings	0,0	0,0	2,4	0,5	0,0
Springs	0,0	0,0	0,1	0,0	0,0
Gear boxes	0,0	0,1	0,0	0,0	0,0
Radiators / parts	0,0	0,1	0,0	0,0	0,0
Seats	0,4	0,0	0,0	0,3	0,0
Stitched leather seats / parts	8,2	3,3	0,0	0,0	0,0
Shock absorbers	0,0	0,1	0,0	0,0	0,0

The following table reveals that automotive imports from Hungary increased by 30,4% from R1,93 billion in 2020 to R2,52 billion in 2021, which could mainly be attributed to a 37,4% year-on-year increase in original equipment component imports.

Imports from Hungary

Hungary	2017	2018	2019	2020	2021
Total	1 600,2	1 874,5	2 559,7	1 933,6	2 520,6
Light vehicles	428,2	500,0	460,0	429,7	465,1
Original equipment components	511,9	641,2	1 286,1	929,9	1 278,0
Stitched leather seats / parts	114,5	209,4	233,6	143,2	228,5
Other components	228,2	217,5	180,8	137,6	146,6
Clutches / shaft couplings	77,1	69,0	64,1	53,2	84,5
Tyres	17,0	57,9	81,9	35,6	70,9
Steering wheels / columns / boxes	3,1	3,0	82,4	84,2	63,7
Transmission shafts / cranks	34,8	29,7	28,8	23,5	32,6
Automotive tooling	35,3	18,5	6,0	2,3	30,7
Engine parts	27,9	28,5	35,1	20,4	25,8
Gauges / instruments / parts	5,9	5,9	5,4	4,7	17,9
Body parts / panels	1,3	2,3	3,6	5,4	11,6
Ignition / starting equipment	25,3	11,4	11,4	9,5	10,5
Road wheels / parts	18,2	13,8	28,6	13,9	9,9
Catalytic converters	9,4	8,3	7,8	3,5	5,3
Brake parts	11,4	5,7	6,4	3,7	5,0
Radiators / parts	2,2	3,6	5,4	5,3	4,9
Engines	9,8	10,9	7,3	4,6	4,4
Lighting equipment / parts	3,3	3,2	2,6	1,7	3,9
Car radios	1,3	1,0	2,2	3,4	3,5
Filters	2,7	5,4	2,9	2,9	3,2
Automotive glass	2,3	2,4	2,4	2,4	2,8
Seatbelts	7,1	10,3	3,9	1,6	2,7
Springs	5,7	2,5	1,9	2,9	1,7
Wiring harnesses	5,1	4,5	3,3	1,6	1,4
Alarm systems	0,9	1,6	1,1	1,0	1,1
Gaskets	1,6	1,0	1,0	1,9	1,0
Shock absorbers	0,2	0,2	1,6	1,5	0,9
Gear boxes	0,6	0,7	0,4	0,7	0,8
Axles	2,3	3,6	1,4	1,5	0,8
Air conditioners	0,2	0,4	0,0	0,2	0,3
Silencers / exhausts	0,2	0,4	0,3	0,2	0,2
Jacks	5,1	0,8	0,0	0,1	0,1

7. The Netherlands

The Netherlands was the South African automotive industry's 29th largest export destination and 24th largest country of origin in 2021.

BEV and PHEV sales in the Netherlands increased year-on-year by 8,3% to 95 165 units in 2021. The Netherlands will be banning all new petrol and diesel car sales by 2030.

According to OICA, vehicle production in the Netherlands declined by 17,0%, from 127 058 units in 2020 to 105 458 units in 2021 while sales declined by 5,2% from 427 162 units in 2020 to 405 061 units in 2021.

Netherlands vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
157 280	214 000	176 113	127 058	105 458
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
487 939	539 203	538 739	427 162	405 061

Source: OICA

The following table reveals the light vehicle manufacturing plants in the Netherlands.

Netherlands light vehicle manufacturing plants

Brand	Model
Nedcar	BMW X1 Mini Country man II, One-Cooper/Cabrio

Source: Ward's

The following table reveals details of South African high-volume model exports to the Netherlands through 2017 to 2021.

South Africa vehicle exports to the Netherlands – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	397	1 481	12 146	8 321	6 191
2017 – 2021 high volume light vehicle exports to the Netherlands	BMW X3 Ford Ranger Toyota Hilux VW Polo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to the Netherlands increased by 31,6% from R819 million in 2020 to R1,08 billion in 2021.

Exports to the Netherlands

Netherlands	2017	2018	2019	2020	2021
Total	528,2	921,4	595,0	819,0	1 078,1
Light vehicles	65,1	130,1	138,9	121,3	206,2
Medium / Heavy vehicles	0,0	0,3	0,0	0,8	3,3
Other components	57,2	39,6	69,6	322,5	84,8
Catalytic converters	71,2	437,0	86,1	42,3	486,0
Tyres	122,2	192,5	155,5	217,1	228,8
Automotive tooling	72,6	4,6	5,4	10,6	14,0
Engine parts	9,5	6,6	8,3	19,1	10,8
Ignition / starting equipment	13,0	8,8	12,6	15,8	8,5
Transmission shafts / cranks	30,8	31,4	49,6	28,4	8,3
Filters	0,0	0,9	0,1	0,5	7,6
Silencers / exhausts	0,6	4,8	6,6	7,5	6,9
Gauges / instruments / parts	4,7	4,2	4,5	2,0	4,3
Road wheels / parts	3,4	1,3	0,0	1,0	1,8
Body parts / panels	0,5	0,2	0,5	4,8	1,4
Springs	0,4	1,6	1,5	0,1	1,0
Alarm systems	0,8	1,3	2,7	0,1	0,9
Gaskets	0,3	0,1	1,0	1,3	0,7
Radiators / parts	59,5	37,8	47,7	7,4	0,7
Steering wheels / columns / boxes	0,0	0,0	0,0	0,0	0,6
Air conditioners	2,1	2,9	0,2	0,0	0,4
Stitched leather seats / parts	0,2	5,0	0,3	0,3	0,3
Axles	1,0	1,9	1,6	12,2	0,3
Gear boxes	0,1	0,2	0,0	0,3	0,2
Lighting equipment / parts	0,2	1,1	0,2	0,2	0,1
Batteries	0,0	0,0	0,0	0,0	0,1
Automotive glass	12,0	6,4	0,1	0,1	0,1
Shock absorbers	0,5	0,0	0,0	0,1	0,0
Brake parts	0,1	0,2	0,9	0,2	0,0
Wiring harnesses	0,2	0,2	0,3	0,1	0,0
Clutches / shaft couplings	0,0	0,0	0,0	1,8	0,0
Engines	0,1	0,1	0,2	0,8	0,0
Seats	0,0	0,1	0,5	0,0	0,0

The following table reveals that automotive imports from the Netherlands increased by a significant 125,5% from R717 million in 2020 to R1,62 billion in 2021, which could mainly be attributed to a substantial 302,1% year-on-year increase in original equipment component imports.

Imports from the Netherlands

Netherlands	2017	2018	2019	2020	2021
Total	1 503,9	977,6	1 081,9	717,0	1 617,0
Light vehicles	0,0	2,2	0,3	0,5	0,5
Medium / Heavy vehicles	316,3	290,8	562,5	109,8	441,6
Original equipment components	648,9	179,2	56,2	170,4	685,2
Other components	171,1	185,9	186,5	149,0	151,4
Gauges / instruments / parts	72,2	92,5	88,6	85,7	94,3
Automotive tooling	148,4	105,3	64,5	82,8	88,4
Springs	21,1	29,7	41,1	31,3	40,9
Engines	4,2	7,7	1,2	6,8	34,7
Engine parts	47,1	20,1	26,9	28,2	25,0
Transmission shafts / cranks	23,0	12,7	14,5	14,0	22,1
Tyres	10,0	7,3	6,9	5,3	4,7
Catalytic converters	12,2	9,2	2,9	6,1	4,2
Shock absorbers	1,7	5,5	3,4	3,1	3,4
Radiators / parts	3,6	6,3	5,7	2,5	3,2
Gaskets	1,2	1,8	2,3	4,4	2,6
Body parts / panels	3,6	3,8	2,8	1,7	2,5
Alarm systems	1,1	0,9	0,6	0,2	2,4
Filters	5,0	5,6	2,8	2,5	2,3
Ignition / starting equipment	0,9	1,4	1,1	1,0	1,1
Wiring harnesses	0,8	1,0	0,7	0,9	0,9
Lighting equipment / parts	0,6	0,6	0,8	0,8	0,7
Stitched leather seats / parts	1,6	1,2	0,7	0,4	0,7
Axles	0,2	0,1	1,1	0,4	0,6
Automotive glass	0,9	0,9	0,6	0,8	0,5
Batteries	1,0	0,4	0,4	2,7	0,5
Road wheels / parts	1,8	0,8	0,2	0,3	0,5
Gear boxes	0,1	0,2	1,2	1,3	0,5
Brake parts	2,0	2,2	2,0	1,4	0,5
Silencers / exhausts	0,5	0,2	0,4	0,5	0,5
Clutches / shaft couplings	1,6	1,7	1,5	1,7	0,4
Steering wheels / columns / boxes	0,3	0,3	0,3	0,2	0,2
Seats	0,0	0,0	0,1	0,0	0,0
Car radios	0,0	0,0	0,0	0,1	0,0
Air conditioners	0,6	0,0	0,0	0,0	0,0
Jacks	0,3	0,2	1,1	0,0	0,0

8. Italy

Italy was the South African automotive industry's 32nd largest export destination and 14th largest country of origin in 2021.

BEV and PHEV sales in Italy increased year-on-year by 129,9% to 137 755 units in 2021.

According to OICA, vehicle production in Italy increased by 2,4%, from 777 057 units in 2020 to 795 856 units in 2021 while sales increased by 6,4% from 1,56 million units in 2020 to 1,66 million units in 2021.

Italy vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
1 142 210	1 060 068	915 291	777 057	795 856
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
2 191 760	2 122 365	2 132 630	1 564 756	1 664 483

Source: OICA

The following table reveals the light vehicle manufacturing plants in Italy.

Italy light vehicle manufacturing plants

Brand	Model
Ferrari	Ferrari
Lamborghini	Aventador, Huracan, Urus
Sevel	Citroen Jumper Fiat Ducato Opel Movano Peugeot Boxer
Stellantis	Alfa Romeo, Giulia, Stelvio Maserati Ghibli, Quattroporte, Levante Fiat 500, 500X, Panda, New Panda, Piaggio Porter Jeep Compass, Renegade

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Italy through 2017 to 2021.

South Africa vehicle exports to and imports from Italy – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	5 088	8 870	14 624	10 546	18 295
2017 – 2021 high volume light vehicle exports to Italy	BMW X3 Ford Ranger Toyota Hilux VW Cross Polo, Polo				
Vehicle imports	2 455	1 616	1 856	1 284	1 196
2017 – 2021 high volume light vehicle imports from Italy	Jeep Renegade				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Italy increased by 44,9% from R530,0 million in 2020 to R768,2 million in 2021, which could be attributed to a substantial 47,9% increase in the vehicle export value.

Exports to Italy

Italy	2017	2018	2019	2020	2021
Total	479,8	507,6	431,1	530,0	768,2
Light vehicles	382,6	372,8	331,5	432,9	640,3
Other components	37,8	51,0	47,1	45,8	60,1
Silencers / exhausts	5,3	9,1	8,3	9,3	20,4
Automotive glass	18,3	23,7	15,1	17,7	17,8
Engine parts	5,9	6,0	1,2	9,8	12,0
Gaskets	7,6	4,0	2,4	1,9	5,3
Transmission shafts / cranks	0,1	1,6	8,7	4,8	4,6
Automotive tooling	6,7	23,6	0,3	5,4	2,7
Tyres	3,1	3,7	2,7	0,5	1,9
Road wheels / parts	0,1	1,0	3,7	0,0	1,4
Gauges / instruments / parts	0,0	1,1	1,0	0,2	0,5
Gear boxes	0,2	0,6	0,8	0,2	0,4
Wiring harnesses	0,0	0,0	0,1	0,4	0,2
Brake parts	1,1	0,2	6,7	0,1	0,2
Clutches / shaft couplings	0,0	0,1	0,3	0,2	0,1
Catalytic converters	9,5	7,8	0,0	0,0	0,1
Shock absorbers	0,1	0,0	0,0	0,0	0,1
Air conditioners	0,0	0,5	0,0	0,0	0,1
Steering wheels / columns / boxes	0,0	0,0	0,0	0,1	0,0
Ignition / starting equipment	0,5	0,1	0,0	0,1	0,0
Stitched leather seats / parts	0,0	0,0	0,3	0,0	0,0
Lighting equipment / parts	0,0	0,3	0,1	0,2	0,0
Body parts / panels	0,0	0,1	0,1	0,0	0,0
Car radios	0,0	0,1	0,0	0,0	0,0
Filters	0,0	0,0	0,1	0,1	0,0
Axles	0,4	0,1	0,2	0,2	0,0
Radiators / parts	0,0	0,0	0,1	0,1	0,0
Alarm systems	0,1	0,0	0,0	0,0	0,0
Engines	0,2	0,0	0,0	0,0	0,0

The following table reveals that automotive imports from Italy declined by 0,6% from R3,43 billion in 2020 to R3,41 billion in 2021.

Imports from Italy

Italy	2017	2018	2019	2020	2021
Total	3 897,7	3 535,7	3 680,5	3 429,8	3 409,6
Light vehicles	798,0	587,4	505,7	445,0	424,9
Medium / Heavy vehicles	219,2	232,1	334,8	319,8	274,6
Original equipment components	898,6	524,7	730,3	495,3	446,0
Other components	684,2	704,6	689,2	659,6	888,2
Automotive tooling	407,4	350,0	402,8	484,0	280,7
Engine parts	156,8	167,2	176,1	164,8	190,6
Tyres	98,2	346,9	218,3	132,3	151,6
Transmission shafts / cranks	99,9	102,8	97,9	103,4	120,6
Brake parts	82,9	77,5	92,9	75,8	98,0
Air conditioners	73,8	72,2	56,7	131,1	97,1
Batteries	17,4	32,0	27,7	62,9	83,1
Gauges / instruments / parts	69,5	48,1	51,7	45,6	55,6
Engines	30,7	36,1	52,9	64,9	47,2
Catalytic converters	27,8	34,8	42,8	69,7	35,4
Lighting equipment / parts	23,8	23,8	17,2	19,0	26,8
Gaskets	22,9	22,6	21,2	23,6	25,7
Stitched leather seats / parts	53,4	43,6	44,7	32,7	20,4
Clutches / shaft couplings	11,4	13,3	15,4	10,1	17,8
Filters	19,8	22,2	18,4	18,1	16,9
Axles	7,9	10,3	12,1	10,1	13,5
Body parts / panels	8,7	10,6	6,1	5,3	12,7
Gear boxes	6,3	4,5	8,7	7,2	11,3
Alarm systems	6,9	7,3	6,6	5,6	10,8
Road wheels / parts	13,1	10,9	9,2	6,5	10,4
Automotive glass	8,1	9,6	8,4	7,8	9,6
Silencers / exhausts	12,5	10,8	5,3	6,2	8,5
Jacks	5,6	4,1	4,3	3,7	5,5
Radiators / parts	4,5	4,7	4,9	4,4	5,1
Springs	6,1	5,5	5,4	3,3	4,9
Ignition / starting equipment	9,8	6,3	3,6	4,8	4,8
Steering wheels / columns / boxes	3,1	2,1	1,7	2,0	3,8
Wiring harnesses	5,3	3,3	2,6	2,4	2,9
Shock absorbers	2,6	2,3	1,7	2,1	2,8
Seats	0,9	1,1	3,0	0,5	1,1
Seatbelts	0,4	0,3	0,2	0,2	0,4
Car radios	0,0	0,0	0,0	0,0	0,1

9. Poland

Poland was the South African automotive industry's 35th largest export destination and 13th largest country of origin in 2021.

BEV and PHEV sales in Poland increased year-on-year by 100,8% to 16 433 units in 2021.

According to OICA, vehicle production in Poland declined by 2,6%, from 451 382 units in 2020 to 439 421 units in 2021 while sales increased by 8,7% from 510 153 units in 2020 to 554 613 units in 2021.

Poland vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
689 783	659 646	649 864	451 382	439 421
Vehicle sales				
2017	2018	2019	2020	2021
577 297	633 264	656 258	510 153	554 613

Source: OICA

The following table reveals the light vehicle manufacturing plants in Poland.

Poland light vehicle manufacturing plants

Brand	Model
Ford	Tourneo Connect Volkswagen Caddy/Caddy Life/Caddy-Maxi. Transporter
Stellantis	Opel Astra Fiat 500 Lancia Ypsilon

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Poland through 2017 to 2021.

South Africa vehicle exports to and imports from Poland – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	5 285	5 425	7 606	5 441	6 491
2017 – 2021 high volume light vehicle exports to Poland	BMW X3 Ford Ranger Toyota Hilux VW Polo				
Vehicle imports	4 000	1 007	3 042	2 058	792
2017 – 2021 high volume light vehicle imports from Poland	Fiat 500 VW Caddy				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Poland increased by 32,0% from R529,2 million in 2020 to R698,8 million in 2021, which could mainly be attributed to a significant 59,3% increase in the vehicle export value.

Exports to Poland

Poland	2017	2018	2019	2020	2021
Total	**596,1**	**519,2**	**607,0**	**529,2**	**698,8**
Light vehicles	279,5	210,0	317,4	307,1	489,2
Catalytic converters	1,9	3,3	54,2	87,0	91,9
Other components	121,1	102,3	42,4	32,3	40,6
Tyres	0,0	26,4	79,5	39,1	34,3
Radiators / parts	2,7	0,0	1,1	10,2	16,9
Wiring harnesses	2,6	3,1	3,7	4,9	10,2
Silencers / exhausts	30,7	19,4	13,0	7,0	4,6
Filters	3,4	5,1	2,4	3,5	3,2
Automotive glass	7,2	6,2	3,1	2,6	2,4
Lighting equipment / parts	2,0	8,8	7,1	0,4	1,8
Stitched leather seats / parts	125,1	133,5	75,0	31,1	1,8
Automotive tooling	19,2	0,2	1,8	0,1	1,0
Gauges / instruments / parts	0,0	0,8	3,8	0,0	0,3
Seats	0,0	0,0	0,9	3,3	0,2
Transmission shafts / cranks	0,2	0,2	0,9	0,6	0,2
Steering wheels / columns / boxes	0,0	0,0	0,0	0,0	0,2
Engine parts	0,0	0,0	0,6	0,1	0,1
Alarm systems	0,0	0,0	0,0	0,0	0,1
Axles	0,3	0,0	0,0	0,0	0,0
Body parts / panels	0,1	0,0	0,0	0,0	0,0
Jacks	0,0	0,0	0,2	0,1	0,0

The following table reveals that automotive imports from Poland increased by 18,7% from R2,92 billion in 2020 to R3,47 billion in 2021, which could mainly be attributed to a substantial 53,5% increase in original equipment component imports.

Imports from Poland

Poland	2017	2018	2019	2020	2021
Total	2 736,0	3 062,7	3 115,7	2 922,8	3 470,4
Light vehicles	670,7	666,7	597,1	670,2	154,2
Medium / Heavy vehicles	0	181,9	173,1	192,7	149,2
Original equipment components	622,8	924,0	1 151,1	982,5	1 507,8
Other components	393,9	366,3	333,3	285,5	482,3
Stitched leather seats / parts	187,7	136,7	156,0	107,5	370,5
Tyres	151,0	226,6	289,9	303,3	312,5
Radiators / parts	54,2	36,7	45,9	42,8	65,7
Automotive tooling	22,8	11,4	20,2	36,5	64,1
Filters	51,5	26,5	27,4	29,8	41,6
Automotive glass	29,2	27,9	30,5	30,3	40,5
Transmission shafts / cranks	18,4	11,1	15,0	14,7	28,1
Engine parts	88,3	102,8	83,3	39,8	26,4
Catalytic converters	162,1	115,0	9,2	12,1	24,9
Batteries	37,8	40,1	29,7	38,8	21,8
Alarm systems	21,7	23,9	22,7	17,8	20,6
Silencers / exhausts	4,2	16,7	10,6	12,3	17,4
Shock absorbers	44,4	30,4	21,4	13,1	15,4
Lighting equipment / parts	8,6	12,5	12,2	12,5	13,7
Ignition / starting equipment	18,2	14,1	12,0	11,0	13,1
Gauges / instruments / parts	8,5	9,1	10,5	9,0	12,8
Air conditioners	1,8	0,9	0,3	0,2	10,7
Steering wheels / columns / boxes	2,3	7,2	16,9	18,1	10,5
Wiring harnesses	6,5	6,9	6,8	6,4	10,3
Clutches / shaft couplings	1,8	7,5	9,0	4,8	9,7
Road wheels / parts	7,2	8,4	6,8	6,2	8,1
Brake parts	77,1	13,8	6,9	5,5	7,9
Body parts / panels	2,5	3,6	4,4	4,5	5,6
Gear boxes	2,1	3,2	1,7	3,2	4,8
Springs	0,1	0,1	0,4	0,6	4,6
Jacks	0,1	0,0	0,2	1,3	4,2
Gaskets	2,5	2,2	3,5	3,4	3,0
Car radios	0,2	0,3	0,7	1,4	2,8
Seatbelts	33,9	24,9	3,3	2,4	2,8
Axles	1,4	2,4	2,8	2,6	2,6
Engines	0,5	0,7	0,9	0,1	0,1
Seats	0,1	0,0	0,0	0,0	0,0

10. Austria

Austria was the South African automotive industry's 36th largest export destination and 26th largest country of origin in 2021.

BEV and PHEV sales in Austria increased year-on-year by 103,2% to 48 006 units in 2021.

According to OICA, vehicle production in Austria increased by 9,4%, from 125 000 units in 2020 to 136 700 units in 2021 while sales increased by 1,5% from 301 617 units in 2020 to 306 176 units in 2021.

Austria vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
97 200	164 900	179 400	125 000	136 700
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
402 924	393 738	371 934	301 617	306 176

Source: OICA

The following table reveals the light vehicle manufacturing plants in Austria.

Austria light vehicle manufacturing plants

Brand	Model
KTM Sportcar	KTM X-Bow
Magna-Steyr	BMW 5 Series, Z4 Jaguar E-Pace Mercedes-Benz G-Wagon Toyota Supra-FT1

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Austria through 2017 to 2021.

South Africa vehicle exports to and imports from Austria – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	2 105	2 749	12 675	6 376	7 429
2017 – 2021 high volume light vehicle exports to Austria	BMW X3 Ford Ranger Toyota Hilux VW Cross Polo, Polo				
Vehicle imports	789	1 400	1 422	736	456
2017 – 2021 high volume light vehicle imports from Austria	Jaguar E-Pace Mini Countryman				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Austria increased by a significant 187,3% from R228,3 million in 2020 to R655,9 million in 2021, which could mainly be attributed to a substantial 154,0% increase in the vehicle export value.

Exports to Austria

Austria	2017	2018	2019	2020	2021
Total	**196,1**	**186,7**	**534,6**	**228,3**	**655,9**
Light vehicles	185,8	177,4	186,4	213,0	541,0
Catalytic converters	0,0	4,8	345,3	0,3	84,0
Automotive tooling	0,6	0,0	0,0	1,0	21,1
Other components	5,5	3,5	2,0	7,9	6,0
Engine parts	0,0	0,1	0,5	1,5	3,5
Gauges / instruments / parts	0,1	0,1	0,2	0,0	0,3
Transmission shafts / cranks	0,0	0,4	0,0	0,0	0,0
Wiring harnesses	1,1	0,0	0,0	0,0	0,0
Gaskets	0,9	0,0	0,0	0,0	0,0
Alarm systems	0,6	0,1	0,0	0,0	0,0
Body parts / panels	1,1	0,0	0,0	0,7	0,0
Engines	0,0	0,0	0,0	0,1	0,0
Lighting equipment / parts	0,0	0,0	0,0	3,7	0,0
Radiators / parts	0,2	0,0	0,0	0,1	0,0
Stitched leather seats / parts	0,1	0,0	0,0	0,0	0,0
Shock absorbers	0,0	0,0	0,1	0,0	0,0

The following table reveals that automotive imports from Austria increased by a substantial 70,6% from R882,9 million in 2020 to R1,51 billion in 2021, which could mainly be attributed to a significant 110,8% year-on-year in increase in original equipment components.

Imports from Austria

Austria	2017	2018	2019	2020	2021
Total	890,7	865,0	2 536,6	882,9	1 506,6
Light vehicles	14,0	310,4	196,7	47,1	85,4
Original equipment components	453,5	209,7	2 035,5	484,3	1 021,0
Other components	118,6	93,5	74,6	77,6	124,4
Engine parts	44,3	47,5	56,1	84,2	80,9
Automotive tooling	93,2	25,2	35,6	50,7	47,0
Transmission shafts / cranks	22,1	29,7	19,0	33,7	39,1
Filters	43,2	45,4	46,0	36,7	29,7
Lighting equipment / parts	26,6	30,5	25,0	21,0	26,1
Batteries	19,3	18,0	7,4	10,4	8,0
Road wheels / parts	12,4	9,7	4,7	4,5	7,1
Body parts / panels	2,6	4,2	6,2	7,9	6,2
Gauges / instruments / parts	3,5	5,1	5,3	3,3	5,4
Air conditioners	0,0	0,0	0,0	0,0	4,7
Gaskets	1,2	6,5	1,3	1,8	4,6
Axles	4,0	4,1	4,6	4,6	4,5
Silencers / exhausts	2,3	2,5	2,5	2,3	3,0
Gear boxes	3,3	2,6	1,4	1,2	2,4
Radiators / parts	8,5	7,8	4,0	2,9	1,1
Catalytic converters	6,3	0,6	3,5	0,9	1,1
Ignition / starting equipment	0,4	0,4	0,3	0,3	0,8
Alarm systems	0,9	0,6	0,5	0,6	0,8
Springs	1,0	1,0	1,2	1,3	0,8
Shock absorbers	0,2	0,2	0,3	0,4	0,5
Brake parts	0,2	0,1	0,2	0,9	0,5
Steering wheels / columns / boxes	0,0	0,3	1,0	0,2	0,4
Wiring harnesses	1,6	0,3	0,2	0,2	0,2
Clutches / shaft couplings	0,3	1,0	1,0	0,2	0,2
Engines	0,4	0,5	2,0	3,4	0,2
Stitched leather seats / parts	0,2	0,2	0,3	0,2	0,1
Automotive glass	0,4	0,3	0,1	0,2	0,1
Jacks	5,2	7,4	0,0	0,0	0,0
Seats	0,0	0,0	0,2	0,0	0,0
Tyres	0,9	0,0	0,0	0,0	0,0

11. Finland

Finland was the South African automotive industry's 41st largest export destination and 38th largest country of origin in 2021.

BEV and PHEV sales in Finland increased year-on-year by 73,3% to 30 291 units in 2021.

According to OICA, vehicle production in Finland increased by 8,0%, from 86 270 units in 2020 to 93 172 units in 2021 while sales increased by 2,0% from 112 988 units in 2020 to 115 291 units in 2021.

Finland vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
108 839	112 104	114 785	86 270	93 172
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
136 534	163 000	133 505	112 988	115 291

Source: OICA

The following table reveals the light vehicle manufacturing plants in Finland.

Finland light vehicle manufacturing plants

Brand	Model
Valmet	Mercedes-Benz A-Class, GLC

Source: Ward's

The following table reveals details of South African high-volume model exports to Finland through 2017 to 2021.

South Africa vehicle exports to Finland – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	972	985	2 120	2 429	2 100
2017 – 2021 high volume light vehicle exports to Finland	Ford Ranger Toyota Hilux VW Polo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Finland increased by 1,7% from R467,8 million in 2020 to R475,6 million in 2021.

Exports to Finland

Finland	2017	2018	2019	2020	2021
Total	**192,6**	**165,1**	**269,8**	**467,8**	**475,6**
Light vehicles	178,1	151,9	194,2	174,2	228,5
Catalytic converters	0,2	3,8	69,0	289,8	243,2
Other components	11,1	4,3	4,9	2,5	2,1
Transmission shafts / cranks	0,0	0,7	0,1	0,0	1,5
Wiring harnesses	0,6	0,9	1,1	0,8	0,2
Body parts / panels	0,0	0,0	0,0	0,2	0,1
Gaskets	0,0	0,0	0,0	0,1	0,0
Gauges / instruments / parts	0,0	0,0	0,0	0,1	0,0
Alarm systems	0,0	0,1	0,0	0,0	0,0
Automotive tooling	0,0	0,9	0,0	0,0	0,0
Brake parts	0,5	0,5	0,0	0,0	0,0
Engines	0,0	0,0	0,4	0,0	0,0
Engine parts	1,8	0,0	0,2	0,0	0,0
Automotive glass	0,0	0,2	0,0	0,0	0,0
Ignition / starting equipment	0,0	1,6	0,0	0,0	0,0
Lighting equipment / parts	0,2	0,0	0,0	0,0	0,0
Seats	0,0	0,2	0,0	0,0	0,0

The following table reveals that automotive imports from Finland declined by 3,3% from R241,6 million in 2020 to R233,7 million in 2021.

Imports from Finland

Finland	2017	2018	2019	2020	2021
Total	210,9	225,9	180,6	241,6	233,7
Medium / Heavy vehicles	0,0	0,0	0,0	5,8	8,1
Original equipment components	0,0	0,0	0,1	0,0	0,0
Other components	96,9	116,8	95,0	142,4	104,4
Transmission shafts / cranks	36,9	29,2	29,8	30,4	34,5
Engine parts	32,8	24,8	16,9	9,2	22,0
Gauges / instruments / parts	7,5	11,1	8,0	15,1	20,4
Automotive tooling	11,2	8,7	6,4	14,9	14,1
Lighting equipment / parts	8,7	10,6	8,5	10,5	10,8
Catalytic converters	3,3	3,8	3,2	3,1	3,2
Automotive glass	2,5	2,6	2,2	2,3	3,1
Gaskets	3,1	8,4	2,3	1,9	2,6
Silencers / exhausts	0,4	0,4	1,0	0,7	2,6
Axles	0,2	3,6	0,5	0,4	1,8
Seats	1,2	0,1	0,0	0,3	1,3
Road wheels / parts	0,6	0,2	0,0	0,1	0,8
Engines	0,4	1,5	0,0	0,7	0,8
Gear boxes	0,1	1,0	0,2	0,7	0,6
Shock absorbers	0,0	0,0	0,0	0,0	0,5
Wiring harnesses	2,8	0,7	0,8	0,6	0,4
Filters	0,1	0,5	0,8	0,4	0,3
Springs	0,3	0,4	0,6	0,3	0,3
Ignition / starting equipment	0,0	0,0	1,2	0,9	0,3
Alarm systems	0,6	0,6	2,4	0,3	0,2
Stitched leather seats / parts	0,0	0,1	0,1	0,0	0,2
Tyres	0,0	0,0	0,0	0,0	0,2
Radiators / parts	0,3	0,1	0,3	0,5	0,1
Jacks	0,3	0,2	0,0	0,0	0,1
Clutches / shaft couplings	0,0	0,0	0,0	0,0	0,1
Seatbelts	0,1	0,0	0,1	0,1	0,0
Brake parts	0,1	0,0	0,0	0,0	0,0
Air conditioners	0,0	0,2	0,0	0,0	0,0
Body parts / panels	0,2	0,1	0,0	0,0	0,0
Car radios	0,1	0,0	0,0	0,0	0,0

12. Portugal

Portugal was the South African automotive industry's 42nd largest export destination and 19th largest country of origin in 2021.

BEV and PHEV sales in Portugal increased year-on-year by 46,8% to 28 920 units in 2021.

According to OICA, vehicle production in Portugal increased by 9,7%, from 264 236 units in 2020 to 289 954 units in 2021 while sales increased by 5,4% from 173 989 units in 2020 to 183 390 units in 2021.

Portugal vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
175 544	294 366	345 688	264 236	289 954
Vehicle sales				
2017	2018	2019	2020	2021
260 844	267 405	265 827	173 989	183 390

Source: OICA

The following table reveals the light vehicle manufacturing plants in Portugal.

Portugal light vehicle manufacturing plants

Brand	Model
Mitsubishi Motors	Fuso Canter
Stellantis	Citroen Berlingo Opel Combo Peugeot Partner
Toyota	Dyna
Volkswagen	SEAT Alhambra Volkswagen Sharan, T-Roc

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Portugal through 2017 to 2021.

South Africa vehicle exports to and imports from Portugal – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	1 548	1 979	2 119	1 355	2 028
2017 – 2021 high volume light vehicle exports to Portugal	BMW X3 Ford Ranger Nissan Hardbody Toyota Hilux				
Vehicle imports	51	0	0	174	3 555
2017 – 2021 high volume light vehicle imports from Portugal	VW T Roc				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Portugal increased by 43,4% from R323,7 million in 2020 to R464,3 million in 2021, which could mainly be attributed to a substantial 53,7% increase in the vehicle export value.

Exports to Portugal

Portugal	2017	2018	2019	2020	2021
Total	**341,6**	**422,2**	**467,4**	**323,7**	**464,3**
Light vehicles	330,0	396,4	397,1	279,5	429,5
Medium / Heavy vehicles	2,5	3,0	0,0	0,0	0,0
Automotive tooling	0,1	2,3	34,7	11,3	27,9
Wiring harnesses	0,2	0,1	0,2	0,5	2,6
Gauges / instruments / parts	0,0	0,1	0,1	0,0	1,8
Other components	6,7	9,9	12,6	2,0	1,2
Automotive glass	0,4	0,5	0,4	0,5	0,7
Shock absorbers	0,1	0,0	0,1	0,4	0,3
Transmission shafts / cranks	0,2	0,1	0,5	3,9	0,1
Engine parts	0,5	3,0	0,5	0,1	0,1
Springs	0,0	0,0	0,0	0,0	0,1
Steering wheels / columns / boxes	0,0	0,0	0,0	0,0	0,1
Radiators / parts	0,0	0,0	0,1	0,1	0,0
Alarm systems	0,1	0,2	0,2	0,0	0,0
Brake parts	0,1	0,1	0,0	0,0	0,0
Silencers / exhausts	0,0	0,3	0,0	0,1	0,0
Tyres	0,5	0,0	0,0	4,7	0,0
Axles	0,0	0,0	0,0	0,2	0,0
Catalytic converters	0,0	5,5	20,7	18,9	0,0
Engines	0,2	0,4	0,1	0,0	0,0
Stitched leather seats / parts	0,0	0,0	0,0	0,1	0,0

The following table reveals that automotive imports from Portugal increased by 43,8% from R1,57 billion in 2020 to R2,25 billion in 2021, which could be attributed to a significant 133,2% increase in the vehicle import value.

Imports from Portugal

Portugal	2017	2018	2019	2020	2021
Total	1 139,4	1 259,1	1 779,1	1 566,2	2 252,0
Light vehicles	611,7	685,6	802,7	747,0	1 593,5
Medium / Heavy vehicles	0,0	0,0	0,0	0,0	3,0
Original equipment components	118,9	372,4	724,7	448,6	417,5
Other components	77,2	80,5	84,6	62,7	81,8
Tyres	60,0	42,9	57,0	42,8	60,0
Automotive tooling	182,0	22,3	49,7	219,9	46,0
Stitched leather seats / parts	38,1	21,3	22,1	12,7	10,3
Alarm systems	5,4	3,6	5,7	8,4	9,6
Radiators / parts	0,9	5,6	4,4	3,3	4,8
Ignition / starting equipment	10,4	2,8	3,1	3,1	3,9
Lighting equipment / parts	0,4	2,4	2,2	1,3	3,0
Springs	4,3	5,0	2,9	4,4	2,8
Catalytic converters	1,3	0,5	2,1	1,6	2,8
Wiring harnesses	1,6	1,4	1,6	1,6	2,6
Engine parts	2,1	3,0	2,8	2,1	2,4
Gauges / instruments / parts	0,6	1,2	1,7	2,2	1,8
Car radios	1,1	1,2	1,5	0,8	1,6
Brake parts	0,4	0,9	1,2	1,2	1,5
Automotive glass	0,1	0,2	0,1	0,3	0,8
Silencers / exhausts	0,7	2,0	2,7	0,7	0,6
Body parts / panels	20,1	1,2	0,4	0,3	0,5
Gaskets	0,2	0,2	0,1	0,1	0,3
Steering wheels / columns / boxes	0,1	0,2	0,1	0,1	0,2
Batteries	0,3	0,2	0,2	0,2	0,1
Engines	0,0	0,0	0,0	0,0	0,1
Axles	0,0	0,0	0,1	0,1	0,1
Gear boxes	0,6	0,7	0,0	0,2	0,1
Transmission shafts / cranks	0,4	0,3	5,0	0,3	0,1
Air conditioners	0,1	0,0	0,0	0,0	0,0
Road wheels / parts	0,0	0,2	0,0	0,0	0,0
Filters	0,0	1,0	0,1	0,0	0,0
Seats	0,1	0,0	0,0	0,0	0,0
Shock absorbers	0,1	0,3	0,0	0,1	0,0

13. Greece

Greece was the South African automotive industry's 43rd largest export destination in 2021.

BEV and PHEV sales in Greece increased year-on-year by a massive 226,0% to 6 961 units in 2021. Greece will be banning all new petrol and diesel car sales by 2030.

According to OICA, vehicle sales in Greece increased by 26,7% from 88 710 units in 2020 to 112 364 units in 2021.

Greece vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
95 345	110 490	122 990	88 710	112 364

Source: OICA

The following table reveals details of South African high-volume model exports to Greece through 2017 to 2021.

South Africa vehicle exports to Greece – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	904	1 755	1 582	1 111	1 722
2017 – 2021 high volume light vehicle exports to Greece	BMW X3 Ford Ranger Toyota Hilux				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Greece increased by substantial 98,7% from R210,4 million in 2020 to R418,0 million in 2021 which could be attributed to a 92,0% increase in the vehicle export value.

Exports to Greece

Greece	2017	2018	2019	2020	2021
Total	**169,0**	**322,7**	**284,8**	**210,4**	**418,0**
Light vehicles	168,5	321,1	278,4	204,3	392,3
Tyres	0,0	0,0	0,0	0,0	15,7
Automotive tooling	0,0	1,0	5,1	4,5	7,9
Other components	0,3	0,5	1,2	1,4	1,4
Transmission shafts / cranks	0,0	0,0	0,0	0,0	0,5
Engine parts	0,1	0,1	0,1	0,1	0,2

The following table reveals that automotive imports from Greece declined by 18,2% from R6,6 million in 2020 to R5,4 million in 2021.

Imports from Greece

Greece	2017	2018	2019	2020	2021
Total	**5,1**	**8,8**	**5,6**	**6,6**	**5,4**
Light vehicles	0,7	4,6	0,1	0,0	0,4
Other components	1,6	2,2	1,9	1,1	1,2
Batteries	0,0	0,2	1,4	0,8	1,3
Clutches / shaft couplings	1,2	0,0	0,0	1,3	1,0
Automotive tooling	0,0	0,1	0,8	1,4	0,3
Gauges / instruments / parts	0,0	0,1	0,0	0,1	0,3
Brake parts	0,6	0,5	0,3	0,4	0,2
Radiators / parts	0,0	0,0	0,0	0,0	0,2
Lighting equipment / parts	0,1	0,1	0,1	0,1	0,1
Alarm systems	0,1	0,1	0,3	0,5	0,1
Filters	0,3	0,2	0,2	0,1	0,1
Engine parts	0,0	0,0	0,1	0,1	0,1
Springs	0,2	0,6	0,3	0,5	0,1
Transmission shafts / cranks	0,2	0,0	0,0	0,0	0,0

14. Sweden

Sweden was the South African automotive industry's 44th largest export destination and 9th largest country of origin in 2021.

BEV and PHEV sales in Sweden increased year-on-year by 43,8% to 135 331 units in 2021. Sweden will be banning new petrol and diesel cars sales by 2030.

According to OICA, vehicle production in Sweden increased by 3,6%, from 249 000 units in 2020 to 258 000 units in 2021 while sales increased by 4,1% from 330 215 units in 2020 to 343 880 units in 2021.

Sweden vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
226 000	291 000	279 000	249 000	258 000
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
442 836	418 090	418 478	330 215	343 880

Source: OICA

The following table reveals the light vehicle manufacturing plants in Sweden.

Sweden light vehicle manufacturing plants

Brand	Model
Volvo	V60, V90, XC60, XC90

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Sweden through 2017 to 2021.

South Africa vehicle exports to and imports from Sweden – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	2 741	4 274	6 545	3 676	2 978
2017 – 2021 high volume light vehicle exports to Sweden	BMW X3 Ford Ranger Toyota Hilux VW Polo				
Vehicle imports	464	1 060	1 230	807	214
2017 – 2021 high volume light vehicle imports from Sweden	Volvo XC60, XC90				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Sweden declined by 10,1% from R463,1bmillion in 2020 to R416,5 million in 2021.

Exports to Sweden

Sweden	2017	2018	2019	2020	2021
Total	**285,7**	**418,0**	**396,6**	**463,1**	**416,5**
Light vehicles	270,1	402,3	383,9	459,6	406,3
Other components	10,4	5,1	8,7	1,2	4,1
Gear boxes	0,0	0,0	0,0	0,0	3,8
Gauges / instruments / parts	0,9	0,3	0,1	0,1	0,9
Stitched leather seats / parts	0,2	0,2	0,1	0,2	0,3
Engines	0,0	0,0	0,3	0,0	0,3
Body parts / panels	0,0	0,6	0,1	1,2	0,2
Wiring harnesses	0,3	0,3	0,4	0,1	0,2
Catalytic converters	0,1	0,1	0,1	0,0	0,1
Automotive glass	0,3	1,8	0,1	0,0	0,1
Engine parts	0,6	0,3	0,5	0,2	0,1
Axles	0,0	0,3	1,0	0,0	0,0
Steering wheels / columns / boxes	0,0	0,0	0,0	0,1	0,0
Brake parts	0,1	0,0	0,0	0,0	0,0
Radiators / parts	0,1	0,1	0,0	0,0	0,0
Silencers / exhausts	0,0	0,0	0,1	0,0	0,0
Gaskets	0,1	0,4	0,0	0,0	0,0
Shock absorbers	0,1	0,0	0,1	0,0	0,0
Alarm systems	0,2	0,0	0,1	0,0	0,0
Lighting equipment / parts	1,1	0,2	0,1	0,3	0,0
Transmission shafts / cranks	0,5	5,1	0,7	0,0	0,0
Seats	0,2	0,0	0,0	0,0	0,0
Automotive tooling	0,1	0,5	0,0	0,0	0,0
Clutches / shaft couplings	0,1	0,1	0,1	0,0	0,0
Ignition / starting equipment	0,1	0,1	0,1	0,0	0,0

The following table reveals that automotive imports from Sweden increased by 43,5% from R3,24 billion in 2020 to R4,65 billion in 2021 which could mainly be attributed to a substantial 68,5% increase in original equipment component imports.

Imports from Sweden

Sweden	2017	2018	2019	2020	2021
Total (R million)	3 044,1	3 706,2	4 885,3	3 241,9	4 650,9
Light vehicles	145,7	212,3	154,9	62,6	48,3
Medium / Heavy vehicles	237,2	278,6	354,3	193,4	13,4
Original equipment components	1 879,2	2 504,2	3 735,6	2 278,2	3 839,7
Engines	157,3	164,1	221,4	262,9	284,1
Other components	362,5	283,3	155,0	173,8	196,9
Transmission shafts / cranks	80,1	61,4	67,7	70,0	72,3
Engine parts	53,3	51,2	53,5	54,8	57,4
Gauges / instruments / parts	12,3	21,0	27,6	15,1	21,7
Automotive tooling	24,1	25,9	12,5	15,6	16,1
Radiators / parts	7,1	10,3	11,1	10,0	15,4
Batteries	11,0	17,0	17,5	23,8	13,4
Brake parts	7,9	6,5	5,5	4,8	11,4
Catalytic converters	5,7	3,5	5,3	4,5	10,9
Gaskets	3,8	5,8	5,7	9,5	8,3
Body parts / panels	16,0	13,1	16,4	16,8	5,9
Silencers / exhausts	3,7	5,9	8,2	10,7	5,6
Gear boxes	9,2	10,8	8,4	7,6	4,6
Axles	3,2	5,8	4,8	7,8	4,2
Alarm systems	6,1	9,7	5,2	3,6	2,4
Lighting equipment / parts	3,6	1,8	2,0	2,7	2,2
Automotive glass	2,5	2,4	1,9	1,7	2,2
Air conditioners	0,0	1,1	0,9	1,3	2,1
Filters	1,9	3,3	0,9	1,6	1,7
Road wheels / parts	0,7	0,5	1,4	1,2	1,7
Seats	0,5	0,8	1,3	1,9	1,5
Wiring harnesses	1,7	0,9	1,0	1,2	1,4
Tyres	0,0	0,0	0,0	0,0	1,2
Steering wheels / columns / boxes	0,3	0,4	0,8	0,8	1,1
Springs	0,5	0,8	1,0	0,9	0,9
Stitched leather seats / parts	0,8	0,4	0,9	0,8	0,9
Clutches / shaft couplings	0,9	0,9	1,1	0,6	0,8
Seatbelts	0,3	0,2	0,2	0,3	0,5
Shock absorbers	1,7	0,1	0,5	0,5	0,5
Ignition / starting equipment	3,3	1,9	0,4	0,3	0,3
Jacks	0,1	0,4	0,3	0,3	0,1
Car radios	0,1	0,0	0,0	0,0	0,0

15. Romania

Romania was the South African automotive industry's 51st largest export destination and 15th largest country of origin in 2021.

BEV and PHEV sales in Romania increased year-on-year by 131,2% to 8 972 units in 2021. According to OICA, vehicle production in Romania declined by 4,0%, from 438 107 units in 2020 to 420 755 units in 2021 while sales declined by 0,9% from 145 507 units in 2020 to 144 222 units in 2021.

Romania vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
363 688	476 769	490 412	438 107	420 755
Vehicle sales				
2017	2018	2019	2020	2021
121 981	158 275	189 504	145 507	144 222

Source: OICA

The following table reveals the light vehicle manufacturing plants in Romania.

Romania light vehicle manufacturing plants

Brand	Model
Dacia	Duster, Jogger, Logan, Sandero
Ford	EcoSport, Puma

Source: Ward's

The following table reveals details of South African high-volume model exports to and imports from Romania through 2017 to 2021.

South Africa vehicle exports to and imports from Romania – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	1 114	1 292	3 187	3 136	3 752
2017 – 2021 high volume light vehicle exports to Romania	Ford Ranger Toyota Hilux VW Polo				
Vehicle imports	5 052	5 773	6 077	3 117	1 638
2017 – 2021 high volume light vehicle imports from Romania	Renault Sandero II				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Romania declined by 0,3% from R325,3 million in 2020 to R324,4 million in 2021.

Exports to Romania

Romania	2017	2018	2019	2020	2021
Total	**285,1**	**319,4**	**283,3**	**325,3**	**324,4**
Light vehicles	194,4	214,3	208,0	244,1	278,1
Other components	54,4	34,1	41,2	26,5	31,7
Catalytic converters	0,2	34,2	14,8	39,0	10,2
Tyres	0,0	0,0	0,0	9,6	2,9
Stitched leather seats / parts	32,0	35,0	17,6	4,4	0,7
Silencers / exhausts	0,0	0,5	1,5	1,5	0,6
Road wheels / parts	0,8	1,0	0,0	0,0	0,0
Gauges / instruments / parts	0,7	0,0	0,1	0,0	0,0
Automotive tooling	2,6	0,1	0,0	0,0	0,0
Alarm systems	0,0	0,1	0,0	0,0	0,0

The following table reveals that automotive imports from Romania increased by 9,5% from R2,91 billion in 2020 to R3,18 billion in 2021.

Imports from Romania

Romania	2017	2018	2019	2020	2021
Total	2 165,7	3 489,3	4 632,9	2 909,0	3 184,4
Light vehicles	659,1	1 382,0	2 232,8	1 159,9	982,8
Original equipment components	544,0	935,5	1 277,6	830,3	1 259,0
Tyres	137,3	134,0	137,9	125,1	231,2
Other components	286,4	338,9	275,8	203,1	212,4
Gauges / instruments / parts	357,8	428,9	385,3	353,5	203,2
Stitched leather seats / parts	50,9	69,9	77,3	50,1	66,8
Engine parts	47,3	48,6	63,5	55,0	59,9
Seatbelts	9,8	22,0	48,9	35,1	41,2
Brake parts	12,3	11,3	10,8	10,8	24,9
Lighting equipment / parts	20,5	19,8	24,2	15,2	20,4
Filters	2,7	3,1	7,2	9,1	14,9
Wiring harnesses	6,2	16,3	18,1	9,4	11,2
Transmission shafts / cranks	2,4	3,7	3,1	7,1	10,5
Batteries	11,3	40,7	46,4	25,4	8,9
Shock absorbers	0,7	2,4	1,5	1,3	6,8
Automotive tooling	0,8	3,6	1,4	1,5	5,9
Body parts / panels	2,3	3,7	5,7	4,6	4,8
Steering wheels / columns / boxes	3,8	13,0	2,6	2,3	3,6
Radiators / parts	1,8	2,0	1,6	1,6	2,3
Silencers / exhausts	0,3	1,9	2,7	0,9	2,1
Automotive glass	0,3	0,3	1,0	1,6	1,9
Alarm systems	3,9	1,4	1,4	1,4	1,8
Ignition / starting equipment	0,2	0,0	0,0	0,0	1,6
Springs	0,5	0,9	0,6	0,6	1,3
Engines	1,1	1,1	0,8	1,5	1,2
Axles	0,4	0,7	1,4	0,4	1,0
Catalytic converters	0,7	2,4	2,6	1,6	1,0
Gear boxes	0,2	0,2	0,1	0,0	0,7
Gaskets	0,2	0,1	0,2	0,2	0,3
Seats	0,0	0,0	0,0	0,0	0,3
Road wheels / parts	0,1	0,3	0,3	0,2	0,2
Clutches / shaft couplings	0,3	0,6	0,1	0,0	0,1
Jacks	0,0	0,0	0,0	0,1	0,1
Air conditioners	0,0	0,0	0,0	0,1	0,0

16. Estonia

Estonia was the South African automotive industry's 53rd largest export destination and 58th largest country of origin in 2021.

BEV and PHEV sales in Estonia increased year-on-year by 56,1% to 651 units in 2021.

According to OICA, vehicle sales in Estonia increased by 19,1% from 18 750 units in 2020 to 22 336 units in 2021.

Estonia vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
30 452	31 366	37 211	18 750	22 336

Source: OICA

The following table reveals details of South African high-volume model exports to Estonia through 2017 to 2021.

South Africa vehicle exports to Estonia – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	589	960	873	551	874
2017 – 2021 high volume light vehicle exports to the UK	Ford Ranger Toyota Hilux				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Estonia increased by 55,2% from R195,3 million in 2020 to R306,1 million in 2021.

Exports to Estonia

Estonia	2017	2018	2019	2020	2021
Total	**139,4**	**265,0**	**235,1**	**195,3**	**306,1**
Light vehicles	139,0	264,9	233,0	192,8	304,9
Wiring harnesses	0,3	0,0	1,3	2,0	0,5
Other components	0,1	0,0	0,7	0,4	0,4
Engine parts	0,0	0,0	0,0	0,0	0,1
Batteries	0,0	0,0	0,0	0,1	0,0

The following table reveals that automotive imports from Estonia increased by 30,8% from R15,6 million in 2020 to R20,4 million in 2021.

Imports from Estonia

Estonia	2017	2018	2019	2020	2021
Total	10,1	14,1	15,7	15,6	20,4
Original equipment components	0,8	5,0	6,3	5,4	5,2
Catalytic converters	0,2	0,4	0,4	0,8	6,5
Other components	6,2	4,5	5,1	6,5	5,4
Automotive glass	0,9	1,9	1,8	1,0	1,1
Engine parts	0,3	0,3	0,4	0,4	0,4
Gauges / instruments / parts	0,5	0,5	0,9	0,3	0,3
Silencers / exhausts	0,0	0,0	0,1	0,1	0,3
Wiring harnesses	0,5	0,4	0,1	0,1	0,2
Automotive tooling	0,1	0,0	0,2	0,5	0,2
Body parts / panels	0,0	0,0	0,0	0,0	0,2
Gaskets	0,1	0,0	0,0	0,0	0,1
Road wheels / parts	0,2	0,2	0,1	0,1	0,1
Transmission shafts / cranks	0,1	0,3	0,1	0,2	0,1
Clutches / shaft couplings	0,0	0,0	0,0	0,0	0,1
Shock absorbers	0,0	0,1	0,0	0,0	0,0
Axles	0,0	0,0	0,0	0,1	0,0
Seatbelts	0,1	0,1	0,1	0,1	0,0

17. Slovenia

Slovenia was the South African automotive industry's 56th largest export destination and 32nd largest country of origin in 2021.

BEV and PHEV sales in Slovenia increased year-on-year by 13,5% to 1 913 units in 2021. Slovenia will be banning all new petrol and diesel car sales by 2031.

According to OICA, vehicle production in Slovenia declined by 32,4%, from 141 714 units in 2020 to 95 797 units in 2021 while sales increased by 3,7% from 63 356 units in 2020 to 65 691 units in 2021.

Slovenia vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
189 852	209 378	199 114	141 714	95 797
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
71 264	85 571	84 503	63 356	65 691

Source: OICA

The following table reveals the light vehicle manufacturing plants in Slovenia.

Slovenia light vehicle manufacturing plants

Brand	Model
Renault-Nissan-Mitsubishi	Renault ClioTwingo, Smart forfour

Source: Ward's

The following table reveals details of South African high-volume model exports to Slovenia through 2017 to 2021.

South Africa vehicle exports to Slovenia – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	787	927	2 428	1 758	1 700
2017 – 2021 high volume light vehicle exports to Slovenia	Ford Ranger Toyota Hilux VW Polo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Slovenia increased by 97,9% from R140,9 million in 2020 to R278,9 million in 2021.

Exports to Slovenia

Slovenia	2017	2018	2019	2020	2021
Total	120,5	120,4	223,1	140,9	278,9
Light vehicles	118,1	113,0	163,6	101,3	239,9
Tyres	0,0	7,1	59,1	38,9	38,7
Engine parts	0,0	0,0	0,0	0,1	0,3
Other components	0,0	0,2	0,1	0,2	0,0
Air conditioners	0,0	0,0	0,3	0,0	0,0
Engines	2,3	0,0	0,0	0,0	0,0
Stitched leather seats / parts	0,0	0,1	0,0	0,5	0,0

The following table reveals that automotive imports from Slovenia increased by 8,3% from R341,9 million in 2020 to R370,1 million in 2021.

Imports from Slovenia

Slovenia	2017	2018	2019	2020	2021
Total	161,6	271,6	359,6	341,9	370,1
Light vehicles	0,0	0,0	0,0	5,9	0,0
Original equipment components	10,8	38,0	70,2	59,4	49,5
Tyres	39,6	47,6	54,3	64,5	94,6
Stitched leather seats / parts	14,9	60,7	86,7	61,7	74,5
Lighting equipment / parts	37,7	51,3	52,7	38,5	55,1
Batteries	2,5	12,0	37,9	60,7	22,1
Automotive tooling	1,4	12,8	1,6	3,8	18,9
Other components	24,3	17,4	22,6	18,7	17,5
Ignition / starting equipment	10,4	10,6	15,4	11,4	13,8
Catalytic converters	3,4	5,1	2,7	4,6	5,3
Engine parts	3,3	5,1	5,6	3,0	4,2
Silencers / exhausts	3,2	2,7	2,1	3,0	3,8
Body parts / panels	2,1	0,2	0,2	0,2	3,4
Alarm systems	1,8	2,2	2,8	2,9	2,8
Filters	2,6	2,8	1,8	1,5	2,3
Gaskets	1,4	0,9	0,9	0,9	0,7
Gauges / instruments / parts	1,2	1,0	1,0	0,5	0,7
Transmission shafts / cranks	0,1	0,5	0,4	0,3	0,3
Shock absorbers	0,1	0,1	0,0	0,1	0,2
Springs	0,1	0,0	0,2	0,0	0,2
Axles	0,2	0,2	0,2	0,1	0,1
Wiring harnesses	0,3	0,2	0,2	0,2	0,1
Clutches / shaft couplings	0,0	0,0	0,0	0,1	0,0
Brake parts	0,0	0,0	0,1	0,0	0,0

18. Ireland

Ireland was the South African automotive industry's 60th largest export destination and 50th largest country of origin in 2021.

BEV and PHEV sales in Ireland increased year-on-year by 155,8% to 16 637 units in 2021. Ireland will be banning new petrol and diesel car sales by 2030. According to OICA, vehicle sales in Ireland increased by 21,4%, from 112 122 units in 2020 to 136 126 units in 2021.

Ireland vehicle sales – 2017 to 2021

Vehicle sales				
2017	2018	2019	2020	2021
155 539	151 888	145 104	112 122	136 126

Source: OICA

The following table reveals that automotive exports to Ireland increased by 71,0% from R112,0 million in 2020 to R191,5 million in 2021

Exports to Ireland

Ireland	2017	2018	2019	2020	2021
Total	**74,7**	**119,2**	**111,6**	**112,0**	**191,5**
Light vehicles	58,5	101,0	97,7	105,8	181,8
Medium / Heavy vehicles	0,1	0,1	0,0	0,0	0,0
Other components	11,2	12,5	10,5	4,9	6,4
Tyres	2,1	0,8	0,0	0,5	1,5
Automotive tooling	0,8	2,9	1,0	0,3	1,1
Gauges / instruments / parts	0,1	0,0	0,1	0,0	0,3
Catalytic converters	0,0	0,0	0,0	0,0	0,2
Gear boxes	0,0	0,0	0,0	0,0	0,1
Engine parts	0,3	0,6	0,1	0,3	0,1
Body parts / panels	0,0	0,1	1,2	0,0	0,0
Axles	0,1	0,0	0,0	0,0	0,0
Brake parts	0,6	0,8	0,0	0,0	0,0
Engines	0,0	0,0	0,1	0,0	0,0
Lighting equipment / parts	0,3	0,1	0,1	0,0	0,0
Radiators / parts	0,0	0,1	0,6	0,0	0,0
Stitched leather seats / parts	0,0	0,0	0,2	0,0	0,0
Seatbelts	0,1	0,2	0,0	0,0	0,0
Shock absorbers	0,0	0,1	0,0	0,0	0,0
Steering wheels / columns / boxes	0,1	0,0	0,0	0,0	0,0
Wiring harnesses	0,1	0,0	0,0	0,2	0,0
Filters	0,1	0,0	0,1	0,0	0,0

The following table reveals that automotive imports from Ireland increased by 28,2% from R28,4 million in 2020 to R36,4 million in 2021.

Imports to Ireland

Ireland	2017	2018	2019	2020	2021
Total	55,7	40,3	51,0	28,4	36,4
Light vehicles	0,2	0,2	0,0	0,0	0,0
Other components	18,2	21,6	18,0	17,7	22,2
Automotive tooling	1,9	3,4	2,1	1,6	3,5
Engines	0,0	0,0	0,1	0,0	3,2
Gauges / instruments / parts	4,0	7,9	5,1	3,1	2,7
Catalytic converters	1,0	0,1	0,2	0,8	0,9
Transmission shafts / cranks	0,3	0,5	0,6	0,9	0,8
Original equipment components	22,1	1,1	1,1	1,0	0,7
Engine parts	1,0	2,4	20,5	0,7	0,6
Gaskets	0,7	0,6	0,4	0,2	0,3
Stitched leather seats / parts	1,6	0,6	1,3	1,4	0,3
Lighting equipment / parts	0,0	0,1	0,0	0,0	0,3
Radiators / parts	0,1	0,2	0,6	0,2	0,2
Automotive glass	0,2	0,2	0,2	0,2	0,2
Gear boxes	0,0	0,0	0,1	0,0	0,2
Body parts / panels	0,2	0,0	0,0	0,0	0,1
Axles	0,0	0,0	0,1	0,0	0,1
Car radios	0,0	0,0	0,0	0,0	0,1
Alarm systems	3,3	0,9	0,2	0,2	0,1
Springs	0,1	0,0	0,0	0,0	0,0
Steering wheels / columns / boxes	0,7	0,0	0,0	0,0	0,0
Ignition / starting equipment	0,0	0,2	0,0	0,0	0,0
Filters	0,0	0,1	0,1	0,0	0,0
Shock absorbers	0,0	0,0	0,1	0,2	0,0

19. Denmark

Denmark was the South African automotive industry's 66th largest export destination and 31st largest country of origin in 2021.

BEV and PHEV sales in Denmark increased year-on-year by 101,4% to 65 478 units in 2021. Denmark will be banning new petrol and diesel car sales by 2030.

According to OICA, vehicle sales in Denmark declined by 4,9% from 233 271 units in 2020 to 221 937 units in 2021.

Denmark vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
263 596	257 890	264 073	233 271	221 937

Source: OICA

The following table reveals details of South African high-volume model exports to Denmark through 2017 to 2021.

South Africa vehicle exports to Denmark – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	382	398	5 276	3 438	2 214
2017 – 2021 high volume light vehicle exports to Denmark	Ford Ranger Toyota Hilux VW Polo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Denmark increased by 19,6% from R107,8 million in 2020 to R128,9 million in 2021.

Exports to Denmark

Denmark	2017	2018	2019	2020	2021
Total	**94,4**	**106,1**	**80,1**	**107,8**	**128,9**
Light vehicles	51,7	97,5	62,1	86,0	122,0
Automotive tooling	6,3	5,7	4,7	1,3	3,2
Other components	16,9	1,1	9,5	20,1	1,5
Transmission shafts / cranks	16,5	0,1	3,2	0,0	1,3
Wiring harnesses	0,0	0,1	0,1	0,0	0,4
Gauges / instruments / parts	0,5	0,2	0,0	0,0	0,2
Engine parts	2,2	1,4	0,1	0,4	0,1
Jacks	0,0	0,0	0,0	0,0	0,1
Gaskets	0,0	0,0	0,2	0,0	0,0
Radiators / parts	0,0	0,0	0,0	0,1	0,0
Tyres	0,0	0,0	0,1	0,0	0,0

The following table reveals that automotive imports from Denmark declined by 17,2% from R473,6 million in 2020 to R392,3 million in 2021.

Imports from Denmark

Denmark	2017	2018	2019	2020	2021
Total	306,2	434,9	511,5	473,6	392,3
Original equipment components	149,3	267,8	369,6	301,4	206,6
Other components	73,6	65,5	67,1	85,4	80,7
Gauges / instruments / parts	10,3	24,5	22,2	27,0	37,4
Radiators / parts	26,9	24,0	15,3	12,5	15,6
Automotive tooling	15,8	20,5	9,5	16,2	11,6
Engine parts	7,8	6,9	5,8	6,1	9,3
Catalytic converters	3,8	1,7	2,8	5,8	8,4
Transmission shafts / cranks	6,3	8,6	7,1	8,5	8,3
Silencers / exhausts	8,2	9,8	7,4	6,4	7,7
Gaskets	2,2	2,0	2,2	2,2	2,9
Steering wheels / columns / boxes	0,2	0,5	0,2	0,1	1,3
Body parts / panels	0,0	0,0	0,0	0,1	0,7
Alarm systems	0,0	0,2	0,2	0,2	0,5
Springs	0,2	0,1	0,1	0,3	0,3
Ignition / starting equipment	0,0	0,0	0,2	0,0	0,1
Automotive glass	0,0	0,0	0,3	0,2	0,1
Filters	0,1	0,1	0,1	0,1	0,1
Gear boxes	0,0	0,0	0,0	0,0	0,1
Lighting equipment / parts	0,7	1,0	0,7	0,2	0,1
Batteries	0,0	0,0	0,0	0,0	0,1
Road wheels / parts	0,0	0,0	0,0	0,2	0,1
Shock absorbers	0,0	0,0	0,0	0,0	0,1
Seats	0,0	0,8	0,3	0,2	0,1
Jacks	0,1	0,0	0,0	0,2	0,1
Wiring harnesses	0,3	0,3	0,3	0,1	0,0
Clutches / shaft couplings	0,1	0,0	0,0	0,1	0,0
Engines	0,1	0,0	0,0	0,0	0,0
Tyres	0,0	0,0	0,0	0,1	0,0

20. Cyprus

Cyprus was the South African automotive industry's 96th largest export destination in 2021.

BEV and PHEV sales in Cyprus increased year-on-year by 43,2% to 179 units in 2021. According to OICA, vehicle sales in Cyprus declined by 14,5% from 12 438 units in 2020 to 10 630 units in 2021.

Cyprus vehicle sales – 2017 to 2021

Vehicle sales				
2017	2018	2019	2020	2021
15 148	14 833	14 250	12 438	10 630

Source: OICA

The following table reveals that automotive exports to Cyprus increased by 18,9% from R32,2 million in 2020 to R38,3 million in 2021.

Exports to Cyprus

Cyprus	2017	2018	2019	2020	2021
Total	**25,3**	**25,8**	**29,7**	**32,2**	**38,3**
Light vehicles	24,6	24,5	28,1	32,1	36,5
Gauges / instruments / parts	0,0	0,0	0,7	0,0	1,5
Other components	0,8	0,0	0,5	0,0	0,1
Engine parts	0,0	0,0	0,0	0,0	0,1
Automotive tooling	0,0	0,2	0,0	0,0	0,0
Tyres	0,0	1,1	0,4	0,0	0,0

The following table reveals that automotive imports from Cyprus increased by R0,1 million in 2020 to R0,6 million in 2021.

Imports from Cyprus

Cyprus	2017	2018	2019	2020	2021
Total	**0,5**	**5,7**	**2,0**	**0,1**	**0,6**
Original equipment components	0,1	0,0	0,0	0,0	0,0
Other components	0,1	3,4	0,1	0,0	0,3
Gear boxes	0,0	0,2	0,3	0,0	0,2
Automotive tooling	0,0	0,0	0,0	0,0	0,1
Engine parts	0,0	0,0	0,1	0,1	0,0
Transmission shafts / cranks	0,2	0,0	0,0	0,0	0,0
Brake parts	0,1	0,0	0,0	0,0	0,0
Car radios	0,0	2,0	1,3	0,0	0,0

21. Slovak Republic

Slovak Republic was the South African automotive industry's 104th largest export destination and 16th largest country of origin in 2021.

BEV and PHEV sales in Slovak Republic increased year-on-year by 27,5% to 2 271 units in 2021. According to OICA, vehicle production in Slovak Republic increased by 1,0%, from 990 598 units in 2020 to 1 million units in 2021 while sales increased by 2,9% from 84 909 units in 2020 to 87 349 units in 2021.

Slovak Republic vehicle production and sales – 2017 to 2021

Vehicle production				
2017	**2018**	**2019**	**2020**	**2021**
1 032 445	1 090 000	1 107 902	990 598	1 000 000
Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
103 689	111 865	113 863	84 909	87 349

Source: OICA

The following table reveals the light vehicle manufacturing plants in Slovak Republic.

Major Slovak Republic light vehicle manufacturing plants

Brand	Model
Hyundai Group	Kia Ceed, ProCeed, Sportage, XCeed
Stellantis	Citroen C3 Peugeot 208
Tata Motors	Land Rover Defender, Discovery
Volkswagen	Audi Q7, Q8 Porsche Cayenne, Cayenne Coupe Skoda Citigo, Kaorq Volkswagen Touareq, Up

Source: Ward's

The following table reveals details of South African high-volume model imports from Slovak Republic through 2017 to 2021.

South Africa vehicle imports from Slovak Republic – 2017 to 2021

Vehicle imports	3 301	2 249	1 827	1 344	1 617
2017 – 2021 main volume light vehicle imports from the UK	Audi Q7 Land Rover Defender VW Up				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Slovak Republic increased from R5,0 million in 2020 to R21,9 million in 2021.

Exports to Slovak Republic

Slovak Republic	2017	2018	2019	2020	2021
Total	**0,3**	**2,7**	**8,0**	**5,0**	**21,9**
Engine parts	0,0	0,0	0,7	4,4	21,3
Seats	0,0	0,7	0,5	0,5	0,4
Lighting equipment / parts	0,0	0,0	0,0	0,0	0,1
Other components	0,3	0,0	6,7	0,0	0,0
Transmission shafts / cranks	0,0	0,0	0,1	0,0	0,0
Tyres	0,0	0,4	0,0	0,0	0,0
Road wheels / parts	0,0	1,6	0,0	0,0	0,0

The following table reveals that automotive imports from Slovak Republic increased by 17,7% from R2,36 billion in 2020 to R2,77 billion in 2021.

Imports from Slovak Republic

Slovak Republic	2017	2018	2019	2020	2021
Total	2 018,1	2 444,3	2 690,4	2 356,0	2 773,3
Light vehicles	955,0	1 026,6	1 285,3	1 136,0	1 537,8
Original equipment components	583,7	873,1	832,6	446,4	597,2
Other components	103,5	100,2	163,3	436,7	267,0
Lighting equipment / parts	65,4	83,9	96,5	79,9	88,7
Engine parts	47,3	90,2	42,9	32,5	43,2
Body parts / panels	25,7	7,8	10,1	9,0	42,6
Clutches / shaft couplings	27,2	32,1	42,3	37,5	41,5
Filters	62,6	65,6	41,3	44,3	34,3
Tyres	69,1	58,6	48,6	18,1	31,2
Steering wheels / columns / boxes	21,8	32,8	45,7	28,1	21,1
Transmission shafts / cranks	13,9	13,3	11,7	14,1	17,3
Air conditioners	0,5	0,2	0,5	3,6	12,3
Stitched leather seats / parts	21,9	16,8	18,6	12,8	6,7
Radiators / parts	4,4	3,7	4,2	2,4	6,1
Shock absorbers	1,6	5,3	2,8	2,5	4,3
Gauges / instruments / parts	4,0	10,8	12,1	16,3	4,1
Brake parts	0,4	7,4	11,0	6,9	3,7
Silencers / exhausts	0,3	0,4	0,6	0,8	2,7
Catalytic converters	1,9	1,7	4,7	4,4	2,5
Automotive tooling	0,7	2,2	3,5	13,1	1,8
Wiring harnesses	1,1	2,7	3,5	3,0	1,3
Axles	1,8	2,5	1,9	1,3	1,2
Alarm systems	0,0	0,5	0,4	2,1	1,2
Gear boxes	1,4	1,4	1,6	1,0	1,0
Automotive glass	0,8	0,7	1,0	0,8	0,9
Springs	0,7	2,2	1,7	0,7	0,6
Ignition / starting equipment	0,2	0,1	0,5	0,4	0,5
Road wheels / parts	0,1	0,2	0,3	0,2	0,2
Car radios	0,9	1,0	0,8	0,8	0,1
Gaskets	0,0	0,0	0,0	0,0	0,1
Engines	0,1	0,1	0,2	0,1	0,0
Jacks	0,0	0,1	0,0	0,0	0,0

22. Latvia

Latvia was the South African automotive industry's 116th largest export destination and 65th largest country of origin in 2021.

BEV and PHEV sales in Latvia increased year-on-year by 49,7% to 569 units in 2021.

According to OICA, vehicle sales in Latvia increased by 6,1% from 13 522 units in 2020 to 14 344 units in 2021.

Latvia vehicle sales – 2017 to 2021

Vehicle sales				
2017	2018	2019	2020	2021
19 035	19 325	19 488	13 522	14 344

Source: OICA

The following table reveals that automotive exports to Latvia increased from R7,7 million in 2020 to R14,9 million in 2021.

Exports to Latvia

Latvia	2017	2018	2019	2020	2021
Total	13,2	17,5	5,3	7,7	14,9
Light vehicles	0,0	0,0	0,0	1,5	0,0
Other components	0,6	2,4	3,1	2,8	7,6
Engine parts	0,0	0,0	0,3	2,1	2,5
Automotive tooling	11,4	0,0	0,9	1,0	1,8
Ignition / starting equipment	0,0	0,0	0,0	0,0	1,3
Lighting equipment / parts	0,0	0,0	0,1	0,1	1,0
Catalytic converters	0,0	0,7	0,9	0,2	0,7
Gauges / instruments / parts	0,0	0,0	0,1	0,0	0,0
Stitched leather seats / parts	0,0	14,4	0,0	0,0	0,0
Transmission shafts / cranks	1,2	0,0	0,0	0,0	0,0

The following table reveals that automotive imports from Latvia declined from R11,7 million in 2020 to R10,3 million in 2021.

Imports from Latvia

Latvia	2017	2018	2019	2020	2021
Total	**44,5**	**9,6**	**31,9**	**11,7**	**10,3**
Original equipment components	8,3	6,8	9,4	7,4	7,3
Other components	34,6	1,0	19,0	1,9	1,8
Engine parts	0,5	0,0	0,0	0,0	0,3
Catalytic converters	0,0	0,1	0,2	0,1	0,3
Stitched leather seats / parts	0,6	1,1	1,9	0,1	0,2
Silencers / exhausts	0,0	0,4	0,1	0,1	0,1
Transmission shafts / cranks	0,2	0,0	0,0	0,1	0,1
Gauges / instruments / parts	0,0	0,0	0,0	0,0	0,1
Gear boxes	0,1	0,1	0,0	0,0	0,0
Springs	0,1	0,0	0,0	0,0	0,0
Radiators / parts	0,1	0,0	0,0	0,0	0,0
Automotive tooling	0,0	0,0	1,2	1,8	0,0
Filters	0,0	0,0	0,0	0,1	0,0

23. Luxembourg

Luxembourg was the South African automotive industry's 129th largest export destination and 42nd largest country of origin in 2021.

BEV and PHEV in Luxembourg sales increased year-on-year by 76,3% to 9 093 units in 2021.

According to OICA, vehicle sales in Luxembourg increased by 4,4% from 45 189 units in 2020 to 47 163 units in 2021.

Luxembourg vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
57 683	57 707	60 239	45 189	47 163

Source: OICA

The following table reveals that automotive exports to Luxembourg increased from R0,7 million in 2020 to R5,4 million in 2021.

Exports to Luxembourg

Luxembourg	2017	2018	2019	2020	2021
Total	**0,2**	**0,5**	**0,6**	**0,7**	**5,4**
Other components	0,0	0,0	0,0	0,0	0,5
Automotive tooling	0,0	0,0	0,3	0,0	4,8
Tyres	0,1	0,3	0,2	0,6	0,1
Gauges / instruments / parts	0,0	0,1	0,0	0,1	0,0

The following table reveals that automotive imports from Luxembourg declined by 8,5% from R107,1 million in 2020 to R98,0 million in 2021.

Imports from Luxembourg

Luxembourg	2017	2018	2019	2020	2021
Total	140,4	126,4	136,7	107,1	98,0
Original equipment components	1,3	0,4	5,0	4,4	6,1
Other components	21,2	13,8	35,5	16,9	22,5
Tyres	60,9	54,6	70,0	51,8	32,9
Automotive tooling	32,2	49,6	15,9	26,2	22,8
Automotive glass	4,1	4,9	5,1	5,2	8,1
Batteries	1,2	0,0	3,0	1,1	2,6
Gauges / instruments / parts	0,6	0,5	0,8	1,2	2,5
Gaskets	0,1	0,1	0,7	0,1	0,2
Engine parts	0,0	1,6	0,5	0,1	0,1
Radiators / parts	0,0	0,0	0,0	0,1	0,1
Transmission shafts / cranks	0,1	0,2	0,1	0,0	0,1
Stitched leather seats / parts	18,7	0,7	0,0	0,0	0,0
Wiring harnesses	0,0	0,0	0,0	0,1	0,0

24. Malta

Malta was the South African automotive industry's 54th largest country of origin in 2021.

According to OICA, vehicle sales in Malta declined by 19,5% from 6 200 units in 2020 to 4 992 units in 2021.

Malta vehicle sales – 2017 to 2021

Vehicle sales				
2017	2018	2019	2020	2021
8 605	9 084	8 495	6 200	4 992

Source: OICA

The following table reveals that automotive exports to Malta declined from R0,8 million in 2020 to R0,7 million in 2021.

Exports to Malta

Malta	2017	2018	2019	2020	2021
Total	**0,0**	**1,2**	**0,2**	**0,8**	**0,7**
Light vehicles	0,0	1,1	0,2	0,5	0,4
Other components	0,0	0,0	0,0	0,1	0,1
Body parts / panels	0,0	0,0	0,0	0,0	0,1
Engine parts	0,0	0,0	0,0	0,1	0,2
Automotive tooling	0,0	0,0	0,0	0,1	0,0

The following table reveals that automotive imports from Malta increased by 28,1% from R22,1 million in 2020 to R28,3 million in 2021.

Imports from Malta

Malta	2017	2018	2019	2020	2021
Total	**28,8**	**32,6**	**23,3**	**22,1**	**28,3**
Original equipment components	7,3	10,3	6,7	4,0	6,4
Automotive tooling	12,0	18,0	12,3	11,6	12,5
Other components	2,5	3,0	2,5	3,2	4,6
Gaskets	0,0	0,0	0,8	1,8	2,5
Air conditioners	6,5	0,9	0,6	1,2	1,9
Alarm systems	0,1	0,0	0,1	0,1	0,2
Gauges / instruments / parts	0,0	0,0	0,0	0,0	0,1
Ignition / starting equipment	0,1	0,0	0,0	0,0	0,1
Engine parts	0,0	0,1	0,1	0,0	0,0
Lighting equipment / parts	0,2	0,2	0,1	0,0	0,0

25. Bulgaria

Bulgaria was the South African automotive industry's 39th largest country of origin in 2021.

BEV and PHEV sales in Bulgaria increased year-on-year by 132,2% to 418 units in 2021.

According to OICA, vehicle sales in Bulgaria increased by 16,2%, from 29 663 units in 2020 to 34 472 units in 2021.

Bulgaria vehicle sales – 2017 to 2021

Vehicle sales				
2017	2018	2019	2020	2021
38 394	42 731	44 977	29 663	34 472

Source: OICA

The following table reveals that automotive exports to Bulgaria declined from R1,2 million in 2020 to R0,6 million in 2021.

Exports to Bulgaria

Bulgaria	2017	2018	2019	2020	2021
Total	172,2	59,5	1,6	1,2	0,6
Light vehicles	0,0	0,1	0,1	0,0	0,0
Lighting equipment / parts	0,9	1,0	0,1	0,0	0,3
Other components	170,7	58,1	0,9	0,2	0,1
Springs	0,0	0,0	0,0	0,6	0,1
Automotive tooling	0,2	0,0	0,0	0,0	0,0
Gaskets	0,0	0,0	0,0	0,5	0,0
Gauges / instruments / parts	0,0	0,0	0,4	0,0	0,0
Seats	0,0	0,1	0,0	0,0	0,0
Stitched leather seats / parts	0,3	0,1	0,0	0,0	0,0

The following table reveals that automotive imports from Bulgaria declined by 13,5% from R221,3 million in 2020 to R191,5 million in 2021.

Imports from Bulgaria

Bulgaria	2017	2018	2019	2020	2021
Total	82,2	159,5	230,5	221,3	191,5
Light vehicles	0,2	0,0	0,0	0,0	0,0
Original equipment components	23,6	47,5	80,4	58,1	88,1
Batteries	8,3	57,8	94,7	113,0	39,7
Other components	31,8	21,0	14,6	18,4	28,3
Filters	11,4	14,9	18,0	17,1	19,0
Automotive tooling	1,2	1,4	0,9	1,2	8,4
Alarm systems	1,3	1,2	1,7	1,6	2,6
Lighting equipment / parts	0,1	0,1	0,1	0,4	1,6
Gauges / instruments / parts	1,3	0,8	0,9	0,9	0,9
Stitched leather seats / parts	2,1	11,0	16,5	8,0	0,7
Automotive glass	0,2	0,8	0,8	0,5	0,5
Engine parts	0,2	0,7	0,6	0,4	0,4
Jacks	0,0	0,0	0,6	0,7	0,3
Body parts / panels	0,0	0,0	0,0	0,3	0,3
Steering wheels / columns / boxes	0,0	0,0	0,1	0,1	0,2
Transmission shafts / cranks	0,2	0,3	0,1	0,5	0,2
Wiring harnesses	0,2	1,7	0,1	0,1	0,1
Springs	0,0	0,1	0,2	0,0	0,1
Engines	0,0	0,0	0,0	0,0	0,1
Gaskets	0,0	0,1	0,0	0,1	0,1
Shock absorbers	0,0	0,1	0,0	0,0	0,0

26. Lithuania

Lithuania was the South African automotive industry's 53rd largest country of origin in 2021.

BEV and PHEV sales in Lithuania increased year-on-year by 155,0% to 1 155 units in 2021.

According to OICA, vehicle sales in Lithuania declined by 22,0%, from 40 232 units in 2020 to 31 371 units in 2021.

Lithuania vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
29 246	36 266	47 382	40 232	31 371

Source: OICA

The following table reveals that automotive exports to Lithuania declined from R0,9 million in 2020 to R0,6 million in 2021.

Exports to Lithuania

Lithuania	2017	2018	2019	2020	2021
Total	**1,2**	**0,6**	**0,7**	**0,9**	**0,6**
Other components	0,0	0,3	0,6	0,6	0,2
Engine parts	0,0	0,0	0,1	0,0	0,2
Transmission shafts / cranks	1,0	0,0	0,0	0,0	0,0
Lighting equipment / parts	0,0	0,1	0,0	0,2	0,0
Steering wheels / columns / boxes	0,1	0,0	0,0	0,0	0,0

The following table reveals that automotive imports from Lithuania increased by 59,9% from R19,2 million in 2020 to R30,7 million in 2021.

Imports from Lithuania

Lithuania	2017	2018	2019	2020	2021
Total	16,7	16,8	20,5	19,2	30,7
Original equipment components	0,0	0,0	0,0	6,9	17,0
Other components	3,6	4,3	3,4	3,3	3,4
Catalytic converters	6,4	0,6	0,4	0,9	2,6
Wiring harnesses	4,4	3,0	2,5	2,4	2,3
Automotive tooling	1,6	6,7	12,1	2,3	1,4
Steering wheels / columns / boxes	0,0	0,1	0,1	0,4	1,2
Engine parts	0,1	1,0	0,5	0,3	1,2
Gauges / instruments / parts	0,2	0,8	0,6	0,6	0,7
Stitched leather seats / parts	0,0	0,0	0,5	1,2	0,3
Transmission shafts / cranks	0,1	0,1	0,0	0,0	0,2
Batteries	0,0	0,0	0,0	0,1	0,1
Alarm systems	0,1	0,0	0,0	0,0	0,1
Shock absorbers	0,0	0,0	0,0	0,0	0,1
Gear boxes	0,1	0,0	0,4	0,3	0,0

27. Croatia

Croatia was the South African automotive industry's 51st largest country of origin in 2021.

BEV and PHEV sales in Croatia increased year-on-year by 177,2% to 1 874 units in 2021.

According to OICA, vehicle sales in Croatia increased by 24,8%, from 36 005 units in 2020 to 44 915 units in 2021.

Croatia vehicle sales – 2017 to 2021

Vehicle sales				
2017	2018	2019	2020	2021
60 783	69 173	72 072	36 005	44 915

Source: OICA

The following table reveals that automotive exports to Croatia declined from R0,4 million in 2020 to R0,2 million in 2021.

Exports to Croatia

Croatia	2017	2018	2019	2020	2021
Total	**0,0**	**25,2**	**0,4**	**0,4**	**0,2**
Light vehicles	0,0	0,0	0,0	0,0	0,1
Other components	2,5	0,6	0,3	0,1	0,1
Stitched leather seats / parts	44,5	24,6	0,1	0,0	0,0
Engine parts	0,0	0,0	0,0	0,2	0,0
Clutches / shaft couplings	0,0	0,0	0,0	0,1	0,0

The following table reveals that automotive imports from Croatia increased by 65,0% from R20,3 million in 2020 to R33,5 million in 2021.

Imports from Croatia

Croatia	2017	2018	2019	2020	2021
Total	**18,6**	**26,9**	**31,2**	**20,3**	**33,5**
Original equipment components	1,0	5,2	8,2	6,1	6,4
Automotive tooling	0,1	0,2	0,4	0,7	19,4
Other components	15,7	20,0	21,2	10,2	6,1
Automotive glass	0,4	0,8	0,4	0,4	0,5
Transmission shafts / cranks	0,2	0,1	0,5	2,7	0,4
Brake parts	0,0	0,0	0,0	0,0	0,2
Stitched leather seats / parts	0,2	0,2	0,1	0,1	0,1
Engine parts	0,6	0,1	0,1	0,1	0,1
Lighting equipment / parts	0,0	0,0	0,0	0,0	0,1
Body parts / panels	0,1	0,2	0,1	0,0	0,1
Gaskets	0,0	0,0	0,0	0,0	0,1
Gauges / instruments / parts	0,2	0,1	0,1	0,0	0,0
Wiring harnesses	0,1	0,0	0,0	0,0	0,0
Alarm systems	0,0	0,0	0,0	0,1	0,0

SA – EFTA trade analysis

Automotive trade between South Africa and EFTA countries have remained relatively small as there are no light vehicle manufacturing plants in EFTA countries. The following table reveals the South African automotive industry's exports to and imports from EFTA countries for 2021.

South Africa - EFTA automotive exports and imports – 2021 (R million)

	Exports 2021	Imports 2021
Total	**837,1**	**353,3**
1.Norway	500,7	40,0
2.Switzerland	246,9	312,2
3.Iceland	89,5	0,5
4.Liechtenstein	0,0	0,6

In 2005 the Southern African Customs Union (SACU) and the European Free Trade Association (EFTA) concluded an agreement to establish a free trade agreement (FTA) between the two regions. Norway and Switzerland were among the founding member states of EFTA in 1960. Iceland joined EFTA in 1970, followed by Liechtenstein in 1991. The free trade agreement provides for reciprocal preferential market access between EFTA and SACU states. The SACU–EFTA FTA, which entered into force on 1 May 2008, provides for South African economic operators to take advantage of trade opportunities offered by the agreement and also to progress the harmonisation of trade relations with Western Europe. In terms of access to EFTA, the latter offered South Africa full duty- and quota-free access and entry for industrial products. For its part, South Africa offered EFTA what it had already offered the EU on both processed agricultural products and industrial products, with some marginal adjustments.

EFTA countries are world leaders in several sectors vital to the global economy. Liechtenstein and Switzerland are internationally renowned financial centres and hosts to major companies and multinationals. The FTA has a number of benefits for South African exporters, which include duty-free market access for SACU products, including vehicles and automotive components, to EFTA markets. Automotive exports to EFTA markets, although still relatively small, amounted to R837,1 million in 2021, up from the R663,6 million in 2020.

1. Norway

Norway was the South African automotive industry's 39th largest export destination and 48th largest country of origin in 2021.

Norway, with a population of 5,4 million has the highest NEV market penetration per capita in the world, and also had the world's largest plug-in segment (BEVs and PHEVs) market share of new car sales of 86,2% in 2021. Norway currently has the most ambitious law yet as the country wants to ban the sales of new petrol, gas and diesel cars by 2025. The country pursues its goal of becoming the first country to end the sale of petrol and diesel cars.

According to OICA, vehicle sales in Norway increased by 20,5% from 180 592 units in 2020 to 217 572 units in 2021. Passenger car sales in Norway rose by 25% in 2021 to a record 176,276 cars, of which 65% were fully electric. This market share was up from the 54% in 2020.

Norway vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
201 922	193 227	189 824	180 592	217 572

Source: OICA

The following table reveals details of South African high-volume model exports to Norway through 2017 to 2021.

South Africa vehicle exports to Norway – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	2 439	1 705	3 223	2 721	2 639
2017 – 2021 high volume light vehicle exports to Norway	Ford Ranger Toyota Hilux VW Polo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Norway increased by 27,9% from R391,6 million in 2020 to R500,7 million in 2021.

Exports to Norway

Norway	2017	2018	2019	2020	2021
Total	**418,9**	**211,0**	**411,6**	**391,6**	**500,7**
Light vehicles	410,5	205,8	394,0	384,7	489,5
Medium / Heavy vehicles	0,0	0,0	0,0	0,3	0,0
Other components	6,6	4,1	7,5	3,7	10,0
Engine parts	0,2	0,8	0,5	2,8	0,9
Road wheels / parts	0,0	0,0	0,0	0,0	0,1
Automotive tooling	0,2	0,0	9,5	0,0	0,1
Transmission shafts / cranks	0,1	0,0	0,0	0,0	0,0
Gauges / instruments / parts	0,0	0,1	0,0	0,1	0,0
Catalytic converters	0,1	0,0	0,0	0,0	0,0
Lighting equipment / parts	1,1	0,1	0,0	0,0	0,0
Stitched leather seats / parts	0,0	0,1	0,0	0,0	0,0

The following table reveals that automotive imports from Norway declined by 34,0% from R60,6 million in 2020 to R40,0 million in 2021.

Imports from Norway

Norway	2017	2018	2019	2020	2021
Total	26,9	23,5	34,4	60,6	40,0
Light vehicles	0,2	0,4	0,0	0,0	0,0
Original equipment components	0,3	0,0	1,4	1,4	0,7
Brake parts	0,9	0,2	4,0	7,2	14,5
Other components	15,3	11,7	13,2	15,6	11,3
Transmission shafts / cranks	0,2	0,5	1,5	5,8	4,6
Engine parts	2,6	2,8	5,1	2,8	2,8
Body parts / panels	1,9	1,9	2,5	2,4	2,5
Gear boxes	1,6	1,0	0,9	1,1	1,0
Clutches / shaft couplings	1,3	1,4	1,4	0,9	1,0
Gaskets	0,5	0,0	0,3	1,2	0,5
Automotive tooling	0,5	0,5	0,5	11,0	0,4
Shock absorbers	0,2	0,3	0,3	0,2	0,2
Gauges / instruments / parts	0,6	2,2	1,7	3,3	0,2
Air conditioners	0,0	0,0	0,0	0,0	0,1
Air conditioners	0,3	0,1	0,1	0,1	0,1
Springs	0,2	0,3	0,5	0,9	0,0
Stitched leather seats / parts	0,0	0,0	0,2	0,0	0,0
Lighting equipment / parts	0,0	0,1	0,0	0,0	0,0
Catalytic converters	0,1	0,0	0,1	5,4	0,0
Alarm systems	0,1	0,0	0,1	0,0	0,0
Radiators / parts	0,0	0,2	0,0	1,3	0,0
Silencers / exhausts	0,0	0,0	0,1	0,0	0,0
Tyres	0,0	0,0	0,5	0,0	0,0

2. Switzerland

Switzerland was the South African automotive industry's 57th largest export destination and 35th largest country of origin in 2021.

Switzerland features in the top of the international rankings as the number of new electric cars sold in the country continues to accelerate. As of 2021, the Swiss NEV market made up 38,8% of the country's total vehicle market, with battery electric vehicles (BEVs) capturing 9,9%, plug-in hybrids (PHEVs) 8,3%, and hybrids (HEVs) 20,6%. Overall, sales of vehicles in Switzerland were dampened in 2021 by COVID-19, supply chain delays and computer chip shortages.

According to OICA, vehicle sales in Switzerland increased by 1,1% from 269 391 units in 2020 to 272 249 units in 2021.

Switzerland vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
348 886	341 355	352 968	269 391	272 249

Source: OICA

The following table reveals details of South African high-volume model exports to Switzerland through 2017 to 2021.

South Africa vehicle exports to Switzerland – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	1 455	2 924	3 540	3 142	2 828
2017 – 2021 high volume light vehicle exports to Switzerland	BMW X3 Ford Ranger Toyota Hilux				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Switzerland increased by 6,6% from R231,6 million in 2020 to R246,9 million in 2021.

Exports to Switzerland

Switzerland	2017	2018	2019	2020	2021
Total	230,9	701,5	501,5	231,6	246,9
Light vehicles	211,9	687,7	492,2	218,3	229,8
Other components	2,0	8,4	2,8	4,7	9,4
Catalytic converters	0,8	1,1	4,2	4,1	4,9
Automotive tooling	0,2	0,4	1,3	0,5	1,1
Wiring harnesses	0,4	0,0	0,2	0,0	0,9
Alarm systems	0,0	0,1	0,0	2,3	0,6
Gauges / instruments / parts	0,8	0,4	0,3	0,4	0,1
Lighting equipment / parts	0,0	0,0	0,1	0,0	0,0
Transmission shafts / cranks	2,4	2,0	0,1	1,1	0,0
Road wheels / parts	0,0	0,2	0,0	0,0	0,0
Stitched leather seats / parts	7,6	0,0	0,0	0,0	0,0
Brake parts	0,0	0,1	0,0	0,0	0,0
Clutches / shaft couplings	0,0	1,0	0,0	0,0	0,0
Engines	4,4	0,0	0,0	0,0	0,0
Engine parts	0,2	0,0	0,1	0,2	0,0
Seatbelts	0,0	0,1	0,1	0,0	0,0
Original equipment components	0,0	0,0	0,1	0,0	0,0

The following table reveals that automotive imports from Switzerland declined by 10,8% from R349,9 million in 2020 to R312,2 million in 2021.

Imports from Switzerland

Switzerland	2017	2018	2019	2020	2021
Total	370,6	321,5	328,1	349,9	312,2
Light vehicles	0,6	0,1	0,5	0,0	0,3
Original equipment components	4,4	5,5	4,7	3,4	2,6
Other components	114,0	112,1	103,0	98,8	133,5
Automotive tooling	84,8	75,1	79,2	108,5	82,3
Gauges / instruments / parts	61,8	62,4	53,2	53,1	52,1
Transmission shafts / cranks	15,0	8,6	21,2	15,2	11,8
Engine parts	42,2	28,4	34,2	41,4	10,1
Engines	16,4	6,7	4,8	3,7	3,7
Steering wheels / columns / boxes	0,3	0,8	9,4	1,3	3,3
Gaskets	1,2	2,1	5,7	12,2	2,5
Catalytic converters	13,3	7,1	2,7	1,0	2,1
Alarm systems	4,1	5,0	2,7	2,8	1,8
Springs	0,5	0,4	1,0	0,5	1,3
Batteries	0,0	0,0	0,1	0,1	1,0
Ignition / starting equipment	0,4	0,4	1,7	0,6	1,0
Radiators / parts	9,2	4,8	1,1	0,6	0,9
Stitched leather seats / parts	0,4	0,3	0,2	0,2	0,4
Body parts / panels	0,1	0,0	0,0	0,0	0,3
Filters	0,1	0,1	0,1	0,5	0,2
Brake parts	0,6	0,2	0,6	0,6	0,2
Lighting equipment / parts	0,2	0,2	0,1	0,2	0,2
Car radios	0,0	0,1	0,9	0,2	0,1
Seats	0,1	0,0	0,0	0,1	0,1
Road wheels / parts	0,0	0,1	0,0	0,0	0,1
Clutches / shaft couplings	0,0	0,0	0,1	4,1	0,1
Jacks	0,1	0,0	0,0	0,1	0,1
Gear boxes	0,5	0,2	0,2	0,2	0,0
Axles	0,1	0,2	0,0	0,1	0,0
Shock absorbers	0,1	0,0	0,0	0,1	0,0
Wiring harnesses	0,0	0,5	0,3	0,2	0,0
Automotive glass	0,1	0,1	0,1	0,1	0,0
Tyres	0,0	0,1	0,0	0,0	0,0

3. Iceland

Iceland was the South African automotive industry's 71st largest export destination in 2021.

Iceland currently has the second highest penetration rate for NEVs in the world, behind Norway. Iceland will be banning all new petrol and diesel car sales by 2030. BEV sales comprised 28% of the passenger car market in 2021 while PHEVs comprised 27%, bringing the total market share of plug-in cars to 55%.

According to OICA, vehicle sales in Iceland increased by 35,0% from 10 590 units in 2020 to 14 297 units in 2021.

Iceland vehicle sales – 2017 to 2021

Vehicle sales				
2017	**2018**	**2019**	**2020**	**2021**
23 496	19 953	13 137	10 590	14 297

Source: OICA

The following table reveals details of South African high-volume model exports to Iceland through 2017 to 2021.

South Africa vehicle exports to Iceland – 2017 to 2021

	2017	2018	2019	2020	2021
Vehicle exports	285	302	91	103	229
2017 – 2021 high volume light vehicle exports to Iceland	Toyota Hilux VW Polo				

Source: **naamsa**/Lightstone Auto

The following table reveals that automotive exports to Iceland increased by 121,3% from R40,4 million in 2020 to R89,5 million in 2021.

Exports to Iceland

Iceland	2017	2018	2019	2020	2021
Total	**75,4**	**89,1**	**27,8**	**40,4**	**89,5**
Light vehicles	75,0	89,1	27,7	40,4	89,4
Other components	0,1	0,0	0,0	0,0	0,1
Stitched leather seats / parts	0,1	0,1	0,0	0,0	0,0
Alarm systems	0,1	0,0	0,0	0,0	0,0
Gauges / instruments / parts	0,0	0,0	0,1	0,0	0,0

The following table reveals that automotive imports from Iceland increased from R0,2 million in 2020 to R0,5 million in 2021.

Imports from Iceland

Iceland	2017	2018	2019	2020	2021
Total	**0,3**	**0,3**	**0,4**	**0,2**	**0,5**
Original equipment components	0,0	0,0	0,1	0,1	0,1
Other components	0,1	0,0	0,0	0,0	0,0
Transmission shafts / cranks	0,0	0,3	0,1	0,1	0,0
Automotive tooling	0,2	0,0	0,1	0,0	0,0
Batteries	0,0	0,0	0,0	0,0	0,5

4. Liechtenstein

South African automotive trade with Liechtenstein only consisted of limited automotive component imports.

Exports to Liechtenstein

Liechtenstein	2017	2018	2019	2020	2021
Total	0,0	0,0	0,0	0,0	0,0

The following table reveals that automotive imports from Liechtenstein increased from R0,5 million in 2020 to R0,6 million in 2021.

Imports from Liechtenstein

Liechtenstein	2017	2018	2019	2020	2021
Total	**0,9**	**0,4**	**0,6**	**0,5**	**0,6**
Other components	0,2	0,1	0,1	0,1	0,1
Gauges / instruments / parts	0,7	0,3	0,1	0,2	0,3
Automotive tooling	0,0	0,0	0,3	0,1	0,1
Catalytic converters	0,0	0,0	0,0	0,0	0,1
Steering wheels / columns / boxes	0,0	0,0	0,0	0,1	0,1

Standard disclaimer

The trade data is based on eligible APDP and APDP2 products. The AIEC cannot vouch for the accuracy of the information obtained from the source. Due to certain limitations, Customs and Excise statistics cannot always distinguish between automotive components eligible in terms of the APDP and APDP2 and non-APDP/APDP2 components. The main purpose of this trade data is to discern trends in exports and export destinations as well as imports and countries of origin.

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