naamsa
THE AUTOMOTIVE BUSINESS COUNCIL

Alenti Office Park
457 Witherite Street
Pretoria
0184

PRESS RELEASE

FOR IMMEDIATE RELEASE | Thursday, October 29, 2026

naamsa LAUNCHES COUNTRY OF ORIGIN MATRIX TO ACCELERATE AUTOMOTIVE LOCALISATION AND IMPORT REPLACEMENT

PRETORIA: Thursday, October 29, 2026: naamsa | The Automotive Business Council has released its *Country of Origin Matrix 2021–2025*, a comprehensive analysis of South Africa's automotive vehicle, component and aftermarket imports. The report identifies commercially viable localisation opportunities and introduces a proposed Import Replacement and Black Industrialist Development Framework to convert import demand into domestic production, investment, transformation and employment.

The research shows that South Africa imported R357.5 billion worth of automotive products in 2025 from 73 countries with import values exceeding R10 million. Replacement-parts imports alone increased by R2.7 billion, or 2.6%, from R104.8 billion in 2024 to R107.5 billion in 2025.

These import flows reflect South Africa's integration into global automotive value chains and remain essential to domestic vehicle production, exports, consumer choice and access to advanced technologies. However, the scale and sustained growth of selected imports also provide a strong evidence base for identifying products that could be manufactured competitively in South Africa.

The report highlights the automotive aftermarket as a particularly significant industrial opportunity. South Africa's vehicle population reached approximately 13.68 million vehicles in 2025, with an average age of 11 years and 75.6% of vehicles being six years or older. This creates sustained demand for tyres, batteries, brake parts, suspension components, filters, electronics, diagnostic systems and other replacement products.

Dr Mncane Mthunzi, Chief Executive Officer of **naamsa**, said localisation must be approached as a strategic industrial-growth programme rather than merely as a compliance requirement.

"Localisation is fundamental to the long-term competitiveness and resilience of South Africa's automotive industry. Every component that can be manufactured competitively in South Africa represents an opportunity to attract investment, deepen our manufacturing capability, create sustainable employment and broaden participation in the automotive value chain.

"The Country of Origin Matrix gives industry and government a stronger evidence base from which to prioritise commercially viable opportunities. Our ambition is not to replace imports indiscriminately, but to identify areas where domestic demand, production scale, available capabilities and regional export opportunities can support globally competitive South African manufacturing."

+27 12 807 0152 info@naamsa.co.za www.naamsa.co.za

Registration Details: naamsa NPC, trading as the Automotive Business Council | Registration No.: 2021/358607/08 | VAT No.: 4750308951

The report notes that the domestic automotive component sector employed 81,153 people in 2025, compared with 32,115 employees in vehicle manufacturing. It also records that local content in vehicles produced by South Africa's seven light-vehicle manufacturers remains at approximately 40%, reinforcing the need for targeted interventions to deepen domestic value addition.

FROM RESEARCH TO INDUSTRIAL IMPLEMENTATION

Building on the import analysis, the **naamsa** Policy team developed the proposed Import Replacement and Black Industrialist Development Framework. The Framework establishes an end-to-end approach for translating import data into implementable localisation projects.

Its proposed interventions include:

- A National Automotive Import Opportunity Database;
- Structured identification and prioritisation of localisation opportunities;
- Aggregated procurement and long-term offtake commitments;
- Supplier and Black Industrialist development;
- Technology transfer, tooling and product-development support;
- Testing, homologation, certification and quality assurance;
- An Import Replacement Acceleration Fund;
- A structured pipeline covering quick wins, medium-complexity projects, strategic technologies and new-energy vehicle components;
- Export development through SADC, the African Continental Free Trade Area and global automotive value chains; and
- A National Automotive Import Replacement Committee to coordinate implementation and monitor measurable outcomes.

The proposed Framework places Black Industrialists, women-owned enterprises, emerging manufacturers and Tier 2 and Tier 3 suppliers at the centre of future industrial development. It links transformation directly to procurement opportunities, investment support, technology development and integration into established automotive supply chains.

RECOGNISING RESEARCH AND POLICY LEADERSHIP

naamsa commends Dr Norman Lamprecht, its Chief Trade and Research Officer, for developing the extensive research and market intelligence underpinning the *Country of Origin Matrix 2021–2025*.

Over many years, Dr Lamprecht's research has strengthened the automotive industry's understanding of production, trade, investment and market trends. This latest publication provides a detailed country-by-country analysis of automotive imports and creates a practical foundation for evidence-based localisation planning.

Dr Mthunzi said, "We celebrate Dr Norman Lamprecht for the depth, discipline and consistency of the research that produced this important industry resource. His work enables the sector to move beyond broad localisation aspirations and engage with the precise products, markets and investment opportunities that can support industrial growth.

+27 12 807 0152 info@naamsa.co.za www.naamsa.co.za

Registration Details: naamsa NPC, trading as the Automotive Business Council | Registration No.: 2021/358607/08 | VAT No.: 4750308951

"I also recognise the **naamsa** Policy team for converting this research into a practical Import Replacement and Black Industrialist Development Framework. Together, the research and implementation framework demonstrate the value of connecting market intelligence, industrial policy and coordinated execution."

The Framework proposes that localisation projects be assessed against market size, annual import value, vehicle-population demand, existing supplier capability, technology complexity, investment requirements, employment potential, transformation impact and export opportunity.

Projects would then be classified into four implementation categories:

- **Quick wins:** products capable of localisation within 24 months using existing manufacturing capacity and established technologies;
- **Medium-complexity projects:** components requiring new tooling, supplier development and OEM qualification over two to five years;
- **Strategic technology projects:** high-value and technology-intensive investments requiring longer development periods; and
- **New-energy vehicle capability:** long-term development of battery systems, battery materials, electric drivetrains, power electronics, charging infrastructure, hydrogen technologies and other advanced mobility components.

A PLATFORM FOR COLLABORATION

Successful implementation will require coordinated action by government, vehicle manufacturers, component suppliers, development-finance institutions, organised labour, Black Industrialists, research institutions and provincial investment agencies.

naamsa will use the findings to support engagement on the South African Automotive Masterplan 2035, the Automotive Production and Development Programme, supplier development, transformation, new-energy vehicle industrialisation and regional market expansion.

"South Africa cannot localise every imported product, but we can be much more deliberate about converting sustained market demand into competitive industrial capacity," Dr Mthunzi added.

"This report provides the intelligence. The proposed Framework provides the implementation pathway. Our collective responsibility is now to build the partnerships, investment pipeline and procurement commitments required to turn identified opportunities into factories, suppliers, exports and jobs."

The *Country of Origin Matrix 2021–2025* affirms **naamsa**'s commitment to evidence-led policy development and a competitive, transformed and sustainable South African automotive industry.

Download Country of Origin Matrix here

STATEMENT ENDS

+27 12 807 0152 info@naamsa.co.za www.naamsa.co.za

Registration Details: naamsa NPC, trading as the Automotive Business Council | Registration No.: 2021/358607/08 | VAT No.: 4750308951

ABOUT THE SA AUTOMOBILE INDUSTRY

- the automotive industry contributes 5.2% to GDP [3.3% manufacturing and 1.9% retail];
- in 2025, the export of vehicles and automotive components reached a record amount of R291.0 billion, equating to 15.6% of South Africa's total exports;
- the industry accounts for 23.8% of the country's manufacturing output;
- vehicles and components are exported to 154 international markets;
- the manufacturing segment employs 113,000 people; and
- combined with multiplier effects, the industry sustains 498,000 jobs across the formal economy.

NOTES FOR EDITORS

- Since 2021, **naamsa** introduced associate membership with tangible benefits including industry data access and visibility;
- **naamsa** represents 42 companies manufacturing, assembling, distributing and importing new vehicles;
- Our vision is to be the most credible and respected automotive industry thought leader and partner for a globally competitive and transformed South African auto sector;
- Enquiries: Mr. Tshetlhe LITHEKO, Chief Policy Officer - tshetlhe@naamsa.co.za; +27 64 021 9400
- Website: www.naamsa.co.za.

naamsa OFFICES: PRETORIA | Thursday, October 29, 2026

+27 12 807 0152 info@naamsa.co.za www.naamsa.co.za

Registration Details: naamsa NPC, trading as the Automotive Business Council | Registration No.: 2021/358607/08 | VAT No.: 4750308951