

PRESS RELEASE

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naamsa RELEASES THE 2026 AUTOMOTIVE TRADE MANUAL

PRETORIA: Friday, May 15, 2026: naamsa | The Automotive Business Council is excited to release its annual Automotive Trade Manual 2026 publication as the official source of all key automotive data in South Africa. This is the 20th annual publication since 2007, providing a comprehensive overview of the export and import performance of the South African automotive industry under the Automotive Production Development Programme (APDP) and APDP Phase 2 (APDP2)

Amidst adversity, the domestic new vehicle market and vehicle exports have shown remarkable growth in 2025. Once again, automotive exports have remained a pillar of South Africa's automotive industry, as the export value of vehicles and automotive components increased from R268,8 billion in 2024 to a record R291,0 billion in 2025, comprising a significant 15,6% of total South African exports. Vehicle exports increased to a record 414 271 units in 2025, up from the 391 128 units exported in 2024. The vehicle export value increased from R205,4 billion in 2024 to a record R229,8 billion in 2025, however, automotive component exports reflected a decrease of R2,2 billion from R63,4 billion in 2024 to R61,2 billion in 2025. The domestic automotive industry exported to 154 countries in 2025, slightly down from the 155 destinations in 2024; with the export value more than doubling in the case of 29 of these countries from 2024 to 2025. South African automotive trade under the APDP2, amounting to a substantial R546,7 billion in 2025, comprised 15,3% of South Africa's total trade GDP.

Manufacturing offers a proven path to sustainable growth and transformation of the whole economy. As the engine of industrial growth and largest manufacturing sector in the country, a substantial 23,8% of value addition within the domestic manufacturing output was derived from vehicle and automotive component manufacturing in 2025, while the broader automotive industry's contribution to the GDP comprised 5,2% (3,3% manufacturing and 1,9% retail).

Driven by lower interest rates, record low vehicle price inflation and a broader model and price choice, new vehicle sales increased by a sound 15,7% to 597 338 units in 2025, compared to the 516 103 units sold in 2024. The most dramatic shift in 2025 has been the meteoric rise of imported Chinese brands in the

domestic light vehicle market, offering modern technology, competitive pricing and long warranties which have assisted them to move into the mainstream. Affordability and choice continue to redefine the domestic landscape in creating one of the most competitive trading environments. Compared to global standards, in 2025 there were no less than 56 passenger car brands and 1 995 model derivatives, the greatest selection of market-size ratio found globally. Similarly, in the light commercial vehicle segment, for the same period, there were 30 brands with 665 model derivatives to choose from. New energy vehicle (NEV) sales reflected an increase of 7,1% from 15 611 units in 2024 to 16 716 units in 2025, following the impressive year-on-year increase of 100,6% in 2024. NEV sales share, by 30 brands, as a percentage of total new vehicle sales, decreased to 2,8% in 2025, down from 3,0% in 2024.

As an export-oriented industry, the South African automotive industry's export performance continues to highlight both market concentration as well as the expanding global reach. The long-standing free trade agreements with the EU and the UK ensured record exports to the region to the value of R182,8 billion, or 62,8%, of the total automotive export value of R291,0 billion in 2025. Light vehicles remained the dominant export category, with 80,3%, or four out of every five vehicles exported in 2025 destined for the region. Africa comprised the domestic automotive industry's second-largest export region, accounting for R49,5 billion, or 17,0% of the total automotive exports of R291,0 billion with 85,1% of the export value destined for SADC, which is a free trade area. With the outstanding rules of origin for automotives now being adopted since February 2026 under the African Continental Free Trade Area (AfCFTA), it would open up further market access opportunities for the domestic automotive industry to the rest of Africa.

A total of 414 271 left- and right-hand drive vehicles were exported to 109 countries around the world in 2025. In 2025, Germany remained the top export destination since 2023, followed by the UK, France, Belgium and Italy. For the sixth consecutive year, the Volkswagen Polo was once again the most exported vehicle model in South Africa in 2025. A significant 70,5% of light vehicle production was exported in 2025, enabling the domestic OEMs to reach a consumer base beyond the South African market.

In 2025, automotive component exports decreased by R2,2 billion, or 3,5%, to R61,2 billion, from R63,4 billion in 2024, mainly due to the ongoing decrease in catalytic converter exports. However, catalytic converters remained the top automotive component exported from South Africa, comprising 26,0% of total automotive component exports, followed by engine parts, tyres and transmission shafts and cranks. The global transition to electric vehicles is creating new potential demand for domestic component suppliers able to adapt. Research has indicated that South Africa is well positioned to localise high-value NEV components, including fuel cells, thermal management systems, e-axles, high-voltage battery mineral beneficiation, and battery assembly.

New light vehicles (passenger cars and light commercial vehicles) imported into South Africa originated from 25 countries. Imports of light vehicles increased by 87 112 units, or 28,6%, from 304 175 units in 2024 to 391 287 units in 2025. Light vehicle imports as a percentage of total light vehicle sales increased from 62,7% in 2024 to 69,1% in 2025. Passenger car imports accounted for 82,8% of total passenger car sales



of 422 463 units in 2025. The top country of origin, in volume terms was India, with 219 796 vehicles, accounting for 56,2% of the total light vehicles imported, while China, with 91 326 units in second position, gained further popularity, increasing its share to 23,3%, up from 17,1% in 2024. Several global brands have established India as a production hub for small car plants, and most of the vehicles imported from India fell in the small car and entry-level segments. India specialises in small, entry-level vehicles, which have grown in popularity in the domestic market. Volkswagen's Polo Vivo was the only vehicle in these segments that was manufactured in South Africa in 2025. There were 15 different brands from China operating in the domestic new vehicle market in 2025, up from eight in 2024, with more to follow in 2026.

The South African automotive industry remains heavily reliant on imported components, particularly for assembly lines and aftermarket parts supply. Imports of original equipment (OE) components by the seven domestic OEMs increased by R3,6 billion, or 2,4%, to R151,0 billion in 2025, up from R147,4 billion in 2024, in line with higher vehicle production volumes supporting higher vehicle exports. In 2025, the import of replacement parts increased by R2,7 billion, or 2,6%, to R107,5 billion, up from R104,8 billion in 2024, in line with the expansion of the national vehicle parc and higher vehicle imports. In the South African context, aftermarket parts are supplied by domestic component suppliers focusing mainly on the domestic models manufactured in the country, while foreign aftermarket parts are generally linked to imported models.

In 2025, South Africa's automotive industry maintained a positive trade balance, despite rising vehicle imports as the export-driven industry helped sustain a trade surplus in automotive products, supporting economic growth and job creation amid global supply chain challenges and shifting market dynamics. Vehicle imports increased in 2025 due to the rising consumer demand for affordable passenger cars, along with an increase in automotive components not produced domestically. The trade balance under the APDP2 measurement reflected a trade surplus of R35,3 billion in 2025, compared to R42,8 billion in 2024.

Global vehicle production in 2025 increased by 3,9% to reach 96,4 million vehicles, up from the 92,7 million units produced in 2024. China's automotive industry continued to set new records in 2025, with vehicle production reaching 34,5 million units, up 10,4% year-on-year, marking the 17th consecutive year China has led global vehicle output, followed by the US with 10,2 million units, Japan with 8,4 million units and India with 6,5 million units. Demand for vehicles continued to rise despite economic shifts, marking the first year to surpass the 2019 pre-pandemic level as global new vehicle sales in 2025 increased by 4,7% to 99,8 million units, up from the 95,3 million units in 2024. China sold 34,4 million vehicles in 2025, up 9,4% from the 31,4 million units in 2024 and remained by far the largest single-country new vehicle market in the world, selling almost as many vehicles as the European and US markets combined. The year 2025 turned out to be another record year for EVs, with worldwide sales surging by 21% to 20,7 million units, up from 17,1 million units in 2024, with China producing 71% of EVs sold globally.

In 2025, 17 countries exceeded the one million vehicle production mark, which is regarded as the international benchmark. South Africa forms part of the group of global second-tier countries producing below one million vehicles per annum. The country's vehicle production increased by 2,9%, from 600 473 units in 2024 to 618 077 units in 2025, slightly below the year-on-year increase in global vehicle production



of 3,9% in 2025. South Africa's global vehicle production market share thus decreased from 0,65% in 2024 to 0,64% in 2025, while its global vehicle production ranking remained at 21st. In terms of global LCV production, the country was ranked 15th, with a market share of 1,2%. South Africa remained the dominant market on the African continent and accounted for 50,3% of the total African vehicle production of 1,23 million vehicles and 46,5% of sales of 1,29 million in 2025.

South Africa's automotive industry, as the cornerstone of the national manufacturing sector, is entering new territory as it is under pressure to transition towards a more sustainable and ever-increasingly globally competitive future. Growth prospects for the South African automotive industry will depend on a combination of effective and progressive policy support, strong export markets, increased localisation, technological transition to NEVs, improved logistics and infrastructure, and dynamic adaptability to a highly unpredictable global environment.

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