

# Africa sales boost SA vehicle exports

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20 Feb 2013

Vehicle exports from South Africa into the rest of Africa grew almost 20% last year, more than making up for a decline in sales to traditional, recession-hit markets in the European Union and the US.



This bodes well for motor manufacturing and demonstrates that South Africa remains a gateway for trade in Africa.

However, Volkswagen SA (VWSA) and Toyota SA respectively saw a 33.4% and 27% decline in passenger car exports last year, according to RGT Smart, which provides export data to the National Association of Automobile Manufacturers of SA (Naamsa).

VWSA spokesman Matt Gennrich said on Monday (18 February) it had built the CrossPolo for all markets, and exports plunged 55% last year. "The CrossPolo is the luxury end of the Polo range and in tough times issues of affordability kick in," he said.

VWSA last year exported just 17 cars to Greece, 21 to Portugal, 108 to Italy and 68 to Spain.

The European Automobile Manufacturers Association has reported that new car registrations last year fell 8.2% to the lowest since 1995. They rose 5.3% in the UK, but sales in France contracted 13.9% and 19.9% in Italy.

Toyota SA had a 27% decline in exports of passenger cars - from 19,746 in 2011 to 14,396 last year. This was almost entirely due to the decline in exports of the left-hand-drive 1.6l Corolla.

A Toyota spokesman said on Monday (18 February) this was due to the "collapse in demand from Europe".

But Toyota's Africa operations remained solid, with the firm exporting just over 40,000 units to the rest of the continent last year, mainly Hilux bakkies. This was a small increase of about 2,000 units compared with the previous year.

## Upward swing

Despite the European woes, the South African car manufacturing industry is, according to the RGT Smart data, in an

upward swing this year. Its figures suggest that a combination of good growth in certain African markets and the introduction of the Automotive Production and Development Programme have combined to shelter the industry from poor consumer spending in austerity-hit Europe.

Vehicle exports from SA into the rest of Africa grew almost 19% year-on-year last year, from 67,442 vehicles in 2011 to 80,221.

Naamsa director Nico Vermeulen said on Monday (18 February) it was likely that South Africa would export more than 100,000 vehicles a year into the rest of Africa "within two years".

RGT Smart says last year South Africa saw a surge of vehicle sales to Algeria (24,281 units), Nigeria (14,874) and Angola (7,781).

Ford SA grew its share of exports into Africa from 4.36% in 2011 to 14.39% last year. This was due to an increase in production of the new Ranger, its Pretoria-built one-ton bakkie.

Exports of Ford's Ranger grew more than tenfold last year - from 3,149 to 31,813. Its share of light commercial vehicle exports grew from statistically irrelevant to one-in-four exported from South Africa.

There was huge demand for the bakkie in Angola, where Ford sold nearly 5,000 units last year.

Nissan SA grew its share of exports from 14.03% in 2011 to 18.29% last year. Its exported NP300 'hardbody' bakkie had strong sales in the Democratic Republic of the Congo last year (944 units) and in Ghana (2,182).

BMW SA posted reduced export numbers last year - down from 41,886 units in 2011 to 33,297 last year - but that was likely to have been the result of the run-down of the 3-Series model and the introduction of a new model at its Rosslyn factory.

Mercedes-Benz SA exported nearly 50,000 C-Class cars last year, every one going to the US, where the C-Class is a low-volume model.

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