

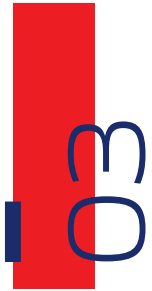


2022

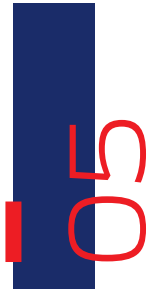
ANNUAL REPORT

| 23





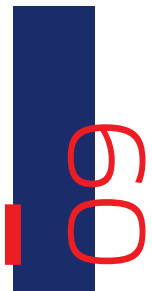
Foreword by
Jeánné
Esterhuizen,
RMI President



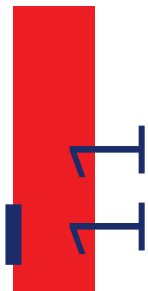
In Honour
of a Visionary
Leader



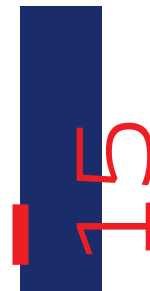
Our
Associations
pay tribute
to the
outgoing
CEO



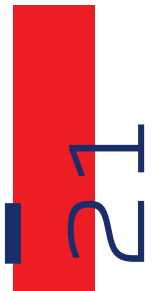
Overview by
Jakkie Olivier,
*Chief Executive
Officer*



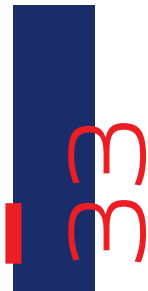
Economic
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Overview of
RMI Business
Activities



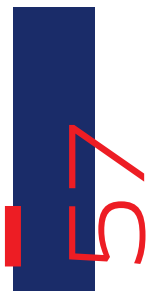
RMI Brand and
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RMI
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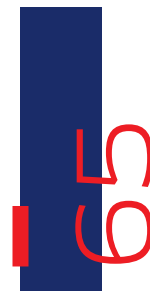
Overview of
RMI Labour
Activities



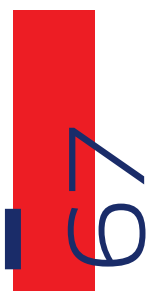
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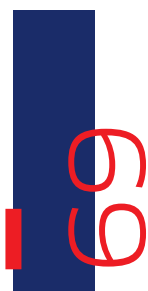
RMI Office
Bearers



The Benefits
of Belonging
to the RMI



RMI
Constituent
Associations



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Details

As the **lead voice in the motor industry**, the RMI is a **member-driven organisation** that ***constantly seeks solutions to concerns*** raised by members in the day-to-day running of their businesses.



Foreword



by Jeánné Esterhuizen

It is with immense pride and gratitude that I present this year's annual report. In a year marked once again by unprecedented economic challenges and worldwide uncertainties, **the Retail Motor Industry Organisation (RMI) has not merely weathered the storm - it has soared to new heights of excellence.**

As we reflect on the past year, we find ourselves standing at the pinnacle of achievement - a testament to our remarkable RMI team's unwavering dedication, ingenuity, and resilience. The following pages will provide a comprehensive overview of our outstanding performance and the relentless pursuit of our mission, underscoring that even in the face of adversity, we have not just thrived, but have illuminated the path forward for our industry and beyond.

Under the guidance of our exceptional CEO, **Jakkie Olivier**, we have witnessed another year of remarkable achievements. His visionary

leadership has propelled us to unprecedented heights, resulting in consistent growth and innovation over the last decade of his leadership. Through strategic insight, a relentless commitment to our core values, and an unwavering dedication to our members and team RMI, our CEO has not only led us through turbulent times, but has transformed challenges into opportunities. His enduring legacy is one of prosperity, integrity, and a profound impact on our industry, making him an exemplar of leadership and an inspiration to us all.

The annual report is a powerful reminder of how our fundamental values define the organisation's character and profoundly impact its relationships with its

members and beyond. The RMI and its Associations serve as an inspiring example of how growth and success can be achieved by embracing change and staying deeply connected to the needs and interests of our members.

In the words of Richard Branson, *"Businesses must continually evolve to stay relevant, for the world doesn't stand still. We must adapt, innovate, and embrace change to thrive."*

The early retirement of our CEO presented a significant challenge to our organisation that required swift and effective action. An abrupt change in leadership has the potential to cause disruption and uncertainty, as our CEO has played a pivotal role in shaping the organisation's direction.

The RMI Board has understood the importance of preserving and carrying forward the legacy of our departing CEO. This legacy is not just about individual accomplishments and valuable knowledge, but embodies the core values, vision, and strategic wisdom that propelled us to where we are.

In the spirit of unity, the Board engaged in open and constructive discussions, leveraging our diverse expertise and experiences to explore innovative solutions. We recognised that the CEO's planned retirement presented

an opportunity for renewal and growth. It was a chance to achieve our transformation goals, reevaluate our strategic priorities, and chart a path forward that would honour the legacy, while embracing the changing face of our industry.

As we move forward, we are committed to ensuring that our organisation remains agile, adaptable, and ready to thrive in an ever-changing business landscape.

The collective success of our organisation captured in this report bears testament to the power of unity and collaboration. At the heart of this achievement is the strategic direction the RMI Board of Directors provided, who set a clear vision and guided us towards our goals with unwavering commitment. Working with the CEO and team RMI, they ensured that the organisation operated efficiently and effectively. Our Associations were pivotal in fostering strong relationships with members, ensuring our initiatives aligned with their needs and expectations. But it doesn't stop there: the dedicated RMI management team, employees and professional service providers are the lifeblood of our success, working tirelessly to bring these strategies to life.

In the communication area, specifically, the RMI brand and its Associations have featured strongly and consistently across all the various media and social platforms, demonstrating the value of quality messaging driven by understanding, strategic thinking and storytelling. This has resonated powerfully with all our various internal and external stakeholders.

Together, we have achieved our organisational objectives, forged successful engagements with stakeholders and cultivated local and international collaborations that have expanded our reach and influence. This collective effort demonstrates that when individuals and teams come together with a shared vision and a commitment to excellence, the possibilities for success are boundless.

My experience over the past year has unequivocally reinforced my belief that unwavering and resolute leadership is the key to steering an organisation towards a future brimming with promise and purpose, irrespective of any unexpected disruptions.

I wish to extend my heartfelt appreciation to the RMI Board, our esteemed CEO, and the entire Team RMI. It has been an honour to serve you and our respected members. I am delighted that we have accomplished our objectives together.

In Honour of a Visionary Leader

This year, we extend our heartfelt appreciation and pay tribute to an extraordinary individual who has left an indelible mark on the industry and the RMI.

Our esteemed *CEO*, Jakkie Olivier, has been an integral part of the fabric of the RMI for over three decades. During his tenure as CEO over the past decade, he played a pivotal role in transforming our organisation into a formidable force – relevant, financially robust, and beneficial to members and the entire industry.

As we bid farewell to this exceptional man, we reflect on his visionary leadership and the remarkable milestones achieved under his watchful eye.

The Journey Begins

Jakkie's journey with the RMI began in 1992 when the RMI, as we know it today, consisted of two separate organisations: the **South African Motor Industry Employers' Association** (SAMIEA), focused on labour-related matters, and the **Motor Industries' Federation** (MIF), overseeing commercial and trade affairs through its associations.

Jakkie assumed the role of Assistant Director for the **South African Motor Trades' Association** (SAMTA), which is now known today as SAPRA, and which incorporated mechanical workshops. In 1994, he was appointed to *Regional Manager* for MIF and SAMIEA in the Pretoria Office. His

potential materialised, and he was appointed *Executive Director* of SAMIEA in 1999. It was at this time that discussions around the merger of the two organisations was mooted during a strategic session about the future of the two Organisations.

Later that year, the merger became a reality, giving birth to the **Retail Motor Industry Organisation** (RMI), initially led by **Derrick Dixon** and subsequently by **Jeff Osborne**. In July 2013, Jakkie assumed the *CEO* role and has continued to lead the organisation for the past decade.

Integral to Jakkie's remarkable success has been his unwavering faith in his leadership team. He has consistently surrounded himself with talented individuals and attributes his accomplishments to the support of the RMI Board and management team.

Pioneering Transformation

Jakkie assumed leadership at a tumultuous time for the industry and immediately initiated long-term structural transformation.

Together with his executive team and key industry role players, he spearheaded the design and implementation of '**Project Renewal**', introducing new and improved governance standards, policies, and procedures. This initiative laid the foundation for a more robust and compliant RMI.

Under his guidance, the team transitioned the RMI from traditional practices to a progressive approach, encapsulated in the New Thinking Model. It injected fresh energy into the organisation, solidifying its position as a supporter of standards for best practice in both the formal and informal sectors. The RMI leadership also proactively engaged in critical industry

matters for members and consumers while providing expert industrial relations advice.

Labour Stability

As the lead negotiator for the RMI, Jakkie achieved a significant gain in wage negotiations within MIBCO, securing a **breakthrough one-of-a-kind three-year wage and substantive agreement** with a crucial '**Peace Clause**' early in 2000. This landmark agreement contributed substantially to labour peace, enhancing the viability and sustainability of businesses in the industry. **This remarkable achievement survives to this day.**

A COVID-19 Warrior

Amid the unprecedented challenges of the COVID-19 pandemic, the RMI demonstrated exceptional leadership, guiding members through turbulent times. Through the *COVID-19 Monitor newsletters*, the RMI's proactive approach provided critical information to members, ensuring workplace readiness and compliance with health protocols. Despite the pandemic's impact, the RMI and its Associations performed remarkably well financially, accumulating healthy reserves over the years. It was at this time, that the RMI Board provided members a **R41 million** discount to survive the tough times attributed to COVID between 2021 and 2022.

Digital Transformation

The pandemic accelerated the digital transformation that had already commenced in 2019, resulting in virtual meetings, conferences, and training sessions becoming commonplace within the RMI. This shift saved costs and enhanced efficiency in information sharing among members.

A New Direction

As part of the New Thinking Model, the organisation embarked on an

evolution, not only of what the brand stands for, but how it is represented. Through a rigorous consultative process, the organisation was unified from a group of **13** different Constituent Associations that developed at different times and in different ways into **8** new Associations, all consolidated and unified as a cohesive family, bound by shared commonalities. The Associations are set to thrive under the RMI umbrella in the years ahead. **The branding initiative driven by Jakkie and the shift in Associations have been tremendously successful and now represent an identity that reflects the RMI and all its associations as a modern and transforming organisation.**

Training, Skills Development and an eye on Transformation

During Jakkie's tenure, Training and Transformation became fully-fledged departments with clear mandates and critical strategic priorities within the RMI.

Jakkie has always been committed to advancing training in the sector and equipping new entrants with the skills necessary to work on modern, constantly evolving vehicles. He understood that access to international trends was invaluable, particularly in a technical environment where artisan skills are valued, providing businesses with a competitive advantage. Close collaboration over two years between the RMI and the Institute of the Motor Industry in the UK led to the development of the **Return-on-Investment calculator**, funded by merSETA and completed in 2018. It is still in use and recognised by the Department of Higher Education as an invaluable tool for businesses that train apprentices.

In 2020, the RMI signed a partnership with the Chamber of Crafts Erfurt, more popularly known as **Handwerkskammer (HWK) Erfurt**, to drive vocational training in the automotive aftermarket. This partnership has progressed well over the last three years. The link with industry and participation from industry specialists has been driven strongly, contributing to the project's success and nurturing a long-term working relationship agreement with HWK.

The RMI also recently collaborated with **Porsche Aftermarket Vocational**

Education to bring Electric Vehicle training to First Responders on the scene of an accident. A group of **40** participants from the Western Cape Disaster Management departments, as well as some senior RMI Executives and members of various Constituent Associations, including MIWA and SAMBRA, received training by experts from the Porsche fire brigade in Stuttgart-Zuffenhausen. This training was vital, as many Associations have already started to see a rise in the number of hybrid cars needing servicing or repairs as well as requests through SAPRA members to introduce charging stations at filling stations.

Special Training Project

Jakkie and the training team have passionately driven other initiatives to professionalise and upskill members with the merSETA and various TVET colleges. The RMI's participation in the **Department of Higher Education and Training (DHET) Centres of Specialisation (CoS)** project, initiated in 2017 and concluded in 2022, is one such project.

The DHET identified **13** priority trades, including diesel and automotive motor mechanics, benefiting independent mechanical workshops affiliated with MIWA and vehicle dealerships associated with NADA. Occupational certificates, delivered by **4** TVET colleges, constituted the core of the project, featuring a comprehensive curriculum spanning knowledge, simulated practical, and workplace modules over a 3-year duration. The RMI actively contributed to various aspects of the DHET's pilot project. Subsequently, the DHET elevated the CoS initiative from a pilot programme to a national one.

An Industry First

The most recent achievement is the signing of a **Memorandum of Understanding (MoU)** with the Tshwane University of Technology's Department of Marketing, Supply Chain and Sport Management to provide stakeholders within the Automotive Retail Aftermarket with an opportunity to further their studies by enrolling for a customised Diploma in Retail Business Management.

This first-of-a-kind agreement in South Africa will allow RMI members and their employees to enhance their knowledge

and skills by enrolling for a 3-year, entirely online qualification, specially developed for the Retail Motor Industry.

International Recognition

Jakkie's contributions transcended borders, as he represented South Africa as a judge for the **International Innovation Awards** at Automechanika Frankfurt. His expertise led to a repeat invitation for the 2024 awards in his personal capacity.

A Time of Growth

During Jakkie's tenure the RMI has evolved and expanded, as illustrated by its impressive membership and financial growth. Membership increased by **16.6%** across the board, and surpluses grew by more than **R84 million** underpinned by financial reserve growth of **R144 million**. The financial reserve growth is attributable to an impressive growth by the various Associations of **R58 million**, reflected in the various loan accounts. Thus, the final RMI figures as a whole, are the best in the existence of the RMI.

Jakkie, the Family Man

Jakkie has always been passionate about the value encapsulated in a family. He placed a high premium on the wellbeing of his own family, but also the RMI family – his colleagues, friends and associates with the various structures of the RMI.

During his tenure, the RMI family developed into a cohesive and well-functioning unit that has been able, under his leadership, to produce the results mentioned above. For his colleagues and associates, he has become not just a business partner, but a friend.

In closing

Jakkie leaves the RMI in a remarkably strong position. His impact on the RMI, individuals, communities, and the automotive landscape is immeasurable. **We are grateful for his exceptional leadership, humility, friendship, and profound contributions to our sector.**

As he transitions to the *Non-Executive Director* role on the RMI Board, we celebrate Jakkie Olivier's legacy and look forward to carrying his vision into the future.

Our Associations pay tribute to the outgoing CEO



Jakkie played a pivotal role in ensuring that certain aspects of ARA and SAVABA were

realised to safeguard their ongoing success, development, retention, growth, and relevance to the automotive aftermarket in South Africa.

Some of the projects that stand out in which Jakkie played a fundamental role, include ARA's Gas Conversion Project and our drive for an integrated software programme solution in the REMAN sub-sector. His insights helped propel the project to greater heights. In 2019, as part of the New Thinking Model, he streamlined the amalgamation of the **Engine Remanufacturers' Association (ERA)**, the South African Diesel Fuel Injection Association and the Automotive Component Remanufacturers' Association into the **Automotive Remanufacturers' Association (ARA)**. This has been one of ARA's greatest successes and we thank him for his wisdom and leadership.



Jakkie has a remarkable ability to inspire and

motivate a team and bring out the best in everyone around him. His exemplary leadership and vision have not only transformed our organisation, but also left an

indelible mark on the automotive industry in SA and globally. We are fortunate to have leaders like Jakkie, who has shown us what is possible when passion, vision, and integrity are combined in the pursuit of excellence.

He has demonstrated that success can be achieved with honesty, transparency, and a strong commitment to corporate governance responsibility. MIWA will always be highly appreciative of his support.

In addition to his professional accomplishments, Jakkie is a true role model for work-life balance. He prioritises the wellbeing of team members, understanding that a healthy and happy workforce is key to long-term success. His ability to juggle the demands of leadership while maintaining a fulfilling personal life sets an example for all of us.

As you prepare for your retirement, please know that your legacy will continue to thrive at the RMI and MIWA. Your contributions will be celebrated and remembered and your guidance has helped shape the future of our association. Your wisdom and experience will always be valued, and we look forward to any opportunities to connect in the future. Enjoy this well-deserved time to relax and explore new horizons.



During Jakkie's tenure as CEO of the RMI, he used his strong leadership and

negotiating skills to navigate and manage the diverse and often opposing views of Associations with sensitivity and without comprising the strategic or operational outcomes of the Constituent Associations and the broader RMI.

In this regard, Jakkie recognised the unique and complex operational business models within the motor vehicle dealership environment and allowed NADA and its executive structures to operate independently within the broader vision of the RMI. This resulted in NADA achieving many of its strategic objectives.

Jakkie played a significant and pivotal role in ensuring that the NADA wage model was entrenched and sustained, which has allowed NADA members the ability to reward their employees on performance and merit.

NADA would like to thank Jakkie for his guidance and wise counsel over many years. The NADA Management and members wish Jakkie every success and happiness in the next chapter of his career and family life.



It is our pleasure to wish Jakkie a well-deserved retirement and

trust that he and his family will be blessed with many years of good health and family time.

Through difficult political, social and economic challenges in the MBR industry, it has been our privilege to work with him over the past 10 years. While we had the responsibility to manage the activities of SAMBRA, we always relied on him and his team for assistance and support. His contribution and leadership towards all the RMI Associations with their respective business partners, be it government or industry, have paved the way to achieve RMI's strategic objectives.

Jakkie's expertise, knowledge and advice will be missed, but we are grateful that he will still be involved with the RMI at Board level.



On behalf of SAPRA, we would like to extend our sincerest gratitude to Jakkie

for his outstanding leadership and unwavering dedication over the past decade.

Under his visionary leadership, the RMI has flourished by continuously adapting to the ever-changing automotive aftermarket landscape. He has been instrumental in not only maintaining relevance for the organisation, but also placing the RMI and SAPRA at the forefront of industry developments.

We recognise his critical role in fostering collaboration between the RMI and its Associations, which has allowed us to deliver exceptional value to the members we represent. In addition to elevating the RMI, his leadership has left an indelible impression on

the entire automotive aftermarket industry. Taking his legacy forward, we hope for many more years of continued success and innovation.



The manufacturers, importers and bodybuilders' sector is highly

regulated. In South Africa SAVABA is the lead voice, working closely with countless government departments.

Jakkie has participated in many of these meetings and in the development of white papers facilitating strong sustainable relationships.

His charismatic management, leadership, and professional guidance is built on a foundation of strong communication skills, lobbying, and persuasiveness of matters pertinent and of critical importance to the MIB sub-sector in South Africa.

We salute Jakkie for his integrity, visionary leadership and the deep institutional knowledge he has shared. He taught us that no matter how complex or challenging the situation, you always have to do the right thing to ensure that the best interests of the Association and its members are protected.

Your presence within the RMI and industry will be sorely missed, but you leave a strong, indelible legacy. We wish you a rewarding retirement!



On behalf of TEPA, we would like to express our deepest gratitude to Jakkie for his exemplary

leadership and unwavering commitment over the past decade.

Under his leadership, our Association has made significant

strides in advancing the automotive tyre, parts, and equipment industry. His perceptive recognition of the obstacles we face and his dedication to finding viable solutions have been instrumental in ensuring that our Association and its members remain at the forefront of this dynamic industry.

We appreciate his continuous efforts to keep us pertinent in an industry that is constantly evolving. As we look to the future we are confident that, with his leadership qualities imparted on us, we will be able to surmount obstacles and continue to drive innovation and excellence in the automotive repair and parts industry.



Jakkie has always taken a keen interest in the VTA and worked hard to help make it successful.

He was willing to be involved in our projects and provided amazing input and assistance in growing and sustaining the association.

Although there are many examples of Jakkie's commitment to and unwavering support of the VTA, the most notable would be his involvement in the MoU with the Gauteng Department of Transport in 2016, reaching out to the relevant stakeholders and committing to working together to address corruption in the industry. Most recently, Jakkie was instrumental in shaping the VTA's Special Project and played an integral part in obtaining approval from the Board for the project.

The VTA is extremely grateful to Jakkie for all his help and guidance over the years. We would like to take this opportunity to congratulate him on a long, decorated, and impressive career. We wish him all the best for his retirement.

Chief Executive Officer's Overview

by Jakkie Olivier



It is with pride and more than a tinge of sadness that I present the 2022/2023 RMI Annual Report, which offers an executive summary on the Organisation's many and varied activities during the period 1 July 2022 to 30 June 2023.

Where the previous two years were largely defined by the pandemic, during the year under review our members and the public had to contend with a pandemic of another kind: large-scale looting of public coffers and uncurbed corruption that left the country in darkness – literally – with a protracted electricity crisis.

Our teams, however, forged ahead by innovating, supporting our member businesses with new projects and initiatives, current and regular updates, lobbying and a multitude of initiatives to add even more value to belonging to the RMI.

We launched a number of special projects during the year, most notably the initiative that was launched in January 2023 to offer accredited members free DRC, CCMA and labour access. This has proved to be very well received and will continue to make a notable impact on member businesses while enabling the RMI to increase membership numbers - for the benefit of the organisation and its members.

Other special projects include the **RMI Women Driving Change Special Project** to support women employees and consumers in what continues to be a largely male-dominated industry.

A number of our Constituent Associations have embarked on new projects to support their members. Some will have a short-term cost attached, but we believe it will serve the relevant Associations well in terms of future growth.

On the Transformation front, we continued to make good inroads, especially in the important area of the **National African Association for Automobile Service Providers (NAAASP)**, with an extensive database cleansing project launched to improve the efficiency of our communication as well as to better serve NAAASP members going forward. The appointment of a Transformation Intern to further support member businesses will also make a solid contribution in this arena in time to come.

The establishment of the **Motor Industry Professional Body (MIPB)** experienced some challenges during the year, which are set to be resolved during the ensuing year.

During the year, our team made excellent progress in our goal of addressing the readiness of the general automotive aftermarket sales, support, repair, maintenance, component manufacturing, and vehicle bodybuilding sectors in safely supporting **New Energy Vehicles (NEVs)**.

Solid progress was made in the development and registration of a **National Qualification for Electromobility**, including full electric and hybrid vehicles.

On the labour front, our teams secured much-needed labour stability for our member businesses with the successful negotiation of a 3-year Main Collective Agreement. This agreement was officially

gazetted for implementation in April 2023 and will remain in force until 31 August 2025.

In addition, the **MIBCO Administrative Collective Agreement** and the **Motor Industry/Autoworkers Provident Fund Collective Agreements** have been enacted and will remain in force until 31 August 2025.

On the financial front, the RMI continues to go from strength to strength and it is gratifying that we find ourselves in the best financial position of our history. The financials continue to reflect healthy surpluses, despite numerous economic and other challenges in our country.

Compared to the previous period, income increased by more than **R34 million** in 2023, while the organisation's cash reserves have also grown by well over R40 million.

It is notable that all our Associations achieved surpluses for the financial period ended 30 June 2023.

At year-end, more than **R47 billion** was under investment in managed funds by Fund Administrators, with all funds showing solid growth.

The RMI continued to support members in the areas of Consumer Affairs and Industrial Relations, dealing with thousands of consumer disputes and complaints over the year. Despite the high activity levels, our teams continued to achieve a settlement rate of more than **90%** for all consumer disputes and complaints referred to the RMI's various regional offices, including telephonic and electronic inquiries.

The **Regulatory Compliance Department** had another busy year in assisting RMI members

navigate the often complicated waters of government compliance regulations.

Notable projects include the development of a dedicated 'whistle-blower' website where members and consumers can report non-compliant businesses; the development of a comprehensive **Regulatory Compliance Manual** for members, and the development of an **Alternative Energy Solutions Advocacy Project** in an effort to alleviate the negative impact of loadshedding on member businesses.

As I get ready to start a new chapter in my life (one that will thankfully include a non-executive position on the RMI Board), I am deeply indebted, not only to my colleagues and friends at the RMI, but also the industry as a whole. There are too many individuals and organisations to mention, but each of you will remain an indelible part of my life, as you have been for so many years.

As always, a special word of gratitude to RMI President, Jeanne Esterhuizen, for her strong leadership and direction in our industry during such challenging times and a special thank you to the executive management team and colleagues throughout our organisation and beyond.

Our organisation has a bright future and I wish the RMI Board, Executive Management, Committees and all my colleagues every success in the coming year. I am confident the organisation is perfectly positioned to once again evolve and advance with the dynamic market changes.

Economic Overview

The year under review ended with the latest Gross Domestic Product (GDP) figures showing an expansion by 0,4 % in the first quarter of 2023.

This was after faltering in the 4th quarter of 2022, narrowly avoiding a recession (which is defined as two, or more, consecutive quarters of negative growth). **GDP growth is projected to slow to 0.3% in 2023 before picking up to 1% in 2024.** Investment will become a much-needed driver of growth, as the energy crisis requires additional power generation capacity. Higher interest rates and inflation are denting consumption, while electricity outages and lower global growth are weighing on exports. Investment will boost imports and, together with declines in the terms of trade, continue to widen the current account deficit. Inflation will respond slowly to tighter monetary policy, with significant risks around the pace of this decline.

	2019	2020	2021	2022	2023	2024
South Africa	Current prices ZAR billion	Percentage changes, volume (2015 prices)				
GDP at market prices	5 613.7	-6.3	4.9	2.0	0.3	1.0
Private consumption	3 588.9	-5.9	5.6	2.6	1.2	1.5
Government consumption	1 104.5	0.8	0.6	0.9	0.1	1.1
Gross fixed capital formation	865.5	-14.6	0.2	4.7	3.4	5.6
Final domestic demand	5 558.9	-5.9	3.8	2.6	1.3	2.0
Stockbuilding ¹	24.5	-1.8	0.9	1.1	0.0	0.0
Total domestic demand	5 583.3	-8.0	4.8	3.8	1.3	1.9
Export of goods and services	1 532.4	-11.9	10.0	7.5	-1.4	1.9
Imports of goods and services	1 502.1	-17.4	9.5	14.2	2.0	5.2
Net exports ¹	30.3	1.8	0.1	-1.7	-1.0	-1.0
<i>Memorandum items</i>						
GDP deflator	-	5.7	6.2	5.1	3.8	3.6
Consumer price index	-	3.3	4.6	6.9	6.0	4.7
Core inflation index ²	-	3.4	3.1	4.6	5.3	4.7
General government financial balance (% of GDP)	-	-11.3	-6.6	-5.4	-6.4	-6.2
Current account balance (% of GDP)	-	2.0	3.7	-0.5	-2.4	-2.6

¹ Contributions to changes in real GDP, actual amount in the first column. ² Consumer price index excluding food and energy.
Source: OECD Economic Outlook 113 database. StatLink 2 <https://stat.link/6dcjzb>

The energy crisis slowed the pace of fiscal consolidation as necessary public support to the sector results in additional expenditures. Falling commodity prices and slower growth lowered revenues. Broadening the income tax base and raising property and environmental taxes would help to offset this decline and improve equity. Monetary policy stayed the course to bring inflation down and ongoing restructuring in the electricity market should be also used to improve the quality of energy

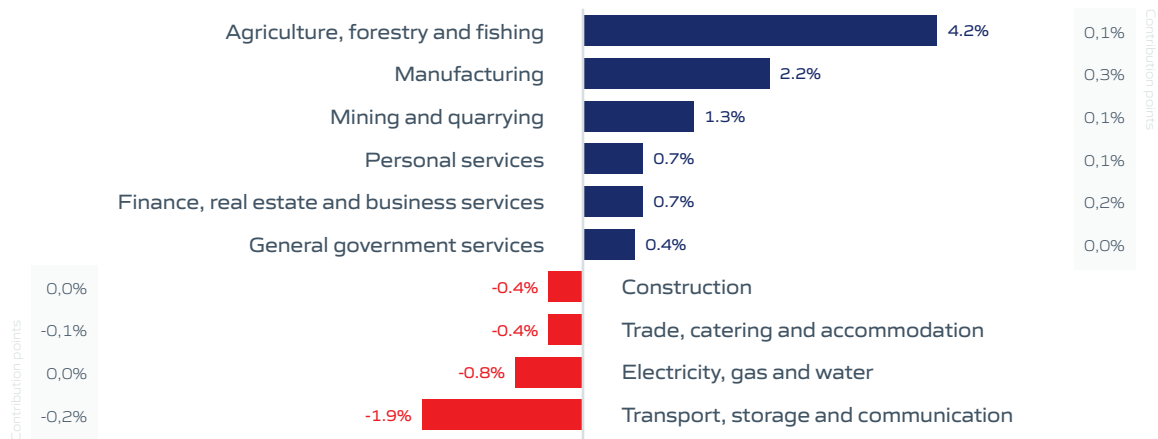
infrastructure and diversify energy sources, boosting productivity and resilience.

On employment, the economy continued to shed jobs, dragging the level of formal employment **down to 9,97 million** individuals at the end of Q1 2023, while at the end of Q2 2023, this had shown some improvement with the formal non-agricultural sector **adding 39 000 jobs** in Q2 2023.

Figure 1: 6 of the 10 industries recorded a rise in economic activity in Q2: 2023

Industry growth rates. Q2: 2023 compared with Q1: 2023 (constant 2015 prices, seasonally adjusted)

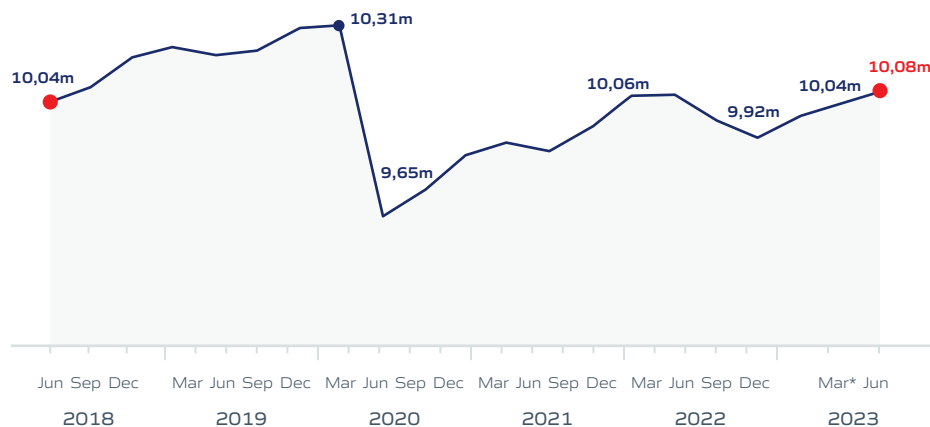
Source: Gross domestic product (GDP), 2nd quarter 2023.



The formal non-agricultural sector added 39 000 jobs in Q2:2023, reaching almost 10,1million jobs

Number of employees time-series from Q2:2018 to Q2:2023

Source: Stats SA QES, Q2:2023.

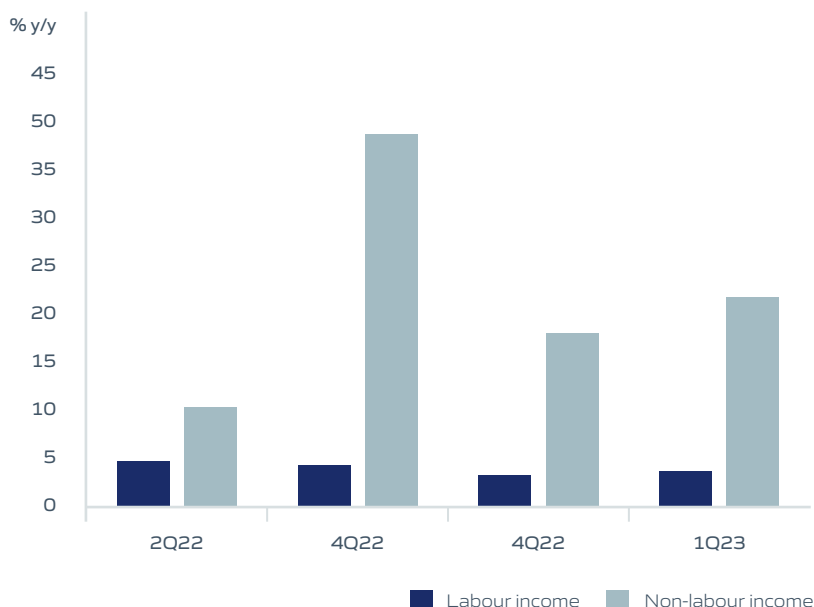


Consumer inflation continued to slow down over this period to its lowest reading in 13 months, with food and transport inflation also continuing to ease. Producer inflation was also softer at the end of the period, declining to **7,3%**. This represented the tenth consecutive month of decline for price inflation at the factory gate.

According to Lullu Krugel, PwC South Africa Chief Economist, ***“The next step in the interest rate cycle will then most likely be a reduction in the repo rate as inflation abates further. We believe this is likely to start around the middle of 2024 pending — as the SARB has often said — favourable data and risk developments. We do not anticipate interest rates to come down again to the low levels seen in 2020. Instead, it is likely that two percentage points could be shaved off towards the end of 2025. That would bring the repo rate back to pre-pandemic levels and support household spending.”***

Household income continued to find support from non-labour income (approximately **30%** of household disposable income), which increased by approximately **22%** year-on-year in the first quarter of 2023. This is on the back of robust interest income, which is benefitting from the high-interest rate environment, as well as some support from dividend pay-outs.

For most consumers, however, income growth remains weak and unable to keep up with inflation. Compensation of employees (or labour income, **70%** of household income) increased by **3.8%** year-on-year in the first quarter of 2023, versus **7.0%** inflation in that quarter. As of the first quarter in 2023, surveyed expectations for wage increases averaged **5.3%**, versus inflation forecasts



Source: SARB, Stats SA, FNB Economics

of **6.2%**, implying little reprieve ahead. Nevertheless, real wage growth in some sectors should be better supported, the latest government wage settlement of **7.5%** being one example.

Despite these income pressures, household indebtedness remains contained relative to recent history. The household debt-to-income ratio ticked up marginally to **62.1%** in the first quarter of 2023 from **61.6%** in the last quarter of 2022, as debt accumulation outpaced income growth. Still, the current debt-to-income ratio is 16 percentage points lower than the Global Financial Crises peak of **78.1%** in the first quarter of 2008, according to FNB.

Closer to home, as the largest manufacturing sector in the country's economy, a substantial **21.7%** of value addition within the domestic manufacturing output was derived from vehicle and automotive component manufacturing in 2022, while the broader automotive industry's contribution to the GDP comprising **4.9%**, made up of **2.9%** manufacturing and **2%** retail. Although the domestic automotive industry's recovery to pre-pandemic levels continued in 2022 and 2023, it was at a slower pace than in 2021, with many key performance indicators still remaining below the pre-pandemic levels, according to Dr Norman Lamprecht, AIEC director and naamsa | The Automotive Business Council executive manager.

Overview of RMI Business Activities

Membership growth of **1.83%** was well within the budgeted growth of **1.5%**.

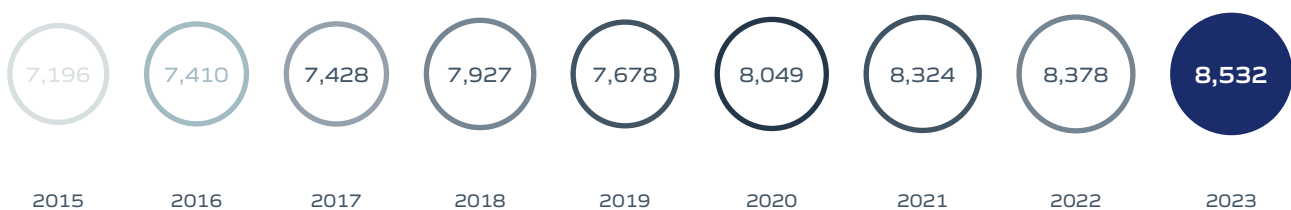
Membership

During the year several audits were completed both by the RMI and MIBCO to ensure the numbers reflected are correct. Both internal and external audits supported the numbers held within the RMI database.

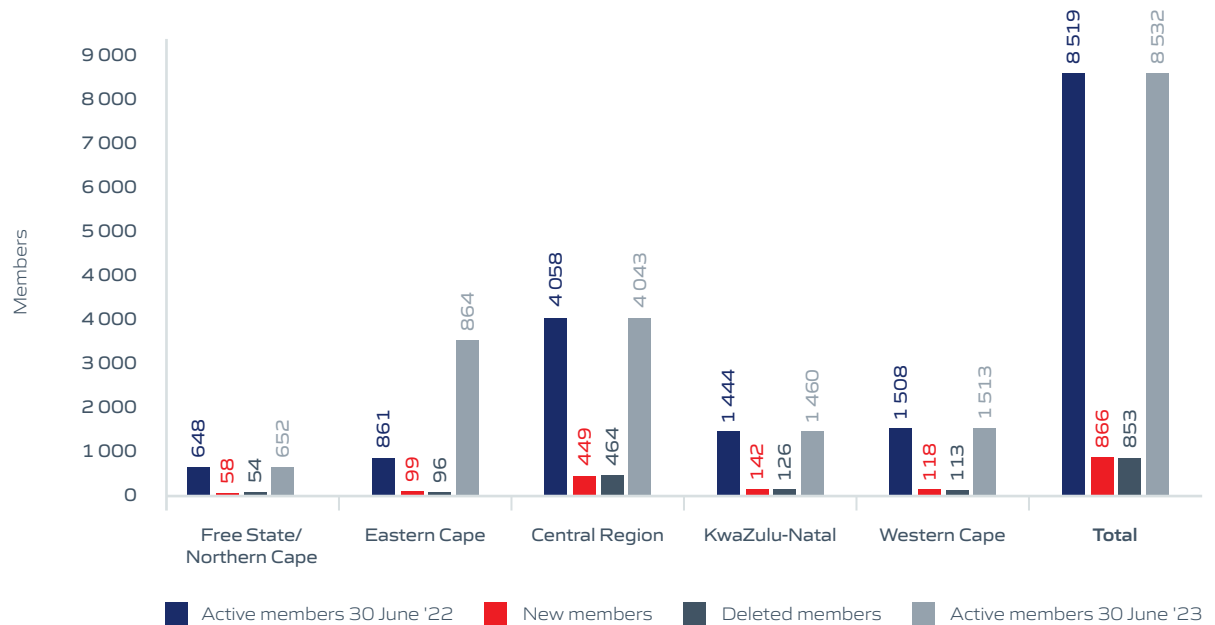
The RMI is continually trying to grow our numbers to remain the collective voice for the retail motor industry. The need to remain relevant and strong has never been more compelling.



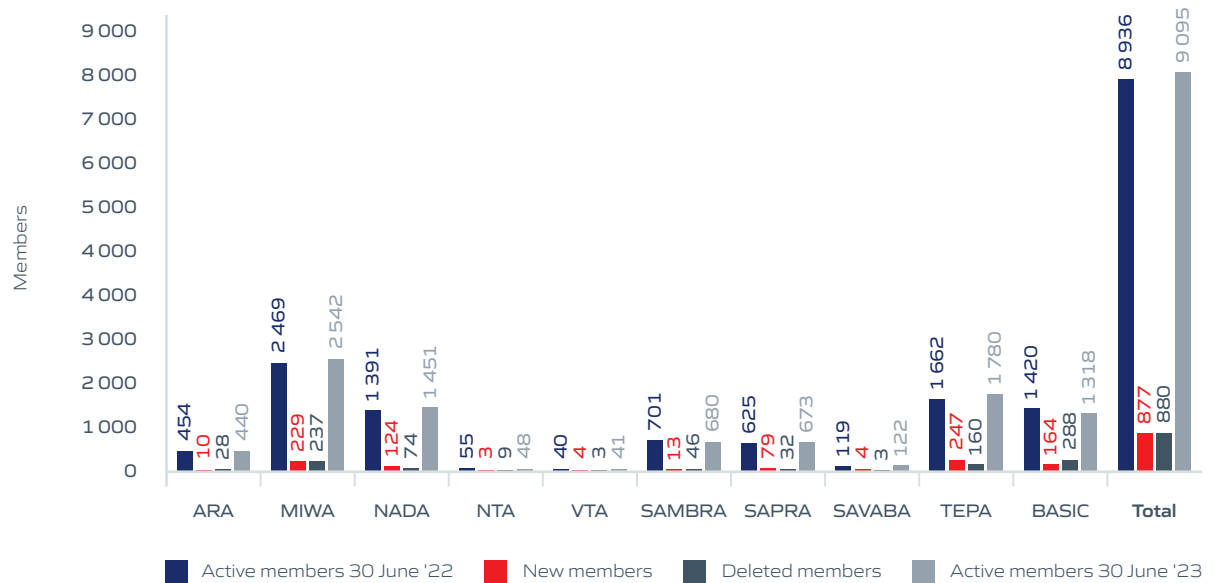
Yearly growth



Regional membership 30 June 2023



Associational membership 30 June 2023



Opening balances may be affected by members being reinstated after May, but before the renewal invoice run.

Consumer Affairs

The RMI subscribes to a consumer dispute resolution dispensation that includes alternative dispute resolution through an Ombudsman. The RMI has engaged with the Department of Trade, Industry and Competition (the dtic) with the view of securing amendments to the South African Automotive Industry Code (published under the Consumer Protection Act, 2010). Engagement between the parties are ongoing and progress will be reported in due course.

The RMI continues to provide a valuable consumer dispute resolution facilitation service free-of-charge

to its Members and the consumer at large. During the year under review, we achieved a settlement rate of more than **90%** for all consumer disputes and complaints referred to the RMI's various regional offices, including telephonic and electronic inquiries.

The table below illustrates the number of official and formal referrals dealt with by the highly skilled team of consumer affairs specialists deployed throughout the country. These official and formal complaints constitute a small portion of the thousands of informal and telephonic complaints and queries that are resolved annually by the staff of the various Regional Offices.

	Member Complaint	Non-Member Complaint	Court/ SCC/Legal Matters	Advice	MIOSA Reply	Member - Member Complaint	TOTAL	Laid Formal Complaint
Region	Member Assist							
Central	1 274	551	9	92	9	7	1 942	772
Free State/ Northern Cape	65	0	0	65	0	0	130	34
Western Cape	520	6	0	0	0	0	526	109
Eastern Cape	62	38	0	4	0	0	104	62
Kwa-Zulu Natal	186	58	2	1	3	12	262	261
Total	2 107	653	11	162	12	19	2 964	1 238

Transformation

Overview

The financial year under review has been exciting for the RMI's Transformation Department. With Transformation remaining a key strategic objective of the RMI, the RMI Board approved three special projects.

These special projects have presented the RMI with an opportunity to participate and explore various avenues with the objective of advancing Transformation and promoting the participation of women in the automotive industry.

NAAASP Project

During the year under review, the RMI adopted a focused approach in assisting NAAASP members to equip them to transition from informal to formal businesses, and achieve proper transformation.

The RMI continues to provide NAAASP members with educational information and communication relating to their relevant industry sectors. This is being done through RMI Associations.

The RMI has also embarked on a NAAASP database audit. NAAASP members are being visited at their business premises to ascertain whether they were still operational. Their details could then be updated on the RMICore system to ensure effective communication. This exercise also assisted in establishing their core needs and the challenges they have been facing.

Following these audits, the RMI will have a better view and focus to effectively assist NAAASP members.

SEDA Coaching and Mentoring Programme Roadshows

SEDA and RMI have an MoU in place to collaborate in providing enterprise development to black informal, township and rural businesses who are members of NAAASP. This programme is designed to assist NAAASP candidates to comply with the statutory requirements in order to enable them to enter into the formal trading market.

The Roadshows form part of the plan to showcase and demonstrate to NAAASP members how they can benefit from this initiative and what the requirements are for accreditation.

Five roadshows were conducted, either in person or virtually during the year.

Transformation Intern - Special Project

The RMI Transformation Committee has been involved in an ongoing process to ascertain the level of real transformation within the retail motor industry. A survey was developed linking back to the RMICore database to assess whether change is happening and at what rate. It is imperative for the RMI to understand the current level of Transformation within the industry, as this will assist in setting and achieving clear objectives. Although the survey has been widely distributed and marketed among the RMI membership, the participation rate remains low due to various reasons.

To rectify this, the RMI has employed a Transformation Intern as the custodian of the RMI Transformation survey. The Intern supports members by resolving

queries and giving members the necessary information to support them with the Transformation survey. Employing the incumbent is also a way of supporting the drive for growth in youth employment.

Transformation Incentive – Special Project

The RMI Board approved the allocation of funds from RMI reserves towards the Transformation Incentive project. A credit on the 2023/2024 subscription fee to a maximum value of **R1 500** per business is offered for the successful completion of the Transformation survey online and meeting the agreed-to and specified project criteria.

This will also aid in the establishment of a Transformation database that will serve as a departure point for engagement with government regarding future transformation imperatives.

RMI Women Driving Change – Special Project

As part of the Transformation Plan, the RMI has committed to hosting events which focus on relevant societal issues pertaining to women, the first of which was presented in 2021.

These events aim to educate all genders about equality and the contribution women can make towards a better society and economy.

During the year, the RMI's second event for women under the banner of **RMI Women Driving Change**, was held in September 2022.

The event, presented as a hybrid, had '**Enough strength for the journey**' as its theme. There were **62** attendees in person and **105** online on the day, with **788** views at year-end.

In March 2023 the RMI celebrated International Women's Day under the Theme '**Embracing Equity**'. This was done by creating a mailer with photos of women serving in RMI structures as well as RMI staff, with short messages to inspire and celebrate women in the industry.

Employment Equity Sector Targets

Following a submission to the **Department of Employment and Labour (DoEL)** in July 2022, the DoEL published the New EE Amendment Bill on 12 April 2023, and subsequently published the EE Regulations containing the EE Sectoral Targets on 12 May 2023. This was open for comments for 30 days.

The RMI engaged with **Business Unity South Africa (BUSA)** leadership to ensure that the RMI's comments aligned with BUSA's submission. Similarly, the RMI engaged with the **naamsa | The Automotive Business Council** to ascertain their position on the EE Amendment Bill. Both BUSA and naamsa | The Automotive Business Council have shared their submissions with the RMI and all parties are aligned.

The RMI's submission of comments was drafted with the guidance of a legal representative and was submitted to the DoEL in June 2023.

Conclusion

Holistic commitment is required to achieve Transformation in our industry and in South Africa. To obtain this, we need *'all hands on deck'* from all industry role players to participate and contribute.

The initiatives we engage in are enablers and drivers to get to a transformed industry. Our initiatives play a critical advocacy role by aiding members to overcome economic and societal issues, while equipping them with the knowledge and skills that will ultimately help to accelerate Transformation.

Training

Skills development continues to be a fundamental aspect of RMI's strategic goals, with the Training department actively contributing to several **Organisational priorities**. In the 2022-2023 period, training and skill development underwent various changes, prompting diverse reactions from employer members. *The first section addresses concerns, while the second section highlights areas of confidence.*

Department Home Affairs (DHA) - Immigration Act (13/2002): Critical Skills List

The DHA Critical Skills list differs from merSETA Priority Skills, which highlight skills essential for sectors. DHA Critical Skills are those in short supply locally or facing immediate high demand, allowing employers to hire foreigners. The DHA list emphasises higher **National Qualifications Framework (NQF)** levels, including managerial, professional, and engineering roles. Artisanal skills, at NQF level 4, are not on this list. Among the questions raised by members, one of the most significant was, *"Does the absence of a trade like motor mechanic on the DHA Critical Skills list imply a sufficient local artisan pool, eliminating the need for training?"* The response is, *"No, as indicated by merSETA's Priority Skills lists for 2022/23 and 2023/24, South Africa still has a high demand for motor mechanics, diesel mechanics, and auto-electricians."*

Furthermore, employers asked *'Will merSETA finance training for motor-related trades on its Priority Skills lists but not on the DHA Critical Skills list?'* The answer is *"Yes, merSETA will support such training."*

Shift towards occupational qualifications and the replacement of legacy qualifications

Transitioning from legacy and historical qualifications (CBMT, learnership, and time-based trades), the Occupational Qualification takes effect from 1 July 2023.

What comes next?

Considering the progress made during the past year, RMI members should take specific actions. This includes contacting their current training centres or providers to verify their accreditation status for the newly-introduced occupational qualifications. The **Quality Council for Trades and Occupations (QCTO)** offers a website link that allows users to access a search feature within their database of training centres and skills development providers. You can find it at <https://www.qcto.org.za/databases-of-sdps.html>.

From 1 July 2023 to 30 June 2024, it is recommended to utilise the transitional period for enrolling learners, including apprentices, for CBMT, time-based, and learnership qualifications. This window should be leveraged to facilitate training completion (which typically takes 3 to 4 years, depending on the trade) and to ensure that apprentices are well-prepared for their trade tests. The **Department of Higher Education and Training (DHET)** website offers a link that enables users to access a search function within their database of trade test centres. You can access it at: <https://nadsc.dhet.gov.za/site/Trade%20Test%20Centres.aspx>.

In the last year, the RMI has expressed the discontent of its employer members with the merSETA and the QCTO regarding the transition to occupational qualifications and the phasing out of legacy qualifications. Concerns have been raised, including that only three trades – *specifically motor and diesel mechanic and fitter and turner within the motor industry sector* – underwent a piloting process. For other trades, no national occupational curriculum content document was developed. Additionally, the implementation details of the occupational qualifications, such as the division of responsibilities between training providers (for knowledge and practical components) and employers (for the workplace component), were communicated on a limited scale. The preparedness of training providers to deliver new occupational qualifications has unsettled employers.

merSETA's introduction of more rigorous prerequisites for evaluating discretionary grants

In the past year, merSETA mandated valid B-BBEE certificates or affidavits for grant eligibility, aligning with B-BBEE Commission requirements for state entities. SETAs like merSETA must comply with B-BBEE Act section 13G for skills development reporting. However, this new requirement, introduced in early 2023, presents additional challenges for employers training learners and apprentices.

Over and above, employers are challenged with a malfunctioning merSETA NSDMS, learner administration burdens, SDF role management costs, and poorly timed NATED program discontinuation coinciding with a shift to occupational qualifications, affecting merSETA-registered employers.

The decline in the number of qualified artisans and registered apprentices

From Motor Industry Bargaining Council (MIBCO) statistics, it is clear that the overall decline between 2019 and 2023 in the number of qualified artisans and registered apprentices will pose challenges for RMI employers.

Expanding capacity

Guided by the RMI CEO's leadership and with the participation of the RMI National Training Committee, Boitumelo Mphanya was appointed as the RMI Training Manager.

Motor Industry Bargaining Council (MIBCO) *Registered Qualified Artisans*

	2019	2023
Automotive Body Repairer	1 543	1 405
Automotive Electrician	497	492
Automotive Engine Fitter	61	52
Automotive Machinists	453	388
Automotive Trimmers	11	11
Diesel Mechanics	1 342	1 364
Injection Pump Mechanics	136	131
Motor Mechanics	6 232	5 704
Spray painters	1 009	932
Tractor and Agricultural Machinery Mechanics	60	59
Vehicle Body Builders	108	104
Motorcycle and Scooter Mechanics	87	64
Toolmakers	206	206

Motor Industry Bargaining Council (MIBCO) *Registered Apprentices*

	2019	2023
Automotive Body Repairer	406	270
Automotive Electrician	169	152
Automotive Engine Fitter	17	9
Automotive Machinists	181	153
Automotive Trimmers	1	0
Diesel Mechanics	558	539
Injection Pump Mechanics	40	25
Motor Mechanics	2 771	2 362
Spray painters	274	200
Tractor and Agricultural Machinery Mechanics	27	22
Vehicle Body Builders	136	49
Motorcycle and Scooter Mechanics	31	11
Toolmakers	93	97

Position Paper: Addressing Industry Concerns

A position paper on Training was formulated and ratified by the RMI Board as a living document. The National Director Training and the RMI President collaborated, incorporating inputs from the Organisation's National Training Committee, as well as insights from various literature sources and relevant statistics. The RMI Board is confident that the work completed and the succinctly compiled report effectively articulate the industry's concerns in this document.

National qualification for electromobility

The RMI Training department, with full support of the Organisation's leadership, proposed and submitted a project to GIZ South Africa for developing and registering, on the National Qualifications Framework, a qualification in South Africa for electromobility (including full electric and hybrid electric vehicles). GIZ began the project assessment process, aligning with local commitments in South Africa.

In closing, establishing the **Motor Industry Professional Body (MIPB)** faced severe challenges. The RMI's high expectations did not align with the providers' actual performance in supporting advocacy, marketing, and the registration process. This misalignment disrupted the projected accomplishments for MIPB's establishment during this year. The RMI staff actively involved in this project over the past year exhibited resilience and will continue to do so in the pursuit of establishing this body.



The Training department would like to acknowledge the remarkable achievements of **Jakkie Olivier**, as he prepares for a well-deserved retirement.

His leadership expertly guided the Organisation and emphasised the RMI's crucial role in training and skills development for employer members. Thanks to **Jakkie Olivier**, this organisation now has a rich history of propelling forward skills development. We wish him all the best in his new life chapter.

RMI Brand & Communication PR

The RMI continued utilising the services of **Cathy Findley PR** as its PR agency of choice.

For the past financial year they have been assisting in promoting the RMI profile and, more importantly, to educate consumers of the benefits of utilising the services of an RMI accredited business.

The *Automobil* magazine, RMI website, newflash emails, weekly web letters and social media posts are the primary vehicles of communication between the RMI and its members, providing them with quality content.

Automobil

The RMI continued utilising the services of **Wilken Communication Management** as its publisher of choice. The publisher enabled the *Automobil* magazine to inform its readers with business-related content that speaks directly to automotive business owners, management and employees in South Africa.

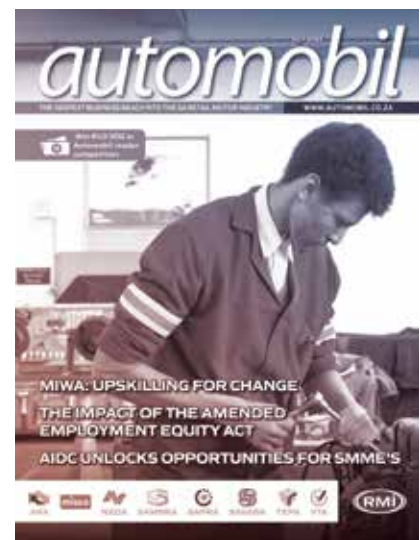
Automobil magazine has always been the official monthly means of communication between the RMI and its members. It has always been a trusted source of information to keep members apprised of events and important news in the sector.



Automobil strives to inform its readers with business-related content that speaks directly to automotive business owners, management and employees in South Africa. The magazine is designed to ease the burden of doing business in South Africa by providing useful information, tips and advice on a wide variety of topics. Certainly, *Automobil* has been part of our RMI legacy and is the one thing that our valued members have always loved and looked forward to.

The RMI's interactive digital *Automobil* magazine moved from a printed magazine to a **fully digital magazine** in October 2020 when the first digital issue was released. For advertisers this new format means **increased value** as content in the title can be enhanced with audio, video, image galleries and links to their website or lead forms ensuring that advertisers get increased value from their space in the magazine.

Distribution to all members is guaranteed and not limited by a print run.



Pictured above: Examples of some of the *Automobil* Publications. **Free to Members of the RMI.**

R114,503,440

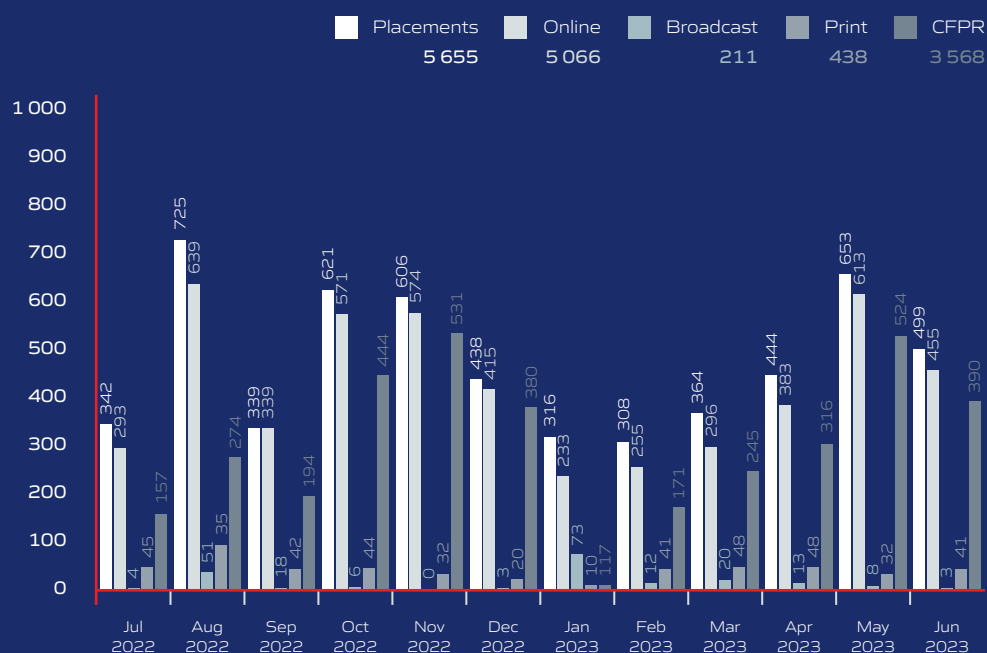
PR Value

Jul '22 - Jun '23

R1,057,129,508

Reach

Jul '22 - Jun '23



PR Snapshots

(for the period under review)



27

Press releases drafted

Associations that featured in RMI press releases during the period included: RMI, TEPA, NADA, SAMBRA, MIWA, SAPRA, ARA, VTA and SAVABA

5 655

RMI & Associational placements



print

438



broadcast

211



online

5 066

3 586

Direct result of CFPR generated content

63%

Total placements average

1 179m

Potential viewership

3x

Advert Value Equivalent



114m +

Earned media placements
(PR Value)

RMI Website

The RMI website is getting excellent traffic, with the most popular pages being 'Find an accredited member' and 'Join RMI' pages. The weekly web letters also bring a lot of visitors to the site.

Kindly note that website statistics only cover the period September 2022 to June 2023, due to a change in service provider and a migration to a new web stats manager to improve future statistics.

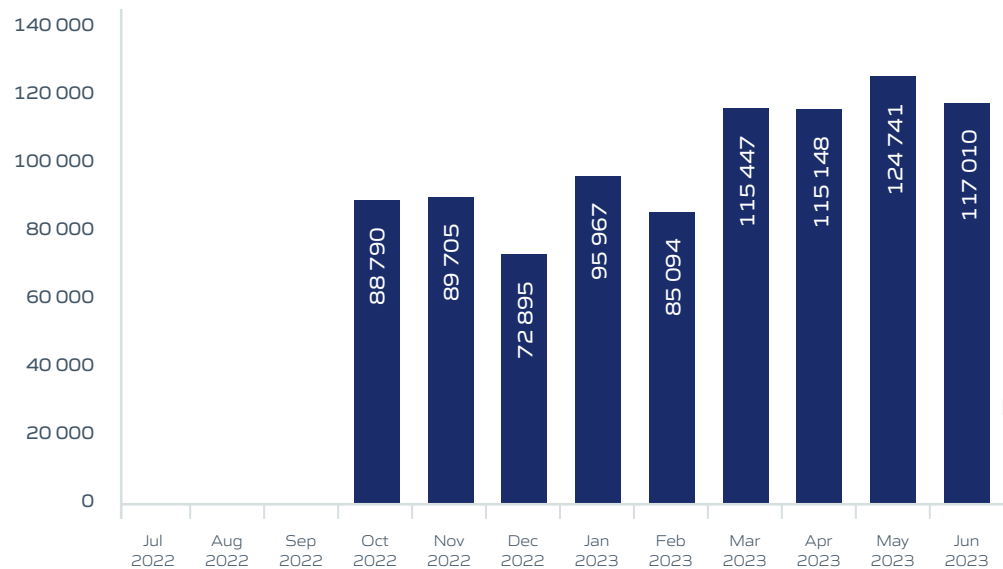


Website visits

1,299,007

All time visits

Jul '22 - Jun '23





The introduction of offering accredited members free IR support has been excellently received in all our Regions.

Regional Highlights

Western Cape Region

The past year was an emotional rollercoaster for the RMI Western Cape office. Just as the COVID restrictions were starting to ease and more face-to-face interactions were happening, we were well on track with our strategic objective of retention through service delivery. However, we were dealt a nasty blow with the passing of **Randall Langenhoven**, *RMI WC Regional Manager and SAMBRA Representative* on 22 March 2023. This was an unexpected and sudden loss to the Region. Randall's unwavering commitment and dedication to the Region and its members is sorely missed. Not even a month later, **Deon Rademeyer**, the *Western Cape Consumer Affairs Specialist* passed away on 20 April 2023.

Despite these challenges, the RMI WC managed to grow its membership from **1 508 to 1 513** for the year under review. This shows the faith and the trust the members in the Western Cape have in the RMI. May we continue to serve our members even better in the year to come.

Enrico Phillips took over as *Regional Manager of the Western Cape*, while the process to find a suitable candidate to fill the *Consumer Affairs Specialist* position was still underway at year-end. **Jamie-Lee Van Der Ventel** joined the RMI Western Cape team on the 1st of April 2023 as the new *Receptionist*.

Industrial Relations (IR)

January 2023 saw the introduction of a pilot project to offer accredited members who had to defend claims from employees and trade unions at the DRC, CCMA and the Labour Court free assistance from their Regional IR Specialist, with the exception of travel expenses.

This benefit has been well received by members who have been caught up in such litigation. While the hourly IR Specialist fee was previously charged at a nominal rate of **R 350** per hour, it does offer our members peace of mind that they need not worry about expenses racking up.

The IR Specialists continue to offer advice and assistance to individual members regarding their specific labour concerns, as well as conveying more general labour-related information via regular nationwide podcasts and seminars.

During the year the *IR Specialists* **Johanita Olivier** and **Brent Barichiev** conducted **5** IR seminars. They dealt with **306** hearings and drafted **26** jurisdictional issues. They provided **38** consultations, appeared at **26** Arbitrations (CCMA & DRC) and **28** conciliation/arbitration (CCMA & DRC) meetings. They travelled **8 225** kilometres in the course of duty.

'Free services' offered for the half-year (January – June 2023)

Total Hours Billed: 189
Rand value: R 31 150
Total Hours Free
Services: 349
Rand value: R 122 150

Brent was appointed to the newly-created post of *IR Co-ordinator* in January 2023, which entails the administration and regulation of the routine activities of the **7** IR Specialists of the RMI.

The team also presented Dismissals for Operational Reasons and Incapacity and Main Agreement Seminars.

Consumer Affairs

The late **Deon Rademeyer** served the office of the RMI Consumer Affairs with distinction. For the year under review, until his passing, Deon dealt with **520** member complaints and **6** non-member complaints. Of these cases, **109** resulted in formal complaints. Deon also continued to build on relationships with various stakeholders including **MIOSA**, **The National Consumer Commission (NCC)** and the **Office of the Consumer Protector (OCP)**.

Meetings

For the year under review the Western Cape office attended various meetings, including **2** Regional Executive Committee meetings. One AGM was held. We attended **10** MIBCO Regional Council meetings, **2** merSETA Regional meetings and **1** merSETA AGM. The regional office played an integral part in the Formula E event that was held in Cape Town and actively engaged with various stakeholders. We participated in various events hosted by the Cape Chamber of Commerce, where we are actively looking at strategic opportunities to assist members.

Eastern Cape Region

During the financial year under review our numbers were up slightly from 861 in the previous year to 864. There were no changes to the RMI Eastern Cape team during year under review.

The Eastern Cape Region would like to thank all the RMI members, Committee Members, RMI Eastern Cape Staff and RMI National Staff for all their contributions during the reported financial year. We value your input, contributions, dedication and hard work. Your positive and winning attitude inspires us, our members, and our Industry.

During the year under review the Eastern Cape Region presented 2 member meetings (face-to-face), a very successful RMI Roadshow in East London and the Motor Mech Show also in East London. The Motor Mech Show started in the Eastern Cape and will be branching out to other venues and areas in the future.

The show was well supported by MIWA, ARA, NADA, SAMBRA, SAPRA and TEPA members.

The Eastern Cape Region also had the closing ceremony for the HWK Project and the lecturers thoroughly enjoyed the Network and Training Session in September 2022.

Industrial Relations (IR)

IR Specialist Ross Simon covered over 9 769 km in the course of his duties with 207 billable hours.

He conducted 64 hearings either at members' premises or virtually and attended to 38 hearings at RMI offices. Of these, 103 hearings dealt with misconduct, 3 on incapacity and 3 on operational requirements. Ross appeared at 9 dispute arbitration meetings and 6 conciliation/arbitration meetings. He conducted 4 IR seminars and drafted 10 jurisdictional issues.

Consumer Affairs

During the year, the RMI Eastern Cape received 104 consumer complaints. Most of these involved telephonic assistance, and in most cases, the member and the complainant reached an agreement with the intervention of the RMI.

There were 62 cases against our members, 38 against non-members and no recorded member-to-member complaints.

Events

Women's Month

MIWA Ladies Workshop Evening with 22 attendees in August 2022.

Roadshows

The RMA Roadshow was held on 3 March 2023 in Gqeberha, with 67 attendees.

The RMI presented a roadshow in East London at Port Rex Technical High School on 15 June 2023, with 72 attendees.

Career Open Day

Career Open Day on 11 May 2023 at Otto du Plessis High School, with 92 attendees.

Motor Mech Show (Youth Day 2022)

The East London Motor Mech Show was held on 16 June 2023 at Port Rex Technical High

School in East London. MIWA, TEPA, ARA and NADA members attended the Show.

Training

All regional staff members completed the online OHS training with CSRS during the financial year and all regional staff received First Aid Training from CSRS during April 2023.

Meetings

The regional staff attended 9 MIBCO online meetings during the period under review. The RMI Executive held two online meetings during the year as well as a virtual AGM.

The TEPA, MIWA, NADA, SAVABA and SAPRA General Meetings all were all held virtually, while the ARA General Meeting was held in Gqeberha.

In November 2022, the RMI members meetings took place in Gqeberha and East London, with respectively 42 and 33 attendees.

The MIWA EC Exco meeting took place virtually in July 2022.

SAMBRA held 5 meetings during the year under review, of which 1 was virtual and 2 in Gqeberha and 2 in George.

Monthly Staff meetings took place from July 2022 to June 2023.

Weekly HWK meetings were held virtually, while a Lecturer Network and Training Evening was held at the RMI EC Office as well as an Industry Open Day comprising a factory tour, workshop visit and supplier training. A HWK Closing Ceremony was also held in person.

Central Region

The year in review has been extremely challenging within the retail motor industry space with increased stages of loadshedding, rate increases and fuel price increases. The retail motor industry has, however, shown resilience during this period.

Industrial Relations (IR)

During the year under review, the demand for IR Services increased in the Central Region. *IR Specialist* **Aphelele Tapile** left the RMI on 30 September 2022, while **Itumeleng Mathibe** joined the IR team in December 2022. However in the new financial year, interviews will be conducted to employ an additional *IR Specialist* for the central region (to be placed after 30 September 2022). While **Itumeleng** and **Jeffrey Molefe** rendered professional Industrial Relations services to our valued members.

During the year, they attended to **146** disciplinary hearings, conducted either virtually or at members' premises, **134** misconduct hearings, **16** hearings dealing with incapacity and **1** hearing regarding operational requirements and drafted **30** jurisdictional issues. Our team travelled **9 807** km in the course of duty and attended to **42** free consultations at the RMI offices and presented **4** seminars on Dismissals for Operational Reasons and Incapacity, The Main Agreement and an online seminar on conducting disciplinary hearings.

Consumer Affairs

The RMI Central Region continued to provide an essential and effective platform where disputes between consumers and dealers in the motor industry are resolved.

Consumer Affairs Specialists **Natasha Sewsunker** and **Tumisho Lekoloane** dealt with **3 631** complaints during the year. Of the number of complaints received, **1 274** involved RMI members and **551** were related to non-members. Additionally, they attended to **7** member-to-member disputes, **9** Small Claims Court/Civil Court matters, assisted members with **9** matters filed with the Motor Industry Ombudsman, rendered **2 025** free advisory consultations, and facilitated **772** mediation / conciliation sessions (formal complaints).

There was a marked increase in matters brought to the Consumer Affairs department over this period compared to the 2021/2022 year.

Regional Meetings

During the period under review the Central Regional Executive Committee held **4** online meetings. The team held **15** MIBCO Regional Board meetings.

Annual General Meeting

The RMI Annual General meeting was held via Teams in October 2022 and **120** Members and staff attended the meeting.

KwaZulu-Natal Region

The year in review was marked by increased loadshedding, interest rate hikes, record-breaking fuel increases, and a flailing economy. But amid these challenges, our members prevailed and kept their businesses afloat under difficult trading conditions.

To support our members, the RMI continued to assist in a multitude of ways to help alleviate some of the mounting burdens they had to deal with and as tangible proof that belonging is better business.

The Region increased its numbers from 1 444 to 1 460 in the year under review. In terms of the Regional Exco, **Preggie Moodley** of Govender's Garage retired from his business in December 2022 and resigned from the Exco. We thank him for his service over the years and wish him all the best in his retirement.

During the year, there were some staff movements in the Region.

- **Bhavna Harripursat** joined the RMI on 1 August 2022 as the Region's *Consumer Affairs Specialist*.
- **Kevin Abrahams** joined the RMI on 1 September 2022 as the *SAMBRA Associational Representative for KwaZulu-Natal*.
- **Prinola Govender** resigned from the RMI on 28 February 2023.
- **Morné de Jager** joined the RMI on 1 June 2023 as the *MIWA Associational Representative for KwaZulu-Natal*.

Industrial Relations (IR)

During the year, *Regional IR Specialist Janina Kalidass* dealt with **93** hearings (either virtually or at members' premises), of which **84** were on misconduct, **9** were incapacity hearings and **2** dealt with operational requirements. She appeared at **6** Arbitrations and **13** conciliation/arbitration meetings. She drafted **4** jurisdictional issues, conducted **18** free consultations, **13** billable consultations, and conducted **3** IR seminars.

With the implementation of the RMI Special Project to give accredited members free DRC, CCMA and labour appearances since January 2023, Janina provided **36** non-billable hours of service in this regard.

Consumer Affairs

RMI KZN recorded **261** Consumer Complaints during the year in review. Of these, **186** were cases against members, **58** involved non-members and **12** cases were member-to-member complaints. Our team attended to **2** legal matters, **22** mediations and **3** MIO actions against members.

Meetings

The Region held **2** Regional Executive Committee meetings and attended **13** KwaZulu-Natal Regional and National MIBCO meetings, which were attended by the elected Regional and National RMI representatives virtually.

The RMI KZN Annual General Meeting was held via Teams in November 2022 with **41** Members and staff attending the meeting.

There were **9** KwaZulu-Natal Regional Associational Annual General Meetings.

The Natal Towing Association held **2** meetings during the year, the VTA **1** and MIWA held **2** Regional Exco meetings, **2** MIWA Member meetings, interviews for MIWA KZN's Associational Representatives as well as meetings with NedFleet and a GUD Factory visit.

SAMBRA held a Regional Exco meeting, a KZN Roadshow and interviews for the KZN Associational representative, while TEPA held **1** meeting.

9 Regional staff meetings were held. **4** Staff OHS meetings were held, including basic first aid training, while **6** CSR Health and Safety training sessions for members were presented.

Other meetings held during the year included obtaining legal opinion from Barnard Inc., the RMI President's Committee meeting, **2** member wage mandating meetings, the RMA Roadshow and Best Drive and KwaZulu-Natal's Regional meeting.

Free State and Northern Cape Region

Over the year under review the Region has shown resilience as membership continues to grow. This achievement, despite difficult economic conditions with loadshedding putting ever more pressure onto every business across the Region, is tangible proof of how adaptable we are – and that we can prosper under any circumstance.

I would like to thank each member for their contribution to the Organisation - not only financially, but also by partaking in all activities and giving industry-specific guidance and ways to resolve certain issues within the Region.

The Regional Committee has shown great interest and has been extremely active with debating critical issues affecting the Region and industry as a whole. The Regional Committee has met virtually on numerous occasions to strategise and formulate action plans to address the issues our members face and to work towards the betterment of the industry.

We would like to thank each Committee member for their time and dedication towards the Region and for sharing their knowledge with one another.

Industrial Relations (IR)

Regional IR Specialist Marie Ellis dealt with **89** disciplinary enquiries. She appeared at

48 dispute/arbitration and conciliation/arbitration meetings, conducted 3 IR seminars, offered 31 consultations, drafted 3 jurisdictional issues and travelled 3 713 kilometres in the course of duty.

Consumer Complaints

The region is fortunate to be assisted by consumer specialist Natasha Sewsunker, who dealt with 65 consumer complaints during year. Of these, 34 were formal complaints and were all successfully resolved.

Meetings and Retention

The Region held Regional Executive Committee Meetings during the period under review along with the AGM held in October 2022.

Other meetings include the Free State Regional catch-up session, MIWA general meeting FS/NC, RMI REC meeting, SAMBRA FS/NC General meeting, SAVABA FS/NC general meeting, Stakeholder engagement with Free State Department of Small Business Development, Tourism and Environmental Affairs (DESTEA), SAPRA FS/NC general meeting, MIWA Nuts and Bolts meeting, and RMI REC meeting

7 MIBCO Regional council meetings were held during the year.



Conclusion

We encourage our members to continue participating in regional activities and to provide us with their mandate. Our main goal is to further the interests of our members and subsequently rely on them to provide us with input from an industry perspective.

Regulatory Compliance

One of the RMI's main aims is to support our members in such a way that they have the necessary know-how and tools to conduct their business in full compliance with all national and international laws and regulations that pertain to the motor industry, as well as professional standards, accepted business practices, internal standards, and the RMI Code of Conduct.

The RMI's Regulatory Compliance Department therefore assists members in managing the risks associated with regulations and the challenges of meeting the regulatory requirements.

SABS

Over the past year the RMI and the Constituent Associations maintained significant interactions with the SABS by attending several technical committee meetings across various sectors within the SABS. Representation was solid on all technical committees that directly affect the RMI and its Constituent members.

For the period in review, the RMI and its Constituent Associations attended **15** Technical Committee meetings. These included transport refrigeration, vehicle construction, roadworthiness and tyres, among others.

The RMI also attended and represented members at working group meetings for TC 1033 for the revision of the SANS 10047 and SANS 10216 standards at **10** different meetings held during the year.

Our team attended **4** working group meetings for TC 1092 for the revision of the SANS 10370 standards held during the year. The SABS/African Organisation for Standardisation (ARSO) Committee met on a number of occasions to comment on and finalise the ARSO - Mutual Recognition Agreement.

National Regulator for Compulsory Specification (NRCS)

The following NRCS meetings were attended on behalf of our members during the past year:

- NRCS fee and levy consultations in each of the major metro areas.
- Industry engagement and relationship-building meeting between top management of the NRCS and the RMI operational management team.
- Two South African WP 29 Meetings.
- NRCS Industry Stakeholder Consultation meeting regarding the review of standard development.
- NRCS engagement meetings with SAVABA.
- NRCS Industry/Stakeholder consultation meeting - VC 8078.

During the year in review, the RMI and the NRCS also partnered to work on an advocacy project to improve industry cooperation with inspections, projects, levy payments, and other issues. The strategy was to educate the industry on the NRCS's role, its endeavours and, most importantly, the importance of industry compliance.

It was decided that the best way to achieve advocacy would be to educate industry and promote compliance with the NRCS. This has been instituted through quarterly articles in *Automobil* magazine.

Government Departments and International Standards Bodies

A strong relationship with governmental departments continues to be a main priority for the Regulatory Compliance Department. The Department attended and participated in the following meetings and workshops during the year:

- Meeting with eThekweni Municipality's Pollution and Environment Department regarding Trade Effluent Permit Requirements and RMI member compliance in that regard.
- Intelligence Transfer Centre Road Safety's 14th Annual Road Safety Summit.
- Meeting with the Western Cape Government's Compensation Commissioner to improve co-operation with the Fund to better assist our members in the Region in respect of **Compensation for Occupational Injuries and Diseases Act** (COIDA) queries.
- The **International Alliance for Mobility Testing & Standardisation (IAMTS)** webinar on Compliance for Automated Vehicles Over Time.

- Webinars presented by Nedlac and the **National Institute for Occupational Health (NIOH)** as part of the Government's COVID Legacy Education Programme.
- **Gauteng Province Department of Roads and Transport (GPDRT)** meeting with industry to consult regarding their Aga Le Rona Project that will be implemented by the MEC of Gauteng to create approximately **6 000** jobs for the youth.
- Road Safety Workshop to update on latest amendments to the Road Traffic Act and AARTO.

Newsflashes

The following newsflashes were compiled and distributed to members during the year:

- Regulations for the mandatory display and submission of energy performance certificates for buildings - **4 July 2022**.
- Update on the regulations for the mandatory display and submission of energy performance certificates for buildings - **1 December 2022**.
- The National State of Disaster on Electricity Supply Constraints - **3 March 2023**.
- Update on the legislation regarding **Hazardous Biological Agents (HBAs)** - **26 April 2023**.
- Submission of the annual **Promotion of Access to Information Act (PAIA)** reports - **24 June 2023**.

Road Safety Initiatives

Road safety remains one of the highest priorities of the RMI and to this end, the Regulatory Compliance Manager represents the RMI on several platforms and committees that aim to enhance road safety in South Africa. Over the past year, we were involved in the following in this regard:

- A collaborative partnership was entered into with MasterDrive, with regular meetings being held since December 2022.
- **Road Safety Partnership (RSP)** South Africa - the RMI became an official member of this body on 28 April 2023.
- **Business for Road Safety Forum** - The RMI was represented on this Forum in five meetings during the year.

Regulatory Compliance Projects

- **Project Compliance:**
The RMI is developing a dedicated 'whistle-blower' website that will allow members and consumers alike to report non-compliant businesses. Those reports will then be filtered to the relevant government departments or municipalities for action.

At year-end, we were waiting final approval before going live.

- **Regulatory Compliance Manual**
As part of the RMI's strategic objective to educate members on full compliance within their businesses, the Regulatory Compliance Department

developed a comprehensive Regulatory Compliance Manual. This serves as a guide that our members can use to ensure that they are – and remain – compliant in terms of the very basic laws and regulations relating to business within South Africa.

The manual was finalised and distributed to members on 28 October 2022.

In April 2023 a bibliography of industry jargon explaining the various acronyms used in the motor industry was developed and annexed to the Regulatory Compliance Manual.

Training material for the Regulatory Compliance Manual was developed and RMI staff and members will receive training in the new financial year.

- **Alternative Energy Solutions - Advocacy Project**
The RMI is developing an advocacy programme for its members on Alternative Energy Solutions to help them combat the devastating effects of loadshedding on their businesses.

We have a diverse membership, which ranges from SMMEs to corporates, and therefore require a programme to advise members on the different available solutions that would best suit their business.

After much consideration and vetting we have identified a suitable service provider and the project is set to be finalised by the end of November 2023.

RMI

Associational Activity Reports



Automotive Remanufacturers' Association

The period under review was a year of restoration and remodelling – given the trying times of the previous financial year and the uncharted waters that the pandemic posed to Member businesses.

New methods of trade had to be adopted and combined with innovative thinking to minimise lost revenue and jobs and ensure business continuity. ARA maintained focus to evaluate, accredit, retain, and sign new business alongside high activity levels. In an effort to reduce the financial impact of the pandemic on its SMME member businesses,

ARA has continued to play a pivotal role in remodelling the REMAN sub-sector, together with industry stakeholders.

We have achieved acceptable financial results as an Association during the period under review, which can be attributed to some initial and radical cost-cutting, with a slow phasing-in process of face-to-face meetings. The growth in our membership numbers and retention figures have also contributed to our stable finances.

ARA representation on SABS Committees

In addition to serving on various SABS committee meetings, ARA continued to serve as Chair to the SABS/TC 22/SC 01 meetings. This includes TC 22/SC 05 Construction of Motor Vehicles – Automotive Aftermarket Centres, TC 22/SC 09 Construction of Motor Vehicles – Alternative Fuel Vehicles and TC 22/SC 01 Construction of Motor Vehicles – Braking, TC 22/SC 02 Construction of Motor Vehicles – Child Restraints, TC 1035 Vehicle Hoists, Jacks and Stands; and TC 22/SC 03 Construction of Motor Vehicles – Towing Devices committees.

National Exco, Regional Exco and AGMs

Regional Exco, Member Meetings, as well as National Exco and Annual General Meetings were held during the period, with positive progress made.

ARA would like to extend its appreciation to the various National Exco Members, who continue to sacrifice their time and effort to ensure the Association continues

on its path of developing a stable position in industry, sustainable business, and ongoing value to member businesses, during these challenging times.

Global Right to Repair Movement for Vehicles

During the year ARA, in partnership with the **World Engine Remanufacturers' Council** (WERC), joined the Global Right to Repair Movement for Vehicles by signing the new Right to Repair Position Statement.

This move is in line with the mission of WERC to establish a global alliance of independent Engine Rebuilders committed to excellence in their work, improve profitability, and create a greater awareness of the trends that disruptive technology is bringing to the engine rebuilding business.

Our *National Exco Chairperson*, **Frank Mac Nicol**, serves as *WERC's President*, and our *National Director*, **Attie Serfontein**, is *WERC's General Secretary*, ensuring that South Africa is well-represented in this global alliance.

Conclusion

ARA is extremely grateful for the continued support of all member businesses of the Association, the continued efforts of the Committee Members who gave freely of their time and expertise in their respective fields of specialty, together with Associational staff – all of whom worked together to drive the Association's strategic objectives. Last, but not least, a word of appreciation to the greater RMI Membership and the RMI staff who work alongside the Association.

The Association is looking forward in continuing to do all it can to assist its members, and to add value to their businesses to unearth greater opportunities and create positive trade conditions.

We believe that 'belonging' is now even more important to ensure the sustainability of member businesses, and effective service rendering to the motoring public.

As a collective we have done well over this period and continue to build on our successes – to grow even stronger, as a united body.



Motor Industry Workshop Association

Difficult political, social, and economic challenges prevailed during the year and our members had to manage their businesses under extreme trading conditions and circumstances. Again, we saw their resilience and attitude to survive in an effort to remain sustainable against all odds. The MIWA team forged ahead assisting and supporting our members

and it is encouraging to see how they experienced value through our MIWA value proposition and remained loyal members.

Membership

We managed to record a **2.9%** growth to **2 542** members in the past financial year. This was

achieved under very difficult trading conditions and within an economy that is under severe pressure and that has failed to show any significant growth over the past few years.

Brand & Communication PR

Public Relations remains key for building awareness, enhancing our reputation, and building trust and confidence in the MIWA brand, specifically for members, potential members, consumers and trade.

We have maintained our strong focus this past year, through **Cathy Findley PR**, with a defined tactical plan to achieve our stated objectives.

The results have been excellent, and we continue to be regularly represented in print and online media across the country and have achieved more than **R51 million** worth of earned editorial this past year, which is almost 5 times more than achieved in the comparable period last year. We managed to reach over **77 million** potential customers and achieved **883** media placements.

Our regular monthly newsletter, *Spanner in the Works*, is well received, and we have now formed a communication committee which meets monthly to brainstorm ideas and touch on issues which impact our members and our customers.

MIWA Special Project

MIWA launched a Special Project in March 2023 to offer a **50%** subsidy to all members for 2023 HaynesPro software licenses. The savings will continue into 2024 when we offer a **25%** subsidy.

Trade Shows and Roadshows

National roadshows

MIWA, with the support of the RMI, took a stand at the renowned Killarney Motor Show. This offered us an ideal platform for networking and raising awareness amongst the

12 000 visitors to the show. It also provided the perfect opportunity to invite members.

From there we moved to East London, Gqeberha, Gauteng, KwaZulu-Natal and Bloemfontein. All the meetings were equally successful and well attended by members.

Motor Mech

Motor Mech is always one of the most exciting highlights on MIWA's calendar, and this year's event held on 16 June in East London, certainly lived up to expectations. Over the years Motor Mech has grown in popularity in the Eastern Cape serving to highlight the industry's potential to future young employees.

A very big thank you to **Port Rex Technical High School**, whose dedication, partnership and hard work made the day possible. They were also the beneficiaries of all the proceeds from the event.

Grading

The period under review marks the third year with **WIPCOP** as our preferred supplier responsible for our MIWA grading project. MIWA has been working hard to ensure all its members are professionally graded and accredited. A constant improvement on compliance criteria was noticeable and it is encouraging to see the extra effort by members to achieve the ultimate rating of a 5 star.

Stakeholder Engagement

We had productive meetings with the **Department of Forestry, Fisheries and the Environment** (DFFE) and agreed that the Department will be invited to participate in our support programmes (such as forum meetings and awareness to the

motor industry workshops and other related programmes) and that MIWA can share the details of workshops suspected of not handling their operations in an environmentally sound manner, so that the Department may take necessary and reasonable actions.

Initiative of Sustainable Economy of South Africa (ISESA)

During the year, in cooperation with **5** South African Industry Associations from different trade sectors, a new umbrella network association, called ISESA was founded.

MIWA, together with other Associations of the RMI, are represented at these sessions. Collaboration among the South African partners and **Kreishandwerkerschaft Steinfurt Warendorf** (KH), a German-based association that took initiative and led discussions, has greatly improved under the banner of ISESA.

MIWA Staff Appointments

Prinola Govender, who was responsible for the KwaZulu-Natal Region, left the association after **5** years of dedicated service to members. **Morné de Jager** was appointed from 1 June 2023. Morné comes with a wealth of experience in the industry. His technical ability as a qualified diesel mechanic will be a great attribute to MIWA and its members.

Marcia Modiba has been promoted to *Association Operations Coordinator* and will be responsible for coordinating the activities of the Associational Representatives nationally and will, furthermore, assist in the operational achievement of strategic goals and strategies.

Training

According to MIBCO statistics, there has been an overall decline in registered apprentice figures, which underscores the importance for MIWA employers persisting in training apprentices and for newly registered MIWA employers to seek workplace approval for such training.

There is a planned shift towards Occupational Qualifications, which are set to replace all legacy qualifications (CBMT and time-based) from 1 July 2024. The deadline for registering apprentices under the old qualifications is 30 June 2024. To adapt to these changes, MIWA employers are strongly advised to adopt CBMT, learnership, and time-based delivery methods for training apprentices.

To facilitate a larger pool of qualified artisans and address the skills shortage in the automotive aftermarket repair and maintenance sector, MIWA employers are encouraged to take advantage of the transitional period leading up to 30 June 2024. During this time, they can enrol learners (including apprentices) for CBMT, time-based, and learnership qualifications. Learners enrolled before this deadline will be allowed to complete their learning programmes during the 'teach-out period', which means apprentices can complete their trade training, which typically takes between 3 to 4 years, depending on the trade.

MIWA Training Committee

The MIWA Training Committee had 4 meetings during the period under review. This committee plays a pivotal role in addressing the skills shortage and assisting with the qualification of apprentices in support of the above scenario.

In the automotive aftermarket repair and maintenance sector, where accredited MIWA members operate, numbers reflected as:

Auto electrician apprentices	Motor mechanic apprentices	Diesel mechanic apprentices
169 (2019)	2 771 (2019)	558 (2019)
175 (2023)	2 362 (2023)	539 (2023)

*These numbers include apprentices registered with new vehicle dealerships.

Sol-Tech

Our goal of developing the next generation of highly skilled mechanics sees us joining hands with several institutions. To this end, during the year we formed a collaboration between HaynesPro, Sol-Tech and ourselves.

TotalEnergies

MIWA, in collaboration with TotalEnergies' LubInstitute, has launched a 10-module programme covering basic product knowledge, or a more advanced programme of 21 modules. There is no charge for this training, which may be completed online at the member's own time and pace.

Empowering women motorists

During Women's Month MIWA invited female motorists to an evening session with MIWA workshops on basic maintenance tips for cars as well as information about how to handle an accident, change a tyre, how to check oil and water, which smells in the car spell danger, what different warning lights mean, how services differ, and why it's important to use the correct oil.

MIWA Master Technician Training Programme

The first two modules have been developed and are currently in beta phase. Once completed we will make content available to all MIWA members.

AGMs

Member Annual General Meetings were held for each of the 6 Regions and were all conducted virtually, with excellent member attendance.

Right to Repair (R2R)

MIWA continues to support the R2R campaign as a Tier 1 sponsor and represents MIWA members as a voting member on the R2R Steering committee. We also assist and support member businesses with a Step-by-Step Guide to lodging a complaint with the Competition Commission. Visit the **R2RSA website** on www.right2repair.org.za for more information and informative videos.

As part of Associations in Motion, MIWA has joined other global association leaders to support the Critical Global Right To Repair Movement by signing the new Right To Repair position statement.

MIWA engages in continuous collaboration with OEMs to strengthen and enhance our current relationships and to negotiate specific projects to the benefit of MIWA members. One example is our current engagement with Nissan SA, which will allow MIWA members to purchase Nissan original parts and service kits at a special price.

MIWA Representation at SABS

The RMI and its various Constituent Associations fulfil an important role to serve on SABS Technical committees and sub-committees on behalf of members. Working groups are formed for subject matter experts to review or amend and re-affirm current industry standards.

Technical Committee meetings included SABS TC 1033

Roadworthiness of Motor Vehicles, SABS/TC 0022/SC 08 Lighting and Optics for Traffic and Transport, SABS/TC 0022 Construction of Motor Vehicles, SABS/TC 1035 Vehicle Hoists, Jacks and Stands, SABS/TC 022/SC 03 Towing Devices, and SABS/TC 0022/SC 01 Braking.

Automechanika – Frankfurt

It was an enormous honour, and privilege for MIWA to be represented at **Automechanika Frankfurt** in September 2022. Our attendance at the event proved immensely fruitful. The delegates took part in meaningful engagements with global stakeholders like HaynesPro, CLEPA, Schaeffler, Bosch and Tec Alliance, and met with members of the Global Right2Repair campaign in an extremely constructive gathering that allowed participants of the initiative from

around the world to share their learnings, success, challenges, and experiences. Our team also visited the head office of online training platform provider Electude.

Conclusion

MIWA would like to acknowledge the efforts, participation and support from our Regional Executive Committee Members and our National Executive Committee Members.

Our strength lies in unity, and we thank you for being part of the MIWA family. Together we will overcome the challenges and always uphold our slogan of 'Professionals you can trust' by delivering a trusted, affordable, and professional service to the motoring public of South Africa.



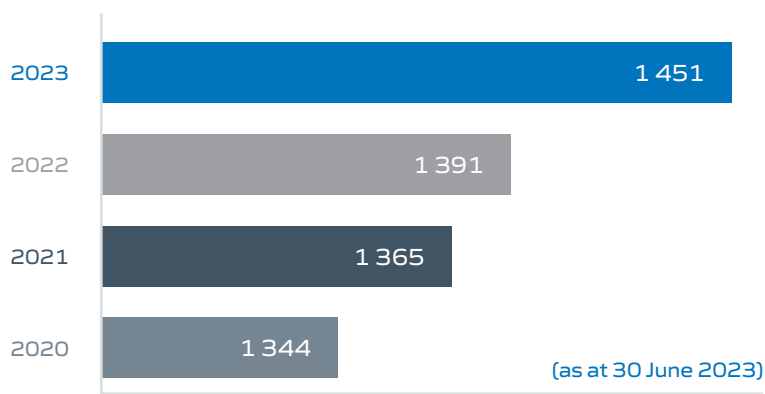
National Automobile Dealers' Association

Despite negative prevailing headwinds during the year under review, motor vehicle dealers have shown their resilience and have performed better than anticipated even in the face of continued loadshedding, interest rate and fuel hikes and the average consumer's shrinking disposable income.

For the balance of 2023, the outlook for the South African domestic automotive retail sector will remain extremely challenging and we are unlikely to see any substantial form of growth.

Membership

NADA has managed to grow its membership over the past 4 years, as members and non-members recognised the excellent work that NADA continues to do for the benefit of its members. The following chart reflects the movement in members for the years ended 30 June 2020 to 30 June 2023.



2022 Wage Negotiations

NADA would like to thank both Lindsay Bouchier and Richard Manthey, who were involved as part of the RMI Negotiation Team, for their dedication in reaching an extremely favourable 3-year settlement with the trade unions.

This provides a degree of peace and stability from a labour perspective in the marketplace,

which is highly desirable given the economic and political challenges business has to contend with at this time.

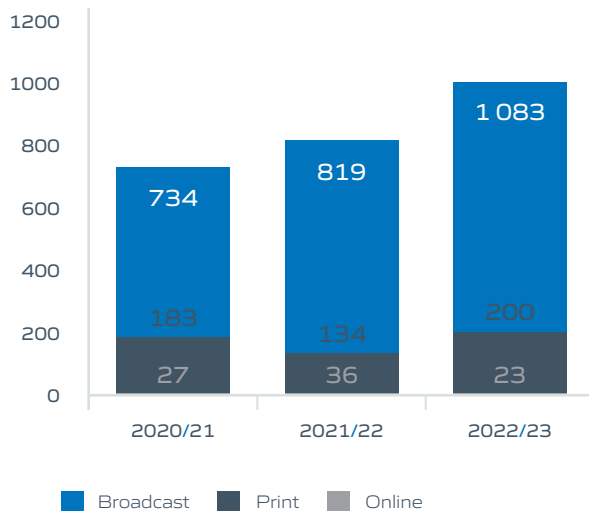
NADA PR Strategy

NADA re-appointed **Meropa Communications** as its PR agency, effective 1 July 2022, to continue promoting the profile of NADA and, more importantly, educating

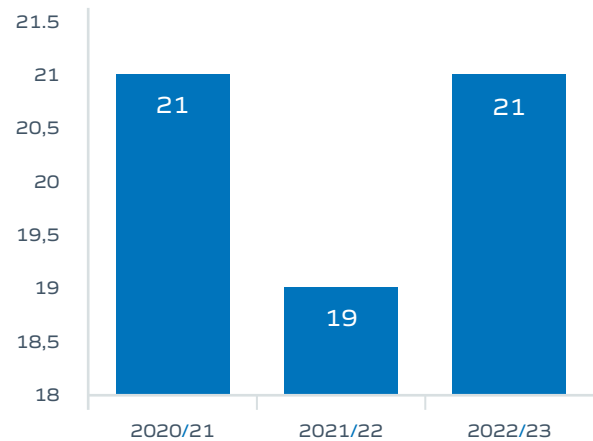
consumers of the benefits of doing business with franchise motor vehicle and motorcycle dealers.

The NADA Newsletter and Newsflashes have been sent to members on a regular basis on matters of importance, while other articles and news items have been published in *Automobil* or broadcast via the weekly RMI Web letter.

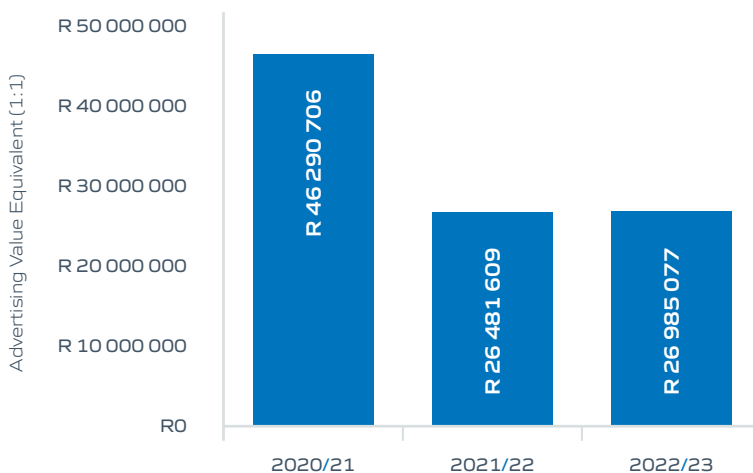
Breakdown of Media Hits



Media Hits p/content issued by Meropa on behalf of NADA



Advertising Value Equivalent



We encourage members to visit the **NADA website** at www.nada.co.za and log on to the **NADA LinkedIn** and **Facebook** profiles.

Finalisation of Master Service Agreements with Financial Institutions

NADA is extremely happy to advise that after lengthy, intense and protracted negotiations, we have reached agreements with ABSA, Standard Bank and WesBank on the content of the various Master Sales and Representation Agreements.

Though we would have preferred a standard Master Sales and Representation Agreement across all the financial institutions, it became evident during our negotiations that it would not be possible. However, each agreement does address NADA key concerns and those raised by its members.

Although NADA has negotiated and agreed to the various documents as generic industry templates, it is the responsibility of each dealer to independently review the document, compare it to their existing signed agreements and understand what is required and what has changed. Should there be particular items or sections that the dealer wishes to negotiate, this must be done directly with the financial institution.

By year-end the MFC/Nedbank Master Sales and Representation Agreement was almost finalised.

NADA would also like to thank the management of the financial institutions for the open and transparent way they approached the negotiations, and we look forward to strengthening the relationship between our respective organisations.

Compliance and Legislative Matters

During the year under review NADA continued to build working

relationships with the **Financial Intelligence Centre (FIC)**, **Financial Sector Conduct Authority (FSCA)**, **South African Revenue Service (SARS)**, **Road Traffic Management Corporation (RMTC)** and other bodies and addressed key issues such as eNatis, VAT section 72 ruling, AARTO, grey imports, POPIA, DIC, money laundering, Second-Hand Goods Act exemptions, to name a few.

Employment Equity Amendment Act - Draft EE Regulations

Comment closed on 12 June 2023 and NADA provided extensive comments to the Draft Regulations which were put consolidated by Bowman's Attorneys and submitted as part of the RMI's submission.

Compensation for Occupational Injuries and Diseases - Draft Rehabilitation, reintegration and Return to Work Regulations

While the deadline for comment was after year-end, NADA provided input to the RMI for comment to the **Department of Employment and Labour (DoEL)** on the unintended and costly requirements of the proposed regulations.

FIC Act, Omnibus Financial Services Act, FIC Directives, Public Compliance Communications and Guidance Notes

NADA engaged with the FIC throughout the draft and publication processes and raised questions over the interpretation, application, unintended

consequences, and enforcement of a range of matters.

The FIC has kept NADA informed of its difficulties in answering the concerns of NADA and we continue to engage with the FIC.

Guidelines on the Exchange of Competitively Sensitive Information under the Competition Act

NADA has always applied the strict guidance received by its external attorneys on the management of all meetings and interactions to avoid any competition matters.

Administrative Adjudication of Road Traffic Offences Act

NADA has had engagements with the RMTC to discuss AARTO as well as the possibility of members being provided with access to the RTMC database and systems on a real-time basis.

2023 NADA DSI Survey

The fieldwork and analysis for the 27th **NADA Dealer Satisfaction Survey (NADA DSI)** was concluded at the beginning of June 2023 by the research company Lightstone. The results were due to be released on 6 July 2023.

The following response and completion rates were achieved:

86.0%

Passenger / Light
Commercial Vehicles

78.0%

Commercial Vehicles

NADA would like to thank all the dealers who participated in the survey and to all those that helped make the 2023 NADA DSI research such a resounding success.

Our congratulations to all the winners on their Awards
– herewith is a summary of the results:

Summary of Passenger / LCV results:	
Award	Manufacturer or Importer
Most Improved	Subaru
Platinum	Hyundai and Toyota
Gold	BMW, Chery, Kia, Lexus, Mini, Mitsubishi, Renault and Volvo
Silver	Ford, Mahindra and Mazda
Bronze	Audi, Isuzu, Subaru, Mercedes-Benz, Honda, Nissan and Volkswagen

Summary of Commercial Vehicle results:	
Award	Manufacturer or Importer
Most Improved	UD Trucks
Platinum	Hino
Gold	MAN and UD Trucks
Silver	Mercedes-Benz Trucks, FUSO, Isuzu Trucks and FAW
Bronze	Mercedes-Benz Bus

NADA Dealer Performance Programme

The NADA Dealer Performance Programme continued to deliver excellent content to the dealer network and the following is a brief overview of the activities:

- **August 2022:** Mbombela Roadshow live and broadcast via YouTube.
- **March 2023:** NADA DPP Conference Live at the Venue, Melrose Arch, and broadcast via YouTube.
- **March 2023:** MSXi/NADA Business Dealer of the Year Awards gala evening and BOTY Awards.
- **June 2023:** Cape Town Roadshow live and broadcast via YouTube.



South African Motor Body Repairers' Association

In the period under review the deteriorating political and economic landscape remained problematic, resulting in a crumbling infrastructure and high levels of unemployment.

All of these factors impact business owners and make it that much more difficult for them to survive. Nevertheless, in spite of the ongoing challenging economic conditions, SAMBRA has continued to manoeuvre and

Conclusion

There is still much work to be done on the transformation front, to which NADA is firmly committed. This commitment extends towards finding practical solutions while also addressing the urgent need to enhance training and skill upliftment within the motor vehicle dealership environment.

NADA would like to take this opportunity to sincerely thank all the members of the NADA Executive Committee under the dynamic leadership of Mark Dommissie and Alex Boavida, and to all the other dedicated motor vehicle dealers and executives who give up their valuable time to serve on the NADA structures your contributions are highly appreciated.

“Leadership is hard to define and good leadership even harder. But if you can get people to follow you to the ends of the earth, you are a great leader.” – Indra Nooyi CEO of PepsiCo.



maintain its position as the leading MBR association in South Africa and has used its roadmap of strategic objectives to deliver the tangibles promised to members a year ago.

SAMBRA has commenced with some exciting projects which will continue into the new financial year, and remains fully committed to making a real and lasting difference in the industry it supports and serves. It also adopted a strong lobbying stance on certain key issues and this will continue in the coming year.

VDQ Governing Board South Africa (VDQGBSA) Project

Over the past couple of years SAMBRA has been canvassing for a formal **Vehicle Damage Quantifier** (VDQ) occupational specific qualification and certification - for motor body repairer estimators and Insurance companies' vehicle assessors - who play such a crucial role in the daily lives of South Africans.

The VDQ is an approved occupational qualification registered on the country's national qualifications framework (NQF level 5). The **Manufacturing, Engineering and Related Services Sector Education and Training Authority** (merSETA) has been integrally involved in curriculum development to ensure the qualification assessment specification requirements of the **Quality Council for Trades and Occupations** (QCTO), the custodian of occupational qualifications in South Africa are met.

The qualification combines a blend of technical and non-tech components.

This is an exciting qualification for current estimators and assessors to acquire as it will

improve professionalism in dealing with the client.

The qualification can be obtained by young entrants or first-time learners into the industry through the conventional method of attending the programme at a VDQ accredited Skills Development Provider (SDP).

The **VDQ Governing Board South Africa** (VDQGBSA) is the professional overseeing body. The professional body offers certification as a registered VDQ for estimators who do not possess the qualification. Experienced assessors are able to apply for membership of the professional body for vehicle damage quantifiers of South Africa. The evaluation process entails assessing a blend of pertinent work experience, specialised knowledge, and additional qualifications acquired to substantiate the application. If an application is successful the assessor will be awarded the designation of Professional Member.

SAMBRA Special project

SAMBRA has agreed to sponsor, through a special project on a once-off basis, the membership application fee to the professional body for 200 SAMBRA members' estimators. The payment of the benefit is restricted to one estimator per SAMBRA member and on condition that the nominated estimator successfully completes and obtains the professional body designation.

SAMBRA App, a MBR in your pocket

The SAMBRA App is currently undergoing extensive remodelling with a new service provider who meets our stringent governance and compliance requirements. We are confident that we will be in a position to launch our App before the end of the 2023 calendar year. The app will enable consumers to quickly and easily locate a good partner for their vehicle's repairs after an accident.

A toolbox for better business

Access to new trends and information in our dynamically changing sector is key to the future sustainability and success of our member businesses. SAMBRA's business management project, which was launched during the previous period, remains an ongoing focus.

In the first quarter of this year SAMBRA launched a free **SAMBRA SOP Toolbox** for members, which is available on the website. The toolbox, which is specifically designed for accredited members, has three pillars for customer-facing, workshop and administration operations and is intended to support members with an array of useful and critical information and insights which they can implement in their workspace. It is designed to assist members in running their businesses more effectively.

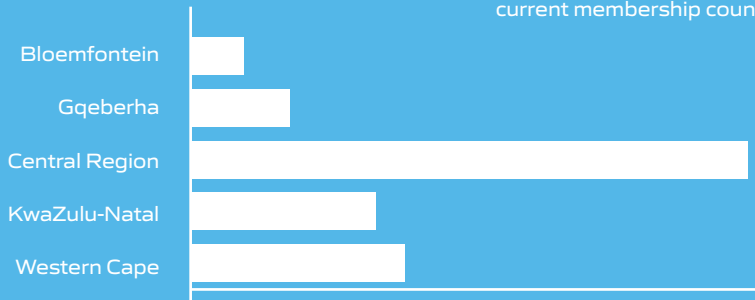
Meetings and roadshows

Engaging and interfacing directly with members remains critically important so that everyone shares and buys into the same vision for the upcoming year. During the year,

Membership

680

current membership count



SAMBRA's ongoing interaction with insurers has shown that there is tremendous value in being a SAMBRA member.

a series of roadshows were held around the country for members, both in person and virtually, depending on accessibility.

Vehicle Salvage Database

Over the past 4 years SAMBRA has been actively lobbying the **South African Insurance Association (SAIA)** for the public release of a **Vehicle Salvage Database (VSD)** that will inform all prospective buyers of used motor vehicles (private individuals, dealers, banks and others involved in the purchase and sale of used vehicles) of the status of the vehicle. This will ensure that buyers of used vehicles have access to, and will be fully aware of, the condition and status of the vehicle.

As a result of the sustained pressure, a major milestone was reached when the **South African Insurance Association (SAIA)** and the **Insurance Crime Bureau (ICB)** eventually agreed to take steps to open its salvage database to the public. SAIA presented its business case to the SAIA Board on 1 December 2022 and agreed to give feedback to SAMBRA and the industry by 31 March 2023.

SAIA was set to release the first phase of the database in August 2023, although this will not include the used records (code 2). This will probably only be added at the end of 2023. This information is crucial, as these are vehicles that have been in accidents and declared uneconomical to repair by insurers, which will inform any prospective buyers that the damaged or salvaged vehicle will require extensive repairs to restore.

Until this information is readily available, SAMBRA will continue to sustain a strong media presence and, to assist consumers, will retain a section on the SAMBRA website at <https://sambra.biz/vehicle-salvage-database-help/> for any consumers who have experienced a problem with a vehicle that they suspect was previously written off by an insurer. SAMBRA will assist by appointing a qualified independent assessor to investigate the problem.

SAMBRA is also in the process of establishing a Vehicle Salvage Task Team to drive the VSD

agenda and ensure SAIA adhere to their new deadline for Code 2 by December 2023.

Financials

SAMBRA is in a very strong financial position and its accumulated reserves have allowed it to focus on delivering the special projects identified by the NEC.

Digital Content Overview

The successful growth of SAMBRA's social media presence and website during the year are attributed to the impactful PR releases written and published in the mainstream media, the collective power of ideas coming from the SAMBRA head office and Associational Representatives, the PR and web and social teams, as well as the consistent posting of quality and engaging social content.

SAMBRA Website

The past year has been one of growth for the SAMBRA website. Compared with the previous year, it has enjoyed a **35%** increase in users.

Social Media

SAMBRA's social media platforms are growing each month, with more member, industry and consumer activity, engaging with and sharing its content than ever before.

Followers across **LinkedIn**, **Facebook** and **X**, have grown by approximately **174.9%**.

Public Relations

Public Relations remains key as part of the overall communication mix for building awareness, enhancing SAMBRA's reputation, and building trust and confidence in the SAMBRA brand, specifically for members, potential members, consumers, and trade.

SAMBRA has achieved more than **R18 million** worth of earned editorial over the year under review and reached over **36 million** potential customers with **693** media placements.

SAMBRA Survey Feedback

In March SAMBRA, together with Lightstone, once again hosted a very successful awards ceremony in Johannesburg, honouring top vehicle insurers and OEMs, as well as automotive refinishing brands, for excellence in service to SAMBRA members.

A new methodology on which the awards are structured was introduced and the criteria and questions for the 2022 survey were revamped, encouraging a much broader response from the motor body repair sector. The primary objective of this important annual initiative is to measure and track the overall satisfaction levels of the SAMBRA membership with insurers, OEMs and automotive refinishing brands.

SAMBRA's focus has been, and remains, on fostering greater levels of cooperation and coordination between all players in the motor body repair industry to increase collaboration between stakeholders and prepare the industry for new technologies.



SAPRA

South African Petroleum Retailers' Association

SAPRA is dedicated to fostering sustainable growth and profitability for petroleum retailers within a challenging trading environment. Its inclusive approach ensures that the benefits and results of its initiatives are shared among all retailers across the country.

As a support system, SAPRA assists retailers with legal and regulatory compliance and helps navigate day-to-day operational hurdles. With a rich history of collaborative success, SAPRA continues to be the unified voice that empowers retailers to articulate their concerns in an organised manner.

Proposed Price Capping of 93 Octane Fuel

SAPRA, in collaboration with hundreds of retailers, submitted comments to the **Department of Mineral Resources and Energy (DMRE)** in response to

the proposed price capping of 93 octane fuel. The comments highlighted concerns about small retailer viability, limiting B-BBEE transformation objectives, potential job losses, and more. SAPRA emphasised the need for a comprehensive consultation process to balance consumer relief and industry stability. SAPRA, together with The **Liquid Fuels Wholesalers Association of South Africa (LFWA)** and some retailers met with *DA Shadow Minister, Kevin Mileham*.

SAPRA also engaged the services of an industry specialist consultant who produced a 40-page submission to the DMRE. For now, price capping of 93 octane fuel is no longer on the agenda.

Training Opportunities

SAPRA collaborated with **Wholesale and Retail Sector**

Education and Training Authority (W&RSETA) on training initiatives, providing information on SME support grants, informal traders and micro enterprises development projects, entrepreneurship development programs, and co-operatives and community-based organisations projects. Members are encouraged to participate in all W&RSETA training initiatives. Developing SAPRA members were also privy to developed petroleum retailer perspectives and guidance on how to remain sustainable in difficult trading times thanks to accomplished industry icon **Gerrie Lewies**.

Curbing Illicit Trade

To curb rampant illicit fuel trading, the DMRE established the Public Petroleum Acts Compliance Forum. The Forum consists of industry stakeholders, retail and wholesale associations, law enforcement

agencies, and statutory bodies and deals with the following issues:

- Trading without a valid wholesaler or retailer licence.
- Site development without a relevant licence.
- Selling regulated petroleum products below the regulated list price.
- Non-disclosure of fuel storage facilities.
- Substantial discounts on diesel fuel.
- Blending diesel with other products (diesel adulteration).
- B-BBEE fronting.
- Market diffusion of illegal products.

Whistle-blower Hotline

Recent fuel price increases, primarily attributable to the Russia-Ukraine conflict, have led to an increase in fuel theft across the nation.

The SAPRA Whistle-Blower Hotline has been pivotal in addressing illegal trading activity and non-compliant practices within the petroleum industry. Over **130** cases have been reported, demonstrating the industry's commitment to transparency and accountability.

The compliance team is investigating reported cases and relies on submissions of evidence to eradicate illegal trading.

While the total cost of illicit trade has not been quantified, we do know that the impact is severe and will continue to erode retailer margins if nothing is done. We are pleased with the accomplishments of the Petroleum Compliance Forum since inception and look forward to further reducing illicit trading of product as we move forward.

We implore all other trade and economic sectors to join us in our plight to make South Africa a better trading environment by adopting and driving the whistle-blower concept. Together, we can make a difference!

Industry Collaboration Council

The forum is made up of associations within the petroleum value chain. This forum was created during the COVID pandemic and was, at the time, tasked to deal with challenges relating to the supply of fuel during the pandemic. The Forum meets bimonthly and aims to resolve industry matters impacting stakeholders in the value chain and seeks solutions in collaboration with relevant authorities.

Merchant Service Fees: Key Findings and Recommendations

SAPRA's study on the cost of merchant service fees revealed that such fees significantly impact service station operators' operational costs and profitability. SAPRA recommended changes to the existing **Regulatory Accounting System (RAS)** model to ensure fairness and sustainability of service stations. Following meetings with the DMRE and a request to submit specific RAS line item challenges, SAPRA made a submission on the current merchant fees vs provisions made within RAS. Of the broad sample pool of retailers analysed, the study concluded that a retailer may be out of pocket by anything between **11-18cp** depending on their retail operation's location, size and other impacting demographics. We await feedback from the DMRE on possible solutions.

Magisterial District Zone (MDZ) Changes

After extensive discussion with the DMRE the VCS 17 schedule was removed and replaced with the VCS 11 schedule, effective from the April 2023 margin adjustment.

Wages

SAPRA and the RMI play a pivotal role in negotiating wages on behalf of sector 5 employers in the MIBCO negotiation rooms. On 4 November 2022 the RMI (including SAPRA), the **Fuel Retailers Association (FRA)** and the **National Union of Metal Workers (NUMSA)** concluded and signed a three-year settlement agreement to conclude the 2022 round of collective bargaining negotiations.

For details on the 3-year agreement visit www.rmi.org.za or contact your local RMI IR specialist.

NEC

We would like to extend our thanks to the **National and Regional Executive Committees** who offer their services free of charge to the Association to find strategic solutions to improve petroleum retailing on a broader scale. The committee network is multi-branded which makes for greater efficiency. The NEC met 6 times on a virtual platform in this reporting period. Elected members retain full voting rights within the NEC, while co-opted members are nominated for the institutional expertise they bring to the NEC.

Member meetings and AGM

Four member meetings and an AGM was held during the year and were all conducted virtually.

SAPRA PR and Media Exposure

SAPRA has prominently featured in various media platforms over the past two years and has achieved **R95 million** worth of earned editorial over the period. SAPRA managed to reach over **63 million** possible customers and achieved **258** media placements.

Conclusion

SAPRA's resolute response to industry challenges, such as the proposed price capping of 93 octane fuel, reflects its commitment to safeguarding retailer viability and industry stability. The successful efforts to engage regulatory bodies, coupled with its participation in industry collaborations, emphasise SAPRA's role as a catalyst for unity and progress.

The establishment of the Whistle-Blower Hotline to combat illicit trade showcases SAPRA's commitment to transparency and

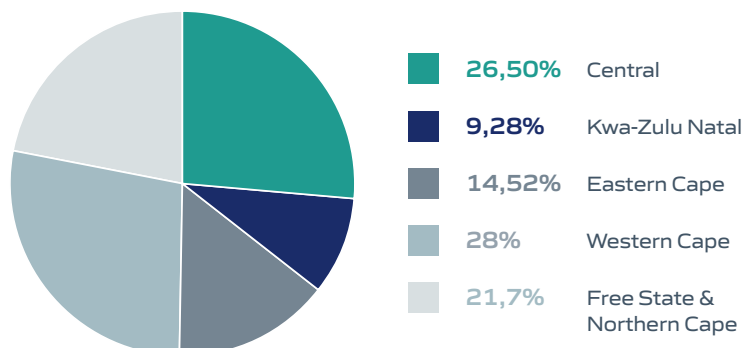
accountability. Over 130 reported cases underscore the industry's collective responsibility in ensuring a level playing field.

Furthermore, SAPRA's engagement with training initiatives, negotiations on wages, and composition of its NEC further demonstrate its multifaceted contributions to the industry's well-being.

As SAPRA extends its hand in fostering a compliant, ethical, and sustainable trading environment,

we eagerly anticipate its continued impact on shaping the future of South African petroleum retailing. The special membership fee dispensation for 2023 reflects SAPRA's commitment to accessibility and inclusivity, further cementing its pivotal role in the industry's advancement.

Member demographics in Regions



SAVABA

South African Vehicle and Bodybuilders' Association

During the year, our member businesses had to make drastic changes, adopt innovative thinking and new ways of operating to minimise lost revenue and job losses and to ultimately ensure the continuity of their businesses.

SAVABA remained focused on evaluating, accrediting, retaining and signing up new business, attending relevant meetings and industry events, and driving projects and activities on a national basis.

Meetings/Interaction between NRCS and SAVABA

The SAVABA National Executive Committee (NEC) continues to play a pivotal role during its quarterly engagement meetings with the National Regulator for Compulsory Specifications (NRCS).

Representation on SABS Committee Meetings and Road Traffic Regulations

The RMI and its various Constituent Associations have the privilege and important role to serve on SABS Technical Committee and Sub-Committee meetings on behalf of our membership (out of which working groups are formed for subject matter experts to review, amend or re-affirm current **Motor Industry Standards** (SANS). We also represent our Membership, the Automotive Aftermarket Retail Sector, as well as the greater motor industry in the area of quality assurance with regard to motor industry standards.

SAVABA continues to chair the following SABS/TC 1033 committee proceedings:

TC 1033

Roadworthiness of Motor Vehicles.

TC 22/SC 03

Construction of Motor Vehicles – Towing Devices.

TC 22/SC 08

Construction of Motor Vehicles – Lighting and Optics for Traffic & Transport.

TC 1035

Vehicle Hoists, Jacks and Stands.

TC 22

Construction of Motor Vehicles.

TC 1070/SC 01

Retro Reflections – Number Plates.

TC 22/SC 01

Construction of Motor

Vehicles – Braking.

TC 86/SC 01

Transport Refrigeration.

Working group activities involved the revising of SANS 10216, the Evaluation of Vehicle Test Stations.

MIB Conference

After announcing our collaboration, the **Gauteng Department: Roads and Transport** (GDRT) postponed the Manufacturers', Importers, and Bodybuilders (MIB) Conference set for Automechanika Johannesburg, in September 2023, to a later date.

As a collective, SAVABA and the GDRT wish to thank Messe Frankfurt for their support for this event and for making their facilities available to host it when a new date has been set.

The MIB Conference provides a platform for all major stakeholders in the MIB Sub-Sector to engage in industry-relevant matters and to network with Departmental Officials, Members of the Executive Council of the GDRT, and their peers, as well as engaging regarding critical issues affecting MIB's daily operations.

RMI National Roadshows

The RMI's National Roadshows were held during the period, with great success.

The Roadshows provided for face-to-face interaction and networking opportunities that were not possible during the pandemic.

A special word of thanks to the RMI's respective Regional Managers and their teams that made the roadshows possible.

Meetings: Member, Regional and National Exco and AGMs

Member Meetings, Regional Exco, National Exco, and Annual General Meetings were held during this period, with

positive outcomes for the future development of the industry and the MIB Sub-Sector.

Thought Leadership

The SAVABA National Office, NEC, and REC would like to thank the RMI's senior management team for setting the standard, providing guidance, and focused thought leadership in the areas of best practices, insights, strategic issues and shaping the future of the RMI and its member businesses.

Sub-Sector Training

SAVABA and the Industrial Development Corporation (IDC) have been engaging in talks regarding IDC Training for qualifying SAVABA member businesses.

Conclusion

SAVABA is extremely grateful for the continued support of all its member businesses, the tireless efforts of Committee Members, who gave freely of their time and expertise in their respective specialty fields, together with Associational staff – all of whom drove the Association's strategic objectives. Last, but not least, a big thank you to the greater RMI Membership and the RMI staff who work alongside the Association.

The Association is excited about the future and looks forward to assist its member businesses wherever we can and to add tremendous value to their business, especially in the current challenging economic circumstances. Belonging is more important now than ever to help ensure the continued sustainability of member businesses.



Tyre, Equipment, Parts Association

At the beginning of the financial year, the economic landscape stood in the shadow of the COVID-19 pandemic, further complicated by external factors such as looting, flooding, and the Russia-Ukraine conflict. All of these factors culminated in a profound impact on fuel prices and global commodities. These challenges prompted the need for rescue interventions, with some businesses only recently returning to full operations. The repercussions of the Russia-Ukraine war have left an indelible mark on South Africa and the world at large.

In response to these disruptions, businesses found themselves navigating a new era of management characterised by lean operations and a new way of operating. Technology emerged as a pivotal enabler in adapting to this new work environment, facilitating global trading opportunities.

While the COVID-19 pandemic may appear to wane, a vital lesson remains: vigilance and preparedness in the face of unforeseen challenges are paramount. The shift to online meeting platforms, while contributing to a sense of disconnection for some, has empowered associations to reach a broader audience through focused meetings. A blended model that incorporates both online and face-to-face interactions is envisaged for the future.

Despite the adversities, TEPA approaches the trading environment with cautious optimism, anticipating positive growth. External factors such as inflation, commodity pricing, and market dynamics are expected

to exert their influence. TEPA is committed to identifying broader benefits that enhance the bottom lines of member businesses, ensure compliance, and improve road safety.

TEPA's strategic initiatives during this period have included a strong PR and social media campaign, consumer education about quality parts and tyres, and the establishment of a Whistle-Blower Hotline and Industry Compliance Forum to combat illicit trading, among other priorities.

Financial stability is a hallmark of TEPA. It allows for meaningful projects and benefits for its members as well as to reinforce its position as consumers' preferred choice.

TEPA's leadership structure, represented by Regional Executive Committees and a committed National Executive Committee, ensures effective governance and representation.

The Association is actively engaged in addressing waste tyre issues and engaging industry stakeholders on regulatory compliance matters.

TEPA's strong focus on public relations and media coverage has raised awareness of key initiatives such as the Whistle-Blower campaign. The Association is expanding its online presence through social media, providing a platform for increased engagement.

TEPA remains committed to advancing its members' interests, fostering industry growth, and promoting compliance and safety. The Association's strategic initiatives, financial stability, and collaborative efforts position it as a key player in the automotive aftermarket sector.

Membership

Membership growth has been robust, with a net increase of **235** new members over two years, reflecting an impressive growth rate of **15.2%**. This membership base, comprising corporate entities and independent businesses, fosters divergent perspectives on industry sustainability.

TEPA Membership Growth over 2 years.

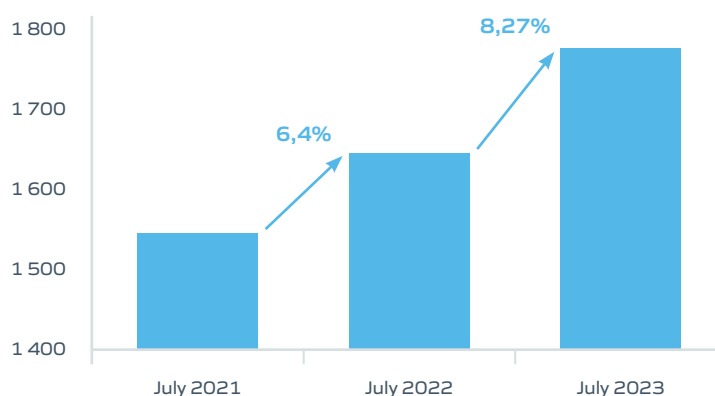


Figure 1

TEPA's regional representation.

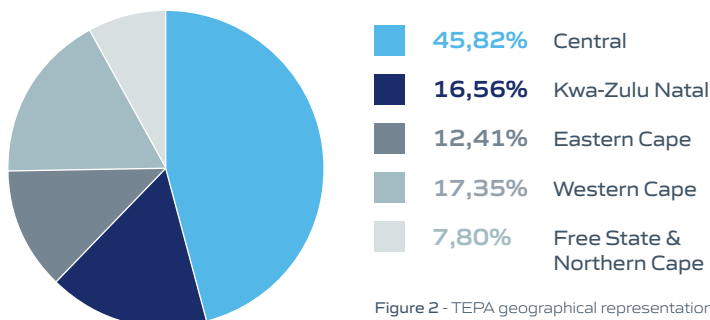


Figure 2 - TEPA geographical representation.

Right to Repair

TEPA's commitment to Right to Repair has led to active engagement, empowering members and consumers on their rights. Efforts are also underway to address the contentious issue of parts definitions.

The TEPA National Executive Committee made the strategic decision to regain Tier 1 status within the **Right to Repair South Africa** (R2RSA) committee. The National Chair and Director are now official observers and participants in R2R meetings. As a result of our active campaigning and collaborative engagement, members gained access to two online member meetings where they could raise issues. This gave members the opportunity get first-hand insight into all the complexities and challenges. To educate members and consumers about their rights, TEPA and R2R are also collaborating on informative videos and infomercials that are popular among members and on social media. In addition, members can now access the Competitions Commission's complaint procedure.

Guidelines for competition in the Automotive Industry

The definition of parts remains contentious and is a standing

agenda item for TEPA. The Commission published the definition of Parts as 'Original Parts' and 'Non-Original Parts'.

The narrative 'non-original parts' has the potential to create confusion and ambiguity amongst stakeholders and consumers. This has been red flagged and identified by like-minded global stakeholders as a concern. TEPA, in collaboration with R2RSA and international stakeholders has identified a more contextual and less confusing reference to 'non-original parts' as '**matching quality parts**' which we believe is a more accurate reference.

Training and development

TEPA recognises the importance of training and development, particularly the need for a minor service technician qualification to bridge skill gaps in the industry and foster a broader skills pool in South Africa.

TEPA has participated in numerous discussions regarding the training requirements and solutions for its members. The formation of an intermediate qualification that resides below the current qualified automotive mechanic, known as a minor service technician qualification, has been identified as a critical training domain void. Currently, the number of qualified

mechanics in South Africa is decreasing, as is the recruitment of new mechanics.

After intense discussions between a significant number of TEPA corporates and the TEPA NEC, the TEPA Chairperson was given the responsibility of managing this project through the RMI Board and the various training stakeholders. TEPA recognises that the demand for qualified mechanics in the TEPA environment is not nearly as great as the demand for minor service technicians.

In addition, if and when implemented, the minor service technician qualification will address the significant training deficit in the industry and increase the desire for additional training. TEPA is confident that this measure to professionalise the operating environment and expand skill sets will contribute positively to the expansion of the South African economy and the attainment of the training goals outlined in the National Development Plan (NDP).

TEPA members wait in anticipation to have this qualification concept approved and are ready to support the uptake of the minor service technician qualifications.

Financial standing

TEPA reserves and income are healthy and progressive. This financially stable position allows for TEPA to drive more meaningful projects and benefit to ultimately position TEPA and its members as the preferred choice for consumers.

Waste Tyre

TEPA represents tyre dealers via the **Interim Industry Advisory Committee** (IIAC) at the Waste Bureau.

Tyre Importers Association of South Africa (TIASA), South African Tyre Manufacturers Conference (SATMC) and TEPA are continuously engaging the Waste Bureau to eventually realise a functional waste tyre eco system. It is comforting to record the introduction of new staff members within the Waste Bureau, including the newly appointed CEO, **Masopha Moshoeshoe**. Since the introduction of the new staff, we have observed significant changes which we anticipate may yield more positive outcomes.

TEPA engaged industry during this period to gather comment on the proposed *Gazette no 47670: Section 29 Industry Waste Management Plan for Tyres*. The gazette was circulated widely to TEPA members for those interested in submitting independent comment. TEPA also prepared and submitted a consolidated and mandated comment which is available upon request.

Public Relations / Media

Public Relations remains key as part of the overall communication mix for building awareness, enhancing our reputation, and building trust and confidence in the TEPA brand, specifically for members, potential members, consumers, and trade. We have maintained our strong focus this past year with a defined tactical plan to achieve our stated objectives. The results have been excellent, and we continue to be regularly represented in print and online media across the country and have achieved more than **R 246 million** worth of earned editorial this past year alone. We managed to reach over **69 million** possible customers and achieved **583** media placements.

Highlights of the campaign include the high-profile Whistle-Blower

campaign which continues to get traction and raise consumer awareness of the critical need to stamp out the trade in illegal automotive parts in South Africa.

Social media

TEPA has identified the need to expand the footprint and reach to members and like-minded stakeholders using social media handles like Facebook, Twitter (X) and LinkedIn. We are in the development phase and will hopefully grow the online presence exponentially.

Whistle-Blower

TEPA members have observed an increase in the number of illicit parts making their way into the country. This pattern is not uncommon and is also observed as a growing concern by industry stakeholders and relevant statutory bodies. We know that with consumers currently under significant pressure that this demand will continue to grow indirectly promoting the uptake of more illegal trading activity. The risk we face now is that these parts may not conform to regulatory standards, may place further pressure on an already constrained compliant market and in the case of safety-critical components impact the road worthiness of vehicles travelling on South African roads.

TEPA's vision is to grow the Whistle-Blower concept into an Industry Compliance Forum, which is a strategic partnership between industry and statutory bodies, who will meet periodically to discuss case findings reported through the Whistle-Blower hotlines. Key themes are as follows:

- Illicit parts traded in South Africa that do not conform to regulatory standards.
- The impact illicit parts have on a compliant industry.

- The impact illicit parts have on consumer safety and road safety.
- The collaboration between industry and statutory bodies to create an industry compliance forum.
- The role media can play in exposing case trends and findings to perpetrators and the further role media can play in educating consumers on the illegal aftermarket parts environment.

Regulatory Compliance Manual

The RMI's Regulatory Compliance Manual is a comprehensive document that will allow members to ensure that they are fully compliant with the very basic requirements that are needed to do business in our country.

Corporate Social Responsibility (CSR)

Business transformation is a fundamental pillar of TEPA and the RMI's strategic objectives. To achieve these objectives, the RMI/TEPA seeks collaborative partnerships with various stakeholders, including government and the private sector. In line with this, TEPA/RMI aims to support the informal business sector within the automotive aftermarket industry, aiding their transition from informal to formal enterprises. This transition not only benefits business owners, but also contributes to economic growth, job creation, and the development of value chains. Such collaborations are pivotal in propelling South Africa towards its goal of attaining developed economy status.

TEPA is currently busy with a project we believe will bring about meaningful business transformation.

Fleet work

TEPA is in continuous negotiations with fleet companies around the country to ensure that TEPA members are positioned for fleet work. This is an ongoing exercise, and our exposure will continue to drive more fleet work into our member businesses.

Wages

TEPA and the RMI play a pivotal role in negotiating wages on behalf of employers in the MIBCO negotiation rooms. On 4 November 2022 the RMI and the **National Union of Metal Workers (NUMSA)** concluded and signed a 3-year settlement agreement to conclude the 2022 round of collective bargaining negotiations.

Conclusion

In conclusion, the TEPA has navigated a complex and challenging landscape, marked by the far-reaching effects of the COVID-19 pandemic, external disruptions, and global economic shifts. Despite these obstacles, TEPA has demonstrated resilience,

adaptability, and a commitment to the wellbeing of its members and the broader automotive aftermarket industry in South Africa.

Throughout the period under review, TEPA has focused on strategic priorities aimed at bolstering its members' businesses, enhancing industry compliance, and improving road safety.

Membership growth has been a notable achievement, reflecting the Association's effectiveness in providing valuable support and representation to a diverse array of corporate and independent businesses. This diversity fosters a wealth of perspectives and insights that contribute to the sustainability of the industry.

TEPA's financial stability and proactive engagement with regulatory compliance have positioned it as a trusted partner for consumers and trade alike. The Association's leadership, represented by regional executive committees and a committed NEC, ensures effective governance and representation.

Efforts to address waste tyre challenges and expand TEPA's online presence through social media channels demonstrate the Association's commitment to staying relevant and responsive to evolving industry dynamics.

As TEPA continues to champion the interests of its members, foster industry growth, and promote compliance, it remains a vital and influential force in the South African automotive aftermarket sector. The Association's enduring commitment to its core values and strategic initiatives positions it as a driving force for positive change in the industry, contributing to its resilience and long-term success. With an unwavering dedication to the principles of transparency, collaboration, and continuous improvement, TEPA is poised to lead the way into a future of sustainable growth and innovation in the automotive aftermarket sector.



Vehicle Testing Association

As with most industries, the past year has seen our member businesses negatively affected by constant loadshedding and a flailing economy. Test stations have suffered severe financial hardships because of this and often struggled to make ends meet.

To assist our members, the VTA continued to look for avenues to increase revenue streams for our members to try to alleviate some of their mounting financial burdens. We did this through the introduction of the **VTA Multi-Point Inspection (MPI)**, through constant interaction with the different provincial departments of transport to ensure conditions of the industry are always fair and sustainable, by directly interacting with the **Road Traffic Management Corporation (RTMC)** where members have had NaTIS and VPN registration issues, and through constant communication with members to keep them abreast of all compliance matters in the vehicle testing arena.

It is gratifying that amid the difficult political, social, and economic challenges, our members prevailed during the past financial year and kept their businesses afloat under extreme trading conditions and circumstances. Again, we saw their resilience and hunger to survive and to remain sustainable in the toughest of circumstances.

The VTA promises that we will continue to be the support structure for our members and strive to continuously show them why Belonging is better business.

Regional Chairs and Vice-Chairs

In 2021, **Ferose Oaten** was re-elected as *Chairperson*, with **Basheer Mosajee** and **Rafik Pather** elected joint *Vice-Chairs of the Western Cape*.

In Gauteng, **Hennie Vermaak** was elected as *Chairperson*, and **Johannes Tshabalala** as *Vice-Chair*. In KwaZulu-Natal, **Naeem Sheik** was elected as the *Chairperson* with **Farhad Khan** as the *Vice-Chair*. All of the above positions were re-affirmed during the 2022 VTA AGMs with all the office bearers confirming their willingness to continue to serve for another year until the next elections in 2023.

The following members were elected to serve on the NEC in 2021 and re-affirmed in 2022 following the regional AGMs:

Ferose Oaten
National Chairperson
Johannes Tshabalala
Hennie Vermaak
Naeem Sheik
National Vice-Chair
Farhad Khan (co-opted)

The following members were co-opted onto the NEC at the 2022 VTA NEC AGM:

Annabelle Govender
Amos Sibiya
Basheer Mosagie
Rafiek Pather

NEC Meetings

16 National Executive Meetings were held over the period.

AGMs

3 Regional and 1 National AGMs were held during the year.

VTA Meetings

The following 6 member meetings were held in different regions during the period in review and covered an array of topics, including the rollout and training of members on the newly launched VTA MPI:

August 2022:
Gauteng Members Meeting

August 2022:
Western Cape Members Meeting

September 2022:
KwaZulu-Natal Members Meeting

October 2022:
Central Region Members Meeting

March 2023:
National Members meeting regarding the MPI Training session for members.

June 2023:
Central Region Members Meeting VTA MPI

RTMC

The strong relationship that has been forged over the years between the VTA and key role-players within the RTMC was well maintained over the past year. This has given way to a better platform for us to address our members' concerns in respect of eNaTIS and VPN registration issues.

National and Provincial Departments of Transport

- Several meetings have been held with the Gauteng Department of Roads and Transport in the year under review and a strong relationship has been forged and is being maintained.
- **March 2023:**
The VTA attended and was represented at a Proprietor Information Session meeting hosted by the KwaZulu-Natal Department of Transport.
- **May 2023:**
The VTA attended and was represented at the Department of Transport's annual Industry Consultation Meeting.

Representation on TC 1033

The VTA continues to have a strong presence on the SABS TC1033 Committee and, in the year under review, the VTA was also represented at the annual meeting of SABS Technical Committee 1033 held in July 2022.

The VTA was further represented and gave input in 4 working group meetings for the revision of the SANS 10047 Standard.

The VTA was also represented and gave input in 6 working group meetings for the revision of the SANS 10216 Standard.

Periodic Testing

For strategic reasons, the VTA decided that the RMI would be better placed to be the face of the periodic lobbying campaign, with the VTA playing the more supportive role. The VTA, however, remains committed to the implementation of periodic testing in South Africa and is continuously assisting the PR company with the relevant information to assist in the lobbying effort.

The VTA also uses every opportunity through its meetings and speaking engagements at conferences to educate members and the public on the positive effect periodic testing will have on road safety in South Africa. In the new financial year, the VTA also plans to commission an official research study from a university to highlight the effects of periodic testing on road safety.

VTA Multi-Point Inspection App (MPI)

The VTA **Multi-Point Inspection (MPI)** App was officially launched on the VTA website in October 2022.

VTA newsletter

The VTA has launched a newsletter to keep members up to date with industry news and developments.

Free Safety Campaigns

The VTA held 2 free safety campaigns during the year in review. The campaign for the December Festive period commenced on 28 November 2022 and the Easter campaign commenced on 3 April 2023. Participating RMI/VTA vehicle testing stations around the country offered motorists **FREE** safety-critical checks on their vehicles.

VTA Special Project

During the financial year the VTA proposed a special project that will, among other objectives, have the aim of increasing membership to allow the Association to be a more meaningful voice within the industry. The project entails a new fee structure, knowledge and capacity building and the promotion of periodic testing in South Africa. This project will run from 1 July 2023 to 30 June 2025.

CITA RAG Conference 2022

At the beginning of November 2022, the **Vehicle Testing Association (VTA)** participated in the CITA RAG Africa Conference 2022 in Cape Town. CITA is the worldwide association of authorities and authorised companies active in the field of vehicle compliance, periodic technical inspection, and roadworthy testing.

The VTA *Director, Julian Pillay*, presented a paper on *Maintaining an Aging Fleet*, providing dire statistics on the

impact of unroadworthy vehicles, and recommending that the government set a date for the implementation of periodic testing.

Conclusion

The Association continues to pursue its vision of contributing to the long-term sustainability and growth of test stations and positively influencing road safety in the country. The VTA remains committed to enhancing the test station industry and, more importantly, stamping out the corruption that has plagued the sector in recent times.



Overview of RMI Labour Activities

The three-year Main Collective Agreement stemming from the negotiation process was officially gazetted for implementation from 10 April 2023 and will remain in force until 31 August 2025.

In addition, the **MIBCO Administrative Collective Agreement** and the **Motor Industry/Autoworkers Provident Fund Collective Agreements** have been enacted and will remain in force for the period ending 31 August 2025. These Collective Agreements provide stability and a clear framework within the Motor Industry.

The RMI Team remains committed to safeguarding and advancing the interests of its members on various Boards of Trustees for the Motor Industry Retirement Funds.

As at 30 June 2023, a substantial total of more than **R47 billion** in managed funds are under investment by the Fund Administrators.

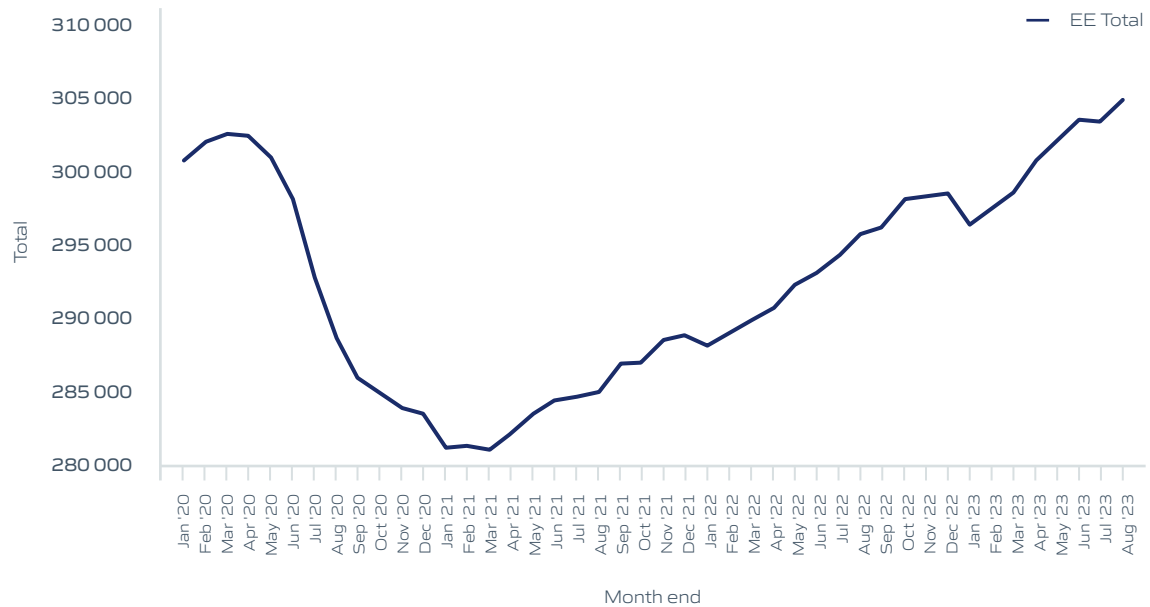
The combined efforts of the RMI team and the respective Fund Managers have ensured outstanding growth and returns.

We are pleased to report that the **MIBCO Collective Bargaining Negotiations Settlement Agreement** was successfully signed and ratified by Council on 10 November 2022.

Fund	Fund Value	Surplus	Total
Copartes	1 188 396 087		1 188 396 087
MIPF	5 219 957 751	1 674 382 104	6 894 339 854
AW Prov	22 662 527 265	350 292 784	23 012 820 050
MI Prov	15 441 385 891	33 170 574	15 474 556 466
MIBF	438 779 318		438 779 318
Total	44 951 046 312	2 057 845 462	47 008 891 775

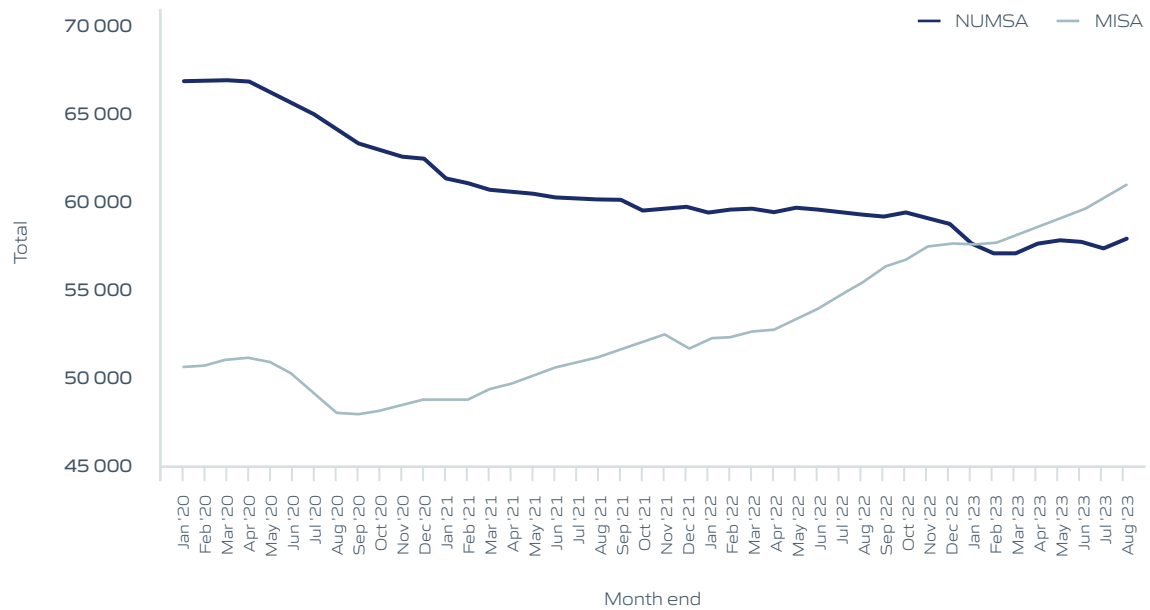
Source: Motor Industry Fund Administration Data as at 30 June 2023.

Employee Movement



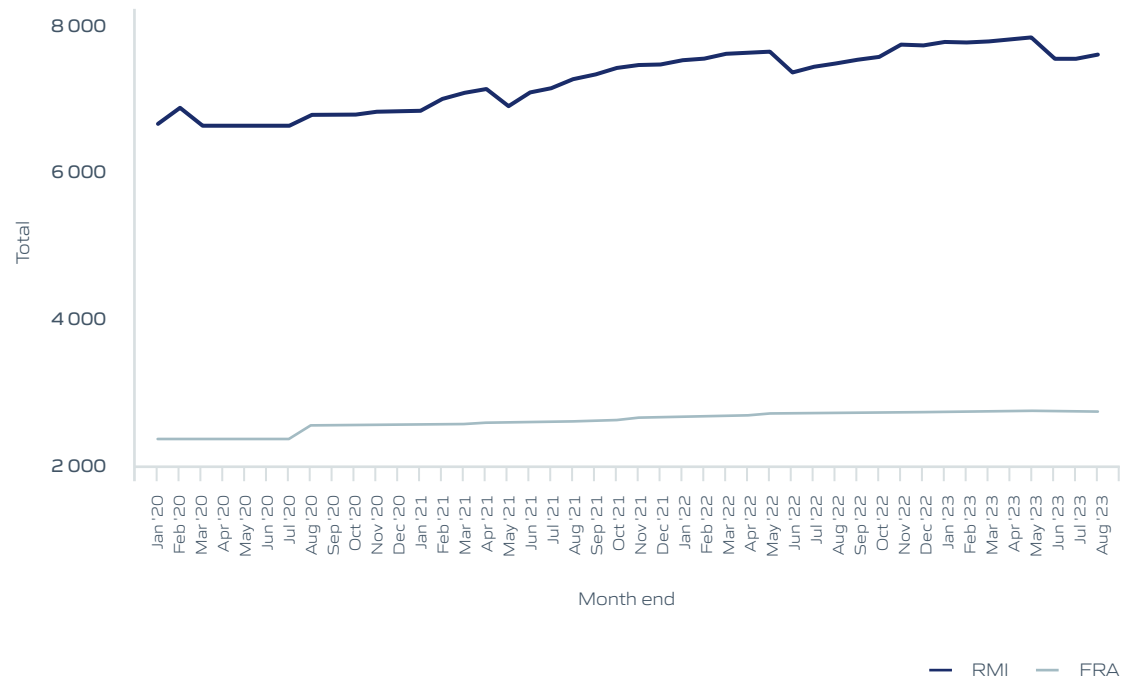
The graph above illustrates the recovery and increase in employee numbers since March 2021.

Union Movement



The graph indicates a decline in NUMSA membership within the Motor Industry, accompanied by a significant surge in MISA membership. As of March 2023, MISA has surpassed NUMSA in terms of membership, establishing itself as the majority trade union at MIBCO.

Employer Party Organisation Movement



The graph above shows a consistent upward trend in the RMI's membership.

Sick-, Accident- and Maternity Pay Fund

The Sick, Accident and Maternity Pay Fund remains a valuable benefit for RMI members, and continues to demonstrate a healthy performance.

The table on page 56 depicts the Fund's financial position as at 31 December 2022.

Sick, Accident and Maternity Funds Income Statement

	Actual 2022	Actual 2021	Variance Year on Year
Income			
Contribution Received	67 840 710	57 234 079	10 606 631
Contributions Received SAF	60 614 703	49 861 033	10 753 669
Contributions Received Maternity	7 226 007	7 373 045	-147 038
Current Account Interest	3 264	474	2 790
Interest Received	3 264	474	2 790
Investment Interest	3 750 555	3 845 944	-95 389
Investment Interest	3 571 902	3 723 946	-152 043
Penalty Interest	178 653	121 999	56 655
Interest Paid	0	4	-4
Interest Paid	0	4	-4
TOTAL INCOME	71 594 529	61 080 501	10 514 029
Expenses			
Claims Paid Out	-60 568 523	-62 958 987	2 390 465
Sick Claims Paid Out	-60 568 523	-62 958 987	2 390 465
Claims Paid Out	-13 884 164	-11 857 428	-2 026 736
Accident Claims Paid Out	-4 059 834	-3 513 269	-546 565
Maternity Claims Paid Out	-9 824 330	-8 244 159	-1 480 172
Bank Charges	-2 904	-2 636	-267
Bank Charges	-2 904	-2 636	-267
Reimbursement of Cost	-499 823	0	-499 823
Reimbursement of Cost	-499 823	0	-499 823
TOTAL EXPENSES	-74 955 413	-74 819 052	-136 361
Net Income (Deficit)	-3 360 884	-13 738 551	10 377 667

Industrial Relations Services

We are delighted to announce that as of 1 January 2023, accredited RMI members have been receiving free representation at the DRC, CCMA and Labour Court. A significant number of our members have enthusiastically embraced this free IR Service.

Additionally, our IR Training now encompasses **Employment Equity Seminars**. Our team of highly skilled legal practitioners specialising in labour

relations still offers a range of IR services, including chairing disciplinary inquiries, grievance hearings, retrenchment processes, consultation meetings along with providing free labour advice.

Furthermore, we continue to assist our members by preparing and drafting various applications, including rescission, variation and review applications, all at no cost.

Financial Report

For the period ended 30 June 2023.



Financial Overview

The audited financial statements were tabled for acceptance and ratification at the Board meeting held on 5 September 2023. The financials continue to reflect surpluses, despite the continued economic slowdown due to local and international instability, continued loadshedding and infrastructural problems experienced in the South African economy. The budget approved for the period ended 30 June 2023 was a surplus budget, although based on very conservative assumptions.

Previous decisions taken by Board to strengthen the RMI balance sheet by

converting existing assets, both current and fixed, into more desirable properties in burgeoning areas, has been somewhat retarded due to a huge dip in the commercial property market, but the underlying decision to do so remains in place.

The strategy of selling our existing properties and replacing with new, better located properties will be continued into the foreseeable future. If possible, the buildings will be rented out to long-term tenants, either in part or as a whole.

Income Increase

(30 June 2022 - 30 June 2023)

R 75 480 646



R 100 993 459

33.8%

Revenue

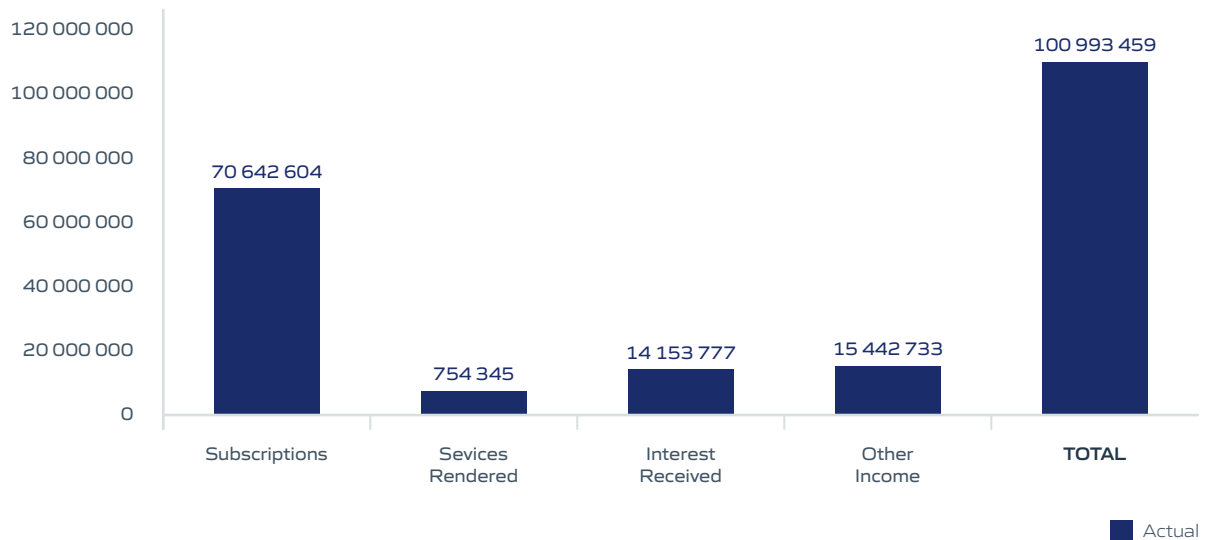
Income increased substantially from **R75 480 646** as at 30 June 2022 to **R100 993 459** in 2023. The increase was due, in part, to the unbudgeted **R9.5 million** dividend declared in the RMI4Sure cell captive. The RMI cash reserves have grown substantially during the period under review, increasing from **R127 258 855** to **R167 713 369** as at financial year-end.

The RMI4Sure cell captive paid members' bonuses for the period ended December 2021 during the year.

Training revenue is lower than the previous period, with the notable reduction being the termination of the Department of Labour project. Reduced training income was received from the **merSETA New Venture Project** and the **TVET Partnership Project HWK Erfurt**.

There was also a substantial increase in meeting fee recoveries for RMI staff attending various meetings within the industry on behalf of the RMI.

Income - RMI and Associations 30 June 2023



Contingent Asset

The Organisation has shares in Guardrisk Insurance Company in the form of a Cell Captive, RMI4Sure. On 1 July 2018 the **Solvency Assessment and Management (SAM)** regulatory regime came into effect. The structure and the methodology required for the **Solvency Capital Requirements (SCR)** of the cell under SAM are very different from the previous regime known as '*Interim Measures*'. Several meetings have been held with Guardrisk and their actuarial team to ensure that the income (in the form of dividends) and

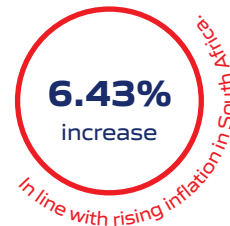
bonuses to active policyholders have been calculated correctly and that there are sufficient capital reserves available to cover any contingencies. During the third quarter of the financial year under review, the RMI Board took a decision to divest from the RMI4Sure Cell Captive in order to reduce risk from the volatile insurance sector. The sale of the Cell to Guardrisk is in progress, but should be completed by the end of the second quarter of the 2023/2024 financial year.

Expenditure

R 57 902 299
(2022)



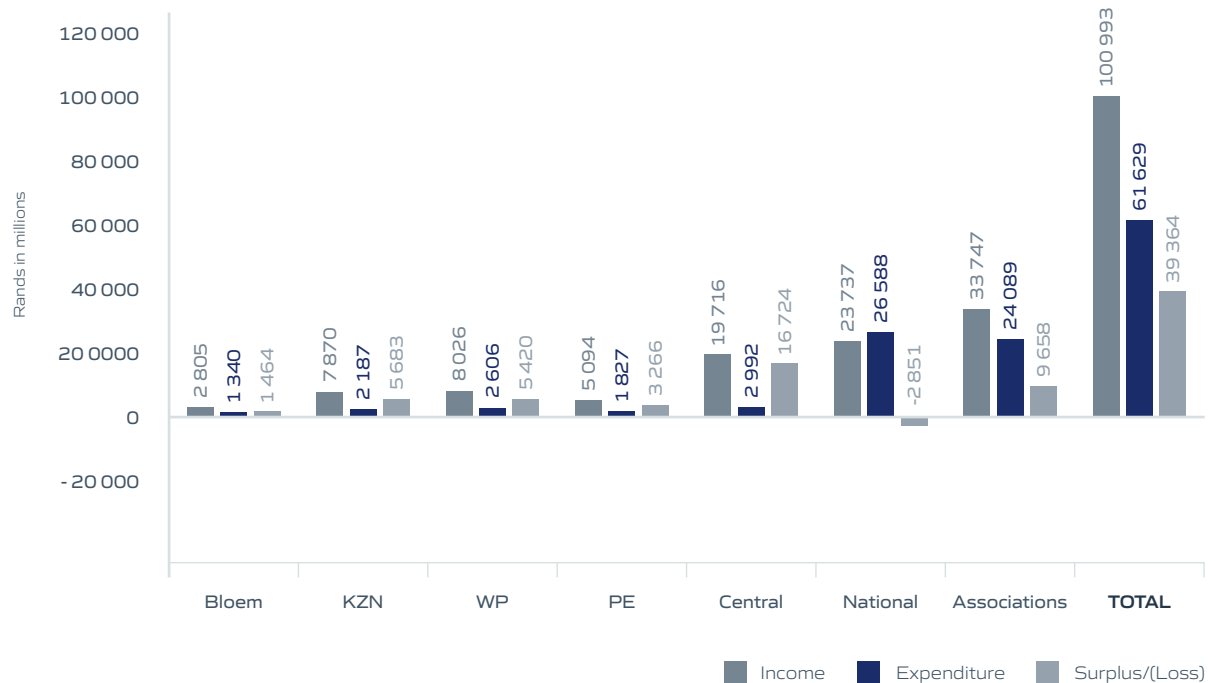
R 61 629 314
(2023)



R 39 364 145

Actual surplus as at
30 June 2023 across all
Regions and Associations)

Abridged income statement RMI and Associations



Solvency

Current assets available for the payment of liabilities have increased from **169 cents** in 2022 to **191 cents** in 2023.

The stated intention of the RMI Board to have six months' worth of Opex Reserve has been achieved. We currently have 47 months of reserves *including* the Associations and 26 months of reserves *excluding* the Associations.



Equity

The Statement of Changes in Equity from 1 July 2018 to 30 June 2023, reflects a positive change in equity holding of R 92 439 187. This trend would explain the improvement in reserves.

Retail Motor Industry Organisation and Constituent Associations						
Registration number LR2/6/3/45 Consolidated Financial Statements for the year ended 30 June 2023.						
Statement of Changes in Equity						
Figures In Rand	Revaluation of Land and Buildings Reserve	Special Training Reserve	Other NDR	Total Reserves	Accumulated Surplus	Total Equity
Balance at 01 July 2018	5 774 714	4 169 890	3 544	9 948 148	70 372 232	80 320 380
Changes in equity						
Interest on special training reserve	-	258 322	-	258 322	-	258 322
Surplus for the year	-	-	-	-	9 815 348	9 815 348
Total changes	-	258 322	-	258 322	9 815 348	10 073 670
Balance at 01 July 2019	5 774 714	4 428 212	3 544	10 206 470	80 187 580	90 394 050
Changes in equity						
Surplus for the year	-	-	-	-	14 370 138	14 370 138
Transfer from special training reserve	-	-4 662 269	-	-4 662 269	3 898 678	-763 591
Interest on special training reserve	-	234 057	-	234 057	-	234 057
Transfer from reserves	-	-	-3 544	-3 544	-	-3 544
Transfer to non-current asset held for sale	-	-	-	-	-256 610	-256 610
Total changes	-	-4 428 212	-3 544	-4 431 756	18 012 206	13 580 450
Balance at 31 July 2020	5 774 714	-	-	5 774 714	98 199 786	103 974 500
Changes in equity						
Surplus for the year	-	-	-	-	15 114 000	15 114 000
Transfer from special training reserve	-3 177 079	-	-	-3 177 079	-	-3 177 079
Total changes	-3 177 079	-	-	-3 177 079	15 114 000	11 936 921
Balance at 30 June 2021	2 597 635	-	-	2 597 635	113 313 786	115 911 421
Changes in equity						
Surplus for the year	-	-	-	-	17 578 347	17 578 347
Total changes	-	-	-	-	17 578 347	17 578 347
Balance at 30 June 2022	2 597 635	-	-	2 597 635	130 892 133	133 489 768
Changes in equity						
Surplus for the year	-	-	-	-	39 269 799	39 269 799
Total changes	-	-	-	-	39 269 799	39 269 799
Balance at 30 June 2023	2 597 635	-	-	2 597 635	170 161 932	172 759 567

Cash Flow

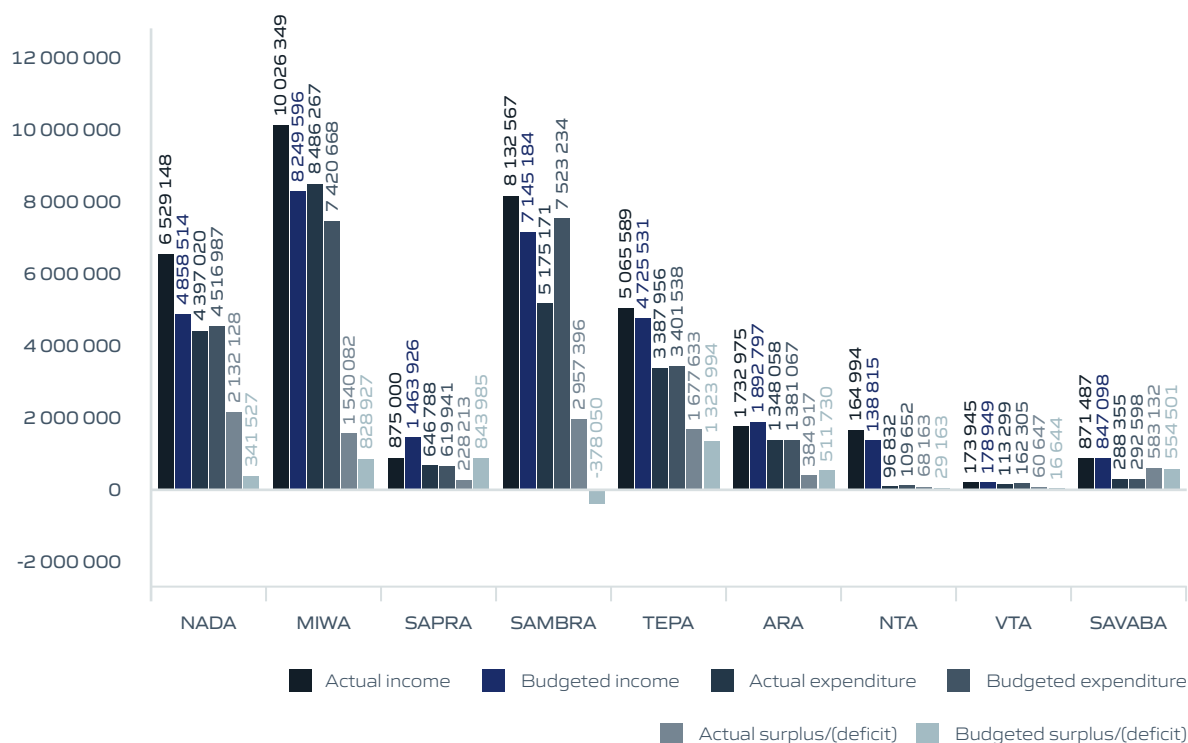
The RMI is arguably in its strongest financial position since inception. This is very encouraging given the uncertain times we are experiencing. The RMI would be in a far more negative situation if these reserves were not available to carry us through difficult times.

Cash Flow (Operating Activities)		
Date	Balance	Movement
1 July 2012	23 540 420	-1 216 629
1 July 2013	22 323 791	-1 082 248
1 July 2014	21 241 543	12 221 275
1 July 2015	33 462 818	11 785 551
1 July 2016	45 248 369	14 801 909
1 July 2017	60 050 278	15 091 073
1 July 2018	75 141 351	6 497 550
1 July 2019	81 638 901	9 072 700
1 July 2020	90 711 601	22 213 477
1 July 2021	112 925 078	14 333 777
1 July 2022	127 258 855	40 454 514
1 July 2023	167 713 369	

Associations

It is pleasing to note that all the Associations achieved surpluses for the financial period ended 30 June 2023. It is unlikely that this trend will continue into the next year, as special projects have been introduced with the hope of reducing membership income in the short term in order to achieve membership growth in the long term. VTA and SAPRA have both opted for this strategy over the next couple of years.

Abridged financial statements for Association 30 June 2023





Pictured above: Management as at Feb 2023.

RMI is the major employer representative of the Motor Industry Bargaining Council, playing a significant role in labour negotiations as well as the industry's social benefit schemes, dispute resolution processes and exemption procedures.

RMI Office Bearers

For the period ended 2022/2023.



Board of Directors

Jakkie Olivier

(Chief Executive Officer)

Jeánné Esterhuizen

(President)

Ferose Oaten

(Vice President)

Charles Canning

Eugene Ranft

Frank MacNicol

Henry van der Merwe

Johann van de Merwe

Les McMaster

Lindsay Bouchier

Mams Rehaman

Marcel van Ruler

Mark Dommise

Riaan Botha

(Resigned 9 February '23)

Sandra Singh

Teresa Spenser-Higgs

(Joined 14 March '23)

Labour Executive Committee

ARA

Johan Botha

MIWA

Teresa Spencer-Higgs

NADA

Lindsay Bouchier
(Chairperson)

SAMBRA

Marcel van Ruler
(Vice-Chairperson)

SAPRA

Henry van der Merwe

SAVABA

Tenette du Plessis

TEPA

Stewart Vambe
(Resigned May '22)

Audit and Risk Committee

Bruce Allen

(Independent Member)

Gary McCraw

(Company Secretary)

Jakkie Olivier

(CEO)

Jan Schoeman

(COO)

Lindsay Bouchier

(Independent Member
- Chairperson)

Marcel van Ruler

(Board of Director's Representative)

Renee Coetsee

(Financial Director)

Saskia le Roux

(Independent Member)

Remuneration Committee

Bruce Allen

Ferose Oaten (Chairperson)

Jeánné Esterhuizen

Jakkie Olivier (CEO)

Regional Chairpersons

Eugene Ranft

(Free State/Northern Cape)

Ferose Oaten

(Western Cape)

Les McMaster

(Central)

Riaan Botha (Eastern Cape -

Resigned 9 Feb '23)

Teresa Spencer-Higgs

(Eastern Cape - Elected 9 Feb '23)

Sandra Singh

(KwaZulu-Natal)

National Training Committee

Abe Dunn

(Chairperson, NADA)

Andrea Bogner

(MIWA)

Christine Phoko

(Automotive Components
Manufacturing)

Darryl Yorke

(ARA)

Frik Burger

(SAVABA)

Gerrie Lewies

(SAPRA)

Ilze Botha

(Vice-Chairperson, NADA)

Isaac Boshomane

(Development Member)

Jeánné Esterhuizen

(Co-opted Member)

Jeffrey Molefe

(RMI Labour Director)

Louis van Huyssteen

(RMI Training Director)

Phil Cells

(TEPA)

Zane Staffen

(SAMBRA)

National Transformation Committee

Annelie Kruger

Fatima Motala

Ferose Oaten (Chairperson)

Graydon Epstein

Ilze Botha

Jakkie Olivier (CEO)

Jeánné Esterhuizen (President)

Mams Rehaman

Martin Mboweni

Noni Tshabalala

(RMI Transformation Director)

Santie Boshof

National Associational Chairpersons

Frank MacNicol (ARA)

Eugene Ranft (MIWA)

Mark Dommissie (NADA)

Charles Canning (SAMBRA)

Henry van der Merwe (SAPRA)

Mams Rehaman (SAVABA)

Johann van de Merwe (TEPA)

Ferose Oaten (VTA)

President's Committee

Charles Canning | **Ferose Oaten** (Vice-President) |

Jan Schoeman (COO) | **Jakkie Olivier** (CEO) | **Jeánné**

Esterhuizen (President) | **Marcel van Ruler** (Joined

14 March '23) | **Mark Dommissie** (Resigned 14 March '23)

Belonging is Better Business

here's why

Your voice

**RMI represents
the industry at:**

Centralised wage negotiations.



Various MIBCO and Industry-related
Boards and committee structures.



Various South African Bureau of
Standards (SABS) committees
and working groups.



The National Regulator for Compulsory
specifications (NRCS), defending our
industry when compulsory specifications
and standards are compromised.



The Moto Health Care Fund,
Industry Provident Funds and the Sick,
Accident and Maternity Pay Fund.



Meetings hosted by reputable
organisations recognised by government,
big business, consumers and relevant
stakeholders like Business
Unity SA (BUSA).



Legacy and Unity



115+ yrs

retail motor industry
representation



8,500+

member businesses
our unity is our strength



With a membership of more than 8 500, we provide a *very effective collective voice* that gives considerable clout to its members. It is through this collective voice that the RMI strive to create better trading conditions for its members.

Keeps you in the know

Industry labour relations seminars.



Automobil magazine and weekly web letters.



Commenting on industry topics in the media, and participating in and hosting numerous conventions and shows.



Supports your business



Professional industrial relations advice ensuring procedural and substantive **fairness** when disciplining staff.



Facilitation of a business-to-business complaints where both parties are RMI members, with a **complaint resolution** rate in excess of 95%.



Exceptional CPA **support** at the National Consumer Commission (NCC) and the Motor Industry Ombudsman of South Africa (MIOSA).



Chairing of disciplinary hearings and **automatic entry** at the CCMA, DRC and Labour Court.



Training needs and representation via merSETA, TETA and W&RSETA.



Industry-specific products like RMI4BEE, RMI4LAW and RMI4OHS.

RMI

Constituent Associations

The Retail Motor Industry Organisation (RMI) is a proactive, relevant, retail and associated motor industry organisation recognised as the leading voice in South Africa's automotive aftermarket. It serves the daily needs of its members and plays a key role in enabling motor traders to deliver a superior service to motoring consumers.

8 Associations fall proudly under the RMI umbrella. *Inter-associational business-to-business trading is encouraged in the interests of all stakeholders.*



The Automotive Remanufacturers' Association represents the remanufacturing

trade sector. This includes component remanufacturers involved in safety-critical components, inclusive of, but not limited to vehicle cooling, turbocharger and braking systems; automotive engineers who machine and remanufacture engine components by way of expert engineering – ultimately rebuilding engines to its original specifications, and specialists in the repair, servicing and remanufacturing

of diesel fuel injection systems fitted to diesel engines in earth moving equipment, highway trucks, stationary engines and passenger vehicles.

ARA promotes the responsible reuse of remanufactured engine components for a 'greener' environment (carbon footprint). Its members are dedicated to providing consumers with only the best advice, finest service delivery, and highest quality workmanship.





The Motor Industry Workshop Association represents general repairs, auto electrical; air

conditioning; accessories and fitment as well as transmission and driveline workshops, while striving to remain ahead of the ever-changing technologies and best practices of the aftermarket motor industry. MIWA encourages members to support inter-associational, business-to-business trading with a view to strengthen the RMI. MIWA remains the leading resource for members ensuring continued relevance and sustainability.



The National Automobile Dealers' Association represents the interests of business people who own or operate new motor vehicle and motorcycle franchise dealerships and qualifying used motor vehicle and motorcycle outlets.

NADA is committed to the image enhancement of the retail motor business, facilitating the interface between dealers and OEMs, importers and distributors, building relationships between dealers and customers and bringing relevant industry issues to the attention of government. NADA is the respected voice on all matters relating to motor vehicle and motorcycle dealer business.



The South African Motor Body Repairers' Association is the pre-eminent motor body repair association in South Africa representing the majority of accredited motor body repairers.

SAMBRA's grading system, which was introduced over 30 years ago, regulates repair standards in the motor body repair industry in South Africa and instils confidence in consumers and industry stakeholders alike. The Association works in close collaboration with various key industry stakeholders including Insurers, Original Equipment Suppliers, paint and equipment suppliers, the labour department and trade unions, as well as related SETAs – to maintain industry sustainability and development. It ensures the provision of technical and business management skills training in order for members to meet the demands of the industry.



The South African Petroleum Retailers' Association represents the interests of all petroleum retailers in South Africa. Its aim is to improve growth and profitability for the investor. SAPRA plays an important role in tracking global and local trends that affect

sustainability and help retailers remain relevant in an ever-changing business environment.

Retailers voice concerns through one of the seven regional chairs strategically located around the country, into a **National Executive Committee (NEC)**, where strategy and solutions are developed. This bottom up approach is a fundamental SAPRA imperative.



The South African Vehicle and Bodybuilders' Association members are professional, certified and regulated vehicle body builders in South Africa who manufacture commercial vehicle body applications (tanker, coal, refrigerated trucks and trailers) and bus bodies (commuter and tourist type).

Members manufacture using the latest equipment and highly trained staff to ensure strict compliance with NRCS regulations; SABS standards and all other legal specifications and requirements.



The Tyre, Equipment, Parts Association represents tyre dealers, garage and workshop equipment and tool importers and distributors, auto part wholesalers, retailers and independent operators in the aftermarket motor parts industry as well as manufacturers and importers of parts for the automotive aftermarket.

The members of TEPA represent, promote, sell and endorse the use of legitimate, bona fide, quality branded products. TEPA members also export parts, equipment and components into Africa and other countries in the world. TEPA encourages at all times inter-associational RMI business-to-business trading, intent on strengthening the RMI Organisation as a whole. TEPA is seen as the mark of integrity and fair trade for the consumer, the business operator and the government. The Association is the legitimate voice of the tyre, equipment, and parts industry in South Africa and is positioned as an intermediary between government, business, and the consumer.



The Vehicle Testing Association represents private vehicle testing stations that are committed to operating within the law in accordance with the Road Traffic Act and the relevant SANS standards.

In this highly regulated environment, the association represents the interests of its members at government level working groups and is committed to enhancing the reputation of the industry in all the spheres.

Contact Details

www.rmi.org.za



Executive Committee

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Vishal Premllal

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Nonhlanhla Noni Tshabalala

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Head Office

Surrey Square Office Park, 330 Surrey Avenue, Ferndale, Randburg, 2194

[retailmotorindustry](https://www.retailmotorindustry.co.za)

011 - 886 - 6300



Department Specialists

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Transformation Director and HR Manager:

Nonhlanhla Noni Tshabalala - noni.tshabalala@rmi.org.za

Financial Director:

Reneè Coetsee - renee.coetsee@rmi.org.za

National Training Director:

Louis van Huyssteen - louis.vanhuysteen@rmi.org.za

Regulatory Compliance Manager:

Julian Pillay - julian.pillay@rmi.org.za

Partners

RMI4BEE

066 - 292 - 0102

RMI4OHS

072 - 787 - 5503

RMI4Law

0861 - 668 - 677

RMI Management



Jakkie Olivier

Chief Executive
Officer



Jan Schoeman

Chief Operations
Officer



Gary McCraw

Company Secretary
& NADA Director



Attie Serfontein

ARA & SAVABA
Director



Jacques Viljoen

SAMBRA Director



Jeffrey Molefe

Labour Director



Julian Pillay

VTa Director, Manager
Regulatory Compliance
and Regional Manager
(KwaZulu-Natal)



Louis van Huyssteen

Training Director



Pieter Niemand

MIWA Director



Reneé Coetsee

Financial Director



Vishal Premkall

SAPRA and TEPA
Director



Danelle van der Merwe

Brand & Communication
Manager



Jessica Hudson

Financial and
Database Manager



Nonhlanhla Tshabalala

Transformation Director
and HR Manager



Enrico Phillips

Regional Manager
(Western Cape)



Peter van Mosseveld

Regional Manager
(EC & Border)



Reemo Swartz

Regional Manager
(Free State/
Northern Cape)



Raoul Spinola

Regional Manager
(Central)



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