

## Numbers up across the board for new energy vehicles in South Africa

Sales of new energy vehicles (NEV) by 15 industry brands in South Africa increased by 82.7% from 1,665 units in the first quarter of 2023 to 3,042 units in the first quarter of 2024.

This is according to the Automotive Business Council's (naamsa) quarterly review of business conditions for the South African motor vehicle manufacturing industry, during the first quarter of 2024.

Naamsa submits these reports to the Director-General: Department of Trade, Industry and Competition.

In terms of plug-in hybrids, 25 were sold in Q1 2023 and 138 in Q1 2024.

Traditional hybrids sold increased from 1,408 to 2,574; while full EVs were also up – from 232 to 330 for the same period.

On current trajectory, the 3,042 for Q1 2024 is set to surpass the 4,674 for all NEVs sold in 2022.

In total 7,746 NEVs were sold in 2023.

### Incentives for New Energy Vehicles

Naamsa said certain key developments will prove a crucial step in attracting investments, fostering innovation, and enhancing the growth of the automotive sector within South Africa.

These include: the release of the dtic's EV White Paper in December 2023 and the announcement in the February 2024 Budget Speech of an introduction of an investment allowance for new EV investments.

The allowance, set to start in March 2026, allows for the claiming 150% of qualifying investment spending in the first year.

"An [electric vehicle](#) stimulation policy is something the sector has been working towards for some time. As South Africa's most successful non-commodity manufacturing industry, it is critical to the domestic economy that the automotive industry achieves its potential through 2035," said naamsa.

Naamsa said the primary goal of the White Paper is to set a course to transition the automotive industry from primarily producing Internal Combustion Engine [ICE] vehicles to a dual platform that includes [EVs](#) in the production and consumption mix, alongside ICE vehicles in South Africa by 2035.

"This vision is aligned with the foundational objectives outlined in the South African Automotive Masterplan (SAAM) 2035 to shape the nation's automotive industry.

"The White Paper aims to unlock the full potential of NEVs in South Africa."

\*2024 marks the centenary celebration of vehicle manufacturing in [South Africa](#) when domestic assembly operations began with the iconic Model T Ford on 19 January 1924.

Source: <https://www.esi-africa.com/news/numbers-up-across-the-board-for-new-energy-vehicles-in-south-africa/>

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