

The African Automotive Market is anticipated to register a CAGR of 5.55% during 2023 – 2028 - Market Size, Share, Forecasts, and Trends Analysis Report by Mordor Intelligence.

According to a new market research report titled “African Automotive Market- (2023 – 2028)”, the market studied is expected to register a CAGR of 5.55%. In the next few years, the African automotive market is forecast to encounter a significant expansion due to government policies that promote growth and urbanization in major countries of the region. Such activities are helping spur infrastructure developments and giving a positive outlook to the industry. Furthermore, larger nations, such as Nigeria and Kenya, are forming plans to manufacture their own cars. For instance,

Kenya's National Automotive Policy aimed to increase exports of automotive products to the East African region from 5% in 2018 to 15% by 2022. To achieve this, the government introduced incentive plans for locally assembled vehicles. This was aimed at replacing imported vehicles with vehicles assembled locally. Such developments may boost the automotive market in Kenya.

What is driving the growth of the African Automotive Market?

The surge in international car brands and models available in the region, consumers' increased ability to buy and maintain them, and the people's growing interest in owning multiple cars for their daily needs or travel would help boost demand for vehicles in Africa.

For example, in 2021, African motorists purchased around 833,020 passenger cars, with South Africa being the top passenger car destination.

- In August 2022, Mitsubishi Motors introduced the facelifted Triton range in the South African market.
- The Mitsubishi Triton 4x2 Single Cab is powered by Mitsubishi's proven DOHC intercooled 2.4-liter turbo-diesel engine, with 100 kW of power and 324 N m of peak torque on tap.
- An overall fuel consumption average of 8.0 l/100 km would give fleet owners some comfort and relief from the high fuel prices.
- The 75-liter fuel tank would ensure economic long-distance travel.
- In August 2022, Audi South Africa finalized the installation of 33 electric vehicles (EV) charging stations across the country.
- These represent a total of 70 charge point connectors and expand on the existing network in the country.

With the growing focus on improved fuel economy and reduced exhaust emissions, the demand and sales of electric vehicles, especially electric cars, are expected to witness rapid growth during the forecast period.

South Africa to play a vital role in the Automotive Market:

According to the National Association of Automobile Manufacturers of South Africa (NAAMSA), passenger car sales in September 2022 reached 32,392 units, an increase of 21.3% compared to

September 2021's total of 29,537 units. Likewise, medium and heavy-duty commercial vehicle sales in September 2022 came to 882 and 490 units, respectively, 6% and 20.7% higher than the year before.

Several other OEMs are actively looking to export the latest models into the South African market. For instance,

In August 2022, Maruti Suzuki announced the pricing of the new Grand Vitara. The company showcased this model in South Africa as part of its export strategy. South Africa is set to become the first foreign market to receive the car.

Who are the key players in the African Automotive Market?

The African automotive market is dominated by manufacturers such as:

- Volkswagen AG
- Toyota Motor Corporation
- Groupe Renault
- Hyundai Motor Corporation
- Mercedes Benz Group
- Ford Motor Company
- Innoson Vehicle Manufacturing Company
- Daimler AG
- Volvo Group
- Isuzu Motors Ltd
- Tata Motors Limited
- Ashok Leyland

Recent developments in the African Automotive Market:

- In October 2022: The Ministry of Industry and Trade, Morocco, announced that GMD Metal Tanger, a subsidiary of the GMD Group, inaugurated its new industrial unit in Tangier Automotive City.
- In September 2022: Egypt's government announced the signing of an MoU between the General Authority for Investment and Free Zones (GAFI) and Stellantis to broaden the scope of the cooperation between the government and Stellantis within the upcoming phase.
- In August 2022: FAW SA announced the launch of the JH6 33.420FT to local and export markets. The 11,040 cc Euro 2 specification six-cylinder inline engine is water-cooled, turbo-charged, and has an intercooler, producing 312 kW at 1,900 rpm and 1,900 N m of torque at 1,200 rpm.

Briefly, the Mordor Intelligence African automotive market research report is a must-read for start-ups, industry players, investors, researchers, consultants, business strategists, and all those who are looking to understand the African automotive industry. Get a glance at the

<https://www.mordorintelligence.com/industry-reports/africa-automotive-industry-outlook>

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