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# UPDATE

NEWSLETTER OF THE MOTOR INDUSTRY OMBUDSMAN OF SOUTH AFRICA



## THE ROAD AHEAD



MOTOR INDUSTRY OMBUDSMAN  
OF SOUTH AFRICA

## NEW VEHICLE SALES AND EXPORTS JANUARY 2025

### Vehicle sales by segment

#### Passenger

Jan 2025 | 34,530  
Jan 2024 | 29,181



#### LCV

Jan 2025 | 9,901  
Jan 2024 | 10,894



#### Commercial

Jan 2025 | 1,967  
Jan 2024 | 1,948



### Total sales

January 2025 | 46,398

January 2024 | 42,023

### Application Volumes

New  
cars  
43,254

Used  
cars  
114,008

Average value of  
new cars financed

Jan 2025 | R361,594

Jan 2024 | R391,287



## MESSAGE FROM THE OMBUDSMAN

### The purpose of the Motor Industry Ombudsman

**Johan van Vreden**  
Motor Industry  
Ombudsman of  
South Africa



Over the years, I have often been asked about the purpose of the Motor Industry Ombudsman of South Africa (MIOSA) – not only by consumers but also by those within the motor and related industries. The role played and processes followed by the MIOSA are sometimes misunderstood, with some perceiving it as a threat or a policing body. In reality, this is far from the truth. The MIOSA serves as an independent and impartial avenue for resolving disputes within the automotive and related industries, offering a cost-effective and efficient alternative to expensive and time-consuming legal proceedings.

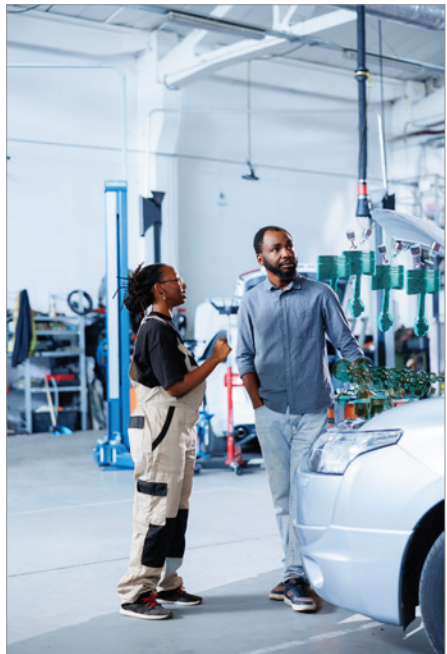
The primary purpose of the MIOSA is to resolve disputes between consumers and service providers in a manner that is fair, impartial, and transparent. When a complaint is registered with the MIOSA, both parties are given the opportunity to present their side of the story. The MIOSA carefully examines the information provided, ensuring that all facts are considered before reaching a finding. This finding is then communicated to the parties involved.

Decisions made by the MIOSA are always based on four key principles: the law of the land, good engineering practices, established consumer protection practices, and natural justice. The goal is to encourage a fair resolution while helping both parties avoid costly litigation whenever possible.

The dispute resolution process often requires extensive correspondence. While the MIOSA provides predesigned forms to guide both parties in submitting the necessary information, additional documentation may be required depending on the complexity of the

case. Each matter is handled on its own merits, and as a result, some cases take longer to resolve than others. Claimants seeking assistance from the MIOSA must be patient and understand that thorough investigation is essential to ensure a fair outcome.

For those who are disappointed when a finding cannot be made in their favour, the MIOSA ensures that they are fully informed of their rights and the options available to them. I hope this explanation provides greater insight into the role and processes of the MIOSA, helping to foster a better understanding of its purpose within the automotive and related industries. ●





By **Darren Smith, Head of the Case Management Department of the MIOSA**

The Case Management Department of the Motor Industry Ombudsman of South Africa (MIOSA) is committed to promoting transparency and accountability within the South African automotive service industry. A key focus is ensuring that both consumers and service providers understand their rights and obligations as set out in the Consumer Protection Act, Act 68 of 2008 (CPA).

This legislation plays a crucial role in safeguarding consumers from unfair practices, unauthorised charges, and substandard service while also providing clear guidelines for businesses to operate ethically and responsibly. By highlighting some of the most important provisions of the CPA, the Case Management Department aims to empower consumers with the knowledge they need to make informed decisions and ensure that service providers uphold the highest standards in the industry.

According to Section 15 of the CPA, service providers may not charge consumers unless they have provided an estimate, the consumer has declined the estimate in writing, or the consumer has pre-authorised charges up to a specified limit. Any service performed outside these conditions is considered unsolicited and must be provided free of charge.

Additionally, service providers may not charge for preparing an estimate, including diagnostic, disassembly, or reassembly costs, unless the cost of the estimate itself was disclosed beforehand. Any service costing

more than R2 requires a formal quote before work can proceed. If an estimate is not provided, the consumer cannot be charged.

If unforeseen issues arise after an initial estimate has been given, the supplier must provide an updated quote, which the consumer has the right to accept or decline. Any unauthorised work will also be considered unsolicited.

Section 54 of the CPA further mandates that service providers must return consumer property in at least the same condition as it was received. To prevent disputes, businesses should document the product's condition both at the time of delivery and upon return to the customer. This ensures accountability and protects both parties in the event of damage claims.

Section 57 provides an implied three-month warranty on any new or reconditioned parts installed or work performed. If a fault arises within this period and is linked to the service provided, the consumer has the right to have the issue rectified at the supplier's risk and expense. However, this warranty becomes void if the product is misused, abused, or tampered with after collection.

These provisions emphasise transparency and accountability in the automotive service industry, ensuring that consumers are protected from unauthorised charges and poor service quality. By adhering to these regulations, service providers can foster trust and maintain fair business practices. ●

## A CASE IN POINT



### COMPLAINT

The complainant booked his vehicle with the respondent due to concerns about the wheels becoming excessively hot. Upon inspection, the braking system was identified as the cause of the issue. The respondent attended to the braking system; however, the problem persisted. The complainant requested that the issue be resolved at no additional cost.



### FINDING

The Motor Industry Ombudsman of South Africa (MIOSA) reviewed the matter in line with Section 57 of the Consumer Protection Act 68 of 2008 (CPA), which provides for a three-month warranty on all replaced parts and workmanship. Furthermore, Section 54 of the CPA states that consumers have the right to receive their property in at least the same condition as when it was handed over to the supplier. Based on these provisions, the MIOSA found in favour of the complainant, and the respondent was required to remedy the issue at no additional cost.



### COMPLAINT

The complainant purchased a new vehicle from the respondent. Shortly after the purchase, the complainant reported various concerns regarding the vehicle. The main concern involved the brake pads. The respondent was able to resolve all the concerns but declined to assist with the brake concern, attributing the brake failures to the complainant's driving style.



### FINDING

It was determined that the complainant had reported the concerns regarding the brakes on multiple occasions over an extended period, having driven a significant number of kilometres. The brake pad concern was found to be consistent with normal wear and tear based on the driving style of the complainant, and as such, the costs associated with replacement are the responsibility of the complainant. The MIOSA concluded that the transaction could not be

cancelled based on the concerns raised as brakes are frictional components, which will wear overtime under normal use.



### COMPLAINT

After purchasing a used vehicle, the complainant noticed several concerns and had the vehicle assessed by a panel beater. The issues were reported to the selling dealer, but no response was received. The complainant subsequently sought to return the vehicle for a full refund.



### FINDING

It was established that all the concerns raised by the complainant were cosmetic in nature. Furthermore, the sale agreement did not specify that the vehicle had never been involved in a collision. The MIOSA determined that the vehicle met the requirements of Section 55 of the CPA and, therefore, did not support the complainant's request for a refund under Section 56 of the CPA.



### COMPLAINT

The complainant purchased a used vehicle from the respondent, which was advertised with an extended maintenance plan. The respondent provided supporting documentation confirming the plan. However, when the complainant took the vehicle for servicing, it was discovered that no active maintenance plan existed, and the complainant was required to cover the service costs. Despite informing the respondent, no resolution was provided. The complainant requested that the maintenance plan be reinstated or, alternatively, that the sales transaction be cancelled.



### FINDING

As the respondent had advertised and sold the vehicle with an extended maintenance plan, the MIOSA found in favour of the complainant. It was recommended that the respondent procure a maintenance plan equivalent to the one originally advertised, ensuring that it matched the duration and coverage outlined in the provided documentation. ●

## PEOPLE, PUNS AND PRODUCTS

### AAAM appoints new CEO



The African Association of Automotive Manufacturers (AAAM) has appointed Victoria Backhaus-Jerling as its new CEO, effective 1 March 2025. She succeeds Dave Coffey, who is retiring after five years of leadership. Backhaus-Jerling is the first woman to hold this position. Before her appointment, she led the Project Office in South Africa for the German Association of the Automotive Industry (VDA). Founded in 2015, AAAM is the only pan-African body dedicated to developing and expanding the automotive industry across the continent. It works closely with governments to attract investment, drive industrialisation, and support policy development. The AAAM plans to expand its presence in Tunis, Cairo, and Nairobi in 2025.



### VWGA takes over Ducati retail operations

Volkswagen Group Africa (VWGA) has officially taken over Ducati's local retail operations in South Africa as of 1 January 2025. This marks Ducati as the fourth brand in VWGA's portfolio, alongside Volkswagen Passenger Cars, Audi, and Volkswagen Commercial Vehicles. VWGA will manage Ducati's

retail operations, import motorcycles, and supply parts and accessories. The company aims to expand the brand by integrating it into three dealer sites in Gauteng, Western Cape, and KwaZulu-Natal, with a new retailer appointed in Cape Town and plans underway for Durban. VWGA has set a double-digit market share target by 2026 and will introduce new Ducati models over the next two years. Tertius Cronje has been appointed to lead Ducati South Africa.

### New head of marketing at Audi

Audi South Africa has appointed Ricci Birchfield as the new Head of Marketing, Product, and PR, effective 1 February 2025. With over 18 years of experience in the automotive industry, Birchfield has a strong background in digital strategy, marketing, and business transformation. He has previously held key roles at Audi AG and Volkswagen Group Africa, where he contributed to the company's digital transformation and strategy development. Birchfield's expertise in digital initiatives and his focus on customer-centric solutions will drive Audi's growth in South Africa. His vision for the role includes enhancing the customer experience and further establishing Audi as a leader in design, performance, and digitalisation.



## Volvo is SA's EV favourite

Volvo Car South Africa has emerged as the country's top electric vehicle (EV) manufacturer for 2024, leading both in overall EV sales and the best-selling nameplate. The Volvo EX30, a compact electric crossover, topped the charts with 406 units sold, earning the title of South Africa's best-selling battery-electric vehicle.

The EX30 was also named a finalist for the 2025 Car of the Year competition. The XC40 Recharge and C40 Recharge models further strengthened Volvo's market position. With a total of 539 EVs sold, Volvo outperformed its closest competitor by 20.86%. Volvo's global electrification strategy aims for up to 100% of its sales to be electrified by 2030.



## Another Dakar finish for Hino

Hino maintained its perfect record in the gruelling Dakar Rally, marking 34 consecutive events with at least one finisher. In 2025, Team Hino Sugawara entered a single Hino truck, competing against a field of 44 trucks, mostly from European manufacturers with larger engines. Driven by Teruhito Sugawara, along with Somemiya Hirokazu and Mochizuki Yuji, the team finished 13th, achieving Teruhito's

20th consecutive finish. The Hino truck, based on the North American 600 Series but with a drivetrain similar to the South African 500 Series, endured a challenging 7 826km route. The event included demanding double stages with no outside servicing, putting crews under immense pressure to conserve vehicles and tyres while maintaining speed.

## Isuzu remains a top employer

Isuzu Motors South Africa has been recognised as a Top Employer in South Africa for the third consecutive year by the Top Employers Institute. This certification reflects Isuzu's commitment to employee wellness, inclusivity, and professional growth. The evaluation process assessed HR practices, including talent strategy, leadership development, and employee engagement, highlighting Isuzu's dedication to fostering a supportive workplace. By prioritising diversity, equity, and continuous learning, ISUZU empowers its workforce and strengthens its position as an employer of choice.



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## PUBLIC AFFAIRS UPDATE

### All roads lead to Mpumalanga Province for World Consumer Rights Day

World Consumer Rights Day (WCRD) will be observed on 15 March 2025, as noted on the Consumers International website. Member countries around the globe will come together to celebrate this significant day under the theme "A Just Transition to Sustainable Lifestyles". This occasion serves as a crucial reminder to both consumers and businesses of the importance of safeguarding consumer rights and promoting ethical practices.

In South Africa, the Consumer Protection Forum (CPF) has responded to a request from the Department of Economic Development and Tourism of Mpumalanga Province to host the national WCRD celebrations. Since 15 March falls on a weekend, the CPF has decided to hold the main event a day earlier, on 14 March 2025. Leading up to this, a series of build-up activities will take place across the Nkangala and Ehlanzeni districts. The Motor Industry Ombudsman of South Africa (MIOOSA) will be deploying a team of compliance

inspectors and consumer educators throughout the event to ensure its success.

The CPF's theme for this year's celebration, "Empowering Consumers: Balancing Rights with Ethical Business Practices", aligns closely with the values that the MIOOSA promotes. In a recent newsletter article, the Motor Industry Ombudsman of South Africa, Mr Johan Van Vreden, underscored the importance of ethics in business, and it is gratifying to see the CPF echoing this sentiment. This is the message the MIOOSA will be sharing on WCRD.

Late in 2024, a multi-disciplinary compliance campaign in the Gert Sibande District of Mpumalanga highlighted areas where businesses were failing to comply with regulations and revealed a general lack of consumer rights awareness. As a result, the Public Affairs Department of the MIOOSA resolved to conduct both rural and urban outreach initiatives early in the new year to ensure that no community is left behind. These engagements have included interactions with local communities, religious organisations, and businesses in the Nkangala District.

The Public Affairs Department continues to maintain strong working relationships with various stakeholders, including the media and civil society. Earlier this year, the MIOOSA participated in two radio interviews and partnered with the Johannesburg Ombudsman to host information clinics across Gauteng.

Once the sun sets on WCRD, the focus will shift to preparations for Workers' Month. The Public Affairs Department is committed to engaging with employers to raise awareness of consumer rights among their workers during that time. ●

**Lucious Bodibe**  
Public Affairs  
Manager of the  
MIOOSA

