



28 July 2021

Members of the Automotive Remanufacturers' Association (ARA)

Per E-Mail / ARA Website / ARA-SA Telegram (Information) Channel

Dear ARA Member

SUBJECT MATTER : ARA ANNUAL GENERAL MEETING (AGM) CHAIRMAN'S REPORT – FOR THE FINANCIAL YEAR (FY) 2020 / 2021

ARAs brand-new CI, introduced with the introduction of the Financial Year (FY) – 2020 / 2021:

The ARA National Office, its governing ARA National EXCO (NEC), and ARA Regional EXCOs (RECs), are pleased to report on ARAs projects (afresh, rolling-out or current), VAS (value-add-services), training, activities, achievements, stakeholder relations, and priorities (in which the whole of the ARA Member-base play an integral role) - for the FY. The Chairman's Report will consist of input on the aforementioned aspects, on a high-level format and / or of high priority to ARAs Associational activities – influencing the Motor Industry, and Automotive Aftermarket Retail Sector.

ARA were excited to start a brand new year by proudly sharing our new Corporate Identity (CI) with our Member-businesses. With our newly and afresh amalgamated Automotive Remanufacturers' Association (ARA) CI, a milestone that not only brought Industry closer together, but also gave it a bigger footprint and a stronger voice. ARA have united into a strong leading-voice in Industry over this period (along with RMI and its various Sister-Associations) - bringing about positive change in our Trade-sector.

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We are very excited about the future and positive prospects for ARA and its position in Industry, subsequently with a stronger bargaining power with Industry and relevant stakeholders. The FY – 2020 / 2021 period proved to be a year of uncharted waters, ARA maintained focussed - to evaluate, accredit, retain, and sign new-business.

As a result ARA have grown its Member-base to 100 plus Member-businesses during this period, testament to ARAs fundamental position in Industry. Financial (management) accounts for ARA (and the Automotive Engineering Development Fund - AEDF), are well managed and within (the pre-planned) budget submitted. A substantial drop in Subsistence & Travel, face-to-face Meeting fees, and Motor Vehicle expenses – a direct of result of minimal travel, given the “risk adjusted alert level - CoVID-19 Regulations”.

Continuation of operations amid the Pandemic:

During this FY period, and with the “National State of Disaster” announcement (and subsequent Alert Level 5 Lockdown) i.e. the impact of the CoVID-19 Pandemic globally; ARA Member-businesses felt the ripple effect to economies of scale and industries with whom the Motor Industry is intertwined. Despite the initial economic shutdown, the ARA National Office, its governing ARA National EXCO (NEC), and ARA Regional EXCOs (RECs), and its Member-businesses kept in close contact with one-another, who guided the ARA Member-base through Government Directives, and Regulations – ensuring a smooth, and focused approach to Government requirements.

ARA have seen job losses i.e. retrenchments and / or Member-businesses restructuring, and the like. Salaries quite often had been left for Member-businesses to pay, to ensure continued operations. The RMI-ARA has kept its Members-businesses abreast (in record time through its CoVID-19 Monitor circulars) of “financial relief” and / or “private funds” options provided by Government and / or the Public Sector - as these are released in the media, as well as any developments and amendments to the CoVID-19 Regulations.



In a continued effort to reduce the financial impact on its SMME Member businesses, the RMI-ARA has, and continues to, play a pivotal role in negotiations with Industry stakeholders. The RMI-ARA has pro-actively studied all of the Government Regulations, and amendments thereof (subsequently, circulating notices) – to best equip its Member-businesses with the tools needed to manage the impact of CoVID-19. Given the nature of a Pandemic – that cannot be predetermined, the response of the RMI and its Sister-Associations, and interaction with Government, received praises for its swift action, and co-operation with the Industry.

In terms of emergency repairs (at the stage of alert level 5), ARA Member businesses have marketed their availability to render emergency repairs to their clientele, with skeleton staff in place (and short-time procedures were followed), together with the required permits.

Moreover, UIF – TERS was approached via MISA to ensure employees are awarded (proportionately) fiscally during the Pandemic. ARA Member-businesses have adhered to Government Regulations (in accordance with RMIs interpretation of Regulations), to ensure a smooth operation during the different Alert Levels. For the remainder of 2021, a close eye will need to be kept on workforce, budget, economic recovery, projects and incoming work. New methods of trade will have to be adapted to and combined with innovative thinking, to minimize lost revenue and jobs.

The ARA National Office, its governing ARA National EXCO (NEC), and ARA Regional EXCOs (RECs) - would like to thank RMI Top Management for setting an example (standard), providing guidance and focused (thought) leadership, past experiences i.e. best approaches, insights, calculated & strategic thinking and lastly embedding confidence in shaping the future of the RMI. We can but attest to what's possible if we stand together (pulling together with our fellow Member-businesses and Sister-Associations).



In furtherance to the aforementioned regard, we further salute RMI Top Management for heading the “Extended Management Committee - EMC”, with an enormous task at hand, ensuing successful implementation of Government Regulations (and fearlessly fought at the highest Governmental levels, to ensure business returns, swiftly and speedily as possible – with the least amount of risk), financial implication (sustainability - considering the extended subscription discount provided to RMI Member-businesses), as well as successful implementation of the RMI Strategic Objectives.

“... STRENGTH IN UNITY ...”

ARAs project: Gas-conversion, gains momentum:

ARA are excited about the possible total new job earning opportunities that are expected to be created from this initiative, a project that was born out of a concept of diversification of business-models, given the introduction of new technologies and energies arising in the Automotive arena. The exact number will depend on the level of investment. For example by incorporating Gas-conversions only, it is estimated one could increase ones staff count by 10% based on an average of 10 employees per business.

By adding Gas-supply this will double to 20% and if one diversifies this to maintenance / repairs / servicing, and the like - additional work creation possibilities could increase the staff count to 30%. The opportunity for new business ventures and new-start-ups is also now a possibility and could raise total employment levels in the sector by 40% plus. This is clearly a win-win situation when our Country is grappling with huge unemployment numbers.

ARA continue to build on its stakeholder relations:

The ARA National Office, its governing ARA National EXCO (NEC), and ARA Regional EXCOs (RECs) continue to retain and build on our partnerships with Industry stakeholders, and form new relations with stakeholders relevant in our Trade-sector.



As a direct result of our relations and strong ties with Industry stakeholders – ARA have embarked on numerous projects over this period, that benefits our Members – addressing the very core-needs to manage a successful business.

Projects involving a number of “training matters” (inclusive of registering Service Delivery Providers – SDPs working relations with “subject matter experts”, and development of new qualifications, as well as positive reporting insofar to “workplace-transformation” i.e. job-creation and skills-development).

Further to the aforementioned projects – AAR continue to strive for “product quality assurance”, we’re also initiating a “ARA grading-system”, with close focus on “communication-systems i.e. Website and Social Media”, as well as close relations i.e. “partnerships with stakeholder entities” with the likes of Labour / Big Business - “Government” and “State Organ” collaboration, “ARA Warranty Terms & Conditions”, “ethical business practises”, “inter-Associational” collaboration, “longevity and business-continuity”, “dispute resolution”, IR (labour) Services”, “safe and risk mitigated operations” i.e. the onslaught of CoVID-19” with risk adjusted protocols, numerous “press-releases” / “advertorials” published on various media-platforms, and the like.

In ARAs continuous endeavour to be set apart insofar to the Codes our Member-businesses uphold and subscribe to in terms of criteria & standards in the Automotive Aftermarket Retail Sector, the ARA National office, together with its NEC, implemented a Code of Ethics within the ARA “remanufacturing sub-sector”. The Code of Ethics will place further emphasis on business ethics, high quality service rendering, and a Code to aspire to, and will be displayed in the same manner the Code of Conduct is displayed, at Member-businesses. Accredited Members of the Automotive Remanufacturers’ Association (ARA), agree to adhere to its Code of Ethics, which is the basis of the Motor Industry’s standard of best business-practice.



South African Bureau of Standards (SABS) – Quality & Standards:

The Retail Motor Industry Organisation (RMI) and its various constituent Associations have the privilege and important role to serve on SABS Technical Committee (and SC – Sub-Committee) Meetings on behalf of our Membership (out of which “Working Groups” are formed in order for subject matter experts to review / amend / re-affirm, current Motor Industry Standards), and represent its Membership, the Automotive Aftermarket Retail Sector, as well as the Motor Industry at large – playing a significant key role in quality assurance in regards to Motor Industry Standards.

Further in the aforementioned regard, Committees are formed out of Motor Industry stakeholders) are tasked to ensure a best and safe approach for implementation insofar to newly developed Motor Industry Standards (developed in-line with various Acts / technological changes / new methodologies / new protocols / new and or alternative energies). Continuity of representation is crucial to the successful management of Standards on behalf of our Membership.

With RMI - ARA and its Sister-Associations (MIWA / TEPA / NADA / VTA / SAMBRA / SAPRA / SAVABA) on the forefront of quality assurance, with pertinent and current (relevant) practical applications in mind; ARA have been recently approached to be party to a process concerning Gas-safety standards for the South African Market, with Gas (LPG / LNG / CNG / Hydrogen) becoming real prominent options in the South African Market as an alternative to ULP (unleaded petrol) / Diesel.

Technical Committees (TCs) ARA are party to / Chairing:

- TC 22/SC 05 - Construction of Motor Vehicles – Automotive Aftermarket Centre’s;
- TC 22/SC 09 - Construction of Motor Vehicles – Alternative Fuel Vehicles;
- TC 22/SC 01 - Construction of Motor Vehicles – Braking.



ARAs position in Industry / Market:

The Automotive Remanufacturers' Association (ARA) is a constituent Association of the Retail Motor Industry Organisation (RMI). For the record, the RMI is a body-corporate with perpetual succession, incorporated in terms of its own Constitution and is an Organisation not for gain. In addition, the RMI is a registered Employers' Organisation registered with the Department of Labour in terms of Section 96 of the Labour Relations Act, 1995 and the largest employer party to the Motor Industry Bargaining Council (MIBCO).

The RMI represents the interests of some 8500 establishments in the retail and wholesale Motor Industry, which includes *inter-alia* motor vehicle dealers, motorcycle dealers, motor vehicle parts dealers, motor body repairers, motor vehicle component remanufacturers, fuel retailers, tyre dealers, and the like. These sectors' business / trade interests are dealt with via the RMIs eight (8) constituent Associations, which are wholly owned by the RMI and operate in terms of the RMIs Constitution. Member-businesses continue to enjoy RMI VAS products, with the likes of RMI4BEE / RMI4Sure / RMI4Law.

ARA, which represents some 450 businesses in 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.

The new ARA logo reflects the consolidation of three similar strong Trade-sector fraternities operating together in the remanufacturing Trade-sector. The universally recognised engine icon was used as the central design.



It is made up of three colours that represent the three amalgamated strengths namely: automotive engineering, automotive components and diesel fuel injection (DFI). The spark, strategically placed in the centre, is a powerful symbol of a healthy engine. It symbolises igniting a remanufactured engine and refers to new beginnings.

The World Engine Remanufacturers' Council - WERC:

Since the re-establishment of WERC by way of various multinationals / world-Countries coming together, and representing their respective Countries (in the space of the REMAN Trade-sector, with common interest) at Automechanika 2018 Frankfurt Motoring Exhibition; during which South Africa (ARA) have headed (called to order) the re-affirmation.

The intention of WERCs re-affirmation are to strengthen ties and to address issues of similar nature faced by Member-businesses alike, around the globe. It was noted that global issues could easily be resolved on an information-swop basis. The re-affirmation of WERC is significant as it allows our Industry to share global best-practices and give (not only specifically) the Engine Remanufacturing Trade-sector (but also the REMAN Trade[1]sector in its entirety) a unified voice in Trade and Industry matters.

Since the re-affirmation of WERC, the IWEC – International WERC EXCO Council, have met on a number of global Automotive stages; resulting in WERC numbers to increase / discussion of joined projects, whereas collaboration between Countries have brought answers, and solutions to Industry matters.

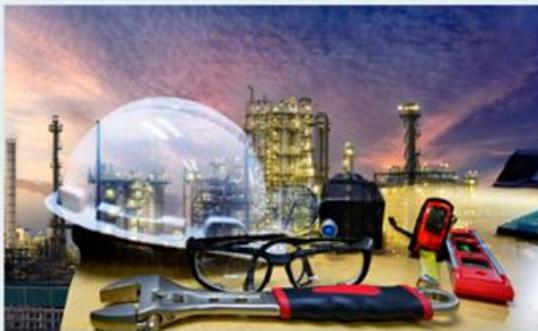
It is with a heavy heart that the IWEC have learned and subsequently report on the untimely passing of Mr Omar Ricardo Chehayeb: IWEC Vice-President / International Liaison / Treasurer. We wish Mr Chehayeb's family / loved-ones / friends / colleagues, peace to bring comfort, and the courage to face the days ahead, and loving memories to forever hold in your hearts. After the tears have dried and the goodbyes have been said, all we have is happy memories of our beloved Omar, that we can share with one-another, keeping his memory alive.



Omar had a zealous personality, was well informed in Automotive matters, an engaged individual to various Industry Stakeholders (globally), and a leader of bringing Organizations / Associations together on the same platform - which made Omar a widely respected person. The IWEC and WERC will ensure that Omar's memory is kept alive, and more-over, his legacy is carried forthwith.

ARAs partnerships with CSRS, Connected Life, and HaynesPro:

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Connected Life (CL) –

The ARA National Office are pleased to announce that we've gone live with our brand-new ARA Website. We're currently working on a communication system from within the Website, which will soon be available to Member-businesses to engage one another, whether it may be for technical assistance, parts, and of the like.



Please visit our / your Website to benefit from the functionalities it provides. The Website will also serve as a tool for the Motor Industry / Motoring Public to locate Automotive Engineering Workshops, Diesel Fuel Injection Pump-rooms, and Automotive Component Workshops. ARAs Website - <https://arasa.org.za/>.

We further would like to encourage all ARA Member-businesses to be participant to our brand-new (Social-Media) Telegram Channel, directly linked to the ARA Website. What this means is, as a Member you'll be fully abreast / informed of the latest developments within the Automotive Aftermarket Retail Sector, and within the ARA Camp i.e. project developments, and the like. As an ARA Member, via the Telegram Channel, you'll have direct access to the Telegram Channel on your Smart-device, and will receive updates in real-time.

To be added to the Telegram Channel, simply download Telegram on both your Computer and Smart-device – and click on the following link, ARA SA - Information Channel, https://t.me/rmi_ara.

HaynesPro –

HaynesPro WorkshopData is similar to Autodata. HaynesPro WorkshopData is a cloud-based platform which includes Technical and Electrical information, which mechanics needs to assist them to do accurate repairs on vehicles to Manufactures / OEM standards. HaynesPro buy all their information directly from the Manufactures / OEMs and make it user friendly for our Member-businesses to access. Saving you time looking for information.

HaynesPro can be accessed on any device with an internet connection as you log in through their Website - www.workshoppro.co.za, using your own unique username and password. HaynesPro is automatically updated daily with the latest information and new vehicles are added every quarter at no extra cost.



Our Voice is your peace of mind:

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. Eight Associations fall proudly under the RMI umbrella. If you select any of our accredited Members we pledge to:

- Provide high quality products and services at a fair and reasonable price;
- Honour both the letter and spirit of any guarantee accompanying the sales of these products and services.

In conclusion:

A special word of thanks to the ARA National Office, its governing ARA National EXCO (NEC), and ARA Regional EXCOs (RECs), and of course the broader ARA Member-businesses, for your continued support, playing an integral role in the betterment of the Motor Industry – despite the current economic climate.

Since the announcement of the “National State of Disaster”, belonging became ever more-so critical – to ensure longevity of Member-businesses, and business relations (service rendering) to the Motoring Public. ARA Member-businesses pulled together in a time of dramatic change on many a level of business-operations, our sheer determination to adapt and unite – proved our business ethos, integrity, and character – resulting in business-continuation, adapting to new concepts and / or methods, and ensuring business-operations and business-growth is maintained.

As a collective we've done very well over this period, by adapting to the onslaught of a Pandemic, and changed Industry for the better, much was achieved and will we continue to build on our successes - to grow even stronger, as a united body.

“... RMI ARA - WHERE BELONGING MATTERS !!! ...”