

## **AUTOMOTIVE INVESTMENT SCHEME (AIS) – IMPORTANT NOTICE**

### **SUBJECT: SUPPORT PROGRAMME FOR ELECTRIC VEHICLES**

---

- 1.1 The support is informed by the Electric Vehicles (EVs) White Paper and the objectives outlined in the South African Automotive Masterplan (SAAM). As stated in the SAAM, growing local content and increasing employment are key government policy objectives and are at the very core of the underlying reasons for Government support for the industry.
- 2.1 The support is provided to original equipment manufacturers (Complete Knock Down operations), automotive component manufacturers and automotive tooling for Battery Electric Vehicles (BEVs), Fuel Cell Electric Vehicles (FCEVs) and other Alternative Energy Technology Vehicles (AETVs).
- 2.2 The support offered is as follows:
  - 2.2.1 A reimbursable cash grant of twenty percent (20%) of the value of qualifying investment in productive assets by original equipment manufacturers (OEMs).
  - 2.2.2 An accelerated depreciation allowance of 150% for qualifying investment in productive assets by OEMs administered by the South African Revenue Service (SARS).
  - 2.2.3 A reimbursable cash grant of thirty five percent (35%) of the value of qualifying investment in productive assets by component manufacturers<sup>1</sup>, tooling manufacturers and battery assemblers.
3. The above support replaces and outlines the EV support offered under the AIS July 2021 guidelines.
  - 3.1 Detailed guidelines outlining the criteria for EVs that is BEVs, FCEVs and other AETVs that excludes internal combustion engine (ICE), Hybrid and Plug-in hybrid electric (PHE) vehicles will be published by **the dtic** in due course.

---

<sup>1</sup> Component manufacturers are automotive component manufacturers, deemed component manufacturers and automotive tooling manufacturers as per Section 4 of the Customs and Excise Acts (4.60.17). This includes the value addition processes towards the final component.