MIBCO Strategic Plan 2026 – 2029

About MIBCO

MIBCO was established in terms of section 27 of the Labour Relations Act, Act 66 of 1995 as amended, and registered as the Bargaining Council in terms of Section 29 of the Act with a specific predefined scope focusing on the motor industry.

Acknowledgements

MIBCO would like to express its gratitude for the inputs shared by Parties, MIBCO Employees and various stakeholders.

Disclaimer

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To learn more about MIBCO, please visit: **www.mibco.org.za**

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Foreword

We are honoured to present the Motor Industry Bargaining Council (MIBCO) Strategic Plan for 2026–2029. This plan sets out the direction, priorities, and commitments that will guide MIBCO through the next three years — a period that presents both challenges and opportunities for our Council and for the South African motor industry as a whole.

We are operating in an environment defined by economic pressures, the rise of electric and hybrid vehicles, the expansion of digital platforms across dealerships and service centres, the growing presence of imported vehicle brands, and the evolution of consumer behaviour. These factors are collectively reshaping the employment landscape and skills requirements of our sector.

Against this backdrop, MIBCO enters this new planning period from a position of institutional strength. Our reputation for fair and competent dispute resolution, the dedication of our staff, and our predictable levy base provide a solid foundation from which to pursue meaningful transformation. However, we are equally aware of the internal gaps we must address including improving our digital capability, operational efficiency, and stakeholder visibility if we are to achieve our purpose.

The Strategic Plan 2026–2029 reflects the engagement with our Parties, employees, and stakeholders. Their insights have shaped a plan that is ambitious and one that keeps the people we serve at its centre. Our six strategic priorities - Financial Sustainability and Organisational Optimisation; Employee Well-being, Skills and Retention; Digital Transformation; Compliance and Enforcement; Stakeholder Engagement and Visibility; and Industry Sustainability and Transformation - collectively define a Council that is not only fit for today but prepared for tomorrow.

We are committed to executing this plan with discipline, transparency, and accountability. Implementation will be phased and monitored rigorously, with clear measures of success agreed upon upfront. It will also require the continued support and partnership of our Parties and stakeholders, without whom MIBCO cannot fulfil its mandate.

We are confident that together we can deliver on the vision of a sustainable economy where MIBCO promotes and maintains industrial peace. This plan is our shared commitment to that future.

Lindsay Bouchier	**Paulos Masemola**
MIBCO President	MIBCO General Secretary

Introduction

MIBCO was established in terms of section 27 of the Labour Relations Act, Act 66 of 1995 as amended, and registered as the Bargaining Council in terms of Section 29 of the Act with a specific predefined scope focusing on the motor industry.

The 2026–2029 Strategic Plan sets out MIBCO's continued commitment to strengthening labour stability, regulatory effectiveness, and service excellence within a sector undergoing rapid and structural transformation. Building on the progress achieved during the 2023–2026 period, this strategy positions MIBCO to respond proactively to technological disruption, evolving business models, increasing compliance complexity, and shifts in employment patterns across the South African motor industry. The Plan is grounded in a robust situational analysis that integrates stakeholder insights, organisational performance trends, and detailed assessments of external and internal dynamics shaping the Council's future.

This Plan prioritises financial sustainability, operational optimisation, workforce capability, digital modernisation, and strengthened regulatory enforcement. At the same time, MIBCO seeks to elevate its role as an industry partner enhancing collaboration, improving communication clarity, and supporting sector preparedness as the industry transitions to new technologies, skills requirements, and service models. Furthermore, MIBCO will be required to maintain regulatory and Financial Sector Conduct Authority (FSCA) compliance in terms of all relevant Laws and the obligations stemming from Section 13A and B of the Pension Funds Act.

Through a disciplined and evidence-based execution approach, this Plan provides the foundation for a more agile, trusted, and future-ready MIBCO to continue delivering value to employers, employees, and the broader motor industry to 2029.

Strategic Foundation

MIBCO's purpose, vision, mission, and values articulate its aspiration to achieve its objectives to be deliver unbiased, value-adding service and benefits in the most cost effective way to the motor industry.

MIBCO Objects

The objects of MIBCO as set out in the MIBCO constitution, are to:

- Conclude collective agreements, and to enforce collective agreements in terms of all applicable legislation and in any appropriate forum including a Court of law.
- Determine by collective agreements any matter which may not be an issue in dispute for the purposes of a strike or a lock-out at the workplace.
- Prevent and resolve labour disputes.
- Develop proposals on policy and legislation that may affect the Council's sector and area and submit those proposals to NEDLAC or any other appropriate forum.
- Promote and establish training and education schemes.
- Establish and administer a fund to be used for resolving disputes.
- Establish and administer pension, provident, medical aid, sick pay, holiday, unemployment, training or similar schemes or funds for the benefit of any of the parties to the Council or their members.
- Confer on workplace forums additional matters for consultation.
- Consider and deal with any other matter that affects the interest of the parties.
- Secure the recognition and observance by all persons in the sector of any agreements relating to matters of mutual interest negotiated by the parties.

MIBCO Strategic Framework

Purpose *Why we exist*	**Vision** *The future we want*	**Mission** *What we do*	**Values** *What is important to us*
We champion peace, equality and sustainable livelihoods, to enrich the lives of those we serve	A sustainable economy where MIBCO promotes and maintains industrial peace.	MIBCO is committed to being the trusted partner in advancing social justice through labour relations for the motor industry.	To be known as a Council that is respectful, trustworthy, consistent and fair, ethical, transparent and accountable, collaborative and committed to innovation.

Strategic Operating Context

Factors shaping South Africa's motor industry

The operating environment of the South African motor industry continues to evolve under the influence of political, economic, social, technological, legal, and environmental forces. These shifts carry significant implications for MIBCO's mandate, scope of work, and future positioning.

Politically, the sector remains shaped by national industrial policies such as the South African Automotive Masterplan (SAAM 2035), the Automotive Production and Development Programme (APDP), and the evolving labour regulatory landscape. These frameworks aim to strengthen local content, competitiveness, and job creation, but also bring expectations for enhanced alignment between labour institutions and industrial strategy. The South African motor industry has traditionally been anchored around local original equipment manufacturers (OEMs) and component suppliers. The entry of imported vehicle brands (especially from Asia and Eastern Europe) that are not assembled locally changes the structure of the sector. These brands rely more on importation and distribution networks than on local production, which weakens the link between the manufacturing and retail/servicing value chains. For MIBCO, this requires deeper engagement in policy dialogue, stronger alignment of labour frameworks with sector transformation, and preparedness to support regulatory changes affecting employment, compliance, and collective bargaining structures.

Despite the economy experiencing slow GDP growth, high inflation, and elevated interest rates continue to constrain consumer spending, new vehicle sales are recovering toward pre-pandemic levels, suggesting underlying resilience in the sector. With greater exchange rate volatility is making imported components more expensive, adding further pressure on businesses. The economy is further experiencing a major structural shift underway, with increasing volumes of imported vehicles, particularly from Asia and Eastern Europe. This trend may lead to fewer manufacturing jobs locally but there is evidence of growing opportunities in service centres, repair shops, and parts retail.

Social and consumer trends that are fundamentally reshaping the motor industry. Consumers are changing how they engage with mobility, turning increasingly toward cost-efficient, technology-enabled, and service-oriented vehicle solutions. These shifts contribute to changes in job profiles and employment patterns within the sector that remain outside MIBCO's scope. The sector workforce's current skills profile does not match what the evolving industry increasingly requires, making training and skills development a strategic priority.

Technological advancements including automation, digital diagnostics, artificial intelligence, online vehicle sales, and the transition to electric and hybrid vehicles are reshaping the structure of the automotive value chain. Furthermore, while electric vehicles are gaining ground slowly in South Africa due to infrastructure limitations, the transition is inevitable and will have profound implications. This shift will eliminate demand for traditional mechanical skills and spare parts while creating entirely new job categories around battery technology, electric drivetrains, and charging infrastructure. Digital transformation is changing dealership and service centre operations, with online sales platforms, fleet management applications, and connected vehicles becoming standard, requiring workers to develop digital competencies alongside their technical skills. For the motor industry, the technological trajectory requires proactive adaptation of job grading structures, training and skills pathways.

Legally, the sector is experiencing increasing regulatory and compliance complexity, including updates to labour law, stricter occupational health and safety requirements, and greater scrutiny of environmental standards. The evolving legal environment also influences dispute resolution demands and expectations for fairness, accessibility, and efficiency. Environmentally, pressures including the growing shift toward low-emissions vehicles, energy instability, waste management requirements, and climate change continue to influence operational models across the motor sector. The acceleration of green transition initiatives introduces new job categories, skill requirements, and environmental compliance obligations for industry participants which may potentially displace workers in traditional high-emission operations.

Collectively, the industry environmental scan reveals a sector undergoing structural transformation. MIBCO must therefore strengthen internal capabilities, modernise its systems, deepen engagement with new and existing stakeholders, and reposition itself not only as a regulatory body but as a strategic partner supporting industry stability and future readiness.

Internal Capacity Assessment

MIBCO's internal capabilities, combined with the external pressures and opportunities in the motor industry, provide a clear view of the organisation's strategic position heading into the 2026–2029 planning cycle.

MIBCO's strengths lie in its solid institutional foundation, underpinned by experienced and committed staff with deep institutional knowledge, low attrition levels, and increasingly modernised IT systems that enable reliable service delivery. Additional strengths are MIBCO's predictable levy income which provides stability for long-term planning as well as its strong reputation for fair and competent dispute resolution. These strengths position MIBCO as a stable, credible partner within the motor industry. However, several internal weaknesses require attention to ensure long-term sustainability and relevance. Key gaps exist in succession planning, talent development, and role clarity, with several senior staff nearing retirement and limited pipelines for critical skills. Capacity constraints create operational bottlenecks and slow project rollout. Fragmented systems, inconsistent documentation, and weak integration between entities (including MIRF and MIFA) affect efficiency and governance.. These weaknesses, if unaddressed, could undermine service delivery and reduce MIBCO's responsiveness to sector change.

Externally, the organisation faces significant opportunities to enhance its value proposition and extend its relevance. The transition toward electric vehicles, automation, digitalisation, and green technologies creates space for MIBCO to lead on sector preparedness. The expansion of the aftermarket and the increase of independent service providers offer opportunities to broaden coverage. MIBCO's access to industry-wide data also positions it to develop labour market intelligence and advisory capabilities that support evidence-based decision-making across the sector. Greater collaboration with government, OEMs, and training institutions can further expand MIBCO's influence and developmental role. At the same time, threats in the external environment present real challenges. Structural industry shifts such as the increasing importation of fully built vehicles and the fragmentation of the aftermarket risk diminishing the traditional employer base and weakening collective bargaining coverage. Automation and technological change may lead to job displacement, reducing levy income and altering MIBCO's bargaining landscape.

Overall, MIBCO enters the next strategy period from a position of institutional strength but must decisively address internal capability gaps and proactively respond to external transformation. The strategic path ahead requires balancing operational excellence with innovation, expanding coverage while maintaining compliance integrity, and evolving from a traditional bargaining council to a forward-looking partner supporting the motor industry's transition and competitiveness.

Strategic Options to 2029

Building on the situational analysis, this section outlines the framework used to develop and evaluate potential strategic pathways for MIBCO to 2029 by addressing fundamental questions about its identity, value proposition, and focus.

Several options were identified for each strategic question, forming the building blocks for potential strategic directions.

Building Blocks for MIBCO's 2026 – 2029 Strategy

A. What role should MIBCO play? (Our Identity)

- *A1 - Regulatory Enabler*: Strengthen MIBCO's role in compliance enforcement, dispute resolution, and agreement administration
- *A2 - Industry Partner:* Broaden our mandate to include sectoral insights, capacity building, and joint initiatives to strengthen industrial stability.

B. How should MIBCO deliver value? (Our Operating Model)

- *B1 - Strengthen Core Operations*: Improve internal systems, structures, and service standards
- *B2 - Accelerate Digital Transformation: Use* technology, automation, and data-driven decision-making to modernise delivery
- *B3 - Strategic Collaborative Partnerships:* Collaborate with industry and institutional partners to enhance service reach and impact

C. Where should MIBCO focus resources? (Our Investment)

- *C1 - Modernise and Build Capacity*: Invest in skills, systems, and infrastructure to deliver more effectively.
- *C2 - Focus on Operational Optimisation:* Enhance efficiency and streamline internal operations
- *C3 - Financial Sustainability and Efficiency:* Strengthen fiscal discipline and ensure long-term organisational viability

To deliver on MIBCO's mandate and objects, an integrated strategic option—***Integrated Modernisation and Industry Partner (A1 + A2 + B2 + C3)***—has been selected. This option represents the most balanced, future-orientated pathway to achieving MIBCO's objects for the 2026–2029 period. This strategic option provides the foundation for the prioritisation of key focus areas that will guide MIBCO's execution over the planning period.

Strategic Priorities Intent Statement

Building on the selected strategic pathway, the Strategic Plan 2026–2029 translates this direction into a focused set of strategic priorities designed to strengthen MIBCO's ability to effectively deliver on its strategic and legal mandate as set out in the Labour Relations Act. These priorities that are *Financial Sustainability and Organisational Optimisation; Employee Well-being, Skills and Retention; Digital Transformation; Compliance and Enforcement; Stakeholder Engagement and Visibility;* and *Industry Sustainability and Transformation* represent the key areas through which MIBCO will drive impact.

Collectively, the strategic priorities provide a structured and measurable framework for execution, ensuring that the selected strategic option is effectively implemented and that the objects of MIBCO are realised over the 2026–2029 period.

Strategic Priorities, Actions and Measures of Success

Priority 1: Financial Sustainability and Organisational Optimisation

MIBCO faces sustained financial pressures driven by constrained revenue growth, levy dependency, and increasing operational costs. At the same time, organisational structures, governance mechanisms, and internal processes require modernisation to enable more efficient functioning. Without strengthened financial discipline and streamlined operations, the Council's ability to deliver on its mandate and invest in future capabilities will be compromised. Ensuring long-term sustainability therefore requires a dual focus: financial resilience and operational optimisation.

To be a financially sustainable and operationally efficient organisation by 2029, MIBCO will:

1.1 Strengthen levy and contribution collection processes, arrear recovery strategies, and allocating payments timeously.
1.2 Introduce cost containment measures.
1.3 Optimise operational efficiency.
1.4 Implement revenue diversification strategy

Our measures of success	
KPI 1	• Attain a 90% collection rate of levies and contribution from active employers
KPI 2	• Achieve an annual 10% improvement in operational cost-to-income ratio.
KPI 3	• Achieve financial break-even by 2027. • Build and maintain cash reserves of at least 1% of annual revenue by 2028. • Increase cash reserves to at least 3% of annual revenue by 2029.

Priority 2: Employee Well-being, Skills and Retention

Employee engagement surveys revealed growing concerns regarding remuneration competitiveness, recognition, succession planning gaps, and limited development pathways. These challenges undermine engagement and threaten institutional continuity, especially given impending retirements of critical staff. A strategic, deliberate and structured approach to talent management is required to build a motivated, skilled, and future-ready workforce.

To be a motivated, skilled, and future-ready workforce by 2029, MIBCO will:

2.1 Expand training and development programmes across all levels.
2.2 Institutionalise recognition and reward programmes to reinforce positive performance and organisational culture.
2.3 Optimise employee wellness and support services.
2.4 Conduct a comprehensive work study of the MIBCO human resources function.

Our measures of success	
KPI 4	• Achieve an employee satisfaction and engagement score of above 85%.
KPI 5	• Maintain annual employee turnover rate below 10%.

Priority 3: Digital Transformation

Digital transformation remains essential to improving service quality, operational speed, and transparency. MIBCO's reliance on manual processes and fragmented systems limits efficiency, increases turnaround times, and constrains the organisation's ability to scale or modernise. MIBCO needs to leverage on appropriate technologies such as artificial intelligence, data analytics to enhance its digital capability to improve stakeholder experience, optimise internal operations, and ensure data-driven decision-making.

To be a digitally enabled organisation delivering efficient, transparent, and modern services by 2029, MIBCO will:

3.1 Optimise self-service portals for employers and employees.
3.2 Replace SalesLogix.
3.3 Strengthen data analytics capability for insights, forecasting, and reporting.
3.4 Improve cybersecurity and data governance frameworks.

Our measures of success	
KPI 6	• Launch MIBCO app
KPI 7	• Achieve 50% completion of the new system implementation by 2027. • Achieve full system functionality and adoption across MIBCO by 2028.
KPI 8	• Reduction in processing time across submissions/claims/dispute resolution processes (target <30 days)
KPI 9	• Maintain system uptime of at least 99% • Establish structured, measurable cybersecurity governance and risk management capability, achieving Level 3 maturity by 2027 • Achieve cybersecurity maturity level 4 by 2028 • Achieve cybersecurity maturity level 5 by 2029

Priority 4: Compliance and Enforcement

Ensuring compliance remains central to MIBCO's mandate, yet challenges persist in employer registration, arrears recovery, and overall enforcement visibility. Strengthening this core function will require proactive compliance drives, user-friendly digital platforms for registration and reporting, and expanded education initiatives to improve understanding of obligations and exemptions. Using data analytics to support compliance and enforcement capacity will further enhance MIBCO's effectiveness.

To have strengthened compliance, enforcement visibility, and industry-wide adherence by 2029, MIBCO will:

4.1 Modernise employer registration processes.
4.2 Increase compliance drives, inspections, and targeted enforcement actions.
4.3 Strengthen enforcement mechanisms through legal intervention.

Our measures of success	
KPI 10	• Increase new employer registration by 6% per annum
KPI 11	• Increase compliance of registered employers by 5% per annum.
KPI 12	• Reduce the number of non-compliance cases by 10% per annum

Priority 5: Stakeholder Engagement and Visibility

Stakeholders have expressed concerns about limited awareness of MIBCO's role, confusion between MIBCO and unions, and insufficient visibility within the industry. Strengthening engagement is essential to building trust, improving compliance, and conveying the value of MIBCO's services. Clear, consistent, and accessible communication will reinforce MIBCO's role for the motor industry.

To have Improved stakeholder trust, visibility, and clarity of MIBCO's mandate by 2029, MIBCO will:

5.1 Implement awareness campaigns and increase social media presence.
5.2 Provide clear, plain-language communication on obligations, rights, and services.
5.3 Enhance compliance education for employers and employees.

Our measures of success	
KPI 13	• Increase in stakeholder satisfaction ratings (target >65%)
KPI 14	• Increase in stakeholder engagement ratings (target >65%)
KPI 15	• Deliver two stakeholder engagements / information sessions/ campaigns annually.
KPI 16	• Deliver 20 training and education sessions delivered per annum

Priority 6: Industry Sustainability and Transformation

Rapid technological change including electric vehicles, automation, digital diagnostics, and evolving business models is reshaping job profiles across the motor sector. MIBCO has a crucial role to play in supporting sector preparedness, enabling skills development, and ensuring the labour framework stays aligned with industry transformation. Failure to adapt will risk misalignment between labour regulation and emerging industry needs.

To be a future-ready motor industry supported by relevant skills, updated frameworks, and effective partnerships by 2029, MIBCO will:

6.1 Partner with international bodies and programmes training institutions, SETAs and industry bodies to drive future-skills development and establish a presence in relevant policy forums.
6.2 Strengthen industry dialogues on the future of work and sector readiness.
6.3 Leverage data held by MIBCO to determine emerging and redundant skills

Our measures of success	
KPI 17	• Establish two strategic partnerships established for skills development per annum.
KPI 18	• Publish one thought leadership product per quarter targeted at industry stakeholders.

Implementation Approach

Implementation of the MIBCO Strategic Plan 2026–2029 will be executed through a structured series of action plans across three horizons. These action plans will translate the strategic priorities into practical, measurable activities, with clear deliverables, timelines, and accountable senior responsible officers. Each horizon builds toward a modern, financially sustainable, and future-ready Council that is able to respond effectively to the changing needs of the motor industry. Below is the envisioned implementation sequencing:

1. ***Phase 1 (2026–2027): Stabilise and Establish Foundations:*** This initial phase focuses on addressing immediate organisational gaps and laying the groundwork for longer-term transformation. Key activities will include strengthening levy collection and financial controls, addressing critical skills and succession risks, standardising core processes, system integration, and improving stakeholder communication foundations.

2. ***Phase 2 (2027–2028): Modernise, Strengthen and Scale:*** In this phase MIBCO will intensify implementation across all priority areas. The focus will shift to modernising digital platforms, scaling automation, expanding employee development programmes, and strengthening compliance and enforcement visibility. MIBCO will work closely with internal departments, Parties, industry bodies, training institutions, and government partners to co-design and implement initiatives that strengthen organisational capability and reinforce MIBCO's position as a trusted industry partner.

3. ***Phase 3 (2028–2029): Consolidate and Position for the Future:*** The final phase will consolidate gains, evaluate implementation progress, and refine action plans based on lessons learned and emerging sector trends. Outcomes, KPIs, and operational performance will be reviewed to determine where adjustments, acceleration, or redesign are required. This period will prepare MIBCO for the next strategic cycle, ensuring the Council remains responsive to evolving industry dynamics, new technologies, shifts in employment patterns, and changing regulatory demands.

Success Factors

To ensure the successful delivery of the 2026–2029 plan, the Plan will depend on the following success factors:

- ***Strategic focus:*** MIBCO must concentrate on initiatives that deliver tangible value, limiting the number of simultaneous projects to ensure depth over breadth. Activities should align directly with the organisation's core mandate, and prioritisation frameworks should be applied rigorously to guide resource allocation.
- ***Evidence-based approach:*** All strategic decisions should be informed by robust data, clearly defined performance metrics, and stakeholder feedback. Risk and feasibility considerations should be integrated early to minimise surprises and optimise outcomes.
- ***Execution discipline:*** Clear accountability structures are essential from the outset, supported by unified performance tracking mechanisms and regular review rhythms to maintain momentum and course-correct where necessary.
- ***Adaptability:*** Continuous learning must be embedded in the strategy process. Lessons should be systematically documented and used to inform adjustments, while maintaining a consultative approach that engages stakeholders throughout the implementation cycle.

Monitoring, Evaluation and Reporting

Implementation progress will be monitored through a consolidated monitoring, evaluation, reporting and learning framework. Key components include:

- Performance monitoring against defined KPIs, milestones, and service standards.
- Quarterly and annual reporting to Council, management, and Parties.
- Mid-term and end-of-term evaluations to assess effectiveness, operational efficiency, stakeholder satisfaction, and financial sustainability.
- Risk and compliance reviews to identify emerging issues and mitigation requirements.

Review mechanisms will ensure that the implementation approach remains relevant, responsive, and aligned to MIBCO's mandate. Lessons learned will be captured and shared across the organisation, reinforcing a culture of continuous improvement and evidence-based decision-making. In addition, to support proactive risk oversight, MIBCO will maintain a ***Strategic Risk Register*** throughout the 2026–2029 plan period. The register will be a living document, updated quarterly by designated risk owners and tabled at Management and Council reporting sessions.