

Stellantis says China JV to begin Europe sales in September

By **AFP** - May 15, 2024 @ 1:27am



Chinese automakers are pushing ahead with expansion plans in Europe despite mounting political pushback on the continent. -- AFP photo

HANGZHOU, China: A joint venture by global car giant Stellantis and Chinese electric vehicle start-up Leapmotor will start shipping cars to Europe in September, executives said Tuesday.

Chinese automakers are pushing ahead with expansion plans in Europe despite mounting political pushback on the continent.

Leapmotor only produces electric vehicles and is relatively unknown in Europe, despite selling 10,000 cars a month in China.

Stellantis is one of the world's largest carmakers, owning popular brands including Alfa Romeo and Jeep.

The companies launched a joint venture, Leapmotor International, on Tuesday, after the Netherlands-based Stellantis agreed in October to buy a 20 percent stake in the Chinese firm.

The joint venture "enables us to accelerate the wait to go to market with smart and affordable EVs", Stellantis CEO Carlos Tavares said on Tuesday at a joint press conference hosted by both companies in Leapmotor's home city of Hangzhou.

"We are going to be able to bring faster to our markets affordable EVs that will not only contribute to the profitable growth" of the two companies but "will contribute faster and in a more efficient way to fixing the global warming issue that we have to fix as humanity," Tavares said.

Leapmotor International will start shipping cars to nine European countries including France and Germany in September, the executives said.

The vehicles will then be rolled out in the Middle East, Africa, India, the Asia-Pacific and South America later in the year.

Leapmotor founder Zhu Jiangming said the joint venture could help the Chinese company face "political and regional uncertainty."

"With the support of Stellantis' advantages plus our accumulated technology and products, one plus one is definitely going to equal more than two," Zhu said.

The EU has stepped up actions to defend European industry against growing threats from China and the United States.

Brussels in September opened a probe into the subsidies China grants its electric vehicle sector, accusing Beijing of distorting competition.

Other European manufacturers have also stepped up partnerships with Chinese companies to win over local customers.

In July, German car giant Volkswagen announced it would invest more than 600 million euros (\$647 million) in Chinese electric vehicle manufacturer XPeng. -- AFP