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Nissan in talks to move Renault production to the UK

Move would send a strong signal of the Japanese carmaker's long-term commitment to Britain

By Oliver Gill

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A flagship Nissan plant in Sunderland could be used to make Renault vehicles as part of a deal between the two car-making behemoths - boosting to the fortunes of thousands of British workers.

The two companies - <u>which operate under global strategic alliance</u> - have opened talks to transfer production of the Renault Kadjar and Captur models from Spain to the North-

East as part of a wider shake-up of global operations.

Renault is mulling plans to dramatically cut its vehicle range, axing its Espace minivan in a €2bn (£1.8bn) cost-saving plan to be unveiled later this month.

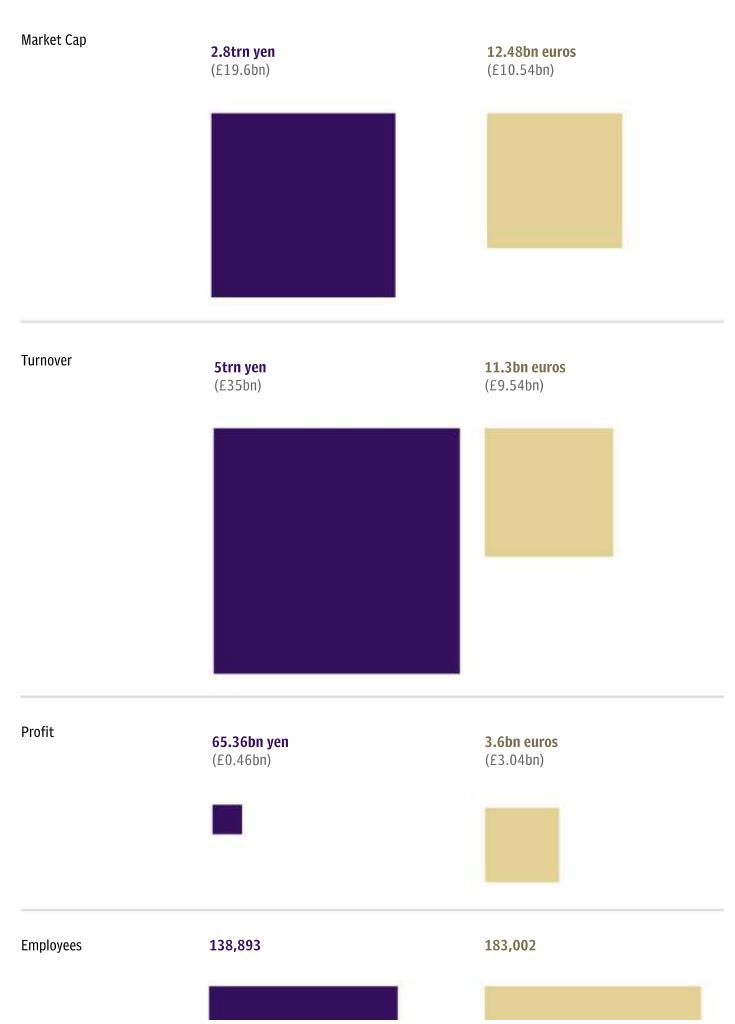
Moving production of Renault models to Britain's biggest car plant would send a strong signal over Nissan's commitment to the UK as the Japanese carmaker prepares to cut global production by a fifth.

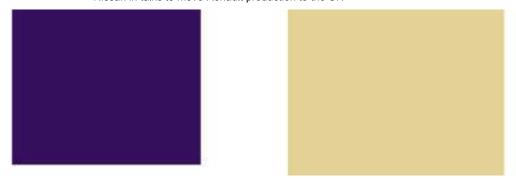
There had previously been fears of drastic cuts at the plant due to Brexit, and concerns were even growing that it might never fully reopen after the coronavirus crisis.

The proposals will also come as a hammer blow to thousands of Spanish workers, many of whom are currently temporarily laid off in response to the coronavirus pandemic.

Renault is said to be planning to move production of pick-up trucks currently made in Barcelona to South Africa, and shift its electric van to France. Other models such as the Espace minivan will be scrapped, sources told Reuters. The plans were first reported by the *Financial Times*.

Nissan and Renault in numbers





Renault's Kadjar and Captur models use the same production set-up as Nissan's UK-made Qashqai and Juke vehicles.

The Sunderland plant, which employs 6,000 people and supports a further 27,000 UK supply chain jobs, has been operating under a cloud after Nissan warned post-Brexit tariffs could jeopardise its future.

Sources told the FT that discussions were ongoing and could change over the next two weeks.

Nissan and Renault will reveal strategic updates on May 28.

Makoto Uchida, Nissan's chief executive, is seeking to steady the ship after the Japanese carmaker was rocked by a boardroom scandal involving former boss Carlos Ghosn who was arrested over allegations of false accounting. Mr Ghosn subsequently fled to Lebanon.

Nissan declined to comment. Renault has been approached for comment.

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