

## NEWS

### Algeria

#### **SAFAV-MB to assemble 7,000 to 8,000 vehicles this year**

The Algerian assembly plant **SPA SAFAV-MB**, which is located in Aïn Bouchekif in the region Tiaret, expects to assemble 7,000 to 8,000 **Mercedes-Benz** G-Class and Sprinter vehicles this year, the company's President Colonel **Smaïl Krikrou** told local media. According to him, the plant assembled about 4,000 vehicles since its inauguration in October 2014. Recently, SAFAV-MB has delivered a new batch of 480 G-Class and Sprinter vehicles to five publicly owned companies.

### Iran

#### **IDRO: Saipa closes agreement with PSA on Citroën assembly**

**Saipa Auto Group** and **PSA Group** have closed an agreement on the assembly of **Citroën** cars, **Mansour Moazami**, Chairman of the Board of Directors of **Industrial Development and Renovation Organization of Iran (IDRO)** told the IRNA news agency. There is currently no official announcement from PSA. According to Moazami, plans call for the creation of a joint venture and first cars are expected to be assembled in 18 to 24 months. Citroën cars will be assembled at the **Saipa Kashan Automobile Manufacturing Company** plant in Kashan. A portion of the vehicles made in Iran are to be exported. Some days ago IDRO hosted a delegation from PSA for discussions about the future cooperation. The delegation was headed by **Olivier Bourges**, General Counsel at PSA, and **Jean-Christophe Quémard**, PSA's Executive Vice-President for Middle East & Africa.

#### **Saipa Kashan gets new director**

**Fariborz Shahbaz** has been elected to lead the **Saipa Kashan Automobile Manufacturing Company**, a member of **Saipa Auto Group**. He has 28 years of experience in the automobile industry. Previously he worked for **Saipa Industrial**, and he was also a member of board at **SIVECO**, the Syrian **Saipa** distributor. His latest role was Deputy Managing Director at Saipa Kashan.

#### **Mega Motor has a new leader**

**Mega Motor Co.**, a manufacturer of engines, gearboxes, axles and other mechanical parts which is part of **Saipa Auto Group**, has a new managing director, **Mohammad Reza Sheikhattar**. He was previously the director of the **Saipa Kashan Automobile Manufacturing Company** plant.

### ***Ayatollah Khamenei condemns import of American cars***

Leader of the Islamic Revolution Ayatollah **Seyyed Ali Khamenei** held a speech on the occasion of Labor Day on the 1st of May. He emphasised the importance of domestic automobile production which should be regarded as "sacrosant" and it needs to be protected. He also singled out the issue of importing US-made cars, saying: "The Americans themselves are not willing to buy these cars due to their high (fuel) consumption and heaviness. Now, under such circumstances, shall we import cars from a certain American factory, which is close to bankruptcy?! This is a cause of big surprise."

### ***Changan CS35 will be launched in June***

**Fariborz Shahbaz**, the new CEO of **Saipa Kashan Automobile Manufacturing Company** talked about preparations for the production of the **Changan CS35** in an interview which was published on the official website of the company. "The production equipment has already been installed. Test production has been started and hopefully start of production will occur by the end of June." Saipa plans to assemble 6,000 units in CKD method during 1395 (until the 20<sup>th</sup> of March 2017) with both manual and automatic transmissions.

### ***Saipa signs Memorandum of Understanding with SK Networks***

**Saipa Auto Group** has signed a Memorandum of Understanding regarding new projects with South Korean trading company **SK Networks**. The MoU was signed by Saipa's CEO **Mehdi Jamali**. SK Networks, which first opened its Tehran office in 1984, has been looking to expand trade and other business dealings with Iranian companies. Currently, three Koreans, dispatched from the Seoul headquarters, and 10 Iranian employees are working to find new business opportunities, the company said. SK Networks' CEO **Moon Jong-hoon** also met with **Hashem Yekehzare**, President and CEO of **Iran Khodro Industrial Group**, during his visit to Tehran in March.

### ***Zamyad Padra pickup is being launched***

The new **Zamyad Padra** pickup, which has been in pre-production at **Zamyad Khodro** since last summer has been launched on the Iranian market. The small pickup truck is a rebadged version of the Chinese **Tianqi Meiya TM1020F**.



### Iran/Azerbaijan

#### **Iran Khodro signs letter of understanding on CKD assembly in Azerbaijan**

**Iran Khodro Industrial Group (IKCO)** has signed a letter of understanding with an Azeri company to assemble vehicles from CKD kits in Azerbaijan, said IKCO's Deputy CEO for Export and International Affairs **Saeed Tafazzoli**. According to Tafazzoli, IKCO would not make any investment in Azerbaijan adding the partnership with the Azeri company is set to offer only technical and engineering services to set up an assembly line. Tafazzoli said that IKCO Samand, Soren and Runna are the vehicles to be assembled in first phase of cooperation with the Azeri side. The production of commercial vehicles for public transport fleet of Azerbaijan is also included in the letter of understanding. According to IKCO the assembly plant will be located in the city of Neftchala which is located near the mouth of Kura river to the Caspian Sea. In the past, IKCO Samand sedans were assembled from SKD kits by **Shamakhi Avtomobil Zavodu**, also known as **AzSamand**, a subsidiary of the **Evsen Group**, in Shamakhi, some 120 km west of Baku, the capital of Azerbaijan.

### South Africa/Kenya

#### **BAIC to break ground for new plant in South Africa soon**

**Beijing Automotive Industry Holding Co. (BAIC)** plans to produce up to 100,000 vehicles at its new plant in South Africa in 2018, the company's chairman **Xu Heyi** said according to China Daily. With a CNY 5 billion (\$773 million) investment from BAIC, the factory will be operated as a joint venture with the South African financial company **Industrial Development Corp**. The Port Elizabeth plant is scheduled to break ground next month and start production in November 2017. The factory will assemble passenger cars, sport utility vehicles, minivans and vans. It will create 2,500 jobs directly and more than 10,500 jobs indirectly. At its full capacity, the plant will generate an industrial added value of CNY 12.4 billion for vehicles and CNY 6.2 billion for parts. "More than 50 percent of the plant's products will be exported to contribute a trade volume of about CNY 6.2 billion to South Africa," Xu is quoted as saying. The new project is not BAIC's first assembly activity in South Africa. The company established a minibus assembly plant that employs more than 500 people in Springs in 2013. Xu Heyi stressed that continued investment in infrastructure development will be key for BAIC's sustained growth in Africa over the next decade. "We will continue to invest in our South African factories and an assembly plant in Nairobi, Kenya, to make pickups and light trucks," said Xu. "Having factories in Africa will help the company move closer to the market and avoid it paying duties of up to 25 percent."

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**Editor:** Peter Homola, Phone: +43 664 124 4870 E-mail: peterhomola@ceauto.at

**Chief Correspondent:** Csaba Delényi. Phone: +36 30 862 7287. E-mail: dcsaba@ceauto.co.hu

**Copy Editor:** Timothy Rawson

**Layout Editor:** Katalin Böröcz

**Publisher:** Pal Ngyesi. Phone: +43 664 883 60 677. E-mail: pnegyesi@ceauto.at

ceauto GmbH, Garnisongasse 7/21, 1090 Wien, Austria

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