

New Renault to be made in SA

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The production of the Sandero, an entry-level car which will first be launched and produced in South America in December, is one of a new range of Renault models set to take off in developing countries with growing economies.

"We decided to start the production of Sandero in South Africa in the Nissan plant in 2009," said Patrick Pelata, Renault's executive vice president of product planning in Asia and Africa. The South African plant is in Rosslyn, Pretoria.

"South Africa is considered an important market for Renault's worldwide growth because of its growing automotive market, with an increase of 73 percent between 2003 and 2006," read a statement released at a press conference.

Pelata admitted that poor service quality and a shortage of affordable cars launched in South Africa had led to the brand taking a knock in the country.

"We are suffering in South Africa," said Pelata, "but we are sticking to this market because it is a key market for growth."

The Sandero is expected to compete with cars that are popular amongst first time buyers, such as the Hyundai Getz and the Toyota Yaris.

Pelata said Renault intended eventually to export the Sandero from the South African plant, but that no plans were finalised. "As soon as we get a good price for export, we will export," he added.

Renault South Africa was established in 2002. The company currently has 47 dealerships in South Africa and neighbouring countries and employs a total of 695 people.

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