

# Renault, Nissan to invest \$26B in future electric vehicles

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A woman walks past the global headquarters of Nissan Motor Co., Ltd. in Yokohama near Tokyo, Wednesday, May 27, 2020. The French-Japanese auto alliance of Renault and Nissan plans to invest 23 billion euros (\$26 billion) in electric vehicle technology over the next five years, the companies said Thursday, Jan. 27, 2022. Credit: AP Photo/Koji Sasahara, File

The French-Japanese auto alliance of Renault and Nissan plans to invest 23 billion euros (\$26 billion) in electric vehicle technology over the next five years, the companies said Thursday.

The alliance, which also includes smaller Japanese automaker Mitsubishi Motors Corp., will share research, auto parts and technology to bring down costs and produce 35 new electric vehicle models by 2030, aiming at markets around the world.

The vehicles will use one of five common platforms, the main parts on which vehicles are built.

Nissan Motor Co. will lead in developing a next-generation battery for the electric vehicles, while Renault will lead in developing electronics and software to connect millions of vehicles and provide digital services and features.

"Today we are lifting the hoods of the alliance together," Jean-Dominique Senard, the alliance's chairman, said in an online presentation.

Automakers around the world are trying to save costs and forge alliances. Recent COVID-related supply problems that are crimping production and growing concerns about climate change have made such coordination more urgent than ever.

Tesla has emerged as a powerful and extremely profitable competitor. Other newcomers are entering the market. Sony Corp., which makes the PlayStation video game machine, recently showed a prototype of an electric car. Japan's top automaker Toyota Motor Corp. also has announced an aggressive EV plan.

Sharing components, production facilities and research will benefit the

Renault-Nissan-Mitsubishi alliance, said Nissan Chief Executive Makoto Uchida.

"More than anything, we also benefit from the shared experience and expertise of our people," said Uchida.

Renault owns 43.4% of Nissan, while Nissan owns 15% of Renault. Nissan, based in the port city of Yokohama, owns 34% of Tokyo-based Mitsubishi. The French government owns 15% of Renault.

The alliance is the brainchild of Carlos Ghosn, sent in by Renault in 1999 to turn around a near-bankrupt Nissan. Ghosn made it one of the most successful auto groups in the world. But he was arrested in Japan in 2018 on financial misconduct charges.

He jumped bail and fled to Lebanon in late 2019. Lebanon has no extradition treaty with Japan. Ghosn says he is innocent.

Ghosn's arrest and related developments strained the alliance, and Senard referred to a crisis, without going into details.

He blamed a "lack of trust," which he said was getting fixed.

"This period belongs to the past," Senard said.

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