

# Stellantis China Jeep joint venture to file for bankruptcy

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Auto giant Stellantis says its China Jeep joint venture will file for bankruptcy.

A Chinese joint venture producing Jeep SUVs for Stellantis will file for bankruptcy, the European carmaker said Monday, after its chief executive complained earlier this month political tensions with the West

were affecting the business environment.

Earlier this month Carlos Tavares had said the auto giant would consider ending production in China, questioning whether the stability of relations between Beijing and the world could be guaranteed.

Shareholders have given their approval for the joint venture to file for bankruptcy "in a loss-making context", Stellantis said.

The carmaker had terminated the Jeep joint venture with local partner Guangzhou Automobile Group (GAC) in July, and is in talks with local partner Dongfeng about its Peugeot and Citroen brands.

The Jeep [joint venture](#)'s "assets were no longer sufficient to pay off all debts", GAC said in a separate filing to the Hong Kong stock exchange on Monday, confirming that the venture would file for [bankruptcy](#).

"Affected by factors including decline in product competitiveness, (the GAC-Stellantis venture's) production and operations have gradually fallen into difficulties," GAC said.

Unlike German rival Volkswagen, which sold three million cars in China last year, Stellantis has never broken through there.

The company aims for revenues of 20 billion euros (\$19.6 billion) in China by 2030 with its 14 brands, but Tavares earlier this month complained of unequal treatment from Beijing.

"The red carpet is rolled out for Chinese manufacturers in Europe, and that's not how we're welcomed in China," he told reporters at the Paris Motor Show.

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