

# Tokunbo dealers to sell Nigeria-made cars

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USED car dealers may soon begin to sell made-in-Nigeria vehicles as part of measures to incorporate them into the new automotive policy of the Federal Government.

Already, the *Tokunbo* or used car dealers are holding talks with the National Automotive Council, an agency of the Federal Ministry of Industry, Trade and Investment, on the modalities of their

participation in the policy.

The Director-General, NAC, Mr. Aminu Jalal, and President, Motor Dealers Association of Nigeria, Mr. Benjamin Oghumu, confirmed the development to journalists in Lagos on Wednesday after their meeting.

Although Jalal said the government had no intention of banning the sale of *Tokunbo* vehicles, he noted that by the time the

new auto policy must have taken shape, many Nigerians would not have anything to do with imported used cars and that could throw the dealers out of business.

"We will not ban *Tokunbo* cars, but we'll give Nigerians alternatives; we'll give them good finance arrangement that will make new cars affordable. And Nigerians will prefer new cars," he said.

Jalal said a South African

finance company, Westbank, had signed a Memorandum of Understanding with the NAC for the vehicle finance purchase scheme.

He said the company was experienced in this area of business and was currently involved in a similar scheme with a number of neighbouring countries.

Motor dealers, according to him, are an integral part of the auto policy and stressed that the council planned

to change the status of the used car dealers to dealers of locally manufactured vehicles.

"To this end, the council will introduce companies to manufacturers and offer support to companies that meet the requirements of becoming motor dealers in the registration guidelines. It is expected that in the nearest future, used vehicles will be those generated internally and not those

imported from abroad," the NAC boss said.

Jalal added that no fewer than 23 firms had expressed interests in establishing vehicle assembly plants in Nigeria.

According to him, some of the firms have commenced operation, including Von Automobiles in Lagos, which is making Nissan; Hyundai and Ashok Leyland; Pan Nigeria Limited (assembling Peugeot cars) and Kia Motors.

He said six new vehicle assembly plants would commence operation in the country next year, although he did not reveal the names and other details of the companies.

For the big players such as Toyota, Honda, Ford and Mitsubishi, the NAC DG said they were still doing feasibility studies, stressing that as old automakers, they wanted to be sure that nothing would be left uncovered before making the investment.

Meanwhile, the president of the motor dealers said the association was initially opposed to the auto policy because its members felt it would drive them out of business.

But he added that the group was happy with the new development of incorporating them into the new scheme.

Oghumu also urged the government to assist dealers who were willing to come together to establish vehicle assembly plants.