

Russian Automotive – Selected News

22.06 – 30.06.2011

AvtoVAZ and OAT will cooperate in Ulyanovsk Region

30-06-2011 / Interfaks Povolzhe

The Governor of Ulyanovsk Region Sergei Morozov, President of AvtoVAZ Igor Komarov and General Director of Obyedinneniye Avtomobilniye Tekhnologii (OAT) Mihail Kuchinsky have signed a cooperation agreement yesterday. According to the agreement, the parties will cooperate on the development and support of automotive supply industry in the region. Construction of premises within the production area of Dimitrovgrad AvtoAgregat Factory (DAAZ) that would attract investors and turning DAAZ into one of the main suppliers of AvtoVAZ in the future are also amongst the plans within the scope of the agreement.

New Kia Rio production will start in St. Petersburg in August

29-06-2011 / Avtostat

St. Petersburg Hyundai factory (30% of which belongs to Kia) will start the production of new Kia Rio Sedan cars, developed exclusively for the Russian market, on 15.08.2011. As from that date, three shifts system will be implemented in the factory. It has been stated that 20,000 Rio cars are planned to be produced in the factory until the end of 2011. The production target for year 2012 is 100.000 cars.

UAZ shares will be privatized on the 10th of August

28-06-2011 / Finmarket

13,9% of UAZ shares, currently held by Russian government, will be sold by auction on the 10th of August. Rosimushestvo Agency, which is in charge of the management of public properties, has declared the bidding price for this transaction as 1.505.267.000 rubles. The minimum amount of increase during the process of bidding has been set as 50 million rubles. The applications for the auction will be accepted between the 28th of June and the 3rd of August. The applicants will have to pay Rosimushestvo 15.527.000 rubles each latest by the 4th of August, before the auction, which is going to be held in Moscow.

67,7% of the shares of UAZ (the major SUV producer in Russia) belong to Sollers. Previously Sollers declared its intention to purchase public securities.

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In July, Renault will locate premises for LCV production in Russia

24-06-2011 / [Finmarket](#)

Renault Russia General Director Bruno Ancelin has stated that the final decision on the premises for the production of light commercial vehicles in Russia will be made within the month of July. On the other hand, Ancelin hasn't given an answer to the question directed to him by the members of the press, on whether Renault will opt for the facilities of IzhAvto or the Derways factory in Karachai-Cherkessia as production premises. Russian news agency Finmarket has mentioned Far East as an other possible option for LCV production. The sources in the sector comment on the subject that Renault intends to produce around 40.000 Traffic and Master LCVs per year.

GAZ Group will start producing Euro-4 diesel motors in Autumn

24-06-2011 / [Avto.Vesti.ru](#)

GAZ Group will start the production of environmental standards-compliant Euro-4 diesel motors in September. YaMZ-530 brand motors will be produced in Yaroslavl Motor Factory. According to the statement of Bo Anderson, the Chairman of GAZ Group, annually 25.000 motors will be produced in the factory at first stage. These motors will be mainly used in Russian vehicles. Apart from that, the company also plans to export products to Belarus.

Anderson has declared that currently the factory is still in the preparations process, although the first test productions have been completed. The production of Euro-5 and Euro-6 motors are also amongst the company's long term plans.

Fiat has signed the Industrial Assembly Regime Agreement under former conditions

23-06-2011 / [Motor.Ru](#)

Russian Minister of Economic Development Elvira Nabiullina has announced that an agreement has been made with Fiat under former conditions, due to the fact that Fiat refused to sign the new assembly deal. Accordingly, the annual capacity of the factory, which will be built by Fiat, will be 120,000. In addition to the requirements of the former agreement, Fiat has a further obligation to establish a motor factory in Russia. The Italian producer has made a proposal to the ministry with the promise of a total amount of 1,1 billion USD investment.

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Mazda will build a factory in Primorsky

23-06-2011 / Motor.Ru

Japanese car producer Mazda has signed a deal with the Russian Ministry of Economic Development to build a factory in Primorsky Krai, Eastern Russia, on the 21st of June. According to the statement made by the members of the ministry, by signing the deal, Mazda will be subject to the conditions set by the former industrial assembly regime.

It has been stated that in addition to Mazda 6, another new model will be produced in the factory. The annual amount of investment for the factory has been set as 80 million USD. According to the old industrial assembly regime agreement Mazda is under obligation to meet 30% localisation rate.

The scrap program has been terminated

23-06-2011 / RBK Daily

The Russian Ministry of Industry and Trade has completed the allocation of renewal certificates today. As a result, the scrap program, which had been in effect since March 2010, has come to an end. Up to today, 600.000 certificates have been allocated within the scope of the program. The total amount of incentives financed by the government for these certificates, with an individual transaction value of 50.000 rubles discount during the process of new car purchase, has reached 30 billion rubles.

The models produced in AvtoVAZ have been the best sold vehicles within the scope of the program (373.600 cars, 79%). Renault has been the runner-up behind AvtoVAZ in these rankings with 34.600 vehicles (7,3%). The duo has been followed by Skoda and Ford with shares of 5,3% and 2,3% respectively.

MAZ-KamAZ negotiations came to a dead end

22-06-2011 / ITAR-TASS

According to the statement of Sergei Chemezov, the President of Rostekhnologii, the merger negotiations between MAZ and KamAZ came to a dead end due to political predicaments caused by Belarus. Chemezov also highlighted the existence of an ideological conflict with the Belarusian side concerning the structure of the shares of the partnership.

As one may remember, recently Belarusian Vice President Viktor Semashko declared the intention of completing the official proceedings of MAZ and KamAZ merger until the end of the year.