

**The revenue of AVTOVAZ has increased by 17.6% within the first half of the year**

31.07.2017 / RusAutoNews.Com

AVTOVAZ has sold 140,231 LADA automobiles in Russia within the first half of 2017, which indicates a 13% year-on-year rise (up from 124,353 in 2016), according to the company press office. The share of LADA in Russian automobile market (cars + LCVs) has increased by a percentage point to 19.5%. The achievement is largely due to the growing sales of the new models of the brand - LADA Vesta and LADA XRAY, as well as the expansion of their model ranges (new versions, new equipment). Five LADA automobiles are amongst the Top-20 best-sold models: LADA Granta (2nd), LADA Vesta (3rd), LADA XRAY (9th), LADA Largus (14th) and LADA 4x4 (17th).

AVTOVAZ has increased LADA exports (including car kits) by 76% in comparison with 2016. This growth is mainly due to the increase in the volume of large-scale kit assembly in Kazakhstan and the start of LADA Vesta sales in several foreign markets. In addition, AVTOVAZ has sold 48,487 Renault, Nissan and Datsun brand automobiles to its Alliance partners.

As a result, the revenue of AVTOVAZ has risen to 102 billion rubles (approx. \$1.7 billion), which is equivalent to a 17.6% increase, compared to the first half of 2016. The group has almost reached the level of operational break-even with a result of -4.0 million rubles (an improvement of 9 billion rubles year-on-year). The net profit of the group has remained in negative figures, amounting to -4 billion rubles (an improvement of 23 billion rubles). Moreover, AVTOVAZ has drawn attention to continued risks that could adversely affect the company's financial results in the second half of 2017. In particular, an increase in the purchasing prices for raw materials and the deterioration of foreign exchange rates. The company will stick to its restructuring plan, in order to mitigate the effects of these risks.

**The first Volgabus electric bus has been introduced in Volgograd**

18.07.2017 / Avtostat

Volgabus has introduced the new 12-metre low-floor electric bus City Rhythm-12E.

The vehicle is charged from a standard 380V power source nightly. The lithium-polymer batteries, which work effectively for at least 10 years preserving their properties, are produced in Russia. The domestically manufactured engine is able to develop 115 kW power and provides decent dynamics and smooth acceleration/deceleration in combination with an automatic gearbox.

The first Volgabus electric bus will be put on test in Volgograd soon.

## **KAMAZ Russian sales up by 20% by the end of the first half of the year**

30.07.2017 / [RusAutoNews.Com](http://RusAutoNews.Com)

KAMAZ has sold 12,986 heavy trucks in Russia within the first half of 2017, indicating a 20% year-on-year rise, exceeding the figure in the business plan. In addition, 2117 KAMAZ vehicles have been exported, as reported by the company press office.

As stated by the KAMAZ Deputy General Director of Sales and Service: Sergei Afanasyev, these figures have been achieved as a result of cooperation with the leading enterprises of oil and gas, agricultural and chemical industries and the largest Russian transport and logistics companies, with whom contracts were signed during the first half of the year. Deliveries of KAMAZ vehicles will continue to these addresses in the second half of the year. In addition, new contracts are being negotiated with Russian and foreign clients.

KAMAZ keeps its position as the leader of the Russian heavy truck market, with a share of 51%. The revenue of the company has reached 61.9 billion rubles within the first 6 months of 2017 (+31%).

The Deputy General Director of KAMAZ - the Director of Development Irek Gumerov has spoken about the results of the works on the expansion of the model range and the increase in the share of local components. The organisation of the project on the production of the new 6-cylinder inline engines is implemented at a good pace: the installation of equipment has been completed on the new assembly line at the engine factory, the first samples have already been manufactured and the first KAMAZ-5490 trucks with P6 engines have been assembled. The production of an experimental-industrial lot of 200 P6 engines is within the plans for the second half of the year. New contemporary up to 700 hp engines, complying with Euro-5 and Euro-6 ecological standards, will be manufactured as a result of the large-scale works, which will equip KAMAZ trucks.

## **21 electric cars have been sold in Russia during the January-May period**

20.07.2017 / [Autostat](http://Autostat)

According to Autostat data, 21 electric cars have been sold in Russia, within the first five months of 2017, indicating a 16% year-on-year decrease (down from 25 units).

Tesla has remained the leader of the market, which is represented by two models: Tesla X (11 units) and Tesla S (4 units). Remaining 6 electric cars are Renault-Nissan brands: Nissan Leaf (3 units) and Renault Twizy (3 units).

As noted by Autostat, 13 electric cars have been sold in Moscow and the surrounding region within the first five months. The capital is followed by Primorsky Krai – 2 units, Khabarovsk – 2 units, St. Petersburg, Tatarstan, Ryazan and Rostov – 1 vehicle each.

## **GAZ Group has delivered 100 gas-operated LIAZ buses to Nizhny Novgorod**

28.07.2017 / [RusAutoNews.Com](http://RusAutoNews.Com)

Likinsky Bus Factory LiAZ of GAZ Group has supplied 100 urban, low-floor, large class LiAZ-5292 buses to Nizhny Novgorod. The buses are 12m in length and have a carrying capacity of 108 people. The large class LiAZ-5292 buses are intended for routes with intensive passenger traffic. The model has become the most popular large passenger capacity bus, during the updating of the bus fleets of big cities. Around 4000 low-floor LiAZ-5292 buses operate in the transport fleet of Moscow.

The vehicles have automatic transmissions, ABS systems and power steering. The buses are equipped with anti-vandal seats with an abrasion resistant cladding material. The equipment of the buses also include: a set of three route signs and cabin indicator, video surveillance systems with cameras against vandalism, kneeling systems (body tilt) for easy entry and exit of passengers, ramps and GLONASS system. The warranty period is 18 months or 150,000 km.

The buses delivered to Nizhny Novgorod are equipped with 286 hp YaMZ gas engines, which comply with Euro-5 ecological standards. This is not the first supply of Nizhny Novgorod with gas-engine buses. The city had purchased 144 gas-operated LiAZ 5256 and 5293 buses in 2015, within the scope of a fleet utilisation programme. GAZ Group has supplied 50 diesel LiAZ-5295 buses and 50 PAZ-320414 buses to the city this year.

## **More than 360,000 automobiles have been sold within the frame of government support programmes**

25.07.2017 / [RusAutoNews.Com](http://RusAutoNews.Com)

More than 360,000 Russian made automobiles have been sold within the scope of government support programmes since the turn of the year, as stated by the Minister of Industry and Commerce Denis Manturov.

The minister has added that approximately 670,000 automobiles should be manufactured until the end of the year, taking into account the programmes, stimulating the development of the industry.

Manturov has also spoken about additional preferential car loans programmes, which were launched on 11 July. "First Automobile and Family Car (additional discounts of up to 10% are planned for buyers in these categories) are the additional programmes. We have launched similar programmes on preferential car leasing as well, such as; Russian Tractor, Russian Farmer and My Business. These three programmes are primarily aimed for small and medium-sized businesses. We have increased the discount on the first payment for automobiles from 10 to 12.5%" - stated Denis Manturov, as quoted by the press office of Ministry of Industry and Commerce.

Manturov has also stated that according to the calculations of the agency, at least 85,000 additional vehicles will be sold in Russia by the end of the year, as a result of these programmes.

**GAZ Group has prepared the electric GAZelle Next**

28.07.2017 / [RusAutoNews.Com](#)

GAZ Group has developed a unified platform for the electric versions of GAZelle Next commercial vehicles. The relevant statement has been made by the Chairman of GAZ Group Vadim Sorokin to zr.ru website. Sorokin has highlighted the possibility of production of dropside trucks, vans and minibuses on the basis of a single platform. The company has already manufactured three prototypes of electric vehicles and another one will be on show at the ComTrans 2017 Commercial Equipment Exhibition in Moscow in September.

The carrying capacity of the electric vehicle on GAZelle Next basis is equivalent to 1500 kg. The vehicle is equipped with a 90 kW (122.3 hp) electric engine with a specific design. The maximum velocity of the electric vehicle is 100 km/h. Fully charged, the vehicle can travel 120 km.

GAZ Group intends to go beyond the prototype stage. The further development of the model range of GAZ electric vehicles will be implemented after the development of the component base, either alone or with partners, the names of which have not been disclosed. "The high cost of the basic electric components, almost 100% of which are imported, is the biggest problem today" - noted Sorokin: "For that reason, GAZ Group is currently developing an electric engine for light commercial vehicles with higher efficiency, batteries with their own control systems and a number of other key automobile components, in cooperation with Lomonosov Moscow State University. The assembly of the prototypes of the new generation is planned to start in Autumn, with more modern features".

GAZ Group has become the first Russian commercial vehicles producer to commence operations on the creation of the electric versions of the manufactured models and to produce prototypes of the aforementioned vehicles.

**Ford Sollers will supply the Russian partner of Uber with 1500 Ford Focus automobiles**

27.07.2017 / [RusAutoNews.Com](#)

Ford Sollers will supply 1500 Russian production Ford Focus automobiles to #BERITAXI, one of Uber's partners in the country.

#BERITAXI fleet is formed of station wagon Ford Focus vehicles with special components. All automobiles are equipped with 1.6 litres Ti-VCT petrol engines (105 hp) and manual transmission, providing fuel consumption in a mixed mode at 6 lt / 100 km level. #BERITAXI service has already been provided with almost 700 automobiles within the May-June period. Leasing company Control Leasing has acted as a financial partner in the transaction.

#BERITAXI is a dynamically developing player in the market of service products for cab offices and taxi drivers, carrying out individual passenger transportation in Moscow and St. Petersburg. The service expects to increase the number of its fleet to 3000 vehicles by the end of 2017.

## **Electric transport manufacturers will receive government subsidies in the amount of 900 million rubles**

24.07.2017 / Finmarket

Russian government will provide subsidies in the amount of 900 million rubles for the manufacturers of urban overground electric transport this year. The producers of transport vehicles with remote and autonomous controls will receive extra 600 million rubles, as told by the Russian Prime Minister Dmitry Medvedev.

“Our biggest car manufacturers have already certificated the buses with electric engines and currently conducting tests on the vehicles. We support these developments. Subsidies in the amount of 900 million rubles have been allocated for the manufacturers of urban overground electric transport in 2017” - the PM said at a meeting on the development of electric and driverless transport in Russia. According to Medvedev, there are proposals for additional support on the stimulation of demand and the creation of favourable conditions for the development of the industry, including tax exemptions and creation of export incentives for the manufacturers of electric transport components, alongside investments in the relevant infrastructure. Considering the development of unmanned transport, the PM has noted that the project is implemented as a part of the Autonet road map.

“The aim is to create an unmanned transport industry for passenger and freight transport in Russia from scratch and to gain a foothold in the world market” - said Medvedev. “We will support the project even further, including funds from the budget. The government has granted subsidies in the amount of 600 million rubles to the manufacturers of transport vehicles with remote and autonomous control this year. The amount will increase next year” - as told by the PM. Medvedev has noted that there are already signs of development in Russian driverless transport industry.

“Today we have seen promising developments at the Central Scientific Research Automobile and Automotive Engines Institute (NAMI). It’s important to create such technologies in our country and promote them into economy, rather than freezing at the stage of single prototypes” - as highlighted by Medvedev.

## **City Hall: Moscow is developing a flying taxi**

19.07.2017 / TASS

Moscow company is working on the creation of a flying motorcycle and an air taxi, as told by the director of the capital city’s department of science, industrial policy and entrepreneurship Alexei Fursin. Fursin has stated that a number of new technologies and startups, in particular a cargo drone, are presented at the stand of the Moscow government. “The new company from Skolkovo has developed and already experimented the aforementioned drone. We hope that the drone will not remain only as an experimental series, but go beyond and achieve mass production” - Fursin said on the sidelines of MAKS aviation exhibition.

## **The localisation rate of Ford engines has reached 78% in the Russian plant**

24.07.2017 / RusAutoNews.Com

Ford has announced that the localisation rate of the 1.6 litres Ford Duratec engines, manufactured in Russia, has reached 78%. The high level of localisation has been achieved, due to the production volumes of the engine factory in Elabuga. More than 30,000 powertrains have been manufactured up to today, a significant part of which is produced in Russia from Russian raw materials.

The increase in the localisation level of the power unit, popular amongst Russian clients, makes it possible to improve the economic efficiency of production and reduce the effects of the exchange rate fluctuations on costs.

The following engine components have been localised until today: cylinder block, cylinder heads, main bearing caps, pistons assembled with rings and pins, spark plugs, crankshafts, engine oil for the initial filling on the conveyor.

The time-tested, naturally aspirated 4-cylinder 1.6 litres Duratec engines are manufactured in different forcing variants in Russia. The 85-125 hp Duratec engines are used in Ford Fiesta compact hatchbacks and sedans, EcoSport compact crossovers, as well as the bestselling Ford model in Russia: Focus, the sales of which increased by 8% in 2016 and by 21% during the first half of 2017, despite the declining tendency in C-segment sales. The 30,000th engine has been assembled in the plant at the end of June.

Ford Sollers engine factory, established in Elabuga in 2015, has become the first foreign brand engine production plant in Russia. The new plant is installed with the most modern high-tech equipment and the automation of production reaches 95%. The engine production includes the machining of the crankshaft, cylinder heads and blocks, assembly line, as well as the quality control line. The equipments in all workshops comply with the world standards of Ford, in productivity, environmental friendliness and safety.

## **Avtotor has raised its forecast for production growth in 2017 to 50%**

21.07.2017 / RNS

Avtotor has raised its forecast for production growth in 2017, following the results of the first half of the year and adjusted the plans for the second half, as told by a company representative to RNS. "Avtotor plans to manufacture 140,000 automobiles in 2017" - said the senior vice-president Krivchenko during a meeting with the Deputy Minister of Industry and Commerce Yevtukhov, as quoted by the press office of Kaliningrad region. The figure indicates a 49.7% year-on-year rise. A 37% increase was predicted in the previous forecast, announced in May. "The production plan until the end of the year is approximately 140,000 vehicles (93,500 in 2016)" - as stated in the report. The previous forecast was 124-128,000 units until the end of 2017. The increase was predicted as 37%. The localisation rate of the company is 30%, according to the report. Avtotor plans to export 20% of the manufactured vehicles in 2018. Avtotor manufactures BMW, KIA, Hyundai and FAW brand automobiles.

**Antimonopoly Service has urged car manufacturers against the prevention of original spare parts imports**

19.07.2017 / RNS

Russian Federal Antimonopoly Service FAS tries to motivate the manufacturers of car spare parts and medical equipments not to interfere with the imports of original spare parts or equipments by unofficial importers or their localisation of production in Russia, as told by the deputy head of Federal Antimonopoly Service Andrei Kashevarov to journalists.

"We encourage the importers to follow the procedure strictly, obtaining the consent of the rights holder, who must make sure that the original products are imported. Therefore, the rights holder sees and guarantees the originality of the imported goods. In case the imported product is unoriginal, it will be refused and not be imported" - Kashevarov said.

FAS issued warnings to Daimler, CIB Corporation, Renault and the manufacturer of medical equipments YD-Diagnostics on 14 July, concerning unreasonable restriction of imports under their brand names by unofficial dealers. The warning is based on the requests of independent importers, who complained about not being able to agree on the imports of products under the aforementioned manufacturers' brand names. The importers either received unmotivated refusals or their requests were not taken into consideration at all. FAS has detected signs of unfair competition in the market.

"In one case, there was a refusal to supply a medical product, and in other cases - a silence. The silence prevailed since April (RNS)," - said Kashevarov. The refusal by the right holder to the importer can be justified, according to Kashevarov, in case the products are counterfeit or their production is localised. "We will fully consider the refusal justified, if the production of the goods is localised in Russia, which means that no relevant investment will be affected as a result. We provide great incentives for the localisation of production" - said Kashevarov.

**FAS has warned Daimler and Renault about an unreasonable restriction of commodity imports**

17.07.2017 / RNS

The Russian Federal Antimonopoly Service (FAS) has issued warnings against Daimler AG, CIB Corporation, Renault and YD-Diagnostics about the unjustified restriction of imports under their brands to unofficial dealers, as stated by the service. "FAS has issued warnings to Daimler AG (Germany), CIB Corporation (Japan), Renault AS (France) and YD-Diagnostics (South Korea) against the violation of the antimonopoly legislation, considering the unreasonable restrictions on the imports of goods under their brands to unofficial dealers" - as stated in the report. Independent importers had previously filed their cases to FAS, as to the unmotivated refusals they received trying to coordinate the imports of the aforementioned companies' products and even the total disregard towards their requests. FAS has found signs of unfair competition in the market, following the investigation of the behaviour of these companies. Unless proper actions are taken within 30 days of the receipt of the warning, the companies will be prosecuted for the violation of antimonopoly legislation, the service warns.