

Renault and Nissan Could Control AvtoVAZ by March

By [The Moscow Times](#)

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Lada car buyers could benefit from a greater foreign role in AvtoVAZ. **Vladimir Filonov**

Renault and Nissan Motor may sign an agreement to take control of AvtoVAZ in March, AvtoVAZ chief executive Igor Komarov said.

"The main issues between shareholders have been solved already," he said in an e-mailed statement sent by the carmaker's press office. "The negotiations may be completed in March," he said.

Renault, which paid \$1 billion for a 25 percent stake in Russia's largest carmaker, wants to use AvtoVAZ's Soviet-era Lada brand to slash costs by sharing production and suppliers. The Renault-Nissan alliance has been in talks with AvtoVAZ shareholders Troika Dialog and state-owned Russian Technologies to purchase another 25 percent holding, for a total controlling stake of 50 percent plus one share.

Japanese affiliate Nissan will introduce a Russian-built car based on the no-frills Renault Logan range in 2012, and AvtoVAZ may begin making engines and gearboxes for all three brands the following year, the French carmaker said July 19.

AvtoVAZ accounted for 45 percent of the country's 2010 production of 1.21 million vehicles thanks to Lada's 23.6 percent market share. Renault, Nissan and AvtoVAZ together target 1.6 million Russian deliveries within five years, for a combined 40 percent of the market.

The agreement was reported earlier Tuesday in the French daily La Tribune. Renault did not immediately return calls from Bloomberg seeking comment.

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