

Car Exports to Exceed 1 Million

By [The Moscow Times](#)

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A robotic arm welding the shell of a Lada car on one of AvtoVAZ's production lines in the Volga city of Tolyatti. **Denis Abramov**

Export of passenger vehicles from Russia will exceed 1 million units, auto industry experts predicted in a survey by KPMG.

The research, in which 200 executives at various levels in major automobile manufacturers, their suppliers and dealers participated, revealed that 44 percent of respondents believe that number will be hit in three to five years, while 33 percent think it will take six to years.

In 2013 Russia exported 142,000 cars, up 26 percent from 2012, according to ACM Holding. The majority — about 88,000 — went to Kazakhstan, which is the third-largest car market in the former Soviet Union, after Russia and Ukraine, and grew 80 percent last year.

AvtoVAZ is the largest exporter, and increased its sales abroad by 11.4 percent in 2013 to hit 78,602 units. The lion's share, at 72 percent, went to Kazakhstan. Europe took 4 percent of that volume.

Exports are growing along with production capacity of the factories built in Russia by the international majors, said Ulrik Andersen, who runs the automobile practice at KPMG in Russia and CIS.

Existing and planned capacity for light vehicle production in Russia totals more than 3 million units per year, he added. Domestic sales in 2013 were at 2.6 million units, ACM said.

It is entirely possible to hit the 1 million unit export target in three to five years, said Deputy Industry Minister Alexei Rakhmanov. The CIS markets are developing and their volumes are growing, he added.

Car manufacturers in Russia polled by Vedomosti said they do not intend to increase exports. VW and GM produce in Russia primarily for the local market, with only the Chevy Niva from GM-AvtoVAZ being exported, a company spokesman said. Toyota's factory in St. Petersburg produced 35,685 cars in 2013, of which 3,042 went to Kazakhstan and 255 to Belarus, a factory spokesman said. A spokesman for Nissan said earlier that about 10 percent of their Russian production gets exported to the CIS.

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