

Russia's Sollers to Build Mazda Engines for China

By [The Moscow Times](#)

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With Russia's car market in a rough patch, Russian carmaker Sollers will start producing Mazda car engines in the far eastern city of Vladivostok for export to Japan and China next year, the government of the Primorye region said Tuesday in a statement.

Sollers' chief Vadim Shvetsov was quoted in the statement as saying the company's Japanese partners had proposed building a plant in the region, which abuts China, able to produce 50,000 engines per year. Work on the project will begin next year. The size of the investment is not clear.

Inside Russia, the car market is contracting as Western sanctions aggravate a economic slowdown that is hitting consumer demand. Car sales are likely to plummet 12 percent this year, according to the Association of European Businesses. Ford Sollers, a joint venture between Sollers and the U.S. car manufacturer, has been hit particularly hard. Sales of Ford cars slumped 52 percent year-on-year in July.

Sollers also has partnerships with Mazda, Izuzu and Toyota as well as its own production facilities. Shvetsov said the company already produces 77,000 cars in the region, accounting for 70 percent of Primorye's industrial output.

Last month, Prime Minister Dmitry Medvedev signed an order creating a special economic zone for industry in Vladivostok.

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