

French Defense Firm to Dodge Sanctions by Moving Production to Russia - Report

By The Moscow Times

June 17, 2015



French group Hutchinson, a major manufacturer of battle-hardened and bulletproof wheels for combat vehicles worldwide.

A French defense firm that sells military-grade wheels to Russia's military is planning to establish localized production in a bid to skirt an EU arms embargo on the country, news agency TASS reported Wednesday, citing the head of a foreign defense industry production group.

European defense firms, which in recent years have become major component suppliers to Russian military companies, were cut off from the Russian market last year by an EU ban on defense exports to Russia in response to Moscow's support for separatists in eastern Ukraine.

French group Hutchinson, a major manufacturer of battle-hardened and bulletproof wheels for combat vehicles worldwide, has decided to work around sanctions by establishing local production of its wheels, said Olivier Brisou, head of the Yekaterinburg-based Eurasian

Cluster Mechanics and Defense, TASS reported. The wheels are used in many Russian armored cars such as the Tiger, Bear, Wolf and Typhoon.

"In Russia there will now be production of battle-proof wheels for Russian heavy armored vehicles," Brisou was quoted as saying.

Hutchinson denied that it produces or plans to produce the wheels in Russia and said it complied with all sanctions.

Established in 2006, the Yekaterinburg cluster helps foreign defense and heavy machinery firms establish their footing in the Russian market by providing administrative support and help with establishing localized production of their products.

Russia's dependence on Western military components is deeper than bulletproof wheels, though. The Russian defense industry was a large buyer of European military electronics, for example, and some projects have suffered under the EU embargo. Without these components, the navy was forced to abandon an entire shipbuilding project last month.

Correction: This article has been amended to include a denial by Hutchinson that the company violated or would violate sanctions by producing wheels in Russia. The headline has been updated to make clear that the article was based on a news report.

Original url:

https://www.themoscowtimes.com/2015/06/17/french-defense-firm-to-dodge-sanctions-by-moving-production-to-russia-report-a47474