

Russian Car Industry 'Survived' 2020 Despite Pandemic

Russia saw new car sales decrease by 9.1% in 2020.

By [AFP](#)

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Lada controls around a fifth of the Russian car market. **Lada.Ru**

Russia saw new car sales decrease by 9.1% in 2020 on the [previous year](#), as the industry was battered by the coronavirus pandemic, the Association of European Businesses (AEB) said Thursday.

The AEB, a Moscow-based representative body of foreign investors, said in an online press conference that Russians purchased around 1.6 million new vehicles last year compared to some 1.76 million in 2019.

"These are still good results considering the difficulties of the year. The industry has survived," said Thomas Staerzel, chairman of the group's automobile manufacturers committee.

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The industry was hit with a particularly strong blow in April and May last year, the group said, with dealerships closing and consumers [cutting back](#) during Russia's economic shutdown.

While the top two leading manufacturers on the market, Avtovaz — a member of the Renault-Nissan alliance — and Kia, saw their sales decrease, third-place Hyundai's grew.

The AEB said it expects a 2.1% rebound in sales in 2021 provided that there are no new Western sanctions against Russia and government subsidies for the automobile industry remain in place.

The Russian car market, in which the world's major manufacturers invested heavily as it grew in the 2000s, halved between 2012 and 2016.

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