

Norway Blocks Sale of Rolls-Royce Engine Maker to Russian Group

By [AFP](#)

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Norway will block the sale of a Rolls-Royce engine unit to a Russian firm, citing security concerns. **Felix Kästle / dpa / TASS**

Norway said Tuesday it would block Rolls-Royce's sale of a Norwegian engine maker to Russia over concerns that Moscow could get its hands on sensitive technology.

The Scandinavian country, a NATO member, two weeks ago asked Rolls-Royce to temporarily halt the sale of Bergen Engines while it examined the consequences a sale would have on national security.

"We now have enough information to conclude that it is absolutely necessary to prevent the sale of the company to a company controlled by a country with which we have no cooperation in the field of security," Justice and Public Security Minister Monica Maeland said Tuesday.

In a statement, the Norwegian government explained that "the technology used by Bergen

Engines and the engines it manufactures would be of great military importance to Russia."

"It would strengthen Russia's military capacity in a way that would clearly be contrary to the best interests of the Norwegian and allied security policy," it said.

Bergen Engines, which employs 950 people, has been part of Rolls-Royce since 1999, servicing engines for Norwegian Navy vessels and, according to local media reports, for the top-secret intelligence gathering ship Marjata.

The group reported sales of 279 million euros (\$312) in 2019.

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The veto risks angering Moscow.

On March 9, when the sale was temporarily halted, the Russian embassy in Oslo criticized the "anti-Russian implications" of the decision.

The proposed buyer, TMH Group, is a privately owned company headquartered in Russia that makes locomotives and rail equipment, with 100,000 employees at 25 sites worldwide.

It said Tuesday it was "very disappointed," insisting it would have been prepared to find solutions guaranteeing the existing naval contracts and Norwegian control of exports.

"We will now go through all the commercial, financial and legal implications that have been caused by the decision of the Norwegian government," it said in a statement emailed to AFP.

The sale of Bergen Engines, for 150 million euros, was to have been part of a two-billion-pound (\$2.8 billion, 2.3 billion euros) divestment programme announced last August to strengthen Rolls-Royce's finances.

Norway, which shares a border with Russia in the Far North, generally has cordial relations with its eastern neighbor but they have deteriorated since the Russian invasion of Crimea in 2014.

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