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Ford to Exit Russia With Joint Venture Sale

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Yegor Aleyev/TASS

U.S. automaker Ford Motor announced Wednesday it has finalized a full exit from Russia with the sale of its minority stake in a Moscow region-based joint venture.

Ford was among a number of foreign automakers to suspend operations in Russia in March after President Vladimir Putin ordered his troops to invade Ukraine eight months ago. German carmaker Mercedes-Benz announced plans to sell its Russian assets to a local investor earlier on Wednesday.

Ford said in a statement it has reached a deal to sell its 49% share in the Sollers Ford joint venture, which was set up in 2011, for a "nominal value."

"Should the global situation change," Ford said it retains the option to buy back its shares within the next five years.

But unlike its rivals, Ford is unlikely to pursue the buyback due to its moves to wind down

operations in Russia prior to the Ukraine war, according to the auto industry website carscoops.com.

Ford announced in 2019 that it would cease production of all passenger cars and close two assembly plants as well as an engine factory in Russia after years of losses.

Hundreds of Western companies have exited Russia since the Feb. 24 invasion of Ukraine, with Russia's technology and car manufacturing sectors particularly hit by Western sanctions and international supply chain disruptions.

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