

Ministry Promises Support to Car Parts Makers

By [The Moscow Times](#)

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The Industry and Trade Ministry will support auto parts manufacturers who didn't manage to get contracts from automakers, Deputy Industry and Trade Minister Alexei Rakhmanov said Monday.

Rakhmanov said the ministry is planning to create a special program to help such manufacturers, but he stopped short of providing details on these plans.

“We will be creating a separate program for the development of these enterprises,” he said. “In individual cases, we may have to resort to working with some kind of anti-crisis headquarters in the region so that we don't lose valuable personnel and don't create tension on the market.”

Rakhmanov also said representatives from the Industry and Trade Ministry and Finance Ministry are currently discussing how to spend the money they get from collecting salvage charges on imported and locally produced vehicles.

The Federation Council approved a law to levy those salvage charges last week. According to preliminary figures, the charge for light vehicles will be 20,000 rubles (\$612), and the minimum levy for trucks will be 90,000 rubles.

Vedomosti reported earlier that the government could add up to 70 billion rubles to the federal budget via such levies.

Rakhmanov expects that the money will be used to develop salvage infrastructure.

A recent study from PricewaterhouseCoopers suggested that investments to create salvage infrastructure should be \$2 billion over several years. Rakhmanov said Monday that he agreed with this assessment.

The Russian auto market grew 15 percent in the first half of 2012. Local production capacity is also on the rise. In 2011, auto manufacturing facilities in Russia had a 68 percent share in the number of cars on the country's market. That number increased to 72 percent this year, in line with the national strategy to increase the share to 80 percent by 2020.

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