

Russia's Aviation Industry Gets \$28Bln to Become Global Powerhouse

By [The Moscow Times](#)

May 16, 2014



A Sukhoi Superjet 100 being escorted by a Russian fighter jet. Russia is keen to renew its once-mighty industry.

The government plans to funnel \$28 billion into Russia's aviation industry in order by 2025 to haul Russia up into the world's top three aircraft manufacturers, according to an industry support plan unveiled Friday.

Under the program, designed by Industry and Trade Ministry plan and approved by the cabinet, the government will invest 714 billion rubles (\$20.5 billion) of state funds into the aviation industry through 2025, while a further 277 billion rubles (\$7.9 billion) are to come from private pockets, according to a document published on the ministry's website.

Over 3,000 airplanes and 5,500 helicopters should roll off production lines between 2013 and 2025, the plan said.

The goal is to increase Russia's global market share of civil aircraft production to 3.2 percent in 2025 from 0.6 percent in 2011. In the civil helicopter industry, the program seeks to elevate the country's share over the period to 12 percent from just over 6 percent; in aircraft engines — to 1.4 percent from 0.4 percent. By 2025, Russia should be making almost 13 percent of the world's military aircraft engines, up from the current 6.7 percent.

Russia will have to compete with established Western producers in order to meet those targets. The top three civil aircraft producers are currently France-based Airbus, U.S. Boeing and Canada's Bombardier. The big names in military aircraft industry are Lockheed Martin, Northrop Grumman, Boeing and EADS, all but the last coming from the U.S.

If the government thinks that Russia's civil aviation will be able to seize a bigger share of the market, Russian-made military airplanes sales will lose ground to foreign competitors. The ministry's program foresees aircraft sales falling to just under 11 percent of the global market from 17 percent in 2011. Military helicopter sales will slip to 16.5 percent from almost 23 percent in 2011.

The program also envisages development of a sound scientific base for researching aircraft technology and aims for Russia to seek further participation in international aviation research initiatives.

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