

Korean Auto Part Makers Advance to Russia

After Korea's Hyundai Motor and the Ministry of Economic Development and Trade have signed an investment agreement, the Korean vehicle part makers started discussing construction of their plants in Russia.

In particular, Donghee Industrial, Doowon, Dongil Rubber, Hanmin Interior, Jinhap and some other part makers are planning to build plants near the Hyundai assembly facility based in the Leningrad region.

Should these plans be accomplished, the Russian motorcar industry will have an opportunity to get foreign technology and assembly experience. With foreign know-how, Russian plants will be able to make parts for the domestically produced cars (VAZ and GAZ) - considerably raising their reliability, safety and comfort. To achieve that, local assembly operations must be enhanced; otherwise, Russian producers will only continue making plastic car body elements and other components with low added value.

By Kirill Lebedev