



The Salvation of the Automotive Industry is by the Work of the Automotive Industry Itself

The Russian automotive industry needs to restore the domestic production of components, in fact - to revive the whole industry of auto components.

In theory, requirements for the level of localization are constantly increasing in Russia. But no real incentives have emerged to create new component industries on the scale the industry needs. Experts estimate the losses from the loss of the auto component industry by the country, expressed in the cost of purchasing components abroad, at 1 trillion rubles a year.

"In most developed countries, the automotive industry is one of the main locomotives of the economy. Because the production of vehicles is an excellent generator of both budget revenues and jobs. But this is only if the national auto industry is an unified complex of assembly plants and factories for the production of components. In this case, the industry is confidently standing on two legs", - comments on the situation the Deputy General Director of "ASM-Holding", and Honored Economist of Russia Alexander Kovrigin.

Car manufacturers and, in particular, "GAZ", concerned about the fate of the industry, have developed their own plan not only to support, but to create a new industrial model that is sustainable in the face of global disasters and based on the creation of value chains within the country. The plan envisages, in particular, investing 240 billion rubles in auto component production for five years, while half of these funds are producers' own investments, and the other half is financed by the state, which then receives powerful returns in the form of increased tax revenues and the creation of new jobs.

Many countries have followed a similar path. At the same time, experts suggest giving an advantage to projects for creating critical components, and making targeted programs for creating such ones as a priority.



Largest Marketplaces Doubled DIY Sales

Leaders of the Russian online retail are becoming active players in the DIY & Household market. "Wildberries" and "AliExpress Russia" marketplaces reported more than two-fold growth in sales of household goods and repairs. New formats of interaction with suppliers helped them to attract new buyers to their sites.

"This winter the most popular categories of tools for repair and gardening on the local marketplace were sets of working tools, power tools for the garden, welding machines, electric drills and electric saws", - clarified in "AliExpress Russia".

In the fall of 2020, "AliExpress" launched a new format of superstores, the first of which was "Big Home" - a hypermarket of local household goods.

The new sales scheme was also tested in "Wildberries" last year. The company began working on the FBS model, in which the seller is directly involved in storing, processing and packing orders.

Fasteners of the Oryol Steel Rolling Plant were Used in the Construction of a Railway Bridge in the Astrakhan Region

Fasteners from the Oryol Steel Rolling Plant (part of Severstal-Metiz, the Severstal hardware group) were used in the construction of a new railway bridge across the Akhtuba River in the Astrakhan Region. Oil, sulfur, salt, metal, timber, building materials, grain and vegetables are transported along this section of the route. The new engineering structure will become an international transport corridor and will connect Siberia and Moscow with the ports of the Caspian, Azov and Black Seas.

The old bridge was built 85 years ago and was single-track. Up to 20 million tons of cargo will be transported over the new bridge per year.



Severstal-metiz Invests in Oryol

This year the company will make a record investment of one billion rubles to the development of the Orvol Steel Rolling Plant (part of Severstal-Metiz, the Severstal hardware group), which is 11 times more than last year.

The company will modernize production. Cold heading and thread rolling machines, drawing lines and load-lifting cranes - more than 20 units of main equipment will be renewed to the maximum. All units will be equipped with modern electronic equipment: numerical software, LCD displays and control joysticks. At the same time, the workspace will be organized according to the highest international safety standards. Thanks to the investment program, 56 new jobs will be created.

The company's investment plans confirm the stable development of Oryol hardware production. Despite the pandemic, Oryol Steel Rolling Plant ended the year with growth. Shipments of finished goods rose 4 percent to nearly 69,000 tonnes, breaking a five-year record. More than a hundred new products were mastered.

"This is the first time we have received such a significant investment. All projects are quite large-scale, but we plan to complete most of them this year. The modernization of production is planned both for current tasks and for the implementation of projects for the development of new products", - comments Alexey Erenichev, director of the Oryol Steel Rolling Plant.

> Alexander Ostashov, editor of "Fasteners, Adhesives, Tools and..." Magazine Mariya Valiakhmetova, editor of "Metiz" Magazine

