

Geely signs agreement for new plant

A new Geely production plant for existing and future models from this privately-owned Chinese vehicle manufacturer will soon be set up in Belarus, an Eastern Europe landlocked republic bordered by Russia to the northeast, Ukraine to the south, Poland to the west, and Latvia and Lithuania to the northwest.

This new plant, which will be based in Borisov in the Minsk region of Belarus, is now part of the 'Geely-Belarus joint venture agreement on the establishment of a large automobile assembly project', marking the implementation of the first automotive joint venture between China and Belarus.

Four of Geely's most popular models - the SUV-EX7, the Geely SC7, SC5 and the LC-CROSS, will be the first to go into assembly and production. The project's production capacity and product line will subsequently be expanded, eventually allowing it to supply Russia, Ukraine and the wider Commonwealth of Independent States (CIS) market.

Geely, together with BELAZ, the world's second-largest mining machinery company, and the large parts production joint venture SOYUZ, formed by Shenzhen Shentou Investment and the Belarusian BATE group, will jointly form the Closed Joint Stock Company "BELGEE". The new venture has a planned annual production capacity of 120 000 units.

Geely Belarus was established in March 2012. The venture's first car came off the production line in October 2012. All products produced by Geely Belarus have obtained both Belarusian and Russian product homologations. The Geely SC7 has been available in Belarus since March this year, while the SUV EX7 which will also find its way to South African shores, is expected to be available by the end of the year.

Geely Auto, under the leadership of chairman Li Shufu, has undergone rapid international expansion in recent years, with exports to overseas markets, including South Africa, continuing to increase. Geely Auto is the fastest-growing automobile exporter in China.

Between January and June this year, Geely recorded sales of 14,886 and 6,739 units in Russia and Ukraine respectively, giving it the largest presence of any Chinese automobile brand in those markets. The Geely-Belarus joint venture agreement will promote the development of the Belarusian automobile industry and provide Geely with a platform from which to expand its presence in the CIS market, representing an important step in the company's overseas ambitions.