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Investors Sought for Rail Links

By Irina Filatova

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The vision is to find private investors to fund high-speed Sapsan links to all the sites of the 2018 World Cup. **Vladimir Filonov**

Prime Minister Vladimir Putin said Thursday that he wants to see private investors in the railway sector in order to make transportation more effective, safe and affordable.

Putin said new high-speed rail links should be created, reiterating the government's intention to connect the cities that will host the World Cup matches in 2018.

"I think we should correct the development program for high-speed traffic, speed up launching projects and envisage new routes," he said at the first presidium meeting this year.

We should think how to connect in one high-speed network the main cities where the World Cup matches will be held in 2018," Putin said.

The list of cities hosting the championship includes Moscow, St. Petersburg, Kaliningrad, Rostov-on-Don, Krasnodar, Sochi, Nizhny Novgorod, Yaroslavl, Kazan, Saransk, Samara,

Volgograd and Yekaterinburg.

Transportation Minister Igor Levitin said high-speed Sapsan trains supplied by Siemens, as well as other trains, might be used for connecting the cities, adding that "everything depends on investors."

He also said that a separate company might be created to control the high-speed transportation provided by Sapsans.

A stake in the company, which will be a subsidiary of Russian Railways, may be subsequently sold to private investors, Levitin told journalists after the presidium meeting.

He said high-speed traffic was profitable and that "passengers are ready to pay for speed and comfort."

The high-speed links currently exist between Moscow and St. Petersburg, Moscow and Nizhny Novgorod, and St. Petersburg and Helsinki.

Funds raised from selling the stake in the new company may be used for buying more high-speed trains and building infrastructure, Levitin said.

He declined to provide a possible size of the stake to be sold or an exact timetable for creating the company, saying only that Russian Railways and the Economic Development Ministry should first approve the proposal.

The proposal is part of the program to reform the railway sector, which was passed in 2000 and ran through 2010. A decision was made at the presidium meeting to prolong the reform program until 2015, Levitin said, since some elements of the plan hadn't been realized.

Putin said the government was increasing funding of the railway sector every year, adding that more than 180 billion rubles ($6 billion) had been appropriated to develop the sector last year, up from 103.2 billion rubles in 2009.

Among other issues discussed at the presidium meeting was the power outages in a number of regions late last year because of an ice storm.

Putin ordered the Energy Ministry to consider the problem and provide a report within two weeks on measures to prevent future power disruptions.

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