

Shuvalov Dampens Regions' Expectations for World Cup Financing

By Vladimir Goryachev

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Moscow's Luzhniki will be one of the stadiums hosting the soccer cup.

First Deputy Prime Minister Igor Shuvalov said that the 540 billion rubles (\$18 billion) the regions have asked for preparation for the football World Cup in Russia in 2018 is more than the government considers reasonable, a news report said.

At a meeting chaired by Shuvalov it was decided that the federal budget will pay only for infrastructure directly related to the event — arenas, team bases, airports, main roads — while financing general improvements of city infrastructure and transportation networks in host cities will be left to regional authorities, Vedomosti reported Friday.

The government is not taking responsibility for any expenses not related to Russia's commitments as the host country to FIFA, the tournament organizer, a source in the government told Vedomosti.

The regions have asked for money to make large-scale general improvements from refurbishing sewer systems to building public fountains, he said.

"We will not finance that from the federal budget; there are regional [budget] programs for health care and public utilities," the source added.

Shuvalov's spokesperson said it was too early to discuss the cost of hosting the World Cup until preliminary calculations are made. He added that the program will be submitted to President

Vladimir Putin for approval.

The Sports Ministry estimated last autumn that the overall cost of hosting the World Cup in Russia in 2018 would range from 662 billion to 1.4 trillion rubles.

A government official in one of the regions that will host the tournament said regional authorities need money to organize the event on an appropriate level, which requires a lot more than building a stadium or an airport.

"We need recreational areas for the fans, additional transportation; it would be nice to refurbish our main squares and landmarks, which the regions could not afford on their own," he said.

At the meeting held by Shuvalov earlier this week the program was approved without changes. Based on Russia's commitment to build sports infrastructure for the football tournament in 2018,

the Finance Ministry has to come up with an additional 82.7 billion rubles.

However, the government source said he does not rule out that the preparation program will be revised to accommodate for budget constraints in 2014-2016 and the Sports Ministry will have to settle for less.

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