

Bill Sees Private Railroad Investors

By [The Moscow Times](#)

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Private investors may soon get the opportunity to own railroads, but state-controlled monopoly Russian Railways will still retain the right to manage them.

The government is currently working on changes to a law about railroad transportation that include allowing private investors to own parts of the railway network, Vedomosti reported Friday.

However, the law also prohibits private investors from managing any lines. They have to either lease the infrastructure to Russian Railways or transfer it to the company as a trustee. The way that the railroad will be managed must be specified as part of the investment agreement, according to the draft document.

Such a deal could be detrimental for investors, Anton Panchenkov, a lawyer from Goltsblat BLP, told Vedomosti. He said investors would be able to recover some of their funds if they rent out railroad infrastructure to Russian Railways, but if they choose to entrust it to the company, current rules dictate that they would also have to pay the operator for servicing

the rails.

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