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Crimean Infrastructure Development Could Cost $33Bln

By The Moscow Times

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The Regional Development Ministry has proposed spending up to 1.15 trillion rubles ($33 billion) on infrastructure in the new Russian territory of Crimea by 2020, Vedomosti reported Tuesday, citing a draft document outlining the program.

Of that sum, 1.1 trillion rubles ($30 billion) will come out of the federal budget, according to the document.

Regional Development Minister Igor Slyunyayev earlier estimated that between $9.1 billion and $34.2 billion would need to be invested.

The ministry has described Crimea as one of the most underdeveloped regions in Europe. Only 46 percent of Crimean homes have access to gas compared with 65 percent in Russia, while the region's own energy grid supplies a mere 17 percent of homes. The peninsula's transport system also needs to be upgraded to cope with the summer influx of tourists.

The ministry has proposed three different investment options, though the federal budget is the main supplier of funds in each case.

Economic Development Minister Alexei Ulyukayev said last month that the government is going to scrap plans to finance the construction of a deepwater port in the Krasnodar region and a bridge across the River Lena in eastern Siberia so that it can divert money to Crimea.

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