

Russia Eyes Chinese Cash for \$150 Billion Moscow-Beijing High-Speed Railway

By [The Moscow Times](#)

November 21, 2014



Moscow's Kazansky rail station, which may one day host one end of a Moscow-Beijing high-speed line.

A planned high-speed railway stretching some 7,000 kilometers between Moscow and Beijing will cost about 7 trillion rubles (\$153 billion) to build, a Russian Railways executive was quoted as saying Friday.

Over half of the sum, or 4 trillion rubles (\$87.5 billion), is expected to come from Chinese investors, said Alexander Misharin, who heads Russian Railways' subsidiary High-Speed Rail Lines, news agency TASS reported.

Russia and China signed a memorandum of cooperation on the development of a high-speed rail network in mid-October that included construction of a high-speed rail line from Moscow to Beijing.

Trains are expected to hurtle along the new line at an average speed of 400 kilometers per hour, cutting the travel time between the two cities from the current six or more days to about 33 hours.

A high-speed link between Moscow and Kazan, almost 800 kilometers to the east, is intended as the first section of the continent-spanning new railroad. But it is not clear who will foot the 1 trillion ruble (\$21 billion) bill for the project.

Officials have suggested that funds could be allocated from the National Welfare Fund, one of Russia's sovereign wealth funds. Another option is that Chinese investors provide part of the sum, or about 400 billion rubles (\$8.7 billion). However, no investors have yet committed themselves.

Gennady Timchenko, a well-connected billionaire who after appearing on Western sanctions lists earlier this year was appointed head of the Russian-Chinese Business Council, told reporters on Thursday that he was optimistic that China would provide financial support for the project, which he said could carry more than 200 million passengers a year.

China holds over \$2 trillion in U.S. Treasury bills that offer no real returns, but "investment in the railway would be pay for itself," Timchenko said. "Maybe not overnight, but we would create infrastructure connecting Asia with Europe for future generations."

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