

# Russian Economic Crisis Endangers Construction of Massive Moscow Highway

By [The Moscow Times](#)

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The Central Ring Road

Construction on the third and fourth sections of a planned 500-kilometer ring road around Moscow may be postponed amid financing troubles for the multi-billion-dollar project, the Vedomosti newspaper said Tuesday.

The competition for the tender for the two sections, which will span 100 kilometers each and cost a total of 150 billion rubles (\$2.4 billion), may also be prolonged by a minimum of six months, the newspaper reported, citing two sources close to the Transportation Ministry.

About two-thirds of the financing for the road was to come from state coffers, while the remaining sum was to be provided by a consortium of private investors.

But as the oil prices and the ruble continue their downward spiral and the economic outlook

becomes grim, both the government and private investors have struggled to amass financing for the project.

A source in the Transportation Ministry earlier told Vedomosti that Prime Minister Dmitry Medvedev's Cabinet ordered the ministry to revise its financing plan down 95 billion rubles (\$1.6 billion) this year alone.

As long as uncertainty over the level of government financing for the road remains, investors have put a hold on their spending plans. Meanwhile, construction of the first section has already begun, in August, and the whole road is slated for completion by the time the football World Cup begins in 2018.

The Central Ring Road, which will circle Moscow at a 35-kilometer radius, is planned as a toll road. It will have a maximum speed limit of 150 kilometers per hour, making it one of the fastest highways in the country.

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