

# Cash-Strapped Russia to Delay Building Highways in Crimea

By [The Moscow Times](#)

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Russia will most likely have to delay construction of highways in the annexed territory of Crimea as plans to develop the region come under pressure from budget restrictions, Crimean Affairs Minister Oleg Savelyev said.

"We will introduce the major highways a bit later than was planned," Savelyev said, citing budget limitations, in an interview with the RBC news agency published Monday.

Low oil prices have gutted state revenues, forcing the Russian government to order 10 percent spending cuts across the board earlier this year.

But while highway construction is delayed, some other projects in Crimea will be accelerated — in particular, the laying of a cable to provide electricity to the peninsula, Savelyev said.

Crimea currently depends on Ukraine for much of its water and electrical supplies, a reliance that has become a security concern since Russia's annexation of the territory in March. Ukraine temporarily cut off power to Crimea last December in the midst of power shortages.

Russia dished out nearly 125 billion rubles (\$2 billion) in financial support for Crimea in 2014, RBC reported Monday, citing the Finance Ministry.

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