

Moscow City Hall Exposed Awarding \$67M in Illegal Building Contracts

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Moscow City Hall awarded illegal contracts worth more than 4 billion rubles (\$66.7 million) as part of the capital's flagship renovation program, Russia's Anti-Monopoly Service (FAS) has ruled.

An audit found that companies were awarded illegal government tenders to the sum of 4 billion 98 million rubles,

[Russia's Kommersant newspaper reported.](#)

The contracts involved improvements to Moscow's central Tverskaya Ulitsa in 2016, as well as improvements to the city's sidewalks.

The FAS investigation found that tenders were not being evaluated fairly, that bids were being accepted after government deadlines, and that officials were receiving illegal financial guarantees from contractors' banks.

Experts told Kommersant that officials were unable to revoke the contracts as the work has already been completed.

“The contracts cannot be revoked or declared void by a court,” lawyer Natalya Pantyukhina told the outlet. “The only way to recover damages due to poorly executed work is through the court, or by asking the customer to cover materials such as concrete slabs under a warranty period.”

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The FAS audit was triggered by Communist Party Deputy Valery Rashkin, who complained that shoddy workmanship has “destroyed” Moscow's sidewalks.

A number of streets in the capital have had to undergo extra repairs after concrete slabs laid during planned restoration works became "unusable" in the space of several years.

City Hall's "My Street" program began in 2014. The scheme, which is set to last until 2018, planned to allocate 126 billion rubles (\$2.1 billion) to reconstruct almost 4,000 Moscow streets.

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