

Putin Promises Transportation Modernization

By [The Moscow Times](#)

November 08, 2011

The  **Moscow Times**

All segments of public transportation — including airlines and shipping — have to replace outdated vehicles with newer models, Prime Minister Vladimir Putin said Tuesday.

As part of the effort, the government will spend 2 billion rubles (\$65.57 million) next year to subsidize leasing rates for midrange aircraft, Putin said at a transport industry conference.

Deputy Transportation Minister Valery Okulov has said before that the ministry proposed subsidizing three-quarters of the interest rate for banks that provide loans for purchases of foreign midrange aircraft by Russian airlines. Current rates reach 12 percent, he said.

☒The government will make efforts for the domestic industry to get the orders for new vehicles in the future, Putin said Tuesday.

In another segment, Putin proposed establishing a state program to develop a high-speed rail

service — a goal prompted, he said, by the large size of the country.

He made the proposal as Russian Railways is preparing to announce a tender in December for four international consortiums to build a high-speed link between Moscow and St. Petersburg. Construction of the 658-kilometer line could cost as much as at 627.5 billion rubles, and French, German, Chinese and South Korean consortiums are the possible bidders.

A plan to build another high-speed rail line, between Moscow and Yekaterinburg, is in the works.

☒ Putin on Tuesday noted progress in improving the country's railway system, saying Russian Railways had built or rebuilt more than 50 tunnels and bridges over the past four years.

But Russia has yet to make an "infrastructure breakthrough," Putin said.

"Isolated projects are not enough for a modern Russia," he said.

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