

Ministry Cuts Planned Spending for Far East Development

By [The Moscow Times](#)

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The Far East Development Ministry has completed a revision of its proposal to spur the region's economy, which is now more moderate on spending.

Submitted to the Cabinet on Tuesday, the plan calls for 3.9 trillion rubles (\$127 billion) in federal expenditures through 2025 to build roads, power lines and schools, among other things, Far East Development Minister Viktor Ishayev said.

The number is down from the 5.7 trillion rubles in the previous proposal that did not gain the approval of the Economic Development and Finance ministries.

Prime Minister Dmitry Medvedev and the Cabinet will consider the proposal on March 21, Ishayev said, RIA-Novosti reported.

The government wants to keep the momentum in developing the economically lagging but

resource-rich region after it plowed a fortune into preparing the Pacific port of Vladivostok to host the Asia-Pacific Economic Cooperation forum in September.

Ishayev's plan also envisages 6.8 trillion rubles in spending by private and state-controlled companies. In addition, the regional governments are to contribute a small fraction.

The combined expenditures stand at 11 trillion rubles. The previous plan's total was 16 trillion rubles.

The proposal aims to increase the Far East's share in the country's gross domestic product from 8.6 percent in 2011 to 8.8 percent in 2025.

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