

Medvedev Offers to Subsidize On-Schedule Sochi Investors

By [The Moscow Times](#)

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The government could supply financial aid to investors that have incurred losses while building facilities for the upcoming Winter Olympic Games in Sochi, on condition that they finish their projects on time.

“There needs to be some kind of positive motivation for [investors]. Perhaps it is reasonable for some of them to turn to us and ask for subsidized interest rates,” Prime Minister Dmitry Medvedev said during an inspection tour of the Olympic sites, Vedomosti reported.

Deputy Prime Minister Dmitry Kozak, who is responsible for the games, quickly toned down Medvedev’s comments, saying that while investors should certainly be encouraged, the reward for keeping to deadlines should be moral, not material.

Top Russian companies, including Sberbank, Gazprom, Russian Railways and Interros, are building sports facilities, transportation and energy infrastructure in Sochi.

In March, Sberbank chief German Gref, RusAl CEO Oleg Deripaska and Interros chairman Vladimir Potanin wrote a letter asking the government to provide financial support by extending the period of their subsidized land leases to 49 years. Otherwise, the investors said, they will be unable to make their projects profitable.

The government agreed to extend the land subsidy, but has been careful about using state-owned Vneshekonombank to subsidize interest rates. In view of Medvedev's statement, the state may now bow to investors' demands.

With most facilities nearing completion, Medvedev said preparations for the Sochi Games are at the "finish line." The government will now concentrate more on making sure the newly built infrastructure will operate well during the games.

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