

State Company Wins \$3 Billion World Cup Construction Contract

By The Moscow Times

August 25, 2013



The government has chosen the state company Sport Inzhiniring (Sports Engineering) as the general contractor for building or restoring seven out of 12 arenas for the 2018 football World Cup in Russia.

The company, affiliated with the Sports and Tourism Ministry, will spend over 100 billion rubles (\$3 billion) building new stadiums in Volgograd, Kaliningrad, Nizhny Novgorod, Rostov-on-Don, Samara and Saransk in addition to renovating the existing arena in Yekaterinburg, Vedomosti reported.

Three other venues — the Luzhniki and Spartak stadiums in Moscow and Gazprom Arena in St. Petersburg — will be modernized by local authorities and private investors. A stadium in Kazan has already been commissioned and an arena in Sochi will be ready for the Winter Olympic Games next year. Sport Inzhiniring will perform similar functions as the state corporation Olimpstroi, which was tasked with preparation for the Winter Games in Sochi and will be able to announce tenders and choose subcontractors.

However, a federal government source said that Sport Inzhiniring will not become the second Olimpstroi, which has become notorious for its dubious financial practices and loose control over spending. The company will only be responsible for the technical execution of the World Cup projects while Olimpstroi oversees the entire preparation for the games and performs many more functions.

The federal budget allocated 104.4 billion rubles for building and modernizing World Cup stadiums, but the money is still pending government approval, Sport Inzhiniring's representative said.

The company already won the contests to design stadiums in Rostov-on-Don, Nizhny Novgorod, Yekaterinburg and Volgograd for a total of about 2.7 billion rubles.

Each arena will be able to hold 45,000 spectators.

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