

Minister Says Far East Requires \$85Bln Investment

By [The Moscow Times](#)

February 14, 2014

The  **Moscow Times**

KHABAROVSK — The Russian Far East needs 3 trillion rubles (\$85 billion) of investment through 2022 to maintain regional economic growth of 6 percent, the Far East Development Minister said.

Such a level of direct investment is necessary to attract people to live and work in the vast area of Russia stretching from Siberia to the Pacific Ocean, Alexander Galushka told State Duma deputies on Thursday, according to a ministry statement.

"To use such a volume of investment, we need to create competitive conditions for investors and build the proper infrastructure. We expect that every ruble of budget money invested in the Far East will attract up to 20 rubles in private investment," Galushka said.

The Kremlin has made the development of the Far East a priority in recent years. President Vladimir Putin created the Far East Development Ministry at the start of his third presidential

term in 2012.

The government approved an investment program last year that allocated a minimum of 100 billion rubles (\$3.2 billion) annually to eastern Siberia and the Far East.

Prime Minister Dmitry Medvedev said last month that he would take personal control of a drive to improve the business climate in the Far East, which has seen a rapid turnover of senior officials in recent months.

Galushka, the former head of business advocacy group Delovaya Rossiya, was appointed to the position in September after his predecessor was dismissed following criticism from Putin.

The huge expanse of territory in the country's east suffers from decaying infrastructure, geographic isolation, extreme weather, a declining population and uncompetitive enterprises left over from the era of Soviet central planning.

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