

North Korea, EBRD: Business in Brief

By [The Moscow Times](#)

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Russia to Invest \$25 Billion in North Korea

Russia will invest \$25 billion in the modernization of more than 3,500 kilometers of railroad in North Korea, Far East Development Minister Alexander Galushka said Tuesday.

Boldly titled "Victory," the project demonstrates Russia's commitment to "provide investment in exchange for access to North Korea's natural resources," Galushka said at ceremony in Pyongyang celebrating the project, TASS reported.

The project — which includes both the reconstruction of existing railroads and building entirely new lines — will be carried out by Russian engineering and construction firm Mostovik in cooperation with the North Korean government.

Russia and North Korea in June set the goal of increasing their bilateral trade to \$1 billion a year by 2020, as Russia faced off with the West over the escalating crisis in eastern Ukraine. Their bilateral trade amounted to about \$113 million last year. *(MT)*

EBRD May Up Ukraine Investment

The European Bank for Reconstruction and Development may make new investments in Ukraine that are riskier than usual, to help shore up an economy pounded by conflict with pro-Russian rebels, EBRD president Suma Chakrabarti said Tuesday.

The development bank might, for instance, help municipalities in eastern Ukraine near a cease-fire line with the rebels to maintain public services such as transport, waste collection or street lighting, he said.

Such investments would normally be judged too risky under EBRD lending guidelines.

Chakrabarti said a decision by the EBRD board in July to bar new investment in Russia had freed funds for investment in other countries, including Ukraine, Poland, Turkey, Romania and Egypt. Last year the EBRD lent Moscow 1.8 billion euros. *(Reuters)*

Russia No Longer Suspect in Chase Breach

The Russian government has been ruled out as sponsor of a cyber attack on JPMorgan Chase & Co disclosed in August, U.S. law enforcement officials said on Monday.

Officials from the FBI and Secret Service told a news conference at the Financial Services Roundtable in Washington that authorities believe the attack was the work of cybercriminals

Early news reports in August said that investigators feared the attack was conducted on behalf of the Russian government as retribution for economic sanctions imposed by the United States.

"There is no indication this was the result of sanctions," said Joseph Demarest, assistant director of the FBI's cyber division. *(Reuters)*

For the Record

Russia's Central Bank said Tuesday that it had conducted 8.63 billion rubles (\$210 million) worth of forex interventions to defend the ruble on Oct 17.

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