

Strategic Priorities: Development of the Railway Infrastructure in Russia and Abroad

JSC "RZD" has unique competencies in design and construction of railway facilities, organization of complex systems for infrastructure and transportation management, traffic management, economic and financial management of railways.

Infrastructure development is a priority is due to its character of natural monopoly.

The more developed the network is, the more effectively railway traffic expands, the more possibilities the railways have to reduce their costs for infrastructure, to implement new transport and logistics products. At the same time, as the experience of other countries show, division of infrastructure and transportation with artificial stimulation of competition does not guarantee an increase in efficiency of the railway system as a whole.

To optimize investments and identify long-term priorities of infrastructure development JSC "RZD" updates the Master Plan of development of the railway network using the intersectoral balance mathematical scheme. However, the current tariff model does not allow JSC "RZD" to completely satisfy the need for the infrastructure development.

We expect:

- ▶ Significant growth of investment in the infrastructure development at the expense of different sources of project funding;
- ▶ Implementation of the regulatory network contract consistent with long-term goals of the infrastructure development according to the return on invested capital method;
- ▶ Expansion of the railway network by 2030: up to 20.7 th. km of new railway lines, 1.5 th. km of high-speed lines, 10.9 th. km of express lines (a backbone network);
- ▶ Increase in availability of railway transport, covering new regions by the network: the Republic of Altay and Tyva, the Magadan Region, the Nenets Autonomous District;
- ▶ Increase in the density of the railway network by 24% to eliminate its capacity restrictions;
- ▶ Participation of JSC "RZD" in international infrastructure projects in target markets of Eastern Europe, the CIS, Africa, Asia, the Middle East.