

# RUSSIA NEEDS NEW HOTELS FOR THE SOCCER WORLD CUP 2018



Despite the recession and currency breakdown, Russia still counts on increasing the number of guests. That is why the government invests in new top hotels for the Soccer World Cup 2018. Right now, there are 87 new hotels and resorts in development or construction, which will offer 16,600 rooms in total.

According to the information service agent for hotel chains and hotel construction projects Tophotelprojects, there are plans for 23 additional hotels, which are currently on hold.

**Russia's megacity Rostov is already drastically expanding its infrastructure for the upcoming Soccer World Cup** (June 14th – July 15th 2018). There is a total of 12 projects planned, the most expensive being the South airport.

Yekaterinburg gets a new skyscraper. Hotel Zentralnaja on Malyschewa Street receives a 28-floor expansion, funded by the consortium Justa, which owns the centrally located hotel. Even today, there are more than 500 hotels with more than 30,000 beds in the central region Sverdlovsk.

Vadim Prasow, vice president of Russia's gastronomy and hotel association, has very good outlooks. Several trade shows and congresses facilitate the high demand.

The administration of the republic of Mordovia is looking for an investor for a new Sheraton hotel. Category: 4 stars plus. This new hotel is scheduled to be ready for the Soccer World Cup 2018 in Saransk. The costs for this endeavor are estimated at around 760 million ruble. It is expected to accommodate its first guests in 2016.

Recently, 50 locations for training camps were determined. Russia's minister of sports Vitali Mutko confirmed that 50 respective contracts for new or reconditioned training camps have already been signed. The latter are going to be spread across 20 cities. All participants of the world cup are going to be able to choose from a pool of 64 training camps.

**The value of the Russian Ruble has depreciated, making the construction of new structures for the World Cup even more expensive.** But Russia's ministry of sports does not want to spend any more money. The reason: Most contracts that cover stadium developments have been set up around US-Dollar prices, which amounts to increased costs for all clients. Therefore, local components are to be preferred to expensive extras.

Due to Russia's economic recession, the budgets for new stadiums and infrastructure have been cut down by ten percent. Same goes for the training facilities: instead of the previously planned four training facilities per world cup city, there will only be three. Savings: 700 million ruble.

## Selected hotel development projects in Russia

### Hotel Name and Location

## **# of rooms**

### **opening**

Fairmont Pekin Hotel - Moscow

236 rooms

beginning of 2018

Hyatt Regency Petrovsky Park - Moscow

297 rooms

end of 2016

Radisson Blu Riverside Hotel - Moscow

220 rooms

beginning of 2018

Four Points by Sheraton Vnukovo Airport - Moscow

250 rooms

mid of 2016

Aloft - St. Petersburg

200 rooms

end of 2017

Jumeirah - St. Petersburg

74 rooms

beginning of 2017

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