



**A Russian Chronology:
January-March 2009**

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Russian Domestic Policy: A Chronology January – March 2009

1 January 2009 One of the leaders of the Solidarity opposition movement, Boris Nemtsov, says he thinks that 2009 will be a year of social protest, due to the economic crisis:

This will result in the end of Putinism. This is the deal between Putin and citizens. The deal was money in exchange for rights. Putin gave citizens money - pensions, salaries, work etc - and in exchange took away from citizens their rights - the right to independent information, the right to elect its authorities, the right to independent courts, the right to opposition activities.

Co-chairman of the Right Cause party Leonid Gozman says "the transformation of the economic and social crisis into a political one, mass unrest and the situation getting out of control and sliding into the extralegal field cannot be ruled out" in the new year. He says it is preferable "that stability remains in the country in the next two to three years if only to bar from power people in comparison with whom Vladimir Vladimirovich Putin will look white and fluffy".

2 January 2009 Yabloko leader Sergey Mitrokhin says that in 2009 "we may witness mass unrest across the country, a further clamp-down in connection with this unrest and the country being brought to a dangerous point."

2 January 2009 *Vesti TV* reports that many of the largest iron and steel mills in Russia are putting production on hold, due to the global financial crisis.

3 January 2009 North Ossetia's Interior Ministry sets up an additional rapid reaction battalion to reinforce borders. The battalion comprises five companies. Four of them are subordinate to district police departments and the fifth is a reconnaissance one. The rapid reaction battalion is in charge of North Ossetia's Pravoberezhnyy, Kirovsky, Mozdoksky and Prigorodnyy districts.

4 January 2009 The deputy chief of the General Staff, Colonel-General Anatoly Nogovitsyn, says that the General Staff of the Armed Forces fully supports the position of the Navy chief command on the need to establish naval bases abroad. Nogovitsyn says that Russia will carry on with testing the Bulava sea-based intercontinental ballistic missile despite another failed test launch on 23 December 2008.

6 January 2009 President Dmitry Medvedev attends the main Orthodox Christmas service, which is being held at the Christ the Saviour cathedral in Moscow.

8 January 2009 The Moscow city authorities prevent a motorists' group from conducting a rally.

10 January 2009 The CPRF organises protests against raising imported vehicle duties in the Maritime Territory.

11 January 2009 Dmitry Medvedev says the government is working too slowly in the implementation of its anti-crisis package.

11 January 2009 The Presidential envoy to the Duma Aleksandr Kosopkin is killed in a helicopter crash in the Republic of Altay.

11 January 2009 Deputy head of the Russian Federal Service for Regulation of the Use of Natural Resources (Rosprirodnadzor) Oleg Mitvol becomes head of a new inter-regional environmental public movement called Green Alternative.

11 January 2009 The head of the Investigations Committee under the Russian Interior Ministry, Major-General Aleksey Anichin, is appointed deputy interior minister. Anichin has been heading the Committee since 2006.

12 January 2009 The Russian government website publishes a decree issued by Prime Minister Vladimir Putin on 24 December 2008, which outlined the plan for the optimization of the network of the Russian Defence Ministry's military educational establishments "for the purposes of improving the system of training specialists for the Russian Federation Armed Forces".

12 January 2009 Dmitry Medvedev submits to the Duma a draft law aimed at strengthening the role of the Prosecution Service in the protection of Russians' social rights.

Dmitry Medvedev sets up a Presidential Council for Cossack Affairs and appoints Aleksandr Beglov, a deputy chief of the presidential administration staff, to the position of the Council chairman.

12 January 2009 The commander-in-chief of the Internal Troops, Army General Nikolay Rogozhkin, is appointed deputy interior minister while keeping his position as chief of the Internal Troops (MVD). Other new MVD appointments are as follows: Major-General Mikhail Korneyev is appointed first deputy head of the Main Directorate of Internal Affairs and head of the criminal police for Rostov Region. Police Colonel Viktor Nilov is appointed an aide to the interior minister of the Russian Federation. Police Major-General Vladimir Bulatov is appointed head of the support centre for operations to counter extremism of the MVD and Mikhail Pokazanyev deputy head of the department for countering extremism.

The commander of the Urals Regional Command of the Internal Troops, Lieutenant-General Vladimir Romanov discusses the reform of the Internal Troops in the Urals district.

12 January 2009 *Vesti TV* reports that a national grain company will be set up in Russia. A decree to that effect has been submitted by the government to the presidential administration. It will be concerned with exporting grain. Agriculture Minister Aleksey Gordeyev says that agriculture is beginning to steadily rank third after the energy sector and the sale of products manufactured by the military-industrial complex.

12 January 2009 The government announces that a new state armament programme for 2011-2020 is to be drawn up in Russia. The drafting of the document has been included on the plan for the drafting of bills for the implementation in 2009-2010 of the Main Guidelines for the Actions of the Government until 2012. The plan, which was approved by Vladimir Putin's executive order on 25 December 2008, has been posted on the government website. A draft state armament programme has to be presented to the government by

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February 2010 and submitted to the Duma no later than March 2010. The MOD will draft the state programme.

Vladimir Putin calls for the work of the large holding companies set up in the defence industrial complex to be stepped up, and for them to be made truly competitive. He states:

When adopting special measures to support the defence-industrial complex, we proceeded from its special significance in providing security for Russia, as well as for the technological development of our economy, industry.

Let me reiterate that the provision of our Armed Forces with new models of armaments, military and special hardware, spares and other necessary assets has increased substantially in recent years. Serious plans for the rearmament of the army have also been formulated for the longer term. In 2009 alone, over R1,000 billion is envisaged for these purposes; while total budget spending on them until 2011 will be nearly R4,000 billion.

The federal budget for 2009-2011 also envisages state guarantees on loans to defence-industrial complex enterprises of up to R100 billion; another R50 billion is allocated for subsidizing interest rates, for measures to prevent bankruptcy, and for investment in capital assets.

13 January 2009 A VTsIOM poll says 38 per cent believe the mass media are failing to provide adequate coverage of the economic crisis and are not supplying the necessary information about what is happening. A further 20 per cent say that the media sometimes exaggerate the effects of the crisis and are stirring things up for no good reason. 27 per cent believe information on the crisis is objective.

13 January 2009 Dmitry Medvedev expresses confidence that the success of the demographic policy pursued in the country in recent years will continue. He meets Health and Social Development Minister Tatyana Golikova. In 2008 more than 1.7 million babies were born, which was 100,000 more than in 2007.

13 January 2009 Dmitry Medvedev issues a decree stating that the number of servicemen in the Russian Armed Forces will be 1,000,000 as from 1 January 2016 and the total number of people in the Armed Forces will be 1,900,000.

13 January 2009 Dmitry Medvedev signs a decree authorising the Rostekhnologii state corporation to have its own representatives within foreign diplomatic and trade missions.

14 January 2009 Dmitry Medvedev says that additional steps may be necessary to stabilize the Russian banking sector.

14 January 2009 The deputy head of Roskosmos Yury Nosenko says that the Arktika (Arctic) space monitoring and communication system will be created in Russia.

14 January 2009 The MOD states that the commander-in-chief of the Ground Troops, General Vladimir Boldyrev, and the commander-in-chief of the Strategic Missile Troops, Colonel-General Nikolay Solovtsov, will serve until at least 2011.

14 January 2009 Finance Minister Aleksey Kudrin says a total of R146 billion (\$4.56 billion) has been allocated for the stabilization of the Russian banking sector.

15 January 2009 The leader of the banned National Bolshevik Party, Eduard Limonov, invites United Civil Front leader Garri Kasparov and head of Russian People's Democratic Union Mikhail Kasyanov to unite in order to head a "structured opposition".

15 January 2009 The deputy head of the Finance Ministry's customs payments section Aleksandr Sakovich says the maximum amount of the oil export duty in Russia from 1 February 2009 will be \$100.9 per tonne. This rate of the duty has been calculated taking into account the average price of Russian oil as monitored from 15 December to 14 January - \$40.11 per barrel. From 1 December 2008 the duty was reduced from \$287.3 to 192.1 per tonne. From 1 January 2009 the duty has been \$119.1 per tonne.

15 January 2009 Nikita Belykh takes over as governor of Kirov Region, and Viktor Zimin takes over as chairman of the government of Khakassia.

15 January 2009 Former Colonel Yury Budanov who has been serving a prison term for the murder of Chechen girl Elza Kungayeva is released.

15 January 2009 Prime Minister Vladimir Putin says the government has drawn up a number of measures to support enterprises of the defence industrial complex.

16 January 2009 First deputy head of the Kremlin administration Vladislav Surkov, who is supervising domestic policies, calls for consolidation of all levels of power in view of the economic crisis.

16 January 2009 The government decides to open the seaports of Vitino (Murmansk Region) and Dudinka (Krasnoyarsk Territory) to foreign shipping.

16 January 2009 Vladimir Kolesnikov, deputy chairman of the Duma security committee, says he suspects that foreign forces may be behind motorists' protests in the Russian Far East.

16 January 2009 Deputy Prime Minister Sergey Ivanov says that work is being carried out in Russia to create arms and military equipment using nanotechnologies. He is speaking at a sitting of the government commission for high technologies and innovation.

16 January 2009 Minister of Health and Social Development Tatyana Golikova says that as of 30 December, the number of people officially registered as unemployed in Russia stood at 1,515,000. In 2009 the number of unemployed people is forecast to reach 2.1 to 2.2 million.

The head of the Federal Labour and Employment Service, Yury Gertsy, says that the number of unemployed stands at 1,545,000 and 300,000 more are to lose jobs within the next two months. He also says that as of 21 December 2008 wage arrears had amounted to R7.3 billion, or \$228 million.

16 January 2009 Interfax-AVN reports sources as saying that the timetable for the reform of the Russian armed forces might slip. The plan was to complete the transformations in the main and central directorates of the General Staff and change the structure of the armed forces' rear services by 1 February 2009. However now "it is unlikely that table of organization and equipment changes on a scale such as this can be made by that deadline, or that the transition of most of the armed forces to a brigade structure can be achieved by 1 June 2009". The main elements of reform - including more than 250,000 officer positions to be cut, the institution of warrant officers to be abolished and many military positions to be

manned with civilians, to be carried out during 2009 – may all be revised due to budget considerations.

17 January 2009 Prime Minister Vladimir Putin says the government will fully honour its social programmes despite the world financial crisis.

17 January 2009 A rally in support of scientist Igor Sutyagin takes place in Moscow. He was sentenced to 15 years in prison on charges of divulging state secrets.

19 January 2009 An unidentified man opens fire at passers-by in central Moscow. He kills Stanislav Markelov, the lawyer of Elza Kungayeva, the Chechen girl of whose murder former Colonel Yury Budanov was convicted. A *Novaya Gazeta* newspaper journalist, Anastasiya Baburova, who wrote a series of articles about the case is also killed. Prosecutor-General Yury Chayka takes the investigation into the killing of Markelov under personal control.

19 January 2009 Criminal proceedings on bribery are instituted in Vladimir Region against the chairman of the regional committee of soldiers' mothers.

The head of the Moscow Helsinki Group, Lyudmila Alekseyeva, rejects comments by Interior Ministry spokesmen that non-commercial and charitable organizations in Russia are being used to legalize criminal incomes.

19 January 2009 Prime Minister Vladimir Putin instructs the Finance Ministry and the Ministry of Economic Development and Trade to revise the federal budget for the current year. The parameters of the main financial document have to be revised on the basis of the oil price of \$41 per barrel. Putin states:

Last week the oil price was fluctuating around \$41 per barrel. This is one of our leading export products on which many things depend, including in our macroeconomic policy. Budget revenues and expenditure are directly linked to this. We sent a draft budget to the parliament and approved it. The draft budget was prepared in August last year, before the crisis period. All the parameters were calculated on the basis of the oil price of \$95 per barrel. I repeat, now it is \$41. The Finance Ministry will have to make necessary amendments to the parameters of the federal budget for the current year 2009 on the basis of the oil price of \$41 per barrel.

Finance Minister Alexey Kudrin says that since September 2008 the rouble has depreciated by 20 per cent. He says that this has created new reference points in the economy and that the government expects that they will have a positive effect on demand and balance of payments. Kudrin says that inflation in Russia in 2009 may reach 13 per cent. In 2008 inflation was 13.3 per cent. Kudrin expected it to fall down to 11 per cent, however the rouble depreciation will influence the rise in prices for imported goods. He says that "last year economic growth in Russia stood at 6 per cent. In 2009 we expect a positive growth but at a level of 0-2 per cent." Kudrin also predicts that due to the global financial and economic crisis Russia would have a budget deficit in 2009 and beyond. Kudrin says that the government will seek to keep the 2010 budget deficit at 4-5 per cent of GDP and to see it start falling from 2011. Kudrin also says that because of the crisis the government would allocate an additional \$40 billion to support the banking sector.

19 January 2009 Interfax-AVN reports that large-scale transformations planned as part of a move to give the Armed Forces a new look may be put back six to eight months. The source says that the revised timeframes primarily relate to large-scale

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transformations such as the shift to a brigade-manning principle, the reduction, by nearly 50 per cent, of the number of arsenals and arms depots, including missile and heavy military equipment ones, and long-distance relocation of large quantities of materiel. In the Ground Troops alone, the plan was to disband, over nine months, 23 all-arms divisions and 12 all-arms brigades, and set up 39 permanent combat readiness all-arms brigades. In the Air Force, it was planned to set up 55 aviation bases, of different categories, on the basis of the disbanded aviation divisions and regiments. It was planned to remove from the troops over 30,000 carriage loads of missile arms, obsolete military equipment and ammunition.

20 January 2009 Dmitry Medvedev visits Ingushetia.

Federal Security Service (FSB) head Aleksandr Bortnikov says foreign forces are behind terrorism in Ingushetia. "Our opponents will try to involve non-governmental organizations and to demonstrate them for these purposes."

20 January 2009 Deputy prime minister and finance minister Aleksey Kudrin says that the devaluation of the rouble does not raise concerns as Russian economy is sufficiently resilient to ensure the stability of the national currency. He says "following the stabilization of the exchange rate there will be a basis for an inflow of capital to Russia...After the rouble reaches equilibrium, it will be again attractive to depositors." He also says that there are no reasons for Russia to change in the near future the situation with credits to the International Monetary Fund.

20 January 2009 Lieutenant-General Oleg Salyukov commences his duties as the new commander of the Far Eastern Military District.

20 January 2009 The Moscow police make about 50 arrests during an unauthorized rally held in memory of the killed lawyer Stanislav Markelov and journalist Anastasiya Baburova.

20 January 2009 The Finance Ministry's preliminary estimate states that the surplus of the Russian federal budget for 2008 amounted to R1,697 billion (\$51.45 billion).

20 January 2009 Major-General Nikolay Sivak says that the Combined Counter-Terror Operations Forces in the North Caucasus conducted over 1,200 special operations in Chechnya in 2008.

21 January 2009 The new text of the constitution is published in *Rossiyskaya Gazeta*. This means that all the amendments made to it in 2008 now come into force. These are the extension of terms of the president and the Duma to six and five years respectively; also, the government will now have to report to parliament annually on its performance.

21 January 2009 Dmitry Medvedev at a meeting with his plenipotentiary representatives and members of the government announces a state support package of R43 billion to counter unemployment. Medvedev also says the list of president's personnel reserve of 1,000 managers is ready and will be published shortly.

21 January 2009 Moscow police chief Vladimir Pronin says the number of nationalism-inspired crimes in Moscow in 2008 went up by 30 per cent against 2007 to reach 95 attacks.

21 January 2009 The presidential plenipotentiary representative in the Siberian Federal District, Anatoly Kvashnin, is taken to hospital in Moscow. Kvashnin is

suspected to have a serious kidney disease.

21 January 2009 Deputy Interior Minister Arkady Yedelev says in Rostov on Don that Al Qaeda emissaries are operating in Chechnya and Dagestan.

21 January 2009 The MOD says there will no cover up over the outbreak of pneumonia amongst soldiers in the Kaliningrad Region and the Volga-Urals Military District.

21 January 2009 A *Zvezda* TV report outlines reforms of the military educational system. Deputy Defence Minister Nikolay Pankov gives a briefing on the subject.

In 2009-2012, we plan to form military education centres, military academies and military universities around three major universities, the General Troops Academy of the Armed Forces, the Air Force Academy and the Naval Academy, and close a number of universities due to a decrease in requests for officer training.

21 January 2009 Right Cause submits documents to the Justice Ministry for state registration as a party. According to the party's press secretary Nataliya Shavshukova, more than 56,000 people have already joined the organization (at least 50,000 are required for registration), and regional founding conferences have been held in 73 regions.

22 January 2009 The president of the Novyye Media holding company, businessman Aleksandr Lebedev, says he is convinced that the recent murder of Stanislav Markelov and Anastasiya Baburova is linked to the work of the *Novaya Gazeta* newspaper.

More than 50 people come to Moscow's Novopushkinsky Park to take part in a rally to commemorate Markelov and Baburova.

22 January 2009 Dmitry Medvedev issues a resolution appointing Andrey Podavalov as acting plenipotentiary representative of the president in the Duma.

22 January 2009 Deputy Economic Development Minister Andrey Klepach says that the Economic Development Ministry has reduced its GDP and industrial output forecast for Russia due to the slashing of the oil price forecast and the global economic crisis. He says "in 2009 GDP will decrease by 0.2 per cent, industrial production will be down 5.7 per cent". An earlier forecast said GDP in 2009 would grow 2.4 per cent, while industrial output would fall by 3.2 per cent.

22 January 2009 The Public Chamber's commission for veterans' affairs expresses concern about the growing number of soldiers' deaths, and is going to analyse this situation at a special meeting with the participation of the MOD leadership.

Defence Minister Anatoly Serdyukov outlines measures being undertaken by the MOD to assist servicemen being made redundant either to find work or to find some other employment in the Defence Ministry.

22 January 2009 The chairman of the Central Bank, Sergey Ignatyev, says that the newly announced rouble exchange rate band will be left intact "for months". The Central Bank announces that on 23 January it will increase the upper limit of Russia's dollar-euro currency basket to R41, which corresponds to a rate of about R36 to the dollar, and would keep it at that level thereafter, thus ending a two-month period of the rouble's gradual devaluation.

22 January 2009 The acting head of the centre for countering extremism under the Krasnodar Territory main interior directorate, Aleksandr Bogdanov, says it has been established that underground militant groups in the North Caucasus have links with Georgia, where gunmen hide if law-enforcement agencies get on their trail.

23 January 2009 Justice Minister Aleksandr Konovalov discusses cooperation between the state and civil society with representatives of human rights organizations at the Justice Ministry. He admits that the registration of non-commercial organizations (NCOs) and requirements to their paperwork need to be streamlined.

Head of the Moscow Helsinki Group Lyudmila Alekseyeva says that whereas before the new law on NCOs there were 650,000 non-commercial organizations, now there are only about 200,000, and many new NCOs prefer not to register because of a large amount of paperwork.

23 January 2009 Deputy Interior Minister Police Lieutenant-General Aleksandr Smirnyy says a department to counter extremism has been set up as part of the Interior Ministry infrastructure in response to "fast growing" manifestations of extremism in the country. Smirnyy warns: "In some regions of the Russian Federation extremism has become a means of causing a split in society along ethnic and religious lines."

23 January 2009 The head of Moscow police, Vladimir Pronin, says he does not rule out the possibility of mass street protests in Russian cities, including in the capital, because of the economic crisis.

23 January 2009 A report in *Moskovsky Komsomolets* states that some military intelligence (GRU) units could be transferred to the Army.

23 January 2009 Rosstat states that inflation in Russia reached 13.3 per cent in 2008.

23 January 2009 Deputy Prime Minister Aleksandr Zhukov says that the number of registered unemployed people went up by 30,000 in the period between 31 December 2008 and 13 January 2009.

23 January 2009 The Duma abolishes in the third and final reading the so-called electoral deposit. That is when parties or candidates who want to take part in elections can simply submit money for registration rather than collect voter signatures in their support.

23 January 2009 Aleksandr Sharavin, head of the Institute of Political and Military Analysis criticises the government's military reform plans.

24 January 2009 The head of the Federal Labour and Employment Service, Yury Gertsy, says that at present the number of citizens who do not have jobs and who are in the process of searching is about 6 million people. This is overall unemployment which is assessed by the methods of the International Labour Organization. Gertsy states that such a rate is average for the Russian economy.

24 January 2009 Yedinaya Rossiya (YR) backs rallies supporting the government's measures directed at protecting the domestic car industry.

26 January 2009 The Foreign Ministry (MFA) criticises the recent report by the international NGO Human Rights Watch.

Dmitry Medvedev proposes re-appointing Vladimir Lukin as Russian Federation human rights commissioner. He submits a corresponding proposal to the Duma.

26 January 2009 First Deputy Interior Minister Mikhail Sukhodolsky says the MVD expects a surge in economic crime in 2009 as a result of the global financial crisis.

26 January 2009 Interfax reports that the investigation into the case of Russian Deputy Finance Minister Sergey Storchak has been resumed.

26 January 2009 Ministry of Health and Social Development says that the latest labour market monitoring data shows that the number of officially registered unemployed people in Russia totals 1,549,000.

26 January 2009 An Economic Development Ministry estimate says Russia's GDP in December 2008 was 0.7 per cent down on December 2007. According to the ministry's estimate, Russia's GDP for 2008 as a whole rose by 6.0 per cent. In 2007, Russia's GDP increased by 8.1 per cent. Rosstat data says that the real disposable incomes of the Russian population in December 2008 were 11.6 per cent down on December 2007.

26 January 2009 The Roskosmos board meets and discusses 2008 results and 2009 plans. In 2008 the rocket-and-space industry output grew by nearly 13 per cent on the previous year. 42 spacecraft launched from Russia's launch pads in 2008; seven of these were defence-purpose satellites.

In 2009 Russia will launch Canopus-V, Meteor-M, Spectre-R, Phobos-Ground and Electro spacecraft which will be used for hydro-meteorological and earth probing purposes and in fundamental space research. In addition three Glonass-M navigation satellites are to be launched, while the creation of the Resource-P earth probing spacecraft should be completed.

Roskosmos chief Anatoly Perminov expresses concern over "the efforts on the part of a number of countries to militarize space equipment".

27 January 2009 Metropolitan Kirill of Smolensk and Kaliningrad is elected patriarch of Moscow and all Russia.

Vasily Yakemenko, head of the Federal Agency for Youth Affairs, says it is necessary to set up a youth Orthodox movement.

27 January 2009 Dmitry Medvedev instructs his secretariat to take a closer look at amendments to be made to the Criminal Code and the Criminal Procedure Code regarding the qualification of state secrets, high treason and spying. First deputy presidential chief of staff Vladislav Surkov says that: "possibly there is a danger that the concepts of state secrets, high treason and spying could be construed too broadly".

27 January 2009 Dmitry Medvedev says the state will fulfil all of the social obligations taken upon itself, including towards veterans, regardless of financial difficulties.

27 January 2009 Vladislav Surkov, first deputy head of the presidential administration says that the present system of electing the heads of constituent parts of the Russian Federation will remain unchanged in the foreseeable future;

nor will there be a direct gubernatorial election.

27 January 2009 A VTsIOM poll shows that in the last month, the number of Russians assessing the state of the world economy as in crisis has increased by almost 10 per cent, with only one in 10 seeing considerable progress in the fight against the consequences of the crisis thanks to the efforts of the Russian government. In January 2009, the proportion of Russians assessing the state of the world economy as in crisis rose from 34 per cent to 43 per cent in comparison with December 2008. According to VTsIOM's data, the potential for protest in Russia is small. The proportion of Russians believing mass demonstrations against the decline in living standards to be unlikely has risen from 61 per cent in December to 64 per cent in January. In January, the proportion of Russians who would not take part in protests if they were to take place in their region has also risen from 66 to 70 per cent. The number of Russians prepared to support such protests has remained the same - 21 per cent. The approval rating of Russian President Dmitry Medvedev's activities has remained relatively stable in recent months and ranges from 74-77 per cent and at the time of the latest poll (17-18 January) it retained 75 per cent, and the electoral rating of the head of state was 54 per cent.

At the time of the poll, the level of approval of Prime Minister Vladimir Putin's activities was 77 per cent, although a week earlier it was 81 per cent, the same as in December.

27 January 2009 Finance Minister Aleksey Kudrin briefs Vladimir Putin on the size of the Reserve Fund. The size of the Reserve Fund is R4,026 billion. However, taking into account the changing dollar exchange rate, at the moment the value of the Reserve Fund exceeds R4,700 billion. The National Welfare Fund currently stands at over R2,600 billion; combined they equal around \$210 billion. The 2008 federal budget surplus exceeded R1,800 billion (\$54.7 billion).

27 January 2009 The FSB and MVD carry out an operation to detain head of armed gangs Isa Khadiyev. They accuse him of setting up a rebel army in the North Caucasus.

27 January 2009 Protestors in Izhevsk demand the dismissal of the acting president of Udmurtia, Aleksandr Volkov, in connection with the end of his tenure in March.

27 January 2009 The Supreme Court upholds a life sentence to former Yukos shareholder Leonid Nevzlin, who was tried *in absentia* for organizing murders and attempted murders.

27 January 2009 The Military Investigations Directorate of the Investigations Committee under the Prosecutor-General's Office opens a criminal case against the military commissar of Moscow, Major-General Andrey Glushchenko. He is suspected of fraud.

27 January 2009 Vladimir Mau, head of the Russian Academy of National Economy says that "the current crisis gives a unique chance to build a normal contract army".

Dmitry Medvedev says that state TV, radio and other media should be used to inform the "most varied audience, including young people" about the Great Patriotic War in the run-up to the 65th anniversary of victory. He is speaking at a session of the Pobeda (Victory) Committee in St Petersburg on the 65th anniversary of the lifting of the siege of Leningrad.

Deputy Prime Minister Igor Sechin says that such measures are necessary to counter the "propaganda" and "falsification of history" in the West and certain countries of the former Soviet Union.

27 January 2009 Dmitry Medvedev says that the development of the Armed Forces and the Navy will receive full funding: "Despite the difficulties that the state is facing, the funds that have been allocated for the development of the naval component, the Armed Forces of the Russian Federation as a whole, all these funds will be invested". He addresses cadets of the Nakhimov naval school. He says the entire Navy will be reequipped.

The head of the Main Directorate for Combat Training and Troops' Service of the Armed Forces, Lieutenant-General Vladimir Shamanov, says the MOD has been developing new programmes of combat training and other regulations, reflecting recent military conflicts and as well as the transformation of the armed forces, for the period to 2012. He states:

Our main directorate, other directorates and structures of the Defence Ministry are actively engaged in the review of programmes by branches of the armed forces with regard to the specifics of repelling the Georgian aggression against South Ossetia and other big changes that will take place while a new layout of the Armed Forces is being built. The whole combat training process will be adapted to match new changes in the structure of the Armed Forces, their transition to a brigade-based system. Starting from a new training year, that is to say from 1 December 2009, formations and units of the army and the navy will be taught in line with the new programmes of combat training and other regulations.

28 January 2009 Dmitry Medvedev meets the leaders of the parties represented in the Duma.

28 January 2009 *Kommersant* reports that Dmitry Medvedev has instructed his administration to refine amendments to the Criminal Code and the Criminal Procedural Code of the Russian Federation concerning state secrets, treason and espionage. The aim is to narrow the concept of treason.

28 January 2009 Dmitry Medvedev meets the president of Ingushetia Yunus-Bek Yevkurov. He gives various tasks to Yevkurov.

28 January 2009 Moscow's Basmannyy Court orders the arrest *in absentia* of the co-owner of the company Yevroset, Yevgenny Chichvarkin, who is charged with organizing kidnapping and fraud. Vladimir Zherebenkov, the lawyer for Chichvarkin, rejects the legality of the arrest order.

28 January 2009 The chairman of the Supreme Court, Vyacheslav Lebedev, says that in 2008 over 1,300 people were sentenced for bribery. Of them 31 per cent were employees of the Interior Ministry, 20.3 per cent were employees of the health care system, 12 per cent were lecturers, 9 per cent were municipal officials, 2.5 per cent were employees of the Federal Penal Service and 2 per cent were customs workers. Lebedev noted that 20 per cent of the people convicted for bribe-taking were women.

Deputy Prosecutor General Aleksandr Buksman says almost 210,000 violations of the anticorruption law were revealed in Russia in 2008. This is almost twice as much as in 2007. A total of 23,000 officials have been charged for disciplinary offences and over 5,600 people for administrative offences. Over 8,600 people were

convicted of bribe-taking in 2008.

28 January 2009 The Duma passes in the third and final reading the law changing the procedure for forming the Federation Council. Only those who are already deputies of regional legislative assemblies or representatives of municipal authorities can stand for membership of the chamber. The current residential requirement, which stipulates that candidates for the upper house must have lived for at least 10 years in the region they aspire to represent, has also been abolished. The new procedures come into force from 1 January 2011.

28 January 2009 The press service of the Yabloko regional branch reports the St Petersburg authorities have failed to coordinate the first action by the Solidarity opposition movement.

28 January 2009 Economic Development Minister Elvira Nabiullina says a new forecast of the Russian Federation's social and economic development in 2009, which is currently being completed by the Economic Development Ministry, will most likely be based on a GDP fall rather than its growth. The latest official forecast of the Economic Development Ministry projected a GDP growth of 2.4 per cent in Russia in 2009. The ministry's new forecast, not yet officially submitted to the government and not announced officially, projects that the economy will shrink by 0.2 per cent.

28 January 2009 Gazprom Deputy head Aleksandr Medvedev says there are plans to increase the South Stream gas pipeline's capacity by 16 billion cubic metres per year. Currently, the pipeline's transit capacity is 31 billion cubic metres per year. Medvedev says: "We are not only planning to launch the Nord Stream with a capacity of 55 billion cubic metres and South Stream with 31 billion cubic metres, but also to increase the South Stream's transit capacity by another 16 billion cubic metres".

28 January 2009 Prime Minister Vladimir Putin attends the World Economic Forum at Davos. He warns against protectionism and excessive state interventionism. He warns against increasing defence spending as a means of tackling the economic crisis.

28 January 2009 Deputy Prime Minister Sergey Ivanov says that, despite a significant increase in the state defence order, it has proved impossible to stop highly qualified staff leaving military-industrial complex enterprises. In 2008 the number of people working in the military industrial complex decreased by 50,000. The complex consists of about 1,400 enterprises and organizations, which employ some 1.5 million people.

28 January 2009 The presidium of the YR general council decides to set up five commissions within the structure of the party's ruling body, including one to coordinate ideological work in regions. The commission of the general council presidium for the coordination of ideological work in the constituent parts of the Russian Federation will be headed by Duma deputy Irina Yarovaya. There will also be general council commissions for party build-up and for working with communities and public associations; they will be headed by Duma deputies Sergey Neverov and Svetlana Zhurova respectively. Chairman of the Duma committee for international affairs Konstantin Kosachev has been asked to oversee two commissions, for international and inter-party links, and for the work with expatriates. Neverov, Zhurova and Kosachev are deputy secretaries of the presidium of the YR general council in charge of the same areas as the commissions that they will head.

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28 January 2009 Colonel-General Vasily Smirnov, chief of the Main Organization and Mobilization Department of the General Staff says reducing conscription from two years to one has made the situation in the forces healthier and cut down the number of law violations. A total of 219,000 people were drafted into the Armed Forces, other troops and military formations in the autumn call-up of 2008. Some 4,800 people avoided the draft, which is 0.4 per cent of those summoned to call-up commissions (in autumn 2007, 10,800 people or 8.2 per cent avoided the draft).

28 January 2009 First Deputy Prime Minister Igor Shuvalov says that the Russian government has no intention of intimidating business and has nothing to do with recent criminal cases against businessmen. He states: "Every day in the world the police prosecute fraudsters, and that is normal. But any case should be within the framework of legal procedures and be proved in court, although the authorities may also make mistakes".

28 January 2009 The chief editor of the *Zavtra* newspaper, Aleksandr Prokhanov, is interviewed on *Ekho Moskvy*. He says that a squabble has begun between a neo-liberal grouping headed by President Dmitry Medvedev and *siloviki* headed by Prime Minister Vladimir Putin. Prokhanov says that the new Right Cause party is effectively Medvedev's party, and that it has come under attack from Putin's conservative forces, which is demonstrated by the issue of an arrest warrant for one of its founders, businessman Yevgenny Chichvarkin.

29 January 2009 The United Aircraft Construction Corporation President Aleksey Fedorov says that it is not planning to cut aircraft production until 2015 despite the world economic slowdown.

29 January 2009 Several activists of the Yabloko party are detained for staging a protest outside the FSB headquarters in Moscow over the government's handling of the 19 January killings of human rights lawyer Stanislav Markelov and journalist Anastasiya Baburova.

29 January 2009 *Ekho Moskvy* radio reports that the Moscow authorities refuse to authorise rallies by opposition groups planned for 31 January.

29 January 2009 Dmitry Medvedev attends a meeting of the FSB Board. He reviews the FSB's work in 2008, and sets future priorities. Among priorities are:

- Monitoring the situation in the North Caucasus;
- Counter-terrorism;
- Countering nationalism and extremism.

He also calls for closer cooperation with the security services of the other BRIC states (Brazil, India, China), plus other Latin American states.

29 January 2009 Prime Minister Vladimir Putin says that the state will help companies in the financial crisis, but will not take on too much responsibility. He states:

And of course the state should give a helping hand, should support, as a matter of fact we are doing so. But to shift all of the responsibility for the events taking place in sectors or companies entirely onto the shoulders of the state would be wrong and even inappropriate. Because the state, if it moves to the transfer of everything into state ownership, will ultimately lead the economy to an inefficient state.

29 January 2009 Duma chairman Boris Gryzlov says the Duma will tomorrow start considering a draft law granting a party that has won in a regional election the right to nominate candidates for the post of governor and the lower house speaker.

29 January 2009 Deputy head of the Health and Social Development Ministry, Maksim Topilin, says that the total number of unemployed people in Russia, including those not officially registered, may reach 7 million by the end of 2009. He says the present number is already 5.8 million. International Labour Organization methods are used in estimating the number of jobless in Russia.

29 January 2009 Prime Minister Vladimir Putin signs a government resolution "On approving rates of export customs duties for crude oil and individual categories of goods produced from oil that are being exported from the Russian Federation beyond the border of states that are participants of the agreement on the Customs Union". This resolution will come into force from 1 February 2009 and applies to legal arrangements that have come into being on or after 1 January 2009. According to the document, the export customs duty for crude amounts to \$100.90 per tonne.

29 January 2009 First Deputy Prime Minister Igor Shuvalov says that one of the ways out of the financial crisis is transfer to several regional currencies, which will provide financial security.

29 January 2009 The head of the information and analysis directorate of the president and government of the Chechen Republic, Lema Gudayev, defends dialogue with separatist prime minister Akhmed Zakayev.

29 January 2009: The Dagestani People's Assembly passes in the second and final reading the bill "On amendments to the constitution of the Dagestani Republic". The terms of the republic's president and members of the People's Assembly are extended from four to five years. The amendments will be valid for the next Dagestani president who will be elected in March 2010 and for the new People's Assembly that will be elected in March 2011.

29 January 2009 Colonel of Medical Service Viktor Krasnikov, acting head of the central military medical commission of the MOD, says that demographic problems are beginning to have an effect on conscription in Russia: "Young people born in the 1990s - the perestroika years - are being called up now. As you know, the birth rate fell sharply during that period." Krasnikov states that the level of conscripts' fitness for military service had been going down. As a rule, about 70 per cent of conscripts are fit for military service. He states: "During the 2008 autumn call-up campaign, 37.2 per cent of conscripts were deemed fully fit for military service and 30.7 per cent fit for military service with some insignificant restrictions".

According to an ITAR-TASS report, in the 2007 autumn call-up 40.3 per cent of young people had been fully fit for military service. In 2008, "more than 340,000 young people received a deferment from military service for health reasons", while "the year before, the figure had been lower - 334,500 people".

29 January 2009 Head of Roskosmos manned flight programmes Aleksey Krasnov says that Roskosmos is planning 39 space launches in 2009.

29 January 2009 The first deputy chief military prosecutor, Aleksandr Mokritsky, says that the Office of the Chief Military Prosecutor has been concerned about the large number of suicides in Russian uniformed agencies and is going to take steps to prevent them. He says that there were 20,425 crimes registered in 2008 in the Armed Forces, other troops and military units, which is 2.3 per cent up on the

previous year.

29 January 2009 The deputy director of the Finance Ministry's department for international financial relations, government debt and financial assets, Andrey Bokarev, says Russia may experience a shortage of funds to be able to deliver on its commitments to destroy chemical weapons under mutual international agreements.

30 January 2009 A commentary on the website Politkom.ru by Olga Mefodyeva, entitled "Application Also Found for FSB", says the FSB will now take an active part in the fight against the economic crisis. Dmitry Medvedev set out a new FSB task for 2009 on 29 January - monitoring the effectiveness of spending allocated by the state in the fight against the crisis, that is, to support the real sector, the banking system and the defence complex - in total, of the order of R2.1 trillion. In November 2008, the Prosecutor's Office had been allocated the politically significant function of monitoring the timeliness of salary payments. The Emergencies Ministry, where additional rapid-reaction forces were created, was also secretly set anti-crisis tasks.

30 January 2009 Chechen President Ramzan Kadyrov is interviewed for Regnum news agency.

30 January 2009 Economic Development Minister Elvira Nabiullina reports to the Duma on the government's efforts to combat the financial and economic crisis. She warns that the economy is slowing down: "We have seen economic growth slow down, to 2 per cent in the fourth quarter, against 9.5 per cent in the fourth quarter of 2007. The positive growth in the fourth quarter was sustained by consumer demand and retail sales. You may be aware that industrial production in the fourth quarter fell by 6.1 per cent."

Deputy prime minister, Finance Minister Aleksey Kudrin, addresses the Duma on the current economic and financial crisis. He says that in 2009 Russia's GDP growth will be around zero, inflation will be some 13 per cent, exports and imports will fall significantly, and budget revenues will be about R4,400 billion (\$124 billion) less than originally planned. He says capital flight in 2008 came to around \$130 billion. According to our estimates, we may face capital flight this year of around \$100-110 billion. He states that "budget revenues will shrink this year from the R10,900 billion stipulated in the budget to R6,500 billion in reality, according to our estimates. That is, budget revenues will be R4,400 billion less than we planned in the initially approved budget, or more than 5.4 per cent of GDP." He says a "significant amount", but not all, of Russia's financial reserves will be used to balance the budget and counter the effects of the global crisis in 2009. "There is currently R4,514 billion [around \$127 billions] in the Reserve Fund. The National Wealth Fund currently comes to R2,803 billion." Kudrin says that the apparent growth of the Reserve Fund and National Wealth Fund is attributable to the fact that more than R700 billion of both funds are contained in the Central Bank's foreign currency accounts, "so in this case the safety of these funds has not suffered from devaluation, but has even increased". "Because of this, total reserves already come to R7,317 billion in both funds." He also says that an estimated R2,000 billion from these funds will be used to make up the shortfall in the budget and to fund anti-crisis measures in 2009. If we don't change [budget] parameters now but simply replace the vanishing revenues by means from our reserve funds, budget deficit will be 6.1 per cent of GDP. This is quite a large deficit by any measures, even by crisis-related ones." He says that oil and gas revenues had fallen most of all but other revenues are bound to fall too. By international standards "Russia has used a wider range of anti-crisis measures than most other countries".

Kudrin says that support of various industries, both civil and defence, small

business as well the banking sector "already cost in excess of 1,145 billion from the budget and account for 2.9 per cent. In total, the budget and tax-related measures alone, without funds from the Central Bank, amount to 5.2-5.4 per cent of GDP."

First Deputy Prime Minister Igor Shuvalov addresses the Duma. He says that the economic situation in Russia will be "quite tough" in 2009 but would not go "beyond the control" of the Russian government.

The head of the Russian Central Bank, Sergey Ignatyev, addresses the Duma on bank stabilisation measures. He contradicts Deputy Prime Minister Igor Shuvalov during the question and answer session. Shuvalov reassured deputies that the measures undertaken by the government to counteract the consequences of the financial crisis were starting to take effect and would ensure that Russia is well-placed to emerge from the crisis. He also said that the problems being experienced by the Russian economy could be much worse. Ignatyev is far more cautious, contradicting Shuvalov's statement by saying that things might not improve in the near future and that the situation could deteriorate still further.

YR Duma deputy Martin Shakkum says that the YR faction in the Duma supports the government's actions during the financial and economic crisis. He says that "the YR faction in the Duma is the government's political partner".

Vladislav Dvorkovich, aide to the Russian president, is interviewed on *Vesti TV*. He says that "We are not aiming at increasing the state's share in the economy".

Deputy Prime Minister Sergey Ivanov says the federal government will support defence plants amidst the crisis with state orders and loan guarantees. Defence orders to Russian plants will reach R1.2 trillion in 2009 and R4 trillion in 2009-2011.

Industry and Trade Minister Viktor Khristenko says that the Russian defence industry will not suffer from the world economic crisis. He says Russian industry suffers from a crisis of demand. He outlines measures to protect the car industry. He says of 57 major defence plants, 19 will receive subsidies. In 2009, R50 billion has been allocated to support the defence industry. In addition, R100 billion was allocated as state credit guarantees.

30 January 2009 Kirill, the newly elected patriarch of Moscow and all-Russia sends on behalf of the Local Church Council a letter to Dmitry Medvedev: "May I confirm that the Russian Orthodox Church remains prepared to develop constructive relations with the Russian state and to work together for the good of people, for the purpose of strengthening the spiritual and moral foundations of their life."

30 January 2009 The Duma passes in the first reading a law sponsored by the president entitling parties that win regional elections to propose to the head of state candidates for regional governors.

31 January 2009 Prime Minister Vladimir Putin says that all the spending related to preparations for and hosting of the 2014 Winter Olympic Games in Sochi is secured by the budget and will not be cut. He receives a member of the International Olympic Committee, Jean Claude Killy, who chairs the IOC Coordination Commission for Sochi. In 2008, allocations from the federal budget stood at R113 billion and in 2009 they will stand at R127 billion.

31 January 2009 The Congress of the People of Ingushetia opens. The Ingush president, Yunus-Bek Yevkurov addresses it. The Congress issues an official

statement. The statement says that the main factors negatively impacting the situation are the presence in the republic of several dozens of thousands of displaced persons, low level of socio-economic development, people's social insecurity, "extremely high" level of unemployment, attempts by foreign states and their special services to destabilize the situation in the North Caucasus, taking advantage of the situation in Ingushetia, and the activity of extremist organizations and religious and criminal groups.

The head of the Mashr human rights organization, Magomed Mutsolgov, says at the Congress that over the past seven years, more than 1,000 people have been killed and 170 people have been kidnapped or have gone missing in Ingushetia.

31 January 2009 YR holds pro-government rallies in Moscow and other cities.

Various anti-government rallies take place in Moscow. Drugaya Rossiya, Oborona, the CPRF and LDPR all hold different rallies. Unidentified individuals break up the Oborona rally. OMON police make arrests at some rallies. National Bolshevik leader Eduard Limonov is detained and then released. Anti-government rallies take place in other Russian cities.

February 2009

1 February 2009 Several hundred activists from various organizations hold a rally in Moscow in memory of lawyer Stanislav Markelov and journalist Anastasiya Baburova killed in central Moscow in mid **January 2009**.

1 February 2009 Activists of the Russian Federation of Car Owners and representatives of opposition political parties hold a rally in Moscow's Bolotnaya Ploshchad demanding the cancellation of the Russian government's decree increasing car import duties.

1 February 2009 The Movement against Illegal Immigration and the Slavic Union hold a rally in Moscow against the settlement of Chinese citizens in the Russian Far East.

1 February 2009 Dmitry Medvedev congratulates the newly enthroned Patriarch of Moscow and All Russia Kirill on his accession to the patriarchal throne.

1 February 2009 Four people, including the head of the administration of Dagestan's Untsukul'sky District Kazimbek Akhmedov, are killed in a shooting attack on a cafe situated on the road Makhachkala-Buynaksk.

2 February 2009 Dmitry Medvedev outlines principles of church-state relations following the enthronement of Patriarch Kirill. Medvedev states:

In a renewed Russia relations between the state and the church are being built on the basis of constitutional principles, the freedom of conscience and the freedom of religion, non-interference by state bodies in the activities of religious organizations and at the same time on the basis of the recognition by the state of the church's enormous contribution to the formation of Russian statehood, to the development of the national culture and to the assertion of spiritual and moral values in society.

He also states:

In the foundation of all our achievements and victories, of our vision of state development in future lies the moral force of the Russian nation, faith in the ideals of goodness, love and justice. For many centuries the source of this force has been the Russian Orthodox Church. Without any doubt, this is the way it is going to be in future.

Vladimir Putin congratulates the Patriarch of Moscow and All Russia Kirill on his enthronement. Putin states:

The Church has always been with its people, in the hardest and the most difficult times and in the times of prosperity of the Russian state. Today, we also feel the support of the Russian Orthodox Church in the revival of Russia.

The Russian Orthodox Church has always supported the multipolarity of views in Russia, has always assisted the development of Russia as a multiethnic and multi-faith state. We expect it to be so in the future, Your Holiness.

Orthodoxy has always been highly loyal to all citizens of the country, irrespective of their ethnicity and religion.

In the dialogue with other sister churches, the Russian Orthodox Church has always defended - and I hope will continue to do so in future - the national and spiritual identity of the Russian people. And we very much expect this process to continue.

He says Orthodoxy is "the source of Russian statehood...We expect that you, like your predecessors, will spare no effort to strengthen faith and the Russian state".

2 February 2009 The MVD states that during public rallies held across Russia on 31 January - 1 February, the police detained 51 people. According to police estimates, some 118,800 people took part in 407 public gatherings in 72 Russian regions. 19,300 policemen and 4,600 MVD servicemen were involved in ensuring law and order during the rallies.

2 February 2009 The Central Control Directorate of Oil Industry of the Fuel and Energy Complex issues a report which states that the production of oil with gas condensate in Russia in January 2009 amounted to 41.008 million tonnes, which is 0.9 per cent lower than the corresponding figure for 2008. The production of natural gas in the first month of the current year plunged by 11.4 per cent compared to January 2008 - to 54.687 billion cubic metres.

3 February 2009 The Supreme Court of the Russian Federation rejects former head of Yukos Mikhail Khodorkovsky's complaint against the internal regulations of the penal colony on the basis of which he had been punished.

3 February 2009 Vladimir Putin states that Russian banks have submitted 38 applications for R70 billion in subordinated loans.

3 February 2009 Deputy Prime Minister Sergey Ivanov says that 47 per cent of the buses in use, 59 per cent of the trolley-buses, 74 per cent of the trams and 66 per cent of the goods vehicles have come to the end their useful life.

4 February 2009 Industry and Trade Minister Viktor Khristenko says that a shipbuilding corporation will be set up in Russia in 2009. He says that there are 168 major shipbuilding companies in Russia. He states that as a result of "implementing the Shipbuilding Industry Development Strategy, the world market

share of Russian products will be 20 per cent...Our military goods will make up 16 to 20 per cent, while civilian ones will hold 20 per cent of world sales." Khristenko says that sales of the output of companies in the shipbuilding industry in 2009 will grow to R180 billion (about \$5 billion), which is 20 per cent more than in 2008. Khristenko notes that some 120 vessels of various sizes and types are being constructed by shipbuilding companies in Russia. In 2008, Russian slipways launched 36 vessels. Roughly the same number of vessels is expected to be delivered in 2009.

4 February 2009 Deputy Transport Minister Aleksandr Misharin says that in January 2009 freight traffic in Russia fell by 35 per cent, air passenger traffic by 10-11 per cent. Rosaviatsiya estimated the drop in air passenger traffic in January at 10-12 per cent. Russian Railways reports a 33-per-cent reduction in loading as received in January on the same period in 2008.

4 February 2009 First Deputy Prime Minister Igor Shuvalov says that in 2009, Russia's budget deficit will be significantly less than 10 per cent of GDP: "We have made a decision to significantly reduce budget expenses. This will be approved in the next few days. We could have gone through 2009 with our reserves but we believe that this would be unwise." He says that in 2009 the GDP growth will be "zero or less". He says that the Russian natural resources monopolies will suffer from a lack of money to finance their investment programmes. "We understand that natural resources monopolies will suffer from a lack of money to finance their investment programmes. We are ready to work with them on an individual basis. We will finance the infrastructure and the energy sector as a priority." Shuvalov is head of the government commission whose task is to increase the Russian economy's stability. He says that in 2009, the number of unemployed in Russia might grow by one million.

4 February 2009 A group of delegates to the Congress of People of Ingushetia criticizes Ingush President Yunus-Bek Yevkurov for his position on the territorial dispute with North Ossetia. Under the federal law on local governments in Ingushetia and Chechnya adopted on 24 November 2008, the two republics should define their borders by 1 March 2009 and elect local governments in the period between 1 May and 31 October 2009.

4 February 2009 The head of the MOD's Main Military Medical Directorate, Lieutenant-General Vladimir Shappo, says an analysis of the 2008 autumn call-up has shown that only 37 per cent of conscripts are fully fit for military service. He says one-third of military medical officers will be made redundant in the course of the military reform in the period to 2016. They will be replaced by civilian doctors. A total of 2,200 military medical officers will remain in the defence ministry's medical establishments.

The MOD states that as of 1 March a state procurement directorate of the Defence Ministry will be set up. A payments centre will be set up at the main financial and economic directorate of the MOD to carry out payment transactions in respect of the contracts. The MOD's main legal directorate will have to be in charge of the issues of legal and juridical support.

Trud publishes General Staff calculations showing that, by 2016, the number of citizens registered with the military authorities will shrink to 590,000. This means that by 2011, the need for 'conscript resources' may really exceed the number of conscripts.

4 February 2009 Vladimir Putin says that Western investors remain highly

interested in the Russian economy:

We have recently received around 45 applications from foreign partners to invest in strategic Russian companies. That is, despite all the known consequences of the world financial crisis, our partners' interest in the Russian economy is still high.

At the same time, one should be fully aware of the fact that during the period of post-crisis development and reconstruction, relatively tough competition will for investment resources will emerge, and our task is to work actively to create the most favourable conditions for promoting such investment in our economy.

4 February 2009 The head of Sberbank and former Minister for Economic Development and Trade German Gref says that Russia must brace itself for at least three years of stagnation. "There will be no growth in 2010-2011, there will be stagnation. We need to prepare ourselves for a three-year crisis." He warns that inflation in 2009 might reach 30 per cent if the government pours the Stabilization Fund's money into the economy.

Economic Development Minister Elvira Nabiullina says that the new round of support for both state and private commercial banks is likely to be financed from the National Wealth Fund.

Deputy Prime Minister and Finance Minister Aleksey Kudrin visits London. He says the Russian government has made a decision to allocate \$40 billion as financial aid to Russian banks. He says that the gradual devaluation of the rouble has made it possible for Russian banks and companies to reserve funds totalling \$85 billion to service their currency debts. He says direct foreign investment in Russia grew 20 per cent and totalled \$58 billion in 2008. He estimates state support for banks and companies at more than 5 per cent of GDP. He says Russia will respond to the current crisis by implementing programmes to stimulate the national economy.

We have programmes being implemented in road building...For this purpose, \$10 billion were spent in 2008. In 2011-12 this sum will increase threefold. This is a ready, approved and functioning programme. There are such programmes to build ports, reform the housing and utilities sector, and to extend gas supply infrastructure.

Kudrin says these programmes had been prepared when budget revenues were rather high. In the next few years, the financing of some programmes will be cut by 15-20 per cent.

4 February 2009 Co-chairman of Right Cause Leonid Gozman believes that it was irresponsible of YR to hold "anti-crisis rallies" in many Russian towns on 31 January.

5 February 2009 The man charged with organizing the murder in October 2006 of *Novaya Gazeta* political correspondent Anna Politkovskaya, former policeman Sergey Khadzhikurbanov, says that investigators tried to make him give evidence to the effect that the crime had been commissioned by the businessman Boris Berezovsky. He says that investigators had also insisted that he should confess that he had been commissioned by senior officials in Chechnya. It has been revealed at the trial that law enforcement staff sought the journalist's address and her personal details before her murder. Representatives of the Politkovskaya's family read out "an official document" showing that on 18 September 2006, an FSB directorate asked for information about Politkovskaya. The prosecution read out the evidence given to the investigation by former FSB employee Pavel Ryaguzov, who is involved

in the proceedings in connection with a different episode. At the hearing, he retracted his evidence, saying it was false. According to the evidence he gave to the investigation, he had been approached in September 2006 by former head of Achkhoy-Martanovskiy District of Chechnya Shamil Burayev (a former defendant in the case) with a request to find out Politkovskaya's address. In his evidence, Ryaguzov explained that he had been unable to establish the actual address at which Politkovskaya lived but had established her registered address.

5 February 2009 Prime Minister Vladimir Putin praises the anti-crisis measures already taken and promises more support for ailing banks and companies. Putin says that before the end of 2009, Vneshekonombank should finance small- and medium-sized business projects totalling at least R30 billion. Putin says that the government will allocate an additional R100 billion, or \$2.8 billion to the banking sector. "Besides the R225 billion allocated for these aims, we will additionally allocate another 100 billion."

Presidential aide Arkady Dvorkovich says that the total federal budget expenditure for 2009 will not decrease, although the budget would be "adjusted", with some items getting more funding than planned, while others less. He confirms that Russia would use its foreign reserves to cover this year's budget deficit.

The discussion of adjustments to the budget has been going on for several weeks now. This is connected with the review of the macroeconomic forecast. Whereas the budget approved last year was based on an oil price of more than \$90 a barrel, now our main model envisages an average annual price of the Urals blend of oil of about \$41 a barrel. Therefore, forecasts for both budget revenue and spending will have to be adjusted.

We will have a budget deficit this year. We have no fear of that because it is precisely for the purpose of budget spending in difficult times that we have built up the reserve fund. The budget deficit can be fully covered with the reserves we have accumulated. Moreover, we will take a few steps that will help stimulate economic growth and involve extra spending from the budget. In other words, some expenditure, particularly one we consider the least effective, will have to be reduced, while other expenditure will be increased. As a whole, budget spending will not decrease this year compared with the level planned in the budget approved last year.

5 February 2009 Deputy Chairman of the Gazprom Management Committee Aleksandr Medvedev denies reports that Gazprom may withdraw from the deal with TNK-BP to buy the Kovykta gas condensate field.

5 February 2009 Interfax reports that the two key documents that are being drafted at the Security Council, national security strategy and new military doctrine, will be approved in the course of this year. It is expected that the national security strategy will be put forward for approval in the first quarter of 2009. The new military doctrine will be put forward to the country's leadership for approval in the third or fourth quarter of 2009. The national security strategy is to become "an important political document, containing an officially recognized system of goals of strategic priorities and measures in the area of internal and foreign policy, aimed at ensuring national security and the state's sustainable development in the long term".

5 February 2009 A report in *Vechernyaya Moskva* states that unidentified wrongdoers have attempted to frighten the chief editor of the *Ekho Moskvy* radio station, Aleksey Venediktov. They left a log with an axe planted in it outside his

apartment.

6 February 2009 Dmitry Medvedev attends a session of the MVD's extended board. He expresses concern over the growth of extremism and announces the creation of a specialized subdivision of the MVD to combat the problem.

Interior Minister Rashid Nurgaliyev says that terrorism remains a major threat to law and order in Russia. He says that the activities of more than 680 members of illegal armed groups as well as some 40 gangs and 600 organized criminal groups were stopped as a result of antiterrorist operations in 2008. A total of 104 terrorist crimes were prevented.

Lyudmila Alekseyeva, the head of the Moscow Helsinki Group says that Dmitry Medvedev has ordered law-enforcers to fight extremism, but it would be helpful if law-enforcers were told what extremism is.

Unfortunately, we know that very often Interior Ministry employees regard as extremists people who dare publicly criticize the authorities, even in the most peaceful way, or express - once again, peacefully - some protest against the authorities' actions. We always encounter problems as a result that we, human rights activists who act peacefully and within the law, pointing out to the authorities their law violations, are treated as extremists.

Dmitry Medvedev says that officials and police should not interfere with the development of business. He says:

We have recently said a lot that officials should not interfere with the development of business, particularly medium and small business, and that employees of law-enforcement agencies, including the police, of course, should not replace the fight against crime with endless checks of organizations and people that are engaged in business activities.

Medvedev says that the control over the spending of budget funds must have a special place in the work of the Interior Ministry in the conditions of the economic crisis. "The control over the state budget funds, particularly in the condition of crisis, is absolutely necessary. This should also be dealt with in the sphere of work of the Interior Ministry."

Medvedev says that MVD agencies should monitor the situation in the regions, especially in the North Caucasus, given the potential for crime in this time of crisis.

6 February 2009 The International Committee to Protect Journalists appeals to Dmitry Medvedev in an open letter to speak and publicly condemn the murder of lawyer Stanislav Markelov and journalist Anastasiya Baburova on 19 January.

6 February 2009 Interior Minister Rashid Nurgaliyev says at a session of the MVD's extended board that the MVD will set up a DNA database for serious criminal offenders. This will be done based on the federal law on state genome registration in the Russian Federation, which was adopted on 3 December 2008. Nurgaliyev says that criminal proceedings are instituted against top officials more often now.

6 February 2009 Leaders of the socio-political movement Solidarnost propose a package of anti-crisis measures. They criticise the government's anti-crisis measures. Vladimir Milov, Boris Nemtsov and Garri Kasparov address a news conference on the issue.

A Russian Chronology: January – March 2009

6 February 2009 The MOD leadership meets in Yekaterinburg. Defence Minister Anatoly Serdyukov states that he does not intend to review the timescale of the military reform, in the course of which about 200,000 officer posts will be cut in the Armed Forces and the Russian army will be rearmed. The reform will end in 2016.

6 February 2009 Army General Valery Gerasimov is appointed head of the Moscow Military District.

9 February 2009 Dmitry Medvedev warns:

The global economic crisis has not peaked. Both experts' estimates and, for instance, my conversations with the leaders of other states confirm this. Therefore, very different forecast are being made, but practically none of these forecasts envisages a revival of the world economy until 2010. Most analysts, most specialists and practitioners believe that the next year will be very difficult too. Therefore, one should expect neither a significant increase in external demand for our products and our goods nor a resumption of capital inflow at a rate we would like to receive it, of course.

In this situation, it is necessary to analyse once again how to adjust our actions, first of all our budget policy. The main priority remains the same - meeting all social obligations we have undertaken.

We have decent reserves - about R5,000 billion in the reserve fund itself and R3,000 billion in the National Welfare Fund. We can maintain budget expenditures this year without resorting to excessive and expensive loans.

9 February 2009 Vladimir Putin says the government intends to approve the ratification of the European Social Charter today.

9 February 2009 The government approves a draft law against insider trading.

9 February 2009 Dmitry Medvedev signs the law on ensuring citizens' access to information on the activities of state bodies. The law will enable citizens to obtain information on the activities of various state institutions quickly.

9 February 2009 The press service of the MVD Economic Security Department states that the damage to the economy in 2008 due to tax evasion was in excess of R50 billion (about \$1.4 billion). A press release posted on the official website of the Russian Federal Tax Service says that R7,869 billion (almost \$220 billion) in taxes and levies were received in the consolidated budget of the Russian Federation in January -November 2008.

9 February 2009 Chief of the General Staff, Army General Nikolay Makarov attends a closed meeting with Duma deputies from the committees for defence, security and budget planning. He says that Russia's strategic nuclear forces are the main deterrent against outside military threats. He says that Russia may use nuclear weapons in case it faces aggression on a scale impossible to repel by conventional forces. "In the immediate perspective nuclear arms will remain the main stabilizing factor while its importance is likely to grow."

Makarov says that army reform will be completed by the end of 2012 as scheduled. Makarov also says that the economic crisis had not necessitated serious adjustments to the army and navy reorganization plans.

Defence Minister Anatoly Serdyukov says that while reshaping the armed forces,

the military authorities will take into account the opinion of those opposing the change. He says this at a closed meeting with Duma deputies from the committees for defence, security and budget planning.

9 February 2009 Ingush President Yunus-Bek Yevkurov is interviewed in *Novaya Gazeta*. He says Arabs are behind the recent terrorist attacks in Ingushetia.

10 February 2009 Dmitry Medvedev signs a decree on setting up the Council for Promoting the Development of the Institutions of a Civil Society and Human Rights under the president. It includes 36 representatives of different public organizations in the country. Ella Pamfilova is appointed the head of the council. Pamfilova chaired the same council under then President Vladimir Putin disbanded in 2008 when Putin's term of office expired.

10 February 2009 President Dmitry Medvedev has signed a decree appointing Garri Minkh his plenipotentiary representative at the Duma. The president's former representative at the Duma, Aleksandr Kosopkin, was killed in a plane crash in the Altay mountains in early January 2009.

10 February 2009 FSB Director Aleksandr Bortnikov addresses a session of the National Antiterrorist Committee in Moscow. He discusses the situation in the North Caucasus. He says the terrorist threat coming from youth nationalist organizations had been growing of late and calls for international effort to be stepped up to fight terrorist challenges posed by the Afghan-Pakistani region.

10 February 2009 Dmitry Medvedev meets Dagestan President Mukhu Aliyev in Gorki. They discussed the social and economic situation in Dagestan, the unemployment problem and anti-crime measures.

10 February 2009 Vladimir Putin addresses a meeting on the development of the defence-industrial complex. He calls on the heads of ministries and agencies to allocate money for contracts in the military sector of the economy. He states:

The Defence Ministry must ensure, unconditionally, the implementation of all the plans of the development of the Armed Forces adopted earlier. Enterprises must optimize their activities, of course. As regards ministries and agencies, they must in practice, today, communicate necessary limits as soon as possible so as to let enterprises obtain contracts as soon as possible. It is time to sign relevant documents.

The commander-in-chief of the Air Force, Colonel-General Aleksandr Zelin, says the creation in Russia of an integrated air and space defence system as part of the reshaping of the armed forces will provide a reliable shield for the strategic nuclear forces, vital infrastructure and the state and military command against aerial or space attack.

The transition to the air force of the future will take place against the backdrop of a more active geopolitical and geostrategic realignment in the world and the formation of a new global and regional security system and of a multipolar world. Militarily, the dominant factor will be the aerospace aspect of warfare and this will have a defining impact on the course of military operations in the future.

He says the Air Force supreme command anticipates radical changes in the near future, with the air and space becoming a single theatre for warfare. He says about 30 per cent of the Russian Air Force will be made redundant in the process of army structure optimization. "In line with organizational measures we will have to reform

84 per cent of military units. Of them, 10 per cent of units will be disbanded, 22 per cent reorganized and 68 per cent transferred to different manning tables."

Army Commander General Vladimir Boldyrev says that the Army continues optimization of its educational establishments. It is planned to form the Army Academy before 2013. He says Academy branches in Moscow, St Petersburg, Smolensk, Blagoveshchensk, Novosibirsk and Ryazan will train officers of general forces, reconnaissance, airborne forces, air defence, missile and artillery forces. The Kostroma division will train officers of radiation, chemical, biological and engineering forces. The Army Academy, the Mikhaylovskaya Artillery Academy, the Smolensk Air Defence Academy, the Moscow, Novosibirsk, Far Eastern and Kazan Military Command Schools and the Yekaterinburg Artillery School will continue to admit students in 2009. New federal educational standards are being developed for training military personnel at military command schools (a four-year course) and schools of particular forces (a five-year course). Master's programmes of two years are also available.

Boldyrev says that re-equipment of the Russian Armed Forces' units of permanent combat readiness picked pace after the conflict with Georgia. Boldyrev admits that the operation conducted last August "revealed shortcomings in the way communications and handling of troops had been organized". He says it also exposed flaws in reconnaissance as a vital element of operative activity and in combat support at tactical level, in performance of tasks by the air defence system, and in some other aspects of technical support.

The newly appointed commander of the Moscow Military District, Colonel-General Valery Gerasimov, is officially introduced to his staff.

10 February 2009 The investigations directorate of the investigations committee of the Prosecutor's Office for Chechnya takes legal action against Yury Budanov, who is suspected of being involved in abducting and killing three Chechen residents. Budanov was sentenced to 10 years' imprisonment in 2003 for strangling 18-year-old Chechen Elza Kungayeva, and was set free on 15 January 2009.

11 February 2009 Deputy Defence Minister Lyubov Kudelina is interviewed in *Krasnaya Zvezda*. She says the federal budget envisages allocating more than R4,000 billion for the Defence Ministry over the next three years. "In the federal law 'on the federal budget for 2009 and the planned period of 2010 and 2011' the total amount of allocations for the Russian Federation Defence Ministry in 2009 is envisaged at R1,376.5 billion, in 2010 at R1,379.5 billion, and in 2011 at R1,476.7 billion." The share of the MOD's expenditures, as in previous years, has not exceeded three per cent of GDP, at 2.7 per cent in 2009 and 2.6 per cent in 2008. The ratio of the Defence Ministry expenditures within the federal budget will amount to 15.3 per cent in 2009 and 16.5 per cent in 2008.

11 February 2009 An all-Russia meeting of statisticians states that compared with the results of the all-Russia census of 2002 the Russian population has shrunk by 3.3 million people. On 1 December 2008 it was 141.9 million people. The meeting is part of the preparations for the 2010 census. It is noted that since 2002 Russia's population has been shrinking by 0.4 per cent a year on average, while between the censuses of 1989 and 2002 the annual drop was 0.1 per cent. Between 1979 and 1989 the Russian population grew by 0.7 per cent a year. There are also certain positive trends. Thus, in 2007 the population shrunk by 212,000 people, the smallest reduction in 12 years. The average age of the residents is 38.7 years. Since the 2002 census it rose by 1.6 years. The average age of Russian men is 36 years, of women 41 years.

11 February 2009 Vladimir Putin speaks on Russia's lack of high-tech products.

In many developed countries of the world, an accelerated process of qualitative renewal of technological basis is under way at present, first of all on the basis of modern developments in the spheres of nano- and biotechnology, as well as energy savings. Leading edge information and communication are being implemented.

One has to admit that in this field we are far from being among the first. Thus, the share of research-intensive Russian-made output on the global market amounts to no more than 0.5 per cent. You are probably well aware of these modest numbers. For comparison, for the USA this is 36 per cent, for Japan 30 per cent.

The volume of high-technology components in our export does not exceed 5 per cent. For China this figure is over 22 per cent - even allowing that this is mostly mass consumer goods that are to a significant extent produced under licence - this is nevertheless 22 per cent. For South Korea this is over 38 per cent and much of this - we know this - is based on their own developments.

Nevertheless, I am convinced that a situation of this kind can certainly be turned around - I have no doubts about this at all. One has to clearly understand that successful post-crisis recovery and future sustainable growth of domestic industry are possible exclusively on a new technological basis.

He says that "a plan for scientific and technical modernization of the Russian economy for 2008-2010 has been adopted".

11 February 2009 Deputy Prime Minister Aleksandr Zhukov says that as of 4 February, the number of unemployed in Russia reached over 1.7 million people.

11 February 2009 Defence Minister Anatoly Serdyukov addresses the Duma on military reform.

Colonel-General Vladimir Popovkin, Deputy Defence Minister for Armaments, is interviewed in *Krasnaya Zvezda*. He says the MOD is expanding the serial production of the Iskander tactical missile system.

12 February 2009 Dmitry Medvedev addresses the first meeting of the Council for the Development of the Information Society in Russia. He expresses concern about the lack of electronic government. "In the so-called electronic government index, we ranked 56 in 2005, and in 2007 we slipped to the 92nd place. What does this say? This means that we have no electronic government and this is all illusion. In the Networked Readiness Index - there is such an index - we also hold a respectable 72nd place."

12 February 2009 The first deputy head of the Border Guard Service of the FSB, Vladimir Dorokhin, says that the possibility of infiltration by international terrorists and drug trafficking pose a threat to Russia's national security. In 2009, the Border Guard Service intends to complete work to provide facilities and equipment for borders in the North Caucasus region and start full-scale work to provide facilities on the Russian-Kazakh section of the state border. He says that "on average, every year the border structures do not allow over 110,000 persons, including 75,000 foreign citizens, to cross the state border of the Russian Federation on legitimate grounds". In 2008 the border guards uncovered nearly 15,000 foreigners who did not have permission to enter the Russian Federation.

12 February 2009 The head of the Investigations Committee under the Prosecution Service chief Aleksandr Bastrykin says "nearly 2,500 officials of Interior Ministry bodies, 1,000 service personnel, over 1,000 officials of executive and local government bodies, and 110 members of legislatures faced criminal prosecution in 2008". Bastrykin says that a total of 460 extremist crimes were registered in Russia in 2008, which was 29 per cent more than in 2007. The largest number of these in 2008 had been committed in Moscow (93), Nizhny Novgorod Region (21), St Petersburg and Novosibirsk Region (19 each) and in Sverdlovsk Region (17).

Bastrykin says that Deputy Finance Minister Sergey Storchak and Vadim Volkhov, a former deputy finance minister (1999-2004), are suspected of having organized large-scale embezzlement of state funds. Storchak's lawyer, Andrey Romashov, says that the statute of limitations on the Storchak case had run out. Storchak was detained on 15 November 2007. He was one of those charged with an attempt to embezzle \$43 million from budget funds. He was released on parole on 21 October 2008 after the investigation of the common case was finished and was to start familiarizing himself with the materials of the case.

12 February 2009 Two activists from the youth branch of the Russian People's Democratic Union which is headed by ex-prime minister Mikhail Kasyanov are detained by employees of the law enforcement agencies near the Yugo-Zapadnaya metro station in Moscow. They were distributing a special edition of the organization's newspaper, which is called 'A Different View' and which was published under the slogan 'Enough of the crisis at the expense of the people'.

Yuliya Nadezhdina, adviser to Federation Council speaker Sergey Mironov, is detained in St Petersburg for an unauthorized protest. A group of citizens picketed the reception office of the city prosecutor's office, expressing their displeasure with the refusal to register some of the candidates in the municipal election to be held in St Petersburg on 1 March.

12 February 2009 The government discusses issues of the fuel and energy complex. Vladimir Putin states:

As of 1 January 2009, the rate of tax on natural resources production has been reduced. Enterprises were given the right to use the mechanism of accelerated amortization more actively. Taking into account all these measures, the tax burden on the industry decreased by about R500 billion. As a result, we managed to ensure smooth functioning of the oil complex, maintain the volumes of oil production and financial stability of enterprises. Of course, today our companies have to work in new, rather more severe conditions. I am drawing your attention to the fact that everyone has to work in more severe conditions, everyone without exception. At the same time I am convinced that this does not remove strategic tasks of the development of the industry from the agenda. I would like to repeat once again that without deep technological modernization, without expanding the resource base, without preserving investment activity, it will be difficult to ensure our competitiveness in energy markets.

12 February 2009 The deputy chairman of the Duma defence committee Mikhail Babich says the MOD budget for 2009 will be reduced by 15 per cent in view of the crisis but the plan is to keep the spending on armaments and social programmes.

Deputy Defence Minister for financial and economic work Lyubov Kudelina says that the 2009 federal budget set the total allocation for the MOD as R1,376.5 billion

(about \$40 billion).

The deputy chairman of the Duma Committee for Constitutional Legislation and State-Building, Viktor Ilyukhin, says the main cuts in defence spending will be the social sphere and, most likely, the defence order.

Mikhail Nenashev, chairman of the subcommittee for military technical cooperation of the Duma defence committee, says defence budget cuts will not affect the procurement of armaments and military hardware, including procurement for the navy.

Aleksandr Fomin, deputy director of the Russian Federal Service for Military-Technical Cooperation says Russia plans to increase arms exports to \$8.5 billion in 2009. In 2008 Russia delivered arms worth \$8 billion. Fomin says India accounts for about 30 per cent of all arms supplies, and Venezuela, Vietnam and Algeria are other major customers.

Minister of Defence Anatoly Serdyukov visits the Black Sea Fleet (BSF) base in Sevastopol. He chairs a MOD officials' meeting with the BSF command. They discuss the reform of the BSF.

13 February 2009 The political council of the Solidarity opposition movement holds its first meeting.

13 February 2009 The British-Russian oil company TNK-BP says it increased its oil production in 2008 by 2.6 per cent compared with 2007 - to 601 million barrels in oil equivalent.

14 February 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says inflation in Russia is likely to be around 13-14 per cent in 2009, and consequently the anti-crisis measures used in Europe or the USA are unsuitable for Russia.

14 February 2009 Protests against mass redundancies in the car manufacturing industry are being held in Tolyatti, St Petersburg, Taganrog, Moscow. The organizer is the trade union of car manufacturing industry employees. The main demand is that employers and the authorities should prevent mass redundancies at car plants.

14 February 2009 Dmitry Medvedev meets Chairman of the Constitutional Court Valeriy Zorkin in Leningrad Region and discusses the effectiveness of the court's work.

15 February 2009 Russian human rights campaigner stage a rally in central Moscow in memory of the murdered Stanislav Markelov and Anastasiya Baburova.

15 February 2009 Dmitry Medvedev is interviewed on Rossiya TV's *Vesti Nedeli* programme. He discusses the economic crisis.

16 February 2009 The Prosecutor-General's Office approves an indictment in a second criminal case started against the former co-owners of the Yukos Oil Company, Mikhail Khodorkovsky and Platon Lebedev. They are charged with "theft of property belonging to others by an organized group on a large and particularly large scale and its legalization".

16 February 2009 Dmitry Medvedev signs decrees on the early termination of the powers of Pskov Region governor Mikhail Kuznetsov, Orel Region governor Yegor

Stroyev and head of the Nenets Autonomous Area administration Valery Potapenko. The decree says that the president accepted their voluntary resignations.

Medvedev appoints Andrey Turchak as acting Pskov Region governor, Aleksandr Kozlov as Orel Region governor and Igor Fedorov as head of the Nenets Autonomous Area.

Medvedev also submits the candidacy of Agriculture Minister Aleksey Gordeyev to the Voronezh Region дума to grant him the powers of Voronezh Region governor.

16 February 2009 Rosstat states that the decline in industrial production in Russia in January 2009 reached 16 per cent year-on-year after the decrease of more than 10 per cent in December 2008 and almost 9 per cent in November 2008. The decrease was the steepest since October 1994, when industry fell by 18 per cent year-on-year. In September 1998, the decline in industrial production was 15 per cent.

16 February 2009 Deputy Prime Minister Igor Sechin says the oil and gas industry is now the main locomotive of the Russian economy. He says Russia is looking at possibilities of reserving up to 16 million tonnes of oil. "This year the level of (oil) production, I think, will remain positive since there has been enough investment recently." He says that the level of investment in the industry should stay the same, so that production would not have to be cut in future. It was reported earlier that in January 2009 Russia reduced oil production by 0.8 per cent (to 41 million tonnes) compared to January 2008.

16 February 2009 First deputy chairman of the Bank of Russia, Aleksandr Ulyukayev, says that Russia's gold and foreign currency reserves amounted to about \$385 billion on 15 February.

16 February 2009 Prime Minister Vladimir Putin appoints Aleksey Makushkin head of the Analysis Centre under the government. He will replace Andrey Zverev, whom Putin, in another directive, has appointed trade representative of the Russian Federation in Germany. Zverev had been in charge of the Analysis Centre since October 2007.

16 February 2009 The Caucasus Commission of the Council of Legislators meets for the first time. The chairman is first deputy speaker of the Federation Council Aleksandr Torshin. The commission is made up of the heads of parliaments of the seven Caucasus republics of the Russian Federation, and their representatives in the Federation Council. The commission will also be joined by one deputy apiece from each faction of the Duma. The plan is to invite representatives from South Ossetia, Abkhazia, Georgia and possibly other countries as observers. Torshin says that the interim commission for the analysis of the situation in North Caucasus, organized in 2004, had "done its job and exhausted its capabilities, and one has to admit that it failed to meet its prime objective of stabilizing the situation".

16 February 2009 Vladimir Putin attends a meeting devoted to defence industry problems attended by government ministers and the heads of the Rostekhnologii state corporation and state-controlled Sberbank. He states: "I do not think there is any need for our state defence order plans to be reviewed substantially. We will proceed from that. Proceeding from that, we will make plans for 2009 and for at least two or three subsequent years. This, above all, concerns the nuclear defence complex and advanced weapons systems."

Deputy Defence Minister Lyubov Kudelina says the MOD is not planning to cut

spending on the implementation of the state armament programme, settlements with discharged personnel, or housing provisions for servicemen. She says the procurement of armaments and military hardware planned for 2009 will be "provided in full".

Rosoboronexport special projects director says Rosoboronexport has a portfolio of orders worth some \$20 billion. He says some NATO countries are interested in buying Russian arms. He names Greece and Turkey.

17 February 2009 Anatoly Perminov, the head of Roskosmos, says that the Glonass satellite navigation system will have full global coverage by 2010.

17 February 2009 Dmitry Medvedev states that personnel turnover will continue.

As you know, yesterday I submitted proposals on candidacies of four heads of constituent parts of the Russian Federation on vesting them with corresponding powers. This means that staff turnover will go on. I would like to specially stress here that in a situation when crisis occurrences in the economy are not weakening but, rather, are on the rise, an ability to work in new conditions, an ability to work as a team, high-performing discipline is demanded of the heads of Russian territories. Requirements like these will be set for everybody, these are fundamentally new requirements. One must not relax now...

Citizens must be aware of the content, the purpose and the general objectives of measures being proposed by the state. It is necessary to explain to our citizens the essence of anti-crisis actions being taken and the essence of decisions aimed at improving our country's legal and political system.

Medvedev calls on all state bodies to cut expenses, given the current difficult economic situation. He makes the statement at a meeting with the leadership of the Federation Council.

The economic situation is not easy. The situation with forming the budget, as you know full well and at first hand since you are dealing with it, is not the easiest. That is why we should be thinking of cutting state expenses at all levels and as regards the operation of any state body. I would like the Federation Council to think about it and issue the relevant recommendations to the legislative assemblies of the constituent parts of the Russian Federation.

17 February 2009 Prime Minister Vladimir Putin says that the budget expenditure in the current year will exceed the revenue.

The revenue will be smaller than the expenditure, i.e. the budget this year will be in deficit. The deficit will be covered from our internal resources: raising funds on the domestic market and from the Reserve Fund. Today we have in it R4,800 billion. These funds are sufficient to balance the budget this year and in the coming years.

He says that the calculations of the updated budget were based on the annual average oil price of \$41 per barrel instead of \$95 as it was planned earlier. "The revenue will be smaller. We have large revenues to the budget from the oil as gas sector and these revenues fell by more than half. The revenue will be smaller but we will have more tasks because of the crisis."

The deputy head of the Economic Development Ministry, Andrey Klepach says that the ministry has changed the 2009 forecast for GDP growth to minus 2.2 per cent

from the earlier expectation of minus 0.2 per cent. He says in 2009 the trade balance will be positive whereas the current account balance will be negative.

17 February 2009 The new criminal case against former co-owners of the Yukos oil company Mikhail Khodorkovsky and Platon Lebedev is sent to the Khamovnichesky district court in Moscow.

17 February 2009 Deputy Prime Minister and Head of the Government Staff Sergey Sobyenin is elected chairman of the board of directors of Channel One television.

17 February 2009 Chief of the General Staff General Nikolay Makarov says that as of 1 February, the Russian Army has had a new organizational structure. "The reforming of the Army and the Navy is going to plan. As of 1 February, we effectively have a new organizational structure, including military districts, units and formations." "From 1 February, changes have begun in the organizational staff structures of brigades and operational commands in strategic areas." Makarov says that there will be no dismissals of officers in 2009-2010.

17 February 2009 The presidential special representative for international cooperation on fighting terrorism and transnational crime, Anatoly Safonov, says that international terrorists, including ones from Al Qaeda, are still operating in the North Caucasus.

17 February 2009 Dmitry Medvedev meets Audit Chamber Chairman Sergey Stepashin. Medvedev sets the Audit Chamber the task of monitoring the spending of the budget funds that are being allocated to support Russian regions and enterprises in overcoming the financial crisis.

17 February 2009 The Kremlin publishes the names of those on the presidential cadre reserve list. Plans to launch the programme to prepare a reserve of management personnel were announced Dmitry Medvedev in his address to the Federal Assembly in November 2008. A presidential decree set up a special commission headed by the chairman of the presidential administration, Sergey Naryshkin.

17 February 2009 Dmitry Medvedev says that the programme to extend the gas supply infrastructure to Russian regions should remain a priority for both the central and local authorities despite the country's financial and economic difficulties. He meets Bryansk Region governor Nikolay Denin.

18 February 2009 The Duma appoints the human rights ombudsman in Russia. Vladimir Lukin becomes ombudsman for the second time.

18 February 2009 The party Right Cause is officially registered at the Justice Ministry.

18 February 2009 Dmitry Medvedev speaks in Yuzhno-Sakhalinsk at a meeting dedicated to Russia's international cooperation in the energy sector.

Now the global energy market is to the full extent experiencing the pressure of the world financial crisis. The dependence of Russian export on transit countries is also becoming more than we would wish it to be.

In connection with this, we, of course, would like to be able to improve the effectiveness of Russia's participation in energy cooperation. We should step up our dialogue with CIS and EAEC member states, with the European Union,

the United States of America, with other leading countries of the world. We also should more closely coordinate our activities with OPEC member states and gas exporting countries including within the framework of the recently set-up new organization and promote the formation of the common Eurasian energy space.

He attends the launch of a LNG plant in Sakhalin. He says that "after this plant begins to operate at full capacity...it will produce over 9.5 million tonnes of liquefied gas, almost 10 million tonnes of liquefied gas a year, which is some 5 per cent of the world's supplies." This is Russia's first LNG plant.

The operation of this plant will, without a doubt, contribute to the implementation of the Sakhalin 2 oil and gas project. This project is one of the most high-tech projects in the world. It is of strategic importance both for our country and for several other states, first and foremost our foreign partners.

Russia is a leading producer of natural gas. I am convinced that the new production will strengthen all our gas supply capabilities and will strengthen Russia's overall positions as a global supplier, global producer of energy resources.

Medvedev states:

The government should work out a comprehensive medium-term plan [in the energy sector] that would comprise the tasks that have not yet been implemented. Also, we should adopt a programme aimed at strengthening our country's positions in the international arena. I mean the position in key international organizations that are connected to this. Our further activities in the international arena in the sphere of energy cooperation will depend on our position and on the wellbeing of our people, and, in the long run, on the state of international energy security.

He says Russia needs to develop its own energy intelligence system.

We need an energy system that would be based on the analysis of the development of the energy market. We also need to shape public opinion as well as learn to consistently influence the positions of the partners on this market...

We must not allow questions of energy cooperation, energy talks to take place without our participation, because Russia after all has the moral right, as well as the legal capability, and chiefly, the practical ability to claim a role in all the diverse global energy processes.

He says that Russia "needs new energy corridors, which would be connected with the transit through our territory and the territory of other states. The transit must be maximal."

18 February 2009 The president's aide for economic policy, Aleksey Dvorkovich, says Russia is aiming for 8 per cent budget deficit in 2009. He says inflation "should amount to just over 13 per cent".

18 February 2009 Interax-AVN reports that several new appointments have been made in the logistics service of the Russian Armed Forces. Lieutenant-General Sergey Zhironov is appointed chief of the headquarters and first deputy head of the Armed Forces logistics service. Major-General Dmitry Dreval is appointed logistics service deputy head. Colonel Igor Lyapin is appointed director of the MOD's central

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department for military contacts and head of the Armed Forces department for military contacts. The command of some of the Armed Forces' troops has been reshuffled. New appointments include Air Force deputy commander for logistics Anatoly Kaygorodov, Airborne Troops deputy commander for logistics Colonel Pavel Ovchinnikov, the Leningrad Military District's logistics service chief Major-General Aleksandr Shvetsov, the Siberian Military District's logistics service head Major-General Andrey Toporov, and Space Troops logistics service head Colonel Andrey Makagonov.

18 February 2009 Vladimir Putin, First Deputy Prime Minister Viktor Zubkov and head of Vneshekonombank Vladimir Dmitryev discuss support of the agricultural sector.

18 February 2009 A number of Russian and international environmental organizations appeal to the Russian government to suspend the laying of the pipeline that is part of the Sakhalin-1 oil and gas project.

18 February 2009 Chechen President Ramzan Kadyrov urges national reconciliation in Chechnya. He appears on a live programme on Chechen television which features former rebels. He says that "if we want to stop bloodshed and establish peace forever, we should forgive each other. If we do not do that, then we will have to kill endlessly until our nation disappears."

19 February 2009 Veronika Marchenko, chairman of the board of the Mother's Right foundation says the Russian army's annual non-combat losses are between 2,500 and 3,000 persons.

19 February 2009 The Office of the Prosecutor-General says it intends to appeal against the not-guilty verdict delivered by the jury in Anna Politkovskaya's murder trial. The jury in the Moscow District Military Court unanimously found the defendants not guilty.

Human Rights Ombudsman Vladimir Lukin says that the not-guilty verdict speaks of weak work of the investigation, which did not manage to prove the guilt of the accused. He says the investigation into the case should continue.

19 February 2009 Dmitry Medvedev says that expenditure on the "main positions" of the military budget, such as acquiring new weapons and social provision of the military, will not be cut.

The most important thing here is to retain those positions which are the main ones at the moment, critical, if one can put it this way. What do I mean? This is, on the one hand, acquiring new kinds of weapons, continuing the programme of purchasing new kinds of equipment, the implementation of the state armaments programme in its main positions. This is the first thing.

Second, it is, of course resolving social issues. I mean, in the first place, carrying out obligations on monetary allowance payments, especially in those cases where we have planned an increase of monetary allowances, and a rather significant increase.

19 February 2009 Deputy Interior Minister Nikolay Ovchinnikov says the MVD is seriously concerned about a rise in the number of crimes committed against foreigners by extremist and nationalist groups. He says that the number of such crimes has grown by 250 per cent over the last five years.

19 February 2009 Rosstat states that the number of unemployed in Russia has grown by 5.2 per cent in January 2009 compared to December 2008 and by 23.1 per cent compared to January 2008 - to reach 6.1 million people, of which 1.7 million are officially registered. By the end of January, 6.1 million people, or 8.1 per cent of the economically active population of Russia, were classified as unemployed, using the International Labour Organization's methods. A month earlier, 5.8 million people, or 7.7 per cent of the economically active population, were classified as unemployed.

19 February 2009 Federal Migration Service director Konstantin Romodanovsky says that migration to Russia compensates for 70 per cent for the natural decrease of the population.

19 February 2009 Dmitry Medvedev amends the presidential decree "On controls on exports of nuclear materials, equipment and technologies from the Russian Federation", dated 27 March 1992.

19 February 2009 The deputy chief of the Armed Forces General Staff, Anatoly Nogovitsyn, says that the Russian mass media acquitted themselves well in covering the peace enforcement operation against Georgia.

20 February 2009 The Moscow District Military Court sends back to the Investigations Committee under the Prosecutor-General's Office the Anna Politkovskaya murder case for a new investigation.

Svetlana Gannushkina, head of the Civil Support human rights committee says: "I would very much like this crime to be solved. But, unfortunately, from day one I have regarded the prospects of this investigation as very bleak. There are too many people who are not interested."

20 February 2009 Dmitry Medvedev addresses the State Council in Irkutsk. He says:

We are now in a rather difficult situation. The crisis is continuing and its climax, or rather the bottom of the fall, has not yet been reached. Everybody understands this full well, not only in our country but also in other countries. Of course, task No 1 now is to painlessly get through this period of crisis.

On the other hand, we cannot allow ourselves to retain for the future a structure of the economy that is old and does not meet modern requirements. Despite the fact that we are in a rather difficult situation, we must deal with the diversification of the economy, with developing the infrastructure and strengthening the financial system.

Medvedev says that all Russian regions should set up anti-crisis headquarters headed by regional governors. He also criticises the implementation of anti-crisis measures. "A crisis is the best time for getting rid of inefficient managers, including civil servants. However, this is also a moment of truth for the corps of governors itself. This is absolutely so. I hope you understand it. There can be no leniency here."

20 February 2009 Valery Zorkin is re-elected chairman of the Constitutional Court for three years.

20 February 2009 Ingush leader Yunus-Bek Yevkurov meets Prime Minister Vladimir Putin in Moscow to discuss the republic's economic situation.

20 February 2009 A VTsIOM poll shows that most Russians think that the military threat to Russia from other countries has receded substantially over the past decade. 49 per cent of Russians questioned in 2000 perceived such a threat, and 57 per cent in 2003 (the year of the US invasion of Iraq), while only 37 per cent think so now. The people most inclined to think that there is a military threat to Russia are those who live in the Volga area and the Urals, as well as those who support the CPRF (42, 46 and 49 per cent respectively). Those who live in the south and Siberia and those who back One Russia are more likely to declare that the country faces no threat from other states (62, 61 and 55 per cent respectively). These findings have emerged from a poll conducted on 14-15 February in 140 localities in 42 regions, territories and republics in Russia.

When asked to assess the state of the Russian armed forces over the same period, citizens pointed to a substantial improvement. In 1998, only 1 per cent thought that the armed forces were in a good state and 13 per cent saw it as being fairly good, whereas now 17 per cent say it is good and 48 per cent think it is in a fairly good state. Ten years ago, the overwhelming majority (81 per cent) thought that the army was in a poor or very poor state (41 per cent), while nowadays such views are expressed by only 25 per cent. The current strength of the Russian army (1.1 million servicemen) seems just right to 48 per cent of those polled, 25 per cent think that it should be increased and only 13 per cent think that it should be substantially reduced. Those who think that the numbers should be boosted are mostly people who live in small towns and villages (27 per cent), and supporters of the LDPR and right-wing parties (31 per cent each). People in Moscow and St Petersburg are more likely to favour the idea of downsizing the army (26 per cent).

20 February 2009 The State Council of the Udmurt Republic confirms Aleksandr Volkov, nominated by Dmitry Medvedev, as head of the republic.

20 February 2009 A spokesman for the Strategic Missile Troops says that a research command post war game was held at the Petr Veliky Military Academy on 17-18 February which examined countering the possible deployment of parts of a US missile defence system in Europe. For the first time a research command post war game was held on electronic maps using the geoinformation system Integratsiya. The commander of the Strategic Missile Troops, Colonel-General Nikolay Solovtsov, oversaw the exercise.

An article in *Trud* by Mikhail Lukanin entitled "Without marshals, but with sergeants" discusses military reform.

20 February 2009 The Prosecutor-General Yury Chayka warns that the background of the global financial and economic crisis might lead to an increase in social tension in Russia. He addresses the Federation Council.

21 February 2009 Deputy Finance Minister Anton Siluanov says the interdepartmental commission for supporting defence industry enterprises has provided R15 billion worth of state guarantees to nine defence industry enterprises.

Colonel-General Anatoly Nogovitsyn, deputy chief of the General Staff of the Armed Forces says that Russia has learnt its lessons during the war with Georgia in August 2008. He says that firstly, Russia did not expect Georgia to renege on its obligations and, hence, was taken by surprise, and, secondly, the Russian army, by preparing for big wars, turned out to be unprepared to respond quickly to "local low intensity" conflicts. He makes the following comments on the conflict:

As a military man, I believe that for a conflict of this scale we need to revise

the organizational and staff structure, the system of armaments, as well as principles and approaches to the forms and methods of engagement of troops and, most importantly, the direction of operational combat training. It was a very serious lesson which we learnt straightaway, i.e. that we do not meet all the parameters as regards local low intensity conflicts by preparing for large-scale wars - somewhere there we got it wrong. Therefore one of the goals of reform is to prepare troops that are highly trained and ready to respond immediately.

Deputy Defence Minister General Nikolay Pankov says that 64 Russian soldiers were killed during the armed conflict in Georgia and in the immediate aftermath. Another 283 were wounded and three are missing. In 2008, 471 servicemen died in the Russian armed forces, over 80 per cent of them died in road accidents or killed themselves.

21 February 2009 The opposition movement Solidarity holds its first meeting. It holds a rally at the monument to Griboyedov in Moscow. It demands that the cabinet of ministers headed by Prime Minister Vladimir Putin resign.

21 February 2009 The leader of Spravedlivaya Rossiya and chairman of the Federation Council, Sergey Mironov, says that the state should take emergency measures to demonopolize the economy and restore the proper lending of the real economy, as well as small and medium-size business.

22 February 2009 The MOD chief of armaments, Deputy Defence Minister Vladimir Popovkin, is promoted to army general.

22 February 2009 A statement by the Jamaat Shariat rebel community claims it killed or wounded at least 10 Russian troops in a fire-fight in the Dagestani capital Makhachkala.

22 February 2009 The family of Anna Politkovskaya says that it will not appeal against the acquittal of the three suspects in the murder of the journalist.

22 February 2009 The chief of the General Staff of the Armed Forces, Nikolay Makarov, visits the IDEX 2009 defence exhibition in Abu Dhabi. He says that later in 2009 Russia will resume tests of the Bulava sea-based intercontinental ballistic missile. Five of the 10 reported tests of the Bulava have been unsuccessful, including the latest one at the end of 2008.

23 February 2009 Chief of the Armed Forces General Staff General Nikolay Makarov says the General Staff intends to focus on the issue of providing troops with state-of-the-art communication equipment. He says that he is talking about the control system for troops and weapons, including communication equipment ranging from that for space to that for submarines.

The CPRF holds demonstrations in Vladivostok against military reform.

24 February 2009 The Public Opinion Fund conducts a poll. It gives approval ratings of 68 per cent for Vladimir Putin and 53 per cent for Dmitry Medvedev. YR's approval rating is 51 per cent.

The Bashkirova and Partners independent public opinion research service gives an approval rating of 78 per cent for Vladimir Putin and 72 per cent for Dmitry Medvedev.

24 February 2009 The official spokesman of the Investigations Committee under

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the Prosecutor-General's Office, Vladimir Markin, says the investigation into the murder of Anna Politkovskaya will continue until all the accomplices in this crime are established.

24 February 2009 The Ministry of Health and Social Development states that the process of population decline in the country is slowing down. The natural loss of population in 2008 amounted to 363,500 people - 22.7 per cent less than a year before. According to preliminary information, "a trend was recorded towards the stabilization of the rates of mortality from circulatory diseases, cancer, and a number of infectious and parasitic diseases." Infant mortality rate dropped from 25.4 per 100,000 births in 2005 to 22 in 2008. As of 1 December 2008 the population of Russia was 141.9 million people. The average rate of natural loss has been 0.4 per cent a year.

24 February 2009 Presidential aide Arkady Dvorkovich says that the state is prepared to opt for cutting expenditure items of the budget for the years 2010-2011 if the world financial crisis turns out to be protracted one. He is interviewed in *Itogi*. He says that in the budget for 2009, "there will be no cuts across the board".

A government source says that GDP in January 2009 fell by 8.8 per cent against January 2008.

24 February 2009 The Minister of Telecommunications and Mass Communications Igor Shchegolev says that e-government's implementation is quite slow. He blames this on regional governments.

24 February 2009 Head of the Presidential Administration Sergey Naryshkin orders cuts in expenditure and the number of employees in the presidential administration and the staff of plenipotentiary presidential representatives. It is expected that over 100 people will be made redundant. Recruitment to the presidential administration has been suspended.

24 February 2009 Emergencies Minister Sergey Shoygu says that a law criminalizing the denial of the Soviet Union's victory in World War II might be passed in Russia. "The presidents of certain countries who deny this would not be able to visit our country unpunished."

25 February 2009 Dmitry Medvedev addresses the board of the Prosecutor-General's Office summing up the results of 2008. He says Prosecutors need to learn to work in trials by jury.

25 February 2009 Aleksandr Bastrykin, the head of the Investigations Committee under the Prosecution Service, says that the men acquitted of the murder of Anna Politkovskaya are guilty.

25 February 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says that federal budget revenues in 2009 will be 42 per cent lower than the amount defined by the law on the 2009 budget; the expenditures will increase by about R500 billion to R9,500 billion, and the deficit will amount to 8 per cent of the GDP. Kudrin also notes that the budget revenues in 2009 would be 31.5 per cent lower than the actual revenues received by the federal budget in 2008.

25 February 2009 The director-general of Rostekhnologii Sergey Chemezov says that the Russian defence-industrial complex is in an "extremely difficult" situation, with about a third of its enterprises showing "signs of bankruptcy", many industrial assets "depreciated by 70 per cent" and the average age of workers "over 50 years".

In addition he says that in the Federal State Unitary Enterprises only 15 per cent of the technologies they use correspond to world standards. He says that the attempts to create 75 vertically integrated state holdings at defence enterprises by 2006 failed. Only 24 significant structures have been formed.

Deputy Prime Minister Sergey Ivanov addresses the Duma at the government hour session. He outlines measures to protect the military-industrial complex. He says the crisis affecting the civilian sector of the economy is affecting the military-industrial sector to a significantly lesser extent. The defence procurement budget for 2009 is in the region of R1,000 billion.

25 February 2009 The Moscow city authorities permit the Movement Against Illegal Immigration to hold an event on 1 March to commemorate Pskov paratroopers who were killed in Chechnya in 2000.

25 February 2009 MOD sources states that three combined-arms permanent readiness brigades are to be set up on the basis of the 42nd motorized division permanently stationed in Chechnya. The 42nd division will be disbanded, and three combined-arms brigades are to be set up to be stationed in Shali, Khankala and Borzoy. The transformation of the 42nd division will begin in March 2009.

Chief Military Prosecutor Sergey Fridinsky says that officers committed one in four of all crimes in the armed forces in 2008. He says that overall, crime by officers is up nearly 30 per cent. Over 1,800 officers have been convicted in the past year. Over 500 officers were charged with corruption-related offences in 2008, including 370 senior officers.

26 February 2009 Vladimir Putin says that the social protection of the population in Russia will be preserved at a proper level despite budgetary cuts.

Putin urges the government to eliminate causes that contribute to monopolism and restrict competition. He is speaking at a government session devoted to the discussion of a programme for the development of competition to 2012.

Putin says that a positive demographic trend has emerged in Russia due to a number of measures taken recently. He says that in 2008 1.7 million children were born in Russia, which is 7 per cent more than a year before.

26 February 2009 Chechnya's Interior Minister Ruslan Alkhanov says that young members of the illegal armed groups operating in Chechnya will be given a chance to return to peaceful life.

26 February 2009 Finance Minister Aleksey Kudrin states that 68 defence industry enterprises will receive a loan of R56 billion (\$1.5 billion).

A spokeswoman for the Sevmash shipyard in Severodvinsk says that the next round of negotiations on funding for a Russian shipyard to refit an aircraft carrier for the Indian navy will take place on 9 March. Work to refit what was the Russian Navy's aircraft carrier *Admiral Gorshkov*, to become the Indian navy's carrier *Vikramaditya*, is under way at Sevmash.

The head of the Federal Directorate for Safe Storage and Destruction of Chemical Weapons Valery Kapashin says that if the financing of the federal targeted-development programme for destruction of chemical weapons is cut by more than 15 per cent Russia will be unable to honour its international obligations.

Marina Ozerova writes an article in *Moskovsky Komsomolets* on the state of the

Military Industrial Complex.

27 February 2009 Dmitry Gryzlov (son of Boris Gryzlov) says that YR needs to be purged of corrupt elements.

Sergey Markov, YR Duma deputy, says that YR needs serious cleansing in order for it to become a more muscular party, shed some excess weight which is represented not only by corrupt officials but also by parasites.

27 February 2009 *Caucasus Times* website reports that Lema Gudayev, head of the information and analysis directorate of the president and government of the Chechen Republic, actually the press secretary of Ramzan Kadyrov, has been dismissed for unknown reasons.

27 February 2009 Prime Minister Vladimir Putin says that legal forms of protest should not, and would not, be limited in the current period of crisis.

The deputy head of the Public Order Department at the Russian Interior Ministry, Major-General Leonid Vedenov, says that the MVD has not issued any regulations permitting police to shoot to kill at protesters, and reports from a number of media and human rights activists on this subject are "nonsense".

27 February 2009 Dmitry Medvedev addresses officers of law enforcement and special services in the Kremlin to mark new appointments in the services. He outlines various features of Russian security policy.

27 February 2009 A Levada Poll shows that 34 per cent think that the prime minister has real power in the country and only 12 per cent believe that the president holds it. A year ago 23 per cent thought that Dmitry Medvedev would hold the real power after his election as president, and 20 per cent that the power would be with Putin. 50 per cent think that they share power equally. Twelve months ago this was 41 per cent.

An article by Ivan Yartsev: "Has Someone To Blame Been Found?" on *Politkom.ru* reports a Levada Centre poll conducted on 20-23 February 2009. The poll reports that confidence in Dmitry Medvedev declined over the year from 39 per cent to 36 per cent; and Vladimir Putin from 62 per cent to 48 per cent. Vladimir Putin is still the political figure whom Russians trust the most, however, but this confidence rating has declined by 14 per cent.

27 February 2009 The Prosecutor-General's Office confirms it has appealed against the not guilty verdict in the killing of Anna Politkovskaya.

27 February 2009 Interior Minister Rashid Nurgaliyev attends the first session of the Interior Ministry's coordination centre on the activities of public councils. He states:

Significant assistance, especially in crime prevention, has been provided by the public council under the Russian Interior Ministry and by the public councils under interior directorates in the constituent parts of the Russian Federation. Having considerable life potential, knowledge and prestige in society, you, esteemed colleagues, are carrying out serious work in the patriotic education of citizens, forming legal awareness, assisting law-enforcement.

27 February 2009 The Federal Antimonopoly Service (FAS) institutes proceedings

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against the MOD for breaching antitrust law. The proceedings were instituted on the request of NPP Prima, a developer and manufacturer of aircraft communications systems for military and civilian applications. The FAS states:

The Defence Ministry breached antitrust legislation by issuing acts that designated a specific business entity as the sole developer and manufacturer of aircraft communications systems [for future contracts]; this could lead to the prevention, restriction and elimination of competition on the market for such systems.

27 February 2009 Vladimir Putin meets the YR leadership. He defends the rouble soft devaluation. He praises a law on support for small businesses. On the economic crisis he states: "The crisis is far from over, it has not even reached its peak. This year will be difficult, but no disaster will occur. We are able to keep the situation under control and we shall do so by all means. We shall cope with all the problems. The question is in the quality of our work."

27 February 2009 The governor of Siberia's Krasnoyarsk Territory, Aleksandr Khloponin, warns of an impending economic disaster. He says that "there is a safety margin of only one month even in Russia's strongest regions". Khloponin tells the forum that Russia had so far only experienced the first wave of the crisis, which had led to job losses in the financial sector, the closure of weaker businesses and payment problems even at businesses in the raw materials sector. The next phase of the crisis could be the paralysis of the banking sector.

Presidential aide Arkady Dvorkovich tells the business community:

Don't come running to the state for help. There will be no such help. The state will not provide help. It will not save anyone. You have to take responsibility for yourself and work more efficiently. The state should put the person at the centre of attention and not particular shareholders or owners of companies, including investors, who should act as self-sufficiently as possible. It seems to me that the state is acting, is trying to act sensibly in not allocating this money itself, but delegating these functions to market institutions.

28 February 2009 Deputy Prime Minister Aleksandr Zhukov speaks at the Sixth Krasnoyarsk Economic Forum. He says investment in housing construction, small business and infrastructure could be a locomotive of growth for the Russian economy.

Arkady Dvorkovich, aide to the Russian president for economic policy, says that Russia needs a new political elite that will be more open to society.

28 February 2009 A protest in Vladivostok against raising customs duties on imported vehicles takes place. Customs duties on imported vehicles were raised from 12 January 2009 for a period of nine months.

March 2009

1 March 2009 United Civil Front leader Garri Kasparov says that Dmitry Medvedev's views on the role of the opposition in Russia are typical of an authoritarian leader.

1 March 2009 The Yabloko party has proposed to criminalize the denial of the Stalin purges. Former Yabloko leader Grigory Yavlinsky states that Russia cannot

develop in a democratic way unless it gets rid of the legacy of Bolshevism and Stalinism and gives an unequivocal assessment of its historical legacy on a state level.

1 March 2009 Capt 1st Rank Igor Dygalo, aide to the commander-in-chief of the Navy says that the Caspian Flotilla will not be relocated in the process of military reform, and will remain in Astrakhan and Makhachkala.

1 March 2009 Regional elections take place in 79 different regions. The Central Electoral Commission (CEC) reports that YR emerged as the largest party. According to CEC information, the second and third places in the elections are shared by A Just Russia and the Communist Party. According to the CEC, representatives of YR won the majority of seats in the legislative assemblies in the republics of Kabarda-Balkaria, Tatarstan, Karachay-Cherkessia, Khakassia; in Arkhangelsk, Bryansk, Vladimir and Volgograd Regions; in the Nenets Autonomous Area. YR members also came first in mayoral elections. The mayors of Chita, Blagoveshchensk, Novosibirsk, Chelyabinsk, Birobidzhan and Anadyr have retained their posts.

2 March 2009 The president of the Academy of Geopolitical Problems, Colonel-General Leonid Ivashov, gives a sceptical view of military reform:

Nobody has presented even the concept of the reform. Nobody has presented the model and the structure of the Armed Forces that is planned to be achieved. We haven't seen anything. We can conclude that a process of destruction is taking place with an unclear outcome. Everyone is concerned about how many people will be made redundant, which categories, what universities and organizations will be disbanded. The only thing we can see is a trend towards reduction and elimination...

...The new phase of the reform is intended to disarm the army that is capable of repelling external threats and to turn it into some sort of a police appendage for fighting against its own people, for guarding office buildings. The clan of power holders and oligarchs that rules Russia is scared of its own people and their close relations with the army. The task is to create police troops of a punitive nature which could protect the authorities from internal threats.

2 March 2009 Vladimir Putin calls for amendments to the Budget Code making it possible to refill the budget deficit from the Reserve Fund.

We have accumulated a total of over R8,000 billion [\$221 billion] in reserves. This makes it possible for us to carry out active anti-crisis measures today in the conditions of a rather severe crisis in world finances and on the international arena in the world economy. Today the situation is different. Today we have to introduce corrections in view of the need to finance the budget deficit from the Reserve Fund and we will have to approve the procedure of using these reserves.

2 March 2009 Finance Minister Aleksey Kudrin says that the Finance Ministry has forecast a 2.2 per cent slump in GDP for this year but 2-3 per cent growth for 2010. He says that "in the next few years Russia will be open to other risks too, for instance, the demographic one". In 2012-2015 the proportion of productive population in Russia will dwindle. He notes that in the next few years Russia will not have the gold and currency reserves it had before the crisis.

2 March 2009 Lieutenant-General Sergey Razygrayev, commander of the Special-

Purpose Command troops since July 2008, is appointed Russian Air Force deputy commander-in-chief for air defence.

2 March 2009 The first deputy head of the Russian Federation Presidential Administration, Vladislav Surkov, criticizes ideas about reforming existing political institutions. He says he thinks the Russian political system works.

3 March 2009 Sergey Chemezov, general director of Rostekhnologii, is interviewed in *Izvestiya*. He discusses anti-crisis measures in the defence sector.

3 March 2009 A court hearing in a new embezzlement and money laundering case against the former head of Yukos Mikhail Khodorkovsky and the former head of Menatep, Platon Lebedev, begins in Moscow's Khamovnichesky court. Charges to the amount of over R170 billion [\$4.7 billion] have been filed against Khodorkovsky and Lebedev under the new case. If found guilty, the defendants may be sentenced to up to 22 years in custody.

Deputy Chairman of the Duma security committee Gennady Gudkov criticises the second trial. He says there are other crimes which should be investigated.

Viktor Ilyukhin, deputy chairman of the Duma Committee for Constitutional Legislation and State Affairs, calls the second trial "a disgrace". He says the case is a political lynching.

3 March 2009 Vladimir Putin says that he opposes protectionism but believes that when goods are equal in quality, it is necessary to make a choice in favour of domestic manufacturers. He says that despite the economic difficulties, Russia will not cut funding for education and high-tech research. He is speaking on the development of the system of higher professional education at Moscow Institute of Physics and Technology in Dolgoprudny, Moscow Region.

Deputy Prime Minister Sergey Ivanov says that Russian companies should create conditions "to rule out the possibility of scientific and technical products that have important significance for the defence and security of the country being transferred abroad in circumvention of the established rules". He is speaking at the meeting of the government commission on export controls.

3 March 2009 Presidential aide Arkady Dvorkovich says an adjusted budget for 2009 and for the period to 2011 will be submitted to the government and discussed in the second half of March.

3 March 2009 Chechen President Ramzan Kadyrov urges the London-based head of the Chechen rebel government, Akhmed Zakayev, to return home.

3 March 2009 The head of the Moscow labour and employment department, Oleg Neterebsky, says that since the beginning of 2009 the number of foreigners coming to Moscow in search of work has increased. He says that 190,000 foreigners have come to Moscow for various purposes - and these are only those who have been registered. Of them, 32,000 have found jobs. The number of foreigners that have been registered is 17 per cent more in comparison with the same period in 2008.

4 March 2009 Vladimir Putin says that an economic recovery may start in the first quarter of 2010 and expresses confidence that the rouble will maintain its current exchange rate against the dollar and the euro in the near future.

4 March 2009 Moscow's Khamovnichesky court refuses to grant a petition from the defence panel of Mikhail Khodorkovsky and Platon Lebedev to remove the judge

considering the case of their defendants.

4 March 2009 Health and Social Development Minister Tatyana Golikova says that around 6.1 million people can be considered unemployed today in Russia. She says that 1.97 million people have been officially registered as unemployed with employment services.

4 March 2009 Finance Minister Aleksey Kudrin says that the government is offering to additionally allocate over R2,000 billion for the support of the social and banking systems this year.

First deputy chairman of the Central Bank of the Russian Federation Aleksey Ulyukayev says that the net outflow of private capital from Russia in January 2009 totalled \$29 billion, while in February it was \$4.5 billion. Finance Minister Aleksey Kudrin earlier estimated the outflow of capital in January 2009 to be \$40 billion. According to Central Bank figures, the net outflow of capital from Russia in 2008 totalled a record \$129.9 billion, more than in any year since records began, compared with a record net inflow of \$83.1 billion in 2007.

4 March 2009 The Right Cause party co-chairman Leonid Gozman says that the party intends to demand the dismissal of Moscow mayor Yury Luzhkov as it is displeased with the work of the city's authorities and the fact that Luzhkov's term in office has already exceeded that of Leonid Brezhnev (General Secretary of the Communist Party of the Soviet Union 1964-1982).

4 March 2009 Deputy Defence Minister for Finance and Economic Affairs Lyubov Kudelina says that over R1,500 billion will be spent in 2009-2011 on the acquisition and repairs of arms, scientific-research and experimental design work in the interests of the Armed Forces. She says that a third of the R1,500 billion "is planned to be spent in the current budget year. It is envisaged to increase purchases of arms and military equipment." She says that in 2009 the Armed Forces "should receive new aircraft of all types, helicopters, a significant amount of armoured equipment and motor vehicles, surface-to-air missile systems, ships and submarines". The Defence Ministry's budget allocations in 2009 will be cut by eight per cent. "Budget allocations for capital construction, repairs and other expenses will be cut, but the total amount of cuts in the Defence Ministry expenditures in general will amount to only eight per cent, not 15 per cent." She says that budget allocations for the Defence Ministry will amount to R1,439 billion in 2009, R1,509 billion in 2010 and R1,615 billion in 2011. 36 per cent of the funds will be spent on the development, procurement and repairs of arms and equipment while another 32 per cent will be spent on military pay.

Kudelina says that the MOD will provide 32,000 military personnel with housing in 2009. Permanent residence of servicemen and their families will account for 22,000 apartments, and housing for service use for 10,000. She says that government spending on the housing programme for servicemen will not be reduced on account of the crisis.

4 March 2009 Rosatom head Sergey Kiriyyenko says that Russia may reach the rate of building three to four power generating units of nuclear power plants a year somewhat later than was planned due to the falling demand for electricity brought about by the economic crisis. The Energy Ministry is amending the general blueprint for building power generating units in Russia up to the year 2020, which includes nuclear energy.

4 March 2009 Vladimir Churov, the head of the CEC, sums up the results of the

regional, local and mayoral elections held in 79 regions on 1 March. There were nine regional elections. Seven regions will have all the four Russian parliamentary parties (YR, SR, CPRF and the LDPR) represented in the new legislative bodies. These regions are: Bryansk, Arkhangelsk, Volgograd, and Vladimir regions; the republics of Kabarda-Balkaria and Khakassia, and the Nenets Autonomous Area. In the two remaining regions, the republics of Karachay-Cherkessia and Tatarstan, out of the parties represented in the current Duma, the 7-per-cent threshold was overcome only by YR and the CPRF. In addition, the non-parliamentary party Patriots of Russia won seats in the parliaments of Karachay-Cherkessia and Khakassia. The average turnout was 55.723 per cent. Churov says these are preliminary figures.

5 March 2009 Dmitry Medvedev meets Churov, who tells the president about the results of the electoral campaign. Churov notes a decrease in the number of complaints. Medvedev urges the CEC to thoroughly analyse reports on possible violations of electoral legislation. Churov says that the CEC had received about 303 complaints and requests in the run-up to and during the elections, including four complaints from political parties.

5 March 2009 The Regional Development Ministry issues a report on the socio-economic situation in constituent parts of the Russian Federation as of 30 January 2009. It says that industrially-advanced regions and regions with well-developed financial structures have been hit by the economic crisis especially hard and risk facing an upsurge in social tensions. Those affected especially badly are "the Chuvash Republic, the Republic of Tatarstan, Vologda Region and Ivanovo, Kemerovo, Kostroma, Kursk, Lipetsk, Omsk, Orel, Sverdlovsk, Chelyabinsk and Yaroslavl Regions. These constituent parts of the federation are already facing considerable social tensions on the labour market or may have to face the problem soon." The crisis affects southern Russia and the Far East to a smaller degree because they are not so developed industrially and financially. The most favourable social and economic situation in December 2008 was reported in Adygeya, Buryatia, Dagestan, Kalmykia, Yakutia, Kabarda-Balkaria, Chechnya, Kamchatka Territory and Maritime Territory, and Amur, Astrakhan, Murmansk and Pskov Regions. The report says that 17 regions, those in the Central and Volga Federal Districts, were considered especially vulnerable with regard to the employment situation. These included the Chuvash Republic, Vladimir, Ivanovo, Kaluga, Kemerovo, Nizhny Novgorod, Samara, Ulyanovsk, Chelyabinsk and Yaroslavl Regions, where "the proportion of the employed population working in 'crisis-hit' sectors accounts for more than 25 per cent". Other regions with a high risk of unemployment are Mordovia, Belgorod, Vologda, Moscow, Sverdlovsk, Tver and Tula Regions. The republics of Bashkortostan, Tatarstan and Khakassia; and Arkhangelsk, Irkutsk, Leningrad, Murmansk and some other regions (with towns dominated by one particular branch of industry require especially serious attention because there are potential areas of social risks in the regions. Unemployment risks were low in 26 regions of the Russian Federation, described as regions "prone to economic depression, with a low level of development". The Ministry estimates that 25 regions will face difficulties in 2009 with funding current expenditure. It named Krasnoyarsk Territory, Vologda, Voronezh, Kostroma, Ryazan, Tver, Tula, Orel, Moscow, Nizhny Novgorod and Novosibirsk regions among them. The Ministry estimates that only 33 regions will be able to partially fund capital investment. At the same time, 40 regions are confident that their revenues will be enough to fund current expenditure and parts of budget investment programmes. The federal agency thinks that only 24 constituent parts of the Russian Federation will manage not to have budget deficits. As regards estimates by regions themselves, 38 of them anticipate not to have budget deficits.

5 March 2009 Vladimir Putin says that domestic oil companies should drop their

prices for oil products on the domestic market.

5 March 2009 The Federal Customs Service gives the following information: Russian exports dropped by 50 per cent in January 2009 in comparison to January 2008. Exports of Russian gas dropped by 70 per cent in January 2009 as compared to the same period in 2008. Gas export revenues halved to about \$2 billion against \$6 billion in 2008. Exports of electricity and crude oil have also fallen, while oil products exports have increased by 20 per cent. Export supplies of diesel oil and fuel oil have also grown. Exports of petrol have contracted. Russia has reduced imports of meat by 60 per cent. Imports of fish, citrus fruit, butter, condensed milk, tea and alcohol have fallen. Imports of foreign-made motor cars dropped by 65 per cent in January, to 33,000 vehicles. In January 2009 Russia exported 400 motor cars. Russian foreign trade amounted to about \$26 billion in January, indicating a 46-per-cent reduction compared to the same period of 2008.

5 March 2009 Interfax cites a source from the Central Bank of Russia stating that foreign currency reserves amounted to \$384.3 billion as of 27 February.

5 March 2009 The Armed Forces Chief of Armaments, Deputy Defence Minister Army General Vladimir Popovkin, says in a news conference: "As regards countering ABM elements which may be deployed in Poland and the Czech Republic, we plan to create highly compatible ultra-high frequency missile attack warning radar stations, to complete research and development work, and to purchase additional missiles and launchers for the Iskander missile system." Popovkin says that the state defence order for 2009 amounts to R1,500 billion (\$41.8 billion). "During the autumn of 2008, we composed a state defence order for 2009-2011. In 2009, it is planned to allocate R1,500 billion for these purposes." Popovkin says that 15 per cent of the state defence order for 2009 has already been paid to the industry in advance. 2009 will see an increase in the number of strategic missile systems to be bought for Strategic Missile Troops. He says that 95 per cent of the state defence order for 2009 will be spent on buying "final models of weapons and military equipment". Five per cent of the state defence order for 2009 will be spent on repairs in the Russian Navy. He says:

Twenty-five per cent of the state defence order is being spent on maintaining the strategic nuclear forces...We are giving priority to the strategic nuclear forces, so that everyone who would like to attack us could receive irreparable damage in response," noting that the strategic nuclear forces are treated as a priority in the state programme taking into account the country's huge territory and long border.

He also states that high-precision weapons, as well as armaments for the air force, air defence and the navy would also be a priority in the state armaments programme. Popovkin says that anti-satellite systems are being developed in Russia. Popovkin says that it is planned to complete tests of the Bulava missile system in 2009.

6 March 2009 *Ekho Moskovy* Radio reports a poll taken by the Levada Centre. In November 2008 18 per cent thought that protests may take place because of the economic situation. By the end of February 2009 this had grown to 39 per cent. 23 per cent say they are ready to take part in such protests (in September 2008 this was 18 per cent). The poll was carried out in 42 regions at the end of February.

6 March 2009 The Council of the National Assembly calls for the government to step down and for the dissolution of the Federal Assembly. The Council lists as its members leader of the United Civil Front Garri Kasparov, National-Bolshevik leader

Eduard Limonov, member of the Other Russia executive committee Aleksandr Averin and other representatives from the radical opposition.

6 March 2009 The prime minister's press secretary, Dmitry Peskov says the fact that Russia has managed to go through the first stage of the global economic crisis without shock serves as the best evidence of efficient work of the Medvedev-Putin "tandem".

Peskov says Russia intends to build more liquefied natural gas (LNG) plants across the country. The Sakhalin LNG plant, the first such facility in Russia, was opened on 18 February. With a design annual throughput capacity of 9.6m tonnes of natural gas, the plant will process gas to be produced in the framework of the Sakhalin-2 project operated by the Sakhalin Energy company.

Peskov says that the national projects will be supervised by the deputy directors of the relevant departments of the government administration. In each department, a deputy director will be chosen who will supervise and bear full responsibility for the project. The Health national project will be supervised by the government department of social development and environmental protection; Education by the department of culture and education; Housing by the department for industry and infrastructure and the Development of Agriculture project by the department of agriculture.

6 March 2009 Vladimir Putin makes the following comments on the Russian shipbuilding industry:

All the organizational measures related to reforming the shipbuilding industry should be completed by 1 April this year. And we should accomplish the creation of the United Shipbuilding Corporation by that time.

Second, the development and coordination of the shipbuilding corporation's industrial programme should also be completed. In doing so, the stress should be laid on the production of a range of civil vessels able to meet competition and enjoy demand.

It is necessary to be realistic in assessing our possibilities and to occupy those niches where we will be able to offer competitive or even exclusive products.

Putin says that Gazprom and Rosneft are planning to order 307 Russian-built vessels through to the year 2030. These vessels will be included in the production programme of the United Shipbuilding Corporation, which calls for the construction of some 265 fishing vessels and another 731 vessels under the programme to develop Russia's transport system.

Putin says that Russia's total investment spending will amount to R1,100 billion in 2009. Overall investment spending amounted to R858 billion in 2008. In 2009, R800 billion will be allocated for Russian high technology projects.

6 March 2009 Rosstat reports that as of 21 February, wage arrears in Russia stood at R7.06 billion. This is approximately 1 per cent more than in late January (R6.96 billion) and 1 per cent less than on 21 January (R7.13 billion). As of 21 February, 94.6 per cent of the wage arrears, or R6.699 billion, was caused by the businesses' lack of their own money. Compared with 21 January, this figure went down by R13m, or 0.2 per cent. On 21 February 2009, wage arrears affected 400,000 people, of them 49 per cent work in processing industries, 18 per cent in transport, 12 per cent in construction and 7 per cent in agriculture.

A Russian Chronology: January – March 2009

6 March 2009 It is reported that about 50,000 employees of the Kamaz truck plant have been sent on forced leave. The plant's main assembly line has been stopped for 10 days.

6 March 2009 Ingush President Yunus-Bek Yevkurov joins YR.

6 March 2009 The head of Rostekhnadzor Nikolay Kutysin says that as of March 2009, Russia has destroyed 12,000 tonnes of toxic chemical agents in fulfilment of its obligations under the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction. This is 30 per cent of the stockpile of toxic agents. The third phase of the programme should be completed in 2009 - up to 45 per cent of the stockpile.

7 March 2009 An article by Andrey Garavsky titled "Fully Armed Towards New Profile" in *Krasnaya Zvezda* discusses the reequipping of the armed forces.

Deputy Defence Minister Lyubov Kudelina is interviewed on the "Military Council" slot on *Ekho Moskvy*. She discusses defence cuts in the wake of the economic crisis and personnel cuts as a result of reform. She is asked about a proposed 8-per-cent cut in the defence budget. She replies:

Following long talks with the government's economic ministers we agreed three fundamental areas that, as far as the Defence Ministry is concerned, are not to be amended under any circumstances. They are what we really need at present.

It is the state defence order which we have had approved for this year. It is the volumes of housing construction which we have had approved for this year. We need to preserve these volumes and further increase them by finding our own sources [of financing], and this is what we are doing now. And, naturally, payments to personnel, including cash allowances, wages and all compensation payments to personnel, are not subject to any cuts.

These are the three fundamental areas. Other expenses can be cut.

She says the following areas may be cut:

Spending on rear services, including food, clothes, fuel and lubricants. On the other hand, we can't cut them very much. If we stop buying fuel and lubricants, what combat training can we talk about?

A search is now under way as to what expenditure can be cut more and what expenditure can be cut less, or what construction projects we can give up this year. We have decided to go ahead with the construction of projects that are directly linked to the programme of armaments which we are purchasing now.

Back in 2007 our budget did not exceed R800 billion [\$22.6 billion]. This year it exceeds R1,500 billion [\$42.4 billion].

9 March 2009 Protests take place in Moscow Region's Zhukovsk after the mayor's election. The residents claim that the results of the voting were falsified in favour of a member of YR and that it was an independent candidate who really won the election.

9 March 2009 Presidential aide Arkady Dvorkovich denies speculation that worsening economic situation has provoked tension in relations between the head

of state, Dmitry Medvedev, and the prime minister, Vladimir Putin.

Dvorkovich says the state will no longer help major Russian companies. He is interviewed in *The Wall Street Journal*. He says that state support had been offered in individual cases. This will not be repeated, and oligarchs should themselves seek resources to ensure continued operation of their companies.

Former Deputy Minister of Economic Development and Trade Mikhail Dmitryev, who is now head of the Strategic Projects Centre, says that the economic crisis is no threat to the Russian metal industry. He is responding to Russian Union of Industrialists and Entrepreneurs president Igor Yurgens' words to the effect that metal production in Russia would decline following the financial crisis.

9 March 2009 At a demonstration in Berdsk (a satellite town of Novosibirsk) protestors demand that Defence Minister Anatoly Serdyukov be dismissed and that the disbandment of the 67th Special-Purpose Separate Brigade stationed in the town be stopped. Earlier the Berdsk council of deputies also called on the Russian leadership to annul the Defence Ministry's decision.

10 March 2009 Dmitry Medvedev says officials who evade declaring their income will be sacked. He chairs a meeting of the Council for Combating Corruption.

10 March 2009 The Drugaya Rossiya coalition complains about pressure exerted on its supporters in the run-up to a Dissenters' Day protest which opposition forces are planning to stage in several Russian cities on 12 March. Three National Bolshevik Party members, Mikhail Pulin, Pavel Zherebin and Alena Goryacheva, were detained at their homes in Moscow on 9 March.

10 March 2009 Aleksandr Brod, director of the Moscow human rights bureau says that the number of victims of xenophobic and nationalistic attacks is growing in Russia. He says that in January and February 2009 46 xenophobic attacks were committed, in which 16 people were killed and 49 injured.

10 March 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says the government will temporarily abandon the three-year budget planning. He says the Reserve Fund will last for two-and-a-half years under current international economic conditions, i.e. until the second half of 2011.

10 March 2009 First Deputy Prime Minister Igor Shuvalov says he does not rule out that the state may acquire a stake in Rusal and other big companies "in exceptional cases".

10 March 2009 Vladimir Putin says that there will no cuts in welfare spending: "We are consciously going for the use of existing reserves on a large scale, so that, even despite a reduction in budget revenue, the social obligations that the state undertook earlier should be met in full; and also, of course, to fund anti-crisis measures."

11 March 2009 Dmitry Medvedev visits Tula. He discusses the economic crisis. He says that regional governors should take under their personal control issues related to the bankruptcy of companies that are the main employer in a particular town, issues of how prices on main foodstuffs are formed and employment programmes. He says local deputies will receive the powers to remove heads of municipal bodies from their posts.

11 March 2009 Russia's chief rabbi Berl Lazar expresses concern about the recent removal from the Russian Federation of two rabbis, calling it a "search for enemies"

in times of crisis. Rabbi Israel Zilberstein has recently been removed from Maritime Territory, while Rabbi Tsvi Hershovich was removed from Stavropol. Lazar says: "For us, this is a very grave signal. For the first time in many years, the Jews have started having concerns about the future of their community in Russia." Lazar speaks at a joint session of the presidium of the State Council and the council of relations with religious associations under the Russian president.

11 March 2009 The National Antiterrorism Committee issues a statement on the results of its activities in 2008. It says the activities of armed groups in the North Caucasus and the stepping up of the activities of neo-Nazi youth groups are among the main terrorist threats on the territory of Russia. The committee says that 29 antiterrorism operations were conducted by law-enforcement agencies and operational headquarters in the regions of the Southern Federal District in 2008 to counter terrorist threats. In putting up armed resistance, 243 militants were killed, including 23 leaders of armed groups.

11 March 2009 The Duma approves in the second reading a draft law changing the procedure of candidate registration in elections: only political parties have retained the right to submit lists of candidates. This applies to election campaigns at all levels. A significant amendment to the document was made after the first reading: lists of parties' candidates in municipal elections can also include representatives of public associations. Their number cannot exceed 15 per cent of the party list.

11 March 2009 First Deputy Prime Minister Viktor Zubkov is interviewed in *Rossiyskaya Gazeta*. He says that no rise in the prices for agricultural goods by 45 per cent is expected in Russia in 2009. Some experts had forecast this. Zubkov has overall responsibility for agriculture.

11 March 2009 Prime Minister Vladimir Putin issues a directive. He says the government will allocate R1,603,977 million (over \$45 billion) from the Reserve Fund to achieve a balance in the federal budget in the first half of 2009. In accordance with the Budget Code, the maximum allowed deficit is currently 1 per cent of GDP. According to Finance Ministry estimates, the deficit will be 8 per cent of GDP in 2009; 5 per cent in 2010; and 3 per cent of GDP in 2011. Starting from 2013, the government plans to go back to limiting the deficit to 1 per cent of GDP.

11 March 2009 Over 1,000 employees of metal and chemical mining plants in Maritime Territory hold a protest rally in Dalnegorsk. They demand that utilities rates be decreased and that salaries be paid on time.

11 March 2009 The head of the Federal Labour and Employment Service, Yury Gertsy, meets Prime Minister Vladimir Putin. Gertsy says the number of registered unemployed is 2.034 million.

11 March 2009 Gazprom head Aleksey Miller says that "for the time being Gazprom has no plans to revise its medium- and long-term investment programmes". He says that the South Stream project has no competitors and there is no alternative to it. He says at present there are no problems with financing South Stream and there will be no such problems in the future.

11 March 2009 Dagestan President Mukhu Aliyev says that there is no tension in inter-ethnic or inter-faith relations in Dagestan. He says that over 2,000 ethnic Russians returned to the republic in 2008.

11 March 2009 The Prosecutor's office of Vladivostok's Frunzensky district begins the examination of the legality of the use during a series of protests of a poster with

the slogan "Putler Kaput!" The request for such an examination had arrived at the Maritime Territory prosecutor's office from the governor of the territory, Sergey Darkin. Since November 2008, representatives of various public organizations and the CPRF have been staging protests in Vladivostok practically every month.

11 March 2009 Central Bank figures state that the balance sheet for cross-border transactions by individuals resident in the Russian Federation (the difference between sums remitted into and out of the country) was minus \$17,459 million in 2008, about \$6,500 million further in the red than in 2007. Remittances out of Russia were \$25,576 million in 2008, up from \$18,481 million in 2007.

12 March 2009 The Nashi youth movement holds an anti-Khodorkovsky demonstration in Moscow.

A dissenters' March takes place in Moscow. Activists from Other Russia, the United Civil Front and the Smena and Oborona movements take part. Some arrests occur.

12 March 2009 A Public Opinion Foundation poll gives the following results on the population's assessment of the government's handling of the financial and economic crisis. 52 per cent think that the government is doing everything possible to protect the population from the negative impact of the economic crisis; 33 per cent hold the opposite point of view. 37 per cent of participants declared trust in the government, 23 per cent do not trust them, and 32 per cent of citizens "partly trust and partly do not trust".

12 March 2009 Prime Minister Vladimir Putin says that Russia is to run up a budget deficit of about 8 per cent in 2009, and the equivalent of some \$85 billion is to be spent from the Reserve Fund to cover the shortfall. He says that the country's package of anti-crisis measures comes to around 12 per cent of GDP, taking into account the measures of the Central Bank.

Putin says it is impossible to implement the idea of setting up a state metal reserve. He says Russia has allocated around \$8.5 billion budget funds to support enterprises in the world financial crisis, including many in the mining and metals sector. "A special list of enterprises has been drawn up, which already includes several hundred companies, including metal sector and mining industry companies. They tell me that this includes many mines. That is the case: mines and metallurgical plants have been included in this list." He says there will be extra financial support for the regions amounting to R300 billion (around \$8.5 billion). These are subsidies and loans for the regions' budgets.

Putin says Gazprom is reducing gas production due to a reduction in gas consumption in Europe and Russia.

12 March 2009 First Deputy Prime Minister Igor Shuvalov attends a sitting of the government commission on regional development. He says that the economic situation is improving. He says "a certain revival is being observed in metallurgy and the coal-mining industry".

12 March 2009 Yelena Skrynnik is appointed agriculture minister. She replaces Aleksey Gordeyev, who has become governor of Voronezh Region.

12 March 2009 Chechen human rights commissioner Nurdi Nukhazhiyev says that a computer database of kidnapped and missing people has been created in the Chechen Republic. The database includes 5,000 people.

12 March 2009 Ingush President Yunus-Bek Yevkurov says the Ingush

government is planning to offer amnesty to rebels who did not commit grave crimes.

12 March 2009 The chairman of the State Commission for Chemical Disarmament and presidential envoy in the Volga Federal District, Grigory Rapota, says that by April 2012 Russia will completely destroy all toxic chemical agents on its territory in fulfilment of its obligations under the Chemical Weapons Convention.

13 March 2009 Dmitry Medvedev addresses the Council of Legislators. He says that incompetent regional governors should be removed. He says political stability is needed to get through the crisis. He notes that tax revenues have dropped substantially.

13 March 2009 First Deputy Prime Minister Igor Shuvalov says there will be no changes to the exchange rate 'corridor' set by the Bank of Russia. He says federal budget revenue is going to contract by over 30 per cent, and revenue of the regions by over R1,000 billion (around \$28.8 billion).

13 March 2009 The chairman of the Drugaya Rossiya executive committee, Eduard Limonov, says that Drugaya Rossiya intends to continue Dissenters' Day actions in Russian cities.

13 March 2009 The Duma adopts in the final third reading a law which makes it possible to nominate lists of candidates at municipal elections from political parties only. This way the voting system has been unified with the federal one.

13 March 2009 Deputy Finance Minister Aleksandr Novak says that the revenue side of the Russian federal budget will contract by R4,200 billion in 2009, which is 40 per cent of the revenue level that was planned. The expenditures of the federal budget will increase by R645 billion, in other words by 27 per cent of the level that was planned. Novak says that the volume of the federal budget's revenue according to the current law on the budget is supposed to amount to R10,927 billion. According to the law, the expenditures were supposed to amount to R9,000 billion. Thus, according to the Finance Ministry's new forecast, the budget revenue will amount to R6,700 billion, expenditures to R9,600 billion.

13 March 2009 Rosstat says that in 2008, officially registered unemployment increased in 44 of 83 regions of the Russian Federation. At the same time, before the financial crisis (in January -September 2008) unemployment grew only in 11 constituent parts. At the same time, as a result of unemployment going down in other regions, as of 1 January 2009 the average figure nationwide was 2 per cent lower than 2008.

Health and Social Development Minister Tatyana Golikova announces that over the past week the number of officially registered unemployed in Russia had increased by 43,000 people and exceeded 2,077,000 people.

Rosstat states that 19 million Russians, or 13.5 per cent, had incomes lower than the minimum subsistence level in January -September 2008. This indicator in January -September 2007 was 20.9 million people, or 14.8 per cent.

The chairman of International Confederation of Consumer Societies, Dmitry Yanin, says that due to the financial crisis the purchasing power of Russians will fall by 20 per cent at best by the end of 2009 compared with the end of 2008.

Deputy Prime Minister and Finance Minister Aleksey Kudrin says he regards as optimistic a federal budget deficit estimate of 8 per cent of GDP in 2009.

14 March 2009 Aleksey Kudrin says Russia's foreign trade has fallen 50 per cent since the beginning of the crisis. He says there is no room for further tax cuts.

14 March 2009 Lieutenant-General Viktor Goremykin, chief of the military education directorate and deputy chief of the personnel directorate at the Defence Ministry, is interviewed on *Ekho Moskvy's* "Military Council" slot. He discusses the reform of military education. There are several stages to the reform of the military education system. The strategic, long-term plan is to the year 2020, with the years 2013 and 2016 the reform's interim milestones.

14 March 2009 Former governor Yegor Stroyev of Orel Region is endorsed by a regional council meeting as the region's new representative in the Federation Council. On 16 February, Dmitry Medvedev accepted Stroyev's resignation as governor of Orel Region. On 20 February the Federation Council terminated the tenure of Marina Rogacheva as a representative of the Orel Region administration. She handed in her resignation in connection with her father Yegor Stroyev's resignation.

14 March 2009 An opposition protest, Day of the People's Wrath, takes place in Moscow. Molodaya Gvardiya activists attack Left Front protestors.

15 March 2009 Dmitry Medvedev is interviewed on *Channel One TV's* "Voskresnoye Vremya". He discusses the G20 meeting, plus corruption in Russia and the recent regional elections.

15 March 2009 The opposition movement Solidarity sets up its Moscow branch.

15 March 2009 Molodaya Rossiya stages a protest against the personnel policies of big Western companies which, in the view of the youth movement, unlawfully employ illegal immigrants.

15 March 2009 YR general council presidium secretary Vyacheslav Volodin says irregularities took place in the Murmansk mayoral election.

15 March 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin is interviewed on *Vesti TV* following the meeting of G20 finance ministers in Horsham. He says Russia is providing sufficient liquidity to its financial system and at present lending to the economy is on the increase. He says the summit discussed real support by a number of countries in terms of mobilizing resources in the world for individual countries that do not have reserves like the ones Russia has. They also discussed the reform of the IMF and of the World Bank. On the Russian budget he says "on average across all the items, the expenditure will be cut by 12 per cent".

15 March 2009 Deputy Prime Minister Aleksandr Zhukov attends the 8th Meeting of the Russian Economic and Financial Forum in Switzerland. He says Russia's reserves will not cover the budget deficit for more than two years. Zhukov says that the government is planning to increase spending from the 2009 budget and other sources on anti-crisis measures by R1,740 billion. Zhukov says that amendments will soon be introduced into the 2009 budget which will increase spending mainly on anti-crisis measures. He says that despite a 30-per-cent drop in budget revenues, spending will be increased and the budget deficit will amount to 7 per cent of GDP.

16 March 2009 Former deputy governor of Murmansk Region Sergey Subbotin, a self-nominated candidate, is victorious in the second round of the Murmansk mayoral election. He defeats incumbent mayor Mikhail Savchenko, a YR candidate.

16 March 2009 Vladimir Putin says that correction of the federal budget for 2009 will permit additional funds for fighting crisis and for social programmes: "The expected correction will allow allocating almost R1,500 billion (\$43 billion) for implementation of anti-crisis measures with complete fulfilment of the state's social commitments to its citizens which we earlier pledged to fulfil." Putin calls for wide public discussion of the anti-crisis measures.

16 March 2009 Oksana Dmitryeva, a member of the Duma committee on budget and taxes and former minister of labour and social policy says that the decline in industrial output in Russia will cause the loss of jobs for more than one third of Russians in the next two or three months. This comment is made in response to the results of a poll conducted by FOM. In this poll more than one third of respondents said they might lose their jobs in the near future. Dmitryeva says this is "an objective description". She says "the decline in industrial output during this year will be nearly 30 per cent, by January it was already 16 per cent. This testifies to the fact that the decline is worsening and there is no end in sight." Dmitryeva comments on Dmitry Medvedev's statement that the unemployment situation in Russia is under control. She says that the situation "cannot be under control if the decline in industrial output is not under control".

16 March 2009 Prime Minister Vladimir Putin issues an instruction for over R1,600 billion to be allocated from the Reserve Fund in the first half of 2009 to balance the federal budget.

16 March 2009 Rosstat reports that industrial production in this country in February 2009 was more than 13 per cent down on the same period for 2008. Car production has slumped by more than 60 per cent. The production of lorries, buses and agricultural equipment dropped even more. The oil industry continues to be one of the most stable in the conditions of crisis.

16 March 2009 Prime Minister Vladimir Putin has added 19 shipbuilding assets to be transferred to the United Shipbuilding Corporation to the list of open joint-stock companies whose shares are planned to be privatized in 2009.

16 March 2009 Rosatom press secretary Sergey Novikov says that Rosatom can enrich 40 per cent of uranium used by the world's nuclear power plants. He says Russia accounts for 17 per cent of the nuclear fuel output on the world market. Russia is simultaneously building 12 nuclear power facilities, seven inside the country and five abroad. He says Rosatom is the world's only company that has the whole fuel cycle - from the mining of uranium to the disposal of nuclear fuel. Rosatom plans to operate in South East Asia as well as in Central and Eastern Europe and Central Asia.

16 March 2009 Ren TV reports that the winner in the Murmansk mayoral election Sergey Subbotin is now trying to claim his victory is a YR victory.

16 March 2009 Army General Nikolay Makarov, the first deputy defence minister and chief of the General Staff of the Armed Forces, denies media reports that the 67th special-purpose brigade based in Berdsk (Novosibirsk Region) is to be disbanded.

17 March 2009 The government shortens the list of individual types of exported products of military designation the intended use of which is subject to control. Amendments have been made to the relevant regulations adopted by the government in October 2006.

17 March 2009 Rosstat reports that Russia's oil production, including gas condensate, went down by 2.2 per cent in January -February 2009 against the same period for 2008 to reach 78.2 million tonnes. Gas production dropped by 12.2 per cent in the first two months of 2009, as compared to January -February 2008, to 105 billion cubic metres.

17 March 2009 National Anticorruption Committee chairman Kirill Kabanov says "research in recent years shows corruption in Russia varying between \$240 billion and \$300 billion a year".

17 March 2009 Dmitry Medvedev addresses the MOD board. He says Russia will start a large-scale re-armament programme in 2011. He discusses military reform and social protection of military officers. He states:

Any analysis of the military and political situation in the world shows that in a number of regions serious potential for conflict remains. There is always the risk of local crises and international terrorism. Attempts to expand the North Atlantic Treaty Organisation on the borders of our country continue. All this requires a qualitative modernization of our Armed Forces to give them a new, forward-looking perspective. Despite the current financial difficulties, we can make all the necessary provisions.

He outlines four key challenges:

***The first challenge** is improving the combat readiness of our troops, not just regular improvement but a quantum leap, most importantly in our strategic nuclear forces. All combat units and formations must be at the status of permanent readiness.*

***The second challenge** is optimizing the structure and the headcount of the army. I want especially to stress that military planning must be based on the current situation and the nature of potential threats. Long-term defence plans should be based on Russia's national security development strategy through to 2020, which will soon be approved by the Security Council.*

***The third and most important challenge** is to equip our troops with advanced weapons. In 2011 we will begin the large-scale re-armament of the army and navy.*

***Fourth,** we need further improvement in military education.*

Anatoly Serdyukov addresses the MOD board. He outlines plans for the Armed Forces' transition to a "new look". He states:

The military-political situation was conditioned by the US administration's ambition to attain global leadership, by the expansion and build-up of the military presence of the United States and their NATO allies in regions neighbouring Russia. The US side's aspirations were aimed at getting access to natural, energy and other resources of CIS countries. Processes aimed to squeeze Russia out of the area of its traditional interests were given active support.

In light of the external political situation, in order to perform the functions assigned to it, the Defence Ministry's funding in 2008 increased by 26 per cent as compared with 2007. The allocated funds were distributed between the following main strategic tasks.

1. **First**, containing military and military-political threats to the security and interests of the Russian Federation. Some 16 per cent of the allocated funds were spent by the Defence Ministry on maintaining and developing the strategic deterrent forces. Actions were taken to develop the strategic nuclear forces, to control space, to build up the capability of missile attack warning systems, missile defence. Let me list some of them.

2. **The second task** - raising the potential of conventional forces. About 29 per cent of funding was allocated for this task.

On the August 2008 conflict with Georgia he states: "At the same time that armed conflict prompted us to conduct a serious analysis. We have summed up the experience gained and drew relevant conclusions. On their basis, adjustments to the State Armaments Programme and the State Defence Order have been made." He states:

A concept for developing the army command and control system for the period up to 2025 has been approved. It envisages creation of a prospective command and control system based on the use of the latest information and telecommunications technologies. We plan to supply command points of force groupings with modern hardware in all strategic directions, primarily in the North Caucasian Military District.

3. **The third task** - mobilization and pre-draft education of citizens. A practice of holding regional command-and-staff mobilization exercises and mobilization drills was further developed. Seventy-four exercises of this kind were held last year. Some 77,500 citizens currently in reserve were trained.

4. **The fourth task** - technical re-equipment of the army and the navy. From the total amount of financing, about 19 per cent are allocated for this purpose. The volume of spending has been set in accordance with the parameters of financing the State Armaments Programme for 2007-2015. The priority is put on purchases of new weaponry, military and specialized hardware. The level of equipping the army with the main types of armaments and military hardware currently ranges from 60 per cent to 100 per cent. But the major part has been outdated and the natural wear-out is not compensated by purchases. As a result, the share of modern arms and hardware is about 10 per cent.

5. **The fifth task** - development of the potential of the system of army supply. In 2008, over 30 per cent of the Defence Ministry's financing was allocated for this purpose on the average. Improvement of finance and economic supply of the Armed Forces continued. Army financing was transformed into a three-level system, which permitted to optimize cash flows. In order to strengthen control over financial and economic activities, the Defence Ministry has completed the creation of a vertical of controlling bodies.

He also states:

We should consider it an important result of the Defence Ministry's activities that work has been done for designing the future shape of the armed forces. In 2008, the main efforts were concentrated on preparations and organizational work in the long term. On 15 September 2008, the Russian president endorsed the parameters of the main combat composition of the armed forces for the period to 2020.

The main combat composition of the armed forces has been designed taking into account the maintenance of the district command of troops in strategic directions and does not envisage changing the existing overall structure. They will consist of three types - Ground Troops, the Air force and the Navy, and three arms of troops - Strategic Missile Troops, Airborne Troops and Space troops.

It is planned to create a three-tiered system of command and control suitable for the prospective composition of the Armed Forces: Military District - Operational Command - Brigade.

The Russian Federation president's decree of 29 December 2008 sets the number of military personnel at 1 million people. It is planned to bring the number of officer posts to the level of 15 per cent of the prescribed number of military personnel, at the same time removing the imbalance in the proportion of various categories of military personnel in the troops and in the central apparatus.

We are planning to continue army re-equipment. By 2015, state-of-the-art specimens will account for 30 per cent, and this proportion will increase to 70 per cent by 2020.

In the system of military education, the stage-by-stage optimization will continue. Currently, the network of military education establishments is being brought in line with real demand for officer cadres. Based on the Russian Federation president's decision, 10 system-forming higher education establishments will be created by 2013.

Military expert Vadim Solovyev is interviewed on the "25th Hour" programme on Centre TV about the announced plans to reform the Russian Armed Forces. He says military personnel are confused about their future.

17 March 2009 Rosstat says that wage arrears in Russia have increased by 16 per cent in the space of a month. According to Rosstat, as at 1 March the debt stood at R8.87 billion (\$257 million).

18 March 2009 Dmitry Medvedev signs an instruction to allocate R1.2 million (\$34,000) in state support funds to NGOs contributing to the development of civil society institutions. The money is allocated from the 2009 federal budget and is to be used by the NGOs to conduct tenders for grants to other non-commercial non-governmental organizations for implementing socially significant projects.

18 March 2009 Reports appear that the head of the GRU, General Valentin Korabelnikov, would serve for another year despite being 63. It had been claimed that he had resigned.

18 March 2009 Vladimir Putin says the 2009 budget envisages no cuts in funding for the space industry. Overall, as part of three federal programmes, almost R82 billion is envisaged for this purpose in 2009. The head of the Roskosmos, Anatoly Perminov, says that Russian space industry growth may slow down in 2009.

18 March 2009 Vladimir Putin says that by the end of 2009 the minimum pension in Russia will be raised by 30, as opposed to the earlier planned 25 per cent.

18 March 2009 The head of the Federal Labour and Employment Service Yury Gertsy says that no sharp increase in unemployment is expected in Russia in 2009. He says he thinks Russia will have 2.2 million officially registered unemployed,

which corresponds to the forecast of the Health and Social Development Ministry.

According to the ministry's data, the number of officially registered unemployed in Russia stands at 2,000,077. In accordance with the corrected forecast of the ministry, taking into consideration the financial crisis, the number of officially registered unemployed in the country at the year end will range from 2.2 million to 2.8 million. An earlier forecast of the Ministry said the number of officially registered unemployed in 2009 will not exceed 2.2 million.

18 March 2009 Rosstat states that the number of civil servants in Russia has almost doubled over the past 10 years. Currently there are almost 900,000 people employed in positions in state power and civil service. The number of officials in regional authorities over these years has more than doubled, while the number of officials working in federal services has grown by more than 50 per cent.

18 March 2009 Russia's chief public health official Gennady Onishchenko says that 43.3 per cent of surface water sources do not meet sanitary requirements; 27.6 per cent do not have the necessary purification facilities.

18 March 2009 The Chairman of the Investigations Committee under the Prosecutor General's Office Aleksandr Bastrykin says that law-enforcement bodies have succeeded in decreasing the rate of terrorist and extremist crimes in the North Caucasus by more than 40 per cent. He makes the statement at a conference in Nalchik which summed up the work by investigative bodies of the North Caucasus region in January -February 2009.

18 March 2009 The deputy Russian defence minister for armaments, Army General Vladimir Popovkin, says that the pace of procurement of new weapons and military equipment for the Russian army will sharply increase starting from as early as 2009. He says: "Starting from 2009, we are changing the structure of spending on weapons and military equipment in favour of buying new models instead of repairing old systems."

18 March 2009 The Vladivostok branch of the CPRF and the Association of Citizens of Initiative deny media reports and accusations by Duma deputies from YR and the LDPR alleging that recent protests in Maritime Territory against a rise in car import duties were financed from abroad.

18 March 2009 Large-scale tactical exercises begin in Kemerovo Region. These are, in effect, the first manoeuvres to be held as part of the military reform, and are the first test of the new command system of military district, army and brigade. The main goal is to establish how quickly subunits can be made combat-ready.

18 March 2009 Prime Minister Vladimir Putin says an integrated structure will be set up in the rocket and space industry. He says: "We have plans to set up 15 integrated structures by 2015. Five structures have, in fact, already been set up; ten are being established." He says the financial crisis will not affect this process.

19 March 2009 Vladimir Putin warns that the nation's budget deficit this year would amount to 7.4 per cent of GDP, or R3 trillion. He says that the budget deficit figure is almost 50 per cent of the budget revenue.

19 March 2009 The deputy head of the General Staff of the Armed Forces, Colonel-General Vasily Smirnov, denies media reports about the allegedly forthcoming reassignment of the GRU to the Foreign Intelligence Service.

19 March 2009 A bill on selecting regional governors passes its second reading in the Duma. Under this bill the party which wins a regional election is to propose to the president three candidates for governors.

Drugaya Rossiya criticizes the initiative of Sverdlovsk Region governor Eduard Rossel to extend the gubernatorial term in office to 6 years and calls for restoring direct gubernatorial elections.

19 March 2009 The official websites of the Russian government (www.government.ru) and the prime minister (www.premier.gov.ru) have posted a complete text of the "Programme of anti-crisis measures by the Russian government for 2009." The document will be soon submitted for consideration to the Duma together with the bills on amendments to the federal budget and the budgets of state non-budget funds for 2009. The document will also be offered for a wide discussion with participation of political parties, the Public Chamber, experts, business circles and trade unions in the subjects of the Federation and the federal districts.

Finance Minister Aleksey Kudrin and Economic Development Minister Elvira Nabiullina hold news conferences following the government meeting that approved the draft amendments to the 2009 federal budget as well as a draft anti-crisis programme.

Kudrin announces that the new federal budget revenue target would decrease by 27.6 per cent compared with that in the original budget, while planned expenditure would rise by 28.1 per cent. (According to Interfax, the new figures are R6,713.6 billion (\$201 billion) and R9,692.0 billion (\$290 billion) respectively, with the almost R3,000 billion deficit to be covered from the Reserve Fund.) Kudrin also announces that the government does not plan to nationalize the heavily indebted aluminium company Rusal or rescue key private companies in the civilian sector.

Kudrin says that the reduction in federal budget spending on defence will not affect the items in the budget related to combat training and arms supply. He says that cuts would mainly affect "technical spending" on things such as, for example, maintenance of military towns and other items related to day-to-day maintenance of the army. He says that in the adjusted budget for 2009 spending on the purchase and repair of arms and research and design works has practically not been cut. The government has also not cut spending on programmes related to space and the development of the Glonass system.

Economic Development Minister Elvira Nabiullina says that Russian exports had fallen by 35 per cent in last six months of 2008, while over the past three years Russian company debt had risen from \$175 billion to \$500 billion. She says that according to government forecasts, the Russian economy will shrink by 2.2 per cent in 2009, while capital outflow will reach \$80 billion.

19 March 2009 The deputy chief of the General Staff, Colonel-General Vasily Smirnov, says the Armed Forces will draft 305,000 conscripts this spring. This draft will be the largest in terms of the number of conscripts. Smirnov says that the large-scale reform of military conscription offices in all the regions of Russia will be completed by 1 April, by the beginning of the spring call-up.

An article from RIA Novosti by Sergey Safronov entitled "The Russian Navy's Submarine Fleet Has Sixty Nuclear and Diesel Submarines" outlines the current state of the Russian Navy's submarine force.

A *Novyy Region* correspondent reports that under Russia's budget plan for 2009,

spending on applied scientific research in the field of Russian defence is to be slashed by a total of R13.878 billion (around \$415 million).

20 March 2009 Colonel General Vasily Smirnov says five combat-ready combined arms brigades have been created as part of Russia's military reforms. There are five such brigades formed in compliance with a new image, including the 74th motorized infantry brigade in the Siberian Military District which is currently undergoing experimental exercises to test the efficiency of the organizational structure. A greater part of all divisions are to be transformed into brigades by 1 July 2009 with the entire process due to be completed by 1 December 2009.

20 March 2009 The Ministry for Trade and Economic Development says that the economic decline, which started in Russia at the end of 2008, will accelerate in the first quarter and reach 13.9 per cent, as compared with a 6.2 per cent economic growth in the same period of 2008. In the first two months of 2009, industrial production in Russia has fallen by 14.6 per cent (16 per cent in January and 13.2 per cent in February). In processing industries, the fall in January -February was 21 per cent (24.1 per cent and 18.3 per cent respectively). The ministry predicts a 7.4 per cent economic fall in 2009, compared with 2.1 per cent growth in 2008. The ministry predicts that in the first quarter GDP will fall by 7.2 per cent, as compared with a record-breaking growth of 8.5 per cent in 2008. On average, GDP will fall by 2.2 per cent in 2009, as compared with 5.6 per cent growth for 2008. Inflation for 2009 will be 13-14 per cent, the same as in 2008 (13.3 per cent). According to data available as of 17 March, prices have gone up by 4.7 per cent since the beginning of the year. In the first quarter people's incomes will fall by 11.2 per cent as compared with an 8 per cent growth in 2008.

20 March 2009 Prime Minister Vladimir Putin meets Dagestani President Mukhu Aliyev in Moscow. They discuss the economic situation in Dagestan.

20 March 2009 First Deputy Prime Minister Igor Shuvalov says that the crisis in Russia has practically reached the lowest point and urges businesses to use this opportunity to re-orientate the Russian economy towards internal demand.

20 March 2009 The Duma passes a bill in its first reading permitting local deputies to sack mayors of cities.

21 March 2009 Deputy Prime Minister Dmitry Kozak is interviewed on *Vesti TV*. He says that the government will fully honour its social obligations. He discusses the anti-crisis programme approved by the government on 20 March.

21 March 2009 Dmitry Medvedev signs a decree accepting the resignation of Murmansk Region governor Yury Yevdokimov. Medvedev nominates Dmitry Dmitriyenko as Yevdokimov's successor.

21 March 2009 Lieutenant-General Vladimir Shappo, head of the Main Military Medical Directorate of the Russian Defence Ministry, discusses the Russian military medical care system on *Ekho Moskvy*. He says that the Russian armed forces have over 160 hospitals, more than 120 dispensaries and clinics and over 40 health resorts. He says that these numbers used to meet demand throughout all the previous years. The overall number of military health professionals is about 15,000.

He says that only 37 per cent of conscripts are fully fit for service, whereas "ten years ago the figure was 50 per cent."

21 March 2009 Lyudmila Alekseyeva, head of the Moscow Helsinki Group says

that the authorities should intensify the fight against xenophobia.

21 March 2009 Deputy Prime Minister Sergey Ivanov says there will be no major cuts in the 2009 budget approved by the government on 19 March.

21 March 2009 The prime minister's press secretary Dmitry Peskov says that problems facing Russia in view of the world crisis are quite serious but the country's economic potential will allow it to avoid the most negative consequences.

22 March 2009 An unauthorized protest rally against corruption is held by the activists of a youth organization "The 17th Carriage" in central Moscow. About 50 people take part.

22 March 2009 Anatoly Chubays, head of the Rosnano corporation, says that forecasting the dates of the end of the economic crisis is premature so far. He says Russia has \$480 billion left of reserves.

23 March 2009 Vladimir Putin warns of the danger of "scum" competing in the Sochi mayoral elections, due to be held on 26 April.

Sochi mayoral candidate Boris Nemtsov claims he was attacked with ammonia by some Nashi members in Sochi.

23 March 2009 First Deputy Prime Minister Igor Shuvalov says in Sochi that the state will allocate R10.5 billion for the support of small and medium-sized businesses. He attends a meeting entitled "On implementing anti-crisis measures to support small and medium-sized businesses" in Sochi.

23 March 2009 The president of the Chechen Republic, Ramzan Kadyrov, states that the issue of the Chechen Republic's unity with Russia has been solved once and for all. He is referring to the approval of the constitution in Chechnya by referendum on 23 March 2003.

23 March 2009 Vice Admiral Oleg Burtsev, deputy chief of the Navy Main Staff is reported in *Gazeta* as saying that the Naval Strategic Nuclear Forces will be retained in the future within the nuclear triad of Russia's Armed Forces, although the role of tactical nuclear weapons on multirole nuclear submarines will increase.

24 March 2009 Dmitry Medvedev outlines his intention to create a vertical chain of strategic planning under the leadership of the head of state at a meeting of the Security Council:

I expect that the creation of such a system, a comprehensive system of strategic planning will contribute to close coordination between the federal centre, between the constituent parts of our country, regions, municipalities and civil society on the whole. In effect we are taking about forming a vertical chain of strategic planning under the leadership of the head of state. Planning like this must rely on a clear regulatory basis.

24 March 2009 Security Council Secretary Nikolay Patrushev gives a speech at the Security Council on the draft of the new national security concept which is to replace the 2000 concept. He states:

It is proposed that the following four documents be presented to the president this year for approval: the national security strategy of the Russian Federation for the period up to 2020, the military doctrine of the Russian Federation, the food security doctrine of the Russian Federation for the period up to 2020, the

24 March 2009 YR nominates Anatoly Pakhomov as its candidate for the Sochi mayoral elections.

24 March 2009 Presidential press secretary Natalya Timakova says that Dmitry Medvedev as well as top officials of the presidential administration will submit declarations of income and property to the tax authorities by 1 April. The prime minister's press secretary Dmitry Peskov says that Prime Minister Vladimir Putin and other members of the cabinet will also submit declarations of income and property by 1 April.

24 March 2009 First Deputy Prime Minister Igor Shuvalov says it is necessary to reorganize the work of the bureaucratic machine so that the government would be able to faster prepare the documents needed to fight the crisis. He says that the government has not implemented many anti-crisis measures because the bureaucratic machine did not make it possible to do so quickly.

24 March 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says that the federal budget revenues in 2010 and 2011 will be roughly a third lower than was planned. This is similar to 2009. He forecasts a second wave of problems in the Russian banking system triggered by the difficulties besetting debtor enterprises.

First Deputy Prime Minister Shuvalov says that the state has reserved over R200 billion (\$5.9 billion) to support Russian banks if a second wave of crisis occurs.

24 March 2009 Regional Development Minister Viktor Basargin says that half of Russian towns and districts have been hit seriously by the economic crisis. He says to the Duma:

There are towns and districts where the situation remains stable, and they account for about 10 per cent of all. In some municipalities - about 40 per cent - the crisis has affected the real sector of the economy and the social sphere but it can't provoke irreversible changes. The third group is made up of smaller towns and districts - at least 50 per cent - which have already suffered considerably from the crisis.

He says that "single industry towns" which produce a considerable part of GDP, up to 40 per cent, have suffered the most from the crisis.

24 March 2009 The general director of the Agency for Political and Economic Communications, Dmitry Orlov, says that criticism of the federal centre's regional policy by the leader of Bashkortostan is an example of tentative resistance on the part of regional elites to attempts to establish the rule of law in the division of authority in power structures of all levels.

24 March 2009 The acting interior minister of Dagestan, Magomed Gazimagomedov, says at a session of the Dagestan Security Council that the situation in a number of mountainous districts of Dagestan remains complicated due to the activity of militants.

25 March 2009 Interfax reports a source in the presidential administration as saying that the Kremlin has confirmed the plans to complete the counterterrorist operation in Chechnya but has not given any specific dates for it. He is commenting

on reports that Chechen President Ramzan Kadyrov had given specific dates for when the counterterrorist operation would be officially declared over, 30-31 March.

25 March 2009 The first deputy chairman of the Russian Central Bank, Aleksey Ulyukayev, says the Russian banking system has good prospects for 2009 in terms of liquidity. Ulyukayev also says that the Russian Central Bank had revised its capital flight forecast for 2009 to below the current figure, at \$90 billion.

25 March 2009 Vladimir Putin says that by mid-March the number of registered unemployed reached 2.6 per cent of the economically active population, or about 2 million people, while another 1.14 million were sent on compulsory leave or had to work part time. About 560,000 people face redundancies.

25 March 2009 First Deputy Prime Minister Igor Shuvalov meets Far East governors in Khabarovsk. He discusses the government's anti-crisis programme. He says the main priority for the cabinet of ministers is social stability and preserving the labour market, as well as developing infrastructure and industrial potential. He says the state budget has been increased by more than R600 billion (about \$17.8 billion) compared with 2008. Up to R300 billion will be allocated to support the regions.

An Interfax report states that the government's and the central bank's anti-crisis measures for 2009 are worth R3,664.4 billion, or 9.1 per cent of GDP. Of this sum, R500 billion will be spent by the central bank to inject liquidity into the banking system. The Finance Ministry expects a net capital outflow in 2009 of \$83 billion. The country's currency reserves are expected to shrink by \$88 billion. Corporate debt is one of the major factors contributing to capital outflow. Economic Development Minister Elvira Nabiullina states: "Over the past three years our enterprises' and banks' external debt has increased from \$175 billion to almost \$500 billion. Payments in relation to these debts will have to be made this year as well, and capital outflow will largely be determined by this." According to the central bank, capital outflow for January and February 2009 was \$33.5 billion. Finance Ministry data states that on 1 January 2010 Russia will have R1,867.5 billion in the Reserve Fund and R2,774.6 billion in the National Wealth Fund, down from R4,413.9 billion and R2,951 billion on 1 January 2009 respectively.

Deputy Prime Minister Sergey Sobyenin says that the difference between federal budget incomes and outgoings is predicted to be R3,000 billion in 2009. The 2009 budget deficit will be 8 per cent. Sums from the reserve fund will be used to cover the deficit. He says: "The year 2009 is not the last in which the crisis will be growing. In 2010 we will also have problems forming our budget and we have to rely on our own resources." Sobyenin announces that the federal government has already taken a number of anti-crisis measures. In particular, over 10 solutions have been adopted to reduce the tax burden on businesses, and their cost to the budget this year has exceeded R400 billion. A list of systemically vital enterprises has been compiled which contains over 200 at federal level and over 1,000 at regional level. Provision has been made in the budget for about R300 billion in state guarantees for these businesses.

25 March 2009 The president of the Chechen Republic, Ramzan Kadyrov, has said that there are practically no Chechens left in illegal armed formations. He says that there may be 50 to 70 people in illegal formations. "The republic is actually one of the quietest regions of the country and today we can even share, with other regions, expertise in this fight." He says that one of the former leaders of the so-called Ichkeria, Akhmed Zakayev (now living in London), and other Chechen separatists hiding abroad are ready to return to Chechnya. He says that "they are ready to discuss everything and come to us, sit down with us and serve the Chechen

people...They are speaking our language. This is a great victory."

25 March 2009 The Murmansk Region Duma confirms Dmitry Dmitryenko as governor.

25 March 2009 The Ministry of Finance information prepared for the discussion of budget amendments in the Federation Council says the adjusted draft budget for 2009 envisages cutting national defence spending in 2009 by R139.7 billion compared to the already approved expenditure. According to the amendments, national defence spending for 2009 will amount to R1,179 billion instead of the approved R1,336 billion. However, even taking this correction into account, defence spending will increase compared to the 2008 figure of R1,041 billion.

25 March 2009 Internal Troops Commander Army General Nikolay Rogozhkin says the current financial and economic crisis will not affect the financing of the Interior Ministry's Internal Troops, nor will it diminish their combat readiness. The total strength of the Interior Ministry's Internal Troops is 170,000.

26 March 2009 The Head of the FSB Aleksandr Bortnikov says the threat of terrorism in Russia remains and calls for rooting out the ideology of terror from people's consciousness. He addresses a meeting with the heads of counterterrorism commissions and headquarters of the Northwest Federal District in St Petersburg.

26 March 2009 Chechen President Ramzan Kadyrov says that:

There is information that by the end of this month all the restrictions that have been imposed on us will be lifted and they will also be lifted regarding this issue - supposedly a counter-terrorist operation is being carried out here, it has ended a long time ago but on paper it still exists. I think that on 30 or 31 March all this will be closed down and we will have a functioning airport and we will have functioning customs - we will be like a normal constituent part of the Russian Federation.

The speaker of the Duma, Boris Gryzlov says that the situation in the region has become perfectly ripe for this, and that he supports the initiative of the republic's leadership to end the operation.

Federation Council member Aslambek Aslakhanov, a former presidential adviser and former member of the Duma from Chechnya, says that there is every reason to declare the end of the counterterrorism operation in Chechnya. He says that there are no more organized terrorist groups in Chechnya.

26 March 2009 Konstantin Vyshkovsky, director of the Finance Ministry's international financial relations, state debt and state financial assets department, says that Russia's foreign debt stood at around \$40 billion on 1 March. This is 3 per cent of GDP. He says that about \$20 billion will be spent on foreign debt payments over the next three years.

26 March 2009 Prime Minister Vladimir Putin signs a resolution on measures of state support for firms in the military-industrial complex. This year, an additional R15 billion (around \$449 million) is envisaged for subsidizing loans to firms in the sector.

26 March 2009 On *Zvezda* TV Nikolay Pankov, state secretary - deputy defence minister says the MOD has a plan to get, from all sources, around 45,000 flats in 2009. Over 90,000 officers requiring permanent accommodation will solve their

problems in the next two years - the MOD plans to provide all those who are being discharged into the reserve with personal flats by the end of 2010.

26 March 2009 Aleksandr Sorochkin, head of the Military Investigations Directorate of the Investigations Committee under the Russian Prosecutor-General's Office, says the total amount of losses from corruption involving Russian servicemen in 2008 increased eightfold in 2008 and exceeded R2 billion (around \$59.3 million). He says that the central staff of the directorate has completed the investigation into 13 criminal cases against senior officers, 10 of which were submitted to court. The losses caused for the state in these cases exceeded R350 million. However, 70 per cent of this amount was compensated before court hearings. Sorochkin says at the same press conference that 18,000 crimes were committed by servicemen in 2008, which is 9 per cent more than in 2007. This is the largest number of crimes compared to any other law-enforcement agency.

26 March 2009 An adviser to the defence minister, Yekaterina Priyetzheva says that more than 60,000 officers due to be discharged during the reform of the Russian army are serving in 11 regions of the Russian Federation. According to the Defence Ministry, the regions where the largest numbers due to be discharged are based include Moscow Region (16,571 people); Moscow (12,074); Maritime Territory (6,362); St Petersburg (5,826); Murmansk Region (5,140); Krasnodar Territory (4,361); Nizhny Novgorod Region (3,792), Leningrad Region (3,534); Transbaykal Territory (3,503); Arkhangelsk Region (3,089); and Khabarovsk Territory (3,025). This amounts to 57.3 per cent of the total number of officers being discharged. The Defence Ministry said that some 17,000 servicemen had been discharged in January -March 2009.

27 March 2009 Dmitry Medvedev discusses the situation in the North Caucasus with the director of the FSB Aleksandr Bortnikov. He instructs Bortnikov to consider at a meeting of special services lifting the counter-terrorist operation regime in Chechnya. He states:

Given that the situation concerning the Chechen Republic has to a substantial degree normalized, life there is becoming normal, modern facilities are being built, social issues are being addressed, I think that it is necessary to consider the issue of the legal regime of the counter-terrorist operation, which is in place on the territory of the Chechen Republic, at a sitting of the National Anti-terrorist Committee, which you head owing to your post, and to take the necessary decision.

Bortnikov responds:

Indeed, the situation on the territory of the Chechen Republic is normalizing. Executive bodies and the law-enforcement system have been quite efficient in recent times. I am sure that lifting the overall regime of the counter-terrorist operation in the Chechen Republic would facilitate further normalization of the situation, investment, among other things, would create opportunities for more efficient external economic activities. And this legal regime would facilitate the resolution of social and economic problems which we are constantly talking about.

Internal Troops Commander General Nikolay Rogozhkin says that units of the Russian Interior Ministry Internal Troops' temporary force will leave Chechnya only if the country's leadership takes a decision and issues an order to that effect. He is commenting on Chechen President Ramzan Kadyrov's statement that the counterterrorist operation may be officially ended on 30-31 March.

27 March 2009 The Government Staff structure is reorganised. Supervisory functions and regional development will be the responsibility of Deputy Prime Minister Sergey Sobyenin; planning the government's work and preparation for meetings of the cabinet and its presidium will be the responsibility of Kirill Androsov, deputy head of the Government Staff. Sobyenin has transferred the department for supervision and verification of cabinet decisions into his duties. Until the beginning of 2009 it was overseen by his former deputy Mikhail Kopeykin, who has left for Vneshekonombank. Sobyenin has also obtained the department for state government, regional development and local self-government. A set of functions regarding planning the government's work and preparing meetings of the cabinet and its presidium has been handed over to Androsov. It had earlier also been the responsibility of Kopeykin. Androsov is now also assigned to the financial-economic and social departments, and is responsible for the work of the prime-minister's office. He continues to oversee the key issues of state property management, the energy sector, natural resources, industry, transport and communications. The training of administrative personnel and the formation and use of the federal personnel reserve is also Androsov's responsibility. Dmitry Ryzhkov, another deputy head of the Government Staff, who has "lost" regional development, has "inherited" from Kopeykin the government department for document management and archives. The functions of Igor Borovkov, head of the military-industrial commission staff; Dmitry Peskov, spokesman for the prime minister; Anton Vayno, the prime-minister's protocol chief; and Yury Ushakov, a former ambassador to the United States - all four are Sobyenin's deputies - remain unchanged.

27 March 2009 The Duma passes at the first reading a presidential draft bill which will allow parties that do not break the seven-per-cent barrier at elections into parliament. According to the draft law, before seats are distributed between parties that have overcome the seven-per-cent threshold in the federal parliament elections, "a certain number of deputies' seats will be given to the federal lists of candidates that won less than seven but not less than five per cent of votes in the State Duma election". If a party wins five to six per cent of votes, it will get one seat, and if six to seven per cent - two seats.

27 March 2009 *Ekho Moskvy* reports that Russia will create a conventional force in the Arctic, which will ensure the country's security in the Arctic Ocean. The Security Council website has published a document presenting the main provisions of Arctic security.

An article in *Kommersant* (Mikhail Zygar, "The North Pole Is Turning Into a Hotspot: Russia Is Prepared To Create Arctic Troops") analyses Russian plans for Arctic security.

27 March 2009 Viktor Chuyko, president of the Union of Aero Engine Manufacturers says that production in Russia's aero engine manufacturing industry grew only slightly in 2008. The growth of industrial output in the sector in 2008 was 2.1 per cent above that of 2007. In 2007, on the other hand, the figure stood at 6.3 per cent. The Union groups together 105 engine manufacturing companies in Russia, the CIS countries and beyond. According to Chuyko, a fall in production was noticed in December 2008. Output was 89.7 per cent of the December 2007 level. What is more, growth in 2007 totalled 16 per cent. The industry's workforce grew by 0.6 per cent during the year, and average monthly earnings increased by 20.6 per cent to R17,480 (about \$513).

27 March 2009 The head of the Ministry of Regional Development Viktor Basargin says many Russian regions will have a shortfall of up to 70 per cent of their

revenues in the first quarter of 2009.

27 March 2009 Vladimir Putin meets the heads of various Duma factions at Novo-Ogarevo to discuss anti-crisis action.

27 March 2009 A working meeting of Chechen President Ramzan Kadyrov and Sergey Lavrov takes place in Moscow. Russia's representative in the Organization of the Islamic Conference, Kamil Iskhakov, and the representative of the Republic of Chechnya in the Federation Council, Ziyad Sabsabi, also take part in the meeting. Kadyrov informed Lavrov in detail about the situation in Chechnya, the progress of the restoration of the economy and the social sphere.

28 March 2009 The CPRF leader Gennadiy Zyuganov is interviewed on Rossiya TV on the "Vesti on Saturday" programme.

28 March 2009 Two regional leaders of the Russian People's Democratic Union headed by former Prime Minister Mikhail Kasyanov are detained in Tula.

28 March 2009 Presidential aide Arkady Dvorkovich says the "bottom" of the economic crisis in the Russian Federation will be reached after the peak of Russian companies' credit defaults: "So far we are analysing the information that we have received from the banks. It is clear that we have not reached the peak of credit defaults...When the restructuring of debts is over, then we will be able to speak about the peak having been reached."

28 March 2009 Dmitry Medvedev submits to the Duma for ratification a (revised) European Social Charter of 3 May 1996, which was signed on behalf of the Russian Federation in Strasbourg on 14 September 2000. Medvedev decrees the appointment of Health and Social Development Minister Tatyana Golikova as his official representative during the consideration of the possibility of ratifying the charter by the Federal Assembly chambers.

29 March 2009 Dmitry Medvedev is interviewed by the BBC (the Andrew Marr show).

29 March 2009 Deputy Prime Minister Sergey Sobyenin is interviewed on *Vesti Nedeli*. He says that relations between the centre and the regions are going through a period of crisis because of the financial crisis. He says that "as regards the revenue part of the budget the regions have lost no less than the centre, i.e. between 20 and 40 and in some regions up to 50 per cent of their revenue".

29 March 2009 A detachment of the Pacific Fleet ships headed by the Udaloy class destroyer *Admiral Panteleyev* leaves Vladivostok for the Gulf of Aden.

30 March 2009 Dmitry Medvedev meets the head of Interros, Vladimir Potanin. Medvedev says that the anti-crisis programme drawn up by the government should cover more than just the current year; measures for the future should also be provided for.

30 March 2009 Vladimir Putin visits the AvtoVAZ car factory in Tolyatti. He says the government has decided to allocate R700 million (about \$20.5 million) to protect jobs. The government of Samara Region is also allocating some money. The government will also allocate R300m to develop small and medium entrepreneurship. Putin says that there will be no closures at AvtoVAZ.

Industry and Trade Minister Viktor Khristenko says that in 2009, the car market may fall by up to 60 per cent against 2008.

30 March 2009 Presidential aide Arkady Dvorkovich says that despite falling investment as a result of the crisis, the authorities are not going to change their plans to liberalize the gas market.

30 March 2009 The Federal Financial Markets Service says that the United Shipbuilding Corporation, based in St Petersburg, has finished placing an additional issue of its shares. This is the final stage of the corporation's formation process.

30 March 2009 Deputy Prime Minister Igor Sechin has been made head of the government commission on the development of the metal industry. Its members include OK Rusal director-general Oleg Deripaska; chairman of the Evraz Group board of directors Aleksandr Abramov; Mechel director-general Igor Zyuzin; chairman of the board of directors of Novo-Lipetsk Metal Combine Vladimir Lisin; Severstal director-general Aleksey Mordashov; chairman of the board of directors of TMK (Pipe Metal Company) Dmitry Pumpyansky; Magnitogorsk Metal Combine president Viktor Rashnikov; chairman of the board of directors of OMK (Amalgamated Metal Company) Anatoly Sedykh; director-general of Norilsk Nickel Vladimir Strzhalkovsky; a major shareholder in the Metalloinvest holding company, Alisher Usmanov; director-general of Urals Mining and Smelting Company Andrey Kozitsyn; and director-general of Rostekhnologii Sergey Chemezov.

30 March 2009 The head of the Internal Troops' press service, Vasily Panchenkov says around 20,000 servicemen of the Internal Troops will be withdrawn from Chechnya if the regime of a counterterrorist operation in the republic is lifted.

30 March 2009 The former commander of the Russian Northern Fleet, Admiral Vyacheslav Popov, says that when Russia creates a disposition of forces in the Arctic, it is the border guard component that will be strengthened in the first place. He also states:

Given that the issue of developing Arctic regions and delimitating the borders of the continental shelf is becoming increasingly more topical, it would make sense to return to the matter of establishing a regional border guard unit. The military grouping will be set up on the basis of the Northern and Pacific Fleets present in that region and the military districts that border the Arctic Oceans.

31 March 2009 The General Staff states that four key generals of the Armed Forces have been dismissed from military service. They are: Army General Vladimir Popovkin, deputy defence minister for armaments; Army General Nikolay Pankov, state secretary and deputy defence minister; Colonel-General Vasiliy Smirnov, deputy chief of the General Staff of the Russian Armed Forces and chief of its Main Organization and Mobilization Directorate; and Colonel-General Mikhail Vozhakin, head of the Defence Ministry Main Personnel Directorate. The generals are dismissed from the Armed Forces but will hold their posts as civilians.

31 March 2009 A group of unidentified persons attacks human rights campaigner and leader of the For Human Rights movement Lev Ponomarev in Moscow.

31 March 2009 The president of the Russian Union of Industrialists and Entrepreneurs, Aleksandr Shokhin, says he thinks that it would be reasonable if the second trial of ex-Yukos head Mikhail Khodorkovsky is heard by a jury.

31 March 2009 The National Antiterrorist Committee apparatus says that the issue of the possibility of lifting the regime of the counterterrorist operation in Chechnya

will be developed by the apparatus of the National Antiterrorist Committee together with the other security agencies and will be submitted for the consideration of the head of state.

The National Antiterrorist Committee apparatus together with the Russian Interior Ministry, the Federal Security Service, the Defence Ministry and the other relevant federal executive agencies have been instructed to draft and to submit for the Russian president's consideration proposals on bringing the system of how security resources to locate and prevent militant groups' criminal activity are organized and managed in the Chechen Republic in line with the practice established in other constituent parts of the Federation and the existing legal and regulatory base.

An MOD source says that the Vostok and Zapad battalions of the General Staff's Main Intelligence Department (GRU) special task force, which are stationed in Chechnya, will be dissolved when the counterterrorist operation in Chechnya ends. Their staff will go to motorized brigades created on the basis of the 42nd motorized division, which is stationed in the Chechen Republic on a permanent basis.

The Chechenpress website reports that the Chechen separatist prime minister, Ahmed Zakayev, backs the idea of ending the counterterrorism operation in Chechnya.

Leader of the movement For Human Rights Lev Ponomarev says that he fears that the human rights situation in Chechnya may deteriorate if the counterterrorist operation in the republic is lifted.

31 March 2009 The head of the FSB, Aleksandr Bortnikov says that 35 terrorist attacks have been detected and prevented in the North Caucasus this year.

31 March 2009 Dmitry Medvedev submits declarations of income and property for himself, his wife Svetlana and his son Ilya, who is under 18, to the Federal Tax Service.

31 March 2009 The first deputy head of Gazprom's Management Committee, Aleksandr Medvedev, confirms that the project for the construction of the Nord Stream gas pipeline to transport Russian gas to EU countries will be implemented according to plan.

31 March 2009 The Deputy minister of Economic Development Andrey Klepach says that the Ministry of Economic Development does not agree with the World Bank's assessment of the depth of the 4.5-per-cent plunge of the Russian economy in 2009 and keeps its forecast of 2.2 per cent. On 30 March the World Bank published its 2009 economy forecast in which it said the Russian economy would shrink by 4.5 per cent.

31 March 2009 Deputy Prime Minister Sergey Ivanov attends a sitting of the government commission on transport. He says the absence of compact and competitive end-user equipment makes it impossible to widely use the Glonass system.

31 March 2009 The deputy chief of the General Staff of the Armed Forces, Vasily Smirnov, says that over 305,506 people will be drafted this spring. Smirnov says that from 1 April 2009 the military commissariats of the constituent parts of the Russian Federation will have four military posts each, while the district military commissariats will have just one military post each. The rest of the posts will be civilian. According to General Staff figures, in January 2009 there were 207,000

contract servicemen in the Armed Forces. Smirnov says there is a drop in the number of draft dodgers, from over 28,000 in 2001 to 5,300 in 2008.

31 March 2009 Milana Yamadayeva, the wife of Sulim Yamadayev, the former commander of the Vostok battalion who was allegedly assassinated in Dubai on 28 March, states that her husband is alive and in hospital.

RUSSIAN FOREIGN POLICY: A CHRONOLOGY

JANUARY - MARCH 2009

1 January 2009 Gazprom completely stops gas supplies to Ukraine from 1000 Moscow time (0700 gmt). Gazprom Head Aleksey Miller states: "Because Ukraine has turned down our proposal on preferential terms in the supply of gas in 2009 at the price of \$250 [per 1,000 cubic metres], Gazprom will supply gas to Ukraine from January at the European market price of \$418 per 1,000 cubic metres."

A deputy speaker of the Duma from the Spravedlivaya Rossiya faction, Aleksandr Babakov, says that the decision is a forced measure but it is legitimate.

1 January 2009 The Foreign Ministry (MFA) expresses extreme concern over the situation in Gaza.

Russia's permanent representative at the UN Vitaly Churkin says Russia has called on Israel to immediately provide corridors for the evacuation of Russian citizens and citizens of other countries from the Gaza Strip.

2 January 2009 The Greek government gives the Russian Navy permission to conduct exercises in Greek territorial waters. The exercises take place on 3-4, 8-11

and 16 January.

2 January 2009 Gazprom accuses Ukraine of "stealing" gas intended for transit to European consumers and of "evading" talks on a new gas supply agreement with Russia. Gazprom spokesman Sergey Kupriyanov says:

As you know, the management of NAK Naftohaz Ukrayiny has officially and publicly announced that it would tap 21 million cubic metres of gas from the transit amounts. Thus, the Ukrainian side openly admits that it is stealing gas and is not embarrassed by that. The relevant documents on gas tapped from the transit routes for technological needs amounting to 21 million cubic metres have been received. We are therefore redirecting, increasing the supply of gas along other routes, for example, Belarus.

As of today, the main news is the following: the Ukrainian side has not agreed the amount of transit for the coming 24 hours that we need. We placed an application for 303 million cubic metres. It was refused and the application was met only for 296 million cubic metres. As you are also aware, independent observers from the SGS company have still not been given access to gas metering stations on the territory of Ukraine.

Aleksandr Medvedev, deputy chairman of the Gazprom Management Committee, says that Balkan countries affected by the Russia-Ukraine gas dispute should try to influence Ukraine.

Vladimir Chizhov, Russia's permanent representative to the EU, says that Russia sees no need for mediation by the EU on the Russia-Ukraine gas issue. Chizhov says that Russia will keep the EU fully informed about the Russian efforts to resolve the issue as soon as possible. Gazprom therefore plans to send a delegation to Brussels.

2 January 2009 The Emergencies Ministry sends humanitarian aid for the population of the Palestinian territories. Two Il-76 cargo planes fly to Gaza.

2 January 2009 The chairman of the Duma international affairs committee, Konstantin Kosachev, says that he thinks the Obama Administration will in the long-term move to pursue a more positive foreign policy.

3 January 2009 Gazprom says it will sue NAK Naftohaz Ukrayiny in the international court of arbitration in Stockholm in a bid to force it to ensure unimpeded transit of Russian gas to Europe through Ukraine.

3 January 2009 Dmitry Medvedev and Syrian President Bashir al-Asad discuss the Gaza crisis by telephone.

4 January 2009 Gazprom head Aleksey Miller says that the price of gas for Ukraine has now gone up to \$450 per 1,000 cubic metres, from previous "concessionary" offers. He says Gazprom previously offered to supply Russian gas at \$250 per 1,000 cubic metres, and then to supply Central Asian gas at \$370, and then to supply gas at the European average of \$418.

Gazprom spokesman Sergey Kupriyanov says Ukraine has not fully cleared its debt for the gas supplied in 2008, which currently amounts to \$614 million. He also says Ukraine has stolen 25 million cubic metres of gas, as in the past 24 hours Gazprom supplied 295 million cubic metres of gas for entry into Ukraine's gas transit system, but on exit, just 270 million cubic metres. He states:

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Altogether, through Ukraine's fault, European consumers received 50 million cubic metres less gas in the past 24 hours. In this connection, Gazprom is supplying extra gas through other routes - via Belarus and via the Blue Stream gas pipeline. Given the increase in applications from European consumers, a slightly larger quantity of gas, 308 million cubic metres, will also be sent via Ukraine in the next 24 hours.

A representative of Gazprom's Balkan dispatch centre, Igor Yelkin, says consumers in the Balkan region have been undersupplied by more than 21 million cubic metres of gas between 1 and 3 January.

The president of the Russian Gas Society and deputy chairman of the State Duma, Valery Yazev, says Russia is asking European gas companies to work out a common opinion on illegal siphoning of gas by Ukraine and communicate it to the governments and citizens of the European Union.

Aleksandr Medvedev, deputy chairman of the Gazprom Management Committee visits the Czech Republic. He states: "We hope that the Czech Republic as the EU presiding country will be able to use its influence so that Ukraine, first, returns to the negotiating table and second, does so with reasonable perceptions of what is possible and what is impossible."

Gazprom refutes statements by Naftohaz to the effect that the gas transit agreement between Russia and Ukraine does not exist. Gazprom spokesman Sergey Kupriyanov states:

The transit contract does exist, its commercial terms have been agreed for the period up to the end of 2010 and not acknowledging this fact is the same as calling white black and vice versa. The transit tariff rate we are paying to Ukraine is not only within market terms, in many cases the rate we are paying to Ukraine considerably exceeds the rates we are paying to the Czech Republic, Slovakia, Austria or Italy. This is another obvious fact Ukraine does not want to acknowledge.

4 January 2009 President Dmitry Medvedev has a telephone conversation with Israeli Prime Minister Ehud Olmert. They discuss the situation in the Gaza Strip.

Deputy Foreign Minister Aleksandr Saltanov, presidential special envoy to the Middle East, leaves for the Middle East. He will meet the Israeli leadership, hold talks in the Palestinian territories and visit Syria and Jordan.

The MFA says it is seeking a ceasefire in the Gaza strip.

5 January 2009 Prime Minister Vladimir Putin orders Gazprom to reduce gas deliveries to Europe via Ukraine by the amount the latter is accused of siphoning from transit pipelines. He says this during a meeting with Gazprom Head Aleksey Miller. Miller announces that Georgia is now "ready to resume gas deliveries to South Ossetia".

The press directorate of Gazprom announces that the retention of gas on the territory of Ukraine could lead to falling revenues for Gazprom.

Gazprom spokesman Sergey Kupriyanov that Naftohaz Ukrayiny has sent no confirmation that it is piping gas to Europe in transit.

Deputy chairman of Gazprom's management committee Aleksandr Medvedev and

French Economy Minister Christine Lagarde have talks in Paris. Medvedev says that Gazprom will do everything possible to ensure gas is supplied to its European customers.

Gazprom states that countries in Eastern Europe have received 50m cubic metres less gas, through Ukraine's fault, in the past 24 hours. Greece announces that supplies of Russian gas from Ukraine have fallen by a third. The Czech Republic, Turkey, Hungary, Romania and Bulgaria have also reported that gas supplies are falling.

Gazprom says that Naftohaz Ukrayiny refused to accept an additional batch of gas for European consumers on 4 January.

Konstantin Kosachev, the head of the Duma international affairs committee, says Ukraine is abusing its position of a gas transit country in an attempt to secure a favourable gas price for itself.

5 January 2009 Dmitry Medvedev and head of the Palestinian National Authority Mahmud Abbas talk on the phone on the Palestinian side's initiative, to discuss the Gaza crisis.

The special presidential representative for the Middle East, Deputy Foreign Minister Aleksandr Saltanov, meets in Ramallah with the head of the Palestinian National Authority, Mahmud Abbas.

5 January 2009 The MFA say it is satisfied with the ruling by an Estonian court that has acquitted Bronze Soldier defenders. Four ethnic Russians stood trial in Estonia on charges of leading April 2007 riots over the Bronze Soldier monument relocation and inciting racial hatred.

5 January 2009 Defence Minister Anatoly Serdyukov meets his Mongolian counterpart L Bold in Moscow to discuss military cooperation.

6 January 2009 Gazprom Head Aleksey Miller says Ukraine is completely blocking "the Balkan route" for Russian gas transit to Europe and threatens to halt deliveries via Ukraine completely if other routes were to be similarly affected. Miller states: "Ukraine is stealing about 15 per cent of the gas that is being delivered to the border of Russia and Ukraine. Of course, if Ukraine also completely halts deliveries via the western route for consumers in Central and Western Europe, we see no point in delivering gas to the border of Russia and Ukraine."

Deputy Chairman of Gazprom's management committee Aleksandr Medvedev is in London for talks with the British Department of Energy and Climate Change. He says Gazprom will maintain gas supplies to the UK.

Aleksandr Medvedev has talks with the German Minister of Economics and Technologies Michael Glos in Berlin. Medvedev says that Gazprom is being prevented by Ukraine from ensuring the scheduled gas deliveries to Europe and its ability to compensate for the shortfall of gas is "substantially reduced". Medvedev says Gazprom is fully utilizing the alternative means to supply gas to Europe "but unfortunately today we are deprived of the opportunity to compensate for the stolen gas through Ukraine because three trunk gas pipelines have been closed".

Medvedev says that the West could once again use the situation with Russian gas supplies to Europe for anti-Russian purposes. Medvedev says he supports the idea of expanding the system of underground gas storage facilities in Europe. Medvedev says Ukraine's closing three of the four export pipelines early on the morning of 6

January presents a technological threat to the whole gas transport system. Ukraine has closed three of its four export pipes: Urengoy-Pomary-Uzhgorod, Progress and Soyuz. As a result the volumes of gas reaching Europe are now one-seventh of the norm, and the situation continues to deteriorate.

The president of the Russian Gas Society and deputy chairman of the Duma, Valery Yazev, says that "without gas transit through Ukraine we will not be able to meet our obligations to Europe".

Federation Council speaker Sergey Mironov says "the European Union's calls to resume the transit of gas to Europe in full should be addressed to Ukraine alone. The Ukrainian leadership is directly responsible for the disruptions in the transit of gas to European countries and for bringing the situation in a number of European countries to a critical level".

Russia's permanent representative to NATO, Dmitry Rogozin, says Russia and Europe must "agree on the immediate and accelerated construction of a multi-mode system of supply of hydrocarbons to the European continent". Rogozin says that Russia and the EU should adopt a long-term plan to bypass Ukrainian supply routes.

Leader of the Solidarity opposition movement Boris Nemtsov says Russia is trying "to humiliate Ukraine by imposing false gas prices on it".

6 January 2009 Deputy Foreign Minister Aleksandr Saltanov meets Khalid Mish'al, head of the Hamas Political Bureau in Damascus. Saltanov also has talks with Syrian Foreign Minister Walid al-Mu'allim.

7 January 2009 Gazprom reduces gas supplies to the Russian-Ukrainian border by another 21 million cubic metres. This is the amount of fuel that Gazprom claims Kiev has illegally appropriated over the last 24 hours.

Gazprom deputy head Aleksandr Medvedev says Ukraine has shut off the last, fourth, gas pipeline along which transit gas was delivered to Europe.

Gazprom head Aleksey Miller comments on Ukrainian President Viktor Yushchenko's letter addressed to the Russian and EU leaders. Yushchenko proposes resuming gas talks. Aleksey Miller says no additional talks are necessary, as there is a valid contract in place which should be implemented.

Vladimir Putin orders the complete halt of gas piping to Ukraine. His press-secretary, Dmitry Peskov, later says that the Russian authorities have so far not given an instruction to halt transit deliveries of gas to Europe through Ukraine. The decision to end transit flows was taken by the Ukrainian leadership. Peskov accuses Ukraine of blackmailing European countries by obstructing Russian gas deliveries to Europe.

Vladimir Putin says Russia will only resume gas transit through Ukraine for European customers once control mechanisms with the participation of international observers have been worked out.

A telephone conversation takes place between prime minister Vladimir Putin, and the chancellor of the Federal Republic of Germany, Angela Merkel. Merkel suggested creating an international committee of independent monitors to ensure monitoring of the transit of Russian gas through Ukrainian territory.

A telephone conversation takes place between Dmitry Medvedev and Ukrainian President Viktor Yushchenko. They discuss the gas crisis.

Vladimir Putin meets the chairman of the shareholders' committee of the Nord Stream project operating company, Gerhard Schroeder. Putin says he supports German Chancellor Angela Merkel's proposal that observers get involved in the Russian gas supply situation.

Sergey Lavrov has a telephone conversation with Polish Foreign Minister Radoslaw Sikorski on the gas problem.

Vladimir Chizhov, Russia's permanent representative to the EU, says that the European Union has "levers to influence" Ukraine's position in the gas row with Russia and Moscow would welcome such intervention.

7 January 2009 Deputy Foreign Minister Aleksandr Yakovenko calls for preventing a humanitarian crisis in the Gaza Strip and for immediate resolution of the conflict. Yakovenko expresses support for the Gaza peace initiative of the Egyptian and French presidents, Hosni Mubarak and Nicholas Sarkozy.

An Emergencies Ministry aircraft with humanitarian aid supplies for Gaza leaves Moscow for the Egyptian town of Al-Arish.

8 January 2009 Prime Minister Vladimir Putin says that the Ukrainian national oil and gas company Naftohaz Ukrayiny is aiming to "blackmail" Russia by blocking gas transit to Europe. Putin says that Ukraine needs to pay the market rate for gas and that Russia is prepared to pay a market rate for transit. He denies that Russia is aiming to put political pressure on Ukraine. He says that Russian gas supplies to Europe through Ukraine will resume as soon as international monitors have started monitoring its movement through pipelines in Ukraine. He suggests that Romania join the South Stream Project. Putin says that the European Commission is yet to sign an accord on sending international observers to monitor the situation.

Dmitry Medvedev speaks by telephone with his Bulgarian counterpart Georgy Purvanov. He says Russia is ready to restore the supply of gas to European consumers through the territory of Ukraine after a relevant agreement is concluded with Ukraine.

Gazprom Head Aleksey Miller has talks in Brussels with the chairman of the European Commission and the European commissioner for energy. Gazprom and the EU agree that international monitors representing the EU will be sent to Ukraine. They will make sure that gas volumes in Ukrainian pipelines remain unchanged. "We fully support this initiative. As soon as international monitors arrive at the facilities of Ukraine's gas transport system and announce that they have started working, the transit of gas through Ukraine will be resumed." Miller then says Ukraine has wrecked the signing of a memorandum on independent monitoring.

Gazprom says that Ukraine has proposed a gas monitoring system without the participation of Gazprom or the Russian Energy Ministry. Gazprom rejects this proposal.

Prime Minister Vladimir Putin discusses the gas supply problem by telephone with Czech Prime Minister Mirek Topolanek and Italian Prime Minister Silvio Berlusconi.

Konstantin Kosachev, the chairman of the Duma International Affairs Committee, says that Ukraine is a dangerous partner to do business with. He accuses Ukraine

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of trying to deal directly with the EU and cut Russia and Gazprom out. "As long as we continue to operate in the current format, with Russia supplying gas, Ukraine transporting it and the EU consuming it, we will remain in the risk zone because, apparently, time after time Ukraine will be tempted to use, or perhaps even abuse, its position as a transit country." Kosachev says a long-term solution to this problem would be to create a trilateral gas consortium comprising Russia, Ukraine and the EU.

Vladimir Putin gives a news conference for foreign journalists at his Novo-Ogarevo residence to explain Russia's position in its gas dispute with Ukraine.

8 January 2009 The MFA issues a commentary expressing concern over the shelling of the north of Israel from Lebanese territory.

Chairman of the Central Spiritual Directorate of the Muslims of Russia Talgat Tadzhuddin condemns the activities of the Palestinian movement Hamas, saying that it was having an adverse effect on the entire Middle East region. The Council of Muftis of the Russian Federation has already issued a statement condemning Israeli strikes on the Palestinian territories.

9 January 2009 Gazprom head Aleksey Miller says Ukraine has agreed to the inclusion of representatives of Gazprom and the Russian Energy Ministry in an international monitoring group. Ukraine is later accused of procrastinating on this issue.

Gazprom official spokesman Sergey Kupriyanov says that Russia and Ukraine must change to market relations in the gas sphere.

Gazprom's position at the talks is always the same as that of the Russian president and our country's government. Specifically, one of its tenets is that Russia and Ukraine should go over to market relations in the gas sphere...If the price of the gas Gazprom delivers to the Eastern Europeans which are Ukraine's neighbours is about \$470 per 1,000 cubic metres, Ukraine too must pay a market price for the gas.

Prime Minister Vladimir Putin and German Chancellor Angela Merkel discuss by telephone the situation concerning Russian gas supplies to Europe via Ukraine. Putin also discusses the problem with the chairman of the European Commission, Jose Manuel Barroso.

9 January 2009 The UN Security Council passes a resolution on Gaza. The fundamental aspect of the resolution is a speedy ceasefire by both sides which will lead to the withdrawal of Israeli forces from the Gaza Strip. A separate point of the resolution talks about the expectation that a meeting on the Middle East will be held in Moscow later in 2009.

Deputy Foreign Minister Aleksandr Saltanov visits Israel.

9 January 2009 The head of the Duma committee for CIS affairs, Aleksey Ostrovsky, says that the US-Georgian cooperation charter poses no threat to Russia. A US-Ukrainian charter was also signed in December 2008.

Deputy Chief of the General Staff of the Armed Forces, Colonel-General Anatoly Nogovitsyn says that military bases in Abkhazia and South Ossetia will be set up in several stages after 2009. The main bases will be set up by the end of 2009 with 3,700 personnel each.

10 January 2009 *Zvezda* TV channel reports that Russia and Turkey have completed their first joint naval exercise.

10 January 2009 The MFA condemns amendments to Latvia's administrative offences code that aim to tighten the country's language policy. The amendments increase the fines imposed on employees and employers for using a foreign language alongside the state language at work. They also widen the range of punishable offences.

10 January 2009 The Russian Federation and the EU sign a protocol on the creation of a control mechanism for the supply and transit of gas through Ukraine. For Russia, the document is signed by Deputy Prime Minister Igor Sechin and Gazprom chief Aleksey Miller. For the EU, by EU Energy Commissioner Andris Piebalgs and Czech Industry and Trade Minister Martin Riman.

11 January 2009 A Russo-Ukrainian agreement concerning the monitoring of Russian gas transit through Ukrainian territory is declared null and void by Dmitry Medvedev. This is because the agreement contains statements which the Russian side considers to be false. It says that Ukraine does not owe Gazprom any debts, that Ukraine has not siphoned off gas and that all transit gas from Russia reached Europe - while its other half consists of provisions that are simply at odds with the essence of the document signed by Russia and the European Union.

Gazprom spokesman Sergey Kupriyanov says it rejects the Ukrainian special declaration to its signature on the document on "Rules for monitoring natural gas transit through Ukraine".

12 January 2009 Gazprom says that gas supplies to Europe via Ukraine may be resumed at 0700 GMT on 13 January.

The European Commission signs a new edition of the protocol on the mechanism for international monitoring of the transit of Russian gas. The document is signed on behalf of the European Commission by European Commissioner for Energy Andris Piebalgs. Deputy Prime Minister Igor Sechin and the head of Gazprom, Aleksey Miller, also take part in the signing ceremony.

Vladimir Putin says that Ukraine has signed a fresh protocol on the mechanism of control over Russian gas transit without provisos that were earlier added on Kiev's initiative. This document has been signed in Kiev and has been sent to Brussels for signing there.

Dmitry Medvedev talks to Ukrainian president Viktor Yushchenko by telephone. He says Russia is willing to resume immediately the talks between Gazprom and Naftohaz Ukrayiny on the conclusion of a contract for the delivery of Russian gas for internal Ukrainian needs for 2009.

Prime Minister Vladimir Putin has a telephone conversation with Mirek Topolánek, the prime minister of the Czech Republic, which currently holds the EU presidency. He says Russia would be ready to contribute to a European Union loan to Ukraine to address its energy problems.

Aleksandr Medvedev, deputy chairman of the Gazprom Management Committee, says Russia and Ukraine should now start talks on Russian gas supplies to Ukraine itself "with a clean slate". He says that Ukraine should pay a full market price for the gas.

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Igor Yurgens, chairman of the board of the Institute of Contemporary Development and vice-president of the Russian Union of Industrialists and Entrepreneurs says that in the gas conflict with Ukraine "part of the blame lies with Gazprom and the Russian government".

Vladimir Milov publishes an article entitled "Too High a Price" on the *Gazeta.ru* news website critical of the Russian government's approach to the gas dispute.

12 January 2009 The MFA denies reports that Russia has offered to act as a mediator between Israel and Hamas.

12 January 2009 *Imedi TV* reports that Georgia and Russia are to jointly manage the Inguri hydropower plant on the border between Abkhaz separatist- and Georgian-controlled territory through a newly created council. An agreement to that effect was signed on 31 December 2008.

12 January 2009 The heavy nuclear missile cruiser *Pyotr Veliky* calls at the port of Cape Town en route to the Indra 2009 Russian-Indian exercise in the Arabian Sea.

12 January 2009 The government approves the appointment of Regional Development Minister Viktor Basargin as chairman of the Russian part of the intergovernmental commission on trade and economic and science and technology cooperation between the Russian Federation and the Democratic People's Republic of Korea and of the Russian-Korean joint commission on economic and science and technology cooperation.

12 January 2009 Konstantin Kosachev, chairman of the Duma committee for international affairs is interviewed on *Ekho Moskvy*. Kosachev expresses concern over some of the appointments made by US President elect Barack Obama, such as Defence Secretary Robert Gates and Hilary Clinton as Secretary of State.

13 January 2009 Ukraine blocks the flow of gas from Russia despite the agreement that it would resume at 0700 GMT today.

Deputy head of Gazprom Management Committee Aleksandr Medvedev and Gazprom spokesman Sergey Kupriyanov hold a news conference in Moscow and accuse Ukraine of renegeing on an agreement to resume Russian gas transit to Europe. Medvedev says that Ukraine has not given Russian observers access to gas metering stations in its territory. He suggests that the actions of Ukraine are "being orchestrated" from another country. He then mentions the US-Ukraine agreement concluded in December 2008.

Vladimir Putin has telephone conversations with the prime ministers of Bulgaria (Sergey Stanishev) and Slovakia (Robert Fico) to explain the gas supply problem. Putin also has a telephone conversation with the Romanian president on this problem.

Russia's ambassador in South Ossetia Elbrus Kargiyev says he hopes that the OSCE will be able to exert influence on the Georgian authorities and ensure that Russian gas supplies are restored to South Ossetia.

The director of the Russian National Energy Security Fund, Konstantin Simonov, says that the Nabucco project will not be able to become an alternative to Russian gas supplies to the European Union.

13 January 2009 The MFA states that Russia intends to maintain the presence of

its ships off the coast of Somalia.

13 January 2009 *Zvezda TV* shows a detachment of the Northern Fleet's warships that is fulfilling tasks in the Mediterranean mooring at the Syrian port of Tartus.

14 January 2009 Dmitry Medvedev invites all European countries affected by the gas dispute to a meeting in Moscow. He completely ignores the EU. He states:

I am proposing to organize a summit of the heads of state and government [of countries], which receive gas from the Russian Federation or are transit states, in Moscow, on Saturday, 17 January this year. I am inviting you to take part in this meeting. I believe that it would be possible to consider at least two issues during this summit - firstly, try to put an end to this conflict, promote the taking by Ukraine of the necessary technological decisions; and secondly, consider the issue of preventing similar conflicts in the future, taking into account the need for us not to become hostage to a political situation taking shape in other states.

He invites the Czech Prime Minister Mirek Topolalnek to the summit.

The prime ministers of Slovakia, Bulgaria and Moldova, Robert Fico, Sergey Stanishev and Zinaida Greciani have talks in Moscow with the Russian leadership about the gas crisis.

Gazprom says it is willing to arrange gas swaps with Ukraine so that Slovakia and Moldova can start receiving gas again. This scheme is proposed in Moscow by the Slovak prime minister.

Vladimir Putin states:

Indeed, our European partners are falling hostage to the dispute between Russia and Ukraine. But it is a dispute over the deliveries, terms and prices for the delivery of natural gas to Ukraine itself. This is what the dispute is about. And no-one, no transit country has the right to abuse its position as a transit country, exploit it, to take consumers in Europe hostage.

Transit is a separate issue, and, first, we have a contract for transit, which is in force until 2013, and the annex to it is in force until 31 December 2010. If there is a dispute over this issue one should go to the Stockholm Court of Arbitration because this agreement is subject to Swedish law.

Putin says the EU should put more pressure on Ukraine.

Deputy Prime Minister Igor Sechin says that it is "in Russia's interests" that the situation with the flow of Russian transit gas for European consumers through Ukraine should be examined by the International Court of Arbitration. Sechin says that bilateral problems of Gazprom and Naftohaz should not serve as an obstacle for ensuring the transit of Russian gas purchased by European consumers.

The head of the Duma committee for economic policy and enterprise Yevgenny Fedorov says that the USA is to blame for the disruption of Russian gas supply to Europe because Ukrainian President Viktor Yushchenko upholds America's interests in the gas conflict: "The dispute between Moscow and Kiev is commercial, but it is also has a political character because the 'orange' revolution was organized precisely with the aim of creating problems for Russia." Fedorov says Washington is to blame for the fact that Europe is freezing. He also says that in the conditions of a global financial crisis, Russia has a safety margin. Thus, if the oil price falls to \$32

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a barrel, the budget revenue will be reduced by about 20 per cent. He believes that, in the worst-case scenario, Russia can safely last about two years without sequestering the budget, by using its reserves.

14 January 2009 The MFA issues a press release on the telephone conversation between Russian Minister of Foreign Affairs Sergey Lavrov and Israeli First Deputy Prime Minister and Minister of Foreign Affairs Tzipi Livni. Lavrov says that bloodshed should end in Gaza as soon as possible.

14 January 2009 Israeli TV reports that the Russian aircraft carrier *Admiral Kuznetsov* has been posted in the last few days in the port of Lathaqiyah in northern Syria.

14 January 2009 The MOD denies Azeri media reports that Moscow has supplied Yerevan with \$800 million worth of arms.

14 January 2009 Prime Minister Vladimir Putin meets the Prime Minister of Kyrgyzstan Igor Chudinov at Novo-Ogarevo. A preliminary agreement on the allocation by the Russian government of \$300 million to support the republic's budget was reached during Chudinov's previous visit to Moscow in December 2008. Another \$1.7 billion will be given to Kyrgyzstan in direct investment for the construction of energy facilities.

14 January 2009 Deputy Foreign Minister Aleksey Borodavkin says that Russia would be ready to supply arms to the government of Afghanistan if it receives a request to that effect.

14 January 2009 Minister of Transport Igor Levitin tells the Russo-Japanese Tokyo Forum that Russia is inviting Japanese investors to broad participation in the implementation of some large-scale projects in East Siberia and in the Russian Far East.

14 January 2009 The 11th session of the Russia-Uzbekistan intergovernmental commission takes place in Moscow. Sergey Ivanov attends. Russo-Uzbek trade amounted to \$2,842 million in the first 10 months of 2008, up 9 per cent on the same period of 2007.

14 January 2009 Federation Council speaker Sergey Mironov meets in Tokyo with his counterpart, the chairman of the House of Councillors, Satsuki Eda.

15 January 2009 Prime Minister Vladimir Putin offers European partners "to share risks" related to ensuring gas transit through Ukraine and create an international consortium which will give Kiev the technical gas it needs. Putin says the resumption of Russian gas transit to Europe is now a priority.

We are offering our main European partners to share risks of transit and organize an international consortium which would buy the volume of gas needed by Ukrainian partners from Gazprom and would immediately send this volume to Ukraine to organize the transit of Russian natural gas to Europe. So this is our proposal to you, to take part in such a consortium.

Putin rejects the Ukrainian proposal to provide Ukraine with the technological gas it needs to restart its transit through its gas transit system.

Dmitry Medvedev invites his Ukrainian counterpart Viktor Yushchenko to take part in the Moscow international conference of heads of state and government on the

issue of ensuring transport of Russian gas to consumers in Europe.

It is announced that the prime ministers of Russia and Ukraine, Vladimir Putin and Yuliya Tymoshenko will meet in Moscow on 17 January.

15 January 2009 Sergey Lavrov says Russia does not seek EU membership, but desires a cooperative relationship with the EU.

15 January 2009 Syrian Prime Minister Muhammad Naji al-Itri meets in Damascus with Chairman of the Federation of Russia Oil and Gas Producers in Russia Yuri Chavranic. They discuss ways to develop bilateral cooperation in the fields of oil and gas exploration and power generation. Stages of the work in some oil exploration projects being implemented by some Russian companies in Syria are also reviewed.

15 January 2009 The MFA issues a "Commentary by the Information and Press Department of the Russian Ministry of Foreign Affairs in connection with the gas blockade of South Ossetia". It urges the OSCE to get Georgia to resume gas supplies to South Ossetia.

15 January 2009 Gazprom Head Aleksey Miller and Paolo Scaroni, the chief executive of Eni, meet at Gazprom headquarters. They discuss the South Stream project.

16 January 2009 Prime Minister Vladimir Putin visits Germany. He discusses the gas issue with German Chancellor Angela Merkel. He accuses the EU of "supporting" Ukraine in the gas dispute. He asks for EU help in resolving the issue. He also emphasises the importance of the Nord Stream and South Stream projects.

Gazprom Lawyers complete the submission of a claim to the Stockholm court in connection with the transit of gas through Ukraine.

16 January 2009 Dmitry Medvedev speaks at a ceremony to receive the credentials of new ambassadors in the Kremlin. He calls for a ceasefire in Gaza. He also says that the Iranian problem can only be resolved by political means.

16 January 2009 Sergey Lavrov gives a speech analysing the results of Russian diplomacy in 2008. Lavrov says Moscow is not worried about the EU searching for alternative gas supplies. Lavrov says he hopes for changes for the better in the foreign policy of the United States under the Obama administration and is open for a dialogue.

We cannot but welcome German Foreign Minister Frank-Walter Steinmeier's recent open appeal to the US president-elect proposing to return to the idea of creating the Euro-Atlantic area of security between Vancouver and Vladivostok. The idea is old but due to various reasons it was not implemented right after the end of the Cold War.

He says Russia fully supports UN Security Council Resolution 1860 and the Egyptian initiative to end the Israel-Gaza conflict. He says the date for the Moscow Mideast peace conference will be set soon.

Lavrov calls for discussing a new security format for Europe:

The European security architecture was mostly established in the previous era. We do not want to destroy this architecture. We do not want to propose..., we are not proposing shutting down any of the existing mechanisms, including

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NATO. We are realists. However, we want to sit down behind a negotiating table and to discuss why the principle of indivisibility of security is not manifesting itself in real life.

We would like to propose working out a new document which would fully respect every nation inside the Euro-Atlantic space, which would recognize the equality of their rights, including equality with regard to ensuring security. We would like to propose to all security organizations which exist in this space, including NATO, the OSCE, the EU and the Collective Security Treaty Organization, to agree on how we should live here, how to ensure security without creating risks or threats to others, without creating the temptation to restart the arms race. In my view, this is not just a virtual task.

16 January 2009 The deputy head of the Federation Council's International Affairs Committee Vasily Likhachev welcomes the appointment of Hillary Clinton as US Secretary of State.

16 January 2009 The Russian Navy denies media reports that over the next several years it will have naval stations in Yemen, Syria and Libya. Deputy Chief of the General Staff Colonel-General Anatoly Nogovitsyn says that the General Staff considers it premature to name any countries as a possible location for housing Russian naval stations. "So far it is early to be talking of the geography of bases. Relevant talks are under way with foreign governments. Reports like these can have a negative effect on the progress of these talks."

17 January 2009 The Russian and Ukrainian prime ministers, Vladimir Putin and Yuliya Tymoshenko, reach a deal in Moscow on the gas problem.

Putin: Good evening. We would like to tell you that at our talks we reached an agreement on transition to the European formula of price formation in natural gas trade between Russia and Ukraine.

We also agreed that in 2009 our Ukrainian partners will have a discount of 20 per cent on condition that the preferential tariff for piping Russian gas to European consumers through Ukraine in 2009 remains in force and that the price for piping will be the price of 2008.

We also agreed that from 1 January 2010 we will entirely move to price and tariff formation fully in accordance with European standards without any exemptions or discounts as regards both the transit and the price of gas.

Tymoshenko: Indeed, the talks were far from easy but we have reached mutual understanding that enables us to sign all contract documents. We have instructed the head of Naftohaz and Vladimir Vladimirovich has instructed the head of Gazprom by Monday (19 January) to prepare all the documents in line with what was agreed at our talks today.

Deputy Prime Minister Igor Sechin is interviewed on *Rossiya TV*. He makes the following comment on reports that the USA might be involved in modernizing Ukraine's gas transit system:

There were indeed such reports. I am not close enough to give any detailed comments. But a fact is a fact. I think on the 19 or 20 December last year, the USA and Ukraine - the Ukrainian foreign minister on one side and Condoleezza Rice on the other - signed a charter on strategic partnership between the USA and Ukraine. That charter envisages the possibility of cooperation between the

countries to modernize the system for gas transit, among other things. So I think everyone can draw the conclusion themselves.

The international conference on Russian gas transit to European consumers takes place in Moscow.

17 January 2009 Sergey Lavrov is interviewed on *Rossiia TV's "Vesti"* news. He discusses the prospects for US-Russian relations under the Obama administration. He says he hopes that the Obama administration will carry out a very thorough analysis of the project for missile defence systems in Central and Eastern Europe and NATO widening in relation to Georgia and Ukraine.

19 January 2009 Prime Minister Vladimir Putin talks on the phone with President of the European Commission Jose Manuel Barroso. Putin calls for the European Commission's assistance in the legal implementation of the gas accords with Ukraine.

Putin and Ukrainian Prime Minister Yuliya Tymoshenko hold talks on Moscow on the gas issue.

A package of agreements on Russian gas supply to Ukraine and transit to Europe is signed in Moscow by Head of Gazprom Aleksey Miller and head of Naftohaz Ukrayiny Oleh Dubyna. Vladimir Putin says that all issues have now been resolved.

19 January 2009 Deputy Foreign Minister Sergey Ryabkov is interviewed by ITAR-TASS news agency on Russian-American relations. This is posted on the MFA website. He discusses issues such as START-1, missile defence, NATO widening in relation to Georgia and Ukraine, and the Russian proposal for a European security treaty. Ryabkov says that Russia is "carefully optimistic" about the stance of the US new administration on the issue of strategic offensive weapons. He has in mind the talks on signing a new agreement to replace START-1.

19 January 2009 Dmitry Medvedev signs a decree entitled "On measures to ban the supply of military and dual-purpose products to Georgia".

Duma Chairman Boris Gryzlov says at the Parliamentary Assembly of the Council of Europe (PACE) that the build-up of Georgia's military presence near South Ossetia and Abkhazia is exacerbating the situation in the region and signifies non-fulfilment of the Medvedev-Sarkozy plan.

19 January 2009 Vladimir Putin says Russia will grant Cuba a \$20 million loan to purchase Russian goods.

Vladimir Putin approves an agreement on the order of operational deployment, use and comprehensive support of the collective rapid deployment troops of the Central Asian region, and issues instructions for it to be forwarded to the president so that he can submit it to the Duma for ratification. The accord was signed in Minsk in June 2006.

A Collective Security Treaty Organization (CSTO) agreement to create collective peacekeeping forces comes into force. The agreement became effective when the CSTO received written notice that Russia had complied with the internal procedures required for the agreement to come into force. Russia has become the fourth country to ratify the agreement. It has already been ratified by Belarus, Kazakhstan and Armenia. The CSTO peacekeeping agreement was signed by the heads of the organization's member-states at the summit in Dushanbe on 6 October 2007.

A Russian Chronology: January – March 2009

20 January 2009 Gazprom reports that the supply of Russian gas to Europe via Ukraine has recommenced. It is at half the normal daily levels.

Gazprom says it intends to supply 40 billion cubic metres of gas to Ukraine in 2009, as opposed to about 50 billion cubic metres in 2008.

Gazprom deputy Head Aleksandr Medvedev says that in 2009 the average price of gas supplied to Ukraine will be lower than \$250 per 1,000 cubic metres, while the average price of gas in Europe may come to \$280 per 1,000 cubic metres. The tariff for piping Russian gas via Ukraine may grow from \$1.70 per 100 kilometres in 2009 to \$2.50 in 2010, depending on the gas price forecast.

The MFA issues a commentary criticising a Ukrainian MFA statement which accuses Russia of planning and carrying out a "gas attack" in order to destabilize the internal situation in Ukraine.

The chairman of the Gazprom Management Committee Aleksey Miller tells Dmitry Medvedev that there is no longer a need for an international consortium of gas companies which would purchase technological gas for Ukraine from Russia. He also says international observers will no longer be required at Ukrainian and Russian gas metering stations once they have confirmed that Russian gas supplies are passing through Ukrainian territory to Europe. Miller also says that Gazprom will introduce a mechanism of pre-payment in dealing with Ukraine if the latter fails to duly pay for Russian gas shipments a single time.

Dmitry Medvedev says that the wording of the 1994 Energy Charter Treaty should be revised or a new document drawn up to defend the interests of gas suppliers, not only those of transit countries and consumers.

A new international mechanism is necessary. I think that we could think either about changing the current wording of the Energy Charter, if the signatory countries agree to that, or drawing up a new multilateral document that would meet this task in full, which would include procedural, technical and legal issues related to providing payments for gas delivered and transit states fulfilling their functions, and preventing problems like that created by Ukraine at the end of last year.

Gazprom deputy Head and Gazpromexport director-general Aleksandr Medvedev says there is no serious alternative to Russian gas supplies as the foundation of Europe's gas distribution system. He says that "the 21st century will be a century of natural gas". He also says that Gazprom "has never considered the Nabucco project to be a viable alternative to the existing and planned routes of gas supplies to Europe being developed with Russia's participation".

Sergey Lavrov expresses regret that the European Commission did not heed Russia's proposal to include transit countries in an early-warning system being created to prevent gas supply problems.

Allow me to mention that over the past three years, when Ukraine for the first time cut off the transit for European consumers three years ago, we responded to a proposal from the European Union to discuss and create an early-warning mechanism so that consumers could prepare for possible difficulties in advance. From the very beginning we proposed including transit countries in this mechanism because all the problems that arose with the supply of hydrocarbons to Europe arose on the territory of transit countries.

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Unfortunately, the European Union, the European Commission had a rather lukewarm reaction to this idea and just kept saying: no, let's set up that early-warning mechanism just with you. And we did set it up.

He welcomes diversification of supply routes. He says he is not opposed to the Nabucco project.

20 January 2009 Sergey Lavrov gives an upbeat assessment of prospects for cooperation with the USA under Barack Obama's administration.

The director of the North America department of the MFA, Igor Neverov, says: "A new team is now at helm in Washington, and it will be interesting to work with it...These people are full of new ideas about ways to improve our relations. Plenty of interesting but hard work lies ahead."

20 January 2009 Sergey Lavrov has talks in Moscow with his South Ossetian counterpart, Murat Dzhioyev. They express support for a OSCE mission for South Ossetia.

20 January 2009 Sergey Lavrov says an international conference on the rebuilding of Gaza will be held in Egypt in mid-February, and Russia will participate actively in it. Lavrov says that Russia hopes that the cease-fire in the Gaza Strip will be observed by both sides and that Israel will withdraw its troops. He meets the council of Arab League ambassadors in Moscow.

20 January 2009 The Tikhoretsk-based VV Vorovsky Machinery Works commences deliveries of new railway equipment to Iran. The relevant Russian-Iranian agreement on the supply of equipment was reached in April 2008.

20 January 2009 Rosoboronexport press secretary Vyacheslav Davidenko says Rosoboronexport is ready to work towards establishing military technical cooperation with Afghanistan.

The foundation for the development of military technical cooperation between the two countries was laid by the Kabul accords of 2002. It was stipulated then that military technical aid from Russia would cover logistical support, supply of communications equipment, fuel and lubricant, motor vehicles and spares for them, the rebuilding of the fleet of aircraft, including military transport aircraft, and limited supplies of helicopters. In pursuance of these accords, between 2002 and 2005 Russia supplied Afghanistan with military hardware worth over \$200 million. Military technical cooperation was then suspended because Russia did not want to duplicate the aid given the USA. In 2007, the Afghan president asked Russia to resume the supply of armaments and military hardware.

20 January 2009 Deputy Prime Minister and Minister of Finance Alexei Kudrin has talks in Beijing with Chinese Premier Wen Jiabao.

21 January 2009 Federation Council speaker Sergey Mironov says he hopes that the new US President Barack Obama will open a new page in Russian-US relations.

21 January 2009 Greek foreign minister Dora Bakoyianni visits Moscow for talks with Sergey Lavrov. Lavrov welcomes Greece's approach to the issue of the OSCE's presence in Georgia and South Ossetia. Greece is the current OSCE chairman. Lavrov welcomes Greece's positive response to the Russian proposal for a new European security treaty.

21 January 2009 The MFA issues a commentary on Azeri media claims that Russia has supplied arms to Armenia. The MFA denies these media claims.

22 January 2009 The MFA criticises attempts by some foreign countries to claim that the murder of journalist Anastasiya Baburova is politically motivated.

22 January 2009 Russia's main military representative to NATO Army General Aleksey Maslov says Russia has not given the USA and NATO its consent for the transit of military freight through its territory to Afghanistan. Russia's permanent representative to the alliance Dmitry Rogozin confirms these comments. Rogozin is commenting on a statement by David Petraeus, commander of the US forces in the Near East and Central Asia, about alleged agreements with the Russian Federation about additional routes for the transit of freight for international forces in Afghanistan. He links the success of implementing Russian-NATO agreements on non-military transit with the full resumption of the activity of the NATO-Russia Council.

22 January 2009 The MFA issues a commentary criticising Georgia's rejection of the Russian Federation's requests to carry out security and trust-building measures on Georgian territory. On 19 and 21 January, the Russian Federation sent to Georgia requests to carry out inspections and assessment visits in line with the provision of the 1999 Vienna Document of the Negotiations on Confidence- and Security-Building Measures. A source in the MFA says Moscow regards Tbilisi's decision to declare force majeure in its relations with Russia under Vienna Document 1999 as an attempt to conceal the truth regarding the whereabouts of Georgian military units.

The acting head of the centre for countering extremism under the Krasnodar Territory main interior directorate, Aleksandr Bogdanov, says it has been established that underground militant groups in the North Caucasus have links with Georgia, where gunmen hide if law-enforcement agencies get on their trail.

Georgian Deputy Energy Minister Nino Ehlukidze says the Georgian government, on the basis of the request of the EU and OSCE, approves the motion submitted by the company Itera-Georgia for the supply of natural gas to the Tskhinvali region. The relevant decree No 30 was issued on 20 January 2009.

22 January 2009 Deputy Foreign Minister Aleksandr Grushko and the head of the European Commission's Moscow office Marc Franco discuss the recent Russo-Ukrainian gas conflict. A statement on the meeting declares: "During the discussion the Russian deputy foreign minister expressed bewilderment over some assessments expressed by the leadership of the European Commission 'in the wake' of the gas crisis caused by Ukraine's failure to fulfil its transit obligations".

22 January 2009 Dmitry Medvedev meets Uzbek President Islam Karimov in Samarkand. Trade turnover between Russia and Uzbekistan came to \$3.09 billion in January to November 2008, up 5.6 per cent from the same period in 2007. Russia's exports to Uzbekistan reached \$1.85 billion (up 18.8 per cent), while imports came to \$1.24 billion.

22 January 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin has talks with the Chinese finance ministry in Beijing. He says Russia and China have agreed to use their currencies more often in bilateral economic relations and trade.

22 January 2009 Rosatom head Sergey Kiriyenko meets Mongolian Prime Minister Sanjaa Bayar in Irkutsk. He says that the two countries have agreed to sign in the

first quarter of 2009 a deal on full-fledged cooperation between the Mongolian agency for the development of the nuclear industry and production of uranium and Rosatom.

22 January 2009 A joint session of the Russian-Cuban government commission opens in Moscow. It is attended by the two countries' deputy prime ministers, Igor Sechin and Ricardo Belen Cabrisas Ruiz.

23 January 2009 Deputy Prime Minister Igor Sechin says that Russia intends to continue military-technical cooperation with Cuba. About 10 agreements on cooperation between Russia and Cuba in various areas, including the energy sector, are signed by the end of a two-day meeting of the bilateral intergovernmental commission. Igor Sechin and Deputy Chairman of the Cuban Council of Ministers Ricardo Cabrisas chair the meeting.

23 January 2009 Dmitry Medvedev, in Uzbekistan, says he hopes for cooperation with the USA over Afghanistan.

Uzbekistan signs a new gas supply agreement with Russia. Uzbekistan is ready to double its exports of the fuel and send to Gazprom 31 billion cubic metres a year. Medvedev says it is necessary to create new projects in the oil and gas industry and to develop interregional cooperation.

Russia's United Aircraft Construction Corporation (UACC) and the Tashkent Aviation Plant decide to set up a joint venture, says UACC's president and Head Aleksey Fedorov.

23 January 2009 Deputy Chief of the General Staff of the Armed Forces Colonel-General Anatoly Nogovitsyn says the MOD will present new evidence of Georgia's unleashing of military operations against South Ossetia to representatives of PACE at a meeting which will take place in Moscow 2-4 February. Nogovitsyn denies Georgian claims that Russia used cluster bombs during the August 2008 Five Day War.

State Secretary and Deputy Foreign Minister Grigory Karasin receives the personal representative of the UN secretary-general for Georgia, Johan Verbeke and expresses serious concern over growing Georgian military and police presence in zones adjoining Abkhazia and South Ossetia, and intends to draw UN attention to this fact.

23 January 2009 The chairman of the Gazprom Management Committee, Aleksey Miller, rejects reports that the Russian-Ukrainian gas supply contract may be revised as not serious.

23 January 2009 Atomenergoprom says that the Nuclear Energy Corporation of South Africa is discussing the prospects for cooperation with Russian companies, in particular the possibility of enriching uranium in Russia.

23 January 2009 The MFA issues a statement on the Congo situation. It says that Moscow is closely watching how the situation is developing in the Great Lakes Region of Africa, and specifically the Democratic Republic of Congo settlement, and will continue to render assistance to international efforts aimed at normalizing the situation in the region.

23 January 2009 Deputy Foreign Minister Vladimir Titov and Estonian Foreign Ministry's Chancellor Marten Kokk hold talks in Tallinn. They agree to hold regular consultations on the most pressing issues of their bilateral relations. Titov later has

talks with Estonian Foreign Minister Urmas Paet.

23 January 2009 Agriculture Minister and special presidential representative for Russian-Mongolian trade, economic, and investment cooperation, co-chairman of the Russian-Mongolian intergovernmental commission for trade, economic, scientific and technical cooperation Aleksey Gordeyev meets Mongolian Prime Minister Sanjaa Bayar at a roundtable meeting entitled "Prospects for Russian-Mongolian Agricultural Cooperation" in Irkutsk.

24 January 2009 Dmitry Medvedev proposes holding talks with Japanese Prime Minister Taro Aso in mid-February on Sakhalin Island. Medvedev and Aso talk by telephone. Shipments of liquefied natural gas from Sakhalin to Japan will commence on 18 February.

24 January 2009 Deputy Finance Minister Dmitry Pankin says Russia is not considering a request by Belarus about the provision of an R100 billion (approx. \$3 billion) loan in exchange for a transfer to mutual trade settlements in roubles.

24 January 2009 The Russian and Finnish interior ministries reach an agreement on joint counteraction to smuggling, drug trafficking, economic crime, cybercrime and illegal migration during the visit of Interior Minister Rashid Nurgaliyev to Helsinki.

24 January 2009 First Deputy Prime Minister Viktor Zubkov visits Hungary for a meeting of the Russian-Hungarian commission for economic cooperation. He says Russia supports the diversification of routes of gas delivery to Europe and does not see the Nabucco pipeline as a rival to the South Stream or Nord Stream projects.

24 January 2009 Deputy Foreign Minister Gennady Tarasov meets Arab League Secretary-General Amr Musa. He says a durable Palestinian-Israeli peace process should be initiated to avoid repeating what happened in the Gaza Strip. He also says the international community must cooperate to provide aid to the Strip, he added pointing out that Russia had sent humanitarian aid to the Palestinian enclave.

25 January 2009 Russian envoy to NATO Dmitry Rogozin says that he will try to persuade his colleagues in the North Atlantic Alliance that the work of the Russia-NATO Council must not be frozen under any circumstances. He gave an interview on *Ekho Moskvy* on 24 January.

25 January 2009 Supplies of Russian gas to Armenia through Georgian territory resume. The Georgian National Oil and Gas Corporation states that the damage caused by an accident at the station in the village of Gveleti, in Qazbegi District, has been repaired.

The MFA says it welcomes the resumption of Russian gas supplies to South Ossetia through Georgia.

25 January 2009 The Russian president's special envoy to Africa, Mikhail Margelov visits Sudan. He says Russia is returning to Africa and intends to play an active role on the continent. He says: "Russia is ready to boost its presence in Africa. We want our voices to be heard at international discussions on African issues and, first and foremost, on such burning problems for Sudan as the Darfur conflict and a peace agreement between the north and the south."

26 January 2009 The Navy Main Staff has reported that in 2009 Russia will start

constructing a military base in the Abkhazian port of Ochamira, where it will base Black Sea Fleet (BSF) combat ships. Abkhaz president Sergey Bagapsh confirms that an agreement to set up a base in Ochamchire has been signed.

The Russian-Indian naval exercise Indra 2009 commences in the Arabian Sea.

26 January 2009 Dmitry Medvedev appoints Aleksandr Golovin as his special envoy on the delineation and demarcation of the Russian border with neighbouring CIS countries. Golovin is also put in charge of the delineation and demarcation of the Russian state border with Abkhazia, Georgia, and South Ossetia.

26 January 2009 Dmitry Medvedev and US President Barack Obama have a conversation by telephone.

The MFA says it is too early to assess the new US President Barack Obama's decision to close down the Guantanamo Bay prison camp.

26 January 2009 The Russia-NATO Council holds an informal meeting. This is the first such meeting since the August 2008 Russo-Georgian conflict. Dmitry Rogozin says that the first official contact between Russia and NATO will take place at the Munich Security Conference on 6-8 February. Rogozin also says:

The ice has broken up. A Russia-NATO Council sitting effectively means the resumption of large-scale activities, of all of our cooperation with the alliance, because, by and large, there is no difference between informal and formal.

There is no fixed agenda, therefore we shall discuss what we think is necessary. I think that there has to be a scrutiny. One cannot pretend that nothing has happened in our relations. Not only was there a most serious armed clash in the South Caucasus in August, but there also was a clash of two approaches to ensuring security. And NATO's approach could not suit us in any way. It is an approach based on the friend-or-foe principle.

Federation Council Speaker Sergey Mironov considers that Russia and NATO will find common ground on the issue of providing security in Afghanistan. He states: "The USA and NATO are looking for alternative ways of delivering supplies to the international forces in Afghanistan, and Russia is ready to help them with that. Washington has welcomed the statement of the Russian president about Russia's readiness to fully cooperate with the USA on security issues in Afghanistan."

26 January 2009 The MFA rejects the Human Rights Watch report on South Ossetia. The report includes speculation about the responsibility of the Russian Federation for the actions of South Ossetian units, a disproportionate response to Tbilisi's aggressive actions etc.

26 January 2009 A Duma delegation headed by Vladimir Pekhtin visits Venezuela. Pekhtin describes the Russo-Venezuelan relationship as one of strategic partnership.

26 January 2009 Russia's permanent representative at the EU Vladimir Chizhov says that the Nord Stream and South Stream gas pipelines, which Russia intends to build, will be the best guarantee of the European Union's energy security. He says Nord Stream could go online in late 2011 and South Stream some time later.

26 January 2009 Konstantin Kosachev, head of the Russian delegation to PACE and chairman of the Duma international affairs committee says Ukraine's intention to abandon the principles of "brotherly Slavic unity" for the sake of joining NATO

demonstrates political stereotypes dating back to not only the Cold War but also the realities of the 18th-19th centuries with disputes between the Westernizers and the Slavophiles.

26 January 2009 Aleksandr Medvedev, managing director and deputy chairman of Gazprom is interviewed in Slovak newspaper *Sme*. He discusses the Russo-Ukrainian gas dispute.

26 January 2009 Dmitry Medvedev meets CSTO Secretary-General Nikolay Bordyuzha, who says a concept for creating rapid-reaction forces of the Collective Security Treaty Organization is ready. The remaining issues will be discussed by the presidents of CSTO member states in Moscow on 4 February. Bordyuzha says the rapid-reaction forces should be mobile and universal; their actions will be coordinated from a single centre.

Today we single out three main parameters of these forces. These are: first, their mobility; second, universality - in other words, they should be able to react to any crises, not just military, as was envisaged in the decisions you adopted. This of course also involves the establishment of a coordination centre, which would monitor their combat readiness, their level of equipment, would conduct their joint combat training. And, lastly and possibly most importantly, it is necessary to introduce amendments at the level of national legislation that would make it possible to use these forces in emergency situations on the strength of a resolution by the CSTO Council, that is on the strength of decisions taken by the council of heads of state, immediately once a critical situation emerges.

27 January 2009 Dmitry Peskov, the spokesman for Prime Minister Vladimir Putin, says that there is a hope that relations between Russia and the USA will improve under Barack Obama.

Quite reassuring signals have been sent from the USA lately, and we sincerely hope that the new administration will display much more flexibility and will treat with much greater understanding Moscow's concerns about the eastward expansion of NATO, the North Atlantic alliance's forceful absorption of Georgia and Ukraine or the deployment of an American missile shield in Poland and the Czech Republic.

...If we proceed from the programmes currently formulated by the new administration and judge by Washington's official statements and concrete facts, Moscow has the impression that there is a chance for improving relations.

Although tactically we sometimes walk different paths, our positions often coincide strategically. When it comes to global events, it turns out that we have much in common, and we should use this.

He says Moscow wants Washington to be "a reliable and predictable partner which is ready to take the interests of the other side into consideration, takes decisions which do not harm it and acts in strict compliance with the international law".

Peskov says that Georgia is again redeploying many forces to the border with South Ossetia.

He also says Moscow hopes that Russia and the EU will formulate in the near future a new strategic agreement replacing the outdated bilateral partnership and

cooperation agreement. He says Moscow is worried that the gas agreement signed by Russia and Ukraine on 19 January may be revised because of disagreements among the Ukrainian leadership. Peskov blames the problem on the 2004 Orange Revolution in Ukraine. He says: "In fact, the Orange Revolution led to the situation in Kiev which we see now. The so-called Orange Revolution was openly supported by various countries, including the USA." Peskov says that all documents and feasibility studies for the Nord Stream and South Stream gas pipeline projects are ready, whereas there are several problems in the technical and economic components of the Nabucco project.

Some think that Russia opposes the Nabucco project because of political considerations. However, as our president and prime minister have said many times before, the less politics there is in issues regarding resource supplies, the better. Resolving the issue proceeding strictly from financial criteria will make our approach more solid and thorough.

Let us look at the projects from this point of view. As far as Nabucco is concerned, there are certain problems here. For instance, the issue regarding the legal status of the Caspian Sea has not been settled yet. Then, whose gas will Nabucco transport? Gas has to be supplied by Turkmenistan but Turkmenistan's deposits have not been determined, there is no statistics. There are certain problems because of this.

According to the policy pursued by Russia, the more gas pipelines there are, the more stable the situation will be. The Blue Stream project is operating well and became indispensable during the gas crisis. We have put the Nord Stream and South Stream projects on the agenda. All documents and feasibility studies are ready. Various bureaucratic formalities are being completed now, and we hope that these projects will be implemented soon.

28 January 2009 Gazprom Deputy Head Aleksandr Medvedev says: "We are not only planning to launch the Nord Stream with capacity of 55 billion cubic metres. and South Stream with 31 billion cubic metres., but also to increase the South Stream's transit capacity by another 16 billion cubic metres."

The president of the Institute of Energy and Finance, Leonid Grigoryev, says that the planned Nabucco gas pipeline, which would supply southern Europe and bypass Russia, is unlikely to be built in the foreseeable future.

28 January 2009 Prime Minister Vladimir Putin attends the World Economic Forum at Davos. He warns against protectionism and excessive state interventionism. He warns against increasing defence spending as a means of tackling the economic crisis.

28 January 2009 Sergey Lavrov addresses the Federation Council on Russian foreign policy. He says he hopes that the new US administration will be more capable of a constructive dialogue than the previous one. He also comments that the majority of NATO member states did not support attempts by the old US administration to "drag Georgia into NATO in a roundabout way". He also says: "We together with our EU partners are trying hard to make the truce in Gaza stable and avoid repetition of violence."

He says that the time frame for preparing the EU-Russia agreement on strategic partnership has not been set; the most important thing is to agree on the document's contents. He also states: "Our actions in the Arctic are prospects that are based on arguments and international law. We are interested in seeing the Arctic not as a zone of confrontation but a zone of cooperation."

28 January 2009 Cuban President Raul Castro visits Moscow.

28 January 2009 The chairman of the Duma international affairs committee and a member of the Russian delegation at the PACE, Konstantin Kosachev, criticizes the assembly's latest resolution on the war in Georgia last August.

The Russian permanent envoy to NATO Dmitry Rogozin is interviewed in *Krasnaya Zvezda*. He says that Russia is expecting to receive explanations from NATO in connection with the alliance's position towards Georgia prior to developing deep military cooperation with the organization.

After what happened in the Caucasus, after the frenzied support of Georgian leader Saakashvili by the alliance, there is no talking about the deep forms of our military collaboration at present. First, we would want to hear from NATO if not apologies, then at least explanations in connection with the political line towards Georgia.

28 January 2009 The deputy director of the department for international financial relations of the Finance Ministry, Andrey Bokarev, says that Russia, despite the global crisis, is not abandoning the financing of programmes to fight AIDS, tuberculosis and malaria or other humanitarian projects that are being implemented within the G8 framework.

28 January 2009 The MFA says it is finding out the causes and details of the incident with junior sergeant Aleksandr Glukhov, in order to obtain an objective picture of what happened with the Russian serviceman in South Ossetia. He defected to Georgia. Georgian sources claim that he defected because he was being bullied. An aide to the commander of the Ground Troops, Colonel Igor Konashenkov, says that the Georgian authorities are hindering the return of Glukhov to Russia.

The head of the Russian OSCE delegation Mikhail Ulyanov addresses a meeting of the OSCE Forum for Security Cooperation on Georgia's refusal to receive Russian inspection groups under the Vienna Document.

28 January 2009 A representative of the General Staff informs Interfax that the MOD has suspended work to deploy Iskander missile systems in Kaliningrad Region, which were planned to be based there in response to the deployment of US missile defence facilities in Europe. The implementation of these plans has been suspended due to the fact that the new US administration is not speeding up plans to deploy the third positional region of US missile defence in Poland and the Czech Republic.

The MOD states that it considers it premature to make any statements regarding the possible deployment of Iskander missile systems in Kaliningrad Region: "The possible deployment of Iskanders in Kaliningrad Region is just a plan under consideration of the General Staff of the Russian Armed Forces and not an actual action. The Russian Defence Ministry has not taken any practical steps towards the deployment of Iskander missile systems in the west of the country."

29 January 2009 The Gazeta.ru news website reports that Russian warplanes may be stationed in the revived military base in Abkhazia's Gudauta.

29 January 2009 The Energy Ministry issues a statement on Russo-Norwegian gas cooperation. Representatives of the Norwegian Petroleum and Energy Ministry,

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Russian Energy Ministry, Norwegian company Statnett and Russia's United Energy Systems meet and exchange information about the governments' and companies' plans for Russian and Norwegian northern regions. The sides agree to hold a meeting in March to draw up concrete proposals.

29 January 2009 Chechen President Ramzan Kadyrov and the head of the board of the Eurasian Development Bank, Igor Finogenov, sign a memorandum on cooperation in the implementation of investment projects in the thermal and hydropower industry, establishment of a car assembly industry and development of telecommunications.

29 January 2009 Prime Minister Vladimir Putin says at Davos:

We are not aspiring to any exclusivity. We want us to be perceived as an equal partner without any exemptions or exclusions.

I am being asked all the time: what would you like Russia's image to be? You should think what the image of your country should be in Russia? Why are you asking Russia this all the time? Do you think that in other countries, including countries of Western Europe, the United States everything is fine? There are many problems. You should not turn up your nose, you should not think that everything is fine everywhere.

On Russo-US relations since the election of Barack Obama, Putin says:

We believe that excessive enthusiasm for use-of-force methods of solving problems and disregard for the values of international law are non-constructive, on the contrary, they destroy international relations. As far as we have understood the signals coming from Washington, this approach is to a certain degree shared by the current administration.

We know about President Obama's position as regards the Iraq events, his intention to withdraw the troops; we have heard that there is no longer need to accept Georgia and Ukraine to NATO as there are other means of ensuring their security - although, frankly speaking, they are under no threat from anybody - and we have heard that there is a need to talk on the issue of deploying missile defence facilities, in particular in Europe.

We would like key issues in international life, on the international agenda to be resolved not on the basis of decisions taken single-handedly, in one centre, but to see that the mechanism of collective agreement within the existing system of international law is restored and possibly improved, but taking into account the interests of all international players.

He also says that foreign business should give up colonialist attitudes towards Russia.

One should, in general, stop this colonial practice. One should respect the laws of the country you are resident in, the laws of the country in which a particular company is operating, and act in a civilized way.

And in general - and I don't think I'm discovering anything new here - business should be mutually profitable. There is no need to confuse anyone, do you understand? As we say, to pull the wool over anyone's eyes. One needs to work simply in a civilized and honest way. One should get rid of the colonial ideology - the idea that you should come, nab something and then run off somewhere.

He says Russia will not introduce restrictions on capital flows:

We are all living through difficult times now. That is linked to the financial and the economic crisis. And we could have taken some steps that at first sight would have been logical in this situation. I mean, for example, the re-introduction of restrictions on the free flow of capital and foreign currencies.

But we did not do it, fully understanding that in this situation we shall of course face capital flight, what's more great capital flight, primarily of course, the flight of co-called speculative capital. Which indeed has happened and in a large amount - \$130 billion. But that was our choice, in the understanding that those actions of the Russian financial authorities and state authorities in general should send a clear signal that we shall seek to fulfil all our obligations. We shall try - and are doing it - to make our economy and our country open.

29 January 2009 Sergey Lavrov has talks in Moscow with the President of Abkhazia, Sergey Bagapsh.

Duma deputies and Federation Council senators criticize the new PACE resolution which urges Russia to rescind its recognition of the independence of the Georgian breakaway republics of South Ossetia and Abkhazia.

29 January 2009 The MFA special envoy Aleksandr Tolkach dismisses as false Ukraine's statement that Russia has been trying to seize some of its territory in the Kerch Strait.

You cannot seize what is not there. No-one ever recognized the existence of a state border line between Russia and Ukraine in the Azov Kerch Strait.

Russia suggests the Kerch Strait issue could be settled by creating a sovereignty zone of up to 500 metres in the Kerch Strait. In particular, we propose that the border be set along the middle of the Kerch-Yenikale channel and that we jointly use the Kerch Strait.

29 January 2009 Prime Minister Vladimir Putin, who is taking part in the proceedings of the World Economic Forum in Davos, discusses the Gaza situation with Israeli President Shimon Peres.

29 January 2009 The military board of the Russian Supreme Court rules that the decision to end the investigation into the so-called "Katyn case" of the execution of Polish officers in 1940 is lawful.

29 January 2009 The Russian president's special envoy to Sudan (and chairman of the Federation Council foreign affairs committee) Mikhail Margelov says that an international conference on Darfur and Southern Sudan might be held in Moscow this autumn. Margelov meets in Khartoum with President Umar al-Bashir, chairman of the National Assembly Ahmad Ibrahim al-Tahir and representatives of the parliamentary international affairs committee.

29 January 2009 The Ninth Arbitration Court partially upholds the appeal by the British Council and rules invalid the major part of tax claims to the council in the amount of R130 million.

29 January 2009 Sverdlovsk Region governor Eduard Rossel says a BRIC (Brazil,

Russia, India, China) summit will be held in June in Yekaterinburg after the Shanghai Cooperation Organization (SCO) summit. On 28 January, Sergey Lavrov was quoted as saying that the BRIC summit would be held this summer in Sao Paulo.

29 January 2009 Japanese Chief Cabinet Secretary Takeo Kawamura says Japan and Russia have begun arrangements for a summit meeting between Prime Minister Taro Aso and Dmitry Medvedev on Sakhalin Island in mid-February.

29 January 2009 A MFA delegation led by deputy foreign minister Aleksey Borodavkin meets North Korean foreign minister Pak Ui-chun in North Korea.

30 January 2009 The MFA issues a commentary "concerning the issue of the situation with possible deployment of Iskander missile systems in Kaliningrad Region".

Over the past few days, there have been reports in many media in Russia and abroad to the effect that the Russian side has decided not to deploy Iskander operational-tactical missile systems in Kaliningrad Region.

In this connection, it is necessary to issue the following clarification. It is true that many media and indeed some politicians and officials abroad have taken up the theme that the deployment of these missile systems in Kaliningrad Region has been halted. No-one is halting anything, as there is nothing to halt. The deployment of Iskander missile systems in Kaliningrad Region was mentioned by the president of the Russian Federation, DA Medvedev, in his message to the Federal Assembly of the Russian Federation on 5 November 2008 as one possible military-technical measure that might be taken in response to the deployment of a third positional area of US global missile defence. Moreover, we have stated repeatedly that it exclusively concerns steps in response, the implementation of which is dependent on the practical actions of the US side in this direction. If there is no third positional area, then there will be no Iskanders in Kaliningrad Region. If the third positional area is deployed, we will be forced to take measures in response.

However, it is something else that is the main aspect. We are convinced that there is a sensible alternative to the deployment of the third positional area, in the form of multilateral collaboration - based on equal rights - involving Russia, the US and European nations, which should begin with joint analysis of missile threats. With regard to this collaboration, we are ready to develop it. Our proposals on this count are well known. They remain fully in force.

30 January 2009 Dmitry Rogozin, permanent envoy of the Russian Federation to NATO says that NATO's interest in Arctic problems shows that the alliance wants to go beyond the zone of its geographic responsibility, and Russia should thoroughly analyse cooperation with NATO in the Arctic region.

The Arctic and the Arctic shelf have enormous reserves of hydrocarbons, gas and oil...The climate is changing, more and more opportunities are opening, what was not easily accessible, what was covered by the snow of history and nature, is opening up. In the 21st century the battle for resources is intensifying and under no circumstances should Russia lose this battle.

30 January 2009 Dmitry Medvedev and the Cuban leader, Raul Castro sign a memorandum on the principles of strategic partnership. An intergovernmental agreement on granting a state credit to Cuba for the purchase of agricultural and construction equipment, an agreement on food aid gratis are also signed. A Russo-

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Cuban agreement on a credit line of \$20 million is intended for the purchase of Russian equipment by Cuba.

30 January 2009 The MFA describes as positive but insufficient the signing by the EU Monitoring Mission and the Ministry of Defence of Georgia of a memorandum of understanding concerning the restrictions on the number of Georgian troops and armaments in the 15 kilometre buffer zone adjacent to the borders of Abkhazia and South Ossetia.

30 January 2009 A meeting of the council of ministers of the Union State of Russia and Belarus takes place in Moscow. The heads of the two countries' governments, Vladimir Putin and Syarhey Sidorski, take part. They discuss joint currency plans and the disbursement of the second instalment of a loan agreed in November 2008.

30 January 2009 The Russian and Azerbaijani defence ministers (Anatoly Serdyukov and Colonel-General Safar Abiyev) meet in Moscow.

30 January 2009 A Levada Centre poll shows that impressions of the USA have become more positive in Russian society. The survey showed that Russians are not expecting Russia-US relations to get worse following the election of Barack Obama. Only 6 per cent of respondents expressed such fears. 72 per cent said bilateral relations would improve or at least stay the same. 22 per cent were undecided. 50 per cent of Russians were positive about the current state of relations between Russia and the EU in January 2009. The number for August 2008 was 3 per cent higher. The proportion of negative assessments stayed the same, at 39 per cent. 82 per cent took a negative view of Russo-Ukrainian relations in August 2008; this rose to 87 per cent in January 2009. Only 9 per cent said relations were friendly, good-neighbourly, calm, against 15 per cent in August 2008.

30 January 2009 Navy Capt 1st Rank Igor Dygalo, aide to the commander-in-chief of the Russian Navy, says media reports on possible basing of Russian Navy and US Navy ships in Yemen are wrong.

30 January 2009 Dmitry Medvedev's interview with Bulgarian National Television's Tsvetana Krasteva is published on the Russian presidential website.

30 January 2009 The flagship of the Black Sea Fleet, the *Moskva* missile cruiser, and the Italian Navy destroyer *Andrea Doria* hold a one-day naval exercise outside the Strait of Messina in the Ionian Sea.

30 January 2009 Chairman of the Duma International Affairs Committee, Konstantin Kosachev says that new EU member states, that is, the Eastern European countries and former Soviet republics, increasingly set the tone for discussions in the PACE. He says they have "a hysterical and scandalous bias against Russia" because of the Soviet era.

February 2009

1 February 2009 Sergey Lavrov says that Russia is interested in the recognition of Abkhazia's and South Ossetia's independence by the member countries of the CSTO but cannot and will not put pressure on them.

1 February 2009 Cuban Information Science and Communications Minister General Ramiro Valdes Menendez discusses with his Russian counterpart, Igor

Shchegolev, the prospects of transferring Cuban radio and television to the digital format.

2 February 2009 Vladimir Putin meets the leader of the European People's Party, Wilfried Martens. Putin says: "As for cooperation with European conservative parties, I am pleased to say that YR (Yedinaya Rossiya) has developed a certain trend in developing these relations. In this context I see the development of relations with the European People's Party as quite promising."

2 February 2009 Vladimir Putin meets in Moscow with the chairman of the Cuban Council of State, Raul Castro. He says Russo-Cuban economic ties will intensify.

2 February 2009 The MFA spokesman, Andrey Nesterenko, assesses positively the local government elections in Iraq.

2 February 2009 Russian ambassador to Ukraine Viktor Chernomyrdin says the issue of the BSF withdrawing from Ukraine is not on the agenda now. He says Ukraine will not benefit from the implementation of the Nabucco gas pipeline as it will bypass Ukraine.

2 February 2009 Russian presidential special envoy on Sudan Mikhail Margelov says Russia has returned to Sudan to stay.

2 February 2009 Foreign Minister Sergey Lavrov and US Secretary of State Hillary Clinton discuss US-Russian relations by telephone.

3 February 2009 Kyrgyz President Kurmanbek Bakiyev visits Russia for talks with Dmitry Medvedev. Russia will provide Kyrgyzstan with financial aid of \$150 million. Russia and Kyrgyzstan also sign an agreement on the construction of the Kambar-Ata-1 hydropower station. Russia agrees to give Kyrgyzstan a \$2 billion state loan.

3 February 2009 Russia and Belarus conclude an agreement on ensuring joint defence of the external border of the Union State in the air space and on establishing a single regional system of air defence. The document is signed in the Kremlin following a meeting of the Supreme State Council of the Union State in the presence of the Russian and Belarusian presidents, Dmitry Medvedev and Alyaksandr Lukashenka. Medvedev and Lukashenka instruct the central banks and the governments of their countries to study the issue of Russia granting an additional loan to Belarus.

3 February 2009 Russia's permanent representative at the European Union, Vladimir Chizhov, says that the gas crisis is not "a problem which requires an investigation" in Russia-EU relations.

3 February 2009 Vladimir Putin meets Siemens Head Peter Loescher. He says Rosatom and Siemens want to cooperate in the nuclear energy sphere. In 2008 Russian orders for Siemens exceeded 1.2 billion euros. In addition, agreements have been signed with United Energy Systems and Gazprom on servicing thermal power stations and gas turbines.

3 February 2009 Russian presidential aide Sergey Prikhodko says that the CSTO leaders will meet to consider measures to create a CSTO collective rapid reaction force. He states:

Practical steps will be considered to create a CSTO collective rapid reaction force that might be used to rebuff military aggression, conduct special operations against international terrorism and violent manifestations of

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extremism, transnational organized crime and drug trafficking, and also for the elimination of the effects of natural and anthropogenic emergencies.

What will make the proposed collective force so unique is that they will have a permanent base in Russia, to which all other countries will delegate their contingents...Presumably, the force will be created on the basis of the 98th paratroops division and the 31st assault airborne brigade. Also, there are ideas of reinforcing them in the final stage with Emergencies Ministry units and, probably, with police. We are putting the finishing touches to the draft agreement and it is our hope we shall have it signed.

The CSTO Council will also discuss ways of strengthening cooperation within the alliance in the context of the agreements the presidents of Russia, Armenia, Kazakhstan, Kyrgyzstan, and Tajikistan reached at their informal summit in Kazakhstan on 19-21 December 2008.

4 February 2009 State Secretary and Deputy Foreign Minister Grigory Karasin says there is no link between the Kyrgyz leadership's decision to close the Manas base and Russian-Kyrgyz economic projects.

Chairman of the Duma Committee for International Affairs Konstantin Kosachev welcomes the Kyrgyz authorities' decision to close down the US airbase at Manas.

4 February 2009 A CSTO Council session takes place in Moscow. Dmitry Medvedev says that both Russia and the Central Asian members of the CSTO "are ready for a full-fledged, comprehensive cooperation" with the USA and other members of the antiterror coalition in Afghanistan.

Medvedev says that the leaders of the CSTO have signed an agreement to set up a collective rapid reaction force. The CSTO system of collective security is structured on regional principles and includes three separate groups of forces. The newly formed forces will include subunits from all seven members on a permanent basis; they will have a common command and be based on the territory of Russia.

4 February 2009 Dmitry Medvedev meets the president of Kazakhstan, Nursultan Nazarbayev. They discuss the results of the CSTO and Eurasian Economic Community summits and the agreements that have been achieved. They also discuss the development of the Russia-Kazakhstan-Belarus customs union which comes into being later in 2009.

4 February 2009 Dmitry Medvedev urges G20 to start a dialogue in preparation for the London summit on 2 April.

4 February 2009 The head of the Federation Council International Affairs Committee and head of the Russian side of the US Senate-Federation Council working group, Mikhail Margelov, visits Washington. He has talks with the head of the American side of the US Senate-Federation Council working group on Russia-US cooperation, Senator Ben Nelson, and the chairman of the Senate Committee on Foreign Relations, John Kerry. Margelov says:

During the meeting we discussed a possible new agenda for Russian-US relations which could include both the issues of mutual nuclear arms reduction and joint projects in developing such regions as Afghanistan, Africa, Asian countries as well as joint projects in the field of security, that is, countering international terrorism, the fight against piracy and setting up regional security systems.

Deputy Foreign Minister Grigory Karasin says Russia is ready to offer the USA the right to transit to Afghanistan through its territory for the needs of the antiterrorist coalition. He specifies that Russia has agreed to the transit of non-military cargoes and personnel, and "we'll show a flexible approach on other aspects too".

Karasin responds positively to the reports about US President Barack Obama's plans to organize talks with Russia on a radical reduction of the Russian and US nuclear arsenals.

The former chief of the Main Staff of the Strategic Missile Troops, Colonel-General Viktor Yesin, says talks with the USA on strategic arms reduction will only make good sense for Russia if its concerns over the deployment of the US global ABM system are taken into account.

Chairman of the Duma Committee for International Affairs Konstantin Kosachev says that the initiative to seriously reduce Russia's and the USA's nuclear arsenals will lead to the need to resolve a whole range of important accompanying questions. He comments on the reported Obama initiative of an 80 per cent reduction in US and Russian nuclear arsenals.

There are a lot of accompanying questions: the USA's antimissile potential will need to be reduced; and not only warheads but also carriers. Besides, at some point, other nuclear powers, in addition to the USA and Russia, must join the process, including those which are not signatories to the Nuclear Non-Proliferation Treaty - India, Pakistan, and probably Israel, North Korea and others.

He says he doubts whether a new START treaty would be ready by December 2009.

4 February 2009 Deputy Foreign Minister Sergey Ryabkov describes "certain signals" which came from the representatives of the new US administration during the talks of the six intermediaries on Iran's nuclear issue in Wiesbaden as "encouraging." He welcomes the readiness of USA to hold direct talks with Iran.

4 February 2009 Rosoboronexport Director-General Anatoly Isaykin says that Russia has signed its first contract in 2009 with China on the supply of over 100 aircraft engines for J-10 planes. Isaykin notes that the expanding geography and increasing volumes of Russian military exports "logically lead to the reduction of China's share in our arms exports... It is quite likely that it may drop from 40 per cent to 10 per cent. We are not concerned about that because the volume of sales remains high."

4 February 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says Russia will give Armenia a \$500 million stabilization loan to overcome the consequences of the global financial crisis. At the end of January, Kudrin announced that Armenia had asked Russia for a stabilization loan.

4 February 2009 Dmitry Medvedev says that the Eurasian Economic Community (EurAzEC) has decided to set up an anti-crisis fund amounting to \$10 billion. Medvedev is speaking at a joint news conference of the Russian, Armenian and Belarusian presidents in Moscow following a CSTO Council session and an EurAzEC summit. He says it has been decided to set up an international centre for high technologies.

4 February 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says Russia is ready to join the European Energy Charter if it is reworked. He says the

Energy Charter does not address a number of issues, including the transit of energy resources through third countries. Some of its provisions are outdated and not working.

5 February 2009 Dmitry Medvedev has talks with Bulgarian President Georgi Purvanov. He says that Russia and Bulgaria can conduct gas trade without the need for intermediary companies. Moscow and Sofia sign an intergovernmental agreement about paying off the remainder of the former USSR's debts to Bulgaria. The total size of Russia's debts to Bulgaria according to the former USSR's accounts is around \$100 million. Medvedev says an international legal basis to ensure gas deliveries and diversifying supply routes are needed to prevent situations similar to the recent Russian-Ukrainian gas dispute.

5 February 2009 Prime Minister Vladimir Putin has talks with Kazakh President Nursultan Nazarbayev on large-scale long-term projects requiring serious investment in space, machine building and the energy sector.

5 February 2009 Sergey Lavrov gives an interview to *Apsny*, an Abkhaz political magazine, which is published on the MFA website.

5 February 2009 Vitaly Lopota, the president of the space rocket corporation Energiya, says Iran possesses missiles which are capable of reaching any spot on the Earth.

Rosatom head Sergey Kiriyyenko says that the technical launch of Iran's Bushehr nuclear power plant is possible before the end of 2009. He says that "the launch is planned this year, as scheduled".

5 February 2009 Presidential aide Sergey Prikhodko says Russia will continue to extend full cooperation to the multinational forces in Afghanistan in uninterrupted transit of cargo. He states:

Russia and the other countries of the CSTO have unequivocally spoken in favour of cooperation with our partners, including the American ones, in their anti-terrorist efforts in Afghanistan. Russia has been providing and will be providing full cooperation to the multinational forces in Afghanistan in uninterrupted transit of cargo which ensures the operation of the multinational forces in that country.

The CSTO summit and its decisions are our joint reaction to the threats that at present originate from the southern borders of the CSTO above all it is the Taliban's activities, the situation in Afghanistan and, to a certain extent, Pakistan.

5 February 2009 Russia's permanent representative at the OSCE Anvar Azimov expresses concern over the build-up of Georgian military presence and police forces near the borders of South Ossetia.

6 February 2009 Dmitry Medvedev has talks in Moscow with European Commission President Jose Manuel Barroso. Medvedev says that the current European Energy Charter does not prevent energy conflicts and should be replaced by a more efficient legal framework.

Vladimir Putin also has talks with Barroso. Putin says the EU is interested in both the Nord Stream and South Stream gas projects. They also discuss human rights. Putin raises the issue of the human rights of Russians living in the Baltic states.

6 February 2009 Sergey Lavrov says that Russia has agreed to allow the transit of non-military freight through its territory to Afghanistan and is now waiting for a specific request from the USA about the amount and type of cargo.

Russia's permanent envoy to NATO Dmitry Rogozin says the further development of cooperation between Russia and NATO in ensuring security in Afghanistan is only possible if "Russia is fully involved in debates on the situation in Afghanistan". He says that such cooperation between Russia and NATO had existed "only as part of the Russia-NATO Council", which "has practically stopped working for five months". Now, he says, cooperation on this issue is possible only if NATO "behaves more like a partner".

6 February 2009 Deputy Prime Minister Sergey Ivanov addresses the 45th Munich Security Conference. He says that the ballistic missile defence system that the USA is planning to deploy in Europe is aimed at deterring Russia's nuclear missile potential. He says Russia is proposing to ban the placement of strategic offensive weapons outside national territories.

6 February 2009 Vladimir Chizhov, Russia's permanent envoy to the European Union, says that the existing security systems are unable to cope with global challenges.

None of the existing organizations dealing with security in our broader region, neither NATO, nor the European Union, nor the OSCE, nor - to be fair - the CIS, nor the Collective Security Treaty Organization - can cope with all these challenges on their own. Basic rules of the game must be defined. They are quite simple: for instance, a refusal to strengthen one's own security at the expense of somebody else's security.

6 February 2009 Russian ambassador to Belarus Aleksandr Surikov says that Russia is not prepared to consider the project to build a second string of the existing Yamal-Europe gas pipeline until after the completion of the existing projects to build the Nord Stream and South Stream gas pipelines. He says that in the first quarter of 2009, Belarus will pay \$200 or more per 1,000 cubic metres of Russian natural gas. The average price for the year will be about \$150. He also says that an agreement on the creation of a Russian-Belarusian single air defence system will be a framework document which will be finalized within six months.

6 February 2009 Prime Minister Vladimir Putin approves the draft of the intergovernmental agreement with Kyrgyzstan on the construction and operation of Kambaratinskaya GES-1 hydroelectric power plant. Deputy Prime Minister Igor Sechin has been instructed to sign the agreement for the Russian Federation.

6 February 2009 The Iranian ambassador to Moscow, Mahmud Reza Sajjadi, says: "We have suggested to the Russian government setting up an electricity generation grid in this region so that its countries can be linked by a single network."

6 February 2009 Foreign Minister Sergey Lavrov says that Russia is satisfied with the new US administration giving "priority attention" to nuclear arms control and is prepared to start talks on a new strategic arms reduction treaty as soon as possible.

6 February 2009 The Russian MOD denies Georgian claims that Russian jet fighters have been deployed at the Gudauta military base in Abkhazia.

6 February 2009 CSTO General Secretary Nikolay Bordyuzha says:

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The common air defence system being created by Russia and Belarus will become a part of the CSTO's unified air defence system. We plan to establish three regional air defence systems within our organization - between Russia and Belarus, between Russia and Armenia in Transcaucasia, and a unified air defence system in the Central Asian region.

7 February 2009 Russia's representative to NATO Dmitry Rogozin welcomes US Vice-President Joe Biden's statement that consultations with Russia on the missile defence issue are necessary. Rogozin says: "The main feature of this speech is that it is not so much an independent political speech as a preamble to something more innovative...Therefore it has many hints and associations from which it follows that one can expect new aspects in US foreign policy."

Konstantin Kosachev, chairman of the Duma foreign affairs committee makes the following comment about Biden's speech at the Munich Security Conference:

The tone rather instils hope. It is indeed a serious bid to reset US foreign policy including doubtless Russian-US ties. I see the term itself, reset, as the admission that as regards the problems which we've encountered, to a degree everyone without exception is responsible for them, including the US.

For the first time, a highly placed representative of the US administration, the US vice-president, spoke about the missile defence plans quite cautiously. That is to say, he referred to it as in need of additional studies into the technical aspects of how effective this system is. This suggests that indeed we have definite potential at the talks on the issue of strategic missile defence deployment near our borders. On the whole, the rest of the passages to do with Russia, too, could be called - translated into Russian from the way the West understands relations with Russia - complimentary.

7 February 2009 Russia's ambassador to London Yury Fedotov states that Great Britain is still a leading investor in the Russian economy. The volume of cumulative British investments in Russia's economy at the end of September 2008 grew by 29.8 per cent, compared with the same period in 2007, and totalled \$31.3 billion. This corresponds to 12.5 per cent of the overall total of cumulative foreign investments in Russia. The volume of cumulative Russian investments in the British economy is around \$900 million. Fedotov states that the bilateral trade turnover for 2008 grew by 35 per cent and reached \$22.5 billion. Russia's export to Great Britain and import grew at similar rates - by 35 and 33 per cent. According to 2008 totals, they totalled \$14.9 billion and \$7.6 billion respectively.

8 February 2009 Deputy Prime Minister Sergey Ivanov expresses optimism about Russo-US relations following the speech by US Vice-President Joseph Biden at the Munich Security Conference. He says Moscow is minded to engage in intensive discussions with the USA on a new strategic arms reduction treaty and is waiting for a statement from Washington on its readiness to consider a new treaty. Ivanov and Biden have a private meeting. Ivanov states:

Mr Biden has confirmed the most serious intention to start from a clean slate, so to speak, or, to use his phrase, reset the Russian-American interaction mechanism, because if you take any problem - it is not just disarmament, but also climate, the world financial crisis, Afghanistan, the Iranian nuclear programme and everything else - carries, in one way or another, potential for interaction between Russia and the United States.

The US administration is sending a very serious signal - and we can hear it

well - about its readiness to resume, in an honest and trustworthy manner, Russian-American dialogue on all issues of mutual interest. It does not mean that we should agree on everything. Both sides understand this perfectly well.

9 February 2009 Chief of the General Staff Army General Nikolay Makarov says that the central security-related issues that Russia is discussing with the USA and NATO are the problems of ABM and the prospects of the CFE Treaty and SORT (Strategic Offensive Reductions Treaty).

9 February 2009 Head of the Federation Council International Affairs Committee Mikhail Margelov says he believes that the current structures of international security need to be reviewed. He makes the following comment on the Munich Security Conference:

The conference confirms the correctness of the latest Russian foreign-policy initiatives on the creation of a single security zone, and it is quite obvious that the current security structures are in need of review. And our country demonstrated in Munich its openness in the strategic sphere, which is the most sensitive area of international relations.

He also states: "The German chancellor's statement was also symptomatic; she noted that it is necessary to involve Russia in the future architecture of security in Europe. The proposal about the involvement of Russia in the project to create a European ABM system was also of no small importance." He calls the possibility for reviewing Russian-American relations an extremely important result of the conference.

9 February 2009 An interview with the Russian Ambassador to Ukraine Viktor Chernomyrdin is published on the *Komsomolskaya Pravda* website. He says: "They [the USA] will not drop Ukraine. They will haul it into NATO and will themselves meddle in the gas transportation system." He says it is impossible to reach an agreement with the current Ukrainian leadership on the BSF.

9 February 2009 State Secretary, Deputy Foreign Minister of the Russian Federation Grigory Karasin receives the special representative of the current OSCE presidency, Charalampos Christopoulos. He emphasises that Russia desires that there be two separate OSCE missions in South Ossetia and Georgia.

9 February 2009 An aide to the commander of the Russian Federation's Ground Troops, Colonel Igor Konashenkov, says representatives of the MOD have asked the Georgian law enforcement agencies to organize a meeting between junior sergeant Aleksandr Glukhov and his mother. Georgian Interior Ministry spokesman Shota Khizanishvili says that Glukhov's mother has been taken to Tskhinvali but Russian troops are not allowing her to enter Georgian territory.

9 February 2009 Head of the Russian Foreign Ministry Second Asian Department Aleksandr Maryasov confirms Russia's plans to bring construction of the Bushehr nuclear power plant in Iran to completion.

9 February 2009 The MFA press service says that Ukraine has asked Russia to consider the possibility of extending a loan of \$5 billion.

10 February 2009 Sergey Lavrov is interviewed on *Vesti TV*. He discusses Russia's ideas for European security. He states:

All those involved in security in this area should be part of these negotiations; it is not only NATO, not only the European Union, and of course not only the

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OCSE; it also the CSTO, the CIS, the organizations within which military-political issues are discussed in detail.

We do not propose creating any new organizations; we do not propose cancelling or abolishing any existing organizations. We would like all states to come together; all the above organizations to be represented at this forum; and to examine honestly the situation with the principle that I have mentioned, which was agreed long ago, both at the OSCE and at the Russia-NATO Council, the principle which stipulates the indivisibility of security. It plainly says there that no-one should take steps to ensure one's own security which would infringe the security of any other party to the process. The principle exists, it is set out in political and legal documents, but it is not being implemented in practice. So there must be a defect somewhere in the mechanisms for its implementation.

It concerns strategic stability, it also concerns the issue of conventional arms control, and it also concerns approaches to conflict settlement in this area. And certainly terrorism, the drug threat, are the spheres where we should be pooling our efforts rather than trying to resolve these issues each on his own, or isolating some state or some organization.

He also says that the G20 summit in London on 2 April should not deal in "cosmetic nuances" but specific measures to reform the world's financial system. He advocates NATO-CSTO cooperation.

He also states:

Today no positive development either in Europe or in the world as a whole is possible without constructive cooperation with Russia. With those who respond to us by reciprocating, we are prepared to build equal relations of mutual respect for the benefit of our countries and peoples.

We are strengthening the integrated core in the CIS in the shape of the CSTO, the EurAzEC, the Union State of Russia and Belarus and we are moving towards a strategic partnership between Russia and the European Union. We are actively developing a dialogue with new centres of economic growth and political influence in the format of BRIC and in other formats as well as increasing the quality of cooperation with friendly countries of Latin America, the Caribbean basin, the Asia-Pacific region and Africa."

Russia has conclusively established its role as one of the leading countries of the world. This is being admitted even by those who intended to play, without our participation, games on the geopolitical chess board. However, the desire to hold back Russia and unfair attempts to prevent us from using our competitive advantages will probably continue and an effective countering of this line, the formation of an objective image of Russia in the world is among our priorities this year.

10 February 2009 Presidential press-secretary Natalya Timakova says the Kremlin has assessed positively statements by the new US administration on the prospects for the development of Russian-US relations.

Russian ambassador to NATO Dmitry Rogozin says that Russia hopes that Obama administration "will be able to look at what is happening in Russian-US relations without blinkers and get rid of the 'skeletons' of the Cold War...It is necessary to reset our relations...Earlier we were extremely upset by the behaviour of the George

Bush administration...At a high level they were telling us some reassuring things, while they did exactly the opposite to our fundamental national interests." He also says that warmer relations between Russia and the USA could help resolve the problem of the CFE Treaty. He also says that the ice is now melting between NATO and Russia.

10 February 2009 Vladimir Putin appoints Energy Minister Sergey Shmatko chairman of the Russian part of the permanent Russian-Iranian commission for trade and economic cooperation. The instruction was signed 4 February 2009. Shmatko replaces Rosatom head Sergey Kiriyenko in this post.

10 February 2009 Air Force Commander Lt Col Aleksandr Zelin says the Russian Air Force is capable of defending the air frontiers of any member of the joint air defence system of the CIS. The CIS joint air defence system was formed in 1995, based on an interstate agreement, signed by the presidents of Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Russia, Turkmenistan, Tajikistan, Uzbekistan and Ukraine. He says members of the CIS have begun to build regional air defence systems in three directions - East-European, Caucasian and Central Asian. He says: "This work has already commenced. An agreement on joint defence of air borders of the Union State and on creating a unified air defence system of Russia and Belarus is being prepared for signing. Draft agreements on other regions are in the works."

The unified CIS air defence system was established on 10 February 1996. It includes seven air defence brigades, and 46 missile air defence units armed with S-125 S-75, S-200 and S-300 systems of various modifications. There also 23 aviation units equipped with MiG-29, MiG-31 and Su-27 planes, 22 formations of radio technical troops and two electronic warfare units.

10 February 2009 Russia's permanent representative to NATO Dmitry Rogozin says that Russia's military presence in Abkhazia and South Ossetia depends exclusively on how the process to disarm Georgia progresses.

Russian ambassador to Abkhazia Semen Grigoryev says that the signing of an agreement about the location of Russian military bases in Abkhazia could take place in the coming weeks. He says that Russia and Abkhazia are preparing to sign around 20 treaties and agreements as part of their cooperation.

10 February 2009 The head of Gazprom Aleksey Miller and the president of South Ossetia Eduard Kokoyty sign an agreement on rebuilding the republic's gas infrastructure. They discuss the commissioning and construction of the gas pipeline through which gas will flow from Russia to South Ossetia.

10 February 2009 The final stage of the Russian-Indian drill Indra-2009 takes place. It involves warships of the Russian and Indian navies to tackle piracy in the western part of the Arabian Sea. The first stage of the drill took place from 26 January to 1 February in the eastern part of the Arabian Sea and involved the heavy nuclear missile cruiser *Pyotr Veliky* from the Northern Fleet and the Indian destroyer *Delhi* with a guided weapons system. It envisaged the warships practising coordinated communications and manoeuvring.

11 February 2009 Russia's permanent representative at the OSCE Anvar Azimov criticizes the EU's position on South Ossetia. He notes that the EU undertook ensuring Georgia's non-use of force, deploying its observer mission in the zones adjacent to South Ossetia and Abkhazia from the beginning of October 2008. However, Azimov points out that the mission's mandate "does not provide for control over the actions of Georgian troops or for taking effective measures to

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counter attempts to destabilize the situation in the region again". He says that it would be useful to develop "an algorithm for cooperation" between EU observers and the Russian military contingent.

11 February 2009 Sergey Lavrov has talks in Moscow with the EU troika comprising Czech Foreign Minister Karel Schwarzenberg, Swedish Foreign Minister Carl Bildt, EU High Representative for Common Foreign and Security Policy Javier Solana and EU Commissioner for External Relations and European Neighbourhood Policy Benita Ferrero-Waldner. Lavrov says that Russia and the EU are working "constructively" to draw up a new partnership and cooperation agreement, and a Russia-EU summit should take place in May. Lavrov welcomes the USA's new approach to Iran. He states:

Taking into account a fresh approach which seems to appear towards Iran, we hope that the USA will be able to make a more effective contribution to resolving the problem than in recent years. We attach special importance to the new US Administration's declared intention to start a direct dialogue with Iran. I am convinced this will help the Group of Six's joint efforts to implement proposals which the Group of Six put forward to Iran. I very much hope that efforts by Javier Solana and his colleagues, on behalf of the Group of Six, to create conditions for the beginning of a negotiating process, will continue and succeed.

Lavrov says that Russia will take no retaliatory steps if no US missile defence systems are deployed in Eastern Europe. He also says that Moscow is ready to take "additional steps" to help NATO deliver cargo to Afghanistan.

Non-military transit has already been granted in the framework of our agreement with NATO. And the United States literally the other day received consent to activate these agreements for delivering its cargo for the needs of the International Security Assistance Force.

Additional steps are also possible. Let me remind you that in April-May last year we discussed with our NATO colleagues the agreement to provide Russian military aviation for the delivering of cargo for the needs of the International Security Assistance Force.

There might be some other agreements. The most important thing is that relations between Russia and NATO return to their normal vein.

11 February 2009 CSTO general secretary Nikolay Bordyuzha says the countries of the CSTO will coordinate joint efforts in the course of talks on NATO cargo transit to Afghanistan.

11 February 2009 Sergey Lavrov says he hopes that the coalition government that will be formed in Israel after the 10 February election will adhere to the agreements reached in the Middle East peace process, including the road map.

In the very near future we will announce the time frame for holding the Moscow conference on the Middle East settlement, which will continue what was begun in Annapolis. We hope that this forum will make it possible to concentrate not on current tasks and that it will not be a reaction to events, but will make it possible to concentrate on how to move towards those aims that are shared by everyone, which are underpinned by UN resolutions, which is the creation of a Palestinian state which will exist side by side in peace and cooperation with the state of Israel.

11 February 2009 The MFA says that the outcome of the European Parliament's debate on the voting rights of "non-citizens" in Latvia is a matter for regret.

11 February 2009 The MFA welcomes the leader of the main opposition Movement for Democratic Change, Morgan Tsvangirai, being sworn in as Zimbabwe's prime minister.

12 February 2009 Deputy Foreign Minister Aleksandr Grushko says it is too early to judge the foreign policy of the new US administration, but the signals sent inspire optimism.

12 February 2009 Dmitry Medvedev meets Russia's permanent representative to NATO, Dmitry Rogozin. Medvedev says that Russia is interested in having "fully fledged, mutually beneficial" relations with NATO. He says Russia is ready to discuss the most varied subjects with NATO: terrorist threats, military conflicts and the fight against organized crime.

Rogozin says that he considers NATO's appeal to Russia to restore bilateral cooperation to be a "kind of apology".

On the whole, NATO members are now behaving completely differently from before...One could say that the crisis has been beneficial for them in our relations, because now the doctrinaire, empty, purely propaganda discussion is being removed from those relations.

They are more interested in objective political dialogue, in expanding contacts and forums for cooperation. And in general there is great interest in the initiative that you have expressed for a new legally binding treaty on European security.

He later states:

Recently NATO has made quite active efforts to restore relations with the Russian Federation, and that gives, from their point of view, encouraging signs...I think they have understood that without Russia it is impossible to solve any problem whatsoever in the Euro-Atlantic region and in the areas where they are conducting military operations.

NATO has very difficult affairs in Afghanistan; the operation there has in effect got stuck. NATO is extremely interested in Russia helping its contingent in Afghanistan under the UN Security Council mandate.

He urges NATO to "to finally acknowledge the existence of the CSTO", and cooperate with it on countering drug trafficking from Afghanistan.

The director of the Federal Service for Control over the Trafficking of Narcotics, Viktor Ivanov says the fight against the Afghan narcotics threat would be more effective if the forces that are in that country under the aegis of NATO start tackling this problem. NATO does not set for itself the task of fighting narcotics in Afghanistan and is focusing only on countering terrorism.

12 February 2009 The special presidential envoy for international cooperation in the Arctic and the Antarctic, Artur Chilingarov, says NATO does not have the technical capacity to enhance its military presence in the Arctic: "Only our country possesses the unique equipment capable of accomplishing to a high standard various tasks in the extreme conditions of the Arctic." He is commenting on

statements about NATO and Scandinavian countries planning to set up a military group to patrol the Arctic Ocean. Chilingarov says that Russia was not rejecting international cooperation, including with NATO member states. He says: "For us the Arctic remains the most important geopolitical priority, but we are ready for dialogue, both through international organizations and directly." A large Russian scientific observatory will be built on Spitsbergen.

12 February 2009 Duma International Affairs Committee Chairman Konstantin Kosachev attends a hearing on relations between the EU and the Russian Federation at the European Parliament Foreign Affairs Committee. He describes as wrong the widespread opinion in Europe that Russia is reviving the USSR's imperialist policy and that Russia is weak. He says that strategic partnership relations have not yet been established between Russia and the EU: "The problem is that neither the European Union nor Russia has decided whether we are strategic partners or just partners." He calls for a provision on the strategic character of bilateral relations to be included in a new basic agreement between Russia and the EU.

12 February 2009 Sergey Lavrov and Transdnestr region President Igor Smirnov hold talks in Moscow. Smirnov says a total of 125,000 residents of Moldova's breakaway Transdnestr region have Russian citizenship. Smirnov says that the population of the Transdnestr region is about 550,000.

12 February 2009 Deputy Foreign Minister Grigory Karasin says that the collective rapid reaction forces of the CSTO will be sent to crisis areas on the basis of a decision by the Collective Security Council of the CSTO. This agreement was officially formalized at the CSTO meeting in Moscow on 4 February.

Karasin says that the Russian component of the collective rapid reaction forces will comprise one airborne division and one airborne assault brigade.

13 February 2009 Sergey Lavrov says that the transit of American non-military freight through Russian territory to Afghanistan will commence in the next few days.

13 February 2009 Vladimir Putin meets a delegation of Euro MPs from the Group of the European People's Party and European Democrats, led by its chairman Joseph Daul.

13 February 2009 Turkish President Abdullah Gul visits Moscow for talks with Dmitry Medvedev. They sign a joint declaration on transition to a new stage of relations between Russia and Turkey. Russo-Turkish trade in 2008 was about \$34 billion. Medvedev emphasises the importance of energy cooperation. They also discuss Caucasus and Black Sea security.

13 February 2009 Deputy foreign minister, Aleksandr Saltanov has talks with UN Secretary General Ban Ki-moon at UN HQ in New York. He expresses support for the mediation efforts of Egypt to establish a long-term Palestinian-Israeli cease-fire and restore Palestinian unity. Saltanov says a Moscow conference on the Middle East is expected to take place in the first half of 2009.

13 February 2009 The MFA calls for a collective security system in the Persian Gulf region. A deputy director of the information and press department of the MFA, Aleksandr Zasyplin says: "We think that all the states of the region plus influential players could be involved in this system."

13 February 2009 The secretary-general of the CSTO, Nikolay Bordyuzha, says Russia will set up a joint air defence system with Armenia. "We suppose that the joint air defence system of Russia and Belarus currently being created is part of ensuring security of the air borders of the CSTO member states and only the first stage of setting up three regional air defence systems: Eastern European, Central Asian and Caucasian regions."

The official representative of Russia to NATO, Dmitry Rogozin, says that the announcement that joint Russian-Armenian air defences are to be established is part of Russia's plan to have a circular air defence system beyond its national borders.

13 February 2009 Sergey Lavrov criticises the approach of the OSCE towards international observers in the South Caucasus.

A UN Security Council resolution prolonging the UN missions mandate in the Caucasus for four months is unanimously approved. It contains no mention of Georgia's territorial integrity.

13 February 2009 The Prosecutors General of Armenia and Russia Aghvan Hovsepyan and Yury Chayka sign a Memorandum in Yerevan on the main directions for cooperation for 2009-2011 between the two countries' Prosecutor General's Offices.

13 February 2009 The aide to the commander-in-chief of the Russian Ground Troops, Col Igor Konashenkov, says Georgia has not let the mother of Russian Sgt Aleksandr Glukhov meet her son.

14 February 2009 Sergey Lavrov is interviewed on the *Centre TV* "Postscript" programme. He discusses Russo-US relations under Obama, ABM issues and NATO's cargo transit to Afghanistan. On ABM he says:

We are open for dialogue, we have also paid attentions to the signals coming from Washington about willingness to develop a missile defence concept jointly with the Russian Federation, including taking into account the proposals that were made by then President of Russia Vladimir Putin at his meeting with George Bush in Kennebunkport in July 2007. These proposals remain on the negotiating table.

14 February 2009 The MFA says the continuing presence of OSCE military observers in areas bordering South Ossetia "will help strengthen the republic's security". On 12 February, the OSCE Permanent Council extended its resolution on the work of 20 OSCE military observers there.

The MFA states that the UN Security Council resolution on extending the mandate of the UN presence in Abkhazia and Georgia will help ensure stability in the region. On 13 February, the UN Security Council unanimously passed resolution 1866 which extends the mandate for four months until 15 June 2009.

15 February 2009 Turkish president Abdullah Gul visits Tatarstan. This is the first visit by a Turkish President to Tatarstan. Turkish State Minister Kursad Tuzmen and Tatarstan's Prime Minister Rustam Minnikhanov sign three framework agreements for Turkish investments worth \$250 million. Based on the agreements, separate facilities to manufacture glass products and furniture panels will be erected. Furthermore, a product renovation facility will also be constructed in Tatarstan by the Turks. 70 per cent of all foreign investments in Tatarstan are Turkish. Tatarstan President Mintimer Shaymiyev calls for closer cooperation with

Turkey. Turkish-Tatar trade reached \$3 billion in 2008.

15 February 2009 Bolivian President Evo Morales arrives in Moscow at the invitation of Dmitry Medvedev. The two sides are expected to discuss the fight against drug trafficking and lithium extraction from Bolivia's salt flats, plus an agreement with Gazprom under which the concern is to invest \$3 billion in the exploration of new deposits in Bolivia.

16 February 2009 Deputy Foreign Minister Sergey Ryabkov says that Moscow believes that progress at the talks with the USA on the missile defence problem is quite possible. He states: "As soon as there are signs of movement towards restoration of confidence in the peaceful nature of the Iranian nuclear programme, I think opportunities will open up for more profound dialogue on prospects for cooperation in missile defence."

16 February 2009 Sergey Lavrov visits Israel. Lavrov has talks in Ramallah with Palestinian leader Mahmud Abbas. He says that Moscow has not stopped its contacts with Hamas. Lavrov says representatives of the Hamas and Hezbollah movements will not be invited to the international meeting on Middle East settlement in Moscow. Lavrov says that Russia intends to help resolve the issue of arms smuggling to the Gaza Strip and is ready to support measures which Egypt will take for this purpose.

16 February 2009 Sergey Lavrov visits Egypt.

16 February 2009 Deputy Foreign Minister Sergey Ryabkov says that Russia does not intend to harden its policy towards Iran. He admits that there are some grounds for concern over Tehran's work in this area: "There are such grounds - both for concern and for appropriate demands from the international community".

Iranian Foreign Minister Manuchehr Mottaki says the Islamic Republic of Iran is ready to expand cooperation with Russia in the oil and gas sphere on mutually beneficial terms. Gazprom has been participating since 1997 in the development and production of the second and third stages of the South Pars field. In July 2008 Gazprom and the National Iranian Oil Company signed a memorandum on mutual understanding.

16 February 2009 The director of the Federal Service for Military-Technical Cooperation, Mikhail Dmitryev, says Russia does not rule out the possibility of extending credit to Bolivia for the purchase of Russian military equipment.

16 February 2009 Dmitry Medvedev and British Prime Minister Gordon Brown discuss by telephone the progress of preparations for the April G20 summit in London.

16 February 2009 Finance Minister Aleksey Kudrin says Russia and Italy have reached full mutual understanding on building the South Stream gas pipeline. He attends the 10th session of the Russian-Italian council on economic, industrial and financial cooperation in Rome. He says Russia now has a good chance to speed up the process of joining the WTO and the OECD.

16 February 2009 Rosoboronexport special projects director Nikolay Demidyuk says Rosoboronexport has a portfolio of orders worth some \$20 billion. He says some NATO countries are interested in buying Russian arms. He names Greece and Turkey.

17 February 2009 The MFA criticises the Ukrainian MFA's demarche against the Russian ambassador to Ukraine, Viktor Chernomyrdin. The Ukrainian MFA has warned Viktor Chernomyrdin about the possibility of his being declared *persona non grata*.

The special presidential envoy on the delineation and demarcation of the Russian border with neighbouring CIS countries, Aleksandr Golovin, describes as untruthful the statements made by Kiev that Russia is trying to take away part of Ukrainian territory in the Kerch Strait and in the Sea of Azov. Golovin says that existing documents between Russia and Ukraine "say nothing about the fact that this border in the Sea of Azov and the Kerch Strait has already been established". He says that "We will need to negotiate its existence and placement".

17 February 2009 Press secretary to the head of the Russian government Dmitry Peskov says that Russia will restore its strategic security if it is violated by the deployment of the USA's ABM system in Eastern Europe. He rejects the US argument that the deployment is aimed at the avoidance of a possible threat emanating from Iran. He says this is an American project which was not implemented at the request of European countries. Peskov says that Russia is now receiving "more constructive signals" from the USA. He states: "If the USA indeed considers this issue from all sides and positions and makes a decision, taking into account the interests of third countries, including Russia's interests, then it will be in the interests of security of both the USA and Russia and of the whole European continent."

The special representative of the Russian president for international cooperation in combating terrorism and cross-border crime Anatoly Safonov says that Russia hopes for more active antiterrorist cooperation with the USA and is ready to offer many new ideas in this area. "There are plenty of issues we can set our sights on, including, for instance, the issues of mutual extradition, continuing double standards, or issues of greater cooperation on Afghanistan." He says Russia is seeing a possibility to step up cooperation with the USA in the sphere of non-military supplies to Afghanistan along the so-called 'northern route'. "As the American troops are increasing their contingent in Afghanistan, the issue of supplies remains extremely topical. We recently said that our route is open and we are ready to look for possibilities for strengthening and upgrading it." He notes that Russia, jointly with Western experts, is working on the issues of providing routes and stationing transshipment bases. The route will be exclusively non-military supplies. A framework agreement on the transit of non-military cargo was reached between Russia and NATO in April 2008. After this the Russian side conducted specific talks on the amount of cargo and the forms of transit with individual countries of the alliance, which are conducting anti-terrorist operations in Afghanistan. Earlier transit agreements were signed with Germany, France and Spain. Safonov expresses concern about the narcotics problem in Afghanistan. He says that the amount of heroin produced in Afghanistan has nearly quadrupled since the beginning of the century - to 8,000 tonnes.

17 February 2009 Chief of the Gazprom's foreign economic activities department Stanislav Tsygankov says that granting Gazprom the right to sell gas in Chinese territory could be a way to bring the positions of Gazprom and the China National Petroleum Corporation (CNPC) on prices for the supply of Russian gas closer together.

17 February 2009 Sergey Lavrov flies to Oman. He says Russia is not trying to take Turkey's place as a mediator in the Israeli-Syrian dialogue.

Lavrov rejects reports that Russia could come forward with its own initiative for

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settling the situation in the Gaza Strip. Lavrov says Dmitry Medvedev has sent a message to Egyptian President Hosni Mubarak stating that Russia desires to upgrade relations with Egypt to the level of a strategic partnership.

17 February 2009 Defence Minister Anatoly Serdyukov has talks with the Iranian Minister of Defence and Armed Forces Logistics Brigadier-General Mostafa Mohammad Najjar in Moscow.

17 February 2009 Deputy Prime Minister Igor Sechin meets Chinese Vice-Premier Wang Qishan in Beijing. They agree to a \$25 billion deal to purchase Russian oil over a 20 year period. Sechin states:

We have managed to agree on a number of very important documents in oil sector cooperation, which envisage long-term supplies of oil from Russia to China, the construction of a pipeline branch to ensure those supplies and the raising of financial instruments from China to implement these projects. That involves the supply of 15 million tonnes of oil every year over a period of 20 years on loan terms.

Rosneft and Transneft will receive from the China Development Bank a \$25 billion loan, while Rosneft will be supplying oil to China for a period of 20 years.

The deputy prime ministers also approve an intergovernmental agreement on the construction of a branch from the East Siberia - Pacific Ocean oil pipeline to China. Also the Chinese company CNPC and Transneft sign a contract for the construction and operation of a section of the pipeline. Transneft intends to start building the branch of the East Siberia - Pacific Ocean pipeline to China in April-May 2009. Construction is expected to be completed in the first half of 2010.

17 February 2009 Dmitry Peskov, press secretary to the Russian prime minister, says that in the absence of political stability, the participation of third countries in the settlement of regional problems, including those in the Caucasus, may be harmful. He is commenting on a Turkish initiative for a stability and cooperation platform in the Caucasus.

17 February 2009 The special representative of the Russian president for the delineation and demarcation of the state border with the neighbouring CIS states Aleksandr Golovin says that the determination of state borders between Russia, Abkhazia and South Ossetia will begin in 2009 and requires no recognition by third countries.

17 February 2009 Sergey Lavrov rejects reports by the Japanese media to the effect that Dmitry Medvedev allegedly had promised Tokyo a certain unconventional solution to the territorial problem.

Our president has not given and could not give any unconventional promises. We are sticking to our fundamental position, according to which we are ready to look for a solution which would meet the interests of both Russia and Japan and would be approved by the peoples of our countries.

At the moment our positions are diametrically opposite. We have stressed more than once the need to form positive public opinion about Russian-Japanese cooperation. Voices are occasionally heard in Tokyo which are trying to link any further development of trade and economic and investment cooperation with a quick solution of the territorial problem on Japan's conditions...We

regard this as counterproductive.

17 February 2009 CSTO Secretary-General Nikolay Bordyuzha is interviewed on the decision to set up a collective rapid-reaction force. He says it will only operate on the territory of CSTO member states.

What is it? It is a power potential in the hands of the Council of Collective Security which can be used to settle local military conflicts, to, possibly, settle border conflicts, to carry out operations aimed at preventing terrorist attacks, to carry out activities aimed at stopping drugs trafficking and other forms of organized crime.

What does the CSTO have at present? It has a peacekeeping force, which we are setting up, and the relevant agreement. The states signed international legal acts a year-and-a-half ago and four states have already ratified this agreement. So, a peacekeeping force for possible separation of conflicting parties, and, second, a collective rapid-reaction force, a potential which is necessary to eliminate the enemy, eliminate gangs, to fight, as I have already said, organized crime, terrorists and so on.

18 February 2009 Gazprom chief Aleksey Miller says at a session devoted to increasing the efficiency of Russia's participation in international energy cooperation that European customers won't be able to get additional quantities of Russian gas unless the Nord Stream and South Stream gas pipelines are built.

Without the Nord and South streams Europe will simply not get additional quantities of Russian gas, and Europeans realize this.

All the necessary survey and coordination work concerning the Nord Stream gas pipeline is being carried out. In the meantime, the production of pipes for this pipeline has already begun.

A feasibility study for the South Stream project is being drawn up actively. The sea section of South Stream will stretch from Russia to Bulgaria across the bottom of the Black Sea. The total length of the linear part of the twin pipe gas line will be about 900 km...

In the midterm we continue to view Europe as the most important market for us despite the European Commission's plans aimed at developing alternative types of energy. Due to a drop in gas production in Europe, the share of Russian gas on that market will rise from the current 26 per cent to 33-35 per cent in 2020.

He says the Nord Stream gas pipeline project will be built and start operating in 2011.

18 February 2009 The head of the Duma International Affairs Committee, Konstantin Kosachev, says that unlike in the case of Iraq, a threat from activities of terrorist groups in Afghanistan is real and funds obtained from drug trafficking could be channelled to support international terrorism. This is his response to US President Barack Obama's decision to increase the American military contingent in Afghanistan by 17,000 people. Earlier, Obama was saying that Washington was planning to increase the number of American servicemen deployed in Afghanistan from 36,000 to 60,000 within 18 months.

The change of focus from Iraq to Afghanistan is obvious and has to do with the US president's understanding that the operation in Iraq from the very

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beginning did not have grounds either in terms of countering terrorism or discovering weapons of mass destruction.

Training bases of terrorist groups, territories which are not controlled by the authorities or anyone else and from which they can carry out their activities on the international scale really exist in Afghanistan. Moreover, funds from drug trafficking can be used to finance international terrorism.

18 February 2009 Sergey Lavrov says that Russia expects from the NATO specific proposals on cooperation in overcoming Afghanistan's problems and on issues of strategic stability.

18 February 2009 Sergey Lavrov has talks with his Omani Foreign Minister Yusuf Bin-Alawi Bin-Abdallah. He says Russia is interested in deepening cooperation with Oman in the oil and gas sector, and in nuclear energy.

18 February 2009 Dmitry Medvedev has talks with Japanese Prime Minister Taro Aso in Sakhalin.

18 February 2009 Deputy Prime Minister Igor Sechin says Russia is not ready yet to become a member of OPEC, but it is going to discuss cooperation with the organization's secretariat. "They are offering us to join, but we still believe that, at the first stage, while we are yet to grasp the fine details of OPEC's operation, it is desirable to have something like an observer's position...I think that coordination of work with the OPEC secretariat might become one of the variants, which is practically the same." OPEC does not envisage observer status.

18 February 2009 Deputy Foreign Minister and State Secretary Grigory Karasin says that Moscow believes that the agreements reached at the international discussion in Geneva on stability in the Caucasus are timely, since Moscow has long been concerned by Georgia's growing militarization. This is the fourth round of international talks in Geneva. The parties adopt proposals for joint mechanisms for preventing and reacting to incidents. Karasin says that Russia is ready to take an active part in drawing up a new mandate for UN observers in Abkhazia.

19 February 2009 Sergey Lavrov says that Russia hopes that Barack Obama's administration will display a more realistic approach to offensive arms reduction than the administration of George Bush. Lavrov calls on France, Great Britain and China to join at some stage the efforts to reduce offensive weapons.

Sergey Lavrov says Russia is ready to consider the wishes of Oman and Bahrain in the area of military-technical cooperation. He says that Bahrain is interested in active cooperation with Russian gas companies.

Lavrov says that Russia and OPEC countries are interested in the oil market being stable and not being subject to sharp and unpredictable fluctuations.

We are developing very close cooperation with OPEC on the basis of agreements that we have. We are not OPEC members, but we see a great deal of benefit in regular exchanges of ideas about what needs to be done for the market in hydrocarbons and oil to be genuinely stable and not to be subjected to sharp, zigzag-type and unpredictable fluctuations that are largely caused by speculative prices of various players on that market.

Our interests coincide here, and we will agree our moves with OPEC in a broad variety of formats.

19 February 2009 Deputy Foreign Minister Vladimir Titov says that the unilateral declaration of Kosovo's independence has only exacerbated the province's problems.

19 February 2009 A Duma hearing takes place on the heroin problem in Afghanistan. 82 people of conscription age die in Russia every day from heroin, according to official figures. Every year 12 tonnes of pure heroin are brought into Russia from the south, the equivalent of 3 billion single doses. During the hearing it is stated that since the start of Operation Enduring Freedom and the deployment to Afghanistan of US and NATO troops the production of opiates in the country has grown 44-fold. The turnover has reached \$100 billion. Russia proposes a programme consisting of three elements: the development of international cooperation against the narcotics industry, the strengthening of border regimes and the introduction of tougher punishments for distribution.

20 February 2009 Sergey Lavrov has talks in Moscow with Serb foreign minister Vuk Jeremic. They discuss energy relations and other agreements reached when Serb President Boris Tadic visited Moscow in December 2008. Trade turn over increased by 30 per cent in 2008 to reach \$4 billion. Lavrov repeats the Russian position on Kosovo.

20 February 2009 Deputy Foreign Minister Aleksey Borodavkin says the Bushehr nuclear power plant will be put into operation in accordance with the timescale agreed with Iran.

20 February 2009 Deputy Foreign Minister and special presidential representative for the Middle East peace process Aleksandr Saltanov has talks with Palestinian National Authority First Deputy Foreign Minister Ahmad Subh. Saltanov says that Russia is prepared to host a conference on the Middle East in the first half of 2009.

20 February 2009 Deputy Prime Minister Igor Sechin meets South Korean Prime Minister Han Seung-soo in Seoul. They discuss trade relations. Trade between the two countries totals some \$18.3 billion. Russia and South Korea began consultations on strategic cooperation at the launch of the LNG plant in Sakhalin Region on 18 February.

21 February 2009 The MFA issues a statement on the talks between Dmitry Medvedev and Japanese Prime Minister Taro Aso in Yuzhno-Sakhalinsk on February 18. The statement discusses the problem of negotiating a Russo-Japanese peace treaty.

21 February 2009 Iranian Deputy Interior Minister for Security Affairs Abbas Mohtaj and Chief of the Border Guard Service Yegorovich Pronichev discuss security cooperation and other related issues in Tehran.

22 February 2009 Igor Konashenkov, aide to the commander-in-chief of the Russian Federation Ground Troops, says that Russian military personnel are stationed at their places of deployment on the territory of the republic of Abkhazia. He rejects Georgian media reports that they have moved to the Abkhaz-Georgian border.

24 February 2009 Tajik President Emomali Rahmon visits Moscow. He has talks with Dmitry Medvedev.

24 February 2009 Prime Minister Vladimir Putin has talks in Moscow with the president of the Republic of Yemen, Ali Abdallah Salih.

24 February 2009 President Dmitry Medvedev says that Russia intends to seek punishment for those responsible for the death of Russian citizen Dmitry Ganin during the mass riots in Tallinn in April 2007 caused by the relocation of the Soviet war memorial Bronze Soldier.

24 February 2009 Sergey Lavrov visits Moldova. He says that Moscow thinks that the search for a settlement of the Transdnestr region issue could require a meeting of the Russian, Moldovan and Transdnestr region leaders. Moscow has backed efforts made to resolve this issue in the five-plus-two format (Moldova, Transdnestr region, the OSCE, Russia and Ukraine, plus the EU and the USA as observers). He says: "We are calling for increasing positive moves, and we will be ready to support them. We base our position on the fact that an agreement on the state-legal model of Transdnestr region within the framework of Moldova's territorial integrity should be reached by the parties themselves."

24 February 2009 Russia's envoy to the UN, Vitaly Churkin, says that Russia is sending a military hospital and an engineer unit to the United Nations Mission in the Central African Republic and Chad (MINURCAT) in addition to the Russian peacekeeping aviation group already being deployed in these countries. As of 30 November 2008, there are 276 Russians taking part in UN peacekeeping missions worldwide.

24 February 2009 The head of the Russian delegation to the IDEX-2009 show and Deputy Director of the Federal Service for Military and Technical Cooperation Vyacheslav Dzirkaln says that a portfolio of Russian military export orders has topped \$34 billion. He says Russia exported \$8.35 billion worth of military products in 2008 and might export another \$8.56 billion in 2009.

25 February 2009 Rosatom head Sergey Kiriyyenko visits Iran. Kiriyyenko says that Russia and Iran are discussing the issue of setting up a joint venture to operate the nuclear power plant in Bushehr. He says it is also planned "to sign a contract on the supply of nuclear fuel to the Bushehr nuclear power plant for a period of at least 10 years".

25 February 2009 Jordanian Prime Minister Nadir Dahabi meets in Amman with a Russian delegation from Rosatom led by the corporation's Deputy Director-General Nikolay Spassky. The two sides discuss the signing of a preliminary nuclear cooperation deal between Jordan and the Russian Federation.

25 February 2009 The Investigation Committee under the Russian Prosecutor-General's Office says it is finishing the investigation of Georgia's genocide against the people of Ossetia. The committee's head Aleksandr Bastrykin says the fact of genocide has been fully confirmed.

25 February 2009 State Secretary, Deputy Foreign Minister Grigory Karasin meets the Council of Europe commissioner for human rights, Thomas Hammarberg. He says Russia considers the international observers' work in the zones adjacent to South Ossetia and Abkhazia as ineffective.

25 February 2009 Dmitry Medvedev and Yemeni President Ali Abdallah Salih in Moscow discuss trade, economic and military cooperation, and the fight against piracy.

25 February 2009 The CSTO Secretariat states that the commander of the CSTO's Collective Operational Response Forces will be appointed before and for the duration of each particular military operation. There will be no permanent

commander.

25 February 2009 The Levada Centre and the Kiev International Institute of Sociology conduct a poll on Russians' and Ukrainians' views of each others country. 62 per cent of Russians say they have a negative view of Ukraine, while 91 per cent of Ukrainians have a favourable attitude to Russia. The poll was conducted in January and February. Asked who gained the most from the settlement of the recent gas dispute, every third Russian (34 per cent) said that neither did, 20 per cent said Ukraine was the winner and only eight per cent said Russia. More than one-third of Ukrainian respondents (35 per cent) said that as a result of the agreements reached Russia was the winner, and only six per cent chose their own country. Eight to nine per cent of Russians and Ukrainians believe that a compromise was reached that suits all sides. Meanwhile, more than 20 per cent of respondents both in Russia and Ukraine could not name the winner in the gas dispute in January. 51 per cent in Russia and 68 per cent in Ukraine believe that Russia and Ukraine must be independent but friendly states: with open borders and without visas and customs. 29 per cent of respondents in Russia and only 8 per cent in Ukraine believe that relations between the two countries must be the same as with other countries: with closed borders, visas and customs. Unification into a single state is supported by 23 per cent of respondents in Ukraine and 12 per cent in Russia.

26 February 2009 Montenegrin President Filip Vujanovic visits Moscow for talks with Dmitry Medvedev.

26 February 2009 Aleksandr Zhukov, first deputy chairman of the government, attends the first conference of ministers from Council of Europe member-states "responsible for social cohesion" in Moscow. He delivers a message from Dmitry Medvedev to the participants.

Vladimir Putin also addresses the conference. He says that Russia's strategic goal is to bring its welfare standards to the best European and international standards. He says that the Russian parliament will soon consider ratifying the European Social Charter.

26 February 2009 Sergey Lavrov has talks in Moscow with Danish foreign minister Per Stig Moeller. He says Russia is not trying to avoid the issue of human rights and admits it has problems in this field.

He also says Russia has no comment on Poland's plans to deploy US Patriot missiles on its territory as long as this project complies with international law.

He says that Russia is committed to resolving all issues related to the Arctic region, including those of claims on the continental shelf and environmental problems, on the basis of the international law and agreements reached by the dedicated international organizations.

26 February 2009 Russian presidential aide Sergey Prihodko says there is no progress yet in working out a comprehensive agreement on European security proposed by Dmitry Medvedev, but Moscow is not dramatizing the situation. "There is no progress on this issue yet. We do not think that this is bad. We know that internal discussions within the European Union and NATO on this issue are continuing." He says that in the very near future Moscow will hand over to G20 partners its proposals on what decisions it expects from the G20 summit in London.

26 February 2009 Russia's envoy to NATO Dmitry Rogozin with NATO Secretary-

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General Jaap de Hoop Scheffer. He says that Scheffer welcomes the resumption of full-fledged contacts within the framework of the Russia-NATO Council. Rogozin calls on NATO to cooperate more closely with the CSTO on Afghanistan. He also calls for an honest discussion of the conflict with Georgia over South Ossetia in August 2008; and says that relations between Russia and NATO might be formally resumed in March.

26 February 2009 Russia's permanent representative to the OSCE Anvar Azimov says that Russia is criticizing Latvia and Estonia in the OSCE for their attempts to rewrite the history of Europe by glorifying and justifying the crimes committed by Nazi criminals who were found guilty by the Nuremberg tribunal.

26 February 2009 The head of the Public Chamber's commission for control over law-enforcement agencies and reform of the judicial system Anatoly Kucherena says that members of the Russian Public Chamber are indignant at the US State Department's report on human rights accusing the Russian authorities of mass human rights violations and are preparing a report of their own in response to the US.

26 February 2009 Deputy chairman of the International Affairs Committee of the Federation Council, Vasily Likhachev, thinks that it would be more proper for Russia to develop bilateral relations with individual countries of the EU than in the format of 27+1 (the EU member countries and Russia). He says: "Veteran EU countries are Russia's direct allies. In its relations with the European Union, Russia should maintain bilateral diplomacy."

26 February 2009 Konstantin Kosachev, the chairman of the Duma foreign affairs committee, is interviewed on *Vesti TV* on Russia-US relations. He says he hopes that the new Obama Administration is a partner rather than a problem. He says that contentious issues - like NATO expansion to Ukraine and Georgia as well as US missile defence plans - remain. He also expresses concern over NATO's lack of cooperation with Russia and the CSTO on Afghanistan. He described the Jackson-Vanik trade amendment as "more symbolic than practical".

26 February 2009 A radar station at Armavir opens. This is part of the Russian early warning system against missile attacks. It replaces the radar stations in Ukraine at Mukacheve and Sevastopol. The MOD states that the old agreement with Ukraine on use of the radar stations at Mukacheve and Sevastopol had to be repudiated because Kiev was stepping up its drive to join NATO without taking account of Moscow's interests.

27 February 2009 Dmitry Medvedev says he is satisfied with the "interested response" he has received from other countries to his initiative to conclude a new treaty on European security. He says he hopes that the G20 meeting in London on 2 April will be a real step towards reforming international financial institutions.

27 February 2009 Russia's envoy to NATO Dmitry Rogozin says that Russia and NATO do not have serious disagreements regarding the work of the Russia-NATO Council. He suggests that a meeting of the Russia-NATO Council dedicated to the situation in the Caucasus be held.

27 February 2009 Justice Minister Aleksandr Kononov describes as biased many rulings by the European Court of Human Rights on suits brought by citizens against the Russian authorities. He states: "European Court of Human Rights' decisions in recent years give serious grounds for doubt about the partiality and full objectivity of the European court."

27 February 2009 Prime Minister Vladimir Putin says that Russia will soon extend a \$500 million loan to Armenia. He has talks with Armenian Prime Minister Tigran Sargsyan.

27 February 2009 The MFA says Russia will continue to help form a Palestinian unity government. It issues a statement commenting on the outcome of talks between Fatah and Hamas in Cairo during which the two sides agreed to resume the inter-Palestinian dialogue.

27 February 2009 Sergey Lavrov and US Secretary of State Hillary Clinton discuss by telephone North Korea's intentions to launch a rocket and forthcoming meetings on the Middle East. They also discuss the conference on Palestine and the Gaza strip scheduled to take place in Sharm el Sheikh on 1-2 March. Bilateral issues are also discussed.

28 February 2009 Russia's envoy to the UN Vitaly Churkin says that OSCE observers had information about the "aggression" that Georgia was preparing against South Ossetia in August 2008, but did not pass this on to OSCE collective bodies and member states. He says that Russia is ready to support the continuation of OSCE activities in the region if two separate missions are set up in Georgia and South Ossetia.

28 February 2009 Mikhail Margelov, chairman of Federation Council International Affairs Committee, says that the Cairo agreements between Palestinian movements, including Fatah and Hamas, "increase the chances of success of the Middle East conference in Moscow."

March 2009

1 March 2009 Dmitry Medvedev gives an interview to the Spanish media. He says that Europe needs a new security organisation "that would unite all European countries whatever entity they belong to, i.e. NATO, the CIS, the Collective Security Treaty Organization, or the European Union." He says that the OSCE in recent years has failed to realize its potential.

Let us then consider another mechanism. We could consider establishing such a forum based on relations among European countries which are not members of the EU, on the one hand, and the European Union, on the other hand. This is also an acceptable option. We should just take a creative approach and come up with an idea that could unite us all. It is my firm conviction that this is quite reasonable.

On missile defence he says:

The past US Administration held a very simple stance, a dumb stance, if you like: we shall do that because we decided so. I expect that the new Administration of the United States of America will approach that issue in a more inventive and partnership-like manner. We have already received such messages from our American colleagues. I expect those messages to take the form of specific proposals.

2 March 2009 Sergey Lavrov says that Russia is against extending the term of validity of the START I treaty. The treaty is due to expire in December 2009. Lavrov also says Russia would welcome a normalization of US-Iranian relations.

Deputy Foreign Minister Sergey Ryabkov says that Russian and US presidents Dmitry Medvedev and Barack Obama will discuss prospects for Moscow-Washington cooperation in missile defence at their first meeting in London in early April.

2 March 2009 Energy Minister Sergey Shmatko visits Iran. He and Iranian Oil Minister Gholamhoseyn Nowzari agree to establish a joint energy committee. Shmatko says that Iran and Russia have close relations in the energy sector and the ground is prepared to enhance cooperation in this field. He also says that the two countries are interested in carrying out joint projects in other countries. They express concern about the drop in world oil prices. Shmatko says that Russia supports the idea of cooperation with Iran in the sphere of Iranian gas exports to Europe. "Together with Iran we can see a big potential in developing our bilateral contacts in this field. Russia is interested and, moreover, supports the development of Russian-Iranian cooperation in exploring the possibilities of marketing Iranian gas on European territory."

2 March 2009 CSTO Secretary-General Nikolay Bordyuzha visits Armenia. He says the CSTO rapid reaction forces will not interfere in internal conflicts in CSTO member states. He says he hopes that at the next session of the CSTO in Moscow in June, presidents of the member states would be presented with the agreed document on the establishment of the rapid reaction force. He says he hopes the force will be operational from June. He says that the CSTO does not see its rapid reaction force as a counter to NATO. He says the CSTO "offered friendship to NATO even in 2004" to jointly work on identical problems that NATO and CSTO countries have been facing. So far NATO has not responded.

2 March 2009 Members of the Duma International Affairs Committee meet a delegation of the UK House of Commons Defence and Security Committee in Moscow.

2 March 2009 Dmitry Medvedev begins a state visit to Spain.

2 March 2009 Sergey Lavrov attends the conference in Sharm al-Shaykh on Palestinian unity and Gaza reconstruction. Russia has prepared 50 armoured personnel carriers and two civil aircraft to be given to the Palestinian National Authority as a gift and is planning to give Palestinians a significant amount of flour and to send additionally two aircraft with medicines. Sergey Lavrov says at the conference:

Russia will continue to stand for protecting the fair rights of the people of Palestine to their own nation-state, for putting an end to the occupation of Arab lands started in 1967, for providing Israel's security. And we proceed from the fact that security is undivided and should be equal for everybody: Palestinians, Israelis, Syrians, Lebanese, all the peoples and countries of the Middle East region.

Lavrov urges the quartet of international mediators to recognise the results of Palestinian elections. The elections should be held not later than January 2010. He also says that Hamas should be a solely political force and should give up the use of force in creating a Palestinian state.

2 March 2009 Sergey Lavrov says that Russia will monitor North Korea's planned satellite launch. He also calls for the resumption of six-party talks on the Korean nuclear issue as soon as possible.

3 March 2009 Dmitry Medvedev has talks in Madrid with Spanish Prime Minister Jose Luis Rodriguez Zapatero. He says:

In my opinion, there is no alternative to a treaty like this, if we want to consider security in Europe as an indivisible concept, a concept beyond blocs. I believe that practically everybody understands it: any citizen, any person living in Europe understands that they depend on the level of security that has been created. Let us work together on a document like this.

He says there is progress in relations with the USA regarding its missile defence plans. He calls for new global financial architecture:

We cannot base ourselves upon decisions taken by one country, or even a group of countries, because such decisions will not work, just as the financial security structure set up on our planet 60-70 years ago is not working. This structure is not working.

There will be a G20 meeting in London soon. We have submitted our proposals to all of our colleagues. The agenda is complex, but I hope that we will be able to achieve some new agreements.

At any rate, Russia's position is that in the course of consultations in London and subsequent consultations - we realize that all will not end in London - we not just agree the principles but adopt legally binding all-encompassing international agreements.

Medvedev says that Russia and Spain are to sign a number of important agreements, including an agreement on strategic partnership and on military transit to Afghanistan.

During the visit of President Dmitry Medvedev to Spain, Gazprom signs an agreement with Spain's Gas Natural company on exchange operations on the market of liquefied and pipeline gas.

3 March 2009 Defence Minister Anatoly Serdyukov has talks in Moscow with his German counterpart Franz Josef Jung. They discuss the issue of transit of military cargoes to Afghanistan.

3 March 2009 Igor Lyakin-Frolov, the deputy director of the information and press department of the MFA, says that the train with the first US non-lethal cargo for Afghanistan has passed through Russia to Afghanistan and now is in Kazakhstan.

3 March 2009 Presidential press secretary Natalya Timakova says that Dmitry Medvedev has received a message from US President Barack Obama; however, it does not contain any specific mutually binding initiatives.

3 March 2009 Prime Minister Vladimir Putin calls for the development of education and research contacts with Ukraine. He is speaking at a televised bridge video link-up between the Moscow Physics and Technology Institute and its Kiev branch.

3 March 2009 Rosatom and Siemens sign a memorandum in Berlin providing for the possibility of setting up a joint venture to promote Russian turn-key technology in the construction of nuclear power plants in other countries.

4 March 2009 The MFA says that the ruling of the International Criminal Court in The Hague may complicate the situation in Sudan. This refers to the indictment of

President Umar al-Bashir.

4 March 2009 Dmitry Medvedev signs the federal law "On the ratification of the Protocol on mechanism for rendering military-technical assistance to the member states of the Collective Security Treaty Organization in the event of a threat of aggression or if an act of aggression has been committed".

The law was adopted by the Duma on 13 February 2009 and approved by the Federation Council on 20 February 2009. The protocol was signed in Dushanbe on 6 October 2007 by the heads of CSTO member states, namely Armenia, Belarus, Kazakhstan, Kyrgyzstan, the Russian Federation, Tajikistan and Uzbekistan. The protocol remains in force for the period of validity of the Collective Security Treaty of 15 May 1992.

4 March 2009 Dmitry Medvedev meets Abkhaz President Sergey Bagapsh in Moscow.

5 March 2009 The scheduled rotation of the Russian helicopter group of the UN Mission in the Republic of Sudan is completed. The group of Russian peacekeepers was deployed in Sudan in April 2006.

The MFA issues a statement on the decision of the International Criminal Court to issue a warrant for the arrest of President of Sudan Umar al-Bashir. The MFA says that Russia supports the position of some international organizations which have appealed to the UN Security Council to suspend the investigation or criminal prosecution of Umar al-Bashir for one year.

5 March 2009 The MFA says it welcomes NATO's decision to resume political dialogue with Russia but stresses that decisions of this kind should not be unilateral. NATO Foreign Ministers decide to re-open the NATO-Russia Council.

Russia's permanent envoy to NATO Dmitry Rogozin says the first meeting of the Russia-NATO Council will take place in April. It will take place after NATO's 60th anniversary summit which will take place on 3-4 April in Strasbourg-Kehl. Within the framework of the Council, Russia is proposing to NATO to separate cooperation on Afghanistan, including conducting special thematic meetings on the situation in the country with the participation of experts from Russia and NATO countries. Rogozin says that Russia is restoring cooperation with NATO on Russia's terms. He says that Russia came out of the August 2008 crisis stronger.

5 March 2009 Gazprom confirms it has been paid in full for the gas supplied in February. Ukraine still has to repay the balance of \$50 million.

5 March 2009 Minister of Industry and Trade of Tatarstan Aleksandr Kogogin urges investing in the production of Tupolev passenger airplanes in East Azarbayjan during his meeting with the governor-general of Iran's East Azarbayjan Province. Kogogin is visiting Iran.

5 March 2009 Prime Minister Vladimir Putin signs an order for the allocation to Belarus of a \$500 million loan. In 2008 Russia gave Belarus a stabilization loan of \$1 billion, while Gazprom paid more than \$1.2 billion for Beltransgaz shares.

5 March 2009 Sergey Karaganov, chairman of the Council on Foreign and Defence Policy, says that signing a new treaty between the USA and Russia instead of expiring (in December 2009) the Strategic Arms Reduction Treaty is impossible this year, and there is no need to strive for this. "It is not possible to agree on particular

deep reductions in question beyond the context of signing a new treaty on collective security in Europe and, mainly, the ultimate end of Cold War, which had not been finished, because NATO and the expansion of this military bloc has remained." He says the deployment of a US missile defence system in Poland and Czech Republic is directed at the deterioration of relations between Russia and the EU. "That is an attempt to split Europe and to widen the split between the EU and Russia. Americans do not need this system, if they do not want to simply split Europe."

5 March 2009 The Russian Air Force denies reports by the Georgian media that Russian helicopters have violated Georgia's air border in the Zugdidi District.

6 March 2009 Sergey Lavrov and meets US Secretary of State Hillary Clinton in Geneva. Lavrov expresses satisfaction with the talks. He says Russia and the United States are "quite capable" of finding a "common denominator" on nuclear arms control. He also says that Russia and the USA share a common interest in strengthening cooperation over Afghanistan. He defends Russian military-technical cooperation with Iran. "We value the fact that the administration of President Obama, in carrying out an all-encompassing review of its Iranian policy, is interested in listening to other countries, including Russia." He says that Russia and the USA still have serious differences over Kosovo.

6 March 2009 Russia's permanent envoy to NATO Dmitry Rogozin says that it is impossible to improve the USA's image without cooperation with Russia.

What can the Americans together with their NATO colleagues do without the support of states located next to Afghanistan? Being pragmatists, the Americans have understood that it is better to make peace with Russia and find points of contact with it - and there are objective points of contact - than to have broken-up pots across the world...There is a specific practical interest in making Russia a partner...

NATO is formula 'the USA plus the EU'...If we have normal relations with the European Union, then why should we have bad, conflict relations with NATO? The tasks of any foreign policy are to make neutral partners out of enemies, allies out of neutral partners and friends out of allies. We ourselves do not need additional problems.

The head of the Duma foreign affairs committee, Konstantin Kosachev, says that Russia does not want the US authorities to repeat the mistakes in relation to Ukraine and Georgia made by the former US administration.

Vasily Likhachev, deputy chairman of the Federation Council international affairs committee, welcomes the decision of NATO foreign ministers to resume official relations with Russia. He says it signals "a real re-evaluation of the alliance's views on the Russian Federation".

Vladimir Voronkov, director of the MFA's European cooperation department, says that "full-scale Russian-NATO relations can be discussed only when the alliance recognizes that they were interrupted because of the prevalence of 'cold war' instincts". He says he favours "true cooperation between Russia and NATO", not its imitation, and expresses the view that "there will be no haste in establishing it" and "there is no cause to be speaking of excessive optimism".

MFA spokesman Andrey Nesterenko says that disagreements between Russia and NATO should not prevent a serious dialogue between Moscow and the North-Atlantic alliance.

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We consider the statement on readiness to resume the fully fledged operation of the Russia-NATO Council as a confirmation of the intention of the leadership of the majority of NATO member states to move towards overcoming those difficulties that have arisen in relations with Russia due to the ideology-driven and biased position adopted by the alliance in August 2008.

Russia and NATO member states can have differing views on events in Europe and the world; this is normal...However, we are convinced that the existing discrepancies should not reflect on the whole range of Russian-NATO relations, impede a serious dialogue, including on thorny issues, and cooperation in areas that are of mutual interest.

6 March 2009 The prime minister's press secretary, Dmitry Peskov, says that reconsideration by the new US administration of plans to deploy missile defence elements in Europe would be a really good signal of Washington's mood for the restoration of Russian-American relations. He says that Russia supports possible direct contacts between Washington and Tehran. He also argues that the world financial and economic crisis will not lead to a new cold war.

6 March 2009 The Federal Service for the Control of Narcotic Substances denies there are drug traffic channels from or through Russia to Europe.

6 March 2009 MFA spokesman Andrey Nesterenko says that statements by the Japanese side which question the fact that Southern Sakhalin and the Kuril Islands belong to Russia are unacceptable and considerably damage bilateral relations.

6 March 2009 The president of Abkhazia, Sergey Bagapsh, says that a Russian-Abkhaz agreement on deploying a Russian military base on Abkhaz territory for 49 years will be signed soon. The document envisages the deployment of a Russian military base in Gudauta District for 49 years.

6 March 2009 First Deputy Prime Minister Viktor Zubkov visits Sweden. He discusses gas supply problems. He says:

I spoke to Carl Bildt in detail about how the situation developed at the beginning of this year, day by day. I also told him that as far back as 18 December 2008 I sent letters to the European Commission and to the leaders of the states that consume Russian gas saying that problems may occur in early January. However, there has been no reaction of the EU to this document.

6 March 2009 Leonid Slutsky, first deputy chairman of the Duma international affairs committee, discusses US plans to station missile defence systems in Eastern Europe and the Russo-Iranian relationship. He says

I would like to sound a warning against the idea that there is a very strong and close link between the two issues. Listeners might think that it will be a straight swap. That we shall give up Iran, or cooperation with Iran, in so far as the USA regards this cooperation as wrong and dangerous; and the USA, for its part, will give up the third positioning area for its missile defence. This certainly won't happen. But these issues will be discussed together.

I don't think that the sides will find common ground on the Iranian dossier and all its aspects straightaway. We regard our cooperation with Iran, including the Bushehr nuclear power station and other spheres, as constructive. Moreover, I believe our cooperation with Tehran to a large degree makes it

possible to ease tension in world politics around the so-called Iranian dossier.

And, of course, the opinions of the Russian foreign minister and the US secretary of state will definitely not coincide on the matter. But, if some positions are found that may coincide, so that in the very near future our views on the matter may coincide to some extent, and if the USA becomes slightly less intolerant, we, too, will agree with them to some extent.

7 March 2009 Vesti TV broadcasts a statement by Sergey Lavrov issuing a statement by Dmitry Medvedev on START. Lavrov says that Russia's proposal to its American partners that strategic offensive weapons should not be deployed outside national territories relates to ground-based nuclear weapons. Lavrov also says Russia is ready for talks aimed at eliminating medium- and short-range missiles. He is speaking at the United Nations-sponsored conference on disarmament in Geneva. Lavrov says that Moscow expects the new US administration to take into account Russia's missile defence capabilities too when revising its policy in this sphere. Lavrov says he is pleased that the Obama Administration is giving a higher priority to arms control issues than the Bush Administration.

Mikhail Margelov, chairman of the Federation Council international affairs committee, says that a meeting between Dmitry Medvedev and Barack Obama has been scheduled for 2 April in London at the G20 summit.

7 March 2009 The governor-general of East Azarbayjan Province in Iran, Ahmad Alireza-Beygi, and the minister of Industry and Trade of Tatarstan, Aleksandr Kogogin, have called for expansion of bilateral commercial and economic relations following a two-day visit by a Tatar delegation to the province.

8 March 2009 An explosion takes place in an arsenal in Leningori (Akhlagori) District of South Ossetia. Georgian *Imedi TV* reports that three Russian soldiers are killed.

9 March 2009 Vasily Likhachev, deputy chairman of the Federation Council international relations committee, says that the international community should "maintain heightened control over" the situation in the Korean region in connection with increased tension between South Korea and the Democratic People's Republic of Korea. He says that the international community has not exhausted all the resources and means for a comprehensive settlement of the situation.

10 March 2009 Vladimir Putin and Hungarian Prime Minister Ferenc Gyurcsany have talks in Moscow on setting up a joint venture for building the Hungarian section of the South Stream gas pipeline. A separate document has been prepared for the construction of a large underground gas storage facility in Hungary. In that project Gazprom's partner will be the Hungarian company MOL.

Dmitry Medvedev says the agreement is a significant step forward.

Vladimir Putin says:

By the end of this year, or perhaps even by September of the current year, the feasibility study of the construction of the South Stream's Hungarian section should be completed. And on 31 December 2015, the construction of the project should be finished and it should start working. The estimated cost of the construction is currently 10 billion euros. Taking into account falling prices of construction materials, it may cost less. There are no problems with financing. Likewise, there are no problems with sources of gas supplies to Europe. There is a problem of transit countries.

Well, either there is gas or there is not, you can call it as you like. In Russia, it is there. We have enough of these resources to satisfy our growing needs as well as our European consumers' needs for at least 100 years. I am saying this absolutely responsibly, based on serious studies.

Putin questions the viability of the planned Nabucco pipeline. He says that it is more profitable for Central Asian energy suppliers to transport sold gas via pipelines which already exist rather than construct new ones. He also questions Ukraine's reliability as a transit country for the export of gas.

Putin praises the development of Russo-Hungarian trade. He says that in six years, export of Hungarian goods to Russia has increased nine-fold, the volume of trade has reached a record high of \$13 billion and Russia has become the second largest trade and economic partner of Hungary after Germany.

10 March 2009 Dmitry Medvedev meets members of the US independent commission studying US policy towards Russia. He states:

Unfortunately, in recent years our relations have considerably degraded. We are saddened by that. I believe that we have every opportunity to open a new page in Russian-US relations. The signals that we are receiving from the United States, I primarily mean the signals that I am receiving from President Obama, seem to me quite positive.

We have a very extensive agenda. A lot depends on how our relations are developing: issues of nonproliferation of the main types of weapons in the world, the fight against terrorism, the development of the economy - we have come up against a global crisis and it is this issue that brings us together in London; on 2 April the relevant summit will be held, while on 1 April I hope we shall be able to meet with the president of the United States to discuss all these issues - and many other matters, which today are quite topical and which will always be present on the agenda for Russian-US relations.

10 March 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says Ukraine has officially applied for a \$5 billion loan. Earlier, Moscow promised \$2 billion loans to Belarus and Kyrgyzstan.

10 March 2009 The MFA issues a commentary on tension on the Korean peninsula. On 9 March, a representative of the General Staff of the North Korean People's Army made a tough statement in connection with the start of the American - South Korean military exercises Key Resolve and Foal Eagle. The demonstration of rejection of these manoeuvres is being supplemented with warnings about an unbending intention to launch an artificial Earth satellite and threats of retribution in the event of possible attempts by any country to bring it down.

10 March 2009 Interfax states that sources at Eufor HQ in Abeche (Chad) says that Russian troops will stay in Central Africa after 15 March, when the command of the peacekeeping operation in the region (Eufor) is handed over from the European Union to the UN. One hundred Russian service personnel and four Mi-8MT helicopters are supporting Eufor in the Republic of Chad and the Central African Republic in accordance with Dmitry Medvedev's decree of 1 September 2008, UN Security Council Resolution 1778 of 25 September 2007, and the appeal by the secretary-general of the EU Council and EU high representative for the common foreign and security policy. The Russian military arrived at the Abeche base in eastern Chad in December 2008.

10 March 2009 Sergey Lavrov is interviewed by leading Azerbaijan news agencies on the eve of his trip to Baku. He says: "I see my task in summing up together with the Azerbaijani colleagues the first results of fulfilment of the Declaration on Friendship and Strategic Partnership between Russia and Azerbaijan of 3 July 2008 and in outlining concrete steps to realize its provisions in the upcoming period."

10-13 March 2009 The BSF carries out missile firing exercises.

11 March 2009 Deputy Foreign Minister Vladimir Titov has talks in London with the British Foreign Office's Minister of State for Europe Caroline Flint and Sir Mark Lyall-Grant, political director of the British Foreign Office.

11 March 2009 Lawyers representing the former head of the Yevroset company, Yevgeny Chichvarkin, say they are convinced that the businessman has officially been put on the international wanted list for the issue of his extradition from the UK to be raised.

11 March 2009 CSTO Secretary-General Nikolay Bordyuzha says that the CSTO, not being a military-political organization, is not laying claim to a global role. Bordyuzha says that the first exercise of the CSTO collective rapid response force was scheduled to take place in the autumn. The establishment of this force and preparation of interstate enforceable and legal documents determining its status and rules of engagement are currently under way. He says the CSTO will never participate in military operations in Afghanistan, but is prepared to cooperate with NATO over Afghanistan. He says there should be no negotiation with the Taleban, which should not be allowed to take power again.

11 March 2009 Foreign Minister Sergey Lavrov and his Chinese counterpart Yang Jiechi discuss the situation on the Korean peninsula by telephone.

11 March 2009 Andrey Kokoshin, Duma deputy and former secretary of the Security Council, says that the development of anti-satellite weapons in Russia is quite justified, to protect its national security. He says that the US has been actively promoting the idea of deploying offensive weapons in outer space for the last several years, especially since it left the ABM treaty.

11 March 2009 The presidential special envoy for Sudan, the head of the Federation Council international affairs committee Mikhail Margelov, says that Russia is ready to consider dispatching emergency food and medical aid to Sudan as the situation there may rapidly deteriorate after the Hague International Criminal Court ruling to issue an arrest warrant for Sudanese President Umar al-Bashir.

12 March 2009 Vladimir Putin says that Russia is waiving penalties against Ukraine for using less than the full amount of gas stipulated in contracts. "Now Ukraine is not taking from us the contracted amount and should pay penalties, but we are waiving those penalties because we base our position on reality: Ukraine is on the verge of bankruptcy, as you know well, and we can't finish a partner off."

12 March 2009 Deputy Prime Minister Igor Sechin says at a meeting with Dmitry Medvedev that Russia intends to propose to OPEC nations and other major oil producers a discussion on price-setting problems at an international conference in Moscow at the end of 2009. He says that he will take part in another session of OPEC in Vienna on 15 March and report back to the head of state. Medvedev says that Russia is interested in stable, predictable and fair prices for oil products: "We would not want excessively high prices having a detrimental effect on the economy

or, naturally, a significant fall of the price below a fair level." He continues:

The situation now is not the easiest. Oil prices are low, in my opinion, unjustifiably low. Countries that are engaged in export operations are now coordinating their positions. Some time ago we received an OPEC delegation, you attended the relevant session. I would like to learn how things are, what agreements we are reaching, what prospects there are.

12 March 2009 Sergey Lavrov visits Azerbaijan. He has talks with his Azerbaijani counterpart Elmar Mammadyarov. He says that Russia hopes to extend its right to use the Qabala radar station in Azerbaijan after 2012, when the agreement on the use of the facility expires. Lavrov also says that Russia's proposal to the USA that the two countries jointly use the facility is still on the table. Lavrov confirms that Russia seeks to settle the Nagornyy Karabakh issue but within the framework of the Minsk Group of the OSCE. Lavrov describes a document on the transfer of arms from Russia to Armenia published in the mass media as a forgery.

12 March 2009 Major-General (ret) Vladimir Dvorkin, head of the Strategic Nuclear Forces Centre, says that North Korea will use a satellite launch to test an intercontinental ballistic missile. He also warns that Iran is capable of building a missile reaching all of Europe as well as a nuclear weapon.

12 March 2009 A commissar of the Nashi youth movement, Konstantin Goloskokov, says that he personally took part in an attack on the websites of Estonian government structures in spring 2007. He says it was a private initiative. It was not a denial of service attack as all he and his friends did was make multiple queries to Estonian servers. This was not an illegal act.

13 March 2009 Sergey Lavrov and British Foreign Office Minister Lord Malloch-Brown, the special representative of the British Prime Minister for the G20 summit, discuss in Moscow issues of overcoming the global economic crisis.

13 March 2009 Russian business tycoon Viktor Vekselberg proposes to the new US leadership to revive a bilateral cooperation commission that existed under President Clinton and was co-chaired by Vice-President Gore and Prime Minister Chernomyrdin.

US Vice-President Joe Biden receives a delegation of the Russian Union of Industrialists and Entrepreneurs.

13 March 2009 Mikhail Margelov, chairman of the Federation Council committee on international affairs, says that North Korea's military space activity will complicate the settlement of problems on the Korean Peninsula and the talks on the North Korean nuclear issue.

He also says that French President Nicolas Sarkozy's statement on 11 March on France joining the military structure of NATO is exclusively an internal affair of the alliance and by no means will lead to a change in relations between Moscow and Paris.

13 March 2009 Dmitry Rogozin, Russia's permanent representative at NATO, says that if the American idea of creating a League of Democracies is implemented, this will pose a challenge to Russia, China and an absolute majority of states. He says that NATO is talking about

...accepting into the alliance in future states that have nothing to do with Euro-

Atlantic space, in particular, they are talking of Australia, Japan, New Zealand, India, etc....This is a challenge to Russia, China and an absolute majority of states...The place of Russia is shown on the map and it has been created by the blood of our ancestors...We are a great Eurasian power that controls a significant part of land. All conflicts and challenges next to us, near our territories cannot be resolved without our involvement.

Rogozin says that Russia will "provide its own security independently" and, if it "forms some coalitions, they will be of an entirely temporary nature to deal with some specific threats that might emerge...And, in general, we don't need to join NATO. Why should we subordinate our sovereignty to the will of the USA and its allies?"

13 March 2009 First Deputy Foreign Minister Andrey Denisov says that the Russian and Kazakh Transport Ministries are discussing how to resolve problems which have arisen with the Trans-Siberian Railway following the delimitation and demarcation of the state border between Russia and Kazakhstan.

13 March 2009 The chief of staff of long-range aviation Major-General Anatoly Zhikharev says that Venezuelan President Hugo Chavez has proposed that an aerodrome on the island of La Orchila be used by aircraft of the Russian Air Force's long-range aviation. Zhikharev says that "if a corresponding political decision is taken, then the use of La Orchila island by the Russian Air Force will be possible".

13 March 2009 Viktor Ivanov, director of the Federal Drug Control Service is interviewed on *Vesti TV*. He says that heroin from Afghanistan poses a real threat to Russia. He expresses regret that not enough is being done by the international community in general and by US troops stationed in Afghanistan in particular to tackle the problem. He says that "in Russia, with a population of 143 million people, there are between 2 million and 2.5 million drug addicts and 90 per cent of them use Afghan opiates". He makes the comparison that Europe, with a population of about 400 million, "the number of opiate addicts is just over 1 million people". He says a major hindrance to combating the flood of drugs from Afghanistan is the poor condition of Russian borders. He says that a "united Europe has created a powerful border guard service, Frontex, and, traditionally, has well-protected borders", but Russia, which inherited a 7,500 kilometre border after the break-up of the USSR, has no proper border infrastructure and, hence, its borders are "poorly protected". Ivanov criticizes the US policy in Afghanistan, saying that eight years of US military presence there were costly and that using specially trained forces to fight terrorists like Al Qaeda would have been more sensible. According to Ivanov, US President Barack Obama and his European allies, in particular British Foreign Secretary David Miliband, now admit that the "war on terror was a mistake".

13 March 2009 Konstantin Kosachev, chairman of the Duma International Affairs Committee, says that a new agreement between Russia and the European Union to replace the current Partnership and Cooperation Agreement should become a document about strategic partnership.

13 March 2009 Railroad officials from Iran, the Russian Federation and the Azerbaijani Republic sign a memorandum of understanding in a two-day meeting in St Petersburg.

According to the MoU, the three countries, after establishing a joint company through Build-Operate-Transfer, using foreign and domestic bank investment, will build railroads between Rasht and Astara in Iran to the city of Astara in the Azerbaijani Republic. The three sides agreed on the company's statute. They are

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scheduled to meet in Tehran in April-May to finalize and register the document. The north-south corridor agreement was signed in 2001 by Iran, India and Russia, under which goods will be carried from South Asia to northern Europe and Scandinavian countries. The corridor will be a serious competitor for the Suez Canal in terms of time and financial savings.

14 March 2009 The MFA says it is premature to judge how France's intention to rejoin the NATO military command might assist further strengthening of security in the Euro-Atlantic region.

14 March 2009 Sergey Lavrov has talks in Moscow with Kazakh foreign minister Marat Tazhin. Lavrov says that Russia hopes the SCO meeting in Moscow on 27 March dedicated to countering the terrorist and narcotic threats from Afghanistan will approve recommendations for future joint action against Afghan drug trafficking. Lavrov says that Kazakh President Nursultan Nazarbayev's suggestion that the five-nation EurAzEc could have a single currency would not work at the moment but would be considered further.

15 March 2009 Deputy Prime Minister Igor Sechin attends an OPEC meeting in Vienna. He says it is necessary to have "predictable, reasonable and fair oil prices."

In September last year we put forward an initiative to hold a permanent energy dialogue between Russia and OPEC as the key players on the global energy market. We drew up a memorandum of understanding between the Russian Energy Ministry and OPEC, which contains an algorithm for a gradual development of our relations. We also discussed the issue of creating a post of the Russian Energy Ministry's representative in the OPEC secretariat.

We believe that the implementation of these initiatives would allow the countries to establish a sustainable and timely exchange of views on all emerging issues. We consider this very important in the time of a crisis.

Sechin says Russia has no plans for joining OPEC.

Sechin says that Gazprom may take part in developing gas fields in Iran. He says that appropriate accords were reached during his meeting with Iran's Minister of Oil Gholam Hoseyn Nowzari, which had taken place earlier in Vienna. Sechin speaks about a positive tendency in developing Russia-Iran cooperation in nuclear power engineering, in electric power engineering and oil and gas.

15 March 2009 Energy Minister Sergey Shmatko says that the Russian Federation Energy Ministry and the Iranian Oil Ministry have signed a memorandum of understanding in the oil and gas sector. The memorandum envisages supplies of Turkmen gas purchased by Russia to northern Iran, in exchange for deliveries of hydrocarbons from southern Iran to the countries of the Gulf.

Gazprom may take part in the construction of a liquefied natural gas (LNG) plant in Iran as part of the South Pars project. The memorandum also envisage the possibility that Russia and Iran may take part jointly in oil and gas projects in third countries, and that they may sign an intergovernmental agreement on oil and gas cooperation.

16 March 2009 The presidential website publishes Russian proposals for the G20 London summit to be held in April. The statement calls for developing a new global financial architecture, particularly for increasing legitimacy and effectiveness of international regulatory institutions and for increasing global financial stability by

developing a diversified system of reserve currencies and financial centres.

16 March 2009 Sergey Lavrov visits Afghanistan. He has talks with Afghan President Hamed Karzai and Afghan Foreign Minister Rangin Dadfar Spanta. He says Russia will assist Afghanistan in developing infrastructure and in the humanitarian sphere. Russian companies are working on projects to modernize the Naglu hydroelectric power station and to build several mini power plants. Russian companies will rebuild the Polytechnical University of Kabul. He says Russia is prepared to discuss possible additional measures aimed at increasing the effectiveness of the International Security Assistance Force (ISAF) in Afghanistan. He rules out sending troops to Afghanistan. Lavrov and Rangin Dadfar Spanta sign an intergovernmental agreement on cooperation in the war on drugs.

16 March 2009 Rosatom spokesman Sergey Novikov says that Russia has no plans to sign new contracts with the USA on converting weapons-grade uranium into fuel for nuclear power plants, as it believes this is "not useful" for considerations of safety. Novikov says that "already now Russia is excellently represented on the American market - 50 per cent of nuclear power plants in the USA use uranium enriched at Russian nuclear facilities, which means that five per cent of all electricity produced in the USA is of Russian origin".

16 March 2009 The Ministry of Finance says Russia plans to provide R5.16 billion in financial aid to Abkhazia and South Ossetia in 2009.

16 March 2009 Deputy Gazprom Head Aleksandr Medvedev is interviewed on *Vesti* TV. He says Gazprom has been invited to take part in the Nabucco project but will not take up the offer.

16 March 2009 The chief of staff of Russia's long-range aviation, Major-General Anatoly Zhikharev, says that the long-range aviation command does not rule out the possibility of Cuban territory being used as a base for Russian Air Force strategic bombers carrying out aerial patrol tasks in various parts of the world.

17 March 2009 Prime Minister Vladimir Putin meets the head of the Mongolian government, Sanjaa Bayar. They discuss trade and economic cooperation. Russia will loan Mongolia \$300 million to aid the development of agriculture.

17 March 2009 Nigerian Foreign Minister Ojo Maduekwe has talks in Moscow with Sergey Lavrov.

17 March 2009 ITAR-TASS reports that an MOD source has said that no agreement has been reached to date on the use of Russia's military transport aircraft in airlift support for NATO forces in Afghanistan, "because of the alliance's unwillingness to take Russia's interests into account".

17 March 2009 Grigory Logvinov, the MFA's ambassador-at-large who oversees the problems on the Korean peninsula at the MFA, says that the situation over the coming launch of a North Korean space satellite should not be dramatized.

17 March 2009 The MFA says that actions by the Latvian authorities to stop protests by antifascists instead of stopping a gathering of former legionaries of the Waffen SS are a continuation of the practice of conniving with neo-Nazis. On 16 March, more than 100 people took part in a march by Waffen SS legionaries and their supporters in the centre of the Riga.

18 March 2009 The MFA decides to resume the practice of weekly briefings by the director of the ministry's information and press department. This practice halted

five years ago.

18 March 2009 Dmitry Medvedev signs a decree approving the make-up of the interdepartmental commission on cooperation with NATO and fulfilling the Founding Act on Mutual Relations, Cooperation and Security between Russian and the alliance (signed in Paris on 27 May 1997). The commission will be headed by Foreign Minister Sergey Lavrov; Deputy Foreign Minister Aleksandr Grushko has been appointed his deputy. The commission also comprises Vladimir Nazarov, deputy secretary of the Russian Security Council; Vladimir Kalanda, first deputy director of the Federal Drug Control Service; Aleksandr Burutin, first deputy head of the Russian General Staff; Vladimir Zimakov, head of a service of the Foreign Intelligence Service; and Viktor Komogorov, head of a service of the Federal Security Service (FSB). In addition, the commission will comprise heads of departments of the Defence Ministry, the Interior Ministry, the Emergencies Ministry, the Telecommunications and Mass Communications Ministry, the Transport Ministry, the Economic Development Ministry, the Health and Social Development Ministry, the Natural Resources and Ecology Ministry, and the Industry and Trade Ministry, as well as representatives the Russian Academy of Sciences, the Federal Air Traffic Control Service and the Federal Customs Service.

18 March 2009 SCO Secretary General Bolat Nurgaliyev says that the SCO is open to cooperation with NATO.

18 March 2009 The MFA says it has taken notice of the Czech government's decision to withdraw from parliament the agreement on the stationing in the country of an American ballistic missile defence system radar.

Russian NATO representative Dmitry Rogozin says that the USA is reconsidering its plans to deploy missile defence facilities in Eastern Europe either because it cannot afford them in the current crisis or because it has realized that it has to consider other countries' security.

The chairman of the Duma International Affairs Committee Konstantin Kosachev says that the decision of the Czech Republic's government marks a "break in the inertia mentality" of the European countries involved.

For the first time there has been a break in the inertia mentality, the automatism in the process that was launched by the former US administration which presupposed a corresponding decision in Poland and the Czech Republic, with the support of those force which interpreted their own national interests as allying with the USA in any weather and under any circumstances.

Now that inertia is stopping. Now once again a discussion is coming to the fore both in Poland and the Czech Republic about what the real national interests of those countries are, either being a convenient partner for the USA, or being an inherent part of an effective, functioning collective construction to guarantee global security.

18 March 2009 Interfax reports an MFA source as saying that Russia is not supplying S-300 missile systems to Near and Middle East countries, including Iran. Another source in the Federal Service for Military-Technical Cooperation says that Russia is not reneging on the contract to supply Iran with S-300 surface-to-air missile systems, but no deliveries of such missiles have as yet been made.

18 March 2009 Moldovan President Vladimir Voronin visits Moscow for talks with

Dmitry Medvedev, Voronin, Transdnestr region leader Igor Smirnov and Dmitry Medvedev sign a joint declaration. According to the document, the sides pledge to continue direct contacts "in order to step up the negotiation process for the political settlement of the Transdnestr conflict". They confirm the significance of the negotiation process in the "5+2" format.

Sergey Lavrov says that Moldova and its breakaway Transdnestr region will continue efforts to resolve the conflict and have agreed to transform the current peacekeeping operation in the region into that under the auspices of the OSCE.

18 March 2009 The chairman of the Duma's international affairs committee, Konstantin Kosachev, describes as logical the downgrading by the EU of the Nabucco gas pipeline project's status, and called on European partners to together strive to eliminate the risks coming from transit countries. The EU European Commission has decided to remove the Nabucco project from the list of priority energy development projects.

Kosachev says Nord Stream and South Stream offer real prospects for the development of dialogue in the energy sphere.

18 March 2009 Duma deputy Andrey Kokoshin, former secretary of the Security Council and member of the Academy of Sciences, says that the treaty on the non-proliferation of nuclear weapons and the non-proliferation regime require serious strengthening and modification due to the danger of proliferation of nuclear weapons and nuclear weapons delivery means. He is speaking at the Second Russian-American conference on non-proliferation of nuclear weapons, materials and technologies in Moscow.

18 March 2009 The meeting of the Committee of Chiefs of Staff of armed forces of the CIS takes place at the General Staff Academy. The development of military cooperation between CIS member states for the period until 2015 is discussed. Military representatives from seven countries came to Moscow. The meeting was held by Nikolay Makarov, Chief of General Staff of the Russian Armed Forces and First Deputy Defence Minister.

18 March 2009 Rosatom and Nigeria's Nuclear Regulatory Authority sign a memorandum of understanding and cooperation in the peaceful use of nuclear energy. The memorandum is signed during the third meeting of the Russian-Nigerian intergovernmental commission for economic, scientific and technical cooperation.

18 March 2009 Deputy Foreign Minister and special presidential representative for the Middle East Aleksandr Saltanov and Gerard Araud of the French Foreign Ministry discuss the Arab-Israeli conflict.

19 March 2009 The MFA says it welcomes the statement by British Prime Minister Gordon Brown regarding the intention to continue reducing the number of nuclear weapons and ballistic missiles on submarines.

The MFA says it is certain that Moscow and Washington can agree on the problems of strategic offensive arms and anti-missile defence.

19 March 2009 The MFA says that Russia is considering Ukraine's request for a \$5 billion loan.

19 March 2009 Russia's permanent representative to the EU, Vladimir Chizhov, describes as important the decision to remove the title of the Nabucco gas pipeline

project from the list of infrastructure projects for which the European Union is going to allocate 3,900 million euros from its budget.

19 March 2009 Russia's ambassador to NATO Dmitry Rogozin has said that a large-scale modernization of the Russian army, announced by Dmitry Medvedev on 17 March, is not directed against any country in particular. "The military campaign last August highlighted certain faults, to put it mildly, in the Russian armed forces. These faults must be immediately eliminated. This is why President Medvedev quite unambiguously supported a large-scale rearmament of the Russian armed forces, despite the financial crisis."

19 March 2009 Dmitry Medvedev meets his Belarusian counterpart Alyaksandr Lukashenka in Zavidovo (Tver Region). They discuss agreements reached at the February session of the Russia-Belarus Supreme State Council, trade and economic issues, energy cooperation and the situation on the world financial markets.

19 March 2009 The presidential special envoy for Sudan and the head of the Federation Council International Affairs Committee Mikhail Margelov discusses preparations for the Moscow international conference on the Middle East with Lebanese Foreign Minister Fawzi Sallukh in Beirut.

19 March 2009 Chairman of the Duma International Affairs Committee Kosachev says Moscow welcomes Georgian politicians' statements on Georgia's intention to conduct a dialogue with Abkhazia and South Ossetia. He is commenting on the statement by Georgian parliament speaker David Bakradze that Georgia needs to conduct a direct dialogue with the Abkhazians and Ossetians.

20 March 2009 CSTO Secretary-General Nikolay Bordyuzha says that the CSTO Rapid Reaction Force will never be used in internal military conflicts on post-Soviet territory.

21 March 2009 Dmitry Medvedev has an informal meeting with his Belarusian counterpart, Alyaksandr Lukashenka, in Sochi.

21 March 2009 The prime minister's secretary Dmitry Peskov says that Moscow has no doubt that a compromise with Washington is possible on strategic security issues, including the problem of non-proliferation of nuclear weapons and US missile defence elements in Eastern Europe.

Peskov says that Moscow regards the Nabucco gas pipeline project as less realistic than South Stream project.

22 March 2009 Sergey Lavrov attends the Brussels Forum 2009. He calls for a new European security treaty.

In a new security treaty we want to achieve a new quality of cooperation on fight against terrorism, on non-proliferation of weapons of mass destruction as well as other threats and challenges facing us. Why not work on this at the level of the existing structures - the answer is very simple: NATO is looking after the security of its members and the Collective Security Treaty Organization is helping its own, CIS members, while the European Union is conducting its own defence policy regarding defence and security. Thus, the common task is being handled by disconnected structures.

23 March 2009 The first Russian-Turkmen Economic Forum "New quality of cooperation: from intensive dialogue to mutually beneficial projects" takes place in

Moscow. The first deputy prime minister and co-chairman of the Russian-Turkmen intergovernmental commission on economic cooperation, Viktor Zubkov, attends. He says the Russian-Turkmen cooperation will cover not only the traditional oil and gas sector but also significant socio-economic fields in future.

23 March 2009 Prime Minister Vladimir Putin calls the Ukrainian-EU declaration on the gas market ill-considered and unprofessional. He says Russia, which stands for a trilateral agreement on the modernization of the Ukrainian gas-transport system, has practically been excluded from the discussion of the issue.

Energy Minister Sergey Shmatko criticises the EU-Ukraine declaration on the modernization of the Ukrainian gas transport system. According to the document, European banks will provide Kiev with several billion euros for this purpose. The agreement says nothing about Russia's participation in upgrading the Ukrainian gas transport system. Shmatko says Russia should be party to such an agreement.

The MFA also criticises the EU-Ukraine agreement in a commentary.

The head of the Duma's international affairs committee, Konstantin Kosachev, says that the European Commission's discussion of Ukraine's gas transportation system without Russia's full-fledged participation "makes one doubt the sincerity of the European Union as an energy security partner of the Russian Federation...The agreement between Ukraine and the European Commission appears strange and discriminatory towards Russia."

23 March 2009 Russia's envoy to the UN Vitaly Churkin says the situation in Kosovo is out of control since it became independent in 2008. He says the situation in Kosovo can be resolved only if the UN mission there is retained and the presence of the OSCE, EU and NATO under its auspices is put in order.

24 March 2009 Deputy Prime Minister and Finance Minister Aleksey Kudrin says that Russia should join the World Trade Organization. He thinks that Russia's chances of joining the WTO have improved with the advent to power of the Obama Administration in the USA.

24 March 2009 Sergey Lavrov says that the bombing of Yugoslavia in 1999 by NATO did not contribute to stability in Europe and has resulted in the emergence of a new source of tension in the Balkans. He is commenting on the 10th anniversary of NATO air strikes on Yugoslavia.

MFA spokesman Andrey Nesterenko makes the following comments on the 10th anniversary of the NATO attack on Yugoslavia:

We call for a sober interpretation of the events 10 years ago, their disastrous consequences for the system of international relations, drawing conclusions that would not let events like these be repeated in future...It is precisely this task that prompted our initiative to draw up a European security treaty that would lay down the fundamental principles of mutual relations between states in the pan-European space.

Yevgenny Primakov, the president of the Russian Chamber of Commerce and Industry, says he hopes that it may be possible for the northern part of Kosovo to be attached to Serbia.

24 March 2009 Norwegian foreign minister Jonas Gahr Stoere visits Moscow for talks with Sergey Lavrov. They discuss fishing issues, Spitsbergen, the Barents Sea boundaries and Arctic cooperation.

Sergey Lavrov says that all the issues of the Arctic region should be resolved through dedicated international structures, without any involvement from the armed forces of the coastal Arctic states. He is commenting on a NATO exercise off Norway's coast in the Arctic. Both Russia and Norway have confirmed their commitment to the agreements reached at the May 2008 conference of the five Arctic littoral states in Ilulissat (Jakobshavn), under which all possible so-called overlapping claims should be resolved exclusively on the basis of the existing norms of international law.

24 March 2009 Dmitry Medvedev suggests that intergovernmental consultations between Russia and Ukraine be postponed. This is in response to the adoption of a declaration to upgrade Ukraine's gas transport system at a conference between Kiev and the European Union.

24 March 2009 The head of the Transneft company, Nikolay Tokarev, says that the construction of the Burgas-Alexandroupolis oil pipeline will start in August-September 2010. He states its financing has been secured. He is visiting Bulgaria.

24 March 2009 Foreign Minister Sergey Lavrov has talks in Moscow with his Singaporean counterpart George Yeo.

25 March 2009 A meeting of the heads of antiterrorist centres of CIS countries is being held at one of the FSB facilities in Moscow Region. It is being attended by representatives of 10 CIS states, the CIS Executive Committee, the council of security bodies' heads, the coordination council of the commanders of border troops, bureau for coordinating the fight against organized crime and other dangerous crimes in CIS countries. The CIS Antiterrorist Centre police head Colonel-General Andrey Novikov says he believes that Central Asia could see an increase in tension as more and more migrant workers continue to return to their home countries from Russia. Novikov says that last April a decision was made to set up an analytical intelligence unit at the Centre.

25 March 2009 A member of Gazprom's Management Committee, the head of the company's department for gas transportation, underground storage and use, Oleg Aksyutin, says the implementation of the Ukrainian-EU declaration adopted on 23 March is fraught with unpredictable consequences for the whole system of gas supplies to Europe. He says Gazprom has to authorize any work related to changing the throughput capacity of Ukraine's export pipelines.

The head of the Duma's international affairs committee, Konstantin Kosachev, describes the declaration on modernizing the Ukrainian gas transit system between Ukraine and the EU as "a time bomb". He says it is absolutely illogical to turn the issue of the Ukrainian gas transit system into an area of special responsibility and special agreements exclusively between Ukraine and the EU.

25 March 2009 Russia's envoy to NATO Dmitry Rogozin says that the USA may face difficulties with its planned missile defence system in Europe if the Czech Republic refuses to deploy a US antimissile radar in its territory.

25 March 2009 President Dmitry Medvedev has talks in Moscow with Turkmen President Gurbanguly Malikgulyyewic Berdimuhamedow. Several agreements are signed. They discuss energy, industrial and transport cooperation.

Presidential aide Sergey Prikhodko says the presidents of Russia and Turkmenistan are planning to sign an agreement on the construction of the East-West pipeline

during the next meeting. He says Energy Minister Sergey Shmatko will visit Turkmenistan in the nearest future to finalize the text of the agreement.

25 March 2009 Deputy Foreign Minister Aleksey Borodavkin says that NATO countries have not yet submitted applications for the transit of military freight to Afghanistan. He says Russia has concluded a number of bilateral intergovernmental agreements on the transit of military property and personnel through the territory of the Russian Federation, which lay down a simplified procedure for military transit to Afghanistan. In April 2008 Russia had also signed an agreement with NATO on the transit of non-military freight to Afghanistan for structures of the alliance and its member states, as well as for all countries that had sent a military contingent as part of ISAF.

Borodavkin says Russia is not against contacts with the moderate wing of the Taliban movement, if the Afghan authorities agree to that. He says that Russia has no intention of renewing its military presence in Afghanistan; but may consider possible requests from the Afghan government to help form the armed forces.

25 March 2009 Konstantin Kosachev, head of the Duma International Affairs Committee says that Russia cannot consider the situation around Iran's nuclear programme transparent while the IAEA is concerned about it.

We are by no means closing the eyes on what is happening in Iran and we cannot see this programme as transparent as long as IAEA continues to have relevant questions. Unlike the USA, we consider IAEA as the only source for any generalisations, conclusions and recommendations...

We should not expect Iran's reaction to signals from Washington in the near future as the country is preparing for elections and domestic agenda is prevailing over the foreign one. The signals from Washington are aimed at supporting the Iranian political forces that the USA sees as the most progressive ones. I cannot describe this as a forward-looking policy because Iran is a very independent state not yielding to outside pressure.

25 March 2009 The investigations committee under the Russian Prosecutor-General's Office says it is completing the collection and analysis of evidence showing that Georgia's leadership committed genocide and mass murder of Russian citizens in August 2008. Investigations committee spokesman Vladimir Markin says:

In the near future, the investigations committee under the Russian Federation Prosecutor's Office, jointly with the office of the Russian representative at the European Court of Human Rights and the Russian Ministry of Foreign Affairs, intends to send materials concerning these criminal cases to international criminal institutions with a view to criminal prosecution of individuals in Georgia's supreme political and military leadership guilty of genocide and mass murder of Russian Federation citizens and Russian peacekeepers in South Ossetia.

25 March 2009 The head of the Prosecutor-General's Office directorate for international legal cooperation, Saak Karapetyan, says the Russian side is interested in solving the case of poisoning of former FSB employee Aleksandr Litvinenko.

26 March 2009 Gazprom Chairman Aleksey Miller has talks in Turkey with Turkish Energy and Natural Resources Minister Hilmi Guler. He says the Blue Stream 2 gas pipeline project is absolutely realistic. He says under this project,

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Russian gas could be supplied to Israel. Miller says that Turkey has become the second largest buyer of Russian natural gas. Turkey is Russia's strategic partner in the sphere of energy. Miller also notes that Turkey's demand for gas will increase significantly after 2015 and that Gazprom is ready to supply additional amounts of gas to Turkey. Hilmi Guler says that there will be a consortium involving Gazprom and Turkish oil companies to work on oil extraction in northern Iraq.

26 March 2009 Sergey Lavrov has talks in Moscow with his Kyrgyz counterpart, Kadyrbek Sarbayev. He criticises NATO widening. He says NATO's eastward expansion seems to be a "geopolitical project" which will not facilitate European security.

26 March 2009 Sergey Lavrov warns against making hasty judgments regarding North Korea's satellite launch plans. He also reiterates Russia's commitment to the six-party process and stresses the importance of complying with UN Security Council resolutions.

26 March 2009 MFA spokesman Andrey Nesterenko says there are no contradictions between Russia's foreign policy concept adopted in July 2008 and the national security strategy discussed at a recent session of the Security Council.

Nesterenko says that the main aim of the modernization of the Russian Armed Forces is to ensure its nuclear deterrence capability.

Nesterenko says that the process of negotiations on a new Russia-EU basic agreement is proceeding according to the agreed timetable.

As is known, the decision to launch talks on a new Russia-EU basic agreement was taken during the Russia-EU summit in Khanty-Mansiysk in June of last year. And the first round was already held in July of that same year. After a three-month break taken by the EU last autumn as a reaction to the events in South Ossetia, another two rounds of talks have taken place. The next, fourth round has been scheduled for April of this year. The process of negotiations is proceeding according to the agreed timetable. At the moment our delegations work actively and productively, finding understanding on many key issues.

In this context it is premature to talk about the timescale for concluding the agreement, especially by tying it in to the next Russia-EU summit scheduled for May.

Nesterenko says that countries participating in the European Union's Eastern Partnership project are often given the "artificial choice" between siding with the EU or Russia.

Now regarding our view of the Eastern Partnership programme. Despite the fact that the Eastern Partnership is an internal initiative of the European Union, we are monitoring its development since it is directed at our nearest neighbours. We still have questions about the added value of the Eastern Partnership compared with the European Neighbourhood Policy, whose objects are the same states, that is, Ukraine, Moldova, Georgia, Azerbaijan, Armenia and Belarus.

We have noted the integrational proposals of the partnership on concluding an agreement on association, creating a free trade zone, the gradual integration into the economy of the European Union, so-called mobility and security pacts, energy interdependence, and so on.

Such an architecture of cooperation of the European Union with Russia's neighbours should not contradict the integrational obligations of these countries within the framework of the CIS and the Collective Security Treaty Organization, as laid down in the road map for the Russia-European Union Common Space of External Security.

Furthermore, it has not escaped our notice that potential participants in the Eastern Partnership are often given an artificial choice: either you are with the European Union or you are with Russia.

This could also fully apply to the possible participation of Belarus in this programme. It has not passed unnoticed in Moscow the attempts to put pressure on Minsk in this regard concerning its chosen course of foreign and domestic policy.

We regularly hear from the European Union about the need to cooperate in the area of our common neighbourhood. We do not rule out that the Eastern Partnership could become one such forum for cooperation. Our interest in the new regional initiative of the European Union is highly practical. It is clear that a number of projects that are supposed to make up the Eastern Partnership might be of interest to Russia. Furthermore, most of the serious projects will at best be limited in nature and effect without the fully fledged participation of our country.

Nesterenko says Russia welcomes the US administration's intention to establish a direct dialogue with Iran and is ready to assist in this process.

Nesterenko says that Russia is "perplexed" by Canada's sharp reaction to a recent flight by Russian strategic aviation near Canadian airspace.

Nesterenko says that Russia insists on a continued UN presence in Kosovo, and views Kosovo opposition to such a presence as "incompatible with the Pristina authorities' intentions to cooperate with the international community." He says "Russia will continue to insist that the UN Security Council retains its key role in the Kosovo settlement in accordance with Resolution 1244, and taking into account the interests of all ethnic groups in the territory."

Nesterenko says that Russia considers the recent declaration on modernizing Ukraine's gas transport system signed between Ukraine and the EU to be an "unfriendly step."

26 March 2009 The Duma International Affairs Committee head Konstantin Kosachev says that attempts to modernize the Ukrainian gas transportation system without Russia will not work.

26 March 2009 First Deputy Foreign Minister Andrey Denisov says at a meeting of the UN that the global financial crisis will not affect the volume of aid which Russia is offering to developing countries, He says that Russia's contribution to the anti-crisis fund of the EurAzEc will be \$7.5 billion.

27 March 2009 Deputy Russian Foreign Minister Sergey Ryabkov is interviewed on *Ekho Moskvu*. He criticises US Secretary of State Hilary Clinton's comments that there should not be zones to which Russia will not admit anyone, that there should not be a post-Soviet space.

These are regions where there are understandable, deep, privileged, to use the

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term used by our president, interests of the Russian Federation. This cannot be cancelled; it does not depend on someone's will or some political arrangement. And to argue about zones of influence, to admit or not to admit is the American approach. We do not want our neighbours to be put before a false choice, you are either with the USA or with Russia. This is not the case. They will always be with Russia, at least because they are next to Russia. To what extent Russia succeeds in developing these relations depends on the will, and above all their political will, their mood. Because we are ready to move forward and we are ready for normal relations with all neighbours. But to say that if you are with Russia it means that path to somewhere else is blocked for you, it seems to me that this is blackmail and it is even awkward to put a question so vapidly in the 21st century. Rice accused us of conducting a policy from the 19th century. But this policy is from the 18th century, because in the 19th century it was already all more civilized.

He also discusses Afghanistan, the closure of the US air base in Kyrgyzstan and strategic arms control as START-1 will expire in December 2009, missile defence and the Arctic and Iran. He also discusses ways of managing the US-Russian relationship.

27 March 2009 Russian envoy to the alliance Dmitry Rogozin says that Moscow has not yet resumed full-fledged cooperation with NATO. He is interviewed on *Vesti TV*. He explains the terms on which Russia is ready to resume full-scale cooperation, including in the military sphere, and outlines a provisional timetable for achieving it. He says Russia is interested in renewing military cooperation with NATO, but this can only be done if particular "political points of tension" are removed. He criticises NATO for not tackling the Afghan heroin threat.

27 March 2009 Dmitry Medvedev has talks with United Nations Secretary-General Ban Ki-moon in Moscow at the SCO conference on Afghanistan. Medvedev discusses with him the possibility of holding an international conference on combating the global financial crisis under UN auspices.

Taking part in the conference are foreign ministers of SCO member states, as well as representatives of the G8 countries, Turkmenistan, Turkey, Iran, the UN, the CSTO, the OSCE, the European Union and NATO. They are expected to discuss the situation in Afghanistan and the Middle East region and work out a strategy to fight terrorism and drug production.

Sergey Lavrov says that Russia is ready to consider expanding possible forms of assistance to the NATO-led force in Afghanistan. He is speaking at the SCO conference on Afghanistan. Lavrov says that the SCO and the CSTO propose to set up belts of anti-narcotic, antiterrorist and financial security in Afghanistan.

Dmitry Rogozin says that the presence of a NATO representative at the SCO conference "means that NATO has for the first time acknowledged the SCO as a partner organization".

27 March 2009 Minister of Regional Development Viktor Basargin says that Russia and South Ossetia will soon sign an intergovernmental agreement on rebuilding the economy and social infrastructure of South Ossetia. Basargin says that in 2008 R1.5 billion [about \$44 million] had been allocated from federal budget funds to rebuild the South Ossetian economy. He says that in 2009, R8.5 billion is to be spent from the federal budget on implementing the plan to rebuild South Ossetia.

27 March 2009 Dmitry Medvedev and Kazakh President Nursultan Nazarbayev

have a telephone conversation. They reaffirm their countries' resolve to step up efforts to implement the strategically important project of the Caspian coastal gas pipeline.

27 March 2009 Deputy Foreign Minister Grigory Karasin has talks with Transdnestr foreign minister Vladimir Yastrebchak. They discuss the Moldova-Transdnestr settlement process.

27 March 2009 The director general of *Voice of Russia* (VOR), Andrey Bystritsky says that the VOR is beginning modernization of its activity, including an increase in the number of languages in which it broadcasts and an expansion of its broadcasting via the Internet. The worldwide English-language service of VOR will switch to a round-the-clock broadcasting format, and broadcasting to Latin American countries in Spanish and Portuguese will increase from two to five hours. VOR will also increase broadcasting in the languages of the CIS countries - in particular, there will be programmes in Ukrainian and Georgian. VOR is already working in Armenian, Uzbek and Moldovan, and it plans to increase broadcasting in Kyrgyz. "Working with the CIS audience is a key area of our activity."

27 March 2009 Dmitry Medvedev says that Russia is interested in expanding cooperation with the Organization of the Islamic Conference (OIC). He meets OIC Secretary-General Ekmeleddin Ihsanoglu. They discuss the Middle East.

27 March 2009 Deputy Foreign Minister Aleksey Borodavkin says that Russia calls upon North Korea to refrain from launching a rocket which is to put a satellite into orbit.

27 March 2009 Economic Development Minister Elvira Nabiullina attends the 5th Russian-Chinese investment forum in Beijing. He says Russia and China should jointly counteract the global financial crisis. "By 2008 results our trade turnover exceeded \$50 billion, in which the main growth was ensured by oil, timber, fertilizers, nickel and paper pulp." She says the most promising spheres in developing bilateral trade are aviation, machine-building, telecommunications, the space exploration sphere, environmental protection and high technologies.

27 March 2009 Gazprom and the State Oil Company of the Republic of Azerbaijan (SOCAR) start talks to agree conditions for the sale and purchase of Azerbaijani gas, with delivery starting in January 2010 on Delivered at Frontier terms at the Azerbaijan-Russia border. A memorandum to this effect is signed in Moscow by Gazprom Head Aleksey Miller and president of SOCAR Rovnaq Abdullayev.

28 March 2009 Yuly Kvitsinky, Deputy Chair of the Duma Foreign Policy Committee, warns Finland against joining NATO.

28 March 2009 Deputy Foreign Minister Aleksey Borodavkin and his Iranian counterpart, Mohammad Mehdi Akhundzadeh, discuss bilateral relations and regional issues, including the situation in West and South Asia.

28 March 2009 The deputy chief of the General Staff Colonel-General Anatoly Nogovitsyn says a new START treaty must answer Russia's concerns. He says that when drafting a new treaty it is necessary to take into account the strategic capabilities of not only Russia and the USA, but also of NATO as a whole. He again criticises US plans for a missile defence system in Poland and the Czech Republic. He says that in the next 8 to 10 years Iran will not have means to reach the US third air defence area in Europe. He also says Russia will demand explanations on a possible redeployment to Poland of the US Air Force F-16 wing stationed in Italy.

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He says Ukraine supplied Buk-M1 systems to Georgia. He says that Ukrainian specialists must have been involved in servicing these systems.

He also discusses military cooperation with Belarus. He says that Russian military pilots' overall flying time was 60-65 hours in 2008 for fighter jets. He says the General Staff wants to at least double that figure.

29 March 2009 A detachment of Pacific Fleet ships headed by the Udaloy class destroyer *Admiral Panteleyev* leaves Vladivostok for the Gulf of Aden.

30 March 2009 Russian envoy to the United Nations Vitaly Churkin says sanctions against Iran are not on the UN Security Council's agenda. He says that "the UN supports the actions of IAEA". Churkin says that the US-Iranian talks "will be serious and will result in agreements, then the issue will not recur in the UN Security Council and the situation will be settled".

Churkin says that the issue of legitimacy of North Korea launching a missile with a satellite needs additional legal clarification.

Churkin says the EU's role in settling the situation in the Caucasus has considerably decreased due to Brussels' unconstructive position. He says that "the EU's role has certainly been undermined by the clumsy actions by the current EU presidency". The Czech Republic is the current EU president. A new mandate for the UN observer mission in Georgia will have to be issued by 15 June. He says: "The UN is mostly engaged in Abkhazia and Georgian-Abkhaz relations. We adopted a resolution some time ago that will extend the UN mission in Georgia for four months."

Churkin says that Russia will contribute to the intensification of efforts in the UN Security Council regarding the peace settlement in the Middle East. The Moscow conference on the Middle East due to be held in the first half of 2009 should play "a certain mobilizing role" in the intensification of the peace process.

30 March 2009 Presidential aide Arkady Dvorkovich says that Russia and China "have similar positions" on the reform of the international financial system. He says that the applicability of a supra-national reserve currency in the international balance and trade can be taken into consideration in the short term. He says the Russian Rouble and Chinese Yuan should be included in the basket of the IMF's Special Drawing Rights. Dvorkovich says that having great potential for cooperation, BRIC share "similar interests" on the assurance of the world's stable economic growth and the reconstruction of the international financial supervision system.

31 March 2009 The Russian consul general in Dubai, Sergey Kranogor, says that there is no confirmation that the Russian citizen killed in Dubai on 28 March was Sulim Yamadayev.

31 March 2009 Dmitry Medvedev visits Germany. Russo-German trade turnover in 2008 was \$67 billion. He discusses relations with NATO and the EU. Medvedev says that Russia and Germany may come up with a "consolidated position" at the G20 summit in London. He also says temporary and limited protectionism may be necessary.

Medvedev meets CIS finance ministers before travelling to the G20 summit. Medvedev says he favours replacing the dollar with a new reserve currency.

31 March 2009 Mikhail Margelov, chairman of the Federation Council International Affairs Committee, says that the forthcoming meeting between Dmitry Medvedev and US President Barack Obama has a principal significance. He says both Russia and its US partners "will have to recover losses of the two decades when Russian-US relations have been constantly deteriorating". He says that the American side should reconsider a number of fundamental areas of its foreign policy, in particular, "spreading democracy by means of bombing". He says Russia will have to overcome anti-American sentiments in various groups of society.

A Levada Centre poll shows that some 40 per cent of Russians currently believe that Russian-US relations will improve following Barack Obama's arrival at the White House. The figure for January was 35 per cent. Over the same period, the number of those who believe that the bilateral relations will not be revised and will stay as they are has gone down from 38 per cent to 35 per cent. Only 7 per cent of the respondents were pessimistic.

31 March 2009 Sergey Lavrov attends a conference on Afghanistan at the Hague. He says he believes it to be "fundamentally important that the problems of Afghanistan are beginning to be considered in the regional context". He says the problems of Afghanistan involve the whole region including Russia. He welcomes the US aim of strengthening the interaction between Afghanistan and Pakistan. Lavrov says that the Hague conference on Afghanistan is a logical development of the Moscow conference sponsored by the SCO.

Lavrov says that Iran should take part in resolving world problems and not be one of them:

There is no proof that Iran has ever intended to make a nuclear bomb...While the IAEA is working in Iran, it monitors all the centrifuges producing low-grade uranium used as fuel...To turn this into weapons-grade uranium, actions would need to be carried out that would immediately be captured by IAEA cameras; if the cameras are switched off we shall know anyway that something has taken place that should not have happened.

One should hold talks, show respect and involve Iran in work in all the areas that we have identified in the document of the 'three plus three' (Britain, France and Germany plus the United States, China and Russia) format, proposed to Iran. This includes a dialogue on security issues, and not only about Iraq - which is only natural - but on the whole range of problems in the Near and Middle East: Palestine, Afghanistan, Iraq and Lebanon...Iran should take a constructive part in resolving problems, and not be one of them.

31 March 2009 The MFA says it views positively the statement about the meeting of representatives of the USA and Iran in the Hague.

31 March 2009 Deputy Head of Gazprom and director-general of the Gazprom Export company Aleksandr Medvedev says it views the declaration on the modernization of Ukraine's gas transit system signed on 23 March with the EU leadership, is "an irresponsible and unfriendly gesture against Russia". He is addressing an interparliamentary conference "The Nord Stream Project: Parliamentary Dimension" in St Petersburg.

Europe needs gas, and it can only receive it from Russia. Therefore the EU leadership's vehement attempts to block all the projects to diversify the delivery routes are totally incomprehensible...The most conservative estimates indicate that, by 2030, Europe's natural gas requirements will increase by 150 billion cubic metres a year...Even if one adds together South Stream, Nord

Stream, and Nabucco, and adds to that liquefied gas too, it will still not be enough.

Aleksandr Medvedev confirms that the project for the construction of the Nord Stream gas pipeline to transport Russian gas to EU countries will be implemented according to plan.

31 March 2009 Dmitry Medvedev threatens to refuse to give any loans to Ukraine after Russia was excluded from Kiev's discussions with the EU about the modernization of its gas transit system.

31 March 2009 Sergey Lavrov makes the following comments at the Brussels Forum 2009:

You know we regard NATO as a reality. We want to cooperate with the alliance. We see potential for cooperation like this: Afghanistan, joint control of air space, a number of other areas - compatibility of forces in order to preserve peace. However, we do not like it that NATO has begun to judge everything and everybody.

We simply cannot understand why NATO is expanding and why this military structure is advancing towards our borders...Missile defence is a separate issue. Over recent years we have been reducing our military presence in Kaliningrad Region, without any fuss. Given this, are we to have a third positioning area of the USA's global missile defence?

As for missile defence, Russia is generally in favour of joint cooperation on an egalitarian basis. But we are told that this is a special issue, that the threat from the South to Europe and the USA can only be warded off with this specific response. And when we try to submit our own analysis, offering alternative options, we are told that this may be of benefit too, but the main part of the system will be their own.

Lavrov says he welcomes the statement by German Foreign Minister Frank-Walter Steinmeier on convening a meeting of high-level experts in Germany in June 2009 to consider the situation around the CFE Treaty.

31 March 2009 The Russian ambassador to the United Nations, Vitaly Churkin, warns against the possibility of US dialogue with the Taleban leading to Al Qaeda coming to power in Kabul. He is interviewed on *Vesti TV*. He also discusses the Middle East peace process and G20 summit, and US-Russian relations.

31 March 2009 The Ministry of Finance says that Russia has refused to provide Belarus with a loan of R100 billion and Belarus is asking for a new loan of \$2 billion. In the past 18 months, Russia has loaned Belarus a total of \$3 billion, including \$1.5 billion at the end of 2007 and another \$1.5 billion in two tranches at the end of 2008 and in March 2009.

31 March 2009 Deputy Foreign Minister Grigory Karasin says that the attempts to organize the creation of two missions of the OSCE in Georgia and South Ossetia have failed due to the position of Georgia. "The mandate of the OSCE group of observers, approved by the permanent council in August 2008, will be valid until 30 June." This mandate allows 20 OSCE observers to operate only in the areas bordering on South Ossetia. Operations of the former OSCE mission in Georgia has been technically suspended since 1 January 2009.

31 March 2009 The MFA issues a commentary on the British Foreign Ministry human rights report. It accuses Britain of double standards.

31 March 2009 A meeting of CIS finance ministers and central bank heads is being held in Moscow. They discuss supporting the banking sector. Finance Minister Aleksey Kudrin says that CIS member states need funds totalling 1 to 3 per cent of GDP to support their banking sector.

Gross GDP growth in the CIS in 2008 totalled some 5 to 6 per cent, which is 3.5 per cent lower against 2007. The statistics committee of the CIS has estimated that among CIS member states, the world economic crisis has affected Azerbaijan least of all. There, high investment rates and economic growth are being preserved. According to the results of 2008, Azerbaijan is followed by Belarus with some 10 per cent growth; Tajikistan with some 8 per cent growth; Kyrgyzstan with 7.6 per cent; Armenia with some 6.8 per cent; Russia with 5.6 per cent. So far, the lowest economic growth rate among the CIS countries in 2008 is in Ukraine - 2.1 per cent.

31 March 2009 Milana Yamadayeva, the wife of Sulim Yamadayev, the former commander of the Vostok battalion who was allegedly assassinated in Dubai on 28 March, states that her husband is alive and in hospital.

31 March 2009 Dmitry Medvedev and German Chancellor Angela Merkel meet representatives of German business circles in Berlin.

31 March 2009 The head of the FSB border directorate for North Ossetia, Aleksandr Solod, says that the rebuilding of the international land border checkpoint Verkhniy Lars is complete. It is the only land border crossing between Russia and Georgia, and was closed for rebuilding in July 2006.

Disclaimer

The views expressed in this paper are entirely and solely those of the author and do not necessarily reflect official thinking and policy either of Her Majesty's Government or of the Ministry of Defence.

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