

Business and Politics in the Muslim World

Weekly Report on **Russia**
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Summary of the Report

Political:

Russia Finds Banana Republics More Attractive

At the moment, Russia cannot boast significant achievements in the development of trade relations with the countries of the region. While the total volume of their trade amounts to 110 billion US Dollars, Russia accounts for mere 0.1%, which is a little over 100 million dollars. The top places in the trade with these countries are shared between the USA, Mexico and China.

Russia sends warship after tanker is hijacked by Somali ... - Los Angeles Times

The fortunes of a band of Somali pirates quickly changed Thursday when a Russian warship opened fire on a hijacked oil tanker, freeing the crew and arresting the bandits, who a day earlier had raced across the Indian Ocean to seize a cargo valued at more than \$50 million.

Russian FM: Country's Position Unchanged On Iranian Nuclear Program

Russia's position on the Iranian nuclear program remains unchanged, Russian Foreign Ministry spokesman Andrei Nesterenko was quoted as saying by the Vesti television channel.

UK politics married with Russian blood

People in the UK have begun voting in one of the most tightly contested general election in decades. And as the election unfolds, it turns out there is Russian blood in British politics. It is only since this election campaign that Nick Clegg, the leader of the UK's third main political party, has become a household name. He is also being hailed as a genuine Russian aristocrat.

Russian president to visit United States in June – Kremlin

Russia and the United States have been following the route of "resetting" their relations and ridding them of Cold War-era holdbacks since Medvedev and his U.S. counterpart Barack Obama announced the new policy of bilateral ties last year.

Kyrgyzstan to bow out of CSTO, CIS informal summits

Kyrgyzstan will not participate in the Collective Security Treaty Organization and CIS informal summits scheduled for May 8 as the country has not formed its constitutional government.

Medvedev to meet with acting Polish President Komorowski May 8 – source

Komorowski took over as the Polish leader following the death on April 10 of President Lech Kaczynski in an air crash in Russia. Relations between Moscow and Warsaw, which have been hampered by historic past events, seem to have improved after Russia showed true compassion following the crash near Smolensk that killed Kaczynski and dozens of Polish top officials.

Ukraine's extension of Russian base's lease may challenge U.S. goals in region

Ukraine's decision to host a Russian naval base for 25 more years in exchange for cheaper gas, a deal ratified Tuesday despite egg-throwing and a brawl over it in the Ukrainian parliament, does little to alter the immediate military balance in the Black Sea but presents other challenges for U.S. goals in the region.

Russia, Turkey agree terms of nuclear power plant construction

Russia and Turkey have agreed all the details and commercial terms for the construction of Turkey's first nuclear power plant, "The principles of the nuclear power plant construction have been agreed. We have defined all the basic commercial terms," Russian Energy Minister said in an interview with the Turkish news agency Cihan NA, adding that the price of electricity to be generated by the NPP had also been agreed but it was premature to disclose it.

Cuba and Russia are long-term strategic partners - Cuban vice-premier

Cold War allies, Russia and Cuba have recently moved to restore their ties which declined after the breakup of the U.S.S.R. "Cuba and Russia are strategic partners, which have common viewpoints on many international issues," Cabrisas said.

Russia Frees Somali Pirates It Had Seized in Shootout

Two days after Russian marines [captured 10 Somali pirates](#) in a much-ballyhooed high-seas shootout, freeing Russian crew members who had barricaded themselves for 20 hours in the dank safety of an engine room, [Russia's](#) Defense Ministry on Friday announced an anticlimactic ending to the saga.

Obama Plans Revival of Russian Nuclear Deal

The bid to renew the pact is the latest effort in Mr. Obama's drive to repair relations with Russia and comes as he seeks Moscow's support for tough new sanctions against Iran. But word of the possible move has generated consternation in Congress, where some lawmakers were already skeptical of the deal and now worry that Mr. Obama is giving Russia too much.

By Itar-Tass World Service writer Veronika Romanenkova

The two years were not easy as there were numerous misfortunes that began with the Georgian aggression against South Ossetia followed by deteriorated relationship with Ukraine, the economic crisis, and a series of terrorist acts and disasters. Even sport luck has turned its back on Russia, which failed to qualify for the UEFA World Cup in South Africa and poorly performed at Vancouver Olympics.

What Russia gets from the Ukraine gas deal

In return for the long-sought-after agreement, Russia offered Ukraine a steep discount on gas imports. Ukraine will now pay 30 percent less for its gas, bringing estimated savings of \$40 billion over the next decade, and an estimated \$3 billion this year alone. The savings will be key to salvaging Ukraine's economy, which has been pummeled by the global financial crisis, and to filling budget gaps that have prevented it from appealing to the International Monetary Fund (IMF) for additional aid. (The country took a \$16 billion IMF loan in late 2008.)

US and Russia agree on START nuclear treaty annexes

The annexes will now be submitted to each country's legislature for ratification, the spokesman said. On April 8, Obama and Russian President Dmitry Medvedev signed in Prague the US-Russia New START treaty, committing the former Cold War foes to major nuclear arms cuts.

The nuclear non-proliferation regime at a glance

. Seen as the cornerstone of the global non-proliferation regime, it requires non-nuclear weapon states that have signed it to refrain from developing nuclear weapons. In exchange, the five nuclear weapon states have pledged to "pursue negotiations in good faith" on disarmament and to provide access to peaceful nuclear energy. It came into force in 1970 and has been signed by 190 countries, including the five recognized nuclear weapon states: the United States, Russia, Britain, France, and China, the five veto-wielding members of the UN Security Council.

US and Russia to propose ban on WMD in Middle East

The proposal – involving the appointment of a special coordinator to conduct exploratory talks with Israel, Iran and the Arab states, followed by a regional conference – will be a

central issue at a conference beginning tomorrow in New York aimed at preventing the further spread of nuclear weapons around the world.

Russia Remains in the Black Sea

Gaining independence in 1991, Ukraine is still a matter of concern - not with its own issues but with the big powers struggling over its geography. The process that began with the 2004 elections and continued with the repeated elections in January 2005, called the Orange Revolution, meant more than the transformation of power in this country. The Orange Revolution was considered only one of the many democratic movements in different areas of the world. The 2010 Presidential elections of Ukraine draw special attention in terms of Ukraine's new foreign policy preferences.

Economic:

'National Nanotechnology Network' Announced by Government

The largest state universities and research centers will be integrated into a countrywide nanotechnology network, whose members will receive access to information about one another's research developments and facilities. An Education and Science Ministry official said the network was created as part of the federal targeted program on developing the nano-industry from 2008 to 2010. Fifty research centers (such as the Kurchatov Institute) and universities (including Moscow State University and the Moscow Institute of Physics and Technology) that the state already provides with equipment needed for nano-research will automatically become members of the network, known by its Russian acronym NNS.

Chemezov Says Beretta May Open Unit in Russia, Supply Firearms to Police

Chemezov said talks were underway with Beretta about creating a joint venture on the premises of a floundering defense factory — named Molot, or Hammer — near Kirov. Owned by Chemezov's state corporation, Molot makes hunting rifles, pellet pistols and a range of civilian goods, such as parts for oil and gas equipment.

Turkish companies to invest \$430 million in Russia

Ukrainian Prime Minister Nikolai Azarov acknowledged this week that his newly elected pro-Russian government was seriously considering Moscow's proposal to merge its state-run behemoth Gazprom with Ukraine's national energy company Naftogaz. Russian Prime Minister Vladimir Putin announced the proposal Friday, and has since issued daily reminders to Ukraine that this is a plan Moscow is seriously – if not forcibly – pushing.

Russia Mulling Lower Gas Prices For Ukraine

Russian President Dmitry Medvedev has said his country is considering lowering the price of Russian natural gas deliveries to Ukraine.

He made the comment on April 15 during a working visit to Brazil. "Our Ukrainian partners think that, for a number of reasons, our current gas prices are rather heavy to bear, considering the economic situation in Ukraine," Medvedev said. "This is an issue that is being discussed and I said from the very beginning to the new Ukrainian president that we are ready to [discuss it]."

Social:

New study ranks countries on environment impact

The research uses seven indicators of environmental degradation to form two rankings - a proportional environmental impact index, where impact is measured against total resource availability, and an absolute environmental impact index measuring total environmental degradation at a global scale.

Kadyrov Says He Has No Car

Chechen President Ramzan Kadyrov owns no cars and lives in a cramped 36-square-meter apartment in Grozny, making him one of Russia's poorest regional leaders — at least on paper.

Press freedom in Russia remains strongly suppressed – survey

The survey shows the level of press freedom in Russia in 2009 almost unchanged from 2008, with the press in the country described as "Not Free". Nordic countries - Finland, Iceland, Norway and Sweden - rank first in the list as the states with the freest media. The United States occupies the 24th position, along with the Czech Republic. The ten countries where the press freedom situation is the worst are North Korea (the 196th position), Turkmenistan, Burma, Libya, Eritrea, Cuba, Uzbekistan, Belarus, Equatorial Guinea and Iran.

Medvedev criticises USSR over human rights

Dmitry Medvedev has launched a wide-ranging attack on the Soviet Union as a totalitarian state that crushed individual liberties in the most outspoken comments on the USSR by a Russian leader in recent years. Mr Medvedev's comments, which also included stinging criticism on the historical role of Soviet dictator Josef Stalin, will be interpreted by many as an attempt to distance himself from Vladimir Putin, the prime minister, who has adopted a more ambiguous stance on Russia's often tragic history.

Orthodox priest attacked in Belarus

88-year old World War Two veteran and Archpriest Nikolai Rundo was severely beaten up in his home in Vitebsk region and is currently in grave condition in an intensive therapy ward, the press service of the Moscow Patriarchate said on Thursday.

High waters flood 450 household plots outside Barnaul

“Water covers the ground floor level in seven houses. A total of 27 residents, including 11 children were evacuated from the flooded areas,” the rescuers said.

The level of water in the river has reached 590 centimetres above the water gauge zero mark, while the critical level is 520 centimetres.

Over 200 private houses flooded in Dagestan due to heavy rains

Three residential areas were flooded in the town of Mamedkala, the Derbent district of Dagestan, due to heavy rains and an emergency water discharge from the local Gedzhukh lake. Some 210 private houses, where about 1,000 people live, were flooded,

39 schoolchildren hospitalised with food poisoning in Russia south

A total of 39 school students have been hospitalised with food poisoning in Russia’s Astrakhan region,

Patriarch: Faithful should have more children to ... - Catholic Culture

The leader of the Russian Orthodox Church has called upon the faithful to have more children in order to repopulate their vast nation.

At least 13 injured in hippodrome explosion in Russia's North Caucasus

The bomb exploded near a VIP box during a horse race in the city of Nalchik, according to the report. No one was reported killed in the blast.

Iran, Russia Reach Agreement to Launch Satellite into Orbit

According to the information, Iran and Russia reached an agreement on launching two satellites into orbit in order to study distance communication. The agreement was reached during Iran's Communications and IT Minister's last visit to Russia. Both satellites will be launched into orbit during the current year.

Four things to watch at Russia's Victory Day parade

At 10:00 a.m. Moscow time (0600 GMT) on May 9, Moscow, together with 71 other Russian cities, will simultaneously host military parades with the involvement of around 70,000 servicemen and more than 1,000 pieces of weaponry.

Pakistan, Russia top list of ‘non-smiling’ nations

Pakistan, Croatia and Russia have topped a list of countries where people sitting behind shop and office counters have a surly attitude and find it difficult to smile. Quoting a poll conducted by Nextep agency,

Detailed Report:

Political:

Russia Finds banana Republics More Attractive

In the last few years there has been an obvious desire to come closer among the so-called “Banana Republics” of the Central America (Guatemala, Salvador, Honduras, Nicaragua, Costa Rica, and Panama).

For example, in 1991 the Central Integration System was created to promote economic cooperation. In 1997, another important event occurred when the countries of the region signed the “Declaration of Nicaragua” regarding the intent to form a political union. If this happens, the existing “Banana Republics” may become history, replaced by a much stronger in all respects Central American state. The nature of economic and political cooperation in the future will depend on Russia’s relations with its individual parts.

Russia Today: Sect turns villagers into banana prostitutes

The majority of Russian export is fertilizers, paper and cardboard, plastic and plastic items, and ferrous metals. The export from the countries of the region to Russia is represented by tobacco, coffee, fruit (mostly bananas) and nuts. It also includes sugar, cardamom, timber, seafood, beef and poultry. All countries of the region import grains, fertilizers and energy equipment.

This region can be also interesting because of its rich resources that until recently have been weakly developed. The economy of these countries is very dependent on fluctuations of world prices for agricultural goods; therefore many of them are willing to develop other sectors as well, including mining. First of all, it is natural resources such as mercury and sulphur. There are large deposits of non-ferrous metals (lead, zinc, and copper) and precious metals (gold and silver). Additionally, according to geological research, there are large deposits of asbestos, iron, titan, chrome, wolfram, and platinum.

According to Guatemala President Colom, his country is very interested in cooperation with Russia in oil sector considering that Guatemala has significant oil resources, although it is not on the list of the countries believed to be large oil extractors. It is worth mentioning that there are large oil resources on the shelf of the majority of Central American counties which they are not capable of exploiting without foreign aid. Russia has fruitful cooperation with some of them, including Nicaragua.

Russia sends warship after tanker is hijacked by Somali ... - Los Angeles Times

The high-seas battle unfolded after 23 crewmen on the tanker Moscow University sent out a distress call and hid from the pirates in a sealed rudder compartment. A Russian destroyer closed in and special forces stormed the vessel at dawn, after marauders shot at a surveillance helicopter, according to the anti-piracy European Union Naval Force.

"The Russian warship, knowing the crew was locked down and safe, returned fire on the pirates," said a [statement released by the force](#). "Eventually the pirates surrendered and a boarding team from the [warship] Marshal Shaposhnikov arrived onboard the tanker, captured all the pirates and freed the crew. All the crew are safe and well."

Russia's state-run RIA Novosti news service reported that one pirate was killed and 10

were

arrested.

The rescue operation ended an ordeal less than 24 hours after pirates seized the 106,474-ton tanker about 350 miles off the Yemeni Island of Socotra. The vessel, owned by Novorossiysk Shipping Co. and carrying 86,000 tons of crude oil, was bound for China from Sudan, catching the attention of pirates who have expanded their hunting territory hundreds of miles from the Yemeni and Somali coasts.

The Marshal Shaposhnikov, an anti-submarine destroyer, was part of a fleet of international warships protecting oil tankers and cargo ships in the vital shipping lanes of the Indian Ocean and the Gulf of Aden. The effort has prevented a number of attacks. In February, Danish special forces foiled the hijacking of a merchant ship, and this week a Greek warship fired its gun and arrested seven bandits in a speed boat off the Yemeni shore.

Novorossiysk Shipping Co. credited the tanker's captain and the quick response by the Russian navy.

"Thanks to the skillful and timely action of Capt. Yury Tulchinsky, the pirates were unable to take a single hostage or command the ship," the company said. "The personnel of the Marshal Shaposhnikov performed their duties in the best traditions of Russian sailors."

The response by the Marshal Shaposhnikov was reminiscent of the [2009 operation](#) in which U.S. Navy snipers shot and killed three pirates, freeing the captain of the container ship Maersk Alabama.

Pirate attacks have jeopardized the crossroads of the Middle East and the Horn of Africa. Sea bandits have become increasingly brazen, especially since the U.S.-backed Somali government has been unable to control a country racked by crime, ethnic conflicts and Islamic insurgencies.

Maritime authorities estimate pirates have attacked hundreds of ships in recent years and have negotiated ransoms totaling between \$100 million and \$200 million. Pirates are believed to be holding about 350 hostages and as many as 20 vessels, including a South Korean tanker captured in April.

Russian FM: Country's Position Unchanged On Iranian Nuclear Program

"We do not believe that sanctions can address the Iranian problem, although at times one has to resort to sanctions to induce Tehran to take the path of negotiations," he said.

He also added that the use of sanctions should be approached carefully and thoughtfully.

"Sanctions should be 'intelligent' and should not punish the whole country," he said. "These measures should be focused, pointed and aimed at preserving the

There are also skeletons in the Clegg family closet, and ones that do not necessarily tie in with his liberal views. His great-great aunt, Moura Budberg, was almost certainly a double agent, working for both the British and the Soviet Union after the Bolsheviks seized power in 1917. Her lovers supposedly included Herbert George Wells, Maxim Gorky and Robert Bruce Lockhart, the British spy chief who inspired the James Bond stories.

Nick Clegg has experienced a meteoric rise to prominence during this general election campaign and is now a serious contender in the May 6th vote. And with Conservative leader David Cameron's Russian connection, too, there is a two in three chance that the next resident of 10 Downing Street will be descended from the Russian aristocracy.

Russian president to visit United States in June – Kremlin

Russian President Dmitry Medvedev will visit the United States at the end of June, a presidential aide said on Friday.

"[U.S. President Barack] Obama has invited Dmitry Medvedev to visit the United States at the end of June. We are working with our colleagues on the precise schedule of the visit," Sergei Prikhodko said.

He added that the upcoming visit would have a very busy agenda covering all areas of cooperation between the two countries.

"We shouldn't look for differences, we should create long-term pragmatic relations based on common democratic and economic values of freedom, and common goals in the fight against global threats," the Russian president said during his short visit to the United States in April.

Medvedev also called for increased Russian-U.S. economic cooperation, stressing that Russia needs to learn from the experience of the United States in modernizing its economy.

Economic relations between Russia and the U.S. are still hampered by the 1974 Jackson-Vanik amendment, which restricted U.S. trade with countries with non-market economies that imposed emigration restrictions on their citizens.

Kyrgyzstan to bow out of CSTO, CIS informal summits

A Russian presidential aide said on Friday. "Kyrgyzstan will not participate in the CIS summit," Sergei Prikhodko said.

"They have not formed a constitutional government yet," Prikhodko said, adding that Kyrgyzstan had not so far raised the issue on the country's participation in the CSTO and the CIS.

The Kyrgyz opposition took power in the former Central Asian Soviet republic in early April after anti-government protests in several cities turned violent, particularly in the capital, Bishkek.

The country's ex-president Kurmanbek Bakiyev was deposed and fled the capital taking refuge in Belarus.

At the end of April, the interim Kyrgyz government published a draft constitution that cuts the powers of the president and transforms the state from a presidential into a parliamentary republic.

On June 27, a referendum on the adoption of a new constitution, changing the Kyrgyz presidential republic into a parliamentary one and cutting the rights of the president, will be held.

Kyrgyz interim Deputy Prime Minister Edil Baisalov said the country's interim Prime Minister Roza Otunbayeva was going to Moscow to attend the Victory parade in Moscow on May 9. While in Moscow, Otunbayeva is expected to meet with several state heads who are also due to be in Russia's capital for the festivities.

Also, a total of 75 soldiers and several Kyrgyz veterans will participate in the celebrations dedicated to the 65th anniversary of the Allied victory in Europe during World War II, which will be held on the Moscow's Red Square.

Medvedev to meet with acting Polish President Komorowski May 8 – source
Russian President Dmitry Medvedev plans to meet on May 8 with acting Polish President Bronislaw Komorowski, a diplomatic source told journalists Friday.

"Despite any subjective assessments, the tragedy occurred on the territory of our country. The president and a huge number of people died on our territory and clarifying the details together with the Poles is a must," the source said.

Komorowski is expected in Moscow for Victory Day celebrations.

Russia will mark the 65th anniversary of victory over Nazi Germany on May 9 with its biggest ever post-Soviet demonstration of military hardware. This year is the first time that troops from other countries will take part in the parade.

Komorowski was invited to the Moscow celebrations by the Russian presidential administration. Former Polish president, Gen. Wojciech Jaruzelski, who took part in World War II, will also attend the event.

Soon after the April 10 plane crash, Russia announced a day of mourning and hundreds of Muscovites came to the Polish embassy to express their condolences to the Polish people.

Russian authorities carried out a thorough investigation of the accident, which satisfied the Polish side. Officials also provided all the necessary conditions for the families of the plane crash victims who visited the Russian capital.

Ukraine's extension of Russian base's lease may challenge U.S. goals in region

This Story

Secretary of State Hillary Rodham Clinton has played down the significance of the pact, saying it should be seen as part of an effort by Ukraine's new president, Viktor Yanukovich, to improve ties with both Russia and the United States in a "balancing act" that "makes sense to us."

But analysts say the deal could hurt Western efforts to support Ukraine's fitful democratic transition, by allowing it to postpone reforms within its corrupt energy sector and by provoking another round of infighting in the country after years of political instability.

Some also warn that the deal could boost those determined to restore Russia's influence over its neighbors and could complicate NATO plans to use the Black Sea as a base against potential foes in the Middle East and Central Asia. The Pentagon, for example, has considered putting part of its missile shield against Iran on ships in the Black Sea.

Russian Prime Minister Vladimir Putin, visiting Kiev before the ratification vote, hailed the deal as a breakthrough in ties with Ukraine and emphasized how much money Russia was giving up to keep its fleet in Sevastopol, on the southern tip of Ukraine's Crimean Peninsula.

"The proposed price seemed absolutely exorbitant," he said, saying the discount amounted to \$40 billion to \$45 billion in savings for Ukraine. "It would be possible to build several bases with this money, but for us, this is an issue of cooperation with Ukraine rather than just the financial aspect."

But Ukraine, which has been battered by the global recession and is seeking a bailout from the International Monetary Fund (IMF), most probably would not have been able to pay the prices Russia had been asking for natural gas. As a result, critics say, Ukraine could have negotiated a discount without extending the base lease, originally set to expire in 2017, especially because it owns the pipelines that Russia uses to deliver the gas it sells to Europe.

The deal gives Ukraine about 30 percent off the prices set in the contract it signed with Moscow last year, after a standoff during which the Kremlin cut gas supplies to Europe. But that contract set prices so high that the newly negotiated discount brings them down only to current market levels, said Edward Chow, a senior fellow at the Center for Strategic and International Studies.

"They gave something -- extending the naval base lease -- in order to get what they were really entitled to from the beginning," he said of the Ukrainians, noting that Russia had already renegotiated contracts with other customers in Europe and given them discounts because of falling demand and prices.

The new agreement, Chow said, is the latest in a series of deals that have benefited powerful industrialists in Ukraine and allowed the country to avoid cleaning up its corrupt gas sector, thought to be a source of funds for politicians. Like those before it, he added, the new deal is so flawed that it is unlikely to endure and could again threaten the supply of gas to Europe.

For example, he said, the pact requires Ukraine to buy more gas in subsequent years, perhaps more than it needs. But it doesn't require Russia to continue using Ukraine's pipelines, a key source of income for Kiev. The Kremlin plans to build pipelines that circumvent Ukraine.

David J. Kramer, a George W. Bush administration official who is now at the German Marshall Fund, said the deal could "feed some of the worst instincts in Russian psychology" about the former Soviet Union, especially after an uprising in Kyrgyzstan toppled a government opposed by the Kremlin.

"They may feel they're on a roll, and usually, before too long, the Russians overplay their hand and do it in an unhelpful, unproductive way," Kramer said. But he added that he is more worried about the polarizing effect of the deal on Ukrainian politics, which could make it difficult for Yanukovich to govern effectively.

The intensity of emotions over the decision to extend the Russian lease until 2042 was evident Tuesday as fistfights broke out in parliament and opponents set off smoke bombs and threw eggs at the speaker. But Yanukovich's slim majority prevailed, allowing him to push through a new budget without a sharp rise in utility fees and clear the way for the IMF loan.

The new lease has also caused concern in other countries on the Black Sea, especially Georgia, which Russia defeated in a brief war in 2008. Although the Russian fleet is in poor shape, Moscow plans to upgrade it with Mistral-class helicopter carriers from [France](#).

Radu Tudor, a defense analyst in Romania, one of three NATO allies on the Black Sea, said the Russians' extended presence in Sevastopol poses less of a military problem than a political one.

"They continue to see security as they did in the Cold War, with NATO as the enemy," he said. "So it's going to be much harder now to transform the Black Sea from a Russian lake into a NATO sea."

Russia, Turkey agree terms of nuclear power plant construction

An international consortium consisting of Russia's nuclear power equipment and service export monopoly Atomstroyexport, electricity export company Inter RAO UES and Turkish Park Teknik won a tender for the construction of Turkey's first nuclear power plant in June 2009.

The consortium proposed building four nuclear power units with a capacity of 1.2 GW each under a Russian project. The nuclear power plant was expected to be built near the Mediterranean port of Mersin in the Akkuyu area and put into operation in 2016-2019.

in November 2009, however, Turkey cancelled the results of the tender over disagreement with the prices of electricity, Russia proposed to charge for electric power generation by the nuclear power plant.

In early 2010, Russia and Turkey agreed on cooperation in building the Turkish nuclear power plant.

"We expect that basic documents will be signed as soon as possible and the construction of the nuclear power plant will begin," Shmatko said.

Cuba and Russia are long-term strategic partners - Cuban vice-premier

Cuba and Russia are strategic partners with predictable and long-term relations, Deputy Chairman of the Cuban Council of Ministers Ricardo Cabrisas said on Saturday.

"Today we can say that our relations are characterized by the predictable and long-term nature, which does not depend on the international situation," Cabrisas said at the festivities held in the Cuban capital to mark 50 years since the re-establishment of Cuban-Russian diplomatic relations.

Moscow earlier said that Russian-Cuban relations could serve as the starting point to advance Russia's interests in the entire Latin American region.

Russian Foreign Minister Sergei Lavrov visited Cuba in February to discuss the development of bilateral economic ties.

On the eve of the visit, Foreign Ministry's spokesman Andrei Nesterenko said "the current trade, which totals \$260 million, does not reflect the bilateral trade potential," and Moscow was hoping to diversify its economic and investment ties with Cuba.

Joint projects in electric power industry, transportation, pharmaceuticals and high-tech industry are among the key areas in the future economic cooperation between the two countries, Nesterenko said.

Russia Frees Somali Pirates It Had Seized in Shootout

They put the [pirates](#) back on their boat and set them free.

"It is much easier to catch pirates than to decide what to do with them," said Gen. Nikolai Y. Makarov, the chief of Russia's general staff, in comments carried by the Interfax news service.

What ensues, he said, is a series of headaches: Russian law provides no basis for detaining them, and when Russian forces release them to their home countries, they are frequently accused of human rights violations. "It is extremely difficult to handle such issues from a legal standpoint," he said.

Accounts of the confrontation, 350 miles off the coast of Yemen, enthralled Russians this week and vaulted a crew of marines into immediate celebrity. A Russian Navy ship learned early on Wednesday that gunmen in two speedboats had opened fire on the Moscow University, a tanker en route from Sudan to China carrying 86,000 tons of crude oil, worth \$52 million.

The pirates warned against intervening, saying they had taken the crew members hostage, but in fact the 23 Russian sailors had locked themselves inside the engine room with a stock of food and water. [Marines](#) aboard the Marshal Shaposhnikov, a Russian destroyer, were in contact with the crew, and opened fire with large-caliber guns and artillery cannons, the Russian Defense Department said. According to the navy, 10 pirates surrendered and one was killed in the firefight, which lasted 22 minutes.

As piracy has rebounded after a long period of dormancy, many countries have discovered that they no longer have up-to-date piracy laws, and therefore seek to transfer pirates to their home countries for prosecution, said Cyrus Mody, a manager at the [International Maritime Bureau](#) in London.

On Thursday, as Russian news media were recounting the events with gusto, Russian prosecutors announced that the 10 pirates would face trial in Moscow. But that evidently proved more easily said than done.

“Maybe we should go back to the idea of creating an international court and other legal instruments,” said President [Dmitri A. Medvedev](#), in a meeting with Russia’s defense minister. “So long as that doesn’t exist, we will have to act like our ancestors did when they met pirates. You know exactly how. That way.”

It is not clear whether he meant releasing them, but that is what the Defense Ministry announced Friday, telling the Itar-Tass news agency that it had proved impossible to establish the pirates’ citizenship or establish legal grounds for prosecuting. “A decision was made to let them go on a small vessel they used for attacking the tanker,” the ministry said in a statement.

Obama Plans Revival of Russian Nuclear Deal

[President Obama](#) is preparing to revive a civilian nuclear cooperation agreement with Moscow that his predecessor shelved two years ago in protest of [Russia’s](#) war with Georgia, an American ally, administration officials said Thursday.

The agreement, which President [George W. Bush](#) negotiated before [scrapping it in August 2008](#), would reverse decades of bipartisan policy and allow extensive commercial nuclear trade, technology transfers and joint research between Russia and the United States. It would clear the way for Russia to import, store and possibly reprocess spent nuclear fuel from American-supplied reactors around the world, a potentially lucrative business.

Reviving the agreement has been a top priority for Russia since Mr. Obama took office. The two sides have discussed it as a next step in forging a better partnership after the [signing of the New Start arms control agreement](#) in Prague last month. A Russian official visiting New York this week said Moscow was optimistic that Mr. Obama would reverse Mr. Bush’s decision.

“That was a politically motivated move,” the official, Deputy Foreign Minister Sergei Ryabkov, told reporters, according to a Russian state news agency. “We hope that the current administration will review this decision and resubmit the agreement.” He described the agreement as “mutually beneficial, enlarging the agenda of Russian-U.S. relations and emphasizing the leadership of Russia and the U.S.”

Critics said Mr. Obama was too quick to give Russia something it wants without a guarantee of support for two American goals: truly tough [United Nations](#) sanctions

against Iran for refusing to halt its uranium enrichment program and the cancellation of Russia's still unfulfilled deal to sell S-300 anti-aircraft missiles to Iran.

"By pushing this deal now, the administration cannot help but look like it is paying nuclear tribute for weak Russian support for weak sanctions against Iran," said Henry D. Sokolski, executive director of the [Nonproliferation Policy Education Center](#) in Washington. "It would make far more sense to get Russia to back tough sanctions first and cut off nuclear-capable missiles and advanced military assistance to Iran before offering a civil nuclear deal."

The White House had no comment on Thursday. Administration officials who insisted on anonymity in order to talk about internal discussions confirmed the plan to revive the agreement, although it was not clear when it would be sent to Congress. The administration began consulting with lawmakers last week, and two officials said the agreement would be submitted within days.

The agreement is not a treaty, and Congress does not have to approve it. But the administration must submit it to Congress for a 90-day review, during which lawmakers can vote to kill it before it takes effect. Because of the legislative calendar, the administration must send it soon if it hopes to complete the process this year; otherwise, it will have to restart the clock next year.

Vann H. Van Diepen, a State Department nonproliferation official, told a House subcommittee on Thursday that "we are in standby mode in anticipation of the White House decision to resubmit the agreement to Congress." He assured lawmakers that "the Russian government's cooperation on the Iranian nuclear issue will be a significant consideration in making this determination."

But lawmakers from both parties expressed misgivings. "It's the wrong circumstance," Representative Brad Sherman of California, the Democratic chairman of the Foreign Affairs subcommittee, said in an interview. "It's not part of a winning strategy to prevent Iran from developing [nuclear weapons](#)."

Representative Ed Royce of California, the ranking Republican on the subcommittee, cited continuing Russian aid in building Iran's new civilian nuclear power plant at Bushehr and the concern that such technical help would benefit the development of weapons as well. "For many of us who have been watching this for a long time," he said in an interview, "Russia can have a nuclear relationship with us or Iran, but not both."

Many experts believe that Bushehr by itself will not provide Iran with a path to a bomb, but skeptics worry that some of the hundreds of Russian nuclear technicians working in Iran could surreptitiously help.

The pending revival of the agreement underscores the changed atmosphere between Washington and Moscow since Mr. Bush withdrew the pact during his final months in office. At the time, Russian troops were just a short drive from the capital of Georgia, the former Soviet republic. Politicians in both parties in Washington were rallying behind Georgia and competing in their denunciations of the Kremlin. The two countries fought the war over two breakaway Georgian territories.

Mr. Bush, who spent nearly two years negotiating the agreement, had been a leading supporter of Georgia's leadership and recognized that Congress was in no mood to approve anything smacking of friendship with Russia. But nearly two years later, even though Georgia maintains Russia is still in violation of the cease-fire accord that ended the fighting, the situation has slipped from the top of Washington's agenda and Mr. Obama has made relations with Russia among his defining foreign policy objectives.

Administration officials said reviving the nuclear agreement was justified because, as one put it, "the U.S.-Russia relationship has progressed and is at a point where cooperation on important issues," like Iran, "serves both our national interests." Beyond the arms control treaty signed in Prague, the two sides recently recommitted to a 12-year-old agreement to dispose of 68 tons of plutonium, and Russia announced it would close its last weapons-grade plutonium reactor.

The officials said that America's nuclear industry would benefit from the revived agreement and noted that the United States had similar cooperation deals with dozens of other countries. As for Russia's support for sanctions against Iran, the officials argued that China, not Russia, was the real obstacle in the [United Nations Security Council](#).

Mr. Sherman said the administration could probably get the nuclear agreement through the Congressional review period because even if both houses passed a motion to reject it, the president could veto their action. Opponents would then have to persuade two-thirds of both chambers to override the veto.

But he still urged the administration not to submit it now because of the rancor it would produce. "They'd win," he said, "but not pretty."

By Itar-Tass World Service writer Veronika Romanenkova

President Dmitry Medvedev will mark two years in office on Friday, which is a half of his four-year term at the helm of the country.

“I would have been glad to share responsibility with someone else in the most dramatic moments like in August 2008 during the conflict in the Caucasus. But I have to make the most important and difficult decisions myself,” said Medvedev, who turned 45 in 2009 and is a new-generation leader and advocate of modern outlooks.

He still has to constantly explain who is at the helm in the ruling Medvedev-Putin tandem. “I am a little bit tired of saying who is in charge of the country. The decisions are made by he who is empowered by law to make them. In the sphere of domestic and foreign policy, defense and security it is only the president and nobody else,” he said.

In the past two years Russia has embarked on a new quality course. It recognized the independence of South Ossetia and Abkhazia, resumed cooperation with Latin America, “reset” relations with the United States and Ukraine, promoted the idea of a new European security architecture, and has nearly resolved half a century-old border dispute with Norway in the Barents Sea. The apotheosis was the signing of a new strategic arms reduction treaty with the United States in April.

At home Medvedev sticks to his own computerized, technological and rule-of-law style of governance. He works as a modern manager, pragmatic technocrat, and all his political steps and initiatives are clear and transparent.

He has replaced a third of regional governors, created a young personnel reserve, made public his incomes and ordered all state officials to follow suit. He proclaimed a fight against corruption and “legal nihilism”, works to modernize the country and promote private enterprise.

Medvedev leaves most economic tasks to the government. But when he interferes, the result exceeds purely economic framework. He agreed with new Ukrainian President Viktor Yanukovich to grant a 30-percent discount on Russian gas, which helped Russia resolve a vital issue and extend the lease of the Crimean naval base for the its Black Sea fleet for another quarter of a century.

“The price is high, but not exorbitant,” Medvedev said.

By his first presidential decree signed on May 7, 2008 Medvedev ordered to provide housing to all World War Two veterans. By the eve of the 65th VE-Day anniversary nearly 30 thousand veterans received new apartments.

The main question in the remaining two years will be whether Medvedev will run for the second term of office or step down to let Putin back. So far he was evasive saying he would agree with Putin on who will run at the 2012 election. The intrigue continues.

What Russia gets from the Ukraine gas deal

Russia — Just two months after the inauguration of a friendly president in neighboring Ukraine, Russia has moved swiftly to solidify its influence in the country, making Kiev's flirtation with the West look like a brief post-Soviet blip.

Today, Ukrainian President Viktor Yanukovich signed into law a deal extending Russia's lease of a naval base in Crimea, Ukraine's autonomous Black Sea region. The contentious deal ensures a Russian naval presence on Ukrainian territory through 2042.

Yanukovich, long an advocate for close relations with Russia, said during his election campaign that he would seek to balance his country's relations with Russia and the West.

In some areas, his quick moves to soothe ties with Russia may work in the West's favor.

A good relationship between Ukraine and Russia means Europe will likely no longer be subjected to the gas cut-offs that became a hallmark of the presidency of Viktor Yushchenko, Yanukovich's Western-leaning predecessor.

Upon Yushchenko's election in the 2004-2005 "Orange Revolution," Russia began raising gas prices to Ukraine, cutting subsidies and moving prices closer to those of its European clients. As payments and deadlines for contract renegotiations neared each New Year's Day, the war of words grew more heated. Last year, when Russia shut the taps to Ukraine because of failure to pay, some European countries froze for nearly two weeks. (Europe gets most of its Russian gas from pipelines that cross Ukrainian territory.)

"The deal should be a big relief for Europe," said Fyodor Lukyanov, the editor of Russia in Global Affairs.

Many Russian analysts also believe that Yanukovich's quick jump eastward means he won't quickly be seeking a membership action plan with the European Union.

During his election campaign, Yanukovich said EU membership would remain a priority for Ukraine but that he would abandon plans to join NATO, a Yushchenko goal that sorely irked Moscow.

"At this point, I cannot imagine Ukrainian membership in NATO or the EU. Ukraine was and still is a big disappointment for those organizations," said Vyacheslav Nikonov, a Kremlin-connected political analyst.

US and Russia agree on START nuclear treaty annexes

by Staff Writers: Washington (AFP) April 30, 2010
 The United States and Russia have concluded negotiations on three annexes to the protocol of the New Strategic Arms Reduction Treaty (START) that sets major cutbacks in their nuclear arsenals, the US State Department said Friday.

"These Annexes contain the technical information and detailed procedures that will be used in implementing the New START Treaty verification regime," department spokesman Philip Crowley said in a statement.

The text of the annexes, which were exchanged in Moscow on Friday, "spell out the procedures for the conduct of inspection activities and the exchange of telemetric information," he added.

The former Cold War foes will be allowed a maximum of 1,550 deployed warheads, about 30 percent lower than a limit set in 2002. They are also restricted to 700 air-, ground- and submarine-launched intercontinental ballistic missiles that carry warheads.
The nuclear non-proliferation regime at a glance
 United Nations (AFP) May 2, 2010 - The Nuclear Non-Proliferation Treaty (NPT), designed to curb the spread of nuclear weapons, comes up for review at a UN conference opening Monday and running through May 28.

-- Its key features:

North Korea was among those who acceded to the treaty, but violated it and withdrew from it in 2003.

. Four non-parties to the treaty are known or believed to possess nuclear weapons. India, Pakistan and North Korea have openly tested and declared that they possess nuclear weapons, while Israel is believed to have some 200 atom bombs but neither confirms nor denies this.

. The NPT is based on three main pillars:

1. non-proliferation
2. disarmament, with all NPT signatories urged to move in the general direction of nuclear and total disarmament.
3. the right to peacefully use nuclear technology for all non-weapon countries which can demonstrate that their nuclear programs is not used for military purposes.

-- Treaties establishing nuclear weapon-free areas:

. Latin American and Caribbean countries created the world's first Nuclear Weapons Free Zone (NWFZ) under the 1967 Tlateloco Treaty.

- . The South Pacific NWFZ was set up in 1985 under the Rarotonga Treaty.
- . The Southeast Asia NWFZ was established in 1995 under the Bangkok Treaty
- . The African NWFZ was set up in 1996 under the Pelindaba Treaty.
- . Mongolia became a one-state NWFZ in 1992.
- . Central Asia became a Nuclear-Weapon-Free Zone (CANWFZ) treaty under a 2006 treaty signed in at the Semipalatinsk Test Site, Kazakhstan.
- . Antarctica also is also a nuclear weapon-free area under a 1959 treaty

-- Purpose of the Review conference:

Review conferences are held every five years to assess progress on disarmament and tougher monitoring of nuclear programs worldwide. The 1995 review conference extended the treaty indefinitely.

THE 2000 review concluded with a pledge to move toward nuclear disarmament while the 2005 conference foundered over disputes over Iran's nuclear program and Israel's being the only Middle Eastern state with atomic bombs.

-- ISSUES before next week's review conference:

. Although the new US-Russian strategic arms accord setting limits of 1,550 nuclear warheads for each country has injected a note of optimism, developing countries still feel the nuclear weapon states have not done enough on disarmament. This could block progress on things the weapons states want, such as stronger verifications measures and instituting procedures to punish countries which withdraw from the treaty.

. Iranian President Mahmoud Ahmadinejad may attend the conference to assert his country's right to conduct uranium enrichment and the Iranians are likely to turn the spotlight on Israel's sizable nuclear arsenal. He would also try to make Iran the champion of the right of developing states to nuclear technology, even sensitive processes such as uranium enrichment which have military as well as civilian applications.

. Egypt, backed by non-aligned states, is also asking that the Jewish state should join the NPT and that there should be an international conference on creating a nuclear weapons-free zone in the Middle East. A dispute over this could paralyze the review conference.

The United States would like to avoid these disputes and have a final statement that at least reaffirms the NPT principles, even if there are no new concrete measures.

US and Russia to propose ban on WMD in Middle East

Columnist

Tough global talks ahead in review of nuclear treaty as Egypt aims to put pressure on west over Israel

The US and [Russia](#) have drafted an initiative to ban [nuclear weapons](#) and other weapons of mass destruction in the [Middle East](#), the Guardian has learned.

Washington and Moscow have circulated the proposal among the three other permanent members of the UN security council, seeking their endorsement. But it is unclear whether the initiative, aimed at reviving a largely-forgotten 15-year-old agreement with some tentative practical steps, will go far enough for [Egypt](#), a key player at this month's talks. Cairo has long championed the idea of a WMD-free Middle East as a means of exerting pressure on Israel, the only country with nuclear weapons in the region.

The New York conference brings more than 150 countries together in a month-long effort to repair and update the [1968 Nuclear Non-Proliferation Treaty](#) (NPT), at a time when it is threatening to unravel.

"This will be the most important conference in our lifetime on disarmament and non-proliferation," said Des Browne, the British former defence minister who now leads a multi-party group of veteran politicians and generals pushing for the elimination of nuclear weapons. Some officials are calling the NPT review conference a "nuclear Copenhagen". Like the climate summit last December, it demands complex trade-offs between powerful nations, emerging powers and weaker states. The eventual outcome may be unclear, with degrees of success measured in shades of grey. And, like Copenhagen, the consequences of failure may not be felt for years, but could prove catastrophic.

"We're not at a nuclear tipping point, but we are approaching a nuclear tipping point," said Daryl Kimball, the head of the Washington-based [Arms Control Association](#) in Washington.

The pact itself is not in imminent danger of implosion. Its 189 national signatories extended its life indefinitely in 1995. But its underlying bargain – that the nuclear powers would disarm and share their technology for peaceful purposes and, in return, the rest of the world would not try to acquire nuclear weapons – is fraying.

Israel, India and Pakistan, which all have nuclear arsenals, remain outside the treaty. [North Korea](#) withdrew seven years ago and has since been building its own bombs. Iran is widely suspected of cheating, and the five nuclear powers recognised under the pact –

the US, Russia, UK, France and [China](#) – are under fire for what non-weapons states see as hypocrisy and the slow pace of disarmament.

Western officials fear that Mahmoud Ahmadinejad, the Iranian president, who is expected to attend tomorrow, will use the occasion to put the nuclear powers on trial and distract attention from his country's controversial programme.

The last [NPT conference, in 2005](#), broke up in acrimony when Iran clashed head-on with the Bush administration. Many countries in the non-aligned movement (NAM), a cold war grouping which still carries clout in these negotiations, sided with Iran in lambasting the US and other established nuclear powers.

Barack Obama's administration believes it has done enough to avert another fiasco. Last year the US president pledged to pursue the eventual abolition of weapons. In its nuclear posture review last month, the US narrowed the circumstances in which it would use nuclear weapons, and in the [new Start treaty](#), both the US and Russia have lowered the number of strategic warheads they will deploy. "The setting is very different from 2005, in terms of disarmament," said a senior diplomat from the non-aligned movement. "In 2005, there was no disarmament going on. Bush didn't even believe in multilateral treaties."

According to the Washington Post, the US will reveal the exact size of the American arsenal for the first time, in a show of transparency and to underline the cuts it has made. But to ensure vital support from Egypt, which is chairing the non-aligned movement nations, the US and Russia have also drafted the proposal for a nuclear-free Middle East zone.

The nuclear powers first agreed to help set up a Middle East zone free from weapons of mass destruction in 1995. It was part of the price of persuading Egypt and the Islamic world to accept the indefinite extension of the NPT. The US, Britain and Russia were supposed to manage the process, but have done little, to Egypt's fury. This year, Egypt has made it clear it will demand small, but concrete, steps in return for its co-operation. The size of those steps will be the focus of the bargaining in New York. Egypt and the NAM states want a full negotiating conference to take place next year, to be organised by a standing committee of the NPT. That is not seen as feasible in Washington, which is arguing for a more open-ended exploratory conference at some future, undefined date.

Ellen Tauscher, the US undersecretary of state for arms control, said last week: "The best chance we have to achieve a WMD-free zone in the Middle East is to reach an agreement on a lasting and just peace in the Middle East."

Negotiations on such a zone would require Israel to confirm the existence of its nuclear arsenal – something it has so far refused to do – and ultimately bargain it away. Few expect it to do so in the foreseeable future, but Israel has said it is ready to enter into regional arms control talks if its security concerns are addressed. Israel, which is not an

NPT signatory, will not take part in the New York conference, but is watching warily from the sidelines.

In return for backing a Middle East nuclear weapons-free zone, Washington will want support from Egypt and other non-weapons states to isolate Iran, impose greater penalties for leaving the NPT, and give the UN nuclear watchdog more teeth to curb proliferation.

Weeks of tough negotiation lie ahead, and success is far from preordained.

"There is a range of outcomes," said Deepti Choubey, an NPT expert at the Carnegie Institute for International Peace. "The best and most unlikely would be a final declaration that all states agree to and is meaningful. If you could get a summary from the chair that broadly captures a consensus, apart from a few spoilers, that is not a disaster."

Russia Remains in the Black Sea

Victor Yanukovich was elected as the new President of Ukraine in January 2010. Eventhough Yanukovich was presented as pro Russian, he insisted that Ukraine would carry out relations with the EU, US and Russia. In that sense his foreign policy can be best described as one of balance between the West and Russia. However, the main question here was the feasibility of this desired balance.

Since Russia and Ukraine share very important historical and cultural values, analyzing only economic or political issues would not be enough to understand what Ukraine means for Russia. On the other hand, Ukraine has struggled with both economic and political problems since its independence. Although Ukraine was one of the highly industrialized countries in comparison with the other newly independent countries in 1991, as a result of the same capacity it remained strongly dependent on Russia for energy. Ukraine is one of the most gas-thirsty places on earth. Indeed, it consumes about \$900m worth of gas a month in winter, when demand is at its highest - three times as much as neighboring Poland, another former communist country of comparable size.[1]

On the other hand, as a result of its own history, Ukraine is divided by the Dnieper River. This division also means a split on ethnic and linguistic manners, and is also reflected in Ukraine's foreign policy tendencies. Therefore, since 1991 all presidents have aimed to unify the country. Even during the last election process, the main request was the unity and integrity of Ukraine.

Analysis on Ukraine after the election that brought Yanukovich to the Presidency focused on Ukraine's foreign policy by predicting that Ukraine would get closer to Russia. From this stand point, energy relations between Russia and Ukraine, and the future of the Russia's Black Sea Fleet came to the fore. While Ukraine's multi-vectored foreign policy discourse was under examination, last week Russian news agencies reported that the presidents of Ukraine and Russia have agreed to extend the stay of Russia's Black Sea Fleet in Sevastopol beyond the lease expiry in 2017. In exchange, Russia has promised to provide discounted gas to the tune of up to \$40 billion over the next decade. The move is among the first concrete signs of the significant warming in relations between Moscow

and Kiev since Yanukovich took power in Ukraine in February.[2] The Ukrainian Parliament yesterday ratified an agreement to extend the Russian navy's lease on the port of Sevastopol until 2042.

Ukraine's foreign policy surely has some milestones, among which Ukraine's experiences during the last five years are worth mentioning. Ukraine's government after the Orange Revolution made it clear that its foreign policy direction would be in line with the Europe. EU and NATO membership was the priority of the new government's agenda. However, the indecisive and ineffective politics of the EU were far from Ukraine's European vision. In other words, the EU was not successful in integrating Ukraine into 'Europe'. Here comes the problematic issue: "which Europe we are talking about?" As with other foreign policy issues, the EU could not carry out a single foreign policy understanding towards Ukraine. The EU's evaluation of Ukraine in terms of the 'EU Neighborhood Policy' created deep disappointment in the country. This is especially important for western Ukraine since they see themselves as a European country, but not as a neighbor to Europe.

The Orange Revolution government failed to maintain economic growth. Aluminum and steel production, which are the engines of the Ukraine's industry, lost their competitive capability as a result of increasing energy prices. Ukraine's economy is in deep trouble (it contracted by 12 percent in 2009), and Kiev's policy of subsidizing domestic gas sales is breaking the treasury. Moreover, Ukraine's economy shrank by 15 % last year. Numbers show the gravity of economic situation of Ukraine.

Consequently, it seems that Ukraine is renouncing a balanced foreign policy for economic relief. However, the newly-elected President's decision is the consequence of the last five years' developments. To the contrary of many analysts' predictions, the latest elections are not the sign of a democratic Ukraine. Implementing an independent foreign policy requires sovereignty, and sovereignty requires a developed economy. In the frame of this argument, Ukraine is just another example.

Since the recent agreement between Russia and Ukraine is mainly serving to relieve Ukraine's economy, it is still very early to say that the foreign policy of Ukraine from now on will continue in one direction. Thus Serhiy Tihipko, Ukraine's new vice prime minister for economy, said he was personally not happy with the secretive way the Russian deal had been negotiated, but said the payoff -- an estimated \$4 billion cut next year in fuel bills for oil and natural gas imports from Russia -- will be immediately beneficial to the economy and the country's finances.[3]

Economic

'National Nanotechnology Network' Announced by Government

Prime Minister [Vladimir Putin](#) signed an order in late April creating the National Nanotechnology Network, which was published Wednesday on the government's web site.

Once the Education and Science Ministry develops criteria for NNS participants, any qualifying organization will be able to join, the source told Vedomosti.

The ministry official stressed that the network's creation would not reduce the importance of [Rusnano](#). The state corporation works on commercializing ideas, whereas the NNS has the much broader task of uniting all participants in the innovation process, from scientists to entrepreneurs.

The NNS is being created to form a competitive research sector in nanotechnology and an effective system to commercialize that know-how, the government's order says. The network's goal is to boost the volume of nano-production and create an entry point for Russian companies onto the global market.

The domestic market for nanotechnology was 19.2 billion rubles (\$637 million) in 2009, a figure that should reach 55 billion rubles by 2015, the ministry official said.

NNS members will work in nine different spheres: electronics, engineering, energy, space, biotechnology, security systems, high-purity substances, composite nanomaterials and construction nanomaterials. The ministry official said the members would receive access to one another's scientific results and information on their technological facilities.

The network is intended to coordinate the work of the largest participants in the innovative process so that they are not duplicating research or purchases of expensive equipment, the ministry source said, adding that NNS participants would be able to work on one another's equipment.

Information will be collected about developments' commercialization and demand for them, and universities will be able to get information on cutting-edge scientific programs, a source in the White House said. NNS membership will be free, he said.

An official in the Economic Development Ministry said a structure like the NNS was needed. "The government is spending serious resources on science and nanotechnology, and it wants those expenses to be highly effective," the source said.

In 2010, the state will spend 1.1 trillion rubles (\$36.5 billion) on basic and applied science, higher education, related federal programs and high-tech medicinal help, Putin said. From 2010 to 2015, the state is planning to spend 62 billion rubles on nanotechnology through the federal budget, Rusnano, [VEB](#) and the [Russian Venture Company](#).

The Kurchatov Institute, headed by [Boris Kovalchuk](#), will coordinate scientific developments in the NNS, while Rusnano will analyze the market for nano-products and follow how products developed with budget financing are progressing. The Education and Science Ministry will oversee all of the NNS participants and approve new members.

A spokesperson for Rusnano said the system would codify its existing relationship with the Kurchatov Institute. A spokesperson for the institute declined comment.

Nikolai Kudryavtsev, rector of the Moscow Institute of Physics and Technology, called the idea a good one. To date, the fastest way to share information is at research conferences, which means a delay of at least half a year, he said.

"Now we can learn about everything online," Kudryavtsev said, adding that coordination on nanotechnology projects was very important because the research is complicated and expensive.

Marina Udachina, director of the Innovations, Infrastructure and Investments Institute, said network management could help optimize a project's costs.

In the West, similar systems have been in place since the early 2000s, and not just for investors in nanotechnology, said David Yang, chairman of IT company ABBYY. Informational exchanges can help realize a business project, but they are not a panacea, he cautioned. "The most important thing is that the product is competitive," he said.

NNS members should not be required to disclose all information, since that will frighten effective businesses that are afraid to reveal their competitive advantages, he said.

Chemezov Says Beretta May Open Unit in Russia, Supply Firearms to Police

Italian firearms maker Beretta agreed to consider opening a production unit in Russia, [Russian Technologies](#) chief [Sergei Chemezov](#) told Prime Minister [Vladimir Putin](#), according to a government transcript released Thursday.

If the deal materializes, Beretta could supply the country's special forces and police, Chemezov said in a meeting late Wednesday with Putin and Kirov Governor [Nikita Belykh](#).

A foreign producer would find the Russian market largely pristine because the country's own defense companies mainly supply the armed forces, experts believe.

At the meeting, Chemezov reported that the federal and local governments had made good on a promise to pay the factory's workers their back salaries, worth 300 million rubles (\$9.9 million), which he described as the “biggest wage arrears” in Russia. As a way to keep the jobs, Molot may house the joint venture “planned” by Beretta, “hopefully in the beginning of next year,” he said.

In addition to pistols for police and special forces, the venture would crank out hunting and competition guns for sale in Russia and the former Soviet republics, Chemezov said.

Stefano Quarena, a Fabbrica d'Armi Pietro Beretta spokesman, said he was unaware of the talks.

“We need to investigate,” he said by telephone from Gardone Val Trompia, Italy. “I need to check with the owners of the company.”

He did say Russia was a “strategic” market for the company where it set up a local distributor, named [Russian Eagle](#), in 2008 to build a sales network and further study demand.

Boris Vesnin, a spokesman for Belykh, said the Kirov regional government was being informed about the talks but had no knowledge about the size of the planned investment.

A source familiar with the situation said contacts with the Italian company were at a very early stage and that neither side had named any financial estimates.

A spokesman for Russian Technologies declined further comment when contacted Thursday afternoon. A woman at Russian Eagle, who declined to identify herself when she answered the phone, said no one was available to speak about Beretta's position on the Russian market.

Russian gun manufacturers have fallen behind the worldwide trend of developing firearms that cater to the needs of special operations and law enforcement agencies, such as having a larger magazine to confront gangs, said Ruslan Pukhov, director of the Center for the Analysis of Strategies and Technologies, an independent defense industry think tank.

As a result, the country's agencies have taken to importing foreign-made firearms, he said.

Based in a country with closer ties to Russia than some other Western states, Beretta may well invest in a Russian production facility if it wants so, Pukhov said.

Chemezov, on the other hand, is a heavyweight lobbyist capable of securing enviable sales, he said.

The government in 2009 included Beretta-92 guns, along with some other foreign models, on the list of firearms that prosecutors and police investigators can wear for self-defense. The Interior Ministry, which received permission in 2007 to use foreign firearms, said in December that it had begun equipping its special units with Austria's [Glock](#) 17 pistols.

Other authorized foreign manufacturers include the Czech Republic's [Ceska Zbrojovka](#), Austria's [Steyr Mannlicher](#) GmbH & Co KG and Germany's [Heckler & Koch](#).

Turkish companies to invest \$430 million in Russia

Naftogaz is not a run-of-the-mill energy company. It controls the natural gas system and retail natural gas market in Ukraine and the pipeline network that Russia uses to transport 80 per cent of its natural gas to Europe. The accumulated transit fees generated by the network account for Ukraine's single biggest source of income. These fees make up two percent of Ukraine's gross domestic product and more than six percent of its government budget.

Transporting natural gas is sheer profit for the Ukrainian government. This is very different from Ukraine's other major sources of revenue, including steel or wheat, which require massive amounts of constant investment to keep up. Transporting natural gas from Russia to Europe requires no effort on Ukraine's part. In theory, Ukraine is supposed to be maintaining the pipeline systems, but Kiev has not done this in decades. Also, Ukraine's steel and wheat sectors are not really valuable or strategic like natural gas transiting since, compared to European steel and wheat, Ukrainian steel is not high quality, and its wheat is not considered food-grade.

Russian natural gas also feeds into the Ukrainian systems that fuel all non-nuclear energy, and powers nearly all of the country's industrial units. It is therefore the engine that runs the entire Ukrainian economy.

In short, Naftogaz is Ukraine's most valuable asset.

This is why the Ukrainian government has resisted since the fall of the Soviet Union allowing any Russian hands to touch the state energy firm. Ukraine conceded in allowing Russia to hold or influence virtually every other sector in Ukraine, but Naftogaz has been off limits. Even pro-Russian Ukrainian President Leonid Kuchma – whose faction was succeeded by the pro-Western Orange Revolution – refused to allow Moscow access to Naftogaz and the Ukrainian natural gas transit system. Kuchma knew that if they were ever handed over to another party – say Russia – it would be the end of Ukrainian independence.

Therefore, the prospect of Gazprom taking over Naftogaz signals that end.

This allows us to re-imagine the map of Europe without the borders between Russia and Ukraine, or Belarus for that matter, since the two countries have formed a political Union State and integrated their economies under the Customs Union. Russia's survival has always depended on the expansion of its borders from key geographic anchors, from the Carpathian mountains across the Northern European Plain in the west, to the Caucasus mountains in the south, and across Siberia and to the Tian Shan mountains of Central Asia. This expansion protects Russia – in terms of space and by defensible geographic features – from any other major regional or world power.

Ruling Ukraine after already holding Belarus is one of the larger issues on Russia's list, shifting it geopolitically in three ways.

First, Russia would again have full control over warm water ports on the Black Sea in Ukraine. Russia has traditionally had issues with access to water as the majority of its ports are iced over most of the year. The Black Sea has long been coveted by Russia, especially the Ukrainian section in which Russia bases its Black Sea Fleet out of Crimea. With Ukraine under Moscow's umbrella, Russia will have easier access to the majority of the Sea without needing a lease or permission from Kiev. This also will impact the countries bordering the sea, including Romania, Bulgaria, Georgia and Turkey, all of whom would rather not have an increased Russian presence on their warm waters.

Second, with Ukraine coming under Russian control, Moldova will, in reality, fall under Moscow's control too, since it will no longer have Ukraine as a buffer, and because Russia already has troops there. This means that Russia will have an anchor – and defensible border – in the Carpathian Mountains for the first time since 1992.

Lastly, holding both Ukraine and Belarus would put Russia on the border with Poland while surrounding the Baltic states. This would allow Russian power to not only border some of the region's more vehemently anti-Russian states, but also allow Moscow to begin putting pressure on the most important part of the Northern European Plain. The Polish section of the Plain is only 300 miles wide, but it is the strategic point from which Russia can defend its sphere. European or Western influence would be halted at that point before reaching into Russia's sphere.

Poland is the line where Russia wants to hold its influence without overextending itself in Europe, as it has done in the past. Now Russia is pushing toward that line.

Stratfor provides intelligence services for individuals, global corporations, and divisions of the US and foreign governments around the world.

Russia Mulling Lower Gas Prices For Ukraine

Medvedev said he planned to pursue negotiations on the issue with his Ukrainian counterpart Viktor Yanukovich when he visits Ukraine next week.

Relations between the two countries have dramatically improved since the February election of Yanukovich, who is seen as being close to Moscow.

Turkey's largest wood-based panel producer Kastamonu will spend \$110 million constructing a factory in Alabuga.

Russia has invested about \$1.5 billion in the 16 zones, that so far have attracted 222 investors from 18 countries.

In recent months, Russia has increased its efforts to entice business to help cut the economy's dependence on oil, promoting the zones, which spread from Kaliningrad -- Russia's entity between Lithuania and Poland -- to the Pacific port of Vladivostok.

Social:

New study ranks countries on environment impact

A new study led by the University of Adelaide's Environment Institute in Australia has ranked most of the world's countries for their environmental impact.

Led by the Environment Institute's Director of Ecological Modelling Professor Corey Bradshaw, the study has been published in the on-line, peer-reviewed science journal PLoS ONE.

The world's 10 worst environmental performers according to the proportional environmental impact index (relative to resource availability) are: Singapore, Korea, Qatar, Kuwait, Japan, Thailand, Bahrain, Malaysia, Philippines and Netherlands.

In absolute global terms, the 10 countries with the worst environmental impact are (in order, worst first): Brazil, USA, China, Indonesia, Japan, Mexico, India, Russia, Australia and Peru.

The indicators used were natural forest loss, habitat conversion, fisheries and other marine captures, fertiliser use, water pollution, carbon emissions from land use and species threat.

'The environmental crises currently gripping the planet are the corollary of excessive human consumption of natural resources,' said Professor Bradshaw. 'There is considerable and mounting evidence that elevated degradation and loss of habitats and species are compromising ecosystems that sustain the quality of life for billions of people worldwide.'

Professor Bradshaw said these indices were robust and comprehensive and, unlike existing rankings, deliberately avoided including human health and economic data - measuring environmental impact only.

The study, in collaboration with the National University of Singapore and Princeton University, found that the total wealth of a country (measured by gross national income) was the most important driver of environmental impact.

'We correlated rankings against three socio-economic variables (human population size, gross national income and governance quality) and found that total wealth was the most important explanatory variable - the richer a country, the greater its average environmental impact,' Professor Bradshaw said.

There was no evidence to support the popular idea that environmental degradation plateaus or declines past a certain threshold of per capital wealth (known as the Kuznets curve hypothesis).

'There is a theory that as wealth increases, nations have more access to clean technology and become more environmentally aware so that the environmental impact starts to decline. This wasn't supported,' he said.

Kadyrov Says He Has No Car

The Moscow Times

Chechen President [Ramzan Kadyrov](#) owns no cars and lives in a cramped 36-square-meter apartment in Grozny, making him one of Russia's poorest regional leaders — at least on paper.

According to his newly released income declaration, Kadyrov earned 4 million rubles (\$131,000) last year, a slight increase from 3.4 million rubles in 2008, but the car that he declared in last year's statement is gone.

Kadyrov said he lives in a three-room, 36-square-meter apartment in Grozny. A posh family estate in the Chechen village of Tsentoroi is owned by his mother, Vedomosti reported.

Kadyrov's 2008 declaration listed a VAZ-21053 car among his personal assets. His spokesman, Alvi Karimov, could not say what happened to the car.

Kadyrov's wife, Medina, owns a 209-square-meter apartment, according to the declaration. Of his seven children, two own a stake in his wife's apartment, and the rest, all underage, have no property.

In 2006, two businessmen presented Kadyrov with a Ferrari and other luxury cars, including a Lexus and a Lamborgini, which were photographed parked by Kadyrov's family house. Karimov had no comment on any of these vehicles.

Kadyrov is also a collector of racehorses, including an Irish-bred stallion named Tsentoroi. He has said the horses belong to Chechnya, not to him personally.

All senior officials are supposed to declare their income and some assets under an anti-corruption drive initiated by President [Dmitry Medvedev](#) last year. The deadline for regional leaders to file their declarations with the tax authorities and publish them on their regional web sites was Friday, April 30. Kadyrov did not say why he waited until this week to publish his declaration.

Press freedom in Russia remains strongly suppressed – survey

Russia still has one of the lowest levels of press freedom, according to an annual survey by Freedom House published on the organization's website.

Russia ranks 175th, along with Gambia, in a 196-country list.

"In these states, which are scattered around the globe, independent media are either nonexistent or barely able to operate," the survey said.

In a list of 29 central and eastern European countries and former Soviet states, Russia occupies the 26th position.

"Russia, which serves as a model and patron for a number of neighboring countries, continues to have an extremely challenging media environment," the survey said.

This includes the "consistent inability of the pliant judiciary to protect journalists, increased self-censorship by journalists seeking to avoid harassment, closure of their media outlets, and even murder", as well as the "frequent targeting of independent outlets by regulators."

Freedom House said reporters in Russia suffer from a high level of personal insecurity, with impunity for murderers of journalists being the "norm."

Two journalists and a human rights activist who also worked as a reporter have been killed in Russia over the past two years.

The survey said the state's control or influence over almost all media outlets in Russia "remains a serious concern."

Other ex-Soviet states - Turkmenistan, Uzbekistan, Belarus, Azerbaijan, Tajikistan, Kazakhstan, Kyrgyzstan, Armenia, Moldova, Georgia and Ukraine - occupy the lower part of the 29-country rating.

The survey shows global press freedom declining in 2009, with setbacks registered in nearly every region of the world. 2009 marked the eighth straight year of overall deterioration.

According to Freedom House, repression of print and broadcast journalism remains in place, while the internet and other new media have also been a focus of growing tension.

Only 16% of the world's inhabitants live in countries with a "Free" media, while 44% have a "Partly Free" media and 40% "Not Free," the survey said.

Medvedev criticises USSR over human rights

In an interview Mr Medvedev declared that nothing could justify Stalin's crimes against his own people.

"Despite the fact that he worked a lot, and despite the fact that under his leadership the country recorded many successes, what was done to his own people cannot be forgiven."

He also spoke out strongly against any attempts to rehabilitate Stalin and sought to distance the Kremlin from a series of recent moves to rekindle his memory.

"This is not happening and it will not happen," he said. "It is absolutely out of the question. It is not right to talk about Stalinism returning to our everyday lives." But it is his comments on the USSR itself which are likely to rankle the most with many older Russians.

Mr Putin has called the collapse of the USSR the "greatest geopolitical catastrophe of the 20th century" but Mr Medvedev gave the impression he had few regrets about its demise.

"The Soviet Union was a very complicated state and if we speak honestly the regime cannot be called anything other than totalitarian," he said. "Unfortunately this was a regime where elementary rights and freedoms were suppressed."

Orthodox priest attacked in Belarus
 MOSCOW, May 7 (Itar-Tass) -- An Orthodox priest was beaten up in Belarus and the attack was the third against churchmen of the Moscow Patriarchate in two weeks.

It said local police detained a 39-year old suspect and launched criminal investigation. “The drunken suspect inflicted heavy injuries to the priest with an iron rod,” the patriarchate said, adding Rundo was a guerilla during World War Two.

High waters flood 450 household plots outside Barnaul

BARNAUL, May 8 (Itar-Tass) -- Some 450 household plots have been flooded and transport communication hampered by high waters from the Ob river in the settlement of Zaton outside Barnaul, the capital city of Russia’s Altai territory, local rescuers told Itar-Tass on Saturday.

According to the rescuers, local resident can reach Barnaul only by water transport.

If the situation in Zaton worsens, rescuers have prepared 13 hot-bedding facilities to accommodate for evacuated residents. Police and rescuers are on round-the-clock duty.

Over 200 private houses flooded in Dagestan due to heavy rains

The dam of the Gedzhukh lake was not damaged, the source said on Tuesday. The republican emergency service and the republican authorities laid out an evacuation camp for 250 people, but the local residents prefer to stay temporarily at their relatives.

Rescuers and other emergency workers are involved in the anti-flood efforts in the region. This is already the second case for the past two months when this town turned out to be in the flood area due to heavy rains. Neither casualties nor injured people were preliminarily reported.

The republican emergency service issued an urgent warning that heavy rains and mudslides are expected in the republic on Tuesday and Wednesday, May 5.

39 schoolchildren hospitalised with food poisoning in Russia south

The regional department of the Rospotrebnadzor consumer rights watchdog told Tass on Tuesday. Sources said lab tests have already confirmed 23 dysentery cases. Earlier the regional centre of the Russian Ministry for Emergency Situations reported that 36 children were hospitalised on April 30 with food poisoning after having lunch at school in the settlement of Tuzuklei. On May 2 their number grew to 39.

All children are aged between ten and 14, and all of them live in Tuzuklei. Their condition is satisfactory.

Patriarch: Faithful should have more children to ... - Catholic Culture

“What's the good of having economy, if our nation is sick?” said Patriarch Kirill. “How will we reclaim these boundless spaces, vast lands, not only in European part of Russia, but in Siberia as well?”

Heartened by news that Russia's birthrate has increased, he added, "We hope this tendency will be stable and our people rather than strangers with alien culture and alien faith will inhabit our vast lands inherited from God and our hardworking forefathers and this greatest treasure-- our land-- will be cultivated by descendants of those who merged it to the great Russian state."

Russia's population has declined by nearly 7 million since 1991.

At least 13 injured in hippodrome explosion in Russia's North Caucasus

A bomb exploded Saturday in a hippodrome in the city of Nalchik, capital of Russia's North Caucasus region of Kabardino-Balkaria, injuring at least 13 people, the ITAR-TASS news agency said.

Russia's North Caucasus republics, particularly Chechnya, Dagestan and Ingushetia, have been plagued by violence, particularly against law enforcement officers, which local rebels see as representing the Russian authorities.

A suicide car bomb attacked a police checkpoint in North Caucasus Republic of Dagestan on Thursday, killing two policemen and injuring 17 others.

Iran, Russia Reach Agreement to Launch Satellite into Orbit

Iran, Russia reach agreement to launch satellite into orbit

Iran and Russia reached agreement on launching two satellites into orbit, the MEHR News Agency reported. The information was confirmed by the Adviser to the Iran's Communications and IT Minister's, Mohammed Hosseinpoor, who said that during the minister's visit to Russia construction of the country's fiber optic canal across the Caspian Sea was discussed.

According to him, discussions should be held with the Caspian countries in order to construct this channel.

Pakistan, Russia top list of 'non-smiling' nations

ISLAMABAD: Moscow News reported that only 34 percent of shop owners and officials in Croatia and Pakistan smile at people, while Russia came second with 65 percent. According to the poll, Russia has many stereotypes of the surly people behind the counter, who scowl at potential customers. The agency asked shoppers to look for hints of happiness as they bought their daily bread in shops across 14 countries, the report said. The people found a third of Russian and Pakistani staff were "stony-faced", with 65 percent people scoring on the 'smile-o-meter'. Tourism offices and guesthouses' staff were among the least welcoming. The apparent misery behind such attitude of the people

is a reflection of working conditions, particularly in the hard-pressed tourism sector and general stores, the report said. app

Four things to watch at Russia's Victory Day parade

Backgrounder: Soviet Union's Great Patriotic War

Backgrounder: Major battles fought by USSR in World War II

MOSCOW, May 7 (Xinhua) -- Russia is set to hold its first national military parade to celebrate the 65th anniversary of the defeat of Nazi Germany on Sunday.

More than 200,000 war veterans were expected to attend the ceremonies and relevant celebrations across the country.

Also, a joint military parade was to be held by Russia and Ukraine at the Black Sea port of Sevastopol. The majority of members of the Commonwealth of Independent States (CIS) were to dispatch troops to the Red Square parade.

Although a military parade will be staged every year at Moscow's Red Square along with other celebrations, this year's parade is definitely unprecedented with Russia determined to showcase its various kinds of armaments.

Here are four features to watch on Victory Day.

MULTINATIONAL ATTENDANCE

This year, leaders from China, France, Germany, the European Union, Israel, Greece, Mongolia, Vietnam and some east European countries, as well as the heads of some CIS members and other international organizations, will gather in Moscow to help celebrate the 65th anniversary of Victory Day.

Analysts said that by inviting so many international leaders to the parade, Russia intended to further improve its relations with the West and other parts of the world. That's after ties for a time were strained due to the conflict in August 2008 between Russia and Georgia. The strain, however, has been somewhat ameliorated by the "reset" of its ties with Washington as well as Brussels after U.S. President Barack Obama assumed office.