

Business and Politics in the Muslim World

Weekly Report on *Russia*

Report # 132

From 07 August, 2010 to 14 August, 2010

Presentation 18 August, 2010

Ilam Khan

Contents **Page #**

Summary.....2

Political.....06

- Russian rights advocates detained at anti-government rally in Moscow
- Russia to modernize fifth Indian submarine
- Kremlin ready to publish Lukashenko's statements on South Ossetia, Abkhazia
- Miffed at Russia, Belarus President Seeks Better Ties With West
- Russia to Give Atomic Fuel to Iran
- Pakistan's President Zardari defies critics to visit Russia

Economic.....12

- Russia assigns 10 bln rbls for second phase of 'cash for clunkers'
- Russia's car market to grow 15% in 2010 from 'cash for clunkers' plan - ministry
- Russia can afford export of only 2-4.5 mln tons of grain this year says ministry
- Forest Fires Cause Damage of \$15 Billion to Russian Economy

Social:.....14

- U.S. drug trafficking trial of Russian pilot set for February
- Russian police arrest 35 to prevent protest at Moscow mayor's office
- Kursk Submarine Sank Because of US-Soviet Arms Race
- Russia Today: Kursk submarine tragedy remembered ten years later
- Dagestan puppets send militia to fight Mujahideen
- Cop Killer Claims Officers Attacked His Pregnant Wife
- Russian man survives drinking 8 bottles of vodka
- Ruing Exile, Russian Says He's No Spy

Food , Energy & Environment.....19

- Medvedev promises billion dollars for farmers, urges change in crop insurance system
- Russia's top court dismisses environmental claim over Baikal mill
- U.S. aids Russia with \$4.5 mln of firefighting equipment amid raging wildfires
- Russia Breathes Easier as Moscow Skies Clear
- Experts Predict Global Hunger Riots Amid Food Prices Hysteria
- Russia Today: Russia forced to introduce ban on wheat export after severe drought
- Russia bans grain exports because of fire and drought, sending prices soaring
- Economic Growth Gains Speed on Commodities
- Wildfires across Russia abate

- Environment cuts: fight to preserve the health of the seas

Geo-strategic.....26

- Russia builds up sea border patrols around Abkhazia
- Belarus may refuse NPP construction deal with Russia – Lukashenko
- Russia incensed by U. S. report on terrorism in Caucasus Region
- Russia and India hold joint military exercises
- Russia Sets Date for Crucial Step in Iranian Nuclear Start-Up
- 5G fighter to outstrip best analogs
- Moscow, Central Economic region Air Defense to receive S-400, S-500 systems

Areas affected by flood, shown in the figure below:



Summary of the Report:

Political

Russian rights advocates detained at anti-government rally in Moscow

Two human rights advocates were detained on Thursday along with 35 other protesters after staging an anti-government rally in front of Moscow City Hall. Lev Ponomaryov and Sergei Udaltsov of the For Human Rights and Left Front groups were detained after leading a Day of Wrath protest against Mayor Yuri Luzhkov's policies.

Russia to modernize fifth Indian submarine

A fifth Indian Kilo class diesel-electric submarine has arrived to Russia's Zvezdochka shipyard for an overhaul under a recent contract, the shipyard company said on Thursday. Russia has built ten Kilo class submarines for India and has already overhauled four of them at the Zvezdochka shipyard in the north of the country.

Kremlin ready to publish Lukashenko's statements on South Ossetia, Abkhazia

The Belarusian president promised to recognize the independence of Abkhazia and South Ossetia on August 3. Lukashenko made his promise in the presence of several CIS leaders, Russian President Dmitry Medvedev said. However, the Russian neighbor has not yet recognized the two former Georgian republics. Belarus has not recognized Abkhazia and South Ossetia because Russia refused to help it cope with the consequences of such a step, the Belarusian president said on August 13.

Miffed at Russia, Belarus President Seeks Better Ties With West

The outspoken president of Belarus, Aleksandr G. Lukashenko, who has long been at odds with the West but lately has been quarreling with Moscow, said Friday that he wanted better ties with the United States and he berated his estranged ally Russia.

Russia to Give Atomic Fuel to Iran

Ever since the late 1990's Russia was closely partnered with Iran in constructing the nuclear-power plant. Even before Russia entered the picture, the site of the nuclear power plant was developed in the 1970's right before the 1979 Islamic Revolution that turned most Western nations against the Islamic Republic. Outside influence ever since including the recent Western response to Iran's nuclear program has delayed the conclusion of the plant project. The Iranian government was delighted at Russia's announcement and declared it was "eager to start".

Pakistan's President Zardari defies critics to visit Russia

He will attend a four-way summit on regional security on Wednesday with the leaders of Afghanistan, Russia and Tajikistan. He will return home on the same day. Mr Zardari has been criticised for a ten-day trip to France and Britain this month, when the flood waters first hit. He only visited victims of the flooding this week.

Economic:

Russia assigns 10 bln rbls for second phase of 'cash for clunkers'

The cash for clunkers program, which grants owners 50,000 rubles for trading in domestically made cars aged 10 years or older, has been credited with reviving Russia's battered auto industry.

Russia's car market to grow 15% in 2010 from 'cash for clunkers' plan – ministry

Under the program launched in March to support the car industry hit by the world financial crisis, a car owner can swap a car that is older than 10 years for a 50,000 ruble (\$1,600) certificate to buy a new vehicle.

Russia can afford export of only 2-4.5 mln tons of grain this year says ministry

If the grain harvest reaches 65 million tons, exports could amount to no more than 4.5 million. But if the harvest amounts to only 60 million tons, this would mean exports are limited to just two million tons of grain, the ministry said

Forest Fires Cause Damage of \$15 Billion to Russian Economy

Experts started to calculate the losses, which the Russian economy suffered as a result of unusually hot summer and immense forest fires. The damage may total one percent of the GDP growth in 2010, which is equal to \$15 billion, or 450 billion rubles. For the time being, the experts take account of direct costs and negative short-term consequences for the economy.

Social:

U.S. drug trafficking trial of Russian pilot set for February

A New York judge on Friday set February 28, 2011, as the start date for the trial on drug smuggling charges of a Russian pilot detained in Liberia and transferred to the United States. New York prosecutors on June 2 announced the arrest in Monrovia of Konstantin Yaroshenko is accused of airlifting of thousands of kilograms of cocaine throughout South America, Africa and Europe.

Ruing Exile, Russian Says He's No Spy

That country is Russia, where he was locked up for 11 years for working for a British consulting firm that Moscow called a [C.I.A.](#) front. Plucked from the bowels of a Russian prison camp, Mr. Sutyagin was freed last month in a dramatic spy swap arranged by the president of the United States even as America denied he had been a spy.

Kursk Submarine Sank Because of US-Soviet Arms Race

Many versions of the death of the nuclear submarine were discussed: the plundering of equipment, the launch of a missile from the Pyotr Veliki cruiser, a WWII mine, the lamentable situation of the navy during the 1990s and others.

Russia Today: Kursk submarine tragedy remembered ten years later

The US Navy has lost four submarines (some sources say three) during the post-war period. Two of the lost US subs were nuclear powered. Nine diesel submarines of other countries sank during that time (two British, two French, one Israeli, one German, one Peruvian, one Brazilian and one Chinese).

Dagestan puppets send militia to fight Mujahideen

The puppet gang "Interior Ministry of Dagestan" plans to create a whole "battalion" from local residents, who will be entrusted to fight against the Mujahideen, instead of policemen and Russian invaders.

Cop Killer Claims Officers Attacked His Pregnant Wife

The driver, Alexander Kuleshov, is accused of killing the two officers and stabbing a third in an argument that broke out after the police car carrying the officers flipped over as it tried to avoid a collision with the horse-drawn cart Sunday.

Russian man survives drinking 8 bottles of vodka

Pavel Kondratyev, 39, was found unconscious in the street of Yekaterinburg city in Russia's Ural Mountains and taken to hospital, Life.ru website reports Friday. The doctors suspected a head trauma, but the test proved different.

Russian police arrest 35 to prevent protest at Moscow mayor's office

Police have detained 35 opposition and human rights activists to prevent them from holding a protest rally in front of the Moscow mayor's office. The activists were demanding the resignation of the mayor, Yuri Luzhkov. He has come under renewed pressure for being slow to return to the Russian capital last week after it was engulfed by smoke from wildfires outside the city.

Food , Energy & Environment:

Medvedev promises billion dollars for farmers, urges change in crop insurance system

Russian President Dmitry Medvedev promised to grant Russian farmers 35 billion rubles (\$1.15 billion) in state support, following the heat wave that has destroyed nearly one-quarter of the country's crops this summer.

Russia's top court dismisses environmental claim over Baikal mill

The appeals board of the Russian Supreme Court on Thursday dismissed a complaint filed by environmental groups over the decision to reopen the controversial Baikal paper mill.

U.S. aids Russia with \$4.5 mln of firefighting equipment amid raging wildfires

The United States sends to Russia firefighting equipment worth some \$4.5 million to help combating raging wildfires in the country that "is home to nearly one fourth of the world's forests," the U.S. Department of State said.

Russia Breathes Easier as Moscow Skies Clear

The skies cleared and air quality significantly improved for a second straight day in Moscow on Thursday, bringing the skyline of gothic, Stalin-era skyscrapers back into focus after a trying week when the city was choked with wildfire smoke.

Experts Predict Global Hunger Riots Amid Food Prices Hysteria

The situation with food prices in the world has been hysterical recently. In Russia, prices on food have already increased considerably as a result of the drought. The Russian government banned the export of crops, which boosted the prices on wheat and resulted in panic comments from Western experts who started predicting global hunger riots.

Russia Today: Russia forced to introduce ban on wheat export after severe drought

As a result, world prices on wheat have skyrocketed (50 percent) since June 2010. Wheat became eight percent more expensive immediately, after Putin decided to ban the export of this product from Russia. Prices on pork, rice, oranges, coffee, cocoa and tea have been growing too. Western experts say that such a state of affairs will trigger hungry mutinies in third-world countries.

Russia bans grain exports because of fire and drought, sending prices soaring

Russia announced Thursday that it will ban all grain exports for the rest of the year, sending wheat prices soaring to a two-year high and raising the possibility of inflated food prices that could throw an already fitful global economy recovery off track.

Economic Growth Gains Speed on Commodities

Gross domestic product grew 5.2 percent from a year earlier, compared with 2.9 percent growth in the January-March period, the Federal Statistics Service in Moscow said in an e-mailed statement Wednesday. The Economy Ministry previously estimated quarterly growth of 5.4 percent.

Wildfires across Russia abate

Firefighters have managed to cut by half fires in Moscow region's area from 29 to 16, ministry spokeswoman Irina Andrianova said. Currently, 84 hectares are on fire in Moscow region.

Environment cuts: fight to preserve the health of the seas

They fear that 40% cuts in the government's environment funding will hit crucial research programmes into the health of Britain's seas at a time of unprecedented pressures on marine habitats.

Geo-strategic:

Russia builds up sea border patrols around Abkhazia

Under mutual assistance treaties signed last November following Russia's recognition of Abkhazia and South Ossetia as independent states, Moscow pledged to help both republics protect their borders, and the signatories granted each other the right to set up military bases in their respective territories.

Belarus may refuse NPP construction deal with Russia – Lukashenko

Belarus, which was one of the most affected by the Chernobyl nuclear disaster in 1986, plans to build the plant in its western Grodno region, with the first reactor expected to be put into service in 2016 and the second in 2018. Atomstroyexport, is to implement the project.

Russia incensed by U. S. report on terrorism in Caucasus Region

Moscow recognized the independence of Abkhazia and South Ossetia two years ago and has since been the guarantor of their security, deploying thousands of troops and border guards to the tiny countries, which Georgia considers part of its sovereign territory.

Russia and India hold joint military exercises

Ahead of the scheduled Russian-Indian naval exercises, in which the heavy nuclear missile cruiser Pyotr Veliky will take part, Tatiana Shaumyan, director of the Center for Indian Studies at the Institute of Asian Studies, discusses the state of Russian-Indian relations and the prospects for defence cooperation between the two countries. Interview by Igor Chekunov.

Russia Sets Date for Crucial Step in Iranian Nuclear Start-Up

The company, Rosatom, said technicians would move tons of low-enriched uranium fuel from a storage site into the reactor on Aug. 21, the first of three steps in starting it up, a process that will take months.

5G fighter to outstrip best analogs

Russian fifth-generation T-50 fighter, which is currently being developed by the Sukhoi aircraft manufacturer, will outstrip best world analogs, Air Force Commander Colonel General Alexander Zelin said on Saturday.

Moscow, Central Economic region Air Defense to receive S-400, S-500 systems

The Air Defense System of Moscow and the Russian Central Economic region will receive new weapons, including prestigious S-400 and S-500 air defense systems, Air Force Commander Colonel General Alexander Zelin said on Saturday. "We have Air Defense System which protects Moscow and the Central Economic region; this system operates, accomplishes tasks and, of course, undergoes changes," Zelin said

Detailed Report:

Political Issues:

Russian rights advocates detained at anti-government rally in Moscow

A police spokesperson said 35 people were detained.

Protesters were carrying "black marks" - black scraps of paper that symbolize distrust in Luzhkov's policies.

"I was walking through the underpass from the City Hall to the square when I was detained," Udaltsov told RIA Novosti by phone.

The Moscow authorities said earlier they would thwart any "unauthorized" protests in front of the City Hall.

Around 200 protesters turned out for a March of Dissent rally on nearby Triumfalnaya Square on July 31 to demand freedom of assembly. Some 75 were hauled away in police vehicles.

Nearly 200 protesters were detained during a rally on May 31, causing public outrage, as riot police far outnumbered demonstrators and people with disabilities as well as a World War II veteran were reportedly among those detained.

Opposition groups hold Marches of Dissent on the last day of each 31-day -month in defense of their right to freedom of assembly, as enshrined in Article 31 of the Russian Constitution.

Russia to modernize fifth Indian submarine

INS Sindhurakshak is being upgraded under a direct contract between the Zvezdochka shipyard and the Indian defense ministry, signed on June 4, 2010.

The upgrade program includes a complete overhaul of the submarine, including its hull structures, as well as improved control systems, a sonar, electronic warfare systems, and an integrated weapon control system. The upgrade is reported to cost around \$80 million.

Russia's Kilo-class diesel-electric submarines are well-known for being extremely quiet boats, and have been purchased by China, India, Iran, Poland, Romania and Algeria.

Kremlin ready to publish Lukashenko's statements on South Ossetia, Abkhazia

The Kremlin is ready to publish transcript of the CSTO meeting, at which Belarusian President Alexander Lukashenko said he was ready to recognize South Ossetia and Abkhazia, a Kremlin aide said on Saturday.

"With regard to the [possible] recognition of South Ossetia and Abkhazia by the Republic of Belarus, if there is such a desire, we may publish that part of the transcript of [the August 3] CSTO meeting, which contains the Belarusian president's words on the subject," Sergei Prikhodko said.

"It is not Alexander Grigorievich [Lukashenko] to speak about inconsistency. This category applies just to him," Prikhodko said.

Russia recognized South Ossetia and Abkhazia, which both split from Georgia after the collapse of the Soviet Union, two weeks after the end of a five-day war with Georgia in August 2008.

The move was heavily criticized by Western powers. So far, only Venezuela, Nicaragua and the tiny island nation of Nauru have followed suit.

Miffed at Russia, Belarus President Seeks Better Ties With West

MINSK, Belarus (Reuters) —Mr. Lukashenko, criticized in the West over human rights abuses, had once pledged to build a “union state” that would combine Belarus with Russia. But his [relations with Moscow are now at a new low](#) after Russia cut economic subsidies to Belarus.

“We can, and we would like to, normalize relations with America, and we do not hide this,” the state media quoted Mr. Lukashenko as saying during a visit to Belarus’s central Minsk region.

“We have many themes for negotiations, we have proposals from our side as well as proposals from the American side,” he said, according to the state media. “I believe these issues can be resolved.”

The United States and the [European Union](#) have criticized Belarus for failing to hold free or fair elections since Mr. Lukashenko came to power in 1994. He was last re-elected in 2006, and he plans to seek another term in the next six months.

Mr. Lukashenko has released prisoners considered by the West to have been political prisoners, and he has taken other steps to appease the European Union and the United States. He accused Russia of putting pressure on him before the next presidential election in Belarus.

“America stays on its position, but Russia has sharply changed its stance, trying to bring the president of Belarus to heel before the well-known political events,” he said. “But you have known me for ages — it is impossible to bend me, and trying to do so is useless.”

Mr. Lukashenko has so far declined to recognize the independence of two pro-Russian breakaway regions in Georgia, Abkhazia and South Ossetia, which Moscow recognized after a five-day war with Georgia in August 2008.

On Friday, he blamed Moscow for failing to provide incentives to Belarus that would offset any negative consequences for Belarus of recognizing the two separatist regions.

Relations between Russia and Belarus soured further in April when [Belarus gave refuge to the former Kyrgyz president, Kurmanbek S. Bakiyev](#), who was criticized by Moscow. Mr. Bakiyev was ousted after bloody antigovernment riots. Mr. Lukashenko's decision appeared, in particular, to be a swipe at Russia, which had appeared to play at least a partial role in paving the way for Mr. Bakiyev's ouster.

In June, Belarus [threatened to cut Russian gas transit to Europe](#) in a pricing dispute.

Mr. Lukashenko also said that Russia could lose a lucrative contract to build the first nuclear power plant in Belarus. "We are not writing off other investors," he said. "In the near time we will decide who will build our nuclear plant."

Building a nuclear power plant has been on Belarus's agenda since 2007 after sharp price increases for Russian energy. A third of Belarus was contaminated with radiation when a reactor at Chernobyl in neighboring Ukraine blew up in 1986.

Russia to Give Atomic Fuel to Iran

Posted on 13 August 2010. Tags: 1979 Islamic Revolution, atomic fuel, Bushehr, Bushehr plant, International Atomic Energy Agency, Iran, Iran confirms launch of its first nuclear power plant, Iran's nuclear chief: Bushehr Plant will go online by month's end, Iranian government IAEA, Islamic Revolution, nuclear-power plant, Obama administration, President Mahmoud Ahmadinejad, Rosatom, Rosatom Nuclear Energy State Corporation, Russia sets date to move fuel into Iran reactor, U.N Sanctions, U.N Security Council members, Western nations

s the U.N's U.S-led fourth round of sanctions try to hammer the Iranian government into giving up its nuclear program, Russia, one of the U.N Security Council members that had voted for the sanctions albeit reluctantly, announced it would deliver nuclear fuel into Iran's Bushehr nuclear-power plant. Russian officials said the delivery of fuel would be completed on August 21. The Obama administration unsurprisingly supported Russia's action as the compromise in having Russia's vote for the U.N sanctions included the finalization of the Bushehr plant.

Some voiced concerns from Western nations were put down by both Russia's insistence that their action did not reflect their attitude concerning the "transparency" of Iran's nuclear program and the terms of the Russian-Iran deal. Under the agreement Russia must deliver lowly enriched uranium to Iran which in turn must return all depleted uranium back to Russia via Russian-controlled convoys under the International Atomic

Energy Agency's watchful eyes. This procedure will assumedly prevent Iran from developing nuclear weapons at its first nuclear power-plant.

Critics say Russia has delivered a "wrong message" to Iran's government and the rest of the world: Russia by delivering atomic fuel to Iran has showed the fourth round of economic sanctions to be ineffective on Iran's ability to achieve its wants.

Furthermore, the controversial Iranian President Mahmoud Ahmadinejad, who had been criticized by other Iranian statesmen for "wasting precious time and money" on the Bushehr plant, has had his position solidified in face of growing internal tensions.

The state-owned Rosatom corporation's representative Sergei Novikov will be present at the Bushehr's opening ceremony on August 21. A week or so after Russia's Rosatom Nuclear Energy State Corporation delivers the fuel, Iran's atomic agency will activate the Bushehr plant by moving the uranium fuel into the reactor.

Pakistan's President Zardari defies critics to visit Russia

PAKISTAN'S President Zardari will visit Russia next week, defying criticism for leaving during his country's worsening humanitarian crisis.

However, with relief agencies warning yesterday of new risks to the flood victims from disease, Mr Zardari has cut his visit to only one day.

Farhatullah Babar, the chief presidential spokesman, said that the President had shortened his trip because of the worsening situation. Nevertheless he is bound to face fresh allegations that he is not taking the crisis seriously.

Pakistan has cancelled all the ceremonies tomorrow (Sunday) commemorating 63 years of independence as the country braces itself for a new wave of flooding triggered by a second phase of monsoon rains starting yesterday.

The UN and other relief organisations said that they were increasingly concerned about water-borne diseases after reports of cholera in some of the flood affected areas. There are 36,000 suspected cases of potentially fatal acute diarrhoea reported so far. "This is a growing concern. Therefore we are responding with all kinds of preventative as well as curative medication for outbreaks," said Maurizio Giuliano, the UN humanitarian operation spokesman. He added that the situation was alarming.

The floods starting from the northwest have expanded to the Punjab and southern Sindh provinces, the country's agricultural heartland.

Although waters have receded in some areas, fresh rains could bring new destruction and a health crisis, making it more difficult for the relief agencies. A UN official said that there had been a very low response to its appeal for dollars 460 million (pounds 288 million) in aid. Ban Ki Moon, the UN Secretary-General, is expected to visit at the

weekend.

Economic Issues:

Russia assigns 10 bln rubles for second phase of 'cash for clunkers'

The Russian government will spend 10 billion rubles (\$330 million) on the second phase of its subsidized cash for clunkers trade-in program, Prime Minister Vladimir Putin said on Thursday.

"The government has signed an order...on the assignment of an additional 10 billion rubles for the second phase of the cash for clunkers program," Putin told Trade and Industry Minister Viktor Khristenko.

Khristenko said that the ministry planned to give certificates for scrapping 200,000 cars in the second phase, the same number as in the first phase.

Car production increased 60 percent in the first seven months of 2010 compared to the same period last year and domestic auto producers became dominant players on the internal market, Khristenko said. The share of Russian-made cars amounted to 60 percent of all local sales.

Demand for cars has been growing since April 2010, Khristenko said. In April, year-on-year growth was 20 percent, in June 45 percent, and in July 48 percent. However, in July 2010 Russia sold 28.6 percent less cars than before the crisis began in 2008.

Russia's car market to grow 15% in 2010 from 'cash for clunkers' plan - ministry

The Russian Ministry of Industry and Trade expects a 15% growth in the country's car market as the "cash for clunkers" program continues in Russia, Alexei Rakhmanov, director of the ministry's automotive industry department, said on Wednesday.

The car market grew 10% after the program's first stage was launched, Rakhmanov said, adding that the market might gain another 5% if the program's second stage was as efficient as the first.

He added that under the program, 230,000 cars would be sold in 2010 and 170,000 cars in 2011.

Car owners have by now received 213,600 certificates, while 148,810 cars have been sold, including 36, sold under preliminary contracts.

Prime Minister Vladimir Putin earlier said the government would invest another 10 billion rubles (\$321 million) in the program and plans to end it in 2011, while initial investment amounted to 10.5 billion rubles.

Russia can afford export of only 2-4.5 mln tons of grain this year says ministry

Russia can afford to export no more than 4.5 million tons of grain this agricultural year due to the severe drought that has hit the country, the Agriculture Ministry said on Thursday.

The Russian government must protect local grain producers and exporters, who may face legal action over broken contracts due to the grain export ban, President Dmitry Medvedev said on Thursday.

"We have put our producers and those engaged in exports into a difficult situation and we did this deliberately," Medvedev said. "But if we did it, we must stand behind them to protect them, create the necessary legal evidence to show that it was a force majeure... and that they were unable to supply their customers."

The government imposed a ban on the export of grain from August 15 to December 31, after abnormally hot and dry weather destroyed the grain harvest on almost 11 million hectares.

Forest Fires Cause Damage of \$15 Billion to Russian Economy

Analysts with HSBC and Uralsib forecast an industrial setback or even stagnation. The harvest of crops will drop to 60-65 million tons because of the drought in 2010. Russia's temporal ban on the export of crops will cause the losses of \$3 billion, which in its turn will trigger the growth of the food [inflation](#) up to 9.5 percent.

[Business/2010-08-09/russia-tourism-foreign-domestic.html">Business/2010-08-09/russia-tourism-foreign-domestic.html](#) target="_blank">Russia Today: Muscovites getting out to anywhere cooler

Ecologists say that the Russian government will need to retrieve the system of the state forest protection, which was abolished during the reforms in 2005-2006. Otherwise, the situation with forest fires in the country will remain catastrophic. The authorities are undoubtedly guilty of the situation with the fires, since the forest protection system has been ruined, and the funding of this field has been decreased. The law stipulates EMERCOM's reaction to wildfires only when they threaten settlements.

Only 2.2 billion rubles were assigned for the struggle with wildfires in Russia in 2010. Therefore, extinguishing fires on one hectare of forest cost \$0,033. No one is currently responsible for preventing and extinguishing forest fires at early stages. Quite on the contrary, an employee, who shows an initiative at this point, can be accused of inappropriate spending.

About 70,000 foresters and nearly 130,000 other employees of the forest sector guaranteed fire safety in Russian forests prior to the reform. The personnel has been subsequently cut to 12,000 people. They have many other job duties to fulfill, which makes it very hard for them to look into the matter of fire prevention.

The situation with forest fires may repeat in the future, unless the government retrieves the special state-run forest service and creates the joint system of aviation protection of forests. If Russia had such a system, it would be possible to cut the damage five or even ten times and avoid human losses.

Social/ Huminitarian:

U.S. drug trafficking trial of Russian pilot set for February

Federal District Judge Jed Rakoff gave the defense until October 13 to prepare any motions.

Yaroshenko's lawyer, Lee Ginsburg, said the defense would table three motions on the illegality of prosecuting Yaroshenko in the United States.

According to the schedule set by the court, the prosecution has until 27 October to present arguments in response to any defense motions, with the defense given a further week to give counter-arguments.

Pre-trial oral arguments will then be held on November 10.

In setting the trial date, Rakoff had to balance the requests of the defense and prosecution.

The prosecution argued they needed an extra month because of technical and legal difficulties in obtaining information from computers, mobile phones and SIM cards belonging to the accused, which includes four Liberian citizens in addition to Yaroshenko.

Federal prosecutor Jan Debbs said one of the three computers was not covered by the search warrant that was issued against the accused, and there were difficulties transcribing the suspects' phone conversations due to heavily-accented English.

The defense asked for two more months to review prosecution documents, citing problems getting acquainted with the records of telephone conversations due to long queues for the computers in the detention center.

Yaroshenko, 41, was detained in the Liberian capital of Monrovia in late May but his arrest was only announced by New York prosecutors on June 2.

The Russian Foreign Ministry blasted the United States over the detention, saying it was practically a kidnapping and a violation of international law.

"The Russian side is convinced that such activities directly violate the relevant norms of international law, the Vienna Convention on Consular Relations of 1963, and the bilateral Consular Convention of 1964," the ministry said in a statement. "This is practically the kidnapping of a Russian citizen on the territory of a third country," it said.

Yaroshenko and other alleged members of the cocaine trafficking group have denied all charges. If they are convicted, they may face from 10 years imprisonment to life sentences.

Ruing Exile, Russian Says He's No Spy

LONDON — Call him the spy who wants to go home again. Except that [Igor Sutyagin](#) insists he is not a spy. And his friends warn him not to go home again.

Igor Sutyagin, above at the British Museum, says he does not feel at home in London.

“Everybody but one,” he said, “tells me run from that country.”

Mr. Sutyagin has had a decade to think about where he went awry, how sending foreigners information about the Russian military gleaned from newspapers could be taken for treason. But in the weeks since he and three other prisoners were traded for 10 Russian sleeper agents on a Vienna tarmac, he has struggled to come to grips with his abrupt liberation and his role at the center of a geopolitical bargain intended to preserve warming relations between the United States and Russia.

Deposited here in a strange land, Mr. Sutyagin was given a change of clothes and \$3,000, then left to his own devices, a modern-day Rip Van Winkle emerging from the cold isolation of a remote prison near the Arctic to find a dizzying new world.

He has yet to see his family. He does not feel at home in London. In some ways, he said, he has simply traded one prison for another.

“I remember very well what Solzhenitsyn said,” said Mr. Sutyagin, the first of the released prisoners to speak with a Western news organization. “He said, ‘My biggest dream is to wake up someday as a free man in a free country.’ So that’s a reason for me to go back and find out whether I can wake up as a free man in a free country. Because without that, my liberation is incomplete.”

But so, he fears, is Russia’s, as society has grown more closed since he went away. “Over the last 11 years,” he said, “I had the feeling that the people who experienced the most complete freedom in Russia were the people behind bars. It’s very sad. You lose one peace for another. I don’t know whether it’s like that there, but I have to go back to find out.”

Slight of stature, his hair thinning on top, Mr. Sutyagin, 45, seems an unlikely figure in a drama that briefly captivated the world. While the other three men released by Russia were career intelligence officers, he was a scientist who never had security clearance.

Over the course of seven hours of interviews in London this week, Mr. Sutyagin adamantly denied any espionage. “No, of course I’m not a spy,” he said in a soft but firm voice. “Of course, I’m not a spy.”

He looked distraught as he described the pressure to sign a statement admitting otherwise last month when the Americans requested his release. "It's a very simple deal: you give your honor in exchange for your freedom," he said. "If it weren't for my family, I would have stayed."

The State Department said flatly that Mr. Sutyagin was not an American spy, an exoneration it did not provide the other three. Half a dozen government and intelligence officials from three administrations have said privately that they do not believe he was.

So why did the Americans ask for him? The White House called it a humanitarian gesture. He had long ago been declared a political prisoner by [Amnesty International](#), and the United States has in the past traded spies for dissidents.

Mr. Sutyagin came of age as the Soviet Union collapsed and got to know Americans during the heady 1990s. As a visiting scholar at [Stanford University](#), he met professors like [Condoleezza Rice](#), who would go on to become President [George W. Bush](#)'s secretary of state, and Michael McFaul, now [President Obama](#)'s top Russia adviser.

As a young arms researcher at the Institute for U.S. and Canadian Studies in Moscow, Mr. Sutyagin attended a conference in Birmingham, England, and met representatives of Alternative Futures, a British firm advising investors in Russia. They put him on a contract for up to \$1,000 a month, more than his day job. In exchange, he said, he provided analyses based on public sources like newspapers and government statements.

In October 1999, two months after [Vladimir V. Putin](#), a former K.G.B. colonel, became prime minister and began restoring the authority of the security services, Mr. Sutyagin was accused of treason. Although it took the F.S.B., the domestic successor to the K.G.B., five years and extraordinary legal contortions to make it stick, he remained in prison the entire time.

Kursk Submarine Sank Because of US-Soviet Arms Race

On August 12th, Russia marked ten years since the Kursk submarine disaster - the largest tragedy in the history of the Russian navy, which claimed the lives of 118 men.

Many versions of the death of the nuclear submarine were discussed: the plundering of equipment, the launch of a missile from the Pyotr Veliki cruiser, a WWII mine, the lamentable situation of the navy during the 1990s and others.

Pravda.Ru was the first publication to set forth the version of Kursk's collision with an American submarine. French film director Jean-Michel Carre made a documentary based on this supposition: "Kursk, A Submarine in Troubled Waters" (2005).

The Russian governmental commission concluded in 2002 that the submarine had sunk as a result of the on-board torpedo explosion. The criminal case filed into the sinking of the submarine was closed two years later.

Russia Today: Kursk submarine tragedy remembered ten years later

Statistic data say that Russian submarines sink more often than foreign ones do. After 1945, the Navy of the USSR and then of the Russian Federation has lost 16 submarines. Seven of them were nuclear-powered: K-8 on April 8, 1970; K-56 on June 14, 1973, K-429 on June 24, 1983, K-219 on October 3, 1986, K-278 Komsomolets on April 7, 1989, K-141 Kursk on August 12, 2000, K-159 on August 30, 2003.

The list continues with nine diesel subs: December 15, 1952 - S-117 Makrel, November 23, 1956 - M-200 Mest, August 22, 1957 - M-351, September 26, 1957 - M-256, January 26, 1961 - S-80, January 11, 1962 - B-37 and C-350, March 8, 1968 - K-129, October 21, 1981 - S-178.

It is worthy of note that the number of Russia's operating submarines doubles the number of US subs. The number of submariners killed in accidents with all foreign fleets totals 585 people during peace time. The sad list of the Soviet and Russian navy has 857 people on.

Konstantin Sivkov, the first vice president of the Academy of Geopolitical Problems, said in an interview with Pravda.Ru that such a high percentage of accidents with Russian submarines can be explained with the fact that the submarines were operating far away from the Russian waters.

Dagestan puppets send militia to fight Mujahideen

Apparently, Dagestani puppets and Russian occupiers are unwilling to die under Mujahideen bullets. So they decided to incite against the Mujahideen inhabitants of Dagestan, from among those who want a good salary; they are supposed to enlist into a so-called militia.

According to a minion, called the "president of Dagestan Magomedov", a gang of at least 800 militia members is to be created.

These so-called "battalions" will be recruited from among local residents on a contract basis. But locals from youth of the recruiting age would also be drawn. Instead of military service on the territory of Russia, they will remain in Dagestan to fight against the Mujahideen.

Russian minions explain that locals are much better oriented in the highlands than Russian occupiers, and they will be able to distinguish, by "appearance", between "Sufis and Wahhabis".

Similar "battalions", as is known, has long been operating in Chechnya. In 2006, the gangs "North" and "South" were created, which were staffed with so-called "amnestied militants" and local "recruits".

Earlier, invaders created the gangs "East" and "West" in Chechnya, but only contractors, i.e., mercenaries, "served" in them. Currently, these battalions are disbanded.

Dagestani puppets said that they are not planning to recruit local residents who in the past were "militants" or were noticed as loyal to the Mujahideen.

Cop Killer Claims Officers Attacked His Pregnant Wife

The St. Petersburg Times

MOSCOW — A cart driver detained on suspicion of stabbing two police officers to death in the Voronezh region this week was trying to protect his pregnant fiancée from the drunken officers' blows, the tabloid Lifenews.ru reported Wednesday.

Kuleshov's fiancée, Tatyana Larina, told Lifenews.ru that the three officers were drunk and assaulted Kuleshov and the other people on the cart, which was carrying Larina's family, including two children and an elderly woman.

"They bore down on us like animals. They cruelly beat up Sasha and then dragged him to the gutter to finish him off," she said.

She said that when she recognized one of the officers, they switched to her.

Larina, 32, said Kuleshov snapped after the officers hit her on the head and knocked her to the ground, stabbing to death Sergei Fetisov and Alexei Shcherbakov, and injuring the third, Alexei Seleznyov.

Larina, who was in the third week of her pregnancy, lost the child after the incident.

Russian man survives drinking 8 bottles of vodka

A Russian man has miraculously survived drinking eight bottles of vodka. The percentage of alcohol in his blood was at least twice the lethal dose.

The man's blood tests showed that he had drunk at least four liters, or eight bottles of vodka.

"When we took his blood, we were just amazed," Stanislav Chursin, one of the doctors at the hospital, told the website.

"By most moderate estimates, he exceeded the lethal dose at least two times! That makes it, like, eight bottles of vodka," Chursin said.

The doctor added that it must have been the man's bulk that saved him – the alcohol hero is two meters' tall and weighs over 100 kilos.

At present Kondratyev is in hospital, recovering from intoxication. He cannot remember where he was drinking, with whom or what the reason for the drinking party celebration was.

Russians have a reputation for being heavy drinkers. Earlier in April, a four-month-old baby died in a Siberian town [after being poisoned by the alcohol-loaded milk of his drunken mother](#).

Russian police arrest 35 to prevent protest at Moscow mayor's office

Police have detained 35 opposition and human rights activists to prevent them from holding a protest rally in front of the Moscow mayor's office. The activists were demanding the resignation of the mayor, Yuri Luzhkov. He has come under renewed pressure for being slow to return to the Russian capital last week after it was engulfed by smoke from wildfires outside the city. Among those arrested was prominent rights activist Lev Ponomaryov, who said the city government "has long since discredited itself". Hundreds of police were deployed to stop this evening's protest.

Food , Energy & Environment:

Medvedev promises billion dollars for farmers, urges change in crop insurance system

"About one-quarter of grain crops have been scorched in the country. Unfortunately, many farms are in a pre-bankruptcy status. The situation is severe, I would even say extraordinary," Medvedev said.

The 35 billion ruble support would augment regional aid to victims of the country's worst heat wave, he said.

Russia's agriculture insurance system should also be changed, Medvedev said.

The insurance system "is practically not working," he said at a government meeting.

"Despite the fact that the state gives grants... only one-fifth of the crops are insured," Medvedev said, adding it was necessary "to revise the existing system of insurance, to make it...efficient and then launch it."

A scorching heat wave has gripped much of European Russia since mid-June, which coupled with the worst drought since the 1970s has made the countryside particularly susceptible to wildfires.

Russia's top court dismisses environmental claim over Baikal mill

The Supreme Court ruled in mid-June that the government's decision to reopen Baikal Pulp Plant despite large-scale public protests was legal.

"We expected this decision. Now we will go to the European court," a spokesman for the Russian environmental groups said.

Greenpeace Russia programs director Ivan Blokov, however, said the problem was that the human rights convention contains no provision for the right to a clean environment.

"The grounds for lodging a complaint with the European court will be seriously discussed by experts," he said.

Plaintiff Andrei Margulev said the government's decision is not only in conflict with federal laws, in particular, a law on the protection of the lake, but also violates his rights to a favorable environment, even though he resides in Moscow.

Environmental protests over the mill's reopening broke out after Prime Minister Vladimir Putin signed a resolution in January excluding the production of pulp, paper and cardboard from the list of operations banned in protected areas around Lake Baikal, listed as a UNESCO World Heritage Site.

Lake Baikal, the world's largest freshwater lake, is known for its natural beauty and biodiversity. Over 80% of the animals living in the lake are unique.

Russian environmentalists collected 45,000 signatures in an appeal to stop further pollution of the lake from by the mill, which had been suspended 16 months ago due to ecological concerns.

U.S. aids Russia with \$4.5 mln of firefighting equipment amid raging wildfires

A [scorching heat wave](#) has gripped much of European Russia since mid-June, which coupled with the worst drought since the 1970s has made the countryside particularly susceptible to wildfires.

"The United States today began deliveries of firefighting equipment valued at approximately \$2.5 million to bolster Russia's fire suppression efforts. These deliveries will include water tanks, pumps, hand tools, fire-protective clothing, and medical kits," Philip Crowley, department's secretary of state said in a statement.

"The United States also contributed \$50,000 to support the operations of the International Federation of Red Cross and Red Crescent Societies (IFRC) to provide relief items, including blankets, bedding, and food parcels, for victims. The State of California has generously contributed additional supplies of fire-protective clothing. Total overall U.S. support for this effort is estimated to be valued at \$4.5 million," he continued.

Foreign countries have sent more than 550 foreign firefighters and 100 units of machinery, including six planes and seven helicopters, to help Russia extinguish wildfires raging across the country due to abnormal heat and drought.

"The United States stands with the people of Russia as they fight to contain the destructive spread of wildfires, which have taken lives and displaced many from their homes. We are taking action to support the heroic efforts of Russian firefighters and emergency responders as they seek to bring these fires under control," Crowley said in his statement.

Thousands of emergency workers, military personnel and volunteers have been working round the clock for over a month to fight [fires in 22 Russian regions](#), which have so far killed more than 50 people and left over 3,500 homeless. The immediate economic cost of the fires has been estimated at \$15 billion.

Russia Breathes Easier as Moscow Skies Clear

MOSCOW —The wind shifted direction to blow the smoke out of the city beginning Wednesday, and firefighters have succeeded in extinguishing a number of the forest fires burning near the capital. In central [Russia](#), improved conditions led to the lifting of the state of emergency in three regions.

The state of emergency was still in effect in Moscow and other areas, and forecasters warned that smoke could periodically waft back over the Russian capital for weeks, with the main culprits hard-to-extinguish fires in dried-out peat bogs.

Roman Vilfand, the director of the federal weather bureau, warned that if the wind died down as expected some smoke could return.

"The forest fires have not disappeared," he said.

But the levels of carbon monoxide and fine particles, the worst air-quality offenders, had declined to well within acceptable levels in Moscow by Thursday, officials said. Traffic picked up, and more foreign embassies reopened for work.

Late last week, The United States Embassy allowed about 100 employees to leave the city for 30 days, the State Department said on its [Web site](#), and other foreign embassies similarly evacuated some of their staffs.

At least one feared disaster during this summer of heat waves, crop failures and forest fires has for now been averted. The authorities said Thursday that they had detected no [increase in radiation levels](#) in Moscow or elsewhere after wildfires burned some forest that was contaminated in the 1986 Chernobyl nuclear disaster.

Belgium, Britain, Denmark, Germany, Italy, Romania and Sweden have advised their citizens not to travel to Moscow or the Moscow region because of the severe air pollution. The State Department's warning to travelers about the air quality in Moscow expires on Sept. 5.

Experts Predict Global Hunger Riots Amid Food Prices Hysteria

The situation with food prices in the world has been hysterical recently. In Russia, prices on food have already increased considerably as a result of the drought. The Russian government banned the export of crops, which boosted the prices on wheat and resulted in panic comments from Western experts who started predicting global hunger riots.

Extreme weather conditions have affected many parts of the globe this year, not just Russia alone. Torrential rains in Brazil and Colombia affected the harvest of cocoa beans. In India, crop acres of rice have declined as a result of massive floods. The reduction of the wheat production is expected in Canada, where floods also caused severe damage to the national agriculture.

[Russia Today: Russia forced to introduce ban on wheat export after severe drought](#)

Growing food prices may doom over 100 million people to hunger, Ben Russell wrote in an article published by The Independent. Hunger-caused riots took place last year in Haiti, Mozambique, Senegal and Indonesia.

The UN Food and Agriculture Organization (FAO) revised the world forecast for the production of wheat in 2010. The world market will receive 651 million tons instead of the previously planned 676 million tons, which marks a reduction of nearly 20 tons. However, spokespeople for the organization believe that there is no need to panic. They claim that the world market of wheat remains more stable now than it was during the food crisis in 2007-2008. Therefore, they say, there is no reason to believe that another world food crisis will shatter the world soon.

Russia may have serious problems with buckwheat. A large domestic company producing buckwheat, sent disturbing notifications to its partners. The company informed the

partners of the price increase of 35 percent on its product and said that it was forced to restrict the sales of buckwheat. The new harvest will arrive only from Russia's Altay region. The crops in many other territories have been destroyed with the drought. Wholesalers will have all reasons to raise prices to receive as much profit from buckwheat as possible.

The absence of buckwheat on the market is not a big tragedy, but it is obvious that prices on all other products will be growing inevitably against such a negative background.

Russia bans grain exports because of fire and drought, sending prices soaring

Severe drought and wildfires have destroyed one-fifth of Russia's crop and forced the country to draw from emergency reserves.

In announcing the ban at a cabinet meeting in Moscow, Prime Minister Vladimir Putin said that Russia, one of the world's largest wheat exporters, needs to "prevent a rise in domestic food prices." He said he would decide after this year's harvest whether to extend the ban, which covers exports from Aug. 15 to Dec. 31.

Internationally, wheat prices have increased nearly 50 percent since June, fueling worries about a repeat of the food crisis in 2008 that triggered riots from Bangladesh to Haiti to Mozambique. Wheat prices in the United States are less likely to remain high, experts said, and a bumper crop could put American farmers in a position to benefit from the low supplies elsewhere.

Prices of other crops, including barley, rice and corn, also rose sharply after Russia's announcement.

In an era of free trade, export bans by countries are usually considered a last-resort measure to protect national interests. Indonesia, where whole forests have been leveled by wood processors, banned the export of raw logs. India is considering a ban on exports of iron ore to secure its mineral wealth for its fast-growing economy.

In 2007 and 2008, a number of countries, including Russia, restricted the export of grain as prices began to skyrocket.

While commodities analysts emphasized that there is no reason to fear another global wheat shortage, governments and companies worldwide are preparing for the worst.

In Egypt -- one of the biggest importers of wheat and a nation that experienced deadly violence in bread lines two years ago -- the government assured the public that it has a four-month supply of wheat and urged Russia to honor contracts it signed before the ban. In Europe, the United Kingdom's Premier Foods and Switzerland's two largest food retailers warned consumers that they may increase prices of products that contain wheat, from crackers to beer.

The Food and Agriculture Organization of the United Nations said this week that although the food-price index is 13 percent higher than it was a year ago, it is still 22 percent lower than its peak, in June 2008. "Fears of a new global food crisis are not justified at this point," the FAO said in a report.

Grain harvests around the world have been devastated by unusual weather this year.

The countryside in western Russia, suffering from the nation's hottest summer since recording began 130 years ago, is now battling wildfires that have engulfed 196,000 hectares (about 484 acres) and are continuing to spread.

Economic Growth Gains Speed on Commodities

By Maria Levitov
Bloomberg

MOSCOW — Russia's economic expansion accelerated in the second quarter as commodities prices rose and a recovery in domestic demand gathered speed.

"Growth accelerated compared with the first quarter on sizable retail-sales increases and investment," Dmitry Polevoy, chief economist at ING Groep in Moscow, said by telephone. "The figures were worse than the Economy Ministry expected, though. It's possible that stable exports and a growth in imports played a role."

Russia's recovery from last year's record 7.9 percent contraction has gained strength from household demand and revenue from energy sales that, including oil and gas, account for 72 percent of total exports. While the impact of the country's worst drought in 50 years is unclear, Deputy Economy Minister Andrei Klepach said on July 27 the ministry may raise its 2010 growth forecast from 4 percent.

"Significant signs of recovering economic activity are the continued dynamic growth of capital investment and retail sales, as well as a further growth of credit volume in the banking sector," Bank Rossii, Russia's central bank, said in a statement on July 30. The bank left its main interest rates unchanged for a second month in July.

The ruble closed at 30.29 against the dollar in Moscow on Wednesday after weakening 0.3 percent to 30.1300 at the start of trading.

The price of Urals, Russia's export blend of crude, averaged \$76.66 a barrel in the second quarter, compared with \$58.59 a barrel in the year-earlier period. The price of oil averaged \$74.92 a barrel in the first three months of this year, according to Bloomberg data.

Energy, including oil and gas, accounted for 72 percent of all exports to the Baltics and countries outside of the former Soviet Union in the first half, according to the Federal Customs Service.

Retail sales surged the most since November 2008 in June as the number of unemployed slid for a third consecutive month. Bank lending expanded the most this year in June,

with corporate loans rising 2.1 percent and retail lending gaining 1.6 percent, according to the central bank.

“Current weather conditions are likely to adversely affect the services sector and we may see an overall slowdown in economic activity in August,” Anton Nikitin, an analyst at Renaissance Capital in Moscow said in an e-mailed note Monday.

UBS AG investment bank cut its economic growth forecast to 7 percent from 7.5 percent this month because of the weather. A smaller grain harvest, lower exports and faster inflation, which is set to eat into household consumption, will probably slow growth, the bank said in a note to investors e-mailed on Aug. 9.

Wildfires across Russia abate

The Russian area on fire has decreased by 8,000 hectares and is now 56,200 hectares, the Emergencies Ministry said on Saturday.

As wildfires across the region have slacked off, firefighters do not need volunteer's assistance any more, a spokesman for the Moscow region's branch of the Russia's Emergencies Ministry said on Saturday.

"The situation with the forest and peat bog fires in Moscow region has stabilized. There is no longer need to engage volunteers," the spokesman said.

He emphasized, that local residents have rendered substantial support to firefighters.

Peat bog fires have been completely quenched in four Moscow region's districts, Deputy Emergencies Minister Alexander Chupriyan said on Friday.

A scorching heat wave has gripped much of European Russia since mid-June, which coupled with the worst drought since the 1970s has made the countryside particularly susceptible to wildfires.

Thousands of emergency workers and military personnel have been working round the clock for almost three weeks to fight fires in 22 Russian regions. The immediate economic cost of the fires has been estimated at \$15 billion.

Environment cuts: fight to preserve the health of the seas

Plans to set up a network of marine [conservation](#) areas and safely build vast offshore windfarms and deep-sea oil rigs around the UK could be hampered or irreparably damaged by spending cuts, senior ecologists have warned.

Conservationists believe the cuts will severely affect a marine research centre in Aberdeen, an outpost of the [Joint Nature Conservation Committee \(JNCC\)](#), where 30 scientists and support staff lead crucial surveys and scientific studies on fish stocks, marine biodiversity and the seabed around Britain.

One senior government adviser said that this would leave the UK exposed to legal action and potentially the loss of funding from the European commission for breaching its duties under [EU birds](#) and [habitats directives](#), which require ministers to protect vulnerable species such as dolphins and sea birds.

Legal action and uncertainties about the suitability of sites could delay the offshore renewables programme and cost industry and the taxpayer more in future. "It's a double bang: it gets in the way of development and if we make mistakes we'll be clobbered by the [EU] commission. We'll get whopping great penalties, to say nothing of the reputational damage," he said.

Energy companies are installing thousands of offshore wind turbines around the British coast, while the oil industry, led by BP, is pushing for licences to [drill test wells in deep but poorly studied waters off western Scotland and Shetland](#).

Under legislation passed by the Labour government, the UK is also [committed to setting up a network of marine conservation zones](#), dedicated to preserving the most vulnerable and significant areas of sea, as the first step towards introducing marine protection areas where tough controls on industry, fishing and pollution will be enforced.

Stuart Housden, director of the [Royal Society for the Protection of Birds Scotland](#), said the JNCC's work in Aberdeen played a vital role in establishing where to set up marine protection zones and where it was safest to build offshore windfarms or tidal and wave power machines, or to sink oil wells.

"These are very expensive and difficult to do, and these processes have already been starved of funds, but at the same time governments in Edinburgh and London are very anxious to see opportunities for offshore renewables and oil and gas pursued with vigour," he said. "But to do that we need to have good environmental assessments; we need to know what's out there and where to declare the best protected areas. They're trying to cut corners and save money when the pressures to do developments at sea are so fast and furious, and before the best sites are identified, with serious damage potentially being done."

Geo-strategic:

Russia builds up sea border patrols around Abkhazia

The fifth Russian Mangust class patrol boat has arrived in Abkhazia to help the former Georgian republic guard its maritime border in the Black Sea, a source in the local administration said on Thursday.

A Russian coast guard division, based at the Black Sea port of Ochamchira in Abkhazia, is expected to have up to 10 Mangust and Sobol class vessels in the future to patrol 215 kilometers (about 133 miles) of the Abkhazian maritime border.

The 19-meter Project 12150 Mangust patrol boat, with a maximum speed of 53 Kts, is equipped with a 14.7-mm machine gun. The 28-meter Project 12200 Sobol patrol boat is equipped with a machine gun and a gun mount, and has a maximum speed of 50 Kts.

The head of the Russian Federal Security Service's coast guard department, Col. Gen. Viktor Trufanov, has said the patrol boats will seize Georgian ships if they illegally enter Abkhaz waters.

Georgia considers Abkhazia and its waters part of Georgian territory, and has declared any unauthorized maritime shipments of goods to be illegal. It has already seized a number of cargo vessels heading to Abkhazia.

Belarus may refuse NPP construction deal with Russia – Lukashenko

Belarus may refuse its deal with Russia's nuclear power equipment and service export monopoly Atomstroyexport on a construction of a nuclear power plant in the ex-Soviet republic, the Belarus president said.

"If Russia is not going to construct the NPP in our country, and that is what the talk is about, we are going to negotiate with other investors... We have proposals on this issue," Alexander Lukashenko said.

Minsk, which earlier intended to announce a tender for the construction of its first nuclear power plant, then selected Russia without holding a tender as Moscow pledged to provide Belarus with a loan for the construction.

In May 2009, Belarus asked Russia for a \$9 billion loan. In February 2010, Russian Ambassador to Belarus Alexander Surikov said Russia was ready to provide a loan to its western neighbor, but did not specify the sum, saying the loan would cover only part of the construction works.

This March, during a meeting with Chinese Vice President Xi Jinping in Minsk, Lukashenko invited China to participate in the project and Beijing pledged to invest some \$10 billion in the Belarusian economy.

Russia incensed by U. S. report on terrorism in Caucasus Region

The section of the U. S. Department of State's Country Report on Terrorism 2009 covering Georgia is surprisingly biased, a statement published on the Russian Foreign Ministry's website on Friday said.

"It is enough to say that the report described Georgia as a genuinely model terrorism fighter. At the same time, available information that Tbilisi goes in for double dealing with terrorist groups in the North Caucasus region was ignored," the statement said.

"Russian intelligence services have repeatedly furnished proofs on that score and objective observers have taken note long ago."

The Foreign Ministry was incensed by the report's characterization of the situation on the borders between Russia and the former Georgian republics of Abkhazia and South Ossetia.

"The lack of [Georgian] control allowed for unrestricted and unidentified flow of people, goods, and other potentially dangerous items from Russia into Abkhazia and South Ossetia," the U.S. report read.

"If such 'evaluations,' which, by the way, were not supported with facts, contain concealed attempts to accuse Russia of 'exporting terrorism,' then we are faced with the politicizing of the problem [by the United States]," the Russian Foreign Ministry statement said.

"The unwillingness to accept the new geopolitical realities in the Caucasus region has hindered the authors of the report from realizing the absurdity of the formulation of the issue of 'Georgian control' in the borders between Russia and other sovereign states - Abkhazia and South Ossetia," the statement said.

"There is no and there cannot be any such control," it added.

The Foreign Ministry completely disagreed with the word "militarization," used by the State Department to describe the presence of Russian border guards controlling borders between Abkhazia, South Ossetia and Georgia.

"Thanks to our border guards, the situation on the borders between these two states and Georgia has been substantially stabilized and on the whole remained quiet," the statement said.

Russia and India hold joint military exercises

Russia and India enjoy longstanding and close ties in many areas. How would you describe Russian-Indian relations on defence at present?

Defence cooperation is one of the most important and longstanding aspects of our relationship with India. This cooperation began in the 1960s, soon after the Indo-Chinese border conflict. Our defence cooperation has been ongoing since then, despite some interruptions in the 1990s due to factors beyond our control, notably the collapse of the Soviet Union, when many Soviet-era structures were dismantled and Russian ones were only just emerging. It was a difficult period, because Russia supplied about 70% of India's military hardware. But gradually defence cooperation was restored and today it is considerable. The structure of the relationship has transformed from the sale of ready-made weapons from Russia to India to the joint development of new technologies and the production of missiles and aircraft. This is a big step forward from our past relationship.

Currently, Russia and India are implementing several joint military programs. The most important are the production and upgrading of the BrahMos missile and the construction of fifth-generation supersonic fighters, among other things. It would be desirable to see the level of cooperation that we have achieved in the field of defence maintained in other areas, especially in trade and science and technology.

The upcoming exercises will add considerably to Russian-Indian military cooperation. The situation around the world changes from year to year, and therefore the goals and objectives of these exercises also change. What do you consider their purpose to be at this moment?

The threat of armed conflict, as such, always exists theoretically, but it seems to me that today one of the greatest security challenges for Russia and India is the fight against international terrorism, as both countries, unfortunately, have been the victims of international terrorist acts. The threat of terrorist attacks in Russia has spread beyond the regions that are generally considered targets, and in India today there are attacks not only in Kashmir but in other regions and major cities as well – Mumbai and Delhi. The fight against terrorism is one area where our joint exercises and projects can have a very significant impact.

Joint naval exercises have grown in importance in recent years because of the threat of piracy, which has become a danger to the ships of practically every country involved in international commercial shipping. Russia and India have repeatedly suffered heavy losses due to international piracy on shipping lanes. If we work together to develop methods to counter this threat together, both countries will benefit.

India-US relations are rapidly developing in parallel with the close relations between India and Russia. Although the Obama administration has apparently shifted US foreign policy priorities from India to China, the United States and India continue to cooperate on military and nuclear issues.

I believe that, one way or another, these two Asian powers will always be a priority for the United States. The United States wants to develop relations with China while keeping India as an ally and vice-versa. Balancing relations with various countries is a key aspect of international relations. The United States sees India as a major and influential actor in global politics. Moreover, I think that the United States has actually recognised India as a nuclear power. By signing a nuclear deal with India in 2005 the Americans clearly recognised India's nuclear arsenal. When it comes to the South Asian region, the United States has for a long time relied on its longtime military and political ally Pakistan. The United States has a special relationship with Pakistan today in light of the situation in Afghanistan, and that's why India is now a priority in US foreign and military policy.

This leads to the next question. Given the active India-US relationship, how does the US government view Russia-India cooperation such as military exercises?

The United States should accept it as a fact. The American government has no real

leverage to compel the two countries to not carry out these exercises. Military exercises are an integral component of the bilateral relations between sovereign states in today's world. The zero-sum game is long gone. Given current realities, India-US cooperation and active India-Russia cooperation are not mutually exclusive.

Russia Sets Date for Crucial Step in Iranian Nuclear Start-Up

MOSCOW — In a move sure to disappoint United States diplomats trying to halt [Iran's nuclear program](#), the Russian state nuclear power company said Friday that it would take a crucial step later this month toward starting [Iran's](#) first nuclear power plant.

“The event will symbolize that the period of testing is over and the stage of physical start-up has begun,” Rosatom said in [a statement](#). The company said a ceremony was planned, to be attended by senior Iranian and Russian officials.

The United States had asked [Russia](#) to delay the plant's start-up until Iran stopped uranium enrichment and allayed concerns that it was using its civilian nuclear program as a cover for weapons development.

Iran says its nuclear program is intended to generate electricity and produce medical isotopes, not to make a nuclear weapon.

The construction and start-up of the plant, near Bushehr, a city in southern Iran, have been plagued by dozens of delays since Russia took over the work there in the mid-1990s.

Russian officials, who are also concerned about Iran's nuclear progress, had long appeared to use the plant's construction schedule and the drawn-out start-up process as leverage with Iran's leaders and in wider Russian diplomacy in the Middle East. Often, delays for ostensibly technical reasons have come just days after Russian leaders made statements critical of Iran.

For months, the Russians have been setting out an August start date for the plant, but it seemed plausible that the date could be pushed back. Tehran has said that the plant has been ready for start-up since February 2009, when the reactor core was successfully tested.

In the step scheduled for Aug. 21, fuel will be shifted from storage to the reactor chamber. The second stage involves loading the fuel assemblies into the hardened stainless steel core. The final step is bringing the fuel rods close enough to begin the nuclear reaction.

Each of the 160, hexagonal fuel assemblies weighs about 700 kilograms, or 1,540 pounds, and loading a core typically takes about a month, Vladislav P. Bochkov, a spokesman for Rosatom, said in a telephone interview. “Then the rods are lowered and a chain reaction begins,” he said.

Russian technicians would bring the reaction to the minimal sustainable level, and then conduct tests on controls and radiation shields for two to three more months before the plant would begin generating electricity.

As soon as the fuel is irradiated it will begin to produce plutonium that could be used in an atomic weapon, and for this reason Russia has insisted on the spent fuel's return as a condition for completing and fueling the plant.

The 64 tons of low-enriched uranium that Russia supplied for use near Bushehr far exceeds the 5,300 pounds the Iranians have produced for themselves to date, according to estimates by the [International Atomic Energy Agency](#).

Under a policy put in place by the Bush administration, the United States has supported the Russian fuel shipments, but not the decision to start the plant. That is because the Russian fuel meets all the needs for the plant near Bushehr, largely removing the rationale for an enrichment program.

The Kremlin has dismissed criticism that it is putting its narrow commercial interests ahead of the security of Europe and Israel, saying the \$1 billion Bushehr contract, signed in the early 1990s, is no longer even profitable. It also says the Bushehr plant is a critical step in the process of bringing all of Iran's nuclear activities under the aegis of the International Atomic Energy Agency.

5G fighter to outstrip best analogs

Currently, there are neither organizational no engineering obstacles to accomplishing this task, Zelin said.

The Russian Air Force plans to acquire over 60 T-50s, Zelin said.

"Everything is on schedule...The plane will be delivered to the Russian Air Force from 2015 onwards," he said.

The T-50 will incorporate the latest developments in a military fighter, including low visibility, supersonic cruising speed, and highly integrated control systems.

Although T-50 specifications remain classified, fragmentary data on its engines imply that this heavy-duty fighter will have a take-off weight of more than 30 metric tons and will be close in dimension to the well-known Sukhoi Su-27 Flanker.

Russia has been developing its newest fighter since the 1990s. The current prototype was designed by the Sukhoi design bureau and built at a plant in Komsomolsk-on-Amur, in Russia's Far East.

Russian officials have already hailed the fighter as "a unique warplane" that combines the capabilities of an air superiority fighter and attack aircraft.

Moscow, Central Economic region Air Defense to receive S-400, S-500 systems.

Central economic region is located in the European part of Russia; it is the country's major industrial region. Besides Moscow, major cities include Nizhny Novgorod, Smolensk, Yaroslavl, Vladimir, Tula, Dzerzhinsk, and Rybinsk.

"We will buy a significant number of S-400s before 2020. They will not just go to the five anti-aircraft missile regiments equipped with this system, but also to a much larger number [of regiments.] We are also discussing the [purchase of] S-500 anti-aircraft missile systems," Zelin said.

The S-400 Triumf (SA-21 Growler) is designed to intercept and destroy airborne targets at distances of up to 400 kilometers (250 miles), twice the range of the U.S. MIM-104 Patriot, and two-and-a-half times that of Russia's S-300PMU-2.

The system is also believed to be able to destroy stealth aircraft, cruise missiles and ballistic missiles, and is effective at ranges of up to 3,500 kilometers (2,200 miles) and speeds of up to 4.8 kilometers (3 miles) per second.

Regular S-400 battalion comprises at least eight launchers with 32 missiles and a mobile command post, according to various sources.

In 2009, Russia deployed S-400 air defense systems in the Far East to counter the potential threat posed by N. Korea's missile tests.

So far, Russia has three S-400 battalions.