



ИСКРАН

Russia in Review: a digest of useful news from U.S.-Russia Initiative to Prevent Nuclear Terrorism for July 5-12, 2013

I. U.S. and Russian priorities for the bilateral agenda.

Nuclear security agenda:

- No significant developments.

Iran nuclear issues:

- No significant developments.

NATO-Russia cooperation, including transit to and from Afghanistan:

- No significant developments.

Missile defense:

- A critical test of a US missile-defense interceptor failed to hit its target over the Pacific on July 5. The Ground-based Midcourse Defense (GMD) system has not seen a successful intercept test since 2008. The Pentagon said the latest setback would not affect its decision to bolster the US missile defense system. (The New York Times, 7.6.13)

Nuclear arms control:

- No significant developments.

Counter-terrorism cooperation:

- No significant developments.

Cyber security:

- No significant developments.

Energy exports from CIS:

- Gazprom's decision to halt prepayment of natural gas transit fees to Naftogaz until at least 2015 creates the potential for modest supply disruptions in South East Europe this winter due to low levels of gas in Ukraine's storage facilities, Fitch Ratings said in a statement. (Reuters, 7.9.13)
- Deputy Energy Minister Kirill Molodtsov said that Russia plans to increase eastbound oil exports via the port of Kozmino to 30 million tons (600,000 barrels per day) next year from the 21 million tons expected to be shipped this year; this is part of a strategic shift towards Asian markets, which could squeeze supplies to Europe as production is expected to plateau in the years ahead. (Reuters, 7.11.13)

Bilateral economic ties:

- No significant developments.

Other bilateral issues:

- During a meeting with human rights activists at Moscow's Sheremetyevo airport, NSA leaker Edward Snowden said he is seeking temporary political asylum in Russia while he awaits safe passage to a Latin American country. (CNN, 7.12.13)
 - State Duma member Vyacheslav Nikonov asked Snowden whether he is ready to fulfill President Putin's condition of ceasing activities harmful to the US. Snowden allegedly said, "It's not hard for me to carry it out...I've said all I knew and I will not harm the United States in the future." (Itar-Tass, 7.12.13)
- Russian Foreign Ministry spokesman Alexander Lukashevich warned the US against unleashing a "blacklists war" and said that Russia would "give a severe response" if the US expands the Magnitsky list, as suggested by Victoria Nuland and Daniel Baer during a Senate confirmation hearing on July 11. (Itar-Tass, 7.12.13)
- Russia's UN Ambassador Vitaly Churkin delivered an 80-page report to the UN, claiming Syrian rebels were likely behind the March 19 chemical attack on Khan al-Assal near Aleppo, a charge denied by the Syrian National Coalition. (AP, 7.9.13)
 - The Russian study suggests the attack had been carried out by insurgents using sarin nerve gas of "cottage industry" quality delivered by a crudely made missile.
 - The UN said it would dispatch two senior delegates to Damascus to discuss "cooperation required for the proper, safe and efficient conduct of the UN mission to investigate" claims of chemical strikes. (GSN, 7.11.13)
 - Russia's UN Ambassador accused the US and its allies of "trying to produce the maximum number of allegations with the minimum of credibility in an effort... to create maximum problems for arranging [a UN] investigation." (GSN, 7.12.13)
- Foreign Minister Lavrov said the new leader of the opposition Syrian National Coalition, Ahmad Jarba, is undermining chances for proposed peace talks with recent remarks that the opposition would not go to the conference that Russia and the US are trying to convene in Geneva unless its military fortunes improve. (Reuters, 7.10.13)

II. Russia news.**Domestic politics, economy and energy:**

- Prime Minister Dmitry Medvedev announced that the Russian government will spend 300 billion rubles (\$9 billion) on a new state program to finance rural development in the next three years. (RIA Novosti, 7.10.13)
- Anti-corruption activist Alexei Navalny submitted his application to run for Moscow mayor. (RIA Novosti, 7.10.13)

Defense:

- Russia and China completed a joint military exercise, Naval Interaction 2013, in the Sea of Japan, the largest naval drills China has ever conducted with a foreign partner, involving more than 4,000 servicemen from both countries, seven Chinese ships and more than ten Russian ships. (The New York Times/Itar-Tass, 7.11.13)

- Russia and China will conduct counter-terrorism drills, Peace Mission 2013, with 1,500 servicemen at the Chebarkul firing range near Chelyabinsk in August. (Itar-Tass, 7.12.13)
- President Putin ordered sudden military drills in Eastern Russia to test combat readiness, the third such exercise since the beginning of the year. (RIA Novosti, 7.12.13)
- Navy Deputy Commander-in-Chief, Vice Admiral Alexander Fedotenkov announced that “36 combat ships, fast attack crafts and support vessels will join the Russian Navy” in 2013. (RIA Novosti, 7.7.13)
- Deputy Defense Minister Yury Borisov said that as part of the state armament program through 2020, he expects new MiG-35 and Su-35 fighter jets to be delivered to the Russian Air Force in large numbers within the next three years, after resolution of some problems found during their final tests. (RIA Novosti, 7.10.13)
- General Staff head Gen. Valery Gerasimov said Russia’s new air defense system will be able to detect cruise and ballistic missiles at blastoff and has sophisticated data collection and analysis abilities. The advanced Vityaz S-300V4 is slated to begin operating in 2014. It will complement the Morfey, S-400 and S-500 air defense systems. (GSN, 7.10.13)

Security and law-enforcement:

- Russia’s prosecutor general accused 215 NGOs of bypassing a controversial recent law on foreign funding by refusing to register themselves as “foreign agents,” potentially setting the stage for a new wave of legal confrontations. Prosecutors have searched the offices of as many as 2,000 NGOs across the country. (AP, 7.9.13)
- A Moscow court found the late investment fund lawyer Sergei Magnitsky guilty of tax evasion in a posthumous trial. The court also sentenced in absentia British national William Browder, who has spearheaded an international campaign to expose corruption and punish Russian officials he blames for Magnitsky’s death in jail. (Reuters, 7.11.13)
 - US State Department spokesperson Jen Psaki said, “We are disappointed by the unprecedented posthumous criminal conviction... The trial was a discredit to the efforts of those who continue to seek justice in his case.” (Itar-Tass, 7.12.13)
- Two explosive devices intended for detonation at a police post in Dagestan were disarmed by FSB bomb squad. (ITAR-Tass, 7.11.13)
- Rustam Saliyev, former bodyguard of notorious Chechen warlord Doku Umarov, was killed by Russian special forces in Chechnya. (RIA Novosti, 7.8.13)
- Akhmednabi Akhmednabiyev, Russian journalist known for investigating alleged human rights abuses by security forces, has been shot dead in Dagestan. (BBC, 7.9.13)

Foreign affairs and trade:

- The EU launched the first formal trade dispute with Russia at the WTO. The EU claims that Russia is illegally protecting its carmakers with a recycling fee levied on

imported cars. The two sides have 60 days to consult; if they cannot agree, the case could go through the WTO's adjudication process. (Reuters, 7.9.13)

- Russia plans to impose trade sanctions on Ukraine, penalizing imports of chocolate, coal and glass in retaliation for a Ukrainian emergency import tax on cars that has drawn WTO opposition. (Reuters, 7.9.13)
- Russian Prime Minister Dmitry Medvedev and his Ukrainian counterpart Nikolai Azarov met in Sochi to discuss economic relations and cooperation in the gas sector, amid concerns that insufficient amount of gas in Ukrainian underground gas storage facilities may lead to interruptions in gas supplies to Europe this winter. (Itar-Tass, 7.12.13)
- President Putin expressed concern that Egypt is drifting into civil war. Foreign Minister Lavrov urged Egypt to end the violence and hold fair elections. (Reuters, 7.9.13)

Russia's neighbors:

- President Putin held meetings in Astana with Kazakh President Nursultan Nazarbaev; they discussed bilateral cooperation issues, including the space industry, and integration, the Customs Union. (Itar-Tass, 7.7.12)
- Russian Foreign Minister Lavrov met with his Belarusian counterpart Vladimir Makei in Moscow; they discussed steps to support integration within the framework of the Customs Union and the future Eurasian Economic Union. (BelTA, 7/10/13)
- EU finance ministers approved Latvia as the 18th member of the euro zone, which puts the country on course to begin using the currency on Jan. 1. (Washington Post, 7.9.13)

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