

Russia

In 2013 Russia continued to be a country without a clearly defined role. Neatly wedged between the US, China and the European Union (EU), Russia depended in different ways on all three, but enjoyed no special relationship with any. Its President, one-time KGB (secret service) operative Vladimir Putin sought to adopt different identities according to the perceived needs of the day. Described by one analyst as ‘scenarios of power’, designed to intimidate, encourage or simply reassure, none of these different presidential identities succeeded in creating an image that was equally acceptable to all the constituencies he needed to convince – Russia’s silent majority, Russia’s bourgeoisie and liberal democrats, or Russia’s neighbours and international partners.

Unhappy families?

Mr Putin’s success in retaining his power base has been remarkable. Although his various public persona focussed on presenting the image required by the needs of the day – strong-man, statesman, sportsman, man of the people – what Mr Putin can no longer do – in his second term as president – is present himself as an outsider. He is, none the less, a lone figure, his loneliness emphasised in mid-2013 by the announcement of his divorce from his wife Lyudmila, with whom he had not been seen in public for decades. Some political observers saw even this announcement as a move to improve his political standing, the narrative being that he had left Lyudmila for ‘Russia’. There certainly has been a pattern of political reform in Russia being more associated with ‘family men’ reformists such as Krushchev and Gorbachev. As befitted a former KGB agent, surprisingly little was known about the Putin family. Lyudmila and the two Putin daughters, Maria and Yekaterina, have not been seen in public for years. The Putin daughters were both nearing 30, but Russian media apparently had no photographs. In 2008 a Moscow daily newspaper *Moskovsky Korrespondent* published an article claiming that Mr Putin had left Lyudmila to marry a 24-year-old Olympic gymnast named Alina Kabayeva, who also

happened to be a member of the parliament for Mr Putin’s political party, United Russia. The newspaper closed immediately after the article was published, for ‘commercial reasons’. According to the *Moscow Times*, Russians reacted with ‘a mix of compassion, skepticism and indifference’ to the announcement that the couple would divorce. The nature of the announcement was itself curious, made during a rare public appearance by the couple at a performance of the ballet *Esmeralda* in the State Kremlin Palace. During the interval, speaking to the cameras of the *Rossiya24* channel, the couple made the stage-managed announcement. To any neutral observer this had to be news management rather than a spontaneous announcement. Mr Putin appeared at pains to establish that the separation was by mutual consent.

Outsider to operative

Mr Putin’s successful transition to an insider had involved restructuring Russian politics around him, no mean feat. By 2013 the system was so centralised around Putin that there were no credible alternatives or even successors on the horizon. The tentative wave of optimistic opposition and tentative idealism that had flourished in 2011 and 2012 had been effectively crushed, its disarray symbolised by the arrest of activist Alexei Navalny. As street protests were met with increasing harshness, the opposition moved to the ether, increasingly voiced through satirical websites. Steadily, however, a note of disillusion has crept into the equation.

It remained to be seen where the opposition would next surface, but that it existed was beyond doubt. The extent to which President Putin and his advisors appreciated the danger was equally uncertain. One BBC (British Broadcasting Corporation) analyst made the interesting observation that while the fall of the Berlin Wall and the demise of the German Democratic Republic had very much influenced Mr Putin (based for the KGB in Dresden at the time) he had missed out on the advent of *Perestroika* – the radical reform instituted by former president,

KEY FACTS

Official name: Rossiiskaya Federatsiya (Russian Federation)

Head of State: President Vladimir Putin (from 7 May 2012)

Head of government: Prime Minister Dmitry Medvedev (from 7 May 2012)

Ruling party: Yedinaya Rossiya (YR) (United Russia) (from 2003; re-elected 4 Dec 2011)

Area: 17,075,000 square km

Population: 141.92 million (2012)

Capital: Moscow

Official language: Russian

Currency: Rouble (R) = 100 kopeks

Exchange rate: R32.94 per US\$ (Jul 2013)

GDP per capita: US\$14,247 (2012)*

GDP real growth: 3.40% (2012)*

GDP: US\$2,021.96 billion (2012)*

Labour force: 75.53 million (2012)*

Unemployment: 6.00% (2012)* (with additional underemployment)

Inflation: 5.07% (2012)*

Oil production: 10.64 million bpd (2012)

Natural gas production: 592.30 billion cum (2012)

Balance of trade: US\$192.30 billion (2012)*

Annual FDI: US\$52.88 billion (2011)

* estimated figure



Mikhail Gorbachev. Thus, the very concept of reform – in the direction of increased transparency and widened democracy – represented weakness to Mr Putin. He demanded to know what Russia would become if its liberals were to come to power; his answer was that it would be enslaved and beholden to the United States, to the United Nations, to the EU and even to China. In the Putin analysis, Gorbachev and Yeltsin came close to destroying Russia, laying the way for the democratic disaster of the mid-to-late 1990s. Mr Putin's greatest, almost paranoiac, fear was that Russia should be dictated to, a fear and frustration shared by many Russians and not just by Mr Putin's supporters. Mr Putin has, since his entry on to the political stage, been at pains to set his image, his identity(ies) against that of the chaos that preceded him. To the Russian electorate, Mr Putin's simple question was: 'Are you with us, or against us?' Not many voters were prepared to position themselves as opponents to the Putin régime. For some, the only way forward in Russia was the way out. The distinguished liberal economist, Serguei Guriev, was soon followed by an even higher profile emigrant, Gary Kasparov, politician and former world chess champion, who left for Switzerland.

One way in which Mr Putin certainly is an outsider is that he does not drink – or smoke. Alcohol consumption remains a vast problem in Russia, where it has acquired ritual status. It is one of the reasons – alongside rampant drug addiction – that Russian life expectancy in 2012 had not

climbed back to the level seen in 1964. Average alcohol consumption is three to four times that of the EU. Russia's low birth rate is aggravated by its high death rate. Russian males not only seek solace in alcohol, they depend on it for bonding. No drinking, no bonding – which partially accounts for Mr Putin's perceived loneliness.

As long as oil and gas prices remain high, then Mr Putin can count on electoral support. As one analyst summed it up: 'As long as the pensions are paid each month, then Mr Putin will carry the vote.' Mr Putin's other weakness is the corrosive corruption that has thwarted the implementation of reforms and made international investors increasingly nervous and hesitant. Russia ranked a lowly 133 out of the 174 countries surveyed in Transparency International's 2012 *Corruption Perception Index*. There have been consistent rumours linking Mr Putin with various corruption allegations, but non proven.

In a study of Mr Putin's ascendancy, *Putinism: The Slow Rise of a Radical Right Régime in Russia*, Marcel van Herpen compares Mr Putin's regime to that of pre-war Italy's Benito Mussolini. The fascism of Mussolini was opposed to democracy, socialism, liberalism and individualism. Not to mention bolshevism, parliamentarianism, masonry, pacifism and egalitarianism. The principal difference between the two is that Mr Putin is a more subtle political operator, refraining from attacking democracy and avoiding the defence of a single party system. Mr

Putin opts instead for a 'controlled' or 'sovereign' democracy, a system which avoids changes in power and preferring instead a *de facto* one party system while continuing to pay lip service to true democracy.

The twenty-first century has seen Mr Putin's popularity in eastern Europe steadily increase, as more extreme right-wing parties have sought alliances. Nor is support for Putin limited to right-wingers: the London *Economist* famously described former Czech President Vaclav Klaus (not to be confused with Vaclav Havel), as one of Putin's 'most enthusiastic foreign supporters'. Lesser known Putin supporters are Germany's Nationaldemokratische Partei Deutschlands (NPD) (National Democratic Party of Germany), which in 2011 joined forces with the Deutscher Volksverein, itself linked to Russia's Liberal Democratic Party founded by the extreme right-winger Vladimir Zhirinovski. Other Putin sympathisers include France's Marine Le Pen and her cousin Marion Maréchal-Le Pen. Putin's obvious attraction is that he has managed to impose an autocratic, authoritarian government on to an apparently democratic system.

Criticism of Russia's human rights record also comes from another quarter. Hugh Williamson, Europe and Central Asia director of the US based Human Rights Watch (HRW) has said that 'now is the time to directly call on Russia's leadership to revise restrictive laws and stop the harassment of independent groups.'

HRW noted that the centrepiece of the government's earlier crackdown was a law requiring non-governmental organisations that accept foreign funding and engage in 'political activity' to register as 'foreign agents'. This 'KGB speak' accounted for the fact that since March 2012 the Russian government had inspected hundreds of groups across Russia, including the HRW Moscow office, as part of a massive campaign to force targeted organisations to register as so-called 'foreign agents.' According to HRW, the Russian government had filed administrative complaints against at least six groups, ordered at least 15 others to register or face administrative charges and warned another 28 to register if they planned to carry out 'political activities' or to receive foreign funding.

Among the organisations targeted were Memorial, one of Russia's oldest and most prominent human rights groups and the Levada Center, an independent polling group. Mr Williamson observed that 'The authorities are seeking to define 'political' so broadly as to make any involvement in public life that is not controlled by the government off-limits. They are also trying to tarnish groups with the 'foreign agents' label, which in Russia can only mean 'spy'.'

The economy

In its statement following its January 2013 visit to Russia, the International Monetary Fund (IMF) noted that growth had slowed in the second half of 2012, but the Russian economy still remained close to its potential. The economy was expected to expand in line with potential growth in 2013, with risks tilted to the downside given still significant global uncertainties. The IMF noted that growth had moderated, but historically low unemployment and high capacity utilisation suggested that economic activity was close to its potential. In 2012, consumption-driven growth momentum slowed with economic activity dampened by a dip in oil prices and slowing investment and export growth. Despite decelerating economic activity, headline inflation remained above the medium-term target. In the view of the IMF, the outlook was for moderate growth of about 3.7 per cent in 2013, reflecting expectations of flat oil prices, still-weak external demand, rising imports and moderating internal demand. Inflation was expected to ease slightly to around 6 per cent. The IMF considered that government policies were broadly consistent with maintaining growth at its potential

level, but inflation would remain above the medium-term target without further policy action. Downside risks were significant. On the external side, a worsening of the global economy would affect Russia adversely. Domestic risks included further delays in reforms and the negative impact from rapid unsecured retail credit growth on private sector balance sheets.

The IMF also noted that the Russian authorities had strengthened their policy capacity to manage volatility and crises, notably by introducing a new fiscal rule and a more flexible exchange rate policy. These steps would enable the rouble to better absorb external shocks. Reserve buffers had also risen, including an increase in the Reserve Fund to about 4.5 per cent of GDP. In the private sector, Russia's banks had improved their external positions.

Despite progress, important vulnerabilities linger. Fiscal policy space to respond to shocks is still limited and Russia's public finances remain vulnerable to a decline in oil prices. The government's non-oil deficit – the overall deficit excluding oil revenues – has been reduced, but is still significantly elevated compared to the pre-crisis period. The oil reference price under the new fiscal rule implies only a moderate reduction in the federal non-oil balance of about 0.75 per cent of GDP per

year in 2013–14 and of one per cent of GDP in later years. At this slow pace, the non-oil fiscal deficit will stay above the level that is consistent with replenishing fiscal buffers, facilitating balanced economic growth and adequate saving of the income from the nation's exhaustible oil resources. Due to negative demographics, the pension system is unsustainable. Banks' capital and liquidity ratios have been deteriorating mainly due to strong uncollateralised retail credit growth, with rising loan-to-deposit ratios.

Following this January 2013 assessment of the Russian economy, the IMF reported that Russia's macro-economic policy was 'moving in the right direction', but that structural reforms needed to be accelerated to boost sustainable growth. It has to be noted that as 2013 progressed, the observations and the analyses of the IMF in other parts of the world – particularly in Europe – were increasingly being called into question. The organisation's use of English was also less than precise. In the case of Russia the IMF noted that 'strict and transparent implementation of the new oil price-based fiscal rule will help smooth spending volatility and contain spending pressures.' If this wasn't quite clear, try this: 'but the implied oil reference price does not bring sufficient fiscal adjustment.' In the view of the IMF, this

KEY INDICATORS

Russia

	Unit	2008	2009	2010	2011	2012
Population	m	142.00	141.90	*142.94	142.41	*141.92
Gross domestic product (GDP)	US\$bn	1,660.00	1,229.20	1,465.10	1,850.40	*2,021.96
GDP per capita	US\$	11,690	8,617	10,437	12,993	*14,247
GDP real growth	%	5.2	-7.8	4.3	4.3	*3.4
Inflation	%	14.1	11.7	6.9	8.4	*5.1
Unemployment	%	6.2	8.4	7.5	7.1	*6.0
Industrial output	% change	3.1	-9.6	7.4	–	–
Agricultural output	% change	8.5	1.3	-10.7	–	–
Oil output	'000 bpd	9,886.0	10,032.0	10,270.0	10,280.0	10,643.0
Natural gas output	bn cum	601.7	527.5	588.9	607.0	592.3
Coal output	mtoe	152.8	140.7	148.8	157.3	168.1
Exports (fob) (goods)	US\$m	471,603.0	303,388.0	400,419.0	512,872.0	*528,005.0
Imports (fob) (goods)	US\$m	291,861.0	191,803.0	248,738.0	315,758.0	*335,709.0
Balance of trade	US\$m	179,742.0	111,585.0	151,681.0	197,115.0	*192,296.0
Current account	US\$m	102,400.0	49,518.0	70,599.0	98,834.0	*81,309.0
Total reserves minust gold	US\$m	412,548.0	416,648.9	443,585.8	490,248.5	*486,576.8
Foreign exchange	US\$m	411,494.0	405,824.9	432,948.5	477,855.0	*473,110.4
Exchange rate	per US\$	24.85	31.74	30.37	28.52	31.08

* estimated figure

could result in additional demand pressures, resulting in real appreciation and weakened competitiveness in the non-resource tradable sector.’ Right! The IMF went on to suggest that ‘for these reasons, the authorities should consider a gradual shift to a more conservative oil reference price rule. A tighter fiscal stance would also help contain inflationary pressures.’

In the view of the IMF, fiscal adjustment will need to be underpinned by structural reforms, including those of the pension system and Russia’s health care systems, such as they are. The sustainability of the pension system will require an increase in the pension age and in the length of the pension contribution period; in this Russia doesn’t differ from a host of other European states.

The IMF approved of the Central Bank of the Russian Federation (CBRF) planned move to formal inflation targeting and to bring the headline inflation rate down to the 4 to 5 per cent target by 2014. To this end, further increases both in exchange rate flexibility and in improvements to the monetary operations framework were, in the view of the IMF, critical.

The Russian financial sector’s key shortcomings had already been identified in the IMF’s 2011 assessment, but by the beginning of 2013 had yet to be addressed. The IMF considered that the CBRF should be granted adequate authority to supervise bank holding companies and related entities effectively and to address connected lending and should also be given sufficient power to exercise discretion based on its professional judgement in applying regulations to individual banks. In addition, the CBRF should be ready to implement further prudential measures if the measures introduced failed to mitigate the emerging risk of overheating in retail lending. The IMF supported the CBRF’s plans to introduce higher provisioning requirements for uncollateralised retail loans and increased risk coefficients for consumer loans.

The IMF stressed that raising Russia’s potential growth level to a sustainable higher level required re-activating long-stalled economic reforms. Russia’s World Trade Organisation (WTO) membership should strengthen the business climate by making it more rules-based and predictable and should be seized upon to strengthen the momentum for domestic reforms. For the most part, the IMF concurred with Russia’s current reform plans to strengthen the investment climate, the government’s privatisation agenda and

the recommendations in its Strategy 2020 policy document. But the Washington based organisation considered that more progress with implementation was needed. The IMF summarised its conclusions rather predictably: ‘Efforts to reduce corruption, strengthen the rule of law and reduce the state’s influence in the economy – including through more decisive and transparent privatisation – should be prioritised in order to boost investment, productivity and income levels.’ So it goes.

Hydrocarbons

The EIA notes that export duties for crude oil and petroleum products were lowered to 60 and 65 per cent, respectively, in 2011, but that hydrocarbon producers still face high mineral extraction taxes and an inefficient revenue-based tax system.

According to the *British Petroleum Statistical Review of World Energy June 2013* Russia’s proven oil reserves were 87.2 billion barrels at end-2012. The bulk of these resources are located in Western Siberia, between the Ural Mountains and the Central Siberian Plateau and in the Volga-Urals region, extending into the Caspian Sea. Eastern Siberia holds some reserves, but the region has seen little exploration. In 2012 Russia produced an estimated 10.64 million bpd of oil. Russia had exported around 7 million bpd in 2011 including roughly 4.9 million bpd of crude oil and the remainder in products

A number of new projects are in development; however these may only offset declining output from ageing fields and not result in significant output growth. The use of more advanced technologies and the application of improved recovery techniques are resulting in increased oil output from existing oil deposits. Fields in the Western Siberian Basin produce the majority of Russia’s oil, with developments at the Samotlor and Priobskoye fields extracting more than 750,000bpd and 800,000bpd, respectively. The region is dominated by Russian firms and some foreign companies, notably Shell. A number of foreign firms have secured acreage in eastern Siberia and are investing heavily in exploration and development on Sakhalin Island, although the government is pushing for a greater role for domestic companies in these projects. Gazprom acquired control of the Sakhalin-2 project from Shell and the Russian state company is continuing to seek control of the marketing of gas supplies from the Sakhalin I project, led by ExxonMobil. Russian companies are also

expanding into the Arctic and Eastern Siberian regions, spurred on by tax holidays and lower oil export tariffs. Bringing additional fields into production will take time and may require a reformed oil tax regime.

Natural gas

Russia is a major producer and exporter of natural gas; internally, Russia gets over half of its domestic energy needs from natural gas. Russia was the world’s second-largest producer of natural gas in 2012 (second to the United States). According to the *British Petroleum Statistical Review of World Energy June 2013* Russia held the world’s second largest natural gas reserves at the end of 2012 (behind Iran), with 32.9 trillion cubic metres (tcm), 17.6 per cent of the world’s total proven reserves. The majority of these reserves are located in Siberia, with the Yamburg, Urengoy and Medvezh’ye fields alone accounting for about 45 per cent of Russia’s total reserves. Significant reserves are also located in northern Russia. The state-run Gazprom dominates Russia’s upstream, producing about 80 per cent of Russia’s total natural gas output. The company also controls most of Russia’s gas reserves, with more than 65 per cent of proven reserves being directly controlled by the company and additional reserves being controlled by Gazprom in joint ventures with other companies. While independent producers have gained importance, with producers such as Novatek and LUKoil contributing increasing volumes to Russia’s production in recent years, upstream opportunities remain fairly limited for independent producers and other companies, including Russian oil majors. Gazprom’s position is further cemented by its legal monopoly on Russian gas exports.

While non-Gazprom production of natural gas has been increasing, Gazprom has attempted to increase further its dominance with several acquisitions, including a 10 per cent stake in Novatek and purchase of fields operated by Itera. Much like the bureaucratic oil sector, a number of ministries are involved in the gas sector. The bulk of the country’s reserves under development and production are in the Nadym-Pur-Taz (NPT) region of upper Western Siberia. However, Gazprom is increasingly investing in new regions, such as the Yamal Peninsula, Eastern Siberia and Sakhalin Island, in order to bring gas deposits in these areas into production. Some of the most prolific fields in Siberia include Yamburg, Urengoy and

Medvezh'ye, all of which are licensed to Gazprom. These three fields have seen output declines in recent years. A substantial amount of natural gas is also associated with oil deposits in the country's oil heartland in Western Siberia.

In 2012 Russia was the world's second largest natural gas producer (592.3 billion cubic metres), behind the US. Russia however, is the world's largest exporter. Independent gas producers such as Novatek have been increasing their production rates, with non-Gazprom sources expected to increase further in the future, due to the increasing number of companies entering the sector. The Russian government has increased domestic gas prices, providing oil companies and independent gas producers further incentive to explore and develop gas resources for the domestic market, since these companies are prevented from exporting their gas due to Gazprom's export monopoly. Russian government efforts to decrease the widespread practice of gas flaring and to enforce gas utilisation requirements for oil extraction may result in additional increases in production. Russia exports significant amounts of natural gas to customers in the Commonwealth of Independent States (CIS) – about 35 per cent of total exports. In addition, Gazprom (through its subsidiary Gazexport) has shifted much of its natural gas exports to serve the rising demand in the countries of the EU, as well as Turkey, Japan and other Asian countries. About 70 per cent of Russia's non-CIS exported natural gas is destined for Europe, with Germany, Turkey and Italy receiving the bulk of these volumes. The remainder of Russia's European gas exports are sold to newer EU members such as the Czech Republic, Poland and Slovakia.

Russia's natural gas exports to Eastern and Western Europe that are transported through pipelines traversing Ukraine and Belarus have in the past been affected by political and economic disputes between Russia and these natural gas hubs. Disputes between Russia and its immediate neighbours have in the past resulted in natural gas being cut off to much of Europe. As a result some European countries are seeking alternate sources of natural gas and alternate pipeline routes to ensure security of natural gas supplies.

Gazprom also dominates Russia's natural gas pipeline system. There are currently nine major pipelines in Russia, seven of which are export pipelines. The Yamal-Europe I, Northern Lights, Soyuz and Bratrstvo pipelines all carry Russian

gas to Eastern and Western European markets via Ukraine and/or Belarus. Gazprom's ownership of the Russian pipeline system continues to stifle competition. The majority of Russia's export LNG has been contracted to Japanese and Korean buyers under long-term supply agreements. In 2011, Sakhalin LNG exports went to Japan (69.5 per cent), South Korea (25.7 per cent), China (2.4 per cent), Taiwan (1.7 per cent) and Thailand (0.6 per cent). The Sakhalin Energy's LNG plant has been operating since 2009 and it can export up to 10 million tons of LNG per year on two trains.

With 157 billion tonnes, Russia holds the world's second largest recoverable coal reserves, behind the United States, which holds roughly 237 billion tonnes. Russia produced 168.1 million tonnes oil equivalent (toe) in 2012, less than a third of US coal production, and consumed roughly 93.9 million toe, making it the sixth-largest producer and fourth largest consumer of coal in the world. Most of Russia's coal is produced using the open-cast mining method and 76 per cent of the coal produced is hard coal.

Following a restructuring of the sector a few years ago, more than 80 per cent of domestic coal production comes from independent producers. Russian coal production increased substantially in 2011 and 2012, reaching the highest post-Soviet production level. The Russian government's strategy to increase coal production and build more coal-fired plants will help reduce demand for natural gas, thus allowing for more natural gas exports.

Risk assessment

Politics	Poor
Economy	Fair/good
Regional stability	Fair

COUNTRY PROFILE

Historical profile

The first monarchic dynasty ruled from the ninth century and built Kiev as its capital. It was overthrown by the Mongol invasion in the thirteenth century.

In the fifteenth century, the Grand Prince of Moscow, Ivan III, annexed the rival principalities of Russia and became its first national sovereign.

Ivan IV (Ivan the Terrible) further expanded Russia's frontiers and became the first holder of the title of Tsar.

1613 Michael Romanov was elected tsar, establishing the Romanov dynasty, which ruled Russia until the 1917 revolution.

Peter the Great (1682–1725) and Catherine the Great (1762–96) consolidated the regime.

1772 Russia started expanding its territory. It acquired the Crimea and over the next 40 years parts of Poland, Ukraine, Belarus, Moldova and Georgia.

1812 The French invasion of Russia ended when France was driven out.

In the mid-nineteenth century, most of Siberia was annexed and expansion to the south and east continued until 1905.

1914–16 After initial success in the First World War against Germany and Austria, military defeats weakened the position of the Tsar as personal head of the army and increased political and economy tensions.

1917 In February Tsar Nicholas II was forced to abdicate. The liberal government was overthrown in a Bolshevik coup, under the leadership of Lenin.

1918–20 A civil war raged between the communist Bolsheviks and anti-Bolsheviks, the right-wing white army. The Tsar and his family, captives of the Bolsheviks, were executed by their jailers on 17 July 1918, to prevent them from being liberated by Tsarist forces. The civil war ended in defeat for the white army, despite assistance from Britain, France, Japan and the US.

1922 The Union of Soviet Socialist Republics (USSR) was formed by Russia, Ukraine, Belarus and the Transcaucasus region.

1924 Following Lenin's death, Josef Stalin took over the leadership of the USSR as the general secretary of the Communist Party of the Soviet Union (CPSU) and a period of industrialisation, collectivisation of agriculture and purges of Stalin's opponents began. Key leadership rival Leon Trotsky was exiled in 1927 and assassinated in 1940.

1939 The USSR signed a non-aggression pact, the *Molotov-Ribbentrop Treaty*, with Nazi Germany. Soviet forces assisted the German invasion of Poland. The USSR also invaded Finland but was forced to respect Finnish independence in a 1940 peace agreement.

1940 Stalin ordered the execution of up to 22,000 captured Polish army officers at Katyn, near Smolensk in Russia.

1941 After the USSR was invaded by Germany, it joined the Allies and declared war on the Axis powers.

1944–45 The USSR liberated parts of Eastern Europe and Eastern Germany, these being pulled into its sphere of influence after the Second World War. Western Europe, meanwhile, fell under the sphere of influence of the US, marking the start of the Cold War.

1949 The USSR became the world's second nuclear power (after the US), when it exploded its first atomic bomb.

Nations of the World: A Political, Economic and Business Handbook

1953 Following Stalin's death, Nikita Krushchev took over the leadership of the USSR.

1955 The Warsaw Pact was established by the USSR and its satellite Eastern European states as a security apparatus to defend the region against NATO.

1962 The USSR's deployment of nuclear missiles in Cuba, within striking distance of the US, led to the 14-day missile crisis between the US and the USSR.

1964 After Krushchev's fall from power the USSR was led by Leonid Brezhnev.

1979 Soviet forces invaded Afghanistan to prop up the communist Afghan government.

1982 After Brezhnev's death, Yuri Andropov became leader of the USSR.

1984 Konstantin Chernenko replaced Andropov, following his death.

1985 Chernenko died. His successor, Mikhail Gorbachev, instigated a programme of social, political and economic reforms, centred on *perestroika* (restructuring) and *glasnost* (openness).

1989 The USSR withdrew from Afghanistan. Communist rule ended in most of Eastern and Central Europe.

1991 Gorbachev survived a coup attempt by communist hard-liners, but lost power; he dissolved the CPSU, the communist central committee. In the ensuing power vacuum Boris Yeltsin emerged as a leader when he prevented a military takeover in Moscow. He was elected Russia's president. The USSR ceased to exist on 31 December and the Commonwealth of Independent States (CIS) was formed by 11 of the former USSR republics, including Russia. Dzhokhar Dudayev won presidential elections in Chechnya and proclaimed independence from Russia. The remains of the last Tsar and his family, found in 1989, were identified after two years of forensic and DNA tests.

1992 Yeltsin appointed Yegor Gaidar acting prime minister. Yeltsin appointed Viktor Chernomyrdin prime minister.

1993 Yeltsin ordered the army to crush an anti-government uprising in Moscow and end a parliamentary sit-in. The Federal Assembly, comprising the State Duma and the Federation Council replaced the Supreme Soviet. A referendum approved a new constitution that gave the president sweeping powers.

1994 Russian troops invaded Chechnya, which is *de facto* independent, but *de jure* part of Russia. Uzbekistan and Russia signed an economic integration treaty.

1995 In Duma elections, the reformed Kommunisticheskaya Partiya Rossiiskoi Federatsii (KPRF) (Communist Party of the Russian Federation) won the largest vote. Chechen rebels seized hundreds of hostages during a raid on the southern

Russian town of Budennovsk. More than 100 are killed in the ensuing violence.

1996 Yeltsin was re-elected president. Russia joined in G7 discussions on nuclear security. Chechen rebels seized thousands of hostages in the Russian town of Kizlyar. Chechen President Dudayev was killed by the Russian air force; he was succeeded by Zelimkhan Yandarbiyev. A peace treaty was signed between Russia and Chechen separatists, temporarily ending the conflict. Chechen forces drove the Russian army out of the capital, Grozny.

1997 Yeltsin and the Belarusian president, Aleksander Lukashenko, signed the Treaty on the Union of Belarus and Russia. The treaty aimed at increasing political and economic co-operation between the two states. Yeltsin and the new Chechen president, Aslan Maskhadov, signed a formal peace agreement.

1998 The Russian rouble collapsed, sending Russia into temporary economic crisis as it defaulted on foreign debts. The bodies of the last Russian Tsar and his family were interred in the Cathedral of Saints Peter and Paul in St Petersburg.

1999 An Islamist separatist group declared the Russian republic of Dagestan to be independent. Chechen fighters under the command of the former prime minister of Chechnya, Shamil Basayev, invaded Dagestan in support of the separatists. Yeltsin appointed Vladimir Putin as prime minister. A series of bomb explosions in Russian cities were blamed on Chechen separatists and Russia launched a second invasion of Chechnya. Yeltsin resigned before the official end of his term. Putin became acting president.

2000 Vladimir Putin was elected president. The presidents of Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan (formerly the Customs Five) established the Eurasian Economic Community (EEC). Mikhail Kasyanov became prime minister.

2001 The Russian army started a gradual withdrawal of troops from Chechnya. The main pro-Putin parties created the Yedinaya Rossiya (YR) (United Russia) party by merging the ruling Mezhhregional'noye Dvishenie Yedinstvo (Medved) (Inter-Regional Movement Unity) and the Otechestvo-Vsya Rossiya (OVR) (Fatherland-All Russia). Tajikistan, China, Russia, Kazakhstan, Kyrgyzstan and Uzbekistan formed the Shanghai Co-operation Organisation (SCO) and agreed to fight ethnic and religious militancy, while promoting investment and trade.

2002 The US and Russia agreed to cut 70 per cent of their nuclear arsenals.

Chechen Prime Minister Ilyasov resigned and was appointed by President Putin as Russia's federal minister of Chechnya

affairs. Akhmed Kadyrov, appointed Mikhail Babich as prime minister of Chechnya. Chechnya's leading rebel warlord, Shamil Basayev, claimed responsibility for the Moscow theatre siege, during which 119 hostages died.

2003 Kadyrov appointed Anatoly Popov as Chechen prime minister. Russia, Ukraine, Kazakhstan and Belarus signed an economic union treaty. The YR won parliamentary elections.

2004 President Putin dismissed Prime Minister Kasyanov and appointed Mikhail Fradkov, in his place. Putin was re-elected president.

In Chechnya, Sergei Abramov was confirmed as prime minister of a pro-Moscow government. The president, Akhmad Kadyrov, was killed in an explosion and Abramov won the presidential elections. At least 330 people died in the Beslan school massacre when Russian troops stormed the school held by Chechen terrorists, in an attempt to free the hostage schoolchildren and teachers.

2005 Russian special forces killed the Chechen rebel leader, Maskhadov. Russia gave asylum to exiled President Askar Akayev of Tajikistan. State control was tightened through media and electoral laws. A diplomatic row developed when Ukraine refused to pay a four-fold increase in the price of gas and Gazprom cut off supplies. The row escalated and antagonised the EU when supplies to some of its member states were also cut by default. Germany and Russia signed an agreement to build a gas pipeline beneath the Baltic Sea and secure Russian natural gas for Western Europe.

2006 The rouble was made fully convertible against foreign currencies. President Abdul-Khalim Sadulayev of Chechnya was killed by Russian forces. Russia denied it was responsible for the death in the UK of outspoken critic of Putin's regime and former security service officer, Aleksandr Litvinenko, by radioactive poison. Belarus became the latest former Soviet-satellite country to be given an ultimatum to pay the market price for Russian gas or be denied supplies.

2007 The transit oil pipeline through Belarus was shut-down after Belarus attempted to impose a transit tax on the oil; Russia accused Belarus of siphoning off oil. President Putin dismissed Chechen president, Alu Alkhanov and appointed Ramzan Kadyrov in his place. The Russians planted their flag below the North Pole using two mini-submarines in an action laying claim to the potential oil and minerals below the seabed. The US and Canada both criticised the claim and launched competing claims. The North Pole (administered by the International Seabed Authority) was regarded as being

not subject to any one country's claim. The remains of the last two missing children of Tsar Nicholas II, including his son Alexei, were found near Ekaterinburg. In parliamentary elections YR won over 64.3 per cent of the vote (315 seats out of 450); the KPRF party 11.6 per cent (57). The OSCE declared the election to be 'not fair and failed to meet many... commitments and standards for democratic elections'.

2008 The number of members of the Federal Assembly was reduced to 168. In the presidential elections, Dmitry Medvedev won with 70.3 per cent of the vote. International observers criticised the election campaign for not allowing candidates equal access to the media. After President Medvedev was sworn into office he appointed Vladimir Putin (YR), as prime minister. Russia backed South Ossetia when Georgia attacked separatist forces in its break-away territory. Russian forces ejected Georgian troops and later recognised the independence of the Russian enclaves, South Ossetia and Abkhazia. Winner of the Nobel Prize for Literature in 1970, Alexander Solzhenitsyn, died. The international global financial crisis caused the Moscow stock exchange to fall sharply; the government instituted a US\$68 billion package to stabilise its banking system.

2009 A three-week international row between Russia and Ukraine, in which several European countries lost their gas supply as Gazprom shut-down its supplies, was resolved, but only after EU officials advised national gas suppliers to sue Russia and Ukraine for the break in supplies. US President Obama visited Moscow; talks included limiting nuclear weapons. The Russian rights activist Nataliya Estemirova was murdered in Chechnya and her body dumped in Ingushetia.

2010 The new Severo-Kavkazsky federalny okrug (North Caucasian federal district) was created by presidential decree; it was formed by a split in the South Caucasian federal district, in the extreme south-west of Russia. It has an area of 170,700 square kilometres, with a population of over 10 million; its administrative capital is Pyatigorsk. The Verkhny Lars-Kazbegi border checkpoint between Georgia and Russia, which had been closed in 2006, was reopened. The US and Russia signed another nuclear disarmament treaty in Prague (Czech Republic). The treaty limits the number of warheads and launchers each country may possess. The signing took place only after the US scrapped previous plans for a 'missile shield' based in Eastern Europe, which Russia considered provocative. An agreement on the Arctic border between

Norway and Russia in the Barents Sea, which cuts across an oil and natural gas rich region, was finally resolved after several decades in dispute and considered 'good and balanced' by President Medvedev. A customs union between Russia, Belarus and Kazakhstan became fully operational. After a prolonged drought a temporary ban on the export of wheat was imposed. Wild fires, caused by a severe heat wave, covered over 170,000 hectares in the south and west of the country; over 40 people were killed, around 2,000 homes were engulfed within the many individual fires and about one-third of the grain harvest was destroyed. The Duma passed a resolution confirming that Josef Stalin had, according to papers kept in a secret archive, given the direct order for the massacre of 22,000 Polish officers at Katyn in 1940. President Medvedev said, a video blog, that 'if a political opposition doesn't stand the slightest chance of winning a fair election, then it degrades and becomes marginalised' and 'if the ruling party never has to worry about losing an election anywhere, then it too degrades' the process and ultimately leads to stagnation.

2011 In January, the upper house of the Duma approved the nuclear disarmament agreement with the US, signed in 2010. The New Start (Strategic Arms Reduction Treaty), replaced the 1991 disarmament treaty, which had lapsed in 2009. New Start cuts warheads by 30 per cent from the previous limit and allows verifiable inspection of each other's capabilities. In June the Central Election Commission announced it had refused to register Partiya Narodnoi Svobodi (Parnas) (People's Freedom Party) a new, liberal, political party. The party leaders included four prominent opposition figures. The justice ministry said the party failed to meet several legal requirements and all members will be barred from standing in the next general elections. The Nord Stream pipeline carrying Russian gas direct to Germany and the rest of Europe was opened in September. The pipeline is the first to bypass Ukraine and other central European countries. Valentina Matviyenko, former governor of St Petersburg, was elected Speaker of the upper house in September. She is a supporter of Putin and replaces Sergei Mironov of the Spravedlivaya Rossiya (SR) (A Just Russia) who was ousted in May. In November, the presidents of Russia, Belarus and Kazakhstan signed an agreement to set targets for setting up an internal market, the Eurasian Union, by 2015. Elections for the lower house (Duma) of parliament were held on 4 December, in which the four political parties that had been present in the last session in parliament, plus

seven other political parties that had been granted registration, took part. As expected YR won a majority with 49.29 per cent (238 seats, out of 450), but its result was down from the 315 seats in the 2007 elections. The KPRF won 92 seats and the new party won SR 64 and LDPR won 56 seats; turnout was 60.2 per cent. Thousands of protestors took to the streets of Moscow and other cities on 5–7 December, defying a ban on rallies. Hundreds were arrested. On 7 December former president Mikhail Gorbachev (of the USSR), declared 'the authorities must admit that numerous instances of vote-rigging and fraud have taken place, and the announced results do not reflect the voters' wishes', and 'the current authorities should make only one decision – annul the election results, and hold a new poll.' The Central Election Commission stated that 'recorded violations were insignificant...' On 8 December, Prime Minister Putin accused US authorities of inciting opposition protests to the election results. The official US response to the results had been of 'serious concerns', with US Secretary of State Hillary Clinton saying that they were neither free nor fair.

2012 On 1 January a Eurasian Commission began overseeing the integration of a Eurasian Union. As agreed by parliament in 2008, future presidential terms in office will be six years (extended from four years). On 8 February the Supreme Court backed the CEC in banning opposition candidate Grigory Yavlinsky (Russian United Democratic Party (Yabloko)) from contesting the 2012 presidential elections. Yavlinsky claimed the ban was politically motivated. Presidential elections were held on 4 March, Vladimir Putin won 63.64 per cent, his closest rival Gennady Zyuganov (KPRF) won 17.18 per cent; turnout was 65.25 per cent. The leaders of the Brics countries (Brazil, Russia, India and China) met in Delhi on 29 March to discuss their position regarding the control the US and Europe has on the World Bank and the IMF. Prime Minister Manmohan Singh (India) said 'The Brics countries have agreed to examine in greater detail a proposal to set up a South-South development bank, funded and managed by the Brics and other developing countries.' On 7 May Vladimir Putin was inaugurated as president for his third term in office. As one of his first acts, President Putin appointed former president Medvedev as prime minister. On 6 June, parliament backed a new law that introduced stringent controls and large fines for unauthorised protest gatherings and any injury and damage caused. However, before the final vote, a faction, in opposition to the new measures, attempted a philibuster, the first time in the

Duma's modern history that such a strategy was employed. On 11 June the new law on rallies and protests came into force and the homes of several prominent anti-government rally organisers were searched by police. On 16 June, the opposition (to Putin's rule) political parties, Parnas and Respublikanskaya Partiya Rossii (RPR) (Republican Party of Russia) merged to form RPR-Parnas. On 10 July the Duma voted 238 to 208 to pass the bill ratifying Russia's membership of the WTO. On 4 September, the European Commission (EC) opened antitrust proceedings against Gazprom, which were quickly rejected by the energy giant, claiming it was 'outside the jurisdiction of the EC' as it was a state-owned gas producer (as defined by Russian law). The EC said it was investigating three instances of anticompetitive practices of unfair pricing and market segmentation in eight EU countries. Gazprom supplies around 25 per cent of all European natural gas needs. On 14 November treason laws were redefined so that any Russian working for any foreign organisation that passes on what are deemed to be state secrets is criminally liable. Even those that provide consultancy or 'other assistance' to a foreign entity may be liable and can incur greater penalty if surveillance equipment is employed. Civil rights campaigners claim that this could seriously undermine their ability to monitor the government and scare Russians into cutting ties with Western non-governmental organisations (NGOs). On 5 December, the Congress passed the 'Maginitsky Bill' that targets Russian officials who have allegedly committed human rights violations and were involved in the death in custody of Sergei Maginitsky, a Russian lawyer employed by foreign entities, who had alleged large-scale systematic theft by public officials of Russian government funds. On 7 December Russia warned it would respond in kind.

2013

On 6 June Russian Vladimir Putin and his wife Lyudmila said their marriage was over. It was unclear whether they had actually divorced or not. The Popular Front for Russia, a pro-Putin movement, was launched on 12 June, with President Putin himself as leader. Analysts see the movement as a means of boosting support for Putin as the ruling United Russia party loses support. On 1 August the American Edward Snowden, who had been sheltering in Sheremetyevo Airport since 23 June, was granted a one year passport with permission to stay. The Americans expressed annoyance that asylum was granted to a man who had been charged with leaking documents showing the extent of US government snooping and said

they were 'reconsidering' a meeting scheduled for September between President Obama and President Putin at the G20 economic talks to be held in St Petersburg. The meeting was cancelled on 7 August and the Russians expressed 'disappointment'. Sergei Sobyenin, an ally of President Putin, narrowly won the election to continue as mayor of Moscow. Turnout was under 30 per cent. In an article published in the *New York Times* on 11 September President Putin made an appeal to the American people over the Syrian crisis the day before a scheduled meeting between Russian and US officials on Syria's chemical weapons. In an 'opinion' article he said that millions of people see the US not as a model of democracy but as relying on brute force. After being criticised over a new law banning 'homosexual propaganda', and with international threats to boycott the Winter Olympics being held in Sochi in 2014, President Putin said in October that gay and lesbian athletes would have nothing to fear. At the end of October President Putin was named the world's most powerful person by *Forbes* magazine, pushing President Obama into second place.

Political structure

Constitution

The constitution was adopted in December 1993. The Russian Federation consists of 89 republics and regions, including the federal cities of Moscow and St Petersburg.

If the ruling party has over two thirds of the Duma seats it has enough power to amend the constitution unchallenged. Electoral system: universal direct suffrage over the age of 18.

Parliament voted in 2008 to increase a president's term in office from four years to six, from 2012.

Form of state

Federal state with a republican form of government

The executive

Executive power is held by the president, who has the right to veto parliamentary legislation, while issuing decrees on which the Federal Assembly may advise but not veto. The president is elected for a four-year term.

The cabinet is appointed by the prime minister, who is appointed by the president.

The State Council of the Russian Federation, which has consultative functions only, was formed in 2000. It advises the president on issues concerning the relationship between the central administration and the regions.

In 2008 parliament voted to increase a president's term in office from four years to six, from 2012.

National legislature

The 1993 constitution created a bicameral Federal'noye Sobraniye (Federal Assembly), comprising the Gosudarstvennaya Duma (State Duma, commonly called Gosduma, lower house) with 450 seats elected by proportional representative from party lists, and the Sovet Federatsii (Federation Council, upper house) with 168 seats of two deputies from each of Russia's 84 republics and regions, appointed by regional legislatures; all serve for four year terms.

Legal system

The legal system is based on civil law. There is judicial review of legislative acts. The top levels of the judicial branch consist of: the Constitutional Court, which reviews the constitutionality of federal legislation; the Supreme Court, which is the highest civil and criminal judiciary body; and the Supreme Arbitration Court, which resolves economic disputes between subjects of the Federation. The Supreme Court and Supreme Arbitration Court preside over a federal system of lower criminal and civil courts.

Last elections

4 December 2011 (parliamentary); 4 March 2012 (presidential)

Results: Parliamentary: Yedinaya Rossiya (YR) (United Russia) 49.29 per cent (238 seats, out of 450 (down from 315 in the 2007 elections), Kommunisticheskaya Partiya Rossiiskoi Federatsii (KPRF) (Communist Party of the Russian Federation) 19.2 per cent (92), Spravedlivaya Rossiya (SR) (A Just Russia) 13.25 per cent (64), Liberal'no-Demokraticeskaya Partiya Rossii (LDPR) (Russia's Liberal Democratic Party) 11.68 per cent (56); no other political party won enough votes to win seats. Turnout was 60.2 per cent.

Presidential: Vladimir Putin (YR) won 63.64 per cent of the vote, Gennady Zyuganov (KPRF) 17.18 per cent, Mikhail Prokhorov (independent) 7.94 per cent, Vladimir Zhirinovskiy (LDPR) 6.22 per cent, Sergey Mironov (Spravedlivaya Rossiya (SR) (A Just Russia)) 3.85 per cent. Turnout was 65.25 per cent.

Next elections

2016 (parliamentary); 2018 (presidential)

Political parties

Ruling party

Yedinaya Rossiya (YR) (United Russia) (from 2003; re-elected 4 Dec 2011)

Main opposition party

With such an overwhelming majority in parliament for the ruling YR, to achieve any semblance of parliamentary debate an opposition had to be appointed by the government, which has come to be called a 'systemic opposition' by opponents of the process.

Population

141.92 million (2012)

Last census: March 2002: 145,537,200 (provisional)

Population density: Nine inhabitants per square km. Urban population 73 per cent (2010 Unicef).

Annual growth rate: -0.2 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP) 330,000 (UNHCR 2004)

Ethnic make-up

Russian (82 per cent), Tatars (4 per cent) and Ukrainians (3 per cent).

Religions

The majority of the population is Christian, mainly Russian Orthodox. Religion, while not actually forbidden under communism, was officially discouraged. Religious observance and interest is growing steeply with the relaxation of state restrictions. Russian Orthodox Christmas was made an official holiday for the first time in 1991.

Russia also has sizeable Muslim (12 million) and Jewish (700,000) minorities.

Education

After compulsory education at age 15, secondary (complete) general education begins. Students may also enter vocational schools or non-university level higher education institutions. Initial vocational schools offer one-and-a-half to two years of vocational education. Secondary (complete) general education continues for two years and ends when students are aged 17–18 years.

Higher education is provided by 553 public and 260 non-public accredited higher education institutions. Education in public higher education is free of charge. There are three levels of higher educational institutions including those lasting between two to four years and an advanced level lasting between five and six years. The government aims to diversify higher education courses and boost the private sector. In addition to universities in the public and private sector, there are 3,000 non-university institutions in Russia.

Literacy rate: 100 per cent adult rate; 100 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Six to 15 years.

Enrolment rate: 107 per cent total primary enrolment of the relevant age group (including repeaters) (World Bank).

Pupils per teacher: 20 in primary schools.

Health

In 2006 President Putin announced government sponsored health measures to reduce the falling birth rate, low life expectancy and unusually high male mortality rate. Child benefits were increased and one-off payments made to mothers to

encourage fertility. Nevertheless, Russia has one of the highest rates of abortion in the world, with 66 terminations for every 100 pregnancies. Fertility rates fell from 2.19 births per woman in 1986–87 to 1.34 in 2003 and is still below the 2.1 births necessary to sustain population growth.

In every hour there is only one birth for 77 deaths and Russia has been warned that its population could crash by 2050 if the trend is not reversed. Mortality rates have ballooned for a wide number of reasons including poor diet, disease, alcoholism and risky activities – Russia has twice as many road accident fatalities as any other G8 country.

HIV/Aids

HIV/Aids has spread in Russia at a time when infection rates have been steady and declining for a number of years in Europe and North America.

In the first six months of 2012 the number of HIV cases was 12 per cent higher than in the same period of 2011. Official data shows that in the first 10 months, 703,781 Russians had the virus, of whom 90,396 died.

Russian health officials blame the high number of HIV/Aids cases on intravenous drug use rather than sexual activity.

HIV prevalence: 1.1 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 65 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 1.5 births per woman, 2010 (Unicef)

Birth rate/Death rate: 10 births per 1,000 population; 14 deaths per 1,000 population (2003).

Child (under 5 years) mortality rate (per 1,000): 10 per 1,000 live births (WHO 2012)

Head of population per physician: 4.25 physicians per 1,000 people, 2003 (WHO 2006)

Welfare

In January 2005, widespread demonstrations forced Vladimir Putin to amend newly instigated reforms to the benefits system after they were introduced. The plan to offer cash payments in exchange for what had been free services such as medicines, transport and subsidised housing continued but the amounts were increased and pension payments brought by a month. About 34 million pensioners, infirm and war veterans are estimated to be affected by the changes, with the lowest payments at just US\$7.5 per month. Critics said that the implementation of the change was mishandled and the calculations sloppy, whereas the government believes that 'monetising' benefits was the only option to streamline social benefits and generate considerable cost savings.

This set-back is thought, by some, to risk Putin's reform agenda.

Given budgetary constraints, reforms are targeted at increasing the transparency and efficiency of Russia's main social funds and eliminating unproductive social programmes. There have been massive increases in health service funding, especially to reduce infant mortality rates and bring healthcare up to world standards. Maternity benefits are being enhanced in order to induce women to stay at home for two or three years.

The tax code has been used to unify and reduce the different social security contributions but, despite recent tax cuts, average real incomes remain low.

Unemployment benefits based on past earnings remain very low due to high inflation. Income inequality levels have consequently been increasing and it is estimated that about 20.4 per cent of the population live below the minimum subsistence level laid down by the state.

Main cities

Moscow (capital, estimated population 10.5 million (m) in 2012); St Petersburg (4.5m), Novosibirsk (1.4m), Yekaterinburg (formerly Sverdlovsk) (1.3m), Nizhny Novgorod (formerly Gorki, 1.2m), Kazan (capital of the sovereign republic Tatarstan) (1.1m), Omsk (1.1m), Samara (formerly Kuybyshev) (1.1), Cheljabinsk (1.1m), Rostov-on-Don (1.0m).

Languages spoken

There are as many as 100 local ethnic languages, some of the larger groupings include Baskin, Chuvash Tatar and Yakut. Russian is spoken throughout the country. Russian and most local languages are written in variants of the Cyrillic alphabet, which was devised by the ninth century saints, Cyril and Methodius. In September 2000, the Tatarstan republic (population four million, a large minority of whom are Russian) began a 10-year transition period for the switch in schools from Cyrillic to the Latin alphabet for the local Turkic language. Russian is the second language spoken in Tatarstan. However, Russian MPs voted in June 2002 to make the use of the Cyrillic alphabet mandatory throughout the country.

On 5 Feb 2003, the State Duma passed a law making Russian the official state language, prohibiting the use in public documents of foreign words or expressions that have Russian-language equivalents). Ukrainian, Mordvin and Chechen are also spoken.

Official language/s
Russian

Media

In February 2008 the worldwide human right's campaigning organisation, Amnesty International, stated that freedom of speech was 'shrinking alarmingly' with intimidation and arbitrary laws to curb outspoken media outlets and NGOs, while others alleged the extrajudicial killing of journalists.

Press

Dailies: There are many national and regional newspapers, most of which publish in Russian with a few in minority languages, as well as English. Some regional news is published over the Internet only while others are published (see www.wps.ru, monitoring – regional press). Major nationals in Russian are *Izvestia* (www.izvestia.ru) owned by Gazprom and *Rossiyskaya Gazeta* (www.rg.ru) is government owned. The *Komsomolskaya Pravda* (www.kp.ru) is a mass-circulation paper while *Nezavisimaya Gazeta* is an influential privately owned daily. *Kommersant* (www.kommersant.ru) is business orientated while *Trud* (www.trud.ru), is a socialist minded paper. In English, *The Moscow Times* (www.themoscowtimes.com) and its companion newspaper the *St Petersburg Times* (www.sptimes.ru) report, among other things, on politics and business.

Weeklies: In Russian, the most popular publication is *Argumenty i F акты* (*Arguments & Facts*) (www.aif.ru) containing in-depth analysis of political and economic events. Others include *Itogi* (www.itogi.ru), *Ogonyok* (www.ogoniok.com) and *Profil* (www.profil.ru) and the *Moskovskie Novosti* (www.mn.ru) is a weekly international socio-political newspaper. In English, *Russia Profile* (www.russiaprofile.org) is published 10 times per year, the *Moscow News Weekly* (www.mnweekly.ru) and *The Russia Journal* (www.russiajournal.com) contain weekly news, analysis, and political opinion.

Business: *Moscow Times* is an English-language business publication.

Periodicals: In English, *Russia Profile* (www.russiaprofile.org) is published 10 times per year, and *Vladivostok News* (<http://vn.vladnews.ru>) both cover political and business information.

Broadcasting

Russian authorities pressured all radio stations to stop broadcasting the BBC's Russian services in 2007.

Radio: There are two national state-run radio networks, Radio Russia (www.radiorus.ru) and Radio Mayak (www.radiomayak.ru). There are many commercial radio stations broadcasting in regional markets, Russkoye Radio (www.rusradio.ru) and Moscow Echo

(www.echo.msk.ru) are the two most important.

The Voice of Russia (<http://ruvr.ru>) broadcasts programmes in 33 languages to 160 countries worldwide.

Television: Since 2001 the independence of Russian television has been circumscribed by government regulations that restricted majority foreign ownership and banned some stations, particularly those critical of the government.

The state-run Russia TV Channel (www.rutv.ru) network, the state part-owned Channel One (www.1tv.ru) and the Gazprom-owned NTV (www.ntv.ru), broadcast nationally. Fully commercial stations include Centre TV (www.tvc.ru) and Ren TV (www.ren-tv.com). Russia Today (www.russiatoday.ru) with news programming is state-funded and broadcasts in English, by satellite and cable.

National news agency: Itar-Tass News Agency

Other news agencies: RIA Novosti, 4 Zubovsky Blvd, Moscow 119031 (tel: 637-2424; internet: <http://en.rian.ru>). Interfax, 2 Pervaya Tverskaya-Yamskaya Ul, Building 1, Moscow 127006 (tel: 250-9840; fax: 250-9727; internet: www.interfax.ru).

Economy

With a vast territory that spans 11 time zones it isn't surprising that the Russian Federation has a diverse economy that ranges from its high-tech space programme, which can provide tourist jaunts into space for the (immensely) rich, to primary industries such as agriculture – with over 50 per cent of all farms and garden plots privately owned – and all technological and service industries in between. However, dominating all of its many productive sectors the extraction and supply of hydrocarbons has become Russia's foremost wealth creating industry, so much so that exports and access to further supplies has become an instrument of state policy.

Russia has large reserves of oil – 88.2 billion barrels at the end of 2011 (5.2 per cent of the world's total) with production of 10.28 million barrels per day (bpd), with consumption of 2.9 million bpd it is the world's leading oil exporter. Russia also has large reserves of natural gas – 44.6 trillion cubic metres (cum) (23.9 per cent of the world's total) at the end of 2011, with production of 607 billion cum, of which 207 billion cum is exported via gas pipelines to Europe and CIS countries, plus 14.4 billion cum is exported as liquefied natural gas to Asia. There are major reserves of coal and electricity generation from hydro- and nuclear-power stations to meet domestic demands.

Russia has been able to use its dominance as a supplier of oil and gas to energy-hungry Europe as a bargaining tool to assert its influence on international affairs. In 2009, Russia loaned its traditional ally, Serbia, US\$1.5 billion to help cover its budget deficit and rebuild its infrastructure, while Russia pushed for the Southern Stream natural gas pipeline to traverse the Balkans through Serbia. In November 2011, the prime ministers of Germany, France and The Netherlands and President Medvedev were at the ceremony in Lubmin to start the flow of natural gas via the US\$10.2 billion, 1,200km, Nord Stream, underwater pipeline from Russia to Germany. It has an initial annual capacity of 27.5 billion cum (for domestic use and forward distribution); a dual pipeline is under construction and due for completion in 2012.

GDP has been strong for a number of years with highs of 8.5 per cent in 2007 as world prices for oil reached record levels. However, in 2008 as the global economic crisis began to affect world trade the effect on the Russian economy lowered GDP growth to 5.2 per cent, mainly through the falling sales and reduced prices of hydrocarbons and the loss of capital inflows. In 2009 the economy plunged into recession with a negative GDP growth of -7.8 per cent, due to falling domestic demand and lower imports. Profits for the state-owned energy company, Gazprom, dropped by 50 per cent in the first half of 2009 as it paid more for natural gas it purchased from Central Asia and there was a fall in demand for energy from Europe. In 2010 as world trade picked up, GDP growth returned to a positive 4.3 per cent. Other pressures on the economy included rising inflation, which jumped from 9.0 per cent in 2007 to 14.1 per cent in 2008, and remained in double digits at 11.7 in 2009, before dropping sharply to 6.9 per cent in 2010. Russia is one of the BRIC (Brazil, Russia, India and China) emerging economies, which have 40 per cent of the world's population, account for 25 per cent of global GDP and which do not rely on exports as they have sizeable domestic markets to maintain production. However it has fallen from its ranking as one of only two world superpowers in 1991 and is currently regarded as an 'upper middle-income' economy, with per capita income peaking in 2008 at US\$11,704, before falling to US\$8,617 in 2009 as the economy contracted. For Russia to regain its former glory it will have to develop a more diverse economy. Its industrial base is in places still old, outmoded and unproductive; its people, while generally well educated, are unused to the capitalist ethos of work smart and

earn more, embrace change and survive. In 2010 the service sector constituted 59.3 per cent of GDP, industry 36.7 per cent, of which manufacturing was 16.4 per cent, and agriculture 4 per cent. In July 2011, the government announced plans to sell its stake in 11 companies. It is hoped the sale will raise some US\$29 billion over the next three years in what will be Russia's biggest privatisation since the 1990s. In June 2012, the government revised its plans, due to poor market conditions. Any shares that are eventually sold will not amount to more than 50 per cent of the entity's stock. Russia's strategy has been to bring a value-added price to its supplies of oil and natural gas, so that when its hydrocarbon reserves are finally depleted, it will have diversified into enough external markets for the shock to be minimal. Gazprom has a monopoly on the 'right to export natural gas' which was reinforced through a statute in 2006, in the face of European opposition and the *Energy Charter Treaty* (signed in 1991) which should give open access to pipelines and investment in new markets. Gazprom began by buying into foreign exploration and drilling technologies through partnerships with overseas companies and then demanding that oil and natural gas pipelines become jointly owned in foreign territories. Any opposition to these strategies risked bans on developing Russian energy fields by foreign companies and the halt in supplies through territories of unwilling partners. The option for new gas and oil pipelines under construction is now only considered through joint partnerships. The old adversary, the US, used Gazprom's aggressive and expansionist policies, which had precluded foreign ownership, as evidence that Russia was not ready to join the World Trade Organisation (WTO). However, in December 2011, after 18 years of negotiation, Russia finally joined the organisation. On 10 July 2012 the Duma voted 238 to 208 to pass the bill ratifying Russia's membership of the WTO. Critics had said that membership could destroy Russian industry and lead to unemployment. On 4 September 2012, the European Commission (EC) opened antitrust proceedings against Gazprom, which were quickly rejected by the energy giant that claimed it was 'outside the jurisdiction of the EC' as it was a state-owned gas producer, as defined by Russian law. The EC said it was investigating three instances of anticompetitive practices of unfair pricing and market segmentation in eight EU countries. Gazprom supplies around 25 per cent of all European natural gas needs.

External trade

The Russian Federation leads the Commonwealth of Independent States (CIS), of former republics of the defunct Soviet Union, which promotes trade, cultural and legal ties among members, however it does not operate a free trade zone due to differences in economic objectives, degrees of reforms and economic development. Russia became a member of the World Trade Organisation on 16 December 2011, having begun negotiations to join in 1993.

A bilateral trade agreement with the EU was signed on 7 December 2010. The agreement paved the way for Russia's membership of the WTO in 2011; Russia is the last major economy to become a member of the WTO.

On 19 October 2011, a free trade agreement (FTA) was signed by Russia with seven of its former Soviet republics: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova and Tajikistan. The FTA must be ratified by all relevant parliaments before its instigation in 2012.

On 18 November 2011, the presidents of Russia, Belarus and Kazakhstan signed an agreement to set targets for setting up an internal market, the Eurasian Union, by 2015. A Eurasian Commission will begin an overseeing role for integration on 1 January 2012.

Russia has immense mineral deposits of diamonds, precious metals and coal as well as timber and is a leading world supplier of oil and natural gas, which represents around 80 per cent of its exports. Foreign trade amounts to over 55 per cent of GDP. Investment in industry, manufacturing and infrastructure has been low and hampers progress.

Russia inherited the majority of the Soviet Union's military industrial base and weapons are the largest manufactured items exported.

Imports

Principal imports include vehicles, consumer goods, medicines, meat, sugar, machinery and equipment, and semi-finished metal products.

Main sources: China (17.6 per cent of total in 2012), Germany (12.4 per cent), Ukraine (6.1 per cent).

Exports

Principal exports include petroleum and derivatives, natural gas, timber, metals, chemicals, and a wide variety of civilian and military manufactures.

Main destinations: The Netherlands (15.1 per cent of total in 2012), Turkey (7.4 per cent), Ukraine (7.3 per cent).

Agriculture

Production in the agricultural sector in Russia has fallen since reforms began in 1992, following the substantial reduction

in large state subsidies. The livestock sector contracted by about half. Progress has been particularly slow in land reform, and Russia still lacks a free market in agricultural land. Agricultural production contributes only 7 per cent of GDP, with 133 million hectares (ha) of arable land, and a large agrarian workforce constituting nearly 14 per cent of the total.

The sector has suffered due to incomplete agriculture-specific and economy-wide institutional reform, such as price and trade reform, as well as privatisation. Russia has the potential to increase grain exports significantly if such reforms are implemented and the situation seems to be improving. Wheat and barley are the most significant crops produced in Russia that are widely traded on world markets.

Severe drought in 2010 forced Russia to impose a grain export ban from August until 2011; drought and wildfires destroyed around one-third of all grain harvests.

There has been a very noticeable drop in recorded fish production in Russia, since the end of the Soviet era. Production shortfalls have resulted in rising prices and steadily increasing imports of fish and fishery products.

Russia's lucrative caviar industry, based on the Caspian Sea and long stymied by dwindling stocks, was effectively shut down in 2001–02 by an international ban on the export of caviar products, imposed by the Convention on International Trade in Endangered Species (Cites).

In addition to the consequences of major economic and political changes, aquaculture and inland capture fisheries continue to face problems from environmental impacts on water resources affecting living aquatic resources. The environmental degradation of inland waters through industrial, urban and agrochemical pollution, and the damming of major rivers has had significant local impacts on fish stocks. As a result of the large-scale uptake of water for irrigation, the original fish fauna of Russia has been significantly modified.

Production from subsistence and recreational fisheries is seldom accurately reflected in the official statistics, and it is likely that production from these sectors plays an important role for food supply in the country. However, capture fisheries in many inland waters of the region, including, in particular, reservoirs and lakes, continue to depend heavily on stocking of fry and fingerlings produced in hatcheries, lake farms and artificial spawning grounds, or by other types of enhancement measures.

Improved stocking and fisheries management measures provide the potential for significant increases in fish production

from reservoirs and lakes in Russia. It is estimated that fisheries production from reservoirs could be increased between four and six-fold by improved stocking; inland fish production could realistically be doubled by 2010. It is expected that recreational fisheries, often contributing significantly to household food supply, will gain increasing importance.

The annual total fish catch is approximately five million tonnes (t). Russia imports some 6,000t of sea products while it exports around 117,000t annually.

Russia has by far the largest forested area of any country in the world with forest and other wooded land constituting more than half of its land area estimated at 851.3 million hectares (ha) or almost 55 per cent of the total land area. Russia accounts for more than 20 per cent of global forest resources, more than 35 per cent of temperate/boreal forests in terms of area and 45 per cent in terms of growing stock. The area of forest is fairly stable, showing a marginal average annual increase of 0.02 per cent, or the equivalent of 135,000ha of forest cover. The importance of Russia's forests as a regulator of the global carbon balance, and mitigation of climate change, is difficult to overestimate.

The predominant coniferous species are larch and spruce. The deciduous species are represented mainly by birch, aspen and oaks (either European or Mongolian), and hornbeam, ash, maple and elm to a lesser degree. Mature and over-mature stands, situated mainly in the Asian part of Russia, prevail and about two-thirds of the forest is available for wood supply.

Russia is one of the largest producers and exporters of industrial roundwood in the world market. Significant volumes of sawn wood, plywood and pulp and paper are exported. The forest industry is almost completely privatised, although the forests and the roundwood production remain under state control.

Industry and manufacturing

The industrial sector accounts for 30 per cent of GDP and provides employment for a third of the working population.

Factors that continue to dog efficiency include wasteful consumption of fuel and raw materials, antiquated machinery, poor technology and management and overstaffing. Early on in the reform process emphasis was placed on individual enterprise and factory production decisions, resulting in anarchic management practices.

Major production bottlenecks in the 1990s included steel, construction inputs (such as cement) and consumer and light industry products (such as television sets, robots and computers).

Emphasis during the 1990s was on light industry, modernisation and computerisation. Towards the end of the 1990s, there were attempts by major industrial and manufacturing companies to consolidate their activities, with many mergers. The sector remains reliant on large- and medium-sized firms to increase production and stimulate growth, particularly in engineering and metallurgy working. Industrial production increased by 3.7 per cent in 2003 and an estimated 6.4 per cent in 2004.

Tourism

Russia is a vast land that can offer visitors a range of holidays to suit any requirement. Its tourist infrastructure is centred on traditional resorts and facilities that cater for the large domestic market, and a newer market for foreign travellers. Some 80 per cent of foreign visitors specifically visit the imperial sites of St Petersburg and Moscow. Domestic travel and tourism represents over three times the amount to the economy than foreign visitors. In 2010, domestic consumption, including expenditure on preparation for travel and tourism, was US\$61.775 billion; direct spending for travel and tourism was US\$47.040 billion.

Travel and tourism typically constitutes around 6 per cent of GDP, with 5.5 per cent of employment related to the industry.

Russian tourists leaving for foreign destinations outnumber visitors arriving and may explain why capital investment has risen from US\$2.780 billion in 2005 to US\$6.970 billion in 2010. Real growth in investment has fallen steadily from 34.6 per cent of total capital investment in 2005 to -8.2 per cent in 2010.

Mining

Russia is the world's largest producer of iron ore, asbestos, manganese ore, nickel, chromite, platinum group metals and potassium salts, and the second-largest producer of gold, lead and phosphate ores. There are vast reserves, but extraction has been held back due to rising production costs, labour shortages and a shortage of technology.

Major foreign exchange earners include gold and diamonds. Estimated annual production of diamonds is 12,000 tonnes.

Russia is estimated to have 30 per cent of world iron ore reserves and 20 per cent of many other minerals. Significant quantities of iron ore, chromium, nickel, asbestos and fertiliser materials are exported.

There are large deposits of antimony, beryllium, cadmium, mercury, molybdenum, tin and vanadium plus workable deposits of all rare earth metals.

Large-scale investment in the sector is improving extraction and processing techniques, while reducing wastage and controlling production costs. Gold production in 2005 totalled 157.6 tonnes, much of which originates in Russia's Sakha Republic (formerly Yakutia). This represents a decline in production of nearly 7 per cent since 2004.

Hydrocarbons

Russia is a major exporter of hydrocarbons. Proven oil reserves were 88.2 billion barrels 2011, mostly located in Siberia. Production was 10.2 billion barrels per day (bpd). In 2009 Russia became the world's largest oil exporter, superseding Saudi Arabia as Opec members had cut back on oil production, however Russia maintained its lead into 2010. In February 2012, the world's second largest oil producing company, Lukoil, announced that its proven hydrocarbon reserves, as of 31 December 2011, were 17.3 billion barrels of oil equivalent, of which 13.4 billion barrels were oil with 656.6 million cubic metres of natural gas. On 4 September 2012, the European Commission (EC) opened antitrust proceedings against Gazprom, which were quickly rejected by the energy giant, claiming it was 'outside the jurisdiction of the EC' as it was a state-owned gas producer (as defined by Russian law). The EC said it was investigating three instances of anticompetitive practices of unfair pricing and market segmentation in eight EU countries. Gazprom supplies around 25 per cent of all European natural gas needs.

Russia has 41 refineries with a total capacity of 5.66 million bpd in 2011, which require further development and investment to increase production, due to their inefficiency and ageing. Most exports of Russian oil are in the form of fuel oil and diesel and as domestic refineries concentrate on production for export there is a shortfall of around 50 per cent in high-octane petroleum which must be imported. The oil pipeline network bringing oil to markets in Europe and the Far East has grown significantly. The network began under the Soviet regime, running to CIS states and former Soviet states, but new markets have required an expansion and modernisation. Before the global financial crisis Russia was the principal shareholder in all pipeline projects but by 2008 when oil prices had fallen and money markets were not investing it was forced to barter oil for investment in new pipelines. In 2009 China agreed to invest in completing the East Siberian-Pacific Ocean (ESPO) pipeline, which will be routed via the Russian terminal in Yakutia south into China. On Sakhalin Island, an

all-year-round new oil and liquefied natural gas export terminal began operations in 2008.

A US\$25 billion deal was signed in 2009, whereby China will be supplied with Siberian oil in exchange for Chinese. The Chinese Development Bank will loan Rosneft and Transneft, the Russian state oil company and pipeline company, US\$15 billion and US\$10 billion respectively; in return 300,000 barrels a day of oil annually will be supplied to China until 2029. Proven natural gas reserves were 44.68 trillion cubic metres (cum) in 2011. Russia has the world's largest deposits of natural gas and is the leading gas exporter. Production was 607 billion cum in 2011, which was a rise of 3.1 per cent on the 2010 figure and provided 18.5 per cent of the world's total production. Construction began on 10 December 2012 on the South Stream gas pipeline (SSGP) near Anapa (Krasnodar Territory), with President Putin attending the inauguration ceremony along with representatives of all of the countries and international organisations involved in the venture.

Russia exported 207 billion cum of natural gas via pipelines to Europe in 2011, the majority of which was transported via the Ukraine.

The first phase of the new East Siberia-Pacific Ocean (ESPO) oil pipeline was completed in 2010, operated by Transneft. The 2,757km pipeline from Taishet (in the Irkutsk region) to Skovorodino (near the Chinese border), will be added to with a further 2,100km by 2012, from Skovorodino to Kozmino, replacing the current shipment of Russian oil by train between these locations. The 1,213km Blue Stream pipeline, between Russia and Turkey transports 5 billion cum of natural gas annually. Construction of the North European Gas Pipe-line (NEGP), linking Vyborg in Russia to Greifswald in Germany began with onshore pumping facilities in 2005 and when the project is completed in 2011 it will have a capacity of 27.5 billion cum annually. Gazprom holds a 51 per cent stake in the NEGP venture, with former German chancellor Gerhard Schröder chairman of the project. In 2007 Gazprom and the Italian energy company ENI agreed to build the South Stream Gas Pipeline under the Black Sea and through Bulgaria, bringing gas directly to West European countries. The NEGP and SSGP are tangible measures built to avoid suspension of gas supplies due to political actions by either Russia or an existing pipeline's host country.

Russian company, Rosneft, signed a joint venture with the Sharjah-based Crescent Petroleum company to invest US\$630

million in a 70 billion cubic metre natural gas and 16 million tonne gas condensate, concession. The gas field is planned to be operational by 2013. This is the first upstream project undertaken by an UAE-Russian partnership.

Proven coal reserves totalled 157 trillion tonnes in 2011, of which 108 billion tonnes is brown coal typically used in power stations. Russian coal reserves are second only to those in the US, the world's largest. Production has risen by around 30 per cent since 1997 and government policy is to increase the number of coal-fired power stations.

Russia considers its hydrocarbon reserves as a strategic state asset and while oil and gas companies are publicly listed they are all headed by strong supporters of the current political regime, consolidated by Vladimir Putin since 1999. The hydrocarbon sector is dominated by state-owned enterprises, foremost of which are Gazprom (gas) and Rosneft (oil). Russian oligarchs, who were the first to assume control of the hydrocarbon sector after the fall of the Soviet Union, have either been co-opted into a close partnership with the government, and thereby following its lead which may be contrary to the company's commercial interests, or have been forced out of power and company assets seized by the state. Government policy appears to be to use hydrocarbon supplies as a tool to reassert Russian influence in the world.

Energy

Russia is the second-largest generator of electricity in the world, with total installed capacity of 217GW and an output of about 904 billion kWh (2006), of which about 63 per cent is produced thermally, 21 per cent by hydropower and 16 per cent nuclear generation. Government policy is to expand nuclear generation and hydropower to allow greater exports of hydrocarbons.

As part of the liberalisation of the energy market, the former state-owned RAO Unified Energy System utility holding company was merged with the Federal Grid Company in July 2008 to form the RAO UESR, responsible for electricity generation, power stations, distribution and sales.

By 2010, 10 nuclear reactors will be due for closure. However, the government intends to extend their working lives. Russia announced it will build 40 nuclear reactors by 2020 to prevent an energy crisis and, by March 2009, five new nuclear power plants were under construction. Russia exports electricity to CIS states as well as China, Poland, Turkey and Finland.

Financial markets

Stock exchange

Moscow Interbank Currency Exchange (Micex)

Banking and insurance

Most major banks are located in Moscow. The majority of Russian banks suffer from being undercapitalised and the high rate of inflation has constantly eroded their reserves. This is not surprising given the high degree of fragmentation in the sector. The system has been criticised for having too many owner-operators; this is a situation with potential for abuse. The retail banking sector is still in its infancy and branch networking is not particularly common.

Foreign banks are not permitted to open their own branches in Russia and instead must rely upon subsidiaries, which drives up their costs. President Putin reiterated his opposition to direct foreign entry in December 2005. The US has protested this decision and has pointed out that Russia's desire to join the WTO will require banking liberalisation.

In June 2003, Russia was removed from the Organisation for Economic Co-operation and Development (OECD) black list of havens for money laundering.

Beginning 29 July 2004, the Central Bank revoked the licences for operations of three Moscow banks: the Commercial Bank of Savings, the Industrial Export-Import Bank and the Investment and Commercial Moscow Housing Construction Bank.

Central bank

Central Bank of the Russian Federation

Main financial centre

Moscow

Time

The Russian Federation covers nine time zones, from GMT plus three hours to GMT plus 12 hours. The previous 11 time zones were reduced to nine in March 2010. Daylight saving was abolished from March 2011 (ie the last use of daylight saving was in March 2010). Domestically, Russia refers to Moscow standard time (MST).

Kaliningrad Oblast: GMT plus three hours (MST minus one).

Moscow and Samara: GMT plus four hours (MST)

Yekaterinburg: GMT plus six hours (MST plus two).

Tomsk and Novosibirsk: GMT plus seven hours (MST plus three).

Krasnoyarsk: GMT plus eight hours (MST plus four).

Irkutsk: GMT plus nine hours (MST plus five).

Yakutsk: GMT plus 10 hours (MST plus six).

Valdivostok and Sakhalin: GMT plus 11 hours (MST plus seven).

Magadan and Kamchatka Peninsula: GMT plus 12 hours (MST plus eight).

Geography

The Russian Federation is the largest country in the world at 17.07 million square km. Even European Russia (west of the Ural Mountains), which is only a quarter of the total landmass, dwarfs all other European countries. Major cities and towns are concentrated in western Russia, with the population thinning out to the far north and east.

Norway lies to the far north-west of Russia, with Finland, Estonia, and Latvia to the north. Belarus and Ukraine lie to the south-west of European Russia, the southern borders of which are with the Trans-Caucasian states of Georgia and Azerbaijan, and with Kazakhstan. In the north-west, near St Petersburg, there is a short coastline where there is access to the Baltic Sea via the gulf of Finland. Towards the south, European Russia has a coastline on the Black Sea in the south-west, with the Caspian Sea to the east. Beyond the Ural Mountains, the Siberian and Far Eastern regions have southern frontiers with the People's Republic of China, Mongolia, and in the south-east, North Korea. The eastern coastline is on the Sea of Japan, the Sea of Okhotsk, the Pacific Ocean and the Barents Sea. The northern coastline is on the Arctic Ocean. The region around Kaliningrad on the Baltic Sea is separated from the rest of the Russian Federation by Lithuania to the north and east, and has a coastline on the Baltic Sea.

The territory includes a wide variety of physical features. European Russia and western Siberia form a vast plain. Between the Black and Caspian Seas in the south, the land is more undulating, until it reaches the foothills of the Caucasus mountain range in the far south. The northern regions of both Asian and European Russia are inhospitable areas, much of the territory being covered by permafrost.

Europe's highest mountain, Elbrus (at 5,642 metres), is just on the Russian side of the Georgian border. Russia has Europe's longest river, the 3,690km Volga which rises north-west of Moscow and flows east before turning south to the Caspian Sea. The two largest lakes in Europe are also in Russia. Lake Ladoga (18,390 square km) and Lake Onega (9,600 square km) are both north-east of St Petersburg. Lake Baikal, located in the south-east in Siberia, at over 31,000 square km is the world's deepest and largest (by volume) freshwater lake,

containing 20 per cent of the planet's liquid freshwater.

Hemisphere

Northern

Climate

The climate in Russia is extremely varied. The north is arctic, with an extensive zone of permafrost, but there are a few sub-tropical zones in the southern region of the country. The majority of the land mass is continental or moderate continental. The Russian winter is deservedly famous: winter snow cover lasts as long as 160 days in St Petersburg.

Moscow has a warm spring with an average temperature of 18 degrees Celsius (C) in the period April to May. It is often hot in summer (June to August 20–30 degrees C), mild in autumn (September to October 10–15 degrees C) and freezing (down to minus 30 degrees C) for the rest of the year. Average annual rainfall is 575mm.

Average temperatures in the southern Siberian town of Irkutsk range from minus 21 degrees C in January to 18 degrees C in July. Average annual rainfall is 458mm, most of which falls in the summer. In the far north of Siberia, the average January temperature is minus 47 degrees C.

The far eastern region combines the extreme temperatures of Siberia with monsoon-type conditions common elsewhere in Asia. The mean temperature in January in the eastern port of Vladivostok is minus 14 degrees C; in August the average is 21 degrees C.

In the more moderate western portion of Russia, the average January temperature is slightly below zero. Summer is very hot in some areas. The snow in European Russia begins to melt in March and the muddy transition period demands waterproof footwear.

Dress codes

Dress well as business people are judged by their attire. Warm outer clothes, hats, gloves and footwear are essential in winter, although interiors are well heated. The most important factor is neatness. Shoes should be polished and clothes pressed. Russians themselves do not always wear a suit and tie at business meetings, but it is wise to err on the safe side. Dark suits, white shirts and conservative ties are the norm, with business suits for women. Formal evening wear is not normally necessary. Summer dress is modest.

Entry requirements

Passports

Required by all.

Visa

Required by all. See www.rusemblon.org/ and follow link to application forms to

download a visa form. US citizens should see www.russianembassy.org for further information. All travellers should check the general information links to see if the additional requirements affect them. All applications should be submitted to the closest Russian consulate.

Visitors must register their visas within three working days of arrival in Russia with the local branch of the ministry of the interior. Most major hotels will do this for their guests automatically. All visas are issued with an exit visa included.

Business travellers must include, with their application, a letter of invitation from the Russian foreign ministry or its regional representatives or ministry of the interior or its local offices. The letter must contain the official seal and legal address of the agency, a document registration number, date of registration, the signature and name of official authorised to issue invitations, and a travel itinerary with dates of stay and names of persons involved. A letter from an employer (or own letter if self-employed) giving personal details, a full itinerary, purpose of visit and a guarantee accepting full responsibility for any expenses incurred must also be included. The right to request the submission of all original documents is reserved by the embassy, and multiple entry visas require original letters of invitation in all cases.

Currency advice/regulations

The import and export of local currency is prohibited. The import of foreign currency is unlimited up to US\$10,000 (or equivalent), but amounts over US\$3,000 must be declared. Export of foreign currency is limited to the amount declared on arrival. It is illegal to exchange money anywhere except official exchange facilities; shops, hotels and restaurants may advertise dollar prices, but bills must be paid in roubles. It is advisable to retain all exchange receipts.

Travellers cheques have limited acceptance. Unmarked US dollar bills in good condition should be used for travel to more remote regions.

Customs

The customs declaration made on entry must be retained for exit, this allows for personal items, such as jewellery, cameras, computers and musical instruments to remain duty-free.

Retain all shop receipts and certificates of money exchange for customs formalities on exit.

In 2006, 250g caviar per person was allowed for export, with proof of purchase from licensed purveyors.

Prohibited imports

Firearms, ammunition, illegal drugs, precious metals and furs, radio, electrical items, fruit and vegetables, sturgeon and

sturgeon products and photographic and printed material that vilifies the Russian Federation.

Live animals, antiques and works of art require permits.

Health (for visitors)

Advisable precautions

Inoculations and boosters should be current for tetanus, hepatitis A and diphtheria. There may be a need for vaccinations for typhoid, tuberculosis, hepatitis B and meningitis (Moscow only). Visitors to Asian and far-eastern provinces may need vaccinations for Japanese B encephalitis and cholera. There is a risk of rabies.

Water precautions outside main cities are recommended (purification tablets may be useful or use bottled or boiled water for drinks, washing teeth and making ice – especially in St Petersburg, where the water supply may be infected by giardia).

Mosquito repellents and long clothing will help avoid hepatitis B and Japanese B encephalitis; there is a risk of HIV/Aids.

Russian medical care is not up to Western standards and medical insurance, including emergency evacuation, is necessary. A travel kit including a disposable syringe is a reasonable precaution. A supply of any regular medicines required should be taken, with their prescription details and it could be wise to have precautionary antibiotics if going outside major urban centres.

Hotels

Moscow has an increasing number of Western-run hotels. Accommodation is difficult to obtain in Moscow at short notice. It is crucial to make bookings in advance as hotels refuse to check in a guest without a reservation. First-class and tourist class are available, with all prices fixed by Intourist. Main hotels have foreign currency restaurants and bars. Tipping is increasingly common, typically 10 per cent.

Credit cards

Credit cards are not widely accepted outside Moscow and St Petersburg. ATMs are widely available.

Public holidays (national)

Fixed dates

1–10 Jan (New Year Holidays), 23 Feb (Defender's Day), 8 Mar (Women's Day), 1 May (Labour Day), 9 May (Victory Day), 12 Jun (Russia Day), 4 Nov (National Unity Day).

Days *in lieu* are given for holidays that occur at the weekend, usually at the beginning of the following week.

Variable dates

Russian Orthodox Christmas

Working hours

Banking

Mon–Fri: 0930–1730.

Business

Mon–Fri: 0900–1800 (appointments best between 0900–1000).

Shops

Mon–Sat: 0900–1900.

Telecommunications

Mobile/cell phones

There are limited 900, 1800, 900/1800 GSM services available in Moscow, St Petersburg and other major cities.

Electricity supply

220V AC

Social customs/useful tips

A firm handshake is important as is negotiating an agenda at the beginning of the meeting. Smoking in meetings is very common. Ask permission before lighting a cigarette and offer cigarettes generously. Written communications are particularly important with large bureaucracies. Address the recipient formally and keep a copy of everything.

It is customary to take a small gift on a business or social visit. Offering basic food is considered insulting. Offer little luxuries.

It is impolite to take along people who are not invited to a social function. If you are offered a second helping of caviar, resist the temptation and refuse. The offer will be made again, but it is polite to refuse the first time.

Many Russians take certain superstitions somewhat seriously. Do not give an even number of flowers, for example, as this is for funerals only; do not greet people in a doorway – it is considered unlucky.

Although homosexuality was decriminalised in Russia in 1993, anti-gay sentiment remained high in 2013. A law passed by the Duma on 11 June 2013 means that private individuals promoting 'homosexual behaviour among minors' could face fines of up to 5,000 roubles (US\$155), officials could be fined 10 times that amount and businesses and schools up to 500,000 roubles.

Security

The normal precautions should be taken when visiting Russia – avoid showing large amounts of cash or expensive personal belongings. Avoid travelling alone at night in Moscow and St Petersburg, particularly on the metro.

Getting there

Air

National airline: Aeroflot – Russian Airlines

International airport/s: Moscow-Sheremetyevo International (SVO), 29km north-west of city centre; St Petersburg-Pulkovo (LED), 17km from city. Both airports have duty-free shops, banks, *bureau de change*, restaurants.

Taxis, to Moscow city centre (journey time 30–40 minutes) and fixed route and buses are available. There are scheduled express coaches and trains to other destinations.

There are taxis to St Petersburg (journey time 10 minutes) as well as buses.

Airport tax: None

Surface

Road: Major European highways connect Moscow via Kiev (Ukraine), Minsk (Belarus), Riga (Latvia), Warsaw (Poland) and Scandinavia to St Petersburg via Helsinki (Finland). The Verkhny Lars-Kazbegi border checkpoint between Georgia and Russia, which had been closed in July 2006, was reopened in March 2010.

Rail: The Russian/CIS rail network (around 87,079km) extends to all Russian Federation countries. The main European rail services are through Germany including a sleeper service from Cologne to Moscow and the *Mockva Express* via Berlin-Warsaw-Moscow.

Through-trains are also available from other Western and Eastern European cities and from Turkey, Iran, and the *Trans-Siberian Express* from Mongolia and China.

Water: There are sea links from Finland, Norway, Sweden and Germany and from the Ukraine in the west. In the east, a weekly ferry runs between Vladivostok and Niigata-Fushiki in Japan.

Main port/s: Vladivostok, Magadan, Nakhodka, St Petersburg and Kaliningrad. Links to the Atlantic are provided by the Murmansk (Arctic Ocean) and Archangelsk ports (during summer months only).

Getting about

National transport

Air: There is an extensive internal air service which provides the only viable option for travelling between cities. Domestic services are operated by Aeroflot and Transaero (due to a small fleet, flights are more often delayed than those of Aeroflot). Sky Express, a budget airline, began operations in early 2007. It will initially fly between Moscow and Sochi on the Black Sea, charging US\$19, compared to Aeroflot's rate of US\$120.

The internal air network centres around Moscow. Domestic airports include Vnukovo (VKO), 29km south-west of city; Domodedovo (DME), 40km south-east of city and Irkutsk (IRK), 7km from city.

Road: Distances between major cities are extensive: Moscow to St Petersburg 692km (432 miles); Moscow to Odessa 1,347km (837 miles). Approximately 60 per cent of the road network needs to be rehabilitated or upgraded. In general the few roads connecting with Siberia are impassable during winter. Secondary roads are often untarred.

Buses: Long-distance coach services operate.

Rail: Rail is the major means of transport. There is a cheap and efficient service to all major towns. There is an extensive network of commuter and inter-city services, most offering first and second class seats or accommodation.

The rolling stock needs modernising and trains are typically over-crowded and over-booked. Food is often available on inter-city services but, because of the generally poor quality, most passengers bring their own. Many carriages have a samovar which produces hot water for drinks. Security can be a problem, especially on overnight services. The famous Trans-Siberian railway stretches from Moscow to Vladivostok.

The railways are wide gauge. Almost all the rail network is electrified. Sleepers should be booked well in advance.

Water: Rivers play an important role in transport; in summer it is possible to travel great distances either by cruises or river passenger boats. Routes include: St Petersburg-Astrakhan on the Caspian sea, and St Petersburg-Rostov-on-Don on the Black Sea. These routes may include detours via Moscow.

The largest inland waterway is the River Volga. There are a number of inland ports and canals.

City transport

Taxis: Use only officially marked taxis and do not share them with strangers. Taxis are yellow with a checkerboard stripe and a green light at the top right hand corner of the windscreen indicating availability; they can be hired at taxi ranks or by booking in advance. Beware of illegal taxi touts operating at both the airport and city centre.

Tariffs for foreigners are often subject to negotiation and may be charged in hard currency.

It is possible to find a reliable taxi firm in the airport arrivals section at Moscow airport. Payment is by credit card though fares may have to be negotiated with the driver as the fare shown on the meter may not correspond with the fare asked. Arrangements to be met at the airport in advance can be made by contacting Intourist, or telephoning Moscow Taxi (tel: 238-1001).

Buses, trams & metro: Cheap and reliable, though often crowded, available from 0600-0100. Bus services 5817 and 551 from Moscow airport to the city centre operate between 0500-2359 every 10 minutes, with a journey time of 30-45 minutes. Long distance coach services operate.

Trains: An express train service from Moscow airport to the city centre operates every 30 minutes.

Car hire

Available in major towns. International driving licence required with Russian translation of details. Notification of route to be taken should be given if travelling outside main cities.

Visitors travelling in private cars should be in possession of their passport and visa, and an itinerary card complete with visitor's name and citizenship and car registration number.

Traffic drives on the right. Speeds are limited to 60kph (37mph) in built-up areas and 90kph (55mph) elsewhere. Cars are required to display registration plates and stickers denoting the country of registration.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Russia is +7, followed by the area code and subscriber's number:

Chelyabinsk	3512	St Petersburg	812
Ekaterinberg	3432	Smolensk	481
Kaliningrad	401	Tula	487
Moscow	495	Vladivostok	4232
Nizhny Novgorod	8312		
Yakutsk	41122		

Useful telephone numbers

International operator: (English-speaking operator): 8196

General enquiries (Moscow area): 09

Police: 02

Fire: 01

Ambulance: 03

Chambers of Commerce

American Chamber of Commerce in Russia, 7 Dolgorukovskaya Street, Moscow 127006 (tel: 961-2141; fax: 961-2142; e-mail: info@amcham.ru).

Moscow Chamber of Commerce and Industry, 22 Akademika Pilyugina Street, Moscow 117393 (tel: 132-7510; fax: 132-0547; e-mail: mtp@mtpp.org).

Nizhny Novgorod Region Chamber of Commerce and Industry, 1 Oktyabrskaya Square, Nizhny Novgorod 603005 (tel: 194-210; fax: 194-009; e-mail: tpp@rda.nnov.ru).

Russian Federation Chamber of Commerce and Industry, 6 Ilyinka Street, Moscow 109012 (tel: 929-0009; fax: 929-0360; e-mail: tpprf@tpprf.ru).

St Petersburg Chamber of Commerce and Industry, 46-48 Chaikovsky Street, St

Petersburg 191194 (tel: 279-2833; fax: 272-6406; e-mail: spbcc@spbcci.ru).

South Ural Chamber of Commerce and Industry 63 Vasenko Street, Chelyabinsk 454080 (tel: 661-816; fax: 665-223; e-mail: mail@tpp.chelreg.ru).

Smolensk Chamber of Commerce and Industry, 12 Karl Marx Street, Smolensk 214000 (tel: 554-142; fax: 237-450; e-mail: smolcci@keytown.com).

Tula Chamber of Commerce and Industry, 25 Krasnoarmeisky Prospekt, Tula 300600 (tel: 364-517; fax: 360-216; e-mail: tulacci@tula.net).

Banking

Agropromstraybank, Krasina Per, 123056 Moscow (tel: 254-4263; fax: 254-7081).

Gazprombank, Nametkina Str 16B, 117420 Moscow (tel: 719-1697/17; fax: 719-1763).

ING Bank Eurasia, ul Krasnaya Presnya 31, 125178 Moscow (tel: 755-5400; fax: 755-5459; fax: 755-5499).

Sberbank (savings bank), Vavilova Str 18, 117817 Moscow (tel: 971-4981, 957-5690, 957-5862; fax: 957-5731; internet site: <http://www.sbrf.ru>).

SDM Bank, 73 Volokolamskoe Shosse, 123424 Moscow (tel: 490-1545, 491-7572, 490-0703; fax: 490-6509).

United Export Import Bank (UNEXIM), 11 Masha Paryvaeva Street, PO Box 207, 107078 Moscow (tel: 232-3727; fax: 975-2205; e-mail: mailbox@mail.unexim.ru).

Vnesheconombank (Bank for Foreign Economic Affairs), Akademika Sakharova Prospekt 9, 107996 Moscow (tel: 207-1037).

Vneshtorgbank (Bank for Foreign Trade), Kuznetskiy Most Str 16, 103031 Moscow (tel: 929-8900; fax: 956-3727).

Central bank

Central Bank of the Russian Federation, 12 Neglinnaya Street, 107016 Moscow (tel: 771-9100; fax: 921-6465; e-mail: webmaster@www.cbr.ru).

Stock exchange

Moscow Interbank Currency Exchange (Micex), www.micex.com

Russian Trading System, www.rts.ru

Moscow Stock Exchange (MSE), www.mse.ru

St Petersburg Stock Exchange, www.spbex.ru

Travel information

Aeroflot, 37/9 Leningradsky Prospekt, Moscow 125836 (tickets and enquiries, tel: 223-5555; fax: 186-2092; internet: www.aeroflot.ru/eng/).

Intourist, 150, Prospect Mira, Moscow 129366 (tel: 956-4207; fax: 730-1957; email: info@intourist.ru; internet: www.intourist.com/ENG/).

Russian National Group, Suite 214, 5/10 Chistoprudni Blvd, Moscow (tel: 980-8440; 980-8441; internet: www.russia-travel.com).

JSC Russian Railways (JSCo RZD), Novaya Basmannaya 2, 107174 Moscow (tel: 262-9901; email: info@rzd.ru; internet: www.eng.rzd.ru).

Ministries

Ministry of Agriculture and Food, 1-11 Orlikov Lane, Moscow 107139 (tel: 207-8000; fax: 207-8362, 288-9580).

Ministry of Atomic Energy, 24-26 Bolshaya Ordynka Str, Moscow 101100 (tel: 239-4753; fax: 233-4679).

Ministry for Civil Defence, Emergencies and Disaster Resources, 3 Teatralniy Pr-D, Moscow 103012 (tel: 926-3901; fax: 924-5683).

Ministry for Communications, 7 Tverskaya Str, Moscow 119332 (tel: 229-6966, 292-7070; fax: 292-7128).

Ministry of Construction, Comp 2, 8 Stroitelei Str, Moscow 117987 (tel: 930-1755; fax: 938-2202).

Ministry for Co-operation Between CIS Member Countries, 7 Varvarka Str, Moscow 103073 (tel: 206-1365; fax: 206-1084).

Ministry of Culture, 7 Kitaiskiy Pr-D, Moscow 103693 (tel: 925-1195; fax: 928-1791).

Ministry of Economics, 19 Noviy Arbat Str, Moscow 103025 (tel: 203-7534; fax: 203-7482).

Ministry of Education, 6 Chistoprudniy B-R, Moscow 101856 (tel: 927-0568; fax: 924-6989).

Ministry for Environmental Protection and Natural Resources, 4-6 B Gruzinskaya Str, Moscow 123812 (tel: 254-7683; fax: 254-8283).

Ministry of Finance, 9 Ilyinka str, Moscow 103097 (tel: 298-9101, 923-0967; fax: 925-0889).

Ministry of Foreign Affairs, 32-34 Smolenskaya-Sennaya Sq, Moscow 121200 (tel: 244-1606; fax: 230-2130).

Ministry for Foreign Economic Relations, 32-34 Smolenskaya-Sennaya Sq, Moscow 121200 (tel: 244-2450; fax: 244-3068/3981).

Ministry for Fuel and Power Development, 7 Kitaiskiy Pr, Moscow 103074 (tel: 220-5500; fax: 220-4818).

Ministry of the Interior, 16 Zhitnaya Str, Moscow 117049 (tel: 237-7585, 924-6572, 222-6669; fax: 925-2098).

Ministry of Justice, 4 Vorontsovo Pole Str, Moscow 109830 (tel: 209-6009/98; fax: 916-2903).

Ministry of Labour, 1 Birzhevaya Sq, Moscow 103706 (tel: 261-2030, 928-8208; fax: 230-2407).

Ministry for Nationalities and Regional Policy, 19 Trubnikovskiy Lane, Moscow 121819 (tel: 248-8635; fax: 202-4490).

Ministry of Public Health, 3 Rakhmanovskiy Lane, Moscow 103051 (tel: 928-4478; fax: 921-0128).

Ministry for Railways, 2 Novo-Basmannaya Str, Moscow 107174 (tel: 262-9901; fax: 262-9095).

Ministry for Science and Technology, 11 Tverskaya Str, Moscow 103905 (tel: 229-1192; fax: 230-2823).

Ministry for Social Protection, Bld 1, 4 Slavianskaya Sq, Moscow 103715 (tel: 220-9511/9384; fax: 924-3690).

Ministry of Transport, 10 Sadovo-Samotyochnaya Str, Moscow 101433 (tel: 200-0809; fax: 200-3356).

Other useful addresses

British Consulate, Sfoskaya Nberezhnaya 14, Moscow (tel: 956-7420; fax: 956-7420).

British Consulate, St Petersburg, Pl Proletarskiy, Dikatury 5, 193124 St Petersburg (tel: 325-6036; fax: 325-6037; e-mail: uk.stpet@vmail.sprint.com).

British Consulate for Southern Russia, Petrak, 3a Fabrichnaya Street, Novorossisk (tel: 93-319; fax: 34-959).

British Embassy, Kutuzovskiy Prospekt 7/4, Moscow 121248 (tel: 956-7200, 956-7477; fax: 956-7480, 956-7420; e-mail: uk.moscow@vmail.sprint.com).

British Trade Office, 4th Floor, 15a Gogol Street, Ekaterinburg 620151 (tel: 564-931; fax: 592-901; e-mail: uk.ekate@vmail.sprint.com).

BSCC British-Russian Business Centre, 42 Southwark Street, London SE1 1UN (tel: (+44-(0)171) 403-1706; fax: (+44-(0)171) 403-1245); 22/25 Bolshoi Strochenovskiy Pereulok, Moscow 113054 (tel: 230-6120; fax: 230-6124).

Delegation of the European Union (Office of), 2/10 Astakhovskiy Pereulok, Moscow 109208 (tel: 956-3600; fax: 956-3615).

Expocentr, 1a Sokolnicheskii val, Moscow 107113 (tel: 268-7083) (responsibility for organising, on a commercial basis, international and foreign exhibitions and symposia).

Foreign Investment Promotion Centre (FIPC), Ul Novy Arbat 19, 119898 Moscow (tel: 203-4863; internet site: www.fipc.ru/fipc/).

Foreign Trade Arbitration Commission, Moscow (tel: 205-6855).

Government of St. Petersburg, Smolny, 193060 St Petersburg (tel 576-4501; fax: 576-7827; internet: http://eng.gov.spb.ru).

Interstate Statistical Committee of the Commonwealth of Independent States, 39 Myasnitskaya Str, Moscow 103450 (tel: 207-4237/4802/4567; fax: 207-4592; e-mail: Statpro@Sovam.com).

Russian Federation Embassy (USA), 2650 Wisconsin Avenue, NW, Washington DC 20007 (tel: (+1-202) 298-5700; fax: (+1-202) 298-5735; e-mail: russ-amb@cerfnet.com).

Russian Federation Foreign Trade Organisation, Barrikabnaya Str Bld 8-5, 123242 Moscow (tel: 254-8090; fax: 253-9675).

Russian Information Telegraph Agency (ITAR-TASS) (news agency), Tverskoy bul 10, Moscow (tel: 3229-8053).

Russian Television and Radio, Corolov St 12, Moscow (tel: 217-7898; fax: 288-9508).

State Committee for Statistics, 39 Myasnitskaya Street, Moscow 103450 (tel: 207-4902; fax: 207-4640).

TACIS Technical Assistance Centre, 165 Nemirovicha-Danchenko, Novosibirsk 630087 (tel: 465-395, 464-836; fax: 464-426; e-mail: centre@tac.sib.ru).

US Consulate, St Petersburg (tel: 275-1701).

National news agency: Itar-Tass News Agency

10-12 Tvershoy Blvd, Moscow 125993 (email: info@itar-tass.com; internet: www.tass-online.ru).

Other news agencies: RIA Novosti, 4 Zubovskiy Blvd, Moscow 119031 (tel: 637-2424; internet: http://en.rian.ru).

Interfax, 2 Pervaya Tverskaya-Yamskaya Ul, Building 1, Moscow 127006 (tel: 250-9840; fax: 250-9727; internet: www.interfax.ru).

Internet sites

Moscow Guide: www.moscow-guide.ru

Rusline (government information, company directories): www.rusline.com

Russian tourism: www.visitrussia.com

Russian travel: www.realrussia.com

Russian web portal: www.ru