



Gorshenin *Weekly*



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1. TOP STORIES

NATO-Russia Council meets in Brussels

The sides discuss the Ukrainian crisis, global security issues and regional terrorist threats.

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US House of Representatives committee passes new bill on sanctions against Russia

The document toughens sanctions against Russia.

Read more in INTERNATIONAL POLITICAL

Russia uses long-range aviation for Syria strikes

The Syrian opposition says the bombs hit a refugee camp.

Read more in INTERNATIONAL POLITICAL

2. INTERNATIONAL POLITICAL

RUSSIA-NATO

NATO-Russia Council meets in Brussels

On 13 July 2016, Brussels hosted the NATO-Russia Council which discussed the results of the Warsaw NATO summit, the Ukrainian crisis, global security issues and regional terrorist threats.

NATO Secretary-General **Jens Stoltenberg** admitted the sides did not reach understanding on most of the raised issues.

Aleksey Arbatov, an expert with the Carnegie Moscow Centre, said it was an exchange of complaints, not dialogue. "In Brussels, there was an exchange of opinions and, from the point of view of Russia, it was a veiled constructive gesture. Although essentially, there could be no talk of any agreements at the Council. Because otherwise it would look as if Russia exposed its weakness, got scared, gave up, capitulated and is now ready for concessions," he said.

RUSSIA-USA

Putin, Kerry discuss Syria, Ukraine

US Secretary of State **John Kerry** has met Russian President **Vladimir Putin** in Moscow to discuss ways to end the Syria crisis. During the talks Kerry said "diplomatic efforts could not continue indefinitely". Putin added that Russia together with the USA was looking for ways to resolve the crisis.

The two also discussed the need to increase pressure on groups like Islamic State and the Al-Nusra Front, Al-Qaeda's affiliate in Syria.

Kerry later met Russian Foreign Minister **Sergey Lavrov** to discuss the situation in Ukraine's Donbas.

According to The Washington Post, the USA also called on Russia to use its leverage to effectively ground Syria's air force, limiting its operations to non-combat humanitarian and medical-evacuation missions.

US House of Representatives committee passes new bill on sanctions against Russia

The US House of Representatives Committee on Foreign Affairs on 14 July passed the Stability and Democracy for Ukraine Act to toughen sanctions against Russia.

It says any softening of the sanctions depends on the implementation of the Minsk agreements by Moscow. Also, the bill provides that "no federal agency should take any action or extend any assistance that recognises Russian sovereignty over Crimea, its airspace, or its territorial waters".

USA said considering offering Russia five-year extension of New START treaty

The Obama administration is determined to use its final six months in office to take a series of executive actions to advance the nuclear agenda, The Washington Post has said. Several US officials briefed on the options told the paper they include declaring a "no first use" policy for the US nuclear arsenal.

The administration is also considering offering Russia a five-year extension of the New START treaty's limits on deployed nuclear weapons, even though those limits do not expire until 2021.

Russia bars NBC executive from entering

The board chairman of the US Broadcasting Board of Governors, **Jeff Shell**, has been denied entry into Russia for no apparent reason. He came to Russia as NBCUniversal executive to make a film.

Later, the Russian Foreign Ministry said that Shell was put on the stop list which Russia expanded in response to visa sanctions against Russian citizens.

The Broadcasting Board of Governors is an independent agency of the US government. It broadcasts for foreign audiences and supervises Voice of America, Radio Free Europe/Radio Liberty.

RUSSIA-TURKEY

Turkish president discusses failed coup attempt with Russia's Putin

Turkish President **Recep Tayyip Erdogan** and his Russian counterpart **Vladimir Putin** have discussed the failed coup attempt in Turkey over the phone.

They agreed to meet in the near future. Earlier, such a meeting was supposed to be held within the framework of reconciliation between Russia and Turkey.

Russian aviation authority suspends flights to Turkey

The Russian Federal Air Transport Agency has suspended regular flights to Turkey by both Russian and Turkish airlines "due to the escalation of the political situation" in the country.

The Russian aviation authority also said that it was not ready to resume charter flights to Turkey for concerns over passengers' safety at Turkish airports. According to the Kommersant daily, Russian authorities are developing a set of requirements to flight safety in Turkey.

Charter flights to Turkey have been banned since December 2015. The Russian president lifted the ban on 29 June 2016.

Russia not planning to lift embargo on Turkish food soon

Russia is not planning to cancel its embargo on food supplies from Turkey, Agriculture Minister **Aleksandr Tkachev** has said. He also added that the embargo benefits Russian producers.

Earlier, Russian Prime Minister **Dmitriy Medvedev** instructed his government to work out a step-by-step procedure for lifting restrictions on economic relations with Turkey.

WAR IN SYRIA

Russia uses long-range aviation for Syria strikes

Jets believed to be Russian have struck a refugee camp along Jordan's north-eastern border with Syria, killing at least 12 people and injuring scores in the first such Russian airstrike near the Jordanian border, Reuters has quoted Syrian rebels and a Western diplomat as saying.

"Several jets flying at high altitudes struck at noon a makeshift camp where a few hundred, mostly women and children, were stranded in a no-man's-land on the Syrian side of the border," the agency said.

Earlier, the Russian Defence Ministry said that on 12 July six long-range strategic bombers Tu-22M3, which took off in Russia, struck the positions of Islamic State militants to the east of Palmyra.

RUSSIA-EU

Putin makes public address to French president after Nice attack

Russian President **Vladimir Putin** has publicly addressed French President **Francois Hollande** in the wake of the Nice attack. His address was broadcast on

Russian television.

Putin stressed that the Russian nation "had to deal with similar tragedies many times" and "would like to express our sympathy and solidarity with the French nation". The president added that terrorism can be defeated "only through a united effort".

Foreign Policy expert **Julia Ioffe** said: "In Putin's mind, the trick is now to lift the sanctions, end the isolation, by showing the West that a resurgent, muscular, even belligerent Russia is not contradictory to its interests. In fact, Russia is showing by, as it claims, going after terrorists in Syria that it is fighting a common fight and doing the West's dirty work."

Polish defence minister accuses Russia of mass killing of Poles in 1943-45

Polish Defence Minister **Antoni Macierewicz** has said that Russia was central to the Volyn massacre and used Ukrainian nationalists while masterminding the tragic events of 1943-45. He also suggested that the Volyn tragedy should be recognised an act of genocide.

Earlier, the Polish Senate passed a resolution announcing 11 July National Day for Commemorating the Victims of Genocide committed by the Organisation of Ukrainian Nationalists-Ukrainian Insurgent Army (OUN-UPA) against the residents of II Rzeczpospolita (1918-45).

RUSSIA-MOLDOVA

Moldovan banks reportedly launder 23bn dollars from Russia

A former employee of the service for the prevention of and counteraction to money laundering of the National Anti-Corruption Centre of Moldova, **Mihail Gofman**, has said 23bn dollars of Russian origin have been laundered by Moldovan banks, according to the Interfax news agency. In his words, in 2012-14 "Moldova turned into an unofficial offshore which Russian billions passed in transit".

According to Moldova's Supreme Court of Justice, at least 18.5bn dollars was removed from Russian banks through Moldovan money laundering schemes in 2010-13.

3. DOMESTIC POLITICAL

Uniformed agencies accumulate critical utilities debts - media

Organizations subordinate to the Interior Ministry, the Emergencies Ministry, the Defence Ministry, the Federal Security Service, the Federal Penitentiary Service and the Justice Ministry have not been paying their electricity and heating energy bills for a long time, and thus their total debt will reach 7bn roubles (109.5m dollars) by the end of 2016, according to the Vedomosti newspaper. By early summer, the total debt of these agencies reached 1.45bn roubles (22.6m dollars) for electricity and 3.4bn roubles (53.1m dollars) for heating energy.

According to the Kommersant daily, the growth of electricity and heating energy debts of the security agencies occurs due to reduced funding, as the government did not project sufficient funds in the federal budget to cover utilities bills.

Russian crime boss detained in Moscow

Officers of the Federal Security Service in Moscow have detained one of the most influential crime bosses (the so-called "thieves-in-law") **Zakhariy Kalashov** nicknamed **Shakro Molodoy** (Junior). According to the Rosbalt news agency, he was detained under a criminal case launched over extortion of a large amount of money from a Moscow restaurateur.

According to media reports, Kalashov is the leader of the Russian criminal world. He undertook this role after the murder of **Aslan Usoyan** known as **Ded** (Grandpa) **Hasan**.

Funded pensions to remain frozen until 2019

The Labour Ministry has said that the moratorium on funded pension contributions will be extended by three years.

Contributions of working Russian citizens into the funded component of pensions were used to make current pension payments for the first time in 2014. After that, the freezing of funded pensions was extended to 2015 and 2016. According to the Finance Ministry's estimates, the freezing of funded contributions in 2016 allowed saving some 344bn roubles (5.2m dollars) in the budget.

Security service academy staff facing disciplinary action after graduates' joyride

The Federal Security Service (FSB) has completed checks into the Gelandewagen car parade staged by graduates of the FSB Academy in Moscow. Several senior officials of the academy will be demoted, while others are facing dismissal.

Previously, a video was posted on the Internet showing FSB Academy graduates cruising the streets in a convoy of 28 Mercedes-Benz Gelandewagen cars.

Regional funding for HIV medications cut

Regional authorities have received less money for the purchase of drugs used for the treatment of HIV infection than it was envisaged in the federal budget, the Kommersant daily has reported.

The funding was reduced by 10 to 30 percent. As the daily learned from sources in the medical community, the regions have to cancel already announced auctions for the purchase of drugs.

According to the International Treatment Preparedness Coalition, the funding for the purchase of drugs has already decreased by 44m roubles (670,000 dollars) compared to 2015.

Logistics companies value execution of antiterrorism laws at 2.7bn dollars

The expenses of Russian companies delivering parcels and correspondence for the execution of the antiterrorism amendments introduced by MP **Iryna Yarovaya** will reach 180bn roubles (2.7bn dollars), the Vedomosti newspaper has reported citing estimates made by the National Association of Distance Selling.

Later, Russian President **Vladimir Putin** instructed the government to quickly launch production of equipment required for the execution of the antiterrorism amendments.

It should be recalled that according to the law, starting from 1 July 2018 postal services operators will be required to use X-ray television and radiosopic equipment, metal detectors and gas analysers to prevent shipments of weapons, explosives and other prohibited substances and items.

Prosecutor-General's Office launches central bank check

The Prosecutor-General's Office has started a check at the supervisory unit of the Bank of Russia, the RBC news agency has reported.

According to the report, these checks may be linked to the issue of protection of the rights of entrepreneurs, as well as complaints from businessmen who lost their money in failed banks.

4. PARLIAMENT ELECTION

Twenty-two parties submit candidate lists for parliament election

The Russian Central Election Commission (CEC) has closed the reception of documents from Russian parties that presented lists of candidates for the parliamentary election scheduled for September. The CEC received documents from 22 out of 24 parties that decided to nominate candidates for the election.

Of 22 parties, 14 are eligible to participate in the upcoming federal election without having to collect signatures in their support. These parties include those represented in parliament of the current convocation (LDPR, Just Russia, Communist Party and United Russia), as well as 10 non-parliamentary parties, including Yabloko, Parnas and Party of Growth.

5. RUSSIAN OPPOSITION

Court dismisses opposition activist's suit against filmmakers

The court has dismissed the lawsuit filed by opposition activist **Aleksey Navalnyy** against a public TV channel (VGTRK) that showed a film named "Browder Effect," in which Navalnyy was described as an agent of the founder of the investment fund Hermitage Capital, **William Browder**.

In particular, the film authors claim that Navalnyy and Browder, who is allegedly linked to the British secret services, began to cooperate in 2007 with the aim of "undermining the constitutional order" in the Russian Federation.

Police detain head of Progress Party's Moscow branch

Moscow police have detained the head of the Moscow branch of the unregistered Progress Party, **Nikolay Lyaskin**, while he was interacting with residents of the city's district and collecting signatures in support of the resignation of the Sokolniki district head. Two activists were also detained and delivered to a police department.

6. HUMAN RIGHTS

ECHR orders Russia to pay 123,000 euros to families of two Dagestan residents

The European Court of Human Rights (ECHR) has ordered Russia to pay 123,000 euros to relatives of two Dagestan residents who were abducted in Makhachkala in 2012.

Russia, according to the ECHR's ruling, must pay compensation within three months after the decision comes into force.

Moscow mosque imam accused of terrorism

The imam of the Yaryam mosque, **Makhmud Velitov**, has been detained in Moscow. He was charged with "public calls for terrorist activity or public justification of terrorism".

According to the Interfax news agency, the charges relate to the imam's interview with the Al Islami channel and one of his sermons which he held in his mosque.

7. ECONOMY

Russia's foreign debt grows to 521.5bn dollars

Russia's foreign debt rose to 521.5bn dollars in the first half of the year, which is 0.6 percent (3bn dollars) more compared to the same period of the previous year. The lion's share of the external debt is comprised of private sector's liabilities, including one-third of banks' liabilities and two-thirds owed by entities in other sectors of the economy.

Average purchase amount in stores declines by 10 percent over year

The average cost of one-time purchases made by a city dweller in June totalled 504 roubles (7.7 dollars), which is 10 percent less than a year earlier, according to a survey by the research company Romir. At the same time, the overall spending fell by more than 11 percent.

Spending of residents of large cities showed the largest decrease. In June 2016, the average purchase amount in the cities with a million-plus population fell by 3 percent compared to May, and by 4 percent in Moscow.

Losses of Russia's largest airlines grow to 370m dollars in first quarter

The largest Russian airlines posted an aggregate operating loss of 24bn roubles (370m

dollars) for the first quarter of 2016, according to the Kommersant daily. During the same period in 2015, their losses totalled 16bn roubles (250m dollars).

In addition, air carriage declined by 8.4 percent or 3.5m passengers in the first year-half. Passenger traffic in June alone fell by 14.4 percent.

8. MILITARY AND DEFENCE

Large-scale drills of signal troops held in western, eastern districts

The signal communications troops of the Western and Eastern military districts have taken part in large-scale command-and-staff exercises on the ground.

Some 3,000 servicemen of military formations deployed in Leningrad, Moscow and Voronezh regions, 500 pieces of mobile hardware, stations and communication systems were used in drills in the Western Military District.

In the Eastern Military District, 1,500 servicemen and 500 military units of hardware were involved in the exercises held at training grounds in the Republic of Buryatia, Trans-Baikal, Khabarovsk and Primorskiy territories.

Russia set to deploy S-400 missile systems in Crimea

In August, the Russian Defence Ministry will deploy the regiment of Triumph S-400 missile systems to Crimea.

Currently, the previous-generation systems (S-300) are deployed in Crimea.

India to lease Russian submarine

India is ready to take on lease for 10 years a Project 971 nuclear submarine from the Russian Navy, the Kommersant daily has reported. India plans to modify the vessel to its requirements and equip it with supersonic missiles.

According to the daily, given the time needed to prepare the submarine for the requirements of the customer, India can obtain the nuclear submarine not earlier than 2019-20.

It should be noted that in 2012 India leased a Project 971 submarine (Shchuka-B) for 10 years.

9. MEDIA AND INTERNET

Journalist put on federal terrorist list

A journalist of the KRYM.REALII website, **Mykola Semena**, has been included in the Russian federal list of terrorists and extremists, the Ekho Moskvyy (Echo of Moscow) radio station has reported.

Earlier, the press service of the Crimean prosecutor's office said that a criminal case was launched against one of KRYM.REALII journalists over public calls for extremist

activity. The Federal Security Service (FSB) carried out searches at seven households belonging to the journalists of the project.

Security service demands full list of radio station employees

The Federal Security Service (FSB) has demanded that the Ekho Moskvyy (Echo of Moscow) radio station provide a list of all its employees, the radio station's chief editor, **Aleksey Venediktov**, has said

Earlier, the FSB seized the correspondence between the editors of the radio station's website and political commentator **Andrey Piontkovskiy**, who maintained a blog on the station's website. Venediktov was also summoned for questioning as a witness.

10. SPORTS

Ten countries to ask for barring Russia from Olympics - media

Representatives of anti-doping agencies of 10 countries, as well as of 20 athlete groups, will ask the International Olympic Committee to bar the Russian national team from taking part in the Olympic Games in Rio de Janeiro, according to The New York Times. Among them are the United States of America, Germany, Spain, Japan, Switzerland, Canada and others.

It should be recalled that in early July the International Association of Athletics Federations barred all Russian athletes, except for one, from participating in the Olympics.

Gorshenin Weekly Russia is a weekly digest of expert analysis covering the most important political, social and economic events in Russia. It is a new project launched in 2015 following the success of a weekly overview of the major news in Ukraine, Gorshenin Weekly that has been published since 2010. It is the key source of information about opinion polls carried out by the Gorshenin Institute as well as the best professional commentaries on recent developments. Gorshenin Weekly is available in Russian and English.

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