

# CONTENTS

<b>2</b>	<b>SPEECH QUOTES BY THE PRESIDENT OF THE RUSSIAN FEDERATION VLADIMIR PUTIN</b>
<b>3</b>	<b>TATYANA GEORGIEVSKAY TOGETHER WE WON BY THE POWER OF UNITY</b>
<b>5</b>	<b>GREETING TO READERS AND VISITORS OF THE SUMMIT BY RUSTEM KHAMITOV</b>
<b>6</b>	<b>VLADIMIR ZAKHAROV SCO: THE STRATEGY OF DEVELOPMENT, SPACE AND TIME</b>
<b>9</b>	<b>XINHUA SCO MAKES A LARGE CONTRIBUTION TO THE GLOBAL FIGHT AGAINST TERRORISM. UNLIKE THE USA</b>
<b>11</b>	<b>VYACHESLAV ZAVYALOV THE PLACE OF POWER</b>
<b>14</b>	<b>ALEXANDER LUKIN SCO FORUM TOOK PLACE IN YUGRA</b>
<b>16</b>	<b>DMITRII VERKHOTUROV WHAT IS ISIS LOOKING FOR IN AFGHANISTAN</b>
<b>18</b>	<b>DMITRY KOSYREV THE SCO ECONOMIC FIELD: FREEDOM FROM ILLUSIONS</b>
<b>20</b>	<b>MICHAEL KONAROVSKIY FIGHT AGAINST «THREE EVILS»</b>
<b>22</b>	<b>LARISA EFREMOVA «I SEE THE SPIRITUAL AND EDUCATIONAL KERNEL OF THE SCO FIELD IN THE UNIVERSITY OF SCO»</b>
<b>25</b>	<b>STANISLAV MAXIMOV «SHANGHAI SPACE» WITHOUT BORDERS</b>
<b>27</b>	<b>SCO BUSINESS COUNCIL REVIEWS ITS PERFORMANCE</b>
<b>29</b>	<b>OLEG BEREZOVY LET'S LIVE WELL IN «BAD TIMES»</b>
<b>31</b>	<b>JEANNE SHCHUKINA THE RUSSIAN GAS WANTS TO GO TO CHINA VIA ALTAI</b>
<b>33</b>	<b>IRINA NOVIKOVA «CASPIAN PARADIGM» IS LOOKING FOR A MODEL OF COMMUNITY WITH THE SEA</b>
<b>35</b>	<b>THE ECONOMY OF THE REPUBLIC BASHKORTOSTAN IN FIGURES AND FACTS</b>
<b>38</b>	<b>SVETLANA BELLENDIR THE GOLD STARS FOR FEATS IN THE SKY</b>
<b>41</b>	<b>DARYA SHULYAKOVA «BROWN PLAGUE» AGAIN?</b>
<b>43</b>	<b>IVAN SAFRANCHUK CENTRAL ASIA IS FACED WITH A CHOICE: TRADITIONALISM OR PROGRESS?</b>
<b>45</b>	<b>TATIANA SINITSINA IRINA ZAKHAROVA, WHO CHARMED CHINA</b>
<b>49</b>	<b>YURI TAVROVSKY NEW MELODIES OF THE SILK ROAD</b>
<b>51</b>	<b>ANATOLIY KOROLEV RUSSIAN GENIUS IN EVERY SENSE OF THE WORD</b>
<b>53</b>	<b>NAINA AMINOVA «PEOPLE ARE POLITE AS KINGS IN THE CITY OF THE SUN AND GENIUSES...»</b>
<b>54</b>	<b>ANTON IVANOV UFA UNCOVERING ITS BEAUTY BEFORE THE SUMMITS</b>
<b>56</b>	<b>BUSINESS PORTFOLIO OF BASHKORTOSTAN</b>

**Project director**  
Denis Tyurin

**Editor in chief**  
Tatyana Sinitsyna

**Deputy Editor in Chief**  
Maxim Krans

**Project manager**  
Natalya Maltseva

**Editorial Board**  
Alexey Vlasov  
Sergey Luzjanin  
Alexander Lukin

**Editors of the English version**  
Artur Ishkaev  
Natalya Latisheva

**Chinese version**  
Ruslan Manakov

**Design, layout**  
Michael Rogachev

**Technical support**  
Maria Kotova

**Worked on the release**  
Vladimir Zakharov  
Vyacheslav Zavyalov  
Michael Konarovskiy  
Ekaterina Telina  
Elena Aryamnova  
Dmitry Verkhoturov  
Alexander Lukin  
Dmitiy Kosyrev  
Valery Minin  
Jeanne Shchukina  
Tatyana Georgievskaya  
Irina Novikova  
Svetlana Bellendir  
Darya Shulyakova  
Stanislav Maximov  
Anatoly Korolyov  
Ivan Safranchuk  
Yuri Tavrovsky  
Naina Aminova  
Diana Tomilova  
Natalya Ageeva  
Dinara Latipova  
Olga Mulskeya  
Svetlana Zagidullina  
Maria Vetrova

WHEN USING MATERIALS FROM THIS ISSUE, A REFERENCE OF INFOSCO IS REQUIRED. THE OPINION OF THE AUTHORS OF PUBLICATIONS DO NOT NECESSARILY REFLECT THE OPINION OF THE PUBLISHER.

Address for correspondence:

13/2, Krzyzanowski str., Moscow, 117218  
Tel. / Fax: +7 (495) 718-84-11  
www.infoshos.ru





...The Shanghai Cooperation Organization is gaining momentum, becoming an increasingly influential international structure that makes a significant contribution to stabilization of the situation in this vast region.

The SCO has virtually gone beyond its initial borders and the goals for which it was set up, which testifies to its relevance. This wouldn't have happened had the SCO member states not understood and realized that they are interested in further joint work. I believe it is important to continue enhancing the efficiency of interaction to be able to adequately respond to the challenges of our time.

The fast developments on the international stage require better efficiency from the Shanghai Six. This is the goal of the SCO Development Strategy to 2025 that is to be adopted at the Ufa summit. Russia advocates expansion of economic cooperation within the SCO, development of joint measures to ensure financial, food, energy and transport security.

We see great opportunities in establishing cooperation between the SCO and the European Economic Union, BRICS and other international organizations, first of all, the United Nations.

There is no doubt that the SCO will be growing bigger and stronger, and the expansion process will take a definite form.



# TOGETHER WE WON BY THE POWER OF UNITY

Tatiana Georgievskaya



The hero of the Soviet Union Alexander Sitcev answering my question - «How yet did we win?» said: «The enemy burned in a laser beam of patriotism, he was cast down by the strength of our unity.» These words sound like an absolute formula of Victory.

The Soviet Union made a decisive contribution to the world freedom

from the threat of fascist dictate's madness; it sustained the brunt of the fight against Nazi Germany and its allies. It was the Red Army and Navy, which defeated the main forces of the Wehrmacht: 607 divisions, destroying 72% of enemy military personnel, 75% of its tanks and assault weapons, over 75% of aviation, 74% of artillery weapons. Soviet people defeated together all

that enemy force, opposing it with the will and spirit strength of all people, joining forces, resources, and our sacrifice.

«Everything is for the front, everything is for Victory!» - During the war, it was not just a slogan, it was life itself, which the Soviet people lived together, united as one, supporting each other.

The price of Victory is inconceivable: the multinational Soviet people paid 28 million of lives for it, and there are about 5.5 liters of blood in every person - multiply! A sacrifice is terrifying. «We drowned the war in blood», - wrote the poet Yevgeny Yevtushenko.

Insidious, armed to the teeth enemy advanced rapidly. It was clear that Stalin's directive to «stop and throw the enemy away» was impossible to achieve, and they had to prepare for a protracted, bloody war.

«Evacuation of the great mass of the population and industry from the European part of the USSR in 1941-1942, and its «settlement» in the east should be attributed to one of the most amazing organizational and human feats of the Soviet Union during the war,» - wrote the British journalist Alexander Werth in his book «Russia in the war of 1941-1945». Indeed, the way the Soviet Union ensured its victory in the home front could not be called otherwise than the daily heroism of the people.

The terms of military situation twice demanded the relocation of enterprises from the west to the east: the first time - in the summer and autumn of 1941, the second - in the summer and autumn of 1942. Creameries, weaving, cotton spinning mills, canneries, equipment, weapons and ammunition manufacturing, - all were installed in the shortest period, and production was distributed just coming off the lines. Most of the men went to the front. Women and young people took their job places and spent behind the machines for 10-12 hours.

The main goal of the enemy was Moscow. The capital was fiercely defended, the soldiers died in the

last ditch. «Russia is great, and there is nowhere to retreat - Moscow is behind!» - Junior political instructor Vasily Klochkov shouted to his soldiers at the junction Dubosekovo on the Volokolamsk highway and rushed under the German tank with a bunch of grenades. This cry of the dying hero became a powerful spiritual weapon for the fighters, crystallized in the winged epic words, which are still alive.

The sons of all the Soviet nations heroically defended Moscow. Siberian and Far East regiments arrived from over the Urals. The 316th Infantry Division under the command of Major General Ivan Panfilov, formed on the Kazakh land in Alma-Aty, gained

formed from Tajiks also fought for the capital. Thousands of Pamir messengers received a baptism of fire here, 150 soldiers and officers of the division were awarded. Tajik warriors also participated in the heroic defense of Leningrad, defended the Caucasus, and showed the miracles of bravery in the battles of Kursk and on the Dnieper. Khodji Kendzhaev, Ismail Khamzaaliev, Domullo Azizov and many others got the title of the Hero of the Soviet Union. In October 1943 Tajik soldier Tuychi Erdzhigitov repeated the immortal feat of Alexander Matrosov and shut the embrasure of the enemy with his body at the Volkhov front.

In the battle of Stalingrad Kirghiz

heroes of the war made the sacred feat forever inscribed in the history.

The fact of Rzhev, a town in the Tver region, is a memorial to the soldiers of the 100th and 101st separate infantry subdivisions. A capsule with the Kazakh land is laid into the granite. These subdivisions were formed from young Kazakh and Russian volunteers in autumn 1941. They took part in operation called «Mars» as part of the 39th Army of the Kalinin Front, fighting for «Rzhevskiy vystup» perimeter at defense line. These military units as part of other troops of the Kalinin Front foiled the plans of the second strategic offensive campaign of Nazi Germany to Moscow.

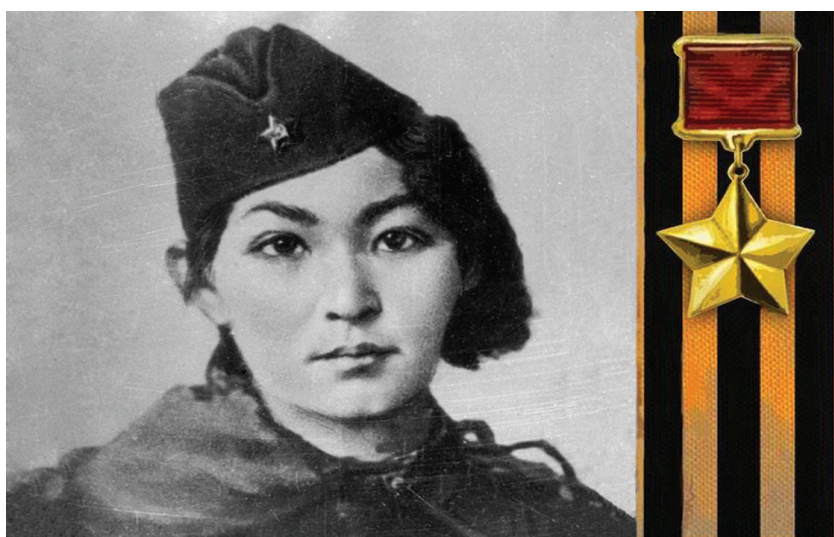
Uzbek people also made an invaluable contribution to Victory over fascism. 15 divisions and subdivisions were formed on the territory of the republic; tens of thousands of young Uzbeks went to the front. Military schools, dislocated to Tashkent, prepared several thousand commanders for the front.

From the very first days of the war, Uzbekistan took active part in economic security of the defense. The population of the republic put into the defense fund almost 650 million rubles, about 53kg of gold and silver. 7,5 million soldier's blouses, 2,640 cotton padded jackets, more than 2 million pairs of boots and shoes were shipped to the front. Food was constantly sent from here to the front, as well as to beleaguered Leningrad.

The civilian population of the regions covered by the fighting was evacuated to the eastern part of the country. The people of Central Asia gave shelter and warmth to tens of thousands of people from Russia and other former Soviet republics. Many orphans were adopted by the Uzbek, Tajik, Kazakh and Kyrgyz families.

We have given only a small tribute (a drop in the sea!) to the multinational image of the heroes of the Great Patriotic War, as the feat of the Soviet people was so huge that it is impossible to grasp its greatness. It is our common pride of the courage, fortitude and dignity of older generations.

The Great Patriotic War of the Soviet people against the sinister iron machine of fascism is an unprecedented example of the human consolidation when facing the global threat - monstrous Nazi ideology. And, together, we defeated the enemy, we won! Only the price is immeasurably great that it is impossible to forget.



everlasting glory. Mainly the residents of Alma-Aty, Zhambyl and South Kazakhstan regions and partially residents of Kyrgyzstan were drafted in this division. This multinational military formation by 40% consisted of Kazakhs, 30% were Russian, and the rest were the representatives of 26 other Soviet nations.

Military Commissar of the Kyrgyz Republic, who arrived in Alma-Aty with his assistant, and instructor of Alma-Aty military enlistment office senior lieutenant Bauyrzhan Mamyshuly completed the formation of the division in one and a half weeks. Major General Ivan Panfilov was appointed as a commander. He got great respect and love from the soldiers, who called themselves «panfilovtscy» and their commander - «our elder», «our father». Almost all division was killed on the borders of Moscow.

The 20th Red Banner Cavalry Division

artilleryman Dair Asanov fought with selfless bravery and was awarded the gold star of the Hero of the Soviet Union.

When forcing the Dnieper his compatriots Mamasaliev Teshebaev and Tashmamat Dzhumabaev also distinguished themselves in action and were awarded the «Golden Star». In total more than 100 thousand Kyrgyz soldiers were awarded orders and medals, 72 - were awarded the title of the Hero of the Soviet Union for courage and bravery shown in the Great Patriotic War.

Kazakhs also fought with courage: 500 representatives of the republic became the Heroes of the Soviet Union, more than 100 were the Holders of the Order of Frame; four were awarded the title of the Hero of the Soviet Union twice. Bauyrzhan Momyshuly Alia Moldagulova, Manshuk Mametova, Tolegen Toktarov and many other





Dear friends!

On behalf of our multiethnic republic I sincerely welcome the readers of «InfoSCO» journal!

Bashkortostan is one of the largest and most developed Russian regions, possessing huge economic, cultural, research and educational potential. This July Ufa holds important international events such as summit of the Council of Heads of SCO member states, and also the meeting of heads of states and heads of governments of BRICS countries. Ufa summits, undoubtedly, will

favour further strengthening of these geopolitical unions, their authority and international influence growth, development of economic and cultural relations, extension of tourism and youth exchange.

Today Bashkortostan tends to develop actively many-sided cooperation with the SCO countries regions. Also the strategic partnership with provinces of People's Republic of China, Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan is being deepened.

On the initiative of the Republic the First forum of small and medium enterprises of SCO and BRICS member states regions will be held in Ufa on 20-21, October, 2015. Representatives

of business circles will discuss the possibilities of close cooperation in the «Region to Region» format, and in the long run it will favour synergetic effect in the development of our economies.

I am sure that members of delegations will be able to appreciate at its true value Bashkir hospitality. Bashkortostan is open to dialogue with foreign finance institutions and strategic investors.

I wish all the readers of journal success, productive communication and pleasing impression by acquaintance with our land.

Rustem Khamitov

# SCO: THE STRATEGY OF DEVELOPMENT, SPACE AND TIME

*Vladimir Zakharov, Senior Lecturer at School of Oriental Studies of National Research University of Higher School of Economics, Deputy Secretary General of the Shanghai Cooperation Organization (2004-2010).*



Having received the «Rod of chairmanship» in the Shanghai Cooperation Organization from Tajikistan, during the year Russia has done a great job in order to fulfill this important mission appropriately. Within the SCO, there is still a perception that Russia continues to play the role of locomotive in the overall development of the Organization, the role of the generator of new ideas that contribute to the development of diversified cooperation in the region. It is not a coincidence that the draft of medium-term strategy for the SCO development until 2025, prepared for the adoption at the summit in Ufa, has been developed by the Russian side and submitted to the partners for a joint agreement. We hope that the document will retain the sharpness in feeling of a historic moment and give a complete picture of organization's position as a bastion of stability and security for the future.

In the capital of Bashkortostan, in bilateral and multilateral formats, there will be an exchange of views on major regional and international issues, including the situation in Afghanistan and Ukraine, as well as in the Middle East, North Africa and other regions adjacent to the SCO. There is no doubt that the whole world is looking forward to the positional estimates of the SCO, which mainly will determine the near and medium term perspectives of the organization's development in the spheres of political, economic and humanitarian cooperation.

## MULTIPURPOSE ASPECTS OF THE FIGHT AGAINST MODERN CHALLENGES

There is no doubt, the documents, that are being prepared, will retain the overall mood of the meeting in

favor of strengthening the coordination of regional security. Terrorism, separatism, extremism, trafficking of drug, psychotropic substances and its precursors, transnational organized crime and cyber threats continue to have a negative impact on regional stability.

In Ufa, the Heads of States will have to make an important decision on the feasibility of establishing a multifunctional center based on the Regional Anti-Terrorist Structure in Tashkent, or select various platforms for these purposes, based on the feasibility and effectiveness of the fight against new challenges. In any case it is very important that all signed documents in these spheres have to be implemented by all parties. As for Russia, the main threat to it - is a wave of Afghan drugs transiting the border in Central Asia.

InfoSCO, №8, 2015



## THE AFGHAN DOSSIER

While developing a position on Afghanistan issue it is important to heed the opinion of the Central Asian states, as well as to take into account the position of the Afghan leadership, which is the SCO observer. Either stated parties are satisfied with such a bilateral format of relations or there is a need to take effective measures to provide them with necessary assistance within the framework of the Organization. Of course, it has to come from the fact that on the request of Kabul the contingent of US and coalition forces remain on Afghan territory. One way or another, but the SCO should prevent the penetration of armed terrorist groups on its territory. Otherwise, it would contradict to the main idea of the Organization. The question is how to achieve an effective interaction both within the SCO and international actors, including the UN.

For the SCO, it is important to formulate a predictable position in the case of a sharp deterioration of the situation in Afghanistan. It would be right to support the efforts of the international community to solve the Afghan problem, as well as within the frameworks of the Istanbul process, which actively involves all the SCO member states.

## EXPANSION STRATEGY

Recently there were statements about the possibility of the imminent enlargement of the Organization. Official and unofficial sources directly called contenders - India and Pakistan - and predicted that at Ufa summit there could be a political decision on the admission of these two countries in the SCO as full members. Dushanbe summit approved the procedure for granting the status of SCO member states and the new edition of the memorandum on the obligations of the applicant's that claim to the status of a member State.

Of course, the decision on acceptance will be followed by a sufficiently long period of states-contenders' adaptation to the existing standards. However, imagination affects the idea of creating the world's largest regional organization of multifaceted cooperation, which will unite the states with a total population of about 3 billion people and with GDP more than \$20 trillion. It takes breath away not only from these figures, but also from the amount of problems to be solved by the Organization.

Anyway, long-term efforts of Russian diplomacy on building new security architecture in Asia are already paying off. It's no secret that Russia has used its authority to persuade the Chinese and Indian partners to build trilateral political structure. No wonder such

format as RIC (Russia - India - China), indicating political and practical areas of cooperation, was created fifteen years ago. Today, the fate of this project is close to being embodied in the SCO.

The progress indicates that there have been tectonic shifts within the Chinese-Indian relations. First of all it concerns the prospects for solving the bilateral border and territory issues and a complex set of relations in political and economic spheres. The result of the process is the growth of trust between the two major Asian states, primarily in terms of their understanding of the need for early analysis of political blockages, non-interference in each other's affairs.

We should note that in Asia, as well as throughout the world, there is a significant change in the balance of power by strengthening the capacities of Russia, China and India. There are new centers of gravity, the formations of which result in altered political and economic ties. To a certain extent, it applies to Pakistan, which is being guided by its Beijing «all-weather» friend. Let me note that the strength of expanding foundation of the SCO will depend on the positive contribution of Pakistan to the objectives of the Organization.

The acceptance of India and Pakistan into SCO will require significant efforts from all the parties. In conditions of the current rigid consensual principle of decision-making, the process of rapprochement and development of tradeoffs can be seriously complicated. It should also be taken into account that diplomatic service of these states is different from the SCO countries. We'll have to change the management structure of the SCO, accept the third working language, change the nature of HR training and staff list, etc.

The idea of forming a powerful regional organization of multifaceted cooperation will require the full voltage of intellectual, financial and organizational efforts, as well as critical reflection on the experience of the EU and ASEAN. The SCO medium-term development Strategy, which is being developed now, will require a corresponding adaptation.



## THE ECONOMIC MEASUREMENT

Ufa summit will give a definite answer to the request of the Heads of the States formulated at the SCO Summit in Dushanbe, - to continue the efforts for the early completion of the research on the creation of the SCO Development Fund (Special Account) and SCO Development Bank. However, Russia has obvious difficulties because it is engaged in the creation of corresponding banks in the framework of the Eurasian Economic Union, BRICS, as well as the Infrastructure Investment Bank's, which will require considerable financial efforts.

It should be noted that progress in this matter is extremely important for the Central Asian states, which link their social and economic development mainly with financial capabilities of the SCO and its individual members.

Probably Ufa Summit will definitely favor regarding participation in the Great Silk Road Economic Zone megaproject, which is promoted by Beijing and has already received a positive assessment from the leaders of the SCO member states. In addition, one cannot exclude the wording on the interaction of the SCO not only with the Chinese project but also with the Eurasian Economic Union.

We should expect new ideas about the role of business and financial circles of the SCO member states, the SCO Business Council and SCO Interbank Association in the development of business, trade and investment cooperation. Therefore, during the summit in Dushanbe the Heads of Member States have already offered businesses and banks to actively solve economic, financial and credit development problems. However, in practice this does not mean disengagement of government agencies on the solution of such important and politically motivated objectives.

Unfortunately, the interest of business to the project activities within the SCO has not become obvious. The instructions to relevant state bodies to develop and offer attractive conditions for business and financial circles to participate in projects of the SCO are awaited from Ufa Summit.

## EDUCATION, YOUTH, ART

Russia is completing the year of its chairmanship with a good bank of implemented initiatives in the sphere of education - we are talking about the University of the SCO. And it is important not to miss our superiority, and reinforce it financially and organizationally. Today we need more government support for the establishment of a specific university administration and expansion of its training programs on a wide list of specialties.

It is important for forum, the Business Council and the SCO Interbank Association to look closely at the subject areas the SCO Youth Council activities, which have innovative and

at these sites. Through these projects, the name of the SCO has become well-known among the art circles of our countries, a massive creative impulse seized hundreds of children.

It's safe to say that the summit in Ufa will be the culmination of the Russian chairmanship in the SCO. There is no doubt of its success in terms of large-scale protocol and organizational activities. However, the main goal is to solve very important political and economic problems, in the ability of Russia and its partners in the Organization to identify the correct vector of the SCO development.



creative features.

In the multidisciplinary activities of the Organization special value is acquired by initiatives coming from the bottom, which also require the support of the Organization. For example, such original exhibition projects as «Children paint fairy tales» and «Drawing the West Lake» (but tomorrow it may be the Baikal, the Issyk-Kul Lake, or other scenic lakes in our countries) have been set off into an independent voyage, but under the SCO brand. They collected the works of young and mature artists from member States, observers and dialogue partners. For almost ten years large-scale exhibitions, art exchanges, catalogs publishing, lively creative dialogues have been regularly occurring

*The idea of forming a powerful regional organization of multifaceted cooperation will require the full voltage of intellectual, financial and organizational efforts*





## SCO MAKES A LARGE CONTRIBUTION TO THE GLOBAL FIGHT AGAINST TERRORISM UNLIKE THE USA

For a long time the USA and its allies wage a fierce anti-terror fight in a number of countries. However, to this day terrorism has not disappeared, and the results of the fight against terrorism, obviously, are not as productive as Western countries expected. At the beginning of the year there was the terrorist attack on the editorial office of the satirical weekly «Charlie Hebdo» in Paris; «Islamic State group» has expanded and intensified its activities - all this and more evidence that the terrorist threat doesn't decrease, but on the contrary, only grows. This situation raises the international community's concern and makes people think about the reasons for the defeat of the Western countries on the antiterrorist front.

According to observers, the reason lies in the policy of «double standards» that are inherent in antiterrorist operations of Western countries. Based on their own interests, they are, under the pretext of fighting terrorism, trying to spread the concept of «democratic

values», ignoring the interests of other countries and the international community.

At the same time, the Shanghai Cooperation Organization has consistently continued to play an important role in the maintaining of regional security, making due contribution to the global fight against terrorism. According to a Chinese expert on the fight against terrorism Li Wei, «the threat of terrorism in Central Asia has largely been brought under control in the framework of the SCO anti-terror cooperation, and experience of the organization in the fight against terrorism is worthy of studying and application by other regional and international organizations». SCO, established in 2001, aims to build trust, good neighborly relations and friendship between the Member States, the maintaining peace and security and stability of the region, and the joint struggle against «three evil forces» (terrorism, separatism and extremism).

Unlike other alliances, the SCO

support non-aligned status and not it is not directed against any particular country or organization. «Shanghai Spirit» is characterized by «mutual trust, mutual benefit, equality, mutual consultations, respect for cultural diversity and a desire for common development».

In 2004, the SCO established the Regional Anti-Terrorist Structure (RATS), headquartered in Tashkent. With this effective tool SCO member-states have made considerable progress in the fight against terrorism, preventing approximately one thousand terrorist attacks, detained about 650 terrorists, uprooting a lot of extremist organizations.

The SCO has repeatedly held joint anti-terror military exercise, aimed at strengthening the fight against terrorism. Joint exercises are an important mechanism of the SCO, which is based on equality and is not aimed against any third country.

Except the joint antiterrorism exercises, the SCO member-states have



created another forms of cooperation: security mechanism for large-scale international events, information exchange system, joint groups on combating Cyber-terrorism. Thanks to all this, practical cooperation of the SCO member-states in the fight against the «three evil forces» is constantly advancing and deepening.

It should be noted that the Executive Committee of the RATS support productive working relationships with security and antiterrorism departments of a number of important international and regional organizations. The Executive Committee of RATS in 2011, jointly with the Anti-Terrorist Centre of CIS, held a seminar, which theme was the fight against international terrorism. And in 2013 the Executive Committee of the RATS organized the roundtable meeting on this subject.

«Thanks to the tireless efforts of the RATS the security situation in the region, on the whole, remains stable and controllable», - said the director of the Executive Committee of the RATS

Zhang Sinfen. It is worth noting the cohesion of the member-states of the SCO and their intention to make more efforts to combat terrorism. China plays an important role in promoting antiterrorism cooperation within the SCO.

By promoting the economic zone of the Silk Road and Maritime Silk Road of the 21st century, China contributes the economic development of many countries, providing constant assistance in maintaining security. Precisely in that aspect of its policy is the key to preventing regional shocks and instability.

Russia is also actively takes responsibility for this task. «A key priority of the SCO during the Russian presidency in 2014-2015 is to ensure security in the region, especially in view of complicated situation in Afghanistan», - said Russian Ambassador in China Andrei Denisov. Together with other SCO member-states, Moscow intends to sell the Russian initiative to transform the SCO

*the Shanghai Cooperation Organization has consistently continued to play an important role in the maintaining of regional security, making due contribution to the global fight against terrorism*

RATS in the stop center to address the challenges and threats to security. As the first step - granting RATS anti-drug functions (refers to actions to suppress the financing of terrorist activities in the region).

It's safe to say that with the joint efforts of all the SCO member-states will play an increasingly important role in the fight against terrorism and will make an important contribution to peace and stability not only in the region but also around the world.

Xinhua



# THE PLACE OF POWER

Vyacheslav Zavyalov

Bashkortostan is rightly called the place of power gaining. Here you can find the fabulous ecology, unique natural landscape and rich earth interior. For ages brave, noble people with courage, wisdom and dignity, who don't like to make hasty decisions, have lived here.

Because of the location on the border of Europe and Asia Bashkortostan has always been an important meeting point of routes of ancient peoples. Right here the nomad tribes - the Sarmatians, Saka and Savromats settled down the makeshift camps using comfortable natural and climatic conditions. They left behind the mounds, burial ground, which many generations of archaeologists will explore for a long, long time.

Those of mounds which have already been excavated and explored told us that 19 -20 thousands years ago on the South of present-day Bashkortostan the high art prospered. The witnesses of those years - the famous golden Deer, which are kept in the museum of archeology and ethnography in Ufa, and ancient realistic paintings and drawings of Kapova Cave.

Bashkortostan wasn't the rich

crossing on the way of the Migration Period and different conquerors - Khazar Hagan and Golden Horde khans only. The routes of the caravans of merchandise cross here, which converted the territory into the branch of the Great Silk Road. So Bashkortostan played a strategic role and linked the West and the East, the South and the North in the earliest days of the history.

The mention of Bashkortostan and its peoples can be found in the earliest manuscripts. The researcher of antiquity Solomon Lurie wrote that "precursors of modern Bashkirs are mentioned in the 5th century BC in "The History" of Herodotus as Argrippei. About the tribe bashkuli we also can find in the ancient Chinese "The Book of Sui". During some centuries - from IX till XV - Bashkortostan has been a subject of interest of travelers and scientists. Among them are Ahmad ibn

Fadlan, Al-Masudi, Muhamma al-Idrisi, Abu'l-Fida.

Ahmad ibn Fadlan thought that the Bashkirs had Turkic origin and lived on the territory from Urals to Volga. Such a big area was required to protect it, so the Bashkirs were great fighters. A lot of the conquerors have seen this including Chingizkhan.

«Mongolian-Bashkir War has been lasting for 14 years. That's more than war with Chorasmian Sultanate and the Great Western campaign. The Bashkirs won the battles many times and at last they signed a treaty of friendship and alliance. «Afterwards the Mongols and the Bashkirs have united for further conquest» Lev Gumilev the outstanding Russian historian wrote.

When Bashkortostan became a part of the Russian Empire the life became calmer and more peaceful. This provided an economic growth - in



the mountainous part of Bashkortostan the manufactures were built, the agriculture and crafts began to develop.

Today scientists say that bee colonies are tragically disappearing in the global nature and soon we can lose honey. But Bashkortostan is a honey paradise, which is created by beekeepers from generation to generation, based on tradition and experience of their ancestors. Bashkir honey has long been a famous brand of the region (as the Dutch cheese or Scotch whiskey), which is known not only in Russia but also abroad. The product is wonderful by its curative properties and taste. In historical times honey was available only to the rich because of its costliness. But many generations of Bashkir beekeepers engaged in apiary with consummate skill and great love, being able to become a real «honey magicians». So today many people can enjoy the Bashkir honey.

It seems that «honey» and «oil» are quite different things but in Bashkortostan they harmoniously exist on the same space and it also cannot fail to surprise. Oil was first mined in 1932, and it gave an incredible boost to the industry. «Black gold» made the republic a leader in the family of



Bashkir honey has long been a famous brand of the region (as the Dutch cheese or Scotch whiskey), which is known not only in Russia but also abroad.

Russian regions. Since Bashkortostan only strengthens their capacity, and today, despite the global economic crisis, new high-tech industries open there. Today Bashkortostan is among the leaders in the production of refined petroleum products. There is well-developed petrochemical and chemical industry.

The world has learned about another Bashkir unicum - Kurai, which is a traditional musical instrument, the sound of which cannot leave anyone indifferent. The people, who first heard the Kurai, compare it with the singing of the nature - the wind, the steppe, and the sounds of the forest, starry whispers and chime. Kurai made an indelible impression on the Europeans at the beginning of the XIX century, when Bashkir riders «northern Amur», participated in the liberation campaign

of the Russian army against Napoleon, played on it during halts in the vicinity of Berlin and Paris. It was unknown culture to Europeans - a magic to the ear and surprising for the soul. Along with Bashkir honey the Kurai became another indispensable symbol of the Bashkir people. If you want to hear the voice of Bashkortostan - listen to the beautiful melodies of Kurai.

A few words about the «northern Amur», Bashkir horsemen. The fact of their participation in the war against Napoleon, accomplishment of feats of arms imprinted in the history. But not many people know that the first time the Bashkirs rose in the defense of the Russian state at the call of the merchant Minin and Prince Pozharsky and have joined the ranks of the People's Militia. Loyalty and devotion to Russia Bashkirs repeatedly confirmed later in the battle, and in labor.

The Republic can be also called ecological rarity, it has a strong reputation of miraculous healing place where there are many mountains and forests resorts, which are considered as one of the best in Russia. The astronauts returning to earth after a long orbital watch, restore their health at the Bashkir resorts.

Bashkortostan is rightly called the place of power gaining. Here you can find the fabulous ecology, unique natural landscape and rich earth interior. For ages brave, noble people with courage, wisdom and dignity, who don't like to make hasty decisions, have lived here.

Many guests and tourists mention the extraordinary burst of inner spiritual strength, physical liberation and







grace changing attitude towards life. Materialists explain this phenomenon as a positive concentration of variety of different factors, including the great natural beauty, healthy pine air and the healing properties of koumiss - the national Bashkir drink that is made from mare's milk. It makes the patient healthy, and healthy gives heroic power, allowing to stand firmly on his feet in our difficult, troubled world.

At the same time almost all the travelers note the amazing kindness and the hospitality of the people living

in this blessed place. Any guest, who came in Bashkortostan with the peace, is always welcome. The centuries-old history of coexistence of different ethnic groups and religions on this area make the peoples living there friendly, tolerant and open to external communication. The interpenetration of cultures and the unity of the human spirit have reached a very high level in Bashkortostan, making the republic a positive social model.

That is why the holding of the summits of SCO and BRICS in July this

year in Ufa is a very good, justified step. Where else can we talk about global stability, understanding, the further development and strengthening of international relations?

An interesting detail: the children, if they are asked to draw the image of native Bashkortostan, take the brightest colors and paint ... a woman. A woman of mystery. At the children's drawings she is always young, very beautiful, surrounded by light ... She is a woman-mother, homemaker, gentle, merciful, kind and strong...







# SCO FORUM TOOK PLACE IN YUGRA

*Alexander Lukin, director of the Center for East Asian and SCO MGIMO (University) of the MFA of Russia, head of the department of international relations NRU «Higher School of Economics»*

How to counter international terrorism and Islamic extremism in Central Asia? What will happen after international forces leave Afghanistan? How to finance multilateral economic projects? These and many other pressing issues were discussed in Khanty-Mansiysk at the 10th anniversary meeting of the SCO Forum.

According to Regulations, the Forum is a «multilateral public consultative and expert mechanism, established to promote and support research activities of the SCO, for development of relations between research and political science centers of the SCO member states, joint research on topical issues of the terms of the SCO reference, clarifying the objectives and principles of the SCO activity, the expansion of its relations with the scientific and public circles, as well as

the promotion of the exchange of views between academics and experts in the fields of politics, security, economy, environment, new technologies, humanitarian and other areas.» It is composed by one authoritative scientific body from each member state of the SCO, which have the status of the National Research Center. Today it is - the Institute of World Economics and Politics under the Foundation of the First President of Kazakhstan - Leader of the Nation, Chinese Research Center of the SCO, established on the basis of the Chinese Academy of International Studies at the Chinese Foreign Ministry, the National Institute for Strategic Studies of the Kyrgyz Republic, the Center for East Asian and SCO MGIMO (U) of the MFA of Russia, Center for Strategic Studies under the President of the Republic of Tajikistan and the Institute of strategic and Regional Studies under the President of the Republic of Uzbekistan.

The Forum was established in 2006 at the founding meeting in Moscow, which took place at MGIMO. Then, five years after the creation of the SCO,

there was an urgent need to look at the activities of the organization an independent, objective, but a friendly glance. Usually, in many international organizations, this function is performed by participants of the so-called «second track» - independent expert associations working in close collaboration with the authorities of these organizations, but independently of them. And here, in Moscow expert delegation of six SCO member states have gathered and created its own Forum.

Almost a decade passed since then. During this time, many acute problems of organization were discussed; recommendations to the Governments of the countries in the SCO Secretariat were formulated at the annual meetings. Some of them were accepted, and even if something was not accepted, the official structures required advice from members of the Forum. So this time as guests of honor at the Forum were the SCO Secretary General Dmitry Mezentsev, Deputy Foreign Minister of Russia Igor Morgulov, who praised the work of the

InfoSCO, №8, 2015





Forum, urged experts to act sharper and more initiative. What they did not fail to take advantage of.

Four sets of issues were discussed: cooperation in the field of security, economy, culture and education, as well as issues of a possible expansion of the SCO. There was no dispute about the safety, an area where the organization has the greatest achievements. But there were concerns, for example, on the possible consequences of complete withdrawal of Western forces from Afghanistan. Most concerns were expressed by representatives of Uzbekistan. At the same time, Chinese and Afghan experts strongly advocated for the Afghans to decide their own destiny.

During the discussion of economic cooperation, some participants criticized Russia, which, in their opinion, restrains the establishment of the SCO Development Bank, that is why for many years financing of multilateral economic projects cannot be initiated. There were concrete proposals on how to create a bank that would not be dominated by any of the countries, and

the funds would work in the interests of all members.

In discussion on humanitarian issues the representative of the SCO Youth Council came up with interesting information. From his words, it is clear that the Youth Council, which unites youth organizations of the five member states (in the Council young people of Uzbekistan are not involved), much further advanced in the older implementation of specific multilateral cooperation projects. There were a lot of specific recommendations to enhancing of cooperation in the field of environmental protection, as well as work of the SCO Network University.

Representatives of observer states (India, Pakistan, Iran, Mongolia and Afghanistan), many of whom have applied for the status of full member, and the country dialogue partners (Belarus, Turkey, Sri Lanka ) actively took part in the discussion about the expansion of the Organization.

Representatives of India criticized China for actual blocking the entry of their country in the SCO and the lack of consideration of the interests of

neighbors in building its foreign policy. One of the Russian experts said that Japan is greatly interested in the SCO.

In response to the escapade in their address the representatives of the Chinese delegation said that India should, if it wants to become a full member, start adhering to the «Shanghai Spirit», while Japan is not worth to talk about it. The representative of Afghanistan, criticized the leadership of Hamid Karzai for corruption and, in fact, accused his support, along with the United States, some states of the SCO.

It is worth to clarify that at the next meeting of the supreme body of the SCO - the Council of Heads of State (CHS), which will be held in July 2015 in Ufa, it is scheduled to discuss the question of simultaneous entry of India and Pakistan into the SCO, however, from the discussion, it became clear that there is no unity in China at this point yet. As for Japan, the interest in the SCO is formulated there only on an informal level. But on the other hand, the example of Turkey, which, being a member of NATO, has recently acquired the status of SCO dialogue partner, shows that nothing is impossible.

At the meeting the Chinese plan of creation «Economic belt of the Great Silk Road» was actively discussed. The majority of experts agreed that the plan does not conflict with the plans of the SCO and the Eurasian Economic Union, but all of these three projects are necessary to be closely coordinated with each other so that they would complement each other. With special interest participants reacted to the ideas, expressed by the Governor of the Khanty-Mansiysk Autonomous Okrug - Yugra Natalia Komarova, who proposed to enhance cooperation between the regions of the Member States and to create the SCO Research Foundation.

Meetings of the Forum are always held some time before the SCO summit to formulate proposals by experts and to take into account during the preparation for the summit.

The next time the experts will meet in Dushanbe.



# WHAT IS ISIS LOOKING FOR IN AFGHANISTAN

*Dmitrii Verkhoturov, an independent observer.*

It was said that some groups and emissaries of Islamic State of Iraq and the Levant — ISIS (since June 2014 the organisation rejected its connection with Iraq and the Levant, but the previous name was maintained) — had appeared on the eastern Afghanistan last year. They distributed propagandistic literature and recruited rebel fighters. Their appearance was confirmed by general John Campbell who was a commander of the International Security Assistance Force. However he noticed that the information was controversial and scanty.

Meanwhile the commanders of the Afghan National Army reckon that Taliban commander Abdul Rauf is going to make up the very new rebel fighters group after parting with his former comrades. His group was noticed in Sangin and Kajaki

districts in Helmand province. The ANA commanders said that there was some armed clash between this group and Taliban members. Nevertheless it was not confirmed that Abdul Rauf had connections with ISIS.

The Kajaki district of Helmand province is famous for having one of the major HPP which was reconstructed by the Americans. This plant supplies Kandahar with electrical energy via power transmission lines. Some of these lines traverse Taliban lands. The members of Taliban just steal the energy in order to sell it to local people. The amount of taken energy is equal to 45% of produced by two hydraulic units power. The income of selling electrical energy was about 4 million dollars per year. Actually it were the Americans who financially supported Helmand Taliban since

2005. Apparently Abdul Rauf could had the conflict with his comrades due to sharing this income. This reason was enough to have an armed clash.

There is still no proof of ISIS being in Afghanistan. Nonetheless it can be said that ISIS has its influence on Afghan situation. Particularly some of the Pakistan and Afghan islamists try to get to the territory under ISIS control through Iran. Some of them were detained in autumn 2014 at the Iran border. ISIS image attracts rebel fighters who are tired of an endless and fruitless war in Afghanistan.

Besides the first impact factor, there is the second one: ISIS and Taliban are enemies. Despite the fact that ISIS was originated from al-Qaeda in 2006, in February of 2014 there was a severance between ISIS and al-Nusra Front (al-Qaeda

InfoSCO, №8, 2015



branch in Syria) and they started to fight against each other. One of the reasons of this confrontation was because of the Iraqi islamists who began to lay claim to sovereignty. Abu Bakr al-Baghdadi announced the establishment of the Caliphate with its capital in Mosul in June of 2014. He proclaimed himself to be a caliph and accepted the title of Amir al-Mu'minin. In other words he took secular and spiritual power. This title is held by Mullah Omar who is a spiritual leader of Taliban since 1999. So, now these two groups are confronting each other in order to gain power over islamists. Moreover,

proclaimed Caliphate appear on the Afghan site, Taliban groups will fight with them.

Actually it is not the complete picture of happening. The ISIS appearance in Afghanistan is just a matter of time. Despite all military achievements and great fame ISIS existence in Iraq and Syria is not so comfortable as it seems. Their position can be compared with an empty pan. The ISIS are located on the territory with restricted economical and human resources and their enemies are ready to burn them any moment.

In western Syria Bashar al-Assad

Unfortunately, the newly formed coalition is weak, the political differences in views on al-Assad Syrian and Iran governments weakens it. The self-proclaimed Caliphate uses these disputes to destroy its enemies one by one, starting with the weakest. However from the moment when coalition members unite and deliver a crushing blow, ISIS will be mostly destroyed. In that case rebel fighters will have to find a place to hide. Afghanistan and Pakistan are the most appropriate places for this purpose. It is known that Taliban members are located along Afghanistan-Pakistan border.

*The ISIS image attracts rebel fighters who are tired of an endless and fruitless war in Afghanistan*



ISIS members announced their future plans on summer 2014. They are going to attack Saudi Arabia since the south part of this country is controlled by ISIS. They are also going to seize Mecca and destroy Kaaba. This is a serious threat which can profoundly change the whole islamic world.

On the assumption of circumstances it can be supposed that there can not be any agreement between ISIS and Taliban. If fighters of the self-

government and Syrian opposition are against ISIS. In the south-west is Israel, in the south is Saudi Arabia, in the east are remains of Iraq government and Iran is located further, in the north-east are Kurds, in the north is Turkey. Meanwhile Turkey, Israel, Saudi Arabia and Iran have a greater number of qualified military forces than ISIS has. USA are also against ISIS. It has been discussed to create an international coalition among 40 states.

Only in this case ISIS can make massive penetration in Afghanistan.

Notwithstanding this fact ISIS members can face with Afghanistan National Army and they will have to settle relations with Taliban, Pakistani intelligence service named ISI which is famous for controlling this troubled region and the major part of Taliban groups. In any case Afghanistan is not a profitable option.



# THE SCO ECONOMIC FIELD: FREEDOM FROM ILLUSIONS

*Dmitry Kosyrev*

It is rather possible to imagine the outlines of the decisions of the SCO summit in Ufa, which will concern the most complex and challenging field of work of organization. The economic field. And the suggested main conclusion is that the old economic strategy needs to be reexamined. Why, it must be replaced!

Let's start with the fact that the summit is called «critical» and not only because of the adopting of the Strategy of the development of the SCO till 2025. Strategies were accepted earlier. But now, firstly, there will be the reformat of the SCO - it will be replenished by India and Pakistan.

What does it mean? The old structure in which relatively small Central Asia countries geographically and in any other way are caught between two giants - China and Russia, the «sandwich» structure, will disappear.

And the very next day after the SCO summit in the same place, in Ufa, three giants of this structure (Russia, China and India) will participate in the new summit of BRICS with the leaders of Brazil and the Republic of South Africa.

Moreover, the participants of two summits will also hold a meeting together.

«The merger» of the SCO and BRICS will be single maybe. It may even just be a part of the tradition of the BRICS summits, which recently invite a group of leaders of that part of the world where the summits are held. And all this can be similar to a purely political, if not decorative activity. If it were not for one circumstance.

At the BRICS summit the decisions on the beginning of the Development Bank and the Contingent Reserve Arrangement will be taken. So three giants - Russia, India, China, participating in the BRICS, contribute to the realization in this association that could not fully function in the SCO, another organization where they

are also included.

Add to the above that from Russia, which holds the presidency in both organizations this year, the same person is in charge of business forums - the Councils of businessmen of the SCO and of BRICS. This is the President of the Chamber of Commerce and Industry (CCI) of the Russian Federation Sergey Katyrin. He says that meetings of business people from both associations, the SCO and BRICS, will actually merge this summer too.

He adds that within St. Petersburg international economic forum this summer a meeting of the united business forum of the SCO and BRICS will hold, where it is planned to invite business representatives from all countries in the region, including observer States of the SCO.

According to the same address, within the framework of Russia's chairmanship in the SCO and BRICS is also planned to organize the first ever meeting of the heads of the leading exhibition companies and to discuss the development of the industry. Specifically - the creation of an agency that would coordinate the work in this area on the territory of all countries of the region.

So, two organizations, including the accession of India to the SCO membership, merge primarily in economic activity in the least. It is possible that the merger will be political, but it's a different subject.

What is this subject? This is a challenging and difficult experience of 14 years of work of the SCO in terms

of the economic integration as opposed to the political integration and the security area.

Here are some facts showing how complicated it is (I note: I don't say that everything is bad).

From the speech of the Russian President Vladimir Putin at the previous summit of the SCO in Dushanbe last year: «I would suggest considering to update the Program of trade and economic cooperation of the SCO of 2003 and the Plan for its implementation, which was updated in 2008. Many mechanisms for the cooperation are already established. There are the Business Council and SCO Interbank Association, meetings of heads of relevant departments.

From our point of view, great prospects have the idea of forming a common transport system of the SCO with the use of the transit potential of the Russian Trans-Siberian railway, Baikal-Amur mainline, coupled with the plans of the People's Republic of China on the development of the Silk Road. I'm sure that such large-scale projects will serve the interests of the members of our organization and the other states of Eurasia.

Good impetus to the practical work in this direction will give an Agreement signed today on creation of favorable conditions for international road transport. It will form a network of on-road routes, including the transport corridor Europe - Western China, connecting the Yellow sea ports with the ports of Leningrad region of the Russian Federation. The next step is the

InfoSCO, №8, 2015



approval of the program of coordinated development of roads of the states of the SCO, which the Russian side presented to the partners in April this year.»

What is the program of economic cooperation? It is a jointly approved list of enterprises or activities in the business sector, which theoretically would be more profitable to do together. But if only the one major and serious point of the program has been realized?

But on paper they look great. For example, these are the idea of building in Russia and Kyrgyzstan the technology parks for the production of LED lamps, the construction of medium and small hydropower stations in Kazakhstan and Tajikistan. Here are also the offering of the SCO dialogue partner Belarus to establish on its territory the business park of telecommunications, to build the industrial park of the hydraulic engineering, to organize the production of meat and dairy products with the prospect of its exports to the SCO states, the packaging of Ceylon tea factory, etc.

These things in their original form as common ambitious projects are not implemented.

Let's see how the land lies on this part in the past months at the distance from Dushanbe to upcoming Ufa. At the Council of Heads of State of the SCO on the

5th of December last year the summary report of the SCO Business Council was presented in fact. It follows that national parts of the SCO Business Council, the Secretariat of the SCO Business Council in 2014 held more than 20 events of different levels.

Further, there are databases and registries of projects, such as transport and logistics corridor «South Ural», the putting together of a common electronic exchange initiated.

Further plans call for a comparison of national legislations, informing members of the club of any of its changes, the tuning bilateral and already running regional projects under the multilateral execution, etc. Finally, there is an intention to continue the work on the formation of sites of high technology Centre of the SCO Business Council, to organize their interaction with venture, investment and other funds.

To put it shortly, all this work can be called the creation of a common infrastructure of the information interaction. People including

serious businessmen are ready to talk, communicate and explore the opportunity of each other, but they are very careful in terms of the specific investment.

Here we can recall that the European integration represented by EU was been created for half a century and now it runs into difficulties, Europe complains of oppression of the Brussels bureaucracy.

But let's look at another example that is much more close to the SCO. This is an integration process of ten countries of Southeast Asia, known as ASEAN. In contrast to Europe, at the beginning of the work the ASEAN countries were neighbors, but economically they were associated with various colonial masters and with each other they were connected only at the grassroots level. This is very similar to what we have in Central Asia, which was divided into quite different economic zones, and it remains divided.

So in both cases (the ASEAN and the SCO) we deal with the project of establishing the foundations of integration from the ground up. From the politics and the mechanism of regular meetings of top leaders. This aspect of the SCO works fine, as well as the government mechanism of communication of the security services. Because it is relatively small and manage by administrative methods. The economy, which consists of many private companies, is more complicated.

In the first stage of the existence of ASEAN (1960s), its founders thought that integration should begin with mega-projects with the involvement of all members of the Association.

Now integrated Southeast Asia exists, and its experience is considered more successful than European. However, if you look at the economic section of the ASEAN website [asean.org](http://asean.org) you can see what is happening in the SCO: the creation of an infrastructure of business communication. The keyword in ASEAN now is «connectivity» and interconnectedness. The opportunity to get a job in the neighboring country, the breakdown of language barriers, the approximation of the laws, connectedness of banking networks... In other words, it is infrastructure.

There is often a grin going around that the SCO leaders in desperation made a practice to take credit for bilateral projects to the influence of this organization. Excuse me but that's not funny. Without political role of the

SCO, without its role as the guarantor of regional stability many of these bilateral (or unilateral) projects would not exist.

But let's get back to the subject of a temporary or more permanent merger of the SCO and BRICS, and especially to the financial structures created within the BRICS, with their ideology of «alternativeness» of the IMF and the International Bank. Which way are they better than the SCO Interbank Association, which should make the largest banks of the SCO states annually to select and fund the cooperation projects? Not to mention the idea of establishing of the large SCO Development Bank, that would give out loans for the implementation of the projects themselves. Here is the simple answer that the financial structure of BRICS will be more by volume of cash. The struggle for these funds, however, will be more competitive. The area of cooperation will be wider. We will see what happens.

In any case, we should expect some interesting solutions on the economic aspects at the summit in Ufa.

And in the manner of an epilogue. In the murky waters of the expert community and mass-media the idea does not sink that the SCO, particularly in the economic sphere, is a platform of the Russian-Chinese rivalry for Central Asia or rather, that China wants to turn the region into a market for their products and therefore perceive the SCO primarily economically. And Russia, on the contrary, sees the SCO as a security organization and rejects China's economic plans or accepts them only after a long trade.

But the fact is that both Moscow and Beijing in the SCO have the difficulties for the economic part? Obviously they wanted more. It's not a secret, in this case, it is useless to Russia to compete with the Chinese production of goods of mass consumption. The competition in the sphere can't be. Other major projects in Central Asia, such as pipelines and roads, are consistent between Moscow and Beijing and don't damage the other side. Now, if India will join the game (and then the other BRICS countries), the picture does not fit into primitive competitive scheme.

So, the competition would certainly be. But it's not geopolitical but commercial, broad, multilateral and ultimately beneficial to all participants of the SCO.



# FIGHT WITH THREE EVILS

*Michael Konarovskiy, the leading researcher of the Centre For East Asian and SCO studies of the Institute Of International Studies, Ambassador Extraordinary and Plenipotentiary.*



*If you compare the SCO to NATO, compare them in contrast, primarily marking out fundamental differences of the tasks, that are set by these international organizations*

I can tell outright, that the answer to the rhetorical question “Can SCO become NATO prototype?” which is so worried about in Western countries, is definitely negative. It is out of the question, that the Shanghai Cooperation Organisation can be transformed into some analogue of the North Atlantic Alliance, not now, not in the foreseeable perspective. But why?

First of all, because the reconsideration of all the SCO status bases and the introduction of fundamental amendments into foreign policy doctrines of the SCO member states with all the circumstances ensuing therefrom would be required.

The military component is not provided by the basic documents of the SCO in any form, and accordingly

the Organisation does not possess any necessary for this case mutual defense structures. The corresponding cooperation in relation to the defense departments of the member states is carried out on a bilateral basis, and by some of them within the CSTO. But annual anti-terrorist exercises on the territory of one of the member states fall into a pattern of the main SCO priorities: counteraction to terrorism, extremism and drug trafficking. The special emphasis in the Shanghai Six activity, and it always should be meant, is mainly laid on the elaboration of the general, based on consensus, political approaches to the most acute issues of the international and regional policy, as well as cooperation assurance in various political and economic directions.

One more moment is important. One of the strongly marked features of the SCO member states’ foreign policy is a multi-vector nature, which is focused on the cooperation both in the East and in the West, with the tendency to derive maximal dividends from this. Today’s acute aggravation of relations between Russia and the West, also represented by NATO, due to the crisis in Ukraine, has not brought anything new in these circumstances. Moreover, Moscow has faced with an emotional and ambiguous reaction to the situation from some Central Asian partners in the SCO.

Besides, Russia itself reacts to the Western sanctions very moderately, and its reciprocal steps, in contrast to the aspiration of the Alliance to use the





situation for the next advance to the East, are taken unilaterally. Thereby the partners quite definitely let us know that they are not fundamentally interested in a further aggravation of the situation. Thus, the present increased attention of Moscow to the Asian vector of its foreign policy is essentially the continuation of the fundamental line, ensuing from the Eurasian geopolitical status of the country, of course, taking into account a foreign policy conjuncture of the moment.

Nevertheless, since the moment of the organizational execution of the “Shanghai Six” in 2001, different speculations and assumptions occasionally have appeared in mass media and in the expert community, primarily in the West, that the SCO was established as a certain military-political counterbalance to NATO in the East. As a rule, this thesis is actively exploited on the eve of annual summits or following the results of annual meetings of the SCO Heads of States, especially, if these summits concur with the complicated situation in this or that region of the world, and this immediately affects the global

stability.

Last year’s September gave food for speculation on the SCO, as a variant of East NATO, when two summits were held at once - NATO summit in Wales and the SCO summit in Dushanbe. Thus, both meetings reflected the main contradiction of quite a difficult moment in the development of international relations. On the one hand, it is about forcing of international instability, on the other hand, it is the demonstration of the intention to follow the course of constructive building. If all the main last decisions of the Alliance were directed at the indulgence of the “war party” in Kiev, then the political discussion in Dushanbe clearly established that the states of the “Six” supported a fragile peace process which had begun during that time in Ukraine. If NATO gave a starting signal to the new “Cold War” and, having violated arrangements on placing additional forces permanently near the Russian border, sounded the next military assembly, then the SCO opened the road for its expansion, planned the movement towards the trade and economic cooperation development in the Organisation

framework, and also with a perspective exit to the wider Eurasian space.

At the SCO summit in Dushanbe there was quite a remarkable resolution on the SCO Development Strategy until 2025. It will be approved at the summer summit, scheduled in Ufa (the capital of the Republic of Bashkortostan), Russia. The Document is supposed to take into account all the central and outlying trends of the worldwide policy. But the fundamental bases of the SCO activity will be hardly changed.

The Russian presidency in the SCO is substantially aimed at the increase of the SCO practical efficiency, enhancement of the mechanisms of counteraction to terrorism, extremism and drug trafficking, the expansion of economic and humanitarian relations. Russian Foreign Minister Sergey Lavrov once again has emphasized recently, that the “Shanghai six” activity does not imply the creation of a military-political alliance. So, if you compare the SCO to NATO, compare them in contrast, primarily marking out fundamental differences of the tasks, that are set by these international organizations.

# «I SEE THE SPIRITUAL AND EDUCATIONAL KERNEL OF THE SCO FIELD IN THE UNIVERSITY OF SCO»

Here is the interview of Chief Editor of InfoSCO magazine Tatiana Sinitsyna with the chairman of Russian Federation expert working party on the establishment and activity (functioning) of the SCO University Larisa Efremova.



*SCO University establishes a framework for the Eurasian national educational standard, which consists of best national traditions and accepted global standards*

Larisa Ivanovna, can we fully talk about the existence of the SCO University and that it's a part of international educational system?

The University is a reality and we can talk about it as a new, advanced university. More than 80 universities of Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan and Belarus take part in the project within the interaction of educational programs. I see the spiritual and educational kernel of the SCO field in the University of SCO.

The idea of the SCO University is called ambitious. I agree that it's bold challenge but it's not the "idee fixe". I'm connected with the project since the first days and I can see more pragmatic things than ambitions in it.

The life suggested us that such an educational center is necessary for SCO. Now the third educational year comes. The University prepare the specialists who will work together in the interests of SCO tomorrow.

You agree that the safety of SCO field, the development of economic relations as a future of SCO are required the reliable

cramp, something unifying. And the educational element here - that's what we need.

How successful the development of the SCO University? Speaking the language of builders: what's about the facility readiness?

Time showed that we have a secure foundation. Now, I suppose, we build walls, the ground and the first floor are ready. Of course, not everything goes with a run as we want but we work with networking international university, the range of problems here is wider and more complicated. Generally speaking, there are many challenges ahead that require a lot of commitment.

From the beginning the work on the creation of the system of the SCO University carried out more by the representatives of ministers and departments of the SCO countries. But now it's more for the interacademic cooperation. Now the Rectors community, mythologists and experts of universities which are the members of the SCO University system actively engage with each other.

Recently the form of certificate for the graduates of the SCO University was approved. It happened during the meeting of Ministers of Education of SCO which was held in Barnaul. We decided to give a certificate not a diploma. It was a common decision.

We modeled an International Rectorate. By mutual agreement its practical base is situated in the Peoples' Friendship University of Russia for the present. Its Rector, Vladimir Mikhailovich Filippov, Doctor in physical and mathematical sciences, professor and academician of the Russian Academy of Education simultaneously is a head of the International Rectorate.

The Peoples' Friendship University of Russia integrates the efforts of the establishment and functioning of the SCO University within our country. It has gathered the information from the members of the project from other countries how many certificates we need to give. About 600 people can get the certificate this year. The Russian certificate ceremony will be held in Belgorod at the end of May.

We can see that the SCO University is in progress, its credibility is increasing. The Russian Federation



alone appropriates more than 300 quotas supported by grant for realizing the combined master's programs. 137 quotas are for Kazakhstan, 118 - for China, 48 - for Kyrgyzstan, 38 - for Tajikistan. You may ask why the numbers are different. It depends of the activity of development of the inner interacademic legal base that provides the realization of cooperative educational programs.

Our students are the bachelors who are going to study at Masters, who have the language practice and certain knowledge. The period of study lasts 2 years as usual in the magistracy.

Let's remind the history of the creation of the University. What did happen after the Summit of Bishkek in 2007 where the Russian President Vladimir Putin made a statement of the creation of the university, which would unite the educational space of SCO?

The overwhelming majority of heads of SCO states supported this idea, so the Ministry of Education and Science of Russian Federation and the Russian Academy of Science were charged to build up a concept of the university. The concept was approved at the meeting of Ministers of Education of SCO states in Astana in 2008 and the Protocol of intentions of Ministries of Educations of SCO countries was signed. The Protocol carried out further concerted actions to create the university. In 2009 the parties confirmed the ambitions to creation and to activity of the SCO University as a leading universities chain, which cooperate under the unified collective leadership. Our educational aim is to train highly qualified personnel and to conduct science for purposes to promote the social and economic development of the SCO countries and phasing strengthening of cooperation in educational sphere.

Initially the working party of

representatives of RAS, educational institutions, the State Duma, the Ministry of Foreign Affairs, the Law Association was formed.

We considered different approaches and eventually the "networking" principle was chosen. So the institutions were consolidated in one net.

When we gave a concept, we took into account the wide educational experience of China, Russia, the SCO countries of Central Asia. We are bound by the historical past, unique pedagogical and scientific school.

The project of the University was developed in Moscow with the expert participation of colleagues from partnership countries. Then we considered it, generalized the standards, conditions and different formulations.

We worked with the enthusiasm and creation, with no barriers. Nobody turned the idea down or refused. It's very important. Identity of the university was cultivating for a long time, it wasn't easy for us but today the SCO University proves the efficiency and relevance.

There are a lot of educational models in the world. They are the European University, the French University, and the Bologna Process. Did you borrow some modules from them?

We all work inside the Bologna Process, and rejecting it means to reinvent the wheel. Yes, we borrow some elements of the experience of Europe. For example, the development of the methodic, the idea of "double" diplomas, some practice of educational consortiums. But we need to consider that we have different approaches, aims and principles of educational integration. And the mechanism of the development of the consortiums is constructed according to the law of the national educational systems of the

European Union. Just as the SCO University establishes a framework for the Eurasian national educational standard, which consists of best national traditions and accepted global standards. So there are no analogues to our structure in the world.

The peculiarity of our University is in unity of different community, original cultures and various economics. We want to unite in the university the academic and elective things, students and professors, all innovation processes, we want to research, to prepare doctoral students, post-graduates, masters, bachelors and the specialists who are required in the SCO structure. These specialists would be prepared through the career development system. In this view the project is very important. Because if we want to make an integrate space, we have to stimulate the integration processes, make the modern innovational infrastructure. And the SCO University is a part of this space.

The difficulties for the pioneering project are in the order of things. What problems you can call as 'loss of sight' and what's the problem No. 1?

When we started to realize that project we couldn't see the depth of some problems but I can't say that we lost them of sight. The first thing that I can notice is that we are a part of the wide geopolitical space and the unification process here is rather difficult. The financing is another problem. It doesn't work out within the SCO. And that's not good for our project activity. So the main load including financial and mental falls on Russia now. The other countries begin to join to us. So the financial and logistical problems stay rather difficult. Also we have a serious problem of further consistency of networking of the SCO university in



each university of the system. We couldn't suppose it before. These moments of course throw back the development.

Speaking about the problem No. 1, as for me, it is the making of the Rectorate in working process of which will take part not Russia only. We need to complete distinctly the structure of the Rectorate and to connect with the employers who will employ the SCO University graduates. Now we prepare the specialists in Economics, Energetics, IT, Nanotechnology, Ecology and Pedagogic.

**What can you say of the character of cooperation? Is it good enough or it leaves something to be desired?**

The international process in networking university is very complicated. It's difficult for systematization and synchronization. Of course we have a lack of understanding. At the beginning we have difficulties with Chinese colleagues. But I think that it was difficulties in translation. But when they realized the value of the idea, its sense and practical

necessity they became more active and qualitative partners. The atmosphere of «Shanghai spirit» that is usual for the SCO and it was in the educational cooperation too. And if we tell about the understanding, I as a head of Russian delegation of the working party of creation to the SCO University, have no problem with my colleagues. And I can say that the cooperation of experts, of the International Rectorate, which is headed by Vladimir Filippov, are rather productive. When the enthusiasts meet on the Week of Education, on the discussions of round tables always try to touch the ground.

**We talk about the educational experience of western countries, can you say that the European colleagues show their interests to the SCO University?**

I can say for sure: 'Yes'. I made sure about it when I communicated with education professionals from France, Italy and Germany. They are wondering how we provide the education without capital

requirement or grant financing. They are interested in making of programs, teaching methods, the universities cooperation. The SCO University is a very interesting experience for the common cultural space.

**Do you think it is necessary for the SCO states to make the University as a solid educational institution? Move from the networking principle to something specific.**

We thought about it. The Secretariat the SCO offered us to get established in a building. China provided the territory and opportunities. But then we asked ourselves: «Is it necessary?» I can't imagine any building with the plate «The SCO University». In the modern mobile world in the Internet we can create such a «building» by our ideas, innovation. The SCO University isn't a building, it's a quality of education. And it's our aim, we seek to it uniting the participants of the project.





# «SHANGHAI SPACE» WITHOUT BORDERS

Stanislav Maximov

*The international SCO Youth Card was presented in Moscow as part of Russia's presidency in the Shanghai Cooperation Organization. Its purpose is to encourage mobility of young people across the entire Organization and promote broader humanitarian contacts and cultural connections.*

The presentation took place at the Ritz Carlton hotel during a roundtable organized as part of Russia's SCO presidency. The SCO Youth Card was presented by the Russian part of the SCO Youth Council.

The purpose of the card is to create conditions for encouraging mobility of young people across the Shanghai space, offer incentives to those who study the culture and history of the SCO member states and expand contacts between them. The presentation aimed at attracting expert and business communities for implementation of this initiative.

The idea of creating a discount youth card was initially voiced at the first SCO Youth Forum in Kyrgyzstan in September 2011. The main practical function of the SCO Youth Card is to offer discounts to travelers. Discounts are valid for accommodation, flights and sightseeing. Their size is yet to be determined, but is expected to be

around 15%-20%.

When developing the card, the authors drew from the experience of the ISIC card that is valid in the European Union and the United States, and also some practices of the International Travel Confederation.

The SCO Youth Council presented a detailed project of the card at the SCO Youth Forum on entrepreneurship and border cooperation that was held at the Belokurikha resort in the Altay in autumn 2014. The project was approved by SCO Foreign Ministries, the Russian Education and Science Ministry and the Transport Ministry and was also supported by Prime Minister Dmitry Medvedev.

The roundtable at Ritz Carlton

*When developing the card, the authors drew from the experience of the ISIC card that is valid in the European Union and the United States, and also some practices of the International Travel Confederation*

gathered representatives of government authorities, the Russian Foreign Ministry, the Russian Chamber of Commerce and Industry, public organizations and business community, members of parliament, youth associations, employees the SCO embassies and journalists.

Welcoming the participants, head of the Russian part of the SCO Youth Council Denis Kravchenko said, "In recent years, the Shanghai Cooperation Organization has launched numerous projects, both bilateral and multilateral, in various spheres. Special attention is invariably paid to humanitarian cooperation, interaction between our cultures and creation of conditions for closer exchanges. The youth affairs are among top priorities, and this is not accidental: the number of young people living in the SCO is close to one billion. So the card initiative could not have appeared at a better time."

Kravchenko noted that youth exchanges in the SCO had been developing very actively in recent years. There were contacts between young politicians, different festivals and competitions, summer camps, scientific conferences and sports events. The new card will

make these contacts easier.

The youth leader said the initial target audience of the card will be students of universities that are members of the SCO Network University, i.e. 82 universities in five countries. At the pilot stage, the card will reach about 70,000 people. Later, the audience will be expanded to include SCO observers and dialog partners.

Vice principal of the SCO University Olga Andreeva believes its students are very interested in the appearance of such a card. Not all of them can afford foreign travel. She is positive that the card will spur expansion of youth contacts and inter-cultural communications.

"Launch of the SCO Youth Card will promote integration of young people from the Organization's member states in a common cultural and humanitarian space," said Pavel Krasnorutsky, chairman of the Russian Youth Union. "It may serve as the foundation for different events."

Many participants of the roundtable justly noted that the goal could not be achieved without solid financial and technical support. This is why it is crucial to involve business communities and big companies. Representatives of

the Russian Chamber of Commerce and Industry, Ingosstrakh, the Union of Chinese Entrepreneurs in Russia, the Transaero and Red Wings airlines and other large business structures, as well as Russia's biggest banks - Sberbank, VTB and Gazprombank - said they were ready to participate.

Developers of the discount system pursue the noble goal of creating new opportunities for young people and developing a drastically new youth policy in the SCO. At the same time, the project that is interesting for young people may become economically attractive for businesses and banking structures.

Meeting participants agreed that when the idea of the SCO Youth Card will be finalized and implemented, its holders will be able to move freely across 60% of Eurasia. This figure will grow after new countries join the process. Then Eurasian youth will be able to communicate more, share their knowledge and culture, establish personal contacts and in the long run assist the development and improvement of the Eurasian civilization.



# SCO BUSINESS COUNCIL REVIEWS ITS PERFORMANCE

(January-December 2014)



*At the meeting of the Shanghai Cooperation Organization Council of Heads of Government that took place in Astana, Kazakhstan, on December 5, 2014, Sergei Kanavsky, Executive Secretary of the SCO Business Council, summed up the results of the year.*

The SCO Business Council focused on assisting business structures of the Shanghai Six and the SCO observers and dialog partners in developing and implementing mutually beneficial projects that are carried out as part of the Program of Multilateral Trade and Economic Cooperation.

National divisions of the SCO

Business Council and its Secretariat held over 20 events in 2014, the most important of them being:

- The meeting of the Board of the SCO Business Council on January 21, 2014, in Beijing, China; a similar meeting on September 10, 2014, in Dushanbe, Tajikistan;
- Business Forum of the SCO Council of Heads of State (on

September 10, 2014, in Dushanbe, Tajikistan);

- The Caspian Paradigm international conference // SCO Energy Forum assisting the establishment of the SCO Energy Club (on September 25, 2014, in Aktau, Kazakhstan);
- The Conference “High Technology of the 21st Century. Innovations in the SCO” (on October 15, 2014, in Moscow);
- The SCO Moscow Business Dialog (on December 3, 2014).

The aggregate number of people that attended the events exceeded 5,000. Following conferences and roundtables, special work groups were set up to analyse and summarize interesting ideas.

The SCO Business Council also accomplished the following:

- It created a database of investment projects using proposals submitted by its national divisions;
- To ensure better utilization of the transit potential and increase the cargo traffic between the SCO member states, the implementation of the project of the South Urals Transport Logistics Corridor continued. It may become a model project for the Organization's members. Inauguration of the first stage is scheduled for June 2015;
- It has set up a registry of projects for use of renewable energy sources and development and introduction of innovative technologies in the sphere;
- In the agricultural sector, it prepared a list of innovative projects that envisage rational use of water resources, development of new types of fertilizers and technologies for processing of agricultural raw materials. A non-government venture fund is being established to pursue these goals;
- In order to boost development of electronic trade, it began setting up a common e-exchange. A number of events have been planned to improve the employees'

competences in the sphere.

We believe that an important focus area for the Council should be building a pool of SCO insurance companies to provide insurance and reinsurance for projects. This work may later result in the setup of an independent rating agency of the Organization.

As for the future prospects, the SCO Business Council plans to do the following:

1. Make broader use of government methods of support to small and medium-sized businesses, work to update national legislations to improve the efficiency of business cooperation.
2. Establish a system for regular notification of the Council's structures of changes in national legislative frameworks and investment climates of the SCO member states.
3. Take part in establishing and operating new and existing financial organizations with an investment focus, notably, non-government venture and investment funds.
4. Focus on supporting projects that are carried out as part of national and regional economic programs (“Development of Siberia and the Far East,” “The Silk Way Economic Belt,” “Affordable Housing 2020,” etc.) Cooperation will be based on specific bilateral projects that will be implemented with the help of business structures of the SCO observers and dialog partners.
5. Continue work to launch platforms of the High-Tech Center of the SCO Business Council, encourage their setup in all SCO member states, observers and dialog partners. Organize interaction between these platforms and venture, investment, seed and other funds.
6. Continue work on the project to create a system of multi-purpose congress and expo sites in the SCO (in Russia: the International

Trade Center, Moscow; ExpoForum, St Petersburg. In Kyrgyzstan: the Trade and Exhibition Center, Issyk-Kul. In China: China-Eurasia EXPO, Urumqi. In Tajikistan: a multi-purpose exhibition center, Dushanbe). Support similar proposals from other member states, observers and dialog partners, assist with organization of events under the auspices of the SCO Business Council at these sites.

*The structures of the SCO Business Council will continue working to assist implementation of decisions made at the meetings of the SCO Council of Heads of State and Government.*

*We hope that activities of the Business Council will become a component of comprehensive work conducted by the authorities of the SCO member states and aimed at implementation of the Program of Multilateral Cooperation and the List of Measures for further development of project activities within the SCO.*



# LET'S LIVE WELL IN «BAD TIMES»

*Oleg Berezovoy, Director General of FBACS, Vice President of the International Congress of Industrialists and Entrepreneurs, Ph.D. in Economics*



When I am asked, what was the trigger for the creation of Financial and Banking Association of the participating countries of the Shanghai Cooperation in 2013, it reminds me the advice of a Jewish mother

to her son. “Mom, I am clever. I will manage”, - the son says. And his mom answers: “Son, be wise. Do not even start it”. In fact I have heard this in different interpretations from people I approached

with the idea of creating such Association. But in less than a year it appeared that the idea is up to date and promising.

Today FBACS unites over 40 members and partners including financial and

banking associations of Russia, CIS, Tajikistan, Kazakhstan, Kirgizia, Azerbaijan, Central and Eastern Europe, as well as banks and commercial structures of Uzbekistan, China, Kazakhstan, Slovenia, Romania and Russia.

Its founding members are: Association of Regional Banks of Russia, SCO Business Club, The International Congress of Industrialists and Entrepreneurs (ICIE), Association of Banks of Tajikistan, Financial Institutions' Association of Kazakhstan, Financial and Banking Council Commonwealth of Independent States, Association of Banks of the Republic of Kazakhstan. Association is headed by the Chairman of the Board of Directors of JSC Bank CenterCredit Bakhytbek Baiseitov. The Chairman of Coordination Council is the Executive Vice President of RUE, Chairman of the Board of Directors of Association of Regional Banks of Russia Aleksandr Murychev, Vice President of the Association is the executive secretary of SCO Business Council, the President of SCO Business Club.

In its activity the management of Association spreads the idea of switching from talks about business to specific actions and projects.

We have created some kind of a club, site, wherein interbank communications shall be built for the benefit of Association members; most user-friendly forms

of trade and economic, industrial, scientific-technical and investment cooperation maintenance shall be selected; work on selection, assessment and execution of business projects shall be done. So to be able to implement all the above listed quickly and efficiently, business structures have been created under the Association, such as:

Universal Commodity Exchange of Eurasian Cooperation;  
Eurasian Center for Human Resources;  
Eurasian International Consulting Center;  
Eurasian Contact Center;  
Silk Way International Legal Center;  
International Eurasian Customs and Logistics Holding.

Besides, work on creation of Eurasian Union of Financial-Industrial and Social Projects Investors is at its last stage.

A concept for the creation of Eurasian Bank of Projects has been developed. Its main task shall be consulting assistance to foreign economic activity participants in their search for attractive projects and partners for realization thereof, search for co-financing sources etc.

In fact we have provided the members of our Association with a tool enabling each of them to solve almost any situation connected with life and business being at the site of FBACS.

Moreover we set before ourselves and solve not only business tasks. Our area of interest covers

also theoretical field of finance and banking and international cooperation. For this purpose we conduct international forums, research and training conferences, round tables, resulting in practical recommendations for governmental and commercial organizations in the sphere of international financial and banking cooperation development in the territory of Eurasia. During one of such events the idea of creation BRICS-SCO International card payment system was born, the question of implementation thereof shall be included to agenda of BRICS summit in Ufa.

In conclusion I would like to say that employing the intellectual potential of Association members, along with their life and practical experience we have created a structure having all possibilities to become today a leader in the sphere of financial and banking business among the representatives of small and medium businesses on Eurasian continent.

We often complain of frequent economic recessions and problems in conducting business. It reminds me the statement of the outstanding Christian theologian and philosopher Augustine of Hippo (354–430), who said: “Bad times, hard times, this is what people keep saying; but let us live well, and times shall be good. We are the times: Such as we are, such are the times”. It seems like nothing can be added here to.



# THE RUSSIAN GAS WANTS TO GO TO CHINA VIA ALTAI

*Jeanne Shchukina*



The gas line, called “Altai”, which is used as a supplier of the blue-sky fuel in Greater China will pass through two subjects of the Russian Federation - Altai Territory and Republic of Altai. The Russian side decided the question about construction entirely and permanently, also the partners agreed on a price of gas. Since the beginning of 2019 the gas from gas fields of West Siberia will begin to flow to the south, into Chinese territory. If nothing prevents.

Meanwhile, there is a nuance: the pros and cons of the necessity of construction of such branch are still under debate in China and there is no dead certainty that the question is completely settled. Besides, the Russian side is still holding a discussion. Irina Fotieva, the professor of Altai State University and the executive director of regional public fund “Altai-21st century” believes that on the basis of optimistic publications of mass media, everything is really settled on the Russian side but Chinese side leaves

doubts in the minds. In the opinion of the expert, China has no absolute interest in this route. The gas which would flow to the east is much more necessary for this country. In the case of “Altai”, Chinese is ready to cooperate on the assumption of reduces price of gas.

Meanwhile, the governors of both regions behave toward the project with enthusiasm and the population actively support the construction of gas branch, especially in the Republic of Altai. In fact, the reason is financial and economic. So, according to Alexander Karlin, the governor of Altai Territory, the region count on intensification of economic life by reason of large amounts of construction work, an involvement of contracting and subcontracting organizations and enterprises of building materials. Apart from promises of “Gazprom” about accomplish gasification of adjacent areas, and also ideas about construction of natural gas processing facilities in the region.

One would think, which doubts can be in a positive effect of future construction? However, there are opponents of pipeline installation and they are concerned about destiny of highland Ukok because pipes have to go through this territory. The highland Ukok is the sacral place for altaians, furthermore this is the heritage site of UNESCO. This is where was found the Princess of Altai which became known in all over the world and this is Russian archeology’s one of the most significant discoveries in the end of 20th century.

Irina Fotieva believes that “the conducting of gas line across Ukok in terms of highland and congelation means to make it not even “golden”, but “diamond”. Environmentalists aren’t enemies which prevent development of state’s economy, they are specialists and they call for a reasonable approach. We aren’t against the gas pipeline, we are against the specific itinerary through highland Ukok” -Fotieva accented. In her opinion, it would be easier and





Ukok Plateau



*Of course, it will be fine, if promises about improvements of our economy and of people's life come true. But as for me, as the aborigine of these places, the most important thing is to save the highland Ukok.*

*Bolot Baryshev the Distinguished Artist of Russian Federation*

Republic of Altai, the storyteller-kaichi, Bolot Baryshev said explicitly: "Of course, it will be fine, if promises about improvements of our economy and of people's life come true. But as for me, as the aborigine of these places, the most important thing is to save the highland Ukok."

Anyway, if the decision about construction of gas pipeline "Altai" is received decisively, conceptual debates lost their meaning. So, the last thing left to do is to focus on economic benefits of the future project and also to hope that pessimistic forecasts about possible harmful impacts on the environment won't come true.

The active "outreach" about "positive sides" of construction is in progress among the indigenous population for 5-6 years: this is quality compensatory payments, investments in social objects and new workplaces. The initiators smite their breasts and convince that all the archeological monuments, which are on the pipeline's itinerary, will be saved with skillful and careful approach.

cheaper to install pipelines through plains of Mongolia and Kazakhstan. All the more, both countries are ready for construction of gas pipeline through their territories.

Fotieva believes that if "Altai" is built, the problems will arise in China because gas pipeline will go through the famous park Canas, which UNESCO wants to include in the List of World Heritage Sites of UNESCO. The disturbance of the largest ecosystem Ukok-Canas is the serious impact against cracked bough of ecological stability of our planet"- Fotieva thinks.

The Altai State University's dean of geographic faculty, Gennady Baryshnikov, holds to more cautious

opinion in this issue.

He does not agree with pessimistic forecasts and believes that it is possible to avoid harmful impacts on the environment under digging of gas pipeline in Altai.

However, all this discussion has one squeamish moment: they want to break the virgin territory, which is endowed with sacral meaning, by industrial project. It is unacceptable to overlook that fact.

The world-renowned master of throat singing, the Distinguished Artist of Russian Federation and of Gorny Altai, the prize-holder and the winner of many prestigious international competitions, the aborigine of the



# «CASPIAN PARADIGM» IS LOOKING FOR A MODEL OF COMMUNITY WITH THE SEA



Irina Novikova

*The next «brainstorming» Caspian problem was organized by the International Agency InfoRos on the 25-26th of September 2014 in the Kazakh city of Aktau, which is located on the coast of the Caspian Sea. An international conference «Caspian paradigm / SCO Energy Forum», which has been held here, gathered on the platform impressive community - scientists, experts, analysts, businessmen from different countries. In addition to the main participants - «Caspian Five», the forum was attended by envoys of China, Kyrgyzstan, Uzbekistan. It is no secret that many countries have their own interests in the Caspian Sea.*

The point of this meeting was to underline the important fact that it took place on the eve of the Astrakhan summit of heads of Caspian countries - Russia, Kazakhstan, Turkmenistan,

Azerbaijan and Iran, dedicated to the fate of the sea. They managed to take the breakthrough solutions of historic significance: after 18-year-old controversy and heated discussions, the status of the Caspian Sea was practically defined. There has been reached an agreement on the delimitation and the regime of navigation, there have been clearly marked dividing lines (25-mile radius of state sovereignty), there has been defined the status quo to the sea: no one, except the five littoral countries will host the Caspian Sea and there will not be military forces on «outsiders» flags. It was also about the problems of economic, environmental, tourism cooperation, reserves and prospects, as well as joint projects. At the summit Caspian states expressed understanding of necessary respect for the unique reservoir, reasonable exploitation of oil and gas exploration,

conservation of valuable biological resources. Astrakhan summit decided basic question - on the status of the sea, but to embrace the whole range of problems associated with the use of resources and opportunities of the Caspian Sea, it is impossible. However, there are a lot of problems, and the need to systematically discuss them for finding the optimal solution is maintained for the foreseeable future.

Actually, the International Conference Caspian Energy Forum paradigm // SCO solves the analysis and expert evaluation problems of the Caspian together. A hospitable Kazakh city of Aktau, which is splashed by the Caspian Sea, assumed the role of a discussion platform where the Caspian problems are discussed. Experience has shown that such expert meetings are productive, and the process should become permanent. So in the

format of the International Conference Caspian Energy Forum paradigm // SCO established a tradition of annual September expert meetings.

According to the head of the Russian national SCO Energy Club Victor Kalyuzhny (Minister of Fuel and Energy of Russia in 1999-2000), the Caspian Sea, which was an «apple of discord» in relations between the five littoral states during two decades, in our time becomes for them a connecting bridge of mutually cooperation. As he stressed, the SCO is a political organization, but it needs a sound economic base. The Caspian is a serious geopolitical point that is able to mobilize the forces of various countries to solve a variety of complex problems. Kalyuzhny believes that it is necessary to discuss them as intensively as possible. What should be the first step in the Caspian region? Firstly, the partners must listen to each other, and then we can talk about the action plan and set priorities. Deputy Mayor of Mangistau region, Rakimbek Amirzhanov, during his speech at the conference, reported that there has been opened a railway line «Uzel - Iran», which is actively used for cooperation between Turkmenistan and Iran, and which has doubled freight traffic as a result. Further development of this railway line will contribute to the intensification of cooperation between Iran, Turkmenistan and Kazakhstan, but also enable Russia to use the potential of this road on the vector «north-south». Due to the fact that this conference is being held under the umbrella of the SCO, as said Amirzhanov, active oil companies - Chinese companies, as well as the Russian company «Lukoil» will be able to present there as well.

Executive Director of the Business Club of the SCO Sergey Kanavsky noted that statements by the representatives of different fields and different countries show how great the attention to the event from the business community, as it is interesting for them to cooperate not only regionally but also in the framework of the SCO.

«I would like to thank the leaders

and organizers, who hold this forum annually in Aktau, and which is useful for all states - said from the podium form Kuanyshebek Allen, chairman of the committee of international and interregional cooperation of the Chamber of Entrepreneurs of Mangistau region. - With the creation of the National Chamber of entrepreneurs, we will be glad to continue those articulated ideas and principles of the forum, we will involve more entrepreneurs in its work, and more stakeholders to promote the forum.

«The neighborhood of the five countries on the Caspian coast is the act of Destiny, that tricky “zigzag “ it made under the curtain of the 20th century, as a result of a dramatic collapse of the great Soviet state. This reality cannot be changed, but it must be respected, - said Tatiana Sinitsyna, InfoRos Agency spokesman, main editor of the InfoSCO portal. - The sovereigns consider in their own way the «subject of the dispute.» It is no secret that some countries are advised from overseas in relation to how they should act.

Ingenious Caspian “sailor’s knot” soaked by oil, has become a tricky «matter», which requires a lot of patience, searching, subtle mind games of politicians and professionals to undo it. The Caspian cannot enter into a discussion with us, but it can get on its hind legs, if the person ceases to respect it as a creature of nature, as a survivor. Caspian Sea could turn into a mud

puddle under the onslaught of human irresponsibility, under the pressure of political ambitions, which are often set in motion in solving economic and environmental problems. «Asuitable course of things, a reasonable conception of how we can mutually save the priceless “blue diamond” of the Caspian Sea for ourselves and future generations, how to use its resources rationally, can be made up in only one case: if we have the political will to understand the realities of arising from the natural characteristics of this unique body of water, guided by a simple everyday pragmatism devoid of political flair, based on the environmental component and, of course, based on the decision, take into account the national interests of each of the Caspian countries. There is a need for a reasonable consensus, the optimal model with delicate community with the Sea, which feeds those who live on its banks, giving them their treasures - biological, energy, etc.

In general, more than 50 participants gave their speeches during the Caspian forum, both in plenary format and within the framework of «round tables». Each of the participants worked on the particular aspect of the Caspian diverse topics, which requires a systematic state approach from each country of Caspian, its attention, consensus decisions, political will and immutable understanding that the Caspian Sea is one for five countries.





# THE ECONOMY OF THE REPUBLIC BASHKORTOSTAN IN FIGURES AND FACTS



Irina Novikova

*The Republic of Bashkortostan is a successfully and dynamically developing region of the Russian Federation. The gross regional product, being a key indicator of the economic development, has increased by 17.6 % from 2010 to 2014. The growth rates of the Bashkortostan economy are higher than all-Russian growth rates - in 2014 the GRP (Gross Regional Product) amounted to 1.5 %, whereas the Russian total GDP (Gross Domestic Product) was 0.6 %.*

More than 2/3 of GDP in Bashkortostan is formed by industry, trade, construction and agriculture. The Republic is steadily in the list of ten Russian Federal Subjects by GRP, ranking ninth. At present there is a positive dynamics in the Republic's industrial sector of economy and agriculture, as well as the consumption volume of goods and services and the

investment activity increases.

The engine of the industrial growth of Bashkortostan is industrial production. The augmentation of the industrial production has made 22 % from 2010 to 2014 (above the average Russian rates), and following the results of 2014 the index of the industrial production has reached up to 103.2 %. The fastest growing enterprises are in the manufacturing industry of Bashkortostan, including chemical production, machinery and equipment manufacture, electrical equipment, electronic and optical equipment production.

Bashkortostan is a large region with advanced agricultural production. Among the Russian Federal subjects the Republic ranks seventh in gross agricultural production.

Construction is one of the most dynamically developing industries in Bashkortostan. The house building pace is impressive: the Republic ranks fifth in setting houses in operation

among the Russian regions. About 2.7 million square kilometers of accommodation was constructed in 2014 in Bashkortostan.

The Republic is the seventh among the Russian regions in retail trade turnover. Nowadays its dynamics is influenced by the deceleration of the population capital gain and consumer lending, however, even in such conditions the commodity turnover in Bashkortostan increased by 2.7% in 2014.

The same tendencies, as the tendencies in the Russian economy, are inherent in the economy of Bashkortostan. In 2014 the consumer inflation went up to 11.2%. The level of unemployment amounted to 5.3 % at the end of 2014, and the number of officially registered unemployed people made 23 thousand (a decrease of 42% as compared to 2010). An average wage in the Republic has increased by half for the past four years and has reached RUB 24.7 thousand.



## THE INVESTMENT CLIMATE OF BASHKORTOSTAN

The Republic places high emphasis on the establishment of the investment climate. It has adopted the Strategy for the Investment Development up to 2020. It is the basic document that determines the principles of the investment policy implementation. The Investment Declaration has been worked out, the guarantee supplements for the investors have been amended into legislation, the Development institutes have been established, the List and Register of the investment projects have been formed and the Public Council for Improvement of Investment Climate, chaired by the Head of Bashkortostan, has been formed. The effective procedures of the work with investors, such as the system of "united window" and regulations in support of investment projects, are admitted at the federal level and implemented in the Republic. Today the Republic of Bashkortostan satisfies all the requirements of the Standard of the regional work for the establishment of a favourable investment climate.

In Bashkortostan they realize that any investments are new jobs, the growth of tax revenue into the budgets of all levels and multiplicative effects in adjacent kinds of activities. Consequently all investors in the Republic are provided with equal conditions of activity, excepting arrangements of discrimination character that could counteract the management of investments. There is no differentiation between Russian and foreign investors.

The Government of the Republic suggests its support to investors at all stages, it takes an active part in negotiations with them and shows the initiative in revealing emergent issues. The Institute of Investment Representatives is operating in the Republic.

One of the important factors of the regional investment attractiveness is its information openness. There is an integrated investment portal in Bashkortostan, translated into six foreign languages (<http://invest.bashkortostan.ru>), including Chinese,

that allows potential investors to get the detailed information about the peculiarities of the regional legislation, industrial areas, infrastructure establishments, the investment potential and the investment projects that are being realized on the territory of Bashkortostan.

The Government has determined

tendency of the stable level of investments into the fixed capital.

Today over 120 major investment projects are claimed for implementation. Their investment cost amounts to more than RUB 700 billion (over USD 14 billion), and over 45 thousand new jobs will be created as a result of their implementation.



three basic priority directions of attracting investments: the agricultural sector, the services sector and the light chemical industry, then the construction oil-field services sector of engineering, the transport and logistics complex, also tourism, the wood processing industry, light aviation and the sphere of innovations.

The purposeful work to improve the investment climate yields its results. The volume of investments into the fixed capital has increased by 30.5 % for four years (2011-2014). Even in 2014 in the conditions of the world market conjuncture deterioration and when the rates of the macroeconomic development went down, they succeeded to support the permanent

Bashkortostan is open to cooperate with potential investors: both with financial institutes and strategic investors.

## THE RATINGS OF THE REPUBLIC OF BASHKORTOSTAN AND ANTIRECESSIONARY PLANS OF DEVELOPMENT

In December 2014 the Russian rating agencies "Expert RA" and "National Rating Agency" heightened the ratings of the Republic of Bashkortostan.

According to the results of the Russian Regional Investment Attractiveness Rating "Expert RA" in 2014, the



Republic took the first position in the nomination “Minimum economic risks”. According to the “Distant Russian Regional Investment Attractiveness Rating 2014” of the National Rating Agency, Bashkortostan is located in the “group IC3” (high investment attractiveness - the third level).

It would be impossible to get high investment ratings from trustworthy rating agencies without the systematic work of the Government of Bashkortostan, aimed to support enterprises and sectors, and without the implementation of antirecessionary measures.

It has been formed a list of investment projects for 2014-2020 in Bashkortostan that can participate in the Support Programme for the Investment Projects, carried out on the territory of Russia on the basis of the project financing with the assistance of the federal centre. A lot of work has been done with the Ministry of Economic development of the Russian Federation and the authorized banks on the possibility of their participation in this Programme. About 15 projects with the amount of financing over RUB 130 billion have been included into the federal list.

The continuous work is being done with other federal institutes to attract investors to the Republic - with the Federal Centre of Project Financing, the Russian Fund of Direct Investments and the state corporation “Vnesheconombank”.

Also the Republic seeks for investors and the possible financing of priority projects by own strength. The following regional institutes of development, such as the Agency for Investment Attracting of the Republic of Bashkortostan and the Development Corporation of Bashkortostan have been established. They are guided by the concept “one-stop-shop”, which implies the package solution of the investor’s tasks. This strategy in particular allows an investor to deliver from many problems, connected with the regional market penetration.

The chance of obtaining an investment tax credit has been given to the basic enterprises, which the sustainable branch development depends on.

The Government Commission for the

InfoSCO, №8, 2015

Consideration and Support of Priority Investment Projects is functioning in the Republic. 65 investment projects with the total amount of financing of approximately RUB 300 billion have been considered for four years of its work. The volume of fiscal incentives will amount up to RUB 15 billion.

It is a world tendency that nowadays plants and factories are being constructed mainly on undeveloped areas, the so-called “green fields”. Bashkortostan is not an exception. The development of these projects expects large investments into the infrastructure that does not promote the growth of the investment activity. One of the key objectives of the Government of the Republic of Bashkortostan is to afford unimpeded access for investors both to “green field” areas and the so-called “brown fields” that have already been formed for business dealing.

## THE INVESTMENTS ARE ALREADY WORKING

It is naturally that the complex approach of the Republic to the solution of economic problems gains understanding from investors.

Following the results of 2014, the project investment cost has amounted to RUB 285.5 billion. According to this rate the Republic ranks 12th in Russia.

For today the base of investment sites in 7 urban districts and 48 metropolitan regions has been formed - it includes about 300 sites. In 2014 the industrial parks “Ufimskiy”, “KhimTerra”, “Agidel” were actively being created.

The objects on the basis of 10 large investment projects with the total

investment value over RUB 15 billion were put into operation in 2014. The capacity augmentation project at JSC “Polief” (the processing industry), the expansion of the production of pork, eggs and greenhouse vegetables are among these projects. The following major projects were implemented in the social sphere: the centre of positron emission tomography was set up, the clinical hospital “Mat I Ditya Ufa”, the expocentre “VDNH-Expo” and the multifunctional sports-recreation centre were constructed.

The investment projects of four hotel complexes are expected to be implemented. The investment projects of the hotel complexes “Osnova-Ufa”, “Park-City”, “Granelle-Nedvizhimost”, “Gostiny Dvor” are expected to be set up in 2015. Besides, the following industrial projects will be implemented: the Blagoveshchensk Valves Plant, the Podgornovskiy field development of OJSC “Bashneft”, and two projects in the field of agricultural sector of pig-breeding course - the Bashkir Meat Company and LLC Ufa Breeding and Hybridization Centre.

The Government of the Republic of Bashkortostan has a penetrative understanding of the current economic situation. All activities are aimed at the implementation of investment projects: effective decisions are being searched, and the successful experience of other regions in the investment attraction is being studied. Today, the work on the selection and support of the most significant and really “working” projects with reliable investors is built and they will provide the economic and social development of the Republic for the decades ahead.



# THE GOLD STARS FOR FEATS IN THE SKY

Svetlana Bellendir, chief editor of «Bashkortostan Veteran»



Take a look at this old black&white photo. A sudden shot has saved a smile of the young Bashkir pilot called Musa Gareyev. Little did a military photojournalist Yevgeny Khaldei know of having taken a shot of a future twice Hero of Soviet Union, the courageous ace.

## *The steel bird turned out to be the bird of destiny*

«This photo was taken in spring of 1943, in Donbass, where brutal battles took place. - said about the photo the pilot's son, Yevgeny Gareyev. - The famous photojournalist Yevgeny Khaldei, a future creator of the outstanding photo called «Raising a flag over the Reichstag», had captured my father when he had got out the cockpit. He was happy to stay alive after another dogfight. He was only 21! He had not noticed himself being photographed. After a while, a picture of a nameless pilot appeared in «Vechernyaya Moskva» newspaper. My mother saw him and exclaimed: «This is Musa!».

Musa Gareyev saw a steel bird in the blue heavens for the first time when he was a child. The impression of it was big enough to

make him dream about a career in aviation.

The future ace and a holder of two Gold Star medals of the Hero of the Soviet Union was born on 9th June of 1922 in peasant family in Ilyakshid village (nowadays it is Ilyakshid district of Bashkortostan). His family later moved to Tash-Chishma village. As a farm boy, he was inspired by Soviet aviator's exploits. Everyone wanted to be like a renowned airman Valery Chkalov.

Despite his dream of heavens, after graduation from school Musa entered Ufa Railway Technical College. After the government called for komsomols to enter flying clubs, Musa submitted an application. The instructors there noticed such an ambitious and skilled cadet and commended him to study at Flight school.

Musa was serving in the Red Army, when the war started. Having only the Flying club experience, he was sent to Air Force Academy in Engels. The newfound pilot was sent to Stalingrad bridgehead in September of 1942. He got baptism of fire in the skies of the burning city where fierce battles determined the outcome of the Great Patriotic War. The sergeant

of 944th regiment Gareyev made his first combat mission on the Il-2 and luckily remained alive.

The opponent had a benefit on the battlefield; moreover, there always were antiaircraft gun's attacks. Despite everything Gareyev managed to win every mission. He stormed fortifications, enemy's airfields and railways junctions, artillery and mortar batteries. For combat missions made during Stalingrad battle, Musa was awarded his first medal - «For Courage».

He started a military career as a Private pilot, Musa Gareyev became a squadron leader in 1944 and was promoted to Major, the navigator of the regiment by the end of the war. After historic battle of Stalingrad he took part in slaughterous fights in Donbass, Crimea, Belarus, Lithuania, Poland, East Prussia. All his military aviation path Musa passed in pair with one and only air gunner Alexander Kyryanov. The pilot and the gunner became like mascots or guardian angels to each other.

«As my father told, during the battle German fighters firstly tried to kill a gunner, - said Yevgeny Gareyev. - On statistics, one of the deceased pilot had seven deceased shooters. My father had flown with Alexander Kyryanov till the end of the war and it could not be only because of luck. «Uncle Sasha», as my father called his comrade-in-arms, told: «As a commander, Musa had an incredible diligence and keen intuition. For several times he communicated via intercom: «Sasha, look at Messers on the left!» I really wondered how could he look ahead and see what happened behind. This was a special talent.»

## *The war, the youth, the love*

During the war, Musa Gareyev met a lovely blue-eyed girl named Galya Migunova. She was a military nurse. That meeting turned out to be a lucky gift of fate for both of them. They carried the love through the life.

At the beginning of the war, Galya served in the infantry. She carried the injured out from the



heavy fire. In the battle near Voronezh she was badly injured and was treated in hospital for a long time. Then she returned to the front as a parachute stacker in the assault aviation regiment. It was where she met her future husband.

«When I arrived to the aviation regiment, the first what I saw were young pilots who noisily and hotly debated flights. - said Galina Gareyeva. - Only one of them, a tall thin boy in a white balaclava was silent. I took a look at him and thought that he had not flown yet. It turned out to be that he had been in fights, he was only shy and restrained by nature. Then guys noticed me and Musa asked if I came there to serve. I nodded. I immediately liked him, he was so nice, earnest and calm.

After a while several planes of a squadron did not return from a battle. Musa's Il-2 did not come back too. The comrades sadly said about his plane being on fire.

Galina could not believe that Musa had gone west. She spent the night outside, near the headquarters, hoping for the best. Her hopes were justified! Before dawn there came the car with Kyryanov and Gareyev. It turned out to be that their plane had held on to the front line and had crashed where were Soviet troops. The pilots landed by parachute and were jubilantly met by infantry. Later, after having meal, Gareyev and Kyryanov were sent back to the unit on a passing car.

«When I saw him, I screamed: «You're alive!» and ran to meet him. That was a moment of absolute happiness, - told Galina Alexandrovna. - We could not stop talking, each of us told about the life before the war, about our families, friends. In that moment we revealed our hearts, we understood that we were the same. Six months later he asked me to marry him. I said that was inappropriate time, the war was here! In spite of it he was serious and supposed that we might not be alive be the end of the war. He asked permission from his commander. The commander firstly was outraged: «Is that what you're

thinking in a combat situation about?» Then he sighed: «You have only one youth. Get married, guys!»

In November of 1943 during a shot lull, they got married. Galina was 19 and Musa was 21 years old. The bloody battle for the Crimea started soon. How many downed aircrafts and young pilots did the Black Sea swallow! By that time Musa Gareyev was considered to be an ace, he was commander of the squadron. Galina's heart skipped a beat until Musa returned from another combat fight.

Many years later the veteran spouses would anxiously watch Leonid Bykov's movie «Only Old Men Are Going to Battle». They had outlived everything pictured in the film. The young, ardent fledglings, rapidly released from Flying schools, arrived to aviation units, knowing only how to take off and to land. The «old» men, barely older than 20, tried to save them. Everyone wanted to outwit death while looking in its eyes.

«Soviet troops liberated Crimea, took Sevastopol. Every day I saw off and met Musa. I suddenly started to be afraid of explosions. I wondered why, because I was at the war for a long time. Later I understood that I was not afraid for myself, but for my future child. I was demobilized and sent to the rear, before relocation to Orsha started.»

In 1944 Gareyev's elder son, named Valery, was born. The younger son, named Yevgeny, was born after the war.

«I will never forget when I first came to Musa's birthplace, to Bashkort village. - remembered Galina Alexandrovna. - It was 40 degrees below zero, I was in a sleigh, every village dweller looked at me. People wondered how Musa's mother would react to that I was not Bashkir, but Russian. At the moment when wizened old lady in a waving scarf ran out of the gate and hugged me, everyone understood that she liked me.

*In battle determined, brave and hardy*

The young pilot's fearlessness

is supported by his numerous military awards, orders and medals. Here are fragments from one of the premium sheets: «For a successfully held 140 combat missions on Stalingrad, South, 4th Ukrainian and 3rd Belorussian fronts was awarded the medal «For Courage», twice orders «Red Star» and «Red Flag», order of Alexander Nevsky... Had not any driven crew loss. Led a group to fight masterly, performed combat missions with great efficiency. As the squadron commander prepared flight crews perfectly well, went to the target accurately. In battle determined, brave and hardy. Got out of any flying situation as a winner. Heavily crippled opponents by his bomber and ground attacks. 22 of October, 1944.

«Anyone else would have boasted about his exploits, but not Musa. - said hero's widow. - I always liked him for that truly masculine quality. The unit commander asked Musa: «How have you worked?» and he replied: «We will see after showing a film». The plane had a camera on it. After performing a task a group returned. Only Musa's plane was above to document battle's results. He might be deceased every time, but opponent's antiaircraft guns could not shoot him down. Maybe my love protected him.»

Musa Gareyev held 250 combat missions. Decree of the Supreme Soviet of the USSR on 23rd of February of 1945 gave Guard captain Musa Gareyev the title of Hero of the Soviet Union with Lenin order and the Gold Star medal. On 19th of April was signed the second Decree. The commander of the First Air Force Colonel-General Timofey Khryukin handed a brave pilot over two Hero's the Gold Star medals on May Day building. The gunner Alexander Kyryanov became Holder of the Order of Glory. The squadron pilots asked commanders to forbid Gareyev to fly, as they wanted him to stay alive. Gareyev and Kyryanov flew again. They fulfilled the mission, but almost died. They returned to unit on a damaged plane.

On 9th of May in Moscow Musa Gareyev with comrades was in the center of the cheering crowd.



People saw young pilots with shining orders, picked them up and started to swing them, to kiss and to congratulate. On 24th of June twice Hero of the Soviet Union Musa Gareyev took part in Victory Parade in Red Square.

### *I have lived a happy life*

After the war Musa Gareyev commanded an aviation unit. He graduated from Frunze Military Academy and Military Academy of the General Staff. He learned English quickly and had thorough knowledge of the technical condition of the aircraft.

His post-war life is known less than his military exploits. Nevertheless this period can be written into a great novel. Colonel Gareyev with his family lived in Moscow and served in Aviation division of special purpose (ADSP). The pilot's son Yevgeny remembered that at their home on the chair near the telephone always was a special bug-out bag - his father could be asked on mission any moment. Sometimes his assignment lasted for several months. In 1948 Gareyev drove medical team to damaged after earthquake Ashgabad; he returned shocked by the scale of the disaster. In -50's he flew to the North Pole. Performing special missions Musa Gareyev had flown around almost the whole world. Once in 1964 while having a regular flight he fainted and the second pilot landed a plane. The doctors said that it happened to military pilots rather often as their nervous system was shattered. He was reached a verdict to stop flying.

«Galya, I will never fly!» - I heard his breaking voice and cry. - I blurted out: «Thank goodness!» I always worried for him. Musa thought that his life ended with flights.

Native Bashkir land helped the pilot to cope with anguish. The spouses spent summer in Tash-Chishma village and later decided to move from Moscow to Ufa. Colonel Gareyev took a position of a Chairman of the Bashkir regional committee of DOSAAF. In the years of his activity Republic achieved high results in technical sports,

especially motorcycling. For merits in preparing young people for military service Musa Gareyev was awarded the Order of the Red Banner of Labour. His colleagues remembered him as an honest, wise and modest man who was ready to help and never sought benefits for himself.

Musa Gareyev was elected to the Supreme Soviet of the USSR and Supreme Soviet of the Bashkir ASSR for several times. He awarded the title «Honorary Citizen of Ufa city». He was engaged in patriotic education of youth, participated in the development and strengthening of the veteran movement of the Republic. He wrote several books, the most famous of them was «Stormtroopers are on target».

He passed away after prolonged illness on 17th of September in 1987. He was buried on the steep bank of Belaya river in Ufa's Victory Park with military honors. Republic's top officials bring wreaths at the hero's tomb in the memorable days. The citizens and guests of the capital bring flowers to the monument.

One Ufa street was named after him, so was named boarding school of flying. Musa Gareyev's bronze bust is on the Slava Boulevard, a memorial plaque with his bas-relief is set on the house where he lived. One of the Bashkir River Shipping's motor ship was also named after him.

The legendary pilot wrote in his memoirs: «I think, I would not prevaricate if I say that I had lived great, saturated, sometimes difficult, but at the same time happy life. In glorious -30's I witnessed an unprecedented rise of my Motherland and I was happy. In severe war years I was with folk and I knew the feeling of duty and I was happy again. After the war I guarded Motherland skies and raised Motherland defenders. What could be compared to this happiness? Now I add my voice to powerful, nation-wide voice of kindness and peace and I am proud of it. All this forms and formed my life, my happiness»...



# «BROWN PLAGUE» AGAIN?

Darya Shcherbatyuk



Fascism. It seemed its terrible appearance, the idea, have sunk into oblivion, were killed by an iron fist of fair power which defeated it. We all know what happened 70 years ago, on the clear day in May, when the world jubilized, celebrating the Great Victory over Nazi Germany. And then the Nuremberg trials made its harsh judgement against war criminals, and thus appeared to be «hammered the final nail» on the coffin of fascism. But the sad truth: it appears that in 1945 we terminated fascism, but not his ideology.

As taught by the ancients, ideas possess immortality, remaining in human memory. Reincarnation in the new environment, they acquire new ground, new adherents. Today we are alive witnesses of reincarnation «brown» worldview, because of which was kindled the fire of World War II, which wiped out more than 50 million people. Fascist idea came to the fore in the new look, however with the essence of the old - misanthropic ideology of racialism.

Here begs the question about the reasons for the seductive power of

evil. Isn't it is so attractive because of carrying the primitive mission of destruction, death? It's so easy for perceiving by undeveloped mind and empty soul: just execute an order, kill without sentimentality - «the Fuhrer decides for you»

One has only to remember how last year the UN General Assembly has voted «against» the draft resolution on the fight against the glorification of Nazism, whose author was Russian. The US, Canada, Ukraine expressed to the project unanimous «no», and EU countries, including Germany, abstained. This situation has shocked many. European countries which were victims of Fascism 70 years ago, today do not attach significance to it. And the only motive is a political one. The West is prepared to carry out anti-Russian «containment policy» in any way and by any means, not disdaining fascism.

«Anti-Russian awareness campaign of the US and the EU stimulated the coming back instinct of the ideas of fascism among the countries of Central and Eastern Europe,» - said the pages of Morning Star a member of the British anti-

fascist organization Alex Gordon. He believes that the increase in the number of neo-Nazis in the composition of the leading political parties of Ukraine is no coincidence, as «unbridled popularization of Russophobia and racism in Europe had become an important part.» According to Gordon, «the worst case of revival of fascism in Europe», in Ukraine was realized and her people have given a thousand lives in order to break Hitler's monstrous machine. Gone many decades, and sprouted seeds of fascism in the fertile soil of Ukrainian nationalism, gave wild seedlings. They were nurtured in every possible way by «overseas experts» who knew that to control the crowd, obsessed with a common idea, is much easier. Washington does not hide the fact that their intelligence services during all the years of the sovereign development of former Soviet countries were engaged in «special treatment» of the population.

Today's manifestation of European fascism - is also the parade of veterans of the Waffen SS in the Baltic, acquitment of their crimes in the occupied territories, the installation of memorials in honor of



the bloody castigators and impiety to the memory of the true heroes of the Second World War.

Western politicians shake the new Ukrainian Goebbels' hands with a sense, who resort to a crackdown on their own people for any dissidence. The punitive detachment, aimed by Kiev to Donbass, openly uses Nazi symbols, adds to their verbatum the terms which point at the «second-class» citizens of entire regions of the country. The Kiev government gave the go-ahead to realization of genocide against their own people under the guise of the so-called antiterrorist operation

Ukrainian young fascism propagandize cruelty and malice as normal things. As in the 30s of the last century, Nazi thugs blindly carry out the orders of their «Führer», mindlessly repeating their slogans, use their attributes. The fact remains that Ukraine is becoming a fascist state. «Skipping to the European life» has become brown, as in the Baltic countries. Appears that the European community tacitly encourages the spread of fascist ideology. Against this background is not clear what happened to the highly educated and tolerant Europeans after the Nuremberg Trials. And most importantly - who and why needs it. Paradoxically, but the emergence of fascism in Ukraine as a state ideology is quite natural. After years of the longstanding competition of reign of oligarchic clans through ultra-right forces the revolution took place, which meets the interests of the

oligarchs and overseas supervisors of the process. Hiding behind the myths about exceptionalism «ancient» Ukrainian nation, its highest national identity and superiority over others, the state nurtures fascism. The victims of the ideology of easily become philistines, and especially young people, who breathes the air of the Nazi atmosphere, dehumanizing social relations and mass consciousness. What is it, if not «brown plague»?

To save face, the West denies encouraging the influence of neo-fascists in Ukraine. However, it remains the only country in the world where right ultras control state Security Services, the army, occupy key positions in parliament. What is the point? The situation is in the interests of the US and EU seeking any means to create maximum voltage near Russia).

It is surprising that a new wave of fascism is ignored by the country like Israel, by the people who survived the Holocaust. The silence of Tel Aviv drew out so far that it became ambiguous. Even the anti-Jewish bashings in Ukraine, burning of Odessa citizens in the House of Trade Unions didn't make the Israeli government to make even though condemnation.

Only Russia, as in 1941, took the path of struggle against the new way of fascism.

No, of course, not everyone in the West have forgotten the lessons of history. Thinking people understand the danger of «games against fascism.» «Europe needs antifascist elimination of illiteracy», - says the authoritative Austrian politician Walter Schwimmer, Secretary General of the Council of Europe (1999-2004). However Western leaders can not be called «illiterate» - they are well-versed in the history of fascism, and seemingly, do not approve of. But for the sake of realizing their self-interest can be, if it is necessary, historical forgetfulness and moral blindness.

Isn't it because the Swiss court found it possible to solve the Nazi salute «Sieg Heil!» What is special? Why, they say, to prohibit people to greet each other in this manner, it is

undemocratic. But Nazi symbols can not be harmless. History has already shown that the cries of «Sieg Heil!» appears new -Führer and marshals befuddled crowds to another horrible massacre. This has already been once, and the world has paid 50 million lives to «Sieg Heil!» never sounded. But history repeats itself.

As in the distant 30s, fascism is nurtured and encouraged by the West as the way of dealing with Russia. No matter with which - the Soviet or the current democratic - political overtones of the main geopolitical rival in Washington they are not very interested. Russia has once again become «the enemy» after she get over the shock of surviving the dissolution of the Soviet Union, and began to conduct an individual, independent policy in the national interest. Hence, it is necessary to curb her, and for that all methods are good.

Fascism in Europe is reborn under the guise of liberal values. After demonstrations on her territories under the slogan «I - Charly», many experts have identified it as the essence of the «liberal fascism». Liberal, because as the basis is declared «freedom of speech» and fascism - because it denies the rights of the other to the another moral values and cultural identity. Caricatures «Charlie Hebdo» directed not only against Islam. They are equally abhorrent for any religion. In many ways, this phenomenon has become an indicator of the European degradation.

But despite the European line of policy and American propaganda, the people of Europe are gradually aware of what is happening - both at home and in the Ukraine, and they are horrified. Defending neo-fascism in Ukraine, they will sooner or later lead him to their home countries, and then - wait for World War III.

Fascism - this is without a doubt, the worst of what the human mind spawned. Because this ideology - is a dead end of violence over the soul, mind and consciousness, it carries catastrophe of civilization.





# CENTRAL ASIA IS FACED WITH A CHOICE: TRADITIONALISM OR PROGRESS?

*Ivan Safranchuk, associate professor of the MGIMO University, MFA of the Russian Federation*

Despite the elite's will, in the next coming years the governments of the countries in Central Asia will be forced to make difficult strategic decisions which will determine the countries development in the decades ahead. Complex, ambiguous, fundamental questions, agitating the elites as well as the society, are on the agenda. Let's refer to one of the aspects of this agenda.

The euphoria of gaining sovereignty carpeted reality and it seemed that the path of independence and economic reforms would be easy. They were wrong. The integration into the world economy after the collapse of the Soviet System was very painful. Today we can say that a significant part of this path has been passed, however, serious obvious problems are remaining.

In all countries of Central Asia (and in most post-Soviet countries) two processes were on simultaneously: modernization and traditionalization. A part of the society was actively involved into western styled modernization project. These people studied foreign languages, were eager to get an education in the world best universities. They are focused on the integration into the world in their social and professional life.

However, there was another part of the society: deliberately or forced people chose the path of traditionalism. Moreover, the authorities of the regions supported this orientation with the varying degree of intensity in

different periods. Looking for the support of independence, they turned to the past, to the history. These retrievals went farther back into the centuries. For some it was a «political technological exercise», but many sincerely believed that the stability of the independent development relied on traditions, rooted in the past.

Recently more and more of these ordinary people started to regret this choice, noting the gap between traditional values, which justify the power legitimacy of the ruling elites, and their authority practice itself, as well as private life. Frustration leads many into religion. They discover a new dimension of living in a world of constant values, where the denial of relativism makes it possible simply solve any, even the most complex issues. In the world of modernity and especially post-modernity these people have found the enemy and begun to fight him.

This stratification of the society on two parts: modern and traditional, is much more difficult and more important in its consequences than ordinary problems of socio-economic division into rich and poor.

What is the ratio between the people of modernity and those who support the traditionalism, including religious? There are no accurate statistics on this point, but there are many signs that a growing part of society in all countries of Central Asia tends to traditionalism.

It is well known what happened

to the Shah's regime in Iran, where, in the 1970s such gap also existed. There are other historical examples. Today we see how difficult the Pakistani elite retains its' power.

Do the countries of Central Asia possess will and resources to keep in obedience the traditionalist part of society not only using force and police methods, but also implementing a large-scale modernization project in order to bring the process within acceptable limits, while minimizing the risk of destabilization?

It is clear that simple recipes such as «democratization» will not help, because the social potential for modernization, which was formed in the Soviet Union, has been mostly lost already. Now we can say that in the countries of Central Asia the majority power will be the power of antimodernity archaizing all forms of life - social, economic, political.

In the past 20 years, the modernization was mainly linked to globalization; such believes prevailed not only in Central Asia but also in the CIS. It seemed that the deeper we integrate into the world, the better it would be. However, it turned out that the world does not need tens of millions of our citizens. The most important thing - there is no work for them in the framework of global labor division. Hence - as a result, there is de-industrialization. A post-industrial economy impartially needs only a minority of our fellow citizens. «Unnecessary»





are discarded on the side of life - into natural economy and archaic lifestyle. This fact cements the deep gap in the society, which was mentioned above. Only a few, the most talented and enterprising, are able to change their social status and obtain the access to modern life, which is known to everybody from television and the Internet, and to young people from the education they receive.

This gap between the expectations of educated (or half-educated) youth and the existing reality set the stage for the events of «Arabian Spring.» As a result, the whole process was aimed at overthrowing the regime, shaped by young educated military men, who overthrew traditional leaders - kings with their elites - in the second half of the last century. Then it was a leap in the direction of modernization, and who took power by force, young, educated people - modernists.

The most impressive progress in the field of social reforms (education, medicine, science, etc.) in the Arab world was reached in the countries with such regimes - in Libya, Syria, Iraq, Egypt at the end of the 20th century. «Arab Spring», in contrast, was a leap away from the modernity to traditionalism, though it began under the slogans of liberal reforms. The way to traditionalism, if we take it, leads to religiosity increase. In Muslim countries, Islam is becoming a center of attraction for all those who seek to traditionalism or just

tired of the corruption, rulers, and feeling oppressed by injustice in their daily lives.

Authorities' attempts to create other, not Islamic, ideological centers of attraction for those who are prone to such traditional sentiments, have mostly failed not having received a broad and deep spread in society.

Nevertheless, global trends are changing. Since 2008, the trend to minimize globalization has begun. There is an increasing number of protectionist measures, more restrictions on the movement of people, capitals and goods. WTO is in crisis.

At the same time, the process of regionalization is gaining its pace, when large regions of active economic life with their intensive internal trade, regional regulations, which are becoming more important than global, are formed. Regions begin to compete and cooperate with each other.

In socio-economic terms, regionalization provides a new chance for the development of the countries that were caught up in the periphery of globalization and took a niche of raw materials appendage. Regionalization - is a chance for the development by the rules that you determine yourself.

However, the process of regionalization will change policy and rules in some way. The point is not that the leaders will encroach on the sovereignty of other participants in the regional associations. In the end, there is an example of the EU - a

union, which confronted by many difficulties when coming to the political level. At the previous stage before the establishment of the European Union in 1992, a regional economic project in the form of EEC (European Economic Community) was more attractive. EU experience shows that there is no need to rush with political stage of regional integration (Europe spent 40 years to reach this stage), and moreover perhaps there is no need even to think about it. Therefore, there is little danger to national sovereignty of the participants of regional integration associations. The point is in changing of the political rules.

Within the framework of the globalization trend, being located on the junction of the regions looked as an obvious advantage. All dreamed of being a «bridge» between North and South, East and West, etc. However, as part of the regionalization process, being located on the crossroads of the regions is a serious challenge. Leaders outline the regional economic boundaries and consolidate priority regional partners. Those who are at the junction will be pulled in different directions. So, the process of consolidation of regional economic development takes a very nasty form for those who are on their joints.



# IRINA ZAKHAROVA, WHO CHARMED CHINA

*A conversation with Irina Zakharova was carried on by the head editor of INFOSCO web portal Tatiana Sinitsina.*



*Irina Zakharova is a Russian fine art expert and scientific associate of the Pushkin State Museum of Fine Arts. In the last year in Beijing she was awarded by a «You have charmed China» prize. She became the first Russian and the first representative of the Shanghai Cooperation Organisation's country who was honoured with such an unusual prize. It was established for the foreigners humanistic selfless labour in the Tianxia*

*- What does the «You have charmed China» prize mean to you? As I know, this unusual prize was established by the Chinese broadcasters.*

- To tell you the truth, I have experienced very exquisite physiological moment when I knew that I became an awardee of this prize. I didn't understand at all what it means. The prize was established by Chinese TV journalists, they represent television companies of Tianjin and Hong Kong. But its main financial backer is the United Nations Development Programme which gives encouragement to virtue and humanity.

Two years ago a team of Chinese broadcasters came to Moscow to make a film about me. The

film's 2 parts show moments of my private and family life as well as my professional activities. Moreover, the film was shot both in Moscow and in Beijing. My husband is a diplomatic official and we have spent many years working extremely interesting.

I think I attracted attention of filmmakers as Russian fine art expert whose interests are connected with the Russian Art and the Art of Europe as well with the Chinese Art. In the words of my Chinese colleagues I could infuse new blood to comprehension of their nation's culture. It was nice to hear of it.

*- I It is supposed to understand under new blood very unusual genre of art made by you. Its name is «Calligraphy on cloth» and I was lucky to watch these works at the*

*Moscow's exhibition. Undoubtedly this art invention played an important role in awarding of the «You have charmed China» prize.*

- May be. «Calligraphy on cloth» is my art innovation which was born on the basis of happy creative recovery of sight. It made Chinese very glad - new genre in their ancient and conventional Art. They perceived it as a new line.

Hieroglyph was a source of everything; it undoubtedly can be called Wonder of the World. It is a precious creation of the Chinese Calligraphy, it has huge amount of information and meaning and dates back to pictography - an art which was crafted for thousands of years. Two hieroglyphs of this huge quantity - bu and su (translated as «calligraphy on cloth»). Name bu





and su was created by Chinese fine art experts who have visited my exhibition.

I didn't try to create something intentionally. I just one day caught an idea how to save remembrance about people with whom I have met in China. I had (and I still have) large network of contacts, artists, interpreters, specialists in Russian studies among those people. I asked every Chinese friend to draw his own hieroglyph on the cloth using felt-tip pen, highlighter or chalk. Everyone subconsciously has chosen hieroglyphs talking about Chinese culture, about human feelings. Then I artistically carried out these treasured signs on linen, using embroidery, appliqué and many other techniques.

*- I suppose it was reflected in the Chinese film which was shown on*

*many international TV channels. What did you feel about it?*

- I have put into perspective on my professional activity looking through the film. I have seen it as a generalized and accentuated result and felt professional satisfaction. After some time I was invited to Beijing to the award ceremony «You have charmed China». I'd like to underline that there is a very broad and philosophical comprehension of beauty. This comprehension is similar to F.Dostoyevsky's words «Beauty will save the world». This prize was awarded in Beijing to 9 foreigners except me. They made many good deeds for China, working in countryside, saving life of ill children, fighting against AIDS, etc.

On the award ceremony I worried realizing that my professional activity is appreciated on a par with Missionaries of Goodwill. It

again points that sphere of the human upbringing is a complicated labour in the perfection of human soul.

*- Art and professional activity on its field attract persons with extraordinary skills and delicate psyche. What defined your choice – natural instinct or concourse of life's circumstances?*

- There is nothing new in my words - everything began in my childhood. I think I am very lucky that my parents created an atmosphere of veneration of the cultural wealth in our home. They graduated technical faculties but they were always interested in literature, art and fostered interest in it to me and my brother. Together we went to museums, to opening-day of an exhibitions and discussed them. Art is a thing which

InfoSCO, №8, 2015



extremely expands the horizon of knowledge and impressions. There were collected works of A. Pushkin issued in ten volumes in our library which were presented to my father by my mother on one of the anniversaries. We also were often presented by books. I think, such style of life defines moral basic of the family. These everything stimulated interest to art and in the one moment it became my aim, my pain and my passion. That's why I entered historical faculty of the Moscow State University.

*- You lived in China for quite a long time studying ancient national art. What aesthetics impressed you in Chinese culture?*

- First of all I studied Chinese art at the University and I had extensive theoretical apprehension



of it. However my interests were connected with Middle Ages and applied Art. That's why when in 1981 I came to China with my husband I had no connection with this country in professional sphere. Everything was changed by one mysterious moment. One day I was walking near the Gulou or drum tower and found myself in unknown Chinese culture and life.

I was going by little one-stored houses and saw this scene: elderly people in traditional blue clothes

were sitting and talking. Near them I saw cages with singing birds as if they were accompanying the conversation with their warble. This scene took place against the backdrop of the amazing tower Gulou. The charm of this traditional building, the majestic architecture of focus, people, harmoniously fused with the old context - all this moving landscape suddenly aroused strong feelings.

Then I visited suburbs of Beijing, saw covered with blue brume mountains and understood that Ink wash on thin paper, these painted nebulous mountain shadowgraphs are based on living national landscape. Something inside me gave rise to interest to Chinese culture

*- Are there any things in common between cultural aesthetics of China and Russian culture?*

- I.Z. It seems to me there are much more in common between them and it could be explained by historical and earthshattering touch of two nations. Not a long time ago when I was staying in Beijing I heard nice singing of elderly people in one picturesque

and ancient park of the city. They were singing Russian songs. Chinese like theirs' melodics, warm-heartedness and breadth of the sound. They also have necessity to express themselves in song, in dance; as many of us they also have addiction to reading. They have special attitude to our classics authors - Pushkin, Tolstoy, Chekhov. Our films are also highly rated there.

*- One of the main points of this award is «for providing of children cultural exchange on the unofficial level». The Chinese must appreciate your activity as initiator and enthusiast of the first humanistic project of the SCO «Children draw fairytales».*

- «Everything begin from childhood» and on the definite level of my life I turned to children, to pure consciousness of forming individual. Children are extremely talented, they can have a fine appreciation of this world and it's a fertile ground for esthetic upbringing and for bringing talent for life. It's not a secret that during forming a young generation many things depend on adults. Everybody understand the language of beauty and it's easy to speak on it and to sense it.

I knew about the SCO which initiated a new model of international relations from my husband who was appointed to be an under-secretary. The SCO united countries with high purposes such as opposition to contemporary challenges and collaboration based on parity rate, on consensus, on mutual respect.

Political will of heads of six countries and huge work upon establishing and promoting of organization are at the back of these everything. Then I caught an idea: for safe future of the SCO we need to consolidate it using

different ways, among them ... Thus a «Children draw fairytales» project was established in 2004, it's main point is to expand children's knowledge through a fascinating, informative form.

The primary goal was simple: to tell Chinese children two or three Russian fairytales and to ask them to draw whatever they want depends on their imagination. The same idea was used in Russia. Children drew heroes and subjects of Chinese fairytales in their own comprehension. Art experiment was repeated in Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and everywhere it had a spectacular effect. Children struck adults by their comprehension of the meaning of fairy tales. About 10000 of young artists from different countries of the SCO took part in the project. Then we expanded genres and themes offering different options for children arts and crafts - sculpting, embroidery, appliqué. They turned not only to the tales, but to the whole world.

*- It is to be supposed that an idea about traveling appeared because children's crafts like any other art demands for presentation and audience. For the first time I have seen this exhibition at the Pushkin State Museum of Fine Arts and I still remember how it expressed astonishment on me...*

- Art is individually on the level of creation, at the moment of artist's self-expression, but it's vein is common. The «Children draw a fairytale» project is a Russian idea, forward to approach of the Shanghai Cooperation Organization's nation using cultural exchange. As I am an associate of the Pushkin State Museum of Fine Arts we keep works of children in it, nowadays there are more than

10 000 drawings.

For the first time the exhibition was presented to audience in May of 2005 in the Art Museum of PRC. Mass-media was delighted with it. Then the exhibition went to Moscow to the Pushkin State Museum of Fine Arts. Then it was again set off on a journey to China where works were exhibited in the «Meiguoxing» - the biggest gallery of Beijing. Thus the exhibition took «the spirit of travel» and began to travel from one country to another. Today the geography of «Children draw fairytales» project includes 30 cities of 6 SCO member states.

Works of young artists were represented in many Russian cities: Nizhny Novgorod, Kazan, Elabuga, Cheboksary, Naberezhnye Chelny, Boldino. Everywhere it has permanent success and genuine interest of the audience.

*- Probably this unique initiation will develop and expand. What perspective does it have?*

- The project is developing and many new participants such as children, teachers, enthusiasts and «The Mardjani Foundation for Support and Development of Research and Cultural Programs» align themselves with it. We are united together by a «sense of Shanghai». The Mardjani Foundation published books and audio disks with fairy tales of nations of the world.

We could put into life family tourism. These are educational trips of young artists and their parents to another countries and meetings of children who participate in the «Children draw fairytales» project. Trips of the Russian people to China and of Chinese guests to Russia are already realized. Thus the phenomena of another country opens, brings up amiability and

mutual understanding. It's a great opportunity for new contacts.

We have also already represented a new project «My country, my family, my friends living around me» in Beijing. It also opens great opportunities for the approach of nations.

*- Russia not only has initiated this unique program of the creative work with children but it has also taken a big part of organization upon itself. What is a contribution of other SCO member states?*

- Now meticulous work is provided. We try to get in contact with special organizations of the SCO member states - with centers of children's crafts and national museums in Bishkek, in Almaty, in Dushanbe. We have an agreement with the Academy of Arts of Uzbekistan concerning exchange of the groups of children. Our project has been working since 2004 and it's an excellent promotion of the SCO. It's very important that children who draw fairytales one day will grow up and probably some of them will promote fair ideas of the SCO.



# NEW MELODIES OF THE SILK ROAD



*Yuri Tavrovsky, the professor of People's Friendship University of Russia*

The concepts of The Great Silk Road Economic Zone and Marine Silk Road for the 21st Century, suggested by the President of the People's Republic of China Xi Jinping in the autumn of 2013, are becoming a supporting framework for geo-economic strategy of China. Paying special attention to both concepts, which are jointly named as the strategy of «one zone and one route,» Xi Jinping made them priority-driven by reaching necessary policymaking (The Third Plenary Session of the 18th CPC Central Committee (of the Parliament), and beginning to establish a strong financial base (Silk Road infrastructure fund and the Asian Infrastructure Investment Bank). There are no doubts that the «melodies of the Silk Road» will become the leitmotif of Xi Jinping and Vladimir Putin's meeting in Moscow in May, and during SCO and BRICS summits in Ufa. How can such an unprecedented activity of China's diplomacy be explained?

## TURN TO THE WEST

Xi Jinping's new strategy, which similarly to Putin's «turn to the East» and Obama's «turn to Asia» can be called «turn to the West», has deep and branched historical roots.

You may recall the Emperor Han Wudi (140-87 BC), who initiated the Great Silk Road by setting off caravans to the West. For the sake of his project's success, the

emperor established good relations with nomadic people of the Huns, for the protection from whom the Great Wall had been built. You may also recall the founder of the great Tang Dynasty named Li Yuan, who provided the synergy of two neighboring civilizations - Chinese and Turkic, expanded the borders of his empire and its influence area, enriched the Celestial Empire by the growth of trade along the Silk Road, and created a composition of alien Buddhist and local Confucian cultures.

The «melodies of the Silk Road» were heard in the palaces of the Mongolians and Manchurians, who conquered China in 1279 and 1644 respectively. They expanded the borders of the Celestial Empire to the West, moving their hordes and regiments forward along the Silk Road routes, which were beaten during hundreds of years. The Manchurian Qing Dynasty in 1760 conquered Xinjiang, which is now turning into home-base area of the The Silk Road Economic Zone. During China's weakening period, which began with the Opium Wars (1840-1842 and 1856-1860) and continued until the end of the 70s of the last century, the «melodies of the Silk Road» were barely audible.

However, policy decisions on «large-scale development of the western part of the country» were made in Beijing in 1999. The construction of new and reconstruction of existing railroads and highways, businesses began in Xinjiang, Tibet and other poorly performing provinces. The population began to grow, the cities and villages started to transform. Bilateral relations with the neighboring countries of Central Asia intensified, and in 2001 the

Shanghai Cooperation Organization (SCO) was established, an area of responsibility which covers the historical Silk Road and its many offshoots.

## «CHINESE DREAM» AND «THE SILK ROAD ZONE»

The next digenesis of the Chinese government, which occurred at the end of 2012 during the 18th Congress of the CPC, was marked by the development and statement of the country's new long-term targets. A comprehensive strategy of «Chinese dream for the Chinese nation's great revival» is aimed at transforming China into a powerful state by 2049. The strategy of «one zone and one route» is the most important foreign policy component of this national plan. However, it is closely linked not only with the task of «China's revival», but also with the need to respond to the challenges of foreign policy and domestic economic issues. Aimed at China's restraint American «turn toward Asia» poses a potential threat of blocking marine trade route through the Malacca Strait, through which about 90% of China's foreign trade is carried on. The continuing decline of economy growth rate, the worsening environmental crisis, imbalances in inter-regional and intersectorial balance require to review the economic strategy.

Based on the developments of advisers group in May 2014 Xi Jinping announced another concept - «new economic regulations». It envisages a reorientation of economic development from exports to the domestic market, reduction of foreign investment role, transfer of resources access priority from state enterprises to the private sector and public-



private partnerships. An important component was the reduction of securities purchase by the Federal Reserve System and other financial institutions of the West, the transition to the export of Chinese capital and its investment in real assets in the global market, creation of a new global financial system with the Chinese Yuan as a major currency. All these goals of «new regulations» are ideally suited by the strategy of «one zone and one route.»

Last November at the APEC summit in Beijing, the President Xi Jinping announced that China would provide \$40 billion for the establishment of the Silk Road Fund. Already at the end of December, the fund was registered, and at the end of February 2015, the authorized capital of the «Silk Road Fund» received the first tranche of \$9.78 billion.

The establishment of the private Energy Development Fund with a declared capital of \$20 billion to finance infrastructure and energy projects of «one zone and one route» was announced this January.

Finally, Asian Infrastructure Investment Bank (AIIB) with authorized capital of \$100 billion, initiated by China last October (Russia became a member last March), is also primarily intended to finance the «Silk Road» projects. There is no doubt that

the representatives of China will give priority to the financing of the «Silk Road» projects in the Bank of BRICS and the planned Bank of SCO.

The statement of the President Xi Jinping made at the Asian economic forum in Boao, and rapid pace of management infrastructure creation confirm the priority of «one zone and one route» strategy for China. The Chinese leader particularly stated that about 60 countries had expressed interest to participate in the large-scale project. In 10 years, China's trade with the countries of «one zone and one route» is expected to exceed \$2.5 trillion.

Almost simultaneously with the statement of Xi Jinping made in Boao the State Council of China adopted an action program on this strategy implementation. In particular it says, «The countries concerned should pay attention to the construction of transport infrastructure, give priority to the connection of disconnected sections of roads, improvement of safety road constructions and optimization of traffic.» The document stresses the need to ensure interconnection of the energy infrastructure, to ensure the safety of oil and gas pipelines, the creation of cross-border transmission lines and cooperation in the modernization of the

regional power grid.

A management team is set up for the direct control of the project, at first the team will operate within the State Committee for Development and Reform. Thus, the uncertainty on organizational principles of «one zone and one route», which lasted for about a year, has been overcome.

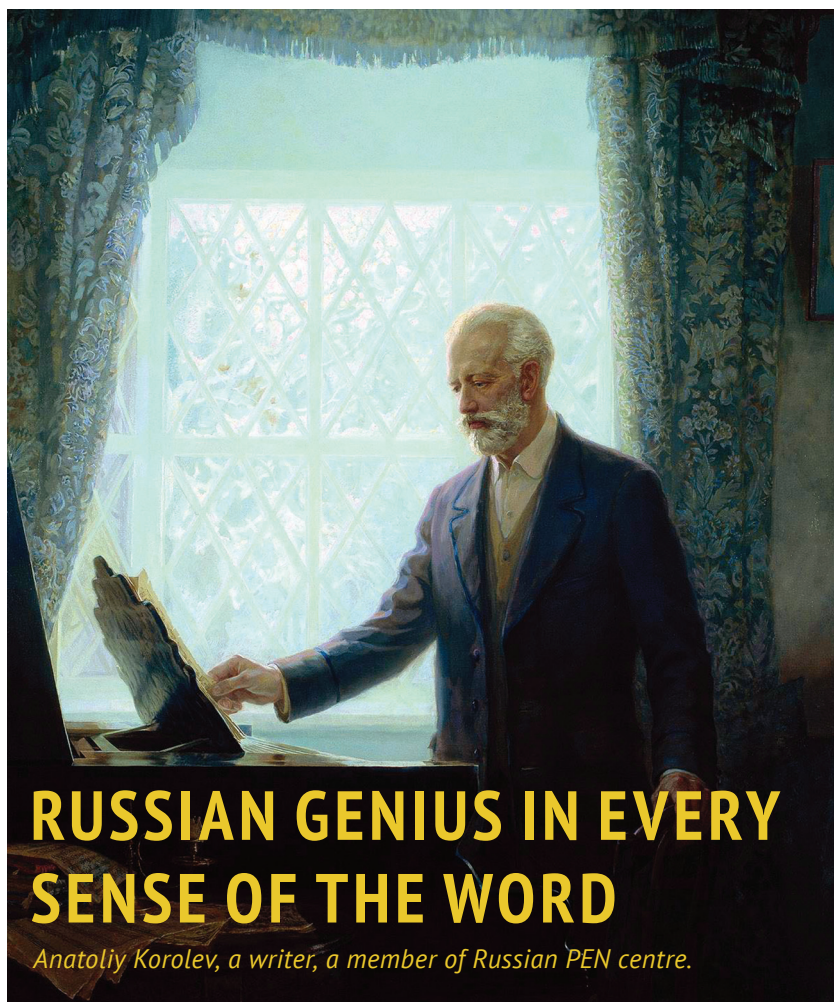
## SCO: «TO CATCH CHINESE WIND INTO THE SAILS OF THE ECONOMY»

Speedily implemented strategy of «one zone and one route» gives additional opportunities of «catching Chinese wind into the sails of the economy» to the SCO member states. Beijing's strategy is aimed at creating a safe and secure trade route from China to Western Europe and the Middle East. Taking into account the real military-political situation the optimal direction of transport corridors passes through the territory of the SCO and the EAEU. This route is already regularly used by rail container trains.

The construction of the highway through Xinjiang and Kazakhstan to the border of Russia in the Orenburg region is almost completed.

China underlines the interest in «establishment and improvement of bilateral working mechanisms, as well as strengthening the role of multilateral mechanisms of cooperation», «connection of development strategies of China and other countries and regions.» Typically, Beijing prefers to address issues on a bilateral basis, but in this case, it is interested in promoting its goods through the single customs space of the EAEU instead of delays at the customs borders. Thus, all the way from the Pacific coast of China to the Atlantic coast of the European Union, Chinese goods would have to cross only two borders. Why isn't it the Silk Road...





## RUSSIAN GENIUS IN EVERY SENSE OF THE WORD

*Anatoliy Korolev, a writer, a member of Russian PEN centre.*

Many constellations in the Russian culture outer space are laid out for world's eyes, and genius of Pyotr Tchaikovsky is one of the brightest. The world's music Olympus is impossible to imagine without him.

In the year 1840, when in family of Alexandra and Ilya Tchaikovsky their third child - Pyotr - was born, was marked in Russian music culture by the following feature: 11-years-old boy, wonder child - pianist Anton Rubinstein, started his triumphal tour of Europe. His name would be tied with Pyotr Tchaikovsky's fate with a nonsimple knot.

A lucky childbirth, which gave a genius, occurred far from Moscow, in the backwoods, in Votkinsk, a small town in Vyatskaya Governorate, where was situated the ironworks, managed by the composer's father.

As the youngest son Pyotr was surrounded with comfort and care, his mother's love and love of his elder brothers and sisters, tender care of governess Fanny Dürbach. Pyotr had already in his early years started showing emotional delicacy

and outstanding musicality. Their family piano was a centre of his soul's attraction, his "dear friend", whom enthusiastic would kiss before going to sleep.

I had luck to visit that place, where Tchaikovsky was born, and to visit a single-storey house with mezzanine, where his early years had passed. This house, surrounded with park, is situated on the lake shore, farther there are fairy-tale forest and bends of two rivers. Blissful wilderness. Genius cradle...

As soon as the boy got the basic home-school education and mastered piano playing, he was ready to follow his vocation way - everyone noted his outstanding musicality. But his parents' plans appeared to be rather prosaic - they wanted their adorable son to become a lawyer and were preparing him for a career of a civil servant. When the boy was 10, the

family left their blessed native land and set out for the shining darkness of cold St. Petersburg in order to give children proper education. Obediently submitting to parents' choice, young Tchaikovsky gave up his hopes and entered the School of Jurisprudence.

But his great soul and great mission had already started to announce their presence. Not without reason his mother was stroked with the note in his diary: "What for He created me, this Almighty God..."

The first terrible ordeal for sensitive heart was a sudden death of his loved mother, who was a victim of cholera epidemic which overtook Petersburg in 1854. The disease was nearly to take his father's life. The dreadful loss made the boy adult.

Soon the career of lawyer, for which Pyotr Tchaikovsky was preparing, was doubted. Home piano improvisations became his passion, peak of ardour was reached in 1859, when Pyotr, who graduated from School, started serving in the Department of Ministry of Justice.

Tchaikovsky became a titular counselor. It seemed that everything is finished. But evening Petersburg was breathing music, the young music lover was reveling in Italian performances, missing not a single opera, not a single concert, he breathed inside music universe of Europe of that time: Mozart, Wagner, Meyerbeer, Adam, Liszt...

Captured by the cult of piano playing, Tchaikovsky was reproducing from memory on his piano nearly whole "Don Juan" of Mozart, "Moses" of Rossini, "The Freeshooter" of Weber. He was playing compositions of Bach with self-forgetful inspiration, which stayed non-understandable by his family folk, who were valuing glitter in music rather than profoundness.

This situation of 20-years-old Tchaikovsky's dual personality on civil servant and music lover was suddenly solved in the most unexpected way: he attended classes of Russian music society which were organized in the capital by the same energetic man of a great ambition, pianist and composer Anton Rubinstein, who

was an idol in Petersburg of that time. The music was in fashion, classes became popular. Pyotr Tchaikovsky studied harmony and counterpoint with Polish mentor Nikolas Zarembo.

It was going well at first, until Anton Rubinstein himself visited the conservatoire school and asked Zarembo to show him students' compositions on harmony and counterpoint. It was a sphere of his interests, there dwelled his gloomy jealousy: he wanted to ensure that there are no equal musicians. Zarembo mentioned Tchaikovsky: talented, but lazy... Rubinstein asked for the student's music.

So what did he say to the student Tchaikovsky when he first met him, holding in his hands Tchaikovsky's sheet music? "I do not conceal, your talent is obvious, but I'm asking you for a personal favour, I'm asking you to cease classes' attendance". While saying it, the director, smiling, but firmly referred to the student's laziness.

The first fiddle in this escapade apparently was played by "envy of rationalist Salieri to the light-hearted Mozart". Looking at raw sketches of a 20-years-old youth, Rubinstein with his devilish intuition felt a threat to his authority over public.

The young man was confused. It was that very moment when the God's will become apparent: under an empress's support Music Society was transformed to the Conservatoire.

In the May of 1863 he left his service in Department and devoted his own self to music.

Rubinstein kept plotting against Tchaikovsky and in fact wrecked his triumphal graduation, who didn't came to the final concert because of the nervous strain and also didn't take director's corrections to the cantata "To the joy" into account.

Rubinstein was furious. Tchaikovsky, graduated from the School with a silver medal, hardly get a diploma. Zarembo was begging director almost on his knees to forgive the talented graduate.

Gordian knot of intense relations was cut by the Rubinstein's younger brother Nicolas, who organized a similar Conservatoire in Moscow

and came to St. Petersburg to recruit teachers. He immediately offered Tchaikovsky a position of professor.

"My dear son, - upset father wrote to young music professor, - my dear fellow, I'll tell you the truth, you should know, my heart grieves about you. Is it what you merit, is it what you wanted to achieve? Oh, your lucid mind... Glinka died in poverty. Drop out, start a civil service again..."

If only his son had obeyed, there would have been no Tchaikovsky music on Earth...But miracle saved him. God obviously didn't forget about the boy, who was kissing piano keys in drawing room...

The fame burst out in 1879, when Nicolas Rubinstein, with the help of students of Conservatoire, carried out a first performance of Tchaikovsky opera "Eugene Onegin", which created a furore. Soon it was staged in Bolshoi Theatre.

After the offer to become a professor of Moscow Conservatoire, the fortune sent to young Tchaikovsky another one piece of luck: concerns for his welfare for the long 14 years undertook Baroness Nadezhda von Meck, widow of a millionaire, Maecenas and a great admirer of Tchaikovsky. She set a solid upkeep for those days - 6000 roubles per year. Through the whole life they didn't manage to meet, but they corresponded actively, and their letters became invaluable illustration of creative life and personality of the composer.

To give him the once-over to everything composed by him during his 53 years is impossible! Even the short list amazes: Tchaikovsky had composed more than 80 musical things, among them are 10 operas and 3 ballets, which today are known to all top world stages - "Swan lake", "Sleeping Beauty"... And every composition is a miracle, masterpiece. This entire placer of music jewelry is an inestimable contribution to a world music culture.

The name of Tchaikovsky is included in the list of Russian geniuses together with composers Mussorgsky and Glinka.

Without Tchaikovsky the world's music Olympus is impossible to imagine.

Exceptional beauty of his music, lyrical excitement, ability to convey either state of love or step of death are amazing, as well as ability to reproduce Hoffmann's fairytale about a Nutcracker with magic sounds, to create brilliant canvas of operas "Eugene Onegin", "Queen of Spades", to compose unfading symphonies and piano concerts of a magic ascendancy. And all this compositions Tchaikovsky filled with Russian melos, so sad and desperately tragic.

"I am passionately fond of Russian, Russian language, Russian mentality, Russian beauty" - wrote the composer. All this love is heard in beautiful symphonies, in his piano cycle "The seasons", masterpiece among masterpieces.

Tchaikovsky's main aesthetic principles were formed in 60-70s of 19th century, in period of high enthusiasm in social and artistic thought, of flourishing of Russian literature, art and music. Under the whole tragedy of perception of the world, the most essential feature of Tchaikovsky's music is a harmonious and optimistic sense of life. His aesthetic principle was a formula "beauty is life". Veracious expression of person's emotional experience is a quintessence of his music.

In his works Tchaikovsky expresses life of Russian society, shows scenes of Russian nature. The music in its intonation is very close to Russian folk songs. The composer himself wrote: "I adore Russian component in its every display with passion, in a one word, I am Russian, in every sense of this word".

His last years Tchaikovsky spend in Klin, nearby Moscow, but death caught him in Petersburg, unexpectedly. On the 23 of October in 1893 cholera took life of the great composer, as it had already done with his mother's life. Cholera was in a raw water glass, which he drank in the heat of the moment, not minding any warnings. The whole Russia mourned over the loss of genius.

Many constellations in the Russian culture outer space are laid out for world's eyes, and genius of Pyotr Tchaikovsky is one of the brightest.



# «PEOPLE ARE POLITE AS KINGS IN THE CITY OF THE SUN AND GENIUSES...»

Naina Aminova

Legends soar above the maze narrow streets of ancient Bukhara and each stone in the walls of old-age mosques, in the carved masonry of minarets keeps its secret. Bukhara that is reckoned among the assembly of patriarch cities is the land of great thinkers, scientists and poets, who threw their luster on it in their works; it is a homeland of amazing artists, who had been incarnating into images the beauty, miraculously saved by Time.

In the middle ages a famous Venetian traveler Marco Polo said about Bukhara that “people are polite as kings in the City of the Sun and Geniuses...” Bukhara, like a magnet, attracts people from all over the world. Its architectural ensembles leave a lasting impression in the heart of each viewer.

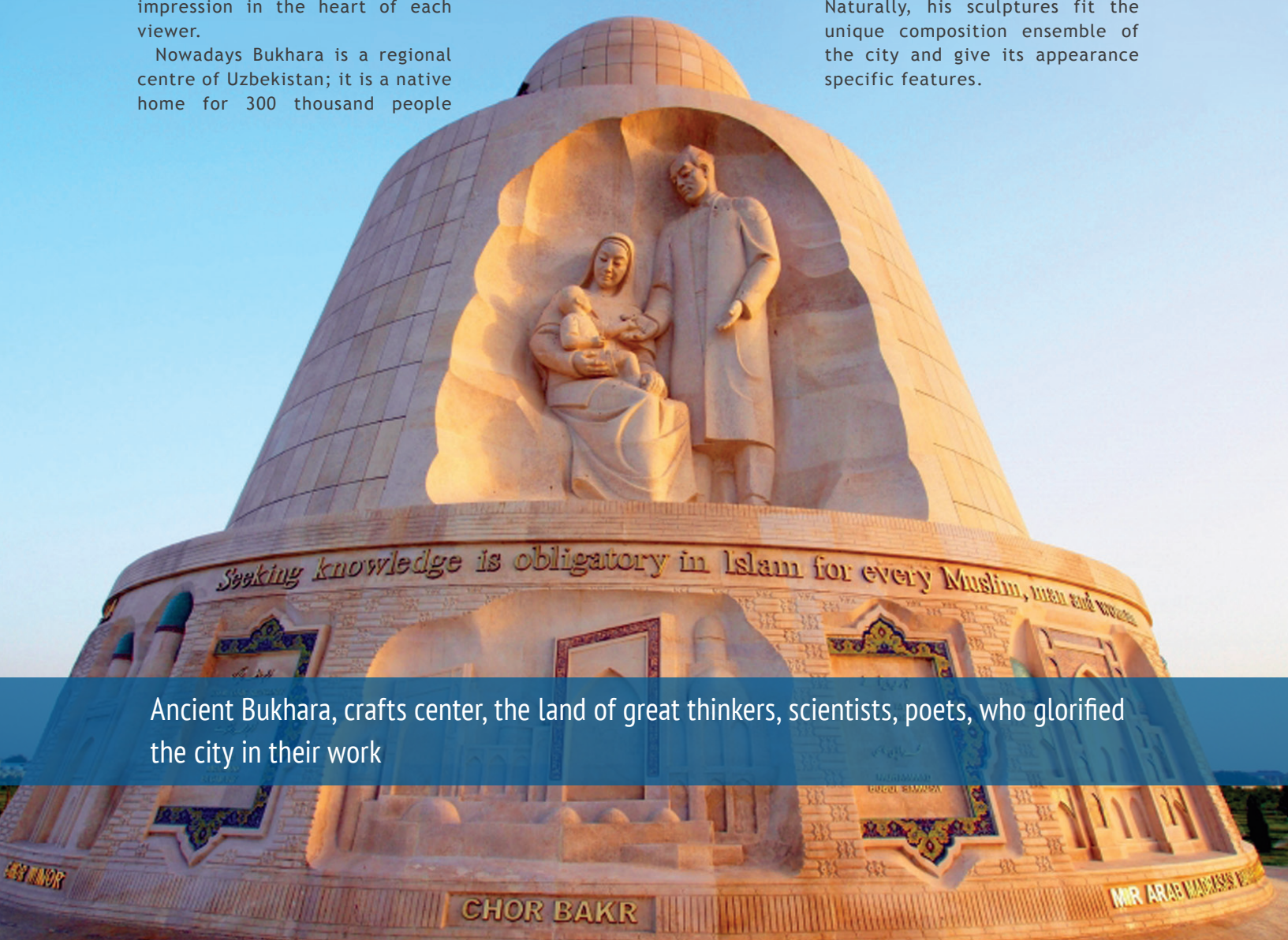
Nowadays Bukhara is a regional centre of Uzbekistan; it is a native home for 300 thousand people

of more than 30 nationalities. The hoary antiquity adjoins the contemporaneity here, harmonizing with the city look, and every nook is unique. In 2010 a monument poetically called “Ancient and eternally young Bukhara” was erected at the initiative of the President of Uzbekistan.

For the last two decades over 100 architectural monuments of Bukhara have been included in the list of UNESCO World Heritage. Due to the reconstruction the following monuments have been renewed - the Samani mausoleum, the Kalyan Minaret, Lyab-I Hauz, Sitorai Mohi-Hosa Palace, sacred places Khoja Ismat Bukhori, Fatkhobod, Bekhishtiyon, Abu Khavs Kabir as well as city gates Sheikh Jalal. The city gates Namazgokh,

Shergiron, Uglon and Mazari Sharif are expected to be reconstructed soon. It is a museum-city, and its ancient spirit attracts people. The architectural monuments that have been created for centuries are the result of the laborious human work and the masters’ productive imagination.

The inherent part of the city architectural look is the monuments, created by the latest generation of masters, which engraved the great citizens of Bukhara such as Abu Ali Ibn Sinna, Abdurauf Fitrat, Sadridin Aini and Akhmad Donish. The monument to the popular national hero Hodja Nasreddin, a native of Bukhara, is among them. Even the present day this sarcastic character of deft tongue attracts much attention. Naturally, his sculptures fit the unique composition ensemble of the city and give its appearance specific features.



Ancient Bukhara, crafts center, the land of great thinkers, scientists, poets, who glorified the city in their work



# UFA UNCOVERING ITS BEAUTY BEFORE THE SUMMITS



*Anton Ivanov*

In July 2012, the instruction of the President of the Russian Federation Vladimir Putin was signed. According to it, Ufa was determined to be the venue of holding the summit of the SCO Council of Heads of State and the BRICS summit of Heads of State and Heads of Government in 2015. This decision served as a powerful boost for the infrastructure transition of Ufa on a qualitatively new level - the level of the metropolis which is convenient and practical, primarily for carrying on the political dialogue and business collaboration.

First of all there were accepted the necessary republican and municipal regulatory legal acts defining the aspects of preparation for international events. At the same time the chief problem was being solved - Ufa was lacking comfortable hotels. Big retail investors were found very fast and then the work was in full swing. Seven high-class hotels have been built for 3 years in the city; the hotels with such worldwide brands as Hilton, Sheraton, and Holiday Inn are among them. It is a result of creating the most favourable conditions for investors by the city administration and the Government of the Republic. Such problems as

the issue of permission documents and the connection to engineering networks were decided very fast under such conditions. As a result, due to the construction of new hotels and the modernization of existing ones, Ufa received a qualitatively new hotel industry which is worthy of the metropolis.

Close attention was paid to the exterior of Ufa. Obviously, the creation of comfortable and beautiful urban environment is a daily duty of municipal services. However, holding world scale events became a powerful stimulus for more effective work of urban

services and business organizations of the capital of Bashkortostan. More than 5000 objects of municipal improvements, transport and engineering infrastructure have changed. State and municipal authorities, business representatives, inhabitants of the capital actively joined the transformation process of Ufa. Over 2,000 enterprises and institutions had their facades reconstructed. New buildings in a modern style appeared in the city, many of the old ones were renewed. The federal oil corporation «Lukoil»



InfoSCO, №8, 2015





has built a beautiful office in the centre of the city for 2 years.

Special attention was paid to the urban land improvement of parks, garden squares and recreational territories; thousands of trees were planted in the city. According to the plan of road infrastructure development, 37 road sections were mended: the road surface was mended, junctions and guard rails were built, and the information infrastructure was created. Many streets in Ufa are paved with new tiles, new asphalt roads have appeared.

In the evenings the city is illuminated by elegant openwork lanterns. Due to the fact that all garden squares are joined into a common promenade area, inhabitants and guests have got an opportunity to take a 90-minute hiking in the most beautiful places of the city.

The territory behind the Congress-Hall, where the SCO and BRICS summits will be held, is called «Ufa amphitheatre» for its form of a bowl. This unique place is a favorite place for many city residents. It is available as an open-air venue for holding concerts and festivals. In the process of reconstruction of this natural amphitheatre its bottom was paved with multi-colored tiles in the form of the national ornament, engineering lines were built, the viewpoint was arranged, large timber trees were planted on the slopes. At the time of the Summits holding there will be located a colorful exposition «Ethno village» consisting of 7 yurts. Each of them will exhibit

art subjects giving an idea about the life in the Republic - from its culture to innovative technologies. The «Ethno village» is a kind of visiting card of Bashkortostan.

Due to the preparation for the summits, Ufa International Airport has opened a brand new international terminal. The terminal capacity has been increased by 4 times up to 800 passengers per hour. The launch of the second flight strip has ensured the possibility to accept wide-body aircrafts. The new terminal satisfies all present-day requirements, it was recognized as one of the best in Russia and was awarded a «Russian gateway» national prize.

The cultural attractions of Ufa have also changed. The Bashkir Museum of Art named after M.V.Nesterov has opened a new modern storage facility, the Bashkir State Theatre of Opera and Ballet - a technically improved stage, the «Bashkortostan» State Concert Hall was rebuilt and has opened a new hall.

An interest to Ufa as an excellent place for holding important and significant events has been raised by systematical infrastructural reformations. For the last three years the capital of the Republic has been a good hostess for international events more than once. According to the plan of Russia's Presidency in the SCO for 2014-2015 and in BRICS for 2015-2016 the following events were held in Ufa: The VII Week of Education of the SCO Member States, the SCO Youth Innovation

Forum, the 8th SCO Youth Council Meeting, the International Opera Festival «Shalyapin evenings in Ufa», the XXI International Festival of Classic Ballet named after Rudolf Nuriyev, the VI International Festival of Turkic Speaking Theatres «Tyganlyk», the international exhibition «The Role of the USSR in the Victory over Nazism and Liberation of the Far East» devoted to the 70th anniversary of Victory in the Great Patriotic War. Ufa became a capital of the major business meetings - the 5th international forum «Bolshaya Khimia», Oil and Gas forum, the XXIII International Specialized Exhibition «Gas.Oil. Technologies», the XIV Russian Energy Forum «Green energy», the Joint SCO-BRICS business forum.

Nowadays Ufa with almost a 500 years history is a dynamically developing million-plus city. It has a unique image, combining innovative influences and a careful attitude to traditions. As the capital of the region, which is situated on the border of Europe and Asia, Ufa combines 2 mentalities - oriental and occidental. This peculiarity defines its willingness to the constructive dialogue, effective and mutually advantageous cooperation. Today it is a city which possesses a unique base for organization of business and political meetings of any level and any status.



# BUSINESS PORTFOLIO OF BASHKORTOSTAN

*Industrial sector is the basis of the economy of Bashkortostan. Industrial establishments form 40% of GRP, more than 60% of tax revenues to the regional budget and 25% of working places. The major share in the structure of industry belongs to oil production, mining operations, machine-building, chemical production and the energy sphere. In 2014 the volume of shipped products in the Republic of Bashkortostan was 1,8 trillion rubles, including 1,2 trillion rubles in the industrial complex.*

The biggest oil-refining complex in Russia and Europe provides the following:

- leadership in primary crude oil distillation, motor gasoline and diesel fuel production;
- first place in oil refining depth;
- processing of different raw materials: from gas condensate to heavy high-sulfur oil.

Bashkortostan takes the second place in the country in the volume of synthetic rubber production and the third place in caustic soda production. More than 120 titles of chemical products are exported.

For many years the Republic of Bashkortostan has been one of the main ore bases of non-ferrous metallurgy in Russia, it is specialized in ore extraction and dressing and produces copper and zinc concentrates, precious metals. There are both open and underground mining. The explored fields «Yubileinoe» and «Podolskoe» are the biggest deposits of the Urals.

The level of energy security of the Republic is one of the highest in Russia.

Machine-building enterprises play an important role as well. Bashkortostan maintains leading positions in metal-cutting equipment, buses and helicopters production in Russia. Currently 70 priority investment projects on construction of new facilities as well as expansion and reconstruction of the existing ones totaling approximately \$500 billion rubles are being implemented.

More than half of them belongs to the industrial production. Successful implementation of these projects totaling more than 390 billion rubles will create about 15000 new working places.

The governmental policy of the Republic of Bashkortostan is aimed at creation of new high-tech industries for deep processing of raw materials and development of the traditional high-tech industries such as energy, oil and gas machine-building. There are the following perspective directions of development: modern chemistry, electronics, biotechnology, organization of unique deep processing of large-scale production produced by chemical companies with the help of formation of a network of small and medium-sized enterprises which take the next processing stages with high added value.

Development of machine-building complex is connected with the production of oil and energy-saving equipment, radio electronics, machine-tool construction, small aircraft.

There are more than a hundred institutions, enterprises, organizations which carry out scientific and design studies (engineering) in the oil and gas industry in Bashkortostan.

The policy of the Republic of Bashkortostan on stimulating innovation activities on behalf of the state is aimed at helping companies which conduct research as well as at the development of institutional environment which is necessary for effective functioning of the regional innovation system.

The process of creation of modern forms of industrial organization such as clusters, industrial parks, various forms of cooperative interaction is underway in the industrial complex of the Republic of Bashkortostan. These issues are within competence of the Corporation for Development of the Republic of Bashkortostan. Cluster development involves integration

and cooperation in various fields, from natural resources extraction to production of science-based chemical and petrochemical products, high-tech machine-building, organization of interaction of industrial establishments with the subjects of innovation and investment activity.

Currently there are eight industrial parks. Two more projects are being on the registration level now. Their specializations differ and include chemistry, machine-building and wood processing. Different schemes of formation of property complex and capital has been tried. The best variant of implementation is chosen for each project individually.

Special attention is paid to creation of innovative infrastructure objects. Shared knowledge centers and prototyping centers for clusters of small-scale petrochemicals and electronics, centers of innovative creativity for youth, biotechnological engineering center has been formed only for the last two years in Bashkortostan.

Course towards expansion and strengthening of inter-ethnic, cultural and business ties between Russia and the SCO and BRICS countries is a long-term trend which has received a fresh impetus in recent years. Bashkortostan, being one of the leading regions of the Russian Federation, has actively involved in collective work aimed at cooperation with the regions of the SCO countries. The republic possesses a powerful scientific and industrial complex, which potential lets cooperate with the leading enterprises of China, Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan on mutually beneficial terms and comprehensive and long-term basis. Leaders of the Bashkir economy are ready to expand cooperation and conduct a fruitful dialogue with the SCO and BRICS countries:

**«Joint-Stock Oil Company  
«Bashneft»**

InfoSCO, №8, 2015



JSOC «Bashneft» is a vertically integrated oil company, which has been producing oil since 1932, when the first oil field in the Republic of Bashkortostan was found.

The main production facilities are concentrated in the Republic of Bashkortostan. However, nowadays the company operates in more than 20 Russian regions and in foreign countries. In particular, «Bashneft» is engaged in oil extraction and production in Tatarstan, Orenburg Oblast, Nenets and Khanty-Mansiysk Autonomous Districts, Iraq and Myanmar.

«Bashneft» is one of the largest oil companies in the Russian Federation. The company accounts for 3.4% of total volume of production and 7.6% of total volume of oil processing in Russia.

«Bashneft» has been one of the undisputed leaders in terms of oil production growth among the major oil companies for five years (2009-2014). During this time, the share of production has been increased by almost 50 %, from less than 12 million tons to nearly 18 million tons per year. Based on the results of 2014, the company has showed the best growth rate (10.8 %) of oil production in Russia once again.

However, the company does not “waste” its growing resources, as it consistently increases them due to geological exploration, application of effective technologies for old Bashkir deposits, acquisition of new assets. The replacement rate of proved oil reserves, estimated by the International Classification, amounted to 179 % according to the results of 2014.

Bashneft’s Ufa refining complex is the Russian leader in technological equipment of the production, as its average Nelson index was 8.93 in 2014. The company produces more than 150 types of oil products and petrochemicals, which are sold in the Russian Federation, as well as in the countries of Central Asia, Eastern and Western Europe.

By implementing a strategy, which is designed to increase production and growth of hydrocarbon reserves, modernize the oil refining complex, the company is interested in cooperation with companies of the SCO and BRICS countries, which specialize in development and application of modern technologies of exploration and oil and gas

production, supply of technological equipment for processing of raw materials and petrochemicals, investment attraction.

[www.bashneft.ru/](http://www.bashneft.ru/)

### JSC «Gazprom neftekhim Salavat»

is one of the leading petrochemical complexes in Russia. The company is integrated into JSC «Gazprom» system. The company comprises oil refinery, gas&chemical plant, monomer plant. The main advantage of the company is its concentration on the full cycle of hydrocarbon processing, petrochemicals and mineral fertilizers production on the one site.

Nowadays the company concentrates on the full cycle of hydrocarbon processing and produces more than 120 products. 50% of them are bulk products which include gasoline, diesel fuels, fuel oil, vacuum gasoil, styrene, polystyrene, LDPE, HDPE, DOP plasticizer, butyl alcohols, sulphur, ammonia, urea, ammonium nitrate, NP and NPK fertilizers, etc.

«Gazprom neftekhim Salavat» has reputation of a reliable business partner and strong positions in key ratings of the country. Its main competitive advantages include the following:

- complete vertical integration of raw materials deep processings, from purchase of raw materials to sale of refined products to final customers;
- integration of all technological processes on the same industrial area helps to optimize the cost of the enterprise and gives an opportunity to provide production of higher value with raw materials of its own production ;
- high quality of products meets all the Russian and international standards;
- the company has a trained personnel, it lets effectively introduce advanced methods and technologies at all stages from production to sales;
- use of modern information technologies in management;
- implementation of measures aimed at reorganization of production and management process aimed at reduction of production and sales cost.

The high quality of the products of JSC «Gazprom neftekhim

Salavat» has been confirmed by the certificates of conformity to the international standards of quality and environmental safety ISO 9001 and ISO 14001. Oil and petroleum products are shipped to all federal districts of the country. Export geography covers more than 20 CIS and non-CIS countries including Finland, China, Brazil, UK, Western Europe, and the Baltic Countries.

«Gazprom neftekhim Salavat» has partnership relations with many SCO and BRICS countries. Petroleum products, petrochemicals and mineral fertilizers are exported. For example, mineral fertilizers are exported to Brazil, butyl alcohols are exported to China. The SCO countries such as Kazakhstan, Tajikistan, Uzbekistan, Kyrgyzstan and Uzbekistan import petrochemical products, mineral fertilizers and petroleum products produced by «Gazprom neftekhim Salavat» as well.

Moreover, import of equipment for capital construction, in particular pumping equipment, has been established with China. European and American companies, which plants are in China, supply their equipment.

Quality of the products has been repeatedly noted for many times and awarded at such contests as «Top 100 goods of Russia», «All-Russia mark (III millennium). The quality sign of XXI Century» , «The best goods of Bashkortostan».

[www.gpns.ru](http://www.gpns.ru)

### THE JSC «BASHKIR SODA COMPANY»

was established in May 2013. Today JSC “BSC” is one of the largest chemical complexes of the country.

JSC “BSC” is a modern enterprise producing broad range of high-quality products: soda ash, refined sodium bicarbonate (baking soda), silica fillers, calcium chloride, PVC, soft cable compounds, caustic soda, hydrochloric acid, dichloroethane, corrosion inhibitors, chlorinated paraffin wax, polyethylenepolyamines, PVC films, etc.

The company ranks first in Russia in production of soda ash and baking soda, second in production of PVC, and makes the top three of the largest manufacturers of caustic soda and is one of the leaders in production of soft cable compounds.

The enterprise is the only

manufacturer of terephthaloyl chloride, ruthenium and iridium coated anodes, flocculant of cationic polyelectrolyte.

Its specialists were the first in Russia to develop the technology of wood and plastic composites production, the material which resembles wood but is much more durable.

The products of JSC "BSC" are used by thousands of companies and organizations all over Russia and abroad. Successfully developing production and high quality products made the company a reliable business partner.

Our sales geography includes Russia, CIS countries, Europe, Asia, Latin America and the Middle East.

Taking into account the European and world markets, JSC «BSC» produces not only high-quality but also eco-friendly products. The quality of products is confirmed by GOST-R Certificate of Conformity, SovAsk, TEKSERT, «Halal», as well as by the declarations of compliance with the technical regulations of the Customs Union. Some products are registered under the European Regulation REACH.

«Bashkir soda company» is a permanent and active participant of the contest «Top 100 goods of Russia», and every time it demonstrates that it operates in accordance with all the standards, meets all the necessary requirements of regulatory and technical documentation and controls the quality of its products. The company has become the winner and laureate of this contest for many times.

The main task of the enterprise is to maintain and improve competitiveness in both domestic and export markets, as well as to increase efficiency of production and sales.

There are the following promising areas of cooperation with business organizations and enterprises of the SCO and BRICS countries:

- highly effective technologies of local sewage treatment systems and gas-cleaning plants;
- crystallizers, steam calciners, fluidized bed calciners;
- technologies of still waste liquid evaporation to form liquid and granulated calcium chloride;
- production of granular caustic soda;
- production of polyelectrolytes;

- canned pumps, corrosion-preventing compounds for soda industry;

- delivery of enameled, cast-iron formed equipment;

- technologies of highly toxic organochlorine compounds utilization;

- silica white production.

JSC «BSC» can be a useful and interesting company for the SCO and BRICS countries due to its wide range of chemicals production, from soda ash and baking soda to various brands of PVC and soft cable compounds. Potential points of interaction between the SCO and BRICS countries and the enterprise are the following: supply of technological equipment, modernization of production capacities, cooperation in the field of silica white production technologies, as well as in the processes of granulation, bricketing and so on.

[www.soda.ru/](http://www.soda.ru/)

## OPEN JOINT-STOCK COMPANY «POLIEF»

(Petrochemical holding SIBUR) is the biggest manufacturer of terephthalic acid (PTA) and polyethyleneterephthalate (PET) in Russia and the CIS countries.

PET is widely used for packaging (carbonated water, juices, dairy products, medical preparations, household chemicals, etc.) production and in the textile industry. PET packaging is non-reactive towards the product, it is absolutely safe for humans and the environment and can be completely recycled. Terephthalic acid (PTA) is the main raw material to produce PET.

Consistent quality of «POLIEF» products meets all the demands of consumers, including the largest manufacturers and suppliers of preforms: PepsiCo, Coca-Cola Hellenic, Efes Pilsener, Ochakovo, Baltika, Retal, EVROPLAST, Resilux, Etalon, MEGA-PLAST-Siberia, Alfatekhform, Patman, etc.

The company has implemented an integrated system of quality, environment, health and safety management, which meets the international standards ISO 9001, ISO 14001, OHSAS 18001.

The Certificate PIRA INTERNATIONAL Ltd. gives «POLIEF» the right to supply the European market with its production. High

quality of «POLIEF» products (PTA and PET) is confirmed by the fact that the company has repeatedly become the winner of the contest «Top 100 goods of Russia». In 2011, the company was awarded the 1st degree prize of the President of the Republic of Bashkortostan for the quality of their products.

In 2014, productive capacity of the company has been increased from 140 to 210 tons, it was a part of an investment project which was included into the list of priority projects of the Republic of Bashkortostan. The volume of investments in the project amounted to 1.9 billion rubles.

Offers for potential cooperation for business entities and companies of the SCO and BRICS countries are the following:

- PET delivery to customers from the SCO countries (Central Asia).

- Assisting in the location of productions, processing polymers, including PET, in the industrial park «HimTerra» which is being created by the Development Corporation of the Republic of Bashkortostan on the basis of «POLIEF».

SIBUR modernizes and improves productive capacities of «POLIEF», and it constantly works on high quality of its products in order to meet requirements of its customers, including customers from the SCO and BRICS countries.

«POLIEF» purchases equipment and raw materials, including raw materials from the SCO and BRICS countries. You can find the information about purchases at the web-portal [b2b.sibur.ru](http://b2b.sibur.ru).

[www.sibur.ru/polief/](http://www.sibur.ru/polief/)

## JSC «SYNTHET-KAUCHUK»

Sterlitamak Open Joint-Stock Company «Synthet-Kauchuk» is one of the biggest Russian manufacturers of general purpose and special purpose rubber, which is used to produce tyres, a wide range of rubber technical goods, as well as medical and household products.

The main types of products include cis-isoprene synthetic rubbers (SKI-3, SKI-3S, etc.), epichlorohydrin synthetic rubbers and catalysts.

JSC «Synthet-Kauchuk» is the only manufacturer in Russia and CIS countries which produces neodymium isoprene synthetic rubbers SKI-5 and SKI-5PM. Today the enterprise has



expanded its list of special purpose rubbers and included in it SKEHG, ST, SP, SKPO, which are used in different areas of industry, machine-building and ship-building. In 2014 the company entered the world markets presenting its highly concentrated isoprene of polymerization grade which is always in a high demand in different industry sectors, including perfumery.

JSC «Synthet-Kauchuk» has been awarded with the prize of the President of the Republic of Bashkortostan for its high quality and effective management methods implementation.

Always high quality of the products provides the company with stable partnership relations with customers from Russia, Italy, France, Spain, Germany, Finland, Poland, Hungary, Slovakia, China, India, Indonesia, Korea.

[www.kauchuk-str.ru](http://www.kauchuk-str.ru)

## JSC «UFA ENGINE INDUSTRIAL ASSOCIATION»

is the leader in production of aircraft engines in Russia. The company is the parent enterprise of the PAM «Engines for combat aviation», integrated business structure within the framework of the United Engine-building Corporation (JSC «UEC»).

Main activities include development, production, maintenance and repair of turbo-jet aircraft engines (AL-31F/FP and AL-41F-1S), gas compressing engines AL-31ST, production of components of helicopter details for helicopters Ka/Mi.

«UEIA» produces and supplies the following:

- Turbojet engines AL-31F with a common afterburner for the Su- 27 fighter planes line;

- Turbojet engines AL-31FP with a rotating jet and a thrust-vectoring module

for the Su-30 family;

- Turbojet engines AL-41F-1S with increased thrust and reduced fuel consumption for the Su-35S fighter plane.

The Association develops and organizes the production of advanced engines for fighters of the 5th generation. UEIA is mastering the production of RD-33MK and its modifications for the MiG planes, production of the AL-55I engine for educational training HJT-36 planes.

«UEIA» is the second-level supplier of the following products:

- Turbofan double-flow engine PD-14 for the civil airplane MS-21 which is being constructed;

- Turboshift helicopter engine VK-2500.

In addition, «UEIA» is an official certified vendor of the company Pratt&Whitney Canada Corp. which produces component parts for the PW200/300 engine family.

UEIA-produced engines has been recognized as reliable and dependable in many countries across the world. The enterprise is one of the biggest exporters in Russia, it successfully competes with the best world manufacturers of military equipment. India has been a strategic partner of the Association for many years. Cooperation with the People's Republic of China which began in the middle of the XX century is still beneficial and reliable. Companies from Algeria, Venezuela, Indonesia, Kazakhstan, Malaysia, Uzbekistan and other countries are included in the list of significant partners as well.

Quality management system of the Association was created in accordance with the requirements of ISO 9001:2008, GOST ISO 9001-2011, EN/AS 9100 rev.C, GOST RV 0015-002-2012, FAP-145. Systematic work on the modernization of production, including development of principles and technologies of lean production, is carried out. That is why «UEIA» sustainably develops.

«UEIA» has been honoured with more than 30 governmental awards including two Orders of Lenin and the Order of the Red Banner, 6 international prizes, many Russian and Bashkir awards, it was recognized as the best exporter in the Russian Federation according to the results of their activity in 2013. The Association has been given this title for eight times since 2000 and it always takes the highest ranks in top lists of the biggest Russian enterprises.

«Ufa Engine Industrial Association» cooperates with enterprises from the SCO and BRICS countries in the fields connected with development, production and aftersales service of the AL-41F-1S, AL-31F/FP gas-turbine engines for fighter aircraft. In the sphere of after-sales service, the company offers creation of service and technical centers for module

and restorative repair of AL-41F-1S, the AL-31F / FP engines produced by JSC «UEIA», as well as technical assistance services (when operating the engines listed above) and spare parts supply.

[www.umpo.ru](http://www.umpo.ru)

## LLC «MC TAU NEFTEHIM»

is one of the biggest industrial holdings in Bashkortostan, which includes petrochemical enterprises «Sterlitamak Petrochemical plant» and «Synthet-Kauchuk». These companies produce synthetic rubbers of different types, products of low-tonnage chemistry. The share of the BHT (antioxidant and preservative under the trademark «Agidol») production is 17% on the world market, polyisoprene rubber production takes 20% of the world market, styrene-butadiene rubber production equals 30% on the Russian market.

JSC «Sterlitamak Petrochemical plant» is a unique enterprise specializing in the production of high-quality styrene-butadiene rubber (SKS-30 ARKM-15, SKS-30 ARK, ARKPN SKS-30, SKS-1739 SKS-1723, etc.), diversified products of low-tonnage chemistry, phenolic antioxidants under the brand name «Agidol» (it is the only Russian enterprise which manufactures these products) as well as MTBE, a high-octane fuel additive.

JSC «SPP» products are used to produce synthetic rubbers, plastics, fibers, lubricants and transformer oils, high-octane fuel additives, liquid rubbers, it is also used in feed, food and cosmetic industries. In 2013, a new product - a high-octane component to produce gasoline of the Euro-5 standard - was introduced by Sterlitamak Petrochemical plant. The production of highly-concentrated butadiene, which is used to produce premium sorts of synthetic rubbers, has begun. The international patent № EP 2636722 was given to the antioxidant «Agidol-12B», which is used to stabilize biodiesel based on organic materials of plant origin. In addition, in 2014, favourable opinion of lab research was given to the sample of aviation gasoline produced in Scientific Research Institute of Civil Aviation. Manufacturing of this strategically important product is going to be implemented in the nearest future,

which will be an important event for Russian and Bashkir industries, as aviation gasoline had been imported in Russia from abroad up until recently.

Currently the company produces more than 30 titles of high-technology products which can successfully compete on the foreign markets.

One of the aims of JSC «SPP» in the sphere of quality is environmentally-friendly and safe production. In May, 2013 JSC «SPP» has successfully passed an inspection audit of quality management system in compliance with international standard FAMI-QS (European System of feed additives and premixes quality), which also combines the requirements of ISO 9001 and HACCP.

In December 2014, in Moscow City Hall, JSC «Sterlitamak Petrochemical plant» was awarded with a diploma of Russian Industrial and Environmental Forum «RosPromEco-2014» for the «Most ecologically responsible company of the region 2014». Environmentalists, government, business and science representatives from all over Russia recognized the contribution of the company in protection of the environment.

[www.snhz.ru](http://www.snhz.ru)

### LLC «UFA SCITECHCENTER»

is a diversified company with more than ten years of experience which performs a wide range of services in the field of oil production: engineering and monitoring of field development; creation and implementation of software for monitoring the process of development which includes search, creation and engineering maintenance of advanced formation stimulation technologies (BHT technologies, squeeze cementing and methods of enhanced oil recovery); laboratory studies aimed at solution of problems in the oil industry.

Main areas of activity:

Unique IT-products. «Ufa SciTechCenter» has developed the following software packages to provide a unified system of oil and gas field development planning and monitoring: NGT Smart, NGT Smart+ and NGT Geo. These products allow to run a fast analysis of the development status of reservoirs from the point of view of reserve recovery, identify problematic zones of residual reserves, carry out post-

evaluation of well services, forecast the reservoir treatment efficiency. As a result, there is a targeted integrated reliable program with proposals for injectivity system optimization. Optimum technologies and chemicals are selected on the basis of the geological and physical characteristics analysis of the reservoir in question. The center provides technical support for PC with adaptation of modules in accordance with customer requirements. Currently, PC NGT Smart is introduced into commercial operation, and it has become a major software enterprise in the field of monitoring development in JSOC «Bashneft»; introduction of the software complex at JSC «Gazprom Neft» is being completed.

Project design documentation. «Ufa STC» creates project design documentation for development of oil fields. In 2011, four design works devoted to fields located in the Volga-Urals region and West Siberia were defended at the Central Development Commission and the State Reserve Commission (GKZ Rosnedra), in 2012, five works were defended. The design works on introduction of the latest technologies available are aimed at both intensification of reserve recovery and growth of the ultimate oil recovery.

Industrial and environmental safety. Since 2012, «Ufa STC» has been a specialized engineering company that works in the following areas: preparation of technology concepts for oil and gas objects and their complexes, including engineering and environmental studies, as well as preparation of environmental documentation, implementation of well servicing and plug operations.

Scientific and research activity. «Ufa STC» is aimed at obtaining and application of new knowledge and innovation technologies, which are used to solve technological, engineering, trade, economic, ecological and other industrial problems; they provide a system integration of science, technology and production.

The main objective of development for «Ufa STC» is to become the leading competitive Russian center for fundamental and applied research in the spheres of oil and gas fields development and oil and gas production. The mission of the

company is to create an integrated high-technology space of oil and gas recovery for their customers. The company makes innovative decisions that change one's understanding of natural resource recovery and turn ideas into technologies that add value for their customers, which makes their business individual for everyone.

#### Contract works.

Ufa STC cooperates with JSC «Gazprom Neft», LLC «Gazpromneft-Khantos», LLC «Gazpromneft RDC», JSC «Gazpromneft-NNG», subsidiary «Muravlenkosneft», JSC «Gazpromneft-Noyabrskneftegaz», JSOC «Bashneft», TNK-BP, LLC «NOVATEK-TARKOSALENEFTEGAZ», CJSC «SANEKO», JSOC «RussNeft», Imperial Energy Group, JSC «NGK «Slavneft», «RN-Service», «Rauan-Nalko», «NizhnevartovskNIPIneft», etc.

[www.ufntc.ru](http://www.ufntc.ru)

### JSC «PHARMSTANDARD- UFAVITA»

is one of the largest Russian pharmaceutical manufacturers, which takes the first place in the production of mono- and multivitamin preparations. The company produces a wide variety of medical preparations of several pharmaceutical groups. Production includes more than 80 titles.

The enterprise includes the following main brands:

1. «Complivit ®», №1 vitamin and mineral complex in Russia. Its product line consists of 18 titles. Complivit is a multivitamin preparation, which consists of essential vitamins and minerals for the body, it is balanced with regard to the daily requirement of vitamins and minerals.

2. Insulin preparations: Biosulin R®100 IU and Biosulin N® 100 IU are produced in bottles and cartridges. Production is organized on the site, which was built in March 2006 in accordance with the GMP requirements. Capacity of the site for «Biosulin» production is 7.7 million IU per year while Russia needs 5 900 million IU per year, which allows to satisfy the need of the Russian citizens in genetically engineered human insulin.

3. The first Russian growth hormone preparation «Rastan®». Its production is organized on the new site, which was built in accordance



with the GMP requirements in December 2008. The strain and technologies of production have been developed at the Shemyakin-Ovchinnikov Institute of Bioorganic Chemistry under the guidance of academician A.I. Miroshnikov (Russian Academy of Sciences) and a corresponding member of RAS, A.G. Gabibov.

4. Phosphogliv® is a unique Russian preparation, which restores liver function in diseases of various etiologies, including viral hepatitis A, B and C. The preparation received the prize «Platinum Ounce» in 2001 and the prize of the Government of the Russian Federation «For Achievements in Science and Technology» in 2002.

5. Neipomax® (Filgrastim) is a leucopoiesis stimulant. Recombinant human granulocyte colony-stimulating factor is an active substance of the preparation. It is used to treat neutropenia of different origin.

«Pharmstandard-UfaVITA» is a modern enterprise with 200 000 000 packages per year production capacity. More than 1500 people, 797 of which have higher and vocational education, as well as candidates of chemical and biological sciences work for the company. A research center with modern equipment and highly qualified personnel operates as a part of «Pharmstandard-UfaVITA».

All the sections are equipped with engineering systems of water and air treatment and high-tech equipment. Equipment from both domestic and foreign manufacturers is used, it meets all the requirements of modern pharmaceutical production.

Production processes are organized in accordance with the quality management system and certified for compliance with GOST R 52249-2009, all manufactures meet the requirements of GMP. The system of quality control and assurance involves 162 specialists.

Preparations produced by «Pharmstandard-UfaVITA» are exported to the neighbouring countries and beyond: Armenia, Uzbekistan, Belarus, Ukraine, Kyrgyzstan, Turkmenistan, Georgia, Moldova. JSC «Pharmstandard-UfaVITA» has established contract manufacturing with the leading European companies: «Johnson & Johnson», «F. Hoffmann - La Roche»,

and «Grindex».

The company is interested in partnership with the SCO and BRICS countries in the following areas:

- delivery of basic and auxiliary raw materials for pharmaceutical production;
- supply of equipment for pharmaceutical production;
- sales of preparations produced by jsc «pharmstandard-ufavita»;
- localization of innovative projects from the both parties;
- training and exchange of experience in the industry.

[www.pharmstd.ru](http://www.pharmstd.ru)

### «CORPORATION URALTECHNOSTROY»

develops, manufactures and delivers technological equipment for oil and gas fields in the block-modular design.

The main products:

- unit pump stations of different purpose
- gas production equipment
- installations for preparation of oil, fuel and associated gas, water
- mobile and immobile separating and filling plants
- preliminary water removing units
- block-modular buildings of different purpose
- flare units
- systems measuring the amount of gas and oil

The equipment is delivered in a maximum factory readiness with piping arrangement, shutoff and control valves, automation facilities and service platforms that can significantly reduce the term of placing in commission. Shipment of the equipment is preceded by controlled assembly and hydraulic tests. LLC «Corporation Uraltehnostroy» has been on the market of oilfield equipment for 20 years. Its main advantages include a wide range of products, own technological developments, enterprises which produce capacitive equipment, wall and roof sandwich panels, joint venture LLP «Uraltehnostroy-Asia» (Kyzylorda, Kazakhstan).

Main achievements of the company Integrated management system, certified by the international certification body «TÜV SÜD», and corresponding to the requirements of three international standards:

Quality Management System ISO 9001: 2008, Environmental Management System ISO 14001: 2004 health and safety management system OHSAS 18001: 2007, is implemented in the corporation and works successfully.

Welding processes are certified by the Association for Quality System Certification CQS of the Czech Republic and meet the requirements of EN ISO 3834-2: 2005 .

The daughter enterprise JSC «Uraltehnostroy-Tuymazyhimmash» is certified for the conformity to ASME standards requirements with the right to apply «U» stamp for pressure vessels.

All produced equipment has certificates of conformity with technical regulations.

Huge attention is paid to the technologies of continuous improvement of the company: modernization of production, expansion of the nomenclature number of products, strengthening its position on the markets of the neighbouring countries and beyond, increasing presence on foreign markets, the development of the corporate information and management system Bord and many other things.

[www.uralts.ru](http://www.uralts.ru)

### JSC «OZNA» OR «OZNA» COMPANY

is a diversified production and engineering holding. Its position in the oil and gas market of the country and stable development is provided by powerful production potential, huge (more than sixty years) experience in implementation of projects of various levels of complexity, development of their own innovative solutions.

The structure of the Holding includes eight companies: three plants, an engineering division, a service company with a branch in the West Siberia and a service center in Kazakhstan.

The holding implements a complex of solutions for the oil and gas industry: design, manufacture and service of oil and gas equipment; engineering in the field of transportation and oil, gas and water treatment; creation of automated process control system and telemechanics; metrological provision of oil and gas sector objects; EP-projects management.

Own large-scale production and

deeply integrated production cycle that meets the world standards of quality allows the company to implement projects as soon as possible with minimum of risk for a customer, while offering favourable offers.

Possessing all the necessary knowledge of the specifics of the Russian market and experience in successful partnerships with global technology leaders, we are open to develop new partnerships. Nowadays «OZNA» Company is an integrator of the best world technologies in the oil and gas industry. We make our solutions in collaboration with leading technology corporations of the world: with Schlumberger and Emerson in the field of measurement, with Sulzer in the area of transmission, with ABB in the field of energy, and with many other companies as well.

Being one of the industry leaders, «OZNA» is involved in all major projects of oil and gas sector in Russia and the CIS countries, and each time it solves new, more complicated tasks.

«OZNA» is constantly developing and it confidently looks into the future. At the moment the focus of the company includes technologies and solutions in the field of gas, refining and petrochemicals, offshore projects, access to the foreign markets.

[www.ozna.ru](http://www.ozna.ru)

## LLC «BASHKIR TIMBER INDUSTRY COMPANY»

is a vertically integrated holding, which carries out strategic and investment policies aimed at saving and effective use of production and scientific potential of the timber industry complex of the republic. The competence of the company also includes issues of structural reforms, development and implementation of programs aimed at improvement of timber production, interaction with the executive authorities, industrial and financial policy harmonization, preparation of offers in the field of forestry development.

Success of the company is ensured by availability of all the necessary natural resources, modern production management strategies and highly qualified personnel. The company always directs its efforts towards equipment modernization

and involvement of the best domestic and foreign experts of the timber industry.

The company has developed and actively implements its investment program, which is aimed at selection of optimal number of key and priority projects, providing more comprehensive and effective solution to the major economic, social and environmental problems of the timber industry development.

The main objectives of the program:

- development of basic industries with the help of additional capacities for the production of new readily marketable products creation;
- activation of the investment process aimed at technological re-equipment of timber production;
- creation of a stable base for the development of timber-harvesting operations based on continuous and rational forest management;
- introduction and expansion of CLT technology of harvesting in the process of final and intermediate cutting.

In 2011 the company took the first step of their long-term program in order to implement a comprehensive investment program in the field of forest exploitation, which consists of two priority projects: «Large-sized plywood plant» in Ufa and «Creation of a wood processing complex in the Republic of Bashkortostan» in Beloretsky district. The total investment volume is 1.56 billion rubles. 2.53 billion rubles has already been implemented in the framework of the investment program for both investment projects on 01.01.2015.

The company is constantly developing and it is not satisfied with what has already been achieved. New interesting offers for cooperation in the field of woodworking are constantly discussed. The main objective of LLC «Bashkir Timber Industry Company» is to achieve one hundred percent use of raw materials with the help of high-level processing of lumber and wood waste in a united vertically integrated holding company, which will attract more investments, organize a complete non-waste production cycle and provide economic and environmental security of the republic.

[www.bashles.ru](http://www.bashles.ru)

## NEFAZ

is the biggest Russian enterprise which produces customized superstructures, buses and towed vehicles. The company become famous in Russia for its passenger buses, which production began in 2000. Today NEFAZ offers a wide range of commercial vehicles, including buses, all-terrain buses, tank semi-trailers and tank trailers, agricultural equipment, dumpers. Machines and equipment produced by NEFAZ are known as useful and reliable even under the harsh climatic conditions in different regions of Russia and the CIS countries. NEFAZ annually receives such deserved awards as «Top 100 goods of Russia» and «The Best Goods of Bashkortostan» since 2001.

NEFAZ is always ready to cooperate and implement new projects. Since 2011, NEFAZ produces buses «Bravis» in cooperation with the Brazilian company Marcopolo on its own production area. In 2014, the project aimed at production and further mounting of the car body on the BELL trucks chassis was started. In 2014, NEFAZ and Mercedes Benz developed and successfully implemented tipper body for mounting on the chassis produces by this brand. NEFAZ, together with the Swiss company Hiromax, launched production of fire fighting vehicles equipped with the «water mist» extinguishing system, which lets drastically increase the effectiveness of fire-fighting, especially in dry regions. In August 2014, NEFAZ and Palfinger AG established a joint venture for production of hydraulic and telescopic cylinders for the plants of JSC «KAMAZ».

Thanks to these projects, foreign partners of NEFAZ offer their products of high quality at attractive prices on the Russian and CIS market. However, NEFAZ is ready to cooperate not only in the field of joint production but in many other spheres. It constantly develops and annually provides its partners with technology trends, moreover, it is possible to order modifications to solve specific problems of a consumer. In 2014 the company produced a line of new models of tank semi-trailers for transportation of light oil products. The models are characterized by a high level of safety and comfortable use and they are made of steel or aluminum. Huge attention is paid to the production



of city buses. Public transportation should have economical operation and maintenance, it should be comfortable and safe for passengers and drivers. The problem of environmentally friendly urban transport is becoming more and more popular. NEFAZ developed a new low-floor bus with an ergonomic saloon and gas engine in order to solve this problem.

[www.nefaz.ru/](http://www.nefaz.ru/)

## PLANT OF MOLDED ARTICLES «ALTERNATIVA»

is one of the largest factories in Russia that produces plastic products. Its products are manufactured with the use of modern high-tech machines and they are distinguished by enhanced quality. The company uses in manufacture environmentally friendly and high quality raw materials from leading Russian and foreign suppliers. Its designers, engineers and technologists have extensive knowledge, experience, desire and ability to create products that meet the highest standards. Therefore the company constantly introduces new technologies for processing of plastics, updates equipment and develops its own production of molds. The company manufactures more than 2500 kinds of products. Manufacturing methods and quality control allow to the company to produce goods that meet the strictest international standards due to their consumer properties. The company's objectives in the field of quality comply with and even exceed European and Russian standards.

Every year Alternativa offers its customers nearly 100 new products which immediately become bestsellers. This allows to find its own niche and to avoid direct competition. In 2013-2014 the plant has expanded the assortment for house and gardening (decorated tables, armchairs, carpets of different size, garden nets, large-scale containers etc.) Some products are manufactured under the license contract with «Walt Disney». The company uses all modern technologies in production. It has a self-contained system in which each new product starts as an idea to be realized in plastic and delivered to the consumer.

Reputation of the company is

proved by almost 26-year experience. It is guided by several principles which allow its partners to be sure in benefits of cooperation:

- Employees are guided by the principles of fairness and transparency in business.
- The structure and market of polymer products in Russia and abroad is familiar to the company.
- Use of modern marketing research methods in plastic products market development allowed the company to form groups of products that are notable for their steady demand.
- During the year it is essential to have unceasing supplies of goods and regular availability of all the necessary items. It is important for the company to provide to its customers with an opportunity to increase their sales volumes in case of a rapidly increasing demand.

Continuously expanding customer base which has been forming for years has approximately 2,000 partners. People know, love and appreciate Alternativa's products both in Russia and abroad. It is in demand by purchasers from Kazakhstan, Mongolia, Kyrgyzstan, Ukraine, Belarus and Lithuania.

«Alternativa» is ready to offer individual approach and generous terms for beneficial cooperation with business units and enterprises of SCO and BRICS. You can find the list of our products at the official website:

[www.alternat.ru](http://www.alternat.ru)

## JSC «NEFTEKAMSK PRODUCTION ASSOCIATION OF ARTIFICIAL LEATHER»

is the biggest in Russia and CIS countries manufacturer and supplier of artificial materials for the automobile, furniture, haberdashery, footwear and clothing industries. JSC «Iskosh» supplies with upholstery materials such companies as «AvtoVAZ», «GAZ», «UAZ», «KAMAZ», «NEFAZ», «VOLGABAS», «AZ Ural», etc.

The aim of «Iskosh» is to create polymer materials and textiles for the automotive industry and consumer market both in Russia and abroad, as well as to produce balanced between price and quality sewn products which fully satisfy all the requirements and expectations of customers.

JSC «Iskosh» manufactures more

than 1000 different products:

- **Artificial leather** depending on its purpose, leather is produced with PVC (polyvinyl chloride), PU (polyurethane) and vinyl urethane coatings of varying thickness;
- **Film PVC materials** which are used to manufacture sun visors, door linings and car ceilings as well as for finishing of haberdashery products and paper and stationery products;
- **PVC floor coverings** or «autolines» for flooring in buses and other vehicles (including the anti-slip effect), as well as high-quality linoleum for flooring in industrial, public, residential and other buildings (including the antistatic effect for radio workshops);
- **Polyurethane foam (PU)** of different purposes: furniture PU foam, non-flammability PU, PU for component products;
- **Upholstery knitted fabrics and materials**; a wide range of upholstery knitted materials and fabrics are used for seat upholstery and interior trim, as well as for upholstery of soft and office furniture. Materials meet the international requirements in terms of flammability, breathability, dyeing fastness to light, washing and organic solvents;
- **Shoe knitted materials**; a wide range of knitted fabrics for the shoe industry, which are used to manufacture the top and the internal parts of footwear of various types, including home, sports and children shoes;
- **One-ply yarn** produced by the carded method on the ring and pneumospinning machines of various linear density. It is used for the production of knitted (underwear, technical) fabrics and technical materials;
- **Linen and technical knitted fabrics** come in a variety of colors, various looping structures and with different consumer characteristics: smooth, patterned, fleeced, plushy, low-extensible, cloth-like, plaited;
- **Thermo-adhesive interlining materials (dublerin)** for plying parts of coats, military uniform, work clothes, jacket lapels, fronts, upper collars of women's and men's suits, women's dresses, blouses and other garments;
- **Lining polyester fabrics (nylon)** have good color stability, low shrinkage capacity, scuff resistance and good breathability;
- **Sewing knitwear**; underwear and

outerwear made of thin, double-knit and fleeced cotton knitted fabrics for men, women and children.

JSC «Iskosh» constantly carries out investment programs aimed at technical upgrading and introduction of new technologies, it always does its best to improve the quality and range of its products. Flexible pricing and quality control system, which are supported by many years of experience and vigorous activity, allow the company to react to changes in market conditions promptly and provide our products with competitiveness. The company guarantees high-quality products, a high level of service and regular supplies for every customer.

JSC «Iskosh» is always awarded with diplomas, certificates of honor and letters of thanks for the high quality and wide range of their products on the international and regional exhibitions. JSC «Iskosh» is a stable multiproduct association of light and textile industry, which provides the population and businesses with a huge range of products. It offers its products not only in the Republic of Bashkortostan and Russia but also in the near abroad and CIS countries. Currently JSC «Iskosh» cooperates with such countries of the SCO as Kazakhstan and Uzbekistan, it provides these countries with its products. JSC «Iskosh» is ready to extend its cooperation and selling market with other SCO member states.

[www.iskosh.ru](http://www.iskosh.ru)

### **JSC «BELEBEEVSKY ZAVOD «AVTONORMAL» (JSC «BELZAN»)**

the biggest Russian manufacturer and supplier of fasteners and springs for such car-assembling enterprises as JSC «AvtoVAZ», JSC «KamAZ», CJSC «GM-AvtoVAZ», «GAZ» Group and «Sollers» Group, as well as other manufacturing sites. The company takes 50% of Russian automobile fastener market. The capacity of JSC «BELZAN» makes it possible to produce different fasteners (defined by the GOST, OCT, DIN standards or made in accordance with customer's individual design) with different property classes:

- bolts, screws, studs, ball joints, axles of different types, with the diameter from M3 to M22;
- different types of nuts: hexagonal, welded, crimped, self-

locking, castellated, coupling and many other kinds of nuts with the diameter from M24 to M27;

- plain, split, toothed and other types of washers and rings;
- pressure, extension, torsion springs, elements of springs made of tape, pins, etc. (with the diameter of the wire from 0,2 to 6,0 mm) which are produced at the affiliate company JSC «Belspring».

The enterprise includes the following:

- own design and technological service, which is a certified developer of fasteners and springs.
- tool production, ensuring the development and manufacture of tools for the production of parts, as well as means of their control and measurement;
- pilot production which manufactures prototypes and pilot orders of new parts;
- laboratories for testing and quality control of manufactured products.

Metal from both Russian and foreign suppliers (carbon, alloy, heat-resistant and non-ferrous metals) is used in production. Details undergo an additional corrosion protection.

The current QMS meets all the ISO/TS16949 (UTAC) requirements.

JSC «BELZAN» is interested in the supply of fasteners to the markets of the SCO and BRICS countries as a part of a long-term, large-scale cooperation. It is also ready to develop standardized nomenclature, including customer drawings, with the possibility of a joint venture on the basis of JSC «BelZAN» creation or its production space rent as well as purchase of the profile equipment and cheaper materials (e.g. stainless steel from India, Brazil) with loans on favorable terms in order to meet the needs of the main production.

[www.belzan.ru](http://www.belzan.ru)

### **SPE «BURINTEKH»**

is the biggest Russian developer and manufacturer of commercially viable instruments for drilling and repair of oil, gas and ore mining wellsites.

The enterprise possesses a huge production basis: modern equipment, computer-controlled machines, newest multiaxes processing centers and effective means of quality control on every stage of production, all of this lets the company produce a

wide range of products in accordance with all the requirements and desires of a customer. Its equipment, metal cutting tools, technology software are unique products, which often do not have any analogues in the world practice.

«BURINTEKH» produces PDC, TSP, impregnated drill bits and drilling heads, bicentric, side-tracking, special and cone cutter drilling bits, expanded and unexpanded reamers, coring devices, instruments for milling of «windows» and sections of casing columns, milling cutters for wells repair, jars, elements of BHA and chemicals. The specialists from the company optimize all the types of instruments in accordance with the exact geological, technical and technological conditions of a customer in the shortest time possible.

The quality of the production meets the modern world standards, because its integrated system of management is certified according to GOST ISO 9001-2011 (ISO 9001:2008), GOST R ISO 14001-2007, GOST R 54934-2012/OHSAS 18001:2007, API Q1, API Spec 7-1. «BURINTEKH» exports its products to the USA, Canada, CIS and Middle East countries.

Science plays a great role in performance of the enterprise. Innovative approach let the company develop rapidly, which led to double growth of production, it has also changed the approach of drilling companies towards the process of drilling in itself.

«BURINTEKH» includes a division which rents its own equipment to oil and gas, drilling and service companies for construction and repair of wells. The complete cycle «development - production - service» lets optimize instruments in accordance with exact geological, technical and technological conditions of a customer. The service includes all the main types of facilities: drilling bit service, core sampling, well bore enlargement, accompanying controlled drilling with provision of telemetering systems and bottom-hole motors, service of drilling mud fluid and process liquids, window milling in combination strings, remedial cementing and squeeze job. Comprehensive engineering and technological support allows a customer to drill any wells quickly, efficiently, and with minimal risk.

<http://burintekh.ru/>

InfoSCO, №8, 2015