

Russia Spends \$5 Billion Annually Propping Up 'Statelets' - Report

By The Moscow Times

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Russia's federal 2015 budget was allocated at \$206 billion, according to Stratfor.

Russia spends about \$5 billion every year in aid on the self-proclaimed independent states it supports, according to a report published by Stratfor, a private U.S. analysis and intelligence company.

The company cited its own rough estimates.

Of that \$5 billion, Russia sends around \$300 million to Abkhazia and at least \$100 million each to South Ossetia and Transdnestr to support their budgets, keep the cost of fuel low and pay pensions, according to Tuesday's report.

Abkhazia and South Ossetia are self-proclaimed states that are internationally recognized as being part of Georgia, and Transdnestr is a breakaway state located on a strip of land in eastern Moldova. Russia recognizes Abkhazia and South Ossetia as independent, but does not

recognize Transdnestr as such.

Russia also sends \$2.42 billion to Crimea, not including military costs, Stratfor claimed. The report did not specify whether this sum is distributed between the city of Sevastopol and the republic of Crimea, which Russia treats as two different federal subjects.

Russia annexed Crimea in 2014, but most countries still recognize it as part of Ukraine.

The Russian government also sends 2.5 billion rubles (\$38 million) every month to pay pensions in the self-proclaimed Donetsk People's Republic (DNR) in Ukraine's east, news agency Bloomberg reported on Wednesday, citing two unidentified sources in the rebel administration.

The Kremlin has repeatedly denied that it supports the insurgents in Ukraine's east apart from sending humanitarian aid to the region.

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