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Kremlin Pledges $593M Boost for Crimean Economy in 2017

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People walking past a mural showing a map of the Crimean peninsula in the colors of Russia's national flag and the words "Crimea and Russia." **Artur Bainozarov / Reuters**

The Kremlin has pledged to boost the Crimean economy with a 37.8 billion rubles ($593 million) subsidy in 2017, a draft of the country's budget has revealed.

Other Russian regions have also seen a 15 percent boost in government support in the latest budget, with the Kremlin spending 100 billion rubles ($1.57 billion) more on budgetary support than in 2016.

The southern Russian republic of Dagestan is set receive the most in federal aid, with a financial boost worth 52.4 billion rubles ($822 million). The far-eastern regions of Kamchatka and the republic of Sakha will also benefit, having been allocated 36.6 billion rubles ($574 million) and 37.16 billion rubles ($583 million) respectively.

Chechnya will also see subsidies worth 41 billion rubles ($643 million). Federal grants

currently make up 80 percent of Chechnya's budget, as opposed to 67 percent in Crimea.

Kadyrov told reporters in October that extra government money was still vital for supporting Chechen education and rebuilding the area after the Chechen wars.

The 2017-2019 draft budget is currently in its second reading by the State Duma.

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