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Poroshenko's Chocolate Factory in Russia Closes, 700 Laid Off

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The Roshen company, owned by Ukrainian President Petro Poroshenko, has announced it plans to close its confectionery factory in Russia's Lipetsk region, the Interfax news agency has reported.

Work at the factory will stop this April, the company's Director General Oleg Kazakov has said.

"On the street will be 700 people from the workforce that received a decent salary by Russian standards," Kazakov said. "All of them, according to the law, will receive severance pay."

The factory's director general, who is in currently in Kiev, said that the three industrial sites in Lipetsk and the village of Sentsovo Kosyrevka will be shut down after April this year, when the factory will no longer receive raw material from abroad.

According to the general director, production fell three times in the past three years. In 2012-13 the factory produced up to 10,000-12,000 tons of confectionery products per month. In 2016, monthly output fell to just 3,000 tons.

During Petro Poroshenko's election campaign in 2014, he promised to find a buyer for the Roshen company. But with no buyers forthcoming, the president signed a new contract in January 2016, which saw his stake in the company in an independent, "blind" trust.

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