

Dmitry Medvedev's interview with Rossiya 24 network

The Prime Minister answered questions from television host Maria Bondareva.

Dmitry Medvedev's interview with Rossiya 24 network

Dmitry Medvedev: We have recently launched an import substitution programme for several reasons, primarily domestic ones. I would like to point out that we did not do this because of the sanctions. We did this for other reasons, although the sanctions were an additional incentive. We did this so as to create healthy production facilities in the industry, transport and agriculture, as well as to develop the digital economy and critically important sectors such as energy and the pharmaceutical industry. We launched import substitution in all of these industries so as to boost our capabilities. All Government departments are involved in this work. We have reported the first achievements; we have moved forward considerably in a number of spheres.

For example, our pharmaceutical industry is growing by 25 percent a year. This is completely unprecedented. What did we do in the past? We used foreign currency to buy pills abroad. Today we are investing in research, production, packaging and marketing. And the same is happening in an increasing number of industries.

I recently had a meeting with the Transneft CEO. He told me that 93 percent of the equipment they buy, including the most sophisticated equipment – control systems, pumps, engines, turbines and pipes – are made in Russia. The situation is the same at Rosneft and Gazprom. All major Russian companies, which are straining under foreign pressure designed to drive us into a corner, are working to convert to Russian technologies and Russian suppliers. I am sure that they can do this.

Only recently, 50 to 60 percent, sometimes up to 80 percent of food on our tables was foreign. Now we have the Food Security Doctrine. We have reached and even exceeded its targets in the most important areas. This concerns such essential products for the country as grain and, specifically, wheat. This concerns sugar, a whole range of feed supplements, and poultry. Not so long ago, we imported chickens and other livestock from abroad. Now everything is domestic. Our goal is to fully resolve the food problem regarding all animal products, meat, milk and butter. Once we succeed we can become absolutely self-sufficient food-wise, and even start realising our massive export potential. Even now, we are the largest net exporter of grain and pulse crops. Last year, we produced an unprecedented harvest of 135 million tonnes, even slightly higher. This allows us to supply crops to the largest countries' markets.

Maria Bondareva: What about the so-called finance import substitution? It looks like the circle is closing in.

Dmitry Medvedev: As much as it is closing in, they will not be able to box us in completely so that we cannot get out. This has never happened in Russian history.

To a large extent, we are meeting our financial demands using our domestic opportunities, by looking for new financial markets. Of course, an entire range of projects has been at risk since the financial sanctions were introduced. We managed to find other financial resources and mobilise our internal capacities. But, frankly speaking, I wish none of that had happened because it is damaging to both Russian and foreign businesses. Sanctions always hit both sides.

More to be posted soon...