

Conflict Update # 146

August 9th, 2022

Conflict Assessment

Key Assessments

Russian losses – 42,640 Russian soldiers have died to date with 1,817 tanks, 223 aircraft, 193 helicopters, 4,076 APVs, 964 artillery systems, 133 AAW systems, 261 MLRS systems, 76 fuel bowzers, 757 UAVs, 15 boats and 2,998 vehicles lost.

Russians 'no longer able to resist HIMARS' - The mayor of a city in Ukraine has said Ukrainian soldiers' efforts are causing difficulties for Russian forces ahead of a future counteroffensive.

Ivan Fedorov, the mayor of Melitopol, took to Telegram on Monday morning to say that more than 100 Russian soldiers had been killed in recent attacks using "high-precision HIMARS."

"Today, high-precision HIMARS missiles fired at the points of temporary deployment of the occupying forces at industrial sites in various districts of the city of Melitopol," he said in the Telegram post (translated by Google).

In his Telegram message, he continued: "According to preliminary estimates, a significant amount of military equipment was destroyed. More than 100 Russian soldiers, who were in temporary barracks that night, received tickets to the Kobzon concert, and their parents are already choosing the model and color of the Lada car."

The phrase buying "tickets to the Kobzon concert" has been used by Ukrainian soldiers and officials as a euphemism for Russians killed in the war in reference to Iosif Kobzon, a singer born in Ukraine but popular in Russia. He was dubbed the "Soviet Sinatra" and died in 2018, viewed by some Ukrainians as a traitor.

The mention of the car refers to an interview in which grieving parents said they had bought a Lada with compensation money for the death of their son, killed in Ukraine, the online publication Ukrainian Pravda reported.

Blasts rock Russian airbase in annexed Crimea - One person has been killed after blasts rocked a military base in Crimea, the head of the Russia-appointed regional administration there said, writing on social media that the blasts had taken place at the Saky military base near Novofedorivka on the peninsula's western coast.

Footage circulating on social media appeared to show multiple explosions. Russia's defence ministry later said ammunition was detonated, but this has not been independently verified.

The ministry said there was no "fire impact" on the ammunition storage area, Russia's state-run Ria news agency reports.

Moscow refused to speculate on the origin of the blast and Kyiv has not taken responsibility.

Ukraine's deputy Prime Minister, Iryna Vereshchuk, wrote on Telegram that "today's explosions in Novofedorivka are another reminder of who Crimea belongs to. Because it is Ukraine".

Novofedorivka and Saky are about 50km (30 miles) north of the port of Sevastopol, home of Russia's Black Sea Fleet, which has been leading a blockade of the Ukrainian coastline.

If it emerges Ukraine was responsible for this attack, that would be a significant escalation. It would be the first major attack on a target inside Crimea proper.

The Ukrainians have come close: in June 2022, the Russia-appointed "leader" of Crimea said that Ukrainian forces had fired on Black Sea oil drilling platforms in Crimean waters, resulting in several casualties. And at the end of July, Russian authorities said a drone had struck a Russian naval facility in the city of Sevastopol, injuring six.

Comment – Our War Updates have previously referenced the vulnerability of Crimea to Ukrainian attack with their receipt of longer-range weapons with a 200-mile radius, placing the Crimean Peninsula directly in the line of fire.

The danger is that Russia considers Crimea as part of Russia and any such attack may be viewed as an attack on Russia itself – precisely what is required to trigger a declaration of war by Putin, in line with Russian Constitutional requirements. Right now Putin cannot declare war because Russia has not been invaded – the requirement in the Russian Constitution before Putin can declare war and then mobilize. Hence his calling it a “Special Military Operation.”

For the Kremlin, Crimea has a quasi-sacred status, seen as "historically" Russian land that Moscow "re-acquired" triumphantly in 2014. An attack so deep inside Crimean territory would be a major embarrassment for Putin.

And there are fears that if the Ukrainians begin systematically attacking Russian targets inside Crimea, then the Russian response could be very serious indeed. Last month, former Russian President Medvedev, Deputy Chairman of the powerful Security Council, said that if Crimea were attacked, then "Judgement Day will instantly await all those [involved]. It will be very fast and very hard."



Russia masses forces in south ahead of counterattack - Ukraine said it's coming to liberate Kherson and Russia listened. Large Russian forces have been streaming into southern Ukraine over the past several weeks, centered around Kherson Oblast, where Ukraine is expected to be conducting a counter-offensive, per President Volodymyr Zelensky's order to liberate the south.

Analysts estimate that over a third of Russia's fighting forces in Ukraine have been committed to the area.

Unlike the 2nd phase of the war, which was fought almost entirely in the Donbas, the 3rd phase will likely take place along a 350-kilometer line stretching from near Zaporizhzhia to Kherson, parallel to the Dnipro, according to British intelligence.

The reinforcements make Russian forces in the region much harder to crack. It also gives them the option to conduct their own offensive against Nikopol, Mykolaiv, Zaporizhzhia and Kryvyi Rih.

“A few weeks ago, I said that if Ukraine can be successful anywhere, it's Kherson,” Konrad Muzyka, director of defense analyst Rochan Consulting, which tracks Russian forces, told the Kyiv Independent. But now, there may be “too many Russians.”

But Russia's moves may have upsides for Ukraine. With so many units tied up in the south, they can't conduct major operations elsewhere.

“When you’re talking about an area of three oblasts, they don’t have the number of forces to strengthen their line without withdrawing forces from the Donbas and putting that at a distinct disadvantage,” said Mark Hertling, a retired U.S. general who commanded forces in Iraq and has a good knowledge of the Ukrainian army.

“They don’t have the capability of doing effective defense or any kind of offense in the southern region and I think by pulling forces out of the east, they’re going to put their defense in the east at risk as well,” Hertling told the Kyiv Independent.

Moreover, fighting the Russians in Kherson is preferable to facing them in Donbas, said Phillios O’Brien, a professor of strategic studies at St. Andrew’s University in the U.K.

“I think that’s what they’re trying to do by making Russia fight the war where they want to fight it, not where Russia wants to fight it,” O’Brien told the Kyiv Independent.

OSINT analysts estimate that Russia has committed about three dozen battalion tactical groups (BTGs) to the southern operational area, in addition to reserves and auxiliary units.

Several who spoke to the Kyiv Independent agree that elements of Russia’s 5th, 29th, 35th and 36th Combined Arms Armies and the Eastern Military District have been moved into the south of Ukraine.

The 35th is notorious for atrocities against civilians in Bucha in March, particularly by its 64th Guards Motor Rifle Brigade.

Russia has also committed numerous air assault units to the south. Muzyka said these include the 76th, 106th and 98th airborne divisions, which agrees with the findings of Ukrainian military analyst Kostyantyn Mashovets. Russia also has special forces in the area.

On paper, a BTG typically has 800-1,000 men and their equipment. However, many of these units are not at full combat strength. “We don’t know if these are BTGs or company tactical groups, I’d say it’s a mix of both,” said Muzyka. “Their combat capability is degraded.”

Russia has tried to reconstitute its mangled BTGs by inexpertly mashing together their remains without good leadership.

“The (Russian) leadership has been dysfunctional throughout this campaign,” said Hertling.

Russia’s airborne units bore some of the worst of the damage throughout the full-scale war.

Still, as Mashovets pointed out in his article, the Russian deployment in the south may be “the most powerful operational group” of Russian forces since the full-scale invasion began, too large for just defensive operations.

The Russians are shoring up their southern flank, where they were vulnerable, Hertling said.

The Institute for the Study of War reported that Russia may be trying to prevent Ukrainian counter-offensives along the border between Kherson and Dnipropetrovsk oblasts. Such a counteroffensive threatens Russia’s supply lines from Crimea and beyond.

“I think they realized their major threat right now is a continued attack on their logistics trail and if they can’t supply logistics, they realize that a very large number of Russian units will be eventually surrounded,” Hertling said.

But they are also preparing for an offensive. Ukrainian Operational Command South reported that the Russians are creating a strike force to assault northern Kherson Oblast, fight off counterattacks and reach the regional border.

Russian troops might also be aimed at Zelensky’s hometown, the industrial city of Kryvyi Rih, according to its military administration head Oleksandr Vilkul. The Russians are expected to shell settlements southwest of the city and Nikopol

to create conditions for an advance from northern Kherson Oblast towards Zaporizhzhia via Nikopol or cut Ukrainian ground communication lines from Zaporizhzhia.

"I don't think they've figured out what they're going to do yet," Hertling said. He added that the shift in strategy may be driven by the revolving door of top generals in the Russian army. "When you replace generals, you always have different approaches for what should be done. I'm wondering if those new generals... are suggesting different approaches to Putin."

The bulk of the Russians' forces are positioned south of the Dnipro, with the exception of some high-readiness forces that are sticking close to the bank on the other side. "Until they cross the river and start moving north, we are not looking at a Russian offensive in this direction," Muzyka said.

Crossing is dangerous. Ukraine has been targeting the bridges in Kherson Oblast. Yesterday they successfully hit the Antonivsky and Kakhovskiy bridges.

The Russians also can't afford to keep their forces concentrated in the south indefinitely.

O'Brien thinks the Ukrainian forces would prefer to take on their enemies in Kherson to continue wearing them down.

"What they (the Ukrainians) are doing is very intelligent," he said. "Fighting in the Donbas gives the Russians certain advantages that they don't have in Kherson," such as proximity to Russia, resupply infrastructure and advantageous terrain.

Kherson Oblast is farther from Russia and is more difficult to resupply. Ukraine's new long-range precision missile weapon, HIMARS, can exploit this advantage.

Russian forces rely on rail lines, followed by trucks to bring supplies to the front. According to estimates by Ukraine's armed forces, Russia lost close to 3,000 non-combat vehicles, including transport trucks and fuel tanks. Fewer vehicles means ammo dumps are often close to the rail lines, making them easy to find and destroy with missiles.

"Everything is better for Ukraine if you can fight this kind of fight in Kherson, not in Donbas," O'Brien said. "I think that's what they're trying to do by making Russia fight the war where they want to fight it, not where Russia wants to fight it."

While Russia is tied up in the South, Ukrainian forces may have an opportunity to press their advantage elsewhere, such as around Izium. If they can do so, "Russian forces will begin confronting very difficult choices," according to the ISW.

The Russians might have to abandon positions there or be forced to pull forces from elsewhere, taxing other axes in the process.

As Muzyka pointed out, Ukrainian forces have been making gains near Izium in the past two weeks. Russian presence in the area decreased after several BTGs were redeployed and Russia's force posture is weaker.

Hertling believes that a feint towards Kherson followed by a strike elsewhere would require the kind of maneuvering capability that he's not sure Ukrainian forces have.

Logistics are another challenge — while Ukraine has interior lines and has less distance to travel than Russia, shifting supplies among different fronts is difficult.

On top of fighting an operational and tactical campaign against Russia, Zelensky and his generals are also waging a strategic campaign in the eyes of Western allies. If Ukraine wants more, better weapons, it has to keep pulling out victories.

"Zelensky might be looking for a large operational victory to reinforce the belief by the West that they're continuing to win and it will result in more weapons," said Hertling.

Top Canadian soldier says he won't confirm or deny that Canadians troops are on the ground in Ukraine

Canada's top soldier is declining to confirm media reports that Canadian military members are on the ground in Ukraine to train locals in fighting invading Russian forces.

Gen. Eyre, chief of the defence staff, appeared on Power & Politics yesterday following reports from Global News and the NYT that Canadian Forces special operations members are training Ukrainians during Russia's ongoing invasion.

But when asked about the reports, Eyre said the military is "never going to talk about discreet or sensitive special operations or confirm or deny them." He called the media reports "disappointing" and speculative.

"If it was true, it would put our troops at risk. And why would anyone deliberately want to put Canadian troops at risk?"

Ukrainian forces use modified Soviet-era rocket systems in Kharkiv region - Ukraine is deploying its relatively new, locally built Bureviy multiple-launch rocket system (MLRS) against Russian targets near Kharkiv. The Bureviy (Stormy, or Hurricane) is a modernized version of the Soviet Uragan system. An RFE/RL photographer captured a frontline unit as it went on the attack.

The Bureviy uses the same artillery rockets as the Uragan, with the standard rocket being 4.8 meters long and weighing 280 kilograms. The warhead weight is 90–100 kilograms, depending on the type. The maximum range of fire with the standard Uragan rocket is 35 kilometers. Recently, extended-range 220-millimeter artillery rockets were developed in Ukraine that have a range of up to 65 kilometers. There are 16 launch tubes.



The Bureviy sits on a Tatra T815-7T3RC1 heavy, high-mobility vehicle chassis with an 8x8 configuration but fitted with a four-door armored cabin. This vehicle was specially designed for military applications and its maximum speed is 85 kilometers per hour. It is equipped with a new, digital fire-control system. It can fire all the standard Soviet-made 220-millimeter unguided rockets.

Ukraine says its troops advance towards Iziurm as fighting rages in Donbas - Ukraine reported intense Russian shelling across the frontlines today as both sides traded blame for the weekend strike on the Zaporizhzhia nuclear complex which triggered international concern about a potential atomic disaster.

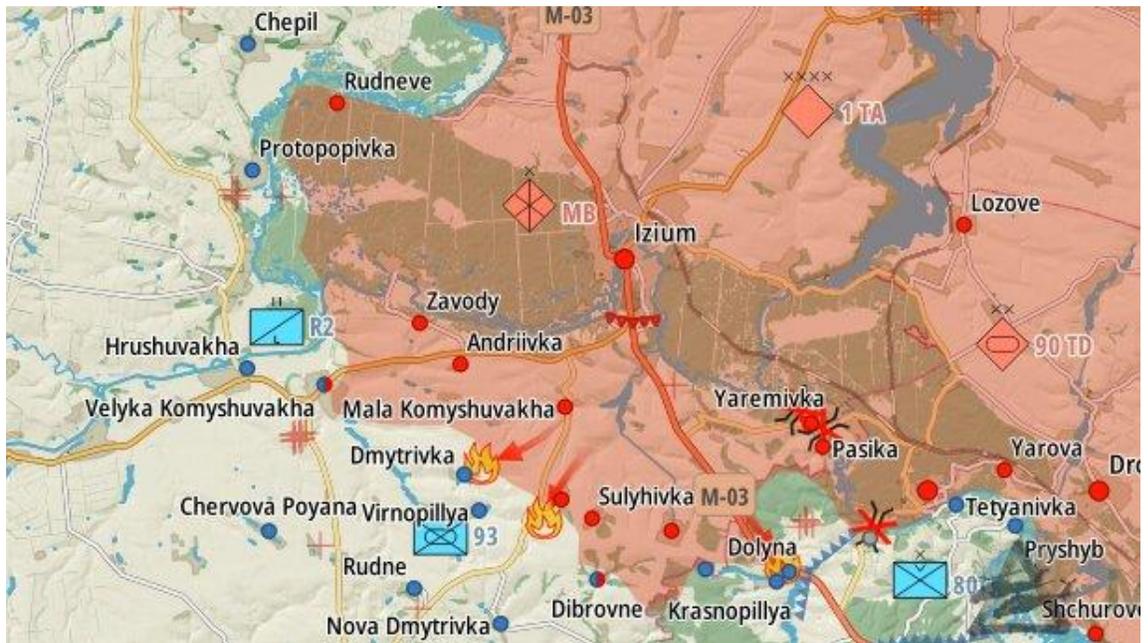
Heavy fighting was reported in frontline towns near the eastern city of Donetsk, where Ukrainian officials said Russian troops were launching waves of attacks as they try to seize control of the industrialised Donbas region.

"The situation in the region is tense – shelling is constant throughout the front line ... The enemy is also using air strikes a great deal," Donetsk regional Governor Pavlo Kyrylenko told Ukrainian television.

"The enemy is having no success. Donetsk region is holding."

Around Kharkiv in the northeast, Ukrainian troops captured the town of Dovhenke from Russian occupiers and were advancing towards Iziium, Ukrainian Presidential adviser Oleksiy Arestovych said in a video posted on YouTube.

“The situation is very interesting. Ukraine’s forces are moving very successfully. Attempts by Russia to regain lost ground were not successful. Ukraine may end up encircling them,” he said.



In the southeast, the key Antonovskiyi bridge over the Dnipro river in Kherson region was targeted again by Ukrainian forces trying to disrupt Russian supply lines.

US will spend \$89M to eradicate Russian landmines in Ukraine - The U.S. State Department will pay \$89 million to help rid Ukraine of dangerous landmines hidden by retreating Russian troops, a State Department official told reporters on Tuesday.

Russian forces have reportedly booby trapped everything from cars to washing machines to dead bodies with explosives designed to seriously injure or kill civilians who discover them. In May, Russian troops placed explosives in a 10-year-old girl’s piano in Bucha, showing that they are deliberately targeting civilians, the official said.

The \$89 million will pay for 100 demining teams to work in Ukraine for the next year, the official said. It will also fund training and equipment for Ukrainian teams, but will not address concerns about sea mines in the Black Sea.

No American government personnel will be on the ground in Ukraine, the official said. The money will be given to non-governmental organizations to field the demining teams and to contractors who can train and equip locals, not directly to the Ukrainian government.

Ukrainian officials estimate 160,000 square kilometers—about the size of Virginia, Maryland, and Connecticut combined—may be contaminated by landmines and unexploded ordnance, the State Department official said. Much of that includes Ukrainian farm land, which further worsens global food security that was already impacted by the war, but it also includes populated areas, with more than 5 million people living near or among hidden explosives.

Sanctions

Tighter export controls on electronics could hamper Russia's war effort - Almost all Moscow's modern military systems depend on western-made microelectronics, says the Royal United Services Institute (Rusi) report.

Moscow has found ways to bypass sanctions and export controls. If the loopholes are closed, Russia's military might be permanently degraded.

Researchers for Rusi, a UK think tank, spent months in Ukraine, examining 27 of Russia's most modern military systems, either captured, brought down or abandoned by Russian troops.

They discovered at least 450 different kinds of unique, foreign-made components, most built in the US but also in other Western countries.

Products from familiar brands, like Sony and Texas Instruments, are turning up on the battlefield in Russian weapons systems. There is no suggestion those firms have been complicit in sending components to Russia.

Jack Watling, a senior research fellow at Rusi and one of the authors of the 60-page report, told the BBC there was a chance to permanently deny Russia access to these sensitive components - many of which are manufactured in the US, but also in Switzerland, the Netherlands, UK, Germany and France.

"If these components can be denied then the Russians will not be able to replenish the arsenal of equipment that they have expended in Ukraine," Dr Watling says.

He points to Russia's heavy reliance on artillery, missiles and rockets that have devastated the towns and villages of eastern Ukraine and allowed Russian ground forces to make slow, incremental advances through a shattered wasteland.

"The Russian system of fighting is largely dependent on what's called reconnaissance strike: finding your targets and then hitting them with overwhelming firepower," he says. "And what we found is that almost every link in that chain is dependent on Western components."

Russia's fleet of battlefield drones, which scout out the locations of Ukrainian positions before they can be bombarded with artillery, also use imported microelectronics, cameras and communications systems. All are high-spec, and many should be subject to export controls.

In order for long-range ballistic and cruise missiles to be accurate, says Dr Watling, they have to have Western-made microchips. So how exactly has Russia been able to get its hands on these high-tech components?

It seems to have found several methods. A clandestine network has been in existence in some form since Soviet times. Operated by Russian intelligence officers it uses intermediate shipment hubs like Hong Kong and Malaysia.

In addition, some companies exporting these vital components are unaware of who the end user really is.

Putin

'Putin threatens Ukraine and EU with a new nuclear catastrophe' - Russia is threatening the biggest nuclear station in Europe (6th in the world), Ukraine's Zaporizhzhya, and threatens to kill millions of people in Ukraine and other European countries.

During the last week Ukraine concentrated on deterring Russian forces on all, and the most important component for Ukraine's defence continued to be artillery, particularly long-ranged MLRS systems.

With their help, the Ukrainian army is destroying the Russian logistic system and eliminating their command centres, military bases, armored vehicles, tanks and other systems and critical infrastructure for war logistics, especially in the Kherson region.

Having no significant results on the battlefields, Russia has decided to focus on nuclear attacks.

Russia is shelling and bombing the biggest nuclear station in Europe that they had captured in the South of Ukraine, Zaporizhzhya. They have already damaged some of the equipment, which may cause an emergency, according to the announcement of Ukrainian personnel who are still operating the station.

A senior Russian general announced they had mined the nuclear station and could blow it up at a moment's notice.

By concealing armor within the nuclear plant complex and using the position to shell Ukrainian targets, Russia is inviting retaliatory fire from the defenders, and in turn will blame Ukraine for any nuclear fallout should their missiles hit the nuclear reactors.

Putin's Fiasco: the Russian war machine can't win in Ukraine - The war in Ukraine is in its sixth month, and the Russian war machine continues to struggle to achieve its main objectives. On day 166 of the Russian invasion, the Russian forces are pushing in the Donbas, while the Ukrainian forces are attacking in the south in the direction of Kherson.

Probably the biggest problem for the Russian military is the unsustainable rate of casualties it is suffering. The Russian forces simply can't replace the infantry that they are losing on the frontlines, and that has a direct effect on the ability of the Russian military to conduct large-scale, offensive operations.

The Ukrainian Ministry of Defense claimed that as of today, Ukrainian forces have killed approximately 42,640 Russian troops (and wounded approximately thrice that number), destroyed 223 fighter, attack, and transport jets, 193 attack and transport helicopters, 1,817 tanks, 964 artillery pieces, 4,076 armored personnel carriers and infantry fighting vehicles, 261 Multiple Launch Rocket Systems (MLRS), 15 boats and cutters, 2,993 vehicles and fuel tanks, 132 anti-aircraft batteries, 757 tactical unmanned aerial systems, 86 special equipment platforms, such as bridging vehicles, and four mobile Iskander ballistic missile systems, and 182 cruise missiles shot down by the Ukrainian air defenses.

The Ukrainian counteroffensive in the direction of Kherson and Zaporizhzhia, in southern Ukraine, has introduced a new phase into the war. Kyiv now has the strategic initiative, and Moscow is responding.

The Russian military has been moving increasingly more troops to Kherson and Zaporizhzhia in anticipation of the large-scale offensive part of the Ukrainian counteroffensive.

"Russian forces are almost certainly massing in the south in anticipation of Ukraine's counter-offensive or in preparation for a possible assault," the British Military Intelligence stated over the weekend.

"Long convoys of Russian military trucks, tanks, towed artillery, and other weapons continue to move away from Ukraine's Donbas region and are headed southwest. Equipment was also reported to be moving from Russian-occupied Melitopol, Berdiansk, Mariupol and from mainland Russia via the Kerch Bridge into Crimea," the British Ministry of Defense added.

The Russian military is moving Battalion tactical groups (BTG) of approximately 800 to 1,000 troops to Crimea to be used as mobile reinforcements to the Russian frontline troops on the southern front. The fact that these units are BTGs suggests that they are new units as the Russian military has been using ad-hoc platoon- and company-size formations in the Donbas for some time now.

"On 02 August, a new BTG had been deployed to Crimea and BTGs are also being re-deployed from Eastern Grouping of Forces. These will highly likely be sent into the Kherson region in the coming days," the British Ministry of Defense added.

Meanwhile, on their part, the Ukrainian forces are targeting infrastructure that could be useful to the Russian military.

"Russia's war on Ukraine is about to enter a new phase, with the heaviest fighting shifting to a 350km front line stretching southwest from near Zaporizhzhya to Kherson, paralleling the Dnieper River," British Military Intelligence assessed.

China

China's navy and air force are still wargaming close to Taiwan's coast, where some 20 vessels from the two militaries are squaring off near the unofficial median line of the Taiwan Strait, while Taiwan's navy is trying to keep international sea lanes open, a security source in the region told Reuters, reporting from Taipei on Tuesday.

Taiwan just began its own two-day drills practicing defense of the island, the Wall Street Journal reports from the region, careful to note that these are annual drills that were scheduled months in advance. The exercise so far involved 38 howitzers and some 700 troops launching more than 100 shells into waters south of Taiwan.

Forty-five Chinese aircraft were spotted flying around the island on Tuesday, which is a slight uptick from the day prior, Taiwan's defense ministry announced on Twitter. Tuesday's drills included 16 of Beijing's jets that traveled along the "east part of the median line of the Taiwan Strait," according to Taipei. Thirty-nine Chinese aircraft carried out broadly similar actions on Monday—with 20 jets and one anti-submarine helicopter that flew just east of that median line.

"We're at a moment of profound international tension," and "nothing that China has done has surprised us," Kahl said Monday. "We anticipated that, you know, the visit would make news and that the leadership in Beijing would present it as being provocative and would seek to manufacture the crisis that we now see unfolding before us."

Most concerning, said Kahl, are "the sheer number of maritime and air assets that are crossing over this kind of de facto center line, creeping closer to Taiwan's shores, where it's clear that Beijing is trying to create a kind of new normal, with the goal of trying to coerce Taiwan, but also frankly, to coerce the international community, given the importance of the Taiwan Strait to the global economy." And that's why the U.S. is going to "continue to operate, to fly, to sail wherever international waters allows. That includes the Taiwan Strait."

Looking ahead, he said, "I think you should expect that we will continue to do Taiwan Strait transits, as we have in the past, in the coming weeks." The U.S. Navy will also "continue to do freedom of navigation operations elsewhere in the region. We will continue to stand by our allies and partners," and "maintain the status quo of a free and open Indo-Pacific, which frankly is what I think most of the countries in the region would prefer."

The American Navy's USS Ronald Reagan (CVN-76) aircraft carrier remains in the region near Taiwan monitoring events, the Wall Street Journal reported separately on Sunday. Sailors aboard "The Gipper" recently practiced a "mass casualty" event with medical personnel on the day China's drills began. The U.S. Navy also seems to have a missile-tracking ship, the USNS Howard O. Lorenzen (T-AGM-25), nearby—heading eastbound from its present location southeast of Okinawa.

Taiwan conducts live-fire drills in wake of Chinese pressure - Taiwan's military began a live-fire artillery drill Tuesday simulating the defence of the island against an attack after days of massive Chinese military exercises, an AFP journalist at the site of the exercise said.

Lou Woei-jye, spokesman for Taiwan's Eighth Army Corps, confirmed that the drills had started in the southern county of Pingtung shortly after 0040 GMT with the firing of target flares and artillery.

Taipei's drills, taking place on Tuesday and Thursday, will include the deployment of hundreds of troops and about 40 howitzers, the army said.

Lou said Monday the drills were already scheduled and were not being held in response to China's exercises.

The island routinely stages military drills simulating a Chinese invasion and last month practiced repelling attacks from the sea in a "joint interception operation" as part of its largest annual exercises

US will continue Taiwan Strait transits, FONOPs in western Pacific despite growing tension with China - U.S. warships will continue to make Taiwan Strait transits and perform freedom of navigation operations in the Indo-Pacific despite the recent Chinese live fire drills, the undersecretary of defense for policy told reporters Monday.

The U.S. Navy is expected to conduct some freedom of navigation operations in the region in the coming days, Colin Kahl, undersecretary of defense for policy, said during a press briefing. It is important for Beijing to understand that the United States will continue to sail in international waters where it is allowed.

“We will continue to stand by our allies and partners. So even as China tries to kind of chip away at the status quo, our policy is to maintain the status quo with [a] free and open Indo-Pacific which, frankly, is when I think most of the countries in the region would prefer,” Kahl said.

Researchers uncover sophisticated global Chinese hacking operation - A Chinese hacking group simultaneously used six different backdoors against more than a dozen industrial plants, research institutes, government agencies and ministries in Belarus, Russia, Ukraine and Afghanistan, researchers with Kaspersky said Monday.

Through carefully crafted phishing emails — including some that referenced information relevant to the victim organization that was not yet public — the group managed to “penetrate dozens of enterprises and even hijack the IT infrastructure of some, taking control of systems used to manage security solutions,” the researchers said.

The vulnerability exploited in the attack, first discovered in January 2022, allowed the attackers to execute code without any additional user activity, the researchers said. In one case, they said, the attackers gained control over an unnamed cybersecurity solutions control center and ran a “golden ticket” attack, which gave them widespread access and persistence in the network.

Slowing demand in the U.S., Europe and China could hurt Asian exporters - Asian exporters will face significant challenges as demand from major markets like the U.S., Europe and China slow down in the coming months, according to the chief Asia economist of HSBC.

Manufacturers in Europe are already pulling back quite significantly, namely in Germany, Frederic Neumann told CNBC’s “Squawk Box Asia” on Monday. “Remember that Europe is a major export market for Asian exporters,” the economist pointed out.

“We also expect essentially a decline in shipments coming through the second half of the year, which complements the pivot in U.S. spending away from goods. Both of the U.S. and Europe slowing down is going to be headwinds for Asian exporters,” he added.

The slowdown in China’s economy will further add to the problems facing exporters in the region, Neumann said.

Containment

White House Sending Key Air Defense System Ammunition To Ukraine - The United States announced \$1 billion in additional security aid for Ukraine on Monday that includes ammunition for much-anticipated air defense systems that Kyiv has said are critical to defending against long-range Russian missile attacks.

The package also includes thousands of rounds of ammunition for the ground artillery and rocket systems that are defining the current ground battle. The package includes another 75,000 rounds of 155 mm artillery, 1,000 Javelin anti-tank weapons, HIMARS ammunition, and, for the first time, medium-range air-to-air missiles (AMRAAM) for the National Advanced Surface-to-Air Missile defense capabilities Ukraine will get from Norway.

“Right now the priority is to make sure that the Ukrainians have the ammunition to keep them in the fight,” said Colin Kahl, the undersecretary of defense for policy.

Anti-Radiation Missiles Sent To Ukraine, U.S. Confirms – The US defense official didn’t say what missiles specifically, but this follows reports of AGM-88s being fired at Russian radars in Ukraine.

Colin Kahl, US Under Secretary of Defense for Policy, confirmed today that American authorities have transferred unspecified "anti-radiation missiles" to the Ukrainian armed forces that they can launch from at least some of their existing aircraft. Though Kahl did not say what type of missiles had been passed to the Ukrainians, his remarks follow the emergence of pictures on social media showing the apparent remains of an AGM-88 High-speed Anti-Radiation Missile (HARM) said to have been fired at a Russian position. You can read more about what we know already about the potential use of AGM-88s in Ukraine in this recent War Zone report.

Anti-radiation missiles (ARMs) home in on enemy radio frequency emissions, primarily from radar arrays belonging to enemy air defense systems and destroy or disable them.

Kahl made his comments at a press briefing today where he announced a new U.S. military aid package for the Ukrainian armed forces, which could ultimately have a value of up to \$1 billion. This particular aid package includes additional Guided Multiple Launch Rocket System (GMLRS) rockets for use in U.S.-supplied High Mobility Artillery Rocket Systems (HIMARS), unspecified munitions to go along with National Advanced Surface-to-Air Missile Systems (NASAMS) American authorities are providing, additional Javelin anti-tank missiles, and more.

Geo-Military

Expand Israel-Morocco security cooperation to counter malign influence in Africa - Last month, US Africa Command hosted its premier multilateral exercise, African Lion 22, involving 7,500 coalition forces from 10 nations across the Maghreb and West Africa. This year, beyond the usual roars of Moroccan and Senegalese lions, USAFRICOM’s foremost exercise was augmented by those of another pride: Israeli lions. Further promoting the Israeli-Moroccan partnership — made possible by the 2020 Abraham Accords — would allow the US to multiply its strategic footprint in Africa without diverting resources from other theaters.

Africa has emerged as a lynchpin of the global strategic balance of power. Renewed strategic competition and the proliferation of violent extremist organizations threaten to undermine the integrity of African states and key US strategic interests. At the same time, these challenges present an opportunity for Morocco — America’s oldest treaty ally and a historical Maghrebi power — to come into its own as a regional leader and stability provider with the help of newfound Israeli technical and security support.

Following decades during which US focus has been diverted to other regions, US competitors have achieved significant military entrenchment in Africa at the expense of the stability and political-economic independence of African countries. Beijing now refers to Africa as China’s “second continent,” according to AFRICOM commander Gen. Stephen Townsend.

Beyond its military inroads, China hopes to fuel its geoeconomic rise with African natural wealth, for example by increasingly monopolizing Africa’s rare earth minerals needed for the batteries and chips necessary for any green revolution. Meanwhile, Russian mercenaries are driving civil conflicts and military juntas across the continent.

Since their 2020 rapprochement, Israel and Morocco have taken significant steps toward balancing against the threat from Russia- and Iran-backed Algeria via their groundbreaking \$500 million air defense deal in February 2022. Moreover, Morocco has become the largest source of foreign direct investment in West Africa, beating out even rising Chinese capital. By crowding out Chinese investments, an extension of Chinese military power, Morocco is helping to roll back China’s implicit challenge to U.S. security interests and local autonomy in these areas.

China's military modernization spurs growth for state-owned enterprises - In 2021, Chinese defense-related revenue grew for each of the seven state-owned enterprises involved in Chinese defense production. Growth was variable between the seven enterprises, but all have benefited from relative economic growth in 2021, as well as the PLA's continued modernization and procurement of naval, aerospace and ground-based capabilities.

Companies in the shipbuilding and electronics industries saw particularly high growth between 2020 and 2021. Chinese state-owned enterprises, or SOE, have reportedly also made significant progress toward fully implementing the State Council's three-year SOE reform plan, due to be completed prior to the 20th Party Congress in the autumn this year.

In 2021, the Aviation Industry Corporation of China remained the top defense-related state-owned enterprise in China for a fourth year in a row, according to analysis by the International Institute for Strategic Studies.

Per the Defense News Top 100 lists, AVIC's total revenue grew from \$67.9 billion in 2020 to \$80.4 billion in 2021, while its defense-related revenue grew by 18%, from \$25.5 billion in 2020 to \$30.2 billion.

In line with requirements in the 14th Five-Year Plan as well as PLA Air Force and PLA Navy requirements, Chinese securities firms expect continued growth for AVIC's defense-related and civilian business. Owing to this strong rate of growth, AVIC held its position as the sixth-largest defense company in the world on the Top 100.

However, it was not the fastest rate of growth among Chinese SOEs. Between 2020 and 2021, defense-related revenues for China Electronics Technology Group (CETC) and China South Industries Group Corporation (CSGC) is estimated to have increased by 40% and 28%, respectively.

The uplift in CETC's revenue was due to the June 2021 acquisition of telecommunications rival China Putian Information Industry Group, also known as Potevio, whose 2019 revenues came to 116 billion yuan (U.S. \$17 billion). The acquisition means CETC's total revenue in 2021 reached \$58 billion, of which IISS estimates that \$14.7 billion is for defense-related activities, which sees the company jump from 15th to 11th place on this year's Top 100.

China-Taiwan: What we learned from Beijing's drills around the island - The hardliners in the upper echelons of the Chinese Communist Party would probably be quite happy with where Nancy Pelosi's visit has left them.

Ms Pelosi gave them a window and they used it.

A series of more extreme military measures around Taiwan have now been thrust into the realm of "acceptability".

These moves - including firing missiles over the island - have become "acceptable" not because the international community approves of them but because they have happened, and Beijing has got away with it.

A side benefit of this PLA grand, live-fire show has also been to accelerate the belief globally that China's military rise is unstoppable - this may possibly intimidate South East Asian neighbors which have rival claims to the South China Sea.

These vast military exercises would have taken some planning. It is hard to imagine that the generals conceived of them, all of a sudden, when it was leaked that Ms Pelosi was planning visit Taiwan.

What seems more likely is that they had the plans ready and pulled them out of the drawer because the opportunity presented itself.

It would be dangerous though if the Chinese government became too caught up in its own belligerent rhetoric and started convincing itself that seizing and holding Taiwan could be relatively easy - rather than a tough, bloody, catastrophic event.

Some analysts even think that these war games have assisted the Taiwanese and US military in preparing defence strategies to ward off any attack from the mainland.

But the exercises were not enough for President Xi Jinping's government. On Friday night the foreign ministry announced that China was suspending cooperation with the US on cross-border crime, including narcotics, and maritime safety; and that all high-level US-China military dialogue were to be paused.

American media has also reported that calls from the US Defence Secretary, Lloyd Austin, and General Mark Milley, chairman of the joint chiefs of staff, have gone unanswered from the Chinese side.

Crucially, Beijing has suspended climate change cooperation with Washington. The world's largest carbon emitters are not talking. Tensions have certainly increased following Ms Pelosi's visit, but Mr Xi's government seems to like it that way - at least for now.

Geopolitics

In Biden's new Africa strategy, China and Russia linger in the background - The Biden administration's new policy for sub-Saharan Africa accuses China of seeing the region as an "arena" in which to wage a battle against the US-led "rules-based international order" and Russia of causing instability and then cashing in on the chaos.

Secretary of State Antony J. Blinken insisted his five-day swing through sub-Saharan Africa is aimed at making the region a priority for the administration in a dynamic of "equal partners."

But while the strategy, published today, acknowledges the US has to respond to "growing foreign activity and influence" in the region, the document focuses less on its geopolitical rivals and more on how Washington can do a better job engaging African governments to work closely on everything from the climate crisis to food insecurity to terrorism.

"So the China-Russia thing is very subsidiary from our perspective," a senior administration official put it bluntly to reporters Sunday. "This was really about how we can do better to work more effectively with Africans to achieve results in areas that challenge us all."

Another senior official said the strategy "certainly recognizes that many countries are interested in Africa, see their national security interests in increasing engagement with the continent.

"But what we're focused on is the fundamentals, what we're hearing from Africans," the official said, according to a White House transcript. "And transparency, accountability, openness — these are the things that Africans care about. And it's a place particularly where we're best suited to succeed on."

The strategy lays out four "objectives to advance US priorities in concert with regional partners [...] during the next five years": Foster openness and open societies; Deliver democratic and security dividends; advance pandemic recovery and economic opportunity; and support conservation, climate adaptation, and just energy transition.

The first and second objective would presumably involve pushing back on Chinese and Russian activities, based on the portion that addresses those countries directly. The strategy accuses China of working to "advance its own narrow commercial and geopolitical interests, undermine transparency and openness, and weaken US relations with African peoples and governments."

The official acknowledged that when it came to China, which has invested heavily in African infrastructure in the past, different African nations have "different views."

The Biden administration has been disappointed that South Africa and its neighbors have not joined the U.S.-led effort to isolate Russia over its invasion of Ukraine nearly six months ago. Blinken's trip to South Africa, to be followed by the Democratic Republic of Congo and Rwanda later in the week, is taking place in the shadow of his Russian counterpart, Sergei Lavrov, who has also been crisscrossing the continent, reportedly with arms deals on offer.

If Blinken had hoped he could persuade the South African government to get on board in punishing Russia, he was mistaken.

Comment – Aside from the Congo and South Africa during the Angolan War, Africa at large viewed the West with suspicion, because whilst Russia and China were investing in African countries, the West was seen as supporting the “Colonial Powers” through their engagement with South Africa.

Weapons and support for the anti-Apartheid movement was not forthcoming from the US, UK and various EU countries, but rather from Russia, China and the non-aligned countries around the globe.

They have not forgotten this and gravitated to Russia and China. This will be a hard nut to crack for the US.

See preceding article as well.

Why is India wary of others joining the China-Pakistan project? - Despite New Delhi's criticism, both Beijing and Islamabad seem set to push ahead with their CPEC expansion plans and include countries like Afghanistan.

China and Pakistan last month invited other countries to join projects related to their mammoth, multibillion-dollar China-Pakistan Economic Corridor (CPEC) initiative, drawing a stern rebuke from India, which slammed the move as "illegal" and "unacceptable."

New Delhi has long opposed the infrastructure and connectivity corridor as it passes through Pakistan-administered Kashmir, which New Delhi sees as a part of its territory "illegally occupied" by Islamabad.

"We have seen reports on encouraging a proposed participation of third countries in so-called CPEC projects. Any such actions by any party directly infringe on India's sovereignty and territorial integrity," Arindam Bagchi, spokesperson for India's Ministry of External Affairs, said in a statement.

Despite India's criticism, both Beijing and Islamabad appear to want to push ahead with their CPEC expansion plans. Chinese Foreign Minister Wang Yi recently expressed his support for the extension of the project to Afghanistan.

The CPEC, a \$65 billion-plus (€63.75 billion) investment in infrastructure in Pakistan, is part of Beijing's Belt and Road Initiative (BRI) to seek road and sea trade routes to connect with the rest of the world.

Since its launch in 2013, China has pumped billions of dollars into transport, energy and infrastructure schemes in the South Asian country.

Beijing and Islamabad view each other as "all-weather" friends and China has been one of Pakistan's major financial backers in recent years.

According to the International Monetary Fund, Pakistan has over \$18 billion in outstanding debt to China.

Nevertheless, opposition to CPEC remains strong among sections of Pakistani society.

Islamabad, for instance, has been struggling to rein in separatist militants from Baluchistan, who are targeting Chinese nationals and interests.

Baluchistan is home to a deep-water port in Gwadar city, which Beijing is developing under the initiative.

Baluch separatist groups say they've been fighting for decades for a greater share of the region's mining and mineral resources.

The attacks against Chinese nationals have increased since the fall of the Afghan capital to the Islamist Taliban in August last year. The Taliban deny Pakistan's accusations that the insurgents use Afghan soil to train the militants and plan the attacks. Islamabad also blames archrival neighboring India for backing the insurgents, a charge New Delhi denies.

By extending CPEC to Afghanistan, Beijing hopes to gain greater influence in the war-devastated country. "Getting a greater footprint in Afghanistan remains one of the biggest goals for China," China noted.

For Pakistan, the expert said, it is just a careful political and strategic calculation.

"With the Taliban in Afghanistan, it's a government that is pro-Pakistan but beyond that I don't think there is going to be any material significance for Pakistan. However, given the social, political and economic crises that Pakistan goes through from time to time, it is in its interest to keep China on its side," Rajagopalan underlined.



NATO's Nordic opportunity is multidomain - The US Senate's 95-1 vote in favor of Finland's and Sweden's accession to NATO is a major step toward full alliance membership of these important Nordic partners. With only seven of NATO's 30 members left to ratify, Sweden and Finland could be NATO members before the end of the year.

The US Senate's overwhelming support reflects strong bipartisan agreement that Sweden and Finland will add great value to the alliance. They are militarily advanced and technologically savvy. Each country's regional expertise on Russia and traditions of "total defense" will also add to NATO's understanding of Northern European security challenges and ways in which allied societies can build resilience against disruptive threats.

The addition of Sweden and Finland will connect the entire High North outside of Russia in one of NATO's strategic spaces, raising the threshold of risk for Russia should it contemplate further aggression. They will more than double the number of Nordic fourth- and fifth-generation fighters available to NATO. Accession will facilitate NATO defense of the Baltic states, which is currently constrained through a sliver of territory along the Polish-Lithuanian border known as the Suwalki Gap. Supply and support of the Baltic states by new Baltic Sea allies will enhance those countries' ability to defend themselves.

But Sweden and Finland are not joining an alliance waiting at the station; they are boarding a moving train.

US is building 'exclusive' club to confront, contain China - China's defense minister has called America's approach to the Indo-Pacific region "a strategy to create conflict and confrontation, to contain and encircle others."

Gen. Wei Fenghe said the strategy is "an attempt to build an exclusive, small group in the name of a free and open Indo-Pacific" and to hijack regional countries to be used to target "one specific country."

Wei also defended China's development and growth, stating that China is building up its military strength and has created artificial islands, despite international pressure. He noted that the country's progress was not achieved through colonialism and is not a threat.

As a juxtaposition, he pointed to China's provision of COVID-19 vaccines to countries around the world, deployment of personnel for U.N. peacekeeping missions and contribution toward anti-piracy efforts around Africa.

Wei also touched on the self-governed island of Taiwan, which Beijing considers a rogue province and has vowed to reincorporate, by force if necessary. The minister criticized the Taiwan Relations Act as a "domestic law [used] to interfere in the internal affairs of another country."