

# Conflict Update Day 395

March 25<sup>th</sup>, 2023

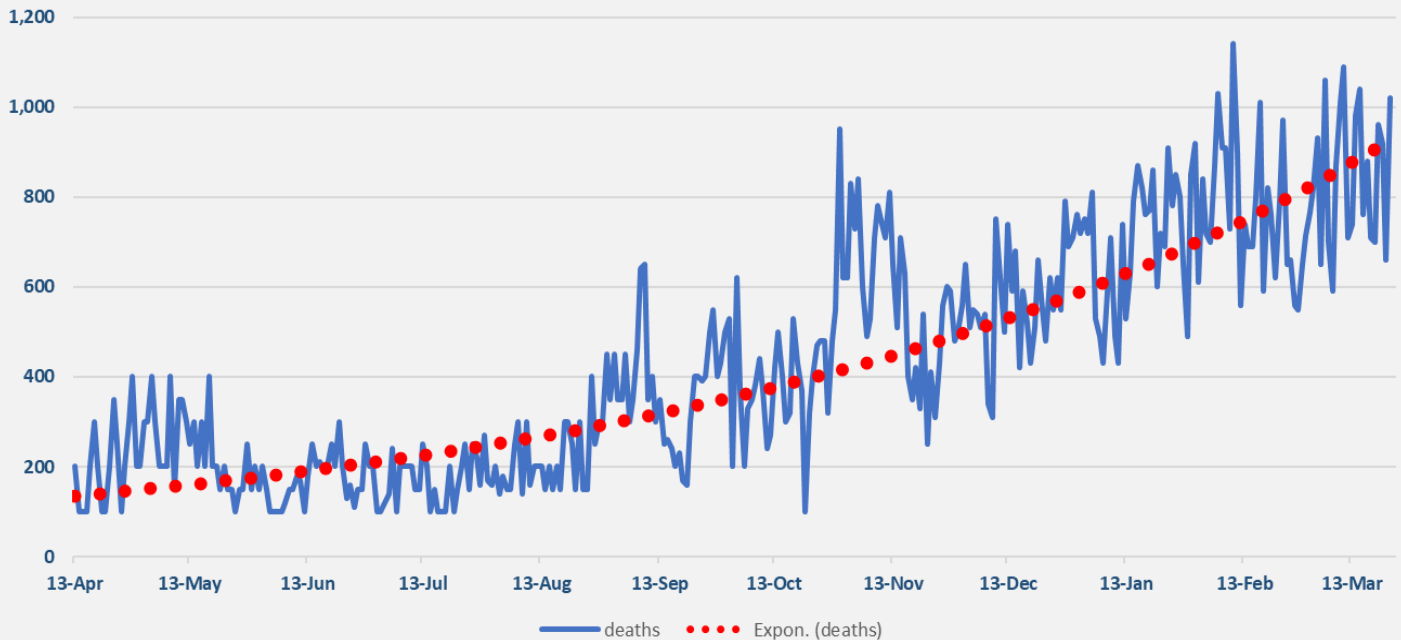
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## Conflict Assessment

**Russian losses** – 169,890 (+720) soldiers killed, 3,580 (+6) enemy tanks, 6,932 (+11) armored combat vehicles, 2,623 (+7) artillery systems, 520 (9) MLRS systems, 276 (+0) air defense systems, 305 (+0) warplanes, 291 (+1) helicopters, 2,214 (+6) UAVs of the operational-tactical level, 911 (+0) cruise missiles, 18 (+0) warships/cutters, 5,483 (+19) trucks and tankers, 4 Iskander Missile Launchers (+0), 239 fuel bowsers (+0) and 279 (+2) units of equipment.

## Death Toll

Russian troop deaths by day



## Key events

**The (unnoticed) Russian soft underbelly** – The most notable Kremlin achievement since February 2022, has been to show a once-respected geopolitical strength as diluted, and an erstwhile and feared war machine fragile and weak.

Previously considered to be the #2 military in the world and vying for top dog in geopolitics, the Russian Federation, under Putin and his latest misadventure, have slipped precipitously from these once-lofty spots.

Now, Central Asian nations are openly defying Moscow, with China deftly attempting to exploit this growing gap and align them to Beijing, and the west looking for closer relations with Kazakhstan and other Central Asian nations. NATO is enlarging, Ukraine will definitely not become a dependent Russian Federal satellite, and former Soviet-era member states are openly re-assessing their geopolitical positions and stations.

The Global South remains to settle, which will see heightened attention over the next decade or so.

The Moscow bubble has burst and the Emperor is seen as having no clothes any more.

But a further and hugely important loss has been in the Russian military manufacturing and arms export machine.

Aside from wiping out vitally important Ukrainian manufacturing industries during its failed invasion, where for example Kremlin forces destroyed Moscow's largest tank supplier in Kharkiv, and where their armies bombed and annihilated industrial belts in eastern Ukraine, source of many raw materials and minerals critical to Russian industry, we have seen **five** further and devastating factors of loss.

**Firstly**, their "military might" has been proven fallible, dated and aged, suspect, leaderless and beatable. Once glorious and perceived as a dominant and mobile global enabler, their armies are humbled and weakened, cracking open geopolitical fissures unlikely to be reinstated any time soon.

**Secondly**, they cannot supply their military with tanks, ammunition, aircraft and a plethora of other war requirements. They just do not have the ability to manufacture and supply, critically essential when going to war, and worsened when coupled with their now rapidly dwindling military supply chain ability in support of front line armies and orders.

**Thirdly**, they can no longer fully execute existing military export orders, vital for bringing in foreign payments, payments effected in US\$ to boot.

Yesterday they announced they were renegeing on spares and supplies to the Indian air force, and short delivering the remaining two S400 anti-aircraft batteries, the latter a \$US5.4 billion order.

This will not go unnoticed around the world with large customers such as Egypt, seeking to build its military force ahead of a looming confrontation with Ethiopia regarding the damming of the Blue Nile, India, Pakistan and many other Russian-armed nations seeing this inability to execute as a major factor in upcoming military buying decisions.

This will in turn favor France, UK, US, Israel and Germany among other arms producing countries. Even South Africa can reinvorate its Denel arms base and increase its presence in the international arms market.

**Fourthly**, ex-Soviet states have militaries almost entirely comprised of Russian-designed and produced planes, tanks and everything else in their defense forces, and some.

These militaries are/were historic and prodigious Moscow customers for equipment, ammunition and providing indispensable input into inventories and aircraft wings, they were entirely, repeatedly and for supplies of spares, ammunition and everything else attached to their air forces.

Now, not only are they sending their wartime Soviet-built inventories to replacing these arms with western and NATO

Slovakia, Poland, the Czech Republic, Hungary, "ex-Warsaw Pact" countries, are now heading to DC, Tel Aviv and Istanbul, among



decades. Not only purchasing new modernizing Moscow's aging military profitably dependent on the Kremlin Soviet-designed armies, navies and

Ukraine to resist Russia, they are equipment and technology.

Albania, and a huge host of other Paris, London, Berlin, Washington other capitals, for their new orders.

They are replacing all military requirements with western and NATO-designed and manufactured equipment.

There is simultaneously no commensurate movement to Beijing in this realignment of international arms buying.

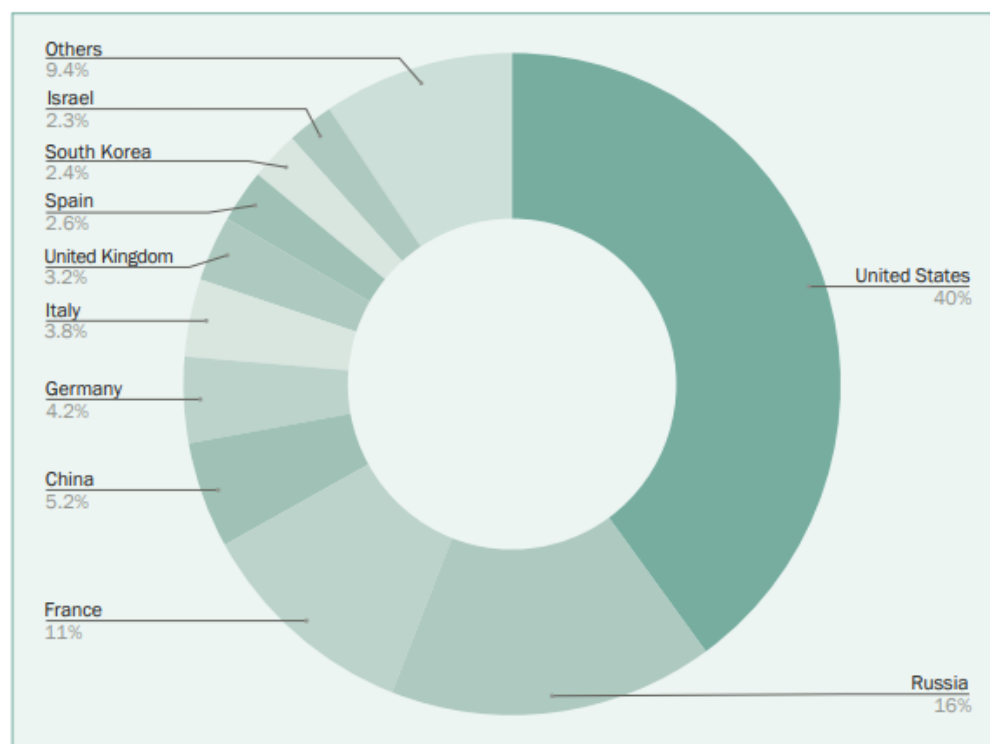
This is a huge impact on Moscow, as aside from being unable to supply current and vital replenishment stock and ammunition to forces already committed to battle, they have lost – past tense – a large segment of their international arms export market, significantly and adversely impacting annual budgets going forward.

The five largest global arms exporters in 2018–22 were, as ranked by SIPRI, an arms monitoring agency, the United States, Russia, France, China and Germany.

Together, they supplied 76 per cent of the world's arms exports in 2018–22.

According to SIPRI international arms sales statistics, split into two periods of monitor – 2013-17 and 2018-22 – Russian sales have dropped 31%, US sales are up 14% while Chinese sales are down 23%, South African sales are up 7%, French up 44%, Italian up 45% whilst German and UK sales are down 35%.

Significantly, the 31% drop in Kremlin sales is hugely skewed, relating solely to sales from February last year only. 2022 and future years will see larger percentages of drop as these losses project forward annually.



**Figure 2. Global share of exports of major arms by the 10 largest exporters, 2018–22**

*Source: SIPRI Arms Transfers Database, Mar. 2023.*

Polish sales are up 168% of which 95% went to Ukraine, hardly surprising. Globally, this year the largest destination of arms sales will be the Polish-Ukrainian belt, fast supplemented by Baltic and eastern European belts.

The head of Russia's weapons export branch said arms export revenue total in 2022 was about \$10.8 billion, roughly 26% lower than the \$14.8 billion reported for 2021. These figures remain to be confirmed but 2023 and subsequent years will be demonstrably lower.

In its Army 2022 defense expo in Moscow, Putin vowed to expand military cooperation with his allies and expressed a readiness to sell them "the most advanced types of weapons: from firearms, armor and artillery to warplanes and drones." He didn't name any country in particular on Aug. 15, but said "Russia sincerely values its historically strong, friendly and trusting relations with countries of Latin America, Asia and Africa."

That is now a pipe dream.

**Fifthly and lastly**, NATO and the west will be re-jigging their militaries with new, mobile, nimble and unmanned equipment, as they deplete inventories in supplying Ukraine at large.

They are learning fast from Ukraine's battle of resistance against Putin's illegal invasion and noting, intimately, how present-generation arms and tactics fare, providing them a militarily-indispensable empirical data base and ability to adapt, whereas Russia is struggling to see an ability to merely survive.

NATO and the west will rapidly develop next-generation capabilities whereas Russia, and to a lesser degree China, will stagnate. Couple to this an increasingly tight US control of vital microchip technology, and with it the competence and ability to design 2030-on weapons systems, both Russian and Chinese military proficiencies will reduce relatively.

**Putin announces deal to deploy nuclear weapons in Belarus** - Putin today announced plans to station tactical nuclear weapons in neighboring Belarus, a warning to the West as it steps up military support for Ukraine.

He said he was responding to Britain's armor-piercing rounds containing rounds have nuclear components.

He said Russia would maintain control Belarus. Construction of storage facilities said.

Belarusian President Lukashenko has long asked broadcast Saturday evening on Russian state

Putin insisted that Russia would not be nonproliferation of nuclear weapons, deployed its nuclear weapons on the shares borders with three NATO



decision this past week to provide Ukraine with depleted uranium. Russia falsely claimed these

over the tactical nuclear weapons stationed in for them would be completed by July 1, Putin

for the weapons, Putin said, speaking in an interview television.

violating its international obligations on the saying the United States has long territory of its NATO allies. Belarus members: Latvia, Lithuania and Poland.

**Ukraine's top soldier says situation in embattled Bakhmut is stabilizing** - Ukrainian forces have managed to blunt Russia's offensive in and around the embattled eastern city of Bakhmut, where the situation is stabilizing, commander-in-chief General Valery Zaluzhniy said earlier today.

Separately, Britain's defense ministry said the stalled, mainly as a result of heavy troop losses.

In our daily Updates, we have long held the Ukraine will continue to use it to deplete and

To this effect Kyiv has been largely successful and wounding approximately 100,000, losses in equipment. Of higher preparing the ground for a detaining and containing conflict zones, such as Bakhmut and Avdiivka, thereby denying them the ability to roam further "military" afield and inflict harm on innocent Ukrainian farmers and citizens.



months-long Russian assault on the city had

position that Bakhmut will not fall, and destroy Russian military capabilities.

in killing more than 30,000 Russian soldiers together with significant Kremlin import though is Kyiv's success in spring counteroffensive, Kremlin forces in very narrow

**Kremlin tries to stretch Ukrainian defensive lines** - The Kremlin has striven to lengthen front lines by maneuvering in zig-zag fashion so as to create bulges in territory seized in order to stretch defending force requirement in manning longer lines that meander across the countryside.

**British defense ministry says Russia to adopt defensive approach** - The British defense ministry, in a daily update earlier this morning, said Russia most likely wanted to stabilize its front lines and would adopt a more defensive operational stance.

The general staff of the Ukrainian armed forces said in a Facebook post that Russian attacks in and around Avdiivka had been repelled on Saturday, but gave few details.

**Russia attacks along Ukraine front** - Russian forces attacked northern and southern stretches of the front in Ukraine's eastern Donbas region overnight yesterday, pressing on with their offensive despite assertions from Kyiv that Moscow's assault was flagging near the city of Bakhmut.

**Some 10,000 Ukrainian civilians**, many elderly and with disabilities, are clinging on to existence in horrific circumstances in and around the besieged city of Bakhmut, the International Committee of the Red Cross (ICRC) said.

**Russia targets civilians** - Russian long-range strikes killed at least 10 civilians and wounded 20 others in several areas of Ukraine over the past 24 hours, officials said.

**Russian occupying authorities in Crimea sell their property, take families away** - Russian command and Moscow-installed proxies in Crimea have begun evacuation from the occupied peninsula, selling real estate and evacuating families, Andrii Yusov, spokesperson for Ukraine's military intelligence, said.

Crimean residents heard a warning on radio stations urging them to prepare to leave Crimea, he told Ukrainian TV channel Freedom, suggesting the message was intended for those cooperating with Russian occupying authorities.

"For there (in Crimea) to be peace and order, it is necessary to liberate the peninsula and bring the legitimate Ukrainian government back there... to return Crimea to its native Ukrainian harbor, which will definitely happen shortly," said the official from the Ukrainian Defense Ministry's Main Intelligence Directorate.

"Therefore, all those who work for Russia had better leave the territory of Ukrainian Crimea soon."

Crimea has been under Russian occupation since 2014 following a fake Russian referendum to annex the territory.

President Zelensky vowed since the start of Russia's full-scale invasion to return all of Ukraine, including Crimea.

On Feb. 18, retired US General Ben Hodges, who commanded US troops in Europe, told the Ukrainian publication Ukrinform that Ukraine has a realistic chance to liberate Russian-occupied Crimea by the end of the summer if it gets long-range missiles.

**The Kremlin is preparing the Russians for the loss of initiative by the Russian army and the start of a counteroffensive by the Armed Forces of the Russian Federation – ISW** - Against the background of the failed "big" offensive of Russian troops in Ukraine, the information space of the Russian Federation is increasingly hearing phrases about a potential large-scale Ukrainian counteroffensive.

The large-scale spring "offensive" of Russian forces is reaching its climax, and therefore propaganda is beginning to prepare the Russians for a counteroffensive of the Ukrainian Armed Forces, included in a report by ISW.

Analysts note the Russian information space seems to be responding to the slowdown in the offensive operations of the Russian Armed Forces. Russian Command is unable to regain the initiative, causing concern with propagandists and politicians in the Kremlin. The Kremlin will need to transfer a significant number of forces to the front line to resume offensive actions.

Meanwhile, in the Russian information space, the ground is already being prepared for the counteroffensive of the Ukrainian Armed Forces. In addition, it is reported that Russian military correspondents are saying Ukraine will launch a counteroffensive before the Russian military-industrial complex can increase production and strengthen the capacity of the occupying forces.

Earlier, the deputy head of the GUR of the Ministry of Defense of Ukraine, Vadym Skibitsky, reported that the enemy is reorienting the directions for launching missile strikes on Ukraine.

**Explosions ring out in Sevastopol** - Locals report powerful explosions in Sevastopol in the area of Omega Bay.

## Comments, Updates, Developments and Reports

**South Africa unlikely to arrest Putin if he travels to country for BRICS summit** - South African authorities are weighing all options to avoid complying with the ICC arrest warrant issued for Russian President Vladimir Putin, Bloomberg reports, citing two Foreign Ministry staffers.

They said that the likelihood of South Africa arresting any sitting head of state on visit to the country is extremely low.

Earlier today, Kremlin spokesman Dmitry Peskov said that no decision had been made about Putin attending the upcoming BRICS summit which will be hosted by South Africa in August.

On Wednesday reports emerged that SA was planning to contact Russia regarding next steps following the ICC arrest warrant for Putin. "South Africa is a member state of the International Criminal Court and so we will have to have a discussion in the context of cabinet to decide how we respond," South African Foreign Minister Naledi Pandor said.

**Oman offers Ukraine to set up grain hub for Horn of Africa supply** - Oman has offered Ukraine to set up a grain hub in the Gulf country for the steady supply of Ukrainian grain to the Horn of Africa countries, Maksym Subkh, a Special Representative of Ukraine for the Middle East and Africa, said this morning.

In an interview with the state-owned news agency Ukrinform, Subkh cited Oman's authorities saying "Ukraine could be absolutely sure of regular supplies of the grain to the Horn of Africa."

According to Subkh, the idea of setting up the grain hubs has already reached "the level of agreeing on the technical details of implementation, including the financial component."

Subkh also added that Egypt is also interested in being involved in the grain hub.

The Horn of Africa comprises Ethiopia, Eritrea, Somalia, and Djibouti. It lies along the southern border of the Red Sea and stretches hundreds of kilometers into the Guardafui Channel, Gulf of Aden, and Indian Ocean.

**Accused Russian spy allegedly collected U.S. info on Ukraine war before arrest** - A suspected Russian intelligence officer arrested last year after allegedly trying to infiltrate the International Criminal Court was in the US gathering information on US foreign policy before his cover was blown, according to court documents filed Friday.

Sergey Vladimirovich Cherkasov, who lived under the alias Victor Muller Ferreira, was charged in the US District Court for the District of Columbia, for acting as an illegal agent of a Russian intelligence service while he attended graduate school for two years in Washington. He also faces several fraud charges.

Cherkasov has been imprisoned in Brazil for fraud since his arrest last April. Russia has been trying to extradite him, claiming he is wanted in Russia for narcotics trafficking. The FBI suspects Russia is using the narcotics charges as cover to bring its spy home.

The complaint filed Friday reveals more details about Cherkasov's life undercover, from time spent creating a false identity in Brazil more than a decade ago to applying for jobs in the US, including some requiring security clearance.

After years of living with his new identity, Cherkasov entered graduate school in Washington and received a US visa. CNN has reported he attended Johns Hopkins' School of Advanced International Studies.

"There is no better and more prestigious place to be," he wrote his handlers. "Now we are in the big-boys league."

Cherkasov's next stop was an internship with the ICC in The Hague. "The ICC was of particular interest to Russia in March 2022, after it received numerous public referrals regarding human rights violations committed by Russia and its agents during its invasion of Ukraine in February 2022," the criminal complaint says.



But Cherkasov was refused entry as he arrived to start the internship. He was arrested days later in Brazil for fraud.

**Comment** – So, it seems after all that the Kremlin is bothered by developments in the ICC.

**Russian spies detained in Slovenia allegedly worked for Russia’s foreign intelligence** - “Maria Mayer” and “Ludwig Gisch,” two suspects arrested in Slovenia and accused of spying for Russia in January, allegedly worked for Russia’s foreign intelligence service (SVR), the Guardian reported, citing anonymous sources.

According to the report, both are Russian citizens and were elite Russian spies.

Security services around the EU cracked down on alleged Russian spies performing in the wake of Russia’s invasion of Ukraine. Western countries have expelled hundreds of people working across Europe under diplomatic cover.

According to the report, in informal conversations after the arrests of “Mayer” and “Gisch,” Russia quickly admitted that the two arrested in Slovenia were intelligence officers.

The sources said that Russian and Western countries are discussing exchanging them for a person or people currently in custody in Russia.

“Gisch” reportedly used an Argentinian passport. On March 21, Slovenia’s Foreign Minister Tanja Fajon told reporters that the arrested couple were Russian citizens rather than Argentinians.

## Containment

**Joe Biden says no sign yet of China sending Russia weapons** - China has not yet sent weapons to Russia to replenish stockpiles that have been exhausted due to Moscow’s war in Ukraine, United States President Joe Biden said.

“I’ve been hearing now for the past three months China is going to provide significant weapons to Russia... They haven’t yet. Doesn’t mean they won’t but they haven’t yet,” Biden told a news conference on Friday during a visit to Canada.

**IMF staff reaches agreement with Ukraine for \$15.6bn loan** - If approved, as expected, the Ukraine programme would be the IMF’s biggest loan to a country involved in an active conflict.

IMF staff on Tuesday briefed board members on the deal – which would be Ukraine’s biggest loan package since Russia’s full-scale invasion on February 24, 2022 – and the board was supportive, a source familiar with the matter said.

If approved, the Ukraine programme would be the IMF’s biggest loan to a country involved in an active conflict.

## Putin & Russia

**Russia pardons 5,000 former criminals after fighting in Ukraine, Wagner head says** - More than 5,000 former criminals have been pardoned after finishing their contracts to fight in Russia's Wagner mercenary group against Ukraine, the founder of Wagner, Yevgeny Prigozhin, said on Saturday.

Wagner Group, originally staffed by battle-hardened veterans of the Russian armed forces, took on a much more prominent role in the Ukraine war after the Russian army suffered a series of humiliating defeats last year.

Prigozhin emerged from the shadows and recruited thousands of men from prisons, offering them the chance of freedom in return for serving in some of the most dangerous battles in Ukraine.

**Comment** – Is this an attempt to encourage further “prisoner” recruitment?

**Putin: Russia to modernize over 1,600 tanks over next 3 years, produce new ones** - Putin said earlier today his country planned to modernize 1,600 tanks available in its stock over the next three years, as well as ramp up tank production, Russian state media reported.

Putin's claim during an interview with a Kremlin-controlled TV channel appears to be a threat against Ukraine and Western nations, which the Russian leader claims plan to send 420-440 tanks to Kyiv.

Neither the West nor Ukraine revealed the number of advanced tanks Kyiv is set to receive in the nearest months.

Russia has long threatened Western nations against providing Ukraine with tanks, claiming they would "regret" making such a decision. Putin did not mention where the finance of his country's ambitious plan tanks would come from.

According to UGS, Russia has lost 5,483 tanks and fuel vehicles since the beginning of its full-scale invasion of Ukraine on Feb. 24, 2022.

**Question** – Why does Putin feel the need to make this public statement?

**Ukrainian Defense Ministry asks media to 'stay quiet' on Ukraine's counteroffensive** - Deputy Defense Minister Hanna Maliar has requested Ukrainian media "to stay quiet about any counteroffensives" that Ukraine's Armed Forces are planning or could conduct in the future.

Maliar noted on March 25 that only three officials in Ukraine are allowed to announce strategic plans of Ukraine's forces: President Volodymyr Zelensky, Defense Minister Oleksii Reznikov, and Commander in Chief Valerii Zaluzhnyi.

"We have one strategic plan – to liberate our lands. The details are a military secret," Maliar today on Facebook.

**Comment** – As written previously Ukraine is tight-lipped about anything offensive, whereas the Kremlin is always making statements – tells one something about the upper hand.

**Teachers in Krasnoyarsk fined for talking to students about Crimea** - In the Krasnoyarsk Territory, teachers were fined 30,000 rubles under an article about publicly discrediting the Russian army because of chatting with students about the annexed Crimea and Donbass. This is reported by the publication "Prospect of the World".

On the day the war began on February 24 last year, a history teacher spoke to tenth graders on VKontakte about the territorial affiliation of Crimea and Donbass. Among other things, he wrote: "Ukrainians did not come to Russian soil and did not take away Russian territory."

The teacher pleaded guilty, but noted that the messages appeared in the chat before an article about "discrediting" the army was added to the Code of Administrative Offenses. He deleted the messages on his phone, he left the chat for 17 people, but asked the students to continue to communicate "without politics."

**Comment** – Always a danger when politicians take it upon themselves to dictate and direct what students and schools can communicate, a la Goebbels in Germany in the 1930's. By enforcing rules such as these, states and governing bodies direct attention to subjects supporting their hypotheses and away from those contradicting their message.

This is an indirect method in cultivating a system of hatred and discrimination. South Africa did this for decades as does the Russian Federation at present.

Politicians in general are not renowned for intellect and openness to opposing views.

Whenever politicians take it upon themselves to regulate and legislate school and university curricula. It endangers the education and cultural process in any society, given its slant, by design, to a particular stream of desired (political) thought and dogma.



**We do not bomb civilian targets** – Tell that to the residents and neighbors of the apartment block pictures below.



**How Russia seizes Ukrainian businesses on occupied territories** - Thousands of companies in Mariupol, Melitopol, and other occupied cities have been re-registered in Russia.

A massive redistribution of assets is ongoing in the Ukrainian territories occupied by Russia: agricultural holding companies, factories, and mining plants are taken over by Russia. Novaya-Europe has found over a thousand companies in Melitopol, Berdiansk, Mariupol, Lysychansk, and Sievierodonetsk that are now registered as Russian entities.

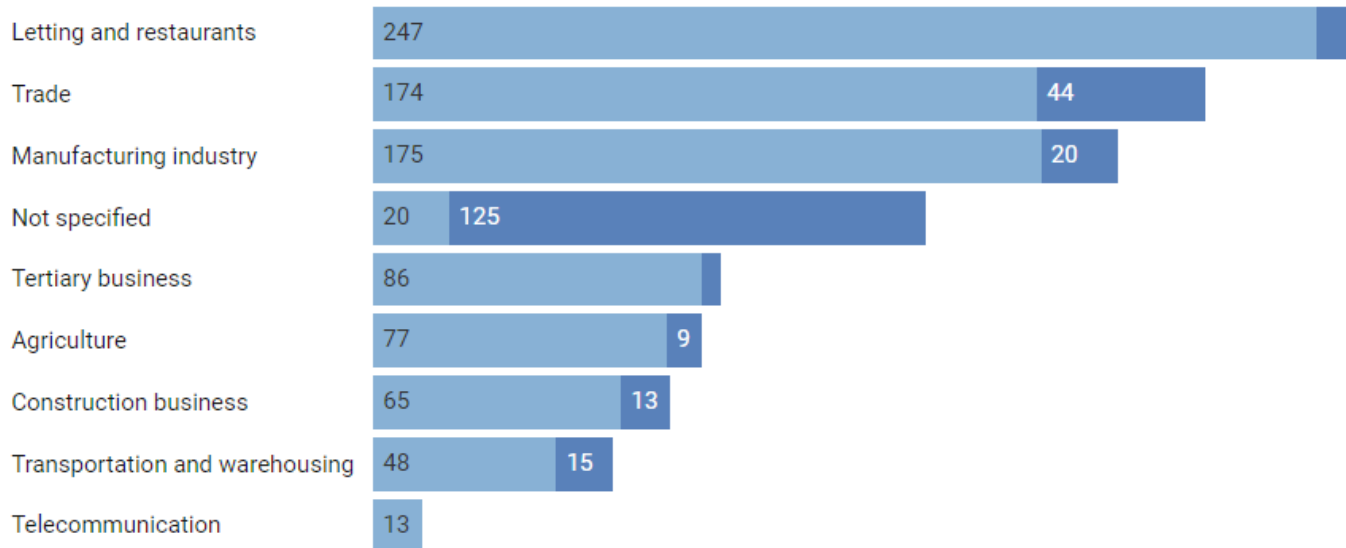
Russian soldiers first entered the premises of farming machinery factories in Melitopol on 3 June 2022. They forced security out and declared a change of management. Hydrosila, the rightful owner of the factories, announced that it lost control over its assets in the Zaporizhzhia region the following day.

After two months, Russian media reported that Hydrosila had restarted shipments to Russia, and Ukraine's Security Service accused the company of supplying Russia's defence industry with its products.

As of December, occupation authorities took over 400 enterprises in the Zaporizhzhia region, under the excuse of saving jobs and protecting factories from pillage. Anton Koltsov, head of the local occupation government, claims all of those assets are now owned by the administration and will not be transferred to any new owners.

The Russian military has taken control over granaries, food production facilities, manufacturing workshops, markets, pharmacy chains, and malls. All those facilities started appearing on the Russian register of companies last autumn, and over a thousand Ukrainian companies from Mariupol, Melitopol, and other cities have been transferred into Russia's jurisdiction so far, as per Novaya-Europe's calculations.

## Companies established **prior to** and **after** occupation, by line of business

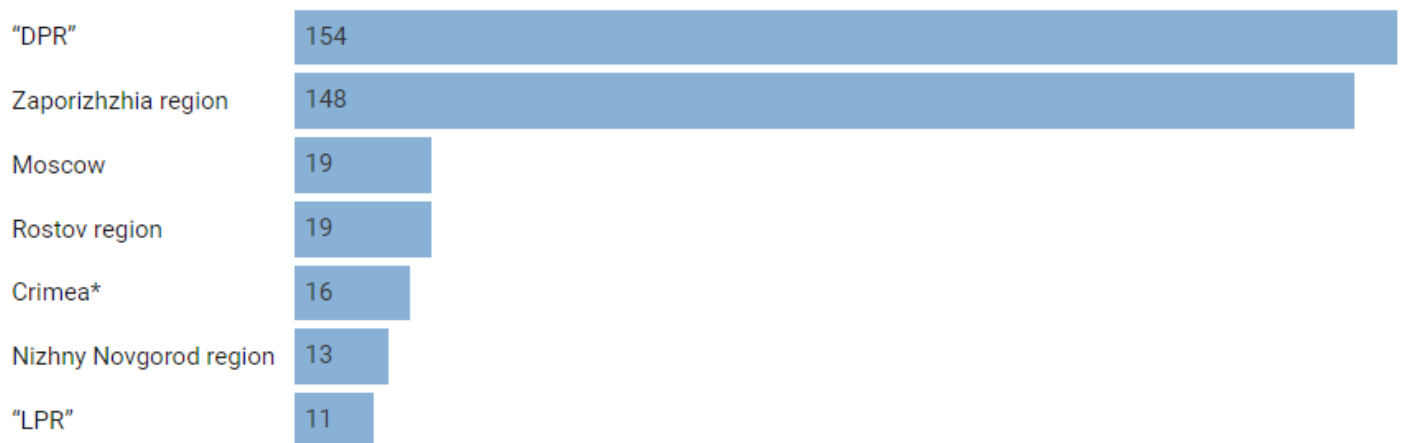


Source: SPARK, Youcontrol • [Get the data](#)

Of the 1,150 companies Novaya Gazeta discovered, 80% are also on Ukraine's register, which means they were established before the Russian troops arrived and were then transferred into Russian jurisdiction. Out of those, 250 are industrial and agricultural enterprises. The largest of them would generate an income of up to 450 million UAH prior to the war (€13.35 million in 2021), Ukraine's register says.

## Where do business owners come from

All companies of business owners in occupied areas



\*annexed by Russia

Source: SPARK • [Get the data](#)

The new owners of Ukrainian businesses are mostly Russians: 150 founders of enterprises in large, occupied cities have Russian citizenship, and only 14 are Ukrainian nationals. They open new production facilities or expand their companies in the occupied territories. Most frequently those are entrepreneurs from Moscow, the Rostov region, or Crimea.

Of the thousand companies in the occupied cities, only 260 have a disclosed owner. As Ilya Shumanov, CEO of Transparency International Russia, explains, this is how enterprisers try to avoid sanctions: “During the occupation of Crimea, the Russian authorities allowed the owners of Crimean companies to remain undisclosed so that they would not fall under sanctions. This creates a high risk of money laundering through corruption schemes and fraud. The same method is used in the occupied territories these days.”

The granite quarry in Tokmak is the largest producer of crushed stone in the Zaporizhzhia region - In June, armed men, alongside representatives of the military administration, entered its premises, turned off CCTV and threw the management into a dilemma: either to join the Russian jurisdiction or to leave.

In November, the quarry appeared on the Russian register with a new founder, a Crimean company called Centre for Economic Interaction of the Republics (CEIR). Its CEO Sergey Ageev was awarded the medal “For the Defence of Crimea” and added to the Ukrainian Myrotvorets list for being involved in the annexation of the peninsula.

**Mariupol destruction by Russia** - According to Ukrainian data, 90% of all buildings in Mariupol were damaged by shelling, and 40% were destroyed. Russia’s authorities were planning to construct 100 thousand square metres of housing, that is, at least a thousand apartments, by the end of 2022.