

Conflict Update # 300

December 20th, 2022

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Conflict Assessment

Russian losses – 99,230 (420) soldiers killed, 2,995 (+7) enemy tanks, 5,974 (+5) armored combat vehicles, 1,960 (+7) artillery systems, 410 (+0) MLRS systems, 212 (+1) air defense systems, 286 (+0) warplanes, 266 (+2) helicopters, 1,680 (+23) UAVs of the operational-tactical level, 653 (+0) cruise missiles, 16 (+0) warships/cutters, 4,599 (+7) trucks and tankers, 4 Iskander Missile Launchers (+0), 239 fuel bowsers (+0) and 177 (+2) units of equipment.

Key Takeaways



Russia-Ukraine live: Zelenskyy visits Bakhmut front line – Zelenskyy, pictured below, visited the Bakhmut front line and handed awards to Ukrainian servicemen who have been fighting at the epicentre of the war.



Losses too high: Russia’s army nears alarming mark - At the beginning of the Russian war of aggression at the end of February, the Kremlin had wished for a blitzkrieg against Ukraine. But even ten months later, the sirens are still wailing in Ukraine. Russian President Vladimir Putin’s “special operation” is eating up more and more lives and financial resources.

100,000 almost cracked: Russia “wasting lives” - In his evening video message, Ukrainian President Zelenskyy said that Russia had already lost almost 100,000 soldiers. “So far there are more than 99,000 soldiers, in a few days the losses of the occupiers will increase to 100,000,” says Zelenskyy.

“And for what? No one in Moscow has the answer and will not (in the future) have one.” The leadership in Moscow is “Waging war, wasting human lives – other people’s lives, not their loved ones, not their own lives, but other people’s lives,” the Ukrainian President stressed.

Putin lost ‘entire units’ in his disaster of a war in Ukraine - The Russian military continues to suffer heavy losses in the war. In some cases, entire units have been wiped out. Moscow throws men into the meat grinder without particular regard for their survival.

If the Kremlin wants to achieve anything on the ground, it will have to shift its obsolete tactics and adapt to the demands of the modern battlefield.

Nuclear-armed submarines slip in and out of the frigid waters along the coast of Russia’s Kola Peninsula at the northern edge of Europe. Missiles capable of destroying cities are stored by the dozens in bunkers burrowed into the inland hills.

Since the Cold War, this Arctic arsenal has been protected by a combat unit considered one of Russia's most formidable — the 200th Separate Motor Rifle Brigade — until it sent its best fighters and weapons to Ukraine this year and was effectively destroyed.

The 200th was among the first units to plunge into Ukraine on Feb. 24, as part of a fearsome assault on the city of Kharkiv. By May, the unit was staggering back across the Russian border desperate to regroup, according to internal brigade documents reviewed by The Washington Post and to previously undisclosed details provided by Ukrainian and Western military and intelligence officials.

A document detailing a mid-war inventory of its ranks shows that by late May, fewer than 900 soldiers were left in two battalion tactical groups that, according to Western officials, had departed the brigade's garrison in Russia with more than 1,400. The brigade's commander was badly wounded. And some of those still being counted as part of the unit were listed as hospitalized, missing or "refuseniks" unwilling to fight, according to the document, part of a trove of internal Russian military files obtained by Ukraine's security services and provided to The Post.

After months of ceding territory and losing thousands of troops, Putin is now trying to salvage his grandiose aims with an entire force that resembles the 200th: badly depleted, significantly demoralized, and backfilled with inexperienced conscripts.

Records reveal a brigade in crisis, according to officials and experts who examined captured documents.

"They are barely at 60 percent strength, being forced to rely on reinforcements that aren't near enough," Pekka Toveri, former director of Finland's defense intelligence service, said in an interview. "You have guys who are refusing to fight, guys who are missing. It all tells us that for Russia the war has gone terribly wrong."

In the months since the May inventory, the brigade has sustained further losses in engagements including a July firefight in the northeastern village of Hrakove, and it was among the Russian forces routed in Ukraine's September offensive to recapture large parts of the Kharkiv region.

All the while, the brigade was being degraded from within. The skilled troops and professional officers sent into battle at the start of the war with state-of-the-art T-80BVM tanks have given way to an assemblage of poorly trained conscripts pressed into service with paltry or outdated gear.

Some of the brigade's own soldiers described its condition as dire.

"The unit is in a state of decay," said a soldier now serving in the 200th after being drafted under mobilization orders that Putin issued in September. He and others were initially issued "painted helmets from 1941 and vests without plates," he said in an interview with The Post this month. "They are not even training us. ... They just tell you, 'You are a shooter now. Here you go, here is a machine gun.'"

In a war that has been disastrous for much of Russia's military, the dismemberment of the 200th stands out. It entered the conflict with better training, newer equipment and more experience — including prior combat missions in Ukraine — than most other units. Now, given the magnitude of its losses, one European military official said, it "cannot be considered a fighting force."

Comment — Early in the war we reported on intercepted discussions between Russian soldiers and their families. In one a Russian mother related a series of chats she had had with her now-deceased son. He informed her that his unit was the 3rd to enter Ukraine from Belarus, and that it had been severely mauled. The first two BTGs had "been entirely wiped out" he said, no survivors and tanks were absolutely gutted. He was also very hungry and cold.

His mother would later be told, after demanding information from Moscow, that her son was killed in training maneuvers in Rostov-On-Don in south western Russia.

Putin wants to train Belarusian aircrews with nuclear weapons - According to the Russian state agency Tass, Minsk described the Putin/Lukashenko talks as "constructive and productive". In addition to the agreement on a continuation of military cooperation between Russia and Belarus and even closer economic cooperation, there have been price agreements in the energy sector. In the military field, the two heads of state agreed on joint manoeuvres of their armed forces and the training of Belarusian aircraft crews with nuclear weapons. (**Comment** – This will raise the stakes insofar as US and EU strategists are concerned, and there will be some reaction).

Ukrainian troops are deploying a clever new counter-drone strategy, according to Sam Bendett of CNA, citing Russian sources on Telegram. The idea: "[A] group of drones fly at different heights during the night, but only one of them has a light. It attracts attention, provokes shelling from ground positions, while 'dark' drones record the data." And that data is later used to hit the locations that fired at the lit-up drone. Very clever.

Top Ukrainian official thinks Russia is about to run out of missiles, which strikes one as an incredibly bold claim. "If we count the massive attacks that have already been carried out, then they have at most two or three left, or they may be able to scrape together four," National Security and Defense Council Secretary Oleksiy Danilov told the Ukrainian newspaper Pravda on Monday. "But after that, they will completely run out of missiles," he predicted. However, "They still have S-300 [Soviet long range surface-to-air missile systems] missiles, which they are using now, unfortunately, over our cities. They have more or less enough of these missiles."

When asked about Iranian drones, he said "They still have those," but "we have learned how to fight them," Danilov said. "Recently, there was a case when we shot down 100% of the drones they launched." (That may have been the attack on Kyiv last Wednesday, in which 13 Iranian-made Shahed-136 and 131 drones were allegedly shot down before reaching their targets.)

Russia's Wagner Group officers hide in cover and watch with drones as 'expendable' troops are sent to die in Ukraine, UK intel says - The Wagner Group paramilitary, known for brutality, is fighting on behalf of Russia in Ukraine. Per a UK intel update on the Donetsk region, even low-level officers are far from combat, watching. It said they issue harsh commands to troops, often ex-prisoners, and send them to die from afar.

In an intelligence update, the UK's MoD said Wagner Group paramilitary is likely protecting its officers letting them stay far from combat and lead via drone.

Conflicting views in Russia over launching a counteroffensive: US - A senior state department official said there are conflicting views in Russia on whether or not to launch a counteroffensive in Ukraine.

"Certainly, there are some [within Russia] who I think would want to pursue offensives in Ukraine. There are others who have real questions about the capacity for Russia to actually do that," the Reuters News agency reported the state department official as saying, on the condition of anonymity.

The official reiterated that Washington would continue its support of Kyiv regardless of which scenario plays out.

Ukraine's top general, Valery Zaluzhnyi, said last week that Russia was preparing 200,000 fresh troops for a major offensive that could come from the east, south or even from Belarus as early as January, but more likely in spring.

Heavy losses for Russia: Ukraine lures 400 – 800 men into the trap - The Ukrainian army was able to hit Russia hard and have destroyed at least two Russian ammunition depots and positions of anti-aircraft systems in the east. The General Staff in Kiev, however, did not provide a specific location. In addition, Ukraine had succeeded in dealing Russia a heavy blow in terms of personnel. According to the report, 400 to 800 men were ambushed during battles for the city of Bakhmut in Donbass and "put out of action," according to Ukrainian presidential adviser Oleksiy Arestovich.

Wagner-Söldnergruppe verheizt Rekruten – Wagner burning through soldiers - According to British intelligence services, the Russian mercenary group Wagner uses recruits as cannon fodder in Ukraine. Some recruited soldiers received a smartphone or tablet that shows them their predetermined attack route and target with the help of satellite images, the MoD said Monday. For this advance they received fire protection, but rarely armored vehicles.

"Wagner members who deviate from their attack routes without permission are likely to face summary execution." The commanders would be informed from protected positions about drone images. "These brutal tactics are aimed at preserving Wagner's rare reserves of experienced commanders and armored vehicles at the expense of the more readily available convict recruits that the organization deems expendable," the British ministry stressed.

Russian army leaves behind a lot of military technology in retreat - The online news site refers to the information of the UGS. While Moscow neither comments nor denies the high figures given. According to the December 20 update, an estimated 99,230 Russian soldiers have been killed or wounded since February 24, the beginning of the war.

US and German technologists have been gaining access to the latest Russian weaponry and technology via destroyed, captured and abandoned equipment left behind in battles with Ukrainian forces.

Moldova's intelligence service warns of Russian invasion next year - Moldova fears a Russian invasion next year. "The question is not whether the Russian Federation will carry out a new offensive against the territory of the Republic of Moldova, but when," Alexandru Musteata, the intelligence chief of the country bordering Ukraine, said on state television. A period between January and April is possible. With the "new" offensive, Musteata was referring to the stationing of Russian soldiers in the breakaway part of Transnistria since the early nineties, who act there as so-called peacekeepers.

Moldova's Intelligence and Security Services, or SIS, released a statement on Monday aimed at clarifying comments made by the agency's head, Alexandru Musteata, who said during an interview with a local TV station that Kremlin forces could aim to cross into the separatist region of Moldova early next year.

"The question is not whether the Russian Federation will launch a new offensive in the direction of Moldovan territory, but when it will happen either at the beginning of the year, in January, February, or later, in March, [or] April," Musteata told TVR Moldova, which released a teaser ahead of the Monday evening broadcast.

Intelligence has been coming through that Russia plans a lightning raid to establish a corridor through to their Moldovan "peace keeping force." If successful, they will open a south eastern front against Ukraine.

Three people killed in Russian gas pipeline blast - Three people have died after a blast ripped through a gas pipeline in central Russia that brings gas through Ukraine to Europe, local officials and TASS news agency said.

Local officials said on Telegram that the flow of gas through the section of the Urengoy-Pomary-Uzhhorod pipeline had been cut as of 1:50pm (10:50 GMT).

TASS cited local emergency services as saying three people had died and one had been injured.

The Chuvashia regional Emergencies Ministry said the pipeline had blown up during planned maintenance work near the village of Kalinino, about 150km (90 miles) west of the Volga city of Kazan.

The pipeline, built in the 1980s, enters Ukraine via the Sudzha metering point, currently, the main route for Russian gas to reach Europe.

Russia attacked Ukraine oil and gas facilities, Naftogaz says - Ukraine energy company Naftogaz said that Russia attacked Ukrainian oil and gas facilities in the country's east overnight.

"Enemy missiles hit one of the facilities in the Kharkiv region. A large-scale fire broke out at the site, its elimination is currently under way. There are no casualties," the company said in a statement.

Oleksiy Chernyshov, chief executive of Naftogaz, said the damage would be assessed after emergency services finished their work and that everything damaged would be restored.

Chernyshov said earlier this month that Russian attacks on Ukraine had damaged 350 natural gas facilities, but production should be restored by the end of the year.

He said that the loss of gas production capacity amounted to about \$700 million.

Ukraine has right to defend its territory, decide its future – US - The US State Department stressed that Ukraine has a right to defend its territory and decide its future.

Asked about comments by former US Secretary of State Henry Kissinger recommending a ceasefire line between Ukraine and Russia based on the borders before February 24, spokesperson Ned Price said "Mr. Kissinger was speaking as a private citizen."

"We firmly believe that Ukraine, and only Ukraine, has the right to decide its future," he told reporters.

Putin

Putin wants to make new announcement: "We are waiting for important explanations" - According to Russian state media, Putin wants to make an important announcement next week. The reports come at a time when the Russian president has deliberately avoided the topic of his "special operation", including cancelling his traditional annual press conference before Christmas.

Speaking on Russian state broadcaster VGTRK, presenter Pavel Zarubin said: "We are waiting for important explanations." What exactly Putin might appeal to is still unclear. Meanwhile, rumors are circulating that Russia may soon launch a new offensive, possibly from Belarus. A visit by Putin to Belarus, where he wants to meet his close ally, the Belarusian ruler Alexander Lukashenko, has already been confirmed.

The Russian public seems to be growing increasingly skeptical of Putin's Ukraine invasion, according to the results of a recent phone survey conducted by opposition pollsters at the Russia-focused Anti-Corruption Foundation. Perhaps most notably, respondents who called Putin's invasion a "success" declined from 23 to 14 points from October to November; the opposite opinion, meanwhile, gained 4 points in the same time, according to Leonid Volkov of the ACF.



Russians also seem to be souring on the perceived strength of Putin's army, which has been both transformed and gutted during his tenure, as the NYT detailed in a six-part feature over the weekend. "In August, before mobilization, 35% assessed the quality of [the] Russian army [to be] above average, and just 15% considered [it] to be below average," Volkov notes. But the latest survey from November shows those numbers shifted from 35:15 to 20:28.

"Why are Russians losing faith in Putin's propaganda narratives?" Volkov asked. "The answer is obvious," he said. That is, "mobilization made them aware of what's actually going on. It reached out to almost every family in the country. It shocked those who believed in Putin's 'stability' for decades." As a result, Russian citizens seem to be more open to alternative perspectives about what's really going on than at any point in the conflict to date, he said. "That's why it is so important to talk to them," Volkov stressed. "Putin's propaganda has reached the limit of its effectiveness," he said, and the "Kremlin will face serious difficulties with the next wave of mobilization," he predicted. **(Comment –** We commented on this in previous Updates – “The proverbial cat is out of the bag” was quoted in a number of instances).

Putin says situation in annexed regions ‘extremely difficult’ - Putin says the situation in four territories of Ukraine that Russia claims to have annexed is “extremely difficult.”

“The situation in the Donetsk and Lugansk [Luhansk] People’s Republics, in the Kherson and Zaporizhia regions is extremely difficult,” Putin told the Russian security services on their professional holiday.

He singled out those working in the “new regions of Russia.” “The people living there, the citizens of Russia, rely on you, on your protection,” he said.

"Putin's fall could translate into civil war," warn CFR Senior Fellow Liana Fix and Catholic University Professor Michael Kimmage in the latest issue of Foreign Affairs. "Russia has a history of regime change in the aftermath of unsuccessful wars," they write. "A long war in Ukraine would probably spark a revolutionary flame in Russia." **(Comment –** Remember 1917?).

Putin orders FSB to step up surveillance of Russians and borders - Putin has ordered the Federal Security Service (FSB) to step up surveillance of Russian society and the country’s borders to prevent risks from abroad and traitors at home.

Speaking ahead of Tuesday’s Security Services Day – widely celebrated in Russia – Putin said the “emergence of new threats” increases the need for greater intelligence activity.

“Work must be intensified through the border services and the Federal Security Service,” Putin said.

“Any attempts to violate it (the border) must be thwarted quickly and effectively using whatever forces and means we have at our disposal, including mobile action units and special forces.”

Putin tells security services to find ‘traitors and spies’ - Putin has ordered the strengthening of Russia’s borders and instructed security services to keep greater control of society and root out “traitors, spies and saboteurs,” the country’s news agencies have reported.

Speaking on Security Services Day, widely celebrated in Russia, Putin on Monday instructed his security officials to protect the borders, increase control of society, and maximize their “use of the operational, technical and personnel potential” to prevent risks coming from abroad and internal traitors.

Containment

US cybermilitary force details its support for Ukraine’s digital defense - The Pentagon’s Cyber National Mission Force has been supporting Ukraine’s digital defense with daily consultations, a collaboration that has helped

unearth thousands of warning indicators of potentially compromised Ukrainian computer networks, a top U.S. cybercommander said on Monday.

The United States had a team of nearly 40 people from the force in Ukraine to help the country shore up its defenses before all U.S. troops were withdrawn from the country ahead of the Russian invasion.

But Maj. Gen. John Hartman, the force's commander, said on Monday that the United States had continued to conduct operations from inside the United States to assist Ukraine and stop Russian hackers.

Ukraine receives \$367M from Canada under loan deal - The Ukrainian government has announced that it received \$367 million from Canada under a loan agreement between the two countries.

"These are the funds of the five-year Ukraine Sovereignty Bond, which the Government of Canada launched to support Ukraine this difficult winter. The loan is provided on concessional terms through the Administrated Account of the IMF," said a statement on the Ukrainian government's online portal.

Ukrainian Finance Minister Marchenko said Canada "once again demonstrated its leadership in supporting Ukraine."

IMF approves donor fund for Ukraine - The International Monetary Fund says it has approved an economic monitoring program for Ukraine, which could help Kyiv secure donor funding.

The monitoring programme "is designed to help Ukraine maintain stability and catalyze donor financing amid very large balance of payment needs and exceptionally high risks," following the Russian invasion, the International Monetary Fund said in a statement.

Ukrainian authorities are committed to economic and financial reforms, concerning in particular tax collection, the domestic debt market, transparency and the independence of the central bank, the IMF said.

They have four months to prove their progress as per the Program Monitoring with Board involvement scheme, the statement said.

Ukraine needed between \$40bn and \$57bn to cover its budgetary and operating needs for 2023, said Gavin Gray, the IMF's head of mission for Ukraine.

Impacts

Electricity supplies in Kyiv at 'critical' level, says governor - Electricity supplies in the Kyiv region are at a "critical" level, with less than half the capital's power needs being supplied after more focused Russian missile and drone attacks on civilian infrastructure, regional officials said.

Kyiv Governor Oleksiy Kuleba said 80 percent of the region was without electricity for a second day after Russian drones hit energy infrastructure on Monday.



“The situation with electricity supplies remains critical,” Kuleba said on Telegram.

“I want to stress that with every shelling by the enemy, the complexity and duration of the repairs increase.”

National power grid operator Ukrenergo said it could provide less than half the required consumption in the capital Kyiv.

“Supplies to critical infrastructure are a priority. We expect that today we will be able to turn on equipment to enable the security of supplies to be increased, reduce the capacity deficit and connect more consumers,” Ukrenergo said.

Stoker in Russia’s Vologda, 61, faces 6 years in prison for posts about killed civilians in Ukraine - The Vologda prosecution has asked the court to send stoker Vladimir Rumyantsev, 61, to 6 years in prison in a case of spreading deliberately false information about the actions of the Russian armed forces, OVD-Info reports, citing lawyer Sergey Tikhonov. The sentence will be delivered on 22 December.

The prosecution claims that Rumyantsev was spreading information about the war through a radio post in his flat. The criminal case was launched after his social media posts about Ukrainian civilians killed in the war.

Rumyantsev was detained in July and pleads not guilty. He is accused of posting photographs of civilians killed by Russians in Ukraine.

Billionaire Oleg Deripaska’s Sochi hotel complex seized after Russian court order - A Russian court ordered the seizure of a luxury hotel complex owned by billionaire Oleg Deripaska, one of the few oligarchs to have criticized Putin’s war in Ukraine, a sign of the pressure facing the country’s tycoons since the invasion.

The legal dispute, following an initial claim brought by a science and educational hub under Putin’s patronage, predates the invasion and is not ostensibly linked to Deripaska’s guarded criticism of the war, which he has called “madness.”

But the court order to seize the \$1bn Imeretinskiy hotel complex and marina in Sochi came after the Kremlin asked Deripaska to stop criticizing the war, according to two people familiar with the matter.

The Kremlin asked him to tone down his criticisms, according to another person close to the oligarch, and has repeated that request at least once since.

Many oligarchs privately oppose the war, although few have made public comments. Several have told the FT they are afraid to disagree publicly with the Kremlin, citing fears of repercussions for them and their businesses.

Yet in June Deripaska warned that “destroying Ukraine would be a colossal mistake,” even as he shied away from criticizing Putin personally.

Two weeks later, the Sirius Federal Territory, a science, educational and tourism cluster established under Putin, filed three land dispute lawsuits against RogSibAI, Deripaska’s company that owns the Imeretinskiy complex.

Putin’s decision in 2020 to grant Sirius the status of federal territory — giving it its own government and budget — had meant it became in effect RogSibAI’s landlord. The science cluster and hotel complex are adjacent to each other on the Black Sea coast.

Publicly available court documents seen by the FT show that the judge ruled in favour of Sirius in September, evicting RogSibAI, with a separate judgment the same month ruling to seize all his company’s real estate.

US and Iran clash over Russia using Iran drones in Ukraine - The United States and its allies have clashed with Iran and its ally Russia over Western claims that Tehran is supplying Moscow with drones that have been attacking

Ukraine – and the US accused the UN secretary-general of “yielding to Russian threats” and failing to launch an investigation.

Iran’s UN ambassador Amir Saeid Iravani said that all restrictions on transferring arms to and from Iran were terminated in October 2020 and that Western claims that Tehran needed prior approval “has no legal merit”.

Iravani also insisted that drones were not transferred to Russia for use in Ukraine, saying “the misinformation campaign and baseless allegations ... serve no purpose other than to divert attention from Western states’ transfer of massive amounts of advanced, sophisticated weaponry to Ukraine in order to prolong the conflict.”

ISW Special Report

In a special report earlier today – ISW writes “Target Russia’s capability, not its intent”

US policy should recognize that the Kremlin’s intent regarding Ukraine is maximalist, inflexible, and will not change in the foreseeable future. The West should stop expending resources trying to change a reality it does not control and focus on what it can shape plenty: denying Russia’s ability to wage a war against Ukraine.

The inflexibility of the Kremlin’s intent goes beyond Ukraine. Russia’s goal to completely subordinate the Belarussian military likewise remains unchanged, although impeded by Russian setbacks in Ukraine, which provided Belarussian President Lukashenko room to maneuver. If Russia solidifies its gains in Ukraine, the Kremlin will most certainly try to complete the absorption of Belarus and—critically—link its military gains between Ukraine and Belarus. Moldova has been also high on the Kremlin’s list for years. Over the long term, the Kremlin could try to link its territorial gains beyond Ukraine by integrating other territories that Russia illegally occupies, such as Transnistria. This would impose dramatically different military posture requirements on NATO, which would be especially challenging if the US is required to act in the Pacific.

Putin’s goals regarding the United States have not changed either.

He made clear in a recent speech that he still intends to “collapse the Western hegemony.” Stabilizing Russia’s gains in Ukraine would provide the Kremlin with additional bandwidth to pursue this goal. (**Comment** – Ukraine is one of the world’s 6 “Bread Baskets,” and capture of the country significantly increases Russian ability to control future global food supply. This in turn will force many 3rd World countries to gravitate to Russia in order to not only survive, but also remain in power with the help of “Russian” wheat, grain, oils etc. plus their mercenary forces. This in turn consolidates a future new Global World Order with a wider politico-system favoring China and Russia with client-states swinging economic direction their way).

For these reasons, the West’s attempts to change Putin’s mind on Ukraine via negotiations and efforts to “reset” the relationship with Russia always had little chance to succeed. The West’s actions have been a factor but never the core driver in Putin’s foreign policy.

Fortunately, the Kremlin’s intent has never been the sole determiner of Russia’s actions. Russia’s ability to act on its intent also matters. Constraining Russia’s capability to pursue its aggression is both possible and the only approach that has changed the Kremlin’s behavior in the past.

- Ukraine and the West have forced Putin to accept less than his objectives many times when they actively countered Russia’s aggression.
- Battlefield defeats in Ukraine forced the Kremlin to reframe its goals in the information space—even as their true goals remained unchanged.
- The United States, Ukraine, and Ukraine’s allies should focus on denying the following Russian capabilities, which are essential to Russia’s efforts to strip Ukraine of its statehood and national identity:

- Momentum
- Territory
- Core military capabilities
- Offset capabilities/ability to pivot

Momentum - The most immediate requirement is ensuring that Ukraine preserves its momentum on the battlefield—even if Russia launches a renewed offensive in the winter of 2022-23.

- **Ukraine still has momentum** and is on track to liberate more of its territory and people if properly supported. Russia lost its initiative in the summer of 2022. Ukraine has been conducting effective successive operations in Kharkiv and Kherson oblasts and is preparing additional operations.
- **Putin is focused on breaking Ukraine’s momentum through several efforts:** a strategic bombing campaign and an offensive in Donetsk Oblast to force Ukraine into concessions; an information operation to confuse the West about the prospects of Ukraine’s counteroffensive, and about the Kremlin’s intent (both are failing); and condition-setting for a potential renewed offensive in the winter of 2022-23, possibly from the territory of Belarus.
- **Putin is trying to break Ukraine’s momentum because its forces need a breather to reconstitute if it is to hold existing and capture new territory in Ukraine.** Russia cannot fix its force generation issues in the short term. Putin invaded Ukraine with insufficient resources that Russia exhausted in pursuit of limited gains, including offensives on Mariupol and Severodonetsk. Russia’s offensive in Bakhmut follows the same pattern. Putin has refused to provide a breather for the Russian troops to refit, instead ushering his forces into the field to continue offensive operations. Russia’s efforts to conduct simultaneous defensive and offensive operations while also trying to regenerate its force are preventing Russian forces from reconstituting.
- **If Putin manages to freeze the frontline**—which a ceasefire or otherwise slowed Ukrainian counteroffensive would provide—he will have gained the time to at least partially reconstitute capabilities to pursue his unchanged goals of controlling Ukraine. A short-term cessation of hostilities along the current lines could provide Russian forces with the opportunity to rebuild their strength. In the medium term, a premature peace deal is one of the few options the Kremlin has to reconstitute the Russian military through conscription cycles and to freeze the frontlines in the best possible configuration that Putin can hope for in this war.
- **A breather would also lessen domestic pressures on Putin himself.** Each battlefield setback eats at Putin’s domestic resilience, as ISW assessed in October. These setbacks challenge Putin’s ability to balance his nationalistic power bases.

Territory - A military foothold in Ukraine is a core component of the Kremlin’s capability to launch future attacks. Such a foothold constitutes a permanent threat to Ukraine’s survival. Russia will use any territory it holds—especially in the strategically vital south of Ukraine—as a launchpad for attacks. Those territories would become Russia’s military bases—likely in perpetuity—if the fighting stops prematurely.

Imagine how much further Russia could advance in future years if it restarts its military offensive from forward base positions within Ukraine. (**Comment** – Look at how they are using Belarus as a forward base in their war against Ukraine). An expanded Russian military foothold would also impose enormous requirements on Ukraine to defend a vastly larger frontline than in the last eight years.

Core military capabilities - Putin is on a trajectory to further degrade Russia’s combat-capable manpower.

He will not hesitate, however, to sacrifice more of his forces in pursuit of his goals in Ukraine. This dynamic makes the question of the Russian ability to produce and maintain heavy and advanced weapons one of the most essential dynamics of this war. Denying Russia’s military-industrial complex access to global markets is essential.

The West has taken some steps in this regard, but Russia continues to circumvent export controls and must map and curb these efforts as well as its ability to source technology from Iran, China, and others, especially given indications that Iran may have reservations about helping Russia fully. China's military support has also likely been less than Putin hoped.

Another center of gravity in constraining Russia's ability to launch future attacks on Ukraine is committing to building up Ukraine's defenses in the long-term and reshaping NATO's posture.

Offset capabilities - The West must deny Russia the ability to regain the offensive in the information space, which have been a core offset capability for the Kremlin. Putin achieved goals beyond his means for years by simply manipulating perceptions.

ISW assessed in 2020 that he would become increasingly reliant on his ability to shape perceptions globally and domestically as his and Russia's real power diminished. The more the Kremlin loses on the battlefield, the more Russia invests in perception manipulation—the prime example of which is the re-emergence of the ceasefire narrative. The West must learn this lesson and deny the Kremlin its ability to use perception manipulation to advance its goals.

Russia is on the defensive in the information space—globally and domestically. That is a major advantage for the United States and Ukraine. If Russia gets a reprieve on the battlefield, if the fighting stops, the Kremlin will be able to pivot back to one of the few things it knows how to do well—manipulate perceptions.

Comment – As mentioned in previous Updates, the time is now right to, once and for all, eliminate the ongoing Russian international security threat that has persisted for over 100 years. It will not stop, even with the demise of Putin.

Some other despot will elevate upwards and grab power and a huge nuclear arsenal. The West needs to somehow penetrate the Russian information space just as BBC has done globally through the years with its international broadcast stations and capabilities. Spread the message across Russia that a better way is available.

But they need to be stopped now.

Geopolitics

Ukraine preparing for official steps to oust Russia from UN Security Council - Ukraine is preparing to take official steps to prove that Russia's presence on UN Security Council is "illegal" and have it removed from the body, Kiev announced.

Ukrainian Foreign Minister Dmytro Kuleba accused Russia of "poisoning" the UN and all other international organisations it is a part of "for many years."

Kuleba said Moscow holds permanent membership on the Security Council "without proper legal grounds for this and as a result of, frankly speaking, a fraudulent scheme, which took place 31 years ago." "International law, not intrigues and machinations for the sake of Russia -- this is what Ukraine will stand on," Kuleba added.

China says US warship illegally intruded near Spratly Islands - China says the guided missile cruiser USS Chancellorsville 'intruded' in waters around the disputed Spratly Islands, reported Qatar's Aljazeera.

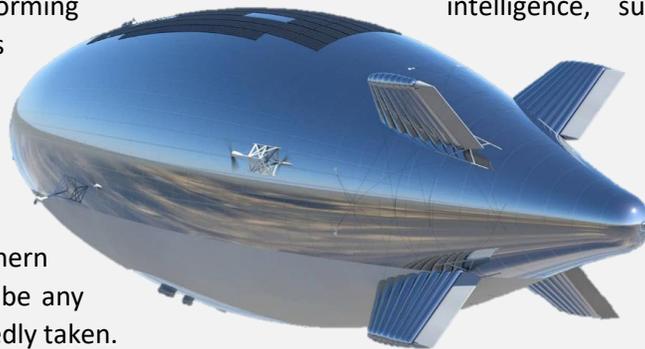
China's military has said it drove away a US Navy's 9,600-ton displacement Ticonderoga class warship that had "illegally intruded" into waters near the Spratly Islands in the disputed South China Sea.

"The actions of the US military seriously violated China's sovereignty and security," said Tian Junli, spokesman for the Southern Theatre Command of the People's Liberation Army.

China claims almost the entire South China Sea under a nine-dash line that an international court ruled in 2016 had no merit. It has ignored that decision, instead building artificial islands and expanding military activities in the sea, which is also claimed by the Philippines, Malaysia, Vietnam, Brunei and Taiwan.

The US rejects China's claims to the resource-rich waters. It has sent a number of warships through the South China Sea in recent years in "freedom of navigation" exercises.

Was a high-altitude airship spotted recently near the South China Sea? - Pictures that show what could be a high-altitude, long-endurance airship flying in the vicinity of the northern Philippine island of Luzon near the South China Sea have recently emerged. The Chinese military, among others, is known to be exploring high-flying lighter-than-air platforms capable of performing intelligence, surveillance, and reconnaissance missions and other tasks across long distances and for long durations, which would be well suited to operations in this region.



The pictures are said to have been taken by an individual in the province of Pangasinan on Luzon, the western part of which juts out into the northern end of the South China Sea, but there does not appear to be any readily available information about when they were supposedly taken.

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From what is seen, the object would look to be a teardrop-shaped airship with four tail fins. It's not entirely clear from the images whether it might have a translucent exterior or a metallic-like one. It seems more likely to be the latter, with the pictures that show it far away indicating that it is highly reflective.

Russia will give Iran military components in exchange for drones: UK - British defence minister Ben Wallace said Russia intends to give Iran advanced military components in exchange for drones.

"Iran has become one of Russia's top military backers," Wallace told Parliament as part of a statement on the Russia-Ukraine conflict.

"In return for having supplied more than 300 kamikaze drones, Russia now intends to provide Iran with advanced military components, undermining both Middle East and international security."

Putin to supply Iran with nuclear weapon parts in exchange for killer drones - Iran is to receive parts for nuclear weapons in exchange for killer drones capable of carrying out Kamikaze attacks on targets, the UK's Defence Secretary has confirmed.

Kremlin chiefs will supply Iran with components capable of making deadly nuclear weapons, Britain has confirmed.

Russia will help Tehran in exchange for hundreds of Kamikaze drones currently being fired at Ukrainian targets. Last week the Daily Mirror was first to highlight alarm over Russia wanting to help Iran develop its nuclear programme in exchange for weapons.

This followed claims by former FBI terror expert Ali Soufan that Russia may enable Tehran's secretive nuclear programme.

It is believed they have struck secret deals - Shahel-136 missiles for nuke components, putting Iran's old enemy Israel under threat. Soufan had written: "Both countries are subject to sweeping US and European sanctions and the extent to which Russia is able to provide Iran with hard currency payments for the drone production agreement is unclear.

Question – Are you watching Israel?

Sanctions

Russia becomes China's biggest oil supplier, overtaking Saudi Arabia - China's crude oil imports from Russia rose 17 percent in November as Chinese refiners rushed to secure more cargoes in advance of the G7 price cap on December 5.

The jump made Russia the top oil supplier for China ahead of Saudi Arabia.

From December 5, the European Union banned imports of Russian crude oil, and G7 nations introduced a cap of \$60 a barrel on Russian oil in an attempt to limit Moscow's ability to finance the war in Ukraine.

But steep discounts of Russian crude oil still attracted Chinese buyers in November, especially the independent refiners in the oil refining hub of Shandong.

Although some state-owned refiners began scaling back purchases due to concerns about Western sanctions on Moscow.

China's imports from Saudi Arabia totaled 6.62 million tonnes in November, or 1.61 million bpd.

Poland will not extend Russian oil contract - Poland's PKN Orlen will not extend a contract for Russian oil that expires in January.

The refiner said that a second long-term contract would not be implemented when sanctions are introduced, confirming a report by the Polish agency PAP.

"PKN Orlen will not extend the long-term contract, which expires in January 2023," the company said in a statement.

"The only binding contract for the supply of Russian oil in 2023 will cease to be implemented when the sanctions are introduced, for which we are prepared".

Russian oil exports crater by 54% in the first full week of the EU's embargo amid a shortage of tankers willing to carry cargoes - Since the European Union imposed its seaborne crude sanctions, Russian oil exports have tumbled by more than half, according to data compiled by Bloomberg.

In the week that ended December 16, which marked the first full week after the ban set in, total volumes coming out of Russia fell by 1.86 million barrels a day, or 54%, to about 1.6 million. The four-week average also dropped to a new low for 2022.

Signs also pointed to a shortage of ship owners who were willing to transport Russian oil from an export facility in Asia, the report said.

Other evidence has emerged that the market for ships is tightening. US oil company Exxon Mobil is avoiding hiring oil tankers that used to carry Russian supplies, according to Bloomberg.

Global energy rival Shell has also made a similar move as the possibility of some Russian oil being left over in a tanker risks violating sanctions.

While a "dark fleet" of tankers has been assembled to move Russian oil below the radar, the oil majors are making it harder for those ships to eventually go back to moving non-Russian supplies.

Comment – Global energy market players refusing to use or contract renegade sanctions-busting vessels will more than likely see those ocean carriers opt out of supplying Russia with ships. Just like in road transportation, backhauls are very

important, particularly with VLCC ships which are very expensive to operate, and prohibitively expensive to operate sans full loads in both directions. They will not be able to have their cake and eat it.

Rouble drops to seven-month low as sanctions rock Russia's currency - The rouble has dropped to a more than seven-month low against the dollar as fears rise over the possible effect of sanctions on oil and gas on the Russian currency.

On Tuesday morning, the rouble was 2.2 percent weaker against the dollar at 69.19, its weakest mark since May 11.

It had lost 2 percent to trade at 73.54 versus the euro, its weakest since May 6, and shed 2.4 percent against the yuan to 9.89, clipping a near six-month low.

The rouble remains the world's best-performing currency this year.

But, after the pressure of sanctions in recent weeks, Veles Capital said in a note, the weakening rouble makes sense, referencing the \$60-per-dollar oil price cap and the ninth package of European Union sanctions against Moscow.

"On Monday, the pressure was seriously strengthened with information about preparations to introduce a 'ceiling' on the price of Russian gas from the start of 2023," Veles Capital said.

Russia turns to Bitcoin as financial woes worsen - Russia is considering turning to cryptocurrency as it looks for ways to strengthen its finances amid crippling Western sanctions imposed in response to President Vladimir Putin's war in Ukraine.

The country's lower house of parliament, the state Duma, is this week expected to consider a bill that would pave the way toward creating a domestic cryptocurrency market.

The legislation would legalize cryptocurrency mining and the sale of the cryptocurrency mined from January 1, 2023. Its authors include the chairman of the Duma Financial Markets Committee, Anatoly Aksakov, and deputy chairman of the Committee on Information Policy, Information Technologies and Communications, Anton Gorelkin.

Russia complains 'we can't buy what we need' as sanctions bite – A Kremlin propagandist has complained about the impact of sanctions imposed on Moscow following its invasion of Ukraine. The comments by TV anchor Ivan Trushkin came as one economic expert told Newsweek that the financial pain Russia is feeling will become "even more pronounced" in 2023.

During a segment on the show Mesto Vstrechi (Meeting Place) on Russia's NTV channel, Trushkin despondently asked a guest why Russia had access to different currencies such as dollars and euros "but we cannot spend them on what we want because of those very sanctions."

His guest responded: "we can spend it on what we want," prompting Trushkin to interrupt "I mean on what we need," before adding, "I don't understand anything."

The clip was tweeted by Ukrainian interior affairs adviser Anton Geraschenko, who wrote "We can buy what we want. We can't buy what we need," in referring to Russia's predicament, before adding, "sanctions are working."

Russia accuses U.S. of 'impotent malice' over sanctions - Russia lashed out at the US last Friday, accusing the State Department of "impotent malice" over fresh sanctions imposed against a Russian oligarch and ally of Putin.

The Russian embassy in the US issued a scathing statement shortly after Secretary of State Antony Blinken said Washington had imposed sanctions on Vladimir Potanin, one of Russia's wealthiest oligarchs and a close associate of Putin, in response to Russia's full-scale invasion of Ukraine.

Grain shipments from Ukraine ports hit record high in 2022 - Grain shipments from Ukraine's Danube ports hit record high in 2022. Ukraine's Danube river ports have boosted grains transshipments by 42 times to an all-time high of 6.1 million tonnes so far in 2022, Ukraine's seaport authority said.

Three small ports - Izmail, Reni and Ust-Dunaisk - offered the only maritime routes for cargo exports for almost six months after Russia attacked Ukraine in late February.

Overall turnover at the Danube ports had risen by 294 percent to 14.5 million tonnes so far this year, the authority said.