

# Conflict Update # 21

*April 2<sup>nd</sup>, 2022*

## Conflict Assessment

**Change in Ukrainian tactics** – with enormous Russian losses of soldiers and equipment, estimated to be more than 17,000 personnel killed, over 2,000 tanks and armored vehicles destroyed, over 200 jet fighters and 300 helicopters shot down, Russia is re-positioning its forces to concentrate on the east around the Donbas and Kharkiv zones.

It is expected they will replace ground troops with long-range missile and artillery barrages and attacks.

It is noted of late that Ukraine is now receiving anti-missile and anti-aircraft defense systems en masse. Huge shipments are being delivered to them via a 24-hour round-the-clock supply with C17 and C130 planes.

The US has stepped up production of these systems as has France and the UK.

It appears that Ukraine is now gearing to a different battle – namely to engage airborne attacks. A senior Ukrainian military officer indicated that they need to “reach the launch” zones. This is a major change in tactic.

“Launch” zones have mainly been launches of missiles and projectiles from aircraft over Russian and Belarussian air space, or missiles from within Russia itself.

Reports are being heard of Ukrainian squads positioning themselves in foreign territory around launch sites, such as airfields and rocket enclaves, with the plan to shoot them down as they are launched.

Increasingly sophisticated NATO weaponry is being delivered to Ukrainian forces in preparation for the anticipated change in Russian tactics.

Should Russia be running out of weapons, as outlined in the section **“*Putin ‘running out of missiles’ because all the parts are made in Ukraine*”** below, then scrutiny of Chinese and other CIS-state replenishing will be increased for signs of replacing Russian shortfalls of vital equipment.

It is astounding that, if reports of Russian weaponry being nearly totally dependent on parts and systems made in Ukrainian factories are correct, they have bombed these production cities into oblivion. Coupled with their extremely poor field performances, this is an astounding failure in strategic and tactical plans.

They have two remaining “arsenals” - (i) long-range missiles and projectiles and (ii) their Black Sea fleet off Odessa. The weapons above will potentially counter the first and those as mentioned below in **“*Russian official issues stark warning as UK anti-ship systems become ‘legitimate targets’*”** will address the latter.

Look for Russia to grab as much land as possible and then head to the table for negotiations between Zelenskyy and Putin. Ukraine is highly unlikely to agree to any land forfeiture.

Watch this space.

**‘Punishment from above’: Underground hobby pilots build deadly drones for Ukraine** - Amateurs from drone racing community band together to improvise mini-aircraft to attack Russian forces and surveil targets for airstrikes.

At a secret location in the Ukraine city of Lviv, the windows taped up to ward off unwanted attention, underground hobbyists improvise deadly drones bound for the front line of the war against Russia.

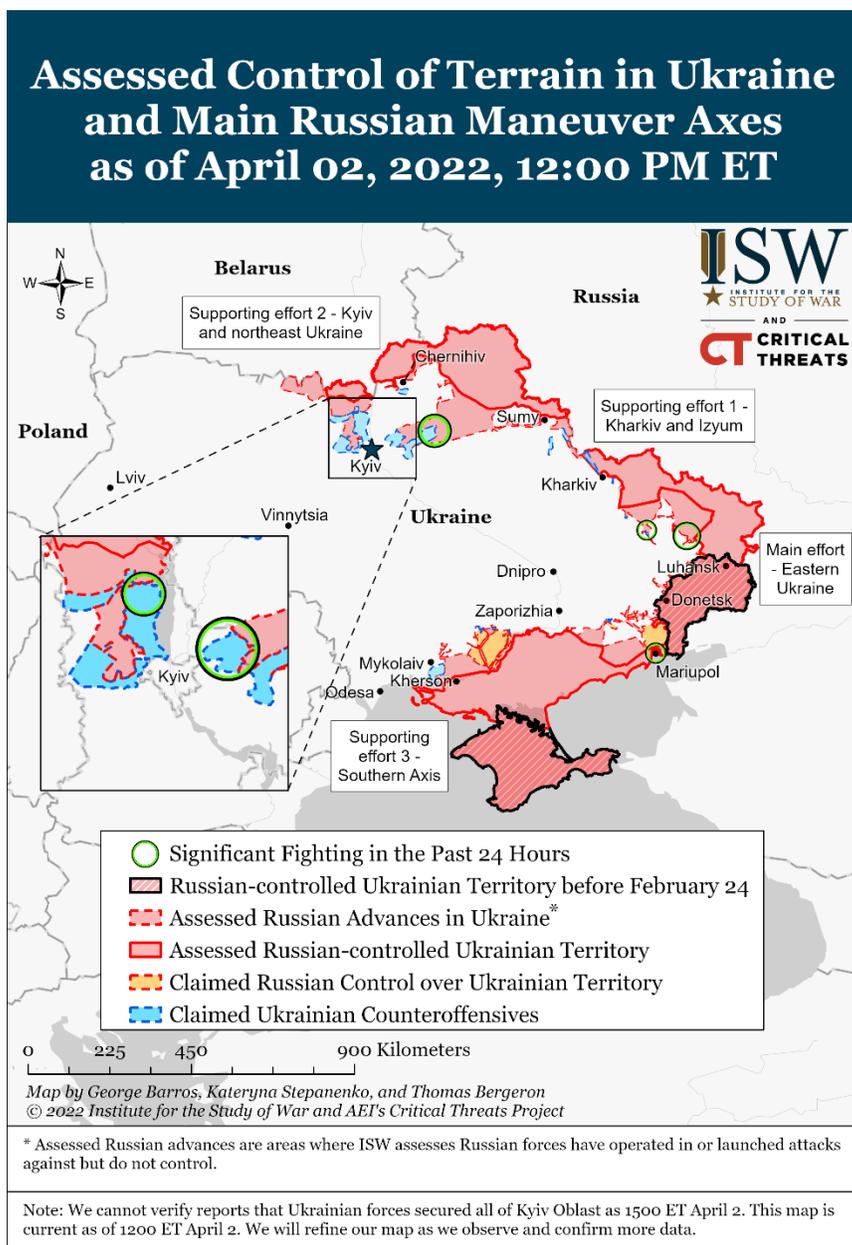
On a cluttered table the x-shaped frame of one drone stands among bundles of plastic propellers and bags of minuscule screws. Soon it will take flight with its payload — a wine bottle-sized anti-tank grenade designed to plunge on Russian vehicles.

Reports have said that mobile teams armed with drones played a key role in parrying the attack on Kyiv by marking targets for air strikes, forcing the convoy to disperse. “This is a technique for reconnaissance and adjusting artillery fire.”

**Belarus movement of Russian retreating forces** - On Friday, citizens on the highway near Gomel in Belarus might have noticed a long, long line of tanks, trucks, APVs, and other equipment headed into the city. This particular mass of muddy, battered hardware represents the surviving Russian forces escaping from Kyiv and Chernihiv. But for the Belarusians, they’d be easy to overlook. That’s because the highways in Belarus have been full of military vehicles for weeks. Those vehicles have driven east. Those vehicles have driven west. Those vehicles have driven every direction except south into Ukraine.

What is rather extraordinary is that Belarus is a member of what’s sometimes called “Russia’s NATO,” the Collective Security Treaty Organization (CSTO). There are six members of CSTO: Armenia, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, and Russia. There used to be three more—Azerbaijan, Georgia, and Uzbekistan—but they all dropped out; possibly because they weren’t fond of how one of their fellow members kept stoking unrest in their countries.

Despite appeals from Russia, **Armenia has not** sent troops to fight in Ukraine. **Belarus has not** sent troops to fight in Ukraine. **Kyrgyzstan has not** sent troops to fight in Ukraine. **Tajikistan has not** sent troops to fight in Ukraine. And when it comes to **Kazakhstan**, on Friday it produced a genuinely shocking statement from their government. It stated that it would not join in any Ukrainian operations but also that it doesn’t recognize the Donbas statelets of Luhansk and Donetsk as independent states. Rather galling for Russia is that Kazakhstan is also a member of the “**Shanghai Five**” – see below under “**Future Geopolitical Alignment**” section.



**President Zelenskyy Strips Ranks From Two Top Generals** - Ukraine's president said in his nightly address Thursday that he has stripped two top generals of their rank.

Zelenskyy called the generals "antiheroes." One of the generals had been the chief of internal security at the country's main intelligence agency, while the other had been the intelligence agency's chief in the Kherson region.

**U.S. official confirms Ukrainian strikes on Russian territory** - Ukraine is denying any involvement in an attack on a Russian oil depot in Belgorod, but a U.S. official confirmed that Ukrainian helicopters did carry out the strike.

**Landmines** – Russia's planting of land mines shows its troops know they've been defeated and don't plan another big attempt on Kyiv. Russian forces are using banned anti-personnel mines to cover its tactical retreat in Ukraine, Human Rights Watch said.

The recent discovery of anti-personnel mines comes as Russia claims it is scaling back its assault near Kyiv. Experts say Russian troops' use of anti-personnel mines as they withdraw from the region shows they don't plan another big attempt on Kyiv

**Ukrainian parliament signs law offering \$1 million rewards** to defecting Russian soldiers who hand over a fighter jet or a warship. In a statement written on the Rada's website, Bill 7229 proposes that anyone who delivers Russian equipment to Ukraine receive generous payouts.

For example, the Rada states that anyone who gives the Ukrainian military a Russian warship or a combat aircraft (either a fighter or an assault aircraft) can receive up to a \$1 million reward.

A military vehicle, such as a specialized truck, will receive a reward of up to \$10,000.



As well as money, the statement also says that anyone who gives up Russian equipment will get "secrecy, a safe stay in Ukraine and support in obtaining new documents and leaving for a third country."

**Invasion of Ukraine fuels fears among draft-age Russian youths** - As Moscow's forces bog down in Ukraine, many young Russians of draft age are increasingly jittery about the prospect of being sent into combat. Making those fears particularly acute is an annual spring conscription that began Friday and aims to round up 134,500 men for a one-year tour of military duty.

Defense Minister Sergei Shoigu pledged at a meeting of the military brass this week that the new recruits won't be sent to front lines or "hot spots."

But the statement was met with skepticism by many in Russia who remember the separatist wars in the southern republic of Chechnya in the 1990s and early 2000s, when thousands of poorly trained young men were killed.

All Russian men aged 18-27 must serve one year in the military, but a large share avoid the draft for health reasons or deferments granted to university students. The share of men who avoid the draft is particularly big in Moscow and other major cities.

The very resistance to being drafted shows that evidence of the war and its casualties is filtering through into Russia.

Russia has signaled it is considering changes to laws governing how recruits are called up, deferments for medical reasons and in making it easier for military conscription to transpire.

These changes have not gone unnoticed by the Russian people, signifying to them that something is not right in the so-called “operation,” as is being portrayed and reported by Russian media channels. Increasing reports are being received of Russian mothers again rising against the government. As previously reported in our Updates, this is an Achilles Heel for Putin, one of which he is particularly sensitive.

With Moscow being the preeminent source of recruitment, and with its dense population areas, casualties and fatalities will quickly be noticed and circulated. This also explains Russia’s aggressive and urgent search for mercenaries and foreign troops. But its traditional partners such as the Caucasus states have refused to cooperate, including Belarus who always seem to promise something but deliver nothing insofar as invading Ukraine is concerned.

**Ukraine’s media-savvy approach in Russia** – Ukrainian media coverage of Russian casualties is beamed into Russia together with photographs of prisoners and details of those killed in action. Ukraine created the portal which is directed at Russian families seeking information about their loved ones.

Many of the reports of captives and casualties appeared to have been of those taken prisoner during initial days of the invasion. Videos emerged from Ukraine of captured Russians, some being shown calling their parents, and were put on social media. The mother of one of the prisoners said she recognized her 20-year-old draftee son in a video even though he was shown blindfolded.

There have been allegations that before the invasion, some conscripts were forced to sign military contracts that allowed them to be sent into combat — duty that is normally reserved only for volunteers in the army. Some of the captured soldiers said they were told by their commanding officers that they were going to a military exercise but suddenly found themselves fighting in Ukraine.

**Putin ‘running out of missiles’ because all the parts are made in Ukraine** - Putin is said to be running out of missiles, tanks and aircraft, because the parts they rely on are made in Ukraine.

The engines of Russian military helicopters and key components for warships, cruise missiles and the majority of the nation’s fighter jets are all made in Ukrainian factories, the Telegraph reports. The factories, which also produce parts for tanks and ground to air missiles, no longer supply the Russian army.

The army is also understood to be running low on arms following five weeks of sustained bombardment of Ukrainian cities. As Russian troops have withdrawn from Kyiv they have left behind dozens of abandoned tanks.

The T-72 battle tank is one of the Russian army’s main armored vehicles but parts for it are understood to be manufactured in Izyum, an eastern Ukrainian city that Putin’s forces have recently captured but the factories are gone.

Throughout the conflict, reports have circulated of Ukrainians capturing Russian tanks or taking out armored vehicles with drones. Open-source intelligence estimates suggest that Russia has lost at least **2,000 tanks and armored vehicles**, although true figures are suspected to be higher.

It is also believed that Russia will be unable to restock its Kh-55 cruise missiles, which are launched from the air and have the ability to carry nuclear warheads, because they too rely on imported components. The Kh-55 is used by Russia, China and Iran, and uses an **engine manufactured in Kharkiv**, senior defense sources told The Telegraph.

## Peace Talks

**Zelensky says Turkey ready to become guarantor of Ukraine's security** - Ukrainian President Volodymyr Zelensky tweeted on Thursday he had discussed steps toward peace in Ukraine with Turkish President Recep Tayyip Erdogan. During the conversation, Zelensky noted the high level of organization of negotiations of Ukrainian and Russian delegations in Istanbul. Besides, the Ukrainian leader said he appreciates the readiness of Turkey to become a guarantor of Ukraine's security.

Ongoing peace talks will likely protract, and the Kremlin is unlikely to withdraw its main demands in the near future.

Russia and Ukraine may have reached initial agreements on Ukrainian “neutrality” in ongoing negotiations but remain stalled on the Kremlin’s refusal to discuss Crimea and the Donbas.

The Ukrainian government flatly denied Kremlin claims that Kyiv has agreed to Russian control over Crimea and Donbas.

**Russian realignment of forces** - Ukraine and its allies have warned that the Kremlin is not de-escalating to promote trust but instead plans to regroup and restock as it shifts its focus to Ukraine’s Donbas region.

## Financial

**Putin's war in Ukraine is devastating Russia's economy** - wiping out 15 years of growth and sending inflation skyrocketing. Russia's economy all but imploded in the 1990s. It shrank 7% a year on average for seven straight years.

The experience lingers in the minds of Russians who lived through it. Indeed, President Putin has historically framed himself as Russia's savior, delivering a stable economy and restoring national pride.

Now, however, his brutal war in Ukraine is set to wipe out 15 years of growth and send the Russian economy back to the dark days following the fall of the Soviet Union.

Sanctions by the US and its allies have slashed Russia's access to the global financial system, with the central bank cut off from just under half of its \$640 billion stockpile of global currency reserves. (Business Insider).

Western governments are panicking in the face of high inflation rates of between 5% and 8%. But Russians are likely to have to cope with inflation of 20% or more by the end of the year, according to economists.

**US Report** - Punishing sanctions imposed by the United States and its allies on Moscow for invading Ukraine are pushing Russia into recession and starting to turn it back into a closed economy, a senior US Treasury official said on Friday, April 1.

The official, speaking on condition of anonymity, told reporters that the Treasury sees Russia as struggling with steep inflation, diminished exports, and shortages despite a recovery of its ruble against the dollar. The official dismissed the rebound as driven by stringent capital controls and foreign exchange curbs, not market forces.

**Why is Putin demanding that Europe pays for Russian gas in rubles?** - It’s not entirely clear, to be honest. More than likely, European officials believe it could more of a “bluff to ward off further sanctions”, Reuters reported today.

Another motivation (assuming Europe acceded to the demand in the first place) would be to help further bolster the Russian currency after weeks of volatility.

# Widening of Conflict

**Russian official issues stark warning as UK anti-ship systems become 'legitimate targets'** - A Russian official has warned that British long range artillery and anti-ship systems could become "legitimate targets" if they are sent to Ukraine. These systems will pose a direct threat to Russian vessels operating in the Sea of Azov, thought to shortly commence heavy bombing of the Port of Odessa.

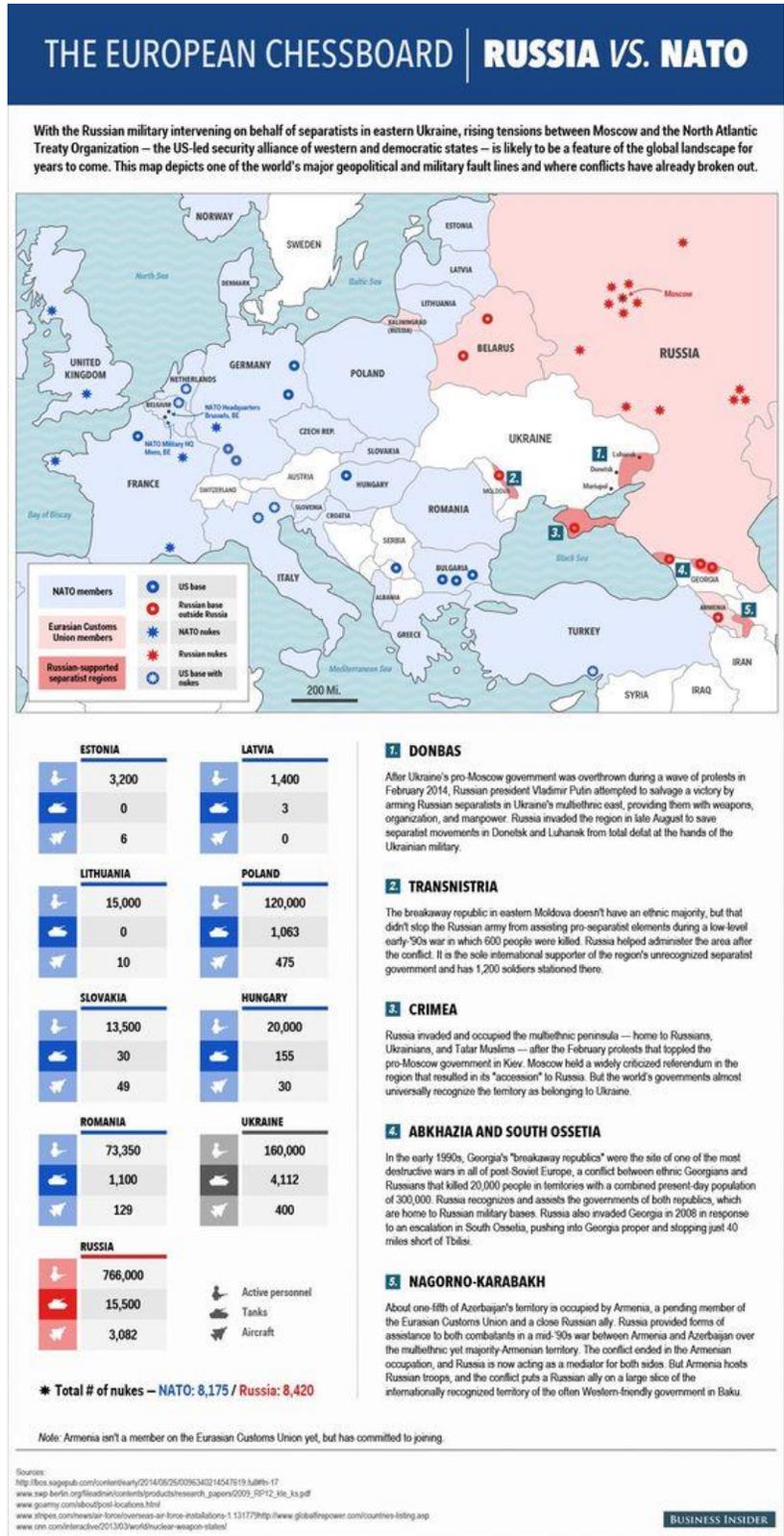
These same Russian ships are currently bombarding the city of Mariupol.

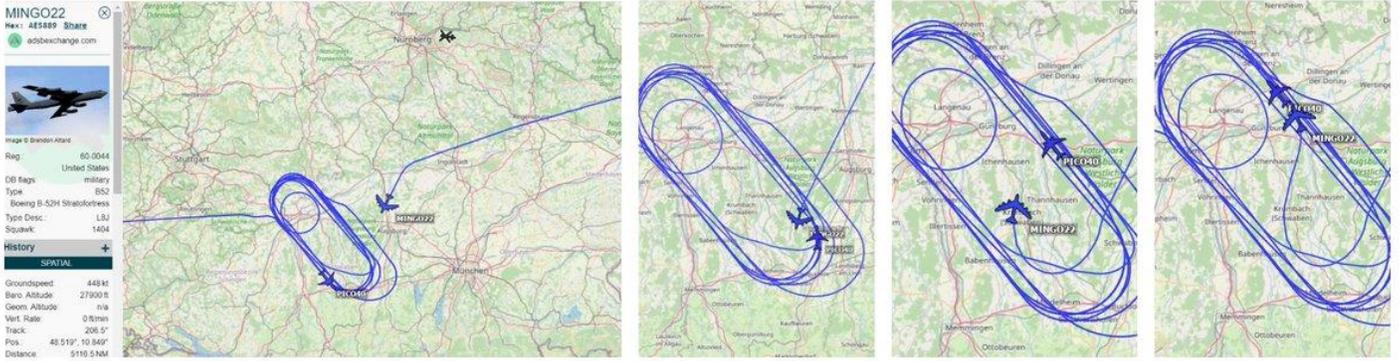
Speaking to Russian news agency TASS, Russian Ambassador to the UK Andrey Kelin said the weapons would be "destabilizing". It comes as the delivery of the artillery and anti-ship systems was announced by the UK Ministry of Defense.

**NATO Vs Russia** – The map to the right depicts the larger confrontation between Russia and NATO and the possible return to Cold War power dynamics in Europe.

## Containment

**US KC-46 tankers operating on NATO's eastern front** - Air Mobility Command head Gen. Mike Minihan on March 10 approved the deployment of four KC-46s and 220 airmen to Moron Air Base in Spain, AMC spokesman Capt. Chris Herbert confirmed in a statement to Breaking Defense. Pickart noted the tanker is restricted from refueling NATO and certain US aircraft, such as the A-10 Warthog. However, it is now cleared to pass fuel to more than 85% of US aircraft types — most recently the stealthy F-35 and F-22, as announced by TRANSCOM commander Gen. Jacqueline Van Ovost on Thursday. See diagram below of the flight paths of these aircraft.





## Sanctions

**Russia-Linked Shipping Containers Stacking Up in Rotterdam** - sanctions on Russia are snarling thousands of ocean shipping containers, the boss of the port said in an interview that gave unique insights into how the beating heart of Europe’s real economy is being disrupted by the measures against Moscow.

Out of thousands of parcels with each arriving vessel, “several tens or hundreds may be destined toward Russia,” he said. “You need to isolate them, set them apart, and then do physical inspections of the containers before they can be released.”

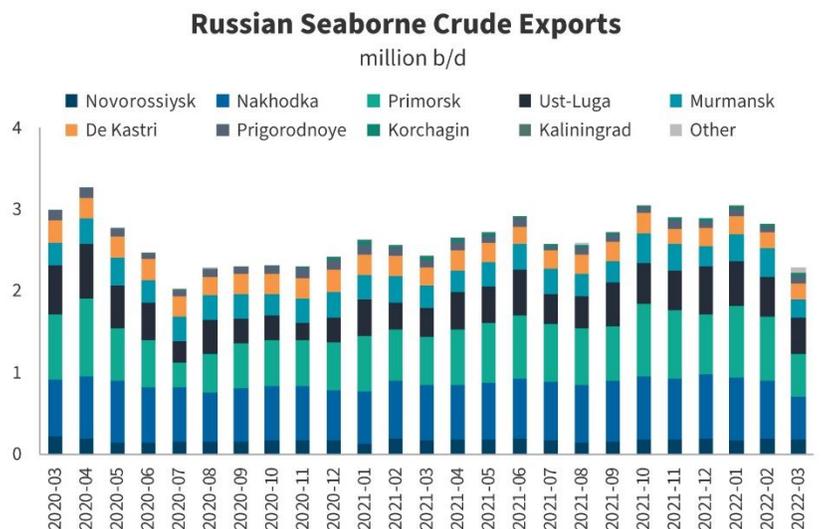
“That exercise delivers constraints on the value chain in terms of physical space, manpower and time,” he said, adding that the port currently has 4,500 containers that have been set aside for inspection, an extraordinary situation. “We’re trying to keep that number as low as possible because the yard itself is constrained.”

Currently, about 30% of Russian crude oil, 25% of liquefied natural gas, and 20% of oil products and coal are routed via Rotterdam, according to the port’s website.

**Antigua Finds Two More Yachts Belonging to Oligarch Roman Abramovich** - The government of Antigua has confirmed that two yachts in its waters are linked to Russian oligarch Roman Abramovich, who is under UK sanctions in connection with the Russian invasion. They are the third and fourth yachts to be publicly connected to Abramovich, one of Russia’s richest citizens.

**Ship fuel suppliers stop serving Russian vessels in the Med** - Marine fuel sellers have stopped serving vessels flying the Russian flag at major European hubs including Spain and Malta in another blow to Moscow’s exports, five industry sources with knowledge of the matter told Reuters.

**Sanctions Drive Russian Oil into the Shadows** - Some of Russia’s oil exports will be lost, but much will be redirected. Refiners in India, China, and other markets will buy deeply discounted oil from Russia, and commodity traders will hold oil in storage and sell volumes to third-party buyers. Some of Russia’s oil trade will “go dark” through illicit transactions and obfuscation. Policymakers may soon decide the current round of sanctions is not having the desired impact. The pressure for full sanctions on Russian energy



exports will grow, perhaps in a phased process that would allow exceptions for some big European importers. That is a recipe for even higher oil prices. (CSIS).

Kayrros data indicate that “oil on the water” has risen by 11 percent since Russia’s invasion of Ukraine, with more volumes either in transit or stored in tankers. Russian export flows are changing. Price-sensitive refiners in India are buying Urals crude at a discount to Brent crude prices of \$25 per barrel or more. In China, both independent refiners and state oil companies are buying ESPO blend and Urals volumes. And in Europe and elsewhere, commodity trading houses are likely to buy and store Russian crude and products for eventual resale. Off-the-radar transactions make it hard to calculate the current market disruption with great precision, but the revenue loss for Russia will be smaller than many hoped.

## Impacts

**Greenpeace Blocks Transshipment of Russian Oil in Denmark** - Greenpeace activists from Denmark, Sweden, Norway, Finland, and Russia took to the seas in kayaks and rubber boats, and even swam, in an attempt to block the transshipment of Russian oil between two crude oil tankers off the Danish port of Skagen.

**Former UN prosecutor calls for global arrest warrant for Putin** - the former chief prosecutor of United Nations war crimes tribunals for the former Yugoslavia and Rwanda has called for an international arrest warrant to be issued for Russian President Vladimir Putin.

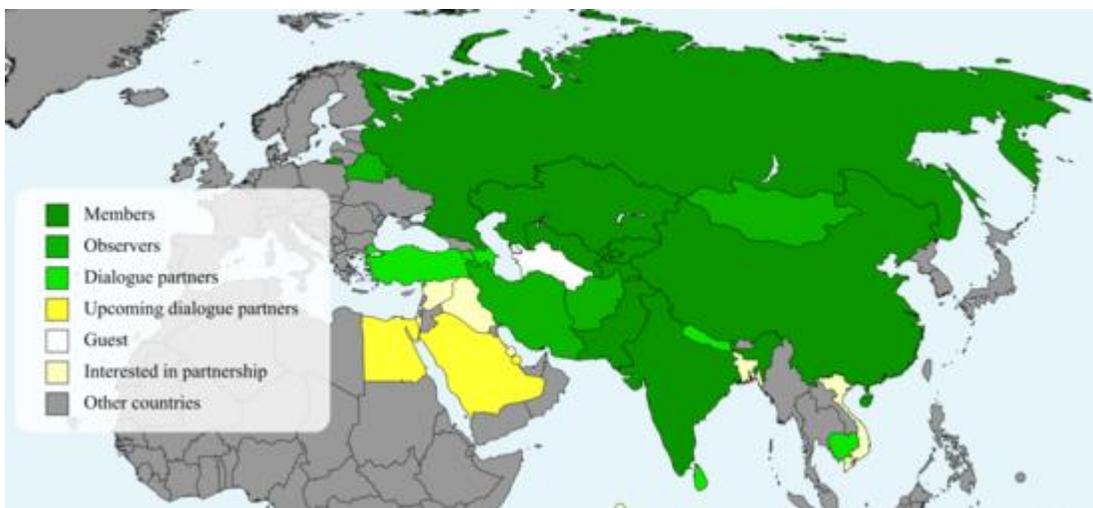
“Putin is a war criminal,” Carla Del Ponte told the Swiss newspaper Le Temps in an interview published today.

## Future Geopolitical Alignment

**Shanghai Cooperation Organisation** – The Shanghai Cooperation Organisation (SCO), also known as the Shanghai Pact, is a transcontinental political, economic, and security alliance. In terms of geographic scope and population, it is the world's largest regional organization, covering approx. 60% of the area of Eurasia, 40% of the world population, and more than 30% of global GDP.

The SCO is the successor to the Shanghai Five, a mutual security agreement formed in 1996 between **China, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan**. On 15 June 2001, the leaders of these nations and Uzbekistan met in Shanghai to announce a new organization with deeper political and economic cooperation; the SCO Charter was signed on 7 July 2002 and entered into force on 19 September 2003. Its membership has since expanded to eight states, with **India, and Pakistan** joining on 9 June 2017. **Iran** started accession as a full member in September 2021 at the Dushanbe Summit in Tajikistan. Several countries are engaged as observers or partners.

The SCO is governed by the Heads of State Council (HSC), its supreme decision-making body, which meets once a year. Military exercises are also regularly conducted among members to



promote cooperation and coordination against terrorism and other external threats, and to maintain regional peace and stability.

The SCO, further bolstered by inclusion of an “**Observer**” state class seeing **Afghanistan, Belarus, Iran** and **Mongolia** join, established relations with the United Nations in 2004 (where it is an observer in the General Assembly), Commonwealth of Independent States in 2005, Association of Southeast Asian Nations (ASEAN) in 2005, the Collective Security Treaty Organization in 2007, the Economic Cooperation Organization in 2007, the United Nations Office on Drugs and Crime in 2011, the Conference on Interaction and Confidence-Building Measures in Asia (CICA) in 2014, and the United Nations Economic and Social Commission for Asia and the Pacific in 2015. SCO Regional Anti-Terrorist Structure (RATS) has established relations with the African Union's African Centre for the Study and Research on Terrorism (ACSRT) in 2018.

The SCO is widely regarded as the "alliance of the East", due to its growing centrality in Asia-Pacific, and has been the primary security pillar of the region.

**India & China** - Relations between China and India have been characterized by border disputes, with three military conflicts – (i) Sino-Indian War of 1962, (ii) border clashes in Nathu La and Cho La in 1967, and (iii) the 1987 Sumdorong Chu standoff. However, since the late 1980s, both countries have successfully rebuilt diplomatic and economic ties. In 2008, China became India's largest trading partner and the two countries have also extended their strategic and military relations.

Since 2013, border disputes have reemerged to take centre stage in the two countries' mutual relations. In early 2018, the two armies engaged in a standoff at the Doklam plateau along the disputed Bhutan-China border. Since summer 2020, armed standoffs and skirmishes at multiple locations along the entire Sino-Indian border escalated. A serious clash occurred in the Galwan Valley resulting in the death of a number of soldiers from both sides.

Both countries have steadily established and increased military and civil infrastructure in border areas.

Additionally, India remains wary about China's strong strategic bilateral relations with Pakistan, and China's funding of separatist groups in Northeast India, while China has expressed concerns about Indian military and economic activities in the disputed South China Sea.

Because of restrictions on the type of weaponry allowed in the conflict zones, many skirmishes are conducted with hand-held weapons such as clubs and batons.

