

 BRIEF

Russia-Ukraine Conflict: Situational Updates

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Scope Note

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Russia-Ukraine Conflict: Situational Updates

Executive Summary

Ukrainian and Russian delegations have reportedly made progress in negotiations, but a peace settlement remains a distant prospect due to non-negotiable demands on both sides of the conflict. The United States announced USD 800 million in immediate military aid to Ukraine, and an additional USD 13.6 billion is allocated to Ukraine as part of a federal funding bill. Russian President Vladimir Putin said that he will increase public sector salaries, pensions, and the minimum wage to counteract the effects of Western sanctions.

Analyst Commentary

Negotiations between Ukrainian and Russian delegations may have progressed toward a resolution in recent days. On March 16, 2022, the *Financial Times (FT)* reported that the two sides drafted a 15-point peace plan that was first discussed on Monday. The draft plan reportedly called for Ukraine to declare neutrality, accept limits to its military, and renounce plans for NATO membership in exchange for security guarantees backed by Western allies.¹ Kremlin Press Secretary Dmitry Peskov suggested that a demilitarized and neutral Ukraine could look like Austria or Sweden: maintaining its own armed forces but rejecting military alliances and not allowing foreign military bases.²

However, Ukrainian negotiators pushed back on Russian suggestions of neutrality or progress toward a peace plan and indicated that the parties still face irreconcilable differences. Ukrainian presidential advisor Mykhailo Podolyak said that the plan reported by FT represented only Russian demands.³ Podolyak rejected the use of other

¹ <https://www.ft.com/content/7b341e46-d375-4817-be67-802b7fa77ef1>

²

<https://iz.ru/1305889/2022-03-16/peskov-nazval-kompromissnym-predlozhenie-po-demilitarizacii-ukrainy-po-obraztcu-shvetcii>

³ https://twitter.com/Podolyak_M/status/1504136862277017607



countries as a model given Russia's direct attack on Ukraine; he said that Ukraine would demand absolute security guarantees, such as non-NATO alliances that would require security guarantors to enter a conflict to defend Ukraine in the event of another Russian invasion. Ukrainian President Volodymyr Zelensky said that negotiations have become "more realistic," but other officials have openly expressed skepticism that Russia is holding talks in good faith.⁴

While the Ukrainian military maintains control of its major urban centers and continues to inflict heavy losses on Russian forces, President Zelensky will not agree to a peace plan that includes territorial concessions, demilitarization, or the resignation of his government. Podolyak has indicated that the Ukrainian government remains unwilling to countenance Russian control of Crimea, which suggests that a genuine resolution remains a distant objective. Additionally, President Putin does not appear ready to concede any of his political and military objectives. In a March 16, 2022, televised meeting with government officials, he said that the Russian military operation was proceeding as expected and accused pro-Western Russians of operating as a "fifth column" to undermine Russian stability.⁵

President Zelensky also spoke in front of the U.S. Congress on March 16, 2022. During his speech from Kyiv, President Zelensky played a video depicting the destruction of Ukrainian cities and pleaded with U.S. lawmakers to create a no-fly zone over Ukraine. Prominent Ukrainian officials and supporters have increasingly advocated for a no-fly zone, despite it necessitating a military confrontation with Russia. The U.S. government's stance on a no-fly zone does not seem to have changed since the start of the war, and it remains very unlikely.

On March 13, 2022, Russian missiles struck the International Peacekeeping and Security Center in Lviv oblast in western Ukraine. At least 35 people died and 134 were wounded in the strikes. The facility is only 15 miles from the Ukrainian border with Poland, and NATO has used it to train Ukrainian fighters. While no NATO forces were present during the attack, the missile strikes were a clear warning that Russia considers all military forces and supplies up to the Polish border to be legitimate targets. Russian missiles also struck a television tower and an administrative building in the northwestern city of Rivne on March 14, 2022, killing at least 19.

International Response

Following President Zelensky's speech to Congress on March 16, 2022, U.S. President Joseph Biden announced USD 800 million in immediate military aid to Ukraine. According to the White House, the aid will include 800 Stinger anti-aircraft systems, 2,000 Javelin anti-armor systems, 20 million rounds of small arms, and 25,000 sets of

⁴ https://twitter.com/Podolyak_M/status/1504090795883778050

⁵ <https://www.themoscowtimes.com/2022/03/16/putin-announces-measures-to-overcome-western-economic-blitzkrieg-a76968>



body armor.⁶ The day prior, President Biden signed a federal funding bill that includes USD 13.6 billion in funding to Ukraine for defensive military equipment, training, and refugee aid.

President Biden will hold a call with Chinese President Xi Jinping on March 18, 2022, to discuss Ukraine. U.S. State Department officials reportedly told NATO allies earlier in the week that China is considering sending military aid to Russia, and the United States has warned of unspecified consequences if China provides military assistance or helps Russia avoid Western sanctions.

In a show of solidarity with Ukraine, the prime ministers of Poland, Slovenia, and the Czech Republic traveled to Kyiv by train to meet with President Zelensky on March 15, 2022. Czech Prime Minister Petr Fiala said the trip was intended to show European Union (EU) support for Ukraine, but NATO Secretary-General Jens Stoltenberg clarified that it was unrelated to NATO. That same day, the United Kingdom (UK) revealed new sanctions to freeze the assets of more than 370 Russian individuals, including Defense Minister Sergei Shoigu, Prime Minister Mikhail Mishustin, and former President Dmitry Medvedev.⁷ The EU likewise announced new sanctions, including asset freezes against Chelsea Football Club owner Roman Abramovich and others, a ban on luxury goods exports to Russia, and bans on imports of steel products and energy sector investments in Russia.

Pharmaceutical and agricultural companies have begun scaling back their Russian operations, though the largest have said that they will continue to provide essential drugs to the country. Eli Lilly and Novartis suspended new investments in Russia, Bayer AG said that its 2023 crop supplies to Russia will depend on whether the war has ended, and Pfizer announced that it will cease clinical trials and donate profits from its Russian subsidiary.⁸ Yale School of Management is tracking companies that have announced changes to their Russian operations, stating their list has helped “catalyze the mass corporate exodus from Russia.” The Yale list currently tracks 444 companies based on whether they have “withdrawn,” “suspended,” “scaled back,” or “dug in.”⁹

⁶<https://www.whitehouse.gov/briefing-room/statements-releases/2022/03/16/fact-sheet-on-u-s-security-assistance-for-ukraine/>

⁷<https://www.gov.uk/government/news/foreign-secretary-announces-historic-round-of-sanctions-15-march-2022>

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<https://www.pfizer.com/news/press-release/press-release-detail/pfizer-updates-company-position-russia>

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<https://som.yale.edu/story/2022/over-400-companies-have-withdrawn-russia-some-remain>



Russian Response and Sanctions Impacts

On March 16, 2022, President Putin announced that he would raise the minimum wage and public sector salaries and increase pensions as Russia begins to experience the effects of Western sanctions. He acknowledged that the sanctions will lead to a rise in inflation and unemployment and require structural changes for the Russian economy but promised that there would be no large-scale goods shortages and that the Russian Central Bank would not print money.

The Russian finance ministry announced that it had paid USD 117 million in dollar bond interest payments after some Western creditors feared that Russia would be forced to default on its foreign debt. The interest payments were due on March 16, 2022, and Russia has a 30-day grace period to pay the debt—after which it would face sovereign default. Some creditors have reportedly received their dollar payments of Russian bond coupons, though it remains unclear that all will.¹⁰ Russian Finance Minister Anton Siluanov said that the sanctions have prevented Russia from servicing its foreign debt and that they will force the country into an “artificial default.”

On March 14, 2022, President Putin signed into law a measure that will allow Russian airlines to possess and utilize foreign aircraft that were leased by domestic airlines. The law will effectively nationalize hundreds of foreign aircraft in an attempt to stabilize the Russian air transportation industry, as it faces sanctions-related bans and the withdrawal of Western partners. President Putin has warned that Western businesses' physical assets could be seized if they leave Russia.¹¹

The Russian foreign ministry announced retaliatory sanctions against U.S. officials on March 14, 2022. President Biden, Secretary of State Antony Blinken, and former Secretary of State Hillary Clinton, among others, will face travel bans and asset freezes. Marina Ovsyannikova became the most visible Russian protester when she walked on-screen with an anti-war poster during state-run Channel One's nightly news program on March 14, 2022. Ovsyannikova was detained and will face a fine, but additional punishment is likely. Her act, however, has reportedly led to multiple resignations from Russian state TV networks. Finally, the first three Russian citizens have been charged with criminal offenses under Russia's new law banning the sharing of fake information about the Russian military. One of the individuals, food blogger Veronika Belotserkovskaya, was charged with sharing “knowingly false information” about Russian armed forces.¹²

¹⁰<https://www.reuters.com/world/europe/russia-says-its-order-pay-117-mln-eurobond-interest-fulfilled-2022-03-17/>

¹¹ <https://tass.ru/ekonomika/14061267>

¹²<https://www.theguardian.com/world/2022/mar/17/veronika-belotserkovskaya-putin-fake-news-law-first-victim-russia-ukraine>



Physical Security Impacts

Russian forces continue to pursue an encirclement of Kyiv on both sides of the Dnipro river, but their progress has stalled. They have conducted limited attacks to the northwest of Kyiv in recent days but were met by Ukrainian counterattacks. Neither side has made significant gains, and southern highways to and from the city reportedly remain open. The Ukrainian General Staff reported that they repelled a March 16, 2022, assault on Vyshhorod along the Dnipro river north of Kyiv. To Kyiv's northeast, Russian forces are gathered near Brovary, but they have not had success attacking Brovary or moving closer to the capital. Russian shelling of Kyiv increased in the past week; on March 15, 2022, artillery fire hit two high-rise residential buildings in the city and set them on fire. President Zelensky created a new joint military-civilian headquarters responsible for coordinating the defense of Kyiv.

Kharkiv is still controlled by Ukrainian forces but under heavy Russian artillery fire, and Russian forces have not been able to conduct successful offensive operations against the city. The Russian military is reportedly concentrating reserves around Kharkiv and may attempt to encircle the city, but it is unclear if they have the capacity to do so. Russian forces in the Donetsk oblast moving north are attempting to connect with forces moving south past Izyum and cut off Ukrainian defenses in the southeast.¹³

Mariupol is fully encircled and sustaining heavy Russian fire on civilian targets. A March 16, 2022, missile strike hit a theater that was being used as a shelter by more than 1,000 civilians. Russia has since claimed that the Ukrainian Azov Battalion was using the theater as a military base. It is unclear how many people died in the strike. However, officials report that in the last few days ceasefires have allowed car convoys to leave the city. On March 16, 2022, an estimated 11,000 people in a 2,500-vehicle convoy evacuated Mariupol toward Zaporizhzhia.¹⁴

Russian military forces have not initiated a large ground-based movement toward Odesa, Ukraine's largest port city on the southwest Black Sea coast. The largest Russian force is concentrated east of Mykolaiv, and others are moving northwest toward Voznesensk. Ukrainian defense officials reported that they counterattacked and pushed Russian forces up to 65 kilometers south of Voznesensk. Mykolaiv holds strategic value as a significant port city and obstacle in the path to Odesa, but the Russian military has not demonstrated the capacity to attack and take Mykolaiv. Nevertheless, a U.S. Department of Defense official told reporters on March 16, 2022, that Russia has increased its naval activity and has begun shelling Odesa with Black Sea warships. As Russian forces are not in position to begin a simultaneous land and sea operation against the city, this may indicate that they intend to target the city with standoff

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<https://www.understandingwar.org/background/russian-offensive-campaign-assessment-march-16>

¹⁴

<https://hromadske.ua/ru/posts/iz-mariupolya-16-marta-vyehali-eshe-okolo-11-tysyach-chelovek>



strikes to harass the local populace, weaken defenses, and await ground-based reinforcements.¹⁵

¹⁵ <https://twitter.com/DanLamothe/status/1504189829210329094>