

 BRIEF

Russia-Ukraine Conflict: Situational Updates

ZEROFOX INTELLIGENCE

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Scope Note

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Russia-Ukraine Conflict: Situational Updates

Executive Summary

The Russia-enforced blockade of Ukraine's Black Sea coast has prevented Ukraine from exporting an estimated 20 million tons of grain, and European Union (EU)-proposed plans to circumvent the blockade face significant short-term obstacles. Ukrainian and Russian leaders dismissed an Italian peace proposal, and Ukrainian President Volodymyr Zelensky compared suggestions that Ukraine give up Crimea to the appeasement of Nazi Germany. Russian forces in the Donbas are likely close to surrounding Severodonetsk and have successfully broken Ukrainian lines around Popasna.

Analyst Commentary

During a May 23, 2022, video address to World Economic Forum summit attendees in Davos, Switzerland, President Zelensky demanded more military and economic support from global leaders, saying that the Ukrainian military would not be facing destruction in the Donbas if they had received the full support of Western governments at the start of the conflict. In particular, President Zelensky urged the international community to help end the Russian blockade of Ukraine's Black Sea ports. The war has created an economic crisis in Ukraine, and its inability to export commodities—especially wheat—through the Black Sea has exacerbated high food prices and supply chain disruptions. In a speech to the United Nations (UN) in New York on May 17, 2022, Secretary-General António Guterres said that approximately 20 million tons of grain are stuck in Ukraine awaiting export, and an estimated 80 merchant ships are likewise unable to leave.¹ Ukraine exports about six million tons of grain and oilseed per month from its Black Sea ports in peacetime, but current

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<https://www.un.org/sg/en/content/sg/speeches/2022-05-18/secretary-generals-remarks-the-global-food-security-call-action-ministerial-%C2%A0>



conditions have left Ukraine's storage facilities full, with no excess capacity to store grain from the summer harvest.

Russia captured or destroyed much of Ukraine's naval fleet in 2014 when it occupied Crimea and established a blockade of the rest of Ukraine's Black Sea coast in February 2022 as the military invasion began. The Russian navy has positioned four submarines, two frigates, and other warships and missile boats in the Black Sea that have prevented commercial vessels from leaving port.² Several options for lifting or avoiding the blockade have been proposed, but none will fully resolve the current situation in the short to medium term. UK Foreign Minister Liz Truss supported a proposal by Latvian Foreign Minister Gabrielius Landsbergis that included a naval coalition of willing countries to help escort commercial ships through the blockade. Even if such a coalition were not led formally by NATO, it would risk confrontation between NATO and Russian ships and would require Turkish approval of naval vessels crossing the Dardanelles and Bosphorus straits, which it would be unlikely to give. In addition, Ukraine's ports are heavily mined, though Russia has claimed that they completed demining of the Mariupol port. The EU also drafted a plan to send Ukrainian wheat over land; however, Ukrainian railways use different gauges than the EU, and road transport faces shortages of trucks and drivers.

On May 25, 2022, Russian Deputy Foreign Minister Sergei Rudenko suggested that Russia would allow commercial vessels to leave Ukrainian ports if some sanctions on Russian exports and financial transactions were lifted. Ukrainian Foreign Minister Dmytro Kuleba accused Rudenko of attempting to blackmail Ukraine, and his suggestion was rejected by U.S. and Ukrainian officials. With limited avenues of negotiation remaining, Ukraine and the West are exploring a military solution. U.S. officials have reportedly indicated that they are considering transferring two types of anti-ship missiles—the Boeing Harpoon and the Kongsberg and Raytheon Naval Strike Missile—to Ukraine for use against the blockade. U.S. Defense Secretary Lloyd Austin also announced that Denmark will give Harpoon launchers and missiles to Ukraine.³ Ukraine has effectively used anti-ship missiles against Russia's navy during the war; for example, the Ukraine-made Neptune anti-ship missile likely contributed to the sinking of the Black Sea Fleet flagship *Moskva* in mid-April. The new weapons will, nevertheless, require weeks of training and will not, by themselves, be able to overcome the superior numbers and firepower wielded by Russia in its blockade.

International Response

² <https://www.ft.com/content/8151ba97-5c07-4cef-9ad9-234c532b2481>

³

<https://www.defensenews.com/pentagon/2022/05/23/ukraine-to-get-harpoon-anti-ship-missile-s-from-denmark-amid-russian-black-sea-blockade>



Ukraine and Russia have both rejected a peace proposal circulated to the UN and EU members by Italian Foreign Minister Luigi di Maio. The plan reportedly included Ukrainian neutrality guaranteed by multiple countries and broad autonomy for Crimea and the Donbas as part of Ukraine. The Russian Foreign Ministry received the Italian proposal on May 23, 2022, and said that it was being reviewed, but Foreign Minister Sergei Lavrov dismissed it as impractical. Days after the Italian plan emerged, former U.S. Secretary of State Henry Kissinger said that a genuine ceasefire would require Ukraine to formally cede control of Crimea to Russia. President Zelensky said that any suggestion of giving territorial concessions to Russia was comparable to appeasement of Nazi Germany and was not being considered.⁴

Hungarian Prime Minister Viktor Orban declared a state of emergency on May 24, 2022, saying that the country faces an economic crisis caused by the war in Ukraine. The declaration will allow Orban's government to rule by decree and extend the state of emergency that was already in effect as a result of the COVID-19 pandemic. Hungary continues to clash with leading EU members over its stance toward the Russia-Ukraine conflict. Prime Minister Orban has accepted Russian demands to pay for natural gas in Russian rubles and has rejected EU attempts to introduce an embargo on Russian petroleum products.

The U.S. Treasury Department announced that it would not extend a waiver that expired on May 25, 2022, and allowed Russia to make debt payments to U.S. bondholders through U.S. banks. The move makes it more likely that Russia will fail to make payments on its debt to U.S. citizens and may force the Russian government to default on its debt obligations. Russia had been paying its debt to U.S. bondholders via a special exception included in U.S. sanctions imposed against the Russian central bank. As a result of the Treasury Department's ruling, U.S. banks will not be able to process Russian debt payments made in U.S. dollars.⁵

Physical Security Impacts

The Russian military has made considerable progress in the past week in breaking through Ukrainian lines around Popasna and in advancing on Severodonetsk. Russia launched an assault on Severodonetsk on May 25, 2022, that the Ukrainian military says was repulsed, but Russian forces are likely close to surrounding the city. Russian forces have also had success advancing north and west from Popasna and will likely attempt to sever Ukrainian ground lines of communication on the highway between Bakhmut and Lysychansk. If successful, this could result in the encirclement of Ukrainian forces that remain in the Luhansk region. Ukrainian-held territory west of

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<https://www.wsj.com/livecoverage/russia-ukraine-latest-news-2022-05-20/card/italy-circulates-4-point-peace-plan-h2o9EfwULf6PlmwDbjdn>

⁵ https://home.treasury.gov/system/files/126/russia_gl9c.pdf



Severodonetsk and Lysychansk is the only remaining territory in the Luhansk region that is not controlled by Russia or Russia-backed separatists.

Russian authorities are attempting to consolidate their administrative control over both the occupied Kherson region and the partially-occupied Zaporizhia region. On May 25, 2022, Russian President Vladimir Putin signed a decree that will simplify the process for residents of the two regions to obtain Russian citizenship and passports, which supports prior reporting that the regions will soon face referendums on independence or Russian annexation.⁶ That same day, occupation authorities in Kherson also announced the introduction of the Russian ruble as a second official currency alongside the Ukrainian hryvnia.

During his speech to the World Economic Forum, President Zelensky said that 87 people were killed on May 17, 2022, by a Russian missile strike on a military barracks in the Desna, Chernihiv region.⁷ Russian Major General Kanamat Botashev was reportedly shot down in a Su-25 jet over Luhansk oblast on May 22, 2022. According to the Ukraine Ministry of Defense, 12 Russian generals have been killed in the fighting, and Botashev is the highest-ranking Russian pilot to have been killed in the war. The Ukrainian government ordered the last troops defending the Azovstal steelworks plant to surrender on May 20, 2022. The Russian Defense Ministry said that 2,439 Ukrainian military personnel in Azovstal have laid down their arms since May 16, 2022, with the final 500 doing so on May 20, 2022.

⁶ <https://ria.ru/20220525/grazhdanstvo-1790612394.html>

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<https://www.ukrinform.net/rubric-ato/3490104-bodies-of-87-people-found-under-rubble-after-russian-airstrike-on-desna.html>



Appendix: Traffic Light Protocol for Information Dissemination

Red

WHEN SHOULD IT BE USED?

Sources may use TLP:

RED when information cannot be effectively acted upon by additional parties and could lead to impacts on a party's privacy, reputation, or operations if misused.

HOW MAY IT BE SHARED?

Recipients may NOT share TLP:

RED with any parties outside of the specific exchange, meeting, or conversation in which it is originally disclosed.

Amber

Sources may use TLP:

AMBER when information requires support to be effectively acted upon but carries risks to privacy, reputation, or operations if shared outside of the organizations involved.

Recipients may ONLY share TLP:

AMBER information with members of their own organization and only as widely as necessary to act on that information.

Green

WHEN SHOULD IT BE USED?

Sources may use TLP:

GREEN when information is useful for the awareness of all participating organizations, as well as with peers within the broader community or sector.

HOW MAY IT BE SHARED?

Recipients may share TLP:

GREEN information with peers & partner organizations within their sector or community but not via publicly accessible channels.

White

Sources may use TLP:

WHITE when information carries minimal or no risk of misuse in accordance with applicable rules and procedures for public release.

Recipients may share TLP:

WHITE information without restriction, subject to copyright controls.