



**Doc. 15797**

20 June 2023

## Political consequences of the Russian Federation's war of aggression against Ukraine

### Report<sup>1</sup>

Committee on Political Affairs and Democracy

Rapporteur: Mr Emanuelis ZINGERIS, Lithuania, Group of the European People's Party

### Summary

One of the main political consequences of the Russian Federation's war of aggression against Ukraine is that it has forged a renewed bond amongst democracies in support of Ukraine. The 4th Summit of Council of Europe Heads of State and Government, held in Reykjavik on 16-17 May 2023, is the expression of this unity and resolve around common values.

For the Council of Europe and its member States, supporting Ukraine should be a political imperative. To turn it into a reality, four priorities are envisaged:

- supporting Ukraine for as long as it takes and stepping us assistance to Kyiv;
- completing and making operational without delay a comprehensive system to ensure the accountability of the Russian Federation and all those who help Putin's regime in its war of aggression;
- enhancing Europe's democratic security and resilience against external threats;
- taking robust measures to fill legal gaps and loopholes in the sanction system and isolating diplomatically the aggressor regime.

---

1. Reference to committee: Bureau decision, Reference 4742 of 19 June 2023.



**Contents**

**Page**

A. Draft resolution .....	3
B. Explanatory memorandum by Mr Emanuelis Zingeris, rapporteur .....	8
1. Introduction .....	8
2. Scope and procedure of the report .....	8
3. The imperative to support Ukraine .....	9
3.1. Addressing human suffering and material destruction .....	9
3.2. Supporting Ukraine's right to self-defence .....	10
3.3. Supporting democratic governance and recovery .....	11
4. Ensuring accountability .....	12
4.1. A comprehensive system of accountability .....	12
4.2. The Register of Damage .....	12
4.3. The Special Tribunal for the Crime of Aggression .....	13
4.4. Accountability for the Wagner Group .....	13
5. Security implications for Europe .....	14
5.1. A context fraught with risks .....	14
5.2. Escalating tensions in the Republic of Moldova .....	15
5.3. The situation in Georgia .....	16
5.4. The Western Balkans on a geopolitical fault line .....	18
6. The global perspective .....	18
6.1. Peace initiatives .....	18
6.2. Diverging narratives and views .....	20
7. Strengthening sanctions and improving their effectiveness .....	21
7.1. Restrictive measures .....	21
7.2. Addressing circumvention .....	22
8. Dialogue with Russian democratic forces and civil society sharing Council of Europe values .....	23
9. General conclusions .....	24
10. Recommendations on how to improve the effectiveness of sanctions .....	24

## A. Draft resolution<sup>2</sup>

1. Seventeen months since launching the large-scale invasion, Putin's regime persists in its brutal war of aggression against Ukraine. After the battle of Bakhmut (August 2022 – June 2023), which has been the longest in the war and has had a huge human cost, the Ukrainian counteroffensive is currently under way. As the Ukrainians advance and liberate areas of their territory illegally occupied by the Russian Federation, it is to be feared that new evidence of war crimes will emerge. The magnitude of the consequences of the destruction of the Kakhovka Dam, on 6 June 2023, will only be known in the coming weeks. This attack, aimed at delaying the Ukrainian counteroffensive, confirms the barbarism of Putin's war machinery and constitutes a war crime and ecocide.
2. Recalling its previous resolutions and recommendations on this matter, the Parliamentary Assembly reiterates its firm condemnation of the Russian Federation's aggression against Ukraine as a violation of international law and an act of unprecedented gravity, in itself and because of its far-reaching political, geopolitical, legal, humanitarian, environmental and economic consequences, in Europe and beyond.
3. By defending the sovereignty, independence and territorial integrity of their country, Ukrainians are protecting the values of the Council of Europe, and the basic principles enshrined in the Charter of the United Nations which are the foundations of the peaceful co-existence between States. One of the main political consequences of the Russian Federation's war of aggression against Ukraine is that it has forged a renewed bond amongst democracies in support of Ukraine.
4. The 4th Summit of Council of Europe Heads of State and Government, held in Reykjavik on 16-17 May 2023, is the expression of this unity around common values, of the resolve to support Ukraine for as long as it takes, and the willingness to ensure that the Russian Federation and its leaders are held to account for their crime of aggression and other manifold wrong-doings. The Assembly welcomes the strong stance taken by European political leaders in Reykjavik, supports the Summit's Final Declaration and will participate in its follow up within its remit, competencies, and outreach.
5. The Reykjavik's Final Declaration sets the tone in unequivocal terms: for the Council of Europe and its member States, supporting Ukraine should be a political imperative. To turn this commitment into a reality, it is of the utmost importance to step up assistance to Ukraine, complete and give effective implementation to a comprehensive system of international accountability of the Russian Federation, tackle legal gaps and loopholes in the sanction system and isolate diplomatically the aggressor regime.
6. For Council of Europe member States, supporting Ukraine is important not only as an issue of rule of law and international justice but also to protect democratic security and stability in Europe. Not only has the Russian Federation brought back to Europe a devastating war of aggression but it has also pushed the limits of what can be used as a weapon, from migrants to energy, from economic leverage to elite capture, from ecocide to kidnapping of Ukrainian children and other citizens and the Russian passportisation of Ukrainian citizens in temporarily occupied territories.
7. The Russian Federation's war against Ukraine has caused significant global consequences – first of all – food insecurity, extra high energy prices, poverty and hunger. The resources that we cannot invest to achieve the Sustainable Development Goals (SDGs) hinder global development. More than a half out of 17 goals are negatively impacted by the Russian Federation's war. Because of the Russian Federation we will see regress in achieving the SDGs, including concerning climate.
8. The reach of the hybrid war of the Russian Federation is global and is felt in all corners of Europe. The Republic of Moldova, Georgia, and the Western Balkans are subject to pronounced Russian-backed hybrid warfare methods that are designed to destabilise their democracies. The Assembly is alarmed by the extensive and unscrupulous use of disinformation, energy blackmail, economic levers, and disinformation by Russia to exacerbate existing tensions and fractures in democratic societies.
9. In addition, the aggression and the resulting new geopolitical context magnify security risks because of their impact on the functioning of multilateral mechanisms aimed at preventing and resolving conflicts, including those established under the auspices of the Organization for Security and Co-operation in Europe (OSCE).

---

2. Draft resolution adopted unanimously by the committee on 19 June 2023.

10. At the same time, hard security is a grave concern. The Russian leadership has brandished reckless threats of nuclear warfare and has increased the risk of nuclear accidents involving the Zaporizhzhia nuclear power plant, which is illegally under Russian control. The Assembly welcomes the visit of a delegation of the International Atomic Energy Agency (IAEA) to the site on 15 June 2023 and calls for its recommendations to be fully executed.

11. The Assembly is deeply concerned by the deployment of Russian tactical nuclear weapons in Belarus, which started in May 2023, and by reports that the deployment of strategic weapons may be under consideration. Similarly, the Assembly deeply regrets the withdrawal of the Russian Federation from the Conventional Armed Forces in Europe (CFE) Treaty, a cornerstone of European security and stability and of conventional arms control architecture.

12. Europe can only be durably at peace if Russia becomes a democracy and loses its military potential to attack its neighbours. Thus, engagement and co-operation should be strengthened with Russian forces and civil society who aspire to a democratic change in Russia, who share the values of the Council of Europe, and who support the sovereignty, independence and territorial integrity of Ukraine. Similarly, the Belarusian democratic forces and their leader, Sviatlana Tsikhanouskaya, as well as other forces ready to rise up against Lukashenka's regime in Belarus deserve the full support of the Council of Europe and its member States.

13. Since the last time the Assembly debated the war of aggression, a number of peace initiatives have been launched. In this regard, the Assembly reiterates its position laid down in its Resolution 2463 (2022) "Further escalation in the Russian Federation's aggression against Ukraine" that any peace talks can only take place on the conditions set by Ukraine. It highlights, in this regard, that the Reykjavik Declaration expresses full support for the principles for a just and lasting peace as outlined in President Zelenskyy's Peace Formula.

14. As the Reykjavik Declaration points out, there cannot be peace without accountability. The Assembly therefore welcomes the establishment of the Registry of Damage Caused by the Aggression of the Russian Federation Against Ukraine. It shall continue to pursue its efforts in view of the establishment of an international compensation mechanism and a Special Tribunal for the Crime of Aggression to prosecute the political and military leadership of the Russian Federation, as requested by the Assembly in several texts and most recently in Resolution 2482 (2023) "Legal and human rights aspects of the Russian Federation's aggression against Ukraine". The Assembly welcomes the launch of the International Centre for the Prosecution of the Crime of Aggression against Ukraine (ICPA).

15. The Assembly points out that international accountability must extend to all private military companies, proxies and allies linked to the Russian Federation who are committing crimes and illegal acts on the territory of Ukraine, including the Wagner Group and the military forces of Ramzan Kadyrov. A Red Notice (Warrant) should be issued by Council of Europe member States against the leaders and members of these international terrorist groups.

16. Supporting Ukraine also requires curtailing the Kremlin's ability to finance its war of aggression. A large coalition of countries and the European Union have imposed an unprecedented range of diplomatic, financial and economic restrictive measures against the Russian Federation and should continue making joint efforts to increase sanction pressure and international isolation of the violating State. The existence of loopholes in the sanction system, however, and the development of various techniques of sanction avoidance by the Russian Federation and private companies – especially involving third countries – have considerably reduced its effectiveness. The Assembly believes that the international community should address this problem with resolve and without any further delay. The issue of Council of Europe member States helping Russia circumvent sanctions should be examined by the Assembly Committee on the Honouring of Obligations and Commitments by Member States of the Council of Europe (Monitoring Committee) in its work. In addition, helping Russia bypass sanctions should be a circumstance precluding future candidates to join the Council of Europe.

17. The Assembly condemns the biased and misleading narratives being spread by the Russian Federation, and amplified by some countries, about the war of aggression and the restrictive measures introduced against Putin's regime. The Assembly considers that Council of Europe member States should be proactive in countering this pervasive misinformation and disinformation.

18. In light of the above considerations, as regards accountability, the Assembly:

18.1. welcoming that 45 States and the European Union have already joined or indicated their intention to join the Enlarged Partial Agreement on the Register of Damage Caused by the Aggression of the Russian Federation Against Ukraine, invites the largest possible number of countries to join;

- 18.2. calls on the countries represented in the Conference of Participants of the Register of Damage to clarify in the Register's Rules on admissibility that the Register applies also to acts committed by private military groups, paramilitary groups and other military groups fighting for the Russian Federation, including the Wagner Group and Kadyrov's forces;
- 18.3. calls on member States and other States having custody of the Russian Federation's assets to establish an international mechanism for compensation, making use of confiscated assets to pay for war damages to Ukraine without delay;
- 18.4. calls on member States of the Core Group on the establishment of a Special Tribunal for the crime of aggression against Ukraine to accelerate their negotiations to set up a Special international criminal tribunal for the crime of aggression against Ukraine, and calls on additional States to join the Core Group;
- 18.5. welcomes the launch of the International Centre for the Prosecution of the Crime of Aggression against Ukraine;
- 18.6. invites parliaments of Council of Europe member States to designate the Wagner Group and Kadyrov's Guard as terrorist organisations and to call for the full accountability of all those military and paramilitary groups who participate in the Kremlin's aggression against Ukraine;
- 18.7. supports the investigation of the situation in Ukraine by the International Criminal Court and calls on all States Parties to the Rome Statute to execute the arrest warrants issued by the Court; asks the Court to issue arrest warrants against the members and leaders of the above mentioned Wagner and Kadyrov Groups;
- 18.8. supports the call to enable supply of additional capabilities, including by means of re-export, for the self-defence purposes of Ukraine.
19. With a view to strengthening Europe's democratic security and resilience against soft and hybrid security threats, the Assembly calls on Council of Europe member States to:
- 19.1. enhance co-operation and political dialogue with countries and regions that are particularly exposed to the Russian Federation's interference, bilaterally, through the Council of Europe and through the international platforms they belong to;
- 19.2. redouble efforts to promote the further European integration of Ukraine, the Republic of Moldova, Georgia, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo\*;<sup>3</sup>
- 19.3. step up international co-operation to fend off interference by the Russian Federation in their democratic processes and introduce a whole of society approach to building societal resilience against disinformation and misinformation;
- 19.4. step up diplomatic efforts to isolate the Russian Federation and Belarus as its accomplice in the war of aggression against Ukraine internationally and deprive them of support;
- 19.5. counter the false narratives about the war of aggression and the sanction system spread by the Russian Federation, its allies and partners;
- 19.6. set up a platform to reflect on mechanisms for conflict prevention and resolution in Europe, taking into account the new geopolitical context.
20. The Assembly also calls on Council of Europe member States that are NATO members to support the Ukrainian membership in NATO.
21. As regards assistance to the reconstruction and democratic governance of Ukraine, the Assembly:
- 21.1. calls on all member States of the Council of Europe Development Bank to rapidly subscribe to the capital increase, approved in 2022, to endow the Bank with the means to pursue its support to Ukraine and to neighbouring countries hosting Ukrainian refugees;
- 21.2. calls on the widest number of countries and the European Union to contribute to the Action Plan [for Ukraine "Resilience, Recovery and Reconstruction" 2023-2026](#) and make resources available to ensure the long-term democratic resilience of Ukraine.

---

3. \*Throughout this text, all reference to Kosovo, whether to the territory, institutions or population shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

22. Also welcoming that the 11<sup>th</sup> package of sanctions to be adopted by the European Union aims at enhancing the effectiveness of the system of restrictive measures, the Assembly:
- 22.1. calls on countries aspiring to join the European Union, including its own member States, to ensure strict alignment with decisions taken under the European Union Common Foreign and Security Policy;
  - 22.2. calls on European Union member States, in the course of such negotiations, to support robust deterrent measures and the introduction of secondary sanctions;
  - 22.3. invites the European Union to expand efforts to withhold financial assistance to those who support the Kremlin in its war of aggression. This should include also financial assistance which is provided to third countries, including in the context of partnership and co-operation agreements;
  - 22.4. calls on the parliaments of Council of Europe member States to withdraw from the pending ratification of free trade agreement between the European Union and the Republic of Cuba (PDCA);
  - 22.5. encourages Council of Europe member States to introduce full-scale political and economic sanctions against the Iranian regime;
  - 22.6. supports the sanctions against the Russian Federation introduced by the United States of America.
23. Believing that an effective framework to address sanction avoidance should rest on the following elements, the Assembly calls on Council of Europe member and observer States and the European Union to take them into account:
- 23.1. creating strategic European economic autonomy from Russian oil and gas that are used for Russian imperialistic geopolitical purposes;
  - 23.2. introducing measures to reduce the resale of Russian oil and gas to Europe via third countries;
  - 23.3. expanding the list of individuals and entities targeted by the restrictive measures in the Russian Federation and third countries;
  - 23.4. identifying the major categories of entities and individuals which play a significant role in sanction avoidance, such as banks, insurance companies, financial advisers, financial institutions, transport and logistics companies, ports, and service companies;
  - 23.5. setting up effective mechanisms to monitor sanctions compliance, for instance a dedicated Task Force;
  - 23.6. introducing and implementing secondary sanctions, and monitoring compliance with them;
  - 23.7. setting up a public Register of companies and individuals working for Russian interests;
  - 23.8. setting up a public Register of companies and individuals involved in sanctions avoidance;
  - 23.9. introducing international guidelines for financial institutions to assess risks carefully for customers and transactions prone to sanction avoidance. These guidelines would require heightened scrutiny when dealing with individuals or entities operating in jurisdictions known for evading sanctions;
  - 23.10. strengthening co-operation and harmonising sanctions efforts amongst like-minded countries, in order to avoid loopholes;
  - 23.11. enforcing robust tracking and verification systems to prevent sanctioned goods and materials from entering global markets through indirect channels, including by conducting regular audits and collaborating with industry partners to ensure compliance throughout the supply chain;
  - 23.12. introducing significant financial penalties for sanction avoidance;
  - 23.13. introducing criminal liability for the deliberate assistance by individuals and groups of individuals for the purpose of evading sanctions;
  - 23.14. considering the establishment of a pan-European body with the authority to investigate and prosecute persons involved in sanctions avoidance. Such a body (Task Force), like the Register of the States and entities, banks and firms that are circumventing sanctions, should be established as soon as possible and it should work in parallel with the Register of Damage;
  - 23.15. introducing monetary incentives for whistle-blowers reporting specific details of sanction avoidance.

24. As regards its own work, the Assembly:

24.1. resolves to establish channels of dialogue and co-operation with Russian forces and civil society who aspire to a democratic change in Russia, who share Council of Europe values, and who support the sovereignty, independence and territorial integrity of Ukraine, including the Russian Action Committee;

24.2. encourages further reflection on the issue of sanctions against the Russian Federation.

## B. Explanatory memorandum by Mr Emanuelis Zingeris, rapporteur

### 1. Introduction

1. 24 February 2022 will be remembered as one of the darkest hours in European history. On that day, the Russian Federation escalated its aggression against Ukraine, which it had started in 2014, into a large-scale invasion. For millions of Ukrainians life abruptly changed. For Europe, it was a point of no return. That day, the project of a single European legal space without dividing lines, in which Council of Europe member States had invested so much hope, energy and effort, came to a halt.

2. And yet, as acknowledged by the Secretary General of the Council of Europe, Ms Marija Pejčinović Burić, Russia did not lose its willingness to abide by Council of Europe commitments all of a sudden.<sup>4</sup> It happened piece by piece, over the years. The full-blown aggression launched in 2022 was the culmination of a process of wilful rejection of Council of Europe values and standards by Putin's regime, both domestically and internationally. European democracies pursued a policy of appeasement and engagement with Russia, under the illusion of being able to have an influence on a system which was becoming increasingly totalitarian. They witnessed with complacency the consolidation of Putin's autocratic regime, failing to understand to what extent it would constitute a threat to their own security, despite history having abundantly demonstrated the link between domestic repression and preparedness to use force in international relations.

3. Europe woke up from its naivety on 24 February 2022. I was proud that, during an extraordinary session organised on 15-16 March 2022, the Parliamentary Assembly unanimously agreed that Russia could no longer be a member of the Council of Europe.<sup>5</sup> On 17 March, the Committee of Ministers expelled the Russian Federation from the Organisation.

4. In spite of the courage, determination and sacrifice of the Ukrainian people and wide condemnation from the international community, Putin's regime persists in violating international law and committing crime of aggression and war crimes in Ukraine. One of the main political consequences of the Russian Federation's war of aggression against Ukraine is that it has forged a renewed unity amongst democracies. The 4th Summit of Council of Europe Heads of State and Government, held in Reykjavik on 16-17 May 2023, is the expression of this unity around common values, of the resolve to support Ukraine for as long as it takes, and the willingness to ensure that the Russian Federation is held to account for its manifold crimes.

### 2. Scope and procedure of the report

5. Since 24 February 2022, the Assembly has adopted numerous texts concerning the Russian Federation's aggression against Ukraine, addressing different aspects, its consequences, and the response of the Council of Europe. Most of these texts have been adopted unanimously, which is a clear indication of the common understanding amongst national parliamentarians of the gravity of this war of aggression and how it should be responded to.

6. Following the debate on [Resolution 2463 \(2022\)](#) "Further escalation in the Russian Federation's aggression against Ukraine" during the October 2022 part-session, I was re-appointed rapporteur for a new report in January 2023. In May 2023, the Committee on Political Affairs and the Bureau of the Assembly agreed that this report should be debated under urgent procedure during the June 2023 part-session.

7. Despite the obvious constraints linked to the urgent procedure, which does not allow for extensive research and analysis to be carried out, for the preparation of the report I have been able to avail myself of the input coming from a number of friends with in-depth relevant expertise, who sent me their contributions. In this regard, I would like to thank Sergey Davidis, an eminent human rights defender and Director of Memorial; Mr Sergei Guriev, Economist and Provost at Sciences Po in Paris; the Hermitage Foundation headed by Mr Bill Browder; and Dossier Center Great Britain headed by Mr Mikhail Khodorkovski for their generosity in providing guidance, comments and suggestions. In addition, I also gathered input for this report from:

- a hearing with Mr Hugo Acha, Senior Research Fellow, Center for a Secure Free Society (SFS) and Director of Research and Outreach for the Foundation for Human Rights in Cuba (FHRC), Washington, which the Committee on Political Affairs and Democracy held on 20 March 2023;
- a current affairs debate on Russia's role in escalating tensions in the Republic of Moldova, which was held on 27 April 2023 at my initiative;

---

4. [Conference on Black Sea Security of the International Crimea Platform – Secretary General \(coe.int\)](#).

5. [Opinion 300 \(2022\) on Consequences of the Russian Federation's aggression against Ukraine](#).

- a hearing with Ms Evgenia Kara-Murza, wife of Mr Vladimir Kara-Murza, laureate of the Václav Havel Human Rights Prize, and Mr Vadim Prokhorov, Mr Kara-Murza’s lawyer, held during the April 2023 part-session.

8. The report also takes into account the work aimed at setting up a comprehensive system of accountability of the Russian Federation carried out by the Committee on Legal Affairs and Human Rights, including a joint hearing organised with the Committee on Political Affairs and Democracy during the April 2023 part-session and Resolution 2482 (2023) on “Legal and human rights aspects of the Russian Federation’s aggression against Ukraine” (Rapporteur: Mr Damien Cottier, Switzerland, ALDE). I also had the opportunity to visit Kyiv in my capacity as member of the Lithuanian Parliament on the anniversary of the beginning of the large-scale invasion, on 16 February 2023, to testify my full support to the Ukrainian authorities and people. I also visited Ukraine on other occasions, including Bucha and Irpin, with the *ad hoc* sub-committee of the Committee on Legal Affairs and Human Rights to evaluate the level of atrocities committed by Russian occupational forces, and with the delegation of the Center for European Policy Analysis (CEPA).

9. The present report focuses on the geopolitical implications of the aggression, which is the largest armed conflict in Europe since the Second World War. It explores the broader security risks deriving from the aggression, highlighting the need for Ukraine and its supporters to step up diplomatic efforts with a view to countering the false narratives spread by the Russian Federation. The report also develops in great detail the issue of sanctions against the Russian Federation and how to improve their effectiveness. As this issue would require an in-depth debate which is not possible in an urgent procedure, I have included only general recommendations on it in the draft resolution. I think, however, that the Assembly should prepare a specific report on this topic, and I have included detailed recommendations in the conclusions of this report, to serve for guidance for further reflection and deliberation.

10. Inspired by the personal sacrifice of thousands of Putin’s opponents and their families, the report highlights that Russians who share Council of Europe values and long for a democratic change in their country can be a part of the solution. Europe can be durably at peace only if Russia becomes a democracy and loses its military potential to attack its neighbouring countries.

### **3. The imperative to support Ukraine**

11. By defending the sovereignty, independence and territorial integrity of their country, Ukrainians are protecting the basic principles enshrined in the Charter of the United Nations, which are the foundations of the peaceful co-existence between States. This is the reason why Ukraine needs and deserves the full support of all countries which cherish peace and reject the use of force as a way to achieve their objectives.

12. On 16-17 May 2023, the 4th Summit of Heads of State and Government of the 46 Council of Europe member States gave Ukraine a strong and unequivocal message of support at the highest political level. This was reiterated at the second meeting of the European Political Community, which was held in Chisinau on 1<sup>st</sup> June 2023.

#### **3.1. Addressing human suffering and material destruction**

13. At the time of writing, the large-scale war of aggression against Ukraine by the Russian Federation has entered its 17<sup>th</sup> month. It is not possible to translate into words the immense suffering provoked by the aggression. Since 24 February 2022, the whole territory of Ukraine has been targeted with different kinds of weapons, causing a high number of casualties, massive population displacement, and widespread destruction of critical infrastructure. Mass atrocities and war crimes committed by Russian troops and their proxies have been widely documented and it is reasonable to fear that, as larger swathes of territory are freed from the occupier, new evidence of crimes will be uncovered. One third of the country is believed to be contaminated by landmines and unexploded ammunition.

14. According to the Office of the High Commissioner for Human Rights (OHCHR), since the beginning of the large-scale invasion, 24 425 civilian casualties have been recorded in Ukraine, of whom 8 983 killed and 15 442 injured.<sup>6</sup> The OHCHR believes that the actual figures are considerably higher, as the receipt of information from some locations where intense hostilities have been ongoing has been delayed and many reports are still pending corroboration. This concerns, for example, Mariupol (Donetsk region), Lysychansk, Popasna, and Sievierodonetsk (Luhansk region), where there are allegations of numerous civilian casualties.

---

6. [Ukraine: civilian casualty update 5 June 2023 | OHCHR](#).

15. The United Nations High Commissioner for Refugees (UNHCR) reports that, as of 23 May 2023, there were around 8.2 million Ukrainian citizens registered across Europe for Temporary Protection or similar national protection schemes. In addition, around 2.8 million Ukrainians were forcefully transferred or have crossed into the Russian Federation.<sup>7</sup> As of 23 January 2023, an estimated 5.4 million persons are internally displaced within Ukraine.<sup>8</sup>

16. The damage caused to housing facilities since 24 February 2022 is estimated at US\$50 billion. A further US\$36 billion have been recorded in losses from damages to infrastructure. The total direct war damage of Ukraine is currently estimated at US\$135 billion over the same period.<sup>9</sup> The damage to infrastructure will require time and financial resources to be restored. Furthermore, the aggression has severely undermined Ukraine's international trade, disrupting the routes used for exports and imports and affecting its economy.

17. The destruction of the Kakhovka Dam on the river Dnipro on 6 June 2023 has had enormous consequences for the communities concerned and represents a major environmental and health hazard. In fact, as with other Russian acts of aggression with disastrous environmental consequences, it represents not only a war crime but an ecocide, as underlined by the Ukrainian authorities.

18. Overall, 600 square kilometres of Kherson Oblast are reportedly under water, with nearly 70% of the flooded communities under Russian military control. Water levels reached a peak of 5.6 metres on 9 June, leaving thousands of people in urgent need of water, food, hygiene and other vital items. The Ukrainian government has called upon international organisations, including the United Nations and the International Committee of the Red Cross, to assist people in the affected areas, while the Russian side has stated that it has evacuated at least 40 000 people, although the credibility of these data remains at least questionable.<sup>10</sup>

19. The extent of the impact of the disaster caused by the destruction of the Kakhovka Dam will only be known in the coming weeks. It can be expected that it will affect the provision of drinking water and agricultural production. There is also an increased risk of mine accidents due to the movement of explosives caused by the flooding in heavily contaminated areas. The destruction has also increased the risk of nuclear accidents by potentially affecting the water supply to the largest nuclear power plant in Europe, in Zaporizhzhia.

### **3.2. Supporting Ukraine's right to self-defence**

20. In June 2023, Ukraine began its long-anticipated counteroffensive. The country's resilience has not been dented by the months of drone and missile attacks aimed at civilian and military targets alike. Despite human losses and strenuous efforts to hold Bakhmut – the longest battle in this war – the Ukrainian army has been bolstered by the delivery of additional weapons from democratic countries who are supporting it in its right to self-defence.

21. The United States is the largest provider of military assistance to Ukraine, having committed US\$18.3 billion in security assistance, US\$23.5 billion in weapons, and US\$4.7 billion in loans and grants for the purchase of weapons and military equipment.<sup>11</sup>

22. As the second largest donor, the United Kingdom has committed £4.6 billion in military assistance to Ukraine so far (£2.3 billion in 2022 and a commitment to match that funding in 2023). The United Kingdom is also hosting a training programme (Operation Interflex), which is supported by several allies, with the aim of training 30 000 new and existing Ukrainian personnel by the end of 2023. The United Kingdom has recently committed to training Ukrainian fast jet pilots and is providing long-range precision strike missiles.<sup>12</sup>

23. In an unprecedented decision, EU member States agreed to supply Ukraine with military equipment, including lethal weapons, through the European Peace Facility. The issue of whether to supply Ukraine with heavy weapons or light weapons or no weapons at all has sparked fierce debates in capitals across Europe. While countries such as the Czech Republic, Poland, and Slovenia have delivered heavy weaponry including T-72 tanks, others such as Austria and Ireland have decided to provide exclusively non-lethal equipment, in

---

7. [Situation Ukraine Refugee Situation \(unhcr.org\)](#).

8. [Ukraine — Internal Displacement Report — General Population Survey Round 12 \(16-23 January 2023\), Displacement Tracking Matrix \(iom.int\)](#).

9. [Ukraine infrastructure damage 2023, Statista](#).

10. [Ukraine humanitarian response 2023, Situation Reports \(unocha.org\)](#).

11. [How Much Aid Has the U.S. Sent Ukraine? Here Are Six Charts, Council on Foreign Relations \(cfr.org\)](#).

12. [Military assistance to Ukraine since the Russian invasion, House of Commons Library \(parliament.uk\)](#).

line with their policies of neutrality. So far, only Hungary, Malta and Cyprus have decided not to supply Ukraine with any military equipment at all. In addition to military equipment, many member States have provided significant military aid.<sup>13</sup>

24. North Atlantic Treaty Organization (NATO), as an alliance, has been clear in its political backing of Ukraine and fully supports the provision of bilateral military assistance by individual allies. It is helping to coordinate requests for assistance from the Ukrainian Government and is supporting the delivery of humanitarian and non-lethal aid.

25. A new development of which to take stock is that, increasingly, acts of sabotage against the war of aggression take place in Russian territory, with the Russian Volunteer Corps, the National Republican Army (Russia), the Freedom of Russia Legion and other Russian volunteer formations fighting with Ukraine launching cross-border incursions into Belgorod Oblast and conducting other disrupting operations.<sup>14</sup> These groups oppose the Russian regime of Vladimir Putin and its invasion of Ukraine. They consist of defectors from the Russian Armed Forces and other Russian volunteers, some of whom emigrated to Ukraine.

26. Earlier in the year, the Association of Security Forces of Belarus (Bypol), an organisation of Belarusian activists opposed to the regime of Aliaksandr Lukashenka, claimed responsibility for a drone attack against a Russian military aircraft stationed in a military base on Belarusian soil. Other acts of sabotage aimed at disrupting the transportation of weapons and military equipment have been carried out in Belarus since the start of the large-scale aggression.

### **3.3. Supporting democratic governance and recovery**

27. Since 24 February 2022, the whole territory of Ukraine has been under martial law, with some communities being run by civil-military administrations. Remarkable efforts have been made to ensure the continued functioning of democratic institutions and the delivery of services to the population. The situation, however, remains challenging throughout the country, with specificities depending on the length of time a given area has been under Russian occupation, whether it is on the front line or far away from it. Despite this, Ukraine continued to fulfil Council of Europe standards and the Verkhovna Rada even ratified the Council of Europe Convention on preventing and combating violence against women and domestic violence (CETS No. 210, “Istanbul Convention”).

28. A major decentralisation reform, which was finalised before the beginning of the large-scale invasion, has been crucial in ensuring the resilience of communities against the invasion and will continue to be crucial in the reconstruction phase.

29. Even if Ukraine is still the target of a war of aggression, it should lay down the foundations for a stronger, resilient and democratic Ukraine. The principles “Build Back Better” should apply to all sectors, ranging from energy to housing, from agriculture to health. It should also apply to democratic governance, and the Council of Europe is particularly well placed to help in this endeavour.

30. In December 2022, the Committee of Ministers adopted the Action Plan for Ukraine “Resilience, Recovery and Reconstruction” (2023-2026).<sup>15</sup> The main objective of the Action Plan is to contribute to Ukraine’s stability, security and prosperity by addressing immediate and medium-term needs in time of war and then during the post-war period, in the areas where the Council of Europe has expertise and added value. It is of the utmost importance that Council of Europe member States contribute to this Action Plan and make resources available to ensure the long-term democratic resilience of Ukraine.<sup>16</sup>

31. In June 2022, Ukraine formally requested to become a member of the Council of Europe Development Bank (CEB). At the Joint Meeting in July 2022, the CEB’s member States unanimously endorsed Ukraine’s request, and as a tangible sign of support in light of the exceptional circumstances that Ukraine is facing, agreed to exonerate the country of any payment requirement for accession. Following the unanimous adoption by the Verkhovna Rada of the law that allows the country to join the CEB, high level representatives from the Ukrainian Government attended this year’s Joint Meeting in Athens.

---

13. European Parliamentary Research Service, *Russia’s war on Ukraine: Bilateral delivery of weapons and military aid to Ukraine*, May 2022.

14. *The New York Times*, *A wide-range of pro-Ukrainian groups operate in the shadows of the war*, 8 March 2023.

15. *Ukraine – Directorate of Programme Co-ordination (coe.int)*.

16. *The CEB in support of Ukraine. Italy-Ukraine Conference (Rome, April 26 2023) | CEB (coebank.org)*.

32. On this occasion, the Deputy Prime Minister of Ukraine, Oleksandr Kubrakov, underlined how the CEB will be instrumental in creating conditions for the return of Ukrainians who were forced to leave their homes. As the Governor of the CEB, Carlo Monticelli, explained to the Standing Committee of the Assembly in Riga, on 26 May 2023, the Bank will operate in Ukraine with a distinct focus on social sectors such as healthcare and housing, deploying its long-standing expertise as Europe's oldest multilateral development bank. This is especially important as needs have increased in these sectors due to recent attacks on critical infrastructure. The Bank's Strategic Framework 2023-2027 envisages a volume of operations of around €200 million this year, increasing gradually to about €400 million per year by 2027.

#### 4. Ensuring accountability

##### 4.1. A comprehensive system of accountability

33. The gravity of the crimes committed by the Russian Federation is such that very early on in the large-scale aggression, a consensus developed that a comprehensive system should be set up to ensure the aggressor's accountability and avoid any jurisdictional gaps.

34. In addition to Ukrainian courts, a number of international courts and international non-judicial bodies are investigating, documenting or prosecuting these crimes, and their work should be supported by the Council of Europe and its member States. They include:

- the European Court of Human Rights, which has competence for acts committed by the Russian Federation until 16 September 2022;
- the International Criminal Court, which in March 2023 issued arrest warrants against President Putin and Maria Lvova-Belova, Commissioner for Children's Rights in the Office of the President of the Russian Federation, for the war crime of unlawful deportation of population (children) and that of unlawful transfer of population (children) from Ukrainian occupied territory;<sup>17</sup>
- the International Court of Justice, in particular as regards its proceedings on "allegations of crime of genocide under the Convention on the Prevention and Punishment of the Crime of Genocide" (Ukraine versus Russian Federation);<sup>18</sup>
- the Independent International Commission of Inquiry on Ukraine;<sup>19</sup>
- the Moscow Mechanism, which was last invoked on 30 March 2023 by 45 OSCE Participating States to address the deportation of children amidst human rights violations and humanitarian impacts of Russia's war of aggression against Ukraine.<sup>20</sup>

##### 4.2. The Register of Damage

35. The establishment of the Register of Damage Caused by the Aggression of the Russian Federation Against Ukraine is the most important deliverable of the 4th Summit of Council of Europe member States and represents a milestone in multilateral efforts to ensure the accountability of the Russian Federation. The fact that it takes the form of an Enlarged Partial Agreement, and such it is open to any country in the world, adds to its political relevance.<sup>21</sup> While 45 States and the European Union have already joined or indicated their intention to join the Register, the Assembly should promote the largest possible number of countries to join.

36. Defined as "historic" and "one of the first legally binding decisions to hold Russia accountable for its acts" by the Secretary General of the Council of Europe Marija Pejčinović, the Register will support victims in recording their losses and it will pave the way for a future international compensation mechanism.

37. The European Union has provided a substantial contribution towards the startup costs. The Register will have its seat in The Hague, with a satellite office in Ukraine. It will be established for an initial period of three years and will serve as a record of evidence and claims information on damage, loss or injury caused by the Russian Federation's aggression against Ukraine.

---

17. Situation in Ukraine: ICC judges issue arrest warrants against Vladimir Vladimirovich Putin and Maria Alekseyevna Lvova-Belova | International Criminal Court ([icc-cpi.int](https://www.icc-cpi.int)).

18. Allegations of Genocide under the Convention on the Prevention and Punishment of the Crime of Genocide (Ukraine ([icj-cij.org](https://www.icj-cij.org))).

19. See its latest report of 16 March 2023.

20. Ukraine appoints three experts following invocation of the OSCE's Moscow Mechanism | OSCE.

21. Resolution on the Enlarged Partial Agreement.

38. The Register will serve as a record, in documentary form, of evidence and claims and information on damage, loss or injury caused, on or after 24 February 2022, in the territory of Ukraine within its internationally recognised borders, extending to its territorial waters, to all natural and legal persons concerned, as well as the State of Ukraine, including its regional and local authorities, State-owned or controlled entities, by the Russian Federation's internationally wrongful acts in or against Ukraine.

39. It seems obvious to me that the wrongful acts to be recorded are not only those committed by the Russian army *stricto sensu*, but also those committed by all its proxies, including paramilitary groups and private military companies involved in the aggression. I would expect that this issue, which is not explicitly mentioned in the Statute of the Register, shall be clarified by the Conference of the Parties when they establish the Register's Rules on admissibility. In this respect, I would also like to recall that Kadyrov's military forces are also fighting in Ukraine. On 31 May 2023, the Institute for the Study of War reported that Kadyrov's forces may replace the role of the Wagner Group as Russia's main "shock troops" in Donbas.

### **4.3. The Special Tribunal for the Crime of Aggression**

40. While the Register of Damage is a historic result, the Assembly should continue to pursue its efforts to ensure that the political and military leadership of the Russian Federation is held to account for its war of aggression against Ukraine.

41. The Assembly has consistently called for the establishment of a Special Tribunal for the Crime of Aggression in all its previous texts concerning the aggression and, most recently, by a Written Declaration for which I was the first signatory.<sup>22</sup> It is important to note that the 4th Summit of Council of Europe Heads of State and Government welcomed the progress towards this objective, and for the Council of Europe to be a part of relevant consultations and negotiations and provide its expert and technical support.

42. In its most comprehensive text on the matter, [Resolution 2482 \(2023\)](#), the Assembly reiterated "its unanimous call on member States and observer States of the Council of Europe to set up a special international criminal tribunal for the crime of aggression against Ukraine, which should be endorsed and supported by as many States and international organisations as possible, and in particular by the United Nations General Assembly".<sup>23</sup>

43. It also spelt out the features of this Tribunal, addressing the issue of immunities and underlining that its role should be complementary to the jurisdiction of the International Criminal Court and in no way limit or affect the latter's exercise of jurisdiction over war crimes, crimes against humanity and possible genocide committed in the context of the ongoing aggression and its jurisdiction in general.

44. At the initiative of Ukraine, a Core Group of States working towards the setting up of the Special Tribunal has been formed, which now includes 37 States. On 9 May, the Core Group held a Summit, chaired by President Zelenskyy, in which leaders confirmed their full political support for the creation of the Special Tribunal despite having different views on how it should be set up.

45. It is also important that the activity of the International Centre for the Prosecution of the Crime of Aggression against Ukraine (ICPA) shall be launched soon. It will be the first international effort on investigation and prosecution of the crime of aggression in case of its perpetration after World War II. The Assembly and the Council of Europe shall support the launch of the ICPA.

### **4.4. Accountability for the Wagner Group**

46. In March 2023, Mr Markus Wiechel and other members of the Assembly tabled a motion for a resolution proposing that the Wagner Group be declared a terrorist organisation.<sup>24</sup> This motion has been referred to the Committee on Legal Affairs and Human Rights to be taken into account in the preparation of the report on "Legal and human rights aspects of the Russian Federation's aggression against Ukraine".

47. The Wagner Group is a private military company linked to the Russian State and has been involved in the Russian aggression against Ukraine since its outset. It is responsible for serious violations of international humanitarian law and should be held accountable for this.

---

22. [Written declaration No. 775](#).

23. [Res. 2482 – Resolution – Adopted text \(coe.int\)](#).

24. [Doc. 15720 – Motion for a resolution – Working document \(coe.int\)](#).

48. Following the launch of the large-scale invasion, the Group has increasingly recruited and deployed Russian convicts without military training, which has resulted in a high level of casualties amongst them. It continues to recruit mercenaries also outside Russia using profiles on social networks such as Facebook and Twitter. On 31 May, the UK-based disinformation research company Logically came across job offers from the Wagner Group targeting doctors, drone operators and psychologists for participation in warfare in Ukraine and other countries. The posts are published in dozens of languages, including French and Spanish.<sup>25</sup>

49. There are clear indications that Putin's regime will continue to rely on the Wagner Group and private military companies. On 31 May 2023, a bill allowing people with criminal records to undertake contract military service was submitted to the Russian parliament. Those recruited will have their sentences dismissed or their criminal records expunged. Those convicted of sexual offences against minors, as well as treason, terrorism and extremism, will still not be allowed to enlist in the military.<sup>26</sup>

50. The European Parliament, the Verkhovna Rada and other national legislatures have already expressed the opinion that the Wagner Group should be designated as a terrorist organisation, while others are considering this option.

51. On 8 December 2022, the Latvian Parliament adopted a statement on Russia's international crimes in Ukraine and the prosecution of those responsible, calling on the European Union to include the Wagner Group in the list of persons, groups and entities involved in terrorist acts (EU terrorist list). Respectively in March and May 2023, through non-binding resolutions the Lithuanian and the French parliaments designated the Wagner Group as a terrorist organisation, calling on other countries to do the same.<sup>27</sup> On 11 May, Tobias Billström, Minister of Foreign Affairs of Sweden, stated that his country, which currently presides over the Council of the European Union, is ready to develop a consensus among EU member States on including the Wagner Group in the EU terrorist list.<sup>28</sup>

52. Outside the European Union, the United States considers the Wagner Group as a transnational criminal organisation, while the United Kingdom is reportedly planning to officially designate the Wagner Group as a terrorist organisation. This would put Wagner on a list with 78 other groups, including ISIS, al Qaeda and newer white supremacist organisations. This would make it a criminal offence to belong to Wagner, attend its meetings, encourage support for it, or carry its logo in public. It would impose financial sanctions on the group and there would be implications for Wagner's ability to raise money if any funds went through British financial institutions.<sup>29</sup>

53. Apart from the powerful significance of designating the Wagner Group as a terrorist organisation, there are a number of legal issues which need to be examined. I therefore encourage the rapporteur of the Committee on Legal Affairs and Human Rights to look very attentively into this matter.

## 5. Security implications for Europe

### 5.1. A context fraught with risks

54. The Russian Federation's war of aggression against Ukraine has ushered the world into a new security environment fraught with risks. While some countries and regions are particularly exposed, the tension is palpable in all corners of Europe. Not only has Russia brought back a devastating war in the heart of Europe but it has also pushed the limits of what can be used as a weapon and an instrument of interference, from migrants to energy, from economic leverage to elite capture.

55. Hard security is a grave concern. Representatives of the Russian Federation have been brandishing reckless threats of nuclear warfare. In May 2023, Russia started the deployment of tactical nuclear weapons in Belarus and, reportedly, the deployment of strategic weapons is under discussion.<sup>30</sup> In May 2023, the Russian Federation and Kyrgyzstan agreed to develop Russian military facilities on the territory of the latter, a

---

25. [How Russian mercenary Wagner Group uses social media to recruit new members around the world | Euronews.](#)

26. [Russian volunteers destabilise the Belgorod oblast of Russia. Day 463 of the war | OSW Centre for Eastern Studies.](#)

27. [French Parliament calls on EU to list Wagner as 'terrorist group' \(lemonde.fr\); Lithuanian Lawmakers Designate Russia's Wagner Group As 'Terrorist Organization' \(rferl.org\).](#)

28. [Sweden to seek EU recognition of Wagner Group as terrorist organisation | Ukrainska Pravda.](#)

29. [Britain to blacklist Russia's Wagner group as terrorists \(thetimes.co.uk\).](#)

30. [Belarus says Russia has started deploying tactical nuclear weapons on its soil \(lemonde.fr\).](#)

country which co-operates with the Council of Europe including through the status of partner for democracy for its parliament. Through the Collective Security Treaty Organisation, Russia is in a military alliance with Armenia, Belarus, Kazakhstan, Kyrgyzstan and Tajikistan – all of them OSCE Participating States.

56. In this new climate of confrontation, multilateral mechanisms involving Russia and set up to enhance security in Europe are not contributing to their intended purpose. Against the background of an evolving multilateral security architecture, membership in the European Union and NATO appears as a bulwark, guaranteeing much needed security and stability.

## **5.2. Escalating tensions in the Republic of Moldova**

57. Nobody can better summarise the challenges faced by the Republic of Moldova than its President, Maia Sandu. Addressing the 4th Council of Europe Summit in Reykjavik she said: “We are on the receiving end of Russian-backed hybrid methods which are designed to destabilise our democracy. The aggression unleashed by Russia against Ukraine has impacted our national security and created an uncertain environment. Our citizens and entrepreneurs continue to struggle with the economic repercussions of soaring energy prices and disruption of trade routes. Our economy needs to grow for democracy to stand a chance. We have been holding the line against Russia’s destabilisation efforts, and we will continue to do so. Our democracy is backed up by strong political will, but it cannot stand alone against the magnitude of the challenges we are currently facing. Russia will continue to be a source of instability for the region for years to come. Our best way to consolidate our democracy and freedom is to join the European Union. Continue helping Ukraine, continue helping Moldova, so that together we can carry on defending our democracies and the European values that we chose as our present, and our future”.

58. The Republic of Moldova is on the front line in facing the consequences of the Russian Federation’s aggression against Ukraine. Since the beginning of the large-scale invasion, it has seen the largest influx per capita of people fleeing the war. Over 780 000 people had crossed the border from Ukraine into the Republic of Moldova by March 2023, and over 107 000 people are currently being hosted by the country. This reception effort has significant budgetary implications, which add up to disruptions in supply chains and rising food and energy prices, putting a strain on the economy and causing socio-economic tensions.

59. The Republic of Moldova also faces long-term challenges. The Assembly discussed this in January 2023, during the debate on “The honouring of obligations and commitments by the Republic of Moldova”.<sup>31</sup> The government is committed to implementing key reforms in the areas of democratic governance and the rule of law, including reforming the judiciary, fighting corruption and the influence of oligarchs in public life.

60. In this already complicated context, the Russian Federation is playing a deliberate role in escalating tensions and amplifying the country’s internal fragilities through an aggressive strategy of destabilisation. The events of recent months confirm it. They include:

- anti-government demonstrations organised by the People’s Movement (linked to the Shor Party);
- reports of plots to overthrow the government and prevent it from joining the European Union;
- arrests of alleged saboteurs, including the Wagner Group;
- the deportation of foreign nationals for espionage.

61. On 10 February 2023, the Russian Federation fired 71 missiles against Ukraine. Some of them violated the airspace of the Republic of Moldova. On the same date, the government led by Natalia Gavrilita resigned. Following a reshuffle, a new government was formed, with Dorin Recean as Prime Minister.

62. On 21 February 2023, President Putin repealed the 2012 Presidential Decree on Measures to Implement the Foreign Policy of the Russian Federation. This was a very significant gesture, as the decree committed the Russian Federation to seek solutions to the situation of Transnistria “on the basis of respect for the sovereignty, territorial integrity and neutral status of the Republic of Moldova in determining the special status of Transnistria”.

63. The Kremlin’s website says the decision was taken to “ensure Russia’s national interests within the framework of the profound changes taking place in international relations.” The move echoes Russian Foreign Minister Sergey Lavrov’s comment that Moldova is the “next Ukraine.”<sup>32</sup>

---

31. [Resolution 2484 \(2023\)](#).

32. [Lavrov: Occidental vrea să transforme Moldova în “viitoarea Ucraină”, iar Maia Sandu este „nerăbdătoare să intre în NATO” – Stirileprotv.ro](#).

64. These statements and events fully confirm the observation made in January 2023 by the Assembly, and in April 2023 by the European Parliament,<sup>33</sup> that the Russian Federation is waging a hybrid war against Moldova, relying on:

- extensive disinformation campaigns, based on pro-Russian political forces in the country and media outlets that convey the narrative of the Russian authorities, on the situation in Moldova as well as on the war against Ukraine;
- the use of economic and energy blackmail;
- cyber-attacks.

65. The multilateral mechanisms for the peaceful settlement of the Transnistrian issue based on the sovereignty and territorial integrity of the Republic of Moldova are also weakened because of the new geopolitical context. The last meeting in 5+2 format was held in 2019. Furthermore, the mandate of the OSCE Mission to Moldova was only extended until 30 June 2023.

66. The Russian Federation illegally maintains in Transnistria the Operational Group of Russian Forces, counting approximately 1 500 troops and controlling the Cobasna depot where 22 000 tons of ammunition and military equipment from Soviet times are stored. Maintaining these troops and having failed to remove the ammunition are two serious violations of the Russian Federation's international obligations and constitute a constant security threat – and the latter also an environmental threat – to the Republic of Moldova and the Black Sea region.

67. Against the background of these major security challenges, the further deepening of European integration of the Republic of Moldova represents a factor of stability. Also through its Action Plan,<sup>34</sup> the Council of Europe should strengthen its support to the Republic of Moldova with a view to advancing its progress towards membership in the European Union. Similarly, support by Council of Europe member States should be further encouraged, through bilateral or regional initiatives such as the tripartite co-operation agreement between the Republic of Moldova, Romania and Ukraine signed on the occasion of the 2023 Black Sea Security Conference,<sup>35</sup> or the Moldova Support Platform, bringing together Germany, France, Romania and the United States.<sup>36</sup>

68. Overall, with a view to strengthening the capacities of the Republic of Moldova in the areas of national security, stability and resilience, the European Union has committed €87 million since the establishment of the European Peace Facility. The latest assistance package was decided in May 2023. It is worth €40 million over a period of 36 months and will finance training and non-lethal equipment including air surveillance, mobility and transportation, logistics, command and control and cyber-defence.<sup>37</sup> On 24 April 2023, at the request of Moldova's authorities, the EU established a civilian mission in Chisinau, with the aim of contributing to strengthening Moldova's crisis management structures, enhancing its resilience to hybrid threats, including cybersecurity, and countering foreign information manipulation and interference.<sup>38</sup>

### **5.3. The situation in Georgia**

69. The repeated pattern of the flouting of international law by the Russian Federation in Ukraine, the Republic of Moldova and Georgia was condemned by the Heads of State and Government of the member States of the Council of Europe gathered in Reykjavik.<sup>39</sup>

70. The aggression of the Russian Federation against Ukraine has major implications for the situation in Georgia. The vulnerability to Russian military threats is apparent, with Russian forces still illegally on the territory of Georgia following the aggression of 2008, in violation of the sovereignty and territorial integrity of Georgia.

---

33. Texts adopted – Challenges facing the Republic of Moldova – Wednesday, 19 April 2023 (europa.eu).

34. Action Plan for the Republic of Moldova 2021-2024.

35. Ukraine, Romania, Moldova boost ties at security meeting – ABC News (go.com).

36. The Moldova support platform – Mai sigur (maisigurinue.md).

37. European Peace Facility: Council adopts assistance measures.

38. Moldova: EU launches civilian mission to strengthen the resilience of the security sector in the areas of crisis management and countering hybrid threats – Consilium (europa.eu).

39. Reykjavík Declaration, United around our values, 16-17 May 2023, 4.

71. Tbilisi has repeatedly underlined its firm support for Ukraine's sovereignty and territorial integrity. Thousands have taken to the street in protests against the Russian Federation and in support of Ukraine. In its annual report submitted to the Georgian parliament on 5 June 2023, the Georgian government recalled expressing its solidarity with Ukraine in international platforms, as well as providing humanitarian and financial assistance to Ukraine.

72. Since 24 February 2022, more than 160 000 Ukrainians have entered Georgia, which has served as both a transit and a destination country, with some 26 000 Ukrainians currently in the country. Citizens of Ukraine can stay in the territory of Georgia for two years before needing to apply for a form of residence or apply for asylum, following a decree of the Government of Georgia in February 2023.<sup>40</sup>

73. At the same time, a high number of Russian citizens have entered Georgia since the beginning of the aggression against Ukraine. Entries into Georgia became particularly pronounced following the announcement of a partial mobilisation in the Russian Federation, with the Ministry of Internal Affairs bolstering staff at the Dariali border point in a ten-day period which saw 78 742 entries into Georgia from Russia.<sup>41</sup>

74. Despite various international and domestic calls to align itself with Western sanctions, the Georgian government has been reluctant to do so, even if it has repeatedly stated that it respects them. Since the beginning of its large-scale invasion of Ukraine, Russia has become Georgia's second-largest trading partner in imports and its third-largest trading partner in exports in 2023. Concerns have been raised that this trend may be driven by companies circumventing Western sanctions.<sup>42</sup> The resumption of direct flights between Moscow and Tbilisi in May 2023 following the removal of four-year-old ban also caused a stir amongst those who oppose any rapprochement with Russia.<sup>43</sup>

75. The worsening security situation also has had implications for the Georgian regions of Abkhazia and South Ossetia. Russian efforts to bring the Georgian regions of Abkhazia and South Ossetia into Russia's social, economic, political and judicial spheres have continued, reflected not least through the *de facto* authorities of both regions "recognising" the so-called "people's republics" of Donetsk and Luhansk", and their stated support for the activity of the Russian Federation in Ukraine.

76. An additional aspect of the worsening security situation is the disruption of the work of the forum for discussing the consequences of the 2008 conflict in Georgia – the Geneva International Discussions (GID). The participants to the Discussions have underlined the key role played by the GID as a platform for predictability and dialogue for the benefit of security and stability.<sup>44</sup> Planned to take place four times a year, the Discussions were postponed for nearly a year following the large-scale aggression against Ukraine. According to the Co-Chairs this was done in order to protect the process.

77. Changed geopolitical realities also impact the evolution of the relationship of Georgia with the European Union. Following the 2008 conflict, the relationship was upgraded with the establishment of the Eastern Partnership initiative in 2009 to accelerate greater integration with the EU. The clear support of the population for the EU-orientation of the country has been well-documented over the past decade, with support levels as high as 89% in April 2023.<sup>45</sup>

78. The relationship, however, has suffered a number of setbacks, including the breakdown of the political agreement negotiated by the European Council president in 2021 to overcome the political crisis that had followed the 2020 elections. The chance to rectify this now exists with the Georgian bid for EU membership. The continuing steps to fulfil the conditions of the EU to join Ukraine and the Republic of Moldova in being granted candidate country status are crucial to shape the future of the EU-Georgia relationship.

79. Actions towards political depolarisation, the strengthening of the independence of the judiciary, increased democratic oversight, the reform of the electoral system, addressing media independence and the rights of vulnerable groups should be high on the government's political agenda, as should be the further alignment with the EU Common Foreign and Security Policy (CFSP) which seems to have decreased from 44% in 2022 to only 31% in 2023.<sup>46</sup>

---

40. Decree 81, "On the approval of the list of countries whose citizens can enter Georgia without a visa" on amending Resolution No. 244 of the Government of Georgia dated 5 June 2015, 24 February 2023.

41. [Statement of the Ministry of Internal Affairs, Georgia](#), 27 September 2022.

42. [How Western Goods Reach Russia: A Long Line of Trucks Through Georgia – The New York Times \(nytimes.com\)](#).

43. [Moscow-Tbilisi flights weigh on Georgia EU candidate status prospects – EURACTIV.com](#).

44. [Press Communiqué of the Co-Chairs of the Geneva International Discussions](#), 5 April 2023.

45. Centre for Insights in Survey Research, [National Public Opinion Survey of Residents of Georgia March 2023](#), 25 April 2023.

#### **5.4. The Western Balkans on a geopolitical fault line**

80. In its Resolution 2456 (2022), the Assembly acknowledged that the past few years have witnessed a geo-politicisation of the Western Balkans, with the Russian Federation extending its political influence through an array of soft power tools, including economic investments, media presence, energy policy and vaccine diplomacy. While this influence has been growing for some time, in the new security context created by its aggression against Ukraine, there is even a greater risk that Russia uses it to deepen existing fractures and lead to further destabilisation, while boosting its profile and discrediting European institutions.

81. All countries of the region have expressed support for the sovereignty, independence, and territorial integrity of Ukraine, but they differ in their relations with the Russian Federation and the West. For instance, while Albania, Montenegro, North Macedonia and Kosovo<sup>47</sup> have joined EU sanctions against the Russian Federation, Bosnia and Herzegovina and Serbia have not. This is because EU candidates or potential candidates are invited to align with EU CFSP decisions, including sanctions, but are not obliged to do so.

82. As regards Euro-Atlantic integration, Albania, Montenegro and North Macedonia are NATO members and KFOR – a NATO-led peacekeeping force – has been stationed in Kosovo since 1999. Bosnia and Herzegovina is a NATO partner; any further integration into the Alliance, however, is opposed by Republika Srpska. Serbia is a member of the NATO Partnership for Peace since 2009 while, at the same time, its National Assembly has been an observer with the Parliamentary Assembly of the Common Security Treaty Organisation (CSTO) since 2013.

83. Russia exerts a strong soft power on Serbia, through culture and religion. Politically, Russia has consistently sided with Serbia on the Kosovo issue. In recent years, Russia has also strengthened its military ties with Serbia and is currently Serbia's biggest arms supplier. In May 2022, Serbia signed a new three-year gas contract with the Russian Federation. In September 2022, the two countries signed an agreement for mutual consultations on foreign policy matters.

84. In its second resolution on "Foreign interference in all democratic processes in the European Union", the European Parliament observes that Russia is using its influence in Serbia to destabilise the region and interfere in domestic developments, for instance in Bosnia and Herzegovina via the Republika Srpska, in Montenegro via the country's pro-Serbian sentiments and the Serbian Orthodox Church; and in Kosovo by exploiting and inflaming existing disputes in the North and undermining attempts to normalise relations between Belgrade and Pristina.<sup>48</sup> Since the launch of the large-scale invasion of Ukraine, several pro-Russian demonstrations have taken place in Bosnia and Herzegovina, Montenegro and Serbia, at the initiative of far right groups.

85. Like the European Union, the Council of Europe has an interest in strengthening democratic resilience and respect for the rule of law and human rights, promoting reconciliation and good neighbourly relations, and creating the conditions for stronger economic and social progress in the Western Balkans.

86. The Council of Europe should redouble its efforts to enable Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo to meet their aspirations for closer European integration. It should seek to promote further alignment of the region with the EU CFSP and improve its resilience against hybrid threats and disinformation.

## **6. The global perspective**

### **6.1. Peace initiatives**

87. As the war of aggression continues, a number of initiatives have been proposed to put an end to the hostilities. While we all want peace, and nobody more than Ukraine, it is my firm conviction that any peace settlement which would recognise a change of borders in favour of an aggressor would be unjust and would not be lasting; on the contrary, it would lay the ground for new aggressions and undermine the fundamental principles which are the foundations of international peace and security.

---

46. [Moscow-Tbilisi flights weigh on Georgia EU candidate status prospects – EURACTIV.com](#).

47. \*Throughout this text, all reference to Kosovo, whether to the territory, institutions or population shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

48. [Texts adopted – Foreign interference in all democratic processes in the European Union, including disinformation – Thursday, 1 June 2023 \(europa.eu\)](#).

88. Let me also recall that, in its [Resolution 2463 \(2022\)](#) “Further escalation in the Russian Federation's aggression against Ukraine”, for which I was Rapporteur, the Assembly called on Council of Europe member States to “reiterate their unwavering support for the independence, sovereignty and territorial integrity of Ukraine, within its internationally recognised borders, and that any peace talks can only take place on the conditions set by Ukraine” (paragraph 13.1).<sup>49</sup>

***President Zelenskyy's 10-point peace formula***

89. In November 2022, President Zelenskyy launched the 10-point peace formula,<sup>50</sup> which calls for:
- nuclear safety, including the restoration of safety conditions around Europe's largest nuclear power plant, Zaporizhzhia, which is currently under Russian occupation;
  - food security, including protecting and ensuring Ukraine's grain exports to the world's poorest nations;
  - energy security;
  - the release of all prisoners and deportees, including prisoners of war and forcibly deported children;
  - restoring Ukraine's territorial integrity and Russia reaffirming it in accordance with the UN Charter;
  - the withdrawal of Russian troops and cessation of hostilities, the restoration of Ukraine's State borders with Russia;
  - justice, including the establishment of a special tribunal;
  - the prevention of ecocide, the need for protecting the environment, with focus on demining and restoring water treatment facilities;
  - building a security architecture in the Euro-Atlantic space, including guarantees for Ukraine;
  - the confirmation of the end of the war, including a document signed by the parties involved.

90. It is important to underscore that, at the Reykjavik Summit, the Heads of State and Government of Council of Europe member States officially declared: “Without accountability, there can be no lasting peace and we support the principles for a just and lasting peace as outlined in President Zelenskyy's Peace Formula”.

***China's position on the “Political settlement of the Ukraine crisis”***

91. On the anniversary of the large-scale invasion of Ukraine by the Russian Federation, China released a paper on its position on the “Political Settlement of the Ukraine Crisis”. Far from being a peace plan, this document offers an insight of how China sees its role on the global scene.<sup>51</sup> Using China's own language, some of its main points are:

- the sovereignty of all countries should be respected;
- the Cold War mentality should be abandoned, and the security of a region should not be achieved by strengthening or expanding military blocs;
- cessation of the hostilities and resuming peace talks;
- facilitating grain exports;
- stopping unilateral sanctions;
- keeping industrial and supply chains stable;
- promoting post-conflict reconstruction.

92. While claiming that China will continue to play “a constructive role”, the language and the content of the position paper reinforce the view that China cannot be considered as a neutral mediator. In addition to the speculations that China may supply weapons to Russia,<sup>52</sup> its voting records at the United Nations Security Council and the UN General Assembly are very telling, and so are the official visits its leadership has paid to

---

49. [Resolution 2463 \(2022\)](#).

50. [November 15, 2022 Russia-Ukraine news \(cnn.com\)](#).

51. [China's Plan for Ukraine Is No Plan at All – The Diplomat](#).

52. [Ukraine war: What support is China giving Russia? – BBC News](#).

or received from Russian and Belarusian counterparts since the launch of the large-scale invasion of Ukraine. The recent joint military drills with China are also a visible sign of where the country stands, and are a matter of serious concern for global security.

### **The United Nations General Assembly Resolution of 23 February 2023**

93. To date, the framework for peace which has received the widest support remains the one set out by the UN General Assembly in its Resolution of 23 February 2023,<sup>53</sup> which points out that:

- the only just, comprehensive and lasting peace is the one which is based on the respect of international law;
- the Russian Federation should immediately, completely and unconditionally withdraw all its military forces from the territory of Ukraine within its internationally recognised borders;
- no territorial acquisition resulting from the threat or use of force should have any legal effect.

94. In all, 141 members of the United Nations voted in favour of the resolution. Seven opposed it (Russia, Belarus, North Korea, Syria, Mali, Eritrea, and Nicaragua), and another 32 abstained (amongst them Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, India, Iran and Pakistan, as well as a number of African countries, including South Africa). Azerbaijan and Turkmenistan did not take part in the vote.

### **6.2. Diverging narratives and views**

95. Supporting Ukraine does not mean only offering all the assistance that can help the country restore control over its territory, providing humanitarian support to civilians and ensuring that the aggressor is held accountable for its crimes but also providing support to counter the false narratives about the war spread by the Russian Federation.

96. During the hearing which the Committee on Political Affairs and Democracy held on 20 March 2023 in Paris, Mr Acha alerted members to the success of Russian, Chinese, Cuban and Iranian media outlets in promoting the view that Ukraine and Russia are to be considered equally responsible for the war, or that responsibility completely lies with the United States and NATO expansion. This view is not uncommon in Latin America<sup>54</sup> and in Africa,<sup>55</sup> the latter being the target of increasing influence by the Russian Federation, including because of the role of the Wagner Group.

97. In Latin America, Cuba is one if not the most relevant transatlantic ally of Russia in its aggression against Ukraine: Russia is partnering with Cuba to challenge the US and European influence both globally and regionally. It is used as a platform for Russian propaganda, spreading narratives blaming Ukraine for war, portraying it as anti-Semitic, corrupt, and a puppet of the United States. Russia has also established financial platforms to help Cuba “avoid hostile oversight” and to create “links that evade the financial organisations of unfriendly States.” These platforms are an ideal way for Russia to bypass sanctions and to participate in the triangulation of resources resulting from money laundering coming from illicit activities.<sup>56</sup>

98. This support for the Russian narrative about the war, according to Mr Acha, explains the numerous abstentions during the vote on relevant resolutions of the UN General Assembly. Council of Europe member States, therefore, should step up their diplomatic efforts to garner even greater support for Ukraine worldwide, as the Russian Federation is not as isolated as it may appear from a European vantage point.

99. One of the messages spread by the Russian Federation and echoed by its partners around the world is that international sanctions imposed on Russia are to blame for the surge in food and fuel prices, besides being unfair. Such messages have been circulated in multiple languages, in Europe, its neighbourhood and beyond, and have been echoed by African and Chinese media, boosting their global reach.

100. The Russian Federation also enjoys sympathy for its positions amongst the BRICS, a platform which brings together the Russian Federation, Brazil, India, China and South Africa. Together, these countries account for 40% of the world’s population, 28% of global GDP, and 20% of export goods. Co-operation between them is based on three pillars: political and security, economic and financial, and cultural and people-to-people exchanges.<sup>57</sup> BRICS increasingly looks like a coherent geopolitical bloc, competing with the G7 and with an increasing number of countries wishing to join.<sup>58</sup>

---

53. [UN General Assembly calls for immediate end to war in Ukraine | UN News.](#)

54. [Lessons from Russia’s Latin America engagement over Ukraine | The Hill.](#)

55. Africa Centre for Strategic Studies, [Mapping Disinformation in Africa](#), 2022.

56. [www.centralbanking.com/central-banks/payments/7954682/russian-payment-system-to-start-operation-in-cuba-soon](http://www.centralbanking.com/central-banks/payments/7954682/russian-payment-system-to-start-operation-in-cuba-soon).

101. Tellingly, despite Brazil being the only member of BRICS supporting the UNGA Resolution of 23 February 2023, its newly re-elected President Lula has repeatedly stated, including during a visit to China,<sup>59</sup> that Ukraine is also to be blamed for the Russian invasion and has called for a negotiated peace. In April 2023, Russian Foreign Minister Lavrov, visiting Brazil, thanked the Brazilian authorities for “their excellent understanding of the situation”.<sup>60</sup>

102. BRICS have been particularly vocal in expressing concern about the consequences on the global economy of the sanctions imposed against the Russian Federation. In addition, by increasing their purchases of energy, fertilisers and other key products from Russia they are helping Putin’s regime to soften the impact of Western sanctions.<sup>61</sup>

103. Western countries have activated diplomatic and information channels to explain that international sanctions imposed on Russia target the Kremlin’s ability to finance its military aggression, which remains the main cause of the food crisis, and do not include agricultural products. It is undeniable that the sanctions imposed against Russia have effects on the global economy, especially on the global South, but the responsibility for this state of affairs lies with the aggressor regime. Without its serious violations of international law there would have been no need for sanctions.

104. The Assembly will have the opportunity to examine this issue more in-depth in the debate on “Globalisation in times of crises and war: the role of the OECD since the Russian Federation’s aggression against Ukraine” (Rapporteur of the Committee on Political Affairs and Democracy: Mr George Katrougalos, Greece, UEL) which will take place in October 2023. In addition, a report on “Addressing the social and economic effects of sanctions” is currently in preparation in the Committee on Social Affairs, Health and Sustainable Development (Rapporteur: Ms Sibel Arslan, Switzerland, SOC).

## 7. Strengthening sanctions and improving their effectiveness

### 7.1. Restrictive measures

105. Supporting Ukraine also means impacting the Russian Federation’s capacity to finance the war of aggression and imposing clear economic and political costs on Putin’s regime. To this end, the European Union, the United Kingdom, the United States of America, and several other countries have introduced economic and financial sanctions of unprecedented magnitude. Currently, Russia is the most sanctioned country in the world, and the coalition of sanction-imposing countries represents over half of the world’s economy.<sup>62</sup>

106. So far, the European Union has adopted ten packages of sanctions<sup>63</sup> and an eleventh package is currently being negotiated. The restrictions affect over 1 200 individuals and 200 organisations as well as various sectors of Russia’s economy.<sup>64</sup> They fall into several categories:

- sanctions against specific individuals and companies;
- sectoral sanctions;
- sanctions against exports of technology;
- sanctions against imports of Russian goods;
- financial sanctions.

107. The sanctions have had a serious effect on trade between Russia and Europe. Notably, the European Union has been able to curb most of its imports of Russian energy, despite years of dependence. Sectors of Russia’s economy, such as the aviation industry, have been isolated and are experiencing a severe crisis. At the same time, the sanctions have not yet achieved their main goal – to make it economically impossible for

57. The Polish Institute of International Affairs, [The Relevance of BRICS after the Russian Invasion of Ukraine](#), 2022.

58. [A new world order? BRICS nations offer alternative to West – DW – 04/10/2023](#).

59. [Brazil’s Lula lands in China for state visit – DW – 04/12/2023](#).

60. [Brazil welcomes Russia’s Lavrov amid US criticism – DW – 04/18/2023](#).

61. [Putin uses BRICS alliance to win support from emerging economies – The Globe and Mail](#).

62. [EU sanctions on Russia: Overview, impact, challenges | Think Tank | European Parliament \(europa.eu\)](#)

63. [10th package of sanctions on Russia’s war of aggression against Ukraine: the EU includes additional 87 individuals and 34 entities to the EU’s sanctions list – Consilium \(europa.eu\)](#).

64. [https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine\\_en#overview-of-sanctions-in-place](https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine_en#overview-of-sanctions-in-place).

the Kremlin to continue its war of aggression against Ukraine. The Russian economy barely shrank in 2022 and, according to some estimates, could experience growth this year.<sup>65</sup> Moreover, Russia continues to import Western goods, including military and dual-use goods, using them against the Ukrainian army and civilians.<sup>66</sup>

108. This is made possible by an extensive network of sanctions circumvention and parallel imports that the Kremlin has deployed over the past decade. A number of large economies and key trading partners of the Russian Federation are not part of the coalition applying sanctions. They include Brazil, India and China (the remaining BRICS). Amongst Council of Europe member States, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, the Republic of Moldova, Serbia, and Türkiye do not apply sanctions towards the Federation, and neither do Central Asian countries.

109. Russia, therefore, has ample room for manoeuvre to circumvent sanctions via third country imports, direct or indirect re-export and false transit. The Russian government and businesses are highly entrepreneurial in inventing various ways for circumventing technological sanctions (thus important crucial components for producing military equipment) and even oil sanctions. Tellingly, Russia's trade with some of the above-mentioned countries has grown considerably since the beginning of the large-scale invasion.

110. The EU has stepped up its 'sanction diplomacy' with the nomination of David O'Sullivan as the first International Special Envoy for the Implementation of EU Sanctions, in charge of reaching out to third countries to address sanction circumvention and broaden the coalition, and to organise a Sanctions Coordinators Forum to strengthen international enforcement.<sup>67</sup>

## **7.2. Addressing circumvention**

111. The enforcement of existing sanctions should also become a bigger focus for the European authorities. In the 11<sup>th</sup> sanctions package, proposed in May 2023, the EU has begun to address this issue but its efforts so far have been limited and finding consensus is difficult.

112. Trade with third countries outside the European Union is currently the most common way of importing goods and technology into Russia. According to calculations by Reuters on the basis of data from the German Federal Statistical Office, for the first quarter of 2023 the volume of exports from Germany to Kyrgyzstan rose by 949%, to Georgia by 92%, while those to Kazakhstan rose 136%, to Armenia 172% and to Tajikistan 154%. Exports to Türkiye were up 37%.<sup>68</sup>

113. The procurement of goods through third countries became possible thanks to Russia's government permission of parallel imports in early 2022. Moreover, some countries of the Caucasus and Central Asia, such as Armenia, Kazakhstan and Kyrgyzstan are in a customs union with Russia, which means that goods can move freely between countries.

114. Under the proposed 11<sup>th</sup> sanctions package, if illegal re-exports are suspected, the EU would be able to issue a warning to offending countries. Furthermore, the EU would have the right to restrict exports of certain goods to these countries.<sup>69</sup> These measures would be an important step forward. However, to make them more effective, a dedicated European Anti-Circumvention Task Force could be set up, which would work in close co-operation with foreign governments to carry out end-user certificate checks, monitor companies that re-export goods to Russia, and propose secondary sanctions when necessary.

115. Despite numerous financial sanctions against Russia, several Western banks are still operating in the country, including Raiffeisen Bank (RBI, Austria), UniCredit Bank (Italy), and OTP Bank (Hungary)<sup>70</sup>. According to researchers, in the first nine months of 2022, RBI earned half its net profit from the Russian market, and, in 2023, made €1.4 billion in profit in Russia – four times more than in the same period last year, all while paying taxes to the Russian government<sup>71</sup>. Moreover, Raiffeisen bank continues its co-operation with the Russian State-owned Sberbank.

---

65. [www.wilsoncenter.org/blog-post/russias-2022-economic-anomaly](https://www.wilsoncenter.org/blog-post/russias-2022-economic-anomaly).

66. [www.nytimes.com/2023/04/18/business/economy/us-russia-chips-sanctions.html](https://www.nytimes.com/2023/04/18/business/economy/us-russia-chips-sanctions.html).

67. AGENCE EUROPE – David O'Sullivan appointed International Special Envoy for... ([agenceurope.eu](https://agenceurope.eu)).

68. [www.reuters.com/world/german-exports-russias-neighbours-fuel-sanctions-evasion-fears-2023-05-16/](https://www.reuters.com/world/german-exports-russias-neighbours-fuel-sanctions-evasion-fears-2023-05-16/).

69. [https://ec.europa.eu/commission/presscorner/detail/en/statement\\_23\\_2661](https://ec.europa.eu/commission/presscorner/detail/en/statement_23_2661).

70. [www.thebanker.com/World/Central-Eastern-Europe/Russia/European-banks-still-in-Russia-Should-they-stay-or-should-they-go](https://www.thebanker.com/World/Central-Eastern-Europe/Russia/European-banks-still-in-Russia-Should-they-stay-or-should-they-go).

71. [www.business-humanrights.org/en/latest-news/business4ukraine-coalition-calls-on-raiffeisen-bank-to-close-down-its-business-in-russia-to-avoid-complicity-risks/](https://www.business-humanrights.org/en/latest-news/business4ukraine-coalition-calls-on-raiffeisen-bank-to-close-down-its-business-in-russia-to-avoid-complicity-risks/).

116. The private sector should take legal and moral responsibility for making sure that nobody profits from the war and human suffering and that nobody supports the aggressor. As regards European banks, more pressure should be put on them to enforce sanctions against Russia. Those remaining in Russia should be asked to disclose data on transactions potentially linked to the military-industrial complex.

117. Publicity is an effective tool to remind those who undermine and circumvent the sanction regime of their responsibility. I propose, therefore, to establishment a special Register of companies, banks, and companies involved in circumventing the sanctions, to be updated regularly and to be made public. In addition, States who are helping to avoid the sanctions and creating special conditions for circumventing the sanctions should also be listed.

118. Finally, the issue of the purchase of refined petroleum products based on Russian energy should be looked into. The EU Special Representative for Foreign Policy, Josep Borrell, recently highlighted the role of India in the resale of Russian oil products. According to him, exports of refined petroleum products from India to Europe have increased sevenfold compared to the pre-war period. India has every right to buy Russian oil. However, reselling refined petroleum products of Russian origin to the EU is a circumvention of sanctions. At the same time, Mr Borrell held European importing companies responsible for this.<sup>72</sup>

## 8. Dialogue with Russian democratic forces and civil society sharing Council of Europe values

119. In order to prepare and wage its aggressive warfare, the Putin regime has destroyed the strongest and most visible of the surviving non-governmental organisations. In 2022-2023, the Moscow Helsinki Group, the SOVA Center for Information and Analysis, the Sakharov Center, the Memorial Human Rights Center, and International Memorial were virtually liquidated.

120. The liquidation of the Memorial organisations and the ongoing repression of associated structures and individuals also reflect the Kremlin's policy of destroying the historical memory of Soviet-era crimes and their victims. These efforts are designed to establish an ideology of all-power and infallibility of the State, individual disenfranchisement, contrasting Russia with the West and multilateralism, justifying the war of aggression.

121. Repression aimed at eliminating opponents of the regime, intimidating and controlling society became the foundation of the war of aggression. According to incomplete data from Memorial, there are at least 550 political prisoners in Russia today. Amongst them, many good friends of mine and of the Council of Europe, including Vladimir Kara-Murza, Alexei Navalny, and many others. According to OVD-Info, at least 600 people have been criminally prosecuted for anti-war protests. The scale of repression has reached Soviet-era levels. All new punitive norms, which often contravene basic legal principles, are intended to create the conditions for even greater levels of repression.

122. Since the beginning of the large-scale war of aggression, many Russians have left the country. They are political opponents of the regime, human rights defenders, human rights activists, journalists, NGO representatives, democratically minded civil society. A lot of people have also left because they do not agree with the war, or because they do not want to fight in it.

123. Russians in exile are not a uniform group and are divided on many issues. It should be mentioned, however, that on 20 May 2022, the Second Anti-War Conference decided to establish the Russian Action Committee. By signing a Declaration on the vision of the future of Russia, its members support:

- the liberation of all Ukraine's occupied territories and the restoration of the territorial integrity of Ukraine in accordance with its internationally recognised borders;
- the compensation of Ukraine for the damaged caused by Putin's aggression;
- the setting up of an International Tribunal to prosecute the crime of aggression.

124. I believe that this platform meets the conditions set out by the Assembly in its [Resolution 2433 \(2022\)](#) on "Consequences of the Russian Federation's continued aggression against Ukraine: role and response of the Council of Europe", in which the Assembly resolved "to intensify its engagement with Belarusian and Russian civil society, human rights defenders, independent journalists, academia and democratic forces respecting the values and principles of the Organisation, including the territorial integrity of sovereign member States" (paragraph 18.2).

---

72. [www.eeas.europa.eu/eeas/some-clarifications-circumvention-eu-sanctions-against-russia\\_en](http://www.eeas.europa.eu/eeas/some-clarifications-circumvention-eu-sanctions-against-russia_en).

125. Also on the strength of the exchanges that, at the initiative of the President of the Assembly, the Presidential Committee had with some key representatives of the Russian Action Committee in Paris in March 2023, I hope that the Assembly will pursue dialogue with these interlocutors. Only a democratic Russia without the capacity to attack its neighbours can be a guarantee of lasting peace in Europe. And that day will come.

## **9. General conclusions**

126. The Council of Europe was created from the ashes of the Second World War in the conviction that “the pursuit of peace based upon justice and international co-operation is vital for the preservation of human society and civilisation”. In 2023, 74 years since its creation, the oldest pan-European organisation operates against the background of a multipolar geopolitical system, in which rules-based multilateralism is weakened, international peace and security are undermined and values such as democracy, human rights and the rule of law are put in question and sometimes even rejected.

127. For more than five hundred days we have been witnessing Russia’s illegal and unprovoked war of aggression against Ukraine. Despite the immense suffering caused to the Ukrainian people and the devastating consequences globally, Russia and its allies have chosen to continue violating international, human rights and humanitarian law, committing war crimes and possibly crimes against humanity in Ukraine and endangering the entire international rules-based order.

128. Resuming the 11th emergency special session of the UN General Assembly, its President Csaba Kőrösi said that in this “new chapter of history the world is facing stark choices about who we are as an international community. These choices will either set us on a path of solidarity and collective resolve to uphold the tenets of the UN Charter, or a path of aggression, war, normalised violations of international law and collapsed global action.”

129. I cannot agree more with his words. The way in which we respond to the Russian Federation’s aggression against Ukraine will set the course of European history and affect the system of global governance in the years to come. The international community must demonstrate determination and unity in responding to Russia’s unprovoked war of aggression and standing by Ukraine for as long as it takes.

## **10. Recommendations on how to improve the effectiveness of sanctions**

130. Sanctions have been crucial in creating meaningful and tangible consequences in response to Russia’s aggression in Ukraine. They play an important part in curtailing Putin’s access to funds for the war. The Russian Federation, however, continues to receive funds through the sale of oil and gas. Furthermore, many Russian oligarchs complicit in corruption and human rights abuses remain free from sanctions, and methods have been devised to bypass and evade sanctions.

131. In order to contribute to the reflection, and possibly to a more specific report on this issue, I see the following way forward to improve the effectiveness of the sanction system:

### ***Reduce Europe’s Reliance on Russian Oil and Gas***

132. Mechanisms for further reducing Europe’s reliance on Russian oil and gas need to be supported. In addition, measures to reduce the resale of Russian oil and gas to Europe via third countries need to be enacted.

### ***Expand Personal Sanctions***

133. Personal sanctions should continue to be expanded to include individuals (and the entities they control) who provide support for and/or do not materially, financially and publicly oppose the war against Ukraine carried out by the Kremlin regime.

### ***Monitor Sanctions Compliance and Impose Secondary Sanctions***

134. Mechanisms need to be strengthened to address loopholes and sanctions evasion, including in the form of purported transits via Russia to third countries, resale of Russian goods, including oil and gas via third countries, transfer of Russian banking services and assets to third countries, and use of nominee structures to hide the ultimate owners and managers of Russian assets and companies.

135. There is a need to strengthen the system for monitoring compliance with existing sanctions by third parties (secondary sanctions).

136. It is crucial to identify the major categories of entities and individuals that play a significant role in sanction avoidance. These categories should include banks, insurance companies, financial advisers, financial institutions, transport and logistics companies, ports, and service companies.

137. To effectively combat sanction avoidance, it is necessary to propose sanctions mechanisms that inflict more significant damage on those involved in such activities than any potential benefits they may gain. This can be achieved by introducing sanctions that specifically target key individuals within each category of sanction. By doing so, a clear message can be sent, and it can serve as a deterrent to other individuals or entities considering involvement in said illicit business.

138. It is important to strengthen co-operation and harmonise sanctions efforts amongst like-minded countries. The current situation where individuals may be sanctioned by one jurisdiction but not by another creates loopholes that allow for sanction avoidance.

***Create a Register of companies/individuals working for Russian interests and a Register of persons assisting in sanctions avoidance***

139. It is advisable to require disclosure from Council of Europe entities and persons of all work, for or in the interest of Russian entities and persons, whether sanctioned or not. This measure can be first rolled out on a voluntary basis.

140. To counter attempts to circumvent sanctions, the creation of a register of companies aiding Russian persons and entities in bypassing sanctions could be established, and appropriate restrictive measures should be imposed on them within the Council of Europe, to enable transparency and awareness across membership.

***Impose Sanctions on Putin's Allies and Enhance Sanctions Avoidance Measures***

141. In response to Putin's illegal aggression against Ukraine, it is crucial to impose sanctions on his allies, including on Iran, Belarus, Cuba, and other key players supporting Putin's murderous war in Ukraine. By identifying specific areas where these allies provide support to Putin's aggression, targeted sanctions can be implemented against individuals, institutions, or entities involved.

***Significant Financial Penalties for Sanction Avoidance***

142. To address the potential cost issues related to regulating and enforcing sanction avoidance, the introduction of legal mechanisms imposing substantial financial penalties is essential. These penalties can be utilised to fund the budget for sanction avoidance regulation and enforcement efforts. By imposing significant financial consequences, the incentive to engage in sanction avoidance will be reduced, and the resources required to combat these illicit activities can be effectively managed.

***Civil and Criminal Liability for Sanction Avoidance***

143. To further deter sanction avoidance, it is important to consider the criminalisation of deliberate assistance by individuals and groups of individuals for the purpose of evading sanctions. Introducing criminal liability for sanction avoidance would serve as a strong deterrent and reinforce the seriousness of such actions. In addition, persons involved in abetting sanctions avoidance should be banned from engaging in certain professional activities in the Council of Europe.

***Establishment of a pan-European institution with the authority to investigate and prosecute persons involved in sanctions avoidance***

144. Establishing a permanent pan-European legal institution with the authority to investigate and prosecute individuals on the sanctions lists and those abetting them as war criminals is advisable. This institution, such as a tribunal or specialised prosecutor's office, should be empowered to issue arrest warrants for individuals and to confiscate their assets, as well as to seek extradition from third countries. The decisions made by this institution should be binding on all Council of Europe member States.

***Monetary incentives for whistle-blowers reporting specific details of sanction avoidance***

145. Establishing monetary incentives for those with important information on sanctions avoidance, can increase motivation for whistleblowers to come forward and expose individuals or entities for aiding and abetting sanctions avoidance.