

Russia Reform Monitor No. 2407

August 19, 2020 Ilan I. Berman, Matt Maldonado, Sydney Duckor

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U.S. RELEASES ADVISORY ON NEW RUSSIAN MALWARE

On August 13th, the National Security Agency (NSA) and FBI released a new advisory on cybersecurity concerning previously undisclosed Russian malware. The malware is a set of hacking tools named "Drovorub" deployed by a unit of Russia's state military intelligence agency, the GRU, as part of its cyberespionage operations. The unit responsible for the new malware, the 85th Main Special Service Center (GTsSS), is associated with the hackers who broke into the Democratic National Committee in the months leading up to the 2016 presidential election.

The "Drovorub" hacking tool is designed to break into computers running the Linux operating system, which is commonly used on web-based computer servers. The U.S. government advisory provides guidance to system administrators and network security specialists so they can defend against the malware. It includes detection strategies, mitigation techniques, configuration recommendations, and other tips to reduce the risk of compromise. (*Radio Free Europe/Radio Liberty*, August 13, 2020)

MOSCOW OFFERS TO HELP U.S. WITH COVID-19 VACCINE, WASHINGTON DECLINES

On the heels of the Kremlin's announcement that it had successfully developed the world's first vaccine against the coronavirus, Russian officials claim they have offered "unprecedented cooperation" with Operation Warp Speed (OWS), the U.S. multi-agency body set up by the Trump administration to accelerate COVID-19 vaccines and treatments. The U.S. government, however, doesn't appear to be interested. OWS officials stated that the "U.S. is not currently open" to the Russian medical advances.

The chilly response is likely due to the fact that Russia hasn't released any scientific data on its testing and vaccine development procedures, and no one has been able to verify that the Russian vaccine - which has been named "Sputnik-V" - is either safe or effective. Developed by the Moscow-based Gamaleya Institute, the vaccine was approved by the Russian government before beginning crucial Phase 3 trials in which it would be administered to thousands of people. U.S. officials said the Russian vaccine is considered so half-baked that it hadn't even piqued interest in a serious way before its rollout. "There's no way in hell the U.S. tries this (Russian vaccine) on monkeys, let alone people," one U.S. government public health official said. (CNN, August 13, 2020)

RUSSIA. CHINA WORK TO DITCH THE DOLLAR

Russia and China are partnering to reduce their dependence on the U.S. dollar, a development that some say could result in a "financial alliance" between the two countries. In the first quarter of 2020, the dollar's share of trade between Russia and China fell below 50% for the first time on record, according to data from Russia's Central Bank and Federal Customs Service. Russia and China have drastically cut their use of the dollar in bilateral trade over the past several years. De-dollarization has become a priority for Russia; replacing the dollar in trade became a necessity in order to sidestep U.S. sanctions in recent years.

Beyond trading in national currencies, Russia has been rapidly accumulating renminbi reserves at the expense of the dollar. In early 2019, Russia's central bank revealed that it had slashed its dollar holdings by \$101 billion — over half of its existing dollar assets. Russia's push to accumulate renminbi is not just about diversifying its foreign exchange reserves; Moscow also wants to encourage Beijing to become more assertive in challenging Washington's global economic leadership. (*Financial Times*, August 16, 2020)

RUSSIA REACHES VACCINE AGREEMENT WITH SAUDI ARABIA, UAE

According to the head of its sovereign wealth fund, Russia has reached an agreement to conduct clinical trials of its controversial coronavirus vaccine in Saudi Arabia and the United Arab Emirates. The Russians are working with a pharmaceutical company in the Kingdom and have shared data from Phase I and Phase II trials with Saudi partners, though the company wasn't identified. Regarding Russia's partnership with the Saudis, CEO of the Russian Direct Investment Fund Kirill Dmitriev stated, "We'll really engage with Saudi scientists and the Saudi Health Ministry... We believe that Saudi will be a very strong partner for our joint work on the Sputnik V vaccine." Russia also shared its data with the UAE, and is expecting to start its trials there later in August. Additionally, it plans to conduct clinical trials in the Philippines and Brazil as well as at home. (*Bloomberg*, August 16, 2020)