



RUSSIA REFORM MONITOR

The American Foreign Policy Council's Review of
Russian Government Actions and U.S. Policy

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Related Categories: Cybersecurity and Cyberwarfare; Democracy and Governance; Human Rights and Humanitarian Issues; International Economics and Trade; Global Health; Europe; Latin America; Russia

RUSSIAN FOREIGN TRADE SHIFTING AWAY FROM DOLLAR

The Kremlin's efforts to insulate Russia from the influence of the U.S. economy hit a major milestone this week, when the country's share of foreign exports conducted in dollars dipped below 50 percent for the first time. New American sanctions that prohibit the purchase of newly-issued sovereign debt were implemented this month, highlighting the kind of restrictions Moscow is now trying to circumvent. Thirty-six percent of Russia's exports are now conducted in Euros, a ten percent jump over previous tallies. The transition away from the dollar is also being accomplished by shifting trade with former Soviet states to the ruble. Trade between Russia and China in Euros, Chinese yuan, and rubles has been one of the drivers behind Moscow's export transition. (Bloomberg, April 26, 2021)

UK SANCTIONS 14 RUSSIANS UNDER NEW ANTI-CORRUPTION LAW

Fourteen Russians are among the first people sanctioned by the UK under a new global anti-corruption regime. The fourteen have been accused of involvement in a fraudulent scheme that involved the theft of around \$230 million from Russia's government through unlawful tax refunds. Their fraud was uncovered by the late lawyer Sergei Magnitsky, who was subsequently incarcerated by Russian authorities and died in a Russian jail in 2009 after being denied medical attention. The fourteen will face frozen assets, business restrictions, and travel bans, among other punishments and restrictions. (Guardian, April 26, 2021)

RUSSIAN HACKERS HIT DC POLICE

In a public statement, the Washington, DC police department announced that its computer network had been breached, and that a Russian-speaking ransomware syndicate was behind the attack. The group claimed to have stolen around 250 gigabytes of classified data, along with information about informants - material it threatened to send out to local criminal gangs unless the police agreed to pay an unspecified ransom. The ransomware gang, labeled The Babuk Group, posted screenshots on their website proving their attack, and gave the police three days to contact them or they would "start to contact gangs in order to drain the informants." The stolen information reportedly included intelligence reports, information on gang conflicts, the jail census, and other administrative files. The DC police department stated that they were taking the threat seriously, and have called on the FBI to investigate the full impact of the "unauthorized access." (Fox News, April 27, 2021)

BRAZIL REJECTS SPUTNIK V OVER SAFETY CONCERNS

Brazil's national health regulator, Anvisa, has voted against importing around 30 million doses of Russia's Sputnik V vaccine due to a lack of "consistent and reliable data" regarding the coronavirus treatment. The agency's decision overrides urgent requests by 14 states in Brazil to import the Russian vaccine in light of the growing number of infections in the country. The agency stated that, after further analysis, it found that the adenovirus, which forms the base of the Russian vaccine, has the capacity to replicate which could lead to sickness or death among people with low immunity. The Russian Direct Investment Fund, which oversees the vaccine's international marketing efforts, has denied the claims, stating that Anvisa's decision was "of a political nature and has nothing to do with the regulator's access to information or science." The Fund also blamed Washington for trying to persuade Brazil to reject the Russian jab via a recent U.S. government report. (Associated Press, April 27, 2021)

NOW BULGARIA SEEKS CLARITY ON RUSSIAN SABOTAGE

An elite group of Russian intelligence operatives known as Unit 29155 will be investigated to uncover possible connections to a series of explosions that took place at ammunition depots throughout Bulgaria, the country's legal authorities have said. The explosions in question were part of a chain of blasts that occurred over the course of ten years, and two occurred at the same time as members of the Russian intelligence unit were traveling to and from the country. Bulgaria's announcement comes on the heels of allegations of Russian interference and sabotage leveled by Czech authorities - charges that have roiled relations between Moscow and Prague. (New York Times, April 28, 2021)

NAVALNY GROUP DISBANDED, CLASSIFIED AS EXTREMIST

This week, Russian prosecutors successfully lobbied to have Alexei Navalny's Anti-Corruption Foundation labeled an "extremist organization" - a designation under Russian law that currently encompasses such groups as ISIS and al-Qaeda. Earlier in the week, a Moscow court ordered all regional groups affiliated with the dissident activist's organization to halt their activities in anticipation of the classification. In a statement, prosecutors said they recommended blacklisting the group because it "engaged in creating conditions for the destabilization of the social and sociopolitical situation [in Russia]." Since Navalny's return to Russia and arrest in January of this year, the Foundation has organized multiple large scale demonstrations in support of the jailed political dissident. (Deutsche Welle, April 26, 2021; BBC News, April 29, 2021)