

Current Intelligence Report Circular

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United States looks to impose sanctions on Russia in the energy, finance and technology sectors

On 28 SEPT 2022, the US State Department head of sanctions coordinator, James O'Brien told the US Senate Foreign Relations Committee that more sanctions against Russia will be imposed. O'Brien stated that America is still working with other European nations in sanctioning Russia and that the new sanctions imposed will be targeting the technological, financial, and energy sectors. At the meeting, a number of US Senators, including Mitt Romney and Chris Van Hollen, questioned why the US was not doing more on sanctions. The Senators want to see stronger enforcement so that Russia will not be able to continue financing the Russo-Ukrainian war. State Department spokesperson Ned Price told the media these sanctions could be happening as soon as within the next few days. This comes after Russia released data stating that four Ukrainian Provinces under Russian administration wished to join Russia following the voting poll of referendums. White House spokesperson Karine Jean-Pierre described these referendums as illegitimate, and said that America will not recognize Russian-annexed areas in Ukraine. Jean-Pierre also stated that these sanctions imposed will be placed on both individuals and entities both within and outside the borders of Russia that support the annexation. END

CMCD Note

We can assess with high confidence that Russia's ability to support its ongoing war in Ukraine will begin to slow within the next few months following the order of partial mobilization of Russian civilians. The Russia Defense Ministry (RDM) has since surpassed its expenditure budget of 3.5 trillion rubles (56.98 billion USD). It is highly likely the RDM will not be able to expand its budget in 2023 by 10% as stated previously. With the West targeting the Russian energy sector, it is almost certain that, come winter, oil prices will increase for the West following the EU's plans of shutting off all energy supply from Russia. Now with the four provinces of Donetsk, Luhansk, Zaporizhzhia, and Kherson becoming annexed portions of Russia, the US Commerce and Treasury departments issued bans on the export of quantum computing technology, related software and hardware to Russia and Belarus. This will lead to the likely probability of a setback in Russia technological advancements in 2023.

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