

Economic Security Council of Ukraine

CONCLUSIONS 2023  
PREDICTIONS FOR 2024



## 2023: RESULTS AND CONCLUSIONS 2024: RECOMMENDATIONS AND TRENDS

### (1) Sanctions are the latest weapon.

The aggression of the Russian Federation against Ukraine has been going on for almost ten years, and the full-scale war has been going on for almost two years. And sanctions continue to play a key role in countering Russia. At the same time, the democratic world is gradually changing its approaches to sanctions policy. If at the beginning of the war, it was important to quickly introduce more and more restrictions, now many states are focused on **ensuring the effective implementation of sanctions** and making it impossible to violate them. In addition, it is important to gradually criminalize the circumvention of sanctions, as well as new initiatives aimed at **coordinating and synchronizing sanctions policy**. It can be predicted that the main trend in 2024 will be a rethinking of the sanctions policy, which will cease to be a tool for deterring Russia and will turn into a full-fledged tool for destroying the economic and military potential of the aggressor state. To do this, it is necessary to strengthen the international coalition and focus direct economic restrictions to the most critical sectors for the Russian Federation.

### (2) Modern warfare is multidimensional.

Russia's war against Ukraine has many dimensions: conventional, economic, cyber, informational, and cultural. Only an understanding of the interaction of these dimensions allows us to adequately assess the actions of the aggressor state. The multidimensionality of wars **is a new security challenge**. There is no doubt that Russia is not the only threat to international security. Other authoritarian regimes will conclude and use these approaches in the future.

Unconventional aggression (first of all, Russia's cyberattacks) has no geographical limitations. This means that Western companies that

continue to supply the Russian Federation with the latest technologies not only contribute to the continuation of the war against Ukraine. They undermine the security of their states because no one knows against whom the Russian attack will be carried out tomorrow. That is why, in 2024, democracies will need to recognize that the economic, informational, and cyber war between them and Russia has already begun. And peacetime tools cannot be used during war. Thus, the trends of 2024 are the termination of Russia's access to Western technologies and the strengthening of the responsibility of the private sector for supporting the Russian economy.

### **(3) Effective public scrutiny is the key to success.**

In today's system of checks and balances, civil society plays an increasingly prominent role. To ensure economic stability and post-war reconstruction of Ukraine, public oversight will be crucial. Therefore, one of the important areas is the institutional development of public councils. At the same time, public control is also necessary to effectively counter Russia. One example is **the monitoring of the national sanctions policy**. In 2023, Ukraine has taken a significant step to ensure a more reasonable and transparent formation of sanctions lists, which in the long run will allow for better interaction with allies. In particular, it was decided to create a national sanctions register. Control over the formation of the register is an indisputable priority for the expert community for 2024. And in a more global context, **the strengthening of interaction between state bodies of different states and expert** civil society institutions will determine the success of 2024 for the democratic coalition.

# ESCU analytics for 2023

## ***Analytical report "Cyberattacks, Artillery, Propaganda"***

Russia's armed aggression against Ukraine is multidimensional. The study tracked the coordination of missile attacks on critical infrastructure and cyberattacks on relevant services, the clear coordination of missile and cyberattacks on the media and communication centers, the preparation and implementation of cyberattacks on institutions that help Ukraine.

**Link:** <https://reb.org.ua/reporting/kiberataki-artileriya-propaganda-zagalnii-oglyad-vimiriv-rosiiskoyi-agresiyi->

## ***Analytical report "EU sanctions against the Russian Federation"***

The expert paper assesses the effectiveness of European sanctions, as well as a number of recommendations for strengthening economic restrictions. The following problems have been identified: the lack of a universal sanctions regime and the continuation of the activities of Western companies in Russia; deficiencies in export control of dual-use goods; non-imposition of restrictions on many Russian structures belonging to military enterprises and the defense industry.

**Link:** <https://sceeus.se/en/publications/eu-sanctions-against-russia-coherence-and-efficiency-during-the-large-scale-invasion-of-ukraine-a-ukrainian-assessment/>

## ***Analytical Report "The Role of Western High-Precision CNC Machines in the Russian Defense Industry"***

EW analysts conducted an extensive analysis of Russia's dependence on foreign CNC machines. Russian production of military equipment and weapons is largely dependent on imports of foreign CNC machines, in particular due to the lack of its own precision machine tool building.

**Link:** <https://reb.org.ua/reporting/rol-zaxidnix-verstativ-z-cpu-v-rosiiskii-oboronni-promislovosti-ta-naslidki-yix-vtrati-dlya-rosiyi-zvit-8230qy>

## ***Analytical report "CNC machines 2.0."***

CNC machines are the strategic linchpin of the Russian military industry and a window of opportunity to try to stop the aggressor. The document provides comprehensive recommendations for solving this problem.

**Link:** <https://reb.org.ua/reporting/cnc-machinery-20-curtailing-russias-military-production-62ggk2>

## ***Analytical report "Work of public councils"***

Civil society in Ukraine has traditionally been the driving force behind the most important positive changes and reforms. The report provides recommendations for strengthening public oversight tools.

**Link:** <https://reb.org.ua/reporting/roboata-gromadskix-rad-analiticna-dopovid-vyqvvd2>

## ***Analytical Report "State Quality Assurance System"***

The report presents aspects of the establishment of an authorized body for state quality assurance of goods, works and services for defense purposes, based on the principles of independence, transparency and anti-corruption. An analysis of national and international legislation, in particular of NATO member states, is carried out.

**Link:** <https://reb.org.ua/reporting/sistema-z-derzavnogo-garantuvannya-yakosti-analiticna-dopovid-02k8dy>