Radio Azattyk has found that Kyrgyz and Kazakh companies are exporting dual-use technology to Russian firms linked to the Kremlin war machine, despite Western attempts to block such supplies through the Central Asian states.

In response to Russia's full-scale invasion of Ukraine in February 2022, the United States and the European Union have tightened controls on the export to Russia of technologies that can be used not only for civilian but also for military purposes.

However, Russia uses schemes for the supply of Western technologies through states not limited by these sanctions, including Kazakhstan and Kyrgyzstan. Both of these countries are members of the Eurasian Economic Union under the auspices of Moscow.

Russian imports of dual-use goods from Kazakhstan and Kyrgyzstan skyrocketed after the start of the war. We are talking about the electronic equipment of such American giants as Texas Instruments and Analog Devices. Components of their production were found in Russian weapons used in Ukraine.
This could lead to so-called secondary sanctions against companies in these Central Asian countries. US and EU officials responsible for implementing the sanctions have raised the issue during official visits to Kyrgyzstan and Kazakhstan in recent months.

Radio Azattyk has found that Russian companies importing dual-use technology from Kazakhstan and Kyrgyzstan are or have been in the past providing for the Russian military industry, including state-owned companies under Western or Ukrainian sanctions.

Journalists from the Kazakh and Kyrgyz services of Radio Liberty/Radio Free Europe - together with the Ukrainian service of Radio Liberty's "Schemes" project - analyzed customs and corporate data of companies involved in the supply of dual-use technologies, as well as Ukrainian intelligence data on Western electronics found in Russian weapons.

One such Russian company is registered in Izhevsk, a major military-industrial center, and was founded just weeks after the Russian invasion of Ukraine began. Radio Azattyk journalists were unable to find any data directly indicating that this company is a supplier of the Russian military-industrial complex, but its director, a karate instructor, previously worked at a plant in Izhevsk, which, according to US authorities, "is engaged in the development of goods and technologies for Russian army".

The company’s main trading partner, according to customs documents, is a Kyrgyz electronics exporter that was founded just weeks after the Russian invasion began.

In other cases, Russian electronics suppliers imported dual-use products through partners in Kazakhstan.

A large Russian company, ITC, which supplies various military-industrial enterprises, is under sanctions from both the United States and Ukraine. Customs documents show that ITC engaged a Latvian logistics company to supply dual-use technology through a Kazakh company that ITC itself had founded a few years earlier.

In some cases, dual-use goods imported through Kyrgyz and Kazakh firms from the US or Europe are immediately sent to recipients in Russia, bypassing Central Asia, various sources told RFE/RL.

“Money, contractual relations go through Bishkek. The goods go directly to Russia,” an employee of a Kyrgyz company who introduced himself as Andrei, said in response to a request from Radio RFE/RL.
What sources did we use?

For the investigation, Radio Liberty/Radio Free Europe analyzed thousands of documents from various sources. Our reporters studied customs data collected by commercial database aggregators ImportGenius and Sinoimex, as well as C4ADS, a Washington-based non-profit global security organization. The company data provided in this investigation is taken from the official registers of Kazakhstan, Kyrgyzstan and other countries, as well as from the SPARK database, which combines official ownership information with financial data on companies from different jurisdictions. Data on deliveries in Russia was taken from SPARK and from the site Clearspending.ru, which is an aggregator of official information about Russian tenders.

The data on Western electronics found in Russian weapons in Ukraine comes from Ukrainian intelligence reports shared with the EU, which conducted an internal analysis of the data. Radio Liberty/Radio Free Europe journalists reviewed both Ukrainian intelligence documents and EU analysis obtained by Radio Liberty’s Ukrainian Service Schemes project.

According to customs data, Kyrgyz and Kazakh companies export to Russia microchips, telecommunications equipment and other electronic components similar to those that the Ukrainian military finds in Russian missiles, tanks, helicopters, drones and radio systems.

Exactly what happens to these components when they arrive for Russian customers is difficult to ascertain, as shipments to Russian security agencies are classified.

In just one day in December 2022, the Kazakh company EltexAlatau sent to Russia more than 100 batches of dual-use electronics, which, according to Kiev, are used by Russian troops in Ukraine.

In particular, varieties of chips used in night vision devices of Russian tanks were sent. At the same time, the official partner of the Russian branch of the company directly calls the Russian Ministry of Defense and the FSB its regular customers.

Radio Azattyk reached out to the administrations of the presidents of Kyrgyzstan and Kazakhstan for comment, but received no response at the time of publication of this material.

However, speaking at a press conference with German President Frank-Walter Steinmeier following bilateral talks in Astana this week, Kazakh President Kassym-Zhomart Tokayev said his government follows "all the rules accepted in the international market."
Exports are growing, the West is pressing

Since the start of Russia's full-scale invasion of Ukraine in February 2022, the United States and the European Union have begun imposing unprecedented sanctions against the Kremlin and the Russian economy, including restrictions on the supply of electronics and other technologies used by the Russian military.

However, these products continue to come to Russia from countries that have not joined Western sanctions - for example, China. At the same time, customs and trade data show a powerful surge in imports of dual-use technologies to Kyrgyzstan and Kazakhstan, as well as in their exports to Russia.

Radio Azattyk studied a list compiled by Kiev for the European Union of electronic components found by Ukrainian experts in Russian weapons and auxiliary systems. Then the journalists analyzed the customs data taking into account the specific customs codes for these products.

"As for the so-called export of dual-use goods to Russia, this is absolutely not true," Tokayev said, although he did not specify what exactly he considers to be untrue.

Steinmeier, in turn, said after the June 20 talks that Brussels and Astana are working closely to prevent Russia from evading Western sanctions.

"We need to strengthen all possible efforts to prevent sanctions evasion. And we heard in the course of our conversations that Kazakh agencies and EU agencies are in close contact on these issues," Steinmeier said.

The day after the Steinmeier talks in Astana, the EU governments agreed on the 11th package of sanctions against Russia, which includes, as the Swedish EU chairman said, "measures aimed at combating the circumvention of sanctions."

European Commission President Ursula von der Leyen said on June 21 that the new sanctions would "deal another blow to Putin's war machine by tightening export restrictions targeting Kremlin-backed organizations."

"Our tool against sanctions circumvention will prevent Russia from getting their hands on sanctioned goods," Leyen tweeted.

| Exports are growing, the West is pressing |

As of 10/17/2023 12:07:16 PM
In connection with exports to Russia, the authorities of Kyrgyzstan and Kazakhstan are under pressure from both Moscow and the European Union, and they fear possible secondary sanctions from the US and the EU.

For example, computer imports to Kazakhstan reached $1.2 billion in 2022, seven times more than a year earlier, with $310 million coming from EU imports. The export of these products from Kazakhstan to Russia during the same period increased to $300 million, which is 2,300 times more than in the previous year.

According to UN trade data, Kyrgyzstan did not import any parts for aircraft, helicopters and drones in 2021. At the same time, in 2022, Kyrgyzstan imported $3.5 million worth of such products - mainly from the United States - and exported them to Russia in the amount of $1.5 million.

Representatives of the European Union express concern that dual-use technologies intended for EEC member states in Central Asia and other regions end up in Russia. The existence of such a scheme was confirmed to Radio Azattyk journalists by various sources associated with exporters in Kyrgyzstan and Kazakhstan.

“We would like to discuss with the authorities the creation of a system that will allow us to be sure that goods sent from Europe to the countries of Central Asia through Russia are delivered there and do not end up in Russia,” the special representative told Radio Azattyk on March 28 EU sanctions David O'Sullivan.

In connection with exports to Russia, the authorities of Kyrgyzstan and Kazakhstan are under pressure from both Moscow and the European Union, and they fear possible secondary sanctions from the US and the EU.

Timur Suleimenov, first deputy chief of staff to President Kassym-Zhomart Tokayev, told Euractiv in April that Kazakhstan "will not become a tool to circumvent the sanctions imposed on Russia."
"We will comply with the sanctions. Although we are part [of the EEC] along with Russia, Belarus and other countries, we are also members of the international community. And the last thing we want is for the US and the EU to impose secondary sanctions on Kazakhstan,” Suleimenov said.

In May, Russian Foreign Ministry spokeswoman Maria Zakharova told a briefing in Moscow that Russia was confident that “Central Asian capitals are well aware that neither the West nor anyone else will be able or willing to compensate for the damage caused by the artificial restriction of ties with our country.".

Speaking at the EU-Central Asia summit in Cholpon-Ata in early June, Kyrgyz President Sadyr Japarov said: “We understand the concerns and wishes of our European partners regarding certain types of sanctioned goods and are ready to continue dialogue with the EU on this issue.”

| From Bishkek to the “arms capital” of Russia |

Two months after the start of the full-scale invasion of Ukraine, a photo of a Russian BMP-1AM "Basurmanin" appeared on the streets of Kupyansk, a city in the east of the Kharkiv region, which was then controlled by Russian troops. A few days later, a Russian propagandist posted a video showing a Russian armored convoy, including Basurmaninov, driving along a road in eastern Ukraine.

"Basurmanin" is equipped with a tactical radio station "Aqueduct", which provides secure communications on the battlefield. Despite the fact that it is Russian-made, it widely uses electronics from American and European companies - such as Texas Instruments, Atmel and Xilinx.

Ukrainian intelligence found an operational amplifier manufactured by Analog Devices from Massachusetts in the Aqueduct.

A month after Basurmanin was spotted in Ukraine, a newly formed Kyrgyz company supplied similar AD822 amplifiers to a Russian company associated with the production of military telecommunications equipment.
Ismagilova did not deny her involvement in Mikropribor on the phone, but asked to call back later and did not answer calls in the future.

The founder of Mikropribor is the accountant Liliya Ismagilova, the director is karate instructor Maria Fedorova. According to the Russian corporate register, they are not founders or directors of other companies.

In May 2022, RM Design and Development supplied amplifiers manufactured by Analog Devices to the Russian company Mikropribor, which was established shortly before in Izhevsk, a city considered the “arms capital” of Russia. For example, they produce a Kalashnikov assault rifle there.

ImportGenius data shows that last year RM Design and Development supplied Mikropribor with more than 300 types of dual-use goods that are on the US sanctions list as “high priority” due to the fact that they are used in Russian weapons.

Thanks to a leak of official Russian data, Radio Azattyk journalists were able to establish that Fedorova worked at the Izhevsk Radio Plant (IRZ), which develops and supplies goods for the Russian army and is under Ukrainian sanctions. Photos on Fedorova’s Instagram also indicate that she worked for the IRZ.

The US claims that the IRZ "is developing products and technologies for the Russian army." One of the plant's partners (but not IRZ itself) is under US sanctions.

Fedorova did not return calls or WhatsApp messages asking for comment. After unsuccessful attempts by Radio Azattyk journalists to contact her, she closed access to her Instagram.

Ismagilova did not deny her involvement in Mikropribor on the phone, but asked to call back later and did not answer calls in the future.

RM Design and Development, registered in the Bishkek Free Economic Zone, has also shipped dual-use goods to at least two Russian firms that used to supply electronic equipment to Russian state-owned companies in the military-industrial complex that are under Western sanctions in response to the Kremlin's aggression in Ukraine.

https://rus.azattyk.org/a/32470732.html
The sole founder and owner of RM Design and Development is a Kyrgyz entrepreneur Shakir Marov, who worked as the director of a paintball club. Marov is likely related to the family of Bishkek businessman Anton Ripp, who ran the Russian company Riberg, which was the recipient of electronics supplies from RM Design and Development last year.

Marov redirected a telephone request from Radio Azattyk journalists to his colleague Ivan Plutitsky, who refused to discuss Russian exports of RM Design and Development due to the fact that it is a "small non-public company." Shortly after this conversation, the company's website stopped opening. Neither Marov nor Plutitsky responded to written requests.

Ripp told Radio Azattyk that he had already sold the Russian company Riberg, but did not answer questions about RM Design and Development.

### Kazakh firms with Russian roots

During the almost three-month-long assault on Mariupol in 2022, Russian troops actively used their T-72B3M main battle tank. This is an upgraded version of the T-72 tank and is widely used by Russian troops in Ukraine. In December, the manufacturer Uralvagonzavod announced the delivery of a fresh batch of these tanks to the Ministry of Defense.

The T-72B3M tank is equipped with the Sosna-U sight, which, like the Aqueduct radio station on the Basurmanin, widely uses Western electronics. In particular, a two-channel transceiver manufactured by Analog Devices was found in the models captured in Ukraine.

In early December 2022 – about the same time that the Russian army received a new batch of tanks – an Almaty-based company delivered to Russia more than a hundred shipments of varieties of dual-use goods, which, according to European experts based on Ukrainian intelligence, are used for maintaining the Russian military machine.

Customs documents examined by the Washington-based C4ADS investigative team and in the possession of Radio RFE/RL show that these shipments included Analog Devices transceivers found by Ukrainian experts in a T-72B3M tank.

The documents do not indicate the name of the recipient of the transceivers and other dual-use goods, while the Kazakh company EltexAlatau is indicated as the sender. It is an official partner of the Russian telecommunications equipment manufacturer Eltex. The companies have a common shareholder - Russian businessman Alexei Chernikov.
The reaction of Western technology companies

Radio Liberty/Free Europe has reached out for comment to several US companies whose products were found in Russian weapons in Ukraine and shipped to Russia via Kyrgyzstan and Kazakhstan.

Texas Instruments said it had stopped sales to Russia and Belarus at the end of February 2022. The Dallas-based company also said in a statement that it “complies with applicable regulations and laws in the countries in which it operates” and “does not endorse or condone the use of its products for purposes other than those intended.”
California-based semiconductor manufacturer Atmel said it does not sell its products to "countries where the sale of our technologies is prohibited, such as Iran, Belarus or the sanctioned regions of Ukraine." The company emphasized that it "condemns the illegal use of its products."

Other semiconductor manufacturers - Vishay Intertechnology, Xilinx, and Analog Devices - did not respond at the time of publication of this investigation, as did Knowles Electronics, which develops advanced acoustic technologies.

Xilinx is a subsidiary of Advanced Micro Devices (AMD), which told Reuters it "strictly follows" export regulations and suspended sales and service support for its products in Russia. "We have requested all AMD customers and authorized distributors" to stop selling our products in Russia, the company said in a statement, according to Reuters.

In March 2023, the ownership of the Elem Group passed to Kazakh lawyer Maksat Artykov, who, in a conversation with the Kazakh service of Radio Liberty/Radio Free Europe, said that he was against the Russian war in Ukraine and did not believe that his firm was helping the Russian authorities circumvent sanctions.

“Our products are used everywhere. You can find these goods that we import even in your lamp,” Artykov said, adding that “everyone” is afraid of possible secondary Western sanctions aimed at limiting the flow of dual-use goods to Russia.

Strloy E-Commerce did not respond to a request for comment.

Astana-based Astaris, set up two months after the start of the Russian invasion of Ukraine, also supplies dual-use products to Russian customers.

From May to September 2022, Astaris shipped dozens of Western dual-use items that fall into seven of the nine categories marked “high priority” on US sanctions lists for being found in Russian weapons deployed in Ukraine.

The sole owner of Astaris is an entrepreneur of Belarusian origin Alexander Skorobogaty. Journalists from Radio Liberty/Radio Free Europe's Kazakh service asked him over the phone about the company's export operations to Russia, after which he hung up. Skorobogaty is also a co-owner of a logistics company in Smolensk, however, in response to a request on WhatsApp, he stated that he "did not transport any things to Russia, did not bring anything [from] Russia."
Baltic corridor

The Kazakh company Electronics Company was founded in Almaty in June 2015 by people associated with a major Russian electronics manufacturer, ITC.

ITC was founded in 1992. The self-presentation says that the company has the ability to import technology from more than two dozen Western countries after the start of the Russian invasion of Ukraine. The invasion itself is not mentioned, but it is separately noted that imports did not stop after February 24, 2022 - that is, the day Putin announced the start of the so-called "special military operation" in Ukraine.

The ITC presentation cites “major customers,” including Western-sanctioned state-owned companies Elektropribor and Avrora, which, according to Washington, produce navigation systems and other technology for the Russian navy. There is evidence that ITC supplied Western technologies to the N.L. Dukhov, where nuclear warheads are being developed. According to data in customs databases studied by Radio Azattyk, before the start of the Russian invasion of Ukraine, the Electronics Company, affiliated with ITC, did not supply anything to Russia.

However, in August 2022, the Latvian transport company OTK Group, on behalf of the Electronics Company, sent more than 250 shipments of electronic and other products, the recipient of which was ITC.

At the same time, 71 shipments contained goods whose export is controlled by the EU, including microchips and telecommunications equipment, which are included in the US sanctions list as "high priority".
The OTK Group has ties to ITC: its executives and shareholders include Russian citizens who have worked for ITC in various roles. OTK Group’s major trading partners are Russian electronics importers Kvazar and Spetsvoltazh, which have been under US sanctions since May 2023 along with their Estonian supplier Elmec Trade.

According to ImportGenius, the country of origin of the cargo delivered by OTK Group on the order of the Kazakh company Electronics Company is Latvia and Russia, and the place of delivery is Helsinki.

The current owner of Electronics Company, Aliya Abisheva, said that the company has all the necessary export documents, verified by customs services, and its business has nothing to do with the Russian invasion of Ukraine.

When asked about the export of dual-use products, which is confirmed by customs documents at the disposal of Radio Azattyk, Abisheva replied that we are talking about civilian use: “We have electrical equipment, not military equipment. What are you all confusing?”

OTK Group owner Jan Volk, who has both Russian and Lithuanian citizenship, told Radio Azattyk on the phone that his company “cannot send anything to Russia” and quickly hung up. Repeated attempts to contact the Wolf were unsuccessful. In response to a message on Telegram, Volk asked to send an official request, but he also remained unanswered.

Radio Azattyk correspondent visited the official address of OTK in Riga. There is a brick apartment building without any indication of the presence of the company or the conduct of commercial activities.

ITC did not respond to a request for comment.

From Central Asia to Russia - but only on paper

https://rus.azattyk.org/a/32470732.html
Although according to customs documents analyzed by Radio Azattyk, dual-use goods are exported to Russia from Kyrgyzstan and Kazakhstan, in some cases this happens only on paper. In reality, the goods are delivered to the customer in Russia before they reach Central Asia.

Various sources associated with such re-exports have described how this scheme works, allowing Russia to bypass restrictions on the export of Western dual-use electronics.

“Payment goes through our firm in Bishkek,” a logistics specialist who identified himself as Andrey told Radio Azattyk. - That is, the Russians pay to Bishkek. [They] can pay you. You then pay us. We must pay for the logistics, and we must [pay] for the goods. And then they receive the goods already in Russia at a customs warehouse, without a stop in Bishkek. Documented [goods] go to Bishkek.”

According to Andrei, goods under this scheme usually arrive at the Lithuanian port of Klaipeda on the Baltic Sea, from where they are transported to Russia.

When at the end of May, a Radio Azattyk journalist spoke with Andrey again without introducing himself, he said that it was not difficult to introduce Western dual-use goods into Russia, but in his experience paying in euros could be a problem: “Now we work through [Chinese] yuan. So the timeframe has been extended. We are inventing difficulties. We still go around them. Everything just drags on.”

A Kazakh entrepreneur who introduced himself as Kanat and is engaged in the re-export of electronics and other products to Russia said that his company can provide direct deliveries from Europe to Russia through Belarus, while according to the documents the recipient will be in Kazakhstan: “According to the documents, the goods do not remain in Russia. But it doesn’t get to Kazakhstan, because then there will be big expenses for logistics.” Kanat added that his firm does not violate the laws of Kazakhstan.

Raimonds Zukuls, director of the Latvian National Customs Administration, told Radio Azattyk that customs officers check documents for goods leaving the country, but if the goods are registered correctly and an authorized recipient country is indicated, they cannot do anything.

“For example, the cargo goes to Kazakhstan or Kyrgyzstan in transit through Russia. Of course, situations are possible when he simply remains in Russia,” Zukuls says.
James Byrne, director of open source research at the Royal United Institute for Defense Research (RUSI) in London, believes that it is impossible to prevent the supply of Western dual-use technologies to the Russian military.

However, in his opinion, export controls still have an impact on the Kremlin's military capabilities. In 2022, Byrne co-authored an analytical report on the use of Western electronics in Russian weapons.

"We will significantly complicate this process, we will lengthen supply chains, make them more risky and less reliable," Byrne said in an interview with Radio Azattyk.

In addition, companies and individuals that supply such goods to Russian companies in violation of the sanctions "are likely to be sanctioned themselves," Byrne said.

The investigation also involved journalists Meiirim Bakhytzhan and Asemgul Mukhitkyzy from the Kazakh service of Radio Liberty/Radio Free Europe and Svetlana Osipova from Sistema, an investigative project of Present Time and Radio Liberty.