



## MAIN TAKEAWAY of the month

In January, Ukraine intensified its strikes on Russian infrastructure, targeting refineries, military facilities, and air defense systems, while launching one of its largest attacks since the beginning of the war. Meanwhile, Russia has escalated attacks on Ukrainian cities and energy infrastructure, capturing key positions in the east, with North Korean troops reportedly sustaining heavy losses. Western military aid remains crucial, with Norway, Canada, and the EU making significant pledges, including a promise from the EU to receive €3 billion as part of a larger G7-backed initiative. Meanwhile, U.S. President Donald Trump, following his inauguration, recalibrated Ukraine policy, pledging to end the conflict within 100 days, revising sanctions, and pushing NATO allies to boost defense spending to above 5%. In energy security, Ukraine halted Russian gas transit, causing a rise in European gas prices, while boosting energy resilience through increased electricity imports and exploring new energy partnerships, including facilitating Azerbaijani gas transit to Europe.

Russian authorities are increasing mobilization efforts to compensate for battlefield losses, with 450,000 people joining the military by 2024 and financial incentives used to attract recruits. Russia has continued its strategic cooperation with China and Iran, with Putin and Iranian President Pezeshkian signing a 20-year partnership agreeing not to support an aggressor in the event of an attack on either country. North Korea is reportedly sending additional troops to Russia, following an earlier contingent of 11,000. Domestically, Russia faces a population decline, prompting measures like raising maternity allowances for students to increase the birth rate. Economically, inflation reached 9.9%, the 2024 budget deficit was 3.49 trillion rubles, and the National Welfare Fund dropped to \$37.5 billion, its lowest since 2008, after using \$76 billion to cover budget deficits.

The Republic of Moldova faced a deepening energy crisis this month, after Gazprom suspended gas deliveries, prompting emergency measures, including energy imports from Romania and Ukraine. The government sees this as a Russian attempt to destabilize the country, while Moscow blames Chisinau's policies. The crisis has intensified geopolitical tensions, with the EU and OSCE reaffirming support for Moldova's sovereignty and energy resilience. Meanwhile, President Maia Sandu has reshuffled her cabinet and restructured the Supreme Security Council for greater efficiency.

The Romanian government has rescheduled the presidential elections for May 4 with a second round planned for May 18 if no candidate obtains more than 50% of the votes. The initial elections held on November 24, 2024 were annulled due to large-scale Russian interference through social media platforms.

In the Balkans, Albania is witnessing a historic first as thousands of Albanians abroad register for remote voting in the May elections. Meanwhile, Italy has begun transferring migrants to Albania under Giorgia Meloni's asylum policy. In Croatia, President Zoran Milanović secured re-election, fueling speculation about his future political ambitions. Greece is advancing energy projects with Chevron, while Kosovo faces hurdles in its NATO and EU aspirations. In Serbia, US sanctions on China's Zijin Mining Group impact key industries, and President Vučić is weighing a snap election amid domestic unrest and rising tensions with Kosovo.

Ukrainian forces have intensified their strikes deep into Russian territory, targeting critical infrastructure and military assets. Drone and missile attacks hit industrial sites [in Sankt Petersburg, Rostov, Saratov, and Bryansk](#), damaging factories producing explosives, military components, and microelectronics. The [Taneco refinery in Tatarstan](#), the [Liskinskaya oil depot in Voronezh](#), and [facilities in Tula and Kaluga](#) also suffered significant damage. Ukrainian forces launched one of the [largest drone offensives](#) of the war on January 24, in which Russia claimed to have shot down 121 drones, [striking Moscow and a refinery in Ryazan](#), while naval drones [destroyed two Russian Mi-8 helicopters in the Black Sea](#). In the Belgorod region, [Kyiv targeted air defense systems](#), disrupting Russian military radar operations. A high-precision strike reportedly hit [a Russian command post in Kursk](#), and [Ukraine's counteroffensive regained ground in the region](#) amid increasing Russian and North Korean troop movements.

Russia has escalated its offensive against Ukraine, launching missile and drone barrages against civilian and energy infrastructure. Massive aerial assaults targeted [gas infrastructure in Kharkiv, Lviv, and Ivano-Frankivsk](#), while drone and artillery attacks battered [Chernihiv, Sumy, and Kharkiv](#). Russian forces claimed advances on multiple fronts, capturing [Shevchenko and Novoiehorivka](#) in eastern Ukraine, [Salone in Donetsk](#), and [Zapadne](#) in Kharkiv, while also claiming to [regain control of over 60% of the Kursk region](#). Meanwhile, North Korean involvement in Russia's war effort became more apparent, with [reports confirming 300 North Korean soldiers killed](#) and thousands wounded.

In terms of internal developments, Ukraine revealed that in 2024, the naval units [destroyed over 37,000 Russian drones](#) and secured [9,000 civilian vessels](#) via the Black Sea corridor. Militarily, Ukraine [ramped up drone production](#), manufacturing [30,000 bomber drones](#), and expanded direct funding for drone purchases to [2.5 billion UAH per month](#). Defense capabilities grew with domestically developing air defense systems [comparable to the Patriot](#), alongside [new armor for Patriot systems](#). To bolster defense, the government [extended martial law](#) and general mobilization until May 9, 2025, introduced [mandatory military training for students](#), and [allowed foreign companies to modernize](#) Ukrainian military equipment. Ukraine is [planning to secure over \\$1 billion](#) for defense production following the "Danish model", targeting \$30 billion next year. Meanwhile, the [International Register of Damage](#) for Ukraine began [accepting claims](#), marking progress in securing war reparations.

Military support for Ukraine continues to be a focal point for international partners, with significant contributions from NATO members. Norway [has pledged its largest-ever military aid](#) package, exceeding €2 billion, while Canada [has committed \\$440 million in military assistance](#). Germany is [preparing a €3 billion military aid package](#), but its approval remains delayed due to budgetary discussions. Meanwhile, [the EU has taken steps to coordinate military aid more effectively](#), as [NATO assumes partial responsibility for assistance](#) distribution. Additionally, Ukraine [has expanded its cooperation with Western defense industries](#), allowing foreign companies to modernize its military equipment and boosting joint arms production with [Italy](#) and [Germany](#). Discussions also emerged about the [possible deployment of Lithuanian troops](#) to Ukraine if requested. [Ukraine has received €3 billion from the EU](#), marking the first tranche of loans backed by frozen Russian assets, part of the G7's \$50 billion financial aid package. The Netherlands [pledged €27 million, primarily aimed at strengthening](#) Ukraine's energy infrastructure and providing non-lethal NATO assistance. Additionally, the [EU announced a €148 million humanitarian aid package for Ukraine](#) and Ukrainian refugees in Moldova. Meanwhile, [Kyiv secured key international backing, signing a 100-year](#) strategic partnership with the UK and receiving a promise for a [€35 billion aid package from the EU](#). Amid all of these, [concerns about future U.S. support persist](#), with European leaders emphasizing the need for the EU to take a leading role in sustaining military assistance.

After Donald Trump's [inauguration on January 20](#), the U.S. recalibrated its Ukraine policy amidst the ongoing war with Russia. Trump [pledged to end the conflict within 100 days](#), initiating plans for talks with Vladimir Putin and exploring a [sanctions strategy](#)—either offering relief to encourage negotiations or imposing harsher penalties. He called for NATO allies to [boost defense spending to](#)

[5%](#) of GDP, far exceeding current targets, as part of his push for Europe to take more responsibility for collective security. Concurrently, Trump [suspended U.S. foreign aid for 90 days](#), impacting [USAID](#) programs and the [Uniting for Ukraine refugee](#) program. Trump has [warned of sanctions](#) if Russia refuses to negotiate but controversially criticized Zelensky for not striking an early deal with Russia, [suggesting shared blame](#) for the conflict. As his administration crafts a comprehensive approach to the war, Ukraine and its allies brace for the shifting dynamics of U.S. support.

January was a pivotal month for Ukraine's international diplomacy and defense efforts. At the [Ramstein summit on January 9](#), President Volodymyr Zelensky urged allies to maintain military support amid uncertainty over Donald Trump's presidency and [met NATO Secretary General Mark Rutte](#) to [discuss](#) strengthening Ukraine's air defense and securing [Western investments](#) in its arms industry. At the World Economic Forum in Davos that took place between January 21 and 22, Zelensky warned that Russia's military [production is outpacing](#) Europe's and revealed that Russia has attacked Ukraine's energy infrastructure over [1,200 times](#). He also stressed that [Ukraine's NATO membership depends on Trump's](#) stance, citing opposition from Germany, Hungary, Slovakia, and the U.S, and insisted that any [peacekeeping force](#) must include American troops, warning that relying solely on European forces could weaken NATO's unity and embolden Russia.

In terms of energy, Ukraine's decision to halt Russian gas transit on January 1 led to a [4.3% rise in European gas prices](#), peaking at €51 per megawatt-hour, the highest since October 2023. While experts believe stored reserves will offset the immediate impact, demand for [natural gas is expected to rise in 2025](#). However, The European Commission stated that the EU energy market [remains stable](#), emphasizing that it had worked for over a year with member states and Ukraine to prepare for this scenario. The move, hailed by President Zelensky as a major defeat for Moscow, sparked [tensions with Hungary and Slovakia](#), both reliant on Russian gas. Slovak Prime Minister Robert Fico [threatened to cut aid](#) to Ukraine and halt emergency electricity exports, but Slovakia's state energy operator [confirmed continued support](#) under an existing contract as well as a Slovak opposition, led by Michal Šimečka, [delegation visiting Kyiv](#) to mend ties. Meanwhile, Ukraine's electricity [imports surged fivefold in 2024](#), largely from Hungary, Slovakia, Romania, and Poland, due to Russian attacks on its energy infrastructure. To enhance resilience, Ukraine is [investing in distributed energy generation](#) and increasing domestic gas production, and is exploring new energy partnerships, with President Zelensky announcing plans [to facilitate Azerbaijani gas transit to Europe](#).

Ukraine's agricultural [exports surged to \\$24.5 billion](#) in 2024, making up 59% of total exports and nearing pre-war levels. Key products included sunflower oil, corn, and wheat, supplying markets in Africa and Asia. However, Ukraine's trade growth has sparked tensions in Poland, where [farmers protested in Warsaw](#) on January 3 against Ukrainian imports and EU policies. Rallying under the slogan "Five times STOP," they [opposed](#) duty-free Ukrainian goods, the EU-Mercosur trade deal, and the Green Deal, claiming these policies threaten Poland's economy.

---

## **RUSSIA - internal and external dynamics**

The Russian authorities continue to accelerate mobilization and recruitment efforts to compensate for the significant losses suffered on the frontlines. Russian Security Council Deputy Chairman Dmitry Medvedev announced that by 2024, some [450,000 people had signed contracts](#) for military service and another 40,000 had joined volunteer formations. However, this mobilization is not only based on patriotic motivation, but is heavily influenced by the financial packages and social facilities offered by the Kremlin. The steady increase in financial rewards suggests difficulties in maintaining a stable influx of recruits. In the Mari El and Primorsky regions, [one-off payments for signing contracts have been significantly increased](#), while in Tatarstan the system of "bonuses" for those who recruit friends and relatives has been expanded.

Despite these initiatives, the [rate of recruitment in Moscow has dropped significantly](#) compared to the peaks reached last autumn, reflecting a saturation of the potential for voluntary mobilization. In this regard, on 16 January, President Vladimir Putin signed a [decree calling up citizens from the](#)

[military reserve](#) for mobilization. The document, published on the official legal information portal, delegates the organization of the mobilization to the federal government and regional authorities, while annexes classified "for internal use" suggest a detailed plan on the number of mobilized and the timetable for deployment.

Despite these measures, the Russian armed forces [continue to suffer significant casualties](#). According to the BBC Russian Service and Mediazona, the total confirmed death toll among Russian servicemen has reached 90,019, including 1,964 between January 10-24 alone. In addition, according to the website Oryx, which specializes in monitoring destroyed military equipment, the [Russian Armed Forces have so far lost 20,027 units of military technology](#). As a result, North Korean leader Kim Jong-un has reportedly decided [to send additional troops](#) to Russia to support the war effort against Ukraine after the first contingent of 11,000 North Korean troops was halved due to casualties, according to the South Korean General Staff. On January 22, similar [information was provided](#), indicating that Pyongyang [will send](#) new reinforcements to Russia in the next two months.

Politically, after the new US President Donald Trump took office, official statements on possible negotiations on peace in Ukraine have continued. Vladimir Putin, [emphasized](#) the existence of "common ground" between Russia and the new US administration, which could make it easier to find solutions to current geopolitical problems, including the conflict in Ukraine. Although Donald Trump imposed the "largest number" of sanctions against Russia in his first term in office, the Russian president [expressed his belief](#) that this situation will not be repeated, adding that the new economic restrictions could be disadvantageous for the United States as well. In addition, the Russian president reiterated Moscow's readiness to take part in negotiations on Ukraine, but [emphasized](#) that these talks could be contested by the Kyiv authorities, given the decree issued by Ukrainian President Volodymyr Zelensky, which bans direct negotiations with the Kremlin leader.

On January 17, Russian President Vladimir Putin and Iranian President Masoud Pezeshkian [signed a 20-year strategic partnership](#) agreement, replacing the 2001 treaty between Russia and Iran. The agreement aims to enhance bilateral cooperation in areas such as security, defense, economy, technology and energy. Military cooperation includes the exchange of military delegations, visits of military vessels, personnel training, joint exercises, and military-technical collaboration. Both nations have committed not to use their territories for actions that could threaten each other's security and agreed not to support an aggressor in the event of an attack on either country. However, the agreement lacks a mutual defense clause like the one in the Russia-North Korea treaty. On January 27, Iran [confirmed receiving](#) Su-35 fighter jets from Russia, with the deal estimated to be worth between 4.5 and 5 billion dollars. In addition, Vladimir Putin also [confirmed](#) that Russia and Iran are working on a project to build a gas pipeline connecting the two countries, claiming deliveries could reach 2 billion cubic meters, with the possibility of expanding up to 55 billion cubic meters annually.

In parallel, Vladimir Putin and his Chinese counterpart Xi Jinping held a video conference on Tuesday, January 21. This took place against a backdrop marked by the decision of the Shandong Port Group - the main operator of ports on China's east coast - to [ban](#) access to oil tankers subject to US sanctions. This restriction has a direct impact on Russian oil deliveries through so-called "ghost fleets" used to circumvent international sanctions.

Socially, Vladimir Putin has highlighted Russia's [demographic challenges as a major structural issue](#), with projections showing a population decline of approximately 500,000 people annually from 2021. Official estimates suggest a reduction in population by up to 5% by 2030, and potentially 11% by 2045, though these figures do not account for the impact of the war in Ukraine. In response, the Russian government has [introduced measures to increase the birth rate](#), including raising maternity allowances for full-time students to align with the regional subsistence minimum.

Economically, Between January 14-20, inflation in Russia [rose by 0.25%](#) and the annual inflation rate reached 9.9%, according to Rosstat data. Over the first three weeks of January, prices rose by 0.92%, already exceeding the 0.86% recorded for the whole of January last year. This rise in prices comes against the backdrop of a 21% interest rate. In 2024, Russia's federal budget deficit [was](#) 3.49

trillion rubles (\$35 billion), slightly exceeding the levels of previous years. For comparison, in 2022 and 2023, the budget was executed with deficits of 3.29 trillion and 3.23 trillion rubles, respectively. In parallel, Russia's National Welfare Fund, a financial reserve made up of oil and gas revenues, continues to shrink rapidly. As of January 1, 2025, [the National Welfare Fund](#) had \$37.5 billion in liquid assets, the lowest level since 2008, the year it was established. Before the start of the war in Ukraine, the fund had liquid assets of \$113.5 billion, representing 7.3% of Russia's GDP. The Russian government thus spent about two-thirds of the fund's reserves, or \$76 billion, to cover budget deficits and support state spending.

---

## Evolutions in the Republic of MOLDOVA

President Maia Sandu has reorganized her [presidential cabinet](#), appointing Igor Zaharov as Public Communication Adviser and Spokesperson and Olga Rosca as Adviser on Foreign Policy and European Affairs, while several advisers have been dismissed. Additionally, the [Supreme Security Council \(CSS\)](#) has been [restructured to enhance operational efficiency](#), with its new composition including top state officials, cabinet ministers, and security agency leaders.

Moldova is grappling with a severe energy crisis following [Gazprom's suspension of gas deliveries](#) from January 1, 2025, citing unpaid debts. The gas cutoff has significantly affected both [Moldova and Transnistria](#), prompting Energocom, Moldova's state-owned energy company, to secure electricity imports from Romania and Ukraine. Prime Minister Dorin Recean described the crisis as a deliberate [Russian attempt to destabilize Moldova](#) and undermine its sovereignty.

Amid growing concerns, Moldova has sought assistance from Ukraine, with Presidents [Volodymyr Zelensky and Maia Sandu announcing joint efforts](#) to mitigate the crisis. Zelensky proposed supplying [coal to Transnistria's Cuciurgan power plant](#) in exchange for electricity, emphasizing that Russia is leveraging energy as a geopolitical weapon. Meanwhile, the Moldovan government will lend [3 million cubic meters of gas to Transnistria](#) to maintain system pressure, while also securing EU funding for energy needs and implementing a two-year resilience plan. [OSCE Chairperson-in-Office Elna Valtonen](#) reaffirmed Finland's support for Moldova's sovereignty and the peaceful resolution of the Transnistrian conflict. Discussions focused on Moldova's territorial integrity, regional energy challenges, and the importance of maintaining dialogue. Similarly, [Slovenia reiterated its support for Moldova's EU accession](#), with National Assembly President Urška Klakočar Zupančič endorsing Moldova's referendum on EU integration and presenting Slovenia as a model for its European trajectory.

[Russia has strongly criticized Moldova's stance](#), with Foreign Minister Sergey Lavrov accusing Chisinau of Russophobia and attributing the energy crisis to the Moldovan government's policies. He warned against any attempt to resolve the Transnistrian issue through force and reaffirmed [Moscow's commitment to protecting its citizens and military presence in the region](#). Meanwhile, the [European Union has stepped in to assist Moldova](#), providing financial aid to secure energy supplies, including for Transnistria. European Commission President Ursula von der Leyen condemned Russia's actions, underscoring the EU's commitment to stabilizing Moldova's energy sector and countering Moscow's influence.

In parallel, [the Government of the Republic of Moldova](#) has approved a new cooperation plan with NATO ([2025–2028](#)), which upholds the country's constitutional neutrality and aims to support cybersecurity, counter disinformation, provide technical training, and modernize the public sector, following the example of other neutral states.

## ROMANIA'S NEW ELECTION TIMELINE

In a recent decision made, the Romanian government has [officially set](#) the electoral timeline for the upcoming presidential elections. The first round will take place on May 4, with a runoff scheduled for May 18. This applies to political parties, electoral alliances, organizations representing national minorities, and independent candidates. Romania is rerunning its presidential elections following a ruling by the Constitutional Court (CCR), which [annulled the results](#) of last year's elections. The decision came after declassified reports indicated Russian cyber interference aimed at compromising the integrity of the first round, held in November. In that vote, ultranationalist independent candidate Călin Georgescu secured an unexpected victory and was set to face reformist candidate Elena Lasconi (USR) in the runoff on December 8 before the process was invalidated.

It is uncertain if Georgescu's is expected to run again in the May elections, however [other declared candidates](#) include Bucharest Mayor Nicușor Dan, an independent candidate, and former Liberal leader Crin Antonescu, who is representing the ruling coalition. The electoral campaign will officially begin on April 4 and conclude on May 3.

---

## The Balkans

In the Balkans this month, [Romania and Bulgaria's](#) official accession to the [Schengen Area](#) on January 1, 2025, marking the removal of land border checks and boosting regional mobility and EU cooperation.

In Albania, a historic milestone has been reached as over 10,000 Albanians abroad registered to vote in the [May 11 parliamentary elections](#) within 48 hours, with expectations of a much higher turnout. This marks the first instance of remote voting in the country, a result of long-standing advocacy by civil society and diaspora groups. The elections will see Prime Minister Edi Rama's Socialist government face off against Sali Berisha's Democratic Party and other opposition factions. Meanwhile, [Italy has transferred 49 migrants to Albania](#) under Giorgia Meloni's controversial plan to process asylum claims abroad, as arrivals in southern Italy more than doubled compared to last year.

In Croatia, President [Zoran Milanović](#), known for his populist rhetoric and criticism of NATO and the EU, [secured re-election with 75% of the vote](#) against HDZ's Dragan Primorac. Despite the presidency's limited powers, speculation is growing about Milanović's potential candidacy for prime minister after Andrej Plenković's term ends.

In Greece, energy giant [Chevron](#) has submitted a non-binding proposal for hydrocarbon exploration, with the government welcoming the initiative and preparing for an international tender. In parallel, Kosovo's 2025 [goals](#) of joining NATO, the Council of Europe, and obtaining EU candidate status face significant challenges, [primarily due to the lack of recognition from key EU and NATO members](#).

In Serbia, the [US has blacklisted China's Zijin Mining Group](#) over allegations of forced labor involving Uyghur workers, affecting its Serbian operations, including the RTB Bor copper mine. Serbian President Aleksandar Vučić announced plans to discuss the consequences of [US sanctions on the country's main oil and gas company, NIS, with Russian President Vladimir Putin](#), particularly the demand for Gazprom's full exit from NIS, which could destabilize Serbia's economy and its agreement with Moscow.

In the political sphere, President Vučić hinted at the possibility of a [snap election in April following the resignation of Prime Minister](#) Miloš Vučević, who stepped down amid ongoing anti-government protests triggered by a deadly railway station collapse in Novi Sad. Additionally, [tensions with Kosovo have escalated](#) after Pristina shut down Serbian municipal offices ahead of its February 9 election, a move Serbia condemned as provocative.



The [61st Munich Security Conference](#) will take place from the 14th to the 16th, bringing together international leaders and experts to address global security challenges, including Europe's defense role and the security implications of climate change.



Germany will hold a [pivotal federal election](#) on 23 February following the collapse of Chancellor Olaf Scholz's coalition government. The outcome is expected to shape both national governance and European policy directions.



U.S. President-elect Donald Trump has tasked his aides with [organizing a call with Russian President Vladimir Putin](#) in the upcoming days, *CNN* reported, citing undisclosed sources. In addition, US President Donald Trump said he plans to reach out to North Korea's leader [Kim Jong Un](#) following his return to the White House.