Thank you, Mr. Chairman.

Slide 1
It is a great honor for me to participate in the discussion related to this topic, so pertinent at present time.

Activity of private military companies (PMCs) is closely associated with the matter of providing security and promoting interests of states in different regions of the world.

Slide 2
At present, the role of private military companies is increasing. It is determined by essential transformation in the security environment, rising of new threats and the spreading of non-traditional, so-called hybrid forms and methods of activity in modern armed conflicts.

Despite their commercial character, PMCs are cooperating closely with defence agencies and special services of their countries. They are used as effective tools of pursuit of national interests due to a much higher level of discretion, in comparison to conventional armed forces. Some companies have at their disposal not only highly-qualified professionals, but also modern equipment and heavy weapons.

Using PMCs costs less than the deployment of regular troops abroad. PMCs have some operational advantages, in particular they are able to:
- quickly and covertly deploy and relocate;
- less contained by bureaucratic control procedures and are faster decision-makers;
- rapidly increase combat capabilities without significant expenses;
- perform combat and non-combat missions without involvement of armed forces.

This enables governments to use PMCs for performing a variety of tasks, including special missions. In addition to solely military advantages, PMCs also have preferences in political context.

Application of PMCs allows to conceal direct participation of the state of origin in armed conflict, which became especially apparent in the hybrid war of Russia against Ukraine.

A problem of deploying PMCs military personnel on the territories of other countries, is that it can be done without agreeing it with international institutions. PMC’s dislocation and participation in warfare in the conflict zone doesn’t usually have a strong
public response, unlike with conventional armed forces.

Slide 3

Dear colleagues!

Using private military companies in modern world indicates the necessity for regulation of this matter at an international level. We became the eyewitnesses of active participation of private military companies in countering international piracy and participation in conflict areas – in Afghanistan, Iraq, Libya, Syria and other hot spots of the world.

Unfortunately, Ukraine has its own experience related to PMCs. It concerns to the use of military formations by Russia during occupation of the Crimean peninsula and armed aggression in the east of Ukraine.

In many countries’ legislation stipulating the activity of private military companies is incomplete.

At the same time, some countries establish private military companies without any legal basis at all. First of all, this relates to our geopolitical adversary – the Russian Federation.

Despite the illegal status of PMCs in Russia, such companies de-facto exist and effectively act in Kremlin’s interests, in particular against Ukraine. Some of these formations disguise themselves as public organizations or military-patriotic clubs.

Up until recently, private military companies have been considered as non-government contractors providing professional consulting, assisting and security services. Yet, Moscow has been employing PMCs as an instrument for providing plausible deniability, economically and politically sustainable military influence abroad. Over the last years, Russia has brought this practice to a new level, demonstrating that they can carry out offensive missions and actually build a backbone of an occupation army.

Slide 4

Russia’s entrance into private military operations came with the deployment of the Slavonic Corps company to Syria. Hong Kong-registered private military company, Slavonic Corps was created in 2013 as the affiliated branch of another Russian PMC, “Moran Security Group”. The goal of its creation was determined by an agreement with the Syrian government, which included protecting Assad regime assets such as oil and gas facilities. As far as leaders of “Moran Security Group” were seeking to avoid sanctions and reputational losses for interacting with Assad, Slavonic Corpse was established as a proxy-force and, at the same time, a “pilot project” to test the ground.

Slavonic Corps became Russia’s first and, in many ways, rather experimental “new type” private military company, concerned with tasks typically performed by armies, such as frontal attacks and combat operations—in contrast with Western PMCs, which are mainly assigned auxiliary or training roles.

Despite an initial unsuccessful experience of using private military companies, Russia learnt its lessons and used the case of Slavonic corps for further creation of more
effective non-government military formation – PMC“Wagner”.

**Slide 5**
During the seizure of Crimea by force in 2014, Russian private military companies were in their formation phase and couldn’t serve as a cover for a so-called “self-defense of Crimea”, “kazaki” and other pro-Russian radical groups and formations. At the same time, they were acting together with the special operations forces and airborne troops subunits of the Russian armed forces, under one concept and one command.

The Russian armed aggression in the east of Ukraine showed the effectiveness and importance of the PMCs. During the first stage, their main task was stirring and further destabilizing the situation, provoking its escalation from political confrontation to a phase of direct violence and hostilities.

**Slide 6**
The number of men in PMCs grew, with the increase in their tasks. Since May, 2014 PMC “Wagner” increased from 250 to 1500 men within several months in the east of Ukraine. It took part in terrorist and sabotage activity against the Ukrainian Armed Forces.

There are confirmed facts of PMC “Wagner” participation in the battle for Luhansk airport (April-September, 2014), Sanzharivka (January, 2015) and Vergulivka (February, 2015). 250 PMC “Wagner” members took part in combat actions near Debaltseve from January 14, 2015 until February 20, 2015.

**Slide 7**
There are also other Russian PMCs, which were present in the east of Ukraine. PMC “MAR”, registered in Sankt-Petersburg, took part in various logistical/auxiliary support operations, primarily, cargo delivery, which included munitions and military equipment.

**Slide 8**
Other Russian PMC “E.N.O.T. Corp” conducted both combat actions and non-combat operations. The latter are armed support of the Russian so-called “humanitarian convoys” (14 missions). “E.N.O.T. Corp” also took part in combat actions near Chornukhyne (Luhansk region) and Debaltseve (Donetsk region).

Moscow uses PMCs for recruiting, training and equipping mercenaries, increasing its hybrid expansion in Ukraine and all over the world.

PMC’s fighters are trained at Molkino military firing range (near KRASNODAR city) – conventional training area for Russian 10th special operations brigade and PMC “Wagner”.

Russian PMCs usually recruit fighters in Russia and from ex-Soviet states. Many mercenaries were recruited from the temporarily occupied territories of Ukraine – certain areas of Donbas and Crimea.
Slide 9

With the purpose to find the most effective combination of tools to achieve its aggressive goals, Russia tries to combine traditional military and special means with correlated activities of PMCs, mercenaries, local collaborationist forces and other paramilitary groups, such as “kazaki”. All of these units are integrated into the joint communication and intelligence space and operate under the direct control of Russian military command under the general military concept. The modern Russian military theory defines such approach as the “integrated force grouping”. We have witnessed such kind of Russian activities in Ukraine, Syria and Libya.

Slide 10

The combat experience of PMCs involvement in Ukraine and Syria gives the Kremlin ability to use this tool to project Russia’s influence in other regions.

We assess that the Kremlin will continue to apply this highly effective hybrid approach in military conflicts and in regions that are considered as zones of Russia’s national interests. Thereby, Russia is able to use such “integrated force grouping” against other sovereign states, even European nations. The next practice of such combined forces approach will be seen this September during the “KAVKAZ-2020” strategic command and staff exercise.

Russian PMCs evolve fast and nowadays they are almost the same as units of the armed forces. In fact, they are cheap regular forces, that have no social protection of the state. There are indicators that Moscow is not going to decrease the employment of PMCs for the next several years.

Nowadays the Russian PMCs are growing fast in numbers and capabilities; they are widening their footprint and influence. They are becoming more financially strong and receive more and more funds from hidden governmental and non-governmental sources. In the future, the Kremlin will intensify the use of such proxy-forces for the pursuit of its interests’ and to further undermine international stability.

Slide 11

SUMMARY

Based on the aforementioned considerations and thorough analysis, the international community has to seek ways to counter hybrid armies under a PMC disguise.

Firstly, there is an urgent need to establish an international authority that would stipulate unified rules and provide strict control over PMCs.

Secondly, it would be wise to clearly define PMCs in international law, including the Rome Statute.

Thirdly, all countries should take a hard stand against mercenaryism. The United Nations Mercenary Convention has been only ratified by 35 countries and it is, largely, unable to respond to new challenges.
And finally, the free world should increase pressure on Russia and other countries waging hybrid wars through the employment of PMCs and other paramilitary organizations.
Private military companies (PMCs)
Modern tool of providing security and promoting national interests

The role of private military companies is increasing due to transformations in security environment, rising new threats and spreading of non-traditional, so-called hybrid forms and methods of activity in modern armed conflicts.

### ACTIVITY SPECIFICS

<table>
<thead>
<tr>
<th>REGULAR ARMED FORCES</th>
<th>PRIVATE MILITARY COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Needs international approval (UN, OSCE, etc)</td>
<td>Deployed after signing the contract</td>
</tr>
<tr>
<td>Highly bureaucratized</td>
<td>DECISION MAKING</td>
</tr>
<tr>
<td>Ad hoc decisions according to situation</td>
<td>FUNDING SOURCES</td>
</tr>
<tr>
<td>Budget of state or international organization</td>
<td>Founded by a certain contract party</td>
</tr>
<tr>
<td>May cause public displeasure or protest</td>
<td>PUBLIC RESPONSE</td>
</tr>
<tr>
<td>Limited response, excepting resonant incidents</td>
<td></td>
</tr>
</tbody>
</table>

2
Private military companies
classic definition and Russian interpretation

In civilized countries – PMCs are legal businesses providing professional consulting, assisting and security services.

In Russia – the term “PMC” is actually used to disguise hybrid armed formations being used for hybrid activity outside of the state.

Rise and fall of “Slavonic corps”
Russia’s entrance into private military activity

Created in 2013 the Hong Kong-registered Russian private military company was initially tasked with of securing oil and gas facilities controlled by Assad’s regime

“Slavonic Corps” became Russia’s first experimental “new type” private military company, concerned with tasks typically performed by armies, such as frontal attacks and combat operations
Crimea became the test ground for Russia’s use of private military companies in hybrid operations

Militants were helping Russian regular military units seize facilities and disarm Ukrainian Army servicemen, acting mainly as an auxiliary forces. “Wagner” demonstrated close collaboration with the Russian armed forces from the beginning.

Occupation of Crimea inspired the Russian state establishment for further development of PMCs.

Origin of “Wagner”
Occupation of Ukrainian Crimea – the first experience

“Wagner” in the East of Ukraine
Entering Donbas

In May 2014 two company-tactical groups formed in the city Rostov-on-Don (Russia), crossed the Ukrainian border, and moved to Luhansk region.

The main task – stirring and further destabilizing the situation, provoking its escalation from political confrontation to a phase of direct violence and hostilities.

Growth of number: from 250 men in May up to 1,500 within several months
Russian “PMC MAR” was took part in various logistical/auxiliary support operations primarily, cargo delivery.

Other Russian PMCs in the East of Ukraine

E.N.O.T. Corp PMC was involved in both military and non-military operations including armed supervision of so-called “humanitarian convoys” sent from Russia and active military operations on the territory of Luhansk and Donetsk regions.
Russian mercenaries on the territory of Ukraine

Russian “kazaki” paramilitary units actively participate in combat operations on temporarily occupied territories in the east of Ukraine

Senior warrant officer (retired) KHARKONITSE Sergey Leonidovich. Russian mercenary, who died for “Russia’s world”

So called Ataman (chieftain) of Russian “Don kazaki” N.Kozitsyn

Russian PMC’s evolution

Spreading Kremlin’s hybrid foreign policy around the world

Experience gained in Ukraine and Syria allowed the Kremlin to use it as an instrument for expansion of Russian influence in another regions.

Russian PMCs have been rapidly evolving, increasing in numbers and capabilities, and expanding their geography.
Instituting of international authority that would establish a unified rules and provide strict control over PMCs

Clearly defining PMCs in the international law, including the Rome Statute

Upgrading international legislation against mercenary activity

Increase pressure on Russia and other countries waging hybrid wars through the employment of PMCs and other paramilitary organizations

SUMMARY
Ways for international community to counter Russian hybrid armies under PMC’s disguise