

Supporters of Ukraine Network (SUN)

c/- 1911/45 Macquarie Street
Parramatta NSW 2150

Hon. Jim Chalmers MP
Treasurer
Parliament House
Canberra ACT 2600

April 5, 2024

Dear Treasurer Chalmers,

As Australian supporters of Ukraine's sovereignty and democracy, we write to urge the Australian Government to support the initiatives of its partners and take its own action on diverting sovereign Russian Federation assets held in the West, including Australia, to Ukraine's recovery and reconstruction.

It is currently estimated that the last two years of illegal and brutal Russian aggression has caused \$486 billion USD in damages to Ukraine, including the full or partial destruction of more than 1200 medical facilities and more than 3000 educational facilities. While Ukraine's allies have begun to allocate direct financial assistance to address this massive impact on Ukrainian society, you may know that there is now significant policy development at the international level to tap Russian assets in countries of the West for recovery and reconstruction purposes.

It has been publicly acknowledged by the Russian central bank that some \$300 billion USD in sovereign Russian assets has been frozen in the West. This reportedly includes \$6 billion USD in Australian dollar assets, which is similar to the amounts held by Germany (\$6.5 billion) and Luxembourg (\$6.8 billion) and is greater than the amounts held by Ireland, Poland, Austria, and France.

We note that UK Prime Minister Rishi Sunak and the United States Treasury Secretary have both made strong public statements in favour of asset redeployment. The United States has proposed that working groups from the Group of Seven (G7) nations explore ways collective action could be taken and have plans ready by the G7 meeting in June 2024.

According to international law, an aggressor state has an obligation to make reparations for acts of armed aggression. The UN Articles on the Responsibility of States for Internationally Wrongful Acts allow for such countermeasures.

Given there are reportedly more than \$9 billion AUD in Russian assets held in Australia, or nine times Australia's current military and humanitarian support for Ukraine, we strongly believe that Australia has a role to play and should act pro-actively to support Ukraine.

There are several ways that your Government can do so, such as:

- Publicly supporting Ukraine's other allies at the international level in the development of appropriate options for the use of sovereign Russian assets for Ukraine's recovery and reconstruction;
- Publicly confirming the quantum and type of sovereign Russian assets held in Australia; and
- Assessing and then updating Australia's own policy and legislative framework to ensure that Russian assets held here can be utilised to support Ukraine.

There is also the matter of the assets and cash held in Australia by sanctioned Russian oligarchs and others who have aided and abetted the illegal invasion and the brutal occupation of Ukraine. This dirty money should also be pursued, following the Federal Court's recent upholding of our sanctions approach.

Treasurer, other countries are acting in this respect and Australia should too, further bolstering its substantive support to Ukraine to date and re-emphasising its commitment to Ukraine and the rule of law. In 2022, Canada became the first country to enact legislation allowing for the transfer of assets. Last year, Belgium took the initiative to begin using tax revenues from seized Russian assets to assist Ukraine. The EU has recently adopted a law to set aside windfall profits made on frozen Russian central bank assets to finance Ukraine's reconstruction.

We make this plea because Australia can punch well above its weight at no cost to the Australian taxpayer. Nine billion dollars in Russian assets now held in Australia can make an immense difference in Ukraine's recovery and reconstruction. It would effectively fund the reconstruction of half of Ukraine's educational infrastructure.

To quote Ukraine's Foreign Minister Dmytro Kuleba: "Russia must pay for the enormous damage it's done to Ukraine with its unprovoked and entirely unjustified aggression. And as we mark the second anniversary of Russia's full-scale invasion, there's money available to help compensate for some of the physical destruction it's caused and aid Ukraine's defence... This can happen as soon as the political will is there — and the time for that it is now. It will be worth it."

Action by your Government would not only be just, it would send a strong signal to any other potential aggressor about the consequences of illegal aggression.

Thank you in advance for your consideration of this matter. This letter has also been cc-ed to your colleagues, the Minister for Finance and the Minister for Foreign Affairs.

Signed by:

Hon. John Howard OM AC Former Prime Minister	Hon. Tony Abbott AC Former Prime Minister	Hon. Marise Payne Former Senator and former Minister for Human Services, Defence, Foreign Affairs, and Women
Hon. Barry O'Farrell AO Former NSW Premier and Ambassador	Bruce Edwards Former Ambassador to Ukraine	Doug Trappett Former Ambassador to Ukraine
Robert J. Tyson Former Ambassador to Russian Federation	Mick Ryan Former Australian Army General	Reverend Bill Crews Exodus Foundation
Dr Nick Dyrenfurth John Curtin Research Centre	Ed Cavanour McKell Institute	Alex Ryvchin Executive Council of Australian Jewry
Gerard Dwyer Union leader	Lyall Gorman Business NSW	Andrew Mackellar Australian Chamber of Commerce and Industry
Chris Barter Business leader	Sergiy Budkin Business leader	Chris Garnaut Business leader
Ivan Slavich AM Business leader	Mark Textor NGO leader	Dr Tanya Dus Health sector leader
Dr Olga Boichak Academic	Jon Richardson Visiting Fellow & former diplomat	Dr Michael Lawriwsky Author
Pete Shmigel SUN Facilitator	Kateryna Argyrou Australian Federation of Ukrainian Organisations	