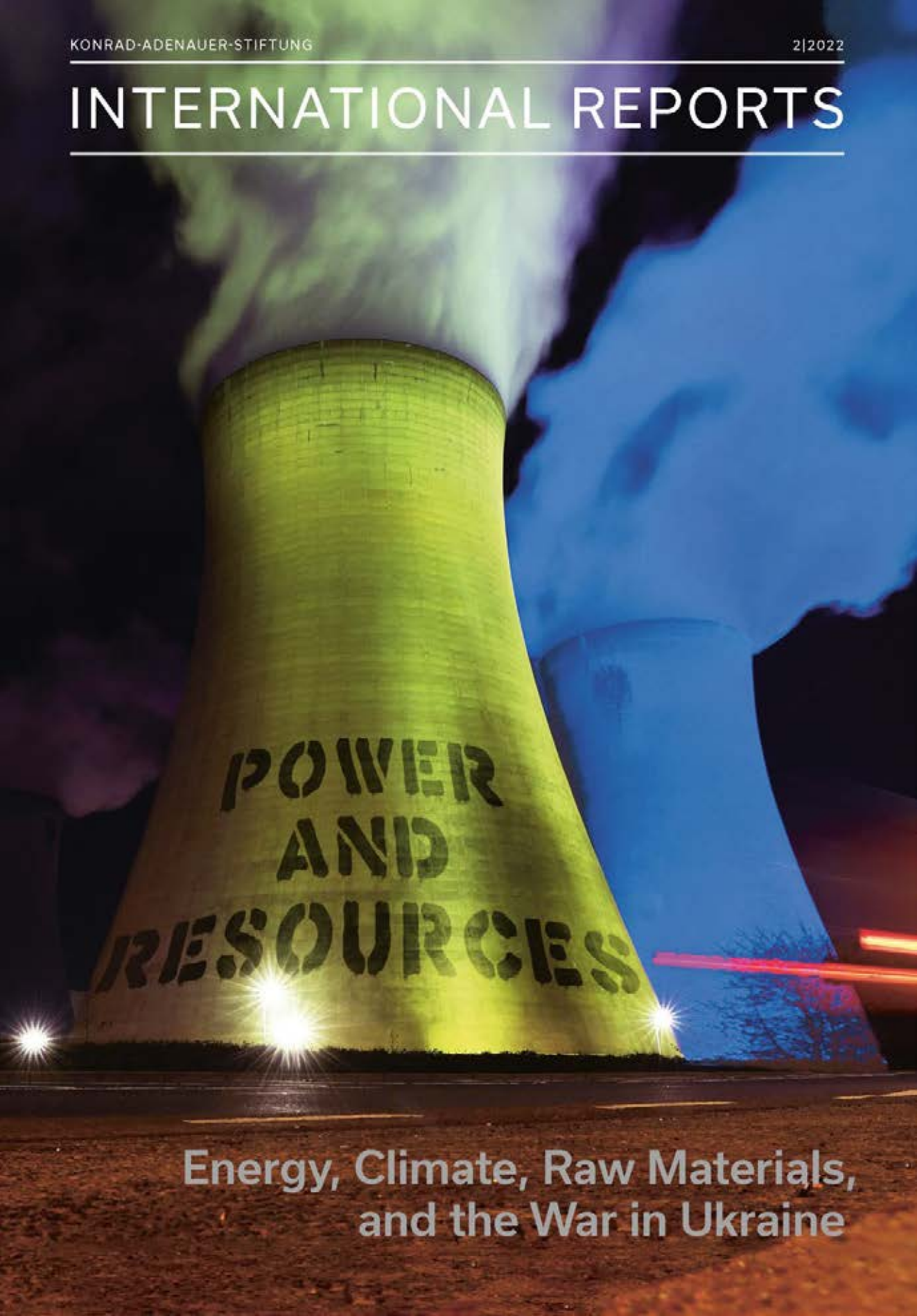

INTERNATIONAL REPORTS



**Energy, Climate, Raw Materials,
and the War in Ukraine**

INTERNATIONAL REPORTS

2 | 2022

Editorial

Dear Readers,

A federal minister from the Green Party travelling to the Gulf States to arrange the delivery of larger quantities of fossil fuels for consumption in Germany – for many, this is emblematic of how the parameters have shifted in spring 2022, including on energy policy. The Russian attack on Ukraine has changed many things – not least our view of how we use resources. Previously, this view was characterised by our attempts to reconcile economic efficiency and ecological sustainability, but now this has been supplemented by something that, objectively speaking, has always been important but largely absent from public debate in Germany: power.

Countries that possess resources such as fossil fuels can sell them and use the proceeds to finance “classic” instruments of power such as tanks and missiles. But they can also use these resources to exert pressure on countries that have become overly dependent on them. They can exercise power by threatening to turn off the tap, which engenders fear and influences public mood.

Breaking away from such dependencies is vital from a security perspective – but it is no easy task. This is evident in Germany’s and Europe’s energy relations with Russia, especially when it comes to gas. The quest for alternative sources of supply often leads to North Africa and the Middle East. Although this region has large stocks of fossil fuels, logistical obstacles and political risks mean that it cannot and should not be viewed as a short-term replacement for the bulk of German and European imports from Russia. In this edition of International Reports, Simon Engelkes and Ludwig Schulz argue that it can only be one part of a new diversification strategy.

In turn, the effectiveness of sanctions, and particularly energy embargoes against Russia, also depends on whether Moscow succeeds in shifting sales of raw materials away from Europe to other continents. The Asian market is a key player in this respect. In his article, Christian Hübner describes how China, but also India, could view the situation as an opportunity to snap up the raw materials that Russia can no longer sell to the West at bargain prices.

In addition to importing fuel from other parts of the world, European countries can also reduce their dependence on Russia by ramping up their own production. According to Otilia Nutu, Romania could meet not only its own gas and electricity needs, but also supply its neighbours in Southeast Europe. However, this would require a radical overhaul of the political framework that has stifled investment in these sectors in the past.

The war in Ukraine has also changed priorities as regards agricultural resources. In recent years, sustainability has, quite rightly, been a focus of Europe’s agricultural policy. However, fighting in Ukraine and the ensuing shortages of commodities like grain

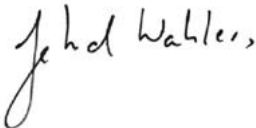
make it necessary to reconsider certain policies, such as land set-asides. Food security should be a priority, writes André Algermißen. At the same time, he says, the current crisis should not be used as an excuse to indefinitely postpone efforts to make agriculture more sustainable.

Environmental challenges such as climate change do not stop just because our attention is, justifiably, focused on the war in Ukraine. It is extremely important to ensure that international climate diplomacy moves forward in the run-up to the 27th UN Climate Change Conference in Egypt. Anja Berretta explains how African countries have substantially increased their influence at world climate negotiations by skilfully coordinating their efforts. However, despite all the differences from one country to another, they often still have a poor record at home when it comes to environmental and climate protection.

Over the last few years, lack of action to mitigate climate change has increasingly been the subject of dispute brought before international human rights courts. But can judges actually save the planet? Franziska Rinke and Hartmut Rank address this question with a focus on Latin America and Europe. The results are mixed because judges can only send signals with their rulings, but cannot replace states' lack of political will.

Concerning the issue of resources, European countries will have to adopt a three-pronged approach that incorporates environmental and economic considerations, but also thinks in terms of strategic issues and power politics. More specifically, this means that when making decisions on resources, politicians will not only have to consider sustainability and price but also ask the question: does this decision increase or decrease our susceptibility to political blackmail? Both politically and socially, this shift in mindset may prove to be a greater challenge for Germany than for some of its neighbours. Yet there is no way around it – unless we want to repeat the mistakes of the past.

I hope you will find this report a stimulating read.

Yours, 

Dr. Gerhard Wahlers is Editor of International Reports, Deputy Secretary General and Head of the Department European and International Cooperation of the Konrad-Adenauer-Stiftung (gerhard.wahlers@kas.de).



Power and Resources

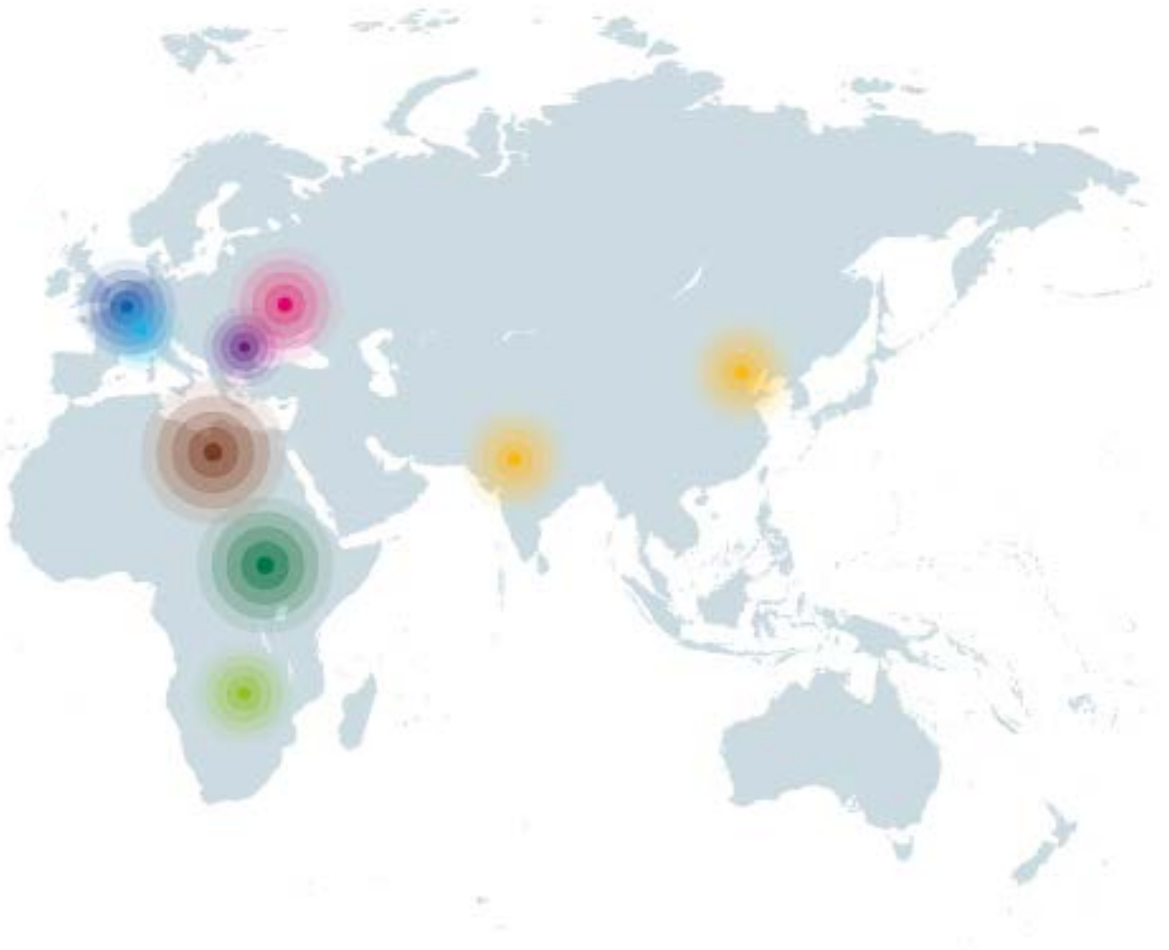
Energy, Climate, Raw Materials, and the War in Ukraine

6 ●
Out of Siberia, into the Desert?
The Middle East and North Africa as Building
Blocks of Europe's Energy Transition
[Simon Engelkes/Ludwig Schulz](#)

20 ●
New Energy Partnerships and a Boost
for Decarbonisation?
The War in Ukraine and Its Repercussions
for Energy Policy in Asia
[Christian Hübner](#)

30 ●
Enhancing Energy Security
in Southeast Europe
Can Romania Be Part of the Solution?
[Otilia Nutu](#)

41 ●
Between Environmental Protection
and Security of Supply
Europe's Common Agricultural Policy
and the Ukraine War
[André Algermißen](#)



50 ●
Environmental and Climate Policy
in Africa
Regional Cohesion and National Challenges
[Anja Berretta](#)

62 ●
Can Climate Change Be Fought in
International Human Rights Courts?
The Potential and Limitations of the Law with
Regard to Climate Change Issues
[Hartmut Rank / Franziska Rinke](#)

OTHER TOPICS

71 ● *Interjection*
How Sustainable Are Shock Moments?
Lessons from the War in Ukraine
[Frank Priess](#)

79 ●
Powerless against Digital Hate
African Societies and Social Networks
[Christoph Plate](#)



Source: © Ahmed Jadallah, Reuters.

Power and Resources

Out of Siberia, into the Desert?

The Middle East and North Africa as
Building Blocks of Europe's Energy Transition

Simon Engelkes / Ludwig Schulz

Russia's war on Ukraine is increasing the pressure on Europe to wind down its dependence on Russian energy supplies. For this reason, politicians are turning their attention to the Middle East and North Africa (MENA), a region that has historically been home to large quantities of fossil fuels. This seems to be a reasonable step in light of the region's energy reserves, but it requires closer scrutiny. The MENA region, particularly the Arab Gulf states, is at the dawn of a new era of renewable energies. Instead of creating new dependencies, Europe should pursue a strategy of broad diversification of its energy sources, along with the establishment and expansion of energy innovation partnerships.

Russia's war of aggression on Ukraine has not only called into question old certainties of German and European foreign and security policy. It also presents a challenge to Europe with regard to its energy supply: as long as the politically motivated full-scale phase-out of Russian oil and gas exports to the EU has not been completed, Europe's economy and households remain dependent on these supplies. In tandem, the payments for them help the Kremlin to finance its war. Moscow's strong position in the European energy market also puts pressure on Europe, as shown by the energy embargoes imposed, for instance, on Bulgaria and Poland. Despite this, Germany and its European neighbours seem determined to reduce, or even end, their dependence on Russia – currently the world's second-largest oil exporter and leading supplier of natural gas. In March 2022, the EU announced that it would cut imports of Russian gas by two-thirds by the end of the year, and would cease imports of Russian gas and oil by 2027.¹ The German government followed suit, declaring that it planned to halt Russian oil and coal imports by the end of 2022, and completely withdraw from Russian gas by mid-2024.² Simultaneously, the Sword of Damocles of climate change hangs over Germany and Europe, both of which have made a firm commitment to move away from fossil fuels, and towards decarbonisation³ and renewables.

Against the backdrop of the Ukraine war, even Robert Habeck, Germany's Green Federal Minister for Economic Affairs and Climate Action, has had to concede that, "when in doubt", ensuring energy supply security takes priority over climate action.⁴

The current debate revolves around the potential of alternative oil and gas supplier countries to replace Russia's exports to Europe. However, it is important to examine which factors could constrain this, such as existing transportation options, regional dynamics, and changes in energy policy. It is also necessary to consider long-term perspectives with a view to a sustainable transition of the European energy supply to renewable energies. We will now look at this complex situation as relates to the MENA region, and particularly the Arab Gulf states.

Europe's and Germany's Dependence on Energy Imports

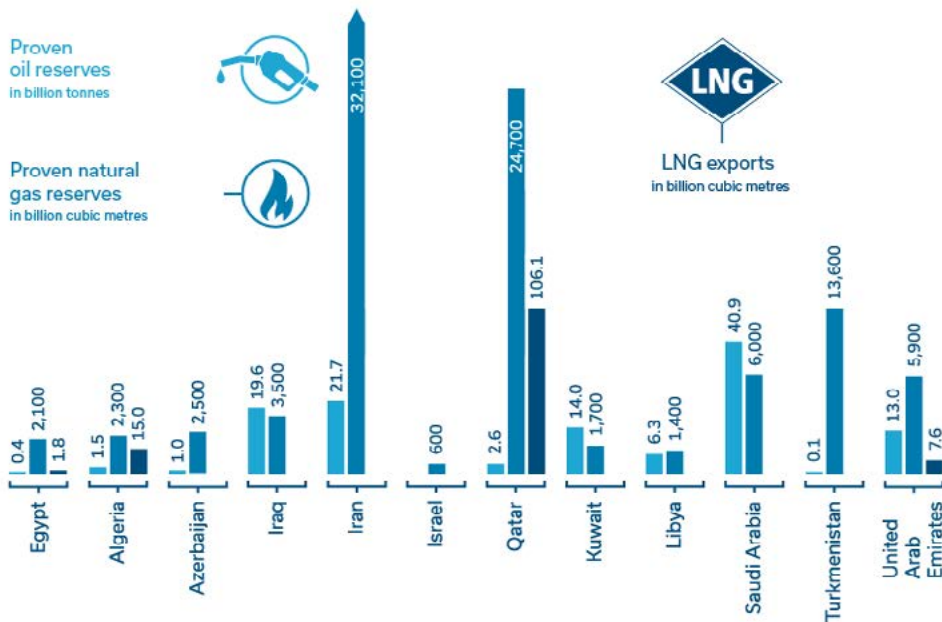
Germany, and large swathes of Europe, are dependent on energy imports to meet their industrial and household needs, to generate electricity, and for countless other applications. The dependency rate – the extent to which an economy relies on energy imports to meet its own needs – averaged 61 per cent across Europe in 2020. According to the EU Commission, 20

member states were dependent on Russian energy imports.⁵ In 2020, a quarter of the EU's crude oil imports came from Russia, while almost half of Russia's exports of crude oil and oil products went to Europe. Concerning gas, the EU imports 90 per cent of its consumption, with Russia supplying nearly half of this volume before the war began. Russia also accounted for more than 50 per cent of solid fuel sources, such as coal.⁶ Germany, as Europe's biggest economy, is also heavily dependent on Russian energy. Until recently, Russia accounted for 55 per cent of gas imports, 50 per cent of coal, and 35 per cent of crude oil in Germany's energy mix.⁷ In 2021, Russian oil and gas exports to Germany were worth 19.4 billion euros.⁸ Germany quickly began reducing these volumes in the weeks after the war began, and by the end of April 2022, Russian oil made up just 12 per cent, and Russian gas 35 per cent of German imports.⁹ Nevertheless, warning voices are still being raised – particularly from the ranks of German industry – about the risk posed to jobs and order books of a precipitate and total halt to energy imports from Russia.

Europe's fossil fuel trade relations with North African countries are well-established and reasonably resilient.

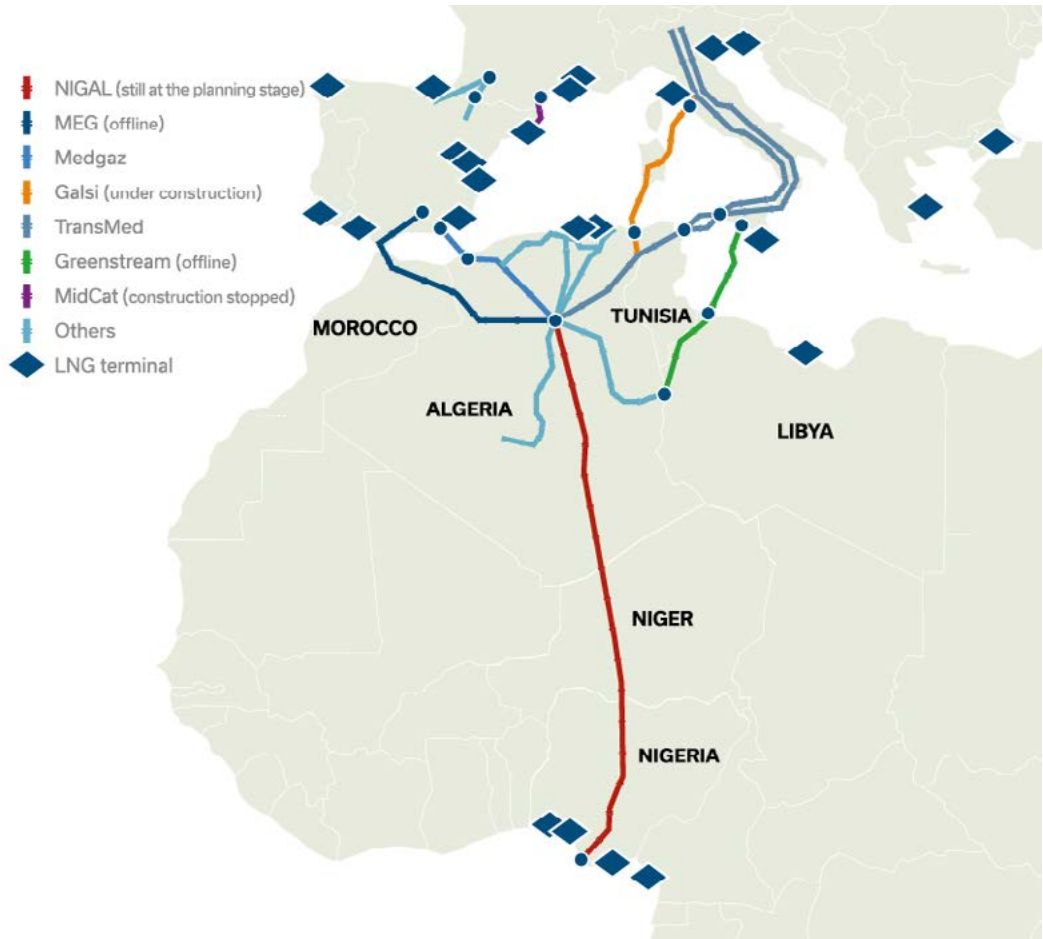
The pressure to look for alternative energy suppliers has led to something of a parade of European politicians visiting neighbouring regions. On behalf of the EU, Energy Commissioner Kadri Simson has been busy touring the Gulf region and visiting Egypt, Algeria, and Azerbaijan. These destinations are hardly surprising. Firstly, Europe's largest oil and gas suppliers after Russia – Norway, the UK, and the Netherlands – have declared that their ability to increase capacity is limited.¹⁰ Secondly, it makes sense to focus on the countries in Europe's south-eastern and southern neighbourhood – from North Africa to the Arabian Gulf, with their rich oil and gas reserves. However, it is important to assess the potentials and limitations of alternative energy imports to Europe.

Fig. 1: Fossil Fuel Reserves and Liquefied Natural Gas Exports of Selected Countries of Europe's Southern and South-Eastern Neighbourhood 2020



Source: own illustration based on BP 2021, n. 31, pp. 16, 34, 44.

Fig. 2: Gas Pipelines from North Africa to Europe



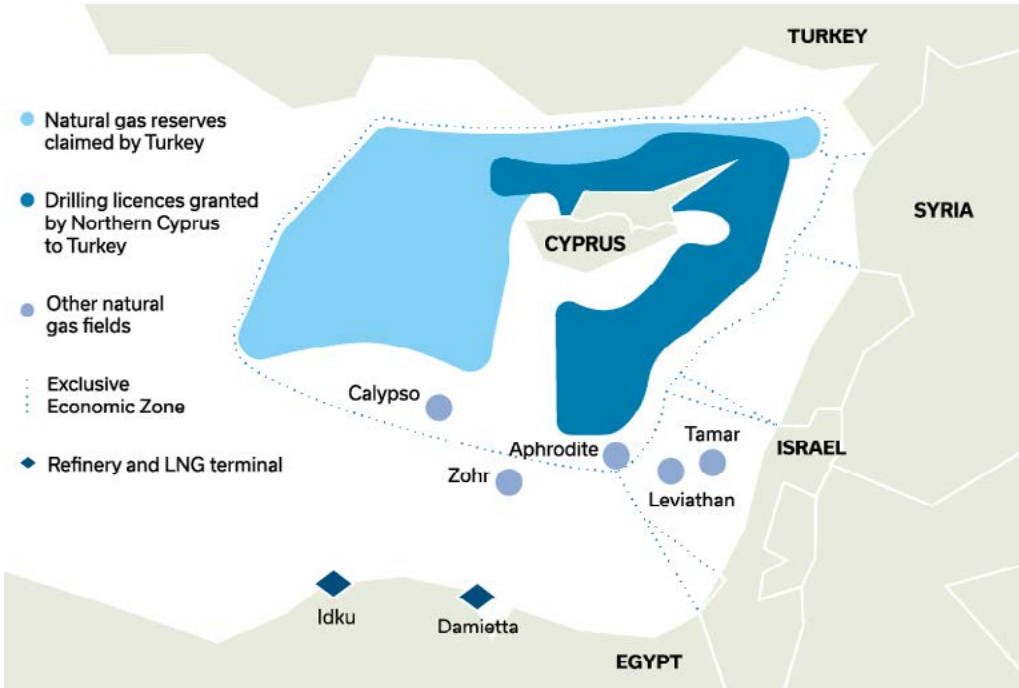
Source: own illustration based on Holleis, Jennifer/Schwikowski, Martina 2022: Erdgas für Europa: Afrika rückt nach, Deutsche Welle, 3 Mar 2022, in: <https://p.dw.com/p/47yVi> [10 May 2022].

North Africa and the Eastern Mediterranean: Partners with Ifs and Buts

Europe's fossil fuel trade relations with North African countries, such as Morocco, Algeria, Libya, and Egypt are well-established and reasonably resilient. There have been direct pipeline connections for decades. Medgaz transports Algerian gas directly to Spain, or it reaches southern Europe via two transit countries – Tunisia (TransMed) and Morocco (Maghreb-Europe Pipeline, MEP) – which in turn purchase Algerian gas as well. In a subregional comparison, Algeria has the largest natural gas reserves, at 2.3 trillion cubic metres. However,

the availability of Algerian gas for export to Europe is constrained by the ageing pipeline infrastructure and the vulnerability to political crises. For instance, the MEP, which has existed since 1996, ceased operations in 2021 due to bilateral tensions between Algeria and Morocco. Algiers decided not to renew the supply contract in a (so far unsuccessful) attempt to force Rabat to make concessions in the Western Sahara conflict, which has divided the two neighbours for decades. The Iberian Peninsula's dependence on Algerian gas meant it had to adapt to the new situation.¹¹ Moreover, for historical reasons, Algeria maintains close political ties to Moscow, including arms supply and energy relations – for

Fig. 3: Gas Deposits in the Eastern Mediterranean and in the Disputed Exclusive Economic Zone of Cyprus



Source: own illustration based on Weisflog 2019, n. 13.

example, Gazprom has a stake in certain Algerian gas fields. This makes Algeria not an unreliable, but still ambiguous partner.

Libya has large oil and gas reserves (6.3 billion tonnes of crude oil; 1.4 trillion cubic metres of natural gas). In 2020, 4.2 billion cubic metres of Libyan gas reached Europe, primarily in the form of liquefied natural gas. Liquefied natural gas (LNG) is produced by cooling natural gas so that it liquefies and can be transported independently of the existing pipeline infrastructure, for example by ship. Oil and gas exports to neighbouring Europe are expected to increase when extraction and production at the huge Tahara-Hamada field in the west of the country is ramped up this year and investment flows into the Greenstream gas pipeline, which is currently only running at low capacity.¹² However, production and exports will remain limited for the foreseeable future due to the infrastructure damage inflicted since the civil war began in 2011, and the unresolved political conflict

between the western and the divided oil-rich eastern part of the country, which has also received Russian support.

In the eastern Mediterranean, Egypt and Israel have become important players on the energy front in recent years, and are potential exporters of fossil fuels to Europe. However, there are currently no direct pipeline connections between this region and Europe. Egypt has increased its natural gas reserves to 2.1 trillion cubic metres by developing the Zohr offshore gas field – at 850 billion cubic metres possibly the largest reservoir in the Mediterranean.¹³ Meanwhile, Israel has reserves of around 600 billion cubic metres in the Leviathan field. To date, Israel has focused on producing gas to meet its own needs, and to use it as a commodity and political tool for stabilising relations with neighbouring countries, such as Egypt and Jordan. However, Egypt’s reserves certainly have the potential to be exported to Europe. In 2021, Egypt supplied Europe with some two billion cubic metres of

gas through its two LNG terminals, Idku and Damietta. Around 15 per cent of Egypt's gas exports went to European LNG terminals in 2021. Experts believe that Cairo could increase these figures within three years and compensate for around 200 billion cubic metres of Russian gas. However, this would mean ramping up capacity at Idku and Damietta, and Europe would also have to increase its capacity to import and inject liquefied gas.¹⁴ Egypt also has to meet the energy needs of its own large population, which limits its potential as an exporter.

There are ongoing disputes over the distribution of Exclusive Economic Zones in the eastern Mediterranean.

Another obstacle to any expansion plan is the continuing high cost of gas exploration in the eastern Mediterranean, including requisite liquefaction and shipping. In view of this, the exact conditions under which Egyptian gas can be sold at competitive prices remain unclear.¹⁵ There are, moreover, ongoing disputes between Mediterranean coastal states over the distribution of Exclusive Economic Zones. In 2019, Egypt, Israel, Cyprus, and Greece founded the

East Mediterranean Gas Forum, an intergovernmental organisation, with the aim of developing a regional gas market with correspondingly competitive gas prices. Its members include Italy, France, and others, but exclude Turkey. A key element of this is the construction of the EastMed pipeline. Almost 2,000 kilometres in length, it is projected to run from the gas fields in the eastern Mediterranean, along the southern Cypriot coast to Crete, and its capacity of up to 20 billion cubic metres should boost Europe's energy supply.¹⁶ However, no final decision has yet been made on the construction of the pipeline due to considerable scepticism in some quarters regarding its financial and technical viability. As a result, experts suspect that "gas from the eastern Mediterranean [...] is unlikely to enable states to supply significant volumes of gas to Europe. So, it is likely that the energy sources will primarily be exploited to supply domestic markets."¹⁷

Turkey's exclusion from the East Mediterranean Gas Forum has led Ankara to adopt an aggressive stance towards its neighbours over recent years. So far, this has only abated slightly in the area of regional energy policy. Turkey also believes it has a right to conduct exploration missions within what it perceives as its own waters, in violation of international rules. Due to this policy – which even includes a military element – Ankara has isolated itself and lost a great

Fig. 4: EastMed Gas Pipeline, Bypassing Turkey



Source: own illustration based on Weisflog 2019, n. 13.



Leviathan gas field: Considerable quantities of this fossil fuel can be found off the Israeli coast. However, experts doubt that these reserves will make a significant contribution to Europe's energy supply.
Source: © Amir Cohen, Reuters.

deal of trust among its neighbours. Furthermore, the unresolved Cyprus conflict, or more specifically the exclusion of the Turkish Republic of Northern Cyprus (which is only recognised by Turkey) from any share of energy profits, prevents any significant progress in regional energy cooperation, especially with regard to pipeline construction, which would have to include Turkey and Cyprus in order to be economically and environmentally feasible, as well as politically viable.¹⁸

Since the end of 2021, Turkey has presented itself as a conciliatory regional player with close ties to Europe, and as a diplomatic mediator in the war between Russia and Ukraine.¹⁹ However, when it comes to energy policy, Ankara remains a complex and difficult partner for

Europe. Turkey is also heavily dependent on Russia for its energy supply²⁰ and – through its pipeline deal with Russia – contributed to the weakening of Ukraine, as well as to the Balkans' dependence on Russia. Nevertheless, Turkey can still be a transit country for alternative methods of transporting fossil fuels to Europe. Azerbaijani crude oil is conveyed across Georgia to the Turkish Mediterranean coast via the Baku-Tbilisi-Ceylan (BTC) pipeline, which runs through eastern Anatolia and has been in operation since 1998. Recent gas discoveries on the Black Sea coast have reduced Turkey's reliance on Russia and, above all, since 2018, Azerbaijani natural gas has also been reaching Greece and Italy via the Trans-Anatolian Pipeline (TANAP), passing through Georgia and Turkey.



It currently transports 16 billion cubic metres of gas, but this volume is set to double by 2026.²¹ If Turkey were also to succeed in integrating more oil and gas from Iraq or even Iran (if Western sanctions against the regime in Tehran were to be removed) into its transport system, the country could present itself as a key supplier of fossil fuels to Europe²² – a factor that is likely to play an increasingly important role in both Turkey’s application to join the European Union and in terms of President Erdoğan’s political power.

New Needs, Old Friends: The Gulf States

In its search for new suppliers of oil and gas, Europe’s attention has also turned to the major energy producers and its long-standing partners in the Gulf. Saudi Arabia could provide an alternative to oil imports from Russia. The kingdom possesses about 17 per cent of the world’s proven oil reserves and is the world’s largest exporter of crude oil. It currently has spare capacity of about 180 thousand tonnes per day, while the United Arab Emirates (UAE) has around 160 thousand tonnes per day. According to experts, these two nations could prevent the expected oil shortage on world markets and bring prices down.²³ However, the growing politicisation of energy markets complicates the situation. The war in Ukraine has caused oil prices to rise to over 100 US dollars per barrel, the highest level since 2014. Revenues from oil and gas make up around 40 per cent of Russia’s federal budget. Since the war began, the US and EU have tried to encourage Saudi Arabia, the UAE and Qatar to ramp up production, thereby lowering world prices and reducing Europe’s dependence on Russian imports. The Organisation of the Petroleum Exporting Countries (OPEC), led by Saudi Arabia, initially refused to substantially increase oil production, and held firm to the production plan agreed with Russia within the framework of the OPEC+ group. However, in early June 2022, the intergovernmental body gave in to pressure from the US and its allies, stating it would raise its additional oil production. Riad announced it would compensate for a potential drop in Russia’s output if sanctions imposed

on Moscow were to cause shortages on global markets.

The backdrop to this partnership, and to the Gulf states’ reluctance to adopt a clear stance against Russia, is multifaceted and based on a variety of economic and foreign policy motives.

Most of Qatar’s LNG is tied up in long-term supply contracts, primarily with Asian countries.

For the Gulf monarchies, Russia is also an important dialogue partner with regard to natural gas, namely in the Gas Exporting Countries Forum (GECF). Alternative suppliers of gas are limited, and, like crude oil, it cannot be transported from the Gulf region to Europe by pipeline, but only by sea in the form of liquefied natural gas. With its huge gas reserves, Qatar is the world’s largest LNG supplier. Doha recently declared its willingness to contribute to European energy security by making additional shipments, but stressed that it was not in a position to provide unilateral support. Qatar would be able to divert 10 to 15 per cent of its gas shipments, but this would not be enough to replace Russian gas in the short term.²⁴ By 2027, Qatar plans to increase its annual LNG capacity from 106 to 174 billion cubic metres.²⁵ However, most of Qatar’s LNG is tied up in long-term supply contracts, primarily with Asian countries, such as China and Japan. Moreover, many European countries, especially Germany, lack a sufficiently developed LNG infrastructure (particularly storage and regasification facilities, where the imported LNG would be fed into the European or German energy grid). The German government has already announced that two stationary LNG terminals will be built in Wilhelmshaven and Brunsbüttel by 2025. In addition, three floating LNG facilities are currently being planned across Germany; the first mobile LNG terminal could come onstream

by the end of 2022. This would allow around nine billion cubic metres of gas to be procured – almost 20 per cent of the gas volume currently purchased from Russia.²⁶ However, questions relating to the cost of creating new infrastructure for the more expensive LNG, alongside the environmental cost of shipping LNG around the world, remain unanswered.

Germany's Minister for Economic Affairs, Robert Habeck, visited Qatar and the UAE in March 2022 for talks on the future of Germany's energy supply. In Doha, Germany and Qatar agreed on a long-term energy partnership for LNG supplies. But at present this represents little more than a strategic roadmap. Just a few weeks before the *Zeitenwende* triggered by the Russian invasion, Germany's Greens in particular viewed the Arab Gulf states with great scepticism. Now they have undergone a remarkable change of heart in light of the new developments, mutating from plaintiffs to supplicants.²⁷ The Green narrative of a future energy policy that would exclude the controversial Gulf suppliers now seems to have collapsed.

High oil and gas prices are fuelling a rethink towards alternative energies, not only in Europe and the US but also in the Gulf.

However, this part of the world and its energy system are not free of regional instabilities. The almost regular attacks conducted by Yemen's Houthi rebels on Aramco facilities in Saudi Arabia underline how – with a fresh focus on the Gulf for energy supplies – other disruptive factors, such as military attacks on export infrastructure, may affect supply security. Additionally, despite the current relative thawing of relations between Saudi Arabia and Iran, regional rivalries continue to present a problem that could, as in the past, impede the passage of tankers, for instance through the Strait of

Hormuz. But, most importantly, while a long-term commitment by Europe to buy more oil from Saudi Arabia and the UAE, or natural gas from Qatar, would reduce dependence on Moscow, it would also create new dependencies. Europe should also keep a close eye on the Gulf states' strategy of freeing up more fossil fuels for export by promoting renewable energy for domestic consumption. By doing this, the Gulf states are giving potential importers an additional incentive to become even more dependent.

A New Era of Renewables – Green Electricity ...

In addition to the crucial role played by the Arab Gulf states in the global supply of oil and gas, the region also has the potential to become a centre of gravity in a different aspect of the energy debate. Despite the renewed focus upon fossil fuels, the political fallout from the Ukraine war will cause the climate-related energy transition to progress faster than anticipated. This is because high oil and gas prices are fuelling a rethink in the direction of alternative energies, not only in Europe and the US but also in the Gulf. As a result, the world's fossil fuel powerhouse is also undergoing a seismic shift in its energy policy.

The Gulf region has the natural conditions for the development of renewables, along with the associated reduction in carbon emissions, as well as the financial resources required to drive the global and regional energy transition. Its financial stability will be further consolidated by the increased global demand for fossil fuels. Environmental and energy policy are important motivators in this respect, but they are joined by many other aspects, such as regional and strategic power, security, economic issues, and prosperity. In their shift away from fossil fuels, the Gulf states can also point to a wealth of experience and forward-looking promises – despite, or perhaps precisely because of, the vital role that oil and gas will continue to play in their economic and social models.²⁸

Once small, marginalised states on the Arabian Peninsula, the Gulf monarchies rose to become rich and powerful petrostates in the second half of the 20th century. The faster the importance of “black gold” gives way to that of green electricity, the more pressure is exerted on the prosperity and regional power of the Gulf states. Their expertise in the energy sector, acquired or imported during their history as major global energy suppliers, is indispensable for preserving their own prosperity but also for their transition to a post-carbon economy. Over the last few years, they have begun preparing for the upcoming post-oil era and have positioned themselves to take on the role of regional and global leaders in the energy transition. In many cases, this is motivated by the need to continue legitimising their rentier-state systems at home and stabilising political conditions in their societies, while simultaneously engaging in nation branding and improving their international reputation.

The Gulf Cooperation Council countries seem to be following a similar pattern in their approaches. In their extensive national strategic plans and “visions”, the Gulf states have set themselves ambitious targets for renewables and hydrogen as future energy sources. Saudi Arabia, for example – still the world’s largest oil exporter, with close to 90 per cent of government revenues coming from the oil sector – aims to generate half of its energy from renewable sources by 2030. Currently, the share is just 0.3 per cent, which is why experts consider the target to be at best ambitious, and at worst unrealistic.²⁹ Nevertheless, it plans to pour billions of dollars into research and development of projects. The UAE, meanwhile, announced its “Net Zero 2050” strategic initiative in 2021, which aims to achieve net zero carbon emissions by 2050. Clean energy from renewable sources and nuclear power will be a key element of this strategy to reduce greenhouse gas emissions.³⁰

In recent years, alongside ramping up oil and gas production, countries like Saudi Arabia and the UAE have substantially increased the

amount of electricity generated from renewable sources. Today, the UAE produces similar volumes to European countries such as Hungary and Switzerland.³¹ In light of their enormous and under-utilised solar power potential, the Gulf states have launched some of the world’s biggest solar projects, including the world’s largest solar power plant. This plant was initiated in 2012, south of Dubai, and has a targeted capacity of five gigawatts, covering an area of 77 square kilometres, and with an investment volume of 13.6 billion US dollars. The potential of solar power also goes beyond simply supplying electricity. For example, a major Saudi project, the world’s largest solar-powered seawater desalination plant in Al Khafji, uses photovoltaic power to turn saltwater into fresh water – meeting the daily needs of 100,000 people.

Not to be underestimated, naturally, is the impact, both at home and abroad, of cultivating a glossy green image. The region is attracting global attention by hosting major international “green” events, such as Expo 2020 (2021/22) in Dubai with its specific focus on the green economy and innovations relating to climate change and sustainability; the Abu Dhabi World Climate Conference (COP 28, 2023); and the 2022 World Cup in Qatar, which the organisers are promoting as a carbon-neutral event under the title “Green Qatar 2022”. This includes new ideas for making the event more sustainable, such as modular stadiums that can be rapidly disassembled.³² The Gulf states have also made a – mainly financial – commitment to the international fight against climate change and are forming new alliances. For example, on the fringes of the 2021 Climate Change Conference in Glasgow, the Emirates unveiled a partnership with the International Renewable Energy Agency (IRENA), based in the ecological model city of Masdar near Abu Dhabi. The aim is to develop an Energy Transition Accelerator Financing Platform as a multi-stakeholder climate finance solution to advance the energy transition in developing countries. The UAE plans to provide 400 million US dollars for this purpose,

thus making a substantial contribution to raising the platform's goal of at least 1 billion US dollars to be used to generate 1.5 gigawatts of cleanly produced and stored energy by 2030.³³

... and Hydrogen from the Desert

Finally, as regards the energy world of the future, Saudi Arabia and the UAE are vying to become the world's leading exporters of hydrogen. This is primarily blue or green hydrogen, where electricity from natural gas combustion (blue) or renewable energy sources (green) can be used for electrolysis, which splits water into hydrogen and oxygen. It is produced without or with reduced carbon emissions. The hydrogen produced can either be used directly to power engines and turbines, or pass through a methanation stage to produce synthetic gas (power-to-gas) – hydrogen is expected to replace natural gas in the medium term – or it can be turned into liquid fuels (power-to-liquid). These green fuels can then be used in heat generation, the transport sector, and the steel and chemical industries. Experts believe green hydrogen will play a key role in defossilising the world's energy economy.³⁴

The Gulf could become a test case for the expansion of green electrification.

The UAE has excellent conditions for the cost-effective production of hydrogen from renewable energies and is keen to begin the first hydrogen deliveries to Germany as early as 2022.³⁵ The first solar-powered green hydrogen plant in the region was built in Dubai in 2021. During the day, the plant harnesses some of the electricity generated by the adjacent solar park to produce hydrogen. At night, the green hydrogen is converted into electricity to power the city with sustainable energy. Saudi Arabia is also planning the future of green hydrogen on a grand scale. NEOM, an 85-square-kilometre carbon-free “city of the future” that is being built in the north of the

kingdom, will be home to the world's largest green hydrogen plant. This electrolysis plant will integrate four gigawatts of renewable power – ten times more than Saudi Arabia's existing solar capacity.³⁶

The Gulf states also have big plans for ammonia, which is suitable as a fuel because of its high hydrogen content. It is also easy to store and transport in liquid form. In September 2020, Saudi Aramco, the world's largest oil company, caused a stir when it sent its first shipment of blue ammonia from Saudi Arabia to Japan. The UAE is also driving ahead with a blue ammonia production plant in Abu Dhabi and struck an ammonia cooperation deal with Japan in 2021.³⁷

Examples like these show that the Gulf states are willing to invest their fossil fuel revenues in innovation and in the regional and global energy transition. Overall, the Gulf could become a test case for the expansion of green electrification and the effect could radiate out to the whole of the MENA region – a region whose energy infrastructure is sorely in need of an overhaul in terms of modernisation and efficiency.

Diverse and Lasting Partnerships: Time for a “Polygamous” Energy Policy

As seen, the MENA region and especially the Arab Gulf states are currently viewed as a potential solution to Europe's energy supply dilemma. Their reserves of oil and gas and established infrastructures mean they can supply the EU with a limited amount of additional fossil fuels in the short to medium term. However, Europe cannot rely solely on the countries in its southern and south-eastern neighbourhood to completely replace its energy imports from Russia. With the exception of North Africa, there are no direct pipeline connections to Europe to enable the cost-effective procurement of natural gas, and Europe's synchronous grid still has too little capacity for LNG landfall and injection. Moreover, many other countries, especially in Asia, will also need to meet the continuing high demand for crude oil and LNG, and will thus compete with Europe to buy LNG from the Gulf states.



Furthermore, the discussion about fossil substitutes for Russian oil and gas would be too short-sighted if it did not consider how times are changing when it comes to energy. Even before Russia's invasion of Ukraine, Europe was making a shift towards alternative energy sources. This trend has been given strong impetus now that Europe's energy dependencies have become painfully obvious. In addition to the European Green Deal of 2019, in spring 2022 the EU Commission proposed an outline for a new energy plan. In conjunction with the announced exit from oil and gas trade with Russia, the new plan aims to increase the resilience of the EU-wide energy system and meet climate targets. For example, oil and gas supplies will be diversified by expanding pipeline connections

to non-Russian suppliers and increasing imports of LNG. Additionally, the aims are to achieve swifter reductions in the use of fossil fuels, expand renewables, and improve supply security by increasing the production and import of biomethane and green hydrogen.³⁸ In this context, too, the countries of the Middle East, and particularly the Arab Gulf states, could be promising – albeit critically scrutinised – partners and key players in an increasingly decarbonised global economy.

If Germany and Europe are to permanently free themselves of their dependence on Moscow, they will have to adjust their policies towards the Gulf states, and build long-term partnerships with their Arab neighbours, by investing



Energy has long since ceased to stem solely from the ground: Over the last decade, the Arab Gulf states have started some of the largest solar energy projects in the world. [Source: © Ashraf Mohammad Alamra, Reuters.](#)

in the development of a joint infrastructure, not only for producing and trading in oil and gas, but also for solar and wind power, and green hydrogen. Ultimately, it is essential to ensure the German and European energy mix is as broad as possible, and to keep the number of energy sources and suppliers as large as possible in order to avoid major dependencies – on petro- and electrostates alike. At the same time, Europe and Germany can and should approach MENA energy producers and suppliers not as supplicants, but as partners. Energy innovation partnerships will help countries to manage their transition to renewable energy, more energy efficiency, a green economy, and the dawn of a hydrogen-fuelled future. Europe and Germany can offer the expertise and reliability that will also find favour in this region.

- translated from German -

Simon Engelkes and **Ludwig Schulz** are Desk Officers in the Middle East and North Africa Department at the Konrad-Adenauer-Stiftung.

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[Power and Resources](#)

New Energy Partnerships and a Boost for Decarbonisation?

The War in Ukraine and Its
Repercussions for Energy Policy in Asia

[Christian Hübner](#)

The Russian attack on Ukraine has led to turbulence on the Asian energy markets. The consequences are manifold: on the one hand, the rise in the price of fossil fuels may well provide decarbonisation with new momentum in many Asian countries. On the other hand, states such as India and especially China might try to cheaply purchase Russian energy resources, which are being increasingly shunned in the West. Thus Moscow, subject as it is to sanctions, has new opportunities for energy cooperation – but risks becoming increasingly dependent.

On the energy markets, a state of emergency has become the new normal. Over the last two years of pandemic alone, energy supply infrastructures faced price collapses and then later, as economies recovered, price spikes. The high energy prices are thus having a noticeably dampening effect on global economic development. Added to this are bottlenecks in raw materials in such areas as critical minerals for renewable energy technologies, the semiconductor industry, and the chemical industry, resulting in interrupted supply chains and restricted production on a global scale. The Russian attack on Ukraine has exacerbated these developments and could lead to a fundamental reorganisation of global energy security structures, one that will also, and perhaps especially, become apparent in Asia.

In record time, the Russia-Ukraine conflict threw aside the firmly rooted certainty of reliable gas supplies from Russia to Europe, a certainty that had remained unshaken even during the Cold War. What is astonishing is that the energy policy decoupling between Europe and other Western democracies on the one hand and Russia on the other now seems to be intentionally sought by both sides. For Europe, despite plans to switch to renewable energy sources as part of its decarbonisation by 2050 in any case, this is a daring step. In the short term, Europe is dependent on imports of Russian gas, oil, coal, and minerals critical to decarbonisation technologies, and thus it risks power outages. Nevertheless, given the security policy dimension

of the war, it is increasingly willing to pay a high price for energy independence from Russia. In retrospect, the extent to which Russia anticipated this development is difficult to determine. However, for years Russia has worked intensively to expand energy relationships in Asia, most notably with China.

The Asia and Pacific region is home to important energy consumers such as China, India, Japan, and South Korea, whose energy demands have a global impact. Russia's eastward orientation is therefore not surprising. Whether Asia can actually serve as a substitute energy export market remains to be seen, given the historically unprecedented Western reaction that has made Russia the most heavily sanctioned country in the world in a very short time.

Asian Energy Markets

The war between Ukraine and Russia has both a direct and indirect impact on energy security in the Asia and Pacific region. An important direct effect concerns energy relationships between Russia and Asia. Almost half of Russian oil exports went to Europe in 2021, with slightly less than 40 per cent going to Asia.¹ Just under 75 per cent of Russian gas exports went to Europe and only 13 per cent to Asia.² On the other hand, more than 50 per cent of Russian coal exports went to Asia and just below 30 per cent to Europe.³ The US energy sanctions, which are isolating Russia economically and politically on global energy markets in the short term, will

have little effect on these energy deals. The primary Asian importer of oil, coal, and gas from Russia is China, which has made it clear that it will not limit its trade with Moscow to support Western sanctions.⁴

The indirect energy market effects of the war in Europe are already demonstrating their disruptive potential in Asia.

Japan, South Korea, and Vietnam also import significant amounts of Russian liquefied natural gas (LNG), coal, and oil, but to a much lesser extent than China. Japan, too, is a direct partial owner of LNG and oil production facilities in the Russian part of the eastern Pacific. Japan supports a decision by the G7 countries to ban or phase out oil imports from Russia. However, Japan, which is highly dependent on energy imports, will not abandon oil imports from Russia quickly for energy security reasons.

The indirect energy market effects of the war in Europe are already demonstrating their disruptive potential in Asia. European governments and corporations are driving up the already high prices for coal, oil, and gas with their demand for alternatives to energy imports from Russia. For Asia, which is an overall net energy import region, this engenders a rise in local energy prices, which, in turn, means inflation of national currencies in many countries in the Asia and Pacific region.⁵ Fiscal countermeasures taken by many governments are likely to increase debt in the region, weakening overall economic growth in the long term.⁶

Yet there are exceptions to this trend in the Asia and Pacific region: Malaysia, Indonesia, and Australia are net energy exporters and will benefit from increased demand for energy raw materials, at least from an overall economic standpoint.⁷ Malaysia is the second-largest producer of oil in Southeast Asia and the fifth-largest LNG exporter in the world. The country's

geographical location is also ideal for global trade, since the Strait of Malacca is a central bottleneck for international trade in raw materials. Indonesia is the world's largest coal exporter and also exports LNG. The two Southeast Asian countries expect significant additional revenues from rising global energy prices. On the other hand, they are granting extensive energy subsidies to keep domestic energy prices low for end users in industry, but also for households. Some of the additional revenues will therefore be used for the increased energy subsidy costs. Indonesia imports a large part of its oil and is therefore negatively impacted by the high oil prices. It also imposes strict coal export regulations to protect domestic energy supply. In January 2022, this even led to a short-term discontinuation of exports. Overall, however, Malaysia and Indonesia will manage the economic risks relatively well.

Australia is currently generating additional revenue from raw materials exports. Even during the energy shortage late last year in the course of economic recovery from the pandemic, Australia profited from rising coal and LNG prices in Asia. Now it is also European energy companies that are not only looking to purchase Australian energy resources in the short term, but also to sign long-term contracts. EON, a German energy company, also plans to import Australian green hydrogen.⁸

The gas market in Asia has been especially affected by the war in Ukraine.⁹ LNG prices are being driven up by demand from Europe, which is desperately seeking alternatives to imports from Russia. For Asian LNG importers, especially in South and Southeast Asia, this poses a challenge because, unlike Japan and South Korea, they cannot bid in these high price categories without incurring extensive debt. Bangladesh is one of the worst affected.¹⁰ In many Asian countries, gas is regarded a secure interim energy that would lower CO₂ emissions in the medium to long term while covering growing energy demand. Investments planned and already implemented in the gas sector are therefore very high. In Indonesia, the Philippines,

Vietnam, South Korea, and Japan, plans for expanding gas usage capacities already exceed the shutdown rate for coal-fired power plants.¹¹

The largest investments in gas infrastructure are currently being made by China, the only Asian country with a gas pipeline to Russia and long-term delivery contracts to protect it from an overheated Asian LNG market. China can also import Russian LNG by sea. However, difficulties will arise for the Southeast Asian countries, especially Vietnam, Thailand, and Myanmar, which have made significant investments in domestic gas-fired power plants and LNG terminals. These investments are coming under scrutiny due to the persistently high LNG prices. The consequences for these and other countries could be high risks to energy security.

New Energy Partnerships: Russia-India

India shows how disruptive indirect energy market effects in Asia are in the short term, but also how they can lead to direct changes in regional energy supply relationships in the medium to long term. As Asia's second-largest oil importer (after China), importing over 80 per cent of its oil, India is particularly at risk from high energy prices.¹² Subsidy regimes to secure energy price corridors are only rudimentary and will therefore have a limited mitigating effect on rising prices,¹³ which are passed on more or less directly to end users in industry and to private households. The Indian government is therefore considering expanding its oil, coal, and LNG imports from Russia, which have so far accounted for less than five per cent of overall energy imports.¹⁴ Indian energy companies may thus participate in Russian energy projects. In view of Western sanctions, the deal is to be transacted through a rouble-rupee payment system set up specially to this end.¹⁵

Cheap Russian oil is an attractive opportunity for India, since it is being offered at a heavily discounted price.¹⁶ And India cannot be accused of inconsistent policy. It can look back on a long partnership with Russia. India can

also counter critics with the valid argument that Europe continues to import Russian energy resources as well.

India could become more dependent on Russian energy resources.

Instead, India's challenges in expanding energy trade relationships with Russia lie in Indian refineries having to adjust to Russian oil quality, which differs from Middle Eastern quality. Trade logistics could also be complicated. Thanks to the rouble-rupee payment system, US sanctions on Russian oil would not affect the financial part of the deal, but logistics companies would be exposed to a certain reputational risk that could have a practical impact in the form of high insurance premiums for shipping. What is more, previous oil suppliers in the Middle East or coal exporters such as Australia and Indonesia could quickly, and maybe permanently, align themselves with other consumers such as Japan and/or South Korea. This could jeopardise India's long-established energy relationships and increase dependency on Russian energy resources.

Russian-Chinese Energy Partnership

The close energy partnership between Russia and China is not only logical due to the current political situation. Russia has a large supply of fossil fuels such as oil, coal, and gas, but also of aluminium and critical minerals like nickel, which are needed for renewable energy technologies among other things. China, on the other hand, has become a global market power. It produces a range of goods for the world market and requires energy and raw materials to do so. At the same time, the two countries enjoy close geographical proximity in the form of a long common border. From an energy perspective, this gives rise to advantages for both sides.



A welcome opportunity: While Western states are increasingly replacing Russian energy sources, India could buy them from Moscow at bargain prices in future. [Source: © Adnan Abidi, Reuters.](#)

Russia is currently China's second-largest oil supplier after Saudi Arabia, the second-largest coal supplier after Indonesia, and the third-largest gas supplier (pipeline and LNG imports combined) after Turkmenistan and Australia.¹⁷ China, on the other hand, has shares in Russian LNG terminals and joint pipelines. Energy industry circles believe that the further involvement of Chinese energy companies in Russian energy supply companies is entirely plausible. Russia is thus a fixed part of China's energy partner portfolio. But this has not yet resulted in China's unilateral dependence on Russia. China is focused on a broad mix of energy imports from a wide variety of countries worldwide. The lion's share of Chinese energy imports does not come from Russia. On the other hand, China is Russia's most important energy export market in Asia.

The energy relationship between the two countries has intensified primarily over the last few years – not least in the run-up to and aftermath of Russia's occupation of Crimea. Since 2019, the Power of Siberia Pipeline 1 (POS 1) has been supplying gas directly from Russia to China. Cooperation on POS 1 and Chinese investment in the Russian Yamal LNG and Arctic LNG 2 terminals were both realised immediately after the Crimean crisis. During the Winter Olympic Games in Beijing, China and Russia announced further energy agreements. For instance, gas exports from Russia to China are to be increased. The gas is to flow from gas fields off the Russian Pacific Island of Sakhalin and go to North China. POS 1 could be connected to the corresponding Pacific pipeline (Sakhalin-Khabarovsk-Vladivostok).¹⁸ Also during the Olympic Games, an oil agreement was renewed



in which Russian oil is exported to China via an existing pipeline through Kazakhstan. This pipeline complements Russia's Eastern Siberia-Pacific Ocean pipeline. Russian-Chinese energy relations could also be further intensified in future by the Power of Siberia 2 (POS 2), which is to run through Mongolia, where it is called the Soyuz Vostok pipeline, and which should even be able to access gas originally intended to supply Europe.

Especially with a view to the pipeline and LNG terminals, expanding energy relations to Russia is an attractive deal for China. China has ambitious climate goals and despite having expanded its coal-fired power plants and reactivated coal mines during the energy crisis in late 2021, it wants to reduce coal in its energy mix in future. Gas will play an important role here. The long-term pipeline connections to Russia represent stability, especially compared with the volatile LNG prices on the world market, which are being driven up further by European demand for gas. China can thus decouple itself from the highly competitive global LNG market. The close energy partnership also improves China's energy security.

The first Chinese companies appear to be reserved when it comes to purchasing Russian oil.

The intensified energy dealings with Russia do pose risks for China, however. While these deals allow China to acquire important energy sources cheaply over the long term, US sanctions could become a problem especially for Chinese energy companies operating internationally. The exclusion of Russian banks from SWIFT is only a minor problem between Russia and China from an energy standpoint. The Chinese alternative, the Cross-Border Interbank Payments System (CIPS), could be used as a substitute if payment transactions were made in yuan. Yet things will become difficult if the

US actually imposes downstream sanctions. This could lock internationally active Chinese energy companies out of international markets or banks. And the first Chinese companies do indeed appear to be reserved when it comes to purchasing Russian oil.¹⁹ It remains to be seen whether Chinese energy companies are able to find ways of legally circumventing the sanctions.

Energy Policy and Decarbonisation

From an energy policy perspective, the war between Russia and Ukraine appears to be accelerating a long-term trend: global suppliers of fossil energies from Africa, the Middle East, and Latin America are focusing on Asia because that is where a greater demand for oil, coal, and gas currently prevails and will do in future in any case. Russia's orientation towards the Asian energy market can therefore be seen as strategically consistent from a purely economic standpoint and with a view to the EU's climate goals. Russia's energy relations with China are of fundamental importance here. It is not only about the Chinese energy market, the largest in Asia, but also about access to the Asian market overall.

For Russia, however, this step could be associated with what is expected to be an almost complete economic and political decoupling from Europe and other Western democracies. Russia's plan of, where necessary, offering its fossil energy sources in Asia and Europe at the same time and strategically exploiting this situation, will thus probably be unsuccessful in the medium term. The consequence of sanctions is a greatly weakened Russia that finds itself increasingly economically dependent on China. Russia must accept that transacting its trade, which is still mostly in dollars, will not strengthen the rouble, but rather the Chinese yuan. Russia's announcement that it will do energy deals with "unfriendly states" only in roubles in future, can probably be interpreted as a reaction to this realisation. On the other hand, oil, coal, and gas are not all Russia has to offer. Also in its possession are critical minerals such as nickel that are essential for building batteries

for electric cars. The prices for these minerals have also risen dramatically. Given the current situation, Europe will also have to replace these raw material imports from Russia if it wants to reach its climate goals. But it will be in competition with China, which needs these raw materials, too.

The expansion of energy relations between India, a US ally in the Indo-Pacific, and Russia

could have a fundamental signalling effect on energy security throughout the entire region. Here, it is not just a matter of competing systems in global politics, but also regional spheres of influence. India is the second-largest energy importer in Asia (after China). The question now is whether, given the high prices on the world market, other Asian countries will take advantage of relatively cheap Russian energy resources and thus undermine US sanctions. It



cannot be excluded that South and Southeast Asian countries currently affected by high LNG prices will turn to Russia for LNG. After all, European countries continue to purchase Russian energy resources, too.

For Russia, the expansion of energy relations to Asia is not without risk. China, its established energy partner, and India, its possible new partner, are regional competitors, and

Russian-Pakistani energy relations could well have a negative effect on relations with India. On the other hand, it might be precisely that Russian-Pakistani connection that may prompt India to deepen trade relations with Russia. Furthermore, Russia has cultivated trade relations with a wide variety of countries in the region for decades, especially for arms exports; an even more sensitive issue from a geopolitical standpoint. Still, India will have to weigh up how to reconcile the perpetuation of a political counterweight to China in the region and the necessary cooperation with other Western democracies with its national energy security interests in the long term.

China is not only interested in improving its energy security, but also in pursuing its own climate goals.

Intensifying its energy relations with Russia enables China to improve its energy security. It is acquiring expanded, permanent access to Russian energy resources and infrastructure. But China is not only interested in improving its energy security, but also in pursuing its own climate goals (CO₂ emission peak by 2030 and CO₂ neutrality by 2060) with gas as an alternative to coal. This is where the expansion of its green technologies industry through domestic value chains, which has long had a global dimension, comes in. China has developed a profitable renewable energy technology industry benefiting from monopolies on critical minerals and rare earths in its domestic territory, as well as from Chinese state-owned extraction companies operating in numerous countries all over the world, including Indonesia and the

From Siberia to China: Since 2019, a pipeline has been transporting gas directly from Russia to China. In future, gas originally intended for Europe could also flow to Beijing via a proposed new route. [Source: © Maxim Shemetov, Reuters.](#)



Philippines. It is even the global leader in solar panel production. With additional gas imports and the falling CO₂ emissions likely to follow from them, China would be much better positioned for the European Carbon Border Adjustment Mechanism, which could become a major problem for the CO₂-intensive Chinese export industry.

It is difficult to predict what overall effect the war in Europe will have on Asian decarbonisation. But a good assumption is that the enormous increase in fossil fuel prices will make renewable energies, which are already economically competitive, even more so. Many Asian countries will therefore intensify their entry into, or broad expansion of, renewable energies, and reduce expansion of interim energies such as gas. Nuclear power might also benefit. What is certain is that the war in Europe will have consequences for Asian energy security. New energy partnerships will influence major systemic disputes in Asia, and decarbonisation may ultimately be accelerated.

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Dr. Christian Hübner is the Director of the Konrad-Adenauer-Stiftung's Regional Programme Energy Security and Climate Change in Asia and the Pacific based in Hong Kong.

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[Power and Resources](#)

Enhancing Energy Security in Southeast Europe

Can Romania Be Part of the Solution?

[Otilia Nutu](#)

Romania's relative energy independence could transform it into a regional provider of energy security supporting EU efforts to decouple from Russian energy. This requires commitment and will, however. For now, most infrastructure continues to be obsolete, polluting, and ill-adapted to the massive post-Communist shift in demand, threatening even the country's own energy security. Critical vulnerabilities are precisely those where Russian dominance must be swiftly curtailed: gas and, indirectly, electricity.

At first sight, Romania currently fares well in European statistics as one of the most energy-independent EU members. As of 2020, Romania's imports of Russian energy sources – gas (15.5 per cent), oil (37 per cent) or coal (11.8 per cent) – were below the EU's average; in total 17 per cent compared to overall EU dependence on Russia of 24 per cent.¹ The country also has a relatively small energy sector compared to the rest of the Union – its total energy consumption of 25 million tonnes of oil equivalent (TOE) in 2020 is just 2.5 per cent of that of the entire EU, 11 per cent of Germany's and less than one third of Poland's.² This means that Romania's energy security could be quite easily ensured by coordinated EU policies for energy security, such as speeding up infrastructure interconnectivity, Commission-led joint gas import purchases, or solidarity mechanisms (reciprocal support among EU members). What is more, since Romania is the second-largest EU producer of gas, with untapped resources in the Black Sea and onshore, as well as substantial potential for renewable electricity, it could instead provide energy security to the entire region. Here, it would be an alternative supplier to countries with relatively small energy consumption such as Bulgaria, Hungary, Serbia, or Moldova (the latter being also part of the EU's energy market).

Unfortunately, Romania has thus far had little incentive to transform the sector due to the relative energy independence, coupled with a lack of competence, poor governance, and, possibly, a subconscious reliance on the EU's backing in

the worst-case scenario. For many years, Romanian decision-makers in the energy sector have lacked a real sense of urgency for investments in key energy infrastructure, and EU funds and private funding continue to be underused for its modernisation.

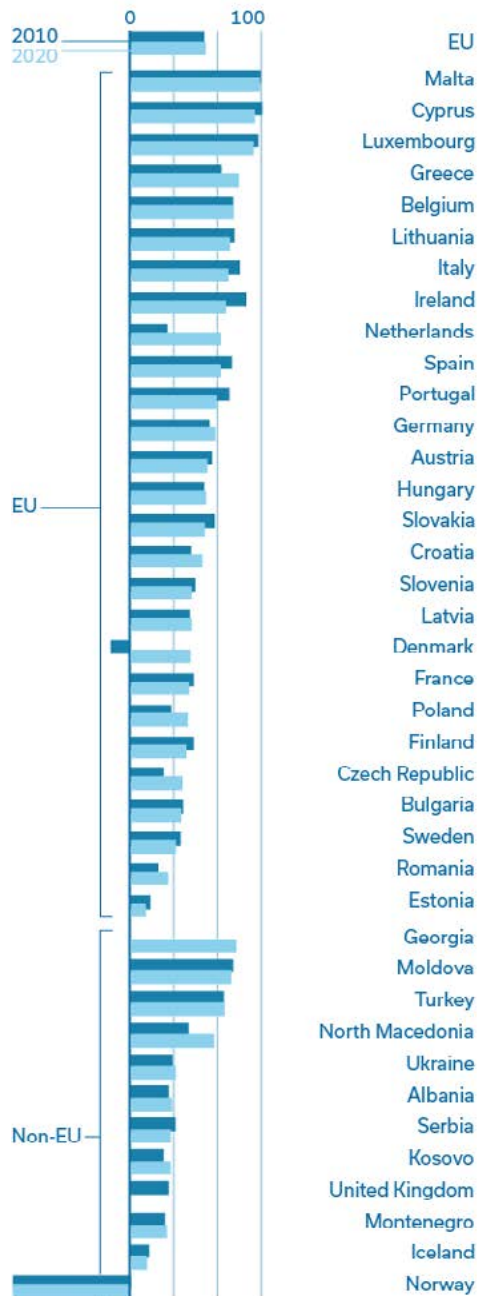
Energy dependence in itself is not a major concern – consumers and countries should be fine as long as there are enough suppliers, routes, and fair commercial terms to obtain the energy required. The critical question – and the core issue of energy security in the post-February 24 world – is whether the energy supplier can use it as leverage for political gains or for abusing a dominant position. A country could become 100 per cent reliant on energy imports, and this would not be a major worry if there were many alternative suppliers operating according to fair market rules, driven by purely commercial motives and based in democratic countries, without a hidden political agenda. Nowadays, nobody in Europe has qualms about imports from other EU members, the US, or Norway. Beyond that, a country may have a relatively low share of imports for a particular energy source from Russia, such as gas – but would this be a reason for relief? The question whether this dependence is a key vulnerability or, on the contrary, can be easily relinquished, is in fact a question of whether the country can effortlessly replace the rather small gas imports from Russia with other sources (domestic, gas imported from elsewhere), or whether consumption can be reduced by the corresponding amount without being too burdensome for households or industrial consumers.

Given the characteristics of various energy supplies, such as ease of access to alternative sources and routes of supply, possibility to substitute, or means to reduce consumption, countries like Romania are more concerned about gas imports from Russia than oil or coal imports. This is despite the fact that there may be higher quantities of oil or coal that require alternative suppliers to Russia than in the case of gas. This is because both coal and oil can be purchased from international markets; they depend less on “natural monopoly” network infrastructure and there is a global market for such supplies. While access poses less of a problem, prices for alternative supplies to Russia are likely to be higher than before 2020. Yet, this is a price well worth paying. The global energy market came under pressure in 2021 following the post-pandemic economic recovery and ensuing gap between energy supply and demand. To make matters worse, the Russian invasion of Ukraine and its inconceivable global repercussions create significant volatility.³ Romania does not rely on any other energy-related imports from Russia, e.g., nuclear technology or fuel. Considering the alternative supplies of various energy sources, Romania’s most exposed subsectors of energy are gas and, as a direct consequence of the pressures on the gas markets, electricity. Here, the country may not only be able to relinquish its own dependence on Russia, but could also support its neighbours.

Has Romania’s Energy Sector Become More Vulnerable in Recent Years?

As explained above, while Romania’s energy dependence in general, and on Russian supplies in particular, is lower than in other EU member states, the trends are also important. It should be noted that the country’s dependence on energy imports has slightly increased over the past decade (see fig. 1). Overall, this is caused by a combination of non-renewable sources gradually becoming depleted, before and after 1989, and the slow pace of investments in electricity generation and grids, as well as in developing new gas deposits.

Fig. 1: Energy Imports Dependency 2010 and 2020 (in Per Cent)



Energy dependency rate for all products, 2010 and 2020 (per cent of net imports in gross available energy, based on terajoules). Norway’s value in 2010 was -512.8 and in 2020 it was -623.1 per cent. Bars are cropped for clarity. Data are not fully available for Georgia and the United Kingdom. Source: Eurostat 2022: Energy imports dependency, 2010 and 2020 (%), 1 Feb 2022, in: <https://bit.ly/3uBpARk> [13 Apr 2022].

Although Romania remains the EU's second-largest producer of gas, gas imports have recently increased.

Gas

Romania is a relatively small gas consumer and its annual total consumption is typically around nine to ten billion cubic metres. Gas is mainly used by households for heating, for electricity generation, and for petrochemical and fertiliser industries, with the latter undergoing rapid decline following the gas market liberalisation from 2013 to 2017. Although the country remains the EU's second-largest producer of gas, approaching self-sufficiency for several years and only relying on gas imports for a small share of its consumption, imported gas has recently been on the increase. According to the energy regulator's data⁴, in 2015 Romania imported less than 2 per cent, whereas in 2019 the share of gas imports from Russia had risen to over 25 per cent. In light of recent trends, imports could be as high as 50 per cent in 2030 if no new deposits, such as those from the Black Sea, enter the market. Production declined by 20 per cent between 2017 and 2020, albeit unevenly between the two largest players (state-owned Romgaz and private OMV Petrom).⁵ Recently, Romgaz managed to slightly increase its production with the discovery, a few years ago, of quite a large onshore deposit at Caragele (30 billion cubic metres), whereas Petrom's production declined quite rapidly, and in 2019 the company considered closing or divesting more than half of its wells over the next three to four years.⁶ The company also announced a reduction in production of seven per cent in 2022.⁷ Thus, the current increased import dependency results from a combination of declining resources, the gradual depletion of deposits currently in operation, which are 40 to 60 years old on average, poor domestic policies, a taxation regime detrimental to new investments both onshore and offshore⁸, and the temporary return to regulated gas markets in 2018.

Despite the reduction of gas deposits currently in operation, Romania has several untapped resources: the Black Sea deposits and access to gas from the region, such as from the Southern Corridor, or from Mediterranean LNG ports in the next few years. This will be the case once the gas grids of other countries in the region, mainly Bulgaria, are further strengthened. There are two main projects in the Black Sea. The first, and closer to realisation, is a smaller deposit of ten billion cubic metres, operated by Black Sea Oil & Gas (BSOG). As the necessary legislation has been voted in May, it can become operational in the second quarter of 2022, if the gas transport operator, Transgaz, finalises its last remaining minor works for connecting the deposit to the grid. The deposit could cover some ten per cent of Romania's consumption for a few years. The second project is Neptun Deep, estimated since the early 2010s at 42 to 84 billion cubic metres (the exact figures are not yet public). Neptun Deep is a far more complex project, requiring technologies adequate for deep offshore extraction. The two current project developers – OMV Petrom and Romgaz – have no experience in this field, unlike the original investor Exxon. The companies have not yet made the final investment decision and it would take about three years of work to bring the gas to the market. None of the two projects – that operated by BSOG or the one operated by OMV Petrom/Romgaz – is likely to become operational unless current legislation, which is quite prohibitive, is amended to reduce taxation. Investors are reluctant to take the final step, given the ad hoc legislation affecting investments adopted over the past years, such as the “windfall tax” (a tax on revenues above a threshold price with little deductions for investments). In late 2018, Romania returned to a regulated market for households for two years, and discussions are currently being held on new legislation that would effectively regulate part of the gas production, too.

BSOG took a chance and invested 600 million euros in its smaller deposit; however, it did so on the assumption that, should it incur losses due to Romanian legislation, the investment



On ice: Important gas exploration and exploitation projects, such as OMV Petrom's Neptun Deep project in the Black Sea, are currently stalled due to unfavourable investment conditions. [Source: © Radu Sigheti, Reuters.](#)

could be recovered in international arbitration. OMV Petrom and its partner (initially Exxon, currently Romgaz) anticipate investments in Neptun Deep to be as high as 16 billion euros – a much riskier venture, and the investment decision has been postponed for years. The two projects could now be further delayed if, for example, Russia's invasion of Ukraine were to have a long-term impact on the safety of passage in the Black Sea.

Apart from offshore developments, the onshore gas extraction from deposits currently in operation could be enhanced if taxation of the gas sector were to be carefully revisited. The windfall tax of 2013 had insufficient deductions for investments and extracting the extra cubic metre from a depleted deposit requires

advanced and expensive technologies. What is more, given the state of the existing production, this may only be an option for limited quantities and over a short time.

Access to gas imports from other sources depends on the acceleration of interconnections within the region. Of critical importance for the next months is the finalisation of the Bulgaria-Greece interconnector which could bring Azeri gas from the Southern Corridor to Romania. Both the European Commission and Romanian decision-makers are now pushing to accelerate the project, which stalled over the previous two years. Romania should also work to gain full access to the former Trans-Balkan Pipeline (in Romania, the Isaccea-Negru Vodă section). Although the pipeline belongs



to Transgaz, the transit route is virtually disconnected from the rest of the grid and the Romanian authorities have made little effort to effectively access it for gas flows in both directions to Moldova, Ukraine, or Bulgaria. As the pipeline is fully unused by Gazprom since the finalisation of Turk Stream, Romanian decision-makers may now have more political will to fully apply EU rules on non-discriminatory access, which was not previously the case.

Demand-side measures, such as energy efficiency to reduce the dependency on gas imports, are also needed. While households and smaller non-households (companies or public institutions) have been somewhat protected from price increases during winter, high energy prices since the autumn of 2021 have primarily caused brutal adjustments to industrial consumption, particularly for the fertiliser and petrochemical industry. The government must analyse the impact of high energy prices on such industries, the extent to which these industries may be affected, and whether this may cause further significant damage to the economy. As the international fertiliser market is likely to experience a brutal crunch in the aftermath of the war in Ukraine, the government should carefully assess which is the lesser evil: less fertiliser or less gas available for the rest of the economy?

However, a relatively quick win in reducing gas demand may be the reduction of household consumption without significantly compromising quality of living. The policy should focus on thermally insulating as many buildings as possible in the next one to two years, in lieu of devising additional means to keep the utility bills under control – as currently envisaged. While the national buildings renovation strategy, approved in 2020⁹, suggests that some 13 billion euros from the EU, public budgets, and private funding would be needed for renovation by 2030, implementation has stalled. As a matter of urgency, investment priorities in the strategy now need to be frontloaded to the greatest extent possible. The EU funds are substantial, with two to three billion euros being available rather quickly from the National Recovery and

Resilience Plan (NRRP, 2.2 billion euros) and the ongoing Regional Operational Programme 2014 to 2020, where absorption for renovating multi-family apartment buildings has been slow. Additional money – probably around one billion euros – would be available from the next cycle of Operational Programmes (OP, 2021 to 2027), currently under preparation.

Initiatives to expand the gas grids to new consumers should be abandoned.

At the same time, the government may wish to reconsider its plans to expand gas grids to new consumers. Currently, about 50 per cent of the population live in rural areas and have no access to gas. Over the past two to three years, the government has therefore been contemplating the expansion of grids to connect new users, but without explicitly coupling this measure with energy efficiency – thermal insulation of the houses to be connected. This approach should now be reconsidered, particularly since there is little evidence that gas prices will be affordable for relatively poorer rural households in years to come. Even though the plan is to make these grids and new users “hydrogen-compatible” as well, this is unrealistic. Romania has no hydrogen strategy and little idea about potential and technologies for producing significant hydrogen quantities, while the NRRP includes the preparation of such a strategy.

Until the hydrogen potential is realistically assessed, it is highly likely that new gas connections would be built and would become stranded assets shortly thereafter; or that increased gas consumption would expose the country to imports to an even greater extent, without the prospects of subsequently replacing methane with hydrogen. Thus, initiatives in the current Large Infrastructure Operational Programme 2014 to 2021, where some 250 million euros have been reallocated for expanding the gas grids to new consumers – and which does not even

consider hydrogen – should be abandoned. The NRRP also includes a 515-million-euro component to expand gas networks to a specific region in Romania (Oltenia). The plan in the NRRP is to introduce 20 per cent hydrogen in this new regional grid by 2026 and 100 per cent by 2030. However, the approach is unrealistic, e.g., it would be difficult to switch the end consumers, initially connected to an 80 per cent methane energy source by 2026, to 100 per cent hydrogen four years later; the two types of fuel require completely different equipment, house appliances, and safety measures in households. There is therefore a high risk that, if the grids were built, consumption would remain path-dependent at 80 per cent methane well beyond 2030.

Electricity generation is another large consumer of gas, and this is likely to increase if current plans are executed. Overall, gas features prominently in the National Energy and Climate Plan (NECP¹⁰) as a transition fuel for electricity generation – with a total of about 2.8 gigawatts of new gas-fired capacity planned by 2030. To develop these capacities, EU funds and mechanisms would be used. Romania has an estimated 16 billion euros in the Modernisation Fund, several billion euros of which could be used for the coal-to-gas transition (e.g. the restructuring of the power plant CE Oltenia, currently lignite-fired power capacities, but also investments in cogeneration for district heating in a few larger cities) or for the installation of new gas-fired plants to offset expected intermittent renewables that are to be installed by 2030 (renewable energy sources of about six gigawatts). An additional 300 million euros is envisaged in the NRRP for gas-fired cogeneration plants to co-finance the installation of 300 megawatts. All these plans must be carefully reassessed in line with the upcoming change of EU energy policy and new energy security realities. Over the next weeks and months, it is likely that the European Commission will massively restructure its energy policy¹¹ and will require a significant readjustment of national plans, i.e., revisions of NECPs and NRRPs, as well as reprioritisation of how available EU funding is allocated, towards more renewables and storage, as well as gas route and source diversification.

Finally, after solving its own dependence on Russian gas with increased domestic production, Romania can seriously loosen the Russian monopoly's grip on the region. All countries in the region, now fully reliant on Russian gas, are relatively small gas consumers: Bulgaria at three, Moldova (without Transnistria) one, and even Hungary at just ten billion cubic metres, similar to Romania.

Much of Romania's electricity generation capacity merely exists on paper.

Electricity

Romania's electricity sector is much more vulnerable in terms of energy security than it seems at first glance. For years, Romania has boasted large installed electrical capacities: as recently as 2019, the energy regulator theoretically counted almost 22 gigawatts¹², more than twice the capacity needed for peak consumption of 9 to 10 gigawatts. Although it seems reassuring, much of the capacity merely exists "on paper"; i.e., it is simply neither operational nor operationalisable in the future. Instead, statistics on the electricity system's actual operation demonstrate that Romania has become a net importer of electricity since 2019, and is likely to remain so in the medium term if no significant investments are made in years to come.

The stock of non-operational electrical capacity, as well as rapidly shrinking oil and gas deposits, where production has declined by about 20 per cent over the past four years, indicate that the Romanian energy sector is in fact rather vulnerable. This is particularly the case if we consider the world after February 24. To understand the real state of the country's energy security, we must correctly appreciate how the current energy capacities developed.

Prior to 1989, the country's chaotic development of the energy sector, following an equally

irrational industrial overdevelopment, took place in two phases. The first phase entailed massive, accelerated development of oil and gas extraction, processing, and use, including for electricity generation, which led to a decline in oil and gas reserves. The second phase started from 1965 to 1970 onwards, as limits of the oil and gas production became apparent and owing to the 1973 international oil crisis. The regime shifted towards heavy investments in coal for cogeneration units, as well as hydro, and initiated massive plans for nuclear energy (the two 700 megawatts reactors at Cernavodă, which finally became operational in 1997 and 2007, represent just ten per cent of the original plan). While large gas-fired electricity generation became effectively stranded assets, the poor and deteriorating quality of coal (lignite) led to only about 45 per cent of coal-fired electricity generation having been operational in 1989.¹³ All these assets appear on the stock count of existing capacities and lulled Romanian authorities into a false sense of security for years.

Widespread changes in the economy and people's lifestyle altered the patterns of Romanian energy production, consumption, and imports.

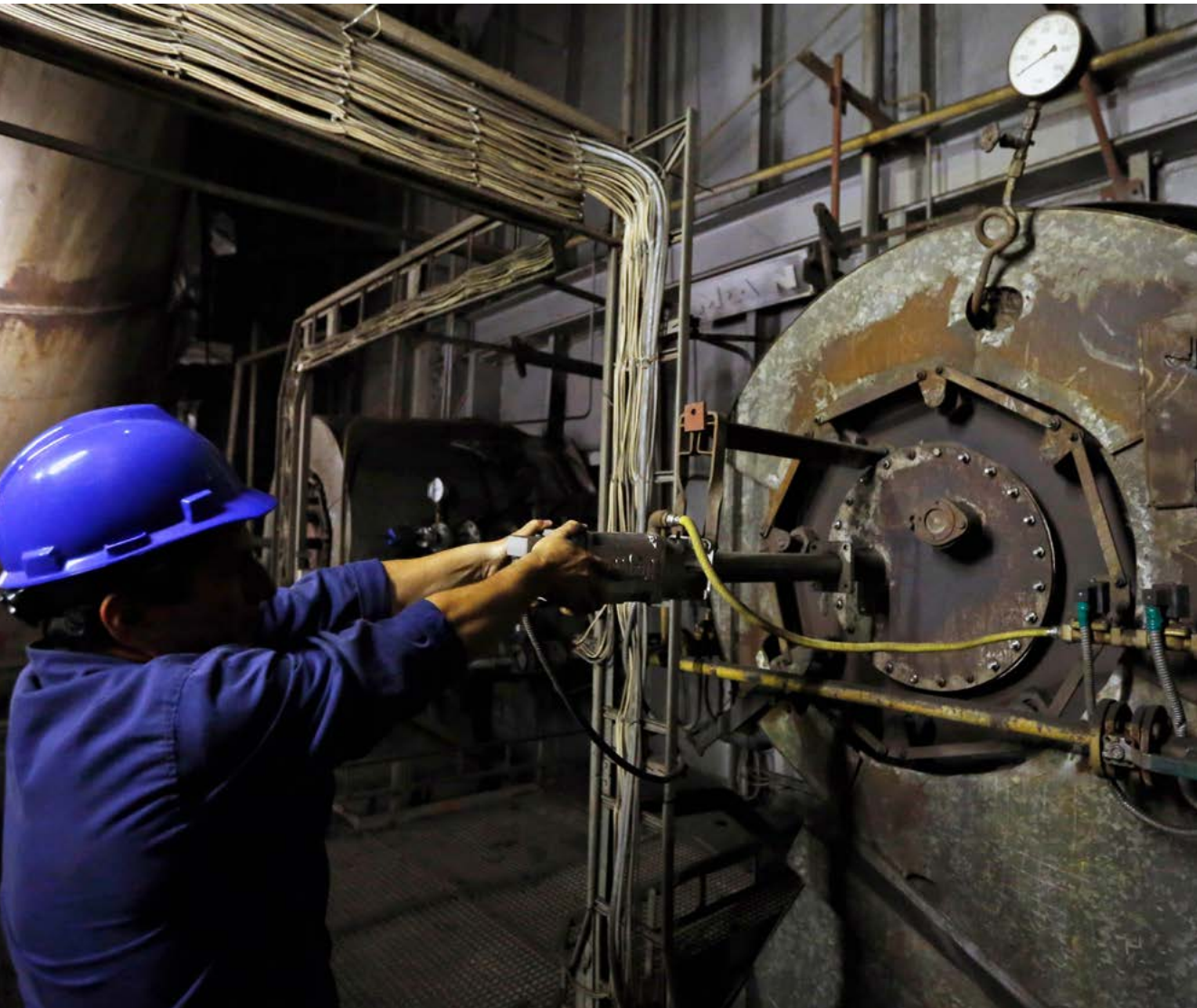
Following 1989, significant and widespread changes in the economy and people's lifestyle altered the patterns of Romanian energy production, consumption, and imports. Household consumption increased from the almost negligible baseline of 1989, energy-intensive industries were significantly restructured during the 1990s and downsized once again after the economic crisis of 2009 to 2011. What is more, the overall infrastructure, built around large power generators and high industrial consumption, could not keep pace with the shift in territorial distribution of demand. Investments in generation consisted of two nuclear units (1,400 megawatts) by 2007; some gas-fired power plants, of which the

largest is Petrom Brazi (860 megawatts); and wind and solar energy from 2010 to 2013 (about 4,500 megawatts, but with intermittent generation). Compared to 1989, by the early 2030s Romania will need to install nine gigawatts of new capacities to replace the oversized, obsolete, or simply non-functional coal- and gas-fired units. Thus, investments in new technologies and networks are critical. The closure of fossil-fired power plants that do not comply with environmental standards, are obsolete, or economically inefficient, coupled with the absence of new investments, is the main reason why Romania recently became a net importer.

In recent years, investments in the electricity sector have stalled: virtually no new capacity was installed after 2016. While from 2011 to 2013 Romania's regulatory environment was highly advantageous for solar and wind, support schemes were consecutively slashed in the following years bringing new investments to a halt; at the same time, frequent changes in legislation and regulations engendered operational difficulties or uncertainties for the units already installed. Administrative barriers – such as restrictions for power purchase agreements or authorisations to grid connections – meant that investments in the sector also faced unsurmountable barriers. This is despite the fact that significant new capacities could have been installed after 2017 in pure market conditions, without the need for state aid or any kind of additional support mechanisms. As regards connection to the network, examining the consecutive ten-year network development plans of the transport operator, Transelectrica, since 2016, we see that the company registers delays in over 80 per cent of network modernisation projects and in all projects specifically targeted at integrating renewable energy sources. These delays, also not promptly sanctioned by the energy regulator ANRE, cannot be explained by a lack of available funds, as the company incurred delays even for projects from EU funds, such as network strengthening in the Large Infrastructure Operational Programme or the interconnections with neighbouring countries financed directly from Brussels as Projects of Common Interest (PCIs).

The priorities for investments in future years have largely been captured in the latest version of Romania's NECP. However, as highlighted in the Gas section above, some of these priorities may have to be substantially reconsidered. This would entail moving away from gas and shifting the focus to renewables and storage. Currently, there would be significant scope for private sector investments with a planned regulatory support (a "contract-for-difference"¹⁴ operational support committed to in the NRRP) plus several

state aid schemes directly using EU ETS (Emissions Trading System) funds (the Modernisation Fund) and EU funds (NRRP, Sustainable Development Operational Programme 2021 to 2027, currently under development). For example, the NRRP alone includes 460 million euros of direct investment for an additional 950 megawatts by 2026, plus 440 million euros for electricity storage and recycling of renewable equipment. Transelectrica and distribution operators must also greatly accelerate the development of



A worker checks installations at Isalnita coal power plant: Until the early 2030s, Romania will have to install nine gigawatts of new capacities to replace polluting, often obsolete or even non-operational power plants, compared to 1989. Source: © Bogdan Cristel, Reuters.

transport and distribution grids in order to facilitate flexibility (smart metering, smart grids, up-to-date SCADA systems (supervisory control and data acquisition), and other digitalisation investments). Several projects for network strengthening would be financed through the Modernisation Fund – 23 million euros were approved in late 2021 to better integrate the renewables from the Dobrogea area into the national system.

As the intermittence of renewables would pose significant challenges for managing the energy system, some of the financial support would need to be targeted at electricity storage, both for the grids and attached to the renewable capacities. Additionally, Romania intends to develop offshore wind in the Black Sea (and there is already private interest in such an investment). It would require careful planning for Transelectrica's network development – offshore wind is located close to the area of the transport network that is the most congested.

Finally, speeding up investments in the Romanian electricity sector, particularly in renewables, may further limit dependence on Russia in the region; additional renewable production can at least partially displace gas-fired generation in Hungary (28 per cent of the country's electricity mix in 2021) or Moldova (virtually all generation).

The Way Forward

While investments have stalled in recent years, due to the country's poor strategic planning, ad hoc legislation and regulations, tectonic changes underpinning the European energy policy in 2022 require a significant build-up of capacity and political will. The first priority is likely to be a massive upgrade of the administrative capacity in all key positions in the Ministry of Energy, the energy regulator ANRE, and state-owned companies (gas and electricity producers, Transelectrica, Transgaz, etc.). This requires an honest assessment of the current appointees in terms of competence and integrity.

Funding is available, substantially from EU grants and the private sector, to virtually all projects in gas production, electricity generation, as well as network and infrastructure strengthening. This is, provided that there is a clear commitment to the real modernisation of the sector, to build resilience and limit the damage of Romania's current energy dependence on Russian supplies, particularly gas. Romanian decision-makers need to be fully willing and able to work with their counterparts in other EU member states and in Brussels to prepare the new EU energy policy, follow-up with implementation, and contribute towards joint efforts for the EU's energy security. Significant efforts are needed to: make an honest appraisal of the existing energy infrastructure and its state; build emergency and energy security plans for the short and medium term; revise the NECP and possibly NRRP in line with upcoming changes from Brussels; and create a favourable investment environment for domestic gas production, renewables, storage and energy efficiency in industry and households. Not only will this contribute to Romania's own energy security, it will also help all its neighbours shake off the dependence on Russian gas supplies or gas-dependent electricity.

Otilia Nutu is a Policy Analyst on energy and infrastructure at Expert Forum Romania and Co-Chair of the Eastern Partnership Civil Society Forum.



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Power and Resources

Between Environmental Protection and Security of Supply

Europe's Common Agricultural Policy and the Ukraine War

André Algermißen

The Common Agricultural Policy (CAP) represents an important funding instrument for supporting farmers and ensuring food security in Europe. For several years, it has borne increased responsibility for transforming the agricultural sector in the interests of environmental and climate protection. However, the war in Ukraine acts as a game changer focusing the CAP on security of supply once again.

Unnoticed by large swathes of the public, the Common Agricultural Policy, one of the European Union's most important policy areas, celebrates its 60th anniversary in 2022. Launched in 1962 with the first market regulations for agricultural products, it continues to shape member states' agricultural policy. The CAP accounts for around 40 per cent of the EU budget and is the EU's only policy area that is financed almost exclusively from the common budget.

Yet, the anniversary is now being celebrated under completely different circumstances than had been expected until recently. Environmental and climate protection had been gaining importance within the CAP over the last few years and decades, but the Russian attack on Ukraine on 24 February 2022 has returned Europe's Common Agricultural Policy to the goal for which the policy was originally created: security of supply. After the destruction caused by the Second World War and the ensuing undersupply of the population, the CAP was initially intended to ensure food supply to the population of Europe and guarantee farmers a reasonable standard of living.

Even as the European Commission was examining its member states' national plans for enhancing environmental and climate protection at the beginning of this year – these plans serving as the latest instrument in the EU's efforts to develop a sustainable agricultural sector – the event that now overshadows all policy areas took place: the war in Ukraine forced the European Union to make far-reaching decisions, putting fixed political guidelines up for public debate. The previous defence policy is called

into question, and European energy policy, marked as it is by dependence on Russian gas, is being realigned. The agricultural sector is also coming under scrutiny, since many agricultural products come from Russia and Ukraine: for example, around one third of the world's wheat exports, 19 per cent of corn exports, and 80 per cent of sunflower oil exports come from the two countries.¹ The war and resulting destruction of agricultural infrastructure and blocking of important trade links disrupt essential supply chains. Against this backdrop, what impact on European food supply can be expected?

The high degree of self-sufficiency is likely to prevent a crisis of supply in Europe. Nevertheless, disrupted supply chains will lead to price hikes and increased price volatility on international markets, which could manifest themselves in rising food prices.² The repercussion of higher prices should not be underestimated even in wealthy industrial nations such as Germany, since they disproportionately affect low-income individuals and further promote social division. It is therefore imperative that the government not only initiates measures against the high energy prices, but also uses all available means to compensate for increased expenditure for basic foodstuffs.

The potential impact of the war on security of supply outside Europe is already highlighting sources of future conflict: many North African, Middle Eastern, and Sub-Saharan African countries meet their grain demand with imports from Russia and Ukraine. Egypt, which imports about 80 per cent of its wheat from those two nations, is particularly



affected. The war has caused bread prices to rise by half within just three weeks, and about two thirds of the population now receive subsidised bread.³ Rising food prices and supply bottlenecks may exacerbate conflict and destabilise the entire region. Wheat shortages drove people onto the streets in the Arab Spring of 2011 and contributed to the escalation. Some observers warn that supply bottlenecks could develop into an “Arab Spring 2.0”.⁴ There are also worrying developments in Sub-Saharan Africa: since the onset of the war, the price of wheat in Kenya has risen by a third.⁵ Food security is threatened in other countries, too, and new conflicts cannot be ruled out.

Inevitably, this raises the fundamental question as to whether the great ambitions of the Common Agricultural Policy with respect to environmental and climate protection, whose historical development will be presented and assessed below, can be implemented at all in this context.

A Brief Retrospective

The major political shifts in the European Union have also been reflected in the Common Agricultural Policy: environmental and climate protection was freed from obscurity and given top priority. The 1992 MacSharry reform, which



Endangered granary: The loss of Ukrainian wheat exports will probably not cause a crisis of supply in Europe. Nevertheless, disrupted supply chains might lead to price hikes. Source: © Valentyn Ogirenko, Reuters.

introduced a market-oriented agricultural policy, already constituted a milestone for implementing environmental and climate protection in the CAP because it gave farmers “responsibility for looking after the countryside and its biodiversity and for using prudently our natural resources, soil, air and water”⁶.

The agricultural sector is responsible for about 10.5 per cent of European Union greenhouse gas emissions.

In subsequent funding periods, environmental and climate protection was further expanded in the framework of the CAP. Today, the Common Agricultural Policy consists of two pillars: the first is direct payments granted to farmers per hectare of agricultural land, and the second is targeted funding programmes for supporting rural development as well as sustainable and environmentally friendly resource management. Since 2005, farmers have had to adhere to cross-compliance rules governing environmental protection, food and feed safety, plant and animal health, and animal welfare in order to receive agricultural funds.⁷ The “greening” instrument, introduced in the 2014 to 2020 funding period, obligated farmers owning more than 15 hectares to maintain permanent grassland, ensure crop diversity, and document the maintenance of five per cent of ecological priority areas (such as landscape elements, land set aside, or buffer strips). However, the Russian attack is increasingly calling into question the extent to which such requirements can be met, as will be discussed later on.

The Common Agricultural Policy’s funding instruments are no longer limited to food supply and securing farmer income, but have evolved to address environmental and climate protection concerns. This paradigm shift manifests itself in the objectives defined by the European Union for the CAP. For instance, it is to “help tackle climate change and the sustainable management of natural resources”⁸.

Negligible Effect on Environmental and Climate Protection

The Common Agricultural Policy’s 2014 to 2020 funding period, associated with great expectations regarding environmental and climate protection, was characterised by a pronounced dysfunctionality and therefore achieved little success. Critics primarily focused their analyses on the newly introduced “greening” instrument, which has little effect on greenhouse gas emissions and loss of biodiversity. For instance, already in 2017, the German Federal Environment Agency (Umweltbundesamt, or UBA) used the example of member states France, the Netherlands, Denmark, and Austria to show that “greening” was not particularly helpful in protecting nature and the environment, since mostly ecological priority zones with little effect were chosen. The study concludes that “Greening contributes little to protecting nature and the environment, and such protection is primarily served by the programme’s second pillar”.⁹

In contrast, the final European Commission report for the 2014 to 2020 funding period, published in December of 2021, came to a less negative conclusion: the Common Agricultural Policy provides “an extensive level of ‘baseline protection’ for the environment”¹⁰, and one reason is that about 84 per cent of European Union agricultural land is covered by cross-compliance rules. The “greening” premium, which accounts for about 30 per cent of first-pillar payments, impedes further damage to the environment, but cannot develop its potential because the funding instruments do not provide sufficient incentives for all operations, the Commission says. To classify the assessment accordingly, in its report the European Commission emphasised that the environment is influenced by a variety of factors and that the CAP’s net effects are therefore difficult to assess.¹¹ The analyses thus indicate that the basic “greening” idea is the right step, but there were difficulties with its concrete implementation. The Commission’s final report said that climate protection and adaptation to climate change are afforded low priority in member

states, and few funds have been spent on them. Although a wide range of instruments for sustainable natural resources management and for climate protection were available within the CAP, not all of these offers were taken up by the member states.¹²

Environmental and Climate Protection Enjoys High Priority in Europe

The European Green Deal, presented by Commission President Ursula von der Leyen on 11 December 2019, pursues the ambitious goal of making Europe the first climate-neutral continent. Its various initiatives encompass a focus on agriculture – such as the biodiversity strategy and the Farm to Fork Strategy. Both strategies pursue the goal not only of ensuring food security, but also of simultaneously reducing the climate footprint of Europe’s food production. Specifically, for example, at least 25 per cent of agricultural areas in the EU are to be farmed ecologically by 2030 and use of fertilisers and pesticides drastically reduced. But neither constitutes directly applicable law. It is no surprise that the focus is on farming, since the agricultural sector is responsible for some 10.5 per cent of European Union greenhouse gas emissions. There is also a worrying loss of biodiversity in agricultural landscapes, since plant and animal species are deprived of food resources, breeding or sanctuary opportunities. The Special Report on Climate Change and Land (SRCCL) by the Intergovernmental Panel on Climate Change (IPCC), published in 2019, notes that climate change is intensifying pressure on land systems, i.e. the use of land by humans, threatening many people’s livelihoods.¹³ These developments have called member states’ previous environmental and climate protection policies into question. This formed the backdrop against which the Common Agricultural Policy was drafted for a new funding period. There was no doubt that environmental and climate protection had to be increasingly addressed.

Extensive CAP Reforms Starting in 2023

The new funding period of the Common Agricultural Policy, which begins on 1 January 2023,

is characterised by “green architecture” and is designed to achieve a wide range of changes. Former German Agriculture Minister Julia Klöckner said of the 2021 reforms that “there will be a system change in the CAP that combines additional environmental and climate protection with economic prospects for farmers and rural areas”¹⁴. What are the reforms, specifically?

In future, voluntary environmental measures will entitle farmers to additional funds.

The introduction of “expanded conditionality” will create an instrument that combines the previous “greening” payment with cross-compliance rules and adds more standards. Farmers will only receive income support if they comply with the “expanded conditionality”. The previous cross-compliance rules will therefore be tightened. In practice, “expanded conditionality” means such obligations as setting aside four per cent of arable land.

The biggest innovation is the introduction of “eco-schemes” – voluntary, one-year environmental measures whose implementation enables funds for farmers in addition to the income support. One item that remained a longstanding point of contention was how much money should be made available for the eco-schemes in the first pillar. After many rounds of negotiations, agreement was finally reached on 25 per cent. The second pillar will continue to fund environmental and climate protection and other management methods. For instance, member states must offer measures for supporting organic farming or forest conservation. In addition, 40 per cent of the total CAP budget must be used for environmental and climate protection. This decision is related to the EU’s commitment to use ten per cent of its budget to preserve biodiversity during the current budget period.



One reason that the Common Agricultural Policy will constitute a system change starting in 2023 is that it is based on a new implementation model: for the first time, all member states must submit a national strategy plan for the first and second pillars based on a SWOT (strengths, weaknesses, opportunities, and threats) and a needs analysis to the European Commission for approval. After submitting the strategy plans, the European Commission has three months to comment. This is followed by revision and resubmission by the member states. The

timeline is ambitious, since the reformed CAP is to already take effect in January 2023. The introduction of national strategy plans is positive because they allow better consideration of heterogeneous agricultural structures in Europe and enable member states to select measures for eco-schemes that, for example, seem best suited to the needs of their farmers. Another advantage of this implementation model is that the strategy plans can be adjusted annually. This allows regular measure evaluation so that member states can react flexibly if they



Nothing but greenwashing? Although environmental protection within the European agricultural policy has fallen short of its potential in the past, sustainability did receive increasing attention until recently.

Source: © Yves Herman, Reuters.

The plan to set aside four per cent of agricultural land must be rethought in the face of the Ukraine war.

The Ukraine War Sharpens Our Awareness of the Core Business

The Common Agricultural Policy is responsible for pressing forward with environmental and climate protection even more decisively, in order to achieve a long-term transformation towards sustainable farming. Yet, this task must not obfuscate the actual core purpose of farming: farmers produce healthy, sustainable food, ensuring food security. Former Agriculture Minister Julia Klöckner expressed this obvious fact well: “Sustainable farming must give more attention to environmental concerns, but must not lose sight of food security.”¹⁵ It is not surprising that this core task is enshrined in the Common Agricultural Policy, which includes the following goal: “support farmers and improve agricultural productivity, ensuring a stable supply of affordable food”.¹⁶ The Ukraine war – like the COVID-19 pandemic – has underlined the need to promote a regional value chain in particular to prevent food shortages.

determine that measure effectiveness is insufficient. Scientific knowledge can also be integrated in a timely manner. The national strategy plans thus have the potential to become a cornerstone of more effective environmental and climate protection funding in member states as part of the CAP.

In the midst of these sensible reform plans, the Ukraine war has burst onto the scene. Does it give rise to an irreconcilable conflict of objectives with the need for security of supply?

The war and its effects have brought the security of supply, the traditional core task of the Common Agricultural Policy, back into the fore. This provides an excellent example of the tension between environmental protection and security of supply. Planned measures, such as setting aside four per cent of land for environmental and climate protection, appear counterproductive in the face of impending supply bottlenecks and must therefore be rethought. In Germany, Christian Democratic

Union politicians are right to call for a reassessment of national and international agricultural policy and insist that delaying the Common Agricultural Policy's more ambitious environmental and climate goals must remain an option.¹⁷ Nevertheless, Federal Minister of Agriculture Cem Özdemir supports the idea of setting aside four per cent of land for environmental and climate protection and avoids calls for a readjustment of the Common Agricultural Policy.

However, the shift in focus should not be understood as an excuse to simply avoid necessary environmental and climate protection. Food security and competitive farming on the one hand, and environmental and climate protection on the other, are not contradictory goals, but are inextricably connected, since farmers are reliant on an intact environment and are affected by the impact of climate change. But current developments do show that endangered supply chains can be stabilised only if there continue to be farmers in Europe who ensure a productive, resilient, sustainable food supply. The CAP must therefore not be limited to achieving environmental and climate protection goals, but instead must be rethought in all its facets, not just in the context of the Ukraine war.

Summary and Outlook

The Common Agricultural Policy can look back on a long history and has been addressing environmental and climate protection concerns since at least the 1992 MacSharry reforms. Diverse instruments, such as “greening”, were added during refinements to reduce greenhouse gas emissions and protect biodiversity. These measures did not produce the expected results, but did initiate a transformation process that is reflected in the upcoming funding period's green architecture. This process was abruptly subjected to new discussions when the Ukraine war, with its severe effects on global food security, broke out: from now on, the question will be how European farming can ensure security of supply and what constitutes optimum support

for affected emerging and developing countries. A number of CAP measures, such as setting aside agricultural land, must now be decided on. Environmental and climate protection is taking a back seat to the primary task of food security. Having said that, climate change and loss of biodiversity remain significant problems that must be addressed by the Common Agricultural Policy. We cannot yet determine the extent to which the war will have a lasting impact on the CAP. What is clear is that, in the future, too, agricultural policy will remain a balancing act requiring the utmost deftness so as to give proportionate attention to the various interests and resolve tensions between environmental and climate protection on the one hand, and security of supply, on the other.

– translated from German –

André Algermißen is Policy Advisor for Climate, Agriculture, and Environment in the Konrad-Adenauer-Stiftung's Analysis and Consulting Department.

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[Power and Resources](#)

Environmental and Climate Policy in Africa

Regional Cohesion and National Challenges

Anja Berretta

The African Union's Agenda 2063 sets out the aspiration of African countries to focus on sustainable development. The continent has gained influence at international climate negotiations. However, many countries face enormous challenges when it comes to the implementation of national environmental and climate targets, which cannot be explained by a lack of financial resources or technical expertise alone. Rather, good governance is a prerequisite for effectively protecting the environment and combating climate change.

It is exactly 50 years since the first United Nations (UN) conference was held to discuss the human environment and ecology at the international level. The Stockholm Conference was followed by numerous regional agreements and initiatives in the 1970s and 1980s to improve environmental protection in industrialised countries, and is considered to be the birth of global environmental policy. It was not until the end of the 20th century, in the context of increasing globalisation, that environmental protection started to be perceived as a global issue requiring action beyond local and regional approaches. With the 1992 UN Conference on Environment and Development, better known as the Rio Conference or Earth Summit, environmental protection was firmly transferred to a global context that also included developing and emerging countries.¹ With the adoption of the United Nations Framework Convention on Climate Change in Rio, and the Agenda for Sustainable Development in the 21st Century, climate change was no longer restricted to ecological aspects but linked to key development issues. Since then, the focus of international climate diplomacy has been on creating appropriate policy frameworks and establishing global governance mechanisms.²

Climate Diplomacy: African States Speak with One Voice

In this global context, African countries have managed to establish themselves as influential

players in global climate policy.³ The African Union (AU) is also considered to be one of the dominant continental groups at the annual Conference of the Parties (COP) to the UN Convention on Climate Change.⁴

Three institutions in Africa are essentially responsible for this: the African Ministerial Conference on the Environment (AMCEN), the Committee of African Heads of State and Government on Climate Change (CAHOSOCC), and the African Group of Negotiators (AGN).

AMCEN was established in 1985 with the aim of providing a political forum for African environment ministers. Today, AMCEN is an important platform for implementing environmental initiatives at the regional level, and building African capacity in the environmental sector. AMCEN has also launched numerous regional initiatives, thus leaving a lasting mark on environmental policy in Africa.⁵ AMCEN is not only responsible for coordinating environmental policy within Africa, but also provides policy support and prepares joint positions that serve as a basis and orientation for African representatives at international negotiations on climate change and the environment.

The second and highest-ranking part of the structure is CAHOSOCC, which meets at AU summits, and issues key resolutions and statements on environmental and climate matters. Its members are elected for two years.

Founded in 1991, the AGN comprises technical experts from all African countries. The group draws up strategies and sets priorities for African climate and environmental issues, which are then submitted to AMCEN for consideration and finally approved by CAHOSOCC.

African countries are severely affected by climate change.

The goal of African climate diplomacy is to present a common position at international climate negotiations with a view to strengthening the continent's negotiating mandate. In this context, the three aforementioned institutions – AMCEN, CAHOSOCC, and AGN – form an important steering mechanism for environmental and climate protection, and their interaction is now firmly anchored in the AU.⁶ In the AU's Agenda 2063, the heads of state and government have also set out their aim of focusing the continent on sustainable development. In 2009, when the Copenhagen Climate Change Conference was scheduled to adopt a binding set of rules to limit global warming, African countries presented a common African position for the first time. This image of a continent united on climate issues attracted a great deal of attention. In the past, African countries only had a marginal influence on the negotiations. However, this commitment to common concerns and a unified position on global climate policy created a power shift in Africa's favour.⁷ It should be emphasised here that it is extremely difficult to unify 54 extremely heterogeneous states and their very different interests with regard to the environment and climate change.⁸ African nations can, therefore, be justifiably proud of their united stance.

African Priorities in International Climate Negotiations

The common African position has to be renewed in the run-up to every international climate conference, but it is guided by three principles.

Focus on Adaptation to Climate Change

African countries are responsible for a mere four per cent of global greenhouse gas emissions, yet are severely affected by climate change due to their socioeconomic characteristics and high dependence on the agricultural sector. African nations already spend up to nine per cent of their gross domestic product (GDP) on adaptation to climate change – often more than on health or education.⁹ Meanwhile, the Intergovernmental Panel on Climate Change (IPCC) has stated that temperature in Africa is increasing at a faster rate than in the rest of the world,¹⁰ which in turn could lead to more extreme weather events. However, the majority of global climate finance is currently spent on greenhouse gas mitigation. Therefore, as far as Africa is concerned, this focus fails to adequately address the problems it faces.

As a result, African countries have been lobbying for more international attention to be paid to climate change adaptation. The inclusion of a Global Goal on Adaptation (GGA) in the Paris Climate Agreement can, therefore, also be seen as a success for African climate diplomacy. There is, however, to date no binding agreement on what such a global goal should look like. It would focus on improving resilience to the effects of climate change. This would shift the current focus of climate negotiations away from greenhouse gas mitigation, thereby more closely aligning it with Africa's needs. A binding goal on adaptation would also include financial commitments for adaptation measures.

At COP 26 in Glasgow in November 2021, it was therefore decided that a panel of experts should present concrete ideas on such an adaptation target in two years' time, which can also be viewed as an African negotiating success. It can also be assumed that the topic of adaptation will be high on the agenda at the next COP in Egypt, which is already being referred to as the African COP.

African countries argue that climate finance should be predictable, long-term, and appropriate, and not simply a reorganisation of existing development cooperation or finance.¹¹

African negotiators also call for funding to be allocated based on a country's capacities, needs, and equal geographic distribution. They advocate a regular review of funding based on the assessment reports of developing countries, and recommend an annual review of adaptation financing. Developed countries have committed to providing an annual 100 billion US dollars of public and private funding between 2020 and 2025 to help developing and emerging countries reduce greenhouse gases and adapt to climate change. African countries view this commitment as the centrepiece of climate negotiations.

International environmental performance rankings place African countries at the bottom.

Addressing Permanent Loss and Damage

Permanent loss and damage caused by climate change is a particularly important issue for Africa, and one that African negotiators believe has historically been underrepresented in international climate negotiations. In the negotiations leading up to the Paris Agreement, the AGN repeatedly stressed the need for compensation for permanent or unavoidable loss and damage caused by the adverse effects of climate change, and called for rehabilitation and compensation measures. While some success has been achieved by including a specific provision on loss and damage in Article 8 of the Paris Climate Agreement, it remains unclear how this will be implemented in practice. African countries are calling for climate change impacts to become an integral part of UN climate negotiations. This requirement has gained relevance with the recent IPCC report in

2021, which found new and stronger scientific-based evidence that global warming can be attributed to human activity.

It can be stated that African countries have managed to introduce their key concerns in international environment and climate change negotiations. This should be seen as a success for the continent, especially given that African countries do not have any bargaining chips at their disposal, such as significant reductions in CO₂ emissions, or financial support to offer to other countries.

Environmental Protection and Climate Change in the National Context

The implementation of international treaties, especially the Paris Agreement on climate change, must take place at the national level, with nation states formulating effective laws on environmental and climate protection. This is where international environmental performance ratings place African countries at the bottom, occupying 32 of the 50 lowest places. This is the conclusion of a global Environmental Performance Index (EPI) ranking, which uses 32 indicators to measure the current health of the ecosystem, its projected future vitality, and resource management in 180 countries.¹²

No Money to Fight Climate Change?

The EPI demonstrates a causal relationship between GDP and the ability to implement efficient and effective measures to tackle climate change and protect the environment.¹³ The ability to provide clean drinking water or a functioning sewage system, to promote energy efficiency, or to reduce greenhouse gas emissions requires financial resources that are more readily available to wealthy countries. Growing populations and rapid urbanisation are also intensifying the pressures on environmental infrastructure and available resources, requiring ever-greater investment to improve ecosystem quality. For example, Niger's ranking has fallen compared to previous EPI surveys, as rapid population



growth of around four per cent per year has placed the ecosystem under extreme stress.¹⁴

Nevertheless, positive examples from Africa can also be found in the EPI. The Seychelles, for example, is ranked first in Sub-Saharan Africa and 38th in the world for its reduction of harmful greenhouse gases and its commitment to coastal protection with the help of a sustainably designed Blue Economy Plan. Mauritius has developed

an impressive waste management plan that is leading the way in the region, and Botswana and Zambia have made great strides in the area of biodiversity.¹⁵ In 2016, Kenya became the first country in Africa to adopt comprehensive framework legislation on climate change, with the aim of providing climate change adaptation measures, while promoting low-carbon development. Many other countries on the continent have since followed suit. In East Africa, Uganda



Wind farm near Nairobi: Kenya was the first African country to adopt comprehensive framework legislation in response to climate change, not least to promote low-carbon development. Source: © Thomas Mukoya, Reuters.

a 150 million US dollars deal, after independent experts determined that Gabon could demonstrably reduce deforestation of its rainforest and halt land-use degradation. The money will be used to invest in sustainable forestry, research, and building more environmental databases. Gabon plans to capitalise even more on the environmental services provided by its rainforest, which covers some 88 per cent of the country.¹⁶ Even Malawi in southern Africa has a much better environmental balance sheet, measured in terms of GDP, than some richer countries on the African continent.¹⁷

Democratic Principles Are Good for the Ecosystem

The example of Malawi shows that environmental performance cannot be explained solely by the financial resources available. The authors of the EPI also examined the extent to which good governance has an impact on environmental performance. This was done using the six indicators of the World Bank's governance ranking – voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption.¹⁸ There is also a correlation between the quality of governance and environmental performance, which is not initially surprising because the quality of governance reflects whether a government can enact legislation, or whether the public can hold policymakers accountable for the implementation – or otherwise – of efficient and effective policies relating to the environment and climate change. Moreover, in democracies, free access to information and scientific debate on environmental problems facilitates political learning. Since democracies are generally based on a free market economy, businesses can be subject to both environmental incentives and sanctions.¹⁹ Among the six indicators of good governance, control of corruption, regulatory quality, and the

has sought to improve its resource management and ecosystem protection by creating a National Environment Information Centre (NEIF) within its Environment Ministry. Gabon, which also ranks very highly on environmental issues compared to other African countries, has even found a way to capitalise on its natural resources. In 2021, the Central African Forest Initiative (CAFI), an initiative set up by several European countries and South Korea, transferred an initial tranche of

rule of law have a greater influence on the environmental performance of nation states. This means that, regardless of GDP, individual elements of good governance are also responsible for the implementation of environmental and climate policies.²⁰

Corruption is a particular barrier to effectively protecting the environment and mitigating climate change in Sub-Saharan Africa because bribery and the use of public power for private gain is so widespread in the region. Statistics show that Sub-Saharan Africa consistently leads the world when it comes to corruption. According to Transparency International's Corruption Index, ten of the world's 20 most corrupt countries are in Sub-Saharan Africa.²¹ In the area of environmental and related resource management, corruption can occur during environmental impact assessments, for example by taking payment in return for glossing over the environmental risks of a project. This often has devastating consequences for ecosystems and biodiversity. In Sierra Leone, for example, an investigation by the Environmental Protection Agency Sierra Leone (EPA-SL) found that around a third of the companies audited were operating without conducting the legally required environmental impact assessments. In addition, environmental regulations were unknown or incomplete, and companies regularly violated them. In addition, the EPA-SL itself does not use the financial resources at its disposal to conduct the mandatory monitoring of businesses.²²

In most cases, countries have passed national environmental laws based on international agreements, but these laws are undermined by corrupt practices. Thus, corruption is responsible for improper and illegal land use, and for the exploitation of natural resources.²³ It is estimated that the financial losses suffered by the poorest countries as a result of bribery and corruption are ten times the amount of development aid paid.²⁴ So it is hardly surprising that the failure of environmental policy in developing countries is due to weaknesses in the rule of law rather than to political or economic factors.²⁵ The West African

country of Liberia, which comes last in the EPI's global ranking, provides a good illustration of the link between good – and bad – governance and environmental performance. The country is beset by political instability, and its energy supply system was totally destroyed during the civil war of the 1990s and 2000s. Today, fossil fuels provide about 50 per cent of the country's electricity, while comparable countries, such as Malawi or Mozambique, generate more than 70 per cent of their electricity from renewable energy sources.²⁶ Lack of environmental regulation has led to a significant deterioration in air quality over the past decade. Forests and green spaces are shrinking, which in turn has led to an above-average decline in biodiversity.²⁷

Many people are unable to place changing weather patterns in a broader climate context.

Planting Trees to Fight Climate Change?

Another reason for the poor environmental performance of African countries is the lack of, or inadequate, communication about the purpose of environmental policy measures.²⁸ The vast majority of people in Africa are aware that weather patterns are changing but are unable to place cause and effect within a broader climate context. To a large extent, people equate climate change with the importance of trees and forests, and often believe that weather events are influenced at local level by felling trees or pollution. This gives the impression that climate problems can be solved locally simply by planting trees.²⁹ The role of greenhouse gases does not figure in this narrative, meaning that policymakers find it difficult to gain public support for actions to mitigate climate change. It is also doubtful that policymakers themselves have an adequate understanding of climate change, as reforestation and tree planting initiatives tend to be the most common environmental measures initiated by local government officials.³⁰

Journalists also seem to have difficulties presenting the causes and consequences of climate change in such a way that the local population understands its complexities. It is often the case that journalists themselves lack in-depth knowledge. They might report on international climate negotiations, or on local environmental and climate-related initiatives, but they do not necessarily put them into context. Lack of understanding of the urgent need for environmental policies significantly hinders their implementation, as acceptance of these policies and public support are vital for their successful implementation, especially when it involves changing behaviours and habits.

In countries with weak governance, resources could be used more effectively by first improving the quality of governance itself.

Opportunities to Improve National Policies on the Environment and Climate Change

Sub-Saharan Africa is lagging behind when it comes to protecting the environment and combating climate change, despite the fact that African countries are united on the international stage in their efforts to implement the Paris Agreement. Therefore, Africa's nation states should be supported to develop more effective and efficient environmental policies. Financial resources and technical expertise are needed to do this, but they are not necessarily the key, as these instruments can only partially remedy problems in the implementation of environmental legislation. If such policies are to succeed, good governance is essential – curbing corruption above all – along with targeted communication about the purpose of environmental measures. In South Africa, for example, climate and environmental protection has gained political importance and, compared to other developing and emerging countries, civil

society has many opportunities to participate in consultation processes.³¹ South Africa is heavily dependent on coal for power generation, so the transition to renewables, and the accompanying loss of an important industry for the country, will only be possible or manageable if it attracts broad public support.

On the other hand, increasing financial resources for the environment and climate change, either through international climate finance or public finance, could lead to a deterioration in the environmental performance of certain countries if this is not accompanied by steps to combat corruption.³² An analysis of data from the Global Adaptation Initiative (ND-GAIN), which uses a variety of indicators to show how countries can improve their resilience to climate change,³³ concludes that it makes sense to target environmental problems directly in countries that have high levels of economic, regulatory, and social consolidation. In countries with weak governance, however, resources could be used more effectively by first improving the quality of governance itself.³⁴ Given the likely increase in global climate finance in the coming years, the link between good governance and efficient and effective environmental and climate policies should be considered. It must be ensured that investment in climate change and the environment is applied in a targeted manner. Corresponding international agreements and initiatives should always strengthen the bodies responsible for implementation and provide recommendations on how to ensure that funding is spent for the intended purpose.

If African countries are to be more involved in international efforts on climate change, then actions and targets should also be aligned with their national development goals and the needs of their people. Partners such as the UN, but also the EU and Germany, should therefore ensure that developed nations' environmental and climate goals are compatible with African priorities relating to infrastructure, energy, land, food security, and industrialisation.³⁵ This will also counteract the impression that environmental protection is incompatible with

Children playing in a dried out reservoir in South Africa: Many people on the African continent clearly perceive increasing weather extremes, but the link between such phenomena and global climate, including greenhouse gas emissions, is mostly absent from public debates.

Source: © Mike Hutchings, Reuters.

economic growth. Land use rights and access to resources have long been key issues in Africa,³⁶ but these are formulated in a localised way that does not necessarily coincide with the understanding of industrialised nations. However, this does not mean that environmental and climate protection are irrelevant for African countries.

The AU may have made its voice heard in international climate negotiations, but it has also tended to play a passive role, namely as a continent affected by climate change and dependent on foreign (financial) support in the fight against the consequences of global warming.³⁷ However, Africa possesses the renewable energy sources, minerals, and raw materials that industrialised nations need for their energy transition. This includes cobalt, which is needed for the production of electric cars and energy storage systems. Sixty per cent of the world's cobalt comes from the Democratic Republic of Congo, and the hydropower available from the Congo River could generate almost enough low-emission electricity to fuel the whole of Africa. This potential could also be used to produce green hydrogen in an emissions-neutral manner and at a globally competitive price. In addition, tropical ecosystems such as the Congolese rainforest store carbon and are thus an important part of the global effort to reduce net greenhouse gas emissions. COP 27, which will take place in Egypt in November 2022, would be a good opportunity to shift the common African position more strongly in this direction. Because without Africa and its raw materials, there will be no energy transition, and hence no implementation of the Paris Agreement.





The invasion of Ukraine has also provided Germany and Europe with a dramatic demonstration of the fragility of their energy supply and security. So far, African countries have played no role in Germany's energy transition. However, this could change in the medium-to-long term due to geopolitical developments – war in Europe, disagreements within the EU, and the strained relationship between China and the US. For example, the EU hydrogen strategy adopted in June 2020 is based, among other things, on the assumption that large parts of Europe could be supplied with cheap green hydrogen produced in Eastern Europe, and especially Ukraine. But now it seems doubtful that the infrastructure will be available for this in the near future.

Africa is still far from being in a position to take over the role of Europe's energy supplier in the immediate or near future, and supplying electricity to their own populations should be a priority. However, Germany would be well advised to reconsider Africa's future role in its energy transition, and to seek innovative forms of collaboration on environmental and climate issues that incorporate the issue of energy security.

- translated from German -

Anja Berretta is Head of the Konrad-Adenauer-Stiftung's Regional Programme Energy Security and Climate Change in Sub-Saharan Africa based in Nairobi.

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Source: © Jorge Adorno, Reuters.

Power and Resources

Can Climate Change Be Fought in International Human Rights Courts?

The Potential and Limitations of the Law with Regard to Climate Change Issues

Hartmut Rank / Franziska Rinke

The environment and climate change are increasingly posing key challenges for the courts. Their judgements can send out important signals. However, not least in the international context, it is clear that these institutions wield varying degrees of influence – and it is difficult to implement their verdicts.

“Climate change is a threat to global security that can only be dealt with by unparalleled levels of global co-operation. It will compel us to question our economic models and where we place value; invent entirely new industries; recognise the moral responsibility that wealthy nations have to the rest of the world; and put a value on nature that goes far beyond money.”¹ This statement was made by British naturalist and filmmaker Sir David Attenborough, in a moving speech to the UN Security Council on 23 February 2021.

Meanwhile, both nationally and internationally, climate change and environmental issues are at the top of the political agenda. On 8 October 2021, the UN Human Rights Council, in a resolution, announced the importance of recognising a clean and healthy environment as a basic human right. Many people, however, feel that politicians are still not doing enough. Hence, activists have sought to not only sue companies but also states in a bid to force them to take action on climate change (a phenomenon known as climate lawsuits). These lawsuits are no longer uncommon and have a good chance of success, as shown by last year’s decision by Germany’s Federal Constitutional Court.² In its ruling, the Court’s First Senate stated that parts of the German Climate Change Act of 12 December 2019 are incompatible with fundamental rights. What is particularly surprising and somewhat controversial is the reasoning behind the decision of Germany’s supreme court. Article 20a of Germany’s Basic Law obliges the state to protect the natural foundations of life, “mindful also of its responsibility towards future generations”. From this, the judges derived a generational right. This means that inadequate climate policies today could curtail the rights of future generations.

International human rights courts have a key role to play when it comes to climate-related issues and disasters, given that they transcend borders. There are three of these courts in existence: the European Court of Human Rights (ECtHR) established in Strasbourg in 1959; followed 20 years later by the Inter-American Court of Human Rights (IACHR) in San José (Costa Rica); and, after the turn of the millenium, by its African counterpart in Arusha (Tanzania), which delivered its first judgement in 2009.³ The Latin American region has been a pioneer in the area of climate litigation. Due to a lack of specific proceedings before the African Court of Human and Peoples’ Rights to date, this article will focus on cases brought before the Inter-American and European Courts of Human Rights. The article will thereby examine what role international courts can and should play with regard to climate change.

Proceedings before the Commission and Court in the Inter-American System of Human Rights

In Latin America, the legal discourse on environmental law is shaped by what is now a sizeable number of national lawsuits and court decisions. Among the most famous are the judgements of Colombian courts (from 2016 and 2018) on the independent legal character of the Río Atrato River and the Colombian rainforest. The impact of these groundbreaking decisions has been felt far beyond the country’s borders. In recent years, Brazil has also seen an increase in the number of court cases relating to climate disputes.⁴



Indigenous protest against gas flaring in the Ecuadorian Amazon: In the past, the Inter-American Court of Human Rights has, in several cases, derived a right to a healthy environment from the right of indigenous communities to “progressive development”. [Source: © Johanna Alarcon, Reuters.](#)

But let us begin by looking at the inter-American human rights system. With the Commission on the one hand and the Court of Human Rights on the other, it comprises two institutions that are tasked with monitoring human rights as stated in the American Convention on Human Rights (ACHR). The Commission predates the Court and, unlike the Court, deals with individual and collective petitions. The ACHR was adopted as a regional and multilateral treaty in 1969 and has been in force since 1978. The Convention itself does not contain any specific provision on the right to a healthy environment. It is only in the Additional Protocol of San Salvador (from 1988, in force since 1999) that the “right to a healthy environment” is mentioned in Article 11. However, this may not be invoked before the Inter-American Commission or the Court. Such an assertion only applies to the right to education and trade union rights under Article 19(6) of the Additional Protocol.

The Inter-American Court of Human Rights identifies the right to a healthy environment as a human right.

Nevertheless, the Court has ruled on the violation of the right to a healthy environment on several occasions. This has been done in cases involving indigenous peoples, based on the following reasoning: the “right to a healthy environment” must be considered as part of the right to “progressive development” (Article 26 ACHR) because, under the Charter of the Organisation of American States, member states are obliged to ensure “integral development” for their peoples. Similarly, the IACHR has previously linked the violation of the right to a healthy environment to the violation of the right to life, to personal or collective integrity, and to other economic, social, cultural, or environmental rights.

This is well illustrated in the case of *Lhaka Honhat v. Argentina*. In this 2020 case brought before the Court, the latter held that Argentina

had violated an indigenous group’s right to a healthy environment, cultural identity, food, and water.⁵ In doing so, the IACHR based its decision on Article 26 of the ACHR, namely on economic, cultural, and social rights.

A document of particular relevance to the climate debate in the Americas is the Inter-American Court’s Advisory Opinion on the Environment and Human Rights. This document, running over 100 pages, dates from 2017. Such an opinion may be requested by any member state in order to clarify the interpretation of an article of the ACHR. Once issued, the Court’s advisory opinion is binding. This request, which was made by Colombia, dealt with questions regarding the right to life and to humane treatment. In its judgement, the Court clearly identified the right to a healthy environment as a human right. In addition, the document sets out in detail the various obligations of states, such as mitigating serious environmental damage, drawing up emergency plans, and providing for public participation. Another important element is the provision of effective legal pathways in order to review member states’ environmental policies.

In the Americas, environmental law is key to guaranteeing collective, not just individual, rights. This applies particularly to cases involving indigenous peoples, Afro-American populations, or rural communities. According to the IACHR, there is an inseparable link between the environment, territory, and natural resources. These must be preserved to ensure the survival of the people who use the environment. Thus, from the perspective of the IACHR, there is a close link between guaranteeing the right to a healthy environment, on the one hand, and the life, integrity, and health of indigenous peoples, on the other. This includes other related human rights, such as the right of access to water, education, and culture.

Besides ordering financial compensation for damage caused by the defendant, the Court

also applies a holistic approach to reparations; i.e. in addition to compensation of the damage, this includes ensuring it is not repeated, as well as the imposition of judicial or administrative sanctions on those responsible. In this manner, the IACHR obliges states to take a broad range of actions. This includes remediation of the environmental damage caused; amending and/or repealing certain laws and policies related to the environment or aspects of environmental protection; initiating legal proceedings against responsible officials or economic actors; a public apology for the damage caused to victims and their families; and relocation of those affected to areas similar to those that are now contaminated or otherwise affected.

The inter-American system is setting the pace with regard to environmental case law.

This wide range of possible verdicts gives an indication of how difficult it is to enforce these rulings in practice. The IACHR recognises the fact that the implementation of judgements in climate lawsuits, and also other cases, is the weakest point in the system, and that in some cases implementation is not even attempted. Hence, in 2015, the IACHR established a separate department to monitor compliance with its judgements. Over the last few years, this has made it possible to track all cases that are in the implementation phase. While the establishment of this unit certainly represents a step forward, it does not replace the will of governments to actually implement judgements. It must also be taken into account, of course, that ensuring compliance with environmental reparations is a hugely complex task.

Devastating flames: Citing the deadly 2017 forest fires, six Portuguese children and youths have sued their country and 32 other states before the European Court of Human Rights, invoking their right to life. [Source: © Pedro Nunes, Reuters.](#)

An intense judicial debate is currently underway about cases of this kind. To illustrate this, we will consider a few cases that are currently pending before the Court and the Commission.

A current lawsuit, which has been pending before the IACHR since 2020, relates to the Tagaeri and Taromenane peoples, regarding potential rights violations by Ecuador.⁶ These are two indigenous and reclusive groups that



are isolated from the outside world. Some experts speak of “ecosystemic” peoples because close contact with the environment is necessary for their survival. Mining companies have encroached upon their territory. It will be interesting to see how the IACHR rules on this case.

One of the most recent climate lawsuits, still awaiting a ruling by the Inter-American Commission, was filed by a group of Haitian minors

in early 2021. They claim a violation of their rights by a toxic landfill in their neighbourhood, exacerbated by the effects of climate change. They base their arguments on the rights of the child (Article 19 ACHR) and the right to live in a healthy environment (Articles 4 and 26 ACHR).

Another case still pending before the Commission involves the Athabascan people of northern



Canada, who have linked the fragmentary regulation of carbon emissions by Canada to climate change and, more specifically, to above-average temperature increases in their settlement areas. In this case, the indigenous people perceive a causal link between the lax legal situation and the violation of their rights to culture, property, health, and the foundations of their self-sustaining economy.

It can thus be said that the Inter-American Court and Commission have already built up a comprehensive body of environmental case law, so the inter-American system is setting the pace in this respect. Nature is already recognised as a legal subject, with simultaneous reference to certain human rights. For the time being, it remains uncertain whether the observed enforcement deficit of the IACHR will also continue to be a determining factor with regard to climate lawsuits.

Cases before the European Court of Human Rights

The European Court of Human Rights has not yet issued a judgement on a climate lawsuit. This is mainly due to the fact that neither the European Convention on Human Rights (ECHR) nor any additional protocol stipulates the right to a clean environment. Unlike national courts, the ECtHR is limited to ensuring compliance with the obligations that states have assumed under the Convention in a manner that is binding under international law. For climate lawsuits, this means specifically that, in principle, the Court can only consider whether the dangers caused by climate change impair existing Convention rights to the extent that this can be judicially ascertained and evaluated by the Court; and furthermore to what extent this impairment is attributable to the defendant state under international law. For the ECtHR, however, the ECHR is a “living instrument”. This means that the Court always interprets the Convention on the basis of current social and economic conditions.⁷ It has already demonstrated this in more than 360 decisions on environmental law issues. For environmental law,

this means that the Convention must be consistent with the relevant norms of international law. In this manner, all relevant international rules and regulations that apply to relations between parties are taken into account.

The transformation that is so sorely needed can only be achieved at the political level.

Several climate lawsuits are currently pending in Strasbourg.⁸ Firstly, there is the case of a group of senior women in Switzerland who think that their country should increase efforts to combat climate change. Specifically, they claim that Switzerland is experiencing more frequent heatwaves due to climate change, and that they are at heightened risk because of their age, as evidence shows that excess mortality rates are higher for elderly women during heatwaves. Another lawsuit has been filed by climate activists who are opposed to new oil drillings in Norway, claiming its effects will adversely affect their livelihood. However, the case that has drawn the most attention is a lawsuit filed by six children and youths from Portugal against their own as well as against 32 other countries. The case relates to a huge forest fire in 2017 in which over one hundred people lost their lives. The plaintiffs believe global climate change was partly responsible for the devastating wildfires. Because of the deaths, their suit is primarily based on the right to life, guaranteed in Article 2 of the ECHR. The lawsuit seeks, on the one hand, to force the countries sued to improve their national climate targets, and, on the other hand, to oblige their internationally active corporations to reduce emissions. The plaintiffs are not alone regarding their high expectations of this lawsuit. A ruling in their favour, however, would require the Court to change its current practice.

The ECtHR awards “just satisfaction” to injured parties in accordance with Article 41 of the ECHR.⁹ To date, the Court has limited this to

monetary compensation in the form of damages. Unlike the IACHR, it has not made any judgements relating to performance,¹⁰ such as a ruling that specifically mandates a reduction of emissions.

The Limitations of Climate Lawsuits: What Can the Courts Actually Achieve?

To sum up, the IACHR and ECtHR have adopted different options and approaches in terms of both prerequisites and consequences. It remains to be seen how the ECtHR's climate jurisprudence will develop. However, with particular reference to the resolution of the UN Human Rights Council, it is important to stress that environmental protection and human rights should be treated as inseparable. The IACHR has pointed the way forward in some recent cases. Perhaps European judges will look across the ocean at what their American colleagues are doing, even though, of course, their experiences cannot all simply be seamlessly transferred to Europe, given that their legal systems are different.

The most recent case before the ECtHR illustrates the limits of the courts when it comes to climate lawsuits. The ECHR is a typical international law treaty from the 1950s, with a focus on its individual member states. However, 33 countries are being sued in the Portuguese case. This already raises complicated issues of admissibility. The doctrine of exhaustion of legal remedies applies in international courts. This means that national courts are the first point of legal recourse, and international courts can only get involved as a last resort. But is it reasonable to require individuals to file so many complaints in so many different countries? Is it not more practical to bundle them into one proceeding before an international court? After all, environmental damage does not stop at national borders. Climate change is a global problem and its impact has a global dimension. How much can one state actually achieve? Reducing emissions in one country feels like a drop in the ocean. Isolated measures by individual countries seem to achieve little in practical terms. As such, national climate lawsuits in general could be

called into question. However, a departure from the doctrine of exhaustion of legal remedies seems unthinkable. International courts would not have the capacity to handle the workload if national courts were no longer the first point of recourse. Even under current conditions, the ECtHR has been struggling to cope with the deluge of complaints for decades. Regardless of this, every country has to play its part in combating climate change.

However, for the time being, a court ruling will not save a single tonne of CO₂. The global task to reduce carbon emissions is too great for a national or international court to accomplish. The transformation that is so sorely needed can only be achieved at the political level. Climate change policy cannot be entrusted to judges who lack the necessary expertise and resources. However, as shown by the recent ruling by Germany's Federal Constitutional Court, such landmark court decisions can send out an important signal. They also ramp up the political pressure. Climate judgements can, therefore, have a crucial knock-on effect. Even though the majority of climate lawsuits are heard in national courts, the IACHR and ECtHR can send out clear signals and highlight potential solutions, either through their declarations or through stipulating specific actions in their judgements. It should come as no surprise that climate litigation is set to increase at every level as the effects of climate change become ever more evident.

- translated from German -

Hartmut Rank is Head of the Konrad-Adenauer-Stiftung's Rule of Law Programme Latin America based in Bogotá.

Dr. Franziska Rinke is Policy Advisor on Rule of Law and International Law in the Konrad-Adenauer-Stiftung's Analysis and Consulting Department.

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Source: © Michele Tantussi, Reuters.

Interjection

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How Sustainable Are Shock Moments?

Lessons from the War in Ukraine

Frank Priess

The 180-degree turn of German foreign and security policy – at least in terms of rhetoric – only became possible after Russia’s open invasion of Ukraine. While some politicians, even from the ranks of the federal government, are already slipping back into old comfortable patterns of thinking now that the first wave of horror has passed, the rest of us should ask: what must be done to better prepare ourselves for future conflicts?

Zeitenwende is the word of the hour; at the same time, and especially for the older generation, things might seem rather thrown “back to the future”. In any case, it is remarkable in how short a time parameters can change – the foundations of which have nevertheless been in doubt for some time. It was only six months ago that the Christian Democratic Union (CDU) placed foreign and security policy at the top of its election manifesto, after which these issues played no role in the campaign whatsoever. Today it is clear to everyone that a little more debate and clarity on fundamental issues would have been useful. And some wonder whether Social Democratic candidate Olaf Scholz would ever have made it to the chancellorship if he had delivered his speech of 27 February to the Bundestag – in which he hawkishly called Putin’s actions a violation of international law and called for drastically increased defence spending – in September 2021, while still on campaign. Of course, it is also futile to question to what extent his own party would have backed him and what effects this would have had on coalition options.

Eyes Wide Shut

At least, it appears we are now living in times of steep learning curves – although, as we are painfully experiencing, this is by no means true for everyone. “The few pages of the coalition agreement on foreign and security policy read in part like archaeological finds from an ancient civilisation,” taunted Melanie Amann in the *Spiegel* magazine in mid-March. But the

question remains why it always takes a shock experience for this learning process, for parting with illusions, while prevention is consistently overlooked. It is by no means the case, as is now commonly claimed, that “we were all wrong”. Warners and wise analysts existed, but nobody wanted to pay attention to them. People did not want their practised thinking routines broken, and once again did not want to believe what an authoritarian leader said and wrote – not even when he began carrying it out. In the face of all this, to have maneuvered ourselves into such massive and unilateral energy dependence on Russia over many years is a blatant political failure, which needs to be addressed.

Russia’s renewed, and this time open, invasion of Ukraine on 24 February made it ruthlessly clear that classic power politics with military means is part of the toolbox of authoritarian systems, while Germany had already largely emptied its own one. Putin’s regime thus secured the cohesion of the Federation from the very beginning, starting off with the brutal war in Chechnya; it struck in Georgia in 2008, already relying on separatists at this stage; conquered Crimea in 2014, destabilising eastern Ukraine; secured influence in the Mediterranean and the Middle East by supporting the Assad dictatorship at a bloody cost to the civilian population in Syria; and played along in fragile Libya, seeking more influence in Africa through mercenary deployments of the Wagner troops. All of this was flanked by nostalgic rhetoric of the great empire, which amateur historian Putin also mobilised ahead of the Ukraine invasion, and

which does not bode well for the Baltic states or for the Republic of Moldova. Belarus has long since become a vassal state of Russia without a shot being fired, as this was the only way for the country's dictator to secure power over the population. "He is driven by the dangerous, delusional idea that he has an appointment with history," the Economist says of Putin's behaviour.

Putin may well have identified Germany as a large chink in the armour of the West.

In Ukraine, at any rate, more is at stake right now – this much is clear – than the freedom and independence of the country itself. In contrast to the Soviet Union during the Cold War, Russia is not a status quo power in Europe, but one that actively wants to shift borders, if necessary, by force. It sees itself in a systemic conflict with the "West", whose "decadence" Putin has more than once projected as an image of the enemy. "Putin wants to bring the West to its knees," writes Karl Schlögel, a German historian of Eastern Europe, in the daily Tagesspiegel.

In any event, Putin is testing the resilience and fortitude of the West, and had hoped that they would be as weak as he perceived them to be. Unfortunately, he had sufficient indications to believe that this resilience would not be very strong, and that after an initial stage of excitement and shock, life would quickly return to business as usual. He may well have identified Germany as a particularly large chink in the armour of the West: no sense of threat amongst the population; a correspondingly neglected armed forces; a "reluctance" to fulfil NATO obligations, confirmed by surveys; the widespread desire for "special relations based on historical responsibility" vis-à-vis Russia – and be it over the heads of Central European neighbours; economically-driven neglect of geopolitical and security policy thinking; a lack of strategic culture; latent anti-Americanism

fuelled by the traumatic years of the Trump experience; the list could go on. Now, however, Putin himself has provided the trigger for change. It is slowly seeping through that security in Europe cannot currently be achieved *with* Russia, but *against* it. As some experts believe, Ukraine could be the "Fukushima Moment" of European foreign and security policy. Political scientist Peter Graf Kielmansegg concludes in the Frankfurter Allgemeine newspaper, concerning democracies: "They will not be able to afford the naivety of the last one or two decades again."

The fact that Chancellor Olaf Scholz suddenly and unexpectedly wants to fulfil the NATO "two per cent target", flanking it with a special budget of 100 billion euros for the Bundeswehr; that arms deliveries to a war zone are becoming a widespread consensus; that the Social Democrats' favourite project Nord Stream 2 has been put on hold, and that energy embargoes are being negotiated; that the sanctions measures are becoming increasingly stringent, and the closing of ranks with the US ever tighter – all this, Putin can book directly to his own account. The same is true when countries like Sweden and Finland, out of a new sense of fear, apply for NATO membership, or when a *fast track* into the EU suddenly appears possible for countries of the Eastern Partnership. If only North Korea, Syria, Belarus, and Eritrea remain loyal supporters of Russia in the United Nations, but 141 states condemn its behaviour and 35 others abstain, this is about as unprecedented for a permanent member of the Security Council as the expulsion from the UN Human Rights Council or the Council of Europe.

Transatlantic Partnership and European Self-Reliance

It remains unclear, however, how lasting the lessons from the "Ukraine shock" will be. For some, resolve seems to already be crumbling. The to-do list is long, and the stumbling blocks are many. And straightforward, things certainly are not – no matter how clear-cut matters may currently seem.



Closed ranks: In attacking Ukraine, Russia provoked the very unity between Western nations that it had tried to undermine for years. [Source: © Yves Herman, Reuters.](#)

So once again, Germany and Europe know what should actually be done. The question is, will it be? It is astonishing how well we stand together in this crisis, and continue to bear painful sanctions, but that is not enough. Clearer steps are needed to strengthen the European defence capabilities to complement NATO, and to underpin the mutual assistance obligations under Article 42 of the EU treaty. More efficiency and cooperation instead of petty details, coordinated armament projects, pooling and sharing, truly deployable battle-groups – there are many elements, and they presuppose that national egotism and sensitivities will subordinate themselves to the common goal, also and especially in Germany. There is also a need for a credible strategic concept for lasting engagement with the countries of the Western Balkans and the Eastern Partnership, but also for closing ranks with countries in the South, and with Turkey as a partner.

Transatlantic relations and close ties with the US are the indispensable core of European security, as the war in Ukraine has also made clear. The consequence must be to strive for these relationships, nurture them, and clarify the added value over and over again, also on the other side of the Atlantic. The fact that Europe must also assume more military responsibility in its own neighbourhood is an important aspect, but by no means the only one. For the US, the Indo-Pacific and rivalry with China play the central role for the future. This will not change even with the rather short-term new focus on the conflict with Russia in Europe – certainly not if a Sino-Russian axis becomes discernible and these states support one another.

The value that the US attaches to European allies is defined not least by their expected usefulness in the confrontation with China. This is a dilemma, particularly for a country like Germany that is closely economically intertwined

with that Asian nation, but it is not insoluble. The reduction of dependencies and diversification of supply chains would be helpful, as would close technology cooperation – as is being intensively discussed – between the EU and US. If this were underpinned by a new and comprehensive approach to free trade – so much the better! For although the current war in Ukraine is being waged in a rather conventional manner, if liberal democracies do not ensure technological leadership in high-tech, AI, and the entire digital space, they will not succeed in asserting themselves. What this means can be read impressively in the book, “Future War and the Defence of Europe”, by John R. Allen, F. Ben Hodges, and Julian Lindley-French.

The “America first” idea is not alien to the Biden-Administration.

This draws attention to the fact that even without the war in Ukraine, deficits in resilience have become apparent. Over the decades, Germany has undoubtedly been one of the greatest beneficiaries of smoothly running global markets. However, trusting that they will continue to run in this manner indefinitely can lead to price-related dependencies, as we are now painfully observing, not only in the energy question with regard to Russia. In the case of critical raw materials, there are a few producers who provide the basis for our industrial products. German companies are hardly active in these fields anymore, and raw materials partnerships lack substance. International supply chains are prone to disruptions – the ongoing pandemic proves this daily. Add deliberately aggressive behaviour by key international players, and you have the “perfect storm”. At the same time, Europe’s remaining economic strength is the only reason it is taken seriously internationally, and is capable of imposing sanctions. But for how much longer? Without the dominance of the US dollar, main financial penalties against Russia would already be ineffective.

The expansion of the euro to a similar strength is urgently needed, also for the eventuality that European and American interests might at some point not coincide. Moreover, the relative success of the current sanctions is leading to feverish efforts elsewhere to reduce dependencies and provide alternatives of their own – China is already making significant progress in this regard.

The Trump years have shown how quickly the panorama can change for Europe. Even if the Biden administration seeks close solidarity and coordination with allies, with a more harmonious tone, the “America first” idea is also not alien to this administration. Its focus is primarily directed at the American public and its own electoral opportunities. The imposition of inexplicably long travel restrictions for Europeans during the pandemic illustrated this attitude, as did the unilateral withdrawal from Afghanistan. And a look at American domestic politics shows that a return to Trumpian times is by no means out of the question; even isolationism is quite popular in wide circles, after decades of too often getting their fingers burnt internationally.

Europe is therefore well advised to reflect on its own strength, however one labels it – military, economic, technological, or financial. After Emmanuel Macron’s far-from-impressive election victory, the France–Germany tandem should continue to play a central role, but it is no longer sufficient. And both will have to overcome multiple misgivings. France, as the only remaining nuclear power in the EU, will have to be prepared to open up its “force de frappe” to European participation; diversify it beyond strategic nuclear weapons; take security interests in the East more seriously, and not only define them along the lines of former French zones of influence. Germany needs a different military-strategic culture and a greater willingness to invest its economic strength even more visibly in strengthening the community. Approaches in these directions are already discernible.

The World is Not Full of Like-Minded Partners

Voting behaviour in the UN has made it clear that there are important states worldwide which, despite their criticism of Russia's war policy, are not prepared to be pigeonholed into a global political friend-foe scheme. They refuse, as such, to take sides unequivocally between (Western) democracies, on the one hand, and Chinese and Russian dictatorships, on the other. This makes it clear to the traditional West that its own credibility has shown enormous deficits over the decades, beginning with the colonial history of important states, which has often not yet been addressed, and ending with military interventions that have not been legitimised under international law. Too often, the impression has been given that human and civil rights are top priorities at home, but are of secondary importance at best when dealing with other peoples. Particularly in current Asian literature, the joy over their own economic rise is also mixed with a certain *schadenfreude* over the loss of importance of the West, which had to be endured for too long as a form of arrogant head teacher.

In the West – yet even the definition of this term seems in need of reform – there is much talk of a “partnership of equals”, not least in developmental policy circles, but this does not always play out in practical reality. Here, too, exists a dilemma. On the one hand, there are our own values, which we cannot, will not, and must not give up for reasons of pure *realpolitik*. Genuine partners should indeed observe minimum human rights standards. In addition, the willingness to not hinder an active civil society, to allow for democracy, and to practise the rule of law, good governance, and anti-corruption is expected. On the other hand, the number of “those like us” is declining worldwide, as can be seen from relevant indices. We should also not overdo it by immediately elevating every change implemented in our country, as an extension of the rights scale of individual social groups, to the new international “gold standard”. There is clearly a need for “concentric circles” of friendly

relations, as far as the closeness of cooperation is concerned, and for a distinction: not every business partner is also a “like-minded partner”. Yet, they are a partner. The German Minister of Economic Affairs has recently tried to explain this to his own constituency, not least after his trips to the Gulf searching for energy alternatives.

It would be fatal to put the brakes on challenges for the future of humanity, such as climate protection.

There is no reason to hide internationally and go “in sackcloth and ashes”. The systemic competition between freedom and authoritarianism can be conducted confidently. Democracies on this and on the other side of the Atlantic, but also in the Indo-Pacific region and Africa, have much to show and are attractive. Astute societies worldwide take their cues from them, benefit from their cooperation, and this, in turn, inspires discussions within these democracies. Moreover, these countries are centres of attraction for both the persecuted and the talented – and here we come full circle to Putin's Russia: the country is losing its future right now! Professional and well-educated young people no longer see any prospects there and leave. Journalists, artists, and scientists can no longer endure the threats and confinement, and they, too, seek exile with heavy hearts.

The current situation, and what needs to be done in the medium term, also offer opportunities to prove ourselves as a credible partner for the future worldwide. This will quickly become relevant with the foreseeable food crisis when supplies from Russia and Ukraine fail to arrive, or basic foodstuffs become unaffordable for many people. The cries for help from UN agencies have been unmistakable for weeks. “We are already cutting food from the hungry to save the starving,” David Beasley of the World Food Programme admitted to the UN Security Council,





Don't show your colours? While, in early March, an overwhelming majority of UN members condemned the Russian aggression against Ukraine, the vote on banning Russia from the UN Human Rights Council on 7 April showed that a considerable number of states is not prepared to take sides unequivocally. [Source: © Andrew Kelly, Reuters.](#)

according to the Spiegel magazine, warning of hunger revolts, instability, and mass flight. Quick and generous help is needed here – which is also in our own interest.

It would be fatal to put the brakes on challenges for the future of humanity, such as climate protection, following the motto: we will do that later. It is not for nothing that Armin Nassehi warns in the Tagesspiegel newspaper against desensitisation: “Even the end of the world has little informational value. The reports on this have become routine.” Already, many development goals of the so-called Agenda 2030 (SDGs) have been pushed far into the distance by pandemic-related economic slumps. Many countries see themselves set back by decades and are looking for help, wherever it may come from. China has already sent a signal with its “vaccination diplomacy” and will now, like Russia, try to use the crisis to increase its own influence and create

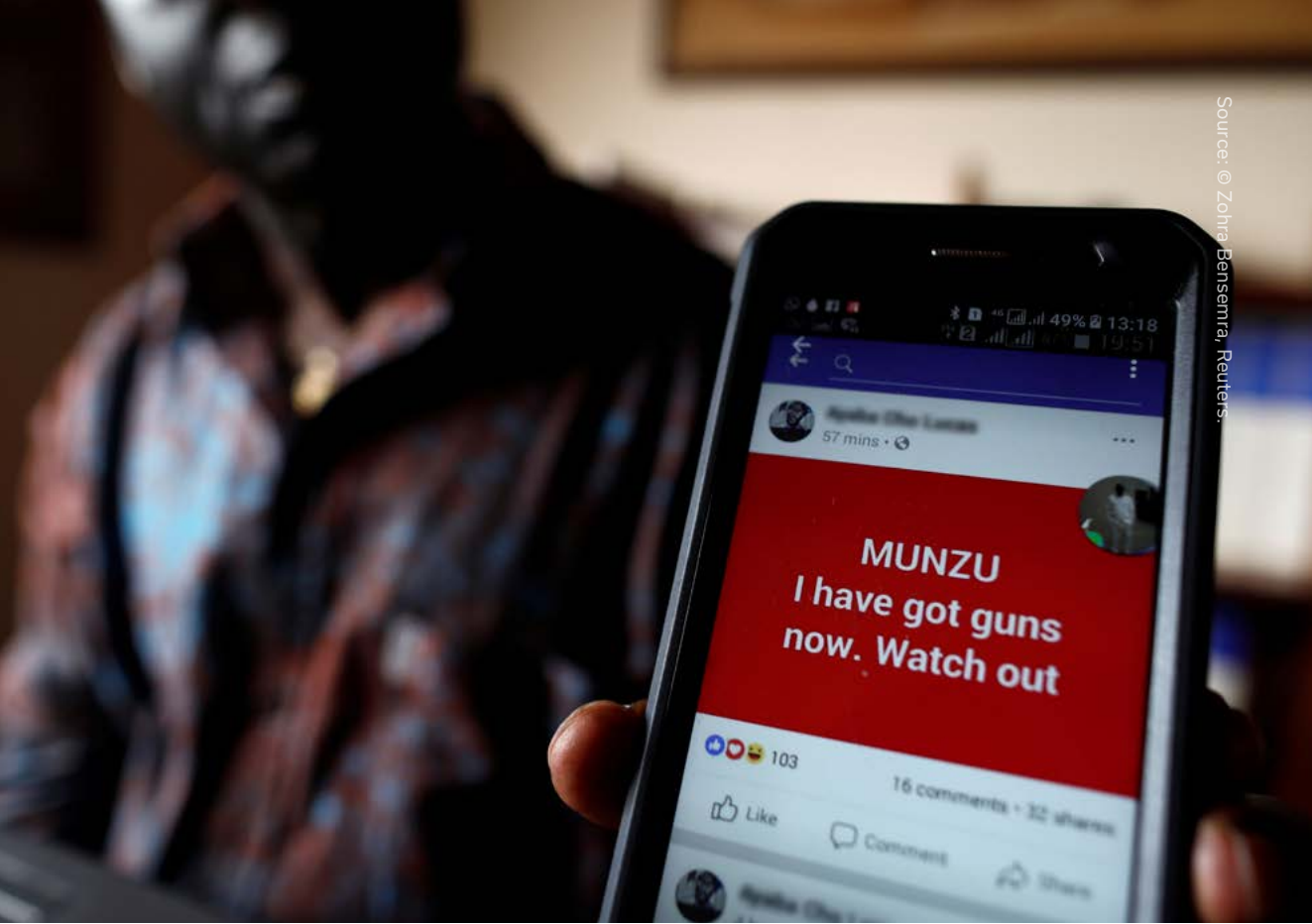
new dependencies. There is concern that major donors from Europe are now focusing all their efforts on the reconstruction of Ukraine, or that budgetary leeway will be used to cushion the effects of the crisis at home. As difficult as it may be – we have to do one without abandoning the other. Anyone who can mobilise 35 billion euros in aid for the flood-stricken Ahr Valley in the short term, or two billion to make public transport cheaper in times of rising fuel prices will be measured against this when it comes to survival issues elsewhere.

Global problems do not take a break just because we can once again only focus on a single issue, no matter how high a priority that issue may be. CDU party leader Friedrich Merz has summoned the courage to point out to the German population that the peak of our prosperity might have been reached for the foreseeable future. If, however, – and this was also part of the message – we succeed

in holding our ground now, in coping with the imminent enormous transformations, in reinventing ourselves to some extent, in really taking on a substantial role and responsibility for a strong country, also internationally, and in moving forward by forming alliances with like-minded players, then there is nothing to fear for the future.

- translated from German -

Frank Priess is Deputy Head of the Konrad-Adenauer-Stiftung's Department for European and International Cooperation.



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Powerless against Digital Hate

African Societies and Social Networks

Christoph Plate

Social media open up unprecedented communication opportunities in Africa. At the same time, they exacerbate conflicts, such as the one in Ethiopia. Facebook, just ahead of TikTok as the most important social network on the continent, is inadequately performing its moderating and supervising duties. In the same way, most states do not protect their citizens from digital attacks or surveillance. The negligence of these governments, which have a greater interest in surveillance than in protecting their own people, is turning the continent into a huge test lab for companies in Palo Alto and Shanghai. Technologically, Europe has little to oppose these trends with.

The minister is here in a private capacity. A prominent journalist in Mbabane told him that there are German visitors in the country. In the restaurant of a good resort in Manzini, over a rock shandy, a drink mixed from Angostura, soda, and lemonade, he explains that he knows this hotel. During the unrest of mid-2021, when barricades were burning in the small Kingdom of Eswatini, he spent two nights here. ‘Was forced to spend them’ would be more accurate, however, since his private house is not far away. On Facebook, he says, there was so much agitation against the king, the elites, the ministers, and state officials, that he had fears about his safety. Facebook, he says, shaking his head in disbelief, is a major force in Eswatini. Remembering the hate on the net during those days makes him shudder.

Social media are changing politics, even in the last absolute monarchy in Sub-Saharan Africa. In the small kingdom once known as Swaziland, where everyone seems to know each other, rumours spread like wildfire, especially on Facebook. Opponents and critics of the king deliberately spread rumours, be it about the king’s style of ruling, or his anti-China policy. Many of the posts are made from outside the country, especially in South Africa, where a number of critics of the royal house live for security reasons. An entire country can be destabilised by a social network; there is no room for debate, and outrage and agitation dominate. But what the

Eswatini minister said about the threat posed by Facebook would be difficult to articulate in a public discussion because it would be perceived by some as an implicit attempt at censorship and restriction of freedom of speech.

Indeed, social networks of course have an emancipatory potential, especially in an authoritarian country such as the Kingdom of Eswatini. The king’s critics are able to effectively voice their criticisms for the first time. Years ago, the opposition might have smuggled flyers into a country; today, criticism flows in far more easily, through digital means. In recent years, rulers from Tanzania to Uganda to Zimbabwe have, therefore, greatly restricted the right to free speech by such parties as bloggers under the guise of combatting cybercrime. Rwandan President Paul Kagame, however, is doing something different: all networks are allowed in the Central African country, which regularly draws appreciative comments from Western visitors. Yet no Rwandan in the country will publicly quote Kagame’s critics, even if everyone has read them. The people know what is possible – and what must be avoided at all costs.

Corporations with Tremendous Reach

According to a new survey by research institute Afrobarometer, 92 per cent of people in African cities have a mobile phone.¹ In rural areas, that figure reaches 76 per cent. Of the urbanites, 69





Omnipresent: Through the Free Basics Initiative, Facebook is trying to further expand its influence on the African continent. [Source: © Afolabi Sotunde, Reuters.](#)

per cent have regular access to the internet, and 60 per cent get their news from social media. In rural regions, where the majority of people in Sub-Saharan Africa currently live, only a quarter of the population has regular access to the internet, since coverage is often inadequate and incomes insufficient for a smartphone or data package.

Still, 3.6 billion people regularly use a Facebook product, or Meta, as the company is now called. That is half of the people on earth. More than 80 per cent of Facebook and Twitter users live outside the US. In December 2020, there were 233 million Facebook members in Sub-Saharan Africa, i.e. about a quarter of all inhabitants. No other medium has such reach across languages and ethnicities. Neither the African Union, nor any UN organisation, to say nothing of any government or company, has such direct access to Africa's people – and to their data.

The negative consequences of social media, especially of Facebook, are an existential threat to some. For instance, Arrey Elvis Ntui of the International Crisis Group lamented in February 2020 that ethnic conflicts in Cameroon were being exacerbated on Facebook with its four million users.² In the Central African country, Facebook is “used to spread ethnic stereotypes, exchange ethnic-based insults, propagate misinformation and incite violence”. The network’s algorithms heighten tensions. Some observers think that this is not an unfortunate error, but a conscious strategy.

Unlike Europe, Africa rarely questions the omnipotence of social media. In an exchange of open letters between Springer CEO Mathias Döpfner and EU Commission President Ursula von der Leyen in early 2021, the necessity of limiting the power of tech companies was debated. Döpfner warned above all against

surveillance of citizens, although the preservation of economic power of media companies, like the one he heads, was certainly also a (legitimate) concern.³ Von der Leyen spoke of the necessity of “limiting” the power of tech companies⁴. But such discussions remain remote from Africa and its realities.

The option of ignoring Facebook, or even leaving it behind, is a Western privilege, as digital expert Rosemary Ajayi explains. For many people in Africa, the services of Facebook, Instagram, and especially WhatsApp have no alternative – not least because they are so cheap. In Africa, too, Facebook portrays itself as the great contact machine that brings people together who have lost touch with each other or who find each other on Facebook in the first place. The network presents itself as very modern and hip, and the African Facebook headquarters in the Bryanston suburb of Johannesburg sells itself in press and PR reports as people-oriented, a place where people get together in modern conference rooms with melodious names such as Tshongololo and Timbuktu. Facebook’s failings and the great security threat it poses to already fragile African states are not welcome topics of discussion. Kojo Boake, who heads Facebook’s Africa Policy team in London, explicitly declined an interview for this article with the Konrad-Adenauer-Stiftung’s Sub-Saharan Africa Media Programme.

Meta’s secrecy, smacking of sectarianism, may in individual cases make its power appear greater than it actually is. But Meta CEO Mark Zuckerberg has set global digital dominance as a goal. This involves making Facebook and Meta products accessible even to those who otherwise would have no access for technical or economic reasons. That is why Facebook established the Free Basics Initiative. Users download an app that gives them access to a few selected sites. Wireless providers charge no fees for the app. Users who want to access sites not included in the app are asked to buy data. What remains opaque is who has selected what internet sites for the app and why.⁵ In June

2020, the Free Basics Initiative was running in 32 countries in Africa. Kenyan author Nanjala Nyabola says that Facebook’s power is growing in Africa, but it is happening under the radar.⁶ Yet, she notes, “Zuckerberg doesn’t get Africa after all”. Many telecommunications companies cooperating with Facebook in the Free Basics Initiative are government-controlled or partially government-owned. This means that Facebook chooses which news or products a user in a slum in Nairobi or Abidjan receives. The system influences purchasing decisions, but also political attitudes towards events in the users’ area. For instance, if one searches for “Kenya Airways” online, one reads critical reports about the troubled airline, its poor service, and constant delays. Yet the same search through Free Basics returns only the airline’s website and flight offers. In India, Meta’s Free Basics Initiative failed and had to cease operations. What *The Economist* wrote about Facebook also applies to the initiative: “a few unelected and unaccountable executives are in control”.⁷

Authors Sheera Frenkel and Cecilia Kang warn that Facebook is “the world’s biggest testing lab, with a quarter of the planet’s population as its test subjects”.⁸ It could become a “digital Frankenstein”. One of the biggest problems is that Meta’s executives are not even aware of what is happening in other languages on their networks.

Awareness of the Problem Remains a Challenge

In Africa, too, awareness of social media’s dangers is not as great as satisfaction with the opportunities it offers. At first, there was very great joy, including among intellectuals, that the bonds of censorship were loosening. Botswanan media manager Joel Konopo wrote that “It’s difficult for African governments to ignore 500 million liberated voices.”⁹ Nic Cheeseman of the University of Birmingham recalls that it was taken for granted that new technological capabilities would strengthen democracy. Today, he says, there are far more pessimists. “WhatsApp is a disruptive technology that challenges existing hierarchies in ways that are simultaneously

emancipatory and destructive.”¹⁰ Thus “[t]he emancipatory effect of WhatsApp will be most significant in authoritarian countries marked by repression and censorship”. Its “destructive potential [...] is likely to be greatest” in countries that are fundamentally democratically oriented, but in which “public trust in political institutions [is] low”. A study conducted by the University of Johannesburg and Africa Check on the effects of WhatsApp¹¹ shows that encryption leads to greater secrecy, not least in the form of forwarding false information, which is then not corrected despite better knowledge, resulting in a vicious cycle.

Due to fears of an African version of the “Arab Spring”, most Sub-Saharan African governments are primarily interested in surveillance.

Most African rulers have fewer problems with Facebook and other Meta products than with their neighbours, says Justine Limpitlaw,¹² a media law expert at the University of the Witwatersrand, South Africa.¹³ The media law situation is worst in Eritrea, she says, since citizens there do not even have access to the internet. The situation in Ethiopia has also deteriorated dramatically. Kenya, on the other hand, impresses her. South Africa is doing relatively well, with the best data protection laws on the continent, although the security services simply do not apply these useful rules.

Due to persistent fears of an African version of the 2010 “Arab Spring”, most Sub-Saharan African governments are primarily interested in surveillance. The need to protect citizens from cyberbullying, internet fraud, and fake news is largely ignored. Instead, social media activities are impeded to a very great degree by such measures as a social media tax in Uganda and mandatory blogger licensing in Tanzania.

Politicians in Africa do not necessarily understand how social media work. But they know that they need it. Nigerian President Buhari was affronted by Twitter when one of his tweets was deleted because of a derogatory comment about the Igbo ethnic group. Buhari’s comment was reminiscent of the Biafran War of the 1960s. The reaction of the president of the most populous African country was not long in coming: access to Twitter was blocked in Nigeria. Besides appearing infantile, the move caused a surge in virtual private network (VPN) downloads in Nigeria. Such secure channels allow access to blocked sites, such as Twitter.

The American social network Twitter, which has been successful at giving itself a much friendlier image than Facebook, but which nevertheless allows its algorithms to make some fairly questionable decisions, installed a team in Ghana with the justification that the country protects freedom of speech and guarantees freedom on the internet.¹⁴ Meanwhile in 2021, Twitter blocked an issue of *The Continent*, a pan-African WhatsApp newspaper, because it contained Bill Gates’ name and discussions about his medical programmes in Africa. The newspaper had included an interview with Gates; however, the algorithm had simply detected criticism of Gates and blocked it – with predictable consequences for sales and advertising of the issue in question. Since Elon Musk announced the takeover of Twitter, there has been a great amount of insecurity, also among Twitter employees, who have since declined to talk to critics, saying they first have to wait and see how the network’s policies develop.

Many academics and journalists on the continent who are trying very hard to limit the negative effects of social media also believe there is ultimately no way of combatting them. In 2019, the Konrad-Adenauer-Stiftung’s Media Programme was invited to Addis Ababa to discuss a new Ethiopian media law with German experts and Ethiopian jurists, editors-in-chief, and university lecturers. Abiy Ahmed had recently become prime minister of Africa’s second-largest country. He had released jailed

journalists and bloggers, and promised that everything would get better. The discussion in Addis Ababa was about the Ethiopian and German situations, which were certainly difficult to compare because there was very little printed media in Ethiopia, on top of which the internet had been repeatedly controlled, and even shut down. Moreover, many heads of Ethiopian media companies saw their role primarily as representatives of their own business interests, rather than warriors for truth.

Digitally Fanning the Flames

A constant throughout the discussions was the significant concern regarding the uncontrollable power of the tech giants. In the Ethiopian Highlands, Facebook and YouTube in particular are not only used for posting shopping tips and wedding wishes, but also for political and ethnic agitation. Gangs from the two largest groups, the Amhara and the Oromo, use Facebook to plan brutal actions against one another.

Prime Minister Ahmed used to work in military intelligence, where he was responsible for controlling the internet. Several times he had shut it down completely in order to (officially) calm the situation in the country. Yet none of this changed the feeling of paralysis on the part of the political and media class, of being completely at the mercy of uncontrollable forces.

It sometimes appears that the world is getting to be too much for Facebook and its more than 30,000 employees.

A Google manager, at the 2019 International Press Institute World Congress in Geneva, when asked how many moderators Google had who could speak Amharic, appeared perplexed and replied that there were none as far as he knew. In the meantime, that may have changed for some social media giants. But the fact remains that content moderation is often used as a fig-

leaf and remains insufficient for the gigantic mass of racist or inciting content requiring moderation.

Facebook's moderation of posts from embattled parts of the world, such as Ethiopia – so far removed from the artificial reality of Silicon Valley – continues to be inadequate. This is compounded by a lack of sufficiently qualified employees with historical and political knowledge, but especially of psychological understanding and intercultural abilities. It sometimes appears, as authors Frenkel and Kang say in their book “An Ugly Truth”, that the world is getting to be too much for Facebook and its more than 30,000 employees.¹⁵ Moreover, an apolitical boss like Mark Zuckerberg models to employees that politics and whatever happens out there in the world is fundamentally unsavoury, and in any case far removed from the reality in the US.

Zuckerberg and manager Sheryl Sandberg have publicly expressed regret that Facebook failed to confront, moderate, or delete posts calling for the murder of Muslim Rohingya in Myanmar. The Economist reports that, since 2010, Facebook has failed to moderate its content actively and effectively.¹⁶ Indeed, Facebook always regrets when a new security breach arises – be it when Russian internet trolls influence the American elections, or when Holocaust deniers propagate their crude theories. Yet Facebook's algorithms appear to favour such uproar, up to and including calls to murder Muslims; it all seems to be part of the business model. After all, the greater the number of people viewing the image of a dead Burmese, the greater the potential business success.

Myanmar is a long way from Palo Alto. At least as far as the Ethiopian highlands. The civil war led by Prime Minister Abiy Ahmed against his former allies from Tigray, is being fought not only in Lalibela and other holy sites of Ethiopian Orthodoxy, but also on the internet, especially on Facebook. After viewing documents by whistleblower Frances Haugen in 2021, The Continent reported that Facebook is intentionally

failing to do what is necessary to take such measures as deleting calls for murder.¹⁷ “[I]t appears that the prevalence of hate speech and disinformation on Facebook is not a bug. It’s a feature,” say the Continent authors. An official information request by the Konrad-Adenauer-Stiftung’s Media Programme to Kojo Boake, Facebook’s Public Policy Director in London, asking, among other things, how many moderators speak Amharic, received the answer that Facebook is not in a position to respond to the request at this time.

Rosemary Ajayi of the Digital Africa Research Lab¹⁸ says that “Facebook’s poor handling of the Ethiopia crisis” should be a warning to the rest of Africa “because it is indicative of the quality of response we are likely to see in other

African countries”. In October 2020, Facebook proudly announced that it had hired more moderators who spoke Swahili, Amharic, Zulu, Somali, Oromo, and Hausa. But the reality of content moderation does not seem to reflect this.¹⁹ The case of Ethiopia is just one example of the company’s paternalistic treatment of other world regions. Research by Time magazine in early 2022 showed that moderation of controversial content is outsourced to external companies.²⁰ Time reported 200 young men and women working as moderators for eleven different African languages in Nairobi. They view brutal videos and messages for Sama, a Kenyan company based in California, which in turn is commissioned by Facebook to moderate content on the African continent. The working conditions in Nairobi described by



Will the top dog soon come from China? According to experts, TikTok has great development potential in African countries. Whether the success of the platform from that one-party state will bring progress in terms of freedom of opinion is questionable, however. [Source: © Florence Lo, Reuters.](#)

Time suggest that, in addition to trauma that occurs from constant viewing of violence, the sheer volume of posts to be assessed makes the work impossible. The company in Nairobi apparently assesses the lion's share of critical posts from Africa. Just imagine: there are more than 250 million Facebook users in Sub-Saharan Africa, where Facebook remains the most important social media company, although the American company is likely to lose this position to TikTok over the next few years. And their posts (many users post multiple times per day) are being checked by just 200 moderators?

Many African governments fear critical bloggers and influencers more than societal disintegration due to social media.

After each scandal that influences an election or costs lives, Mark Zuckerberg and others promise that more money will be invested in security. For instance, in 2021, Facebook is thought to have spent five billion US dollars for security measures, and hired 15,000 more moderators worldwide. Facebook does not provide exact numbers, and it must be assumed that the mass of the moderators work with English-language posts, primarily in the US and Western Europe, where pressure from legislators and governments is particularly great to limit the company's power or, as proposed in the US, even to break the company up. That is also why investigators are looking especially hard, and why Meta is working especially hard at its explanations, moderation, and lobbying. In Africa, the company seems not to think that such efforts are necessary.

Many African governments fear critical bloggers and influencers more than societal disintegration due to social media. There is scarcely any political awareness of the dangers. In a country

like South Africa with a broad middle class and relatively high standards of education, social media posts feature more racism and sexism than those of any other country on the continent. The Johannesburg Holocaust and Genocide Centre and the University of Cape Town are conducting a study on narratives and recurring stereotypes in posts. Dr. Gavaza Maluleke and Professor Adam Mendelssohn are heading a team of coders representing all of South Africa's skin tones and social classes. A white person from the South African upper class does not necessarily understand the connotations of expressions used in poor districts, and vice versa. Besides the fact that many of the very dedicated coders report that the work concerns them and causes them to reflect on their own prejudices, many multipliers in South Africa are surprised at the number of posts that are justiciable. Yet the widely praised South African justice system is overwhelmed by the sheer volume. Still, sometimes a judge will sentence someone who denies the Holocaust or posts racist comments to a few days of reflection at the Holocaust and Genocide Centre in Johannesburg, where director Tali Nates, daughter of one of the Jews saved by Oskar Schindler, explains not only the Shoah, but other crimes against humanity such as the Armenian genocide, apartheid in South Africa, the 1994 genocide in Rwanda, and the Srebrenica massacre.

Who Can Stand Up to Facebook?

It is of course not only in Sub-Saharan Africa that tech giants feel invincible. The Australian government's dispute with Google and Facebook about dissemination of, and potential payment for, Australian and other media content is an example.²¹ While the tech giants may have got a bloody nose in the process, it will not be their last attempt to disseminate for free content that others pay for. But there is not a single government on the African continent that would stand up for the interests of their citizens and media companies as the Australian government did. That makes it much easier for the large social networks, and they can be more cavalier and ruthless than, for example, in Australia.

Mark Kaigwa, head of Nendo, a digital consultancy in Nairobi, views worries about citizen data security as a Western privilege. “These worries about security on the internet are only for those who can afford larger quantities of pre-paid mobile data,” he notes. And that is just where companies like Facebook and TikTok come in: a majority poor population desirous of participating in the world, coupled with African rulers whose interests do not lie in protecting their citizens from cyberbullying or fake news – such a situation presents these companies no obstacle. If a mobile subscriber has no other currency than sharing their own data, then of course that is the form of payment they will use.²²

It seems young users cannot choose but between digital pest and cholera.

The timing of when Facebook will be seen in Africa, like it is in Europe, as the network of the older generation depends largely on the further development of YouTube and TikTok. For Kaigwa, they have the greatest potential on the continent. Writing in *African Business*, Will McBain outlines TikTok’s advantages: “African governments’ cosy relationship with China may protect [TikTok] from the occasional social media bans that blight the continent’s digital landscape.”²³ The company was founded in 2016, and by April 2020, its app had been downloaded more than two billion times. TikTok’s management considers Africa its largest growth market, spurred by increasingly affordable internet-enabled smartphones made in China. Beijing has purchased a one per cent share of Byte Dance, TikTok’s parent company, giving it a seat on the board, which has only three members. In 2020, Statista identified a TikTok market share of just under 32 per cent, with technical centres in South Africa, Nigeria, and Kenya. As an explanation for TikTok’s success, McBain quotes Scott Thwaites, Head of Emerging Markets for

TikTok Global Business Solutions: “[V]ideos are recommended based on what – rather than who – you like.”

Is it a coincidence that Senegalese-born Khaby Lame has the second highest count of TikTok followers globally at 138.3 million? He lives in Italy and makes videos of everyday problems, large and small. It is just these short clips, which hurt nobody, often verging on banality, that make TikTok successful. The fact that TikTok deletes certain terms related to issues that could displease Beijing, like those concerning the Uyghurs, causes neither protest nor outrage in Africa. The majority of TikTok users are between 18 and 24, and the short clips show lots of dancing, mime, and self-promotion. But there are already efforts to bring short news broadcasts to users on TikTok. TikTok poses both a personal risk of addiction and a geopolitical threat because Beijing’s faith in the internet is associated with an anti-liberal ideology, as Harvard lecturer Niall Ferguson warns.²⁴ The competition here is between a censoring TikTok, controlled by Beijing and opposing free debate, and US-American Facebook, whose interest is in click counts and whose algorithms therefore favour violence and brutality. It seems young users cannot choose but between digital pest and cholera.

Why are there still no European search engines? Or a service that is as popular as Facebook?²⁵ Instead, secretive companies from the US, the motherland of modern democracy, and the People’s Republic of China, a dictatorship, dominate. The attempts of individual governments, such as Ethiopia’s, to found their own social networks may meet with derision because they appear technically helpless. But they also appear to be the expression of deep insecurity concerning the fragility of social cohesion in societies that are already economically and ethnically polarised. Nick Clegg, the sleek former Deputy Prime Minister of the United Kingdom and now one of Facebook’s presidents, says, “I would love to see the next Google or Alibaba emerge in Europe.”²⁶

That sounds generous and pro-competition, but does not change the dominance Facebook exercises. Frenkel and Kang write, “Facebook had become as powerful as a nation-state, bigger than the most populous country in the world. But nations were governed by laws, and their leaders invested in public services like firefighters and police to protect their citizens. Zuckerberg wasn’t taking any responsibility to protect Facebook’s members.”²⁷ Clegg, who is such an important lobbyist for Meta, then says soothingly, “Private companies really shouldn’t make such important, far-reaching decisions on admissibility of content by themselves.”²⁸

If Europe is about to lose Africa, it is also because it does not behave in the same casual manner as Silicon Valley and Beijing. Yet solutions from Europe could be more convincing than a Mark Zuckerberg or a Xi Jinping striving for dominance. It is a comfort to know that some of Africa’s elites agree. Unfortunately, there are fewer and fewer of them.

- translated from German -

Christoph Plate is Head of the Konrad-Adenauer-Stiftung’s Sub-Saharan Africa Media Programme based in Johannesburg, South Africa.

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Konrad-Adenauer-Stiftung e.V.
Klingelhöferstraße 23
10785 Berlin
Phone +49 (0)30-269 96-33 88
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