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Peace and Security in 2022

Overview of EU action and outlook for the future

STUDY

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Peace and Security in 2022

Overview of EU action and outlook for the future

At a time when Russia has brought war back to the European continent, this, the fifth, Peace and Security Outlook produced by the European Parliamentary Research Service (EPRS) seeks to analyse and explain the European Union's contribution to the promotion of peace and security internationally, through its various external policies.

The study provides an overview of the issues and current state of play. It looks first at the concept of peace and the changing nature of the geopolitical environment as European security faces the most tangible military threat since the end of the Cold War. Russia's war on Ukraine compounds the challenges to peace and security already accentuated by the coronavirus crisis. The study follows the logic of the annual series, by focusing on the promotion of peace and security in the EU's external action. Linking the study to the Normandy Index, which measures threats to peace and democracy worldwide based on the EU Global Strategy, each chapter of the study analyses a specific threat to peace and presents an overview of EU action to counter the related risks. The areas discussed include violent conflict, proliferation of weapons of mass destruction, climate change, cyber-attacks, disinformation, and terrorism, among other issues. The EU's pursuit of peace is understood as a goal embodied in several EU policies, including development, democracy support, humanitarian assistance, security, and defence. The study concludes with an outlook for the future.

A parallel study, published separately, focuses specifically on EU peace-building efforts in the Eastern Neighbourhood. The studies have been drafted as a contribution to the Normandy World Peace Forum scheduled for September 2022.

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This paper is an updated version of 'Peace and Security in 2021', and has been prepared in advance of the Normandy Peace Forum scheduled for September 2022. It was drawn up by the Members' Research Service, within the Directorate-General for Parliamentary Research Services (EPRS) of the Secretariat of the European Parliament.

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Executive summary

Russia's war on Ukraine has shattered assumptions and expectations about protracted peace in the wider European space. It has stimulated serious reflection about the instruments and tools available to safeguard peace in times of contestation between great powers and of weakened multilateral institutions, phenomena that have been observed consistently throughout the past decade.[1]

At the same time, the promotion of global peace and security continues to be a fundamental goal and central pillar of European Union (EU) external action, following the model of its own peace project. Both within and beyond the EU, there is a widespread expectation among citizens that the Union will deliver results in this crucial area. Nevertheless, as the security environment poses what could be the most significant challenge to security in the post-Cold War period, the EU is urgently intensifying its work for peace and security in a number of key policy areas.

According to the Global Peace Index (GPI) 2022, the state of peace in the world deteriorated slightly in 2021, continuing a long-standing trend.[2] In addition, multilateralism, a core element of EU foreign policy and identity, and a cornerstone of its approach to peace and security, is under increasing pressure from alternative value systems and ideologies; a situation that has been exacerbated by the effects of the pandemic.

Even before the launch of Russia's war, the coronavirus crisis had accelerated these pre-existing trends, which were already signalling the advent of a more competitive and less secure international geopolitical environment. In response to these trends, the European Commission under President Ursula von de Leyen, with the support of the European Parliament, committed to reinforcing the EU as an external actor, able to act more strategically and autonomously, while fully upholding the fundamental values stipulated in the founding Treaties, including the achievement of peace. To this day, the over-arching values and objectives of the EU guide all facets of its external action, including common foreign and security policy (CFSP); democracy support; development cooperation; economic, financial and technical cooperation; humanitarian aid; trade; and neighbourhood policy.

While the promotion of peace remains the objective of EU foreign policy, achieving it is also linked to understanding peace and its components. Thus, measuring peace and the threats that challenge it is becoming an increasingly relevant exercise. In that context, the Normandy Index attempts to measure threats to peace based on variables identified in the EU Global Strategy. The EU Member States, supported by the European External Action Service (EEAS), conducted a comprehensive threat analysis in 2020, as part of the development of the EU Strategic Compass, which was adopted by the Council and endorsed by the European Council in March 2022.

The EU's contribution to countering threats to peace, security and democracy globally has grown significantly through legislation, financing and the creation of new structures and initiatives. A significant share of EU aid goes to fragile states and to issues related to securing peace. The EU's 'new consensus on development' emphasises the role of development cooperation in preventing violent conflicts, mitigating their consequences and aiding recovery from them. On the ground, the EU has been able to strengthen the nexus between security, development and humanitarian aid through the implementation of comprehensive strategies, for example in the Horn of Africa and in the Sahel. Through its common security and defence policy (CSDP), the EU runs 18 missions and

[1] For detail, see previous editions of this study.

[2] However, this year's global peace index does not fully reflect the impacts of the war in Ukraine. According to the report, 'the outbreak of war in Ukraine has impacted global peacefulness in multiple ways, much of which will be captured in next year's GPI'. This is also the case for other datasets presented in this study.

operations, making it one of the United Nation's main partners in peacekeeping. To help partners withstand sometimes violent attacks on their democratic structures by domestic illiberal forces and external authoritarian powers, the EU has been strengthening its tools to support democracy all over the world.

In 2021, the EU continued to advance its work on countering new threats to peace, such as disinformation, cyber-attacks and climate change. New elements strengthening EU security and defence capabilities were implemented with the aim of boosting EU strategic autonomy, including its capacity to work for peace and security. These elements of 'hard power', together with the EU's long-standing experience in the practice of soft power, form the backbone of its action for peace and security.

The EU also continues to be a staunch promoter of multilateralism at global and regional levels to counter global threats, such as the proliferation of weapons of mass destruction, terrorism and global health crises, including the economic and humanitarian consequences of the coronavirus pandemic across the world. The EU's immediate neighbourhood is a consistent focus in its work, with the aim of building resilience and upholding peace and democracy, both now seriously challenged at the EU's eastern border by Russia's war on Ukraine.

Looking to the future, peace and security are increasing in complexity. Even in Europe, the war in Ukraine has shown that the assumption of sustained peace can no longer be taken for granted. The effects of the war on Ukraine reverberate around the world in the form of diminishing food and energy security, inflationary pressures, economic crises and global polarisation. New types of threats and destabilising factors such as pandemics, climate change, foreign interference in democracy, cyber-attacks and bio-terrorism, as well as various types of hybrid warfare, call for innovative thinking and new types of resources and solutions. While the EU has made significant progress in furthering its aim of strengthening its presence and efficiency in the area of peace and security, more remains to be done. The 2021-2027 multiannual financial framework (MFF) is focused on streamlining the EU's programmes and instruments to allow for sufficient flexibility to respond to unforeseen threats, while also implementing innovative financial instruments.

While the EU's quest for flexibility, efficiency and innovation in recent years has been underpinned by the strategic goal of empowering the EU in its global role as a promoter of peace and security, no event has made the urgency of this challenge as evident as Russia's war on Ukraine. While adapting to the new realities of the international order and the rapid technological, environmental and societal changes of our times, the war has also precipitated bold and rapid change in the EU's capacity to act for peace and security, such as unprecedented sanctions and support for substantial arms deliveries. Adapting to the rapidly transforming world has meant that the EU has to become a more autonomous, strategic and holistic actor for peace and security by bringing together elements of normative, soft and hard power with steadfastness and resilience.

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List of main acronyms used

ATT	Arms Trade Treaty
CARD	coordinated annual review
CBRN	chemical, biological, radiological and nuclear
CFSP	common foreign and security policy
CSDP	common security and defence policy
DCI	Development Cooperation Instrument
ECHO	European Civil Protection and Humanitarian Aid Operations
EDA	European Defence Agency
EDTIB	European defence technological and industrial base
EEAS	European External Action Service
EEC	European Economic Community
EFSD	European Fund for Sustainable Development
EFTA	European Free Trade Association
EIDHR	European Instrument for Democracy and Human Rights
ENI	European Neighbourhood Instrument
EOM	electoral observation mission
ESS	European security strategy
EUCAP	EU capacity-building mission
EUGS	Global Strategy for the European Union's foreign and security policy
EUISS	European Union Institute for Security Studies
EUNAVFOR	EU Naval Force
EUTM	EU training mission
GDP	gross domestic product
GPI	Global Peace Index
IAEA	International Atomic Energy Agency
IcSP	Instrument contributing to Stability and Peace

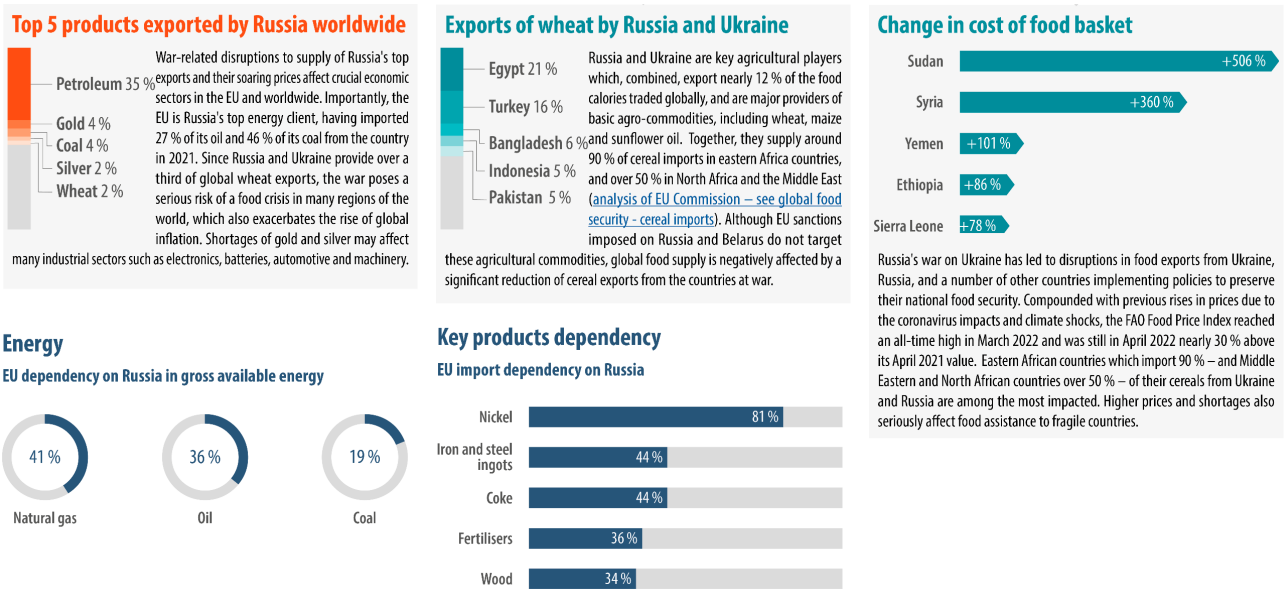
IEP	Institute for Economics and Peace
INF	Intermediate-range Nuclear Forces Treaty
INSC	Instrument for Nuclear Safety Cooperation
INTPA	European Commission Directorate-General for International Partnerships
IPA	Instrument for Pre-accession Assistance
JCPOA	Joint Comprehensive Plan of Action with Iran
MERCOSUR	Mercado Común del Sur
MFA	macro-financial assistance
MFF	multiannual financial framework
NATO	North Atlantic Treaty Organization
NDICI	Neighbourhood, Development and International Cooperation Instrument
NPT	Treaty on the Non-Proliferation of Nuclear Weapons
ODA	official development aid
PCIA	peace and conflict impact assessment methodology
PESCO	permanent structured cooperation
SDGs	UN sustainable development goals
SHARE	EU initiative for supporting the Horn of Africa's resilience
TEU	Treaty on European Union
TPNW	Treaty on the Prohibition of Nuclear Weapons
UN	United Nations
UNGA	United Nations General Assembly
WEF	World Economic Forum
WMDs	weapons of mass destruction

1. Introduction

1.1. Peace and security under the shadow of Russia's war on Ukraine

The attack on Ukraine launched on 24 February 2022 marked a paradigm shift in the EU's thinking about peace and security. Russia's unprovoked and unjustified invasion of Ukraine, shattered long-held views that war in Europe was a 'thing of the past'. The full spectrum of global repercussions of the war is still unknown, but its multiple domino effects, challenging European and international peace and security, continue to unfold: economic crises, energy shortages and food insecurity are some of the many such effects which are known to function as multipliers of conflict and instability (see Figure 1).

Figure 1 – Effects of Russia's war on Ukraine



Data source: EPRS, 2022

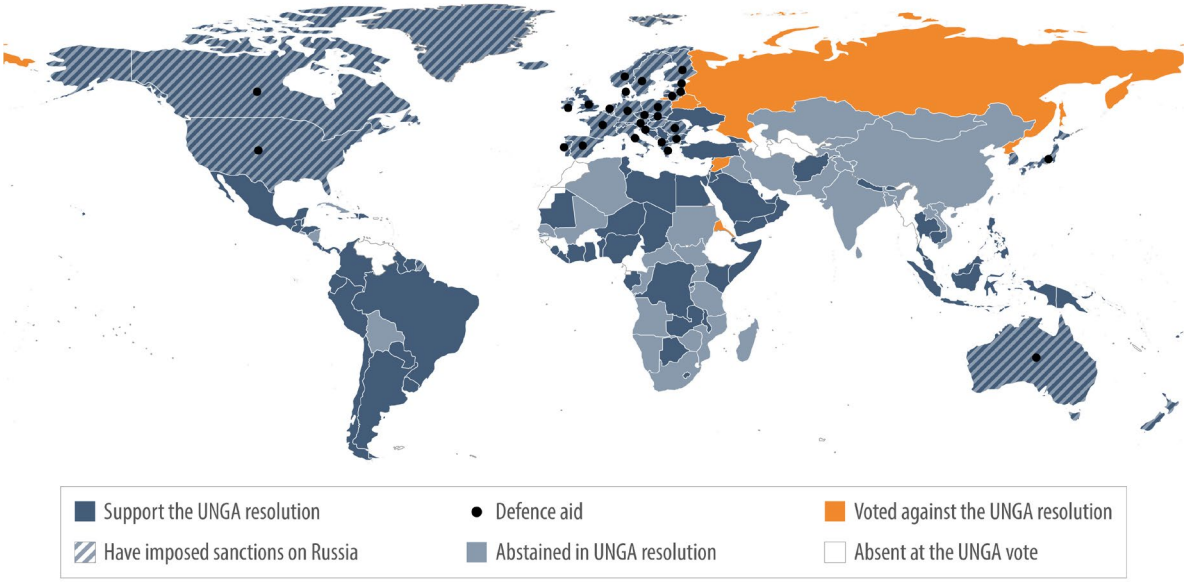
Moreover, as a manifestation of a widening rift between authoritarian states and liberal democracies and of heightened competition among the world's great powers, the war also challenges the ability of multilateral institutions to safeguard world peace. Some of the new dividing lines became evident when, on 2 March 2022, the United Nations General Assembly (UNGA) convened in a special session, and adopted with a broad majority (141 votes in favour, 5 against, with 35 abstentions and 12 absentees), resolution ES-11/1 reaffirming Ukraine's sovereignty and territorial integrity. The resolution condemns Russia's invasion of Ukraine and calls for the unconditional withdrawal of Russian forces from Ukraine (see Figure 2). Russia's United Nations Security Council veto on action on Ukraine adds renewed momentum to longstanding debate about the reform of that body and of the UN more widely, including European Parliament calls for comprehensive reform.[3] As several analysts maintain, the war on Ukraine has further exposed the geopolitical fault lines and great

[3] I. Zamfir, European Union involvement in the United Nations system, EPRS, European Parliament, September 2020.

power rivalries of the current environment, which challenge the capacity of multilateral institutions to act as loci of crisis management and of consensual solutions.[4]

The European Union (EU) has condemned the Russian military aggression against Ukraine in the strongest possible terms. In the face of an attack on their neighbouring country, the 27 EU Member States (EU-27) reacted with unprecedented unity to provide humanitarian, financial, diplomatic and even military support to Ukraine and to support the resilience of other countries in the region.[5] The EU has leveraged its partnerships around the world by coordinating swiftly and consistently with its partners on all these fronts.

Figure 2 – International reactions to Russia's war on Ukraine
(UNGA resolution A/RES/ES-11/1)



Source: EPRS 2022.

Russia's actions and their consequences bring traditional warfare back to European debates, as the most pressing threat to peace and security. However, they do not occur in a vacuum. The Covid-19 outbreak, now into its third year, has also fundamentally altered understandings of security and has led thinking about how to preserve security in the face of new frontlines linked to digital, environmental and supply chain issues, among others. The pandemic, the subsequent national lockdowns and their implications for people, the economy, societies, ideas and identities, have spurred a rethink of notions that had become part of the policy community's glossary. Globalisation, freedom of movement and individual liberties have had new nuances attached to them. At the same time, the impact of Covid-19 on the economy, disinformation, cybersecurity, democracy, state fragility, energy insecurity, violent conflict, terrorism, and weapons of mass destruction, illustrate the scale of the challenges to the promotion of peace and security, one of the main goals of the EU

[4] E. Lazarou, The Future of Multilateralism and Strategic Partnerships, EPRS, European Parliament, September 2020.

[5] The support provided to Ukraine is analysed in detail throughout this study.

and its foreign policy. Alarmingly, the same categories of threats, accentuated by the pandemic,[6] are those that now grow due to the war to Europe's east.

Both events, the war and the pandemic – and not least their quasi-simultaneous occurrence – have exposed a key weakness in policies pursuing peace, security and prosperity: the ability to deal with the unexpected and the need for preparedness. Preparedness to counter traditional and non-traditional threats – globally and in the EU – has been tested, and found, if not inadequate, then displaying room for improvement. In his address to the UNSC in May 2020, the High Representative/Vice-President Josep Borrell (HR/VP) stated: 'the coronavirus pandemic has laid bare the fragilities of a hyper-globalised and interdependent world. We must learn the lesson and take seriously how human and planetary health are linked, and how inequalities make us more vulnerable'.[7] The pandemic was indeed, a 'wakeup call', in terms of preparedness and resilience, which are prerequisites for the maintenance of peace and security.[8] Russia's war on Ukraine has made the need for resilience even more urgent. However, it has also highlighted the need for capacity to act in the defence of peace. In an address to the European Parliament, on 1 March 2022, the HR/VP unequivocally stated the urgency for the EU to 'amplify our reflection, adjust our means and anticipate our responses'.

In the wake of the pandemic, leaders and experts worldwide acknowledged that threats to peace and security can be caused by non-traditional security threats, such as viruses and extreme weather events. The tragic reality of a (so far) conventional war on the territory of an EU neighbour in the 21st century is a harsh reminder that traditional threats are also here to stay. In a world already marked by heightened geopolitical tensions and declining security guarantees, of war and 'weaponisation of everything',[9] the EU is called upon to realise its maximum potential as an actor in defence of peace and security: in the words of HR/VP Borrell, to speak and to act the language of power.

European public opinion, which has consistently supported the further development of a common EU security and defence policy in recent years, has also largely manifested solidarity for Ukraine. Eurobarometer polls carried out in May-June 2022 with a focus on citizens' attitudes towards the war in Ukraine and the EU response, indicate high and rising public backing for a common security and defence policy among EU Member States.[10] Support for common EU action in the field of security and defence rose from 77 % of respondents in the previous year, to 81 % in the first half of 2022. Even in the Member State with the lowest support for common security and defence policy (CSDP) – Austria – two-thirds of citizens (67 %) express a positive view. The support is almost unanimous in Member States such as Estonia (90 %), Cyprus (89 %), Poland (88 %), Germany (87 %), Spain (87 %) or Luxembourg (86 %).

As revealed in the same survey, a large majority of EU citizens have a positive view of EU measures to respond to the war in Ukraine. Over three-quarters approve of welcoming refugees from Ukraine (88 %), EU economic sanctions against Russia (80 %), EU financial support to Ukraine (80 %), while two thirds agree with the EU financing the purchase of military equipment for Ukraine (67 %). Large majorities also support increasing military cooperation in the EU and reducing energy dependency on Russia.

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6 Peace and Security in 2021: Overview of EU action and Outlook for the Future, EPRS, European Parliament, June 2021.

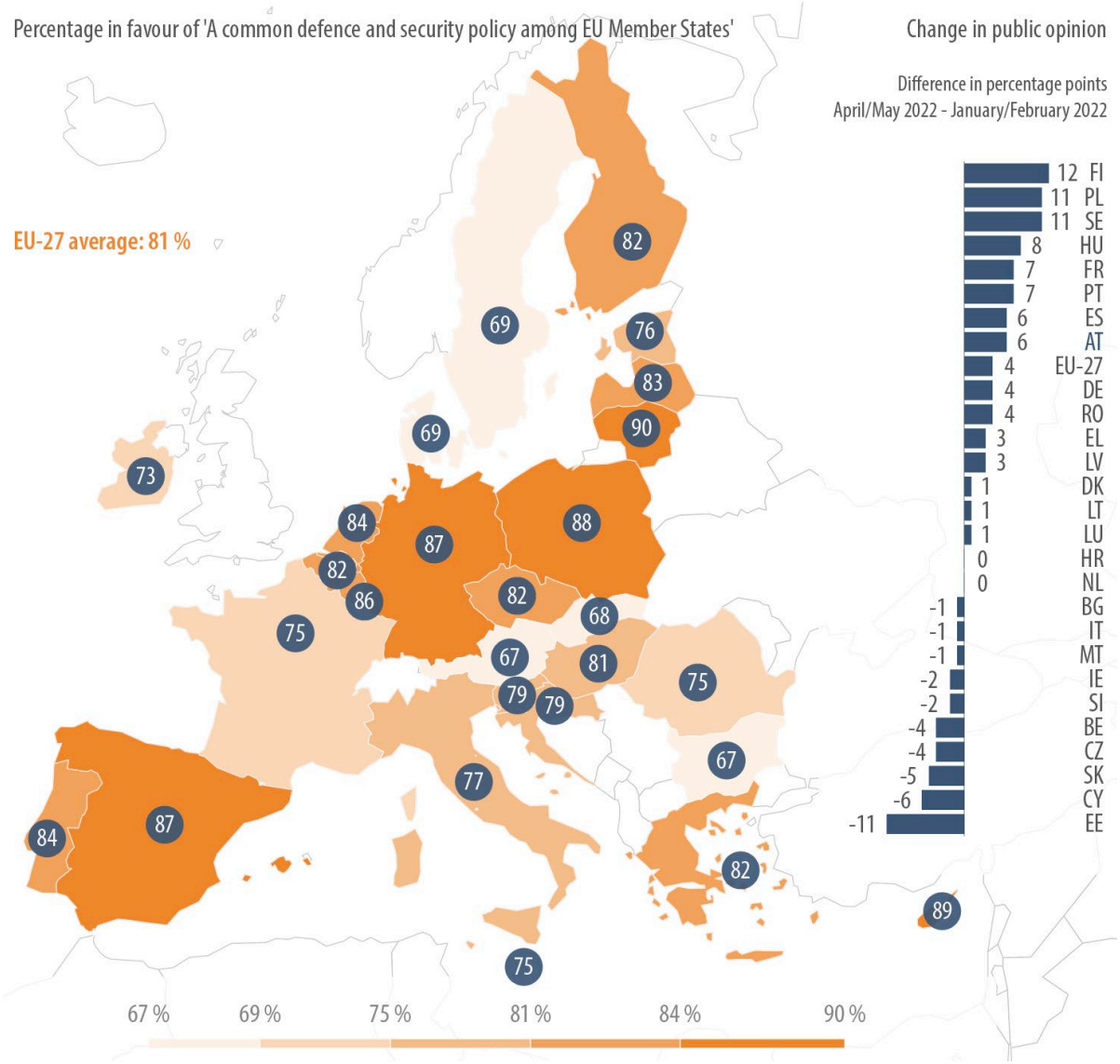
7 EU High Representative/Vice-President Josep Borrell, United Nations Security Council: Opening remarks, May 2020.

8 Josep Borrell Fontelles, European foreign policy in times of Covid-19, EEAS, March 2021.

9 M. Galleoti, *The Weaponisation of Everything: A Field Guide to the New Way of War*, Yale University Press, 2022.

10 Eurobarometer Key Challenges of our Time, June 2022.

Figure 3 – Support for EU policies



Data source: Eurobarometer Key Challenges of our Time, June 2022

1.2. A geopolitical EU and the return of war to Europe in a volatile security environment

'The return of war in Europe, with Russia's unjustified and unprovoked aggression against Ukraine, as well as major geopolitical shifts are challenging our ability to promote our vision and defend our interests'. This is the opening phrase of the introduction to the European Union's European Union Strategic Compass, a document adopted in 2022, and intended to guide the EU's security and defence action for the coming years. Notably, the Compass's stated aim is to achieve 'a European

Union that protects its citizens, values and interests and contributes to international peace and security'.[11]

Figure 4 – EU public opinion on the EU response to the war in Ukraine

Data source: Eurobarometer Key Challenges of our Time, June 2022

While war may be a new element in the EU lexicon, the trend leading to it is not. In fact, for over a decade it has been common to say that the world is leaving a period of relative stability to enter a time of profound transformation of the global order. The past decade has been characterised by volatility and disruption, leading to continual adaptation and transformation at local, regional and global levels alike. For some analysts, global instability has been 'the new normal' throughout the past decade,[12] with disorder and tension having gradually replaced two decades of relative global stability. Since 2012, conflicts have been on the rise, with the number of civil wars and attacks perpetrated by states and armed groups increasing for the first time in a decade. Violent extremism, terrorism and hybrid threats have grown to constitute new sources of major risks to security, peace and stability around the world. In 2021, perhaps unsurprisingly, the World Economic Forum (WEF) ranked infectious diseases as the top global risk in terms of likelihood and impact. Livelihood crises and environmental threats, such as extreme weather events and failure of climate change mitigation

[11] For more on the Strategic Compass, see the chapter on security and defence policy in this study.

[12] R. Muggah, The UN has a plan to restore international peace and security – will it work?, World Economic Forum, 2016.

follow and are joined by weapons of mass destruction as the top existential threat. Cyber insecurity is still one of the top 10 risks and threats.[13]

The multidimensional nature of the emerging threats necessitates new approaches to peace and security, merging conventional notions of power with new scientific methods, including foresight, to assess the impact of variables such as natural resources, demographics and technology in the formulation of policy. In the words of the EU Global Strategy (EUGS), 'we live in a world of predictable unpredictability' (see Figure 6). As early as 2019, the European Strategy and Policy Analysis System report on Global Trends to 2030 suggested that the EU was facing a moment of choice between 'strategic action' and 'strategic inaction'.[14] Beyond the urgent need to address Russia's aggression strategically, dealing with China's global role, population movements, disruptive technologies, accelerating climate change, economic and food crises around the world – to only name but a few challenges – have all brought pressure to bear on the EU to provide for a concrete and targeted EU external action response. An understanding of the current global risks landscape necessitates concepts and knowledge going far beyond the traditional interpretations of war and peace. This is why the European Parliament has undertaken to map the structural risks facing the EU on a regular basis, as well as the EU's capabilities and gaps in its capacity to address these risks.[15] These studies have underlined the need for increased anticipatory governance, structured contingency planning and stress testing of existing and future policies.

In this environment, global actors of all kinds have found themselves in a process of reconsidering and adapting their strategies with regard to security and the preservation of stability. Recognition of new threats to peace and security is reflected in the national security strategies (or equivalent strategic documents) of all the UNSC members, the EU and other G20 states, some of which are summarised in Figure 5. The EU Global Strategy, presented in 2016, echoes concern about the state of the world, labelling the present as 'times of existential crisis, within and beyond the European Union'. The Strategic Compass, which included an unprecedented joint EU-27 threat analysis to produce a shared assessment of the strategic environment, concurs that 'the spectrum of threats has grown more diverse and unpredictable'. These key strategic documents detail threats including: continuing violation of European security in the east; the rise of terrorism and violence in North Africa and the Middle East, as well as within Europe itself; lagging economic growth in parts of Africa; mounting security tensions in Asia; disruption caused by climate change; the exertion of foreign influence through the spread of disinformation; and weapons of mass destruction.

[13] World Economic Forum, Global Risk Report, 2021.

[14] ESPAS report, Global Trends to 2030, 2019.

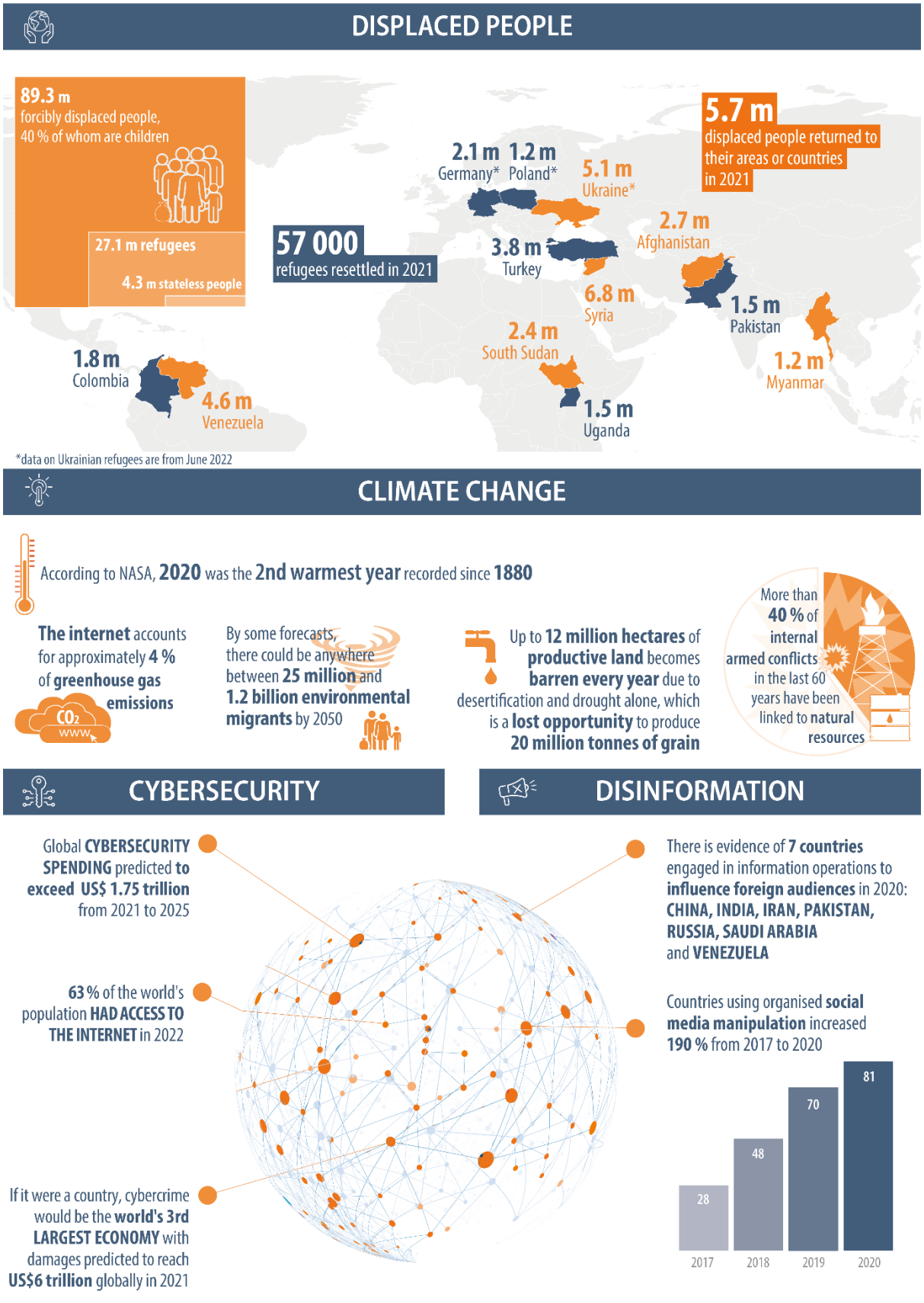
[15] European Parliament, Towards a more resilient Europe post-coronavirus. An initial mapping of structural risks facing the EU, EPRS with DG IPOL and DG EXPO, European Parliament, July 2020; and European Parliament, Towards a more resilient Europe post-coronavirus. Capabilities and gaps in the EU's capacity to address structural risks, EPRS with DG IPOL and DG EXPO, October 2020; E. Bassot and A Cahen, Future Shocks 2022: Addressing risks and building capabilities for Europe in a contested world, EPRS, European Parliament, April 2022.

Figure 5 – Threats to peace and security recognised in strategic documents

EU Global Strategy	UN Security Council					Other G20 countries			
	China	France	Russia	UK	USA	Brazil	Germany	Japan	Australia
Terrorism	√	√	√	√	√	√	√	√	√
Hybrid threats		√		√		√		√	√
Economic crisis		√	√	√	√			√	√
Climate change		√		√	√		√		√
Energy insecurity		√	√	√	√	√	√		√
Violent conflicts	√	√	√	√	√		√		√
Cyber security	√	√	√	√	√	√	√	√	√
Disinformation/ Information warfare		√		√	√	√	√		√
Fragile state		√		√	√	√			√
Transborder crimes		√	√	√	√	√			√
WMDs	√	√	√	√	√	√	√	√	√

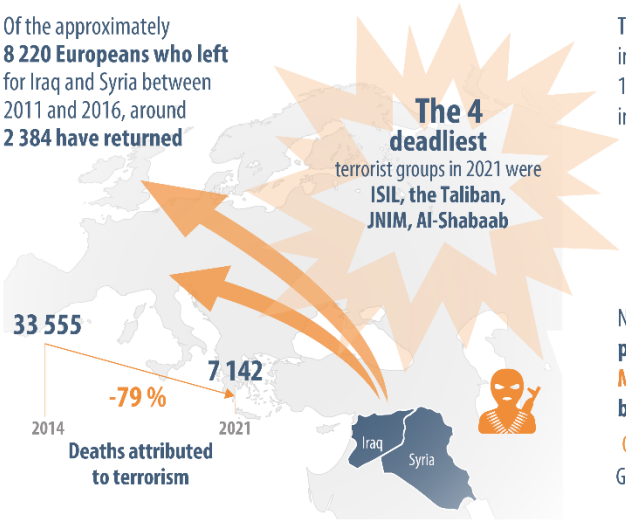
Data sources: EU Global Strategy; China's 2019 National Defence in the New Era; Actualisation Stratégique 2021 (France); *Livre blanc sur la défense et sécurité nationale* (France); Foreign Policy Concept of the Russian Federation; 2021 Integrated Review of Security, Defence, Development and Foreign Policy (UK); Interim National Security Strategic Guidance 2021 (US); *Estratégia Nacional de Segurança Cibernética* and *Estraégia Nacional de Segurança de Infraestructuras Críticas* (Brazil); *Weißbuch 2016 zur Sicherheitspolitik und zur Zukunft der Bundeswehr*; Medium Term Defense Program 2018 and National Defense Programme Guidelines, 2018 (Japan); 2020 Defence Strategic Update (Australia).

Figure 6 – Threats to peace and security in the current global environment



TERRORISM

Of the approximately **8 220 Europeans who left** for Iraq and Syria between 2011 and 2016, around **2 384 have returned**



ENERGY SECURITY

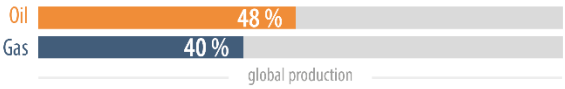
The **quantity of imported natural gas** in the EU more than **DOUBLED** during 1990-2020 period making it the 2nd most imported energy product

+ 1.3 %

After a sharp decline in 2020, primary **energy use** in 2021 was **1.3 % above 2019 levels**

This increase was entirely driven by renewable energy sources

Nearly half of the **world's oil production**, and 39 % of its **gas production**, is located either in the **politically unstable Middle East/North Africa region**, or in **countries targeted by Western sanctions** (such as Russia and Venezuela)



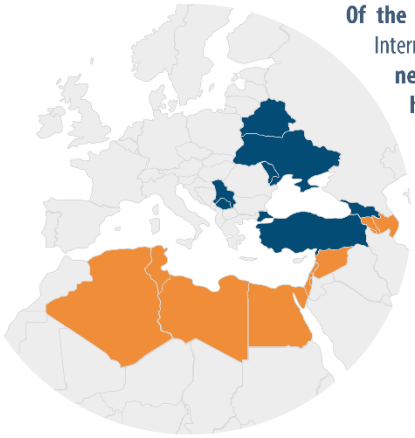
CONFLICT

Estimates show that by 2030, **up to 2/3rds of the world's extreme poor** could live in countries affected by **fragility, conflict and violence**

Demonstrations **rose by 9 %** – or **13 104 events** – in 2021, compared with 2020

Political violence remained at similar levels relative to 2020

Conflicts to watch in 2022 by the International Crisis Group: **Ukraine, Ethiopia, Afghanistan and US-China**

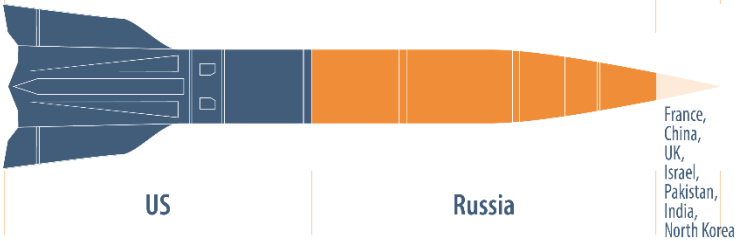


Of the 70+ crises in the world monitored by the International Crisis Group, 15 are in countries that are **negotiating their accession to the EU or that have a European outlook** (Georgia, Kosovo, Moldova, Serbia, Turkey and Ukraine), or in countries that are **covered by the European neighbourhood policy** (Algeria, Armenia, Azerbaijan, Egypt, Georgia, Israel, Libya, Tunisia, Palestinian Authority and Syria)

NUCLEAR PROLIFERATION

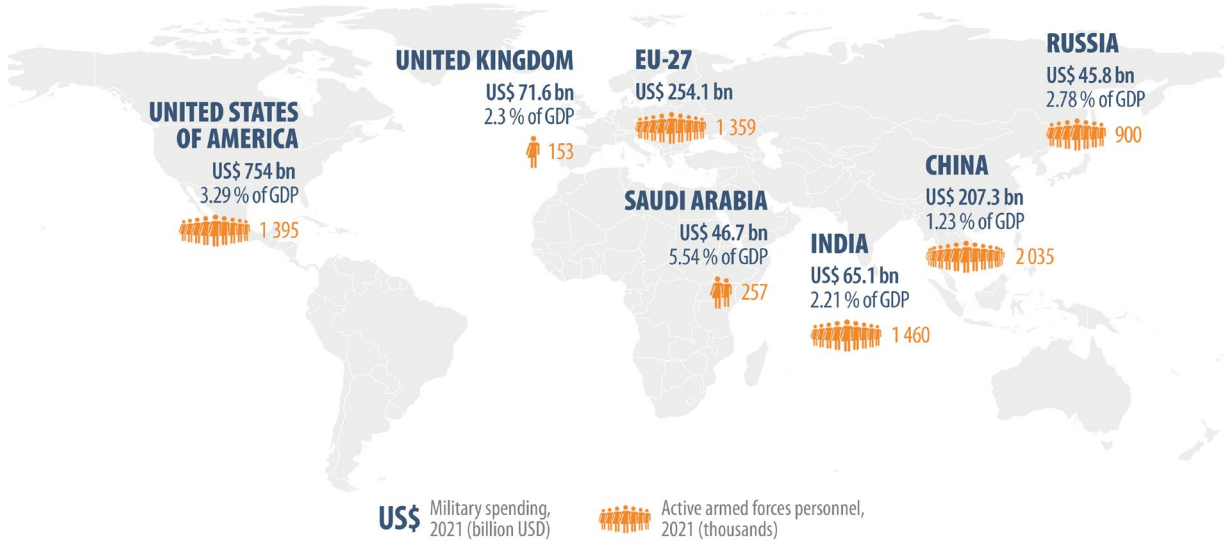
12 700 nuclear weapons worldwide in early 2020

90 % of all nuclear weapons belong to Russia and the US



Data sources: UNHCR, UNHCR Ukraine refugee situation, UN News, NASA, IOM, UNEP, UNCCD, Cyber Security Ventures, Statista, ZDNET, Oxford Internet Institute, Global Energy & CO2 Status Report 2019, Eurostat, NATO, Global Terrorism Index 2022, EUISS, FAS Status of World Nuclear Forces, SIPRI, World Bank, International Crisis Group conflicts to watch in 2021, International Crisis Group Tracking conflict worldwide, BP Statistical Review of World Energy, ACLED Annual Report 2021.

Figure 7 – Military spending of major global actors



Source: IISS Military Balance 2021.

In response to the challenging security environment, global actors such as Russia, China and India, have been boosting their defence spending (see Figure 7) for years. Global military expenditure grew by 0.7 % from 2020 to 2021, reaching the two trillion US dollar mark for the first time (US$2 113 billion). Defence spending in Europe also reached levels not seen since before the financial crisis, with an increase of 24 % from 2011 until 2021, and with a total expenditure of US$254 billion. The EU's response to the need for a stronger and more capable EU in security and defence matters was initiated by the Juncker Commission and is being taken forward by the von der Leyen Commission, which for the first time established a Directorate-General for Defence Industry and Space (DEFIS), operational since January 2020.[16]

The Global Peace Index, an annual report produced by an Australian think tank, the Institute for Economics and Peace (IEP), confirms that in 2022 global peacefulness continues to deteriorate for a third consecutive year.[17] The report also notes that, in 2021, violence (including war) cost the global economy US$16.5 trillion in purchasing power parity terms – equivalent to 10.9 % of the world's gross domestic product (GDP).

1.3. The EU and the pursuit of peace and security: institutional and strategic dimensions

In 2012, the EU received the Nobel Peace Prize for advancing the causes of peace, reconciliation, democracy and human rights in Europe by transforming it from 'a continent of war to a continent

[16] E. Bassot and W. Hiller, The Juncker Commission's Ten Priorities, EPRS, European Parliament, 2018; E. Bassot, The von der Leyen Commission's priorities for 2019-2024, EPRS, European Parliament, 2020.

[17] The deterioration is 'slight', which is likely due to the fact that the report only partially captures the effects of the invasion of Ukraine. See Global Peace Index, Institute for Economics and Peace, 2022.

of peace'.[18] More than six decades after two world wars that had devastating consequences, the achievement of peace in the part of the continent that constitutes the EU is hailed as one of the Union's major achievements, and is enshrined in its Treaty as one of its main aims (Article 3 of the Treaty on European Union – TEU).[19]

The promotion of peace globally is one of the fundamental pillars of the EU's external action. Article 3(5) TEU lists the contribution to peace first among the objectives of the EU's relations with the wider world, alongside security, sustainable development, the protection of human rights and others. These objectives guide the EU in all facets of its external action, including EU common foreign and security policy (CFSP); development cooperation; economic, financial and technical cooperation; humanitarian aid; common commercial policy; enlargement and neighbourhood policy. It follows that the promotion of peace goes hand in hand with any type of EU engagement with the world.[20] In that sense, the EU's foreign policy derives directly from the very nature of the EU itself and its ambition to achieve long-lasting peace through integration. This inherent principle places particular emphasis on multilateral cooperation, the primacy of diplomacy (as opposed to coercion), the use of mediation to resolve conflicts and the promotion of human rights and the rule of law.[21]

Since the CFSP came into being with the Treaty of Maastricht in 1992, it has become increasingly clear that to pursue the aims of its external relations effectively, the Union needs to be able to speak with one voice and take common – or coordinated – action.[22] The first issue was addressed by the Treaty of Lisbon, which created the position of the 'High Representative of the Union for Foreign Affairs and Security Policy' (HR/VP). Appointed for a five-year term, the HR/VP steers EU foreign policy, represents the EU in diplomatic negotiations and international forums, including the UN, coordinates the EU's foreign policy tools, and helps build consensus between the 27 EU Member States. The High Representative, currently Josep Borrell, is assisted by the European External Action Service (EEAS), the European Union's diplomatic service, also created by the Treaty of Lisbon. On a substantive level, the first major effort to strengthen the EU's presence as a global actor, by defining specific principles, aims and tools, was the 2003 European Security Strategy (ESS) and, more recently, the 2016 EU Global Strategy (EUGS).[23] The Treaty of Lisbon also reinforced the European Parliament's powers in the CFSP, creating more space for scrutiny. Parliament also shapes the CFSP through its budgetary powers, which also include the power to decide on the EU financial instruments that sustain the EU's activities outside its territory. Article 36 of the TEU requires the High Representative to consult Parliament regularly on the principal aspects of and choices made under the CFSP, and to inform Parliament of the policy's evolution.

Beyond the CFSP, the EU's pursuit of global peace and security is carried out through a number of its policies (analysed further in this study). The promotion of peace is also the goal of the EU's active participation in mediation and diplomacy, including through the UN.

With the establishment of the common security and defence policy (CSDP) the EU also began to engage in crisis-management activities outside its territory, aimed at 'peacekeeping, conflict

[18] European Union receives Nobel Peace Prize 2012, European Union, Brussels, 2012.

[19] Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union, Official Journal of the European Union, 2016.

[20] I. Manners, Normative Power Europe: A Contradiction in Terms?, Blackwell, 2002.

[21] S. Keukeleire and T. Delreux, *The Foreign Policy of the European Union*, Palgrave Macmillan, 2014.

[22] Common foreign and security policy, EUR-Lex.

[23] P. Pawlak, A Global Strategy on foreign and security policy for the EU, EPRS, European Parliament, 2016.

prevention and strengthening international security' (Article 42(1) TEU), in line with the UN Charter. Today, the EU is a major actor in peacekeeping, through its own peacekeeping operations, as well as together with the UN, with which it has been cooperating systematically at strategic and operational levels. In 2021, the EU and the UN decided to extend this strategic partnership to new priorities, to respond more effectively to the evolving threat landscape and cross-cutting challenges, such as climate change, disruptive technologies and misinformation, and the consequences of the global Covid-19 pandemic.[24] The UN recognises the EU as one of its most important regional partners in peacekeeping, both for its operational capacity but also due to the broad convergence of norms and values. Moreover, the EU and its Member States contribute around 32 % of the funding for UN peacekeeping.[25] Sanctions are also an important part of the EU foreign policy toolbox (see next section).

The commitment to multilateralism is one of the cornerstones of the EU's action for peace and security. Multilateralism lies at the core of the EU's identity, and of its strategy to promote its values and defend its interests. The TEU (Article 20(1)), the 2003 European Security Strategy (ESS), and the 2016 EU Global Strategy (EUGS), as well as the Commission President's political guidelines, reiterate the EU's dedication to the promotion and upholding of the rules-based global order, with multilateralism as its key principle and the UN at its core. In February 2021, the EU adopted a new strategy on strengthening the EU's contribution to rules-based multilateralism, which among other things states that 'in a world of increasing geopolitical tensions, conflicts and threats to international and regional stability, the EU has a deep interest in enhancing its efforts to prevent conflict, promote peace and security, uphold fundamental values and strengthen its capacity to act, together with other partners'.

The EUGS, presented in 2016 by former HR/VP Federica Mogherini, guides the EU's action in all areas of external relations encompassing its work on peace.[26] The EUGS's connected, contested and more complex world remains a reality today, but the need for action has arguably become more urgent. The EU High Representative Josep Borell has emphasised[27] that EU foreign policy is unfinished business and the EU needs to become a real global player. According to the HR/VP, through the Ukraine war, 'Europe's process of learning how to use the language of powers is speeding up'.[28] Although placing greater focus on security and defence policy, the Strategic Compass complements the EUGS by providing a shared threat assessment, as mentioned above, as well as by outlining key plans for action for the preservation of peace and the mitigation of threats.

To implement its strategic goals for the pursuit of peace and security, the EU is mobilising all tools at its disposal in a coherent and coordinated way to strengthen all dimensions of foreign policy in accordance with its values. Coordination and coherence in external action is a key priority in the von der Leyen 'geopolitical Commission'. External policy is therefore systematically discussed and decided upon by the College. A specific Group for External Coordination (EXCO) was created to prepare the external aspects of College meetings on a weekly basis and to enhance coordination

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24 See EU Council, Conclusions on taking the UN-EU strategic partnership on peace operations and crisis management to the next level: Priorities 2022-2024.

25 Reinforcing the EU-UN strategic partnership on crisis management, Factsheet, EEAS, 2020.

26 For more detail, see previous versions of this study, and P. Pawlak, A global strategy on foreign and security policy for the EU, EPRS, European Parliament, 2017.

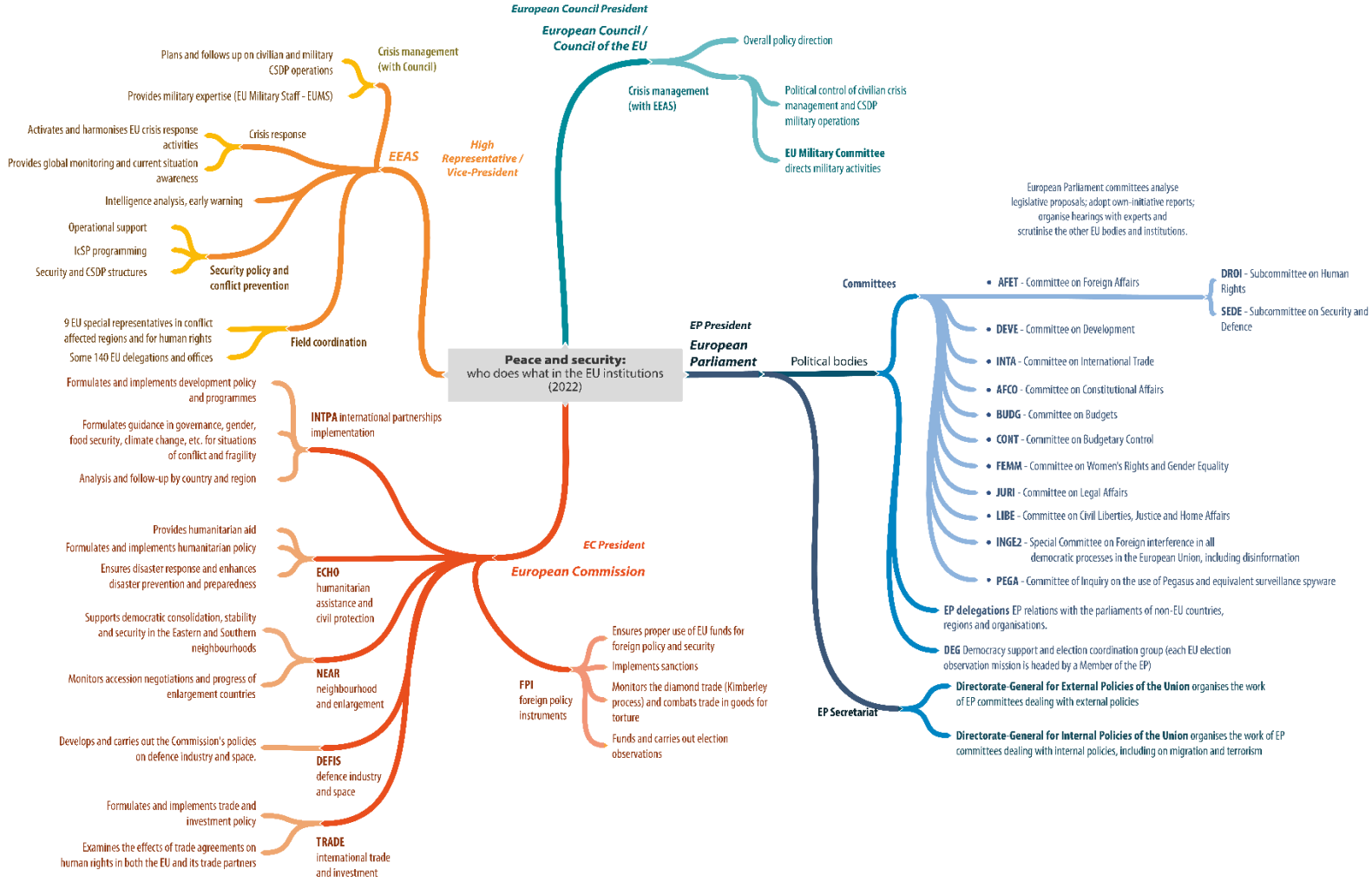
27 J. Borell, Making the EU a global player, blog post, February 2021.

28 Idem, The value of Europe: Statement by High Representative/Vice-President Josep Borrell on Europe Day, May 2022.

between the Commission and the EEAS.[29] In her political priorities, President von der Leyen drew a link between peace and power: 'Europe has always gained its power through peace, and its peace through power' and pledged to strengthen the EU's global action. To achieve this objective, the mobilisation and cooperation of all relevant EU institutions, actors and instruments is a prerequisite to delivering peace and security (see Figure 8).

[29] E. Bassot, The von der Leyen Commission's priorities for 2019-2024, EPRS, European Parliament, 2020.

Figure 8 – Peace and security: Who does what in the EU institutions?



Data source: European Commission, 2015 with updates from relevant EU websites, 2021; European Parliament organisation chart, 2018; EUISS, 2017.

1.3.1. Spotlight on sanctions: How EU sanctions work to promote peace and security objectives

One of the EU's foreign policy tools that has received increased attention in the context of Russia's war on Ukraine is the option to impose sanctions. Sanctions or restrictive measures are one of the EU's tools used to promote the objectives of the CFSP. An instrument of a diplomatic or economic nature, they seek to bring about a change in activities or policies, such as violations of international law or human rights, or policies that do not respect the rule of law or democratic principles.

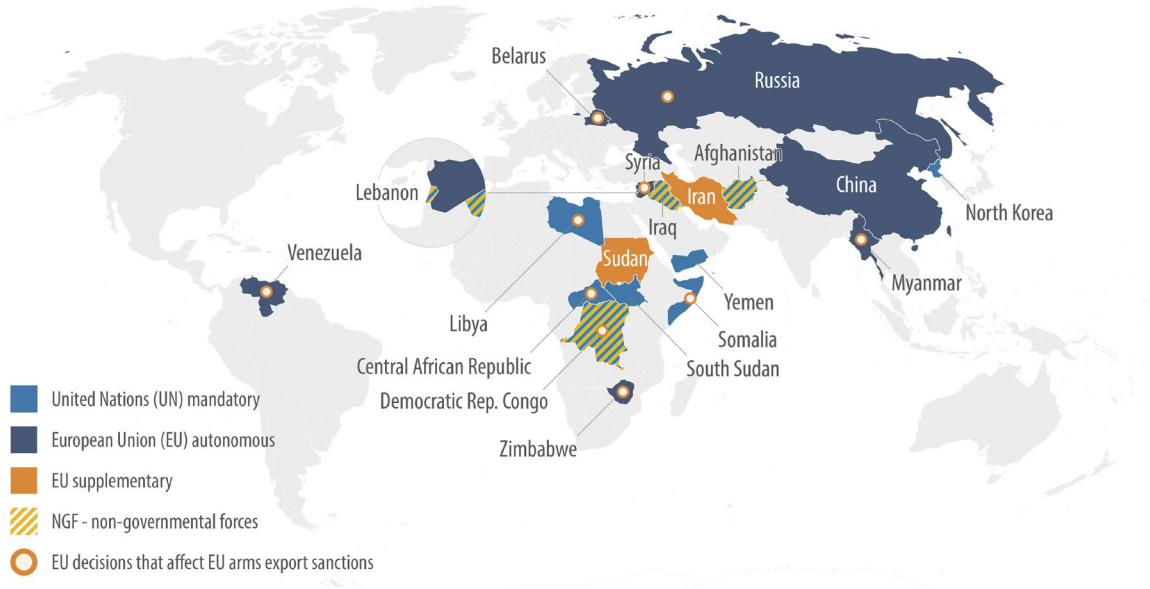
Figure 9 – Three major categories of sanctions

Source: EPRS.

EU sanctions are always targeted and form part of a comprehensive approach, including political dialogue, incentives, conditionality and – as a last resort – coercive measures. Autonomous sanctions are often implemented in cooperation with other states or regional organisations.

Restrictive measures imposed by the EU may target governments of non-EU (third) countries, or non-state entities and individuals (such as terrorist groups and terrorists). The types of sanctions used include **diplomatic sanctions** (expulsion of diplomats, severing of diplomatic ties, and suspension of official visits); **suspension of cooperation; trade sanctions** (general or specific trade sanctions, arms embargoes); **financial sanctions** (freezing of funds or economic resources, prohibition of financial transactions, restrictions on export credits or investment); **flight bans**; **boycotts of sports or cultural events, and restrictions on admission**.

Figure 10 – Arms embargoes implemented by the EU



Data source: EU sanctions map, accessed in May 2022

Arms embargoes may be applied to interrupt the flow of arms or military equipment to conflict areas or to regimes that are likely to use them for internal repression or aggression against a foreign country. Arms embargoes generally comprise prohibitions on the sale, supply, transfer or export of arms and related material.

EU arms embargoes – in the form of UN mandatory, EU supplementary or EU autonomous sanctions – are currently in place against 19 states or non-governmental forces operating within a specific country. Moreover, arms embargoes are in place against two terrorist organisations – Al-Qaeda and ISIL/Da'esh – and associated entities. Reviewed at regular intervals, the Council of the EU decides whether EU sanctions should be renewed, amended or lifted. The European Parliament does not have a formal role in the adoption of CFSP sanctions, but it has the right to be informed. Traditionally, most EU sanctions programmes are geographical in scope, and are therefore applied to individuals and organisations linked to a particular country. However, the EU also has four thematic programmes with an international scope – the most recent of these was adopted in

EU sanctions against Russia

Since Russia unprovoked and unjustified military aggression against Ukraine in February 2022, the EU has adopted six sanctions packages – on 23 February, 25 February, 2 March, 15 March, 8 April and 3 June 2022. Measures range from targeted sanctions against 1 158 individuals and 98 entities, to restrictions on key economic sectors, and consist of the following:

- Asset freezes and visa bans for people who have been instrumental in undermining Ukraine's territorial integrity and sovereignty. Listed individuals include Russian President Vladimir Putin, Defence Minister Sergey Shoigu and Foreign Minister Sergey Lavrov, Members of the Russian Government and the Russian State Duma, military officials and staff, propagandists, businesspersons and oligarchs (in the finance, energy, digital and metallurgical sectors).
- Financial sanctions that comprise bans on transactions with all state-controlled banks and certain state-owned enterprises; a ban on financial deposits from Russia in EU banks exceeding €100 000; a ban on transactions from EU bank accounts belonging to Russian clients and provision of credit rating services to Russian individuals and entities; prohibition of the sale of euro-denominated securities to Russian clients and transactions with the Russian Central Bank, as well as exclusion of several banks from the SWIFT financial messaging system.
- Export bans covering the transfer of arms, goods and advanced technology to Russia, e.g., semiconductors, avionics equipment, maritime navigation and radio communication technology; the sale of jet fuel, aircraft and spare parts for the Russian airline industry; the sale of luxury goods, including certain wines, spirits and precious stones over €300 and cars, boats and aeroplanes over €50 000.
- A ban on the import of Russian goods and products, i.e., coal and other solid fossil fuels, iron, steel, wood, cement, seafood and liquor.
- A prohibition on Russian planes and private jets from entering EU airspace and Russian flagged vessels from entering EU ports. Russian road transport companies are banned from transporting goods within the EU.
- Suspension of broadcast activities in the EU by Russian state-owned propaganda channels, i.e., Russia Today, Sputnik, Rossiya RTR/RTR Planeta, Rossiya 24/Russia 24 and TV Centre International.
- A ban on the import of Russian crude oil and refined petroleum products was introduced in the sixth sanctions package. The process of phasing out energy dependency will take from six months for crude oil and eight months for other refined petroleum products.

The six rounds of sanctions aim to hinder the Russian Federation's long-term economic and technological advancement and, therefore, its ability to wage wars. A number of exceptions were granted for humanitarian aid and food transport.

December 2020, and covers a wide range of human rights violations. The remaining three programmes concern terrorism, chemical weapons use, and cyber-attacks.

Impact of sanctions on Russia

The Russian government has adopted several measures, including capital controls, increased interest rates and liquidity provisions for banks, to stabilise the economy and bring the rouble to pre-war levels. However, sanctions have contributed to a rise in prices, a surge in inflation (from 8.7 % in January 2022 to 17.1 % in May), and a decline in Russia's GDP growth rate from 5.6 % in January 2022 to -3 % in April 2022. Initial expectations of a crash in the Russian currency and economy ('the rouble was almost immediately reduced to rubble', tweeted American President Joe Biden on 26 March 2022), were not fulfilled. To the contrary, from 24 February 2022 to 24 June 2022, the Russian rouble appreciated 62 % against the euro and 66 % against the US dollar.

Additionally, since the adoption of sanctions, the country has experienced shortages in everyday products and technology needed for the development of certain sectors. For instance, factories, including automobile plants, have ceased work due to the unavailability of previously imported parts, airports have stopped operating, and unemployment is growing as foreign companies withdraw their activities from Russia. Moreover, trade levels are significantly reduced and the value of import volumes for 2022 is expected to fall by 25 %.

Experts estimate that due to sanctions introduced by the Western countries, around half of Russia's US$630 billion reserves remains inaccessible, however Russia's central bank can still access its gold reserves and the 13 % of its reserves held in Chinese yuan. Some actors proposed to seize these frozen assets held by Russia's central bank, but US Treasury Secretary and former Chair of the Federal Reserve (2014-2018) Janet Yellen stated on 18 May 2022, that 'it would not be legal now in the United States for the government to seize those assets'.

1.3.2. Working with neighbours for peace

In a world of changing geopolitics and trans-border threats, geography matters immensely (Robert Kaplan). The stability and security of the EU's neighbourhood is intrinsically linked to the EU's own peace and security, and is the first stepping stone in the promotion of peace and prosperity abroad. Current crisis and conflicts on the EU borders, as well as the Covid-19 pandemic and war in Ukraine serve as a reminder of the crucial relationship between the EU's security and that of its neighbours. As noted in the Global Strategy, working with neighbours is a prerequisite for enlarging the space for stability, security and prosperity, and a priority for HR/VP Borrell, including, or even more so, in the face of the pandemic.

The EU's enlargement and neighbourhood policies are thus critical tools in the pursuit of peace externally and ensuring their continuity and efficiency is a key goal looking forward. As noted in the new 2019-2024 Strategic Agenda, the EU aims to continue to pursue an ambitious and realistic neighbourhood policy, and develop a comprehensive partnership with Africa to work towards global peace and promote democracy and human rights. Stabilisation of the neighbourhood and acceleration of the enlargement process were clearly defined as the geopolitical priorities of the new Commission. In her political Agenda for Europe, the Commission President reaffirmed the European perspective of the Western Balkans, and the Commission's enlargement strategy for the Western Balkans offered the region's six countries a 'credible strategy'. On 25 March 2020, the Council opened negotiations with Albania and North Macedonia.[30] The Commissioner for

[30] Council conclusions on enlargement and stabilisation and association process – Albania and the Republic of North Macedonia, 25 March 2020.

Neighbourhood and Enlargement, Olivér Várhelyi, announced a revised enlargement methodology, which aims to strengthen the process by improving tools to push reforms forward, notably on the rule of law and the economy. This renders the accession negotiations more credible, more predictable, more dynamic and guided by a stronger political direction.[31] The Commission's new proposals envisage further integration of Western Balkan countries into EU policies, programmes and markets, which would deliver some of the benefits of EU membership even before accession. In October 2020, following the EU-Western Balkans summit in Zagreb, the Commission adopted an economic and investment plan for the Western Balkans to support economic recovery and convergence, with a financial package of €9 billion that can leverage up to €30 billion of investment. As regional cooperation and good neighbourly relations are key elements in the EU accession process for all Western Balkan countries, the EU is supporting the Belgrade-Pristina Dialogue and other regional initiatives.[32]

The annual EU-Western Balkans summit took place in Brussels on 23 June 2022. It reaffirmed the 'full and unequivocal commitment to the EU membership perspective of the Western Balkans' and called for the acceleration of the accession process. It also reaffirmed the urgency of making tangible progress in resolving outstanding bilateral and regional disputes, particularly the Belgrade-Pristina Dialogue on normalisation of relations between Serbia and Kosovo. However, due to a veto by Bulgaria, accession negotiations with Albania and North Macedonia have not yet started. Furthermore, the Commission's proposal to lift visa requirements for Kosovo citizens is still pending in the Council. The Commission maintains its July 2018 assessment that Kosovo has fulfilled all visa liberalisation benchmarks. Facing increased frustration and enlargement fatigue in the region, some authors argue that the EU could adopt a new, gradual or staged EU accession mechanism that would allow increased EU financing even before accession.[33]

Looking to the main hotspots, the EU and its Member States remain key contributors of financial (and other) support for the Western Balkans, and eastern and south Mediterranean countries, including through the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-Global Europe) instrument of the current MFF, which entered in force in June 2021. In addition, enlargement countries will be beneficiaries of some €12.9 billion from the Instrument for Pre-Accession Assistance (IPA III) funds. The European Fund for Sustainable Development (EFSD) will remain the financial arm of the EU External Investment Plan, which covers investments in the EU's neighbourhood and Africa. Innovative financial instruments, such as the European Peace Facility, aim to contribute to the stabilisation of the neighbourhood, financing defence and medical facility programmes in Bosnia-Herzegovina (€16 million) and Ukraine (€2 billion). Despite this EU support, the situation in several Balkans countries and in particular Bosnia and Herzegovina remains fragile, due to stalled electoral and constitutional reforms.[34] As the NDICI-Global Europe regroups 11 financial instruments from the previous MFF and covers a range of bilateral and thematic programmes, the main challenge is how it will provide coherent positive reinforcement effect and leverage.

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31 B. Stanicek, A new approach to EU enlargement, EPRS, European Parliament, March 2020.

32 B. Stanicek, Belgrade-Pristina dialogue: The rocky road towards a comprehensive normalisation agreement, EPRS, European Parliament, March 2021.

33 P. Mirel, In support of a new approach with the Western Balkans: Staged accession with a consolidation phase, Robert Schuman Foundation, May 2022.

34 B. Stanicek, Bosnia and Herzegovina – Electoral and constitutional reforms: Political and legal analysis of the Ljubić case and related legal decisions, EPRS, European Parliament, April 2022.

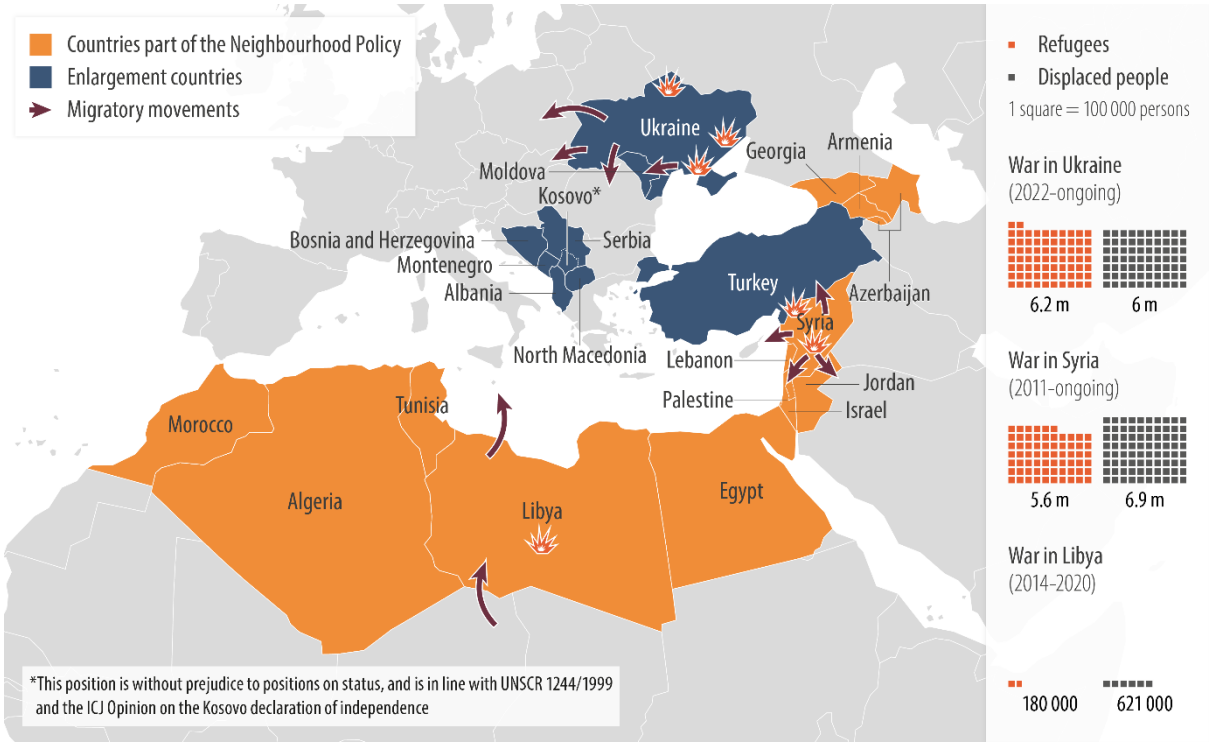
On 28 February 2022, President Volodymyr Zelenskyy announced Ukraine's official request for 'immediate [EU] accession via a new special procedure'. In response, President of the European Commission Ursula von der Leyen expressed her support for Ukrainian membership. Following the Ukrainian example, Georgia and Moldova signed requests to join the EU. On 10 March 2022, the European Council acknowledged Ukraine, Georgia and Moldova's European aspirations and European choice, and on 8 April 2022, President von der Leyen stated that the Commission would prepare an opinion on Ukraine's request for EU membership.[35] The Commission's opinions backed candidate country status for both Ukraine and Moldova, underling the need to speed up reforms, in particular against corruption and in judiciary, as 'at present, the judiciary [in Ukraine] continues to be regarded as one of the least trusted and credible institutions'. The European Parliament's resolution on the social and economic consequences for the EU of the Russian war in Ukraine, adopted in May 2022, supported Ukraine's EU bid, as well as financial support for the country's reconstruction. On 23 June 2022, the European Council recognised the European perspective of Ukraine, the Republic of Moldova and Georgia. The European Council decided to grant the status of candidate country to Ukraine and to the Republic of Moldova; expressing its readiness to grant Georgia candidate country status once the priorities specified in the Commission's opinion on Georgia's membership application have been addressed.

The southern neighbourhood is facing its most severe challenges for decades, combining security threats, economic deceleration and social tensions. War in Ukraine and historically high prices for agricultural commodities augur further political and social unrest in the Mediterranean and beyond, where countries are heavily dependent on imports from Ukraine and Russia. Egypt is typically the world's largest wheat importer, buying more than 60 % of its wheat from abroad. Russian and Ukrainian exports accounted for some 80 % of those imports in 2021.[36] Some countries, such as Libya and Tunisia, are also traversing institutional and democratic crisis. In February 2021, as part of the renewed partnership with the southern neighbourhood, a financial package of up to €7 billion was agreed under the €79.5 billion NDICI-Global Europe, including EFSD+ guarantees and blending under the Neighbourhood Investment Platform, to help mobilise private and public investments of up to €30 billion. Economic diversification, regional cooperation and better integration of young people remain priorities. As one of its five key areas, the agenda focuses on peace and security with a view to supporting countries in addressing security challenges and finding solutions to ongoing conflicts.

[35] See B. Stanicek, 'A stronger Europe in the world' in E. Bassot, The six policy priorities of the von der Leyen Commission: State of play as the Commission approaches mid-term, EPRS, European Parliament, March 2022.

[36] See B. Stanicek, Egypt's foreign policy within a challenging regional context, EPRS, European Parliament, October 2021.

Figure 11 – European Neighbourhood and Enlargement, 2022



Data source: European Commission (neighbourhood, enlargement policies), European Council Conclusions of 23 June 2022, UNHCR, 2022.

1.3.3. Financing EU action for peace and security

The EU promotes peace and security worldwide through its external financing instruments in EU policy in areas such as development, democracy support, security and defence. Together with its Member States, the EU is a leading provider of official development assistance, the biggest humanitarian aid donor, and a main trading partner and foreign investor[37] for many of its partners.

EU budget for 2022

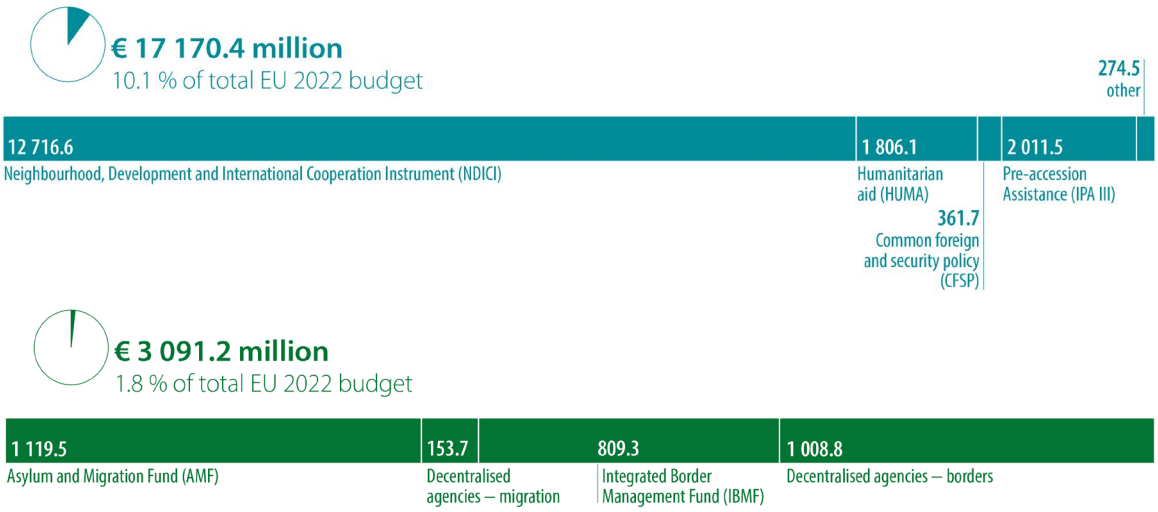
The start of the 2021-2027 Multiannual Financial Framework (MFF) coincided with the launch of the Next Generation EU (NGEU) facility, aimed at the post-pandemic recovery and building further EU resilience. The 2022 annual EU budget, the second under the 2021-2027 MFF, is set at €169.51 billion in commitments (1.14 % of EU-27 GNI), and at €170.60 billion in payments. This represents, in current prices, an increase of 1.6 % in commitments, compared to the 2021 annual budget. The policy priorities of the 2022 EU budget, as for the 2021 budget, have had to be adapted in response to the dramatic and dynamic situation. Unlike the pandemic, this time the crisis requiring budgetary adjustment is directly related to the peace and security situation at the border of the EU, namely Russia's war against Ukraine. However, adjustments as a response to the complicated security situation are restricted on the one hand by the limited flexibility of the EU budget per se, and on the other hand by the fact that the EU budget is predominantly focused on internal EU policies.

In 2022, Heading 6 'Neighbourhood and the world' accounts for €17 170 million in commitment appropriations, split mainly between development cooperation and humanitarian aid. Of the total allocation for the Heading, €12 717 million goes to the main instrument, the Neighbourhood,

[37] EU budget for the future. Volume 20, Factsheets, European Commission, 2018.

Development and International Cooperation Instrument (NDICI), which covers EU action with very broad geographical and thematic scope, including such issues as climate change, migration, human rights, democracy and rule of law, and security. The allocation for humanitarian aid amounts to €1.8 billion, with the aim and purpose of saving and preserving lives, preventing and mitigating human suffering, and ensuring the integrity and dignity of populations affected by natural disaster or man-made crises.

Figure 12 – EU budget with an external focus 2022



Source: EPRS, Economic and Budgetary Outlook for the European Union 2022

Migration, border management and security continue to be financing priorities in the 2022 budget and are covered under Heading 4 'Migration and border management' relating to internal policies. With an allocation of €3 091 million in 2022, this heading is one of the smallest in the MFF, but finances EU action of growing importance in such areas as strengthening external border control, and migration and asylum, mainly under the Asylum, Migration and Integration Fund (AMIF) and the Internal Security Fund (ISF).[38]

On 18 May 2022, the European Commission and the High Representative presented an analysis of the EU's defence investment gaps, and proposed further measures and action necessary to strengthen the European defence industrial and technological base.[39] It responds to Member States' recently increased military spending and calls for stronger EU action in defence. The three main types of defence investment gaps are gaps in defence expenditure, defence industrial, and defence capability. Measures to address them focus on the joint acquisition of military equipment, on strategic defence programming to set clearer priorities, and on providing support for the European industrial base, including the strengthening of the European defence research and development (R&D) framework, industrial manufacturing capacity, and the European Defence Fund (EDF). A short-term EU instrument to reinforce defence industrial capabilities through joint procurement is expected to be proposed for fast-track adoption, to support Member States to fill the most urgent

[38] A. D'Alfonso, A. Delivorias, M. Höflmayr, K. Kowald, M. Pari and M. Sapała, with N. Foukalova, Economic and Budgetary Outlook for the European Union 2022, EPRS, European Parliament, January 2022.

[39] EU steps up action to strengthen EU defence capabilities, European Commission, 2022.

and critical gaps together The Commission is ready to commit €500 million under the EU budget over two years to incentivise Member States to address these needs in a collaborative way.

European Peace Facility

Operational since 1 July 2021, the European Peace Facility (EPF) is an instrument outside the EU budget that provides the financial means for the execution of operational actions with military and defence implications under the CFSP that cannot be funded under the terms of the EU Treaties. It also covers assisting foreign partners, including support by providing training, logistics and lethal military equipment. It aims at enhancing the Union's ability to prevent conflicts, build peace and strengthen international security. It replaces and enlarges the former Athena Mechanism and African Peace Facility instruments.

The EPF budget has a financial ceiling of €5.69 billion in current prices for 2021-2027, with a projected annual ceiling of €420 million in 2021, rising to €1 132 billion in 2027.[40] Each EU Member State contributes an amount to the EPF budget calculated according to the gross national income (GNI) distribution key.[41] The assistance measures under the EPF adopted to date cover three regions: the Eastern Neighbourhood, Western Balkans and Africa.

In the Eastern Neighbourhood, the biggest share of EPF funding is directed towards the Ukrainian armed forces, with €2 billion provided for military equipment to support Ukraine in defending its territory and population against the latest Russian aggression; and €31 million for field hospitals and medical equipment, de-mining and engineering equipment, ground mobility, logistical assets and cyber-defence. Funding for medical equipment is also directed towards the Georgia defence forces (€12.75 million) and the Republic of Moldova's armed forces (€7 billion).

In the Western Balkans, Bosnia and Herzegovina's armed forces are receiving €10 million from the EPF for de-mining equipment, transport and medical vehicles. Another €6 million are allocated to the Balkan Medical Task Force (BMTF), which involves the medical units of the Armed Forces of Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, and Serbia.

In Africa, the funding takes the form of either the provision of military equipment in relation to CSDP missions/operations, or a continuation of support to military components of African-led Peace Support Operations. Under the former, the Mozambican Armed Forces/EU Training Mission in Mozambique receives €89 million and the Malian Armed Forces/EU Training Mission in Mali receives €24 million. Of this latter amount, €600 million is allocated to general programmes supporting the African Union in 2022-2024.

European Union response to the Russian War in Ukraine

Since 2014, the EU has provided over €17 billion in macro-financial assistance (MFA) to support the implementation of an extensive reform agenda in Ukraine.[42] Following Russia's war against Ukraine in 2022, some of the existing programmes were refocused and new initiatives are being launched, reflecting the EU's efforts to implement all possible EU budget flexibility. An additional €1.2 billion

[40] B. Bilquin, The European Peace Facility: A new tool in action, EPRS, European Parliament, February 2022.

[41] B. Immenkamp, European Peace Facility Investing in international stability and security, EPRS, European Parliament, 2021.

[42] Assistance to Ukraine, European Commission, 2022.

package of emergency MFA will support Ukraine in addressing its financing needs, to strengthen the country's economic stability and resilience.[43]

Following Russia's invasion of Ukraine, the European Council adopted several decisions aimed at helping Ukraine, the first of which was activation of the EPF. This EPF assistance is in two parts: the first comprised €450 million for lethal arms and assistance (with the support of all Member States, apart from Austria, Ireland and Malta); the second assigns €50 million in support for the Ukraine armed forces, providing equipment and supplies such as personal protection, first aid kits and fuel. All EU Member States participated in this EPF measure.[44]

On 4 March 2022, the European Council decided on an implementing decision that qualifies displaced people from Ukraine for temporary protection as people fleeing a war and offers them quick and effective assistance and temporary protection within the EU.

The EU also delivers aid to Ukraine through the Civil Protection Mechanism, both directly to Ukraine and through logistical hubs located in Poland, Romanian and Slovakia. This includes €10 million worth of supplies under the rescEU Medical Stockpiles reserve, including first-aid kits, protective clothing, disinfectants, tents, firefighting equipment, power generators and water pumps.[45]

On 24 March 2022, the European Commission announced[46] an additional emergency package of €550 million. It includes €93 million for humanitarian aid programmes helping civilians fleeing Ukraine (€85 million for Ukraine and €8 million for Moldova); €330 million assigned to an emergency support programme, including to help secure access to basic goods and services; €250 million worth of items of in-kind assistance via the EU Civil Protection Mechanism; and over €10 million worth of additional support from the rescEU medical stockpile.[47]

At its meeting of 24-25 March 2022, the Council agreed on the foundation of an EU Ukraine Solidarity Trust Fund.[48] For its part, the European Bank for Reconstruction and Development (EBRD) distributed a €2 billion economic resilience package to support citizens, companies and countries affected by the war on Ukraine.[49]

On 18 May 2022, the European Commission presented plans for an immediate EU response to address Ukraine's financing gap and its longer-term reconstruction, following the European Council's call to address the consequences of the war in Ukraine. While Russia's continued aggression means Ukraine's overall reconstruction needs are not yet fully known, it is important to plan the necessary medium to long-term support. The Commission therefore envisages proposing to grant Ukraine additional MFA in 2022, in the form of loans of up to €9 billion, to be complemented by support from other bilateral and multilateral international partners, including the G7. This would be paid in tranches with long maturities and concessional interest rates thanks to the guarantee provided by the Union budget. However, this will require that EU Member States agree on making additional guarantees available.[50]

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43 EU disburses €300 million in emergency Macro-Financial Assistance to Ukraine, European Commission, 2022.

44 S. Mazur, Russia's war on Ukraine: EU budget response, EPRS, European Parliament, 2022.

45 European Civil Protection and Humanitarian Aid Operations: Ukraine Factsheet, European Commission, 2022.

46 Joint Statement by President von der Leyen and President Biden, European Commission, 2022.

47 EU solidarity with Ukraine, European Commission, 2022.

48 European Council, 24-25 March 2022, European Council, 2022.

49 R. Porter, EBRD unveils €2 billion resilience package in response to the war on Ukraine, European Bank for Reconstruction and Development, 2022.

50 Communication: Ukraine relief and reconstruction, European Commission, 2022.

1.4. Measuring threats to peace – Normandy Index

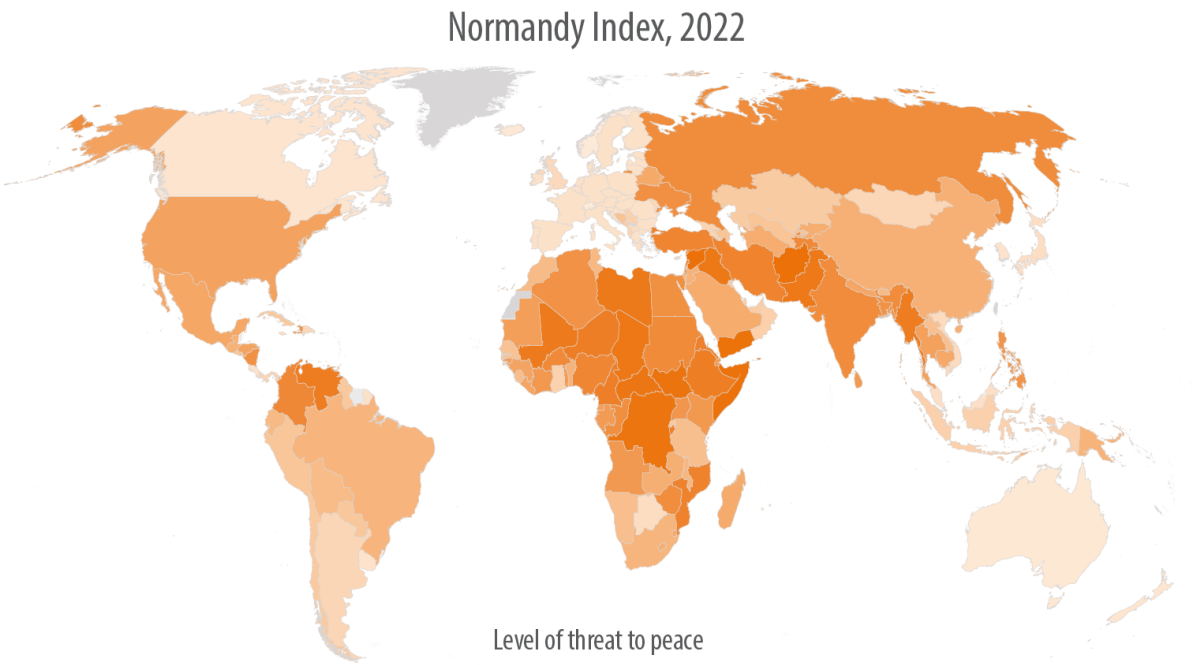
The modern definition of peace refers not only to 'an absence of war', but also includes elements of wellbeing: we demand more from peace. This positive dimension of peace is difficult to measure, as it is a continuum between inter-state war and positive public perceptions. The Stockholm International Peace Research Institute (SIPRI) argues that this continuum includes international (i.e. wars, hybrid conflicts) and intra-national violence (i.e. gang or police violence, forced displacements). Any measure of peace has therefore to take numerous dimensions into account. For example, the IEP 'Positive Peace Index' (PPI) takes 24 indicators into account, ranging from ongoing conflict, to the acceptance of the rights of others and societal safety.[51] It thus tries to go beyond a negative conception of peace as non-war, to show that qualitative peace includes a broad number of dimensions.

The Normandy Index, prepared yearly by the European Parliament together with the IEP, adopts an approach tailored by and to the action of the European Union, assessing the overall state of 'conflictuality' of a given entity as a product of factors linked to the main threats identified by the EU in its external action strategy. As described above, the EU Global Strategy identifies the following 11 threats as the main current challenges to peace and security: terrorism, energy security, fragile states, hybrid threats, violent conflicts, trans-border crime, economic crises, cybersecurity, weapons of mass destruction (WMDs), climate change, and disinformation.

The index uses 9 of these 11 threats as factors assigned equal weight in the final result for 137 UN countries (with the EU-27 being counted as one). The Normandy Index adds the quality of the democratic process to the 10 above-mentioned factors, as democracy support is a core dimension of EU external action. In addition, as analysed in the following sections, there is a strong correlation between weak democratic processes and threats to peace and security. The Normandy Index is therefore a tool to be used by EU policy-makers to assess countries most at risk in the world according to the EU's Global Strategy. It is not a ranking of countries according to their peacefulness but a ranking of specific threats to peace per country (see Figure 13).

[51] Global Peace Index, Institute for Economics and Peace, 2017; Methodology: p. 114.

Figure 13 – Normandy Index, 2022.

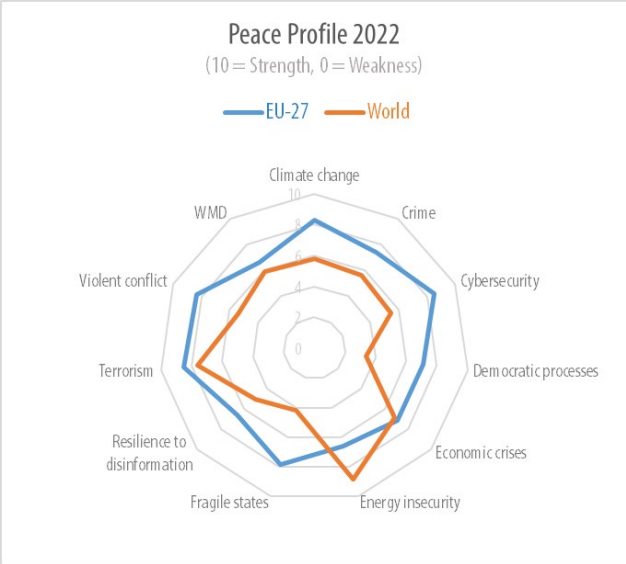


Rank	Country	NI	rank change
1	Switzerland	8.39	0
2	Norway	8.23	0
3	Iceland	8.16	1
4	Australia	8.14	1
5	Singapore	8.12	-2
6	New Zealand	8.02	0
7	Canada	7.77	0
8	South Korea	7.71	1
9	Uruguay	7.67	-1
10	Costa Rica	7.61	0
11	EU-27	7.54	1
12	Mauritius	7.52	-1
13	Malaysia	7.33	2
14	Japan	7.28	-1
15	Jamaica	7.27	-2
16	Botswana	7.07	0
17	North Macedonia	7.06	3
18	Vietnam	6.99	0
19	Trinidad and Tobago	6.94	0
20	United Kingdom	6.91	1
21	Moldova	6.90	11
22	Dominican Republic	6.85	11
22	Mongolia	6.85	-1
24	Argentina	6.78	0
24	Panama	6.78	-1
26	Albania	6.77	2
27	Armenia	6.75	-10
28	Georgia	6.74	1
29	Ghana	6.72	-4
30	Serbia	6.65	5
30	Indonesia	6.65	-1
32	Oman	6.64	-6
32	Qatar	6.64	-5
34	Montenegro	6.63	-5
35	Kuwait	6.56	-2
36	United Arab Emirates	6.51	-1
37	Kazakhstan	6.49	12
38	Rwanda	6.43	4
39	Chile	6.40	5
39	Cuba	6.40	6
41	Guyana	6.39	-2
42	Paraguay	6.38	-1
42	Peru	6.38	-5
44	El Salvador	6.30	4
45	Azerbaijan	6.29	-7
46	Uzbekistan	6.27	-6
47	Senegal	6.24	4
48	The Gambia	6.22	4
48	Bosnia and Herzegovina	6.22	-3
48	Laos	6.22	12
51	Tanzania	6.20	2
52	Namibia	6.18	-7
53	Sierra Leone	6.14	6
54	Bolivia	6.13	13
55	Morocco	6.12	-5
55	Bhutan	6.12	0
57	Ecuador	6.09	15
57	Israel	6.09	8
59	Tunisia	6.08	-17
60	Malawi	6.07	-4
61	Timor-Leste	6.04	-3
62	South Africa	5.96	2
63	Brazil	5.94	-6
64	Papua New Guinea	5.92	-2
65	Benin	5.88	12
66	Jordan	5.86	2
66	Guatemala	5.86	-1
68	China	5.85	6
69	Zambia	5.83	10
	World average	5.83	3
70	Lesotho	5.80	-1
71	Kyrgyzstan	5.78	2
71	Turkmenistan	5.78	-10
73	Saudi Arabia	5.77	-4
73	Madagascar	5.77	10
75	Belarus	5.76	-22
76	Eswatini	5.71	5
77	Cambodia	5.69	-15
78	Mexico	5.63	-3
79	Nepal	5.61	-2
79	Liberia	5.61	7
79	Guinea	5.61	3
82	Honduras	5.59	-11
82	United States	5.59	-6
84	Thailand	5.55	2
85	Equatorial Guinea	5.52	10
86	Bahrain	5.51	-2
87	Mauritania	5.50	9
88	Guinea-Bissau	5.49	4
89	Togo	5.46	-5
90	Gabon	5.44	-2
91	Sri Lanka	5.43	-3
92	Angola	5.42	2
93	Kenya	5.40	0
94	Cote d'Ivoire	5.32	4
95	Djibouti	5.28	-5
96	Uganda	5.26	-16
97	Haiti	5.23	2
97	Philippines	5.23	5
99	Bangladesh	5.22	1
99	Algeria	5.22	-8
101	Nicaragua	5.20	3
102	Ukraine	5.17	9
103	Egypt	5.13	0
104	Congo	5.12	6
105	Zimbabwe	5.07	1
106	Russia	5.06	1
107	India	5.02	0
108	Sudan	4.98	5
109	Burkina Faso	4.97	-12
109	Tajikistan	4.97	6
111	Colombia	4.95	-6
112	Nigeria	4.92	-3
113	Lebanon	4.87	4
114	Turkey	4.81	-1
115	Palestine	4.72	-4
116	Iran	4.71	0
117	Mozambique	4.69	1
118	Eritrea	4.68	0
119	Burundi	4.56	1
120	Cameroon	4.47	5
121	Niger	4.44	1
122	Ethiopia	4.39	1
123	Venezuela	4.38	0
124	Myanmar	4.36	-23
124	Mali	4.36	-3
126	Libya	4.33	0
127	Pakistan	4.10	0
128	Iraq	4.09	0
129	Chad	4.06	0
130	Central African Republic	4.05	1
131	North Korea	3.94	-2
132	Democratic Republic of the Congo	3.84	1
133	South Sudan	3.82	-1
134	Somalia	3.61	0
135	Yemen	3.24	0
136	Syria	3.19	0
137	Afghanistan	2.52	0

Data Source: EPRS and IEP, 2022.

As the Normandy Index attests, according to the WEF, Europe ranks consistently as the most peaceful region in the world.[52] In terms of positive peace, all 27 EU Member States rank within the top 45 states on the list, scoring 'very high' or 'high' in the level of positive peace.[53] By all accounts, the level of threats to peace in the EU remains very low compared with other regions and countries. In the 2022 Normandy Index[54] rankings, the EU-27 rank as the 11th least threatened area in the world. Energy security is the only dimension where Europe is more at risk than the world at large (see Figure 14). This has become all the more challenging in the context of Russia's war on Ukraine, given the EU's dependency on Russia for oil and particularly gas (see the chapter on tackling energy security in this study).

Figure 14 – EU-27 Peace Profile



Source: Normandy Index, 2022.

At the same time, the EU's neighbourhood continues to be subject of ongoing conflict. Beyond the war in Ukraine, out of over 70 crises in the world monitored by the International Crisis Group (ICG) Crisiswatch global conflict tracker, several are located in countries negotiating their accession to the EU, or with a European perspective or association agreement. According to the Normandy Index, beyond Ukraine, EU neighbours including Turkey, Egypt and Lebanon are at serious risk. This means that the EU needs to continue its support for these countries in a decisive manner, as rising threats for one country tend to spread to neighbouring regions.

52 These are the world's most peaceful regions in 2020, World Economic Forum, 2020.

53 Positive Peace Index, Institute for Economics and Peace, 2022.

54 The index does not capture the effects of Russia's war against Ukraine because of the time elapse necessary to collect data, therefore some country scores, particularly for Ukraine, should be considered in taking this into account.

2. EU action to counter threats to peace and security

2.1. Non-proliferation of weapons of mass destruction

2.1.1. Russia's war against Ukraine: Reviving the nuclear threat

The most significant development regarding weapons of mass destruction (WMD) in recent months has without question been the Russian leadership's repeated threats to use nuclear weapons in the context of Russia's military aggression on Ukraine, which started on 24 February 2022.[55] As experts have pointed out, 'Russia's attack on Ukraine marks the first time that nuclear blackmail has been used to shield a full-scale conventional invasion.'[56] With his actions, President Putin is making a mockery of Russia's affirmation, issued on 3 January 2022 alongside the other four permanent members of the UN Security Council (China, France, the United Kingdom and the USA) that 'nuclear weapons ... should serve defensive purposes, deter aggression, and prevent war' and that 'the avoidance of war between nuclear-weapon states and the reduction of strategic risks' are the nuclear weapons states' 'foremost responsibilities'.

On 1 March 2022, the EU Special Envoy for Non-Proliferation and Disarmament, Marjolijn van Deelen, speaking on behalf of the EU, strongly condemned President Putin's threat to use nuclear force, calling it 'unacceptable, provocative, dangerous and escalatory'.

For many observers, the nuclear threat is now at its highest level since the Cuban Missile Crisis in 1962.[57] The US Government reacted to the Russian invasion of Ukraine by putting on hold the Strategic Stability Dialogue with Russia, which had started in June 2021 with the aim of laying the groundwork for future arms control and risk reduction measures between the two countries. The Russian government, for its part, has threatened to pull out of major agreements with the West, including the New Strategic Arms Reduction Treaty (New START) – the nuclear arms reduction agreement signed with the US in 2011 and the only bilateral nuclear arms control treaty currently in force. Leading experts are worried that Russia 'might cut itself off from everything that it has accomplished in controlling and limiting nuclear weapons'.[58] As China is taking steps to dramatically increase its nuclear arsenal and military capabilities, experts are calling for greater efforts to engage China in arms control negotiations, including bilateral talks with the USA. However, China has so far shown little interest in such talks.

In a particular worrying development for efforts to stop the proliferation of nuclear weapons, Ukraine will be seen by many to have paid a heavy price for giving up its Soviet-era nuclear weapons arsenal, even though experts disagree over whether Ukraine could ever have used these weapons (as a deterrent). In 1991, the country held the third largest nuclear arsenal in the world. However, in 1994, following independence from the Soviet Union, Ukraine transferred its estimated 1 900 nuclear warheads back to Russia and joined the Treaty on the Non-Proliferation of Nuclear Weapons (Non-Proliferation Treaty – NPT) as a non-nuclear weapon state-party. In return, the USA, the UK and Russia provided security assurances (enshrined in the Budapest Memorandum) against

[55] *The Economist*, Russia's invasion of Ukraine has eroded the nuclear taboo, 4 June 2022.

[56] O. Meier, Back to Basics: The Nuclear Order, Arms Control, and Europe, *Arms Control Today*, April 2022.

[57] J. Mecklin, ed., At doom's doorstep: It is 100 seconds to midnight, Science and Security Board, *Bulletin of the Atomic Scientists*, 20 January 2022; D. Kimball and K. Crandall Robinson, Putin's Assault on Ukraine and Threat of a Wider War, 18 March 2022.

[58] R. Gottemoeller, How to Stop a New Nuclear Arms Race, *Foreign Affairs*, 9 March 2022.

the use of force against Ukraine's territorial integrity or political independence. All three countries, including Russia, promised explicitly to respect the sovereignty and existing borders of Ukraine.

Russia's nuclear threat is having a very significant impact on the way the world views nuclear weapons. Coupled with the growing importance that nuclear weapon states in general attach to their nuclear weapons, experts believe that it is likely to make efforts to reduce the number of nuclear weapons and stop their proliferation much harder. While proponents of the Treaty on the Prohibition of Nuclear Weapons (TPNW) consider that banning nuclear weapons altogether is the best solution to address the dangers they pose, support for the TPNW is likely to wane in the current climate, especially in Europe.[59]

2.1.2. Other developments

There have also been persistent fears that Russia is preparing to use chemical and/biological weapons in Ukraine. The EU has provided extensive support to Ukraine to prepare for any attack involving chemical, biological, nuclear or radioactive material, providing protective equipment and medication (see section below).

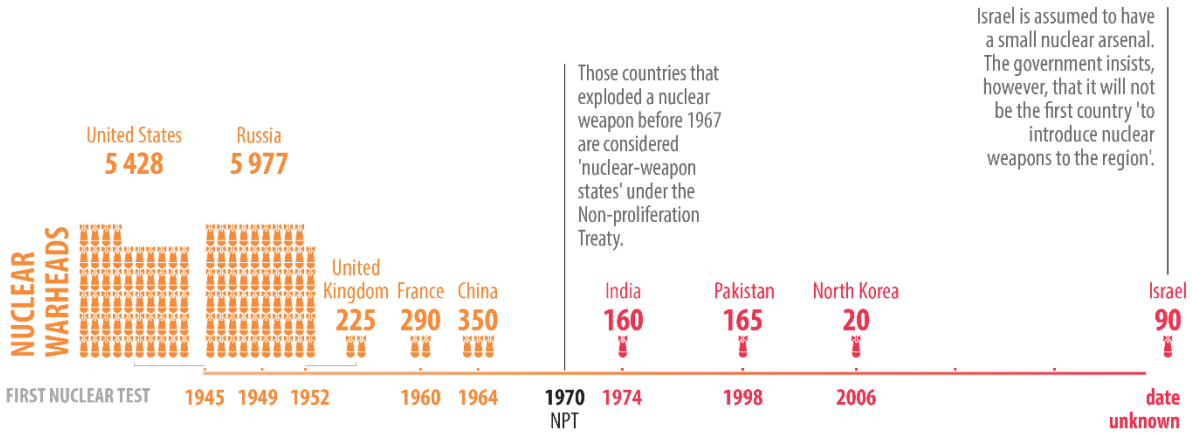
In separate developments, hopes in early 2022 that the nuclear agreement with Iran would be revived have faded away as talks have stalled. The US Government is now preparing equally for both a scenario where there is a mutual return to compliance with Iran on a nuclear deal, as well as one in which there is no agreement. Experts also point to mounting concerns over North Korea's expansion of the quality and quantity of its nuclear forces, including missile tests which the US Government has called a 'serious escalation'.

2.1.3. Nuclear weapons worldwide – New drive to modernise existing arsenals

The number of nuclear weapons worldwide has been declining since the mid-1980s, when they had reached an all-time peak of nearly 70 000 nuclear warheads. The decline has been due primarily to cuts made in the Russian and United States' nuclear forces as a result of three arms limitation treaties agreed since 1991, as well as unilateral force reductions. Nevertheless, there are still approximately 12 700 nuclear warheads worldwide; of these, an estimated 3 825 are deployed with operational forces and around 2 000 of these are kept in a state of high operational alert, mainly by the USA and Russia, ready to be used at short notice. Between them, the USA and Russia still possess some 11 405 deployed and stockpiled nuclear warheads. Moreover, the pace of reductions in nuclear arsenals is slowing. Neither Russia nor the USA – which together hold about 90 % of the world's nuclear weapons (see Figure 15) – has so far signalled any intention to make further reductions in its strategic nuclear forces beyond the cuts mandated by New START. In 2021, New START was extended for another five years, until 2026.

[59] O. Meier, Back to Basics: The Nuclear Order, Arms Control, and Europe, *Arms Control Today*, April 2022.

Figure 15 – Nuclear weapons worldwide in 2022



Data source: Federation of American Scientists, April 2022; all figures are estimates.

At the same time, all nuclear weapon-possessing states are modernising their nuclear arsenals, and some are drastically increasing the number of nuclear weapons they hold. Russia and the USA have launched large-scale programmes[60] to replace and modernise nuclear warheads, missile and aircraft delivery systems, and nuclear weapons production facilities. President Joe Biden's administration has conducted a Nuclear Posture Review (NPR) – the fifth since the first NPR in 1994 – to determine whether to adjust the nuclear programmes that the administration inherited from its predecessor and whether or how to amend corresponding spending plans .[61] Even though the nuclear arsenals of the other nuclear-armed states are much smaller, all are either developing or deploying new weapon systems or planning to do so. The US Department of Defense forecasts that by 2030, China will have almost tripled the current stock of nuclear warheads, to 1 000. The UK is also increasing the size of its nuclear arsenal, from 225 nuclear warheads currently to a maximum of 260.[62] Pakistan, which has an estimated 165 nuclear weapons, is reported to be expanding its nuclear arsenal faster than any other country and developing new delivery systems. India has developed more sophisticated technology, enhancing the effectiveness of the country's nuclear arsenal.

Moreover, on 27 February 2022, Belarus held a referendum to delete the reference to the country's non-nuclear status from its Constitution. The change to the Belarus Constitution could see Russian nuclear weapons deployed to Belarus. Belarus is a close ally of Russia and the country offered material and logistical support to the most recent Russian invasion of Ukraine. Belarus gave up its Soviet-era nuclear weapons infrastructure following the fall of the Soviet Union, and had transferred all remaining nuclear weapons to Russia by 1996.

2.1.4. Nuclear proliferation concerns over Iran and North Korea

North Korea initially signed the Non-Proliferation Treaty, but left the treaty in 2003, and tested its first nuclear weapon in 2006. The exact size of North Korea's nuclear arsenal is unknown, but the country is believed to have tested nuclear weapons six times and to own some 20 nuclear weapons. Experts believe that Pyongyang has developed ballistic missiles capable of reaching the USA and its allies, Japan and South Korea. In January 2021, the Supreme Leader, Kim Jong Un, outlined a set of

60 For further detail, see Peace and Security in 2021 - Overview of EU action and outlook for the future, p.28

61 The confidential version of the NPR was shared with the US Congress in March 2022; an unclassified version has not yet been made public. On the basis of a summary of the NPR that has been made available, experts believe that the Biden administration will essentially continue the nuclear policy adopted in 2010 by former president Barack Obama.

62 ICAN, UK to increase nuclear stockpile limit, 16 March 2021.

'ambitious, wide-ranging, and multifaceted' plans to modernise North Korea's nuclear arsenal. Experts are concerned that North Korea is continuing to pursue plans to expand the quality and quantity of the nuclear threat posed by its nuclear forces, presaging a new security crisis with the country.

Nuclear proliferation concerns also persist in relation to Iran's commitments under the 2015 Joint Comprehensive Plan of Action (JCPOA)[63] and to the country's obligations under the 1974 bilateral NPT safeguards agreement with the International Atomic Energy Agency (IAEA).[64] Following the US withdrawal from the JCPOA in May 2018,[65] Iran resumed uranium enrichment to increasingly high levels incompatible with the JCPOA in 2019. According to well-informed estimates, Iran's break-out time – the time required to produce enough enriched uranium for a nuclear bomb – is now down to a few weeks. The signatories of the JCPOA (France, Germany, the UK, the EU, China, Russia, the USA and Iran), began meeting in Vienna in early April 2021, to explore ways to bring both the USA and Iran back into compliance with the 2015 nuclear deal. Even though agreement has reportedly been reached on all technical issues relating to the JCPOA, the US Government has so far refused to agree to Iran's demand to lift the terrorist designation of the Islamic Revolutionary Guard Corps (IRGC), a branch of the Iranian armed forces that is independent of the country's regular army. The delays caused by the dispute may mean that Iran's nuclear programme advances to a point where restoring the JCPOA will become meaningless.[66] The IAEA has also expressed very serious concerns over the fact that the agency has found traces of enriched uranium in places that Iran has never declared as places where any nuclear activity has taken place. According to the IAEA, Iran's lack of transparency could jeopardise the resumption of the JCPOA.

2.1.5. Other weapons of mass destruction: Chemical and biological warfare

The USA and others have warned that Russia may be preparing to use chemical or biological weapons in Ukraine. The last known use of chemical weapons in an armed conflict occurred during the Syrian civil war. The use and possession of chemical and biological weapons is prohibited under international law. Russia is a states-party to the Chemical Weapons Convention (CWC), a multilateral treaty that bans chemical weapons and requires their destruction, which entered into force in 1997, and currently has 193 states-parties. Russia is also a party to the Biological Weapons Convention (BWC), a legally binding treaty with 183 states-parties that outlaws biological arms, which entered into force in 1975.

Following the Russian invasion of Ukraine, and specifically Russia's threat to use chemical or biological weapons in Ukraine, the EU's Chemical Biological Radiological and Nuclear Risk Mitigation Centres of Excellence Initiative (EU CBRN CoE) has proven invaluable as a platform for cooperation to channel Ukraine's requests for support and to facilitate regional solidarity with Ukraine. The EU launched the CBRN CoE initiative in 2009-2010. There are eight CBRN centres of excellence around the world, seeking to strengthen the institutional capacity of 62 non-EU partner countries to mitigate CBRN risks. Ukraine is a partner in the CBRN CoE initiative and has been one of the countries participating in two ongoing regional projects in the South East and Eastern Europe (SEEE) region,

63 C. Dietrich and P. Pawlak, The nuclear agreement with Iran, EPRS, European Parliament, January 2016.

64 Safeguards agreements under the NPT ensure that all nuclear activity a state undertakes is for peaceful purposes and that a state is not engaging in illicit nuclear activities.

65 B. Immenkamp with contributions from F. Garces de Los Fayos Tournan, Future of the Iran nuclear deal. How much can US pressure isolate Iran?, EPRS, European Parliament, May 2018.

66 The Zombie nuclear deal, *The Economist*, 4 June 2022.

including one project on the strengthening of CBRN medical preparedness. Critical infrastructure and biosafety and biosecurity projects are in the pipeline.

Following a request from the Ukraine Government for emergency assistance, the EU has also coordinated the delivery of essential supplies to support the civilian population via the EU Civil Protection Mechanism (ECPM), including through the Emergency Response Coordination Centre (ERCC). The Russian invasion of Ukraine has triggered the largest ever European civil protection operation, of which protection against incidences involving CBRN is an important part.

In addition to fears concerning the deliberate use of chemical and biological weapons, the Ukrainian authorities have been very concerned about incidents or accidents in nuclear plants controlled by Russian troops, or chemical installations and plants. On 11 March 2022, the Council called on Russia to ensure the safety and security of the Ukrainian nuclear facilities that it had brought under its control, with the help of the International Atomic Energy Agency (IAEA). IN at least five incidences, Russian missiles have hit chemical installations, leading to the release of dangerous chemicals. Ukraine has requested medical supplies to counter such incidents, including antidotes, personal protective equipment, detection equipment, and specialised intensive care unit (ICU) equipment. Member States have provided supplies, including hundreds of dosimeters to measure radiation levels and medical countermeasures. Moreover, the EU has used its rescEU medical reserve to procure potassium iodide tablets, which can be used to protect people from the harmful effects of radiation. Almost 3 million iodide tablets were delivered to Ukraine via the EU Civil Protection Mechanism in April 2022. In addition to Member States' direct contributions, the EU has so far redirected funds worth €15 million to provide medical countermeasures, antidotes, protective equipment and ICU equipment under the rescEU mechanism. The EU has also assisted private sector companies to provide medical equipment to counter CBRN to Ukraine, worth more than €5 million to date. The EU is signing agreements with three EU Member States to have decontamination teams on standby, to tackle future CBRN incidents in Europe. The EU is also preparing to create a CBRN stockpile, a strategic reserve worth €540 million of items relevant in the case of a CBRN incident. Finally, the EU plans to enhance its CBRN detection capacity.

2.1.6. Multilateral arms control under threat

The past few years have been marked by the waning commitment of major countries to multilateral arms control, an issue that is of great concern to the EU.[67] Some experts have gone as far as declaring 'arms control (almost) dead'.[68] The extension of the New START Treaty, although very welcome, is not currently expected to reverse this trend. New START, a bilateral arms reduction treaty between the USA and the Russian Federation, came into force on 5 February 2011.. Its demise would have marked the end of any limits on the size and composition of the nuclear arsenals of these two leading nuclear weapon states. However, while this would have been problematic, any threat to peace and security emanating from the USA and Russia does not lie solely in the size of their nuclear arsenals. Experts point, in particular, to a new presumption of 'controllable nuclear exchanges', 'which will 'reduce the calculations of risk and increase the likelihood of conflicts escalating to nuclear war'. Some consider the risk of nuclear war between the USA and Russia to be as great now as it was in 'the most dangerous periods of the Cold War'.

[67] J. Linn, Recent Threats to Multilateralism, 2018.

[68] U. Kühn, Why Arms Control Is (Almost) Dead, 5 March 2020.

Some experts regret that Russia's assault on Ukraine has undermined prospects for nuclear non-proliferation and disarmament for years to come. Russia's actions are seen as a clear example of a nuclear-armed state bullying a non-nuclear state, thus reducing the incentives for disarmament and making it more difficult to prevent nuclear proliferation.[69] Specifically, Russia has created a 'major challenge' for the nuclear Non-proliferation Treaty (NPT) regime, and the upcoming tenth review conference of the NPT, scheduled to take place in August 2022.[70]

For information on the global nuclear non-proliferation and disarmament regime, the EU's action against the proliferation of weapons of mass destruction and EU dual-use export control, please see Peace and Security in 2021 – Overview of EU action and outlook for the future, EPRS, European Parliament, pages 34-35.

2.2. EU external democracy support and its importance for peace

2.2.1. Democracy and peace

There is a strong link between democracy and peace. According to the democratic peace theory, democracies are more peaceful in their foreign relations than undemocratic states. Based on existing historic evidence, democracies do not go to war with each other,[71] are less inclined to go to war with undemocratic states than the inverse,[72] and are internally more stable and peaceful. Several experts[73] have noted that the current war in Ukraine provides a clear confirmation of this theory – the war would have been unlikely without Putin's authoritarian regime. The classical arguments of the theory state that democracies are based on common values, such as human rights, and are therefore better equipped to solve their disagreements in a peaceful manner; their citizens have the final say in decisions of war and can hold leaders accountable, but they are much less inclined to support the burden of war. Russia's aggression against Ukraine has highlighted another possible factor – the 'dictator's trap'.[74] As the decision to start the war appears based on Russia's severe miscalculation of the likelihood of a quick and decisive victory, the lack of correct information available to Putin's authoritarian regime (which had surrounded itself with persons unable to disagree), is a likely cause.

2.2.2. Recent developments: Democracy under violent attack

Since the beginning of 2021, attacks and threats against democratic regimes have taken on a new virulence. The 6 January insurrection on the US Capitol in Washington DC did not achieve concrete results, but its symbolic impact has been huge, showing that the world's most powerful democracy is prone to the same type of post-electoral violence and contestation as some emerging democracies. A succession of military coups across the world; from Myanmar to Guinea, Burkina

69 D. G. Kimball, Putin's Assault on Ukraine and the Nonproliferation Regime, Arms Control Association, March 2022.

70 D. G. Kimball, No Ordinary NPT Review Conference, June 2022.

71 This holds for democracies that have reached a certain threshold of maturity and stability. Defenders of the theory explain that democracies which went to war in the past against other democratic countries, were not fully democratic. See M. W. Doyle, *Liberal Peace: Selected Essays*, New York: Routledge, 2011.

72 D. Reiter, 'Is Democracy a Cause of Peace?', *Oxford Research Encyclopaedias*, January 2017.

73 See P. Formosa, Guide to the classics: Immanuel Kant's Toward Perpetual Peace and its relevance to the war in Ukraine, March 2022; IDEA International, The Ukraine War and the Struggle to Defend Democracy in Europe and Beyond, March 2022.

74 See B. Klaas, Vladimir Putin Has Fallen Into the Dictator Trap, *The Atlantic*, March 2022.

Faso, and Sudan, has broken with the previous trend of a continuous reduction in coups.[75] The Taliban takeover of Afghanistan, the violent insurgency of the former ruling party against the federal government of Ethiopia; and the war started by Russia against Ukraine aiming to topple its democratic government,[76] mark a new stage in the authoritarian battle against freedom. Concerns that China could use force to bring democratic and de facto self-governing Taiwan under its control have also multiplied. These events have multiple causes, among them lack of effective international deterrence, with a paralysed UNSC.[77] The real or perceived loss of legitimacy of elected governments due to their incapacity to tackle security or economic crises has been a crucial encouraging factor for coup perpetrators in Africa, as well as for Russia's leadership.

These developments point to a growing autocratic wave, not only in the number of regimes, but also in their nature. According to Varieties of Democracy's (VDEM) 2022 report, autocratic 'leaders [are] becoming bolder and taking more drastic actions', increasing levels of polarisation in their countries. The trend is led by the regime that has provided the template and much support to the current wave of autocracy – Putin's authoritarian model of government. Contestation against authoritarian regimes in Belarus and Kazakhstan was met with heavy repression with the Kremlin's help. Russia also sent its troops to protect the military junta in Mali.[78] At the same time, the prospect that Russia's aggression in Ukraine could fail generates hope that authoritarianism might receive a severe blow, with the war exposing its limits.

These recent developments have put the EU policy of supporting democracy in non-EU countries to a severe test, (in Afghanistan, Mali or Ukraine, for example), simultaneously highlighting the limitations of EU soft power. The failure of state building efforts in fragile states such as Mali and Afghanistan is, in expert[79] views, related to flaws in the democracy and good governance model promoted by external donors, including the EU. These crises show the need for the EU to adopt a more strategic approach to its support for democracy. The disorganised withdrawal from Afghanistan compounded by EU's participating states' over-reliance on US military power testified[80] to the need for the EU to reinforce its capacity to act autonomously in external crises.[81] In support of Ukraine, the EU has demonstrated that it is able to act quickly and decisively.

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75 The UN Secretary General spoke of 'an epidemic of *coups d'état*'. With five successful coups, 2021 saw more coups than the preceding five years combined.

76 While Russia did not state explicitly that it wanted to topple Ukraine's governments, many commentators (see also here) consider that 'denazification' included, at least initially, such an objective.

77 See e.g. Russia, China block UN Security Council from supporting new sanctions on Mali, France 24, January 2022; Human Rights Watch, UN Security Council Should Act on Myanmar Atrocities, January 2022.

78 J. Thompson et al, Tracking the Arrival of Russia's Wagner Group in Mali, CSIS, February 2022.

79 A report published by Carnegie Europe underlines the need for the EU to do 'its own comprehensive, independent inquiry to assess its performance in Afghanistan'. 'Without such introspection, the Union is unlikely to learn the necessary lessons of why its policy failed'. According to the same source, experts had warned that EU policy in Afghanistan was heading towards failure and that the EU could not escape its responsibility: 'By promoting the flawed "Bonn Model", the EU is proportionally culpable for failed international attempts to reconstruct Afghanistan; even though the United States has been the primary international actor.' In Mali, one reason for the failure of international assistance is that donors co-drafting public policies deprived those policies of popular legitimacy.

80 See ECFR, The fall of the Afghan government and what it means for Europe, August 2021; P. Morillas, Afghanistan, AUKUS and European Strategic Autonomy, CIDOB, October 2021.

81 According to European Council President Charles Michel, the Afghanistan crisis has clearly shown the need for the EU to develop its strategic autonomy, 'which aims to strengthen our capacity to influence according to our interests and of our values, while also emphasizing our capacity for action'. However, the failure of the Western intervention in Afghanistan shows the limits of using hard power to install democracy (see e.g. Afghanistan shows the U.S. folly of trying to implant democratic institutions abroad, September 2021).

2.2.3. EU support for democracy and its link to peace

Support for democracy is an overarching priority of EU external action, related in multiple ways to EU efforts to preserve and promote peace in the world. According to the October 2019 EU Council conclusions on democracy, 'creating the conditions for sustainable peace and security and preventing violent conflicts through participation and accountability, responsiveness to grievances and the political mediation of disagreements' should be part of EUs broader democracy efforts. The EU action plan on human rights and democracy, adopted by the Council in 2020, sets priorities for EU action that are essential for creating strong democracies able to resist security threats: promoting fundamental freedoms and strengthening civic and political space; supporting the rule of law; fighting impunity; and building resilient, inclusive and democratic societies, including through a human rights and a participative approach to conflict prevention and crisis resolution.

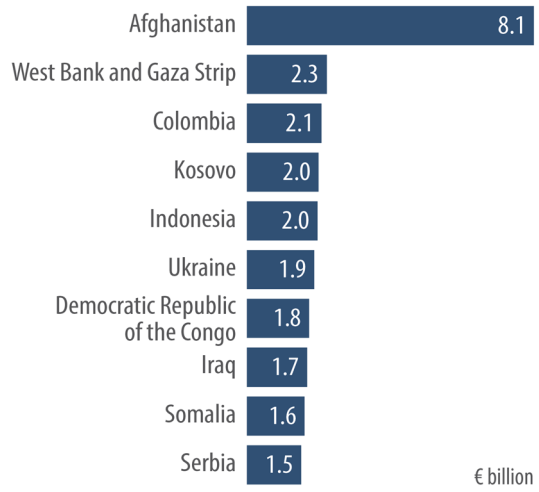
In line with the obligations enshrined in the Treaties, the EU has developed a wide array of tools for supporting democracy in third countries. These range from political and human rights dialogues, to support for civil society and human rights defenders, to development aid for good governance and the rule of law, and to the conditionality enshrined in its bilateral trade and cooperation agreements and in its unilateral trade preferences.

The EU has reacted systematically to grave breaches of democratic norms by issuing statements of strong condemnation (such as on *coups d'état* in Mali, Myanmar, Sudan; on flawed elections in Nicaragua or Venezuela; and on repression of anti-governmental protesters e.g. in Hong Kong). The EU has also raised such concerns directly in its meetings with its partners. For example, during the EU-China Summit, the EU referred to human rights defenders, pointing to individual cases, as well as to the dismantling of the 'One Country Two Systems' principle in Hong Kong. As the summit's failure to produce a joint statement shows, however,[82] this type of diplomatic engagement risks becoming empty rhetoric, as authoritarian regimes become increasingly assertive and closed to outside criticism. For this reason, the European Parliament insists that the EU should include clear benchmarks in its human rights dialogues with third countries, and go beyond 'mere words'.

[82] High Representative/Vice-President Josep Borrell described it as 'a dialogue of the deaf' during the April 2022 European Parliament plenary session in Strasbourg – e.g. China did not want the EU to talk about human rights.

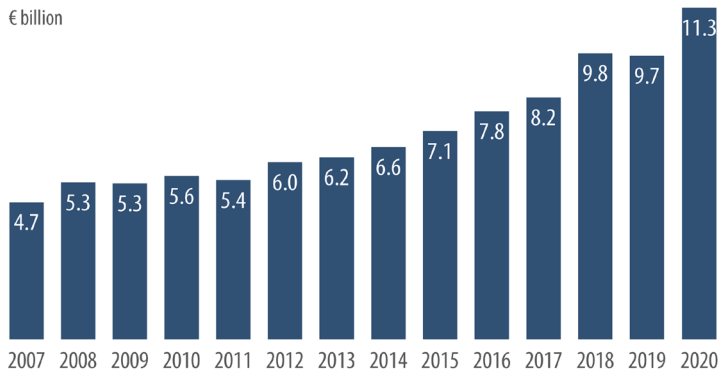
The EU remains one of the major providers of development aid for government and civil society in the world, and its aid has focused on conflict affected countries. For example, the largest 10 recipients (see graph) over the last 15 years of EU aid for government and civil society, include countries afflicted by conflict, either currently or in their recent history. In June 2021, the Global Europe regulation entered into force. As part of the 2021-2027 MFF, the regulation gathers several EU development aid components. The geographical component (85 % of total funding) provides bilateral assistance to developing partner countries under objectives commonly agreed with national governments. These objectives usually include a pillar on good governance, often in close relation with security issues. The thematic component of Global Europe includes a human rights and democracy sub-programme, as well as a stability and peace sub-programme.

Figure 16 – Largest beneficiaries of EU and Member States official development assistance for government and civil society 2007-2022 (in € billion)



Data source: EU aid explorer, data retrieved June 2022.

Figure 17 – Total EU and Member State official development assistance for government and civil society



Data source: EU aid explorer, data retrieved June 2022.

Development aid is conditional on the respect of democratic norms, rule of law and human rights. In the more than 20 cases in which the EU has suspended its development aid to African, Caribbean and Pacific countries in the past, it has done so mainly in response to *coups d'état* or flawed elections, i.e. clear breaches of democratic principles with major potential to lead to internal conflict. Development aid was reinstated after partner countries made progress on compliance with EU recommendations, most recently to Burundi in February 2022 (in response to the peaceful political process that started with the May 2020 general elections in the country and the commitments taken by the government in its roadmap).

EU sanctions adopted in response to recent coups in Africa and Asia or to electoral crises, such as in Venezuela or Belarus, have yet to produce political effects. The regimes targeted have withstood international pressure, often with political and economic help from their authoritarian protectors.[83] The EU has imposed targeted sanctions, consisting of travel bans and asset freezes against top political and military leaders responsible for undermining stability, democracy and the rule of law in Mali or Myanmar (as well as against the energy company controlled by the Myanmar junta). Despite calls[84] to extend sanctions to economic sectors, the EU has not withdrawn the broad trade preferences it grants to these developing countries under the Everything but Arms clause of its Generalised Scheme of Preferences (GSP). The EU's GSP legislation enables it to withdraw preferences in case of serious breaches of international human rights norms, including civil and political rights, however there are concerns about the negative economic impact on local populations and limited effectiveness of such a move, given the structure of these countries' exports to the EU.

With the new European Peace Facility, the EU is able, for the first time, to provide lethal military aid to the armies of partner countries. The EU promptly used this possibility to facilitate and fund the provision of military equipment by its Member States to Ukraine, to respond to Russia's aggression. Nevertheless, EU military support remains smaller than the funding committed by the USA. In providing arms to partners, the EU has to deal carefully with the potential risks of such military assistance, particularly the eventuality that arms fall into the wrong hands and are used for committing human rights violations,[85] or breaches of democratic norms, such as *coups d'état*.

The EU has gone to great lengths to extend its cooperation with democratic partners as a way to counter authoritarianism's rising influence and reduce its economic dependence on resources from undemocratic countries. The EU has initiated a new transatlantic agenda with the USA, covering, among other issues, security and democracy. The new EU-US Trade and Technology Council (TTC) met at ministerial level for the first time in September 2021 in Pittsburgh (USA), and a second time in Saclay (France) on 16 May 2022; discussions aimed to deepen transatlantic relations based on shared democratic values. It also launched a Trade and Technology Council with India in April 2022. To continue to improve its trade relations with democratic partners, the EU is updating its free trade agreements (FTAs) with Chile and Mexico, and is heading towards new FTAs with Mercosur, Indonesia, Australia and New Zealand. As infrastructure investment, especially in Asia, becomes a domain of competition between different political systems, the European Commission has also launched the 'global gateway' initiative, to drive investment in digital technologies, climate, energy and transport in developing countries, as an alternative to China's belt and road initiative.

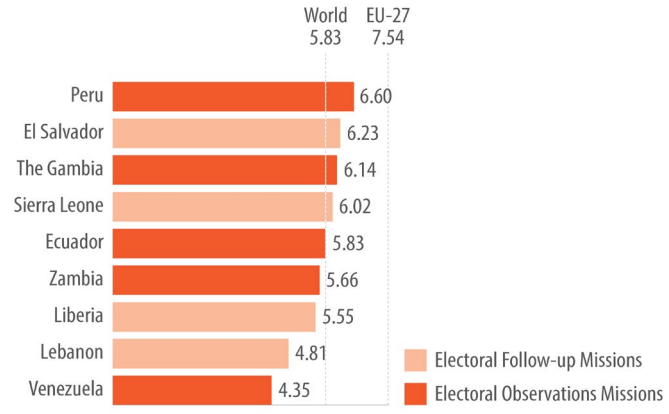
[83] See Freedom House, The Global Expansion of Authoritarian Rule, 2022

[84] See France presses EU to agree to sanctions against Mali, in line with ECOWAS, December 2021, Trade unions call for immediate withdrawal of EU trade preferences in light of labour and human rights abuses, October 2021; MEPs call for suspension of tariff preferences to sanction Myanmar's military junta, Agence Europe, April 2021.

[85] There are reports that the EU-trained army in Mali has committed human rights atrocities. See: EU-trained troops committed abuses in Mali, Investigate Europe, April 2022. The army also continues to hold to power, after two *coups d'état*, despite strong international pressure to ensure a return to civil government.

The EU's electoral observation missions (EOMs) undoubtedly represent a central instrument of democracy support, which also promotes internal peace and stability. For more than two decades, the EU has sent EOMs to many regions of the world. The missions only take place on invitation from the country concerned, only after consultation with the European Parliament, and only in those countries where there are credible prospects of free and fair elections. There is documented evidence of the effectiveness of these missions in building trust among opposing groups in society, and therefore in preventing conflicts.[86] In some cases, EU EOM findings, revealing serious electoral shortcomings, have attracted the ire of the national government, such as in Venezuela, where the EU observed the local and regional elections in 2021. Venezuela civil society however considers that the implementation of EU report recommendations is critical for a return to a free and fair electoral path.

Figure 18 – Threats to peace in countries to which the EU sent electoral observation missions in 2021



The lower the score, the higher the threats

Data source: European Union Database on Election Missions, Normandy Index.

The European Parliament has established its own measures to support parliamentary democracy in third countries identified as priority partners for democracy assistance. Some of these measures aim specifically at building trust and facilitating dialogue and consensus-building on legislative issues among conflicting political forces, in parliamentary environments characterised by a lack of political trust. Parliament's delegations have made efforts to facilitate dialogue between political forces, public authorities and other stakeholders in third countries (such as Tanzania or Kenya), to prevent electoral violence. The European Parliament has awarded its prestigious Sakharov Prize for Human Rights to actors that fight for democratic norms in the world's most difficult situations, such as to the Venezuelan democratic opposition (2017), the Belarussian opposition (2020), and to Alexei Navalny, an outspoken critic of Putin's authoritarian regime (2021).

2.3. Preventing violent conflicts: Security and development

2.3.1. Conflict and fragility aggravate each other

There is a strong correlation between socio-economic development problems and conflict situations.[87] Half of the world's poorest live in fragile[88] or conflict-affected states and the World Bank estimates this proportion may rise to up to two-thirds in 2030. In conflict-affected areas, youth unemployment, lack of economic opportunities, climate change[89] and difficult access to resources,

[86] Particip GmbH & GOPA Consultants, Evaluation of EU Election Observation Activities July 2016-January 2017, European External Action Service.

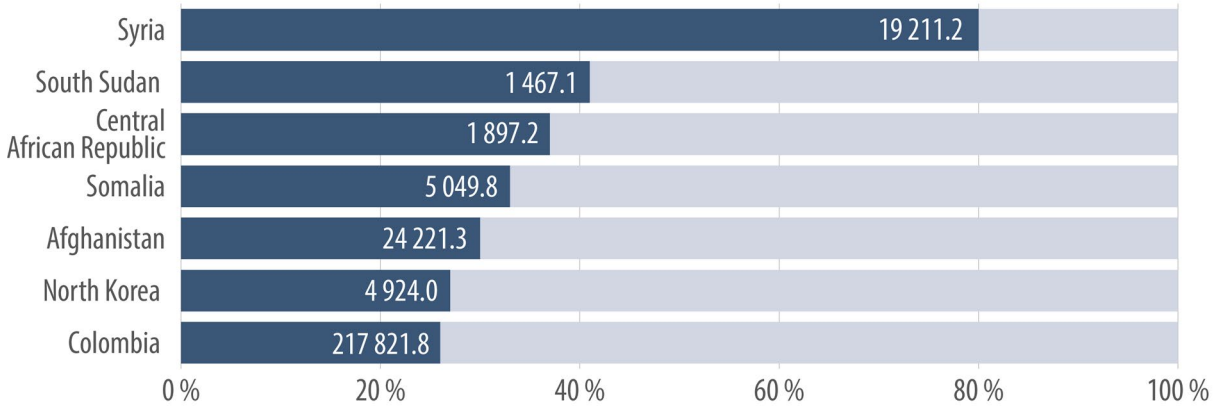
[87] See M. Latek, Interdépendance entre sécurité et développement: l'approche de l'UE, EPRS, European Parliament, 2016.

[88] For the purposes of this chapter, fragility is understood as multidimensional: societal, political, economic, environmental, resource and security-related, as per the OECD definition.

[89] On average, according to economists, a rise in local temperature of half a degree Celsius is associated with a 10 to 20 % increase in the risk of deadly conflict', *Foreign Affairs*, September 2020.

fuel violent armed groups, drug trafficking, and social or ethnic conflict. Conversely, conflict hinders development: violence has a cost equivalent of 34 % of GDP on average in the 10 countries most economically affected by violence; up to 80 % in Syria (see Figure 19). Conflict situations also compound humanitarian crises linked to climate change and food insecurity, resulting in a forecast by the UN Office for the Coordination of Humanitarian Affairs (UNOCHA) that 274 million people will need humanitarian assistance in 2022, 'the highest figure in decades'.

Figure 19 – The economic cost of violence is beyond one-quarter of GDP in seven countries



Cost of violence in US$ million (2021 PPP) and as % of GDP. Data source: Global Peace Index 2022.

In 2021, there were 193 million acutely food-insecure people in the 53 countries analysed in the Global Network Against Food Crises' Global Report on Food crises – an increase of 40 million compared to 2020. Conflict and insecurity were the primary drivers of food crises for most of them: 139 million people in 24 countries.[90]

Several studies find that changes in food prices can trigger or aggravate political instability, state violence or armed conflict. Conversely, in fragile states, conflicts put more pressure on the availability of a nutritious diet for all – coupled with climate change, rapid demographic growth and unsustainable agriculture – as they intensify population displacement and land grabs. In addition, starvation is used as a method of warfare in some conflicts,[91] despite being prohibited under customary international humanitarian law.

[90] Global Network Against Food Crises and Food Security Information Network, Global report on food crises 2022. This report deals with the most severe food insecurity issues: *Crisis* (IPC Phase 3), *Emergency* (IPC Phase 4) and *Catastrophe/Famine* (IPC Phase 5) – IPC: Integrated Food Security Phase Classification, and assesses the situation in 53 countries or territories.

[91] The deliberate will to inflict starvation is difficult to determine, as the worsening of food security situation in conflict areas has many intertwined causes (see the FAO and World Food Programme monitoring for the UNSC). Some commentators have indicated that this might be the case in Russia's war on Ukraine, including Janusz Wojciechowski, EU Commissioner in charge of agriculture.

Health and sanitation services are also affected or destroyed, exacerbating the risk of epidemics. Widespread violations of international humanitarian law prevent humanitarian access to certain areas, such as in Tigray (Ethiopia), and have led to a rise of attacks on health and aid workers. Consequently, millions of people are deprived of basic care. Currently, 82.5 million people in the world have been forcibly displaced (1 % of the world's population), most of whom originate from conflict zones (68 % of refugees come from Syria, Venezuela, Afghanistan, South Sudan and Myanmar). Before the Russian war on Ukraine, developing countries hosted the largest share of refugees, often in prolonged situations.[93]

Russia's war on Ukraine: impact on fragile states

There were between 720 and 811 million undernourished people in the world in 2020. Russia's war on Ukraine risks raising this number by 7.6 to 13.1 million in 2022-2023. Some regions are highly dependent on Ukrainian or Russian wheat, maize, sunflower seed, and other basic commodities, as well as fertilisers. For example, Eastern African countries import 90 % – and Middle East and North Africa (MENA) countries over 50 % – of their cereals from Ukraine and Russia. A prolonged conflict will lead them to draw on their stocks and prevent their renewal, due to reduced or halted agricultural production, protectionist measures by other producers and the sharp increase in prices (including energy prices, which impact notably food transportation and fertiliser production). Higher prices and shortages also seriously affect food assistance to fragile countries, as well as the disruption of the World Food Programme's deliveries from the port of Odessa to Western Africa. The EU and its Member States, notably through the Food & Agriculture Resilience Mission (FARM), have quickly committed to support Ukraine and the most-affected countries' agricultural capacity, to monitor agricultural market distortions and to address the impact of expected falling production levels on the most fragile countries. This should help reduce the cascading effects of food – and energy – insecurity on households, which fuels other inherent risks (unrest, political instability and conflict).[92]

[92] T. Benton et al., The Ukraine war and threats to food and energy security: Cascading risks from rising prices and supply disruptions, Research paper, Chatham House, April 2022.

[93] Also because it takes much longer for refugees to become naturalised in developing countries than in developed ones (e.g., Somalis in Kenya), which skews the numbers. See: I. Zamfir, Refugee policies in Africa: Open borders but limited integration, EPRS, European Parliament, 2017.

EU aid and conflict sensitivity tools

Research nuances the intuitive notion that aid and relief necessarily appease tensions (see previous editions of the Peace and Security Outlook). Aid can be effective in reducing the level of violence only when it is informed by a good knowledge of the social context that led to the conflict, for example, sectarian divisions. The EU is committed to aid effectiveness frameworks and to avoid any possible negative impacts endeavours to consider the complexity of each conflict or fragility situation – which involves a complex matrix of deficits in tackling security issues, legitimacy or capacity to deliver services to the population – when planning and implementing aid programmes, to avoid any possible negative impacts. EU staff apply a conflict sensitivity approach in fragile and conflict-affected countries, clearly targeted by the 2017 'new European consensus on development'. Appropriate analytical tools inform this approach, based on a large set of lessons learned and the sharing of expertise with other multilateral actors, in particular the World Bank.

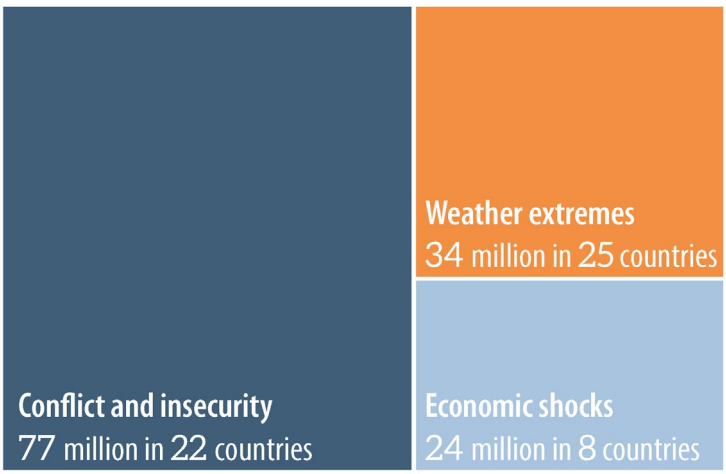
The deployment of a conflict early warning system (EWS) has been a way to address the root causes of potential violent conflicts. The EWS involves actors across the relevant Member State and EU services, both centrally (EEAS, INTPA, ECHO) and in the field (EU delegations, ECHO field offices, EU special representatives, Member States' embassies). Based on statistical risk information and input from the field, the EWS allows action to be planned to target inequalities, weak governance and security issues, where they are most urgently needed and most likely to be efficient.

Emerging from an entrenched conflict is a long and costly process: conflicts that ended in 2014 and 2015 had lasted on average respectively 26 and 14.5 years and of the 8 wars recorded in 2020, the war in Somalia had continued for more than 30 years. In areas emerging from conflict, the recovery and peacebuilding assessment (RPBA) methodology is designed to analyse the drivers of the conflict and to assess its impacts, in order to draw up a roadmap for the implementation of recovery measures. Rather than a set of tools, RPBA is a process. The EU and other international organisations play a crucial role in this process: they coordinate their actions to create the conditions for effective recovery under the ownership of a legitimate government. For example, the 2017 Central African Republic's recovery and peacebuilding plan is the outcome of a RPBA conducted with support from the EU, UN and World Bank Group. This plan informed the political agreement for peace and reconciliation signed in Bangui in February 2019.

2.3.2. The EU's comprehensive approach to development

Development cooperation and humanitarian aid are long-standing EU commitments, enshrined in the Treaties (TEU, Article 21; TFEU, Article 4(4) and Title III). The 'European consensus on development' clearly targets fragile and conflict-affected countries. Most stakeholders acknowledge that better coordination fosters the complementarity of short-term humanitarian interventions and longer-term development programmes (the 'humanitarian-development nexus'). Joint analyses are already performed within the EU services, and the Council has advocated 'new approaches in policies and legal frameworks'. This has in part materialised in comprehensive strategies, as is the case of the Sahel, the Horn of Africa and the

Figure 20 – Numbers of acutely food-insecure people by key drivers (2019)



Data source: Global report on food crises 2020.

Gulf of Guinea. These strategies combine humanitarian interventions, support for the security sector, and development cooperation, notably with a view to tackling the root causes of migration. In conflict-affected areas, the combination of trade and sustainable development concerns has led to policies aimed at securing the EU access to critical materials while promoting measures against human rights violations or child labour, such as better governance, responsible sourcing and due diligence.[94] In the context of the 2022-2031 Doha Programme of Action for LDCs, the French Presidency of the Council of the EU (first semester 2022) launched a reflection on how to better act upon the multidimensional vulnerabilities of least developed countries, which it hopes will frame a renewed EU approach.

A comprehensive approach also includes forging partnerships beyond EU stakeholders.[95] The EU has proposed a comprehensive strategy on its partnership with the African Union, which translated to a February 2022 joint declaration by the Heads of State and Government of the Member States of the African Union and of the EU. This joint declaration highlights a renewed partnership based on several pillars, including 'A renewed and enhanced cooperation for peace and security', reflecting the conviction that security and sustainable development are mutually reinforcing.

The restructuring of the 2021-2027 EU budget, which brings together most of the budgetary instruments allowing for EU spending outside its territory – with the exception of the Humanitarian Aid Instrument and the off-budget European Peace Facility – is meant to move beyond the compartmentalised nature of EU funding and help mobilise funds where they are most needed. However, tensions between several external policy objectives (such as between fostering development ownership and tackling illegal migration, or between 'the overall aim for establishing peace and the need to combat impunity'), are not totally resolved, as they reflect debates that cross European society. The European Parliament is active in these debates, notably when preparing its annual resolution on the implementation of the common security and defence policy.

The EU's comprehensive approach is also challenged by the realities on the ground. In the conflict in Ethiopia's Tigray, the complex geopolitical situation has challenged the implementation of a fully-fledged EU humanitarian/development/security nexus. While the EU has suspended its €90 million budget support in protest against restricted humanitarian access and has been supportive of African mediation efforts, Member States failed to reach an agreement on the sanctions against the conflicting parties called for by the European Parliament. In the Sahel, while the EU has made the improvement of partner countries' governance a centrepiece of its new regional strategy, the political situation in the region has only worsened.[96] Tensions with Mali[97] (among other causes), have led the French Barkhane and European Takuba operations to leave the country, partly moving to Niger, and to suspension of the EU training mission to the Malian armed forces in April 2022 (see CSDP missions below). Mali's withdrawal from the G5 Sahel regional group of countries and its anti-insurgency force further weakens EU leverage on development and security issues.

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94 M. Latek. Conflict minerals, EPRS, European Parliament, March 2017; I. Zamfir. Towards a mandatory EU system of due diligence for supply chains, EPRS, European Parliament, October 2020; M. Szczepanski. Critical raw materials in EU external policies: Improving access and raising global standards EPRS, European Parliament, May 2021; V. Halleux. New EU regulatory framework for batteries: Setting sustainability requirements, EPRS, European Parliament, March 2022.

95 See examples in the previous editions of the Peace and Security Outlook.

96 The military takeover of the Chadian government in April 2021, and the succession of coups in Mali (August 2020 and May 2021) and Burkina Faso (January 2022) are a reminder that the Sahel remains highly unstable politically, despite strong demands by Economic Community of West African States (ECOWAS) to turn back to civil governments.

97 Due, among other causes, to the delivery of Russian helicopters to Mali after the beginning of Russia's war against Ukraine and the presence of the Russian private military company Wagner.

2.4. Supporting peace through military action: The EU's security and defence policy

Russia's war on Ukraine has shattered already challenged illusions about protracted peace in the wider European space, fuelled proxy wars further afield, and has unequivocally brought military strategy and hard power considerations back to the fore. Made up of both conventional and novel threats, from transnational crime networks and terrorism, to the corrosion of arms control regimes, climate security risks, cyber-attacks, and hybrid warfare, the threat landscape was nevertheless already wide and complex. Even prior to 2022, EU leaders and policy-makers, including the former and current HR/VPs, have consequently argued in favour of an urgent move towards a European defence policy, as envisaged in the Treaty of Lisbon and supported by the European Parliament. A progressively framed EU defence policy, incorporated in Article 42(2) TEU, is also explicitly linked to peace through Article 42(1) TEU. In the words of HR/VP Josep Borrell, the security environment is 'becoming less and less secure', and 'if we want to stay safe, we cannot afford to lower the level of ambition for our security and defence'. The EU's strategic autonomy ambition reflects these concerns and aspirations.[98]

The European Peace Facility in support of Ukraine

On 28 February 2022, only three days after Russia's invasion of Ukraine, EU Member States agreed to activate the European Peace Facility (EPF) to jointly finance the provision of military equipment (including lethal weapons for the first time in EU history) to Ukraine. A first tranche of €500 million, was followed soon thereafter by three additional tranches of €500 million from the Facility, amounting to a current total of €2 billion. The equipment, provided by the European Union Military Staff (EUMS), ranges from protective equipment to heavy artillery and tanks. Operating within the EEAS, the EUMS set up a clearing house to coordinate supply and demand corresponding to requests submitted by the Ukrainian armed forces. Once the equipment is delivered to Ukraine by Member States, eligible items can then be reimbursed through the EPF.

Preceding the war on Ukraine, the coronavirus pandemic highlighted EU vulnerabilities and dependencies that go beyond the traditional scope of defence, but which can be weaponised in ways that – at times – demand solutions that include military capabilities. With its impact on energy security, supply chain dependencies and the hybridisation of warfare, Russia's invasion of Ukraine has accentuated these concerns and precipitated responses at the EU level. While strategic autonomy has become a concept used across policy fields, a large focus of the EU's planning in the past four years has been on the development of a degree of autonomy in security and defence, which in a geopolitical world arguably matters more. Working on ways to increase the efficiency of the EU's CSDP missions and operations; reducing duplication and seizing the collective benefits of collaborative defence research and development; as well as harvesting the complementary attributes of other international organisations; have been part of the EU's agenda to strengthen its capacity as an actor in security and defence. In turn; this enables the EU to use its CSDP to support peace and security in and beyond its territory. The EU will now focus in the coming years on development of a common strategic culture. This includes agreeing a common understanding of the strategic environment, through the EU Strategic Compass, presented and endorsed by the European Council in March 2022, alongside practical efforts to coordinate or join capabilities and develop the EU's joint operations further.

[98] S. Anghel et al, On the path to 'strategic autonomy': The EU in an evolving geopolitical environment, EPRS, 2020.

2.4.1. Common security and defence policy missions and operations

Through the CSDP, the EU has developed a broad crisis management agenda, which includes conflict prevention, mediation, peacekeeping and post-conflict stabilisation, in accordance with the principles of the UN, one of the EU's most important partners in peacekeeping. Currently, the EU has 18 CSDP missions and military operations on three continents, with a wide range of mandates including military training, capacity-building, counter-piracy, rule of law and security sector reform, and border assistance. They deploy over 4 000 civilian and military personnel (see Figure 21). The EU's civilian missions carry out tasks consistent with the Global Strategy's commitment to strengthening the resilience and stabilisation of partner countries recovering from or threatened by conflict and instability. They also provide training in areas such as countering trafficking, human resource management, legislative drafting, policing, and others.[99] Military missions are currently focused on areas such as countering terrorism, irregular migration, piracy and armed forces capacity-building, among other tasks. The type of training provided by executive and non-executive[100] military missions includes infantry skills, force organisation, sniper skills, mortar firing, leadership, engineering, logistics, tactical air control and intelligence gathering.

EU Advisory Mission in Ukraine

On 13 April 2022, the Council amended the mandate of the EU Advisory Mission for Civilian Security Sector Reform in Ukraine (EUAM Ukraine). Under the new mandate, the mission will also 'provide support to Ukrainian authorities to facilitate the investigation and prosecution of any international crimes committed in the context of Russia's unprovoked and unjustified military aggression against Ukraine'. Under an earlier amendment, shortly after the beginning of the war, the mission was mandated to provide support to law enforcement agencies, to facilitate refugee flows from Ukraine to neighbouring EU Member States, and of humanitarian aid into Ukraine.

The majority of CSDP missions and operations have taken place in Africa, in many cases operating in parallel with UN peacekeeping operations and African Union (AU) missions. Since 2017, the EU has strengthened the coordination of its security efforts in the Sahel, by creating a regional coordination dimension for its CSDP operations in the region. It established a regional coordination cell based within EUCAP Sahel Mali in 2017. The regional coordination cell (renamed regional advisory and coordination cell (RACC) in 2019), includes internal security and defence experts in G5 Sahel countries, deployed in Mali, as well as in EU delegations in other G5 Sahel countries (Mauritania, Burkina Faso, Niger and Chad). This reinforced regional approach aims at supporting cross-border cooperation in the Sahel and regional cooperation structures, and enhancing G5 Sahel countries' capacity.[101]

The EU CSDP missions and operations cooperate with over 150 national counterparts. These include local interior, security, justice, and foreign affairs ministries, law enforcement associations such as judicial councils and policing boards, as well as local civil society organisations. They also cooperate with almost 180 international partners (e.g. EU delegations, EU agencies such as Frontex and Europol, the UN, Organization for Security and Co-operation in Europe (OSCE), Interpol, the African Union, non-governmental organisations (NGOs) and several development agencies. The European Peace Facility (EPF), a new mechanism covering all of the EU's external action with military and

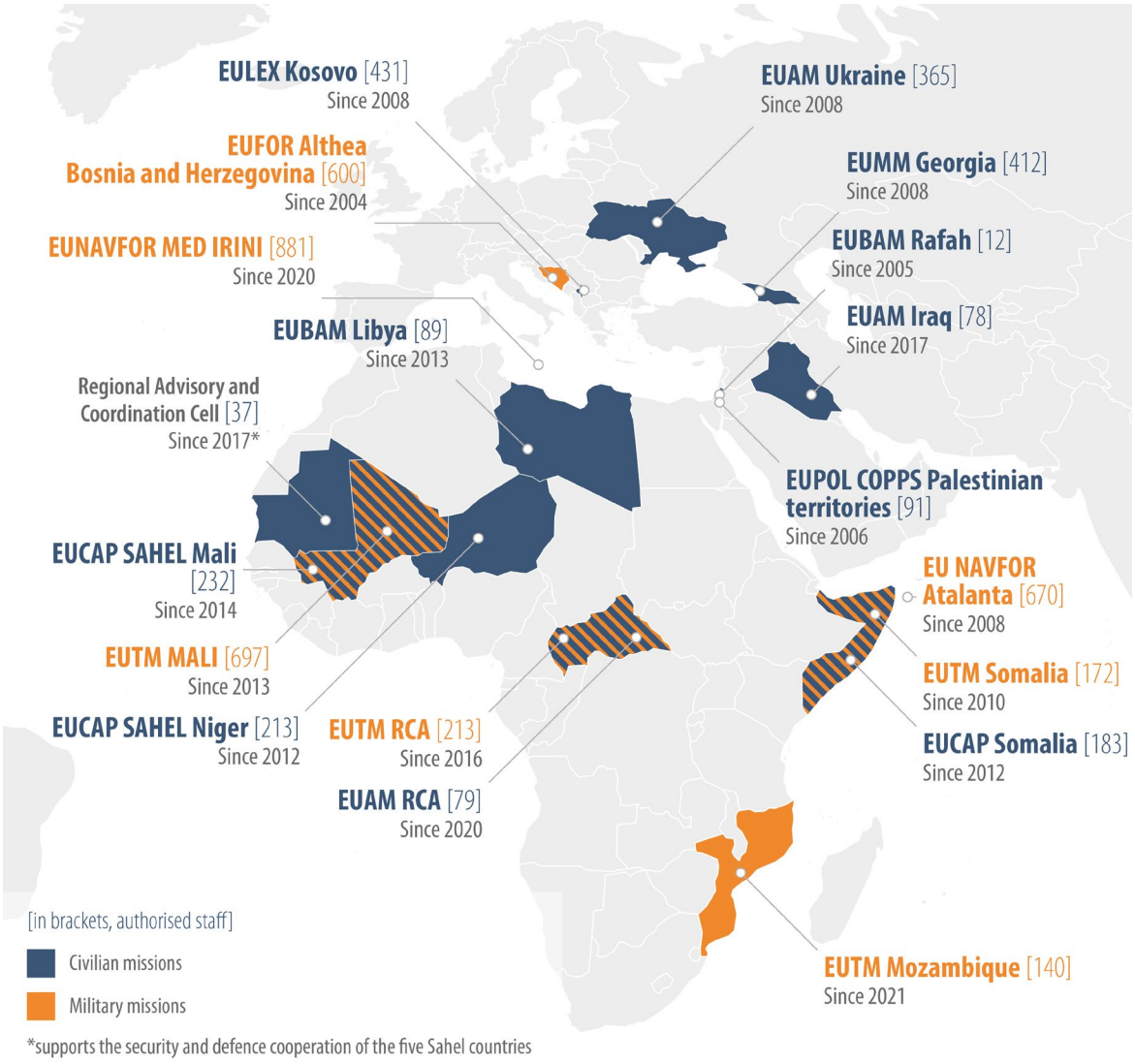
[99] European Union External Action Service, Common security and defence policy of the European Union: Missions and operations – Annual report 2018 (latest available report).

[100] Non-executive military missions are those operations which support the host nation with an advisory role only.

[101] I. Ioannides, Peace and security in 2020: Evaluating the EU approach to tackling the Sahel conflicts, EPRS, European Parliament, 2020.

defence implications, including the common costs of military CSDP operations, was adopted in March 2021 as an off-budget fund, worth €5.69 billion in current prices for the current MFF planning period.[102] The EU supports peace operations led by the African Union and partner countries through the EPF, and is able to provide military equipment, subject to strict safeguards and control mechanisms. Importantly, the EPF has been activated to support Ukraine through the provision of military equipment.

Figure 21 – CSDP missions and operations



In 2018, the EU adopted the civilian CSDP compact (CCC), designed to enhance mission capabilities in terms both of response time and access to relevant training.[103] It aims at boosting responsiveness, flexibility and reaction time. It also intends to increase defence integration between Member States, whether via programming, implementation or information sharing. Full delivery of the CCC is expected at the latest by summer 2023, and a new CCC to take its place should be adopted in 2023. According to the Strategic Compass, this will aim at further increasing mission effectiveness and in

[102] Council of the EU, EU sets up the European Peace Facility, 22 March 2021.

[103] T. Lațici, The civilian CSDP compact, EPRS, European Parliament, 2018.

developing the necessary civilian capabilities, with the goal of being able to deploy a civilian CSDP mission of 200 fully equipped experts within 30 days, including in complex environments. The civilian CSDP compact (CCC) commits to actively promote the representation of women in the EU's missions. According to the EEAS, the overall share of women personnel in CSDP missions and operations is 24 %, and 20 % when it comes to operational and management functions. As a signatory of the UNSC Resolution 1325 (2000) on women, peace and security (WPS), the EU has agreed to increase the overall number of women dealing with crisis management and peace negotiations and the EEAS has adopted a gender and equal opportunities strategy for 2018 to 2023. The European Parliament has called for the EU to lead efforts to implement Resolution 1325.

A European Centre of Excellence for Civilian Crisis Management was established in Berlin, Germany, in February 2020. In December 2021, the Council, highlighted the need to increase expertise on preserving cultural heritage during conflict; to strengthen partnerships with countries that host missions; and to enhance missions in ways that are consistent with digital and technological developments – linked to the need to boost capabilities for situational awareness and resilience.

Despite the Covid-19 pandemic, CSDP missions and operations continued to deliver on their security mandate and explored ways to support their host countries within their mandates, means and capabilities and in full coherence with the wider actions undertaken in the 'Team Europe' global response to the coronavirus.[104]

The maritime dimension of CSDP missions is becoming increasingly significant as geopolitical activities, from illegal trafficking and piracy operations to energy exploration missions and military posturing, continue to rise.[105] The EU has currently deployed **two major naval operations**: the EUNAVFOR Somalia operation Atalanta in the western Indian Ocean and EUNAVFOR MED Operation Irini in the Mediterranean. Launched in March 2020, Operation Irini has a mandate to patrol the international waters of the central Mediterranean, about 100 km off the Libyan coast, to implement the arms embargo imposed on Libya by UN Security Council Resolution 1970 (2011). Since its launch, the operation has boarded and inspected 22 suspect vessels; investigated 858 suspect flights, 25 airports and 16 ports, and provided 36 special reports to the UN Panel of Experts on Libya, among other things. Its mandate was renewed until March 2023. Operation Atalanta was deployed in the territorial waters of Somalia in 2008, in line with UN Security Council Resolution 1816, with the aim of protecting vulnerable vessels, such as those from the World Food Programme, off the Somalian coast by 'deterring, preventing and repressing acts of piracy and armed robbery'.[106] Atalanta has two complementing civilian 'sister missions': the EU capacity-building mission (EUCAP Somalia) and the EU training mission (EUTM Somalia). The EU's strategy for cooperation in the Indo-Pacific, approved by the Council on 16 April 2021, highlights the value of regional partnerships in support of maritime security more broadly. Specifically, the EU aims to conclude new framework participation agreements with Indo-Pacific partners and welcomes 'the contributions of Asian partner countries' naval forces' to Operation Atalanta. A new concept to increase the EU's maritime engagement was also launched in 2021 by the Council. 'Coordinated maritime presences' aim at encouraging greater engagement and international cooperation at sea – with a pilot taking place in

[104] E.Lazarou, CSDP missions and coronavirus, EPRS, European Parliament, 2020.

[105] T. Lațici, B Stanicek, and E. Pichon, Charting a course through stormy waters. The EU as a maritime security actor, EPRS, European Parliament, 2021.

[106] E. Pejsova, The EU as a maritime security provider, EUISS, 2019.

the Gulf of Guinea.[107] Defence capabilities in support of the EU CSDP missions and operations, including their maritime component, are developed through the EU's defence initiatives.

2.4.2. Developing the EU's defence capabilities

The Global Strategy states unequivocally that, for the EU to achieve its crisis response, capacity-building and resilience and protect Europe's peace and security, Member States must boost defence expenditure, make the most efficient use of resources, and meet a collective commitment of '20 % of defence budget spending devoted to the procurement of equipment and research and technology'. Since its presentation, Member States and the European Commission have launched a series of initiatives to achieve a robust and efficient enhancement of defence capabilities. The Strategic Compass process, as well as the serious deterioration of security in Europe brought about by Russia's invasion of Ukraine, has reinforced the pressing need to speed up these efforts. This is reflected in the Versailles Declaration and in the European Commission's proposals accompanying its 2022 defence investment gap analysis.[108]

Military mobility

In the 2021-2027 MFF, €1.5 billion was allocated to military mobility, including action on civil-military synergies on transporting dangerous goods, speeding-up cross-border movement permissions and developing overall military mobility, with a view to also countering hybrid threats. In addition to being a European Commission action plan, military mobility is also a Permanent Structured Cooperation on defence (PESCO) project (jointly with the USA, Canada and Norway), and a binding commitment on all PESCO members. It is also a priority area for EU-NATO cooperation. According to the HR/VP, in response to the war on Ukraine, a revised action plan on military mobility will be presented by the end of 2022, with new action planned in digitalisation, increasing the cyber resilience of transport infrastructure, as well as on air and sealift capacities. The European Commission will also accelerate the implementation of the dual-use transport infrastructure projects in the framework of the Connecting Europe Facility.

Efforts to enhance the EU's capabilities in security and defence build on important initiatives launched as part of the implementation of the EUGS. They include the Permanent Structured Cooperation on defence (PESCO) and the European Defence Fund (EDF) among others. **PESCO** was launched in December 2017, with the participation of 25 EU Member States.[109] PESCO members commit to increase their national defence budgets and defence investment expenditure to 20 % of total defence spending, and invest more in defence research and technology; they pledge to develop and provide 'strategically relevant' defence capabilities in accordance with the Capability Development Plan (CDP) and the Coordinated Annual Review on Defence (CARD), and to act jointly, making use of the financial and practical support provided by the EDF, part of the EU budget. As PESCO is complementary to the North Atlantic Treaty Organization (NATO), military capacities developed within PESCO remain in the hands of Member States, which can also make them available in other contexts, such as NATO or the UN. Non-EU states may exceptionally participate in PESCO projects, subject to certain conditions.

The EDF, amounts to €8 billion for 2021-2027, of which €2.65 billion is earmarked for research and innovation, and €5.3 billion for capabilities. The fund consists of two legally distinct, but complementary, windows for developing collaborative projects: (a) the defence research window,

[107] Council of the EU, Conclusions launching the pilot case of the Coordinated Maritime Presences concept in the Gulf of Guinea, 2021.

[108] S. Clapp, Member States' defence investment and capability gaps, EPRS, European Parliament, 2022.

[109] E. Lazarou, Permanent structured cooperation (PESCO): From notification to establishment, EPRS, 2017.

and (b) the defence capability window.[110] Through the EDF, for the first time ever, the EU is dedicating part of its budget to defence research and providing co-financing for defence projects to give Member States incentives to increase their defence spending in a collaborative manner.

2.4.3. EU-NATO cooperation

Greater cooperation between the EU and NATO was progressively advanced through two joint declarations in 2016 and 2018. Cooperation covers 74 action points, including cyber, hybrid and terrorism, as well as maritime security, capacity building for partners and traditional military domains. Russia's war against Ukraine has triggered unprecedented momentum in the need for coordination and complementarity between the two organisations, including on military support for Ukraine. The importance of the EU partnership with NATO is reflected in the Strategic Compass and will likely feature in the new NATO Strategic Concept (June 2022) and a potential new EU-NATO joint declaration, also foreshadowed by Commission President Ursula von der Leyen in her 2021 State of the European Union speech. Sweden and Finland's application to join NATO, also largely a reaction to the security situation brought about by Russian actions, led to the historic decision by NATO leaders to invite the two countries to become members of the Alliance during the Madrid Summit in June 2022. This will increase the number of shared EU and NATO members to 23, triggering even further alignment. NATO's 2022 new Strategic Concept, adopted at the Summit refers to the EU as 'a unique and essential partner for NATO' and asserts that 'NATO and the EU play complementary, coherent and mutually reinforcing roles in supporting international peace and security'.

In the context of Russia's latest invasion of Ukraine, the **European Parliament** recommended making swift progress in establishing a defence union by implementing the actions under the Strategic Compass. In that context, Members also called for intensified 'cooperation with like-minded partners around the globe, especially with transatlantic NATO allies, in order to maintain the strongest possible unity in defence of the rules-based international order, thus promoting and defending peace, democratic principles and respect for human rights, and ensuring that economic dependencies do not prevail over the defence of human rights and the values the Union stands for'.

2.5. Addressing cyber (in)security and disruptive technology

2.5.1. Recent developments: New threats require increased resilience

The continuing Covid-19 pandemic was accompanied by a spike in cyber-attacks, riding the wave of the virus in the information sphere. Cyber criminals took advantage of the millions of people working remotely and the swift digitalisation of numerous industries' supply-chains led to attacks, disinformation and misinformation, and crypto-jacking (a type of cybercrime where a criminal secretly uses a victim's computing power to generate cryptocurrency), dominating the cyber-threat landscape in Europe in 2021 (non-exhaustive list).[111] According to the World Economic Forum (WEF), malware and ransomware attacks increased by 358 % and 435 % respectively in 2020 – and are

[110] A budget of €90 million during 2017-2019 was allocated to the preparatory action on defence research and the budget for the European defence industrial development programme was €500 million for 2019 to 2020.

[111] ENISA, ENISA Threat Landscape, 2021.

increasing more swiftly than society can prevent them.[112] The WEF describes cyber threats as a critical short- to mid-term threat globally.[113] While the number of people using the internet in the EU is rapidly growing every year (76 % of Europeans used the internet every day in 2020),[114] cyber threats have also increased in sophistication, complexity and impact. Some estimates place the global cost of cybercrime in 2021 at over US$6 trillion, rising to US$10.5 trillion by 2025.[115] In 2020-2021, these attacks increasingly targeted digital service providers, public administrations, governments and critical infrastructure.[116] Cyber incidents can have disastrous consequences, as an attack on Brno University Hospital in Czechia in the middle of the Covid-19 outbreak showed. Surgeries were cancelled and patients in need of urgent medical attention had to be rerouted to other hospitals, with a real risk of loss of life.[117]

Moreover, the specialised literature often documents that a push for 'cyber sovereignty' can easily escalate – from resistance, to international regulation, into geopolitical tension. Cyber sovereignty, or a digital arms race, could compromise the fragile progress on global cyber norms and even risk resulting in offensive deployment of disruptive technologies in order to 'win the race'. Politicised discussions about 5G deployment and artificial intelligence demonstrate this trend towards geopolitical technological competition.[118] The remaining legal ambiguities in cyberspace could also constitute a threat to peace and security, particularly when malicious operations fall below the threshold of armed conflict. Globally agreed international agreements or binding guidelines on rules of engagement are still lacking.[119] Countries continue to disagree on the applicability of international law when it comes to self-defence and counter-measures in cyberspace.[120]

2.5.2. EU cyber action

A 2020 special Eurobarometer survey on European attitudes towards cyber security found that the majority of respondents feel that they are not able to sufficiently protect themselves against cybercrime (52 %). However, this is a notable improvement from 2017, when 71 % expressed that concern. Awareness of cybercrime has also risen from 46 % in 2017 to 52 % in 2020.[121] Cyberspace is now considered the fifth domain of warfare, alongside the traditional sea, land, air and space domains.[122] As early as 2016, the EU Global Strategy noted that 'our union is under threat', including cyber threats.[123] The strategy pledged the EU would be a 'forward-looking cyber player' and explicitly sought to support responsible state behaviour in cyberspace, based on existing international law. The 2022 Strategic Compass emphasises that, in a world that is becoming ever more dependent on digital technologies, state and non-state actors increasingly resort to

112 World Economic Forum, Global Risks Report, 2022.

113 Idem WEF, 2022.

114 European Commission, Europeans' attitudes towards cyber security, Eurobarometer 499, 2020.

115 Cybercrime Magazine, Cybercrime to cost the world $10.5 trillion annually by 2025, 2020.

116 ENISA, ENISA Threat Landscape, 2021.

117 ZD Net, Czech hospital hit by cyberattack while in the midst of a COVID-19 outbreak, 2020.

118 P. Boucher, N. Bentzen, T. Lațici, T. Madiega, L. Schmertzing and M. Szczepański, Disruption by technology. Impacts on politics, economics and society, Study, EPRS, European Parliament, 2020.

119 Microsoft, Protecting people in cyberspace: The vital role of the United Nations in 2020, 2019.

120 F. Delerue et al. The application of international law in cyberspace: is there a European way?, EU CyberDirect, 2019.

121 European Commission, Europeans' attitudes towards cyber security, Eurobarometer 499, 2020.

122 European External Action Service, A Strategic Compass for Security and Defence, 2022.

123 European Union Global Strategy, 2016.

cyberattacks and that cyberspace has become more contested than ever before. The Strategic Compass notes that attacks are becoming more sophisticated and that EU institutions are increasingly targeted, and stresses that it is therefore essential to 'maintain an open, free, stable and secure cyberspace'.

In 2017, the EU had already undertaken a wide array of cyber measures under the cybersecurity package. These included: a permanent mandate for the European Union Agency for Cybersecurity (ENISA); an EU cybersecurity certification framework; guidelines for fully implementing the first piece of EU-wide legislation on cybersecurity (the 2016 Directive on the Security of Network and Information Systems – the NIS Directive); an EU-wide cyber research network; and overall improvements in the responses and deterrence across the EU, among other things.[124] The Regulation granting ENISA a permanent mandate, entered into force on 17 April 2019. A further recent addition to the resilience toolbox is the EU Toolbox on 5G, which contains measures to strengthen the security of 5G networks and sets restrictions for high-risk suppliers, such as Chinese telecom giant Huawei.

On 24 July 2020, the European Commission set out a new EU Security Union Strategy. It underlined the need to make swift progress on ongoing legislative files such as the new NIS Directive, and emphasised the need to develop a culture of cybersecurity, building security into products and services from the start, and highlighted that the EU must continue to build robust international partnerships and assist partners with their cyber resilience.[125] On 16 December 2020, the European Commission and the HR/VP presented a (second) new EU cybersecurity strategy, following an initial strategy adopted in 2013. The new strategy aims to 'bolster Europe's collective resilience against cyber threats' and promote trustworthy services and tools. It puts the EU in the lead of efforts to ensure secure digitalisation and details how the EU can mobilise and enhance tools and resources to become technologically sovereign. It outlines how the EU's values and partnerships can help achieve technological sovereignty. The 2020 cyber strategy was welcomed in the March 2021 Council conclusions. On 16 December 2020, the Commission also adopted a proposal for a revised Directive on Security of Network and Information Systems (the NIS 2 Directive), which aims at addressing the deficiencies of the previous NIS Directive, to adapt it to the current needs and make it future-proof. The Council and Parliament reached a political agreement on the proposal on 13 May 2022. The Commission proposal for a new directive on the resilience of critical entities is closely connected, as all critical entities covered by the critical entities resilience directive will be subject to cyber resilience obligations under the NIS 2 Directive.[126] The proposed directive on the resilience of critical entities intends to boost the EU's resilience in 10 critical sectors (energy, transport, banking, financial market infrastructures, health, drinking water, waste water, digital infrastructure, public administration and space). The provisions include the obligation for Member States to draft strategies to ensure resilience in those sectors and undergo national risk assessments. If agreed, this new directive is expected to come into force in the second half of 2022.[127]

On 8 June 2021, the Regulation establishing the European Cybersecurity Competence Centre and Network entered into force. The Centre, which is currently being set up, will be located in Bucharest, Romania. Furthermore, a network of national coordination centres to strengthen European

[124] European Commission, Joint Communication: Resilience, Deterrence and Defence: Building strong cybersecurity for the EU, 2017.

[125] European Commission, EU Security Union Strategy, 2020.

[126] M. Tuominen, Improving the resilience of critical entities, Initial Appraisal of a European Commission Impact Assessment, EPRS, February 2021.

[127] Confederation of European Security Services, CER Directive: Discussion with Finish Stakeholders in Helsinki, 2022

Figure 22 – Non-exhaustive mapping of EU cyber stakeholders

Source: EPRS.

cybersecurity capacities will be established. As a follow-up to the EU Security Union Strategy, the Commission announced a proposal for an EU-wide Joint Cyber Unit on 23 June 2021. This will act as a platform to ensure an EU coordinated response to cyber-attacks and crises as well as assistance in recovery. It is planned to be operational by December 2022. The Strategic Compass for Security and Defence, adopted on 21 March 2022, sets ambitious goals on cyber resilience. These include regular cyber exercises starting from 2022, and further developing the EU's cyber defence policy in 2022, inter alia through boosting research and innovation, stimulating the EU's industrial base and increasing cooperation between the EU's and Member States' cyber defence actors. It also notes that a new European cyber resilience act will be proposed in 2022 (expected in September 2022),[128] to increase the EU's common approach to cyber infrastructure and standards. On 23 May 2022, the Council approved conclusions on developing the EU's cyber posture, which aim to highlight the EU's determination to provide responses to threat actors seeking to deny the EU a secure and open access to cyberspace and affect its interests, including the security of its partners. The Council calls upon the Commission to propose EU common cybersecurity requirements for connected devices inter alia, and stresses the importance of holding regular cyber exercises.

A further important way in which the EU seeks to bolster its cyber resilience is through PESCO, with 10 projects focused on the cyber domain. The PESCO Cyber Rapid Response Teams and Mutual Assistance in Cyber Security (CRRTs) project was the first to be activated in an operational context when cybersecurity experts, pooled from six participating EU Member States, were deployed to assist Ukraine with its cyber defence in February 2022.

2.5.3. EU cyber stakeholders

The EU's cyber landscape spreads across bodies including ENISA, Europol (especially its Cyber Crime Centre), the EU Agency for the Operational Management of Large-Scale IT Systems in the Area of Freedom, Security and Justice (eu-LISA), the Computer Emergency Response Team, and the Intelligence and Situation Centre (INTCEN). The EEAS and the EDA also play important roles, most notably on cyber defence. All EU Members currently have national cyber strategies and some have also adopted subordinate strategies on cyber defence.[129]

2.5.4. Cyber diplomacy: A European response to a global problem

Diplomacy is always the preferred European response to security matters, including cyber threats. Since 2017, the EU has crafted a 'cyber diplomacy toolbox',[130] establishing a framework for a joint

[128] Council of European National Top-Level Domain Registries, EU Policy Update - Outlook to 2022, 2022

[129] ENISA, National Cyber Security Strategies, 2020.

[130] Council of the EU, Framework for a Joint EU Diplomatic Response to Malicious Cyber Activities, 2017.

diplomatic response to malicious cyber activities. It equips the EU with tools to both react to cyber incidents, and to engage in capacity and capability building at home and abroad to ensure cyber resilience. In the Strategic Compass, EU leaders agreed to strengthen the Cyber Diplomacy Toolbox in 2022, inter alia by exploring different response measures. On 23 May 2022, the Council called upon 'the High Representative, in cooperation with the Commission, to identify possible EU joint responses to cyberattacks' within the framework of the Cyber Diplomacy Toolbox. Besides the aim to streamline cyber diplomacy across policies and engagements, the EU has more structured cyber cooperation [131] with its 10 strategic partners. [132] The EU also has cyber engagements with the African Union and with the Association of Southeast Asian Nations (ASEAN), as well as throughout the eastern and southern neighbourhoods. [133] Since 2016, cyber has also become a key area for EU-NATO cooperation. [134] The 2020 cyber strategy emphasises the EU's intention to work with partners to 'promote a political model and vision of cyberspace grounded in the rule of law, human rights, fundamental freedoms and democratic values'. In July 2020, EU Member States decided for the first time to enact sanctions targeting cyber perpetrators associated with the Russian, Chinese and North Korean governments. [135] A total of eight individuals and four entities responsible or involved in cyber-attacks affecting the EU and its members have been sanctioned to date. Sanctions include an asset freeze and travel ban, and were extended for a further three years on 16 May 2022. An essential part of the sanctions process is attribution – identifying the origin and assigning blame for an attack – which has been particularly contentious when it comes to cyber-attacks. One analysis of the first ever EU cyber sanctions attacks, found that the process of attribution is often 'fragmented and slow'. It is therefore significant that, on 10 May 2022, the EU and several international partners condemned, and thereby attributed to Russia, a malicious cyber-attack against Ukraine (targeting the 'KA-SAT' network).

The European Parliament has advocated robust EU measures in the cyber realm. In January 2020, it called for increased EU efforts to confront cyber threats, deeming the active cooperation between the EU and NATO as vital, and recalled that cyber-attacks 'could constitute sufficient ground for a Member State to invoke the EU Solidarity Clause (Article 222 of the TFEU)'. In January 2021, Parliament highlighted 'the urgent need to further integrate cyber aspects into the EU's crisis management systems' and called for greater EU coordination on the collective attribution of cyber-attacks. Parliament adopted a report on the state of EU cyber capabilities on 7 October 2021, in which it inter alia underlined the urgent need to strengthen Member State military cyber defence capabilities and noted the necessity for coordinated Union-level responses to cyber-attacks. Parliament called on the EEAS and Commission to develop comprehensive cyber resilience measures in cooperation with the Member States. It also welcomed that the Strategic Compass will prioritise guiding capability needs, including in cyber defence, which will enhance EU cyber resilience. It reiterated the importance of EU-NATO cooperation and called for close coordination with the UN and OSCE and other like-minded partners. In the March 2022 final report of its Special Committee on Foreign Interference in all Democratic Processes in the EU including Disinformation (INGE), Parliament called for new counter- and deterrence measures to ensure cybersecurity and resilience against cyberattacks and the establishment of a cybersecurity emergency response fund.

[131] T. Renard, EU cyber partnerships: Assessing the EU strategic partnerships with third countries in the cyber domain, European Politics and Society, January 2018.

[132] Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, South Korea and the USA.

[133] EU CyberDirect, Cyber diplomacy in the EU, 2019.

[134] T. Lațici, Understanding EU-NATO cooperation. Theory and practice, EPRS, 2020.

[135] T. Lațici, EU cyber sanctions: Moving beyond words, EPRS, 2020.

2.6. Countering disinformation and foreign interference

2.6.1. Recent developments: From infodemic to information war

Disinformation has taken centre stage in the context of Russia's full-scale assault on Ukraine since 24 February 2022. The Kremlin has waged a continuous and coordinated state-controlled disinformation campaign, spreading myths and falsehoods aimed especially at influencing public perception of the war, such as the claim that Ukraine is conducting genocide against the Russian-speaking population in the Donbas. The claim has repeatedly been proven to be false, with none of a multitude of human rights reports compiled by the UN High Commissioner finding any evidence. The disinformation campaigns emanating from Russia began as early as 2014, as part of a hybrid war against the country. Disinformation campaigns have not only been used in the war on Ukraine. Indeed, the 2022 Strategic Compass paints a sombre picture of a world in which disinformation is used as a tool of power by both state and non-state actors to undermine the EU. In response, it calls for the EU to respond swiftly and forcefully to disinformation and foreign manipulation, pointing in particular to the Russian disinformation campaign on its war on Ukraine.

Disinformation is also prevalent in the context of the continuing Covid-19 pandemic, which has led to an 'infodemic' of false and misleading information on the virus. According to the World Health Organization (WHO), this plethora of information about the virus – often false or inaccurate – can create confusion and distrust and undermine an effective public health response. For instance, false claims spread on social media about the effectiveness of bleach in treating the virus, espoused most prominently by former US President Donald Trump,[136] may have led to a 15 % increase in bleach-related poisonings in Belgium during the pandemic.[137] Since Covid-19 vaccines became available, falsehoods about their safety have spread like wildfire, undermining the public's confidence in their effectiveness and thus hampering efforts to overcome the pandemic. This has been especially problematic for a disease that, according to the WHO, had killed over 6 million people worldwide, as of 15 May 2022.

2.6.2. The disinformation landscape

Disinformation – defined by the European Commission as 'verifiably false or misleading information created, presented and disseminated for economic gain or to intentionally deceive the public' – has increased significantly in recent years. Disseminators of disinformation include state-linked actors (for example, Kremlin trolls during the 2016 US presidential campaign)[138] and non-state actors, such as far-right Trump supporters promoting the QAnon conspiracy theory.[139] In many cases, these two groups – state and non-state – pick up and amplify each other's messages. The overall effect of their activity is to sow distrust, fear and confusion among audiences, manipulate public opinion and undermine public trust in official information (including about health, as has been observed during the pandemic), democratic institutions, and media. It can pit different groups in society against each other, stoke tension, spark fear and reinforce underlying divisions. A March 2018 Eurobarometer survey indicated widespread public concern about the issue of 'fake news', with 83 % of respondents

[136] BBC, Coronavirus: Outcry after Trump suggests injecting disinfectant as treatment, 2020.

[137] Euractiv, Number of bleach-related incidents up in Belgium due to COVID-19 fears, 2020.

[138] M. Russell, Kremlin trolls in the US presidential election, EPRS, European Parliament, February 2018.

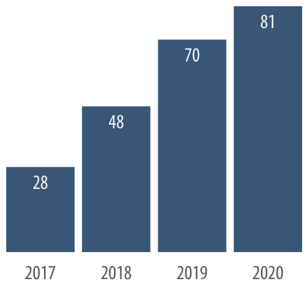
[139] N. Bentzen, Coronavirus in the 'Disunited States of America', EPRS, European Parliament, April 2019.

identifying it as a problem for democracy.[140] Disinformation is often combined with other instruments in an increasingly diverse, hybrid 'toolbox', used by authoritarian state actors to impact political decision-making beyond their own political spheres. In addition to information influence such as disinformation, hybrid threats include election interference, cyber threats, energy coercion and terrorism.[141] Disinformation techniques are also constantly evolving.

2.6.3. Growing evidence of online disinformation across the world

The Oxford Internet Institute (OII) has found increasing social media manipulation by governments and political parties across the world. According to OII, Facebook and Twitter found evidence of seven states engaging in information operations to influence foreign audiences in 2019: China, India, Iran, Pakistan, Russia, Saudi Arabia and Venezuela. However, over 10 times as many countries are using such techniques to influence domestic audiences. In 2020, the institute found evidence of organised social media manipulation in 81 countries, significantly more than in previous years.[142]

Figure 23 – Countries using organised social media manipulation



Data source: Oxford Internet Institute, 2020.

Russia is a well-known player in the field of hybrid warfare, disinformation and influence operations, and its techniques and narratives are well documented. Russia has significantly stepped up its coordinated campaign of disinformation since the start of its illegal aggression against Ukraine, leading to an 'information war' that is being fought online.[143] By spreading myths and disinformation, Russia seeks to shape the narrative around the war and justify its war against Ukraine. Russia has claimed, for example, that Ukraine is planning to use chemical weapons against Russian speakers in the Donbas. Ukraine does not use, produce or stockpile chemical weapons, and the allegations are therefore without basis.[144] Ukraine is a State Party to the Chemical Weapons Convention and its strict adherence to the convention has been repeatedly praised by the Organisation for the Prohibition of Chemical Weapons (OPCW).[145] In fact, according to the Nuclear Threat Initiative, Ukraine returned all the former Soviet chemical weapons on its territory to Russia for elimination following its independence in 1991. Russia has actually covered up its own use of chemical weapons against individual political opponents; according to several investigative journalists it has used them most recently in the assassination attempt against Alexei Navalny.

140 Final results of the Eurobarometer on fake news and online disinformation, 12 March 2018.

141 Countering hybrid threats, The European Centre of Excellence for Countering Hybrid Threats, accessed on 12 March 2021.

142 In each of these countries, researchers found that at least one political party or government agency was involved in using social media to influence public opinion. See: 2019 and 2020 Global Inventory of Organized Social Media Manipulation, Oxford Internet Institute.

143 Fact Check: Fake News thrives amid Russia-Ukraine war, Deutsche Welle, March 2022.

144 Disinformation about Russia's invasion of Ukraine – Debunking Seven Myths spread by Russia, European External Action Service, March 2022.

145 OPCW Director-General meets with Chairperson of the Parliament of Ukraine, Organisation for the Prohibition of Chemical Weapons, 2022

Encrypted messaging services (such as Facebook subsidiary WhatsApp) play an increasingly important role in spreading mis- and disinformation (for example, in the 2020 US presidential election).[146] Facebook remains the platform of choice for social media manipulation across the world, partly due to its global market dominance. With 2.91 billion users worldwide, Facebook is by far the most popular social network, followed by YouTube (2.56 billion users), WhatsApp (2 billion), Instagram (1.48 billion), WeChat (1.26 billion), TikTok (1 billion), Facebook Messenger (0.98 billion) and Telegram (0.55 billion). Twitter has 436 million users.[147] In Russia's war on Ukraine, TikTok has emerged as a major tool to spread mis- and disinformation about the conflict,[148] with some commentators labelling it the 'first TikTok war'.[149]

2.6.4. The EU's response to online disinformation

In recent years, the EU has stepped up efforts to counter disinformation. In September 2015, the East StratCom Task Force (ESTF) was set up under the EEAS. To date, the Task Force has collected over 12 000 samples of pro-Kremlin disinformation in its EUvsDisinfo database. The EEAS has also added two further task forces, Western Balkans and South, for the MENA and Persian Gulf region. The European Commission included an initiative against fake online information in its 2018 work programme.[150] In 2018, the Commission proposed the creation of an independent network of fact-checkers, encouraging media literacy to help citizens spot online disinformation, and additional support for quality journalism. It also proposed an EU-wide code of practice on disinformation for key online platforms, social networks and the advertisement industry. Published in September 2018, the code is geared towards reducing online disinformation. Among other things, it encourages social media platforms to make it clearer for users where promoted content comes from, to direct users to trustworthy and diverse news sources, and close down fake accounts.

Figure 24 – Overview of EU joint and coordinated action against disinformation

Data source: European Commission, 2022.

Following the code of practice, the Commission and HR/VP adopted a joint action plan in December 2018. Moreover, EU institutions and Member States launched a rapid alert system in

146 The disinformation threat to diaspora communities in encrypted chat apps, Tech Stream, March 2021.

147 Global social networks ranked by number of users, Statista, March 2022.

148 TikTok algorithm directs users to fake news about Ukraine war, study says, *The Guardian*, March 2022.

149 Watching the World's First TikTok War, The New Yorker, March 2022.

150 2018 Commission work programme, European Commission, 24 October 2017.

March 2019, to share information about disinformation[151] and set up a European cooperation network for elections. An observatory for social media analysis (SOMA) was created, and European Media Literacy Week was launched to increase awareness and societal resilience. In their June 2019 joint communication on the implementation of the action plan against disinformation, the European Commission and the HR/VP concluded that, despite some progress made by online platforms, more remained to be done. All online platforms needed to provide more detailed information to facilitate the identification of malign actors and targeted Member States; intensify their cooperation with fact checkers and empower users to detect disinformation more easily; and give the research community meaningful access to data, in line with personal data protection rules. In September 2020, the Commission's assessment of efforts by social media platforms since signing the code of practice reached similar conclusions.[152] In response to the Covid-19 pandemic, the Commission and HR/VP issued a joint communication on tackling Covid-19 disinformation in June 2020. It centred around understanding the threat from disinformation, communicating with citizens about the risks and cooperating interinstitutionally and with international partners including the G7, NATO and the WHO. The Commission also launched a Covid-19 disinformation monitoring programme, to keep people informed about the virus and vaccines.

The December 2020 Council Conclusions on strengthening resilience and countering hybrid threats, including disinformation in the context of the Covid-19 pandemic, invited the Commission and HR/VP to further enhance responses at EU level. It invited the Commission to develop and eventually implement additional transparency requirements for online platforms. To address some of the shortcomings in countering disinformation, the Commission therefore unveiled its proposal for a digital services act[153] in December 2020, which aims to create a safer and more trusted digital environment, setting standards and requirements for different types of services, such as social media platforms, to ensure transparency and accountability. It introduces a 'notice and action' mechanism and safeguards against harmful content online, including disinformation. In April 2022, the Council and Parliament reached a political agreement on the proposed act.

The European Parliament has consistently pushed for more action against disinformation, including proper staffing and 'adequate resources' for the StratCom Task Force. In Parliament's June 2017 resolution on digital markets and online platforms, Members called on the European Commission to analyse the possibility of drafting legislation on combating fake news and the dissemination of fake content. In its October 2019 resolution on foreign electoral interference and disinformation, Parliament called for an enhanced permanent East StratCom Task Force, with more funds, and also underlined that online companies must cooperate in combating disinformation. The European Parliament set up a Special Committee on Foreign Interference and Information Manipulation, including Disinformation (INGE 1) in June 2020. Its final report was adopted in plenary in March 2022. Parliament called for increased resources to monitor threats, including disinformation, and more efforts to raise public awareness of the matter. Members also stressed the need to work with partners and called for situational awareness on disinformation and foreign manipulation to be further developed. Members urged the EU to set up a sanctions regime against disinformation and called on social media platforms to do more to fight disinformation and foreign manipulation. A second INGE Special Committee (INGE 2) was launched in March 2022, to follow up on the report. Disinformation has also featured prominently in the transatlantic legislators' dialogue (a dialogue on policy issues between the European Parliament and the US Congress. For instance, at its 84th meeting, the houses shared views on how to combat Russian and Chinese targeted disinformation.

[151] European Parliament, Legislative Train Schedule, Online platforms, the digital single market and disinformation.

[152] Disinformation: EU assesses the Code of Practice and publishes platform reports on coronavirus related disinformation, European Commission, 10 September 2020.

[153] European Parliament, Legislative train, A Europe fit for the digital age, April 2022.

Disinformation also features prominently in the European democracy action plan adopted in December 2020, which envisages new legislation on political advertising, measures to support media freedom and pluralism and to counter disinformation (e.g. efforts to overhaul the Code of Practice on Disinformation into a co-regulatory framework of obligations and accountability of online platforms).[154] In May 2021, the Commission issued new guidance to strengthen the Code of Practice on Disinformation. New measures are intended to empower users to understand and flag disinformation, increase fact-checking mechanisms and de-fund disinformation, by inter alia barring advertisers from their platforms that spread it. It also calls for the creation of a Transparency Centre by signatories to the Code of Practice on Disinformation (online platforms, leading social networks, advertisers and the advertising industry) and a task force led by the Commission, with representatives from the Member States and signatories to the Code of Practice. The proposed measures in the Commission guidance were implemented on 16 June 2022, when a strengthened Code of Practice was published, aimed at addressing the shortcomings of the previous version, which the Commission welcomed. The strengthened Code also considers the lessons learnt from the Covid-19 pandemic and Russia's war on Ukraine, and lays the groundwork for a more transparent, secure and trustworthy online space. Finally, the Strategic Compass – an ambitious strategy to strengthen the EU's security and defence policy by 2030 – adopted in March 2022, sets ambitious goals for developing tools to increase resilience against disinformation and foreign manipulation. A central measure is the creation of a 'toolbox' in 2022 – a set of measures to respond to, detect and analyse such threats among other things (already called for in the European democracy action plan in December 2020). The EU toolbox on foreign information manipulation and interference (FIMI) is supposed to, among other things, strengthen the EU's ability to detect, analyse and respond to such threats, as well as to deal with ways to impose costs on malign disinformation actors. As part of its sweeping sanctions on Russia following the Russian war on Ukraine, the EU has already sanctioned propagandists and banned major state-owned Russian broadcasters Sputnik and Russia Today from broadcasting in the EU.

2.7. Combating terrorism

2.7.1. Jihadist attacks – Still the greatest terrorist threat for the EU

In 2021, Member States still considered jihadist terrorism to constitute the greatest terrorist threat in the EU.[155] Since 2020, most jihadism-inspired attacks in the EU have taken the form of an assault in public places targeting civilians, carried out by an individual acting alone.[156] Jihadists in the EU continue to be strongly influenced by propaganda posted online by jihadist terrorist groups outside the EU, which confirms the crucial role that the internet continues to play in enabling violent extremists to spread their propaganda among potentially vulnerable and receptive audiences.[157] Both ISIL/Da'esh and the al-Qaeda network continue to incite lone-actor attacks in Western countries, demonstrating the close interlinks between EU external and internal security.

In 2021, the EU took an important step to address the dissemination of terrorist content online.[158] Competent authorities in the Member States now have the power to issue removal orders to hosting

[154] Communication from the Commission on the European democracy action plan, December 2020.

[155] Europol, European Union Terrorism Situation and Trend report 2021.

[156] European Commission, Third progress report on the implementation of the EU Security Union Strategy, December 2021.

[157] Europol, European Union Terrorism Situation and Trend report 2021.

[158] K. Luyten, Addressing the dissemination of terrorist content online, July 2021.

service providers, requiring them to remove terrorist content or disable access to it in all Member States. Internet platforms must then remove or disable access to the content within one hour. The rules apply to all providers offering services in the EU, whether or not they have their main establishment in an EU Member State. In 2021, the EU also continued to reinforce its framework for combating money laundering and terrorist financing. The new rules include measures on crypto-assets, extending the obligation to report suspicious transactions to such assets and introducing a ban on anonymous crypto-wallets.

With an estimated half of the EU citizens who joined ISIL/Da'esh still abroad, foreign terrorist fighters (FTFs) returning from Syria and Iraq continue to pose a challenge. In 2021, the EU placed particular emphasis on preventing the further radicalisation of children and women returnees, with the publication of guidelines for a coordinated EU approach to the prevention of radicalisation.[159] There are concerns that the difficult conditions that foreign fighters and their families experience in prisons and camps in North-East Syria could be a factor in further radicalisation, leading to calls to provide these foreign fighters with humanitarian aid and support.

Following the Taliban takeover of Afghanistan in September 2021, the Council published a counter-terrorism action plan on Afghanistan. The action plan identifies four objectives: to prevent jihadists from infiltrating the EU by improving security checks; to stop Afghanistan from becoming a safe haven for terrorist organisations;[160] to monitor and counter propaganda and mobilisation of the Jihadi ecosystem; and to tackle organised crime as a source of terrorist financing.

Parts of Africa have become a new global hotspot for jihadist terrorist activity.[161] Local armed groups have increasingly developed strong Salafi jihadist ideologies and forged ties with jihadist movements predominantly active in the Middle East – al-Qaeda and ISIL/Da'esh. By way of example, experts report that violence linked to militant Islamic groups rose 70 % in Mali in 2021, compared to 2020, with an approximate doubling in attacks on civilians and associated deaths.[162]

The spike in violence attributed to jihadist groups and their ties to foreign movements has prompted international stakeholders, including the EU, to launch counterterrorism operations, alongside local actors. The EU has been supporting the G5 Sahel Joint Force, which the G5 Sahel countries Burkina Faso, Chad, Mali,[163] Mauritania and Niger launched in 2017, with the aim of fighting terrorism and organised crime in the region. The EU has also deployed three CSDP missions in the Sahel, EUCAP-Sahel Niger (2012), EUCAP-Sahel Mali (2014) and EUTM-Mali (2013), along with a regional advisory and coordination cell (RACC) based in Nouakchott (2019). In March 2020, 11 EU Member States launched a common European intervention in the Sahel, called 'Takuba', to fight alongside the Malian army.[164] The EU also supports the Multi-national Joint Task Force (MNJTF) of the Lake Chad Basin Commission (which supports the fight against the Boko Haram terrorist group in Chad, Cameroon, Nigeria and Niger). In 2021, the EU also deployed a military training mission to Mozambique (EUTM Mozambique), to help address the terrorist insurgency in the north of the

[159] European Commission, Strategic orientations on a coordinated EU approach to prevention of radicalisation for 2021, February 2021.

[160] According to a UN report published in early June 2022, al-Qaeda has once more found a haven in Afghanistan under the Taliban and 'increased freedom of action', with the potential to launch new long-distance attacks in coming years.

[161] B. Stanicek, M. Betant-Rasmussen, Jihadist networks in sub-Saharan Africa, September 2021.

[162] M. Harris, C. Doxsee, J. Thompson, The End of Operation Barkhane and the Future of Counterterrorism in Mali, Center for Strategic and International Studies, March 2022.

[163] In May 2022, Mali announced that it was pulling out of the G5 Sahel Joint Force.

[164] Sahel Coalition, The Takuba Task Force is launched, 3 June 2020.

country. Part of the funding for these counterterrorism operations has come from the newly established European Peace Facility.[165] However, following coups in Mali and Burkina Faso, the security situation in the Sahel continues to deteriorate. This has prompted the EU to suspend its operations in Mali, as mentioned above.[166] France, which launched its own counter-terrorism operation in the Sahel, Barkhane, in 2014, decided to withdraw its military resources from Mali, together with European States and Canada operating alongside Barkhane and within the Task Force Takuba. These states have agreed nonetheless to continue their joint action against terrorism in the Sahel region, including in Niger and in the West African coastal countries.[167]

Recent developments

On 20 June 2022, the Council adopted Conclusions on addressing the external dimension of a constantly evolving terrorist and violent extremist threat. Council adopted these conclusions with the aim of ensuring that the political guidance driving the EU's common action remains adjusted to the reality of the EU's security exposure. The conclusions begin by expressing serious concern about the possible long-term implications of the Russian aggression against Ukraine on the terrorist threat, both within the EU and globally. The Council singles out ISIL/Da'esh, al-Qaeda and their affiliates as the most prominent terrorist threat worldwide, warns of the misuse of new technologies for terrorist purposes, and regrets a trend of growing politicisation in the fight against terrorism. Council calls for the EU's role on the global counter-terrorism stage to be expanded, and for a more strategic use of the EU's counter-terrorism sanctions regime.

Terrorist attacks in Europe over the past decade have given rise to initiatives to crack down on the illegal trade in firearms, a relatively small market under the control of organised criminal groups, to prevent terrorists from easily acquiring firearms. Europol has expressed concerns over the large number of weapons being supplied to Ukraine, which could be trafficked back to the EU once the war is over. According to Europol, 30 years on, criminal gangs in the EU still use weapons originating from the war in the former Yugoslavia (1991-1999), raising fears that the same could happen with weapons currently in use in Ukraine. Europol is also closely monitoring the movements of terrorists and violent extremists in and out of Ukraine. So far, there is no indication that the fighting in Ukraine is attracting any particular group of extremists.

Russia's war on Ukraine has also focused minds on risks emanating from chemical, biological, radiological and nuclear (CBRN) substances, including the risk of radiation from attacks on, or accidents in, nuclear power stations, or the use by Russia of biological or chemical weapons. There is also a risk of CBRN material being diverted and trafficked to the EU, mainly radiological material from medical facilities in areas that have seen heavy fighting, or material from smaller chemical plants. This material could potentially end up in the hands of terrorists. Shortly after the Russian invasion of Ukraine, the European Commission announced that it would build up strategic reserves to enhance the EU's capacity to respond to (CBRN) threats. The strategic reserves are to include a strategic stockpile, worth €540.5 million, consisting of equipment (personal protective equipment and detection, identification and monitoring devices) and medicines, vaccines and other therapeutics to treat patients exposed to CBRN agents. It will also include a decontamination reserve, comprising both staff and equipment to decontaminate people, infrastructure, buildings, vehicles or critical equipment.

In March 2022, Europol's Management Board decided to suspend any cooperation with Russia, including through the strategic agreement concluded in November 2003.

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[165] B. Immenkamp, European Peace Facility, Investing in international stability and security, EPRS, European Parliament, October 2021; B. Bilquin, The European Peace Facility: A new tool in action, February 2022.

[166] Security Council Report, Group of Five for the Sahel Joint Force, Monthly Forecast, May 2022.

[167] Joint declaration on the fight against the terrorist threat and the support to peace and security in the Sahel and West Africa, 17 February 2022.

2.7.2. Terrorism in the world

Measured in terms of individual deaths, the fight against terrorism has recorded significant successes over the past few years. According to the 2022 Global Terrorism Index (GTI), in 2021, deaths from terrorism fell for the sixth consecutive year, from a high of 33 555 in 2014, to 7 142 in 2021.[168] The terrorism score improved for 86 countries, while it deteriorated for 19. Nevertheless, terrorism is still widespread, and the number of attacks globally increased by 17 % in 2021, to 5 226. Some 44 countries recorded at last one death from terrorism in 2021.

In 2021, over 97 % of deaths from terrorism were recorded in countries that were already experiencing political instability and conflict. In that same year, the 10 countries experiencing the highest impact from terrorism were all engaged in armed conflict. Afghanistan remains the country that is most affected by terrorism, followed by Iraq and Somalia. However, ISIL/Da'esh and its affiliates have replaced the Taliban as the deadliest terrorist group in the world, with deaths attributed to the group more than doubling, from 942 deaths in 2019, to 2 066 in 2021. Owing to the expansion of ISIL/Da'esh affiliated groups in Sub-Saharan Africa, terrorism has surged in the region, making it a new global hotspot for jihadist activity. Of the 10 countries most affected by terrorism, 3 are in the Sahel region (Niger, Mali and Burkina Faso). In contrast, in the MENA region, deaths from terrorism have fallen by 39 % in the last three years, and terrorist attacks and deaths from terrorism have also continued to decrease in Europe.

While religion-inspired terrorism has declined, political terrorism, including far-right terrorism, is on the rise in North America, Oceania and Western Europe, with eight countries reporting at least one instance of political terrorism in 2021.

2.7.3. Terrorism in Europe

Despite the recent fall in terrorist attacks, the terrorist threat in Europe has nevertheless grown significantly over the past two decades. Groups with an explicitly anti-Western and anti-European 'jihadist' ideology, such as al-Qaeda and ISIL/Da'esh, have expanded in influence and importance.[169] However, it is noticeable that arrests and attacks linked to right-wing terrorism have also increased consistently over the same period. The total number of deaths from terrorism has nevertheless continued to fall, from a peak in 2015 (151 deaths) and 2016 (142 deaths), to 21 deaths in 2020. Of the 21 people who died as a result of terrorist attacks in 2020, 9 were killed during a single right-wing terrorist attack, and 12 died as a result of 6 jihadist terrorist attacks.[170] In a worrying trend, the number of jihadist terrorist attacks that were completed (10) outnumbered those that were thwarted (4).

Since 2007, 61 % of terrorism fatalities in the west (including Western Europe, North America, and Oceania), were caused by Islamic groups, while 30 % have been attributed to far-right terrorism.[171] The vast majority of deadly terrorist acts, and the most deadly terrorist attacks, that Europe has witnessed since 2004 were perpetrated by individuals either directly linked to or inspired by extremist groups with centres outside Europe's borders (see Figure 25). This connection between internal and external security has come to shape EU action.

[168] Institute for Economics and Peace, Global Terrorism Index 2022, March 2022.

[169] Europol, European Union Terrorism Situation and Trend report 2021.

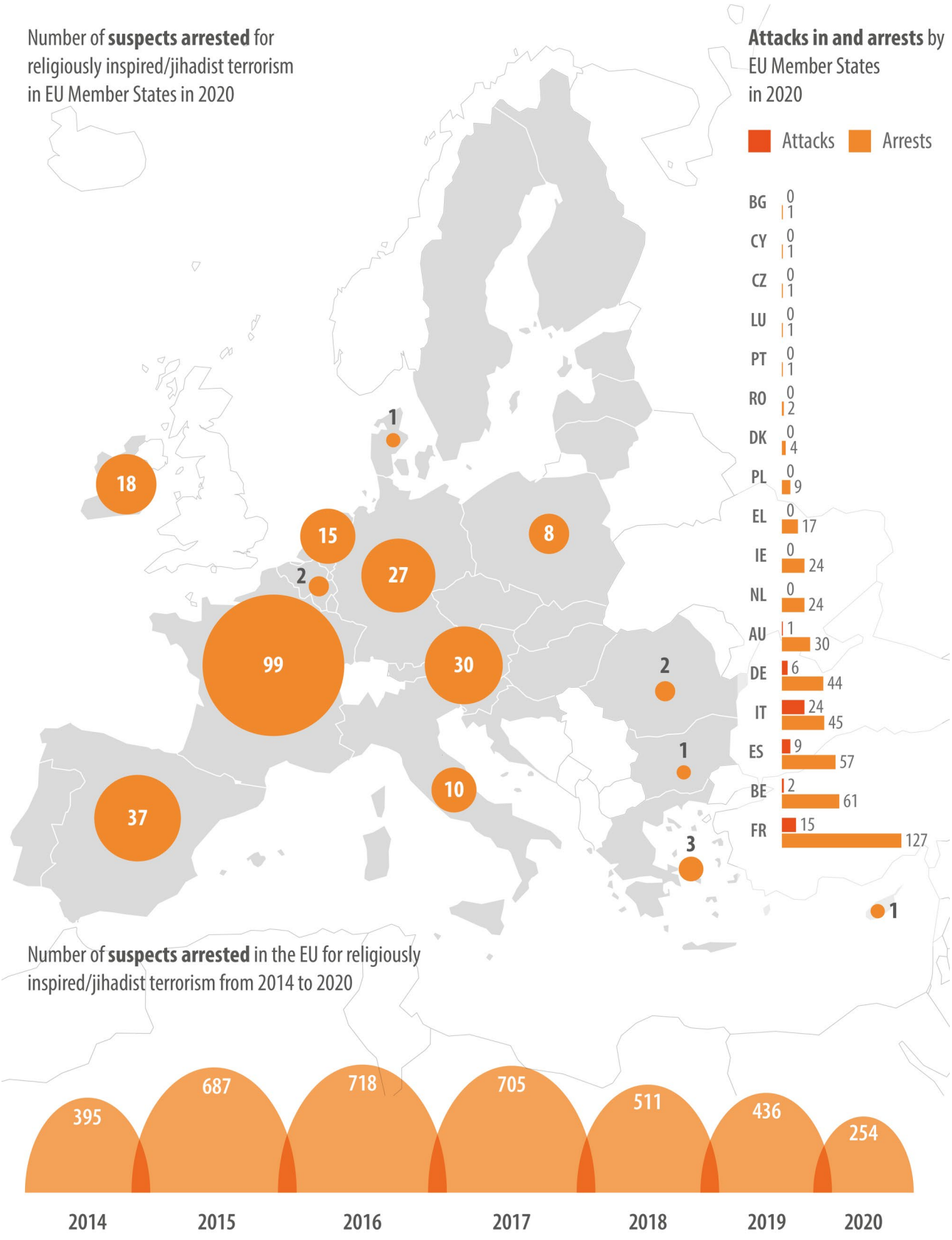
[170] Europol, European Union Terrorism Situation and Trend report 2021.

[171] Institute for Economics and Peace, Global Terrorism Index 2022, March 2022.

Primary responsibility for combating crime and ensuring security within the EU lies with the Member States. However, the EU provides tools to assist with cooperation, coordination and (to some extent) harmonisation between Member States. It also provides financial support to address this borderless phenomenon. The EU has also stepped up cooperation with third countries to combat the terrorist threat, including through funding. There has been a marked increase in the exchange of information with third countries, and a counter-terrorism dialogue is now held with 20 countries, including in the Middle East, North Africa, the Balkans and with Turkey. Funding for these initiatives has come both from the EU budget and from individual Member States.[172]

[172] S. Voronova, Understanding EU counter-terrorism policy, EPRS, European Parliament, January 2021.

Figure 25 – Terrorist attacks and arrests, EU Member States (EU-27), 2021



Data source: European Union Terrorism Situation and Trend report, Europol, December 2021.

Legislation, agreements and developments in 2021-2022

Police cooperation: the Commission presented a police cooperation package in December 2021, with proposals on information exchange between law enforcement authorities, on an automated data exchange under a renewed Prüm framework, and on operational police cooperation.

Combating terrorism financing: the Fifth Anti-Money-Laundering Directive complements the existing EU framework for combating money laundering and terrorist financing. Several other pieces of legislation harmonise or update existing rules: a Directive on countering money laundering by criminal law, a Directive on facilitating the use of financial and other information, a Regulation on controls on cash entering or leaving the Union and a Regulation on the mutual recognition of freezing and confiscation orders in 2021. The EU continued to reinforce its framework for combating money laundering and terrorist financing, with an ambitious anti-money-laundering (AML)/Countering the financing of terrorism (CFT) package. The package provides for creating a new EU authority, in the form of a decentralised EU regulatory agency, in charge of AML/CFT supervision and supporting EU Financial Intelligence Units (FIUs). Moreover, it includes measures on crypto-assets, extending to such assets the obligation to report suspicious transactions and introducing a ban on anonymous crypto-wallets

Terrorism content online: the regulation on dissemination of terrorist content online, which applies as of 7 June 2022, is intended to prevent violent extremism, especially online.

Regulating weapons: a Directive on the control of the acquisition and possession of weapons and a Regulation on deactivation standards ensure that deactivated firearms are rendered irreversibly inoperable, prevent terrorists from easily acquiring firearms or reactivating de-activated ones. The new 2020-2025 action plan on firearms trafficking aims at addressing the 'remaining legal loopholes and inconsistencies in firearms controls that hinder police cooperation' and to step up international cooperation.

Protecting EU borders: the EU has decided to create a standing corps of up to 10 000 operational staff within Frontex (transformed into a European Border and Coast Guard Agency), by 2027. Improving management of the EU external borders (including in cases of health crises or hybrid attacks) is also one of the objectives of the ongoing Schengen reform.

European Public Prosecutor's Office (EPPO): The mandate of the newly created European Public Prosecutor's Office (EPPO) has been extended to comprise terrorism.

Exchange of information with third countries: Europol has concluded operational agreements with a total of 17 non-EU countries, of which 9 in the last 7 years, allowing for the exchange of information, including personal data. Europol also concluded strategic agreements with Armenia, Brazil, China, Russia (suspended), Turkey and the United Arab Emirates, but these are limited to the exchange of general intelligence. In 2021, Europol also reached an agreement with New Zealand for the exchange of personal data, which is ready for signature. Negotiations for a similar agreement with Israel have started. In February 2022, the co-legislators agreed on strengthening Europol's mandate, empowering the agency to cooperate more effectively, including by concluding international agreements.

EU counter-terrorism dialogues are held with some 20 countries; since 2015, the focus has been on counter-terrorism cooperation with the Middle East and North Africa (MENA) countries, the Balkans and Turkey. Following Brexit, Europol has also stepped up cooperation with the UK.

Counter-terrorism capacity building: the EU provides numerous countries with technical assistance and training, including support for counter-terrorism capacity building efforts, and preventing and countering violent extremism (P/CVE) initiatives. EU funding for preventing and countering violent extremism in non-EU countries has tripled since 2015, reaching over €500 million in 2020.

Support for victims of terrorism

Protecting and supporting victims of terrorism has been an essential part of the measures the Commission has put in place to address all aspects of the terrorist threat. Several strategic documents, including the counter-terrorism strategy and the European agenda on security, have highlighted the importance of solidarity, assistance and compensation for victims, regardless of where in the EU a terrorist attack has taken place. The legal framework has been strengthened through a series of directives. Victims of terrorism have the right to immediate access to medical and psychological support as well as information on legal, practical and financial measures.

The Commission has established a European network of associations of victims of terrorism (NAVT) aimed at fostering cross-border cooperation between associations of victims of terrorist attacks in the Member States, and enhancing the defence of victims' rights at EU level. Moreover, in January 2020, the Commission set up the EU Centre of Expertise for Victims of Terrorism to help ensure that the EU rules on victims of terrorism are correctly applied.

In 2020, the European Commission also presented its first-ever EU strategy on victims' rights 2020-2025, whose main aim is to enable all victims of crime to make full use of their rights. It acknowledges that victims of terrorism are a group of particularly vulnerable victims who require specialised support.

2.8. Tackling energy insecurity

Energy security is defined by the International Energy Agency as 'reliable, affordable access to all fuels and energy sources'.[173] The EU is dependent on imports to provide reliable, affordable access to all fuels and energy sources: in 2020, imports covered over half (57 %) of the EU's energy needs. This figure rises further for oil and natural gas, the largest part of which came from Russia in the years before the ongoing war on Ukraine. More striking still: the EU's dependence has not decreased, but remained remarkably stable, and high, over time. The fact that a large share of the world's hydrocarbon reserves is located in hostile or volatile regions such as Russia, the Middle East and North Africa, means that the EU is at risk of supply disruptions, which can affect its citizens and its economies.

2.8.1. Energy security in a globalised world

Russia's war of aggression against Ukraine has propelled the urgent challenge of securing energy supplies to the forefront of EU policy-making. The extended sanctions and bold decisions adopted by the EU since February 2022 have increased the speed of the EU's decoupling from Russia, Europe's largest supplier of coal, oil and gas before the war.

With the exception of unilateral moves (such as Russia's decision to stop supplying some Member States, due to the dispute over payment in roubles), the speed with which Europe can decouple from Russia depends on the energy source. Decoupling is easier for oil than for natural gas, since oil can be flexibly transported and traded across the world. As a result, EU importers have plenty of alternatives to choose from.

It is much more difficult for the EU to source natural gas from non-Russian sources. The supply of natural gas is usually agreed on the basis of long-term contracts and the gas is transported through pipelines, which are expensive, take years to build and are only economically viable up to a certain

[173] Energy Security, International Energy Agency.

distance. While options to diversify gas imports exist (e.g. liquefied natural gas (LNG),[174] there are capacity constraints, both in terms of production, as well as terminal and shipping capacity. In addition, this option is currently at least more expensive and potentially more polluting, and less used as a result.[175] Gas importers therefore have only a limited choice of suppliers, and cannot flexibly switch from one to another. This is the case, e.g. for Bulgaria and Latvia, who were among several countries where three-quarters or more of gas imports came from Russia in 2020.[176]

From an energy security perspective, nuclear energy offers advantages, as uranium is widely available and many nuclear power plants in the EU have a choice of suppliers.[177] The exceptions are for some types of Russian-designed reactors, for which Russia is the only manufacturer of nuclear fuel, although this problem can be at least partly addressed by having sufficient stockpiles; in 2019, the Euratom supply agency calculated that EU nuclear power stations had enough uranium to last an average of three years. However, the problem of disposing of nuclear waste and post-Fukushima safety concerns deter a wider use of nuclear energy.

The EU is a leader in promoting energy efficiency and renewable sources. Apart from their environmental benefits, both help to cut reliance on energy imports – energy efficiency because it reduces overall energy consumption, and renewable energy because it can be produced locally. However, renewable energy requires a high initial investment. In addition, electricity production from wind and solar power inevitably depends on weather conditions. Batteries and other technologies can store surplus electricity so that it is available for periods of low output, but they also create new forms of import dependence on minerals such as lithium and cobalt, and require higher up-front investment. In the longer term, technological advances should help to solve the latter problem by bringing the cost of electricity storage down to a viable level.

2.8.2. Energy security as a challenge for the EU

Although Europe has some energy resources of its own, these are far from enough to meet demand. The EU's energy dependence increased from 40 % of its total energy consumption in 1990 to 57 % in 2020 (see Figure 26).[178] While the EU's total energy consumption is declining (thanks to more efficient energy use), and the contribution from renewable energy is growing, many EU countries have been moving away from nuclear energy – following the 2011 nuclear accident in Fukushima – and polluting coal. However, renewable energy is not yet ready to compensate (see Figure 27) although the Commission's RePowerEU plan is certainly an important step towards increasing their share. As a result, gas consumption is rising, at the same time as the EU's own production of gas, for example in the North Sea, is in steep decline. The result is a sharp rise in gas imports, and with it, continued high overall energy dependence.[179] Apart from the need to guarantee physical energy

[174] As its name suggests, LNG is created by compressing natural gas into a liquid. Gas in this form can be transported by ship regardless of distance, opening the door to imports from countries such as Qatar, the USA and even Australia.

[175] Imports – gas – monthly data (measured by gross calorific value, Eurostat (2019 data). Nonetheless, to decrease their dependence on Russian gas, EU Member States such as Lithuania (2014) or Poland (2016) have started importing LNG.

[176] ITC Trade Map, imports of petroleum gas and other gaseous hydrocarbons.

[177] However, some EU nuclear power plants only run on Russian fissile material. In this context, the EURATOM supply agency calculated in its 2019 Annual Report that EU nuclear power stations had enough uranium to last an average of three years.

[178] Energy production and imports, Eurostat. The share of imports rises to more than 90 % for crude oil and for natural gas, which are the two biggest components of the energy mix.

[179] As explained in the previous section, diversifying gas supplies is often difficult due to the need for pipelines; in the EU's case, over two-thirds of gas imports come from just two countries, Russia (41 %) and Norway (23.5 %). See:

supplies for Member States, industry and citizens, as well as meeting the targets the EU has set in relation to the climate transition, the Covid-19 pandemic and Russian invasion of Ukraine highlight a third important concern: energy prices. Given that energy use accounts for a high and growing share of consumer spending, there is a tangible risk of growing energy poverty and a wider negative impact on economic growth. This explains the Global Strategy, the Normandy Index and the EU Strategic Compass' identification of energy security as one of the EU's main external vulnerabilities.[180]

Figure 26 – EU energy dependence

% of EU energy consumption covered by imports

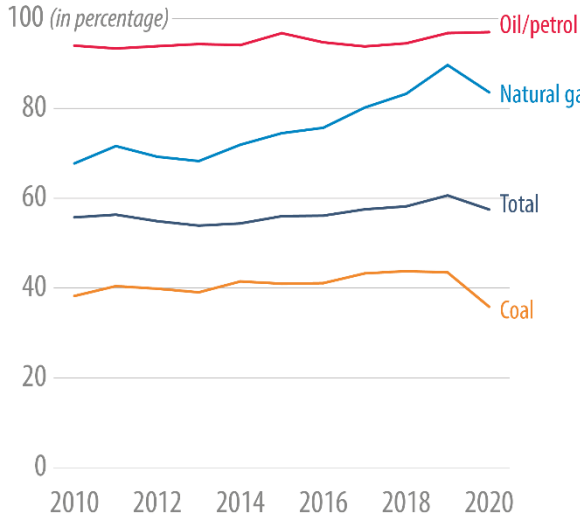
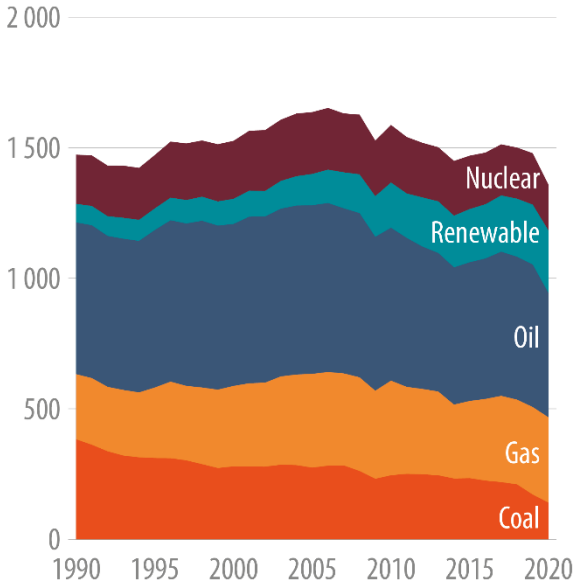


Figure 27 – EU energy consumption

Million tonnes oil equivalent



The EU imports nearly all of its oil, most of its gas, and slightly over half of its total energy needs. The share of renewable sources in the energy mix is rising, but fossil fuels are still dominant. While coal and oil are in decline, gas consumption is rising.

Data source: Eurostat (energy dependence; energy mix), Accessed in June 2022.

2.8.3. EU action to decrease energy dependence

In 2007, European leaders agreed to ambitious renewable energy and energy efficiency targets. Efforts in both areas are likely to intensify further following both the European Commission's December 2019 Green Deal, aiming for a carbon-neutral EU by 2050, and its adoption of the Recovery and Resilience Facility, in the context of which national recovery and resilience plans should devote at least 37 % of total expenditure to investment and reform supporting climate objectives. Today, 17.5 % of energy consumed in the EU comes from mostly European renewable

Quarterly Report on European Gas Markets, European Commission, 2022. Moreover, 10 EU countries (Bulgaria, Czechia, Estonia, Latvia, Hungary, Austria, Romania, Slovenia, Slovakia, Finland) get over three-quarters of their gas imports from Russia. See: EU imports of energy products – recent developments, Eurostat, January 2021.

[180] E. Lazarou, Mapping threats to peace and democracy worldwide: Normandy Index 2020, EPRS, European Parliament, 2020.

sources, and total energy consumption is declining.[181] In the longer term, these two trends should make the EU less dependent on imports. However, constraints on renewable energy storage and the energy repercussions from the Russian invasion of Ukraine will mean continued reliance on fossil fuels for the short and medium term. The EU has therefore also taken action to secure oil and gas supplies, using the legal basis provided by the Lisbon Treaty, which gives the EU a role in promoting European energy security. Spurred by the 2009 gas crisis, the EU adopted new legislation, such as the 2017 Security of Gas Supply Regulation (SoGS Regulation), which among other things creates mechanisms for sharing gas between Member States in the event of a crisis.[182] In March 2022, the Commission proposed an expedited and targeted revision of the SoGS Regulation that would require all Member States to fill their gas storage levels to at least 80 % of capacity by 1 November 2022 (rising to 90 % in subsequent winters), introduce solidarity mechanisms between Member States when it comes to accessing stored gas, and require certification of all gas storage operators, including those owned by third countries (e.g. Russia).[183] A compromise between the co-legislators was reached on 20 May 2022.

To diversify gas procurement, the European Commission agreed with the USA in March 2022 on additional LNG deliveries through US exports. The Commission is also working with Canada on possible LNG and hydrogen deliveries and aims to conclude a trilateral agreement with Egypt and Israel on LNG supply soon. In addition, it will explore opportunities with Gulf countries for concluding green hydrogen partnerships. To secure affordable prices for gas, LNG and hydrogen, the Commission and Member States established an EU Energy platform for the purchase of energy in April 2022.[184] While gas is the biggest concern in terms of security of supply, the EU also has legislation to ensure all Member States develop minimum oil reserves, and takes measures to guarantee security of electricity supply in the event of an unexpected disruption. Growing national concerns around rising energy prices in 2021 led to the European Commission adopting a toolbox (October 2021) of targeted interventions that Member States could take to counter these price rises in a way that does not undermine the single market in energy.[185] Further increases following the Russian invasion of Ukraine led Member States to agree on the need for new measures to combat the rapid increase in energy prices at the European Council meeting of 24-25 March 2022, inter alia by calling on the Commission 'to submit proposals that effectively address the problem of excessive electricity prices'.

In March 2022, the Commission proposed the REPowerEU, joint European action, designed to reduce fossil fuel imports from Russia by two thirds in 2022, with the goal of making Europe independent from Russian fossil fuels well before 2030. In the REPowerEU context, the Commission adopted a new EU external energy strategy (External energy engagement in a changing world) in May 2022, which aims to reduce overall energy demand and ensure fair competition for resources,

[181] Where does our energy come from? Eurostat.

[182] Sharing gas to ensure gas for all, European Parliament, 2017.

[183] According to a 2022 report from the Agency for the Cooperation of Energy Regulators (ACER), actual gas in storage in the EU-27 was only around 20 % of annual consumption (as of 1 October 2021), with filling-in levels of only 72 % and particularly low storage levels in sites owned by Gazprom. The ACER report lends support to the need for urgent EU action on gas storage.

[184] Initiatives relative to LNG could result in new dependencies, both in terms of (quantitative) restrictions and prices.

[185] These include temporary reductions in energy taxes, social payments for vulnerable consumers, and action to prevent disconnections, such as a temporary deferral of payments.

boost energy savings and energy efficiency and pave the way for a future green hydrogen partnership.[186]

Regulatory measures are flanked by the construction of physical infrastructure, such as reverse flow and interconnector pipelines allowing gas to be transported more flexibly from one country to another.[187] In March 2022, the EU achieved an emergency synchronisation of the Continental European Electricity Grid with Ukraine and Moldova. For 2021-2027, the European Commission is proposing a €5.2 billion budget from the Connecting Europe Facility to support energy investments such as new pipelines and electricity cables linking EU countries and their neighbours, gas storage facilities and LNG terminals.[188] The EU and its Member States fund research into renewable energies and energy efficiency, including in cooperation with international partners such as Japan.[189] In June 2022, meeting in Chile, the European Commission and ministers from several countries including Australia, Canada, China, India, Saudi Arabia, and the USA, made a joint commitment to collaborate on a clean hydrogen mission under the second phase of the Mission Innovation initiative.[190]

Energy security in the EU's neighbourhood

Like the EU itself, most of its European neighbours rely on imported fossil fuels, including natural gas from Russia. Three eastern European and six Western Balkan countries have joined the EU's energy community, which promotes energy security by encouraging them to adopt EU energy rules and integrate into EU markets. EU funding also finances energy infrastructure, such as new interconnecting electricity cables and gas pipelines.

The EU holds energy dialogues with countries such as Algeria, an important gas supplier. European loans and grants helped to develop the TANAP pipeline, part of the Southern Gas Corridor, which began bringing Azeri gas to south-eastern Europe in 2020.

2.8.4. Prospects for European energy security

In its 2014 European energy security strategy, the European Commission pointed to the lack of lasting disruption of supplies since the 1970s as evidence that energy security measures have succeeded.[191] Developments in 2022 marked a sudden and radical departure (in scale) from the existing situation. While in the longer term, renewable energy gives the EU an opportunity to develop its own sources of clean energy, until that happens, it will continue to import most of its energy. EU gas markets have become more integrated: according to one report, as much as 75 % of gas in the EU is consumed in a competitive and well-functioning market, in which gas can be flexibly routed to countries and regions where the need is greatest.[192] Moreover, in 2022, the EU has actively increased its efforts to diversify its energy imports. However, a potential EU reorientation to LNG

[186] Since 2020, the EU and Chile have carried out joint actions on green hydrogen.

[187] Unfortunately, RePower EU neither proposed specific projects nor more funds relative to this particular element.

[188] European Parliament, Legislative Train Schedule, Connecting Europe Facility 2021-2027.

[189] Research and innovation international cooperation in the field of renewable energy technologies, European Commission, December 2020.

[190] Mission Innovation is a global initiative of 22 countries and the European Commission (on behalf of the EU) to reinvigorate and accelerate global clean energy innovation, achieve performance breakthroughs and cost reductions and provide widely affordable and reliable clean energy solutions.

[191] European energy security strategy, European Commission communication COM(2014) 0330 final. However, this Communication notes that there were disruptions in 2006 and 2009. There were therefore indications of potential disruption, although not at the current scale.

[192] P. Zeniewski, A long-term view of natural gas security in the European Union, IEA, 2019. In this context, it is important to stress the need for more and better EU gas interconnections.

would face constraints related to availability, storage capacity and high(er) prices. As a result, many European countries remain heavily dependent on Russian gas. While many are now better prepared to cope with potential supply disruptions than they were in 2009, the effort countries will have to make to reduce their dependence on Russian fossil fuels will be substantial, especially given high energy prices and high levels of debt following the Covid-19 pandemic.[193] Moreover, the climate transition and the Russian invasion of Ukraine show that, over and above this action, it is inevitable that Member States will coordinate more closely on their energy mixes and supply infrastructure; take strategic decisions in close consultation with their neighbours; and map a path out of energy dependency that is compatible with the transition to climate neutrality by 2050.

2.9. Mitigating the security impact of climate change

The EU Global Strategy states that 'Climate change and environmental degradation exacerbate potential conflict, in light of their impact on desertification, land degradation, and water and food scarcity'. The strategy considers climate change to be 'a threat multiplier that catalyses water and food scarcity, pandemics and displacement'. In 2018, the Intergovernmental Panel on Climate Change (IPCC), the UN body for assessing the science related to climate change, issued an alarming special report on the impacts of global warming of 1.5°C, which concluded that the risks to natural and human systems of global warming exceeding 1.5°C would be major and asymmetric. For example, at 2°C of global warming, greater proportions of people would be exposed and susceptible to poverty in Africa and Asia, while risks across energy, food, and water sectors could intensify hazards, exposure, and vulnerabilities that could affect large numbers of people and regions. It emphasised that small island states and economically disadvantaged populations are particularly vulnerable and it drew numerous causal links between the deterioration of environmental factors at land, sea or air and impacts on socioeconomic life, such as the further deterioration of food insecurity in coastal areas due to ocean warming and acidification. This latter is one of countless ways in which climate and human wellbeing are fundamentally connected. Many of these projected risks were echoed by a report published in February 2022 as part of the IPCC's sixth assessment cycle.[194]

The implications for peace and security are undeniable, if not evident. The 2021 World Climate and Security Report produced by the International Military Council on Climate and Security, identifies at least five key risks security professionals predict under current circumstances:

1. Compounded security threats created by convergence of climate and other threats.
2. Heightened vulnerability of politically fragile regions, and even relatively stable regions such as Australia or the USA are not immune.
3. Impacts on military infrastructure and military operations.
4. Potential second-order negative effects of climate mitigation strategies – such as geoengineering – on global security, if not implemented carefully.
5. Outdated global governance and international legal norms that are ill-equipped to manage climate-related security crises.[195]

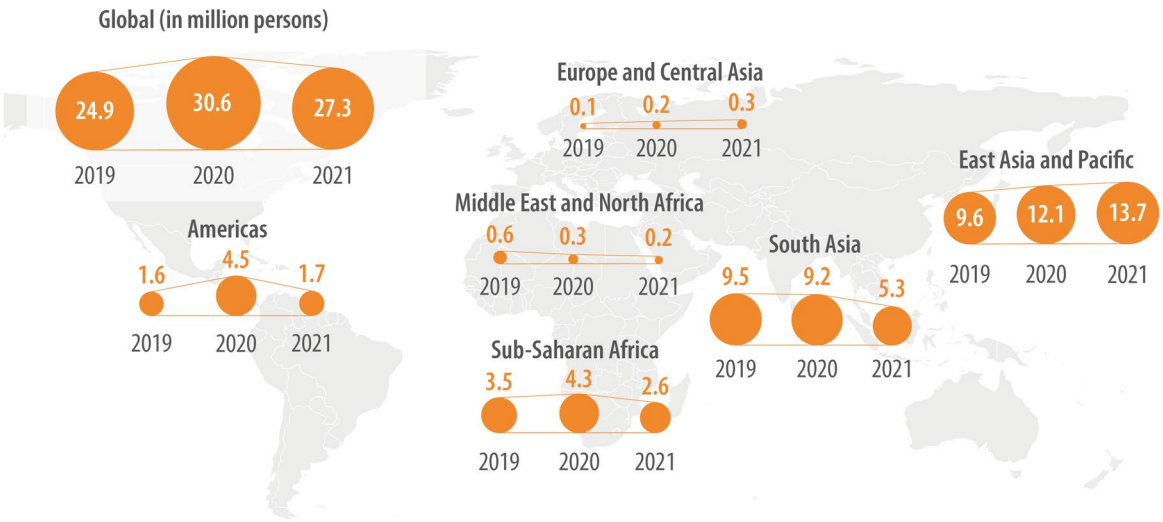
[193] For example, Lithuania has built an LNG terminal, while Latvia has expanded its gas storage capacity.

[194] Climate Change 2022: Impacts, Adaptation and Vulnerability, Intergovernmental Panel on Climate Change, February 2022.

[195] 2021 World Climate and Security Report, International Military Council on Climate and Security, June 2021. See also: Clingendael, Military responses to climate change, March 2020.

Existing security risks linked to the changes in weather and climate conditions are exacerbated by the consequences of phenomena such as droughts, floods, deforestation, desertification and environmental degradation. Between 2008 and 2019, events referred to as natural hazards – many of them linked to climate change – forcibly displaced an estimated 265 million people, amounting to more than three times as many forced movements as those caused by conflict and violence.

Figure 28 – Internal displacement of persons due to natural disasters, 2021



Data source: Global Report on Internal Displacement, 2022. Regional figures represent new displacements over the course of the year, and may not equal the global figure due to rounding.

Climate change can increase extreme weather events and fuel further instability through consequences such as food and water scarcity, competition over decreasing natural resources, disaster-related displacement and the disruption of production and supply chains. Threats to energy and economic infrastructure are also increasingly linked to extreme weather phenomena.[196]

The forecast for Europe is also alarming. A report by E3G, an environmental think tank, predicts that annual damage from coastal floods in Europe 'could be as high as €1 trillion per year affecting over 3.5 million people, drought-hit cropland could increase seven-fold, agricultural yields could decline by up to 20 %, land burnt by forest fires could double and almost one in two Europeans could be affected by water scarcity'.[197]

2.9.1. EU action against climate-related security risks

Recent years have signalled an unprecedented prioritisation of climate action by the EU, organised around the flagship European Green Deal, presented by the von der Leyen Commission in December 2019, and aiming to make Europe the first climate-neutral continent by 2050, and a global leader in fighting climate change by:

- leading by example, through the European Green Deal;
- setting standards for sustainable growth across global value chains;
- using diplomacy, trade and development cooperation to advance climate goals.

196 Climate-resilient infrastructure, OECD environment policy paper no. 14, December 2018.

197 Managing climate risk for a safer future. A new resilience agenda for the European Union, E3G, 2019.

The European Commission communication on the European Green Deal recognises that climate change is a significant threat multiplier and source of instability. It asserts that 'the ecological transition will reshape geopolitics, including global economic, trade and security interests. This will create challenges for a number of states and societies'. Consequently, the EU commits to 'work with all partners to increase climate and environmental resilience to prevent these challenges from becoming sources of conflict, food insecurity, population displacement and forced migration, and support a just transition globally. The European Green Deal consolidates the commitment to make climate policy implications an integral part of EU external action – including in security and defence.

Externally, climate security is addressed by a mix of instruments and actions, carried out by the EEAS and the Commission, particularly its Directorates-General for International Partnerships (INTPA, formerly DEVCO), European Civil Protection and Humanitarian Aid Operations (ECHO) and Climate Action (CLIMA). They implement several types of risk assessment (including conflict and fragility) incorporating climate change effects and incorporate the results into planning for humanitarian aid, development, missions and agreements. Some of the ways in which the EU supports third countries affected by the security implications of climate change are illustrated below.

In light of the Covid-19 crisis, the link between climate change and pandemics has received renewed attention, given the proven association between climate conditions and infectious diseases. As early as the 1990s, the WHO was reporting widely on the ways in which climate change can affect human health, either directly (by enhancing vector breeding, e.g. insects, across the world and by reducing the maturation period for certain pathogens), or indirectly (by causing a deterioration in socioeconomic conditions, food and water scarcity, and water contamination). Research also suggests that higher temperatures could favour pathogens that are more difficult for human bodies to fight. Scientists also examine whether the accelerating melting of ice reservoirs (for example in the Arctic) may release viral pathogens with implications for human health.

2.9.2. Support in conflicts and crises

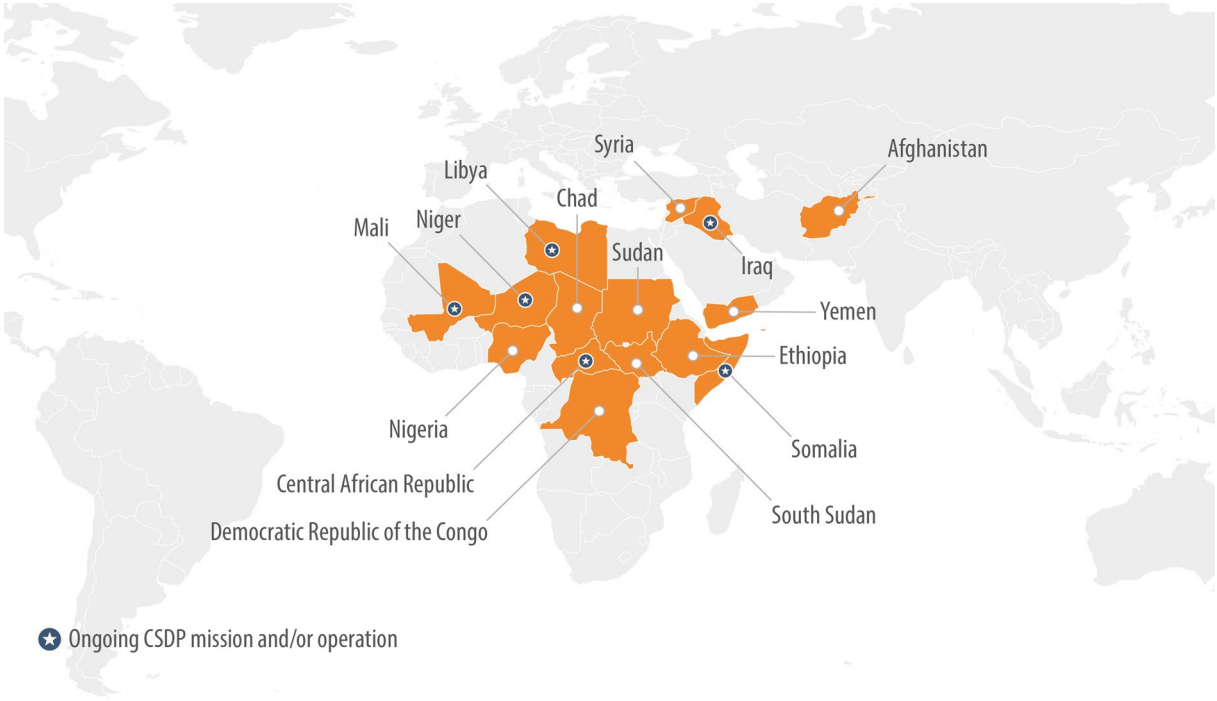
As early as 2013, the EU's comprehensive approach to external conflict and crises identified climate change as an essential factor to consider in all stages of the conflict cycle and as a global issue 'where the external aspects of internal EU policies have a growing foreign and security policy dimension'. Since then, there has been an ongoing effort to integrate climate security concerns in areas ranging from early warning and preparedness, to conflict prevention, crisis response and management to early recovery, stabilisation and peace-building.

Following the report by the IPCC in 2019, the Foreign Affairs Council reaffirmed the threat posed by climate change to peace and security and recognised climate change as an existential threat. The Council emphasises that conflict prevention tools such as the EU conflict early warning system should take the security challenges linked to the adverse effects of climate change and environmental risk factors into account. In September 2019, EU defence ministers discussed ways in which threats posed by climate change could be further integrated into the EU's evolving CSDP, focusing on two issues: ensuring that the militaries contribute to addressing climate change; and incorporating the effects of climate change on conflicts, or on crisis areas, in planning military operations and in foresight. An additional tool for preparedness, the Copernicus Climate Change Service, part of the EU's earth observation programme, provides global data on climate change which can be used to pre-empt and mitigate its effects, for example in food production (crop yields) and desertification, which are key drivers of mass population movements.

Conflict prevention is one of the main goals of EU foreign policy. The conflict early warning system is a key tool in this context and uses a wide range of inputs from multiple sources to assess potential risks. This enables the identification of long-term risks for violent conflict in a given country or region thereby integrating climate security thinking into policy planning. Experts highlight that the

challenge facing the early warning system is to ensure that it can successfully identify evolving climate security risks and to make sure that decision- and policy-makers make use of it.[198]

Figure 29 – The 15 countries most vulnerable to climate change



Data source: Notre Dame Global Adaptation Initiative 2019.

In practice, the countries most vulnerable to climate change are situated in regions of conflict and fragility (see Figure 29). It follows that CSDP missions and operations are often deployed in countries that are negatively affected by climate change such as Libya, Mali, Niger, Somalia, Iraq and the Central African Republic, which are among the 15 most vulnerable countries. Operation Atalanta, for example, protects food aid shipments from the World Food Programme for the Somalian population; the food and nutrition crisis in Somalia is itself linked to floods and droughts. According to the European Union Institute for Security Studies (EUISS), climate is one of three trends that are likely to shape the evolution of the EU's missions and operations in the decade ahead.[199] Indeed, in December 2020, 6 of the 10 largest UN peace operations were in countries that have a high vulnerability to climate change, with 80 % of active UN personnel deployed in such countries. The effect of climate change can have serious repercussions for peacekeeping operations and special political missions. For example, inadequate response mechanisms can weaken confidence in governance, creating power vacuums that can be exploited by local criminal groups. In November 2020, the EEAS presented a climate change and defence roadmap prepared in cooperation with the European Commission services and the European Defence Agency (EDA), at the request of the Council. Central to EU climate policy, the roadmap includes short-, medium- and long-term goals in three interwoven areas of action: the operational dimension; capability

198 B. Pérez de las Heras, 'Climate security in the European Union's foreign policy: addressing the responsibility to prepare for conflict prevention', *Journal of Contemporary European Studies*, 2020.

199 G. Lindstrom, Four futures for CSDP, *The CSDP in 2020*, EUISS, 2020.

development; and strengthening multilateralism and partnerships, and also appears in the EU's Strategic Compass approved by the Council in March 2022.

NATO has also acknowledged the effects of climate change on Allied security. NATO's 'strategic concept' includes climate change – alongside health, water scarcity and energy needs – as one of the key environmental factors which will impact on the future security environment, on defence strategy and military operations. In 2014, the alliance adopted the green defence framework, which seeks to reduce the environmental footprint of military operations. In their NATO 2030 report, the group of experts appointed by NATO's Secretary General recommended a revision of the 2014 framework and the establishment of a centre of excellence on climate and security. The 'NATO 2030 young leaders' recommended framing climate change 'as an opportunity to innovate and increase military effectiveness', setting green targets for defence planning and incentivising investments in the development of sustainable technologies.

The European Parliament has highlighted that EU foreign policy should develop capacities to monitor climate change-related risks, including crisis prevention and conflict sensitivity and has stressed the importance of mainstreaming climate diplomacy in EU conflict prevention policies, broadening and adapting the scope of EU missions and programmes in third countries and conflict areas.

2.9.3. Development

With the support of the European Investment Bank, the EU is the biggest global contributor of public climate finance for developing countries. To use these funds efficiently, the EU and its Member States cooperate bilaterally and multilaterally on adaptation and disaster risk reduction efforts with others, including the most vulnerable small island developing states (SIDS) and least-developed countries.

The European Commission Directorate-General for International Partnerships (DG INTPA) works with the least developed (and least resilient) countries via the Global Climate Change Alliance (GCCA+) and supports activities dealing with adaptation, mitigation, disaster risk reduction and desertification. It also contributed to the 'new climate for peace' project commissioned by the G7 to identify compound climate-fragility risks that pose serious threats to the stability of states and societies. Through the IcSP, under the 2014-2020 MFF, the EU and the UN Environment Programme (UNEP) launched an initiative on climate and security in fragile states (2017-2021), which aimed to improve the resilience of communities by strengthening inclusion and relationships, local planning processes and sustainable livelihoods. Projects have included supporting joint management of livestock migratory routes (Sudan) and protecting land from river damage (Nepal). Under the current 2021-2027 MFF, 30 % of the Global Europe Instrument will support climate objectives in third countries.[200]

2.9.4. Multilateralism and climate diplomacy

The EU is committed to addressing the implications of climate change for peace and security, as well as its potential geopolitical implications, by means of multilateral cooperation. The 2015 Paris Agreement within the UN Framework Convention on Climate Change (UNFCCC) is the main multilateral framework governing global action on climate change. The EU was instrumental in brokering the agreement and, in 2021, at the COP26 in Glasgow, working for an agreement on the

[200] B. Immenkamp, A new neighbourhood, development and international cooperation instrument – Global Europe, EPRS, European Parliament, 2021.

rules for international carbon markets by 184 countries. The European Green Deal emphasises that climate change and environmental degradation require a global response and commits to develop stronger EU 'green deal diplomacy', focused on advancing global action and building capacity to support third countries. The EU aspires to set an example, and to use all instruments available, including trade, development and humanitarian aid, to work with partners – bilaterally and multilaterally – to prevent and mitigate the impact of climate change, including on security. The UN (including the UNFCCC), the G7, G20, the World Trade Organization (WTO), and the World Health Organization are the key multilateral forums in which this agenda can be moved forward. In addition, the EU has bilateral arrangements for dialogue and cooperation with third countries (OECD countries, countries party to the UNFCCC and emerging economies). It also works with several regional organisations in Africa, Asia, Latin America and the Caribbean and the Gulf. The Biden Administration's return to the Paris Climate Agreement, and the re-prioritisation of climate change as a central policy issue presents the USA as a likely ally in multilateral cooperation. An executive order released on 27 January 2021 stated that climate considerations are to be 'an essential element of United States foreign policy and national security'. In April 2021 the Presidents of the European Commission and the European Council participated in the Leaders' Summit on Climate, an initiative of the new US President. In anticipation of COP27, the EU is already strengthening climate and energy cooperation with the host country, Egypt.

Following the 2021 Council conclusions on climate diplomacy, the EU and its Member States have been asked to pursue the external goals of the European Green Deal and to strengthen and mainstream work on the climate and security nexus. Both Council and experts expect this climate diplomacy strategy to facilitate the integration of climate security and environmental factors in the EU's engagement with partner countries and focus on preventive measures such as early warning systems. The EU has also stressed the need for climate and environmental risk factors to be built into the UN's agenda on peace and security at all levels. The EU will also place increased emphasis on supporting such efforts in its immediate neighbourhood – in the South, the Eastern Partnership countries and the Western Balkans.

2.10. Managing financial and economic crises

2.10.1. Risks for peace and security and coordinated political action

The link between financial and economic crises and a deterioration in democracy, peace and security has been highlighted by a number of empirical studies, and as new data are made available, evidence of 'a correlation between sovereign debt crises and the outbreak of civil wars' becomes stronger.[201] Thomas Piketty and Branko Milanović extend the link to inequality and social collapse.[202]

Major economic and social threats have surfaced twice between 2007 and 2020: first, the banking crisis that started in 2007-2008 and led to the euro area sovereign debt crisis; then, the Covid-19 pandemic which started in 2019 and triggered economic disruption. To counter the social and security effects, major public action, including by the EU, and international coordination and cooperation, proved effective.[203] During these events, unprecedented monetary and fiscal

[201] M. Goldmann, S. Steininger, Democracy and Financial Order: Legal Perspectives, Springer, 2019.

[202] T. Piketty, Capital in the Twenty-First Century, Harvard University Press, 2013; T. Piketty, Capital and Ideology, Harvard University Press, 2020; B. Milanović, Global inequality: A New Approach for the Age of Globalization, Harvard University Press, 2016.

[203] Economic coordination and cooperation typically take place in multilateral fora and institutions where the EU and its Member States play an active role, e.g. the International Monetary Fund (IMF), the World Bank and the Group of

stimuluses were implemented worldwide.[204] However, despite efforts, rising trade protectionism, which began even before the pandemic, and similarities with the 1930s economic and political context, raised serious concerns for global stability and peace.[205]

Since 2021, two major economic developments have suddenly and considerably modified the economic environment. On the one hand, as the pandemic effects and movement restrictions faded, economies have experienced unexpectedly large demands for goods causing major supply chain bottlenecks and shortages, especially in semiconductors.[206] On the other hand, Russia's war on Ukraine has added significant pressure on energy and food supply and prices. While EU policies are addressing those issues with medium-term effects,[207] these two factors have major immediate economic effects resulting in serious global social and security threats.

2.10.2. The return of inflation

The first of these effects is the unexpected and sudden return of high inflation, which took observers and experts by surprise for its speed, intensity and persistence. For nearly a decade, deflation was a serious threat and gave rise to exceptionally low interest rates and expansionary monetary policies in major economies. Even in 2020, global central banks coordinated action to secure the provision of liquidity by means of the standing US dollar liquidity swap. The new, sudden and high inflation level is a game changer, posing new threats for peace and security. In its April 2022 macroeconomic outlook, the ECB points out that euro area economic activity and inflation has become very uncertain and 'depends crucially on how the Russian war in Ukraine unfolds, on the impact of current sanctions and on possible further measures.' Indeed, although inflation is projected to ease, the spikes in energy prices are likely to maintain high inflation in the coming months.

The world food price index published by the Food and Agriculture Organization (FAO) has experienced a sharp spike in real terms of nearly 60 % since 2020 (Figure 30),[208] reaching levels never before attained.[209] According to the FAO, although the price index was already high before the war on Ukraine, the war has major implications for global markets and food security for many countries, especially low-income countries dependent on food imports. Indeed, in 2021, wheat exports from Russia and Ukraine accounted for about 30 % of the global market. Nearly 50 countries depended on both countries for at least 30 % of their imports, 26 of which relied on them for more than 50 %

20 major developed and emerging economies (G20). Through the Basel Process, the Bank for International Settlements (BIS) plays a significant role for coordinating the regulation of the banking system.

204 In the USA, see: President Biden announces American Rescue Plan, White House, January 2021. In the EU, resilience and recovery plans were implemented at national levels as well as at the EU level through Next Generation EU. The IMF approved a historical issuance of special drawing rights, a global reserve asset, in August 2021, as 'a shot in the arm of global economy at a time of unprecedented crisis' to 'foster the resilience and stability of the global economy.'

205 Ray Dalio says the economy looks like 1937 and a downturn is coming in about two years, September 2018; Emmanuel Macron: 'Le moment que nous vivons ressemble à l'entre-deux-guerres', *Ouest France*, November 2018; Coronavirus is unleashing an 'economic shock wave' not felt since the 1930s, hedge fund manager Mark Yusko warns, CNBC, April 2020; Fed's Jerome Powell says economy faces long, uncertain recovery, *The Wall Street Journal*, May 2020.

206 CNBC, Intel CEO now expects chip shortage to last into 2024, 29 April 2022. See: ECB report published in 2021, which shows that the shortage is chiefly due to misalignment between orders and production, and the motor vehicle industry is the industry most-affected by the semiconductor shortage.

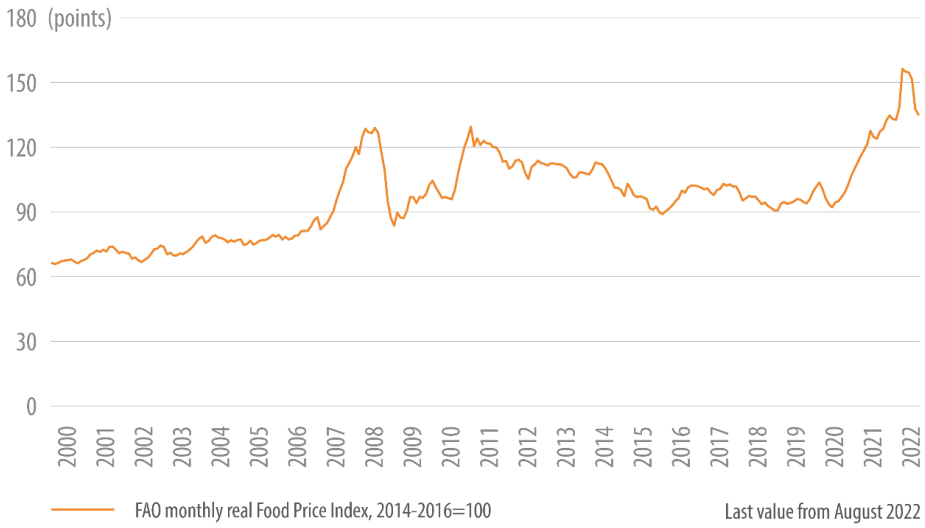
207 For instance, the European Commission published its proposal for a European Chips Act in February 2022, a set of measures to ensure the 'EU's security of supply, resilience and technological leadership in semiconductor technologies and applications.'

208 Food and Agriculture Organization (FAO) food price index. The spike is highest for oils (+121 % since January 2020) and cereals (+64 %).

209 It is worth noting that the levels are higher than those reached in 2007-2008, which led to global food crisis and riots; see: e.g., CNN news, Riots, instability spread as food prices skyrocket, April 2008.

of their supplies. Moreover, with a 15 % share, Ukraine was the fourth largest maize exporter. Combined, sunflower oil exports from Russia and Ukraine represented 55 % of the global supply before the war. Russia is also a key exporter of fertilisers.

Figure 30 – FAO food index in real terms



Data source: Food and Agriculture Organization.

Already before the war on Ukraine, in a blog published in February 2022, Carmen Reinhart and Clemens Graf von Luckner warned that the surge in inflation had spread from advanced economies to emerging and developing countries,[210] arguing that the factors for this striking inflation vary between advanced and developing economies. The authors note that disparities in inflation patterns would reinforce inequalities both within and between countries and remain a source of concern for the future. Moreover, following a strong economic rebound, the World Bank has expressed concern, as it expects a pronounced economic slowdown due to the rising inflation, debt and inequality.[211] Finally, in its Fiscal Monitor report published in April 2022, the International Monetary Fund (IMF) warns that rising food and energy prices raise the risks of social unrest. Fiscal policy can help to protect vulnerable household budgets from the impact of rising prices.

2.10.3. Looming global sovereign debt crisis

The task of fighting inflation primarily falls on central banks, which would typically increase interest rates and implement monetary contraction policies. As experts point out, as inflation remains elevated, the risk is growing that advanced economy's central banks will need to implement more forceful policy responses to bring inflation back to target; some observers are already calling for a sharp rise in interest rates to fight against inflation[212].

[210] C. Reinhart and C. Graf von Luckner, The return of global inflation, World Bank Blogs, 14 February 2022.

[211] World Bank Press Release, 11 January 2022.

[212] *The Economist*, Interest rates may have to raise sharply to fight inflation, February 2022. Nevertheless, as pointed out by Desmond Lachman, formerly deputy director in the IMF's Policy Development and Review Department and the

Monetary contraction in the USA is known to bear effects for countries outside the USA. Firstly, they increase the probability of banking crises in countries with direct links to the USA.[213] Secondly, US monetary policy shocks affect the 'global financial cycle', by reducing the indebtedness capacities of global financial institutions. Potentially, US monetary contraction shocks can lead to a decline in the provision of domestic credit outside the USA.[214] Therefore, by delaying action, more severe monetary policies may be needed later, and as was the case in the 1970s, could cause a series of sovereign debt defaults elsewhere. Nevertheless, according to some experts, the current situation is substantially different to the 1970s, both in terms of inflation levels and monetary policy.[215]

The war on Ukraine is also likely to have an impact. William Rhodes and John Lipsky, co-chairs of the of the Sovereign Debt Working Group of the Bretton Woods Committee, warn that the most damaging economic and financial impacts of the war will be felt by non-oil exporting developing economies in Africa, Asia and Latin America, which were experiencing debt distress due to the Covid-19 pandemic prior to the invasion. The war on Ukraine has made the 'prospect of a new sovereign debt crisis both more imminent and more damaging'.

Threats also exist in the euro area. A study published by the European Central Bank (ECB) in November 2021 explains that the differential between the interest rate and the growth rates will be determinant in debt sustainability.[216] The authors argue that the low-interest environment has supported debt sustainability in the short to medium term, but in the long term, interest rates are on average higher than growth rates in advanced economies.

Sovereign debt crises enhance the risk of conflict and instability. To prevent a post-pandemic global sovereign debt crisis, the World Bank Group and the IMF have already called on all official bilateral creditors to suspend debt payments from developing countries that request forbearance, with the aim of boosting their immediate liquidity and allowing time for an assessment of the crisis impact and financing needs for each country.[217] In addition, the G20 suggested the idea of debt cancellation to alleviate the situation of the most vulnerable countries, and in November 2020 agreed on a common approach to restructuring their debt. Economic and budgetary constraints will not only pressurise the fiscal capacities and balance of payments of these countries, but also their social capacities to cope with the crisis.

2.10.4. EU support to neighbourhood countries and beyond

The EU supports partner countries in its neighbourhood that are prone to balance-of-payment crises through macro-financial assistance (MFA) – loans or grants that are available to countries benefiting

chief emerging market economic strategist at Salomon Smith Barney, there is disagreement as to the speed of the response.

213 C. B. Durdu, A. Martin, I. Zer, The role of U.S. monetary policy in global banking crises, Federal Reserve Board, 2019. The authors used a cross-country database covering 1870-2010 and including 69 countries. The effects are channelled through trade links and significant share of US dollar-denominated debts. Globally integrated countries without direct exposure experience ambiguous effects, possibly through capital flows disorder.

214 S. Miranda-Agrippino and H. Rey, US Monetary policy and the global financial cycles, *The Review of Economic Studies*, 2020,

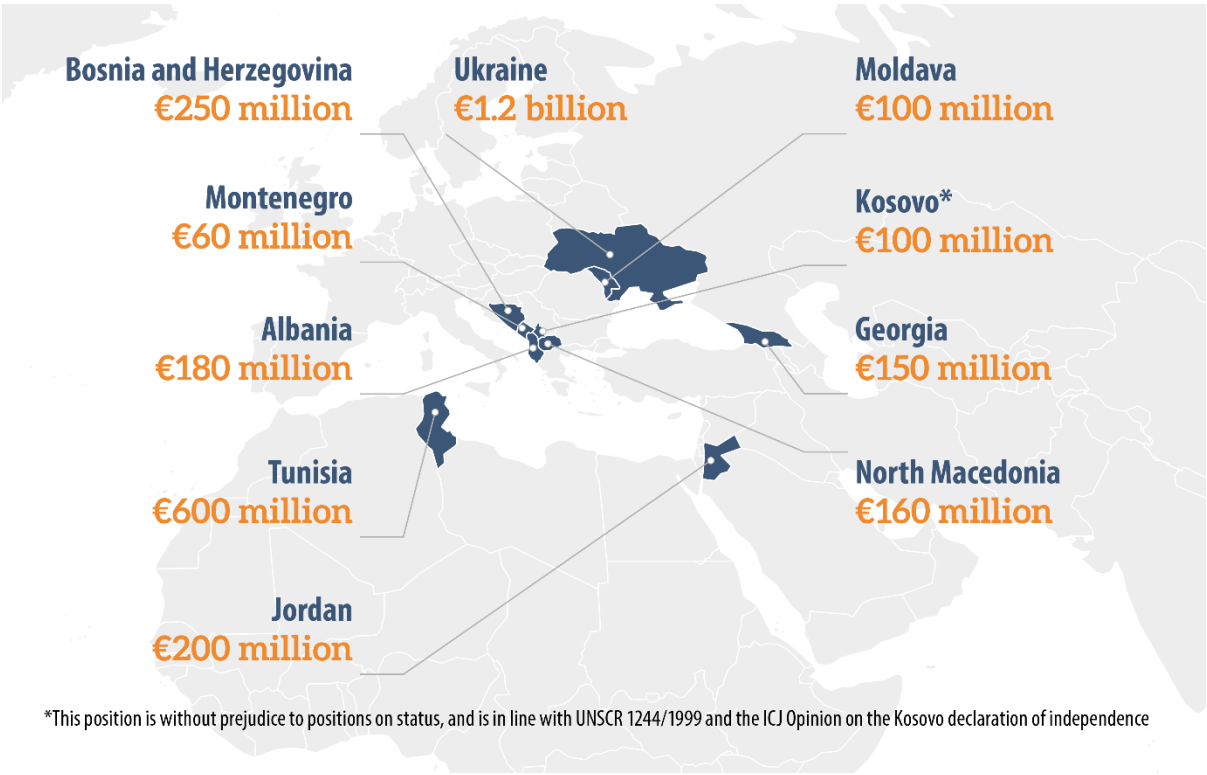
215 J. Ha, M. A. Kose, F. Ohnsorge, Today's inflation and the Great Inflation of the 1970s: Similarities and differences, Vox, 30 March 2022. J. Ha, M. A. Kose, F. Ohnsorge, From low to high inflation: implication for emerging markets, CEPR Policy Insight No 115, March 2022.

216 O. Bouabdallah, C. Checherita-Westphal, N. de Vette and S. Gardó, Sensitivity of sovereign debt in the euro area to an increase in interest rate-growth differential, European Central Bank, November 2021.

217 Currently, 76 countries are eligible to receive World Bank International Development Association resources.

from a disbursing IMF programme. MFA is subject to the ordinary legislative procedure, under the provisions of Article 212 TFEU on financial and technical cooperation measures with third countries. It consists of conditional help to third countries experiencing a balance-of-payment crisis and is complementary to IMF financing. Following the outbreak of the Covid-19 pandemic, the EU reacted promptly to the critical situation in its neighbourhood countries. In May 2020, Parliament and Council adopted a decision on MFA to support 10 enlargement and neighbourhood partner countries in their efforts to mitigate the economic and social consequences of the coronavirus pandemic, for a total amount of €3 billion.[218] This decision came on top of the 'Team Europe' strategy pledging over €40 billion to support neighbourhood partner countries' efforts in tackling the pandemic. The amounts of MFA made available are distributed on the basis of a preliminary assessment of the beneficiaries' financing needs (see Figure 31). The Commission reports annually to the European Parliament and to the Council on implementation of the decision during the previous year.

Figure 31 – EU macro-financial assistance commitments in the context of the Covid-19 pandemic, 2020-21



Data source: Decision (EU) 2020/701 of the European Parliament and of the Council of 25 May 2020.

Besides the MFA provided in the context of the Covid-19 pandemic, Moldova will receive additional MFA amounting to €150 million in the form of loans (€120 million) and grants (€30 million), and in the context of the war, the EU has disbursed €1.2 billion in emergency MFA to Ukraine in the form of loans.

[218] The second instalments to Georgia (€75 million) and Bosnia and Herzegovina (€125 million) were cancelled, reducing the total amount to €2.8 billion.

3. Looking ahead

3.1. Foresight, resilience and reaction

The war in Ukraine could reshape the world. This is one of the daunting conclusions of an April 2022 Atlantic Council foresight report, in which the think tank's experts outline three possible 'futures for a frozen conflict in Ukraine'. One thing is common to all three of their scenarios – ranging from Ukraine winning back its territories to Ukraine being 'slowly strangled' (wherein Russia secures full control of Ukraine's Black Sea coast, leaving the country landlocked) – the economic damage will be felt not only in Ukraine but also in the rest of the world. This is expected to take forms from decreased access to food, rising debt, deteriorating living conditions and humanitarian crises, to name but a few. Other analyses, such as a mapping by the Hellenic Institute for European and Foreign Policy, foresee three possible options: protracted war, ceasefire and peace. Even in the latter two scenarios, however, instability and fragility remain constant. The Economist Intelligence Unit warns that the war will not end soon, with the conflict marking a geopolitical watershed: the world's division between the western economic and political order and the others is likely to widen. [219]

As the previous sections of this study illustrate, the pandemic exacerbated trends in the global geopolitical environment that were already growing; the sense of a vacuum in global leadership, an expanded and multidimensional threat environment, a relative decline in multilateralism and the weaponisation of global interdependence, have all become characteristics of the 'new normal'.[220] Russia's war on Ukraine has further accentuated these trends. In many ways, they are here to stay.

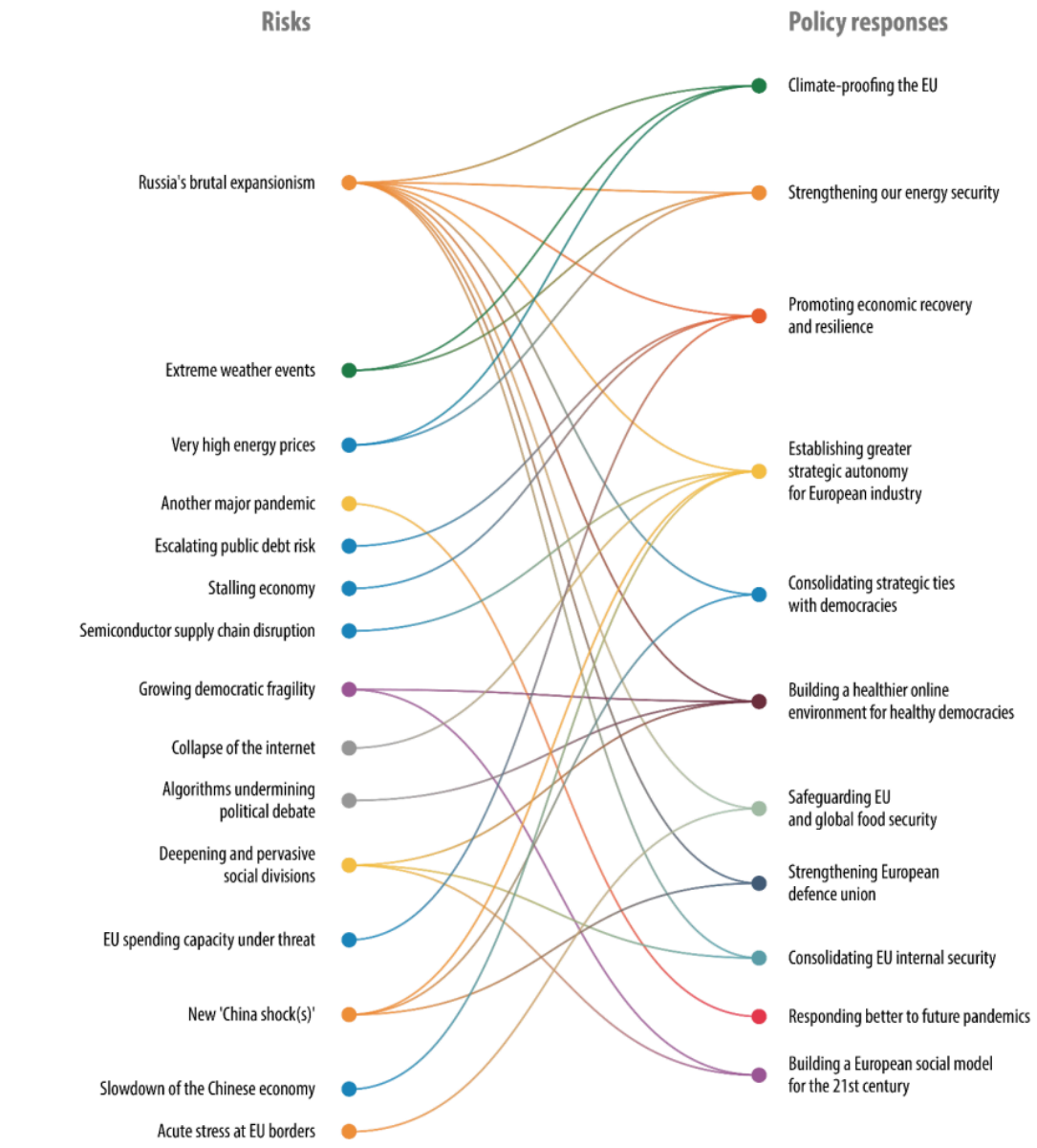
The global and regional environment therefore remains uncertain and instability continues to grow. The forecasts are challenging. The 2022 Annual Threat Assessment by the US Intelligence Community suggests that today's challenges are playing out 'amidst the continued global disruption resulting from the COVID-19' and 'within the context of an evolving world order where the continued diffusion of power is leading actors to reassess their place and capabilities'. As a result, challenges interact in unforeseen ways. Consequently, the ability to respond is also affected – responses become interconnected too. However, the report also argues, that this could result into 'new opportunities to forge collective action with allies and partners' against renewed, emerging and existing threats.[221] The interconnectedness among threats, but also among responses, is also highlighted in a report on Future Shocks 2022, prepared jointly by the European Parliamentary Research Service and the European Parliament's Directorates-General for Internal and External Policies (see Figure 32).

[219] Russia-Ukraine: a war without end? EIU, May 2022.

[220] R. Haas, The Pandemic Will Accelerate History Rather Than Reshape It, Foreign Affairs, 2020; Geopolitics after Covid-19: is the pandemic a turning point?, EIU, 2020; H. Farrell and A. L. Newman, Weaponized Interdependence: How Global Economic Networks Shape State Coercion, International Security, 2019.

[221] United States Office of the Director of National Intelligence, Annual Threat Assessment of the US Intelligence Community, May 2022.

Figure 32 – Interconnections between risks and EU policy responses



Source: EPRS, 2022

In the face of current events and of this worrying outlook, the EU faces a dual challenge in the field of peace and security. On the one hand, it needs to advance its numerous policies that contribute to these goals and to implement initiatives to mitigate or counter the threats analysed in depth in this publication as well as the immediate effects of the war – for the EU and the world. On the other hand, and crucially for its credibility, it will have to work to adapt its policies and its resilience to a world where security and peace face multiple interconnected and continuing threats. In that sense, understanding and interpreting geopolitical trends and incorporating them into EU external policies is critical. The momentum for anticipatory governance, which led to the inclusion of a

foresight portfolio in the von der Leyen European Commission, held by Vice-President Maroš Šefčovič, continues to remain as relevant as ever.[222]

Among the numerous concepts and notions that encapsulate the challenge for policy-making looking to the future, the concepts of resilience has without doubt featured most prominently and will continue to do so looking forward. It is, therefore, no surprise that the first strategic foresight report issued by the von der Leyen Commission in 2020 was entitled 'Charting the course towards a more resilient Europe'. Among the four key dimensions of resilience-building highlighted by the report, the geopolitical one addresses key vulnerabilities, capacities and opportunities for the EU to sustain its effectiveness and role as a promoter of peace and security. The crisis of multilateralism, the degree of disunity in EU foreign policy, the shifting balance of power both in terms of actors and of the nature of power (hybrid and cyber warfare), challenges to EU economic sovereignty and over-reliance on suppliers of critical raw materials, are highlighted among the vulnerabilities. On the other hand, the report emphasises that recent policy decisions at EU level, aimed at strengthening EU strategic autonomy and industrial sovereignty, and at strengthening partnerships with like-minded actors, offer opportunities for the EU to increase its geopolitical clout and use that, in turn, to promote its action in the areas of peace and security, particularly in its neighbourhood.

However, the invasion of the Ukraine has highlighted that resilience needs to be complemented by action. While it precedes the events of 2022, it is not unsurprising that the Commission's 2021 Strategic Foresight Report is dedicated to 'The EU's capacity and freedom to act'. The report addresses trends and tools for action for the next decades; but it also looks at trends affecting the EU's capacity and freedom to act, such as climate change and other environmental challenges, digital hyperconnectivity and technological transformations, pressure on democracy and values, as well as shifts in the global order and demography. It also outlines 10 strategic areas where the EU can strengthen its capacity and freedom to act. Yet, even in the short time between its release in September 2021 and the time of writing, the principled approach proposed with regard to relations with Russia has been unequivocally challenged. Similarly, the European Parliament's 2021 study 'Towards a more resilient Europe post-coronavirus', also illustrates the critical nature of foresight in matching capabilities with identified structural risks, and in identifying ex ante gaps in necessary capabilities, as a prerequisite for building resilience.[223]

3.2. The outcome of the Conference on the Future of Europe: Citizens want a stronger EU on the global scene

The Conference on the Future of Europe – a series of public events and debates organised over a one year period by the EU institutions – has for the first time in history given the opportunity to ordinary EU citizens to come up with a structured vision on the EU's future. External policies and the EU role on the global scene were among the main areas addressed. The Conference Plenary, composed of citizens and representatives from EU institutions and civil society, adopted 49 proposals comprising more than 300 measures across 9 themes, one of these themes being 'Europe in the world'. The final recommendations were based on 178 preliminary recommendations from the European Citizens' Panels, on input from the National Panels and events, and on ideas from the European Youth Event.

[222] For more detail, see the previous (2021) edition of this study.

[223] European Parliament, Towards a more resilient Europe post-coronavirus: Options to enhance the EU's resilience to structural risks, EPRS with DG EXPO and DG IPOL, European Parliament, April 2021.

Taking place against the background of Russia's war on Ukraine, the outcome of the Conference on the Future of Europe indicates strong support from the citizens and other stakeholders who were involved in this broad consultation for strengthening EU's autonomy and role as a foreign policy actor. The EU citizens want a Union that is stronger, able to stand for its own values on the international scene, which speaks with one voice, and is less dependent on foreign powers, whether for economic input or defence.

According to the conference proposals, a stronger EU in the world that is 'a truly global player, projecting a positive role in the world and making a difference in response to any crisis' should be achieved by moving to qualified majority voting on common foreign and security policy **(CFSP) issues**, and strengthening the role of the HR/VP to ensure that the EU speaks with one voice, among other things.

On **defence policy**, the main conference proposal refers to the establishment of EU joint armed forces to be used for self-defence purposes, but also to solve crises beyond EU borders, in line with UN Security Council mandates and in coordination with NATO. A further proposal envisages strengthening operational capacities for collective self-defence in case an EU Member is under attack. Making use of the European Peace Facility is also explicitly recommended.

Countering disinformation and propaganda – in an objective and factual way – was seen as an important tool to reach the objective of guaranteeing peace and a rules-based international order.

A further proposal recommends quick implementation and enforcement of **sanctions** against States, governments, entities, groups or organisations, as well as individuals. Such sanctions should be effective and proportionate. Furthermore, the conference concluded that the EU is advised to establish a more effective and unified policy towards autocratic and hybrid regimes.

In the **economic area**, several conference recommendations focus on ways to reduce EU dependency on foreign actors in economically strategic sectors, such as agricultural products, strategic economic goods, semiconductors, medical products, innovative digital and environmental technologies and energy. Energy independence is seen as a priority, with several dedicated recommendations. To achieve energy independence, the EU has to aim at improving energy efficiency, the development of renewables and green transport among other things. 'Common purchases of imported energy and sustainable energy partnerships in order to reduce European energy import dependencies' on gas and oil are another proposal aimed at reducing dependency.

While many of the conference's recommendations can be implemented within the framework of the existing treaties, some would require a change to the existing EU Treaties. The proposals put forward by the conference enjoy broad support from the European Parliament, which has called for a change to the treaties to implement those far-reaching changes that go beyond current EU competences. However, almost half of the EU Member States (13) have expressed strong reservations about the prospect of changes to the EU Treaties, although without rejecting the idea altogether.

One of the main conference demands is the abolition of the need for unanimity in the Council, which would make EU CFSP more effective. Both Covid-19 and the war in Ukraine have underlined the necessity for the EU to remain united in times of crisis. The European Parliament supports the adoption of qualified majority voting in the Council, in areas such as sanctions, and in emergencies. Moving to qualified majority would in theory be possible through the activation of the *passerelle* clause in the EU Treaties. However, as the European Council acting with unanimity can activate the clause but has never yet done so, shows that the mechanism is not truly functional. Treaty change

would be required to make the clause more effective according to some commentators,[224] who consider the conference to be a much-needed driver in this respect.

3.3. Conclusions

Peace and security are increasing in complexity. Even in Europe, the assumption of sustained peace can no longer be taken for granted. While Europe has experienced a protracted period of 'long-lasting peace' since the end of the Second World War, and remains a world leader in quality of life,[225] the coronavirus pandemic and Russia's invasion of Ukraine have illustrated the speed at which unanticipated events can impact multiple facets of peace and security. In that context, the recognition and study of the wide range of traditional and emerging threats that challenge the EU's interests and values as well as global peace is a necessary exercise for the formulation of EU policies.

Growing concerns about a more multifaceted international environment and about worsening security, including through the weaponisation of energy, information, the economy and supply chains, among other things, are reflected in the policy initiatives launched by the EU institutions in recent years. Public opinion polls also indicate that citizens increasingly perceive security as a top priority for EU-level policy-making, a topic that is also reflected in the outcome of the Conference on the Future of Europe. Geopolitics now transcend policy areas such as digitalisation, technology, economy, energy, health and climate. At the same time, the EU is designing and reforming several of its policies that are explicitly linked with the promotion and preservation of peace, with a view to achieving their goals more effectively and collaboratively.

While measuring peace remains a complex task, it is possible to identify and analyse areas of the EU's work that contribute to its promotion and preservation. Using the Global Strategy and the Normandy Index as a starting point, the EU's contribution to peace and security is assessed through an overview of its work in countering recognised threats to peace: weapons of mass destruction; democracy; state fragility; violent conflicts; cyber-attacks; disinformation; terrorism; climate change; energy insecurity; and economic crises. Thus, the EU carries out its pursuit of peace by favouring an inclusive and multilateral approach, as stipulated by its founding Treaties and by its Global Strategy. The EU's action for peace and security, transcending policies from the common foreign and security policy, trade, democracy promotion, development and humanitarian aid, is guided by its own model of integration, comprehensive security and multilateralism and a commitment to the principles of the United Nations. The EU's dedication is confirmed by a communication from early 2021, intending to strengthen the Union's contribution to rules-based multilateralism by leading its adaptation to new security challenges and power distribution. The European Parliament, empowered by the Treaties in the EU foreign policy area, has continuously encouraged such leadership on multilateralism, adding a stronger element of legitimacy and democratic representation to the EU's global action.

As has been illustrated throughout this study, the effects of the war on Ukraine reverberate around the world in the form of decreased food and energy security, inflationary pressures, economic crises and global polarisation, which questions the effectiveness of established security arrangements. It also fuels proxy wars around the world and heightens competition between democracy and authoritarianism – or accountability versus impunity, as one speaker put it in a conference held at the European Parliament's library in June 2022. The result is a world where democracy and human

[224] A. Duff, Conference on the Future of Europe / Commentary, EPC, May 2022.

[225] ESPAS report 2019, Global Trends to 2030.

rights norms are more at risk. In this context, the EU's tools for supporting democracy beyond its borders become ever more relevant. These range from political and human rights dialogue, and support for civil society and human rights defenders, to development aid for good governance and the rule of law, and the conditionality enshrined in its trade and cooperation agreements. The Union has refocused its development policy to target fragile and conflict-affected countries through the new consensus on development (2017). In line with the UN sustainable development goals (SDGs) and the concept of 'resilience' outlined in the EU Global Strategy, the new consensus highlights that development cooperation is a pivotal instrument for preventing violent conflicts and minimising their negative consequences. Recent years have seen the EU striving to build its own resilience to shocks through internal and external policy initiatives. The implementation of the Versailles Agenda adopted by the EU Heads of State and Government in March 2022 with its three pillars – defence, energy and economy – and its follow up, will be crucial in this context.

At the same time, geopolitical and economic challenges, emanating from external and internal factors and from new security domains such as technology and the environment, will continue to preoccupy policy-makers in the EU institutions and Member States in the coming years. New types of threats and destabilising factors such as pandemics, climate change, foreign interference in democracy, cyber-attacks and bio-terrorism, as well as various types of hybrid warfare, call for innovative thinking and new types of resources and solutions, since they are here to stay. As this study has illustrated, these challenges continue to reinforce the EU's commitment to preserving and promoting peace and security, and have led to renewed determination on all policy fronts. The proliferation of new strategies and initiatives in all EU policy areas related to peace and security substantiates this fact. The focus of the von der Leyen Commission will remain firmly fixed on rendering the EU a more autonomous, strategic and holistic actor for peace and security, bringing together elements of normative, soft and hard power and adapting to the rapidly transforming world with steadfastness and resilience; this focus aims to consolidate the EU as a reliable actor in an uncertain world. While the double crises of the past two years – the pandemic and the war in Europe's east – have exposed the vulnerabilities and external dependencies of the EU, they have also demonstrated the EU's capacity to act boldly and innovatively in unison in the face of major threats. In July 2020, EU leaders reached agreement on the biggest joint borrowing ever agreed by the EU. In March 2022, the EU, for the first time ever, financed the delivery of lethal military equipment to a third country at war. Since February 2022, it has imposed six major packages on sanctions on Russia which together amount to the biggest – by a difference – set of sanctions ever agreed upon by the EU-27. As mentioned above, the war in Ukraine is in the process of reshaping the world. It is also reshaping the EU's action in the world. As the pandemic before it, if only a meagre silver lining, the war may act as a catalyst for the consolidation of political will and momentum for a more strategically sovereign EU, committed to its values, making it a stronger actor for global peace and security. In the words of Charles Michel, President of the European Council, 'We are going through a critical moment in the history of the world. And we can really feel this. Our decisions will determine the course of events, there will be no going back'. As European Parliament President Roberta Metsola has stated: 'We must understand that the weight of the global democratic order now rests more heavily than ever before on Europe's shoulders. And we must be able to carry it. It is our whatever-it-takes moment. A moment that comes once in a generation.'

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This is the fifth Peace and Security Outlook produced by the European Parliamentary Research Service (EPRS). The series analyses and explains the European Union's contribution to the promotion of peace and security internationally, through its various external policies.

The study provides an overview of the issues and current state of play. It looks first at the concept of peace and the changing nature of the geopolitical environment as European security faces the most tangible military threat since the end of the Cold War. Russia's war on Ukraine compounds the challenges to peace and security already accentuated by the coronavirus crisis. The study follows the logic of the annual series, by focusing on the promotion of peace and security in the EU's external action. Linking the study to the Normandy Index, which measures threats to peace and democracy worldwide based on the EU Global Strategy, each chapter of the study analyses a specific threat to peace and presents an overview of EU action to counter the related risks. The areas discussed include violent conflict, proliferation of weapons of mass destruction, climate change, cyber-attacks, disinformation, and terrorism, among other issues. The EU's pursuit of peace is understood as a goal embodied in several EU policies, including development, democracy support, humanitarian assistance, security, and defence. The study concludes with an outlook for the future.

A parallel study, published separately, focuses specifically on EU peace-building efforts in the Eastern Neighbourhood. The studies have been drafted as a contribution to the Normandy World Peace Forum scheduled for September 2022.

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