GEOPOLITICAL ASPECTS OF THE EU’S ENERGY DIPLOMACY BEYOND THE GREEN DEAL

Elina Morhunova
Ph.D. Candidate in Political Science
Volodymyr Koretskyi Institute of State and Law of the National Academy of Sciences of Ukraine

SCIENTIFIC ADVISOR:
Iryna Kresina
Doctor of Political Science, Professor, Associated Member, Chief, Legal Issues of Political Science Department
Volodymyr Koretskyi Institute of State and Law of the National Academy of Sciences of Ukraine

The European Union (EU) is a renowned supranational producer of energy diplomacy. Despite the fact that there is no precise definition, energy diplomacy refers to government-related foreign activities aimed at ensuring a country’s energy security as well as promoting business opportunities related to the energy sector.

Beyond the shadow of a doubt, energy security is progressively at the forefront of EU foreign policy agenda. Guided by norms of sustainability, competitiveness and security of supply, Europe plays a key role in maintaining and strengthening the energy security and sustainability of the EU and its partners, thus responding to the challenges of global governance and cross-sectoral networks.

The Green Deal launched by the Von der Leyen Commission in 2019 is set to profoundly reshape the European Union’s energy diplomacy. However, while the EU will have to adjust to the new policy direction defined by the Green Deal, it cannot be reduced to it. The EU’s energy diplomacy will need to cope with the profound and various geo-economic and geopolitical shifts set in motion by the energy transition, which include – but even transcend – the Green Deal’s goals.

Facing the geopolitical costs and benefits of the European energy transition implies managing and minimizing the impact on transition losers in its neighborhood, but also maximizing the opportunities it offers to other sectors and neighbors.

With the EU started solemnly moving towards carbon-neutrality by 2050, the nature of energy security is shifting from concerns about access to affordable fossil fuels in volatile markets to the need to provide access to critical raw materials and technologies required for the energy transition.

These shifts are driven by new strategic technologies and value chains around renewable energy sources; by production, trade, and transport of (clean) gases e.g. hydrogen and its downstream synthesis products, batteries and modern storage technologies; by greater digitalization of energy system(s); by increased electrification of economies as a consequence of both energy transitions and the new industrial revolution; by cross-border power-grid interconnections and new “grid communities”; by changing dynamics in the financial and investment landscape.

Referring the external dimension of the Deal, Europe has to prioritize similar high-impact investments that can support resilience to future geopolitical, economic
and resource shocks in the Middle East and North Africa, the Sahel region, Ukraine and Turkey. Geopolitically, Ukraine is strategically important in its neighborhood. The country declared its readiness to comply with the EU Green Deal and the EU internal energy market. Ukraine is both a regular transit partner and a future energy partner within the synchronized energy system of continental Europe. ENTSO-E, but also for the production, transportation and storage of clean gases, as well as for energy efficiency. The shifting economics of green energy technology is opening wide new opportunities for Europe’s businesses and neighbors.

Diplomatic policy box will be also needed to devise effective strategic priorities. First off, the EU will need to redevelop its energy diplomacy along a few clear strategic priorities. Second, to identify a set of anchor partners to engage with. And third, to redefine its diplomatic toolbox according to both its strategic priorities and the identified partners.

Given the global scale of the above described problems, on one hand, and the EU’s limited political as well as financial resources on the other, there is an inherent dilemma to deal with. The partner-oriented engagement will allow the Union’s energy diplomacy to successfully balance between the global scope and scale of its efforts and limited means.

The EU will have to reset its priorities with respect to anchor partner countries and regions. Provided the global nature of the systemic shifts taking place in the energy landscape, the traditional focus on the European neighborhood will not suffice. The selection of the key partners across the Afro-Eur-Asian space is a first and necessary step toward redefining the geographic radius of action of the EU’s new energy diplomacy amid limited means and rapidly mounting global challenges. In addition, this diplomacy will have to further adjust its existing set of instruments in line with the identified priorities.

Finally, and most significantly, the EU’s new energy diplomacy should be equipped with one essential feature – strategic patience. Without giving up its own strategic interests and values, the EU should nevertheless take into account the asynchrony of developments in its own energy market and system as well as those of the partner countries.