**Impact of Russia’s war on Ukraine on the countries in the MENA region**

**Levant**

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| **EGYPT (*in favour*)** | | |
| EG voted in favour of the UNGA resolution in spite of its usual position as a non-aligned country and of its historical ties with RU. EG had weighed its options and sided with the West as a strategic choice in view of the war’s long-term political/economic impact. An EG statement mitigating its vote immediately followed, based on RU breaching international law and principles of UA sovereignty and territorial integrity, also alluding to the West’s double standards. EG will look to maintain ties with RU along the conflict. EG President in a phone conversation with RU President on 9 March stressed dialogue and diplomatic efforts to solve the Russia-Ukraine “crisis”. EG entertains deep and varied relations with RU for decades, from trade and purchase of military equipment to civil nuclear technology. There is concern regarding the impact of sanctions against RU to its local economy and some reports indicate the possibility of devaluation of the Egyptian pound and new IMF programme. RU together with UA remain the main providers of wheat (as EG is the first world importer), RU is a major market of tourists to Red Sea resorts (together with UA as well) and represents a source of foreign investment in EG’s industrial zones. The evacuation of EG citizens has not been fully completed with around 2k of EG still stranded in the eastern parts of UA. Upon EU’s request EG has grounded EU owned planes and is looking into EU requests for the return of those planes to their owners in line with the Johannesburg Convention. Demarche on UNGA resolution “Humanitarian consequences of the aggression against Ukraine” was delivered to EG Assistant Minister of Foreign Affairs on 20/3 and first indications suggest EG will support. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*strong*)** | **SANCTIONS (*medium*)** |  |
| * Some 4k out of 6k EG nationals (mostly students) have been evacuated from UA. Around 14.5k in EGY stranded UA nationals out of 16k have been repatriated to Europe with the support of EU MS. Remaining UA tourists opted to stay at their own expenses. * Disinformation campaigns and permeating RU propaganda in EG media and perception that ME refugees did not receive same treatment as UA are a major threat. * A prolonged conflict may result in increasing staple food prices and growing inflation - RU and UA have supplied up to 85% of EG’s wheat imports in recent years. A growing number of EG – around 30% - living with less than $2/day. Due to increased prices and supply constraints EG tries to stabilise the price of unsubsidised bread. * Soaring prices of gas and oil affecting the population and the industry. EG’s fuel Automatic Pricing Committee is likely to recommend an increase of fuel prices of around 10% in April which will translate in an increase of the prices of all goods and services. * Decline in tourism as main source of income - Russia and Ukraine account for 35-40% of tourists. Tourism is already affected with the suspension of flights from/to RU and UA. Three million people (10% of EG’s work force) are employed in tourism. * The nuclear plant project built by RU Rosatom is also likely to be delayed by the conflict. * RU investments are expected to stop - RU has signed agreements to set up two industrial zones in Egypt. * Costs for exportscan only increase **-** Egypt exports 22% of its agricultural exports to RU. With the Black Sea route severely disrupted, and after the blocking Russia from SWIFT, costs. * Flight of foreign currency - Vast sums left EG, in search of safer markets. Interest paid on Egypt’s treasury bills is on the decline, putting further pressure on the EG pound. A devaluation of the EG pound is being discussed (with higher importing costs). IMF is currently discussing with EGY officials over a new Financial assistance plan. | * EG does not intend to impose sanctions on RU. But EG MFA looked carefully at EU list of sanctions, bank sectors and individuals targeted in order to continue trading with RU. * The Government of EG already took some economic measures to mitigate the economic effects of the crisis. On Tourism, new air routes are open with possibly 24 flights/week between Sharm El Sheikh EG and Tel Aviv ISR. * The Central Bank is likely to increase its rates in response to rising inflation. * EG is reflecting on buying more wheat from MS (FR, RO and ES are already in contact). * Spike in energy/fuel prices will affect the economy and further increase the inflationary pressure on the pound. | **Political dialogue:** EG portrays the RU-UA war as a conflict between two European countries. It will probably try to stay impartial as much as possible in order to protect its relations with two first wheat exporter to EG. This is maybe an opportunity in how EG treats the EU. EG has hitherto treated the EU not as a relevant geopolitical player. However, the EU is now increasingly seen in Cairo as the strategic partner of choice and a more reliable partner compared to US, RU, CH. Will need continuation of close political engagement with EG on all matters.  **Security:** MS may play an important role in supporting a progressive diversification of military supplies outside of the US traditional military aid ($1.3 bion/year).  **Trade:** RU is an important trade partner for EGY. EG exports little to RU (around $450 Mion) but imports a lot (around $5.5 bion including $2.5 bion of wheat). The EU remains EG largest trading partner accounting for >25 % of EG trade and worth almost USD 25 bn (around 5 times more than RU). EU-EG trade relations include a FTA with several trade and non-trade barriers (health issues, hazardous products, custom duties).  **Climate/Energy/Dev.Coop/Funding:** EG hopes to increase supply to Europe, starting with LNG but also green hydrogen in the future.As EU MS accelerate the transition away from RU energy dependence, EG could play a role in filling this void. EU and EG have been closely working together on energy efficiency and renewable energy projects for years, including through substantial investments by the European Financial Institutions. Already more than half of ongoing EU cooperation projects in Egypt address climate action. Moving forward, our teams are working together to plan future (Team Europe Initiative) projects on energy and green transition given the big potential in this sector.  **Agricultural exports:** Some exporters hope to benefit from the fall in supply of some goods, including fertilizer manufacturers that try to benefit from the sanctions against RU, the largest producer. RU announced its intention to suspend exports; global fertilizer prices have reached their highest levels in years.  **Other sector policies:**  The Suez Canal has proven resilient to major crises, including COVID and the blockage of the canal by the giant container ship Ever Given in 2021. Although the Suez Canal may suffer in the immediate term from reduced traffic from the Black Sea, the Suez route could also be seen as safer and faster alternative route to sailing through the Russian Northern Sea. |
| **POTENTIAL NEXT STEPS** | | |
| 1. Suggest to develop EU wheat exports to EG and to increase EG LNG shipments to the EU in a win-win solution to diversify EG’s source of supplies and export destinations. 2. Strengthen engagement with EG in the areas of energy, climate change especially in the run up to COP27. 3. Address and rebut disinfo campaigns, which put on the same footing the RU aggression and “the WEST” in the Middle East (IRQ, LBY SYR) and accuse the West of double standards in the treatment of refugees. 4. Step up security dialogue in such areas as counter-terrorism, security and defence. | | |

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| **JORDAN (*in favour*)** | | |
| For Jordan, concepts such as violation of international law and occupation by force are very relevant to its long-term position regarding the Arab-Israeli conflict. At the same time, Jordan is aware of Russia’s role in maintaining order in the south of Syria, including with respect to non-state actors operating there. Jordanian MFA’s (second statement) following Russia’s invasion of Ukraine clearly referred to rejecting the use of force, need to respect international law, the UN Charter and the sovereignty and territorial integrity of states. Prior to the Russian military aggression against Ukraine, a Jordanian parliamentary delegation travelled to Moscow to discuss possibilities to increase imports from Russia, tourism and possible Russian investments in Jordan.  Since the start of the Ukrainian crisis, Jordanian Foreign Ministry’s crisis cell had facilitated evacuation from Ukraine of 1,281 Jordanian nationals/dual nationals and their families, and has taken the necessary measures and arrangements for 498 of them who were willing to return to Jordan. On 7 March, the Jordanian MFA reiterated the request for the EU’s assistance with evacuation of 140 Jordanian nationals (mostly students) who were in the East of Ukraine, in towns under Russian military control/occupation. The Jordanian MFA agreed with the Russian authorities to enable such evacuation (towards Russia) but Ukraine did not allow the process to happen.  The Jordanian authorities are concerned about the economic impact that Russia’s military aggression against Ukraine would have on Jordan’s long-stressed economy, including more recently by the COVID-19 pandemic and the long-term hosting of Syrian and other refugees.  On 10 March, the Jordanian Ministry of Planning informed that the World Bank had confirmed that Jordan had sufficient grain stocks and would not be exposed to a food security crisis as a consequence of the Russian military aggression against Ukraine. The World Bank reported that about 100,000 tonnes of grain were produced annually in Jordan. The Jordanian Ministry of Industry and Trade informed the country had sufficient reserves of wheat and barley for one year and that the authorities did not plan to increase bread prices – higher prices would imply a heightened risk of social unrest.  Jordan could be also worried about 1. A potential decrease in political engagement of the international community in the Middle East, and 2. A potential decrease of the overall international community’s financial support to Syrian refugees and their hosting countries, and the Middle East region as such. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*low*)** |
| * Almost 1,300 Jordanian nationals already evacuated from UA. * Global food price hike will negatively impact Jordan and could lead to social unrest. | * Jordan’s very small exports to RF (USD 25 million in 2019) do not make it play any important role in terms of applying sanctions. * Despite Russia’s role in Syria, Jordan’s further alignment is probable. * Increase in the global energy/fuel prices will negatively affect the economy. | **Political dialogue:** Jordan is concerned that the international community’s focus on the Russian military aggression against Ukraine will divert the attention and funding from the Middle East. Hence it will be important ***to demonstrate the EU’s continuous political engagement and financial support to Jordan and the Middle East Region.*** First opportunity – the pledging Brussels VI Conference in response to the Syrian crisis.  **Security:** The EU could offer additional security and defence cooperation to Jordan which is already actively involved in a number of regional/bilateral programmes and projects.  **Trade**: RF is not an important trade partner for Jordan.  **Development cooperation/funding:** The MIP 2021-2024 is to be endorsed after the adoption of the new Partnership Priorities. Indicative MIP amount could probably not be increased but Jordan is likely to benefit from the Umbrella Funds and will receive a third tranche of the EU Macro-Financial Assistance that is available until April 2023.  The European Investment Plan’s flagship ***Team Europe initiatives to be funded in Jordan.*** |
| **POTENTIAL NEXT STEPS** | | |
| Clearly express expectations that Jordan aligns itself with the “democratic family”, while showing understanding for the difficult socio-economic situation and willingness to help.  Present the EU as a reliable political and cooperation partner, by exploring all available cooperation and options to address Jordan’s socio-economic difficulties and hosting Syrian/ other refugees.  Address disinformation campaigns blaming the EU and NATO for RU aggression and the worsening economic situation. | | |

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| **LEBANON (*in favour*)** | | |
| Lebanon positive vote at UNGA (challenged by HZB) may not prejudge its future position, due to its current socio-economic meltdown, deep and persistent internal divides as well as its extreme vulnerability to external shocks and regional factors. The possible impact of the UA crisis on JCPOA negotiations (and HZB then) is a very sensitive concern for Beirut. Despite the 2012 Baabda declaration, in which it pledges neutrality in regional conflicts, it has often been caught in games of alliances, and at times actively promoted them to obtain support from foreign powers. The UA crisis comes on top of LB’s months-long rift with the Gulf countries (which have asked LB to rein in HZB), domestic political row over how to deal with the 2020 Beirut Port blast investigation and in a pre-election (15 May) confrontational climate. Despite its vote in support of the 2 March UNGA resolution, it is not sure that LB will vote, for instance, in favour of the EBRD resolutions to freeze projects in RU and BEL. LB will likely first try to see how other Arab States position themselves, and how internal debates on this and other dossiers unfold. Pressing LB too hard for a supportive EBRD vote, and more generally, to openly reaffirm its pro-Western position at similar future occasions might entail further polarisation of the political environment, thereby destabilising an already very fragile Government.  There were around 5,000 Lebanese citizens, mostly students in Kiev. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*strong*)** | **SANCTIONS (*irrelevant*)** |
| * **LEB imports 90% of its wheat from UA or RF**. Its wheat reserves amount to one month and its cooking oil reserves to 2.5 months, according to official sources. Its wheat storage capacities were destroyed by the Beirut harbour blast in August 2020 so that LEB can only take in limited shipments at a time. * **LEB is totally energy-dependent** and fuel prices soared as a result of the conflict (35%) * The **additional political uncertainties created by the conflict over the conclusion prospects of JCPOA** discussions could complicate predictably very delicate government formation talks after mid-May general elections. * LEB fears additional migration pressures in Europe would distract the EU’s attention from its support to LEB in hosting **ca. 1.5 million SY refugees** | * LEB very limited exports to RF and its very fragmented political fabric do not allow it to play any role in terms of applying sanctions. * Despite its initial positive vote in UNGA, its further alignment cannot be taken for granted due to internal political fragilities. | * Helping LEB to **cushion/weather the short-term socio-economic impact of the UA crisis** is essential. Further EU cooperation should be considered in terms of: humanitarian assistance (currently 50 M per year), bilateral development cooperation (possibly through access to so-called “umbrella funds”) and consolidating – to the extent possible – the share of EU support to LEB host communities under the EU broader assistance to SY refugees in LEB. * **Reassuring LEB that the EU focus on the UA/RF crisis will not come at the expense of EU’s traditional support to LEB**, in particular as regards EU support to refugees. * **Stepping up EU diplomatic outreach with Gulf states** to advocate a swift resolution of the current diplomatic rift between KSA/Gulf countries and LEB. * **Keeping LEB informed about the on-going JCPOA negotiations** and the possible repercussions of the crisis thereon. |
| **POTENTIAL NEXT STEPS** | | |
| 1. Clearly express expectations that LEB aligns itself with the “democratic family”, while showing understanding for the fall-out of the crisis on an already dire domestic situation and willingness to help. 2. Present the EU as a reliable political and cooperation partner, by exploring all available cooperation and humanitarian assistance options to address LEB worsening socio-economic collapse. 3. Reconfirm that EU would be looking at possible Macro-financial assistance for LEB as soon as a deal is reached between IMF and LEB 4. Address disinformation campaigns blaming the EU and NATO for RU aggression and the worsening economic situation. | | |

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| **ISRAEL (*in favour*)** | | |
| Israel has shown, so far, a more prudent approach in addressing Russia’s attack of Ukraine. PM Bennet does not refer to it as an “invasion”, while FM (and future PM) Lapid has been more explicit. Notwithstanding the need to keep close ties with the US ally and the Europeans, IL is keeping a balanced position between the parties; this is due to a large Jewish population in RU and UA, high number of nationals of both countries living in IL and Israeli close relations to RU due to security cooperation in the region (especially on Syria and Iran/JCPOA). PM Bennet has tried to present himself as a possible mediator and had meetings with both RU and UA Presidents. Nevertheless, interests in security relations with RU may undermine Israeli position as a mediator.  **Around 13,00 0 israelis were in Ukraine.** . Israel announced it will facilitate immigration of thousands of Ukrainian Jews (community estimated at 200,000). | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| * Arrival of refugees from Ukraine - not accepted as refugees, but tourist visa with no health or working rights at the moment, which is expected to lead to a possible temporary 6-month “asylum” 6 policy, especially for Ukrainian citizens * Increase in “Aliyah” requests by Ukrainians with Jewish background, possible Israeli citizenship ” (estimated number: 100,000) * Increase of “Aliyah” requests from Russians with Jewish background * Potential domestic discussion on Olim rights at large, with opposition parties potentially calling for stricter law of return definition, with citizens originating from Soviet Union and moving to Israel in the 80s and 90s already counted as ‘non-Jewish’ in Israeli stats. * Risk that refugees/people from Ukraine will be offered places in the settlements in oPt (increasing tensions with the Palestinians). * Israel attentive to possible changes in Russia’s engagement in Syria (interest in keeping the current deconfliction mechanism to maintain ability to launch strikes against Iranian proxies in Syria) * Potential weakening of Russia’s position in Syria plus potential reduction of Russian forces could lead to Israel seeking a more active role in Syria. * Israel paying attention to RU position on JCPOA/Iran, the first strategic issue for Israel. * Israeli public mainly supporting UA (76%), few RU (10%). On 20 March, UA President addressed the IL Parliament in a speech livestreamed on TV and in central Tel Aviv square. * Expected new wave of trafficking (sexual) from Ukraine, a phenomenon that Israel has successfully fought in the past 10 years. | * Possible relocation of Israeli high tech companies which previously had their tech hubs in Ukraine or Russia to EU/southern neighborhood * Likely that Russia/oligarchs will put pressure on Israel to help evade sanctions * Pressure on supply chains (i.e.: Russia among the biggest exporters of diamonds to Israel). * Price increases for commodities, food, oil and gas. * Israel under pressure (US, EU) to ensure its financial institutions are not a route to bypass sanctions imposed on Russia by western countries. * IL has not officially joined the sanctions campaign and did not pass regulations affecting Israeli companies doing business with RU. IL sanctions involve mostly banking and finance. | **Security and regional policy:** the IL government positively noted the EU’s assertive stance on the conflict, swift reactions and increased military weight – Use this opportunity to improve exchange on international affairs and increase political exchanges (currently there is no formal political dialogue).  **Energy:** Israel is turning in a gas exporter, following the discovery and exploit of gas fields off the Israeli coast. Even though Israeli capacity is not large compared to EU needs, it is important to hold a continuous energy dialogue and make Israel a possible provider of gas in the medium term, especially in light of warming relations with Turkey, who is interested in participating in potential future energy projects. There are already been direct exchanges between ENER Commissioner and IL Ministry of Energy. |
| **POTENTIAL NEXT STEPS** | | |
| 1. Clearly express expectations that IL aligns itself with sanction regime that western countries impose on Russia (Israel is one of the countries added to the list of countries targeted for outreach on aviation measures, since it has not closed its airspace to RU). 2. Request Israel to support the EU in its calls for a ceasefire and withdrawal of Russian troops. 3. Follow-up on the Israeli PM-led mediation talks. 4. Ensure Israel’s alignment in positions and initiatives within international organisations 5. Intensify exchanges on energy and climate change cooperation | | |

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| **Palestine** | | |
| The **Palestinian Authority** and President Abbas have been very cautious, due to traditional ties with Russia and its role in the Quartet, which the Palestinians would like to see reinvigorated in order to work towards relaunching peace talks. There is a long history with mutual interests between Palestine and Russia, with ca. 6000 Palestinians now living in Russia. While bilateral relations with Ukraine have been traditionally positive too, Ukraine is perceived as being less pro-Palestinian (more pro Israel).  Against this background, the Palestinians have avoided public announcements in support of Ukraine / condemning Russia, assuming a **position that they would characterise as being neutral (not taking sides) while staying firm on the support to international law/UN Charter/right to self-determination**. This is unlikely to change in the near future (pending developments).  More specifically onthe **MEPP,** despite being perceived as historically close to the Palestinians, Russia has taken a very low profile as it saw potentially only limited gains (on an issue with limited prospects of achieving progress, and dominated by the US role). Due to the current situation, the EU is very unlikely to be willing to meet in the Quartet format. Hence, we are likely to see more meetings in the Munich format (EG, JO, DE, FR).  **Around 3,000 nationals were in Ukraine** | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| * Risk that the Russian aggression will likely draw the international/global attention further away from the Palestinian/Israel conflict, including in international for a. * Likelihood of stronger narratives regarding the ‘double standards’ with respect to ‘international law’ and response of the ‘West’ (EU, US) towards the aggression against Ukraine, as opposed to the perceived lack of a robust reaction/approach on the MEPP. * Risk that the situation of Palestinian refugees, precarious in some host countries (i.e. Lebanon), deteriorates, while attention is focused on Ukrainian refugees. * Risk that refugees/people from Ukraine will be offered places in the **settlements** **in oPt** (increasing tensions with the Palestinians). | * Price increases for commodities, food, oil, gas and steel. Russia and Ukraine represent together 40% of Palestinian wheat imports. * Pressure on supply chains (i.e.: Russia among the biggest exporters of diamonds to Israel). * Palestine has not officially joined the sanctions campaign | **Security and regional policy:** Over the past three weeks, PA officials have used every diplomatic opportunity to recall the ‘double standards’ narrative – aiming to emphasise international law and UN resolutions, and seeking support from Arab and other States.  **Energy**: Any impact on Energy sector in IL will have an impact in PAL. It may be a good opportunity to diversify energy resources and focus on green energies. |
| **POTENTIAL NEXT STEPS** | | |
| 1. Clearly express expectations that PAL aligns itself with sanction regime that western countries impose on Russia. 2. Request to support the EU in its calls for a ceasefire and withdrawal of Russian troops. 3. Ensure alignment in positions and initiatives within international organisations, as/if applicable 4. Intensify exchanges on energy and climate change cooperation | | |

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| **SYRIA (*against*)** | | |
| Russia along with Iran is one of Syria’s staunchest allies, Russia’s military intervention in 2015 having saved the Assad regime from defeat by opposition armed groups, some of whom were financed by the ‘West’ or certain Gulf states. Russia’s support (military, diplomatic, etc.) continues to this day. Syria’s debt to Russia is enormous therefore, and there was little surprise when the regime was one of only four countries voting with Russia at UNGA (and the only Arab country). Assad declared publicly that Russia’s invasion is “a correction of history”. Further, many reports and news indicate that **Syrian fighters**, possibly in the thousands, are being recruited to fight alongside Russian troops in Ukraine, with emphasis on urban combat skills. Syria has (so far) held back from formally recognising the breakaway republics of Donetsk and Lughansk.  The (likely) consequences for Syria of the war in Ukraine are (i) **socioeconomic/humanitarian**, e.g. more than 60% of Syrians are food insecure, 90% live in poverty, thus wheat, fuel shortages will be highly problematic, and (ii) **diplomatic** as Russia is very much involved in various UN processes vis-à-vis Syria, which allows for a high capacity of disruption (see below). | | |
| **IMPACT OF** | | **OPPORTUNITIES** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| The Syrian regime must adjust to anticipated shortages combined with price surges in oil, food commodities and transportation; further austerity measures have already been implemented, heightening record levels of vulnerability and food insecurity, and the risk of famine. Syria is now on course for a 75% wheat shortfall, with livestock reserves shrinking.  Cross-border resolution  Russia is expected to veto in July, cutting off access to humanitarian aid for over 1m people in need in the Idlib region.  Impact on a political solution?  Given Russia’s crucial role in the engagement of the regime in diplomacy under the 2254 umbrella, progress now appears unfeasible. The same goes for the Astana process, with Turkey and Russia in opposition over Ukraine, and Iran sensing an opportunity (see below).    Military situation  Violence in Ukraine may distract Moscow and put local armed actors in confrontation mode, increasing risk of conflict – particularly in Idlib.  No signs that Russia has diluted its presence in the north west. Risk of Russian brinkmanship in north east and north west against US and Turkey: to remind them of international consequences of meddling in eastern Europe, potentially upending the currently relatively stable *status quo* in Syria.  Political dialogue  Russia may discourage the Syrian Ministry of Foreign Affairs from cooperation with the EU Delegation even on issues such as visas for travel within Syria.  Additional worsening of the Syrian perception of the West and of the EU in particular, due to regime narrative on the Russian invasion of Ukraine and the Arab media in general  Geopolitical ramifications  The biggest potential beneficiary is Iran, which may now offer a lifeline to Syria and advance in its rivalry with Russia. If the JCPOA is resurrected, this will free up Iranian resources for investment in capital-intensive infrastructure, increased private sector investment, expanded militia presence, shiafication, Iranian facilitation of the narco-industry to benefit regime…  EU funds  Little upwards flexibility can be expected should the crisis in Syria worsen; at worst funds may decrease for Syria.  International support  The sixth Brussels conference takes place in May, but even before the Ukraine crisis it was feared that pledges would be down. 2021 was the first time that the Syria HRP was funded at less than half by the end of the year; this year may be worse.  Style of international response  Assistance will now become important for humanitarian reasons – also to stave off civil disorder and potential collapse/catalyse recovery.    The structural causes of vulnerability must be tackled; early recovery will need to harness local resources, of civil society and the private sector, also maybe even those of the regime (local authorities) – finding a way to avoid unsavoury partners. | Belt-tightening in Russia and financial and other obstacles will call into question Russian ability to provide credit lines or exports of basic commodities, notably wheat, to Syria. Previous Russian pledges to sell 1m tonnes of wheat in 2022 were already suspended due to fluctuations in global wheat prices. Last year, the Syrian government reportedly had to import [1.5m tons of wheat](https://www.middleeastmonitor.com/20220227-syria-regime-to-ration-wheat-due-to-russia-invasion-of-ukraine/), mainly from Russia. |  |
| **POTENTIAL NEXT STEPS** | | |
| EU policy response  Appeal to the Gulf countries in advance of the Syria conference to increase their pledges for the Syrians (after all, the oil price is now rising), while at the same time freezing any further normalisation.  Demarche in New York to Security Council members for renewal of cross border resolution (deadline 10th July).  An emergency response to likely wheat shortage (a ‘Bread for Syria’ campaign)?  Expand EU communication and counter-disinformation activities through independent media or social  media multipliers.  Identify ways of making EU assistance more effective and sustainable (beyond humanitarian…). This would  involve for a start attempts to mitigate food insecurity, by helping Syria to develop its own production, focussing  on the water-energy-food nexus. (There is a risk that certain Member States will resist such change in  emphasis or increase in support.)  Search for innovative ways of encouraging intra-Syrian dialogue in Syria as UN peace process stalls.  If a renewed JCPOA can be concluded, test an engagement with Iran on Syria. | | |

**Maghreb**

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| **ALGERIA (*abstention*)** | | |
| As largely expected, Algeria abstained at UNGA’s vote on 3 March. Since then, RU’s communication on official media in Algeria became more aggressive trying to spin Algeria’s posture as a support for RU. Over the past three weeks, the narrative on media and social media has become increasingly pro- Russian. Allegations of EU “double standards” are common on official and social media. Although not a major trade partner, Russia is Algeria’s main arms supplier and it maintains strong ties with Algerian military, which retains significant influence in domestic policy. Russia has a strong interest in Algeria energy sector. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| Algeria has reaffirmed that it will remain a reliable gas supplier to Europe. Agreement with Italy have been secured to increase supply. Contact with ES and FR have taken place. Algeria’s supply may offset EU MS (mainly IT, ES and PT) in the short run. However, supplies may be limited by growing Algeria’s domestic demand and lack of substantial investments in infrastructure and explorations. Algeria is also interested in the construction of a new pipeline (Nigeria – Niger – Algeria) and is open to cooperate with the EU on renewable energy (solar) and hydrogen.  According to recent reports by FAO and by the World Bank Algeria in not among the countries at risk of food insecurity since it has diversified its food supplies.  According to DG HOME nearly 2.000 Algerians have fled Ukraine so far and entered EU borders. One Algerian was reported killed at the beginning of the conflict. Algeria has coordinated with neighboring EU countries consular support for their nationals. No request for support was extended to the EU.  Current tension between Spain and Algeria regarding Western Sahara may have an impact security of gas supply and on migration (cooperation on returns and prevention of irregular migration). | Algeria does not intend to impose sanctions on RU  It remains to be seen how EU and US sanctions will affect Russian industry and create an incentive to diversify markets. | **Political dialogue:** Relaunch political dialogue with a focus on energy, security and Algeria’s regional role.  **Energy:** The EU should increase engagement on energy encouraging Algeria to play a bigger role in reducing EU gas dependency from Russia.    **Security:** The EU should increase engagement with Algeria on security and counterterrorism to counterbalance longstanding Russia’s influence on Algeria’s security sector.  **EU funds:** Coordinate approach with NEAR to prevent any diversion/ reduction of funds; ensure strategic use of resources allocated to the MIP (2021- 2027) to address Algeria’s needs on economic reforms, youth employment, energy diversification and migration management; keep an open dialogue with Algeria on access to additional sources of funding (budget support investments, guarantees) crucial to upgrade energy infrastructures; secure ECHO commitment on humanitarian response ( refugee camps)  **EU policy response:**  Algeria needs to be prioritized in overall EU energy policy  Counter disinformation and communication strategies needs to be targeted to address audience in Algeria and Maghreb  EU and EUMS should step up joined outreach in Alger, NY and Geneva to prevent a widening the gap between EU and Algeria’s position regarding war in Ukraine ( i.e. open support for RU’s position)  Key to maintain EU unity, despite Current tension between Spain and Algeria regarding Western Sahara. |
| **POTENTIAL NEXT STEPS** | | |
| 1. Re - engage on high level political contacts: EUSR for Sahel visit to Algeria ( April) (TBD); Political Security and Human Rights Dialogue in Alger (May) (TBD); PEC Michel visit (June) (TBD); Association Council by end of 2022 (TBD) 2. Continue engagement in the EU-Algeria energy dialogue: Hold a Ministerial meeting by end of 2022; keep coordinating and complementing EU MS initiatives on energy. 3. Relaunch the High Level Dialogue on Security and Counterterrorism: SOM meeting (September 2022)   High level dialogue ( December 2022)   1. Target counter disinformation and communication strategies to Algerian audience 2. Step up joint EU and EUMS outreach in Alger, NY and Geneva to prevent a widening the gap between EU and Algeria’s position regarding war in Ukraine ( i.e. open support for RU’s position) | | |

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| **LIBYA (In favour)** | | |
| Libya is one of the countries in MENA region with the strongest Russian presence on the ground. Libya is going through a renewed period of political chaos - a new Government and PM have been voted by the Parliament (House of Representatives, HoR) in a questionable procedure - with the risk of more polarisation and eventually a deterioration of the security situation. Russia has intervened in Libya during the 2019-2020 civil war to back general Haftar.  Only hours into the Russian invasion on 24 February, the FM of the GNU’s government Najla Mangoush tweeted that “We strongly condemn what happened in the Republic of Ukraine because of the military attack launched by Russia, which is a violation of international law, and we renew the call for calm and retreat.” PM Dbeiba has unambiguously positioned Libya’s Government of National Unity (GNU) as one of the most anti-Russian governments in the region. In parallel, whilst RU is the only country that has recognised his Government of National stability to date, PM designate Bashaga has issued a statement against the invasion and has never officially discussed with Moscow since his designation.  Nonetheless, the ongoing political struggle between the GNU Prime Minister Dbeibah and the HoR designated Prime Minister Bashagha and his government (GNS), which counts with the support of general Haftar, could ultimately influence this positioning. In fact, there are already unconfirmed reports which underline possible contacts of both sides with Russia or their proxies (Chechen leaders). This is an issue to be closely followed up.  There were around 2,000 to 3,000 Libyans in Ukraine (mostly students). | | |
|  | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| * **Cereals:** Libya is heavily dependent on imports to satisfy its food needs. In 2020, Ukraine represented roughly 40 % of Libya’s imports in cereals. The imminence of Ramadan will increase the urgency. * **Oil:** **Libya’s increased relevance for Europe** as a supplier of oil and gas. An oil blockade could have tremendous repercussions on global energy markets in the current situation. * **Libyan domestic politics:** RU divide and rule approach likely to continue fostering political polarisation and campaigns of disinformation on social media - * **Security:** Russia could use Wagner group presence to promote the idea of oil blockages as a political weapon in Libya’s internal conflict. Operating under the umbrella of General Haftar’s LNA, most Wagner group forces are deployed in the vicinity of crucial Libyan oil production facilities, where they command groups of third country mercenaries. * **UN efforts:** Moscow has already contributed to heavily weakening the UN in Libya and will likely be obstructive with the renewal of the UNSMIL and appointment of a new UN Special envoy. |  | * The need to not be seen as siding with Russia has been a common denominator for all actors in the context of Libya since the invasion of Ukraine including for external backers Egypt. Despite Russia being the only country having formally recognised the HOR backed *Government of National Stability* (GNS), PM designate Fathi Bashaga has sought to distance himself from Moscow. |
| **POTENTIAL NEXT STEPS** | | |
| * Close monitoring (and action as necessary) of the political developments in Libya and of their potential impact as regards the country’s positioning in the RU/UA conflict, including in the multilateral context. * Close monitoring (and action as necessary) of the economic impact of the conflict on Libya (oil and gas exports, cereal imports, …). * Close monitoring on Russia’s influence on key Libya-related matters (including questions such as UNSMIL mandate, new UN Special Envoy, departure of foreign fighters and mercenaries, …) | | |

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| **MOROCCO (non-participation)** | | |
| MO non-participation in the UNGA vote was explained by the authorities as the country’s willingness to remain equidistant on Russia’s invasion of Ukraine. This would be mainly due to the fear that Russia becomes difficult in the UN Security Council and drive apart from its current declared support for the UN political process on Western Sahara and the efforts of the UN Secretary General Personal Envoy S. de Mistura. Morocco continues to qualify Russia’s invasion and the war in Ukraine as “the situation between Ukraine and Russian Federation”. Traditionally a staunch ally of the US and the West, Morocco set itself apart through this vote and its choice sent a sobering signal to the EU and the international community on Russia’s leverage over the country. Morocco’s reactions both at official level and in the local media focused above all on the situation of the almost 10,000 Moroccan students in Ukraine, out of which more than 9, 000 have been evacuated to neighboring countries. RU disinformation continues and so are the anti EU narratives (including with regard to the treatment of refugees). | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| * More than 9k MO nationals already evacuated from UA. * Important economic impact due to MO’s high reliance on fossil energy (MO imports over 90% of its energy) and wheat imports(around 50% of its needs), at a time prices for commodities are souring. * MO has dependency on energy imports (oil, gas and coal, with +80% of coal imported from RU), especially now that Algerian gas no longer transits through the country. Global prices of oil and natural gas have been soaring already for months, resulting in much higher fuel prices in MO’s stations and rising social tensions. * MO also depends on RU and, to a greater extent, UKR for wheat imports, aggravated by the severe draught the country is currently facing (the worst in 30 years). MO will likely have to import more than 10 mill tonnes of cereals this year, representing a 25% annual increase. * This will add to an already stretched economy after the Covid-19 crisis and hamper recovery. Even if MO’s economy rebounded in 2021 (+4.8%), recovery remains incomplete and asymmetric, vulnerabilities persist and monetary policies continue to support recovery. The Government will be forced to further increase subsidies that will add to the high budget deficit, estimated at 5,9 % before the outbreak of the conflict. | * There are no signs that MO intends to impose sanctions on RU. On the contrary, MO is rather looking for ways to circumvent them. At this point, important to note that RU airlines are reportedly making previously uncommon stops in MO in their way to Latin American, as they have changed their routes due to international sanctions. * International sanctions on Russia are expected to further drive up energy prices in MO, impacting costs on all fronts, from transportation to manufacturing, and considerably reducing Moroccans’ purchasing power. Nevertheless, as a result of these sanctions, MO may also gain market share globally, in particular by replacing Russian fertilizers. MO might also try to increase its exports to RU (notably, by displacing European vegetable and fruit), depending on the extent and duration of sanctions against RU. | **Political dialogue:** The EU and MS are extremely disappointed by MO’s decision to be absent during the UNGA resolution regarding RU aggression in UKR, in particular given the remarkable support for the resolution of a number of Arab countries that do not necessarily enjoy the same level of “closeness” to the EU. While the EU has already expressed its disappointment to the MO authorities (e.g during the recent visit of NEAR Commissioner O. Varhelyi to Rabat, 9-10/03; EEAS DSG visit to Rabat on 16-17/03), **this message should be reiterated** in the context of the close relationship built up since the relaunching of political relations in 2019.  **EU funds:** **MO is expected to be the biggest recipient of EU financial assistance** in the MENA region during the 2021-27 period (even before Palestine, not including UNRWA). In addition, Morocco is likely to become one of the major beneficiaries of the Regional Migration MIP as well of the guarantee funds (first beneficiary of the Flagships initiatives under the New Agenda for the Mediterranean).  **EU policy response:** The EU should identify the proper leverage to change MO’s position, mainly through:  **Financial instruments**: in addition to the instruments previously mentioned (see above), the 2021 umbrella funding (EUR 160m) is currently identifying potential beneficiaries (MO among the candidates).  **Political instruments**: 1) Green transition: upcoming adoption of the EU-MO Green Partnership, where the country is a frontrunner in the MENA region; 2) Digital transition - digital Partnership currently under negotiation; 3) EU-MO commercial partnership: the EU is the largest trading partner for Morocco, accounting for 64% of MO’s exports.; 4) Trilateral dialogue/cooperation: MO interested in being recognized as an interlocutor between EU and Africa, in particular West Africa; 5) High-level contacts and visits in the framework of the partnership. |
| **POTENTIAL NEXT STEPS** | | |
| 1. Clearly express expectations that MO will stop its ambiguous position and support the order of international law in upcoming votes within the UN bodies and other international fora. 2. Address disinformation – countering RU disinformation and the anti-EU narratives - as part of a regional Stratcom anti-disinformation strategy within the MENA region. 3. Step up cooperation in the areas of climate change, green transition, energy, digital, trade and investments, areas which are high on MO’s development agenda. 4. Continue to explore modalities to increase the political dialogue and contacts, answering to MO’s request to be treated as a privileged partner in the EU’s neighbourhood (eg political dialogue, dedicated security dialogue etc) 5. Reiterate EU’s wiliness to continue the overall dialogue and engagement (as already announced during NEAR Cmss visit) but we need to see a change in MO position. | | |

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| **TUNISIA (In favour)** | | |
| Tunisia voted in favour of the resolution during the emergency UNGA session. The decision came as **a positive surprise** as Tunisia had only issued a very **discreet statement** mainly calling for a peaceful and negotiated solution to the crisis following its traditional approach of “**positive neutrality**More than 1,500 Tunisians were living in Ukraine. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| **Oil**: in 2021 the energy sector was responsible for 32% of the total trade deficit of Tunisia. The government’s finance law was planned on a USD75/barrel so the impact of the rise will be high. Oil prices are subsidized and the recent increase over USD100/barrel has already forced the government to announce a slight increase in prices, which nevertheless will not be enough to cover the extra cost.  **Cereals:** roughly half of their cereal imports come from Ukraine and Russia (48% of wheat imports came from Ukraine in 2019). Media have already echoed the risk of lack of cereals as the reserves in Tunisia are limited as Ramadan approaches. The president has already “declared war” on food speculators and the Ministry of the Interior has already seized alleged illegal foodstuff storage. The price of cereals is regulated and subsidized at all levels. Rising prices will also mean a higher effort of the State to keep up with the fixed price of the products and deliver on its engagements (e.g. there have been delays on payment of salaries for civil servants in January).  **Tourism:** 630 000 Russians and 33 000 Ukrainians visited Tunisia in 2019. Russia was the second most important source market for tourists after Algeria as per latest ministerial statements (where it was also mentioned that Russian tourists would be welcome in Tunisia). The war in Ukraine may make numbers drop while prices will probably rise due to inflation, which could result in the country becoming “less appealing” for tourists in general. This also follows a difficult period as the sector was heavily impacted by Covid-19. | * Impact of inflation rate, particularly dangerous in the current socio-economic context (by now regular anti-government rallies) * Impact on tourism of the Sanctions targeting Russian oligarchs | * Political dialogue:   Increase engagement at all levels to show support in a dire economic situation and show willingness to stand by Tunisia and show the advantages of having its primary relationship with the EU. It will be important to boost the geographical and cultural proximity (to note that the EU is the main economic partner of Tunisia and they have a keen interest in cultural and youth programmes) while continue to pass messages that democratic consolidation needs to move forward on the basis of shared values.   * EU funds:   The bilateral allocation for Tunisia will be approximately EUR150 million per year for 2021-2024. Tunisia had received about EUR300 million in the previous period as the bilateral allocation was completed with the so-called “umbrella funds”. Thus, the perception is that the allocation will be “de facto” cut by half. Pending payments from the previous period include about EUR200 million in budget support that is expected to be disbursed between March and June.  Therefore the main opportunities would be:  - to use as a reward the payment of the EUR300 million 2nd tranche of macro-financial assistance which is pending as political preconditions have not yet been fulfilled and would definitely expire in May 2022 – a political decision will need to be taken (Note for Decision under preparation).  - Given the impact on food sufficiency and cereals in particular, it would be interesting to find alternative ways that could increase exports coming from other sources, namely the EU, to help alleviate the pressure on the sector (FR is the second largest wheat exporter to Tunisia but only provided for 16% of total). Using other instruments such as a EU Food Facility[[1]](#footnote-1) kind of mechanism could address rising cereal prices |
| **POTENTIAL NEXT STEPS** | | |
| * Change of position and disbursement of the 2nd tranche of Macro-Financial Assistance by mid-May * Creation of ad hoc mechanism to mitigate the risk of food insecurity (cereals in particular) | | |

**Iran, Iraq, Gulf**

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| **IRAN (*abstention*)** | | |
| Iran’s abstention is a balancing act – Iran has good relations with Russia. However, its traditional attachment to territorial integrity and sovereignty has put Tehran in an uncomfortable situation. Iran’s main goal remains not to oppose Russia but it clearly does not want to support the precedent of invading countries.  Iran called for a political solution, with its foreign minister blaming “NATO provocations” for the Ukraine crisis.  Tehran had asked for permissions for several special flights for the repatriation of its citizens. Iranian government estimates suggest more than 5,000 Iranians worked or studied in Ukraine. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| * Iran’s Supreme Leader Ali Khamenei said Tehran supports efforts to end the war in Ukraine, while calling US policies the “root cause” of the crisis   **Iran** and Russia, could **intensify political and economic cooperation** as a consequence of the UA conflict (which could result in closer cooperation in international forums (UN, UNSC on JCPOA/UNSCR 2231) - or in regional groups such as the Shanghai Cooperation Organisation and Eurasia Economic Union (Iran-EAEU has a FTA, with significant IR-RU trade volumes).  RU could also ask Iran to double down on its regional policies, **increasing pressure on its proxies** in Iraq, Lebanon and Yemen to further destabilise the security situation. RU and Iran are members of the **Astana format** (on Syria) | Pending the conclusion of the Vienna process aimed at restoring the JCPOA, it is too early to assess the impact of sanctions on Iran-Russia relations. | **Political dialogue:** Iran and Russia are committed to finalizing a 20-year agreement on global cooperation.  **Security:** Iran maintains strategic ties with RUS, as indicated by Russia use of an Iranian air base (Hamedan) to strike targets in Syria in 2016.  **Trade:** Iran and Russia have been taking serious steps for boosting their mutual trade over the past few years which is not at the level of the existing political partnership. In January 2022, Iranian President Raisi, during his visit to Russia announced that Teheran and Moscow have reached an agreement to boost the trade between the two countries up to 10 billion dollars. In 2021, the value of trade exchanges between Iran and Russia in 2021 was around 4 billion dollars. Furthermore, on the occasion of his visit to Russia, Raisi reiterated that “the two countries can take steps to break the dominance of the dollar over monetary and banking relations and trade with the national currency”. However, pending the conclusion of the Vienna process aimed at restoring the JCPOA, it is too early to assess the impact of sanctions on Iran-Russia relations.  **Dev.Coop/Funding:** Iran has a first ever MIP and will also benefit from RIP and TEI. Implementation likely to be affected by outcome of JCPOA .  **Other sector policies: Food -** Russia is Iran’s main wheat supplier. Wheat imports are needed to ensure bread supply as bread is a staple in Iran. Iran’s annual domestic demand of wheat stands at 13 million tons, while the internal production stands at about 4.5 million tons (about 8 million tons of deficit). As of 2015, Iran has imported halal meat from Russia. With a population of around 80 million that is over 99% Muslim, Iran is home to a large market of consumers of halal meat and could serve as a conduit for the export of Russia’s halal products in Central Asia and the Middle East. No data available on the current volume of Russia’s halal products exported in Iran. |
| **POTENTIAL NEXT STEPS** | | |
| Potential next steps are intertwined with the dynamics of the Vienna talks on the JCPOA | | |

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| **IRAQ (abstention)** | | |
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| Caretaker gov’t abstained at the UNGA vote, which has led to outreach from EU and EU-likeminded countries. RU has become a key player in the Iraqi gas and oil sector, having invested more than $10 billion over the last years with two Russian companies owning and operating the West-Qurna pipeline (Lukoil, 75% of shares) and Kirkuk–Ceyhan Oil Pipeline (Rosneft, 60% of shares). Gazprom also operates extraction sites in central and northern Iraq (Sarqala, Halabhja and Shakal fields).  **There were around 5,000** nationals in Ukraine but for now **no request for assistance** with exception of visa for two journalists | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| Benefits from increased oil price in the short-term (80% of state revenue from oil). To note that Iraq holds the world’s 6th largest gas reserves, but these are untapped and associated gas is largely flared, making Iraq a net importer of gas (a gas deal was recently signed with QA).  Negatively impacted by import price hikes, notably wheat, sunflower oil and rice (80% from TK, IR and Gulf). $100 mln used to set up a strategic wheat reserve.  Gov’t concerned about terrorists exploiting the situation in Syria and notably north-east Syria (NES), where potential RU downsizing could lead to instability.  Gov’t also concerned that recent Iranian missile attacks on Erbil could be a consequence of ongoing regional destabilization. Paused JCPOA talks heighten such concerns. | Central Bank has issued a decree recommending the government to hold off signing contracts with RU, “in order to protect the Iraqi financial system”.  US treasury colleagues in Baghdad fear that Iraq could be used by RU as a place to circumvent US and European financial markets / banking sanctions. | A MIP for Iraq was adopted in 2021. A RIP commitment of €20 mln is under was focusing on reintegration support to IDPs and returning migrants. |
| **POTENTIAL NEXT STEPS** | | |
| In addition to requested outreach, more can be done to separate wide-spread anti-Western sentiments in Iraq, which at times translate to support for RU (against the West). . | | |

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| **Bahrain (*vote in favour*)** | | |
| Approximately 32 Bahraini citizens were in Ukraine | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| Bahrain expects to benefit from higher oil prices, but is also wary of higher food (wheat) prices |  |  |
| **POTENTIAL NEXT STEPS** | | |
| Advocate for GCC partners to pledge for humanitarian support to Yemen | | |

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| **Kuwait (*in favour and co-sponsors*)** | | |
| Kuwait is the only GCC country that adopted a somewhat vocal stance on the Russian aggression and **went beyond the GCC line** (also evidenced by its position expressed during the **extraordinary session of the LAS** on 28/02 in Cairo where it was vocal on respecting UA’s territorial integrity and sovereignty, an issue of particular importance to KW following the IQ invasion from 1991). KW is the only GCC country that co-sponsored the resolutions in both the UN SC and GA condemning aggression against UA. Following pressure and joint outreach by the EUDEL, DE, FR, UK and US, Kuwait has shifted its political stance from initially more neutral position to co-sponsoring of the UNSC resolution condemning the Russian aggression against Ukraine on 26 February.  While the US remains the main security guarantor of KW with 8 military bases on KW soil, the bilateral cooperation with RF for the last few years was frozen over the dispute over a Russian businessperson jailed in KW. Russian disinformation has found a fertile ground in traditional and social media of Kuwait and other Arab countries with stories of racism against non-Ukrainian/Muslim refugees | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| In the short term, benefits from increased oil price which also helps KW to balance its budget (which suffered from the drop in oil prices during Covid-19 pandemic) and to generate additional revenues to invest in transition towards a more diversified economy.  UA and RU supplied only 10% of Kuwaiti imports of barley in 2018. Kuwait’s food security is cushioned by its ability to purchase agri-food on the world markets even at higher prices. KW has already diversified its food supplies (only 0.4% of all EU agrifood exported to KW), since they have hardly any own agricultural production. | Very little impact as contrary to UAE/QT, there are few Kuwaiti investments in Russia. The bilateral cooperation with RF for the last few years was frozen over the dispute of a Russian businessperson jailed in KW. | * **Political dialogue:**   Following a joint outreach by the EUDEL, DE, FR, UK and US, Kuwait has shifted its political stance from an initially more neutral position to co-sponsoring the UNSCR condemning the RU aggression against UA on 26 February.  HRVP visit to Kuwait envisaged for 27 March. |
| **POTENTIAL NEXT STEPS** | | |
| Continue reaching out to KW authorities to:   * Ensure KW’s continued support in UNGA and HRC * Continue its leading role in LAS and GCC in order to influence other Arab countries’ position * Use UAE have the capacityits influence in OPEC to increase oil production * Contribute more generously to humanitarian aid (so far KW pledged only 2 mio USD)   Align some of our sanctions (unlikely). | | |

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| **OMAN (*vote in favour*)** | | |
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| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| Oman expects to benefit from higher oil prices, but is also wary of higher food (wheat) prices |  |  |
| **POTENTIAL NEXT STEPS** | | |
| Advocate for GCC partners to pledge for humanitarian support to Yemen | | |

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| **QATAR (in favour)** | | |
| Qatar had invested into the Russian economy: stakes in airports and oil conglomerates up to 20 billion USD invested into the Russian economy. Both Qatar and Russia are top gas exporters and share interests as members of the Gas Exporting Countries Forum. Qatar does not import significant amounts of Russian military equipment, they signed some letters of intent during visits but did not go further. Russia has provided expertise to Qatar to prepare for the World Cup this year using the know-how Moscow acquired during the Russia 2018 FIFA World Cup. The Qatari Emir used to have a cordial relation with Putin. As for Ukraine, traditionally Kiev has been an important source of wheat for Qatar but lately decreased as Qatar shifted and started to import mainly from Moldova and Romania. President Zelensky also has good relations with the Qatari Emir. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| Benefits from increased gas price and greater EU demand for Qatari LNG.  Russia and UA represent 1st and 3rd sources of wheat imports – Qatar’s wealth allows Doha to adjust easily but will face inflation of food products in medium term  Ukrainian Olvia port (located between Odessa and Crimea) is managed by the Qatari sea port operator QTerminals, on 7/3 the port has hit by Russian strikes | Negative economic impact due to exposure to Russian economy (USD 20 billion invested, stakes in ROSNEFT, airport infrastructure, banking).  Russia banned from FIFA World Cup in Qatar.  Qatar is one of the top 10 exporters of fertilisers and currently exports little to the EU: with the sanctions the EU will likely have to seek others supply sources | Political dialogue:  Outreach seeking closer Qatari alignment to EU position (e.g. emulate sanctions) is currently unsuccessful. Qatar not willing not deviate so far from its neutral stance.  Sheikh Muhammad also indicated that he had Instructed Qatar Fund for Development (QFfD) to contact the EU. QFfD followed through and met ECHO on 2/3, the precise modalities of their support (financial contribution, in kind relief) are to be agreed. |
| **POTENTIAL NEXT STEPS** | | |
| Continue reaching out to QT authorities to:  1) Support publicly call for immediate ceasefire and unconditional withdrawal of all Russian forces.  2) Discuss possible role in mediation (as proposed by DPM/FM).  3) Align one some of our sanctions (unlikely and incompatible with 2)  4)Consolidate cooperation between ECHO and the Qatari Fund for Development (discussions ongoing, Qatar only Arab country invited to the weekly coordination group with MS and likeminded) | | |

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| **Saudi Arabia (in favour)** | | |
| Saudi Arabia is dependent on food imports from Russia and Ukraine (wheat), fear to reopen the March 2020 oil price war between KSA and Russia (OPEC+), and caution to avoid undesired consequences on other files voted in New York, mainly Yemen which remains KSA’s main security threat. The military cooperation between KSA and Russia remains marginal (Western countries are KSA’s main military suppliers and the US is the provider of security guarantees) but it is unclear how much security and defence cooperation between Russia and KSA truly weights (arms, weapons, rights for local manufacturing.) | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| Benefits from increased oil price in the short-term.  Negatively impacted by inflated import prices.  Limited dependence on barley imports from Russia and meat/poultry import from Ukraine. But no dependence on wheat imports (99% from EU). KSA will face imported inflation of food products in the medium term  Food imports from the EU are 15 times larger than those from Russia (4.2 Bn € vs 0.3). | Very little impact as contrary to UAE/QT, there are few Saudi investments in Russia.  KSA is one of the top 10 exporters of fertilisers and currently exports little to the EU: with the sanctions the EU will likely have to seek others supply sources. | Political dialogue:  Outreach seeking closer Saudi alignment to EU position (e.g. emulate sanctions) is currently unsuccessful. KSA not willing not deviate so far from its neutral stance.  Outreach should also target the energy stability, considering KSA leading role in OPEC+. Recent visit of UK PM Johnson and US pressure have not yet managed to sway the Saudi position (i.e. there is no need to increase production as there is no shortage on oil in the market). |
| **POTENTIAL NEXT STEPS** | | |
| Continue reaching out to KSA authorities to:  1) Support publicly call for immediate ceasefire and unconditional withdrawal of all Russian forces.  2) Discuss possible role in mediation (as proposed by Crown Prince).  3) Align one some of our sanctions (unlikely and incompatible with 2)  4) Explore potential for future Saudi exports of gas (KSA has the 6th largest reserves in the W/currently no exports) and green hydrogen (KSA declared ambition to be the W lead exporter of that product) to the EU. Important to help reduce EU dependency to Russian gas. | | |

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| **United Arab Emirates (*In favour and co-sponsor*)** | | |
| UAE, who is since 1 March holding the UNSC Presidency, has been **trying hard** to limit their exposure and maintain **neutrality** in the Ukraine crisis. The Emirati stance and three subsequent abstentions (on the vote of the UNSC resolution 25/02, the decision to call an emergency UN General Assembly session 27/02 and the UNHCR debate 28/02) shows an increasing pivot towards Asia – voting with China and India - away from the Western ambit.  UAE responded negatively to EU outreach from 28/02, criticizing the EU approach as too simplistic: isolating RF will not solve crisis, UAE not an unprecedented case. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| Benefits from increased oil price in the short term. UAE is the world’s 7th largest crude oil producer and the 4th largest producer of petroleum liquids in OPEC. It holds the 7th largest natural gas reserves globally.  While it has the capacity to increase oil production and thereby contribute to stabilising global energy markets, the UAE and OPEC+ continue to hold form on their limited increase of production. During UAE FM’s meeting with RU FM on 17/03 in Moscow, it is likely that the UAE signalled their intention to support RF (whom Abu Dhabi considers its strategic partner) indirectly in OPEC+.  If the current surge of oil prices continues, it will be detrimental in the longer run for producers as wellas it risks depressing the global economy and inflation (putting pressure on large Asian importers too) while accelerating the energy transition away from fossil fuels.  Limited economic impact given the relatively small trade volumes with RF and UA.  While UAE imports 50% of its wheat from RF, they can afford buying (at even higher prices) also from other markets and have ample grain storage facilities as they invested heavily in food security during Covid-19 pandemic. However, UAE concerned about repercussions of the crisis on world economy. | Tourism (esp. in Dubai) likely to be negatively impacted, as Russians represent the 3rd largest tourist group in UAE. Negative impact of crisis on UAE airlines, as they need to reduce the flights due to security risks of flying over UA airspace.  UAE banks may benefit indirectly from increased profitability resulting from higher oil prices. Any direct negative impact likely to be limited given bank’s limited exposure to their RU or UA counterparts.  UAE could potentially benefit from influx of Russian oligarchs’ financial assets (which however will not help UAE’s recent greylisting by the FATF on tackling financial crimes, which may adversely impact their attempt to lure more FDIs).  UAE might also be subject to potential disruptions by RF in the region. RF may choose to reignite hostilities notably in Syria, Libya, YE and IR, to divert attention from UAE or increase pressure on the West. UAE have econ/security interests at all of these countries and may suffer in case of increased instability.  US and EU sanctions will complicate UAE’s wealth funds investments as some of RU co-investors funds are now under sanctions. | HRVP call to UAE FM envisaged/suggested ahead of a possible visit to UAE (possibly early June) |
| **POTENTIAL NEXT STEPS** | | |
| Continue reaching out to UAE authorities to:   * Highlight the UAE’s potential to help stabilize the global economy and the international energy market as well as the long-term detrimental effect for producers. UAE has the capacity to increase production and thereby contribute to stabilizing global energy markets. * Welcome UAE’s decision to vote in favour of the UNGA andUNHCR resolutions, calling out Russia’s actions in UA and stressing the need to condemn such acts of aggression and violence as they jeopardise the international rules-based order and can serve as a precedent that can be replicated in the region.   Encourage UAE to increase humanitarian aid to UA (so far only 5 mio USD) not least since the EU has traditionally contributed massively to crises in the broader MENA (Syria, YE, Sudan) | | |

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| **Yemen (*In favour)*** | | |
| * Significantly, Yemen started **to signal possible yes vote before Saudi Arabia**, which is hosting its government, based on considerations of its own experience with foreign interference. * Russia used to shield Ansar Allah/Houthis from US’ attribution of main responsibility for the escalation of the conflict in Yemen. The current situation may have an impact in the negotiation at the UNSC of sanctions to be imposed on Ansar Allah, following the 28 february vote introducing arms embargo on entire Houthi movement/ Ansar Allah and condemning its terrorist actions. (The Houthis have expressed public support to Russia’s aggression and recognized the two separatist ‘republics’ in Ukraine) | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT** | **SANCTIONS** |
| Yemen imports about 40% of its wheat from the two countries at war. People experiencing crisis or, even worse, acute food insecurity in Yemen, climbed from 15 million to over 16 million in just 3 months, at the end of 2021. The war in Ukraine will only worsen this already bleak dynamic in Yemen, in particular due to rising prices of oil and cereals (importer from UA) as well as the risk of diversion of international/ EU humanitarian assistance to Ukraine. | Russia has little economic interests in Yemen  Possible link with JCPOA talks in Vienna, where a successful outcome could have a knock on effect for Yemen | GoY pursuing a cautious line: e.g. at Joint EU, EU MS and like-minded partners demarche on 28/02. Yemen did, nonetheless, vote for the UN GA resolution on Ukraine. (Ansar Allah openly pro Russia, STC seeking a position aligned with UAE)   * **EU funds:**   At a humanitarian conference on 16 March 2022, the pledge for support in 2022 reached USD 1.29 billion, against a UN appeal of USD 4.27 billion (the largest appeal since the start of the conflict). The 2022 pledge is USD 380 million shorter than the level of funding pledged in 2021. **Together with its Member States, the EU pledged more than USD 417 million**, representing over 32% of the 2022 pledges. No GCC states pledged. Real risk that Yemen becomes the (even more) forgotten crisis |
| **POTENTIAL NEXT STEPS** | | |
| Advocate for GCC partners to pledge for humanitarian support to Yemen  Communicate to Ansar Allah the EU position and express deep concern about their pro-Russian stance. | | |

**Regional organisations**

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| **LAS (League of Arab States)** | | |
| The RU invasion of UA is reverberating widely in MENA. While the overwhelming majority of MENA countries voted in favour of a motion condemning RU invasion at the special UNGA session on 2 March 2022, the LAS statements so far fell short of explicit such condemnations: in fact, during LAS’s first meeting following the Ukraine invasion, **Kuwait** has been the only LAS country **emphasizing on the importance** of Ukraine’s territorial integrity and sovereignty. Although during this meeting words such as “condemnation” were not explicitly uttered, KWT condemned by default the invasion as a breach of territorial integrity and sovereignty of UA and called for an end to the conflict. Up until UNGA no LAS country had used the words “condemnation” or “Russian aggression” or invasion”. During the LAS emergency meeting on “the recent development in Ukraine” (28th of February 2022) words such as “war” or “invasion” and aggression” were not mentioned, but a few encouraging words referring to the breach and **the significance of respect for the principles of the International Law and the UN Charter** were uttered. LAS member states debated for quite some time reports of ‘racist reactions’ both in Ukraine and Poland towards “non-white and/or non-Christians” who seek to leave the country. Since than the prominent “**double standards**” narrative has been gaining traction across the MENA region, which as a result generates rising anti-EU/West sentiments. Consequently this **reinforces Russian propaganda** of a ‘racist and neo-nazi’ regime in Ukraine and is damaging Ukraine’s and the EU’s reputation.  Hence, it requires to be continuously countered. Whilst, eventually, the voting behaviour of LAS countries during UNGA have proved to be highly promising, especially when it came to the Gulf countries, who have all voted for the resolution, there remain doubts regarding Algeria (abstention), Morocco (no vote) and UAE who since have not been shy of meeting at highest levels with Syrians and Russians. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| - depending on geopolitical shifts yet to be assessed with regards to Syria, the ‘normalisation’ of relations, including lifting the suspension in LAS membership might regain impetus  - whether the LAS will pursue the holding of an ‘Arab-Russian Summit’ that Morocco would be hosting this year is another test to the credibility of the LAS  -alleged Western ‘double standards’ will in turn impact on our credibility to partner with them | -N/A | * **Political Dialogue:** * The LAS remains our main partner for outreach and engagement with the arab countries in a grouped manner. Using our regular meetings at all levels should be proactively used to counter the Russian narrative regarding Ukraine and to reinforce our line regarding Syria. |
| **POTENTIAL NEXT STEPS** | | |
| * A Political Dialogue at the level of the PSC is scheduled for 7 and 8 June in Cairo. * There is the possible holding of an EU-LAS Ministerial meeting foreseen in early October, tbc. * Same for a joint Summit either this year still (2022) or early next year (2023), tbc. | | |

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| **Gulf Cooperation Council (GCC)** | | |
| The Russian invasion of Ukraine is a serious test for the EU-GCC relations that just had been resumed on a very positive note, culminating in the successful holding of a first Joint Council meeting in a long time (prevented earlier by the GCC internal rift and later Covid). This Joint Council meeting not only saw a lot of convergence regarding global and regional challenges, it also saw the adoption of a joint workprogramme which, together with the envisaged Gulf Communication that is being prepared by the EU, seeks to foster a strategic partnership with and through the GCC to address the many important challenges, notably in the field of climate and environment, energy conversion, digitalisation, youth employment etc. Against this background, it is very disappointing to see that none of the GCC countries has openly condemned the Russian invasion of Ukraine. Saudi Arabia and the UAE’s relations with the US – that remain strained - is affecting the way the countries have responded to the RU invasion of UA, with UAE abstaining from voting on a draft resolution condemning the invasion at the UNSC on 25 February 2022. Later, both countries have adjusted their position, the UAE voted in favour of a UNGA resolution on 2nd March condemning Russia. Still the two countries are trying to use this crisis to push US administration towards stronger engagement in key files (Houthis). The UAE and KSA have also not been shy of meeting since with Russia and also Syria at highest levels. They seem in fact very receptive of the Russian propaganda concerning Western ‘double standards’. One key interest to them concerns wheat exports from the Black Sea region. Saudi Arabia, the world’s largest importer of barley, imports most of its supplies from Ukraine and Russia, so its livestock industry would be affected. Overall, for the **Gulf countries,** the situation could provide new leverage **to double down on regional policies** in Middle Eastern and North African states. Both **Qatar and Saudi Arabia** will likely seek to use the energy dynamics to strengthen their positions. Russia’s growing partnership with the UAE and the deepening of its relations with KSA may also play a role in shaping Gulf countries attitudes. They **will try hard to remain impartial** and will not be shy in continue engagement with Russia. However, sustaining the delicate balancing act between the EU/US and Russia will be increasingly difficult, particularly for the **UAE**, **especially after the country received critical defence and security support** from the US following the Abu Dhabi attack. A UNSC Resolution **referring to the Houthis** as a terrorist organisation was adopted on 2 March 2022 which should give the Gulf countries a certain satisfaction on a, in their eyes, long overdue respect for the realities on the ground that directly threatens their homeland security (see UAE attacks). | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*low*)** | **SANCTIONS (*low*)** |
| -alleged Western ‘double standards’ will impact on our credibility to partner with them  -Gulf countries’ positioning towards Syria and Russia and its possible impact on our intended ‘strategic partnership with the Gulf’ will have to be still further analysed | - N/A | * **Political dialogue:**   - the strong commitments reached at the EU-GCC Joint Council meeting just prior Russian attacks in February should be used to defer risks of the GCC or rather some of its members to divert to other strategic partnerships such those with Russia and China  - the EU has every interest to use its structured dialogue and cooperation with the GCC to also dispel the Russian propaganda regarding alleged Western ‘double standards’ that resonate heavily with the Gulf countries  - as the EU-GCC cooperation dwells inter alia heavily on economic relations, the new challenges presented to the energy sector should be addressed usefully in this framework |
| **POTENTIAL NEXT STEPS** | | |
| * Reschedule the 1st EU-GCC Political Dialogue within the month of June. * Discuss the implementation of the EU-GCC Joint Cooperation Programme starting with discussion on the organisation of an EU-GCC sectoral ministerial on green transition. * Proceed with the envisaged appointment of a Special Envoy for the Gulf. * Proceed exploring the feasibility of regional initiatives on Gulf security in the aftermath of the JCPoA conclusion or, in the case of a delay, even before such a conclusion has been made * Engage with key countries such as Gulf countries proposing joint initiatives on issues which are important to them in the wider multilateral arena (e.g. add AA individuals recently listed by US and UAE to the EU sanctions list: as well as with the Arab group / OIC) | | |

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| **UfM (Union for the Mediterranean)** | | |
| The conflict in UA is reverberating widely in the region covered by the UfM (EU, Southern Neighbourhood, 3 Western Balkan countries and Turkey). Discussing this however in the political dialogue sessions bears a risk as was seen in the past. Two southern UfM members (Morocco and Algeria) abstained in the motion condemning the RU invasion at the special UNGA session on 2 March 2022. Morocco so far has not put a halt to the envisaged hosting of the ‘Arab-Russia Summit’ this year. On a positive note, the new realities regarding energy dependency on Russia makes the case for the envisaged economic conversion and related investments in the Meditrranean region even more pertinent. The EU is well advised in its role of Co-Presidency of the UfM to help re-double efforts to fully implement the 2019 UfM Road map and to use the UfM fora to help dispel the Russian propaganda regarding alleged ‘double standards’ by the West. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| -Impact of the conflict is huge regarding the projected food crisis  - the 2019 UfM Road map that projects a variety of joint measures to boost the economy in the Mediterranean region now proves its case even more | -N/A | **Political Dialogue:**  - The Jordanian co-presidency initially expressed reluctance to use the senior officals meeting to discuss the Russian invasion in UA. They see a risk that this new thematic would divide the organisation (see in particular the isolated positions of Morocco and Algerian on the conflict in UA);  **Added value of the UfM:**  To uphold the narrative that this emerging crisis reinforced the importance to show solidarity and strengthen the links between the two shores of the Mediterranean is however highly recommended given the important work towards greater regional integration that is being pursued at all levels, notably in the field of transport networks, energy, trade, employment, research etc which, over time, will limit dependency on other regions. |
| **POTENTIAL NEXT STEPS** | | |
| * The next Senior Officials meeting is planned for May/June and could be used for dispelling the narrative of double standards. * The EU should, together with the Jordanian Co-Chair, pursue the various Ministerial meetings and Regional Fora meetings scheduled for this year | | |

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| **OIC (Organization for Islamic Cooperation)** | | |
| The narrative on the alleged Western ‘double standards’ and racism against Muslims and people of colour has been gaining traction across the MENA region and Gulf following Russian related propaganda and local incidents at the Ukrainian borders. A key rhetoric is that **the EU/West adopt double standards** in dealing with UA refugees (compared to Middle-Eastern refugees) or in labelling their fight as a form of public resistance, while calling similar issues acts of terrorism in the case of other non-European people (for ex: in Palestine). As the voice of the Muslim world, the OIC remains an important multiplier in the field of strategic communications. Hence the OIC can serve as an influential platform to defuse this anti-Western narrative. The EU’s structured cooperation with the OIC has recently been resumed and can be used for such purposes. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*low*)** | **SANCTIONS (*low*)** |
| * Clear impact of the conflict on Western negative perceptions. | * N/A | * **SOM meetings:** * The regularly held SOM meetings can easily be used to provide counter narratives of Russian propaganda; the upcoming meeting end of March could furthermore explore dedicated joint activities in this regard |
| **POTENTIAL NEXT STEPS** | | |
| * Senior Officials Meeting on 28 March 2022 in Jeddah co-chaired at the level of D-MD MENA | | |

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| **Financial assistance/Programming** | | |
| It would seem too early to consider a full review of the multiannual programming documents in light of the long term impact of the war (bilateral MIPs still not adopted). A mid-term review is in all cases foreseen for 2024 (review process starting in 2023). It would be important to re-focus 2022 annual programmes to respond to already confirmed and most urgent needs, consequence of the war (AAPs 2022) and consider to apply a different approach to the use of umbrella funds to focus on supporting people and most vulnerable categories. | | |
| **IMPACT OF** | | **OPPORTUNITIES:** |
| **CONFLICT (*medium*)** | **SANCTIONS (*medium*)** |
| * Emerging needs, in areas of support which were already among the sub-priorities for financial assistance but which have become now a major priority (see limit in the imports of wheat, food security). | * Emerging needs, in areas of support which were already among the sub-priorities for financial assistance but which have become now a major priority (see limit in the imports of wheat, food security). | * EU policy response:   **Short term**: **annual programming** would need to be re-oriented to respond to already confirmed consequences of the war in the Southern Neighbourhood, see for instance in the field of food security. Preparation of 2022 programmes is under way. An assessment of needs (both at bilateral and regional level) and possible re-orientations should be considered.  On the other hand **most immediate actions** could be considered in support of these partners, through **rapid response mechanisms** and if necessary also exploring the option of **extending some measures foreseen to support EU countries** to our neighbours of the South (again for instance in relation to food security)  **Longer term**: MIPs are overall sufficiently broad framework to allow for more targeted actions to be on the other hand undertaken through annual programmes. **Re-prioritisation** should take place in relation to the preparation of the Annual Action Programme 2022 instead. Depending on how things progress a review and if necessary amendment of the MIPs could be considered at a later stage   * EU funds:   Divert NDICI funds dedicated to the Southern Neighbourhood to UA does not seem an imminent option as emergency instruments and funding modalities are expected to be used first (ex. the cushion).  At the same time, available funds for the South, see in particular **umbrella**, could be used to support people and categories most in need in the different countries in the region (new approach). |
| **POTENTIAL NEXT STEPS** | | |
| 1. Reorient preparation of 2022 programmes (AAPs 2022) to take into account the most immediate and already visible impact of the war (see in particular food security) 2. Use umbrella funding for the Southern neighbourhood to support people (in particular to respond to the impact of war) and the most vulnerable categories (women, children, refugees). 3. Move ahead with the adoption of the Multiannual Indicative Programmes (MIPs). It remains important also to confirm our commitment to our Southern partners to have in place asap multiannual programming documents. 4. Explore the possibility to extend some of the internal EU mechanisms to support our neighbourhood 9 (for instance actions foreseen in the framework of the CAP) | | |

1. [↑](#footnote-ref-1)