

# PUTIN'S WAR

## fueled, funded and facilitated by fossil fuels

Photo by Gerry Machen (CC BY-ND 2.0)

Millions of Ukrainians have now fled their homes as a result of Vladimir Putin's invasion. At the same time, around the globe, the intensifying impacts of the climate crisis are driving millions of people from their homes. There is one common thread to both of these events: they are driven by the addiction of wealthy countries to fossil fuels.



Kyiv, 25 February 2022. Photo: Oleksandr Ratushnyak, UNDP Ukraine (CC BY-ND 2.0)

## Our addiction to carbon

After a dip in 2020 as a result of Covid-19 lockdowns, fossil fuel use is surging back around the globe. Coal-fired electricity jumped 17% year-on-year in the United States in 2021. In Europe, over three-quarters of the energy consumed in the bloc still comes from fossil fuels. Oil is the **biggest contributor**, with a 34.8% share, followed by gas and coal at 23.8% and 13.6% respectively.

The Intergovernmental Panel on Climate Change recently published its **starkest warning yet** that what is now at stake is “a liveable and sustainable future for all”. The impacts of our heating planet in terms of droughts, floods, fires and more are now widespread, pervasive and in some cases irreversible. Millions of people driven from their homes by the changing climate do not have access to **adequate legal protections** to allow them to move safely and with dignity.

Fossil fuels are the **dominant cause** of carbon emissions. Increasingly widespread recognition of the need to end our reliance on them has not been met with broad, decisive action to do so. Expert assessments suggest there is still **a substantial gap** between current commitments and the targets needed to keep below the 1.5°C target of the Paris Agreement, but overshoot can still be avoided if leaders act decisively now.

Yet far from doing so, governments around the world are spending extraordinary amounts of money in subsidies propping up fossil fuels: over **US\$1.3bn per day**. The gap between the emissions reductions needed and actual progress is widening, and without **effective cuts every year to 2030** the Paris Agreement will not be salvageable.

## How EU fossil fuel consumption funds the Russian military

EU countries alone spent over **€60 billion** on Russian energy in 2020. The value of European mineral imports, including hydrocarbons, from Russia is more than the amount the Kremlin spends **on the military**, meaning that the bombs raining down on Ukraine could have been fully funded by European fuel purchases.

The EU and Russia are alike in the sense of both being dependent on those fossil fuels. For the Putin regime, oil and gas provided **39%** of the federal budget revenue and made up **60%** of Russian exports in 2019. The Russian fossil fuel industry is especially linked to European consumption, with European OECD countries representing **48%** of the destination markets for Russian crude oil and condensate exports, and **72%** of its natural gas exports in 2020.

Countries which import no Russian gas, namely Spain and Portugal, are rare in Europe. Import dependency **rises** from less than 10% (Belgium, France and the Netherlands) to around 40% (Italy), **55%** (Germany), 60% (Austria, Hungary, Slovenia and Slovakia), to 80% for Poland and 100% for **Bulgaria**. For oil, the share coming from Russia ranges from 4.8% (Portugal) to Slovakia's **78.4%**.

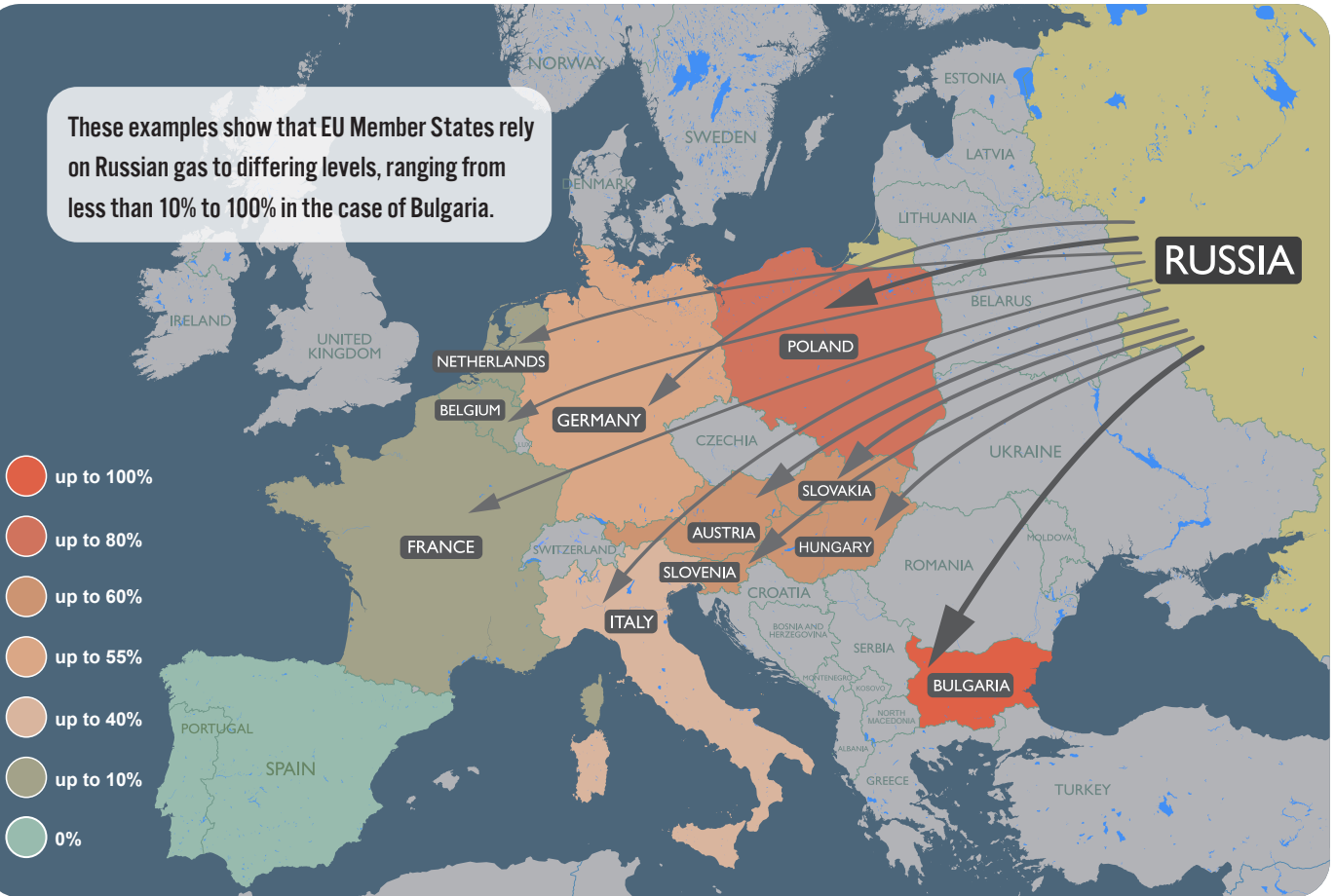
For the bloc as a whole, Russia provides **40%** of its gas and a **quarter** of its imported oil. The EU imports **97%** of the oil and **90%** of the gas it uses, so dependence on Russian oil imports is effectively one in every four barrels consumed, and almost one in two for gas.

According to **Eurostat**, in the first six months of 2021, the EU imported 63.7 million tonnes of crude oil from Russia. This means that if we dug a pit to hold all of the EU's daily imports of Russian crude oil, Berlin's Brandenburg Gate would fit in that hole more than 22 times.

The EU is dependent on Russia for **one in every four** barrels of oil, and almost **one in two** for gas.



These examples show that EU Member States rely on Russian gas to differing levels, ranging from less than 10% to 100% in the case of Bulgaria.



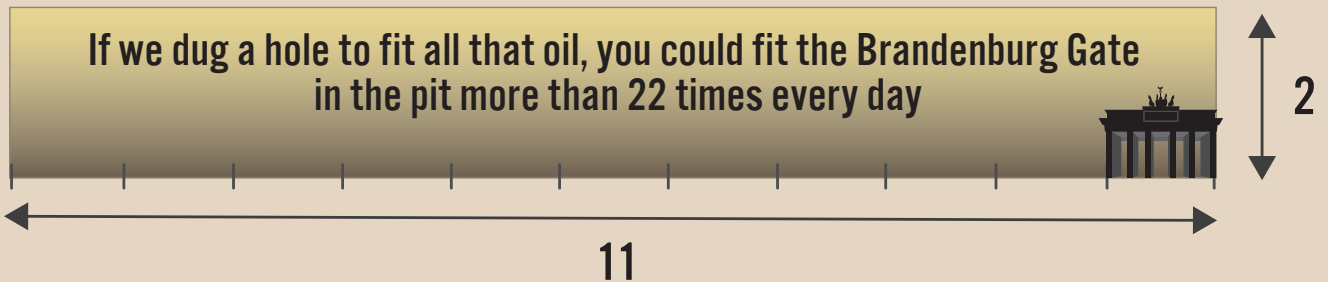
### EU imports from Russia

2.6 million barrels of oil a day



Berlin's Brandenburg Gate

If we dug a hole to fit all that oil, you could fit the Brandenburg Gate in the pit more than 22 times every day





Two things are therefore clear: the Russian military and state are dependent on exports to the EU, and the EU has extensive, if varying, reliance on fossil fuel imports from Russia.

**In fact, despite efforts to sanction the Putin regime, natural gas imports alone pumped 689 million euros into Russia's economy on a single day on March 2 2022, a week after Putin invaded Ukraine.**

Breaking this connection and rapidly transitioning to renewable energy is now the single most important action EU institutions, leaders and governments can take to hamstring the Russian war machine, protect the people of Ukraine, and defend billions of people around the world from the most serious impacts of global heating. EU consumption of Russia's fossil fuels has not caused this invasion of a peaceful neighbour. It has, however, enabled Putin by giving him the war chest he needs to fight it.

## How we can drive the switch to independent renewables

The severity of this crisis merits the full force of European and global economies, and the unique fiscal and monetary authorities of their governments. A rapid, irreversible transition to renewable energy can save lives, livelihoods, homes and heritage in Ukraine and around the world.

Simply diversifying oil and gas supply to other sources only kicks the can down the road and risks transferring European funds to propping up other autocratic regimes while doing nothing to mitigate the urgent, existential threat of the climate crisis.

Major EU contracts with Russian state-owned energy company Gazprom totalling 12% of the company's supply to the bloc expire at the end of 2022. This offers a window of opportunity for improving renewables and leaving ever more fossil fuels behind, but this should only be one aspect of a concerted effort to end the fossil fuel age for good.



Protests Against War in Ukraine - Oil and Gas Embargo. Photo by Amaury Laporte (CC BY 2.0)

The average wind farm's capacity is double that of what it was in 2016, and solar and wind now provide the cheapest source of new power for 67% of the world.

Renewables are ready now, and became the EU's biggest electricity source for the first time in 2020, meeting 38% of its needs compared to 37% for fossil fuels. Strong state investment in accelerating the pace of renewable roll-out and boosting energy efficiency can meet the twin needs of supporting Ukraine and defending human rights around the world by ending the unequal impacts of the climate crisis. Part of this will mean a massive expansion of research and development of renewable energy storage technologies. In Germany alone, experts estimate that the saving potential of energy efficiency investments could halve energy consumption across German buildings, industry and transport, thus helping achieve the full transition to clean energy more quickly.

One area which requires particular attention is subsidies. Subsidised wind is cheaper even when built new than running existing fossil fuel plants,

offering an obvious opportunity for real progress. However, the G20 governments alone spent US\$584 billion each year between 2017 and 2019 on fossil fuel subsidies, far outstripping subsidies for renewable energy. There is an urgent need to reform this system and create one in its place which rewards low- and zero-carbon energy production.

**This crisis must not retrench dependency on existing, alternative fossil fuels. Action now for a wholesale shift to renewables can save lives, hasten peace, and cut the financial sinews of Putin and his fellow autocrats.**



Kyiv railway station. 3 March 2022. Photo: Oleksandr Ratushnyak, UNDP Ukraine (CC BY-ND 2.0)





Photo by Appolinary Kalashnikova / Unsplash

## Recommendations

**These are clear steps which every leader serious about ending the Putin regime's war and the climate crisis can and must take now.**

- **An economy-wide investment in renewable energy to be initiated immediately, on an unprecedented scale.**
- **No new fossil fuel projects, which would deepen our reliance on carbon and cause suffering for millions around the globe.**
- **The use of fiscal and monetary policy to price carbon out and give defining subsidies to renewable energy projects, including storage but excluding biofuels.**
- **An end to all fossil fuel subsidies by December 31<sup>st</sup> 2022 at the latest.**
- **A whole-of-government approach to this transition, embedding the principle of zero carbon progress into every office of state.**
- **An end to all purchases of Russian fossil fuels as quickly as possible, and not after December 31<sup>st</sup> 2022.**

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