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Climate Change in the Post-COVID World

08 10 12

FRANCE'S
FORTHCOMING
CLIMATE BILL

BIDEN'S
IRAN
POLICY

DESERTIFICATION
OF
ROMANIA

In This Issue...

04 Editor's Message

Today, we are publishing our 45th issue in Synergy. It's been a very long and challenging journey since September 2019...

06 Climate Change in the Post-COVID World

Resembling our current period to the 1970s sometimes gives us some comfort. We eliminate uncertainties and dream of the predictable chain of events to take us out of this crisis...

08 France's Forthcoming Climate Bill...

Renewable energy certificates (REC) are in circulation for more than 20 years the moment. They had helped many companies to show their "green ambitions" until now, but also there are some allegations that they are just "greenwashing" their carbon footprint...

10 Biden's Iran Policy

In sixteen days, Joe Biden will become the U.S. president. Many issues are waiting for him to be handled, and in terms of foreign policy, one of the priorities will definitely be Iran...

12 Desertification of Romania

The price of sunflower seeds has risen staggeringly due to a dual phenomenon that rarely attracts attention, especially now that the focus is on a pandemic...

BRENT OIL

51.17 \$/BL

GASOLINE

7.27 ₺/LT

USD/TRY

7.40

DIESEL

6.63 ₺/LT

EUR/TRY

9.07

FUEL OIL

4.19 ₺

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ABOUT US



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Editor's Message

Today, we are publishing our 45th issue in Synergy. It's been a very long and challenging journey since September 2019. In the beginning, we were not sure that we could publish a weekly newsletter, especially after the initial excitement gone; however, with the support of many students from different backgrounds and universities, scholars, and professionals from various institutions, we have managed to keep going on.

The main aim of publishing the newsletter was to support students interested in energy and climate issues. Synergy enabled them to share their ideas and receive feedback from the readers. Many authors who are volunteered to write the Synergy began following energy news closely to create content for the newsletter and expand their knowledge while sharing information with the readers. Today we have over 230 different contents available on our website regarding carbon fuels, renewable energy, climate issues, book and documentary reviews, daily life, and politics.

The first 16 issues were only published in PDF form, and we were announcing them from our social media accounts. After realizing that we can sustain publishing weekly, we built a website for the contents in February 2020. Of course, after sharing our articles as blog posts, the number of our audience multiplied.

According to Google Analytics reports, in 2020, we have reached more than six thousand people from 104 countries solely from our website, which seemed impossible at the beginning. Among Turkey, the United States, the United Kingdom, Germany, and Pakistan were the countries with the most readers for Synergy.

Bariş Sanlı's "Good and Bad News: Oil Price War," "Energy Transition in A Fragmented World" and "Oil Price War: What Happened So Far?" and my "Energy Demand on Quarantine Days" and "Book Review: The New Map" articles were the top 5 most-read pieces of the year.

In these 45 issues, we tried to be as fair as possible to different opinions. For instance, in some cases, arguments that support renewable energy and discussing the negative impacts of renewable energy published next to each other. The diversity of opinions helped us to broaden our vision.

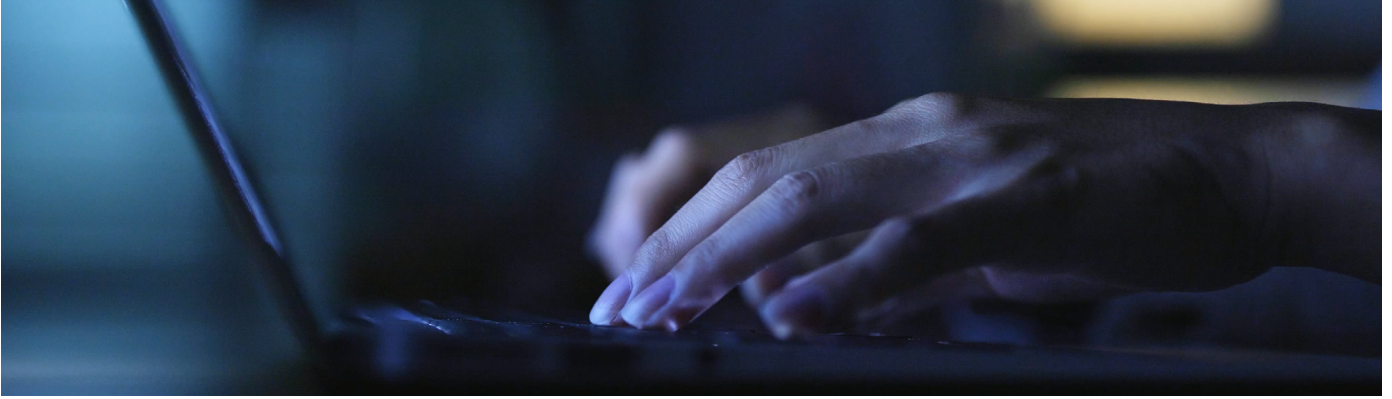
In November 2020, we also updated our PDF version layout. Every day we are trying to improve the quality of the work we are putting on. Hopefully, in 2021, with our experience, we will have a better and advanced newsletter. You can always send your opinions to eeprs@bilkent.edu.tr or my email address.

As the editor of Synergy, it has been one of the biggest challenges of my life to publish a weekly newsletter since I did not have any experience in this area before. I am grateful to all authors who contributed to this journey. On the next page, you will see the other 21 authors who wrote for Synergy in 2020.

I wish my best to all of our readers from the world in the new year. I hope you and your loved ones have a healthy and successful year.

Gökberk Bilgin

Our Authors in 2020



Alpcan Efe Gencer

Atahan Tümer

Barış Sanlı

Başak Bozoğlu

Batuhan Özkan

Can Arıhan

Canberk Taze

Ercan Emre Çelik

Hande Mert

Hasan Gürsel

Hikmet Can Çakan

Işık Zeynep Cebe

Kaan Demirci

Mihael Gubas

Onur Uyanusta

Pelin Özgül

Selin Kumbaracı

Volkan Aslanoğlu

Yazgı Nur Akın

Yiğit Mert Yüreklitürk

Yüksel Yasemin Altıntaş

Climate Change in the Post-COVID World

Bariş Sanlı  

The worst thing that happened to climate change can be long term targets. Previously it was like 5-10 year targets and checks. Now you can postpone everything post-2030.



more contagious, and this makes it much more problematic. There will be vaccinations, but there are no guarantees for a third or fourth version super covid. What if the crisis persists into 2022?

There is too much hope that the Biden administration will push for climate diplomacy. But generally, presidents do not shape their era, but the crisis of that era shape presidency. The latest incentive act is not enough to even kickstart renewable acceleration. There are words, but deeds are too little.

Resembling our current period to the 1970s sometimes gives us some comfort. We eliminate uncertainties and dream of the predictable chain of events to take us out of this crisis. We are all waiting for the vaccinations to return to our normal life. What if our normal life no longer exists?

The latest reported mutation of Covid is not good news for anyone. It is much





The worst thing that happened to climate change can be long term targets. Previously it was like 5-10 year targets and checks. Now you can postpone everything post-2030. This may increase emissions faster in the short term. After 2030? No one knows.

Previously, China has overcome the economic slowdown through energy-intensive industries. Now the commodities boom gives us a hint that it is coming with a vengeance. The sustainability of such energy-intensive growth is questionable. But the reality is obvious.

The developing countries have an urge to create employment, growth, and create wealth. But they do not know how to dematerialize growth. There is this degrowth of 4.0 or 5.0 since Malthus, but what will impact this on a normal guy.

It is not all that gloomy. The new clean technologies are accelerating, and they can catch up to be the new normal. There are new companies, better technologies. But again, the learning curve works for both renewables, lithium batteries, and shale gas, as well as mining.

Good scenarios are well known. Instead, let's talk about a darker scenario. As 2021 progresses, vaccinations continue. But the recent variant of the virus becomes a much bigger problem. The lockdowns force first in OECD and then in China and India to curb demand. The lower oil and gas prices continue.

The increasing food prices add to the injury. Now, some OPEC countries find it very hard to sustain their subsidies. A more nationalistic stance

follows in the developing world. The covid year of 2020 creates its own imbalances around the world. The vaccination regimes are criticized, and more inequality discussions follow.

The energy sector hardly gets to the end of 2021 for two reasons. Since banks are scared of the performance of energy companies and the cash flows are seriously disturbed. The investments come to a halt, and energy efficiency does not improve. Meanwhile, taxing the consumer for carbon becomes much more difficult.

The emissions increase for 2021, but for 2022 the outlook is not any better. Still, the governments nod to the climate targets, but the fossil regime continues its reign. But the social stresses in OPEC countries begin to pop up. The higher prices in the 2nd and 3rd quarters will push renewable investments further but create another burden to the consumer bills. As renewables share, increase more anti-renewable gatherings as well as red tape increase, mainly due to land use.

The clean energy revolution is in the making. But what if covid does not end, and what if the emissions increase due to the urge to grow? Then we can really find ourselves in the 70s, with one crisis triggering another one. Climate change will be the biggest threat to humanity, but not in deeds but in politicians' speeches.



France's Forthcoming Climate Bill: Much needed changes or PR stunt?

Selin Kumbaraci 

Though COVID-19 has eclipsed many important issues on the agenda since its emergence just over a year ago, it seems as though the European Green Deal will live to fight another day. Indeed, EU leaders, despite all the hardships of 2020, were able to come together in the final days of the year to approve raising the bloc's 2030 emissions reduction target from 40% to 55%.

Accordingly, French President Emmanuel Macron is vying for the enactment of a comprehensive environmental bill that would be in line with France's role in reaching this 55% target. This bill is expected to be presented later this month, but the way in which it is being drafted is perhaps one of its most interesting aspects. Forming the foundations of this bill will be the proposals of 150 randomly selected individuals who constitute the Citizens' Climate Convention.

This Convention has the overarching aim of formulating proposals on how exactly France could reduce its carbon emissions. Accordingly, they arrived at a total of 149 proposals that were to be presented to President Macron. These proposals include measures such as the renovation of buildings, limiting advertisements for polluting products, and establishment of regulations on local soil treatment, like increased taxes on nitrogen fertilizers.

While approximately half of the 149 proposals seem as if they will be incorporated into the law that is currently being drafted, some members of the Convention are saying the government is watering down the solutions they have proposed. The matter of which suggestions will be in the bill, and their exact form, will gain much more clarity once the bill is definitively presented toward the end of January.

One thing is for certain, though: Macron will push for a referendum on a proposal to change the first article of the constitution outlining the fundamental principles of the French Republic, such as its indivisible, secular, democratic, and social character. The amended article would read,



"the Republic guarantees the preservation of biodiversity and the environment and fights against climate change." Procedurally, this proposed amendment will need to first pass the National Assembly and Senate before it is presented to the people in a referendum.

It should be noted that, though Macron has argued the solutions arrived at will not be filtered before being passed on to the relevant legislative process, many have accused him of using the Conventions as a way of 'greenwashing' his image, where they say he is trying to appear to be doing more for the environment than he actually is, to improve his political standing before elections in 2022.

Macron has openly opposed measures such as an environmental tax on aviation and a ban on the production of new high-emissions vehicles by 2030, arguing that such issues should be legislated at the EU-level to avoid discrepancies in the single market.

He has additionally directly rejected a proposal on putting into place a maximum speed limit of 110 km/h due to the heavier negative impact of such a measure on more rural regions, arguing, "Never should the environmental transition be done at the expense of regions that are most isolated." Indeed, considerations of the rural-urban cleavage are crucial, especially for Macron, in light of the Yellow Vest protests that took place not too long ago.



In fact, this format of deliberation—a citizen's assembly—was first proposed in reaction to the Yellow Vest protests against environmental fuel taxes, the burden of which, its critics argued, disproportionately landed on the shoulders of the rural segments of French society that are more reliant on cars. The Convention was thus meant to be representative of the demographic diversity of France so that various stakeholders could engage in discussions surrounding the policy process and have their views represented.

There has been opposition to this interesting exercise in deliberative democracy from both sides of the political spectrum. For one, some voices in parliament have opposed the particular method, saying that the parliament is the actual legislative organ of the country. One centrist MP referred to it as "a rather questionable operation organized by the president, which suggests that there are no democratic institutions in France."

The conservatives have additionally expressed discontent with the substance of the proposals, in particular with how they see the solutions proposed by the Convention as mostly utilizing disincentives, such as taxes, bans, and limitations, instead of incentivizing mechanisms. Those on the left, on the other hand, are more opposed to the idea of a referendum, not because they disagree with its provisions but because they view it, in

essence, as a "PR stunt" that distracts from the actual content of the Convention's proposals. As a Socialist MP put it, "While the citizens shoot for the moon, the president hopes idiots will only see the referendum." Others have put it more mildly, such as the environmentalist MP Matthieu Orphelin, who said, "The referendum is certainly a useful measure, but it's not the main thing."

There are also those who think that all of these measures, the bill itself as well as the constitutional referendum, are coming at the wrong time. They contend that France should be directing all its attention to the COVID-19 recovery, not proposing measures that threaten to create societal divisions.

Overarchingly, though, there appears to be perhaps a more key issue: these proposals were drafted in line with the previous aim of a 40% reduction in CO₂ emissions by 2030, not of 55% that was agreed by the European leaders in the European Council meeting on December 11, 2020. The concerns related to this problem could perhaps be summed up by the first question asked to Macron in his meeting with the Convention members that took place on December 14, three days after the targets were raised: "We see that the measures we are proposing are all weakened. How, by minimizing our measures, do you expect to meet a target that is now 15% higher?"

Biden's Iran Policy

Gökberk Bilgin 

"Neutralizing Iran through diplomatic channels will be a huge challenge for the new administration. Biden's approach to the situation will be crucial for the Middle East politics and oil and natural gas sector"

In sixteen days, Joe Biden will become the US president. Many issues are waiting for him to be handled, and in terms of foreign policy, one of the priorities will definitely be Iran.

Under the Trump administration, the American government imposed sanctions on Iran from multiple areas. Their assets and oil revenues in foreign banks had been frozen, oil trade declined, and accessing humanitarian aids to cope with Covid-19 restricted.

Last year on January 3, 2020, the leader of the Quds Force Kasım Süleymani, also been killed, and during his death anniversary, Iranian officials threatened the US. In response, the American officials announced that the US aircraft carrier USS Nimitz would remain in the Persian Gulf.

Moreover, Iranian officials declared that they would increase enriched uranium to 20%, which is above the nuclear deal agreement signed with the Obama administration six years ago. The statement of the Iranian government claims that it will be used for peaceful reasons. However, the government also states that Iran will not let the United Nations monitor its nuclear activities anymore if the United States does not lift the sanctions. So, their attitude remains uncooperative.

While accelerating its nuclear energy

investments, Iran also works on its oil production capacity. According to Bloomberg, Iranian oil companies will receive \$1.2 billion to increase their oil output. Furthermore, in the recent OPEC meeting, Iran was exempt from limiting oil production due to sanctions.

Finally, Iran continues to support the Maduro government in Venezuela, another sanctioned country by the United States, by supplying gasoline and military equipment to support the regime that faces fuel shortages. Under these circumstances, they seem to put

IRANIAN OFFICIALS DECLARED THAT THEY WOULD INCREASE ENRICHED URANIUM TO 20%, WHICH IS ABOVE THE NUCLEAR DEAL AGREEMENT SIGNED WITH THE OBAMA ADMINISTRATION SIX YEARS AGO.



pressure on Joe Biden's administration to lift sanctions.

During the election campaigns, Biden's approach to the Iran issue was cooperative, and he was claiming that his aim will be to renewing the nuclear deal with the Iranian government. However, agreeing on the same principles will be challenging for both parties. Biden administration may choose to continue with the sanction policies.

The development of technology and globalization enabled policymakers to apply broader sanctions to target states regarding different aspects. Freezing financial assets, damaging trade flows, or halting technology transfer becomes vital tools for sanction policies. It has been widely used by the United States and the European Union.

The popularity of imposing sanctions to solve diplomatic conflicts comes from several reasons. According to Hufbauer and Jung's "What's new in economic sanctions?" article, the authors explain that the United States chooses sanction policy because it creates far fewer casualties than military conflicts. On the other hand, the European Union imposes sanctions because it is the only available tool with bearable economic and political costs for the countries (Hufbauer, 2020).

However, the sanction policy creates a burden on many secondary states that would like to continue relations with the target state. In the last years, the European Union criticized the American government for interfering with their foreign policy by imposing restrictions on their business with Iran. The European Union also formed an alternative system named INSTEX

(Instrument In Support of Trade Exchanges) to continue their trade with Iran using the Euro instead of the US Dollar. The European Union also had different opinions on helping Iran to deal with Coronavirus when the United States did not want them to help the country. Despite that policy, the EU sends medical supplies to Iran. Russia and China are also supporting Iran to survive American sanctions. Tanker trackings show that oil trade with China continued long after the sanctions were implemented.

Under these circumstances, neutralizing Iran through diplomatic channels seems like a huge challenge for the new administration. Biden's approach to the situation will be crucial for the Middle East politics and oil and natural gas sector.

Desertification of Romania

Mihael Gubas



"This year, Romania witnessed the worst drought in 150 years. Record high temperatures further complicated the absence of rainfall. Agricultural production is facing a natural disaster. "

The price of sunflower seeds has risen staggeringly due to a dual phenomenon that rarely attracts attention, especially now that the focus is on a pandemic. This year, Romania (and other countries in the region) witnessed the worst drought in 150 years. Record high temperatures further complicated the absence of rainfall. Agricultural production is facing a natural disaster. For example, 30 percent of sunflower crops became extinct, leading to shortages and soaring oil and seed prices. As Romania is one of the largest sunflower producers in the EU, the consequences have been felt across the continent.

Already hit hard by problems in the spring, farmers hit rock bottom in late September when the state had to intervene and distribute compensations. As is usually the case,

large landowners (usually large foreign companies) profited the most, while small producers were forced to face bankruptcy. The situation is serious because no agricultural crop is safe from drought. Maize crops, which are otherwise considered notoriously resistant, have also been hit hard. Experts estimate that the consequence of this will be manifested next year, when the full effect of this year's crisis will be felt by most of the population, in the form of twice the price of bread. Monthly food price inflation is already high. For example, in the case of fresh

The almost complete absence of irrigation infrastructure is responsible for such huge consequences of the drought. Brutally dismantled after 1989, when the land was returned to its previous owners, the current infrastructure is insignificant compared to the needs. Farmers are reluctant to engage in such infrastructure investments that would eat up their profits due to high costs, while the state is not ready to do so. That paradoxical situation escalated this fall when the state paid more compensation to farmers than it would have originally

30% OF SUNFLOWER CROPS BECAME EXTINCT, LEADING TO SHORTAGES AND SOARING OIL AND SEED PRICES.

fruit, it is a staggering 30 percent. The pandemic and drought created the conditions for the perfect storm.

invested in upgrading infrastructure. The fundamental problem here lies in the two criteria: safety nets for



private entrepreneurs (companies) and temporary compensation to farmers when the situation becomes acute.

This ultimately perpetuates the problem. Occasional state intervention - when the situation becomes unbearable - only works in the short term. The lack of a strategy does not cure the problem in the long run. On the contrary, ignoring it makes it bigger because droughts are our new normality. The state will not be able to compensate for the destroyed crops for a long time. It is unsustainable in the long run, especially in the increasingly unstable climate witnessed by the current epidemic that requires constant state financial injections. This year is also an election year, so the current government tried to find new political allies in farmers with bailouts. But next year is unelected, and perhaps with a lack of political interest, there will be no funds for the bailout

of agriculture. Either way, the current arrangement will surely face the end of its terminal state.

To make matters worse, drought is not a unique problem or an extremely rare natural phenomenon. It is a symptom of something much more ominous: the planetary climate crisis. Its effects are already visible: almost a third of Romania's territory (mostly in the south) is already affected by desertification, or desert expansion, or such a development is expected soon. The 2018 EU report warned Urbi et Orbi of desertification dangers that threaten six EU countries, including Romania.

ALMOST A THIRD OF ROMANIA'S TERRITORY (MOSTLY IN THE SOUTH) IS ALREADY AFFECTED BY DESERTIFICATION, OR DESERT EXPANSION, OR SUCH A DEVELOPMENT IS EXPECTED SOON.

Such a process can have unpredictable social and economic consequences.

Historic Romanian regions such as Oltenia and Dobruja have changed dramatically over the last 30 years or less. Once known for its watermelons, the area south of Oltenia is now a desert. When the winds blow, the dust from there travels to Bucharest, which is more than 200 kilometers north. Impoverished and desperate local growers have abandoned traditional crops in hopes of succeeding in growing exotic plants such as kiwis, dates, or olives. The process is hampered by expected obstacles, the biggest of which is desertification, forcing people to move to more temperate climates.

The situation in Dobruja is much worse. The previously drought-prone area between the Danube and the Black Sea was unsuitable for large-scale agricultural production. Sheep farming and wine production were

the most characteristic activities ensuring the population's livelihood,



which could not grow anything more than vegetables in their private gardens. Chronic water scarcity now puts many poor people in an even worse position. Drought accompanied by record temperatures leads to the drying of wells and even lakes (see picture). If these conditions continue, this region, otherwise home to a million people, is on the brink of uninhabitability in its rural areas.

It would be easy to dismiss the desert expansion in the south of the country as "natural," but that would be a completely wrong assessment. Leaving aside all the broad and complex causes of the climate crisis, Romania's desertification has very clearly known causes, all related to the political economy of transition. As I have already mentioned, the irrigation system was dismantled in the process of privatizing the country. The owners then cut down the forests to expand the arable land, which they would then extensively pump to produce the maximum amount of crops to maximize profits. All

logical, except that deforestation, was mostly done illegally, so deforestation has become an increasingly intense problem in Romania in recent decades. Such an attitude towards land has led to progressive land degradation that has absorbed excessive amounts of pesticides in the agricultural process. The drought has only exacerbated the existing problems of the agricultural sector subordinated to large landowners' interests eager for massive monoculture crops for export. Desert expansion, i.e., desertification, in Romania, is ultimately the result of very concrete political decisions and perhaps one of the least discussed consequences of the reforms implemented in the last 30 years.

Unfortunately, this problem is not the least bit easy to solve, especially since it is a systemic problem, i.e., that the entire economic-agricultural process is not based on sound foundations. Several heartfelt environmental activists routinely take it upon themselves to plant trees in the affected areas to stop

the desert expansion process. Their actions deserve praise, yet they are difficult to characterize other than as symbolic. It would be of fundamental importance to drastically change current agricultural practices, seriously related to generating profits as quickly as possible in one production cycle and fast sales. Since no farmer will do so voluntarily, the state should intervene, but it lacks the capacity and political will. It is predicted that the cycle will be interrupted when production becomes physically impossible and profits melt in the barren land. That moment is not far away.

Long-term effects pose additional challenges for agriculture. A trip to rural Dobruja gives us an insight into the future. Entire villages are deserted, some even resembling ghost settlements. As life becomes unsustainable in many areas, migration will increase, and so will the pressure on limited available resources.



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