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Climate Change →
Climate Crisis →
Climate Injustice

08 10 12

**EU-BELARUS BORDER
CRISIS: GAS AS A
DECIDING ACTOR?**

**ROAD TO THE
REGIONAL STABILITY
THROUGH THE
ENERGY GOVERNANCE**

**THINKING CO₂
EMISSIONS NOT AS
OVERALL BUT
AS PER CAPITA**

In This Issue...

04 Climate Change —> Climate Crisis —> Climate Injustice

The 26th Conference of the Parties (COP26), the most important meeting of global diplomacy in the fight against climate "change," completed its work in Glasgow...

08 EU-Belarus Border Crisis: Gas as a Deciding Actor?

As the European Union (EU) - Belarus border witnesses thousands of migrants attempt to cross into the EU territory and Poland and Lithuania to open their borders, the issue of migration has a chance to affect the European gas issue that is already in distress...

10 Road to the Regional Stability Through the Energy Governance

There is no doubt that the role of the Asia-Pacific region in international commerce is spiking day by day. This growth process brings along regional cooperation and common action on policymaking...

12 Thinking CO₂ Emissions not as Overall but as per Capita

As time elapses, we are exposed to more climate change and footprint news, activities, and events. More than seeing and hearing, we at times experience the effect of the change in the nature of the earth...

BRENT OIL

81.77 \$/BL

GASOLINE

8.21 ₺/LT

USD/TRY

10.00

DIESEL

8.30 ₺/LT

EUR/TRY

11.46

FUEL OIL

7.40

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Climate Change → Climate Crisis → Climate Injustice

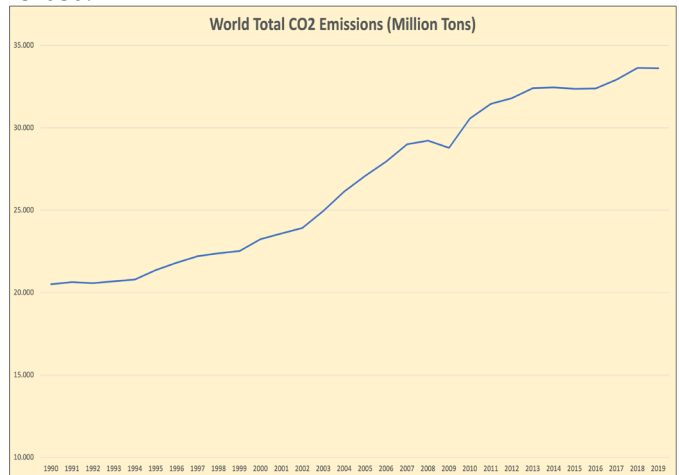
A. Erinç Yeldan 

The 26th Conference of the Parties (COP26), the most important meeting of global diplomacy in the fight against climate "change," completed its work in Glasgow. It has been understood that the commitments presented at the 26th COP in Glasgow, which included much more prepared and ambitious targets compared to the Paris Conference convened in 2015, unfortunately, could not achieve the targeted 1.5°C increase (since the industrial revolution) in the struggle to limit global warming.

The Climate Action Tracker, which closely examines the COP26 commitments, stated in its report titled Glasgow's 2030 Credibility Gap on November 9, "*The policies implemented by countries are progressing at a snail's pace,*" and that even under current commitments, global warming will be 2.7°C until the end of the century.

Yet, throughout Glasgow, nearly 140 countries, primarily the European Union (EU), had declared *net zero emissions targets* against global warming. These 140 countries are responsible for 90% of global CO₂ emissions, which is 34 million tons in total. However, even under the *net-zero*

targets, it is seen that by 2030 there will be at least twice the greenhouse gas emissions consistent with 1.5°C. Why is it so?



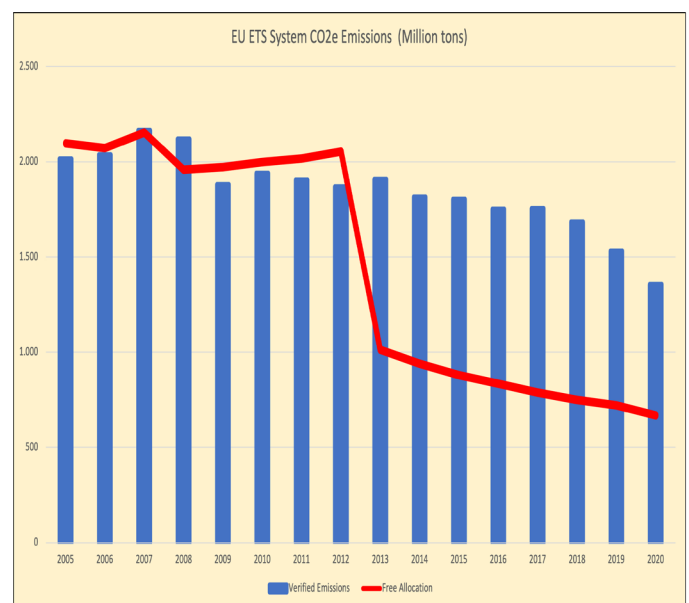
First of all, let's note that the target is *net-zero* emissions. This is based on the expectation that emissions will continue in gross terms and will be *net-zero through* introducing carbon sinks and storage technologies and young forestation. "How realistic is this expectation?" is a bitter question.



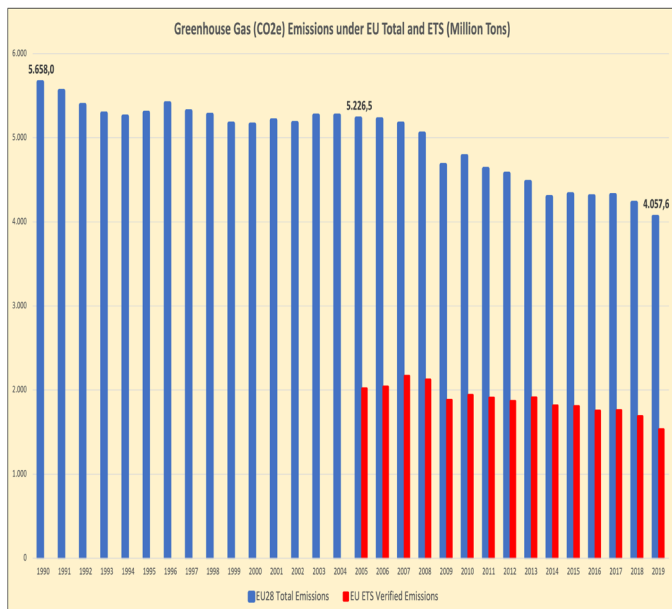
However, in our opinion, another important factor here is that the measures used for the *net-zero target* are too complex, indirect, and not effective enough... As it is known, the EU uses the *carbon trading system* (CTS) as the main tool for reducing emissions. Within this system, total emission quotas are *allocated*, and companies that cannot fulfill their quotas purchase the right to emit CO₂ in the *carbon market*. Thus, it is expected that both the total emission level will be reduced to the desired level, and the companies will benefit from the efficiency gains of the market mechanism by trading CO₂ among themselves. They will provide the highest efficiency in resource allocation.

It will suffice to look only at the EU experience, without going into the subject of how the theoretical expectations of the CTS can become meaningless in real life, thanks to offsets and the speculative appetite of multinational companies and financial rating agencies, and their "creativity" that will frustrate the system. In the EU, CTS has been implemented since 2005 and covers around 15,000 businesses and 1,500 air transport companies operating in seven main sectors. Due to the excessive surplus created by free allowances

in the first years of operation of the system, the carbon market was not formed at positive prices; however, it is seen that the "market" started to function after 2013 when the limit on the allocations in question was increased. Below, data from the European Environment Agency shows these observations.



As a result of the carbon trading of companies under the EU CTS, with the free allowances gradually reduced from 2 billion tons to 500 million tons, we see that the price of CO₂ has risen to 50 Euros per ton, and approved emissions had decreased from 1,908 tons in 2013 to 1,355 tons in 2020. This corresponds to a cumulative 28.8% reduction after 2013. This gain in seven years is unique to CTS companies only. When we look at the total EU greenhouse gas emissions, we see that the achieved reduction can only reach to 9%. If we take the time horizon from 2015, the start year of the CTS, instead of 2013, we read that CO₂e emissions reached only 22% in 15 years and could be reduced from 5.2 billion tons to 4.057 billion tons. These data are presented in the chart below, in comparison with the emissions of CTS and all sectors.

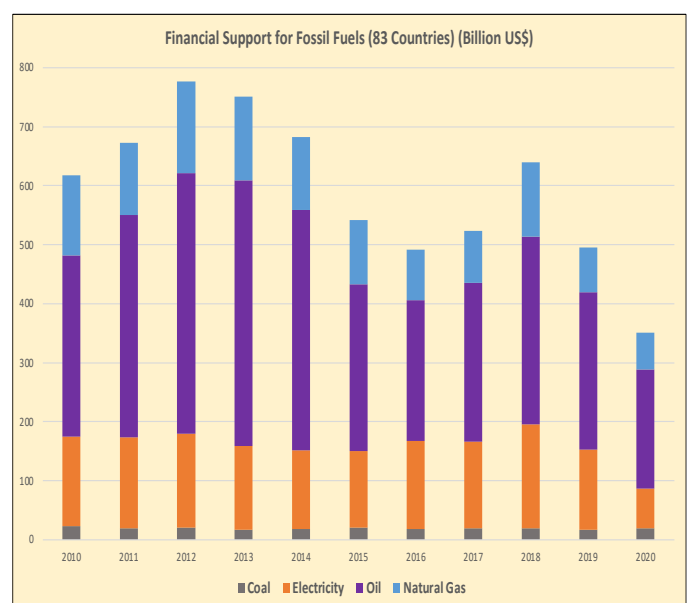


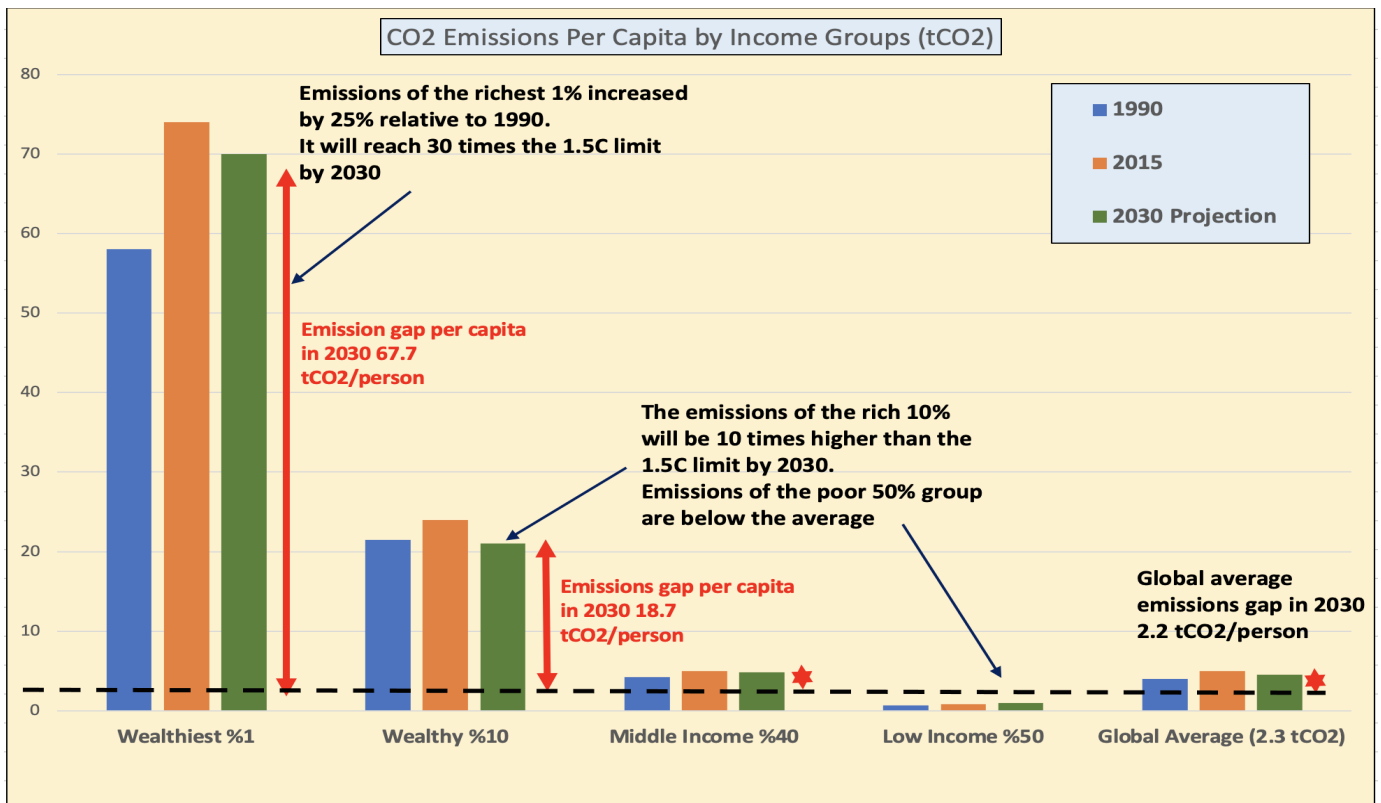
Therefore, gains under CTS are very slow, and the global climate change struggle is delayed. I also stated this determination in my article dated October 13 and used the following words: "The irresistible profit greed of the capitalist unit system and the fueled consumption pattern of the capitalist unit system lie at the heart of the problem. Larry Lohman, in his statement in La Nuova Ecologica magazine in September, emphasizes that the carbon trading system actually ignores the essence of the problem and that the fossil fuel-based energy system and industrial companies throw the problem to future generations thanks to the offsets, marketization games and speculative designs

created by this system."

Scientists have calculated that since the industrial revolution, in order to keep global warming at 1.5°C, we need to keep greenhouse gas emissions at the level of 2,900 billion tons in total. To date, 2,340 billion tons of this "budget" has been "spent," that is, released into the atmosphere. Hence, the global emissions volume consistent with 1.5°C from now on is only 550 billion tons. Considering that the annual global emissions are 50 billion tons of CO₂ equivalent greenhouse gas, it will be seen that only 10-11 years remain for the remaining carbon budget. In the words of the CAT report, it is impossible to achieve this target with policies that "advance at a snail's pace."

The second very important factor that caused the delay in the fight against the global climate crisis is the slow implementation of the exit from fossil fuels and the energy conversion process in general. Here, too, the continuation of the supports for the fossil fuel sectors, especially the incentives offered to the coal industries, at an intense pace constitutes the essence of the problem. OECD Environment Statistics documents that the financial support provided to the fossil fuels they demand reaches between 500 and 600 billion dollars per year. Fossil fuels financial support, which seems to have decreased to 310 billion dollars in 2020 due to the economic recession due to the Covid pandemic, is expected to exceed 500 billion dollars again.





Meanwhile, the amount of financial support granted to fossil fuels in Turkey is estimated at 17,638 billion TL in 2020 by the OECD database; Let us note that this corresponds to 0.4% of our national income.

Climate Injustice and Climate Genocide

The climate crisis, on the other hand, exposes the uneven development laws of capitalism in its entirety. When we compare the current global emission and the existing "CO₂ budget" that we have presented above with the income sharing pattern in our world, this fact is revealed in all its bareness. Oxfam's "Global Emissions and Income Inequality" Report, published last week, shows that per capita CO₂e emissions, which is responsible for the richest 1% in the world, increased by 25% compared to 1990, and the CO₂e greenhouse gas created by this sector as a result of consumption activities has reached 30 times the emission budget set with the 1.5C warming target. On the other hand, while the CO₂e emissions of the "wealthy" 10% reach ten times the same target, CO₂e emissions created by the "poor" 50% are 20% below the average. According to the data in the report, the "average" (whatever that means?) emissions per capita, taken as a whole, hover 2.2 tons/person above the

1.5°C target.

In the "fight" with the global climate crisis, we see that the sacrifice of "austerity" falls to the share of the global poor, as is the case with the plans to overcome the same economic crises.

Let's finish our words with this photo of Chico Mandez, which was widely shared in the media last week: "Environmentalism without class struggle is just gardening."



EU-Belarus Border Crisis: Gas as a Deciding Actor?

Ali Berk Bilir 

As the European Union (EU) - Belarus border witnesses thousands of migrants attempt to cross into the EU territory and Poland and Lithuania to open their borders, the issue of migration has a chance to affect the European gas issue that is already in distress. According to Euronews article, the gas prices cost six times higher than last year and increasing. As of 2021, the EU imports 40% of its gas from Russia and is currently building Nord Stream 2 to increase its dependence on Russia. Some argue that Russia intentionally used the gas crisis in the EU to pressure them to open Nord Line 2 pipeline. It also increased Euro-area inflation. Inflation is 3.4% in the eurozone because of 17.4% inflation in the energy sector. Belorussian President Lukashenko's threat to halt Russian gas that flows through Belarus triggers another debate within Europe and shows the EU's vulnerabilities amid the ongoing energy crisis in the region.

To comprehend this matter clearly, one needs to understand what is going on in the European Union - Belarus border and how they reached that point. 2020 Belarusian presidential election results did not recognize by the US, the UK, and the EU due to claims of election fraud committed by Alexander Lukashenko. The debate over elections results led to a crisis between the EU and Belarus which resulted in the former imposing sanction over the latter. However, Belarus jets intercepted a civilian flight in Belarusian airspace. They forced the plane to land at Minsk, where two of its passenger,

a journalist Roman Protasevich and his girlfriend, were in Belarusian airspace arrested by Belarusian authorities on 23 May 2021. This event triggered a huge backlash against the Belarusian government, which led to another round of sanctions targeting members and state-owned companies. The EU banned Belarusian carriers from flying over the EU as well.

More and more migrants started using the Belarus route to get into the EU in 2021. Earlier, Belarus President Lukashenko declared that Belarus would no longer block migrants that aim to get into the EU. Belarus offers visa-free travel for many countries also increases its importance for migrants. For instance, according to CBC, in the first two weeks of July, more than 1100 migrants and asylum seekers entered Lithuania, compared to 81 in 2020, and only increased further as of now. This forced Lithuania to declare a state-level "extraordinary situation." Lithuanian and EU officials blamed Belarus for weaponizing migration against them, which Belarus declined. However, Poland also offered its support to Lithuania against illegal migration back in July. Poland also accused Belarus of weaponizing migrants. The backlash against Belarus and migration further increased in Lithuania, Poland, Latvia, and across the EU in general. Although Poland and Brussels have lots of disagreements these days, the EU funded a 407 million dollar project that is necessary to close the border. Poland announced that it repelled attempts by migrants to enter the country;



however, thousands were on the way. Nevertheless, there is a serious risk for escalation in the border as Poland does not let migrants enter the border while Belarus does let them back.

As the situation in the borders boils further, so does the pressure over the EU. The EU's attempts to deal with Belarus via sanctions criticized within the EU itself for being ineffective, while advocates of sanctions argue that the only reason for Belarus to behave like that is because sanctions are hurting them. Regardless, the EU is now preparing a new wave of sanctions that targets Belarusian airline Belavia and companies that are leasing planes to them. Furthermore, the EU also considers sanctioning airline firms that they believe are involved in this "active human trafficking," which is, in other words, airlines that carry people to Minsk. Turkish Civil Aviation Authority announced they will not allow citizens of Iraq, Syria, and Yemen to fly Belarus until further notice. Belavia also declared that Belavia would not allow Iraq, Syria, and Yemen citizens to fly Belarus via Turkey.

While the European Union still discusses what to do with the crisis, Belarus leader Lukashenko warned the EU that

he could halt Russian gas flow. Whether Lukashenko is bluffing or not, gas prices already spiked %7 after his threat. Nevertheless, Putin said he would talk with the Belarusian leader and "nothing good in that." Also, he stated that "this situation would be a violation of our transit contract." Putin also repeatedly declined the West's accusation that Russia is actively helping Belarus stage a migration crisis. This crisis showed that the EU had been still vulnerable to migration issues since 2015. Tensions within the Union also slow down any attempt to solve this crisis and orchestrate a collective response. For example, the Polish government refused Brussels's offer to help amid other disagreements and aimed to show that they could hold their own without the EU. Furthermore, increasing gas prices and inflation put pressure on national governments in the EU as well. Nevertheless, given that Belarus's weak economic conditions and Putin's reaction to Lukashenko's threat, Belarus would be less likely to cut the gas flow. However, I believe this threat will definitely affect the harshness of the EU's upcoming sanctions on Belarus. The border crisis and gas threat highlight the growing conflicts within the European Union and their vulnerabilities once again.

Road to the Regional Stability Through the Energy Governance

Erkin Sancarbaba 

There is no doubt that the role of the Asia-Pacific region in international commerce is spiking day by day. This growth process brings along regional cooperation and common action on policymaking. Surely the largest-scale instance of regional consensus in the Asia-Pacific region is Regional Comprehensive Economic Partnership (RCEP) agreement which is signed on November 15, 2020. As the largest regional free trade agreement excluding the WTO, the Regional Comprehensive Economic Partnership involves 15 Asia-Pacific countries including China, South Korea, Japan, Australia, New Zealand, plus the members of the Association of Southeast Asian Nations (ASEAN). The member states correspond to approximately 30% of the world's GDP (USD 26.3 trillion) and 30% of the world's population (2.3 billion). While discussing the dimensions of the RCEP, the burning question should be that whether the agreement will adequately promote energy cooperation in the region or not.

First and foremost, as a regional trade agreement, the nature of the RCEP agreement aims to rule out the 90% of tariffs and barriers on imports which are the hurdles in the face of free trade. From the energy perspective, although the agreement's entry into force has a possibility to inspire China's imports of energy commodities such as bitumen, light cycle oil, and paraxylene cargoes that will benefit the

exporters in the bloc such as Japan and South Korea; it will have a scant effect on the natural gas and crude oil market. The underlying reasons for the aforementioned situation are the exclusion of natural gas from the importing tariffs and the low-volume crude oil trade between China and the ASEAN countries.

On the other hand, it shouldn't be forgotten that becoming part of a free trade agreement does not guarantee zero tariffs. It can be great evidence to mention that, although China already signed a bilateral free trade agreement (FTA) with South Korea, the Beijing government imposes 4.8% import tariff on bitumen, 4.2% on light cycle oil, and 2% on paraxylene cargoes from the country that is one of the most crucial trade partners of China in the Asia-Pacific region.

Taking into account all of those, there is a probability of having a pessimistic position on the impacts of the RCEP accord on the energy sector. Nevertheless, asserting the ineffectiveness of the RCEP is an argument that is out of place. It should be kept in mind that a regional trade agreement that is such far-reaching as the Regional Comprehensive Economic Partnership agreement is going much further than eliminating tariffs. These kinds of agreements should be considered as the tools of creating alternatives, stabilizing commercial relations, and of course,



establishing the mechanisms among the member states that can help to institute energy security and sustainability. As an example, China's coal imports from Australia went into a decline by the geopolitical disputes between the two countries. As might be expected, for China and Australia, becoming part of RCEP is a positive step for ensuring stability and energy security in the region. Although the uptight relations between the two countries in the recent period, China and Australia now have an opportunity to establish a new win-win relationship thanks to RCEP. As the claimer of huge natural gas and coal reserves, Australia has the potential for becoming China's alternative source.

In addition to all these, when it comes to Japan, which is the world's largest importer of LNG, the country procures 67% of its LNG imports from the RCEP states. Besides, Australia and Indonesia are responsible for nearly 40% of South Korea's LNG imports. Despite all these common interests that also include a high trading volume on energy, some might argue that establishing regional stability can be quite challenging. However, all these 15 states demonstrated a will by becoming a signatory state of the RCEP bloc. The joint strategy that is formulated shouldn't be underestimated. The RCEP is an exemplification of a deal that brings China, Japan, and South Korea, which are the region's first, second, and third-largest economies, together for the first time in

a free trade deal. Accordingly, developments in the Asia-Pacific show promise on the path of regional stability.

Moreover, there is cooperation in significant areas such as the renewable energy sector. Approximately 87% of all solar panels are manufactured by five countries that are members of the RCEP: China, Japan, South Korea, Malaysia, and Taiwan. In addition, the other two members, Thailand and Vietnam, also have a rapidly growing number in the solar energy equipment industry. The aforementioned situation can conduce to define RCEP as the world's most determined bloc on encouraging solar energy. By the dominance of the industry, it is possible for RCEP countries to create an input that cannot be undervalued.

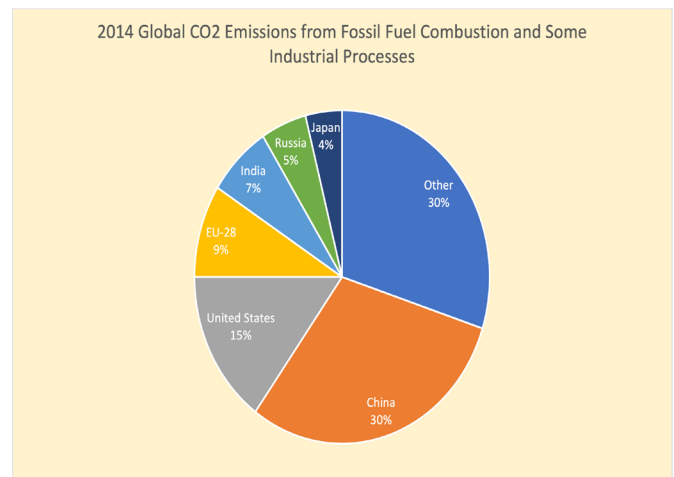
In conclusion, Regional Comprehensive Economic Partnership has a high potential for assuring energy security and sustainability. The role of the energy sector in the region's new and large-scale partnership is crucial to designate the common interests and strategies that will shape the future of the people of the region. The consensus and the joint strategy of the Asia-Pacific countries on the future that has stability and prosperity can be shown as epitomist cooperation for the other regions and trade partners across the globe.

Thinking CO₂ Emissions not as Overall but as per Capita

Halil Öztürk

As time elapses, we are exposed to more climate change and footprint news, activities, and events. More than seeing and hearing, we at times experience the effect of the change in the nature of the earth; to exemplify, some of us have got used to not enjoying snowballs in winters, or have forgotten how the clean air smells, which are due to its harmfulness associated with the rate of CO₂ in the air. CO₂ does, although it exists in nature and is produced and consumed by the creatures in addition to humans, the energy needs of humans to empower its economy has got the equilibrium in the nature off and created a CO₂ surplus, which creates the threat "greenhouse effect." To introduce the effect, much of the solar radiation hitting the earth's surface is reflected into the atmosphere and space, and the excessive amount of CO₂ is a threat to the function of our Earth (Moss, 1988). Of course, the excessive amount is not being created by human to create such a threat; rather, it is just a consequence of the willingness to produce and consume more, which come with energy production. Nonetheless, as you know, energy production does necessarily mean CO₂ emission always, which leads us to the corridor of renewable energy since it is especially the process of generating energy from fossil fuels that produce CO₂ and the greenhouse effect. According to The Intergovernmental Panel On Climate Change, in 2018, about 90% of global CO₂ came from fossil fuels and industry, which makes it enough to work on the relationships among energy, fossil fuels, and climate change.

Generally, based upon personal observations, when we talk about the rate of emissions in our daily lives, we immediately start to take countries' emission rates into account and mostly discuss China, the US, Japan, and so forth. To see how the rates of effect are, we can look at the following popular figure, probably most of us have already seen it:



It seems fair enough to think of the US, China, India, and some other ones threatening our lives by destroying the world's "beauty." If we categorize the countries in the chart based upon their income levels, 3 out of them are from high category income (we accepted EU-28 as one country and in this category without any precise objective reason), 2 (Russian Federation, India) from the middle income and 1 (China) from upper-middle-income based upon World Bank.

Now, it also seems fair enough to think the higher income ones' preferences harm the others, about which we will talk about again.

Now, instead of thinking the emissions rates by country, we shall think it by per capita (the effect of on single person's effect on average) by country and take the energy consumption per capita into consideration due to the relation between CO2 emission and energy production, we have talked about. Actually, China may not be criticized for its emission if we think its population because if we accept the following statement that "people are the most important subject of the excessive amount of CO2", the more population under today's circumstances, the more emission because the, as a matter of fact, the demand of a product goes up as population goes up, which means for our case, the supply of greenhouse gas goes up by people. Ergo, we may or ought to take also energy consumption per capita. In the end, we can also add a new term in the relation between energy consumption per capita and emission per capita, the consumption habits, as we will see in the following paragraphs.

To talk about energy consumption per capita and CO2 emission per capita, what is not in doubt that how much energy consumed a person is expected to change by such variables as geography, income level, national culture, and so on. If we look at the mean of energy consumption per capita in by country, we see such a different table from the previous pi-chart:

Average Energy Use (kg of oil equivalent per capita) 1960-2020	
Country Name	Values
Curacao	18.279
Qatar	15.442
Bahrain	10.071
Luxembourg	9.273
Kuwait	8.643
United Arab Emirates	8.639
Iceland	8.515
United States	7.421
Canada	7.226
Trinidad and Tobago	7.050

Interestingly and importantly, the figures are by far

different from the pi-chart, which simply say, although some countries such as the US, China contributes to the amount of CO2 more than the others, the average person from Qatar, Bahrain consume more energy and contribute to the emissions more than an average person from the US, China, Japan, or India although they are ignored. The similarity between the ranking of the two tables may help us to see how much the carbon emission "champions" depend upon fossil fuels to satisfy the demand for energy in their economies. Now, the reason why China, the US, and some others come first to our mind when we talk about greenhouse gas issues is not only the average CO2 emission by average person from these countries, but also their high population compared to such countries Qatar, Bahrein, etc. whose people averagely produce high CO2 compared to the rest of the world. However, if we instead of the total population, look at the population growth trends of the high CO2 producer per capita countries which are significantly higher than the world average, a kind of threat emerges.

We may take consumption habits into consideration when we think of energy consumption and CO2 emission per capita because intuitively, we can accept the following statement: "what to consume and how to consume is shaped by consumption habits." At this point, if we also accept the following statement "it is not possible to change people's consumption habits immediately," we can come to an interesting conclusion: although overall such countries as Bahrain, Qatar, Brunei Darussalam, etc. do not contribute to the excessive amount of CO2 in the atmosphere especially compared to the US, China, Japan, they have by far high rates per capita compared to the US, China, Japan, which is ignored due to their population. However, when we look at some countries with high – CO2 emissions per capita, their population growth rates are high compared to those producing high CO2 overall. Since we have already accepted some statements about consumption habits, there will be some countries with a high population comprised of high energy-consuming habit individuals in the future.



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