



Watch List 2022

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Every year Crisis Group publishes two additional Watch List updates that complement its annual Watch List for the EU, most recently published in January 2022. These publications identify major crises and conflict situations where the European Union and its member states can generate stronger prospects for peace. The two additional updates include an overview of the policy environment and main challenges for the European Union and five crises and conflict situations, which can update those identified in the annual Watch List or present a new focus of concern. For each of the five cases included in this update, Crisis Group provides field-based analysis and specific policy advice to the European Union and its member states, with the aim to guide and improve their efforts to prevent, mitigate or end conflicts.

CONTENT

President's Take

Supporting Dialogue and Demobilisation in the DR Congo

Investing in Climate Adaptation and Resilience as a Bulwark Against Conflict

Sri Lanka: Keeping the Storm at Bay

Walking a Fine Line in Ukraine

Venezuela: The Twilight of Maximum Pressure

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Preventing War. Shaping Peace.

President's Take

More than seven months into Russia's large-scale invasion of Ukraine, the European Union (EU) and Kyiv's other Western allies deserve credit for navigating the difficult balancing act of supporting Ukraine politically, financially and militarily without getting dragged into a direct confrontation with Moscow. Yet Europeans are still grappling with the undesired effects of their response to the war in Ukraine – both inside and outside Europe. They also struggle to explain their policy to foreign partners, particularly in parts of Asia, Africa, the Middle East and Latin America where the war's economic repercussions, often aggravating pre-existing hardship, will likely be felt even more strongly than in Europe itself. Governments in these regions often view Europe's response to the conflict with some scepticism. European policymakers do not have to concur with criticism from other parts of the world; indeed, some of that criticism is off the mark. But – as some European policymakers are increasingly aware – they do need to take the concerns seriously and find ways to better address them.

While many non-Western governments condemn Russia's invasion and sympathise with Ukrainian suffering, they often express reservations about the EU's and other Western allies' response to the war. Some point to the EU's double standards, contrasting the welcome received by Ukrainian refugees with the treatment of asylum seekers from elsewhere. Others believe the sanctions imposed on Russia by the West are exacerbating global commodity shocks, particularly hikes in food and fuel prices, without having a decisive impact on Russia's behaviour. A number of leaders outside Europe refuse to join efforts to isolate Russia, often due to specific national interests that they believe would make it counterproductive to do so. Many are frustrated by the attention they see European leaders giving to Ukraine above other pressing crises that touch more directly on their own interests. In parts of the world, all these doubts come on top of frustration at the slow pace of COVID-19 vaccine distribution and at what many in the Global South view as inadequate climate funding from Western capitals.

Not all criticism of the EU's policy is justified. Russia clearly shoulders the blame for the war and its global ramifications, since it illegally attacked its smaller neighbour. Throughout the war, it has destroyed and stolen Ukrainian grain supplies and damaged grain storage sites. For months, it blockaded Ukraine's southern ports in the Black Sea and closed off the Sea of Azov, while responding to Western sanctions by banning the export of many commodities from Russia, including the fertiliser that many countries rely upon. All these actions have exacerbated an already dire global economic situation and contributed to major price hikes and shortages in key Russian- and Ukrainian-produced commodities, with major implications for global food security. Moreover, grievances at Western capitals, while entirely understandable, should not stop governments around the world from taking a clear stand against violations of Ukraine's sovereignty and territorial integrity and the repeated nuclear threats issued by its bigger neighbour.

Nonetheless, Europe's interests would be better served by its leaders recognising and engaging with critical views rather than rejecting them out of hand, which too often still happens. Some concerns from outside Europe are valid. Sanctions have,

for instance, contributed to the cascade of global economic shocks; they have sent jitters through financial, insurance and energy markets and complicated payments to Moscow even for non-sanctioned commodities. European pressure on non-Western countries to choose between Russia and the West has painted leaders whose countries' interests are not served by such a stark choice into a corner. Moreover, European bandwidth to deal diplomatically and financially with crises outside the continent has dwindled in the months since Russia invaded Ukraine.

Even where criticism is perhaps misjudged, perceptions matter and can undermine the EU's wider interests and, in particular, its role in promoting peace and stability. Awareness is growing in Brussels and European capitals that failing to address these concerns, whether real or perceived, is straining existing partnerships and starting to hamper the EU's diplomatic clout and soft power. There are several ways European leaders could reverse this trend.

First, the EU should make sure that it continues to address concerns related to the global economic fallout of the war. In word and deed, it should convey that it cares about the rising cost of living around the world. The EU and its member states, which together are already one of the world's largest providers of development and humanitarian aid, have [increased](#) their financial support by scaling up humanitarian relief and contributing €600 million to an [ad hoc fund](#) aimed at cushioning the blow of the global food crisis. Their continued focus on these pressing global challenges will be critical at a moment when much of the developing world is facing a "[perfect storm](#)" (the continued impact of the COVID-19 pandemic, rising inequalities, surging commodity and fuel prices, plus in parts of the world the ravages of climate change), exacerbated by the war in Ukraine.

Relatedly, the EU should do what it can to ensure that constantly evolving Western sanctions levied against Russia do not aggravate global inflation. The EU's exclusion of food and agricultural products from sanctions and retroactive measures to unfreeze Russian bank assets for transactions necessary for agricultural trade are already steps in that direction. Nevertheless, sanctions continue to have secondary effects on global markets, particularly in the energy sector, which then reverberate more widely (as Crisis Group has explained [previously](#)). Brussels could speak more openly with other governments about these side effects, in order to have more constructive conversations about mitigating measures (such as better communication to reduce over-compliance, monitoring loopholes that affect global supply chains and removing obstacles to trade in non-sanctioned goods). Such an approach would do a lot more to boost EU credibility in the eyes of non-Westerners than the dominant narrative from European leaders insisting that the largest sanctions package ever imposed has no unintended consequences.

Secondly, the EU could try to better explain its policies toward Russia. It needs to find better ways of debunking Moscow's rhetoric claiming that it is engaged in [an "anti-colonial" struggle with the West](#). So far, Europe has tended to rely on a strategy of "fighting fire with fire" (as one European official put it) painting Russia itself as an imperialist and colonialist power. Accurate as they may be, such references are unlikely to be winning arguments coming from those Western European coun-

tries that are successors to the colonial powers that ruled much of the world in centuries past. (Ukraine and other states in the post-Soviet space are better placed to make this case.) Europe's communications also run the risk of reinforcing the perception that the war is not a consequence of Russia's illegal attack on Ukraine, but rather the result of a broader standoff between the West and Moscow, playing into Russia's own interpretation of events. Rooting arguments in the basic principles of sovereignty and territorial integrity, which most governments deeply care about, would stand a better chance of resonating.

Thirdly, Europeans should avoid pushing governments into choosing sides. At the war's onset, the EU pressured many states to demonstrate loyalty by isolating Russia. The main goal was to shore up support for Ukraine, but the approach also reflected an emerging EU tendency to try to contain Russia's global influence. Parts of the Sahel, Central Africa and Eastern Europe have, for example, become arenas of confrontation in Europe's tussle with Russia. It is a dangerous game. The EU cannot guarantee that states will privilege their links to Paris or Berlin, for example, over those to Moscow. The reality is that these governments often have strong motives for maintaining ties with Russia, ranging from energy policy and historical relations to dependence on military cooperation. Threatening to cut off ties – including some forms of development aid – to governments that seek to tighten relations with Moscow would risk alienating partners, undercutting European diplomacy and hurting the people of the countries in question. It may well reinforce the anti-Western sentiment Europe seeks to check.

Some European leaders have softened their rhetoric around this issue, but not all. At the 2022 UN General Assembly's opening session, EU leaders such as Council President Charles Michel and EU High Representative Josep Borrell went to great lengths to stress that Europe cares about other parts of the world, too, and that the ["EU does not ask anyone to choose between East or West, North or South"](#). Unfortunately, there is still no real alignment on this stance with member states. Take French President Emmanuel Macron's [strong words](#) at the General Assembly: he called countries that refused to take a side in the Ukraine war "complicit" in the "new imperialism". Overall, European leaders should try to avoid creating a sense in their messaging toward non-Western governments that they are pushing poorer countries into being ["a breeding ground of a new Cold War"](#), as Senegalese President Macky Sall, the chair of the African Union, put it in his own General Assembly speech.

Lastly, Brussels should not lose sight of crises beyond Ukraine. Attention to Ukraine is entirely understandable given the implications for Europe and, indeed, the global ramifications. But many non-Western partners are irritated by what they view as Europe's inattention to other parts of the world since February.

In reality, European leaders have played important peacemaking roles in several places even in recent months. EU officials, for instance, engaged in extensive shuttle diplomacy amid rising tensions between Armenia and Azerbaijan, and also contributed to stave off a violent confrontation between Kosovo and Serbia. Those efforts have not resolved what are intractable crises, but the diplomacy has still been

worthwhile. Europeans have worked tirelessly to resuscitate the Iran nuclear deal and deserve credit for helping keep Iran and the U.S. engaged, even if prospects for reviving the agreement now appear gloomy. Europe's support for Kenya's vote, including an observer mission, helped secure a peaceful transition of power in a country that has experienced large-scale electoral violence in the past.

In private, however, some EU officials acknowledge the limited bandwidth they have had for other conflicts since Russia's invasion of Ukraine. The EU has used less of its clout than it otherwise might have to prevent escalations in Iraq, Libya and – perhaps gravest of all – Ethiopia, where more active diplomacy might have helped prevent the collapse of March's humanitarian truce. The war in Ukraine could easily grind on for some time. Europeans should make sure they have time and attention for other peacemaking efforts and responses to humanitarian crises elsewhere. Some of these – the Democratic Republic of Congo, the Horn of Africa, Sri Lanka and Venezuela – are highlighted in this *Watch List*.

That the war in Ukraine has consumed European attention and, in some ways, contorted its foreign relations is hardly surprising. Russia's invasion is the continent's gravest security challenge in decades. It has shaken the foundations of Europe's security architecture and upended many assumptions about what the future for the continent holds. Thus far, as the Ukraine entry below makes clear, the response of the EU and its Western allies has been critical in helping Kyiv resist Russian aggression, while for the most part minimising risks of a direct North Atlantic Treaty Organization (NATO)-Russia war. For that the EU deserves credit.

Nonetheless, Europe has been perhaps a bit tone-deaf to concerns from elsewhere about its policies and, while many top officials' tenor is changing, more can be done. A different dynamic with partners – requiring a more open approach to addressing the negative fallout of its actions, more consideration of its foreign partners' interests and a shift of its narrative toward the protection of sovereignty and territorial integrity – would go a long way toward addressing concerns. Most importantly, the EU should devote time, energy and resources to crises in other regions even as it supports Ukraine. One does not have to view Europe's historical role abroad through rose-coloured glasses to recognise that a world with less European energy for peacemaking and less European money helping mitigate humanitarian suffering or promote development is one that is considerably worse off.

Comfort Ero
President & CEO

Supporting Dialogue and Demobilisation in the DR Congo

The eastern Democratic Republic of Congo (DRC) is experiencing an alarming uptick of violence. Fighting between the Congolese military and the March 23 Movement (M23), which resurfaced in November 2021 after suffering defeat in 2013, has surged. So, too, have attacks on civilians and camps for internally displaced people by other armed groups. The bloodshed has the entire Great Lakes region on edge and is creating friction beyond the DRC's borders. Of greatest concern, the M23's attacks have opened a rift between the DRC and Rwanda, with Congolese President Félix Tshisekedi labelling the rebel commanders "terrorists" who receive financial and logistical support from Kigali.

Complicating matters is that the Congolese president has turned to some of his neighbours [for support](#) in tamping down insecurity in the east. Bent on rooting out the armed groups, in late 2021, Tshisekedi gave Ugandan and Burundian troops permission to carry out operations on Congolese soil. He then used the DRC's accession to the East African Community (EAC) in March 2022 as an opportunity to ask the bloc for help. By way of response, the EAC agreed in April to establish a joint force composed of regional troops to battle militias in the east. But the force left out a key player: citing Rwanda's alleged interference in the DRC's affairs, Tshisekedi insisted that the country be excluded from the force, angering Kigali.

So far, plans to stabilise the eastern DRC remain a work in progress. The new force has yet to fully deploy and is likely to face funding challenges. Meanwhile, diplomatic and demobilisation efforts meant to complement the military track show some promise but have yet to make substantial progress.

The European Union (EU) and its member states should take the following steps in working to address instability in the eastern DRC:

- ❑ Refrain from providing financial support to the regional force – which some EAC states have already requested – pending greater clarity on its performance and the sufficiency of human rights safeguards.
- ❑ Building on talks between Kinshasa and a select number of armed groups that were held in Nairobi in the spring, work with the DRC's regional partners to develop plans for the next round of negotiations, focusing in particular on which militias should be included and for what purpose; in addition, provide financial and technical support for those negotiations.
- ❑ Provide support for DRC demobilisation efforts by pressing for greater clarity on links between the Nairobi political track, the EAC regional force's mission and the DRC's nascent community-based national disarmament, demobilisation and reintegration (DDR) program. Ideally, groups that participate in the dialogue and express interest in demobilising would be given an opportunity to do so through the program. The program also requires donor support, which the EU and member states should provide if satisfied with anti-corruption safeguards and other criteria.

- ❑ When evidence emerges that the DRC's neighbours have violated its sovereignty – as was the case when a UN confidential report recently reached findings of Rwandan involvement with the M23 rebels – condemn the violations through bilateral and multilateral channels and underscore the threat that instability in the DRC could grow into a regional conflagration.

Turmoil in the Great Lakes

M23 rebels have once again taken up arms in the eastern DRC, a resource-rich area that has long been the battleground for overlapping conflicts involving regional powers and armed groups. The M23 is principally fighting the Congolese army, with hostilities centred in North Kivu province. This conflict has driven more than 170,000 people from their homes since the rebels re-emerged in November 2021, having previously been defeated and signed a peace deal in 2013. At first, the M23 mainly targeted Congolese soldiers, but since June the group has also been making civilian victims. [MONUSCO](#), the UN peacekeeping mission in the country, has expressed its concern about the M23's sophisticated firepower and its own limited capacity to ward off the group. In a [September interview](#) with France 24 and RFI, UN Secretary-General António Guterres said "the M23 is a modern army with heavy weapons, more advanced than MONUSCO's equipment".

Along with the M23 insurgency, other armed groups have also intensified attacks on both military and civilian targets. Notable among them is the Allied Democratic Forces (ADF), a Ugandan outfit whose biggest faction has sworn allegiance to the Islamic State and whose members kill locals and loot or burn down villages. In late August, for instance, suspected ADF fighters killed at least 40 civilians in North Kivu. Meanwhile, the Coopérative pour le Développement du Congo (CODECO), a loose association of militias of mostly Lendu ethnicity operating in Ituri, has killed dozens of civilians and terrorised many more since the year began in a spate of raids on camps sheltering displaced people.

The stakes are high for Tshisekedi, who plans to seek a second term in office in 2023 polls and has repeatedly pledged to end the turmoil in the east. He has sought outside assistance to make good on his promise. In late 2021, Tshisekedi permitted Ugandan and Burundian troops to enter the country to fight, respectively, the ADF and RED-Tabara, a Burundian rebel group based in the DRC. Tshisekedi pointedly did not seek Rwanda's assistance, at least partly because he believes that Rwanda is behind the M23's abrupt reappearance. Rwanda (along with Uganda) did indeed back the group from when it first emerged in 2012 until Congolese and UN forces defeated the movement a year later. As Crisis Group has noted [elsewhere](#), a confidential UN report leaked in August included evidence of continuing ties, indicating that Rwanda has helped reinvigorate the M23.

Tshisekedi's decision to allow Ugandan and Burundian troops into the DRC but not Rwandans infuriated Rwandan President Paul Kagame, who has rejected Tshisekedi's accusations concerning Kigali's links to the M23. Kagame alleges that, to the contrary, it is Kinshasa that is cooperating with the Forces démocratiques de libération du Rwanda (FDLR), a remnant of the Hutu militia responsible for the 1994 gen-

ocide. While some evidence suggests that the Congolese army works with the FDLR in some capacity – the leaked UN report says some army commanders cooperated with a coalition of armed groups, including FDLR members, in fighting the M23 – Kagame’s frustration at being left out likely has other dimensions as well. He may be concerned that Rwanda will be boxed out of access to the eastern DRC’s natural resources, in particular gold, and that the Ugandans will extend their sphere of influence in the region at Rwanda’s expense.

The DRC-Rwanda dispute escalated further after Tshisekedi’s decision to seek support from the EAC in April. The EAC answered that request by deciding to form a [joint force composed of regional troops](#) to battle armed groups in the eastern DRC. But Tshisekedi insisted that Rwandan soldiers be excluded from the force, riling Kagame further. Kagame’s sense of grievance – coupled with his conviction that Kinshasa is aiding the FLDR and fuelled by economic interests – may tempt him to order a unilateral incursion to target the FDLR, which he still considers a threat, or to back another proxy.

Meanwhile, components of the regional force are beginning to deploy, but the full force has not yet taken the field. In August, the Congolese authorities reported that a Burundian contingent had entered the DRC under EAC auspices. In late September, the Kenyan defence forces started deploying materiel and troops. South Sudan, Tanzania and Uganda are also to send contingents to fight alongside Congolese forces.

A Risky New Force

Aside from the costs of alienating Rwanda, the EAC deploying a regional force carries other significant risks. The force’s draft battle plan says the bloc is to assemble between 6,500 and 12,000 soldiers with a mandate to “contain, defeat and eradicate negative forces”. The new forces will for the most part be joining forces from those countries that are already on the ground either by invitation of the Congolese (in the case of Burundi and Uganda) or as part of the UN peacekeeping mission that operates in the DRC with a civilian protection mandate (in the case of Kenya and Tanzania).

The presence of so many foreign forces in the eastern DRC could spell trouble. In the past, the DRC’s neighbours have repeatedly undermined stability in the east by arming proxy fighters and helping themselves to mineral wealth, such as cobalt, coltan and gold. Some – for example, Burundi and Uganda – may well continue to push their own agendas, even when their troops are placed under joint force command, as appears to be the plan. The force’s deployment could also energise armed groups unhappy with an influx of foreign soldiers, escalating levels of violence, including against civilians. Nor is it clear how the new force will coordinate with MONUSCO, which has an overlapping territorial writ but a different mandate focused on civilian protection. Finally, the EAC has never before deployed a peacekeeping or enforcement operation, much less put in place safeguards for protecting civilians, raising considerable concerns about human rights violations by the troops themselves.

Funding shortfalls are one reason the joint force has not yet fully deployed. According to the draft battle plan, which outlines the force's objectives and rules of engagement, each country is to pay for its own soldiers. Some governments will likely struggle to bear the costs, especially if the operation drags on. Kenya has reportedly already asked EU member states, as well as China and the U.S., for money for men and materiel.

But foreign powers have options beyond funding the EAC regional force to support stabilisation efforts in the eastern DRC, notably a recently initiated diplomatic track. Back when the bloc's seven leaders agreed to the joint force, they launched a round of Kenyan-mediated talks with Congolese militia leaders in Nairobi. The first round was scrambled hastily together by the Congolese and Kenyan authorities in April and involved only about twenty of roughly 120 armed groups, excluding among others the M23 branch loyal to its military commander Sultani Makenga (the most active of the group's two [factions](#)) and outfits considered to be foreign such as the ADF and FDLR. The Congolese are discussing a second round but have not scheduled it.

The DRC's demobilisation strategy is another part of the picture. Launched in April but yet to hit its stride, it focuses on returning former fighters to their communities and helping them build livelihoods outside the military, rather than integrating them in the army or granting amnesties, as previous demobilisation programs did. This demobilisation effort is at least theoretically linked to the EAC's diplomatic and military tracks. According to the draft concept of operations, the joint force is mandated to support Tshisekedi's demobilisation efforts, suggesting that the EAC expects armed groups to either commit to demobilising through the Nairobi political track or become targets for the regional force. But the concept offers no detail about how this would play out in practice.

What the EU Can Do

Given all the uncertainty surrounding the EAC regional force, the EU and member states should hold off on providing its support through the European Peace Facility or other channels pending information about the force's performance, impact on the eastern DRC's stability and respect for human rights. On the whole, given the long record of proxy warfare in the area and its harm to the civilian population, the bar for funding the force should be relatively high. Instead, the EU and its member states should support Tshisekedi's and the EAC's non-military efforts to stabilise the east, including through dialogue and demobilisation.

As concerns dialogue, the EU should offer technical and financial support to a second round of Nairobi talks with armed groups active in the eastern DRC. As a threshold matter, EU and member states with strong relationships in the region should work with Kinshasa and EAC states to encourage progress toward a second round and help develop a framework for a meaningful process beyond individual rounds of talks. Fundamental questions, such as which groups should be included and specific topics and goals of the process, still require fleshing out. The EU could also support efforts to establish the Office of the Inter-Congolese Peace Dialogue,

which will support the Nairobi talks and oversee implementation of the EAC heads of state agreements on peace and security in the DRC.

The EU and member states should also help Congolese authorities breathe life into Kinshasa's disarmament, demobilisation and reintegration strategy, which although promising is still in the very early stages of implementation. This line of effort should be of particular interest to Brussels given the EU's new [strategic approach in support of DDR](#). One way they can help is by encouraging greater clarity on how demobilisation efforts are linked to both the joint force's mission and the Nairobi political track. There should be incentives for armed group members who wish to come off the battlefield to enter the demobilisation program, including the offer of an alternative to armed activity.

Financial and technical support will also be important. Donors have been reluctant to foot the bill because previous demobilisation efforts were largely donor-driven, lacking local buy-in, tainted by alleged embezzlement and unsuccessful in permanently dismantling any armed group. Government officials and military officers alike have treated the programs as sources of patronage. The new initiative, however, is designed to send former fighters home to civilian life and help them develop alternative livelihoods rather than integrating them in the army, as previous programs did; diverting them to unarmed vocations may help them sever their links to armed group chains of command. Against this backdrop, the EU should consider providing financial and technical support to the plan to the extent it is satisfied with the adequacy of anti-corruption safeguards and if, as the program rolls out, it assesses that it holds out sufficient hope of genuinely offering low-level insurgents a viable future.

Finally, the EU and its member states should more directly address the challenge to peace and security created by neighbouring countries' support for DRC rebels. The findings of the confidential UN report regarding Rwandan involvement with the M23 and other sources addressing alleged Ugandan support, for instance, should be the basis for Brussels and member state governments to relay clear messages to Kigali and Kampala condemning violations of Congolese sovereignty and underscoring the threat that instability in the DRC could grow into a regional conflagration. Member states represented on the UN Security Council can urge the Council to reinforce these messages from New York. Standing visibly behind the principle of territorial integrity is particularly important at a time when European states are condemning Russia's transgressions in Ukraine. They should make clear that violations of this core principle of the UN Charter are to be condemned wherever they take place – in Europe, Africa or elsewhere.

Investing in Climate Adaptation and Resilience as a Bulwark Against Conflict

Climate change is increasing the risk of conflict across the Horn of Africa. Intensified droughts and floods render land unusable, force people from their homes and compel them to compete for resources. They also raise the stakes in transboundary water disputes. The climate-conflict link is evident in Kenya, where four consecutive years of failed rains appear to be exacerbating ethnic tensions between farmers and herders jostling for access to scarce land and water. It is apparent in South Sudan, where the Nile's increasingly erratic and extreme flooding has driven herders south into the Equatoria region, heightening communal frictions and the risk of violence there. In Somalia, where the state is battling a strong Islamist insurgency, Al-Shabaab, climate change risks further destabilisation by allowing that group to expand its influence, as it steps in for the government to provide services in the drought-stricken countryside.

People in all these countries would benefit from “climate adaptation” efforts, though the specifics of what would be helpful differ from one case to the next, with the common denominator being the need for donor funding, and better governance structures to help ensure it is appropriately spent. Resources, however, have been in short supply. While the European Union (EU) has been at the forefront of financing climate adaptation, there is still more that it can do.

In helping prevent and mitigate climate-related conflict, the EU and its member states should:

- ❑ Increase funding for climate adaptation and resilience in conflict-affected areas across the Horn including by working with local partners to identify feasible projects, favouring grants over loans, working to strengthen local governance and taking into account the people most vulnerable to climate security risks, including women and girls;
- ❑ Further strengthen data-sharing efforts and cooperation in support of early warning systems – such as the Intergovernmental Authority on Development's (IGAD) Conflict Early Warning and Response Mechanism – and support affected states in bolstering their early response efforts;
- ❑ Encourage the UN Security Council to take a more prominent role in coordinating the global response to climate security risks, including by helping gather evidence that can address arguments raised by sceptics on the Council and by pushing the Council to insert more climate security provisions in country-specific resolutions.

Three Case Studies

Climate change is aggravating risks of violence in different ways across the region.

Kenya: Resource Competition Amid Prolonged Drought

Prolonged drought across the Horn of Africa is driving [land and resource competition](#), including between farmers and herders in Kenya. Drought has hit hardest in

the country's northern arid and semi-arid regions, devastating the population and inflaming violence and banditry.

The violence is particularly intense in Laikipia and Baringo, two counties in the Great Rift Valley, where clashes – between herders and farmers, between groups of herders and between security forces and herders – have caused at least 95 deaths since September 2021. Herders have long felt aggrieved by colonial-era land policies that moved them out of some of their traditional lands and set aside tracts for private ranches and farms. Over time, larger numbers of cattle on the remaining pasture led to land degradation that climate change has accelerated. Today, as herders migrate in search of new pasture, tempers are flaring against the backdrop of local electoral disputes and increased flows of illicit firearms.

While outbreaks of violence, some resulting from illegal grazing on private ranches or conservancies, is not new, the drought – coinciding with the election quarrels – appears to be stoking it. Lack of water and adequate pasture has killed up to three quarters of the livestock in parts of Kenya, some 1.4 million cattle, over the past two years. These losses are a staggering blow, given that cattle are a source of not only wealth but also nutrition, particularly for breastfeeding mothers, children and the elderly. Russia's war in Ukraine has had an impact, too. Kenya depends heavily on eastern Europe for grain and other imports, which has meant hikes in food, fuel and cooking oil prices. The country also faces a youth bulge – a growing proportion of young people among the population. As job opportunities dwindle, too many youths, mostly men, reportedly feel forced to support themselves and their families by raiding farms and villages and committing other acts of banditry.

The resource tensions overlap with communal differences, as herders and farmers come from a variety of ethnic groups. Another season of poor rains is on the horizon, potentially heralding further resource competition and the related potential for intercommunal violence.

South Sudan: Flooding, Displacement and Conflict over Land

If shortages of rain are a problem, so too is too much rain falling at once. Within the Horn, South Sudan's lowland river plains are particularly vulnerable to floods. Over recent years, heavy rainfall and rivers overflowing their banks have inundated swathes of territory, uprooting hundreds of thousands of people. In 2021 alone, flooding displaced over half a million South Sudanese. The country is now suffering its fourth consecutive year of severe flooding, affecting hundreds of thousands more.

Flooding, too, can combine with other factors to fuel violence. In South Sudan's centrally located Jonglei state, the White Nile over recent years has been the source of significant flooding. Flood waters have pushed heavily armed Dinka herders to seek higher ground. Many followed their kin who had already migrated into the Equatoria region in the south for a variety of reasons – for example, to move out of the flood plain and in search of better pasture. There, the growing numbers of Dinka herders are clashing with members of ethnically diverse communities for a range of reasons – from disputes over cattle and access to grasslands to local efforts to push the Dinka out of the area.

Many of those locals rely heavily on agriculture for their livelihoods. They accuse the migrants and their powerful elite kinsmen, who dominate South Sudan's national politics, of plotting to occupy their land. Against this backdrop, aggrieved Equatorial groups have formed communal militias to expel both old and new arrivals.

The costs of the floods and related violence tend to be borne disproportionately by the most vulnerable – notably women and children. Across South Sudan, there are reports of gender-based violence against displaced women and girls perpetrated by militias and state forces but also by fellow displaced persons. Kidnapping of women whose husbands or male kin have fled with family cattle to higher ground – sometimes to secure ransom payments or in retaliation for past attacks – is common.

Somalia: Taking Advantage of Service Gaps

In Somalia, too, the weather has played into conflict dynamics.

Somalia's federal government is grappling with the worst drought in four decades, which has displaced a million people and put more than 300,000 at risk of starvation. Little relief is in sight. The March-May 2022 rainy season was exceptionally dry, and the forthcoming [October-December short wet season](#) is likely to be as well. Already, 7.8 million people in Somalia today suffer from hunger.

Gaps are evident in the international response. Only about two thirds of the UN's 2022 appeal for Somalia – it is seeking \$1.5 billion – is funded. Aid agencies avoid many rural areas for fear of Al-Shabaab, and some organisations are deterred by the chilling effects, both legal and reputational, of U.S. sanctions against the group and its members. Many agencies are trying harder to reach parts of the countryside controlled by Al-Shabaab, but their reach remains minimal.

At the same time, the lack of support for drought-affected communities has created an opportunity for Al-Shabaab. Militants step in as an alternative to the government to provide services and profit both reputationally and financially. Al Shabaab has initiated some relief operations, and there is evidence that the group has seized water points in central and southern Somalia in order to tax or otherwise assert control over residents. Conversely, the group reportedly has destroyed or poisoned water wells and induced flooding in retaliation against communities it believes support the government. To the extent that these circumstances permit Al-Shabaab to increase its power and influence relative to state authorities, they detract from the government's efforts to stabilise the countryside and risk prolonging the conflict.

What the EU Can Do

Donors like the EU and member states can help address the pressing human needs created by the nexus of climate change and conflict across the Horn.

To some degree, the wide range of problems that arise across the region require a differentiated approach to adaptation. In Kenya, for example, efforts to help rural residents adapt to climate-linked conflict risks might focus on reinforcing local mediation efforts that, on a small scale, have seen success in separating clashing herders and farmers. By contrast, in South Sudan, the emphasis could be on efforts

to clarify land rights for Equatorian peoples and protections for the displaced. The latter might include assistance with the basic modalities of migration like designating potential corridors, grazing land, timetables for returns, protections for farmers and host communities, and adjudication mechanisms. Given the deep political roots of the Equatorian grievances, these reforms need to be buttressed with structured dialogue between Equatorian peoples and the displaced to cool the political temperature. As for Somalia, political challenges are even more formidable: while the war rages, it is hard to see how the federal government can reach the roughly 800,000 people living in territory that is under Al-Shabaab's control so as to offer them government support and services.

There is, however, a common denominator in that each of these climate adaptation solutions require resources, which have been lacking. The EU and its member states are the world's largest providers of climate finance, and Brussels also recognises the link between climate and conflict in the Horn. Moreover, the EU's [2021 Horn of Africa Strategy](#) identifies climate change and environmental degradation as risk multipliers that can exacerbate pre-existing conflicts, displacement crises and resource competition. Still, total adaptation aid for the Horn remains inadequate, with the funding gap between conflict-affected and other states growing wider every year. There are practical reasons why: donors have not delivered on their commitments, conflict conditions make investment hard and governance conditions make it even harder to know that money is being appropriately spent. Climate security challenges have also come on fast in the past several years, faster than expected, especially in the Horn, and regional and international discussions have not kept pace. For example, efforts to raise climate security up the agenda of the UN Security Council have struggled in the face of scepticism from members such as Russia, China and India.

While the EU and member states cannot fill the entire gap by themselves, they can do more. They should work with local partners who understand the conflict landscape to identify openings for relief and adaptation programming that is tailored to the realities on the ground and takes into account the particular vulnerabilities of certain populations, including women and girls. They should support these projects wherever possible through grant-based finance – as opposed to “non-concessional” interest-bearing loans, which the Horn's poor, debt-burdened states cannot afford. (The trend toward grantmaking is already under way.) They should also invest in efforts to improve the capacity of local governments in at-risk regions to absorb adaptation funds. They should also continue to develop creative financing approaches such as “blending mechanisms” that mix grantmaking and long-term financing to help coax investors into adaptation projects by better managing their risk.

In addition to financing climate adaptation, EU and member states should also support complementary efforts – including by strengthening data-sharing partnerships in support of early warning systems – to better identify and prepare for climate-linked conflict risks. These efforts can be folded into the EU's current support for IGAD's Conflict Early Warning and Response Mechanism. Because early warning must be accompanied by early action to be effective (a gap in the IGAD system),

the EU should look further into ways to strengthen the capacity of regional states to prepare early interventions in cases of impending climate risks.

Finally, the EU and member states should support efforts to find a central forum to discuss and develop solutions for climate security issues in the international system. As Crisis Group has [previously argued](#), the UN Security Council is the leading candidate. While Russia blocked a proposed resolution in late 2021 that would have outlined a more systematic approach to climate security issues for the Council, proponents have kept the agenda alive. With a new slate of elected members joining the Council in January, the new year could bring fresh opportunities. At the very least, the EU and member states (particularly those represented on the Council) should support efforts to develop research and evidence that can address the reservations that sceptical members have expressed about taking the Council's work in this direction. Seeking to coax China toward a more supportive position, after its abstention on the 2021 resolution, would be a useful focus. They should also work to preserve and expand climate security language in country-specific resolutions.

Sri Lanka: Keeping the Storm at Bay

Despite relative calm on the streets since mass protests forced President Gotabaya Rajapaksa to resign in early July, Sri Lanka's interlocking economic and political crises remain acute. Selected by parliament to succeed Rajapaksa, Ranil Wickremesinghe has since secured a preliminary agreement with the International Monetary Fund (IMF) for a \$2.9 billion bailout loan known as an Extended Funds Facility (EFF). The deal is a necessary first step toward addressing its economic woes, but even if Colombo succeeds in convincing its international creditors to reduce its debts – which the IMF requires to disburse its loan – major challenges remain. Rampant inflation, food shortages and rural economic collapse could see hunger and immiseration reach destabilising levels.

Despite promises to cushion the blow for the worst off, Wickremesinghe's plan for quick, sharp economic reforms to balance the books could deepen the suffering – and anger – of many Sri Lankans. Given how much the public resents the Rajapaksa family, Wickremesinghe's reliance on that clan's political party for his parliamentary majority weakens his political credibility with large sections of the public. It will be hard for him to win popular support for painful changes that run counter to widely held beliefs about the state's role in the economy and in terms of social protection. The lack of transparency around possible reforms – the government has refused calls in parliament to release details of the IMF deal and plans to implement it – can only increase public anxiety and frustration.

On the political front, authorities are cracking down on the protest movement, seemingly in part to signal that they will not tolerate challenges to the president's economic agenda from the street. But the repression risks alienating those protesters who have so far largely kept to peaceful tactics, especially since Wickremesinghe seems disinclined to accede to the movement's demands for deep political reforms.

To help address Sri Lanka's crisis, the European Union (EU) and its member states should:

- ❑ Make clear to the Wickremesinghe administration that holding parliamentary elections at the earliest possible date, ending repression of protest leaders and making credible efforts to tackle corruption will be necessary to win EU member states' support for IMF board approval of the EFF loan. In this context, encourage the IMF to press for enactment and implementation of a strengthened anti-corruption legal framework and concrete progress toward criminal accountability for cases of large-scale corruption.
- ❑ Urge the government to share the details of its economic reform plans with parliament and to make special efforts to protect the most vulnerable, avoid cuts in education, health and other essential social services, and ensure tax increases are borne principally by those best positioned to weather them.
- ❑ Clearly signal to the Sri Lankan government that the continuation of the EU's Generalised Scheme of Preferences Plus (GSP+) tariff benefits depends on a moratorium on arrests under the Prevention of Terrorism Act (PTA) and this law's rapid replacement with a new one that is compliant with international hu-

man rights standards. The EU should insist on a clear timetable for passing this new law.

- ❑ Publicly endorse the broadened vision of accountability – linking impunity for economic crimes to impunity for human rights violations – laid out in a September report from the UN High Commissioner for Human Rights, and actively support anti-corruption efforts inside and outside the country, as well as the conflict-related Sri Lanka Accountability Project under the High Commissioner’s auspices.
- ❑ Strengthen support for and efforts to protect Sri Lankan civil society organisations and political activists, particularly those involved in the protest movement, many of whom are facing heightened surveillance and the threat of arrest.
- ❑ Generously fund humanitarian appeals on behalf of support to Sri Lanka’s most vulnerable people, taking into account that women have disproportionately suffered from the humanitarian crisis, and ensuring that program design involves significant participation of women from different backgrounds.

Calm before the Storm?

Some of the more visible aspects of Sri Lanka’s economic crisis have eased since Wickremesinghe assumed the presidency on 20 July, with a new rationing system shortening the queues for petrol and diesel, power cuts becoming less frequent and cooking gas more readily available. But as the burdens on the urban middle class ease somewhat, hardship continues to grow for poorer Sri Lankans, many of whom have had to go deep into debt after suffering major drops in income, aggravating already high levels of debt incurred during the COVID-19 lockdown. Inflation is skyrocketing at more than 70 per cent, with food costs rising even faster, and cuts to kerosene subsidies have put its price beyond the reach of many who rely on it for cooking, lighting and fuelling fishing boats. [Women and girls are particularly badly affected](#), with many facing increased domestic responsibilities with fewer resources. UN agencies now estimate that three quarters of the population are reducing their daily food intake, with more than one quarter requiring urgent humanitarian assistance. To make matters worse, yields from the August-September rice harvest could be down by as much as half, as fertiliser remains unavailable or too expensive for many farmers, leading many to simply abandon their fields. Similar concerns are already surfacing about the harvest due in early 2023.

On 1 September, the government and IMF finally concluded a long-awaited staff-level agreement for a \$2.9 billion EFF bailout. It is a crucial first step in stabilising Sri Lanka’s debt crisis. But the next steps will be just as challenging, if not more so. In order to receive the initial tranche of the IMF loan, Colombo will first need to reach agreements with its international creditors to “restructure” its \$47 billion in foreign debt. It will have to persuade private holders of Sri Lankan sovereign bonds (who hold almost half of Sri Lanka’s foreign debt), as well multilateral agencies and bilateral lenders (including China, which is the largest bilateral creditor, just ahead of Japan), to accept reduced payments in order to lower debt to a level the IMF

considers “sustainable”. The IMF has not set a clear figure, however, and in any case, the process will require all Colombo’s creditors to reach consensus on the degree of debt relief. With China traditionally having refused to accept such a “hair-cut”, and with geopolitical tensions involving China, India and the United States increasingly playing out in Sri Lanka, many observers worry that negotiations will be long and difficult.

The IMF agreement also requires the government to make a series of delicate policy changes, with the aim of reducing, and ultimately eliminating, its chronic budget deficit, correcting its large trade imbalance and increasing its foreign currency reserves. While the government has resisted calls in parliament to release details, the likely outlines of the necessary economic reforms are clear: higher taxes, reduced government expenditure, privatisation of state-owned enterprises, insulation of the central bank and monetary policy from government influence, and elimination of subsidies for fuel and electricity. Wickremesinghe, a long-time supporter of economic liberalisation, has made comments suggesting that he aims to push through these deep changes as fast as possible, in order to “build a highly competitive, export-oriented economy”.

Many outside actors have welcomed Wickremesinghe’s commitment to economic reforms they see as required to stabilise the Sri Lankan economy. But however necessary major reforms may be, they present clear risks, especially given the economic nationalism and suspicion of the IMF that prevails among many Sri Lankans. Reforms will inevitably bring about economic hardships for large sections of the population, with expected cuts in public services likely to affect women particularly badly. The targeted social safety net programs planned as part of the IMF agreement will almost certainly leave many needs unmet. To date, few details have been shared with the public of the politically charged choices about how government revenue will be increased and costs reduced: which state-owned enterprises will be sold and on what terms; whose government jobs will be cut; how much taxes will be raised and on whom; who will be covered by promised enhancements to social safety net programs and to what extent; and whether the large military budget will be trimmed at all.

Pushing through poorly understood belt-tightening reforms would be difficult under any circumstances but will be all the more so because of Wickremesinghe’s lack of popular support. Having failed to win his own parliamentary seat in the last election in 2020, Wickremesinghe later agreed – after others refused – to work as prime minister under the widely disliked Gotabaya Rajapaksa. When Rajapaksa fled the country amid a protest wave, Wickremesinghe rose to the presidency not by popular vote but through the support of Rajapaksa’s party in parliament. Many Sri Lankans thus consider their new president to lack credibility, seeing him as an obstacle to popular demands for an end to widespread corruption and a new more transparent and representative political culture – demands that have been consistently amplified by the *aragalaya* (“struggle” in Sinhalese) protest movement.

The scepticism about President Wickremesinghe is well founded. His decision to build a government with the Rajapaksas' backing, as well as that of ministers convicted or credibly accused of large-scale corruption and other serious crimes, raises grave doubts about his capacity to achieve the IMF agreement's goal of a "stronger anti-corruption legal framework". It also means there is little chance Wickremesinghe will proceed with the deep political reforms that the months-long protest movement was demanding, at least without major international pressure. [These potential reforms include abolishing the executive presidency, prosecution and recovery of assets in cases of major financial corruption](#), and laws to regulate campaign financing. Those political reforms the president does support – a minimalist reduction of presidential powers, a stronger oversight role for parliamentary committees and a youth parliament – are too modest to fix Sri Lanka's political dysfunctions. Although Wickremesinghe's government promised the UN Human Rights Council in September that it will "endeavour to establish" a truth commission to help repair the damage of Sri Lanka's long civil war, it has given no signals it will take the concrete steps needed to end the rampant impunity for crimes committed by security forces and the politically powerful, thus undercutting the commission's ability to repair the war's damage.

Hopes for political reform have fallen further, and tensions increased, in the wake of Wickremesinghe's aggressive moves to arrest many of the protest movement's best-known leaders, often for alleged involvement in minor offences. Many of them face intimidation and heightened government surveillance, and in a number of key cases, [suspects were arrested under the draconian Prevention of Terrorism Act](#), which allows for detention without charge for up to a year. The president's 23 September decision to invoke the rarely used Official Secrets Act to ban protests around key public buildings covering large parts of Colombo was revoked a week later after being widely [denounced, including by the National Human Rights Commission](#). Closing down space for non-violent protest amid an economic crisis, while embarking on reforms that will hurt ordinary Sri Lankans' living standards, risks pushing some toward more violent forms of resistance. Moreover, the effort to demonise the protest movement – particularly the Inter-University Students' Federation – by labelling it as "terrorist" should sound alarm bells in a country where three separate youth uprisings over the past 50 years have turned into full-blown insurgencies, leaving as many as 200,000 people dead.

Keeping the Window Open for Governance Reforms

The EU has an important role to play in supporting Sri Lanka's economic recovery while at the same time minimising the associated risks. With key EU member states important members of the Paris Club of bilateral donors, the EU and states should work to facilitate a consensus approach among all donors, taking into account the geopolitical tensions that are likely to play out in the group – particularly between the U.S. and China, which does not participate in the Paris Club process. But while it is crucial that the EU extend economic support to the bankrupt government both through the restructuring process and otherwise, it should not do so without guarantees regarding both current policies and long-overdue political reforms.

The IMF deal presents important leverage. To begin with, the EU and member states should make clear to the Wickremesinghe administration that their support to approve the EFF is contingent on Sri Lanka holding parliamentary elections at the earliest opportunity and on the government ceasing the clampdown on protest leaders, as well as credible anti-corruption efforts. Meaningful action on tackling corruption, demands for which have helped drive the protest and popular unrest, would include the passage of legislation significantly strengthening the anti-bribery commission's powers and resources. It would also include Sri Lanka rejoining the Stolen Asset Recovery Initiative, administered by the World Bank and UN, which can assist the government to restart stalled investigations into a number of high-profile corruption cases. The EU and member states should also actively support anti-corruption efforts outside Sri Lanka that relate to present and former Sri Lankan officials, including, as appropriate, investigations in EU jurisdictions, including with the support of EU judicial agencies.

To decrease the risk of renewed political instability from reforms seen by many as unfair and imposed from outside – and to cushion the impact of those reforms on the most vulnerable – the EU and member states should also urge the government to share the details of its economic plans with parliament and the public and engage both in a discussion of how most equitably to share the economic pain. The EU and member states should encourage the government to make special efforts to protect vulnerable segments of the population, avoid cuts in education, health and other essential social services and make sure the urgently needed revenue increases are drawn principally by those most able to afford it.

After years of prodding, the EU should also formally notify Sri Lanka that its GSP+ trade preferences, which waive duties on Sri Lankan exports to the EU, will be at risk if it continues using the PTA to make arrests unrelated to terrorism and fails to draft alternative legislation that respects international human rights principles. Government promises to replace the PTA were essential to the EU's decision in 2017 to restore GSP+ privileges to Sri Lanka after removing them in 2010 for failure to effectively implement all 27 international human rights, labour and environmental conventions. The EU should give Colombo a clear deadline to repeal the PTA, while using the GSP+ monitoring process to press for the protection of labour rights and for meaningful action on corruption.

In line with the vision laid out in the UN High Commissioner for Human Rights' September report – which links impunity for economic crimes to impunity for human rights violations and calls for strengthened efforts against both – EU member states should help ensure adequate funding for the Sri Lanka Accountability Project, an evidence-gathering mechanism focused on civil war-related international crimes and managed by the High Commissioner. European member state authorities should engage with this Project with the aim of using the evidence it gathers to support prosecutions under the principle of universal jurisdiction in European courts, wherever there is a sufficient legal basis.

Meantime, to help keep open space for political debate and popular participation, the EU delegation and member state embassies in Colombo should, in a coordinated way, offer political support and tangible forms of protection to civil society organisations, especially those involved in the *aragalaya* protest movement. They could, for example, make public statements, attend and monitor court cases, provide humanitarian visas, or accompany activists under threat to and from the airport.

Finally, as another short-term measure, the EU and its member states can also do more to mitigate the humanitarian crisis in Sri Lanka. They should, in particular, step up contributions to UN and Red Cross appeals – which remain underfunded – to aid the country’s most vulnerable people through provision of medicine, food, livelihood support and cash assistance. With [women and girls disproportionately affected by the economic crisis](#), special efforts should be made to include women of different backgrounds in the planning and implementation of humanitarian programming. The EU should also use its influence to ensure that agencies design programs based on careful analysis of local conflict dynamics, particularly for agricultural projects in the multi-ethnic Eastern province, where land-related issues are a regular source of conflict.

Walking a Fine Line in Ukraine

A new and potentially more dangerous phase looms in Russia's war in Ukraine. After surprising the world with successful counter-attacks since August, Kyiv seemingly has the upper hand on the battlefield. But Moscow shows no sign of backing down – quite the opposite. In response to Ukrainian gains, the Kremlin has staged sham referendums in territories it controls and announced that it has annexed large parts of Ukraine. Russian President Vladimir Putin has threatened to use all necessary measures to hold on to these territories, including suggesting that he might resort to nuclear weapons. The Kremlin has also embarked on a partial military mobilisation that aims to send some 300,000 new soldiers to the front. For now, these measures appear unlikely to reverse Ukraine's momentum. In early October, Ukrainian forces have continued to make progress pushing south into the Kherson region, where fighting had previously been stalled. In another escalation, Russia launched dozens of missiles at the Ukrainian capital and other cities on 10 October, as this Watchlist went to print, in apparent retaliation for a huge explosion (which Moscow blamed on Kyiv) on the Russian-built bridge linking Crimea to the Russian mainland two days prior. Meanwhile, although Putin's grip on power remains firm, Russian domestic politics have become more turbulent. The question of how the Kremlin would respond to major losses now hangs ominously over the war. Moscow's escalatory moves show starkly how much Putin has vested in avoiding defeat.

These latest developments, though dramatic, should not trigger a major shift in European Union (EU) and Western states' policies. The challenge Western governments face remains largely the same: maintain a stream of military and economic aid to Ukraine so that it can thwart a Russian victory that would be a graver threat to European and global peace and security than the current fighting, all while minimising risks of direct involvement in the war.

Against this backdrop, the EU and its member states should:

- ❑ In cooperation with the North Atlantic Treaty Organization (NATO), continue supplies of weapons as well as development and humanitarian aid to Ukraine, working with Kyiv to ensure that assistance is effective, sustainable and accounted for, while respecting certain lines. In particular, other than aligning themselves with the U.S. warning that it will counter any nuclear use with “catastrophic consequences”, they should continue to avoid actions or rhetoric that suggest an existential threat to Moscow or that the West sees itself at war with Russia, given the escalatory risks.
- ❑ Continually reassess and adapt sanctions policy to improve these penalties' effectiveness and reduce their costs to non-Western countries, including through diplomatic initiatives such as the effort that led to the opening of Black Sea ports for grain shipments.
- ❑ Leave the door open for a negotiated settlement between Moscow and Kyiv, however unlikely it seems at present, by quietly signalling to the Kremlin their willingness to lift some of the sanctions and provide other benefits in the event of an agreement acceptable to Ukraine.

- ❑ While continuing to support Ukrainian refugees, ensure that Russian asylum seekers neither face prohibitive barriers to entry nor overwhelm already strapped border states in the EU and elsewhere.
- ❑ Continue to support collection of evidence of human rights abuses and war crimes that can be used in accountability proceedings in due course.

A Dangerous New Phase

Ukraine's recent advances topped over seven months of war that have seen repeated Russian setbacks. In the weeks that followed its massive assault on 24 February, prior expectations that Russia's military might would crush Ukraine's smaller forces were rapidly upended by dogged Ukrainian resistance and the failures of Russian planning, logistics, preparedness and armaments. That forced Moscow to withdraw from northern and central Ukraine and refocus its military efforts in Ukraine's east and south. Even with its narrower focus in the south and east, Moscow struggled to make major gains. Then, starting in late August, Kyiv mounted counteroffensives, bolstered by Western weapons, that have regained significant territory in the north-eastern Kharkiv region and parts of the east and south.

The Kremlin took another blow on 8 October, when a massive explosion hit the bridge Russia had built across the Kerch Strait connecting it to Crimea. Putin promptly called the blast an act of Ukrainian "terrorism". (Kyiv has not claimed responsibility.)

Moscow has escalated in response to these various setbacks. Two days after the bridge explosion, it fired missiles at Kyiv and other major Ukrainian cities for the first time in months. Earlier, it took a step that it had long resisted for fear of political backlash: calling up hundreds of thousands of Russian citizens in what it termed partial mobilisation. On paper, the new draft is restricted to male reservists. In practice, it has reached broad swathes of the Russian population, and in some cases is being used as a mechanism for political control. Russian authorities have, for example, handed out mobilisation notices to men detained for protesting, military experience or no. Some women who are medical professionals have also reportedly received notices. Alongside mobilisation, Putin announced that Moscow would hold annexation referendums in four Ukrainian regions that it had occupied or partially occupied – Donetsk, Luhansk, Zaporizhzhia and Kherson. Voting took place between 23 and 27 September, with armed men going door to door with ballots. Not surprisingly, the Kremlin and its proxies reported near total support for joining Russia.

On 30 September, President Putin [announced](#) that those regions were now part of Russia in a speech that appeared to brandish new nuclear threats. Painting the U.S. and its NATO allies as neo-colonialists bent on Russia's destruction, he declared that "we will defend our land with all the forces and resources we have" and referenced the U.S. decision to drop two atomic bombs on Japan in 1945 as "a precedent" for nuclear weapons use. These comments have understandably heightened concern in Western capitals that Moscow might indeed use nuclear weapons.

No one can be too confident in assessing the Kremlin's calculations but, menacing rhetoric aside, it appears unlikely, though not completely implausible, that Russia will launch a nuclear weapon unless there is a real threat to the Russian state. Nuclear use would draw a Western response, and while the Kremlin may want the West to believe that it is willing to take that risk, it seems hard to fathom a Kremlin truly willing to do so to, for example, defend Russia's fabricated claim to parts of Zaporizhzhia. Russia's own military doctrine foresees nuclear weapons use only in the case of threats to the country's ability to defend itself (that is, threats to its nuclear arsenal). Putin's recent comments about defending parts of Ukraine that he terms Russian territory hint at a lower threshold for nuclear use (the exact geography remains unclear, with the Kremlin's spokesman [indicating](#) that consultations with locals would determine borders). But Moscow's behaviour in this war, which despite the bluster has avoided direct engagement with NATO or military attacks on Ukraine's Western backers, suggests that it, like Western powers, seeks to sidestep the worst escalatory risks.

The question now hanging over the war is whether this logic would hold were the Ukrainian army to rout Russian forces from the east and south. Can, in other words, Ukraine continue its forward march and force a Russian reckoning with the limits of its power (something that would greatly benefit European security) without Moscow lashing out? If the Kremlin thinks that losing a war in Ukraine would lead to the government's falling, it is not inconceivable that it would gamble on nuclear use in a last-gasp effort to force Kyiv to surrender. Even then, practical considerations would counsel against it. While a nuclear detonation could destroy a military base or a bridge more decisively than conventional weapons would, the resulting radiation and other effects would be catastrophic, even from a small explosion. (Most so-called low-yield weapons, being close in size to those the U.S. dropped on Hiroshima and Nagasaki, would wreak tremendous havoc.) Given their proximity, Russia and Belarus would surely be affected by blasts set off in Ukraine. Moreover, for all the horror and chaos that would be unleashed, it is very unlikely that Kyiv would be cowed, given its stakes in the conflict.

Throughout the war, Western states, including the U.S., have mostly sought to balance their support for Ukraine against the imperative of avoiding an escalation into direct NATO-Russia war. U.S. and NATO leaders have since mostly walked back statements made by officials in the early stages of the war that hinted at a desire for regime change in Russia or war crimes prosecutions of Russian leaders, in an effort to make clear that Western support of Ukraine is not, in fact, an existential threat to Russia or the Kremlin. Even as the Kremlin avoided direct engagement with NATO forces, so have NATO members taken pains to increase the volume and sophistication of weapons provided to Ukraine gradually so as not to send an escalatory signal.

NATO members do take Russian threats seriously, however, and they have made clear that nuclear use would draw a response, lest Russia or others view nuclear threats as, in effect, *carte blanche* for aggressive threats and actions. Thus, while Western leaders have reiterated they have seen nothing yet from Russia that gives them reason to fear an imminent strike, senior U.S. officials have said they warned

Moscow of “catastrophic” consequences should it resort to nuclear use. They also said they have been more specific behind closed doors – presumably seeking to deter the Kremlin without humiliating it or backing it into a corner. “We have communicated to the Russians what the consequences would be”, [said](#) U.S. National Security Advisor Jake Sullivan, “but we’ve been careful in how we talk about this publicly”.

Other Challenges

Beyond the risk of escalation, a host of other challenges require the attention of the EU and its member states. Some concern aid to Ukraine, military and otherwise, which thus far has been subject to relatively few constraints and focused on meeting as many immediate needs as possible. The demands of war have made this approach necessary. But, in some cases, [reporting](#) suggests that individuals have diverted assistance for their personal gain, to the intended beneficiaries’ detriment. Moreover, the question of whether aid levels are sustainable has become more salient with time – especially as winter approaches and inflation pinches European economies. Both donor states and Ukraine have strong interests in putting in place measures that will prevent future diversions and reassure their citizens that aid is being well spent.

Energy policy is another area requiring attention. The EU, along with the U.S., Canada and others, have imposed heavy sanctions on Russia, as they had threatened to do in the lead-up to Russia’s invasion. Some measures are directly geared toward weakening Russia’s war effort and its capacity for future aggression. Limits on technology imports likely have this effect, at least to some extent. Other steps emphasise cutting dependence on Russian oil and gas, a longer-term goal. Still others consciously impose costs upon Russian citizens. Russia has responded by itself limiting energy exports.

As laid out in the Introduction, war and sanctions have led to global price hikes, and Europeans have hardly been spared. Many are facing a cold and expensive winter. The possible fallout for industrial production would make a European recession even more serious.

These prospects appear unlikely to sap support for Kyiv for now, but if protests and frustration mount, and politicians choose to make an issue of Ukraine policy, that might change. The EU states struggled to reach a deal on imposing a price cap on Russian oil in the latest sanctions package to emerge in Brussels. Then, the same day they finally did, Russia coordinated with the Organization of Petroleum Exporting Countries and allies (OPEC+) to cut oil production by 2 million barrels per day, putting upward pressure on oil prices. The EU and U.S. had hoped for coordination among major producers to keep prices down. The EU has managed to fill its energy storage capacity, but depending on how cold the winter gets, it may need to use significant energy generating electricity for heating. In that case, EU countries will be forced to halt electricity exports, further affecting their coordination efforts – as signalled already by Germany, which could limit its electricity exports to Austria and France.

The EU will also have to adapt and coordinate refugee policy as the war drags on and the population trying to escape the war grows and changes. Member states have welcomed more than [5 million](#) Ukrainian refugees, who primarily consist of women and children due to Ukraine's decision to ban most men from leaving the country. Although some refugees have now returned home, most will remain in their places of refuge as the war rages on. Now, Russian men who do not want to fight in Ukraine are fleeing their country, despite Russia's efforts to keep and forcibly draft them.

EU states are divided over how to respond. The Baltic states, Finland and most eastern countries, which have been pushing for an EU-wide visa ban on Russian nationals, believe the EU should keep its borders shut to those trying to escape the draft. Beyond domestic considerations, they believe that Russian deserters will – if they remain in Russia – feed the internal opposition to Putin. Others, mainly in Western Europe, say welcoming these men helps undermine Russian policy and prefer to allow them entry. In early September, the EU suspended the visa facilitation scheme for Russian citizens that was put in place in 2007 to make it easier for Russian citizens to visit the EU and vice versa. Since then, some states neighbouring Russia, such as Estonia, Latvia, Lithuania and Poland, have sought to prevent entry even by those who already have C-type (short-term) visas to enter the 26-member Schengen zone, where free movement is permitted. They have also reportedly turned back some joint citizens of Russia and other countries, such as Israel and the U.S., who do not require visas.

The Months Ahead

Neither Ukraine nor Russia is ready for a political settlement of the war – if anything, prospects for a deal have dimmed in recent weeks. Kyiv, buoyed by its military successes, is in no mood to compromise over its own territory. Moscow's mobilisation, annexation and threatening rhetoric make clear that the Kremlin, notwithstanding its setbacks, still believes it can gain more on the battlefield and through coercion than through talks with Kyiv. They also show just how much Putin is prepared to risk in seeking to prevent military failure. Soberingly, the longer the war continues without Russia making obvious gains, the harder it will be for the Kremlin to string together a narrative of having achieved its goals. Ukraine's continued advance would make it ever harder.

That longer war still appears plausible, notwithstanding Ukraine's battlefield gains. In the near term, Ukraine will almost certainly look to press its advantage before Russia deploys new troops. For its part, Russia can be expected to continue striking Ukrainian infrastructure in an effort to demoralise Kyiv and the Ukrainian population, hoping to buy time until it is better positioned to counter Ukraine's advances. It is difficult now to imagine how Russia could regain the upper hand militarily. But nor is it clear that Ukraine can rapidly regain all the territory it has lost to date – not, at least, without a game-changing Russian military collapse. If fighting eventually settles into an uneasy truce, formal or informal, both Moscow and Kyiv will almost surely look for openings to restart hostilities and tilt the battlefield in their favour.

A continued standoff between Moscow and Kyiv, along with its Western backers – one that outlasts the current conflict – appears almost certain. Notwithstanding grumbling among Russian elites over the mobilisation policy and increasing criticism of the military among hardliners in Moscow, a change in government in Moscow remains unlikely. The Kremlin’s leadership will likely continue to seek decisive influence over its neighbours, though clearly its ability to do so will be shaped by the war’s outcome. The NATO alliance, which already includes most EU member states and is about to include two more (Finland and Sweden are nearing the end of the accession process), is already preparing for a new strategy of deterring Russian aggression indefinitely, although here, too, Russian weakness may go some way toward tempering the appetite for major military build-ups.

Recommendations

Notwithstanding the ominous tone of recent statements from Moscow, the key task for Ukraine’s foreign partners, both in the EU and elsewhere, remains largely the same. On one hand, they must continue supporting Ukraine with arms and funding, as that is crucial for preventing a Russian victory that would do far more damage to European (and global) peace and security than continuation of the present conflict. On the other, they must do so without running too high a risk of escalation into direct war between NATO and Russia, even as they continue to make clear to the Kremlin the costs of nuclear weapons use. They should also leave the door open for a negotiated settlement between Moscow and Kyiv. Thus far, the EU, its member states and other Western allies have walked this fine line with prudence and unity. Putin’s escalation over recent weeks should not fundamentally change calculations in Western capitals. Indeed, if his nuclear menacing makes striking the right balance all the harder, the danger of setting a precedent of a state using nuclear threats to seize territory from a smaller neighbour makes it all the more vital.

In practice, Western governments should continue to provide Kyiv with the aid it needs, all the while being careful not to cross certain lines. Military assistance should include adequate spare parts and components for systems already delivered. It could also involve ramping up delivery of those weapons, particularly artillery systems and ammunition, in preparation for new Russian offensives. As for Western leaders doing what is in their power to minimise risks of direct confrontation, Washington’s warnings that if Russia makes good on its nuclear threats, it will experience “catastrophic” consequences – the very confrontation it fears most – are appropriate as a deterrence measure. Beyond that, though, Ukraine’s European partners should continue to avoid rhetoric or moves that suggest an existential threat to the Russian state or government or that Western governments – rather than Ukraine – are at war with Russia.

The longer the war drags on, the more important it will be for the EU and member states to identify new ways to mitigate the risks and costs of its support to Ukraine, so as to render the overall approach sustainable. For example, insisting on better accountability for aid will make Kyiv’s capacity for governance stronger, help Ukrainians get the assistance they need and ensure that EU taxpayer money goes

toward the country's reconstruction. The EU and member states should also work to define economic aid that is both geared toward Ukraine's immediate needs, such as shelter and demining, and lays the groundwork for attracting investment and rebuilding economies in war-affected areas.

As concerns sanctions, the EU and member states should work to keep them from backfiring into instability at home and frustration with EU policies globally. Diplomacy can in some cases lessen the war's ill effects – as it did in restarting Ukrainian grain traffic across the Black Sea – and it will be important to keep looking for similar openings. As outlined in the Introduction, support for countries outside Europe to counter the ripple effects of the war and associated sanctions is important from a humanitarian perspective and wise from a diplomatic one. At the same time, the EU and member states should not become attached to the idea of levying all the sanctions in perpetuity. Indeed, insofar as Western states hope to give the parties incentives to forge a political settlement, however unlikely one appears at present, they could communicate through back channels to Moscow generally what sanctions the West might be willing to lift as part of a peace package (Crisis Group has previously laid out [what that might entail](#)). Over time, an approach to sanctions that permits Russia to engage in peaceful economic rebuilding on its own territory and alleviates measures directed at the broader population, while preventing a military resurgence, would be ideal, albeit not easy to craft.

The EU and member states should also step up efforts to help Russian refugees. They should treat humanely and otherwise support Russians who have fled the mobilisation. Properly investigating asylum claims is not only consistent with EU values and required by law. It is also pragmatic in the sense of depriving the Russian Federation of potential fighters and reinforcing that Western countries are not taking out their anger at the Kremlin's aggression on ordinary Russians. The EU and its members should ensure that those leaving have options for seeking asylum, eg, that they do not have to pass through countries that refuse them access and violate laws to get to countries where asylum is possible. Crucially, vetting of new arrivals should not undermine respect for already issued visas and residency permissions and EU members should make clear that Russian citizens will be able to apply for visas, in line with national laws and regulations, in third countries as feasible. More assistance to help war refugees is needed also outside the EU. The EU should offer support and assistance for Russia's other neighbours, notably Kazakhstan, Georgia and Armenia, who are facing a huge influx of Russian men.

To create the foundation for holding perpetrators of atrocities to account over the long term, the EU and member states should also continue providing critical support in helping Ukraine collect information on war crimes and abuses by Russian forces. They should also work with Ukraine to support its own compliance with international humanitarian law.

Venezuela: The Twilight of Maximum Pressure

Venezuela's protracted political crisis has entered a less turbulent phase, with most opponents of President Nicolás Maduro's government, both domestic and foreign, scaling down their confrontational tactics. With the election of new left-leaning governments in several countries, the appetite for adversarial relations with Caracas has diminished. While Washington and a handful of close U.S. allies continue to insist that "Interim President" Juan Guaidó, the former chair of the legislature, is the country's legitimate leader, most of the governments that refused to recognise Maduro or reduced their diplomatic presence in Caracas are now reversing course or planning to do so. In neighbouring Colombia, President Gustavo Petro moved immediately upon taking power in August to restore relations and exchange ambassadors. Having boycotted a series of national elections, Venezuela's main opposition alliance, now known as the Unitary Platform, competed in local and regional polls in November 2021 and plans to hold primaries to choose a single candidate for the presidential vote scheduled for 2024.

U.S. policy has evolved, too. Despite its continued support for Guaidó, President Joe Biden's administration has throttled back the failed "maximum pressure" economic and political tactics it inherited from its predecessor. When the Maduro government pulled out of Mexico City talks with the Unitary Platform in October 2021, Washington – after weighing a variety of options – eventually began direct talks with it the following March. The U.S. is seeking among other things to coax the Maduro government back to the table in Mexico City in exchange for limited sanctions relief. Although those negotiations remain in abeyance, the two sides have thrashed out the terms of three prisoner releases, including the exchange at the start of October of seven U.S. citizens for two nephews of the Venezuelan first lady jailed for drug trafficking in the U.S., while talks in Caracas between government and opposition have resumed.

A return to the Mexico City dialogue remains possible. The main incentive for the Venezuelan government is the need for an economic boost. The country has started to recover from its 2013-2021 economic meltdown, based mainly on partial dollarisation and relaxation of price and exchange controls. Nonetheless, that recovery has been anaemic to date. Increasing labour unrest in mid-2022 forced the government to soften its austerity program, leading to an immediate spike in the dollar price and a renewed inflationary threat. Unless living standards improve for a much broader segment of the population between now and the polls, Maduro's chances of re-election without having to further curtail opposition activity will be sharply reduced.

In these circumstances, the European Union (EU) and its member states should:

- Encourage the U.S. to be bolder in rolling back the "maximum pressure" strategy adopted under the Trump administration, including by providing a clear schedule for potential sanctions relief, as an incentive for Caracas to return to the Mexico City negotiations with the political opposition.

- ❑ Work with allies and regional governments to forge a broad consensus around the terms of political coexistence that could be made in the stalled Mexico City talks, should they resume, with the idea that these could form the core of an agreement that would help restore political pluralism, respect for the rule of law and the protection of civil liberties in return for an easing of sanctions and appropriate guarantees against future persecution of *chavismo*, the political movement Maduro leads. The EU-led International Contact Group, and the Group of Friends contemplated by the framework for the Mexico City talks, are potentially useful mechanisms for coordinating efforts with Latin American states.
- ❑ Support efforts to devise solutions for the dispute over control of Venezuela's external assets, encouraging creation of a neutral mechanism for administering those assets – and making them available for certain agreed-upon purposes – pending a political settlement.
- ❑ Commit to maintain current aid levels both to alleviate the conditions of Venezuelan migrants in the region and address the humanitarian emergency inside the country, with attention to mitigating risks that affect women and girls.
- ❑ Working together with civil society and opposition leaders, engage with the Maduro government to encourage better conditions for the 2024 presidential election, including an updated voter register, measures to limit state interference in the vote and an invitation for an EU mission to observe the polls, and continue to support multilateral efforts to strengthen respect for human rights.

A Period of Re-engagement

Both outside actors and domestic parties are beginning to change their tactics toward the Maduro government as the “maximum pressure” policy launched by the Trump administration and its partners in 2019 peters out. The policy – which consisted of stepped-up economic sanctions, political pressure and occasional threats of military force – has failed. Despite labelling him the interim president, its proponents did not manage to instal Guaidó in power. Nor did they dislodge Maduro. Indeed, maximum pressure has succeeded mainly in consolidating the grip of *chavismo*, while contributing to ordinary Venezuelans' impoverishment.

In Latin America and the Caribbean, the shift in posture owes something to political changes in several influential countries. The arrival in (or return to) power of left-wing governments in Argentina, Bolivia, Chile, Colombia, Honduras, Peru and Mexico, and the collapse of both the anti-Maduro Lima Group of nations and the pro-*chavista* Union of South American Nations, have resulted in both reduced regional polarisation around the issue of Venezuela and an overall softer line toward Caracas. With some exceptions, the new left-leaning governments are conditionally sympathetic toward the Maduro government or mildly critical of it, while the right is in retreat. The new Colombian government of President Petro reversed the stance of his predecessor Iván Duque, who had severed ties with Caracas, immediately upon taking office. Petro has in the past called Maduro a dictator, but early signs are that he will refrain from pressuring him publicly on human rights and democracy

in a bid to make progress on bilateral issues, including trade and peace talks with Colombia's National Liberation Army guerrillas, some of whom have taken shelter in Venezuela.

Domestically, Venezuela's opposition has also shifted toward greater engagement, though there remain important policy differences within its leadership. The divergence in views between the "interim government" (which includes Guaidó's political allies) and others in the Unitary Platform (consisting of a wider array of opposition parties) is particularly striking, as the 2021 regional elections demonstrated. The Platform opted at the last minute to take part, but the circles around Guaidó declined to campaign, reflecting their scepticism about the value of participating in elections as a route to political change.

The "interim government" has not entirely forsworn dialogue, though Platform politicians question its commitment. Guaidó's allies have backed the Mexico City talks with the government that began in August 2021 and were suspended by Caracas two months later. They used these to foreground the demand for free and fair elections in 2024, though many other opposition politicians suspect that the interim government's conditions for acceptable polls will prove unrealistic, giving it a pretext for renewed calls to boycott the vote. Among the four main Platform parties (known as the G4), Guaidó's Popular Will party is often seen as an uncompromising outlier, although much of its grassroots base is committed to electoral participation.

As for the U.S., it has also shown greater openness to engagement. After the government suspended Mexico City negotiations with the opposition, President Biden dangled the prospect of limited sanctions relief, including reduced restrictions on oil sales, to bring it back to the table. While that has not happened – with the government in Caracas appearing to be in no hurry to return – there has been progress on other fronts: since March, senior U.S. officials have twice held direct talks with Maduro in Caracas, achieving the release of a total of nine U.S. citizens held in Venezuela, most recently through a prisoner swap announced 1 October.

Meanwhile, representatives of the government and opposition have also met in Caracas regarding a plan to unfreeze several billion dollars in Venezuelan overseas assets to finance social and infrastructure projects, with a view to signing an agreement if and when they return to Mexico.

Managing Economic Stresses amid Humanitarian and Human Rights Crises

The deal the U.S. is proposing to bring Caracas back to talks comes at a time when the Venezuelan economy, despite modest gains, continues to struggle. After seven straight years of economic contraction, which slashed around 80 per cent from its GDP, Venezuela has seen a timid recovery in 2022, due partly to increasing revenues from high oil prices and a revival of private sector commerce. But oil production, once the economy's mainstay, remains stagnant at around 700,000 barrels per day. Without major sanctions relief and genuine economic reform, Caracas has no chance of attracting the massive amounts of capital required to revive the industry.

The relaxation of price controls and the liberalisation of currency markets brought an end to chronic scarcity of basic goods, and the government tamed hyperinflation by chopping public spending and applying a ferocious monetary squeeze. But these steps still leave the [vast majority](#) of the population earning too little to live on, including millions of public-sector workers whose wages have tumbled. After receiving wage supplements that were far lower than expected, protesting teachers and health workers forced the government to back down in August at the cost of an additional spike in the inflation rate, which is again heading for triple digits.

Against this backdrop, the exodus of Venezuelans continues, with almost seven million of a population of around 30 million, having fled the country. Most have left since 2014, primarily to escape poverty. The precarious conditions in which migrants are forced to travel, often on foot, expose women and girls in particular to gender-based violence, including rape and sex trafficking.

The government's repressive behaviour contributes to an overlapping human rights and humanitarian crisis. While the government has given UN agencies, including the World Food Programme, some space in which to work, it still puts severe restrictions on the operations of humanitarian NGOs. Meanwhile, the government continues to subject dissenters, from politicians to labour activists, to arbitrary arrest and holds around 250 political prisoners. The government has signed an agreement with the chief prosecutor of the International Criminal Court (ICC), promising cooperation to bring to justice those responsible for alleged crimes against humanity since a brutal crackdown on protesters in 2017. It has also consented to the establishment of a UN human rights office, which the EU has recently supported with a donation of \$3 million. So far, however, the authorities have made none of the substantive reforms to the Venezuelan law enforcement and judicial systems that would be necessary to make good on its commitments to the ICC prosecutor.

Arguing that it is under economic siege, the Maduro government for its part continues to insist on the return of Venezuelan state assets located in the U.S., Colombia and Britain, which were transferred to the Guaidó-led "interim government" in 2019. With the accession of President Petro in 2022, control of the fertiliser giant Monómeros, a subsidiary of Venezuela's state-owned petrochemical company, based in Barranquilla, Colombia, was [restored](#) to the Maduro government. But the dispute over U.S.-based assets as well as gold and currency reserves in the Bank of England persists. Since March, representatives of Maduro and the opposition have been negotiating an agreement that, in current form, would allow over \$3 billion to be unfrozen and used for projects in the fields of education, health, water and food provision. As noted above, one possibility the parties are exploring is that, pending a negotiated resolution of the Venezuelan crisis, external assets could be managed by a politically neutral body.

The 2024 Presidential Election and Beyond

With 2024 elections approaching, prospects for electoral reform are uncertain. There has been some progress in recent years. The 2021 regional and local elections were held under somewhat improved conditions as compared to the previous

year's legislative elections and others held since 2015. Negotiations between the government and elements of civil society, accompanied by some opposition moderates, led to the establishment of a slightly more balanced National Electoral Council, with two (of five) main board members aligned with the opposition. At the government's invitation, the EU sent observers to monitor the polls. The mission reported that the tabulation of votes generally took place "without problems or complaints", but made 23 recommendations for improving electoral conditions, including curbs on judicial "encroachment on the competences of the electoral power" and an end to bans on political candidates without due process. Political reform has since stalled, and the new, smaller Supreme Court empanelled in April only tightened Maduro's hold on the judiciary, which has previously played a key role in thwarting opposition electoral campaigns.

Even if full-scale talks were to resume in Mexico City, the government might chafe at making many further concessions regarding electoral conditions. Senior officials tell Crisis Group that Caracas is unwilling to risk losing power at the ballot box, having just survived years of domestic and international duress. Sources within the *chavista* movement also say the leadership fears that the opposition, should it win, might subject *chavistas* to acts of vengeance. In reality, however, even an opposition victory in the 2024 polls – and, unlikely as it now appears, government recognition of defeat – would still not lead to a genuine alternation in power without a comprehensive political agreement between the sides. To the contrary, *chavista* control of every public institution, including the legislature, judiciary and security forces, would in all likelihood stymie an opposition-led executive branch.

Although the government is likely to resist most electoral reform, there may still be some room for progress between now and 2024. Sources in the electoral council say civil society and its partners both in the opposition and abroad could still achieve a significant improvement in conditions for the vote by focusing on two or three critical areas – for example, the quality of the voter register and the independence of election officials at local and regional levels. The government is wary of inviting international election observers, but at the same time it is anxious for the election to be considered legitimate, so the idea is not off the table. Moreover, some close to the government even suggest a willingness to regard 2024 as a stepping stone to a fully competitive presidential poll in 2030, although not at the cost of a complete loss of political power. Against this backdrop, and barring a major shift in events, the most optimistic scenario for 2024 is an election that shows progress from the last round (even if the deck remains stacked against a change in government), with international observation, leading to a result accepted by both sides that provides a basis for further progress, most immediately in elections to the National Assembly due the following year.

Paving the Way for Progress

As the EU and its member states work to support stability and democratic reform in Venezuela, they will likely continue to find that moves toward a sustainable, negotiated solution that can restore respect for human rights, the rule of law and free elections remain painfully slow. The Maduro government's default position has

been to do what is required to retain power, and it seems set to continue doing so in the foreseeable future. Moreover, those in the opposition leadership, especially those who form part of the “interim government” or benefit from access to Venezuela’s otherwise frozen external funds and frequently live abroad, also appear to prefer the status quo to anything short of regime change. Their resistance to efforts that would improve ordinary Venezuelans’ living standards – for example, through sanctions relief – sometimes appears to be motivated by concern that doing so would bolster Maduro’s political standing. Nevertheless, the EU and member states can and should do more help create the foundation for positive change.

First, they can try to push Washington to be more pragmatic and proactive in its support for a negotiated solution. Ideally, the Biden administration would drop its insistence on recognition of the “interim government” (which creates needless friction and is increasingly difficult to justify on legal or political grounds). It would also resist calls from opposition hardliners and some senior members of Congress for additional sanctions and offer further incentives to encourage a return to Mexico City negotiations between the government and opposition. Such incentives might include partial relief from non-oil sanctions and cancellation of the \$15 million bounty for Maduro’s arrest. In addition, the EU and member states should work with the UN and other multilateral bodies to help devise a neutral mechanism for administering the government’s frozen funds as part of an arrangement to make them available for certain humanitarian purposes. They should continue to support efforts to strengthen the government’s respect for human rights through the UN and the ICC’s probe.

Secondly, the EU and member states should work closely with Venezuela’s neighbours to build a new consensus around the key elements of a sustainable political agreement between the government and opposition that would help restore the rule of law and political liberties, as opposed to simply restoring relations and accepting the status quo. A broad set of nations should mount a concerted effort to persuade government and opposition to make reciprocal concessions that could form the core of such an agreement and create a path toward pluralism and a more stable political system in Venezuela. These could start with an easing of U.S. economic sanctions and appropriate guarantees concerning *chavista* demands for protection from future persecution, in return for government steps to release political prisoners and quash restrictions on the opposition, civil society groups and independent media.

Though now suspended, the Norway-facilitated talks in Mexico City continue to offer a mechanism for hammering out a definitive agreement, and the EU and member states should stand ready to offer further material incentives to encourage those negotiations. The EU-led International Contact Group, formed in 2019 to pursue both a political solution and the alleviation of the humanitarian situation, might be one means of bringing together Latin American states in support, as might the Community of Latin American and Caribbean States, which is due to hold a meeting of foreign ministers with the EU in October. Alternatively, these nations might also be included in the Group of Friends mechanism contemplated in the framework for the Mexico talks to support the negotiations. While direct European outreach to Russia and China to bring them into the process may be challenging given

the situation in Ukraine, it might be possible for regional actors to play this role, and Brussels should encourage them to do so. Notwithstanding Ukraine, the EU and European governments have found ways to engage in limited cooperation in the service of peace and security elsewhere. They should do so here as well.

Thirdly, recognising the constraints imposed by the present global crisis, the EU and member states should commit to at least maintain at their current levels and, if possible, increase the resources devoted to mitigating the effects of the migratory exodus in the region and tackling the humanitarian emergency inside Venezuela's borders. Aid for Venezuelans is well below the level of similar assistance the EU provides in Africa and the Middle East. It would enhance the efficacy of the humanitarian aid package if the full annual amount were guaranteed from the beginning of each year (with a commitment to maintain current total annual spending). Donors coordinating their contributions via Team Europe would also help. A particular focus of concern is the vulnerability of women and girls to sexual violence and exploitation, especially on informal migration routes that now include the dangerous trek to Panama across the Darién Gap. The EU should press governments in the region to implement in full the provisions of laws and treaties prohibiting human trafficking and sex slavery and fund support services.

Finally, the EU and member states should work with civil society and opposition leaders to try to advance the two or three specific electoral reforms that seem most promising in advance of the 2024 elections. They should in particular push for a thorough updating of the electoral register, which currently excludes millions of Venezuelans, and support moves to help ensure that local and state electoral bodies, as well as polling station authorities, are autonomous and representative of diverse political forces. They should press the government to abolish the practice of using the comptroller's office to bar candidates based on allegations of corruption without due process. They should also request an invitation for an EU observation mission for the 2024 presidential election.