Statement on 100 days of war in Ukraine and fossil fuel embargo

Introduction

June 3rd 2022 marks the 100th day since the beginning of Russia’s full-scale invasion of Ukraine. Although the war started in 2014, with the forceful annexation of Crimea and military aggression in the Donetsk and Luhansk regions, 24 February 2022 commenced a new bloody chapter engulfing the whole country.

The consequences of Russia’s aggression are already unfathomable.

More than 14.5 million Ukrainians have fled their homes, while tens of thousands of civilians have been killed. The Russian attacks completely destroyed cities like Mariupol in the south, Bucha in the north and Popasna in the east of the country. Atrocities uncovered in territories that were under Russian occupation have all the characteristics of a genocide of Ukrainian people. Meanwhile, the Russian armed forces are still occupying and controlling parts of Kherson, Kharkiv, Donetsk, Luhansk and Zaporizhzhia regions, as well as the Crimean peninsula.

After three months of the full-scale war infrastructure damages are enormous: 23,800 kilometers of roads, 621 kindergartens, 295 bridges, almost a thousand healthcare institutions and factories have been bombed and destroyed. Ukraine’s real GDP is expected to drop by 30-50% this year and the cost of rebuilding the country after the war is estimated at USD 1 trillion.

There is also a huge environmental damage. Thousands of hectares of ecosystems have already been destroyed. Russia targets our critical energy infrastructure like power lines, power plants, oil depots as well as industrial facilities, including chemical plants and gas networks. Russia also occupied the facilities at Chornobyl and the Exclusion Zone for 35 days, and twice shelled and is still occupying the Zaporizhzhia NPP, one of the world’s largest nuclear power plants.

Overall oil and gas provide around 40% of the Russian federal budget revenue and make up approximately 60% of Russian exports. There is a clear correlation between Russian military spending and the revenue the country gets from fossil fuel exports. It’s evident that the money pouring from the export of oil, gas and coal into the Russian state budget is enabling its ability to wage wars.

In addition, Russia alone has 41 so-called “carbon bombs” - huge new oil and gas extraction projects, which if implemented will drive the climate past internationally agreed temperature limits, with catastrophic global impacts. Today fossil fuels are weapons of mass destruction. Banning Russian fossil fuels and replacing them with imports from other countries is no solution to the climate threat we all face.

Russian aggression has to be stopped and Ukraine’s territorial integrity must be restored. A complete and immediate embargo on all Russian fossil fuel imports is key to achieving this goal.
1. Global response

In response to the unprovoked and unjustified military aggression of Russia against Ukraine, Western countries have imposed wide-ranging financial restrictions, including freezing the assets of the Russian central bank, limiting its ability to access dollar reserves. Furthermore, seven Russian banks were excluded from SWIFT. The US, EU and UK have also banned people and businesses from dealing with Russia’s central bank, finance ministry and wealth fund. Personal sanctions were imposed on hundreds of Russians in positions of power, both in government and state-owned companies. As of now, European leaders have adopted six packages of sanctions depriving Russia of critical technologies and markets.

Unfortunately, the EU was unwilling to impose a full embargo on the import of all energy commodities. This has led to payments of more than EUR 55 billion to Russia since the start of the full-scale invasion. This amount keeps increasing every day. Russian military spending enabling the war in Ukraine is estimated at EUR 900 million a day, while the EU is paying close to EUR 1 billion daily to Russia for coal, oil and gas.

The ban on Russian coal imports as part of the 5th EU sanctions package will not start before August, while the ban on Russian oil, part of the 6th package, still has exemptions for crude oil delivered by pipeline. With all due respect, this is not an embargo, but at best a half-hearted phase-out. Most of the measures are targeting the mid- and long term future and are so ineffective that Ukraine runs the risk of no longer having a long-term future.

In addition to this, the EU’s high dependence on Russian fossil gas (up to 100% in some countries) has prevented any embargo option.

There is also no consensus among G20 countries: China and Turkey remain among the top six largest importers of Russian fossil fuels in the world, South Korea did not express its willingness to move away from the aggressor’s oil, while India has been increasing oil imports from Russia since the beginning of the invasion. Meanwhile, Japan announced it would gradually phase out Russian coal and oil but did not indicate clear deadlines for the implementation of the decision.

Russia’s war and the mixed global response to it has led to significantly higher oil and gas prices. As a result, Russia expects to receive one trillion rubles (almost EUR 14 billion) in additional revenues, according to the Kremlin’s finance minister. It’s self-evident that the Russian government will use this money to support its war in Ukraine.

The Stand With Ukraine campaign was launched at the very beginning of the war by 45 Ukrainian organizations, coalitions and networks and is now supported by over 800 organizations from more than 60 countries. It has already targeted Putin’s 100 biggest bankrollers, launched the petition “Stop Fuelling Putin’s War”, sent open letters to EU leaders before their informal meeting in Versailles on March 10-11, organized actions prior to the EU Council meetings on March 24-25 and May 30-31 as well as targeted specific countries which have been slowing down the process, like Germany, and many more. In addition, on 25 May
campaign members filed a complaint with the European Ombudsman, arguing that imports of Russian fossil fuels breach the EU law and violate international human rights.

100 days of aggression have led to an unbearable level of destruction in Ukraine with tens of thousands of killed civilians, raped women and kidnapped children. How many more Ukrainians will have to die before the international community acts together and decides on a real embargo against Russian fossil fuels?

2. Positions and rhetoric of energy companies

Who is responsible for the West’s timid response to the Russian aggression?

For decades, Europe’s biggest buyers of Russian energy exports turned a blind eye to the Kremlin’s crimes against human rights, environment and international law.

We are adamant that energy companies, utilities, traders and insurers must understand and face the fact that their money and their operations contributed to Russia's ability to wage wars. And they continue to support it.

These very companies have been stalling energy transition policies, and have locked themselves into Russian fossils, making absolutely counterintuitive business decisions that put short-term profits ahead of long-term security for their companies and the world. And Ukrainian people are paying the price right now with their very lives.

Companies like Eni, Wintershall Dea, TotalEnergies, Exxon, Shell, BP and others still have joint ventures with Russian oil and gas state giants.

The Finnish company Fortum and its German subsidiary Uniper import enormous amounts of Russian coal and gas. Uniper is one of Gazprom’s biggest customers and has long-term contracts for 200 TWh of fossil gas. Uniper’s Russian subsidiary Unipro and Fortum continue operating 12 coal- and gas-fired power plants in Russia.

Wintershall Dea produced almost 50% of its oil and gas in Russia in 2021, and it intends to keep up production in its joint ventures with Gazprom and Lukoil in and outside Russia.

Germany’s third-largest utility EnBW received more than 50% of their fossil gas and coal in 2021 from Russia. At least the gas imports from Russia will remain very high this year. This means that this majority state-owned company is one of the most important financiers of the Russian regime.

In March 2022 we sent letters to more than 20 energy companies including Uniper, EnBW, RWE, TotalEnergies, Enel and others.

We urged them to ban any and all imports of Russian fossil fuels and divest their interests in Russian fossil fuel companies.
In the case of the energy embargo the situation is an ouroboros-like closed circle: national governments are dragging their feet looking behind their backs to local energy businesses and industry, often adopting arguments of the latter.

In turn energy companies, utilities and traders say that they cannot act unilaterally before governments’ adoption of certain decisions and policies. And at the same time they are lobbying to keep the status quo for as long as possible as that means their revenue stays safe and untouched.

We proposed meetings with the companies and so far have been able to speak with the representatives of Uniper, Fortum and RWE. **EnBW refused to meet us on several occasions**, clearly sending the message that they are not interested to hear the arguments of Ukrainian civil society.

When confronted, companies’ representatives scrambled to justify their positions on continued engagement with Russia. The companies appeared to be internally discussing some measures but were not able to commit to concrete impactful decisions in the immediate, short-term perspective. They were also not expressing willingness to take leadership on the issue, pointing at their respective government as the only body responsible for making decisions regarding Russian fossil fuel imports.

A representative from one company even went so far as to confess his understanding of being on the “wrong side of history”. He argued his company “cannot do” much as their business is too closely tied to Russia, in essence explaining that the business could go bankrupt.

The constant reference to the company’s responsibility for security of supply is downright absurd, although it is precisely this security that has been practically placed in the hands of a murderous Russian regime.

Additionally, all companies stressed the “big negative impact” which a full ban on Russian fossil fuels would have on them and the entire economy. But, for example, RWE declined to provide any concrete numbers (e.g. jobs lost, decrease in revenue etc.). Why do such unproven claims continue to be taken more seriously than the provable, horrific effects that the war against a sovereign country causes every single day?

And at the same time, according to recent **reports** in the media, 20 European importers of gas from Russia have already opened accounts in Gazprombank, agreeing to the new terms of payment demanded by the Kremlin and contributing to the financing of war crimes. **Countries like Germany and Italy are silently supporting their companies by allowing them to pay in rubles for Russian fossil fuels.**

Oil and gas industry who has also profited from the collaboration with Russia, is shamelessly using the current situation to push for a suicidal expansion of fossil fuel infrastructure and new oil and gas extraction around the globe. This will bring the world on the brink of collapse. United Nations Secretary-General António Guterres **made it** very clear that any new investment in fossil fuels is moral and economic madness.
With their current course of action European energy companies are undermining international efforts to impose an effective sanctions regime against the aggressor and becoming complicit in the genocide of the Ukrainian people.

3. Our demands

The European states in particular should assume special responsibility at this point and reduce the demand for fossil fuels as quickly as possible. They must enforce an immediate embargo against Russia and prevent dirty gas, oil and coal from Russia from simply being replaced by fossil fuels from other questionable sources.

These 100 days showed the slow and overall weak global response to Russian aggression. Although some concrete steps on the inevitable phasing out of Russian fossils have been taken, or promised to be taken in the near future, their speed and comprehensiveness leave much to be desired. The fueling of the war in Ukraine must be stopped NOW.

We demand:
- a complete and immediate embargo on Russian oil, gas and coal as well as sanctions against the Russian nuclear sector that will accelerate a clean energy transition globally;
- secondary sanctions on all buyers of Russian fossils, including buyers outside the sanctions coalition countries, shipping companies and refineries;
- immediate clean energy transition and rapidly accelerated investments in the development of clean energy, energy efficiency and energy savings measures across Europe and globally as a wartime effort to increase energy security and speed up climate action.

We want to ensure Ukraine’s victory as soon as possible. Swift and decisive energy sanctions are a big part of approaching this victory. We do not want these 100 days of war to become the first of many more.

Let's not forget that every drop of oil bought from Russia - is another drop of Ukrainian blood spilled all over the country, and that every piece of Russian coal is another bullet fired at Ukrainian civilians. Russia must be stopped as soon as possible and governments and companies around the world can still make a much bigger impact.

We have to end the global fossil fuel addiction that feeds Putin’s war machine, now.

We are joining our voices with:

NGO Ecoaction
NGO Ekoltava
NGO Ecoclub
NGO City of Sun
NGO Khmelnytskyi Energy Cluster

NGO All-Ukrainian Sustainable Development & Investment Agency
NGO PravoPolice
Solar Energy Association of Ukraine
Mykolaiv municipality
Civil Network OPORA
NGO Zero Waste Lviv
ICO Environment - People - Law
NGO Danube-Carpathian Programme
NGO Osokorky Wetland Park
NGO SaveDnipro
NGO DiXi Group
Association Energy Efficient Cities of Ukraine
NGO “FotestCom”
NGO "Sustainable Development Agency "SYNERGY "
Zero Waste Society
NGO EcoLaw-Kharkiv
Institute of Social and Economic transformation
Zero Waste Alliance Ukraine
EcoNews (Kherson)
Zero Waste Lutsk (Lutsk)
Mariupol Zero Waste
Kharkiv Zero Waste
Africa Institute for Energy Governance
Justice Institute Guyana
ENVIRONICS TRUST
Recourse
Protect All Children’s Environment
Andy Gheorghiu Consulting
Youth Climate Courts
Animals Are Sentient Beings Inc
United Native Americans
Rainforest Action Network
Seneca Lake Guardian
Socio-Ecological Fund
Earth Action, Inc.
Collapse Total DE
Clean Air Action Group
EKOenergy ecolabel
Global Witness
Leave it it the Ground (LINGO)
Campax
Biofuelwatch
Grand(m)others Act to Save the Planet
GASP
Climate Action for Lifelong Learners
We Smell Gas
Abibinsroma Foundation
The Greens Movement of Georgia/FoE Georgia
Greenpeace Central and Eastern Europe
Brighter Green
Oil and Gas Action Network
Re-set: platform for social-ecological transformation
Fundacja Centrum Współpracy Międzynarodowej
Oil Change International