

Ukraine-Russia Conflict and Energy Security of Germany

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Abstract

The invasion of Ukraine by Russia has positioned Europe at a pivotal juncture in history. Germany, which is the largest country in the region, the largest stakeholder in the EU, and a major importer of energy from Russia, has been severely impacted as a result of the situation. Oil and gas have been weaponized by Russia by making Europe dependent on these resources. Germany's dependence on Russia for Oil and Gas discourages it from taking a hard stand against Russian misadventures. The article will highlight the energy relations between Germany and Russia and it will also investigate Germany's approach to the problem as well as the various options that the country has considered in order to safeguard its energy security and regional interests

Key Words: Energy Security, Russia, Germany

Introduction

The conflict between Russia and Ukraine has created some serious conditions in Europe. The security ramification of this conflict for the Germany are serious. Since the battle begin the Russia has faced backlash and condemnation from Europe for its aggression. Even Germany is very cautiously vocal about it. Since it gets a large chunk of its energy needs from Russia, it is doing a tightrope walk of condemning Russia and getting the energy from it at the same time. Germany is situated in the central Europe and its coastline comprises of Baltic Sea and North Sea. Around 48% of the German Landmass is

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Agricultural Land. Natural and Energy resources are few. It is dependent of Coal, Natural Gas and Petroleum for most of its energy needs (Central Intelligence Agency, 2023). Oil and Gas are among the major energy sources consumed in Germany. Majority of Germany's Oil is imported since Germany have very few oil reserves. Most of the oil is used by the transport sector. In Germany Natural gas is used in residential buildings and services. (Enerdata, 2021). It is mostly used in residential heating during winters (Geres et al., n.d.). Until 2011, Germany used to get around 25 per cent of its energy from Nuclear Power Plants, but after the Fukushima Nuclear Meltdown, it got cautious with Nuclear Energy and started phasing out Nuclear Power Plants. Though the phasing-out plan was always on the list since 1998, but Japanese Earthquake and Nuclear Accident in March worked as a catalyst for it (World Nuclear Association, 2022). Germany started taking electricity from France in 2011 to fulfil the energy gap (Malingre, 2023). Up to this point, 33 reactors have been shut down, and the country's reliance on nuclear energy has also been reduced.

Germany also aspires to be carbon neutral by 2045. To achieve this Germany is eyeing on phasing out coal and focussing on renewables, it targets to fully stop using coal by 2030 (Geres et al., n.d.). This goal of achieving carbon neutrality and increasing the use of renewable energy sources will, in addition to reducing the country's impact on the environment, result in a decreased reliance on fossil fuels and an increase in the amount of energy that can be produced within the country itself. The energy independence of Germany will improve as a result, once fully completed, it won't have to rely on Russian imports.

But these aspirations of Germany are facing a lot of challenges, partly because of its failure to do that and partly due to Ukraine crisis. (Hanschke, 2022).

Germany-Russia Energy Relations

Germany being the largest country in the central Europe and being home to several industry and large population requires a large amount of energy to fulfil its needs. It is Europe's largest importer of gas. Roughly, 37 per cent of

Germany's gas imports are from Russia (Chivvis & Rid, 2009). In Germany, over half of natural gas consumed was Russian.

Then, in August, Russian state-owned energy giant Gazprom ceased flows through the pipeline, amid tension with the EU over the war in Ukraine. Nord Stream 2 (NS2), a second pipeline running parallel to NS1, was completed in 2021, but never went into operation as a consequence of Russia's invasion. Such a dependence on Russia means that Germany's energy security remains vulnerable to Russian manipulations.

The strategic partnership with Russia goes back to the 90s. After the collapse of the Soviet Union, Germany began to view Russia as a prospective strategic ally. At the time, Germans believed that Russia could be incorporated into a wider European security framework such as that provided by the EU and NATO. Around the same time that Russia launched its invasion on Georgia in 2008, tensions in the relationship between Russia and Germany began to rise. After Russia's annexation of Crimea in 2014, Germany severed its strategic relationship with Russia. Even if Germany wasn't directly impacted by these events, the country's relationship with Russia became marked by increased caution and reluctance as a result. But the energy relationship with the Russia still remained intact (Stelzenmüller, 2022).

Germany's stand on Ukraine-Russia conflict

Germany's dependence on Russian Gas is the reason why Germany is always hesitant in taking any hard stand against Russia. When Russia attacked Georgia in 2008, Germany was bit hesitant to condemn it. Germany's reaction on such developments where Russia is centric have always been less strong than the USA (Chivvis & Rid, 2009). Even during the cold war period Germany was a sandwiched between USSR and USA (Sorge & Fokuhl, 2023). Germany did not take the initiative to publicly condemn Russia when Russia attacked Ukraine. Although Germany is not actively taking part in the fight, it is supporting the Ukrainians with indirect help in the form of training. Despite this, Germany has been delivering arms to Ukraine, which goes against the country's official policy, which states that it would not transfer weapons to

areas where there is active conflict. In a speech that was delivered on February 27, 2022, German Chancellor Olaf Scholz called out Russia for its aggression on Ukraine. Although at first glance it may appear like aggressive wording, in a nutshell it signified that Germans do not wish to take lead against Russia. (Hofmann, 2023).

Though the German people have shown a lot of empathy towards the Ukrainians in terms of Refugee intakes, the general public consensus is against any active involvement in the conflict. Most of the Germany's population want it government to be cautious while dealing with the Ukraine Crisis (Schwarz, 2023). So, popular opinion and political behaviour in Germany are moving closer and closer to being in conjunction with one another.

Germany is Changing Due to Russia's War on Ukraine

Germany's energy and defence strategies have changed since Putin invaded Ukraine. Berlin has to now advocate for a more robust and connected Europe. When Russia invaded Ukraine a little more than a year ago, German Chancellor Olaf Scholz delivered the *Zeitenwende* address, which changed history, before the Bundestag. He pledged to drastically alter German defence and foreign policy. An additional €100 billion, or \$107 billion, would go towards funding the military. Berlin would lift its embargo on supplying armaments to areas of conflict and offer military support to Ukraine (Dempsey, 2023). Germany would halt the contentious Nord Stream 2 pipeline, which increased Berlin's reliance on Russian gas and gave President Vladimir Putin a potent tool for extortion against Germany. Changing the way that Social Democrats, Greens, and Free Democrats thought was never going to be simple for Scholz's alliance. For many years, Germany was able to maintain its *Ostpolitik*—an "eastern policy" towards Russia—based on commerce, energy, and a wide range of social, political, and economic ties—while still being able to rely on the security blanket offered by the US. The latter resulted from an ultimately misguided assumption that tighter connections between Russia and Europe would mean more stability and security.

Finally, following Putin's assault on Ukraine a year ago, Germany is undergoing changes that will impact its ties to the EU, the US, and Eastern Europe. That's the hope, anyhow.

Let us first look at the EU. The war in Ukraine has, for the time being at least, put an end to Europe's vague aspirations for strategic autonomy. Not only do the majority of EU member states lack a common threat perception, but they also lack a strategic outlook.

Getting the Europeans on board was largely dependent on how US President Joe Biden threw his financial, political, and military support behind Ukraine. Washington's involvement was also illuminating. The war validated American leadership while exposing Europe's feeble military prowess (Dempsey, 2023).

Most importantly, Berlin is unwavering in its belief in the importance of the transatlantic relationship, despite France and Germany's significant hesitation to fully support Kyiv and acknowledge that Putin's war against Ukraine also posed a threat to European security. It has become apparent that without the United States, Europe's security is essentially non-existent. Washington is not in the best of circumstances.

The conflict in Ukraine ought to persuade every EU government that a significant restructuring of the defence establishment is necessary to ensure the security of the continent. This is one of the fundamental principles of the *Zeitenwende*, which has been dubbed the *Zeitlupenwende*, or slow-motion change, in light of the Bundeswehr's gradual transformation, since Scholz's speech. It has nothing to do with going over budget. It concerns how funds are allocated and how governments work together to modernise military forces, provide equipment, and provide training. It has to do with the need for Germany and her allies to embrace resilience. Some of this resilience is being turned into reality by Scholz, and particularly by his allies in the green coalition. German Minister for Economic Affairs and Climate Action Robert Habeck cut through mountains of red tape, delays, and lobbying with a speed that was out of character given the plethora of required planning procedures. Terminals for liquefied natural gas have been constructed and brought online

during the last few months. German reliance on Russian gas has virtually disappeared today. The EU should take note of this. It indicates that Germany is now dedicated to accelerating the development of renewable energy sources in addition to diversifying its energy sources. Furthermore, it is not feasible to go back to the pre-crisis state in terms of the energy relationship with Russia.

This has implications for Germany's foreign policy and EU strategy. President of the European Commission Ursula von der Leyen has not stopped advocating for greater European integration because of Russia's invasion of Ukraine, especially in the areas of energy, cybersecurity, and defence spending. Germany must advocate for greater integration in order for these to occur, understanding how the war must equip Europe to deal with the evolving nature of security and resilience. These enhance NATO's role.

Eastern Europe is another. Again, as a result of the conflict in Ukraine, Germany's opinion of these nations is shifting. Russia served as a lens through which successive German governments viewed their neighbours in the East. Those times have passed. The attack by Russia on Ukraine exposed the vulnerabilities of Belarus, Georgia, Moldova, Armenia, and other countries where Russian meddling poses a serious threat to national sovereignty and independence (Dempsey, 2023).

The EU may suffer as a result of this meddling, which jeopardises the security and stability of the area. Because of Poland's anti-German Law and Justice government, Scholz's administration needs to collaborate with the Baltic States, the Czech Republic, and Poland far more closely. Berlin will also have the Nordic nations at its disposal to develop trade and security strategies that uphold the sovereignty of the EU's Eastern neighbours. This has nothing to do with maintaining hope for eventual EU membership. Its goal is to fortify these nations' state institutions. This should entail fighting corruption, developing a professional civil service and police force, and supporting an independent judiciary. NATO may expand its role in military training in the interim.

Impact of Ukraine-Russia conflict on Germany's Energy Security

The conflict between Russia and Ukraine caused a shift in Germany's security and energy policy, which resulted in a significant change in approach. As a result, Germany is no closer to achieving its goals related to the generation of energy and the environment.

Changes in Germany's energy policy after Ukraine-Russia conflict

The effect of Ukraine conflict on Germany's Energy security has been mixed in nature. Since the start of the conflict Germany has opened all its cards in order to handle this situation. When the current German government assumed charge, it was determined to slash the dependence on the gas imports from Russia. The Germany has been in unprecedented energy crisis since Russia started crippling natural gas supplies to Europe. The energy gap caused by the energy crisis could cost Germany \$1 trillion; Germany has already set aside € 260 billion to address these challenges. (Sorge & Fokuhl, 2023). This is the time when Germany's energy needs and energy aspirations are clashing with each other.

Germany has invoked its Substitute Power Plant Standby Act and Energy Security Act, which has allowed its government to delay the phase-out of coal use. This is going to help the country in keeping up with the demands for energy even if the Russian gas supply becomes depleted. As a result of the fact that gas is used for the central heating in residential buildings in Germany, the country has begun searching for alternatives to gas-based heating that are powered by electricity because these types of heaters are more energy-efficient. Germany has also begun concentrating on reducing the demand for gas. Germany is currently in the midst of an energy crisis, and the country is working to amend its power laws in order to make room for impromptu power generation within the country. (Geres et al., n.d.).

In order to make up for this shortfall, Germany has postponed the completion of its nuclear power plants' decommissioning and is even turning back to fossil fuels, such as coal, in order to combat the increasing cost of generating electricity. This has become an absolute necessity in light of the fact that rising

energy prices can precipitate an economic collapse. Today, thermal power plants are responsible for the generation of more than a third of Germany's total energy supply.

The shift away from natural gas and towards coal in Germany serves two purposes. First, coal is more cost-effective than importing gas from Russia, and second, there has been an increase in demand for electricity from France, which is experiencing an outage in its nuclear power plants. These backup coal-energy generations can remain operational until 2024 at the earliest. (Fokuhl & Gillespie, 2022).

The percentage of Germany's oil consumption that comes from Russia has dropped from 35 to just 12 percent as a direct result of Germany's significant reduction in its imports from Russia. The European Union had also begun to impose sanctions on oil imports from Russia. It led to an insurance ban being placed on ships that were transporting oil from Russia. It barred Russia from participating in the financial market of Europe. However, only maritime transportation routes have been impacted by it. Germany is currently exploring its options in order to take control of one of the oil refineries in Germany, which is currently controlled by Russia. Germany is home to two oil refineries. In the past, the vast majority of the oil processed in these refineries originated in Russia. Germany has also begun restocking its gas storage facilities. The country recently passed a new law regarding gas storage, which mandates that the reservoirs be filled to an eighty percent capacity. (Stelzenmüller, 2022). Germany has successfully built an LNG terminal and there are many more infrastructure projects are underway. The German struggles started bearing fruit in the early days of 2023, when German finance minister Christian Lindner said that Germany has successfully diversified its energy infrastructure, he admitted that Germany is still dependent on imports, but instead of Russia it is now importing from global markets (BBC, 2023). As European nations gradually wean themselves off of Russian oil and gas, Norway keeps securing its place as the continent's main supplier. From less than 20 percent less than two years ago, the nation's exports to Germany have increased to previously unheard-of proportions, making up 48 percent of the country's petrol imports during the first nine months of 2023 (Humpert, 2023). Belgium and the

Netherlands also helped plug the gap (Eckert & Steitz, 2023). Overall, Germany's natural gas imports were down 12% in 2022 (Reuters, 2023).

Conclusion

The conflict between Russia and Ukraine has had two different effects on the energy security of Germany. First, it compelled Germany to speed up its transition to renewable energy sources and increased its level of self-reliance. However, because not much progress has been made in Germany's transition towards green energy, the country must, for the time being, place a significant amount of its reliance on coal and nuclear energy. Together with the rest of the European Union, Germany is investigating and putting into action any and all potential avenues that will reduce dependence on Russia. Sanctions have also been imposed on Russia by Europe in an effort to further dissuade Russia from continuing its advances in Ukraine, and so far they have been quite successful in doing so, but the challenges still remain.

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