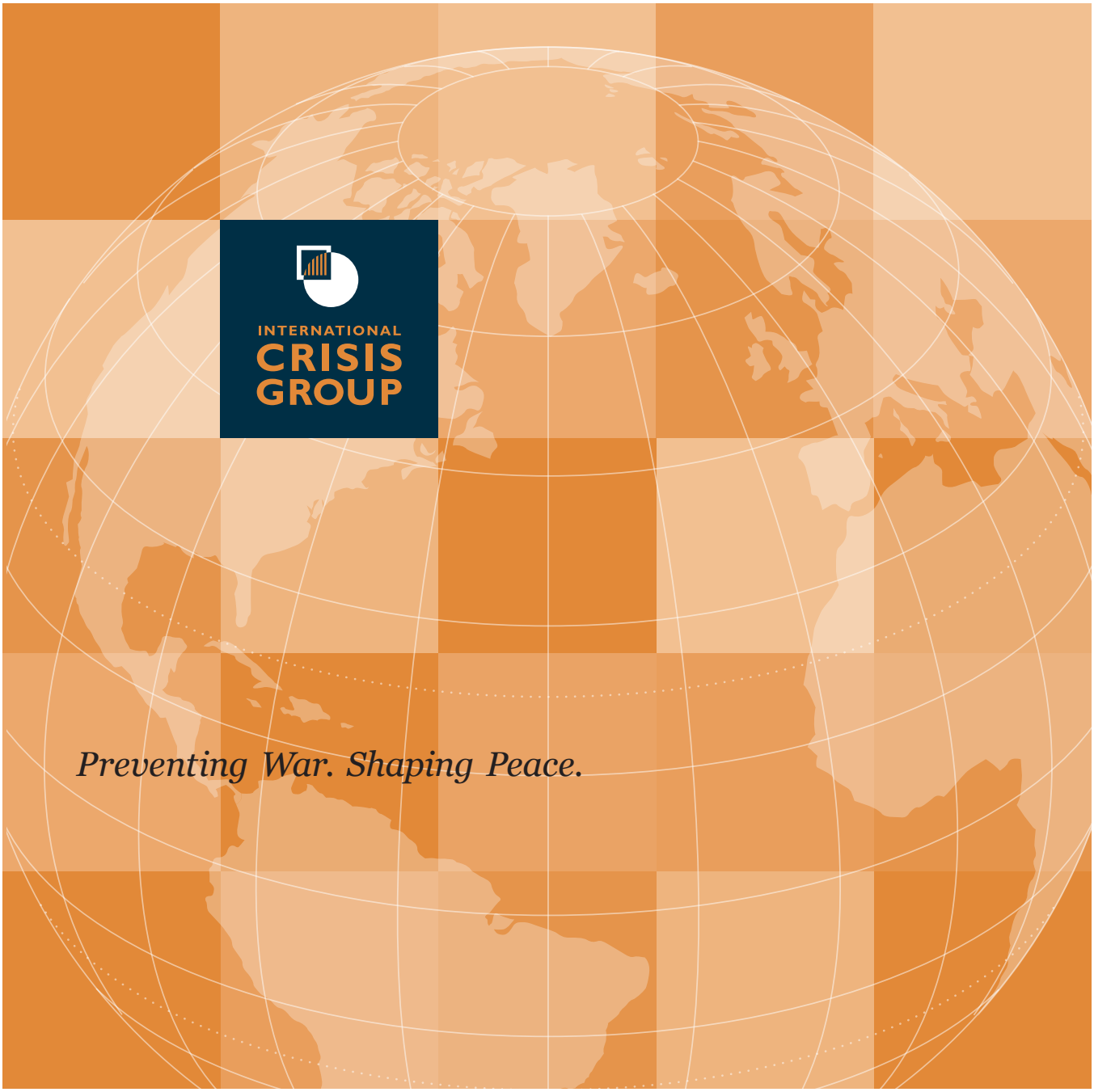
Watch List 2024

Crisis Group's early-warning Watch List identifies ten countries and regions facing deadly conflict or escalation of violence. In these situations, early action, driven or supported by the EU and its member states, could generate stronger prospects for peace. The Watch List 2024 includes a President's Take and detailed conflict analyses on Afghanistan, Egypt, Guatemala, Israel/Palestine, Kosovo/Serbia, Sahel, Somalia, Philippines, Ukraine and Venezuela.



PRESIDENT'S TAKE

By **Comfort Ero** – President & CEO, International Crisis Group

One month into 2024, it is hard to look at the global landscape without some foreboding. The headline conflicts of 2023 rage on in Ukraine, Gaza and Sudan; the Middle East is inching ever closer toward regional conflagration; and little suggests that long-running conflicts from the Sahel to Myanmar are anywhere near abating. The coming year also promises change and uncertainty, with national elections in 64 countries, some of which could have enormous geopolitical consequence. Perhaps foremost among these is the election in the United States, where former President Donald Trump – whose transactional "America First" mindset threatens NATO and other longstanding U.S. alliances – is likely to be the Republican nominee taking on Democratic incumbent Joe Biden.

Europeans will also go to the polls to elect members of the European Parliament and, in some cases, national governments, too. Foreign policy rarely drives European elections, which tend to be determined by economic and other domestic issues. But an uptick in conflict and instability is affecting European core interests and the global economy, including key maritime routes. Even if not foremost on voters' minds, these flashpoints are increasingly dominating headlines in Europe and may well play an outsized role in 2024 polls. As described in the Watch List entries below – as always, a non-exhaustive list of challenges facing the EU and member states – Europe's next crop of leaders will have a difficult hand to play amid more fraught world affairs.

Surging Conflict amid a Peacemaking Crisis

Nowhere are the challenges clearer than on the EU's own eastern flank. Two years after its all-out invasion of Ukraine, Moscow still appears bent on the same goals that prompted its aggression, seeking not just swathes of Ukrainian territory but its neighbour's vassalisation. After Ukraine's much-anticipated counteroffensive failed to drive Russian troops back over the course of 2023, the parties have hunkered down behind lines that, at least for now, seem frozen, while Russia tries to hobble Ukraine's infrastructure and break its will through aerial attacks.

Despite the setbacks, Kyiv is determined to fight. The good news is that Ukraine's Western partners have helped it build up an air defence that so far appears to be holding. The bad news is that U.S. support, which has been crucial in helping Kyiv hold the line against Moscow for nearly two years, could well peter out. In the U.S., Trump is actively working from the campaign trail to undercut congressional support for a new aid package. He has intimated

that he would scale back assistance if elected and force a deal between Kyiv and Moscow.

To Europe's south is the war in Gaza and the growing danger of a wider Middle East confrontation. Following Hamas's brutal 7 October attacks, Israel has launched a devastating military campaign in the strip, seeking to eradicate the group and in the process rendering much of the territory uninhabitable. The human toll has been staggering, and each day brings a graver risk that the Gaza conflict sparks a full-fledged regional war. Houthi rebels are using Palestinian suffering as a pretext to attack global shipping in the waters surrounding Yemen, disrupting global trade, and sending prices of many goods soaring in Europe. Many capitals around the world question why Western powers, so outspoken about Russian abuses in Ukraine, mute their criticism of the catastrophe in Gaza, undermining the EU's advocacy for human rights and civilian protection elsewhere.

Meanwhile, new and resurgent conflicts from the Sahel to the Horn of Africa call into question the impact of years of European stabilisation efforts, and highlight what Crisis Group has elsewhere identified as a wider crisis in peacemaking. War is on the rise, with more leaders seeing they can get away with pursuing their ends militarily. Rarely are today's conflicts ending through negotiated peace deals. Indeed, some – from the civil war in Ethiopia's Tigray region to the conflict in Afghanistan – wind down only when one party has had its way. Partly this trend owes to geopolitics. Greater friction between the U.S. and China, as well as the breakdown of Russia-West relations, have left multilateral diplomacy on life support. More regional powers have themselves got involved in local wars, often making them harder to resolve.

This new reality is perhaps most vividly illustrated in the civil war tearing apart Sudan. (Although not addressed in depth here, that conflict is the subject of a recent Crisis Group statement.) There, regional powers like Egypt and the United Arab Emirates line up behind the warring parties. Disagreements and wavering focus from the two most powerful mediators, the U.S. and Saudi Arabia, was largely to blame for a long suspension of talks. Meanwhile, largely unchecked by international pressure, the paramilitary Rapid Support Forces are threatening to overwhelm the country's east – a situation that could lead Sudan to fragment in the same way that Somalia did in the early 1990s.

The Elections Landscape

Alongside the menacing conflict landscape, major elections across the globe could jeopardise parts of the global security architecture. In 2024, for the first time, national elections will take place in countries inhabited by half the planet's population.

These polls will be spread throughout the year. One potentially consequential vote has already occurred. In Taiwan, the early January victory of Democratic Progressive Party's Lai Ching-te – who Beijing sees as a separatist – could

exacerbate cross-strait tensions and U.S.-China relations. Fortunately, both Washington and Taipei have taken prudent steps to reassure Beijing of their intent to maintain the status quo. As covered in Watch List entries below, in Venezuela, the presidential election due in 2024 offers a chance (if a long shot) at forging a route out of the country's protracted crisis, while in Somalia, in contrast, state-level and local council elections – due in November – could reignite political and clan tensions amid a delicate security transition. EU policymakers will no doubt also be keeping a keen eye on elections in key regional powers, including Pakistan (8 February), Indonesia (14 February), India (between April and May) and South Africa (between May and August).

Closer to home, European Parliament elections in June will set the bloc's broad direction for the next five years, offer insight into the EU's evolving political landscape, and establish who influences nominations for top EU jobs that will shape the bloc's future foreign and security policy. Though the centre right is likely to remain the largest bloc, the elections could further manifest a rightward shift of European politics. Current opinion polls predict that the far right could become the third-largest group in the European Parliament with big wins for populist parties such as those led by Viktor Orbán in Hungary and Marine Le Pen in France. Such parties, which could (depending on their showing) have a bigger hand in selecting EU leadership, are diverse, but tend to be Eurosceptic and oppose stronger EU integration, including in foreign, security and defence policy and enlargement. Many are sceptical about aid to Ukraine.

Presidential and parliamentary elections in nine EU member states, including Finland, Portugal, Slovakia, Lithuania, Belgium, Croatia and Austria, should also serve as an indicator of where Europe is headed. Here, too, there is a growing prospect that the far right makes gains and emerges emboldened, particularly in Austria and Portugal.

Looming over all these contests, however, is the U.S. presidential vote, which looks likely to involve a rematch between President Biden and his predecessor Trump. As the effective Republican party leader and its presumptive nominee, Trump already shapes Republican foreign policy debates including over legislation that would impose new immigration restrictions and appropriate funds to assist Ukraine. He also calls into question U.S. support for NATO, willingness to defend Taiwan and commitment to treaty allies in the Asia-Pacific.

The threat Trump poses to the decades-old transatlantic partnership is double-barrelled. First, in the area of peace and security, Trump's transactional approach, coupled with his view of U.S. allies as free riders, could well augur a series of tense negotiations in which Washington seeks financial and political concessions in return for protection. Some demands may be more than what U.S. allies are prepared to stomach. Even where deals are reached, adversaries may question how committed the U.S. is to standing behind its allies, sensing that its loyalty is for sale. Secondly, in the area of values, Trump's disdain for democratic norms – he still denies that Biden won the 2020 election, shows open contempt for the judicial processes in which he is ensnared and professes admiration for strongmen like Russian President Vladimir Putin – would pose

a perhaps insurmountable obstacle to imperfect but important cooperation in the service of civil and political rights around the world.

European policymakers for now seem likely to hold their breath and hope for a Biden victory. Opinion polls suggest the candidates are closely matched, and Trump, who carries significant legal and political baggage and lost his last contest with Biden, could well lose again. Still, the more prudent course today would entail some forward planning. For example, given that many European leaders see Russian aggression in Ukraine as an existential threat, they should prepare to help Kyiv hold the line, and deter Moscow for the long term, with or without U.S. backing. That implies stepped up defence production and probably also larger militaries. While NATO members have made commitments to this effect, actual investments have lagged.

While the path forward on other issues may be less clear-cut, surging crises and conflict around the world present Europeans a sober reality. The multilateral institutions that for decades have contributed to international peace and security are barely muddling through, while the trans-Atlantic partnership on which Europe security depends does not provide a sufficiently reliable breakwall. Over the coming year, the continent's leaders will have to consider how to compensate – tailoring their goals to what they can achieve and making investments in their own defence and in conflict resolution and peacemaking that will continue to serve European interests in an ever more dangerous world.

AFRICA

Reorienting Europe's Approach in the Sahel

Each of three countries of the central Sahel – Burkina Faso, Mali and Niger – has seen major upheaval in the years since 2021, bringing the region into a new chapter. Army officers in all three have seized power through bloodless coups, alienating France, the states' chief foreign patron, and forging links among one another to better resist external pressure. These regimes, bent on, as they see it, restoring sovereignty over all their territory and doubling down on operations against jihadist militants that have bedevilled the Sahel in recent decades, are channelling scant resources to military campaigns at the expense of delivering basic public services. In the rural areas where most fighting takes place, residents are increasingly exposed to abuses, whether at the hands of government troops, jihadists or other armed groups. At the same time, the French troops that were battling militants alongside Sahelian armies have departed, as have UN peacekeepers. Wagner Group mercenaries have deployed in Mali, while Russia has reinforced its security ties with the authorities in Niger and Burkina Faso, adding a patina of geopolitical competition to the picture. The European Union, which maintains its relations with the central Sahelian states, has a dilemma: the juntas are far from ideal partners, but they are likely to remain their main interlocutors for the foreseeable future. Europe needs a thorough overhaul of its regional strategy.

To that end, the EU and its member states should:

- Limit security cooperation to keeping military-to-military channels open while urging the Sahel's new authorities to explore non-military solutions to insecurity, including dialogue with disaffected communities and groups.
- Reorient their policies toward the long term in three domains: 1) strengthening the capacity of governments to provide basic services, notably in education and health; 2) supporting local efforts to create fairer and more equitable societies, particularly for women and politically underrepresented groups; and 3) combating the impact of climate change.
- Press for initiatives to protect vulnerable civilians such as the displaced and those who have suffered the most from deadly violence.
- Consider linking long-term investment with a requirement that partner governments pursue counter-insurgency strategies that show a minimum of respect for human rights.

A Single-minded Military Approach

The military regimes that seized power in Mali (2021), Burkina Faso (2022) and Niger (2023) have turned their backs on France, the former colonial power which until recently was the driving force of international efforts to fight jihadists in the Sahel. They have also dismissed the multi-dimensional approaches – based on security, development and governance – promoted, at least in principle, by Western partners and the UN. All three have stepped up military operations against jihadists – and, in Mali, against non-jihadist former rebel groups that signed a 2015 peace deal with Bamako. They are courting new security partners, Russia in particular. Egged on by Mali, which contracted with the Wagner Group, a Kremlin-linked outfit, in 2021, Burkina Faso and Niger are now strengthening links to Russia.

Although the departure of Western and UN forces has not brought about the state collapse that some observers had anticipated, the three countries' new defence policies have yet to translate into security gains. The recapture of Kidal, in northern Mali, from rebels in November 2023 by the Malian army and its Russian backers lent credence to the authorities' talk that their forces are gaining ground. But insecurity remains rampant across the region. Mass killings occur with alarming frequency in the countryside, with photographs of dead women and children appearing regularly on social media. According to the Armed Conflict Location & Event Data Project, 2023 was the region's deadliest year since militants first overran northern Mali in 2012. All the warring parties, including the national armies, have attacked civilians. In Burkina Faso, jihadists have laid siege to several towns, slowly starving residents who are unable to work their fields. The UN refugee agency puts the number of displaced persons at a record 2.7 million, the bulk in Burkina Faso, where jihadists allegedly control over 40 per cent of the territory. Military regimes are not the only ones to blame for this situation, but their determination to wage brutal warfare contributes to worsening violence against civilians.

The new regimes' single-minded military orientation has cemented ties among the new authorities in Mali, Burkina Faso and Niger. In September 2023, the three countries launched the Alliance of Sahel States, partly in response to a threat by the Economic Community of West African States (ECOWAS) to reverse the previous month's coup in Niger. The Alliance was conceived primarily as a mutual defence arrangement, but the officers are already mulling a political and even monetary union. Though ECOWAS is considering softening the sanctions it imposed on Niger after the junta seized power there, animosity toward the regional bloc, which continues to press for a return to constitutional rule in all three countries, remains high.

The EU's Bind

Despite their hostility toward France, junta leaders thus far have stopped short of openly antagonising the EU itself. They are still open to diplomatic relations with European countries, and they still receive humanitarian and development aid from Western countries, but they are ready to reject this assistance if they dislike the conditions. In Burkina Faso, they have also submitted requests for military equipment such as automatic rifles to the EU. At the same time, the officers are well aware that other foreign powers – Russia in particular but also China, Iran and Türkiye – see opportunities in the Sahel. Their stance toward the EU is hardening as a result. In November 2023, Niger's generals repealed a law – viewed by the EU as a landmark measure – that had been instrumental in curbing migration to Europe from Africa. The following month, Niamey terminated its security and defence agreements with the EU.

The EU is in a bind. Member states are discussing where to go from here, including at an EU foreign ministers' meeting coming up on 19 February. Paris hopes to isolate the new regimes until they become more conciliatory with their former allies and agree to reinstate some form of democratic rule. France's ouster from the central Sahel has deprived European security cooperation there of its centre of gravity. EU states, divided over how to deal with the new circumstances, may now see the mechanisms through which the bloc has channelled its money and efforts dismantled. One such mechanism is the G5 Sahel, a coalition of five Sahelian countries that was to enhance border patrols and coordinate development policies. After Burkina Faso and Niger pulled out in late 2023 – Mali had already quit the previous year – remaining members Chad and Mauritania suggested they would accept the alliance's dissolution.

Looking ahead, the EU will struggle to compete with security partners like Wagner, Russia and even Türkiye, whose industries supply arms that Sahelian capitals deem suited to their needs and means. The EU has sought to adapt its security offer, notably through the European Peace Facility, which provides military equipment, among other things. Niger was to be the first Sahelian country to benefit from this instrument until the coup halted these discussions. The EU's military missions on the ground have also lost their purpose. The EU has suspended its training mission in Mali given Russia's growing presence. After the coup in Niamey, the EU likewise placed the Military Partnership Mission Niger on hold, and later in the year the new authorities withdrew consent for its deployment, thus putting an end to it.

France aside, almost all EU member states want to stay engaged diplomatically in the central Sahel. But their strategy for the Sahel, defined in the previous decade, is no longer appropriate, and they are struggling to adjust it to changed circumstances. Most members states are ready to engage with imperfect democracies, and even with leaders drawing closer to Moscow, but they have a red line: they refuse to support regimes if they prove too repressive and commit massacres. Some EU member states, are leaning toward drastically scaling back ties with Sahelian regimes, partly because the conflicts in Ukraine and

the Middle East are higher priorities. Others want to continue supporting civil society and spending on development and humanitarian aid as part of efforts to curb irregular migration to Europe. Still others want to jostle with the new non-Western security partners for influence in the region. They advocate maintaining state-to-state links, including in the security field, even if they want to define red lines such as violence against civilians or deals with Wagner.

Redrawing the EU's Policy Lines in the Sahel

In her State of the Union speech in September 2023, European Commission President Ursula von der Leyen floated a plan to work with EU High Representative Josep Borrell on a new European strategic approach for Africa, which would focus on cooperation with legitimate governments and regional organisations. But in the Sahel, this call comes at a time when the EU seems to be losing momentum in attempts to affect regional developments. Although in a difficult situation, the EU is not condemned to play a marginal role watching the region further plunging into chaos. An in-depth review of its Sahel strategy could set a new course, restore coherence to its actions and regain its dwindling influence in the central Sahel.

All this requires that member states set aside, as best possible, their differences on their approach to the new authorities in the Sahel. Each member state is entitled to articulate its own priorities. But the EU remains a forum in which member states can and should make compromises to preserve their common interests, notably that of a strategic union that offers an attractive governance model and is a credible partner in the eyes of the world. To this end, member states must agree to a common, pragmatic course in the Sahel. France is going through a difficult ordeal in the region. Paris is right to take the time to reconsider the ties it wants to maintain with Sahelian states. At the same time, it should not stand in the way of European member states willing to maintain Europe's commitment to the central Sahel, which would be better for France than opening even more space for its most serious rivals to consolidate their influence in the region. As the EU is recalibrating its policy in the Sahel, the EU should therefore consider an approach along the following lines:

First, the EU should tamp down its security focus, which has been front and centre of previous policies aimed at combating jihadist groups and stemming migration. Conditions no longer allow for cooperation with military regimes, given their partnerships with Wagner that are incompatible with EU norms and/or given the conduct of military operations that are turning increasingly abusive toward their own citizens. Security cooperation remains possible, but ambitions should be limited to promoting military-to-military contacts and pressing the governments to protect civilians and explore non-military solutions to insecurity, including through dialogue with disaffected communities and groups.

Secondly, and more importantly, the EU should develop a new narrative for its regional ambitions by shifting its focus from immediate security issues to structural causes of Sahelian crises. One task is to combat the effects of climate

change, which has had a particularly severe impact on the region and fuelled in subtle ways violent competition over resources. Another is to strengthen governments' capacity to respond to the needs of populations that are among the world's youngest, but also poorest, especially in education and health. The EU has long invested in these domains, but in recent years, its actions had been too tightly subordinated to consolidating immediate security gains in vulnerable regions with very limited and often unsustainable impact. Improving governance and delivery of public services requires a longer-term approach. Lastly, the EU should support efforts of vulnerable civil society groups striving to create fairer and more equitable societies, particularly for women and politically repressed groups.

Reorienting the EU's action toward these long-term issues must, however, surmount several major challenges. Investing in long-term issues is hard enough, but doing so with governments less inclined to cooperate with the EU makes it even harder. There is no easy answer to this conundrum, but the Union has tools at its disposal. The EU and its member states should maintain their diplomatic and operational ties with the Sahelian governments and remind them that nationalist rhetoric and security-oriented policies are insufficient to stabilise states. Europeans especially need to urge Sahelian authorities to improve basic service delivery (something the EU had rightly identified as one of the root causes of conflict in the past) and offer continued funding for these efforts. But they should do so in a more transactional fashion, linking EU long-term investment to an obligation for partner states to ensure that counter-insurgency policies comply with a minimum of respect for fundamental human rights. Since the EU retains an undeniable advantage over the Sahelian states' authorities, whose finances are limited, it should use this leverage to work toward ending the spiral of deadly violence the populations suffer from, including at the hands of government actors.

"The Sahel is a test for the EU", High Representative Borrell declared in September 2023, referring to the need for member states to restore the community's solidarity and capacity for joint action. The region is also – perhaps above all – testing the EU's ability to strike a better balance between short-term approach of security with longer-term policies adapted to structural challenges.

Somalia: Making the Most of the EU-Somalia Joint Roadmap

The Somali government has a crucial year ahead in 2024. Its offensive against Al-Shabaab, the Islamist insurgency besetting the country since 2007, has sputtered since making important gains in the second half of 2022. The government promises to "eliminate" the group by year's end, but the goal seems beyond reach. For one thing, Mogadishu will likely soon have less help: the AU Transition Mission in Somalia (ATMIS) that augments its campaign is to wind down in December, and discussions about a multilateral follow-on force are

just getting started. The prospect of state-level elections has already reignited political and clan tensions. Additionally, as part of its plan to complete a provisional constitution, the government seeks wide-ranging changes to the electoral code ahead of national elections slated for 2026. Opposition groups eye these reforms warily, arguing that the government aims to use them to retain power.

The state also faces other old and new challenges. The humanitarian situation remains precarious, with climate stresses adding to the burden placed on long-suffering Somalis by the country's decades-long conflicts. Meanwhile, an unexpected new crisis arose at the new year, when neighbouring Ethiopia said it had agreed with Somaliland – whose 1991 proclamation of independence Mogadishu rejects – to lease a parcel of land on the Gulf of Aden.

The EU and its member states can help address Somalia's challenges by:

- Remaining engaged in discussions about forming a new AU-led multilateral mission to succeed ATMIS and detailing the conditions under which they could provide funding in the absence of other sources, even as Brussels increases its support for building the capacity of Somali forces;
- Urging the Somali government to undertake broader reconciliation efforts including by focusing on grassroots convenings within a framework that can endure from one administration to the next;
- Pressing Mogadishu for a long-term approach to tackling Al-Shabaab that goes beyond military measures. To this end, they should indicate their support for exploring the prospect of eventual dialogue with the insurgents;
- Working to contain tensions related to the Ethiopia-Somaliland agreement, including by facilitating back-channel diplomacy between Addis Ababa and Mogadishu;
- Making clear the importance of Mogadishu sticking to the EU-Somalia Joint Operational Roadmap adopted in May 2023. Depending on how the security situation evolves, Brussels could reward progress with additional (technical, financial and other) support or reduce assistance if progress stalls.

A Struggling War Effort amid Other Challenges

As 2024 approached, Somalia was on a streak of big wins on the international stage. In the last quarter of 2023, Mogadishu persuaded the UN Security Council to lift an arms embargo that had been in place since 1992. The country completed a debt relief program backed by the International Monetary Fund, reducing its external debt from 64 per cent of GDP at the end of 2018 to about 6 per cent at the start of 2024. The East African Community admitted Somalia as its eighth member, marking the start of an integration process aimed at reducing economic barriers and deepening trade opportunities, including eventual visa-free travel.

Then, on 1 January, came a thunderbolt. Addis Ababa announced that it had struck a deal with neighbouring Somaliland to give landlocked Ethiopia access to a 20km stretch of coastline, reportedly to establish a naval facility. The revelation rattled Mogadishu – which views itself and not Hargeisa as sovereign in Somaliland and by all appearances was not included in the negotiations – and set off a furor among Somalis who saw it as an insult to national dignity. The degree of popular discontent is likely to mean that President Hassan Sheikh Mohamud's administration will spend precious time in 2024 addressing the fallout.

But President Mohamud, who took office after a protracted electoral process in May 2022, will nonetheless need to dedicate significant effort to handling domestic priorities. There, the picture is decidedly gloomier than in foreign policy. The offensive against Al-Shabaab has tapered off after initial advances, which loosened the insurgents' grip on swathes of central Somalia. A key element of the government's strategy was to tap into clan resentment of the group, and partner with *macawisley*, or clan militias, to take the war to Al-Shabaab's rural strongholds. By early 2023, however, Al-Shabaab had adjusted, turning to guerrilla tactics. Its fighters withdrew from population centres, returning later to attack over-exposed government forces. Mogadishu had difficulty supplying the front, and its new recruits lack battle experience. At the same time, Al-Shabaab reached out to clans to dissuade them from allying with the government.

Thus, a campaign Mogadishu billed as striking a death blow to the insurgency is now largely stalled. The Somali government has managed to hold most ground it seized, but in areas such as southern Galmudug, Al-Shabaab has pushed it back. Even in towns and villages authorities recovered from the insurgency, the government is struggling to consolidate its gains. Stabilisation efforts to provide basic services and oversee reconciliation dialogue have been slow. The overstretched authorities have also been unable to deploy enough police and local military-police known as Darwish to provide security. Nonetheless, the government says it hopes to clear the remainder of central Somalia before turning its attention to a second phase of the offensive in the south. Given the problems to date, uprooting Al-Shabaab from its heartlands in the south will be a formidable task indeed.

A major challenge is that the international forces who have been battling Al-Shabaab alongside the national army are packing up just as Somalia is ramping up its campaign. ATMIS is scheduled to send home the remainder of its 14,000-odd forces by the end of 2024 (two phases of the drawdown have already occurred). Yet few expect Somali forces to be ready to take over from the mission – which plays a big role in holding urban areas and thus freeing the army to stage offensives – when it departs. The government, bullish at first about its capacity to fill the gap the mission will leave, now admits that the timeline is ambitious. At a December 2023 conference, it proposed that the African Union (AU) lead a successor to ATMIS, focused on securing key towns and infrastructure as well as giving air and ground logistical support to local forces.

The conversation about a follow-on mission is embryonic, however. The Somali plan provides a framework for discussion, but many details, including

the force's size, composition and duration, still need to be worked out. A key missing piece relates to funding. ATMIS and its predecessor the African Union Mission in Somalia relied heavily on the EU, which paid the troops' stipends. Yet the EU has long sought to reduce its financial contribution. It is reluctant to be on the hook again for a follow-on mission – although differences of opinion exist among member states.

The hesitancy about open-ended subventions owes to several factors. First, some in the EU feel its funding, much of which flows to the troop-contributing countries for the stipends, has supported only a short-term solution when the main task is to build up Somali forces. Secondly, although ATMIS has deferred to Somali forces for the conduct of offensive operations, some member states complain that it should engage in more combat itself. They view ATMIS as expensive, given its limited role, though it is cheaper than a typical UN peacekeeping operation. Thirdly, some in Brussels resent the lack of burden sharing, especially as other international partners present in Somalia grouse about adverse ramifications whenever the EU wishes to trim its contributions but offer few options of their own.

The search for alternative sources of funding for a follow-on mission remains arduous. The UN and AU struck a framework agreement in late 2023, by which the global body is to fund up to 75 per cent of certain AU-led peace operations. Political will exists in Mogadishu, as well as at UN and AU headquarters, to test this approach for a follow-on mission in Somalia, according to diplomats, although much work lies ahead at the technical level to align AU troop management procedures with those of the UN. The AU and Somali government have also looked to non-traditional donors – such as China, Gulf states and Türkiye – to fill the gaps, but none have stepped up to the plate.

Tackling Al-Shabaab is only part of the equation in bringing peace to Somalia, however. Deep-seated tensions related to competition for power and resources among Somali elites continue to foment instability. Such divisions, at the national level between the federal government and federal member states, and within the states themselves, are rooted in longstanding grievances, underpinned by the lack of a comprehensive political settlement in the country. They often fuel conflict in the run-up to elections, which many view as manipulated to favour incumbents.

The next round of state-level elections threatens to restart this dynamic. Due in November, these will be held concurrently for the first time, in a bid to align the timetables (aside from semi-autonomous Puntland in the north, which staged its vote in line with its previous electoral calendar in early January). The modality for the elections, ranging from the persistent but unachieved goal of universal suffrage to the more familiar (and thus realistic) indirect model of clan delegates picking winners, remains unclear. Political tensions in many member states are mounting, amid complaints that the elections have already been delayed several times. If these votes are not handled in an open, inclusive and transparent manner, or if Mogadishu tries to intervene in state-level affairs by backing candidates, the tensions could further fracture some member states.

Splits over the next elections at the national level are also zooming into view. President Mohamud seeks to push through parliament an electoral model that adopts universal suffrage in 2026, including with a direct vote for the presidency. This change would in effect shift Somalia away from a parliamentary system of governance. The proposal would also limit the playing field to two political parties, ostensibly to discourage formation of clan-based parties. These ideas are already facing significant pushback in parliament and among the political opposition.

The relationship between the federal government and federal member states has improved under Mohamud, but it remains a work in progress. Mohamud convenes the National Consultative Council for regular, though still ad hoc, meetings between federal and member state leaders. But member state Puntland, accusing Mogadishu of seeking to concentrate power, has boycotted the Council for the past year, putting it under a cloud. The conclusion of Puntland's elections, which took place in early January, provides an opening for the two sides to turn the page, even though the incumbent retained power.

Finally, the humanitarian situation in Somalia remains dire, with vulnerable groups, including women, bearing the brunt of it. While 2024 might not bring the severe shocks of previous years – including five consecutive failed rainy seasons followed by excessive rainfall and flooding amid an El-Nino-influenced rainy season in late 2023 – the compound effect of previous crises remains while climate change gathers speed.

What the EU and Its Member States Can Do

The EU has consistently been one of Somalia's major partners. Brussels has invested €4.3 billion in the country since 2007, focusing on security. This amount includes the aforementioned troop stipends for ATMIS and its predecessor, to the tune of €2.6 billion in that period. Relations between Brussels and Mogadishu have warmed since Mohamud returned to the presidency in May 2022 (he previously held the office between 2012 and 2017), after a chill during the tenure of Mohamed Abdullahi Mohamed "Farmajo" (2017-2022). The EU was notably one of the first outside actors to issue a statement calling for respect of Somalia's territorial sovereignty following the Ethiopia-Somaliland port access announcement.

A roadmap the EU and Somalia adopted in May 2023 provides a framework for the EU-Somalia partnership through 2025. At its core, it brings the various EU instruments and member states under a single framework with the Somali government to detail joint priorities. The roadmap outlines three areas of partnership: inclusive politics and democratisation; security and stabilisation; and socio-economic development. Completing the transition from ATMIS to Somali security forces by December is one of the listed milestones.

The joint roadmap will have little chance of success if the security situation in Somalia deteriorates precipitously. It will thus be important for international

forces to be in Somalia past 2024, in line with the Somali government's new request. If the UN assessed contributions, the prospect of which is uncertain, do not come to pass, continued EU financing will likely be required. Despite understandable fatigue in Brussels after a decade and a half of support, the EU should prepare itself for a contingency plan by coming to a common position on the issue of continued funding as soon as practicable. The EU should make clear under what conditions it could offer aid to a new mission, such as the level of cost sharing it would want to see from others or the components of the mission it would be comfortable funding. Doing so earlier rather than later would provide a degree of clarity while other sources of financing, in particular from the UN, are explored.

The EU can also help plug holes in the Somali security sector and address concerns that too much of its support goes to non-Somali troops. Channelling additional funds via the European Peace Facility could help improve Somali forces, particularly in equipment, logistics and training. The European Union Training Mission could consider how it can provide more mentoring for the soldiers it trains. The European Union Capacity Building Mission could also enhance its training programs for police, and even extend them to Darwish (state-level military police) personnel, to help Somali authorities hold areas vacated by Al-Shabaab but where the army lacks the personnel to leave garrisons.

Brussels should also support steps to address the national and local-level grievances and disputes that undergird conflict in Somalia. The EU should press the Somali government to consider initiating a comprehensive reconciliation project that both moves beyond narrow, elite-driven politics and endures from one presidential administration to the next. A component would be grassroots conferences to discuss local expectations of how governance should function in Somalia, including in areas recovered from Al-Shabaab. Participants should be representative of local populations, including women and other vulnerable groups. This bottom-up approach has the most promise as a method to durably support finalising the provisional constitution. Closed-door consultations among rivalrous politicians are unlikely to yield a compact with broad buy-in.

The EU should also support a long-term approach to fighting Al-Shabaab, shifting from the short-term objectives President Mohamud has pursued to date. The government's military-first approach is understandable, but most in Somalia and beyond understand that, as Crisis Group and others have argued, Al-Shabaab will not be defeated by military means alone. The EU should press Mogadishu to focus more on stabilisation in recovered areas to prove that it can govern them better than Al-Shabaab. The EU should also privately signal it would back a federal effort to consider dialogue with the insurgency, if Mogadishu decides to pursue that path.

The EU can also help tamp down acrimony resulting from the Ethiopian agreement with Somaliland, continuing the proactive stance it has taken through its collective institutions to date. Its actions have included discussions between President Mohamud and EU High Representative Josep Borrell and regional engagement by the EU's special envoy to the Horn of Africa, Annette Weber.

The deal has inflamed tensions at a delicate time in the Horn. While the risk of immediate conflict is low and Mohamud is treading a fine line to address the issue diplomatically, the EU can use its ties with Addis Ababa, Hargeisa and Mogadishu to promote back-channel discussions aimed at lowering the volume.

Finally, Brussels should make sure to follow up on implementation of the joint roadmap. On top of regular assessments of progress, it could make adjustments in the absence thereof, which in turn could include evaluating the level of technical or financial support it reserves for Somalia. Whether to go down this route will of course have to be evaluated in light of prevailing circumstances, including with respect to the security situation. But too often in Somalia, new administrations offer lofty promises but succumb to inertia and political infighting with an eye to the next election. The Somali-EU roadmap provides a framework for keeping matters on track, and 2024 will offer an important opportunity to test the approach.

ASIA

Toward a Self-sufficient Afghanistan

Afghanistan sank deeper into isolation in 2023 as Western donors slashed aid budgets, partly in revulsion at the Taliban regime's oppression of women and girls, while maintaining sanctions and other forms of economic pressure. The country's biggest trading partner, Pakistan, put up commercial barriers as Islamabad turned against its former Taliban protégés in a dispute over anti-Pakistan militants becoming more violent in the borderlands. It also joined Iran in kicking out hundreds of thousands of Afghan refugees, sending them back to impoverished Afghanistan. Left with little help, the Taliban pushed ahead with self-financed infrastructure projects, took stern anti-corruption measures, stabilised the national currency and enhanced customs revenues. Along with what foreign assistance remains, these policies staved off economic disaster and mitigated the country's humanitarian crisis, but the tenuous equilibrium is unlikely to hold much longer. The most vulnerable groups, especially women and girls, face serious risks on account of much of the outside world refusing to engage with the Taliban government. The Taliban bear most of the blame for their pariah status, having rebuffed foreign entreaties to ease their draconian restrictions on the rights of girls and women. But the regime in Kabul seems unlikely to give in to these demands in exchange for more aid, let alone to collapse under the weight of outside opprobrium. Meanwhile, the poorest Afghans are the ones shouldering the burdens imposed by the West as donors shy away from supporting the steps necessary for Afghanistan to become self-sufficient.

The European Union and its member states can help address these urgent challenges by:

- Reversing aid cuts. In 2023, European donors sent Afghanistan half the humanitarian assistance they had given in 2022, forcing aid organisations to drastically cut down the number of beneficiaries. The EU and its member states should up their support for the 2024 UN appeal to help the country recover from war, drought, floods and earthquakes and cope with the mass repatriation of Afghans by neighbouring countries.
- Answering the call in the UN's independent review, released in late 2023, for more international cooperation with the Taliban. Mandated by the UN Security Council, the study concluded that maintaining the status quo will likely have "dire consequences". The EU should heed the warning, pivoting from short-term aid to long-term development assistance; rehabilitating the central bank; and helping Afghanistan restore regular transit and trade with the world.

- Providing assistance to Afghan women and girls more effectively and sustainably. Though it may seem counterintuitive, the most principled response to the Taliban's discriminatory policies, which deprive women and girls of many basic rights, is to work with the regime – at least to some extent and with considerable caution – as the government remains the most efficient, most durable means of delivering services to the largest number of Afghans. Many cannot be reached any other way.
- Opening doors to the most vulnerable Afghans for safe emigration. EU states agreed on common procedures for screening asylum seekers in 2023; these should now be extended to address the claims of the people most at risk inside Afghanistan – women, ethnic minorities and dissidents – before they undertake the dangerous journey to Europe.

Deeper Isolation, More Fragility

More than two years after the Taliban swept back to power, Afghanistan remains mired in a humanitarian disaster. In October 2023, the UN estimated that 13.1 million Afghans, or 29 per cent of the population, were facing high levels of food insecurity. That represents an improvement from a year earlier (41 per cent) but the situation remains dire – especially for women and girls, who often suffer the worst effects of hunger. With overlapping crises on the horizon, the UN predicts that the proportion of Afghans falling into the worst categories of food deprivation will rise to 36 per cent in the coming year.

On the other hand, the country has not been so peaceful for decades. The Taliban have established greater control over the country than anyone has managed since the late 1970s. Violence subsided over the last two years as the Taliban suppressed small insurgencies: the local branch of the Islamic State, whose attacks occurred mostly in the eastern provinces; and anti-Taliban political factions concentrated in the north. The improved security allows aid workers to travel farther afield than ever before and trade to flow more smoothly. Parents also report fewer safety concerns about sending children to school. Enrolments climbed – overall (and for girls, despite the bans on secondary education, as the proportion of Afghan girls in primary classes increased from 36 to 60 per cent).

Yet the downsides of the Taliban's strict regime are readily apparent. The new authorities refuse to revisit the bans they imposed in 2022 on girls attending high school and university, leaving girls who wish to continue their studies beyond primary school with few options to do so. Nor do the Taliban seem open to discussing their schooling bans and other regressive policies with international envoys, despite a series of overtures by UN officials and foreign diplomats.

The Taliban's refusal to compromise has blocked, at least for now, the most promising avenues toward breaking the isolation that has hobbled Afghanistan's post-war recovery. Partly due to their own intransigence, the Taliban remain under sanctions, the state's foreign reserves are frozen in overseas accounts and Afghan businesses have trouble making transactions with counterparts

abroad. The Taliban have little prospect of taking Afghanistan's seat at the UN any time soon.

Cut off from global financial systems, the Taliban have still managed to pay civil servants, cover the costs of imported electricity and scrape together funds for rudimentary work on dams, canals and other infrastructure. The regime has cleaned up corruption at customs points, resulting in higher overall revenues than under previous governments. Much of the growth, however, depended on coal exports to Pakistan, which fell off in the second half of 2023 as tensions grew along the disputed border.

Islamabad accuses Kabul of harbouring the Tehreek-e-Taliban Pakistan (TTP), also known as the Pakistani Taliban, a militant group that swears allegiance to the Taliban. The Taliban deny hosting Pakistan's enemies, but the growing pace of TTP attacks close to the border triggered increasingly sharp protests from Islamabad. Pakistan's campaign to spur the Taliban to tougher action against the TTP escalated in November 2023, when Islamabad started carrying out mass deportation of Afghans to put further pressure on Kabul. Hundreds of thousands of people have been forced into Afghanistan, many of them homeless and destitute. The Taliban responded by arresting dozens of suspected TTP militants, but by themselves such gestures are unlikely to appease Islamabad, especially if the number of TTP attacks keeps rising.

The humanitarian crisis sparked by large numbers of returnees represented the latest challenge in meeting the basic needs of Afghans in 2023. Pakistan is not the only country pushing out Afghans; Iran also expelled more than 600,000 people in 2023. Stagnant economic growth already spelled trouble for a fast-growing population, with an estimated 500,000 new job seekers annually, but the sudden influx of returnees, many of whom have been abroad for years, will make matters worse. Agriculture, the country's largest source of employment, has suffered from spells of drought and floods that have worsened in recent years as a result of climate change. Farmers also lost income after the Taliban banned the cultivation of plants used to make narcotics, particularly opium poppy, without providing alternative employment for rural labourers. Thousands of people were displaced by recent earthquakes.

A Roadmap to Stability

At $3 billion, the 2024 UN humanitarian plan for Afghanistan is among the largest in the world, surpassed only by those for Syria ($4.4 billion) and Ukraine ($3.1 billion). Judging by the trends in 2023, however, pledges for Afghanistan seem likely to be disappointing in the coming year. Faced with competing priorities in allocating funds (Ukraine, Gaza) and frustrated by the Taliban's intransigence on girls' and women's rights, European donors, in particular, have been pulling back from the country, giving about half as much ($457 million) bilateral and multilateral humanitarian aid in 2023 as in the previous year ($975 million). Aid workers in Kabul complain that donors seek leverage over the Taliban by

withholding assistance, contravening the humanitarian principle that aid not be held hostage to political considerations. The EU and its member states should generously contribute to the 2024 UN appeal for emergency aid and, in the long term, shift to different funding mechanisms to wean the country off humanitarian aid, which by definition is not a solution to the country's crisis. Greater stability in Afghanistan would serve European security interests, as the vast human suffering in the country today increases the risks of militancy and mass economic migration.

A roadmap to Afghan self-sufficiency exists, but it needs better backing from European states and other major donors. In November, the UN Security Council received the much-anticipated report on international engagement with Afghanistan requested via Resolution 2679 (2023). Led by Special Coordinator Feridun Sinirlioğlu, a former Turkish foreign minister, the review assessed international engagement with Afghanistan and offered practical ways of breaking the impasse with the Taliban. The Council welcomed the report in December and encouraged all concerned to consider its ideas. The coming months will be crucial for getting these adopted.

The Taliban are sceptical of the report's proposed path toward legitimacy inasmuch as it requires them to accept international norms on such things as the rights of women and minorities. Still, the report sets out pragmatic steps that European and other international actors should take – even if negotiations on the above issues with the Taliban remain moribund – for the sake of millions of lives and livelihoods in the country. This tack would not entail recognising the Taliban government. But it would mean easing restrictions on development and technical assistance to Taliban-controlled state institutions on topics such as public health; demining; counter-terrorism and security cooperation; agriculture and water management; and adaptation to climate change. The report also calls for restoring international financing for infrastructure projects started before 2021, and now nearly finished, and suggests that outside powers support rehabilitating Afghanistan's central bank. Sinirlioğlu also recommends that more embassies in Kabul reopen, gradually resuming diplomatic engagement.

The European Union hosted consultations for the UN review, and EU institutions are leaders among donors in several ways raised in the report: for example, the EU maintains a well-regarded diplomatic mission in Kabul even as most other Western embassies remain shuttered. As the report concludes, however, much more work is necessary to restore basic connections between Afghanistan and the outside world – and it should go on regardless of the political differences that are likely to persist between Kabul and foreign capitals. Afghans must be allowed to feed themselves, rather than depending on a dwindling supply of aid.

Helping the country achieve self-sufficiency will help Afghan women and girls. Some European donors, as part of a "principled approach" that EU member states reaffirmed in March 2023, are trimming aid to send a message to the regime that its discriminatory policies are unacceptable. But though such gestures often reflect sincere beliefs among policymakers, they are counterproductive. First, the aid cuts worsen the humanitarian crisis, and plenty of empirical

evidence shows that women and girls are disproportionately harmed in such emergencies, a pattern that is only more apparent in Afghanistan. Secondly, isolating the regime to protest its discriminatory policies has no coercive effect on the Taliban; on the contrary, their supporters seem thrilled that the regime is holding firm against the Western states that invaded their country. Finally, enshrining as the first "principle" that the Taliban get not a single euro means handcuffing the aid workers and development professionals whose own principles tend to put higher value on human life and avoiding poverty and disease.

Along with statements backing gender equality, European donors should offer more effective and sustainable development assistance that would better the lives of all Afghans, including women and girls. Doing so inevitably requires working with the de facto authorities to some extent. For example, the Ministry of Education remains the only entity offering girls' primary education at a large scale, even as the Taliban bar girls from higher levels of schooling. Nor is there any way of circumventing the Afghan state to provide electricity, which is essential for (among other things) online classes for girls and women. Similarly, water infrastructure cannot be built and maintained without the state – and such projects are desperately needed, not least by Afghan women whose main employment outside the home is agricultural.

Even with the best aid policy, however, Afghanistan will remain a major source of asylum seekers in Europe. First-time applicants for asylum in the EU are most commonly Syrians (15 per cent) but Afghans have been the second-biggest group for several years, accounting for almost 13 per cent of seekers in 2022. Alternatives are required to the existing informal system in which 3,000 to 5,000 Afghans cross into Iran each day, many of them trying to reach Europe on expensive and hazardous migrant trails, and file their applications only after having arrived on European shores. The status quo disadvantages Afghan women, who are less likely to risk the journey despite guidance from the EU Agency for Asylum that women fleeing the Taliban's oppression should be eligible for refugee status. A useful precedent emerged in 2023 from the Council of the European Union's conclusions on Afghanistan, in which the EU pledged to use its on-the-ground presence in Afghanistan to help with the "free and safe passage for Afghans who could be received by EU Member States". Fulfilling this commitment should mean that vulnerable Afghans can apply for EU asylum from inside of Afghanistan, without undertaking the perilous overland journey to Europe. Such procedures would be a safer, more effective way to shelter the Afghans who are worst affected by Taliban rule, including women, ethnic minorities and dissidents.

The Philippines: Keeping the Bangsamoro Peace Process on Track

The peace process in the Bangsamoro, the Muslim-majority region in Mindanao, the Philippines' second largest island, stands at a critical juncture. Just over a year remains until parliamentary elections take place, which will conclude the political transition under way in the region after decades of war between Manila and Moro separatist rebels. In 2014, the government reached an accord with the main rebel group, the Moro Islamic Liberation Front (MILF), providing for creation of an autonomous regional authority in the Bangsamoro, which was duly set up in 2019. This accord remains one of the few examples of a negotiated peace anywhere in the world over the last ten years, thanks partly to robust support from the European Union.

Although the peace process has made impressive progress, time is running out for completion of the roadmap set out by the 2014 agreement, which is due to conclude with elections for a permanent regional authority in 2025. Implementation of important provisions, including on disarmament and socio-economic development, is behind schedule. Conflict is surging, in the form of feuds among clans and political rivals, but also rebel infighting, particularly in central Mindanao. Although confined to pockets of the island, the recurrent skirmishes cast a shadow over the delicate transition. Jihadist groups that oppose the MILF, although weaker than in the past, could exploit the volatility. Together, these sources of tension could throw the process off track.

To preserve the peace process's gains and support development in the Bangsamoro, the EU and its member states should:

- Engage in visible, persistent diplomacy with all parties to press for follow-through on the 2014 accord's provisions, with public visits to the Bangsamoro's de facto capital, EU project sites and MILF camps to underscore the bloc's deep interest in seeing the peace plan to fruition and build confidence in the process among the people most affected. Messages to Manila should stress the importance of meeting financial commitments under the plan, especially with respect to compensating demobilised combatants.
- Continue funding the Third Party Monitoring Team, which has a mandate to review and assess the peace agreement's progress.
- Explore the possibility of additional funding and other support for socio-economic development in the camps where ex-MILF fighters live, as well as peacebuilding initiatives in Mindanao. More assistance should also be considered for existing programs that can help the interim government address local conflict drivers, such as land ownership. The EU should also stand ready to respond with emergency funds if security deteriorates leading up to the 2025 polls.

- Support local civil society groups working on community peacebuilding and reconciliation as well as women-led organisations, especially in areas, like those in central Mindanao, still suffering high levels of violence.

The Legacy of Internal Conflict

The war between the government and the MILF formally ended in 2014 when the parties signed the historic Comprehensive Agreement on the Bangsamoro. Five years later, as agreed, the ex-rebels took power over the Bangsamoro Autonomous Region in Muslim Mindanao, through an appointed interim authority whose term was meant to be three years but was extended to six on account of the COVID-19 pandemic. Since then, the peace has broadly held. Despite occasional violations, the ceasefire between Manila and the MILF remains in place, and since his election in 2022, President Ferdinand Marcos Jr. and his cabinet have repeatedly committed to honouring the agreement in full.

In the meantime, the Bangsamoro Transition Authority has crafted key legislation, enacting five of seven priority laws foreseen by the peace agreement, and made strides in setting up a new bureaucracy. The peace deal also proved a landmark in terms of women's participation. Not only did a woman lead the government negotiating panel during the talks, but women have played an active if not equal role in the political transition as a whole: they make up a fifth of the Bangsamoro interim parliament and occupy key administrative positions, including attorney general, a deputy parliament speaker, and heads of the interior and local government and social services and development ministries.

But several interconnected trends are putting the peace process under intense pressure. To begin with, violence has resurged in parts of the Bangsamoro. Local politics remain bloody, with shootings marring the two municipal and village elections that have taken place in the region since 2022. Clan feuds, in particular, continue to roil central Mindanao, causing casualties, displacement and property damage. Many of these disputes stem from the contest for power and resources between ex-rebels and local politicians, some of whom command private militias. Other squabbles have erupted between MILF commanders. Lastly, jihadist groups, which reject the 2014 agreement, while seriously weakened by intensified military operations in recent years, still pose a threat. On 3 December, ISIS-inspired militants set off a bomb during a church service in the town of Marawi, killing four congregants and wounding over 40 more.

While the Bangsamoro has long seen political tensions, polarisation is on the rise and could take an ugly turn. The major fault line lies between the MILF, which at present enjoys Manila's support, and the political clans entrenched in the region, who dominate the region's power structures and resources, and do not welcome the arrival of a new political force on their traditional turf. The rift was already evident during the municipal and village elections in 2022 and 2023, respectively, but it is widening ahead of the 2025 polls, when the MILF will square off against its opponents for control of the new permanent authority. It is by far the group's most significant test to date at the ballot box. Both sides

are already forming coalitions in preparation for a showdown, and new political parties will be joining the fray in coming months. Given the stakes, and past episodes of political violence, the risk of unrest before the elections is clear.

Adding to the uncertainty are delays in "normalisation", an ambitious process spelled out in the peace agreement that aims to demobilise rebels, boost economic development (with a focus on MILF-dominated areas) and achieve transitional justice. Around 26,000 ex-combatants have already laid down their arms, but the last phase of the MILF's disarmament, which covers 14,000 fighters and over 2,000 weapons, is facing hurdles. Rebels are hesitant to give up their guns without getting the complete compensation packages outlined in the accord, which are to help them reintegrate fully into law-abiding society. A long-awaited meeting between the sides to thrash out a way forward is scheduled for February. Initial meetings on the level of technical working groups are a good sign, but barring a breakthrough, full disarmament before 2025 remains unlikely.

A third problem is the pace of socio-economic development in MILF camps and communities, also known as camp transformation, which has been sluggish. Many villages are still mired in poverty and lack essential services, leading to frustration that the promised peace dividends have not appeared. Other components of normalisation, including measures dismantling private armies and providing for transitional justice, are also lagging.

What the EU and Its Member States Can Do

The EU has generously financed the Bangsamoro peace process for over a decade. At present, its funding portfolio focuses on three areas: governance and institutional support for the interim government; normalisation, with interventions in matters ranging from camp transformation to security (such as training joint peacekeeping teams in civilian protection or helping dispose of landmines); and humanitarian, development and peacebuilding projects. It also pays for smaller peacebuilding and education initiatives led by civil society, including youth and women's organisations.

The breadth of this assistance has made Brussels one of the largest international donors supporting the Bangsamoro transition. But gaps remain in addressing the region's needs after decades of war, and the EU could take further steps at this critical time.

First, diplomacy is crucial: Brussels should continue nudging the Philippine government, the MILF leadership and high-level local officials as well as Bangsamoro civil society, including women's organisations, toward agreement on how best to fulfil the 2014 accord's promise and bring about a peaceful Bangsamoro. It should stress to all the need to resolve the difficulties in the transition in a way that prevents recourse to violence and includes all social and political constituencies. It is important that the outreach include a public component. European diplomats should pay regular visits to Cotabato City (the region's de

facto capital), MILF camps and EU project sites to demonstrate their governments' commitment to the peace process. The EU and member states should also use every opportunity to urge Manila to meet its financial obligations related to normalisation, particularly as regards delivery of compensation packages to demobilised combatants. All these steps will give the Bangsamoro's people greater confidence in the prospect of lasting peace.

Secondly, Brussels should also continue funding the Third Party Monitoring Team, the official peace process observation mechanism set up by the government and the MILF. The Team's job is to review and assess progress in carrying out the peace agreement's provisions and to update the public on the developments.

Thirdly, the EU and its member states should explore the possibility of allocating more resources to development initiatives associated with the peace process. The requirements for completion of the peace process, especially when it comes to normalisation, are considerable. Generating more money for camp transformation – either through the EU's own projects, the multilateral Normalisation Trust Fund (tasked with coordinating donor assistance) or the UN agencies involved – would be a big step forward. The EU should also consider providing more support to local groups and individuals, such as community-based organisations or skilled technocrats working to resolve conflicts over land, efforts that are often neglected due to the sensitivities of local elites, including traditional politicians as well as influential MILF leaders. It could fund research on land ownership to help the regional ministries involved in land governance, organise training for local government officials on resource management, and offer technical assistance to existing peace mechanisms and ministries dealing with the issue.

Fourthly, the EU and its member states should support as much as possible the local civil society groups working on community peacebuilding and reconciliation as well as women-led organisations, especially in areas, like those in central Mindanao, still suffering high levels of violence. Brussels should, in particular, use its regional Foreign Policy Instrument not only to continue assisting counter-terrorism, human rights and gender-focused projects, but also expand its range to include crisis prevention initiatives ahead of the 2025 elections.

These last projects could include mediation and conflict resolution of community-rooted disputes involving armed outfits, on both the regional and municipal levels, and should lend technical support to Indigenous peoples, who are often caught between warring factions, including the MILF and other Moro groups. Assistance could encompass capacity building for local Indigenous officials and funding for civil society groups working to allay the mistrust between Indigenous peoples and armed actors. In parallel, the EU should prepare to assemble contingency funds for local humanitarian responses to emergencies – whether natural disasters or eruptions of armed conflict – that may befall Mindanao in the run-up to the 2025 polls. Finally, considering its relevant expertise, it should contemplate sending an observation mission for those elections, beginning discussions with Manila about feasibility at the earliest opportunity.

Toward Normal Relations between Kosovo and Serbia

Since taking office in 2021, the government of Kosovo's Prime Minister Albin Kurti has been turning up the heat on the four northern municipalities where ethnic Serbs are in the majority. Kosovo's refusal to grant greater autonomy to its ethnic Serbian population has been one of the two primary issues that keeps it at odds with neighbouring Serbia, from which it formally declared independence in 2008. The other is Serbia's refusal to recognise Kosovo's status as an independent state, which is essential to unlocking membership for the latter in international organisations like the European Union and UN.

As these disputes have lingered without resolution, Serbia and Kosovo have exercised a form of overlapping sovereignty in the north – with Serbia supplying education and health care to the residents, and Kosovo in charge of law enforcement and the courts – but Kurti has clearly lost patience with that arrangement. Among other things he has deployed heavily armed police to the region, placed an embargo on Serbian goods the residents need, evicted Serbian institutions and banned the use of Serbian currency. His government has justified these steps partly by citing security threats, most recently in the form of Serb paramilitaries whom it discovered bringing in military-grade weaponry from Serbia in September 2023.

Under this sustained pressure, over 10 per cent of Kosovo's Serbs have emigrated over the past year. The departures accelerate a pre-existing trend: Crisis Group estimates that up to one third have left in the past eight years. The Kosovo Serbs' emigration is worrying both because of what it says about their levels of frustration, and because it undermines the most plausible pathway to normalisation, in which Kosovo would give its Serbs significant self-rule in exchange for de facto if not de jure recognition by Serbia.

To facilitate better dynamics between Kosovo and its Serb population, the EU should:

- Encourage Pristina to refocus policing in the northern municipalities on meeting community needs. Special militarised deployments should not be used for day-to-day policing and instead should focus on border security and searching for weapons caches. Pristina should send more Serbian-speaking officers to the region (in contrast to those who speak only Albanian) and engage in outreach to improve relations with residents.

- Work to ensure that the needs of Kosovo's northern Serb minority, especially in employment, health care and schooling, are met. If that cannot be done within the framework for partial autonomy that has been under discussion for Serb-majority municipalities (which the Serbs call a "community" and the Kosovars an "association") then the EU and member states should press the parties to develop alternative ways to achieve the same goal.
- Encourage Pristina to soften its harsh security measures in the north, including through the withdrawal of special police deployments, promising relief from sanctions and lesser measures in return.
- Press Serbia to cooperate fully with efforts, including those by KFOR, the NATO-led peacekeeping force in Kosovo, to seal the border to arms smuggling and to locate heavy weapons it has supplied to Kosovo Serb paramilitaries.

Echoes of Conflict

Since the 1999 conflict that saw Kosovo separate from Serbia, there has been an unresolved question about how the government in Pristina (which represents a majority Albanian population) will govern the four Serb-majority municipalities in Kosovo's north. Though Kosovo and Serbia had developed a modus vivendi for administering and supplying services to these communities, that has significantly unravelled since Prime Minister Kurti took office in 2021.

Pursuant to the governance arrangements that emerged over the years prior to Kurti's election, Kosovo and Serbia were both able to exercise certain sovereign powers over the four Serb-majority northern municipalities. The municipalities had parallel municipal governments, one in each system, each with its own official website. Residents could get both Kosovo and Serbian personal documents. Under this modus vivendi, Belgrade and Pristina provided redundant services in some areas but divided responsibilities in others. Serbia had the bigger footprint, running schools and the health care system; Kosovo retained control of the police and courts.

After Kurti came to power, however, that started to change. In 2021, Pristina began enforcing its authority in northern Kosovo by deploying to the region a large, militarised special police force, which was greeted with predictable hostility by the population. Over the next two years, Pristina also banned goods and medicines from Serbia, expropriated land for special police bases, stopped construction of Serbian-funded housing, evicted Serbian institutions from office buildings, and demanded that drivers use Kosovo-issued licence plates (instead of Serbian ones) or face fines or confiscation of their vehicles. The measures prompted a boycott and mass resignations by ethnic Serbs from public roles and offices. Locals put up barricades and mobilised the population. Police and Serb outlaws began to exchange gunfire frequently. At the end of May, Pristina took control of municipal buildings in the four northern municipalities, sparking violent protests and leading KFOR, the U.S.-led NATO peacekeeping force, to intervene.

Things then went from bad to worse. In September, Kosovo police stumbled upon a group of Serb paramilitaries while they were sneaking in weapons near the northern village of Banjska. A police officer was killed when an anti-personnel mine laid by the paramilitaries exploded and at least three Serb fighters were shot dead in the ensuing firefight. Following a tense standoff, and with KFOR peacekeepers helping to prevent an escalation, the paramilitaries pulled back to the hills. Much remains a mystery about the paramilitaries and their goals. Many of the weapons they had smuggled in would have been useful for setting ambushes (mines and other explosives) and shooting at Kosovo forces from a distance (rocket-propelled grenades, mortars and sniper rifles). They may have planned a guerrilla campaign designed to push the Kosovars out of the Serb-majority areas – or to encourage KFOR to interpose itself along the de facto ethnic boundary separating northern from southern Kosovo.

Whatever their intentions, the battle at Banjska could well turn out to be a watershed moment. Pristina saw it as validation of its heavy-handed approach, while it cost Serbia and the northern Serbs most of the Western sympathy they had accumulated for having been seen as victims of Kurti's aggressive nationalism. More recently, Belgrade is on the back foot because President Aleksandar Vucic's party has been embroiled in an electoral scandal and finds itself under enormous domestic and EU pressure. With the wind at its back, Pristina brought back its ban on residents using Serbian licence plates for their cars. In 2021, Kosovo's attempt to impose the ban caused cross-border tension to spike and drew international attention until a compromise could be reached. This time, Belgrade hardly put up a fuss and is allowing Kosovo-plated cars to cross into Serbia. More recently, Kosovo announced a prohibition on the use of Serbian dinars on its territory, which if it goes into effect will make it very difficult for the Serbian parallel system to function.

An Overlooked Risk?

Kosovo's pressure tactics in the north could generate further violent pushback, and they also run another risk: they could undercut the most promising path toward resolution of the long-running disputes between Belgrade and Pristina. Crisis Group has argued that the best route to good Kosovo-Serbia relations is a compromise by which Serbia accepts Kosovo's independence in return for Kosovo granting its Serb minority substantial self-rule. Yet demographic changes driven by political tensions risk gradually sliding that deal off the table, as the Kosovo Serb population shrinks toward the point where autonomy may become impractical.

In 2015, the Kosovo Serb population was an estimated 145,000 strong; by 2023, it had dipped below 100,000. While exact numbers are unknown due to the Serbs' boycott of the last census, held in 2011, Serbian authorities say another 13 per cent of Serbs left Kosovo over the past year. Many of these departures are from central and southern Kosovo, where the Serbs live alongside the Albanian majority and are well integrated, with the population being rural

and elderly, but some are from the four northern municipalities. It is not hard to imagine the trend accelerating in the north as Pristina asserts its sovereignty with an increasingly heavy hand.

The Kosovo Serb population is likely to decline in both absolute and relative terms no matter what happens in the Belgrade-Pristina dialogue, but the rate of change will almost surely depend on the level of tensions, on perceptions of safety and on policy. Pristina may welcome this demographic shift but should recognise that it comes at a cost: it is in Kosovo's best interest that its Serb minority stay in the country and have an opportunity for self-rule, because this is the easiest way to build good-will in Serbia and gain the concession that Pristina most wants – recognition.

How the EU Can Help

Since 2013, EU efforts to work out a settlement between Belgrade and Pristina have focused in part on the creation of a self-governing entity in the north that the Serbs call a "Community" and the Kosovars an "Association". Brussels has prepared a draft statute for the Community/Association that understandably focuses on what the two capitals can be persuaded to accept. But the EU and member states should shift its focus to addressing what people are asking for, thus giving them a reason to stay. Most of the Serb minority's needs can be met just as easily outside the framework of any Association or Community as within it. The EU's draft statute falls short of meeting many of these needs. Even if it moves forward, Brussels will have to supplement it with other measures if the Serbs are to remain a viable part of Kosovo's ethnic fabric.

The priority for the Serb minority is probably feeling safer in their own neighbourhoods. In conversations with Crisis Group, Serbs across northern Kosovo testify to a pervasive sense of insecurity that has got worse since Kurti launched his pressure campaign on the area in 2021. The Kosovo police contribute to their unease: many officers are ethnic Albanians who speak hardly a word of Serbian. Like the rest of Kosovo and the Western Balkans, the Serb-majority areas have little violent crime. Their policing needs are modest. Yet they are barely being met. Instead, the Kosovo police busy themselves with combating victimless crimes like smuggling milk and other dairy products from Serbia and taking over Serbian-built buildings. In their heavily fortified special police bases, the officers look to Serbs like an occupying force rather than public servants.

The EU should push Kosovo to refocus its policing in Serb areas. Special police deployments should be limited to levels needed to secure the border and track down arms caches, both tasks officers should carry out in coordination with KFOR and EULEX, the EU's rule of law mission. Regular police should be Serbian-speaking, to the extent possible, and redouble their efforts at community outreach. The internal affairs ministry should ensure that police stations in Serb areas offer the services citizens need.

Jobs are the next thing to tackle. Many, perhaps most Kosovo Serbs are on the Serbian government's payroll, often in the health and education sectors. Their jobs are strictly speaking illegal: they are paid in Serbian dinars and their employer pays no Kosovo taxes. Few ethnic Serbs have much prospect of finding legal work in Albanian-majority parts of Kosovo because of language barriers, disputes over the validity of Serbian qualifications and ethnic discrimination. The EU should push Pristina to assure the Serbs they can keep their current jobs regardless of questionable legal status until comparable positions are available in the Kosovan economy. For its part, Serbia should agree to register its institutions in Kosovo's system.

Alongside jobs come schools. Almost all Kosovo Serb children attend public schools illegally operated by Serbia on Kosovo territory, with Pristina's tacit acquiescence. These are the only game in town because Kosovo offers no Serbian-language education to speak of. Children in Serbian schools can transfer seamlessly to schools or universities in Serbia if their families move, and their degrees are recognised in Serbia – but not in Kosovo. Although Pristina has tolerated Serbia's schools and universities on its territory, that might not last. The best solution – which Brussels should advocate for – is simply to register Serbian schools in Kosovo and to issue dual degrees. In theory, Serb-majority municipalities have the right to operate schools already, but they lack the capacity to do so and it is easy for the central government to gut this right by using its authority to regulate the curriculum (ie, insisting on Pristina's take on relations with Serbia, which would go down poorly with residents).

Health care is a further big piece of the puzzle. As with schools, most Serbs use clinics and hospitals operated illegally by Serbia, where doctors prescribe medications licensed by Belgrade and often spirited in across the border, notwithstanding Pristina's ban on the practice. Kosovo police raid Serb-run pharmacies and confiscate their stores. There is nothing wrong with medicine brought in from Serbia, and Pristina's efforts to block it does little but create friction with the Serb population. As with schools, Serb-majority municipalities have the right to operate their own health care facilities, but what the people really need is the existing Serbian system operating without undue interference from Kosovo authorities. The EU's draft statute allows the Association to operate the Serbian facilities for an interim period of five years, which merely shifts the problem from the municipalities to a new institution. The EU should press for an arrangement that allows the existing, Serbian medical facilities to keep operating indefinitely while respecting Kosovo law.

Finally, an effective response to the situation in northern Kosovo must tackle both the threat posed by Serb paramilitaries and the excessive police presence that arguably provoked them to act. To counter the security risk, the EU should push Serbia to cooperate with Kosovo and KFOR in blocking further arms smuggling across the border and help KFOR neutralise any cache of military-grade weapons it may find already in the country. Brussels has leverage: if Belgrade does as it asks, the EU will have no reason to impose sanctions or lesser punitive measures like those it put in place (and still maintains) on

Kosovo in June 2023 as a response to the Kurti administration's refusal to implement its commitments with respect to forming the Community/Association of Serb municipalities and its harsh actions toward the northern Serbs. The EU should also offer to lift those measures from Pristina if it in turn gradually withdraws its special police from Serb-majority areas and reorients the remaining officers from enforcing government authority to providing public safety as recommended above.

Supporting Ukraine while Looking toward Europe's Future

Russia's war in Ukraine grinds on with no resolution on the horizon. The high-stakes counteroffensive Ukrainian forces commenced in the summer of 2023 – which raised hopes both at home and among Western supporters – has ended with the battle lines largely unchanged. Finger-pointing in Kyiv, which had long been going on behind the scenes, is now public. Russian President Vladimir Putin seems increasingly confident that Russia has the upper hand.

But while Ukraine's fortunes have not improved over the last twelve months, Kyiv shows no sign of bending under Russian pressure. Their bickering notwithstanding, Ukrainian politicians and ordinary citizens overwhelmingly agree on the basics: they want to fight rather than entertain Kremlin terms that would not only require surrendering territory but also, in effect, turn Ukraine into a Russian vassal state. They continue to look to the West for the support they need to fend off Moscow, while pursuing long-term protection through membership in the European Union and NATO, which would come with security guarantees.

Western states, however, are engaged in growing internal debate when it comes to supporting the war effort. Since Russia's all-out invasion in 2022, these countries have backed Kyiv with substantial armaments and funds, seeing it not just as the right thing to do but also as a way to stymie an aggressive Russia that might otherwise start looking for its next conquest. But the forthcoming presidential election in the United States might return Donald Trump, who has already made clear that he is not in Ukraine's corner, to the White House. Meanwhile, Trump's supporters in Congress are now blocking further appropriations for Kyiv. In Europe, political support is stronger among most states, but Hungary has been a vocal outlier and could play the spoiler when a major aid package comes up for a vote in February.

Given that Western aid remains vital for helping Ukraine hold the line against Russian aggression today, and for maintaining European peace and security over the long haul, the EU and member states must face the reality that U.S. political support for the war is on increasingly shaky ground. Should Trump regain the presidency in November, it could disappear completely. To compensate, Ukraine's European partners will need to ramp up production of ammunition and air defence systems. Ukraine will also require European assistance with

rebuilding its own industrial and military capacity in the tumultuous months to come. These steps are crucial not just for the war now but also for Europe's capacity to ensure its own security. To that same end, European states should remain on the lookout for any sincere diplomatic overture from Moscow that suggests the conflict could be resolved through negotiations on terms compatible with long-term Ukrainian and European security.

As they begin to construct a more stable European security architecture for the future, the EU and member states should:

- Help Ukraine rebuild and keep its economy afloat by approving the €50 billion aid package that will come before the bloc on 1 February, which includes funding to support institutional reforms needed to bolster the country's EU candidacy, and investment guarantees intended to help attract more funding for Kyiv.
- With an eye both to supporting Ukraine's war effort and to making provision for a post-war European security architecture to deter further Russian aggression, take the steps necessary to commit to and provide long-term funding for military supply to Ukraine and revive European weapons manufacturing. The EU and member states should ensure that EU-based industry gets the commitments it needs to increase production now and into the future. Ideally, they should also invest in Ukraine's own defence sector through joint projects, though Ukrainian factories will also need better air defences to protect them from Russian attacks.
- Adapt the training programs provided through the EU Military Assistance Mission Ukraine to battlefield realities by making it more responsive to Ukrainian feedback and tactical innovations and incorporating more non-military support for veterans.
- Support the revitalisation of the Ukraine export economy through measures to promote trust and good-will between Ukrainian farmers and haulers and their competitors in EU border states, including through funding for customs officers and infrastructure improvements to mitigate border congestion.
- Keep open the possibility of talks, both between Ukraine and Russia on a peace deal and among themselves, Washington and Moscow on European security. In the meantime, economic and security support for Ukraine can make viable diplomacy more likely and any resulting deal more sustainable.

A Battle of Wills

As the second anniversary of Russia's all-out invasion of Ukraine approaches, the fighting in Ukraine could be headed into a long standoff. Ukraine's counteroffensive, which began in June 2023, struggled to make progress against Russian troops with superior firepower dug in behind heavily mined terrain. Kyiv also faced challenges in combining the assortment of Western-made weapons it has received and in attracting and training enough soldiers to keep

replenished. It scored successes, including the improved use of air defences and remote strikes on Russian forces in Crimea and the Black Sea. But it failed in its primary goal – to sever the Russian-controlled land corridor in southern Ukraine that links Russian-held areas in eastern and southern Ukraine. Kyiv and Western partners were disappointed: they had hoped for an echo of the spectacular territorial gains the Ukrainian army made in late 2022, when it retook most of the occupied Kharkiv region in the east and a large part of the southern Kherson region, including the eponymous capital.

Moscow, too, has been unable to advance. It still only controls part of the territory that it claims to have annexed in Ukraine's east and south. Front-line fighting has diminished amid the winter cold, but it has not fully subsided as the two sides look to dent each other's morale. Russia has resumed its aerial attacks on Ukraine's infrastructure but so far has banged its head against a much stronger air defence. Ukraine is also launching drone and missile strikes on Russia, aiming to demonstrate reach and damage what capacity it can. Meanwhile, both countries are striving to prepare more soldiers, accumulate ammunition, fortify positions and communicate to their adversaries that they have the staying power to keep this battle of wills going in perpetuity.

On paper, Russia, with its larger reserves of arms and enlistees, is in the stronger position. Although inflation is high, Putin has seemingly reconfigured the economy to put military needs first. Despite Western sanctions, Moscow was able to reap vast profits from exporting oil and gas and to import enough technology to expand the production of precision weapons. It is also hammering Ukraine with ballistic missiles, including ones supplied by North Korea. The Kremlin appears sure that if Russia can keep up the pressure, Kyiv will eventually capitulate.

Ukraine, meanwhile, has the will to press on, but cannot do so indefinitely without continuing Western assistance. Ammunition and weaponry are top priorities. If Ukraine shelves immediate plans to recapture territory and shifts to fighting a primarily defensive war, then it will need less materiel than is required for a major counter-offensive, but it will still need to be well armed to ward off Russian assaults. For example, in large part thanks to Western aid, Ukraine has deployed effective air defences around the capital and critical sites like power plants. But to keep up the umbrella, and to broaden it to smaller towns including along the front line and the coast, Ukraine needs uninterrupted transfers of air defence interceptors.

Maintaining adequate troop strength is another concern, as volunteers have dwindled. Kyiv knows it must adapt its approach to recruiting, training and supporting its men and women in uniform in order to send enough of them to the front. The government is revising a draft law it filed in late December that would bring in some people exempted thus far and is tougher on conscripts in hiding. The initiative would also make soldier rotation practices more transparent, a longstanding demand from fighters and their families.

Other challenges are political. A long-brewing conflict between President Volodymyr Zelenskyy and his top general Valeri Zaluzhnyy, the only figure who rivals the president in popularity, burst into the open in November 2023 after Zaluzh-

nyy was quoted in *The Economist* calling the war a "stalemate". But if political quarrels have become visible, elections are not on the cards. The decision to postpone them until Ukrainians can vote freely and fairly, which is based on cross-party consensus, is the right one, but increasing civil-military disagreements about strategy and spats between politicians about how to address the shortages of soldiers and arms and how to combat corruption sap public and global confidence. Public infighting is a sign that the decision-making process needs reform. Moreover, to the Kremlin, it can appear akin to wavering.

Ukraine's economy, meanwhile, returned to growth in 2023 but continues to be battered by war. With millions of mostly women still abroad as refugees, and hundreds of thousands of mostly men on the front lines, qualified workers are hard to find. If recruitment steps up, the unfilled jobs will become a greater problem, unless refugees can be lured back home. While Ukraine has resumed risky exports through Odesa's frequently bombed Black Sea ports and up the Danube, the volume of goods transiting via rail and road is still much greater than before the invasion. Not only does transport infrastructure groan under the additional load, but farmers and haulers in neighbouring countries, fearful of being undercut by Ukrainian competition, have repeatedly blocked border crossings.

The Wobbly West

Add to this list of difficulties the growing dissension in the West about supporting Ukraine. In the United States, support for Ukraine is imperilled by a mix of fatigue, distraction (with considerable attention now drawn to the war in Gaza) and election-year politics. While most mainstream politicians want to provide continuing support, former President Trump – the leading contender to be the Republican Party candidate for president – has made clear he does not. A clutch of his most ardent loyalists in Congress are working to stop any further appropriations for Ukraine. The Biden administration has not given up trying to push through a package that would bundle money for Ukraine with funding for Israel to prosecute the war in Gaza and measures intended to slow immigration across the southern border (an issue of particular importance to Republicans). But even if they can agree in principle on the terms of a deal – which would be no small feat – it is unclear if congressional Republicans would follow through, as it would give Biden what would be seen as a political win as the campaign season gets under way.

European backing for Ukraine is stronger but faces potential spoilers in Hungary and Slovakia, though Slovakia recently signalled it will not stand in the way of additional aid. The European Union sent a strong message of political support for Ukraine in its December 2023 decision to commence membership talks with Kyiv, though Hungary refused to take part in the decision. (President Viktor Orbán left the room so that he did not have to vote.) Of course, there is a big difference between entering talks and offering a country actual membership, which under the easiest circumstances tends to take years. In Ukraine's case,

the issues are particularly knotty. Among them is the reality that membership includes a security guarantee, which member states may be reluctant to extend to a country actively at war with Russia – lest they be drawn in as well. Even after the war is over, the question of how to integrate Ukraine and other countries in which Russia may be willing to use force will continue to challenge European policymakers.

Some commentators and politicians (including candidate Trump) insist that it is past time to strike a deal to end this brutal, costly war, but unfortunately there does not appear to be a viable way to do that. Some Russian officials have indicated that Moscow's war aims extend far beyond the acquisition of territory it has claimed. They also include Ukraine's demilitarisation and transformation into what would, in effect, be a vassal state, through some combination of occupation, declarations of neutrality and/or the installation of a pliant government in Kyiv. That is not a basis for negotiation as far as Ukraine or its backers are concerned. Not only is it hard to see how Zelenskyy would be able to survive politically should he come to the table with Russia proffering those terms, but European countries would also view such talks as a massive defeat, laying the groundwork for further Russian demands and aggression. While occasional whispers and even press reports suggest that Russia is willing to be more flexible than it has previously appeared – and leads to this effect deserve to be carefully explored for any sign of a true diplomatic opening – there is little hint as yet that Moscow is sincere in changing its parameters for talks.

What the EU and Its Member States Can Do

Ukraine's chances of holding off Russia and putting itself in a position to negotiate a durable peace rest on Western support. EU and member state funding, materiel and training are likely to be of increasing importance to Ukraine's war effort, particularly if the Biden administration fails to rally sufficient votes in Congress for a new aid package or if Trump regains the White House.

The first step will be for Brussels to approve the aid package that will be up for a vote on 1 February. Ukraine needs the funds to help cover an expected $43 billion budget deficit in 2024 to keep its economy running and help reform and rebuild, including through guarantees to cover investors' risks. While Hungary's Orbán will not easily agree, other EU member states are working furiously to sway him, perhaps by splitting the aid package into four annual tranches, or at least to find a way around his objections by creating an inter-government fund among 26 instead of all 27 members of the bloc. While necessary, success here will be transient. Because disagreements are rooted in fundamental differences in threat perceptions, and because of the precedent set by Hungary in extracting concessions for compliance, the EU faces an uncomfortable future of constantly finding new offerings to keep its dissenters in line.

Secondly, there is the matter of military assistance. European countries have already sent Kyiv extensive weaponry and also embarked upon a rearmament of their own meant to deter Russia for the long term. Currently, internal disa-

greements are also holding back earlier plans to establish a dedicated military fund to meet Ukraine's defence needs over the next four years. Additionally, they have struggled to revive moribund defence industries, meaning that Kyiv has depended heavily on materiel from the U.S. One reason European defence firms have been slow to ramp up production is that they lack the long-term contracts to reassure them that the necessary restructuring is worth their while. Offering long-term development prospects is important, especially as these firms will be supporting Europe's own capacity in an environment transformed by Russia's aggression. But governments need to eliminate bureaucratic red tape, send clearer signals to industry on defence procurement and overcome protectionist instincts to cooperate in smoothing out inefficiencies across the continent. While the need may be clear to most member states, the process has proven thorny.

Thirdly, Kyiv needs to reduce its dependency on foreign help by getting its own, once world-class defence sector back in shape. Here, the EU and member states can help with investment and joint projects (such as Rheinmetall's plans to build armoured vehicles in Ukraine). Ukraine and its European partners should also continue to capture wartime technological innovations (for example, Ukraine has taught itself to repurpose redundant air-to-air missiles as urgently needed surface-to-surface missiles) and integrate them into planning. Key to reinvigorating Ukraine's defence industry will be the capacity to defend it from Russian aerial attacks – something the EU can also help with.

Fourthly, the EU's Military Assistance Mission in Support of Ukraine can work to extend and improve its training program for Ukrainian troops. With high attrition rates, getting enough people trained fast enough has proven difficult. Better integration of Ukrainian feedback, including from low-level commanders with fresh combat experience, could adapt training programs for Ukraine's long-term needs. Western expertise in battlefield medicine and evacuating the wounded could be particularly useful in helping fill gaps in Ukrainian know-how. In addition, the EU should help Ukraine provide those who leave service with medical and social supports tailored to soldiers' age and gender-specific needs.

Fifthly, the EU and member states can help the Ukrainian economy recover by supporting Ukrainian exports while soothing fears and frustrations among farmers and truckers in neighbouring EU states. Improved systems are needed for tracking Ukrainian trucks as they transit Ukraine's EU neighbours. Better procedures to ensure that both the freight and the driver are just passing through can eventually convince the neighbours that cheaper Ukrainian agricultural products will not drive local farmers out of business and that Ukrainian lorry drivers are not outcompeting their local counterparts. To put an end to the bottlenecks that the necessary checks entail, the EU can fund programs to rapidly field more customs officers. Investments in the road and rail infrastructure on both sides of the various borders, as well as storage facilities, can also help ease congestion.

Finally, the EU and member states will need to keep their expectations in check, while helping Ukraine manage its own as well. However well-armed Ukraine is,

it is unlikely to take back all its territory by force. Negotiations remain the most likely endgame. EU military and economic support can help ensure that Ukraine enters talks only after Russia signals recognition that the costs of aggression are greater than it wants to bear. Once in reach, an agreement should be embedded in a European security architecture that prevents, through a combination of deterrence and force limits, further attempts at conquest. Here, too, the EU and its members will play an important role.

LATIN AMERICA

Guatemala's New Government Withstands the Backlash

The upset winners of Guatemala's 2023 presidential race were sworn into office on 15 January, after being harassed for months by prosecutorial authorities seeking to keep them from taking their posts. It is likely to be a turbulent term for newly installed President Bernardo Arévalo and Vice President Karin Herrera. Arévalo is a moderate left-leaning sociologist and former diplomat. He is also the son of Juan José Arévalo, the country's first democratically elected president. Arévalo and Herrera enjoy robust and vocal support from the Guatemalan electorate, which powered them to a landslide victory over the establishment ticket headlined by former first lady Sandra Torres. The European Union and its member states, the U.S., and numerous Latin American nations have also cheered their rise. Nevertheless, members of the Guatemalan political and business elite have waged a post-election campaign from the shadows to thwart Arévalo's victory.

This campaign has thus far fallen short, having generated substantial domestic and international backlash, but it suggests that opposition to the new government will be fierce and unscrupulous. At the very least, this resistance will attempt to stymie the new government's reforms; at worst, it could threaten Arévalo's hold on power. Future challenges to Arévalo's rule in a highly unequal country, with its flawed democracy and well-established criminal groups, could threaten Guatemala's stability and security.

In these circumstances, the European Union and member states should:

- In tandem with the U.S. and other international actors, continue applying targeted sanctions against individuals and groups who seek to overturn the democratically elected government on specious grounds;
- Support the Arévalo administration in its bid to reduce corruption by enhancing transparency and digitising state management systems;
- Continue bilateral and regional cooperation, including by providing technical assistance to strengthen humane, effective law enforcement; and
- Back the creation of the Ministry for Indigenous People with the aim of offsetting longstanding discrimination and inequality.

The Campaign to Block Arévalo

Guatemala's prosecution office (Ministerio Público, in Spanish), formerly the heart of a UN-backed campaign to fight corruption and impunity, was at the forefront of attempts to block Arévalo from office. Under Attorney General Consuelo Porras, this office had already – on largely spurious charges, but with backing from the Supreme Electoral Tribunal and the Constitutional Court – prohibited three other candidates in the 2023 presidential race from running. They did not go after Arévalo and his Semilla (Seed) party early on, likely only because opinion polls suggested he would garner few votes.

But after Arévalo's unexpectedly strong showing in the election's first round in June 2023 and his outright win in a runoff two months later, he was firmly in the crosshairs of important members of the Guatemalan political and economic elite, colloquially referred to as the "Pacto de Corruptos" or the "pact of the politically corrupt". The Pacto had a clear preference for Torres, who was arrested in 2019 on charges of breaking campaign finance laws in the 2015 presidential race, but was acquitted in 2022 after a judge ruled there was not enough evidence to proceed to trial. After the June vote, prosecutors concocted a raft of flimsy pretexts to try to overturn the election results, dismantle Semilla and strip the president-elect of immunity. In response, a protest wave powered first by urban youth and then supercharged by the country's large Indigenous community – who were drawn to Arévalo's reform message – took to the streets. A national strike ensued, and Semilla's attorneys filed appeals in the country's highest courts to prevent the prosecutor's office from instituting what Arévalo described as a "coup in slow motion".

As discussed in greater detail below, domestic and international pressure appears to have made a difference, and efforts to halt the handover of power proved unsuccessful. Still, all signs point to an uphill battle for the Arévalo administration, particularly as it seeks to take robust action to curb corruption, an agenda that many Pacto members find personally threatening. Semilla is also not especially well positioned to play power politics. It is the third largest party in Congress, with 23 of 160 seats. Its political opponents make up the two biggest blocs. While the judiciary will be refreshed, with new judges scheduled to rotate onto the Supreme Court in October, Porras is set to stay in office until 2026. Meanwhile, former President Alejandro Giammattei has been notably reluctant to condemn the legal ploys aimed at stopping Arévalo from reaching power, suggesting that this campaign had – and may continue to enjoy – at least the tacit consent of major political and business leaders.

A Legacy of Thwarting Accountability

Arévalo's main antagonist throughout the election cycle has been Attorney General Porras. Appointed in 2018, Porras has strong ties to anti-reform elements inside and outside government. She also has a record of working to shield the powerful from corruption charges. Her political allies include former President

Jimmy Morales, who ordered the UN-supported Commission Against Impunity in Guatemala (CICIG) to pack its bags in 2019, as well as former President Giammattei. Since 2019, criminal investigations, death threats from illicit networks and poor police protection have forced around 100 Guatemalan anti-corruption reformers and journalists to leave the country. Others who opted to stay, such as José Rubén Zamora, a prominent journalist, have been jailed on baseless charges. Civil society organisations, meanwhile, have warned that the prosecutor's office has been "systematically dismissing" corruption complaints.

This office's interference in the 2023 elections is of a piece with prior efforts by the Pacto to keep a firm hand on Guatemala's governance. The Pacto benefits from Guatemala's endemic corruption and has been keen to keep reformist political parties out of office. As election season got under way, Porras worked with Rafael Curruchiche, director of the Special Prosecutor's Office Against Impunity, to bar three presidential candidates and dissolve one party – and, later, to deny Arévalo the presidency.

Porras and Curruchiche have defended their actions, including the legal cases against Semilla, in seemingly high-minded terms. During one raid on electoral authorities, in search of evidence of alleged fraudulent votes, Curruchiche declared that his office was carrying out "a rescue operation for democracy and the sovereignty of this country that has been sullied by the Organization of American States, the European Union and foreign governments". These arguments, however, attracted little support at home or abroad. In a survey carried out before the 2023 elections, 85.5 per cent of Guatemalans stated they did not trust Porras, while only 31.5 per cent had confidence in the prosecutor's office as a whole.

Foreign partners, in particular the U.S. and EU, were at first hesitant to act decisively when evidence emerged that the election was being manipulated, but they moved into action after the first-round vote. The EU extended the stay of its electoral mission, which later produced a scathing report on judicial meddling in the vote. The EU, the U.S. and the Organization of American States (OAS) condemned the prosecutors for attempting to revoke Semilla's legal status in July – after Arévalo won the first-round vote – and for conducting raids on the Supreme Electoral Tribunal, seizing ballot boxes, in September. The OAS held various Permanent Council sessions to voice concern. Frank Mora, U.S. ambassador to the body, warned that Guatemala could face consequences under the Inter-American Democratic Charter for its continued threats to a peaceful transition.

Yet the greatest international outcry to date came after a vote on 30 November in Guatemala's Congress to strip four of the five magistrates on the Supreme Electoral Tribunal of their immunity from prosecution. Fearing that the vote was part of a last-ditch gambit to replace them with individuals who would overturn the poll results, on 1 December the U.S. Treasury Department placed Miguel Martínez, former President Giammattei's closest ally, on the so-called Magnitsky list, which means that his property and assets in the U.S. are frozen. On 11 December, Washington announced it would also revoke U.S. visas

for 300 Guatemalans, 100 of them congressional deputies. The next day, the OAS Permanent Council directed the bloc's secretary general, Luis Almagro, to travel to Guatemala, where he was to speak with the outgoing and incoming administrations about ensuring a peaceful transition.

The EU took measures of its own. On December 13, the EU approved a joint resolution that would allow the use of targeted sanctions, which in turn would prohibit Porras, Curruchiche and other prosecution service heads from travelling to Europe and freeze their assets. On 12 January, the Council of the EU approved a series of additional measures that could be used against people or bodies undermining democracy in Guatemala. As a result, these individuals could find their travel restricted, their assets frozen and their economic ties with the bloc severed. Additionally, EU High Representative Josep Borrell went to Guatemala for the first time to attend Arévalo's inauguration, a move that signalled international backing for the new president and a commitment to push back against those seeking to undermine the electoral outcome.

This domestic and international backlash appeared to make an impact. In mid-December, the Constitutional Court ruled that all elected officials must be sworn in as planned on 14 January. Even so, just days before Arévalo was due to take office, Curruchiche appealed the ruling. Amid rumours that his opponents would try one last time to stop Arévalo from taking office, six U.S. Democratic senators called for removing aid and imposing diplomatic and economic sanctions should the handover not take place on schedule. On inauguration day, the outgoing Commission of Credential Reviews in Congress began requesting additional documentation in its last attempt to prevent the swearing-in of Semilla congressional deputies and delayed Arévalo's inauguration ceremony for several hours. He was finally sworn in after midnight on 15 January.

Challenges and an Agenda for the New Government

With few allies in the legislative and judicial branches, the new government may struggle to make headway in achieving the ambitious reforms it has pledged. Its proposals include purging the state of corrupt officials and laying the foundations for equitable development. Semilla's position in Congress, however, is precarious. For now, Semilla representatives in Congress have been deemed "independent" after prosecutors requested the party be dissolved due to alleged fraudulent signatures at the time of its creation. This measure limits Semilla from leading parliamentary committees. That said, the fact that Arévalo and his party won so decisively has provided an opening to amass political and legislative clout. Notably, 23 congressional deputies from rival parties joined Semilla's legislative coalition shortly after Arévalo was sworn in.

Another battlefront will inevitably be the judicial system. Porras has said she will not step down; one factor in her stance could be that out of office she would lose her own legal immunity. She also has judicial backing: although the Con-

stitutional Court declared that officials elected in 2023 must take office, it also allowed prosecutors to continue investigating Semilla for a series of alleged offences. Prosecutors have already asked that Arévalo's judicial immunity be lifted so that they can push ahead with a criminal investigation against him, but this action requires a green light from the Supreme Court, whose magistrates were elected by Congress in November 2023. Still, Arévalo is not necessarily stuck with Porras. If she is convicted of a crime committed while serving as attorney general, that would be grounds for dismissal. Alternatively, Congress could reform the law currently shielding her from being fired. In any case, if Arévalo manages to stay in office, his government would eventually have an opportunity to help bring new faces into the judicial system, with magistrates for the Constitutional Court and Supreme Electoral Tribunal as well as a new attorney general all due to be selected in 2026.

Despite these obstacles, the government is determined to make progress on matters of core public interest. Having been born out of an anti-corruption movement, Semilla will seek to rekindle the dormant campaign against graft, which Arévalo has said swallows up approximately 40 per cent of the national budget devoted to development, health and education. Corruption has not only diverted many of the already scant resources for social spending – Guatemala's tax intake, at 12 per cent of GDP, is one of the lowest in Latin America – but it has also undermined the integrity of the security forces and judicial system by fostering collusion between state officials and criminal groups. These illicit links, which stood at the centre of the CICIG's campaign against impunity, remain a live concern, although Arévalo has decided that the emphasis for now should be on ensuring state budgets are properly spent. The new president's plans include creating an autonomous anti-corruption commission, which will start by reviewing possible reforms to combat graft.

Crime is set to absorb the public's attention, and thus the government's, as it does in much of Central America, even though Guatemala's murder rate continues to fall: homicides declined 4 per cent in 2023 from the year before. Violence is nevertheless sky-high in certain areas – notably the departments of Escuintla, Zacapa, Izabal and Petén, where drug trafficking is concentrated – while its effects are largely felt in particular segments of society, especially by young men. Following the country's success in bringing violent crime down from its 2009 peak, the Arévalo government does not have to reinvent the wheel. Tactics that have worked in Guatemala include special task forces, which employ vetted police officers and prosecutors to identify criminal groups operating in violent areas, investigate their illicit activities and issue arrest warrants. The government has additionally proposed to increase the number of police officers, build a new prison, and dismantle criminal groups through improved intelligence and investigations. Part of this effort should focus on extortion, a racket that affects many Guatemalans and is largely coordinated by crime bosses behind bars.

Lastly, the U.S. will expect Arévalo to maintain Guatemala's close cooperation in efforts to control migration flows northward. Deportations of Guatemalans

from the U.S. continued to rise in 2023, indicating that migrants are still pursuing dangerous illegal routes rather than waiting for formal approval through legal channels. While this issue is of more immediate concern to Washington than to Brussels, European help in addressing the drivers of migration would no doubt be welcomed by partners in both Guatemala and the U.S.

Official Guatemalan statistics indicate that between January and April 2023 most deportees originated from the departments of Huehuetenango, Quiché, San Marcos and Quetzaltenango, as well as metropolitan Guatemala City – the first three of them being areas where Indigenous people predominate. The concentration of migrants among the Indigenous is no coincidence. Some 80 per cent of Guatemala's Indigenous people are estimated to live below the poverty line, compared to 59 per cent of the general population, while Indigenous women suffer high rates of illiteracy and teenage pregnancy. Discrimination against and mistreatment of Guatemala's Indigenous communities has long shaped the nation's history, but representatives of these groups have given outspoken support to Arévalo in protests on his behalf, while the new president has promised to create a Ministry of Indigenous Peoples to help address entrenched inequalities.

A Way Forward

The EU and its member states have given unstinting backing to Arévalo following his election, warning that they would not tolerate a coup to block him from taking power. Now that the new government has taken office, Europe should remain mindful of the risk of continuing judicial ploys to unseat him through groundless investigations and impeachment cases. It should be ready to work closely with the U.S. to offer diplomatic support and threaten, as well as potentially adopt, targeted sanctions against the individuals involved. The EU should also be prepared to offer its support for reforms that seek to bring greater transparency to government and security for Guatemala, as well as to respond to any backlash that these may provoke.

Concrete support would help in a number of areas. The recent renewal of the EL PAcCTO regional program, which unites the EU with Latin American and Caribbean nations in fighting transnational crime, is a positive development. As regards the government's anti-corruption plan, the EU could assist the government with plans to digitise state management systems and ensure their transparency. In the security realm, the EU should offer technical assistance where appropriate, including for plans to modernise the prison system and run rehabilitation programs for inmates. As they have previously done, notably through Spain's support for a dedicated police murder investigation unit a decade ago, the EU and its member states should also back vetting new special task forces to investigate corruption, homicide, extortion and money laundering.

While migration through Central America and Mexico is sure to remain a primary U.S. concern, the EU and member states could work to help address the deep-seated drivers of human insecurity that propel poor and often Indig-

enous Guatemalans on dangerous journeys north. In particular, they should offer support for the creation of a Ministry for Indigenous People, which would be charged with finding services and resources to help correct longstanding discrimination and inequality in that community. In the same spirit, the EU and member states should support programs that strengthen education for Indigenous girls.

Venezuela: The Perilous Path to a Key Election

The presidential election due in 2024 offers a chance to advance the cause of a negotiated route out of Venezuela's protracted political crisis, but one that could easily slip away. A potential boost to prospects of progress came in Barbados, on 17 October 2023, when representatives of Venezuelan President Nicolás Maduro and the main opposition coalition, the Unitary Platform, committed to a set of minimum guarantees for a fair election. While the U.S. government was not party to the accord, it immediately instituted sweeping – albeit reversible – relief from a slew of sanctions it had imposed on Venezuela since 2017, when the Maduro government began tightening its constriction of the country's democratic space. The accord also led to the release of over twenty political prisoners, as well as a dozen U.S. citizens, including six considered "wrongfully detained", and allowed an opposition primary election on 22 October, which hardliner María Corina Machado won with over 92 per cent of the vote. As the government had previously barred her and many other opposition members from standing in any election, the primary was a sign it might loosen its grip.

The advances represented by the Barbados deal are fragile, however, and the risk of backsliding is high. While previously abstentionist opposition figures like Machado have embraced the electoral route to ending over two decades of rule by *chavismo*, the movement established by the late President Hugo Chávez, the government's commitment to holding credible polls appears lukewarm at best. The government-controlled Supreme Court ordered the opposition primary result "suspended" pending investigation of alleged "serious irregularities". When the EU renewed for six months its sanctions on individual government figures, Maduro's chief negotiator, Jorge Rodríguez, threatened to withdraw the commitment the government had made in Barbados to invite an EU mission to observe the election. Machado, meanwhile, is still subject to a ban on her standing as a candidate. In Washington, the Biden administration remains publicly committed to scale sanctions back up if it deems Maduro is not honouring his government's pledges in Barbados, although senior U.S. officials appear keen to avoid having to make that determination.

At the same time, concerns have mounted in Latin America and beyond over the government's decision to try forcing concessions from neighbouring Guyana over the Essequibo region, administered by Georgetown but claimed by Caracas. In 2018, the UN Secretary-General referred the sovereignty dispute to

the International Court of Justice. But the Maduro government maintains that it does not recognise the Court's jurisdiction in the matter. On 3 December, it held a referendum to obtain the public's backing for creating a state of "Guayana Esequiba". Its bellicose words have alarmed neighbouring countries, although the risk that it would take military action to enforce its claim so far appears low. Instead, its posturing on Essequibo seems designed to bolster Maduro's election campaign, sideline the opposition and maybe provide an excuse for suspending the presidential race, should the government consider it expedient.

In these circumstances, the EU and its member states should:

- Discreetly encourage the Maduro government to admit EU election observers, while pressing Caracas to adopt at least some recommendations from the mission that the EU sent in 2021. New observers should be given free access to polling sites and be allowed to publish their conclusions.
- Continue to seek stronger coordination of Venezuela policy, including with respect to conditions for sanctions relief and urging progress in government-opposition negotiations, among EU member-states as well as between the EU and other key players, especially the U.S. and concerned Latin American states, above all Colombia and Brazil.
- Accelerate the process of appointing a new EU ambassador to Caracas, given the importance of maintaining high-level dialogue, especially in an election year.
- Urge leaders of the Unitary Platform parties and their allies, especially Machado, to stick to their electoral strategy and work together to choose an alternate presidential candidate if the government refuses to remove the prohibition on her standing.
- Increase aid contributions to address the domestic humanitarian crisis and the needs of migrants.

The Barbados Agreement and Sanctions Relief

When the Maduro government and Unitary Platform met in Barbados in October, it marked their first formal tête-à-tête in a year, resuming negotiations that had begun in Mexico City with support from Norway in August 2021. Under the terms of the deal, the government committed to conditions for a presidential election in the second half of 2024, including an updated electoral register, international observers, equal media time for political forces and security guarantees for candidates.

Because so much power is concentrated in the government's hands, and because the political opposition has until recently emphasised international support over building its domestic base (partly out of necessity, given government crackdowns), the latter has little leverage in talks with Caracas. As a result, the Barbados deal depended in large part on international diplomacy. Secret

preparatory conversations between U.S. and Venezuelan representatives took place thousands of miles away from Venezuela in Doha, Qatar.

The fruits of these meetings became apparent as soon as the ink was dry on the Barbados accord: Washington announced a surprisingly broad sanctions relief package, whose most important component was a six-month renewable licence enabling Venezuelan oil to be sold on the open market for the first time since 2019, promising billions of dollars in additional income. Senior U.S. officials insist, however, that sanctions relief will be reversed, at least in part, unless Maduro takes meaningful steps to make good on the election guarantees to which it committed in Barbados. On 13 November, the EU renewed its own sanctions on 54 government officials and military officers considered to have persistently undermined democracy and human rights, albeit for six months rather than a year. Resisting member state calls to repeal the measures altogether, the EU Council cited the Barbados agreement as the reason for its modified stance.

The Barbados accord has already had tangible effects. Caracas released five political prisoners on 19 November, followed by 21 more in December alongside ten U.S. nationals – although around 250 are still jailed and at least some of those released still face charges. In exchange, Washington agreed to free Maduro ally Alex Saab, a Colombian businessman accused of money laundering, whom the government portrays as a diplomat and a sanctions-busting hero, and whose release from U.S. custody it had long demanded. Crucially, the government also gave the green light to the opposition primary that took place on 22 October, attracting what organisers said was a remarkably large turnout of over 2.4 million voters.

Absent from the Barbados agreement, however, was clear resolution of a main difference between the sides. Senior government officials have underlined, in public and private, that they do not intend to permit key opposition figures to stand for election, arguing that several of them betrayed the nation by calling for foreign intervention to topple Maduro. The accord includes no explicit commitment to lift any bans, beyond stating that all "who meet the requirements" of Venezuelan law can run. This situation has the greatest bearing on Machado, who swept to victory in the Platform's primary despite being one of those prohibited from running for office. Machado reaped the benefits at the ballot box of having been critical of both opposition moderates and the failed "interim government" strategy of 2019-2022, which centred on the claim that Juan Guaidó, not Maduro, was the legitimate president. On 26 January, however, Venezuela's Supreme Court confirmed the ban on her standing for office.

The Maduro government's other moves after the Barbados deal have contradicted the spirit, if not the letter, of its own explicit pledges. The Supreme Court demanded Machado's primary victory be suspended while the authorities looked into "serious irregularities" they allege marred the contest. The vote's organisers were subjected to lengthy interrogations. Government negotiator Rodríguez angrily rejected U.S. demands to lift the ban on Machado, saying the government had never agreed to do so and threatening to reveal details

of private talks with U.S. envoys that would presumably have embarrassed Washington. He also said the EU had disqualified itself from observing the 2024 election by renewing sanctions.

Government Strategy and Sabre Rattling over Essequibo

The contrasting signals from the government indicate the competing objectives of those in the president's inner circle. Sources close to the government say Maduro and his allies have no intention, for now at least, of handing over power. As a result, the extent of the political opening they are prepared to offer in 2024 will hinge on the risk they run of losing the election. In all likelihood, they will do the minimum necessary to preserve the negotiating path with Washington signalled by the Barbados agreement, and hence the prospect of sanctions relief, unless they conclude that the opposition's strength is sufficiently impressive that any form of opening would be too threatening. One plank of the government strategy is to spread pessimism among opposition figures about electoral conditions so as to induce them to resume the boycotts that allowed Maduro to win with low turnout in 2018 and sweep the board in the 2020 legislative election.

The government has also sought to fan patriotic fervour – which might in theory work to its political advantage – by exploiting its territorial dispute with neighbouring Guyana. Venezuela has a longstanding though contested claim to nearly two thirds of Guyanese territory, some 160,000 sq km of the Essequibo region, which *chavista* governments had hitherto mostly sought to play down for the sake of regional alliances. On 3 December, after weeks of nationalistic rhetoric, the government staged a referendum on its Essequibo policy, claiming a turnout of 10.5 million, which most independent observers saw as greatly exaggerated. Amid this sharply escalated tension with Guyana, the government aggressively went after the Venezuelan opposition: chief prosecutor Tarek W. Saab issued arrest warrants for three members of Machado's team and Roberto Abdul of the NGO Súmate (a member of the opposition primary commission) on charges including treason. Abdul was arrested and held incommunicado, while the others went into hiding, although all four benefited from the December prisoner release.

These arrests underlined the government's intention to use the Essequibo issue to brand the opposition as unpatriotic, with repeated (but unsubstantiated) claims that some of its leaders are acting as agents of Guyana and receiving payments from Exxon Mobil, the leading firm pumping its oil. Maduro has accused the Guyanese government of subordination to Exxon, which he says is colluding with the U.S. Southern Command to foment a "military conflict" with Venezuela. Some in the opposition fear that the government might cite heightened tensions as a pretext for suspending the 2024 election, although it has made no mention of such an eventuality. In fact, Guyana and Venezuela met in Saint Vincent on 14 December at the urging of the Caribbean Community and

the Community of Latin American and Caribbean States, as well as countries such as Brazil and Colombia, signing an agreement to avoid further escalation.

Despite its sabre rattling with Guyana, foot dragging on the promises made in Barbados and continued harassment of the opposition, the government has given signs that it wants to maintain the sanctions relief it has received for agreeing to improve election conditions. Before the 17 October agreement, Venezuela had already agreed to accept direct repatriation flights of migrants whom the U.S. has denied the right to stay. Caracas then proceeded to meet the 30 November deadline the U.S. had set for announcing a "mechanism" for candidates to appeal their bans (while indicating that Machado's would not be lifted) and to cooperate in prisoner exchanges. U.S. President Joe Biden expressed satisfaction with the deal, saying Maduro was "keeping his commitment on a free election. But it ain't done yet".

The Humanitarian Emergency Persists

If current sanctions relief is maintained, allowing the all-important oil sector to produce significant additional revenue, the Venezuelan economy could grow by over 9 per cent in 2024, the fastest rate in the Americas (except in newly oil-rich Guyana). Even partial reimposition of sanctions would likely not plunge the country back into recession, although annual inflation, at over 170 per cent in 2023, is the second highest in Latin America, after Argentina. Additional income from oil sales could allow Maduro to help Venezuelans handle higher prices by increasing the minimum wage, which is now comparable in dollar terms to that of Haiti. But it will not make an immediate dent in the humanitarian emergency that has driven millions of Venezuelans to leave the country. The timid economic recovery of 2022 went into reverse in the first half of 2023; despite better results in the latter half, the year brought no respite for most of the population. Three quarters of Venezuelans are unable to put enough food on the table, and more than 100 minimum wages are needed to meet basic nutritional needs for an average family.

Most children attend school only two or three days a week; the provision of running water and electricity is intermittent at best; and public hospitals lack even basic supplies. The burden of these problems falls disproportionately on women, many of whom are single parents. Independent surveys of humanitarian needs suggest significant numbers have no access either to family planning services or care during pregnancy and childbirth, and Venezuela has the highest rate of teenage pregnancy in South America.

There is an urgent need for more humanitarian assistance. In the first half of 2023, the humanitarian response plan for Venezuela was the second most under-funded in the world, with only 14 per cent of the required $728 million provided. The dire humanitarian situation continues to impel outward migration, with UN agencies now estimating that around eight million people, or more than a quarter of the population, have left the country. Host nations in Latin

America are under enormous strain, and they have responded by imposing more stringent restrictions on Venezuelan migrants.

Partly as a result of these controls, the northward flow of migrants seeking to reach the U.S. has increased enormously, with hundreds of thousands making the perilous journey across the Darién Gap between Colombia and Panama in 2023 and an even larger number expected to do so in 2024. The migration issue exerts a significant influence over U.S. Venezuela policy, pushing the Biden administration to seek the aforementioned deal on deportation flights. After the agreement, the number of Venezuelans detained at the U.S. southern border dropped a great deal, from nearly 55,000 in September to under 30,000 in October, but it later rose again.

The Need for a Flexible Response

If faced with a stark choice between a competitive election that leaves him out of power and a crackdown that intensifies Venezuela's international isolation, the evidence suggests that Maduro will cleave to the latter. The challenge for foreign governments in 2024 is to ensure that the opportunity the forthcoming election offers for progress on the political front is not squandered. They will need to avoid outright confrontation while nudging both sides (but especially the government) toward more plural politics, a more level electoral playing field, and restoration of Venezuela's state institutions and rule of law. Even if a peaceful handover of power is not achieved, the opportunity for cohabitation between a *chavista* government and an opposition-controlled National Assembly that was missed in 2016 could present itself again with the legislative elections of 2025. But a necessary precondition is to avoid acrimony over electoral conditions and secure opposition participation in 2024.

An EU observer mission for the 2024 election, if the terms of its deployment can be negotiated, would be a highly positive development, since it lies at the intersection of Maduro's need for recognition and the outside world's requirement for objective appraisal. It is still possible that Caracas will invite one, provided that the government believes it can retain power in an election in which votes are correctly counted. The EU should keep pushing for an invitation so long as the door remains ajar, while insisting that its observers be given free access to polling sites and permission to publish their findings. The government's failure to take up any of the recommendations in the EU observer mission's report on the 2021 regional and local elections – or even to allow the mission chief to present the report in Venezuela – remains a major obstacle. The EU should keep pressing the government in this regard, linking the prospect of a 2024 mission with at least partial adoption of its prior recommendations, especially those that overlap with the government's commitments under the Barbados agreement, such as thorough revision of the electoral register, the application of penalties for violations of electoral law and equal access to the media for the opposition.

Furthermore, the EU and member states should use their diplomatic heft to help forge a common approach with the U.S. as well as prominent Latin American states (particularly neighbouring Colombia and Brazil) that eschews the sterile confrontation with the Venezuelan government of 2019-2022 without merely endorsing the status quo. They should continue to support sanctions relief in return for progress on democracy and human rights, but they should seek where possible to avoid public disputes that provoke irate reactions from Caracas. When considering in late May whether to renew EU targeted sanctions against 54 Venezuelan officials, the bloc should coordinate policy with Washington and condition non-renewal on fulfilment of the Barbados agreement. In this regard it is worth noting that the EU has been operating at chargé d'affaires level in Caracas for over a year and that its standing and efficacy would be enhanced by the prompt appointment of an ambassador.

Quiet diplomacy, rather than high-profile initiatives, may prove more conducive in 2024 to progress in the direction mapped by the Mexico dialogue that began over two years ago, given the Maduro government's heightened sensitivity to what it regards as foreign "interference". In these circumstances, the EU's particular strengths are likely to be found in the breadth of the bloc's diplomatic ties, and the conciliatory, pragmatic approach it generally espouses – as exemplified by certain member states such as Spain – in contrast to what can be heavy-handedness from Washington. It will not always be easy to maintain agreement among European states or sustain close coordination with the U.S., on one side, and leading Latin American states like Brazil and Colombia, on the other. But alignment among them in supporting concrete steps toward credible elections, lower political tensions and preparations for the polls' aftermath will make it much harder for the Maduro government to shun their proposals.

While continuing to engage with the Maduro government, in particular with regard to election conditions and the need for professional observers, the EU and member states should also urge leaders of the Unitary Platform parties and their allies, especially Machado, to persist with their electoral strategy and improve their coordination. As the government has reaffirmed its ban on her candidacy, these parties should agree soon on a method for finding a substitute.

Without resolution of the political crisis, Venezuela's humanitarian emergency and the mass migration it has provoked will continue. But in the meantime, and despite tight finances, the EU should maintain and seek to increase its funding of programs to alleviate Venezuelans' hardships and meet the increasing needs of migrants. It should devote particular attention to the most vulnerable, including women and girls who are at risk of being trafficked or subjected to sexual violence. Studies have shown that around half of all migrants are women and girls and, of these, around a third travel alone.

MIDDLE EAST

Helping Egypt Weather the Gaza War's Impact

Even before the Gaza war sent Middle Eastern economies reeling, Egypt was facing an economic crisis that risked fuelling unrest and destabilising the region. Cairo is paying the price for over-dependency on food and fuel imports that it can scarcely afford, as well as over-reliance on expensive short-term financing. Now the shock waves generated by the conflict in Gaza have augmented those already emanating from Russia's war in Ukraine. Among other things, Cairo has lost several months of revenue from the re-export of Israeli gas and had to curtail domestic consumption when Israel stopped extracting from Tamar gas field for a time; it has seen the cancellation of tourist visits to the Sinai Peninsula because of its proximity to war-torn Gaza; and it is losing fees paid by cargo vessels passing through the Suez Canal, with traffic slowing dramatically since Houthi insurgents sympathetic to Hamas began attacking commercial shipping in the waters around Yemen. These events have compounded Egypt's pre-existing troubles, such as an unsustainable debt burden and a cost-of-living crisis that has been worsening since 2022. They are also of concern to European leaders, who worry that any Egyptian unrest could heighten regional instability and render Cairo an unreliable partner in maintaining the Suez Canal trade route to Asia.

The Gaza war poses other challenges for Egypt. From the start of the conflict, Cairo has been worried about spillover, particularly the possibility that Israel will force Palestinians out of the strip into the Sinai. Concern is mounting as displacement within Gaza accelerates further and humanitarian conditions continue to deteriorate. From President Abdelfattah al-Sisi on down, Egyptian authorities flatly reject the scenario reportedly mooted by Israeli leaders that would see "voluntary emigration" of Palestinians from the decimated enclave. Moreover, they worry that uprooting people from Gaza and forcing them into Egypt could trigger protests and mass mobilisation, particularly if the Palestinian refugees were to perceive the authorities as responsible for their displacement.

To support Egypt's stability, the EU and its member states should:

- Provide financial assistance to Egypt beyond addressing concerns that its economic woes might trigger a spike in irregular migration to Europe. The EU should put a priority on budget support and economic development, including green and digital transition projects, to enhance Egypt's political and economic resilience.

- Make some of this funding conditional on economic and governance reforms, aimed at shoring up the country's long-term stability and protecting human rights, ideally including benchmarks to be used in gauging progress.
- Continue to amplify Egypt's message that displacement of Palestinians from Gaza is unacceptable. The EU should also remind Israel of its humanitarian international law obligations, which forbid any action to relocate the residents of occupied territory.

The Gaza War's Economic Blows

As Crisis Group has previously described, Egypt's economy has been struggling for several years, but the Gaza conflict has thrown its vulnerability to external shocks into especially sharp relief. The war hit Cairo's main sources of much-needed foreign currency and threatens to trigger a major debt crisis, with potentially destabilising effects.

The loss of foreign currency owes to several war-related developments. First, Israel stopped extracting natural gas from the Tamar field in its territorial waters for a period, fearing that rockets fired from Gaza could hit these facilities. It switched off the pipeline that carries liquefied natural gas to Egypt for re-export and domestic consumption. As a result, Cairo had to export less gas and to extend daily rolling blackouts from one to two hours. Israel later resumed piping gas to Egypt, but in small volumes, meaning that the power outages persist. Meanwhile, a significant number of tourists dropped plans to visit Egypt, particularly its beaches and diving spots in southern Sinai, with early November cancellations reaching 25 per cent. Then, when Yemen's Houthi rebels started attacking vessels in the Red Sea, demanding that Israel end its offensive, shipping insurance costs climbed, pushing firms to steer their gargantuan boats elsewhere. As a result, traffic through the Suez Canal – a key source of hard currency for Egypt – fell by 30 per cent in the first ten days of January from what it was the previous year.

These blows come on top of the enormous problems already besetting Egypt's economy. It suffered a severe setback with Russia's war in Ukraine and the ensuing spike in commodity prices, followed by the global increase in interest rates. These events widened the current account deficit, depleted foreign reserves and inflated external debt, pushing the country to the brink of default. The crisis intensified in 2023, marked by a significant devaluation of the exchange rate, causing food prices to rise sharply. As a result, many Egyptians, especially in the middle and working classes, some of whom already were already working two or more jobs to make ends meet, saw a dramatic erosion of their standard of living. These economic troubles also have roots in President Sisi's governance since 2013, which has emphasised government-led infrastructure projects funded by external debt, often through military-owned companies. This approach led to the army's dominance in various industries, at the expense of the local private sector.

Despite the deteriorating economic outlook, Egyptian authorities avoided adopting several necessary measures for fear of destabilising the country. To help make debt payments, Egypt secured a $3 billion loan from the International Monetary Fund (IMF) in late 2022, but the IMF suspended disbursement in 2023 because Cairo, citing political sensitivities, was reluctant to make all the agreed-upon reforms. Notably, the government did not curb the military's control of large parts of the economy. It also continued to prop up the Egyptian pound, because it feared that floating the exchange rate – ie, exposing it to market forces – could further boost inflation, which reached a record high of 40.3 per cent in September 2023. The Egyptian authorities tried to stay clear of currency devaluation, with the pound hovering at around 30 to the dollar, while on the black market the rate stabilised at around 35-40 pounds to the dollar. But with the Gaza war's effects, the black-market rate jumped to 60 pounds to the dollar in January, ratcheting up pressure on the authorities to alter the official exchange rate.

Amid these economic woes, and despite Egypt's failure to carry out the IMF-mandated reforms, Gulf and Western partners (including the EU and member states) appear willing to help Cairo weather the storm. The U.S. is ready to provide financial support to Egypt, as Treasury Secretary Janet Yellen signalled after meeting her Egyptian counterpart in January. Gulf countries, though not openly committed to financial aid, seem inclined to boost Egypt's economy through increased private investment and asset purchases. In October, the EU began working on its own support package for Egypt. The EU reportedly followed the example of a two-fold deal struck with Tunisia. First, it provided a smaller yet significant amount of unconditional aid to fund measures to lower irregular migration departures, and secondly, it offered larger sums in macro-financial assistance conditioned on a deal with the IMF.

Most importantly, the IMF is renegotiating its loan with Egypt and has declared that it is ready to increase the loan amount in view of the challenging circumstances. While talks are still under way, news reports suggest that the IMF is willing to soften its conditions and reach a compromise, such as pegging the pound to a basket of currencies instead of a floating exchange rate. These steps would help Cairo manage the domestic politics around the loan, because they would reduce the inflationary impact of a devaluation.

This flow of external credit is likely to provide short-term relief, even though it may not address long-term structural imbalances, including addressing the dominance of military-owned companies in the economy. Yet supporting Egypt at this delicate time is essential, in view of the possible repercussions for regional as well as European stability. As the largest country in the Arab world, sitting atop a key waterway for global trade and hosting millions of refugees from Sudan, Syria and elsewhere, Egypt continues to play an important, constructive role in regional affairs, despite the decline in its geopolitical influence. The destabilisation of Egypt could have dramatic consequences for trade, migration and regional politics.

Pre-empting an Influx of Palestinian Refugees

Ever since Israel launched its military campaign in Gaza, Egypt has shared the worries of the Palestinians living there that Israel might try to forcibly relocate them to the Sinai. It strongly opposes this prospect. On 23 November, President al-Sisi unequivocally affirmed Egypt's stance in this regard, emphasising its commitment to the Palestinian cause and to safeguarding its own national security. With the widespread destruction of civilian infrastructure in Gaza, Egyptian diplomats tell Crisis Group they continue to suspect that Israel's hidden objective is to push Palestinians toward the Egyptian border. Palestinians might even try to enter the Sinai of their own accord if Israel's actions make Gaza uninhabitable.

Egyptian officials fear a recurrence of the Nakba (Arabic for "catastrophe", referring to the Palestinians' mass displacement in the 1948 war), which would burden Egypt with offering permanent shelter to a substantial number of exiles from Gaza. A long-running jihadist insurgency in the Sinai exacerbates their concerns, as does the spectre of linkages between militants in the peninsula and those staying behind in the strip to fight Israel. Finally, militancy might well arise among a large, aggrieved Palestinian population in Egypt, leading to cross-border attacks on Israel, exposing the country to Israeli retaliation and forcing Cairo to police those actors on its territory.

The situation at the Gaza-Egypt border has, if anything, grown more nerve-racking with Israeli military operations now concentrated in the southern part of the enclave. Netanyahu has called for the army to occupy the Philadelphi corridor (a narrow strip of land running along the border on the Palestinian side) to regain full control of Gaza's boundaries. Humanitarian conditions continue to deteriorate, with more and more Palestinians crammed into Rafah and al-Mawasi, two areas in the strip's far south.

Amid Israel's military operations, as well as talk by politicians including Prime Minister Benjamin Netanyahu of "voluntary emigration" of the Palestinian population from Gaza, Egyptian authorities struggle to conceal their powerlessness. Egypt's regional influence has diminished over the decades. For the last several years, it has seen conflicts break out in neighbouring countries – before the Gaza conflagration, it was Libya's civil war starting in 2014 and Sudan's in April 2023 – that threaten to reverberate inside its borders. Its recurrent meddling in the latter two conflicts, however ill advised, is an attempt to protect Egypt from spillover. Because of its loss of economic and military strength, Cairo finds itself in the position of having to appeal to external actors, such as the EU and its member states, to convey the message to Israel that a refugee influx would breach a red line not just for Egypt but for them as well.

What the EU and Its Member States Can Do

EU officials are worried that the difficult economic outlook could destabilise Egypt and push Egyptians and refugees currently in Egypt (Prime Minister Mostafa Madbouly estimates the number at 9 million) to attempt to reach Europe, where political forces have arrayed against accepting large numbers of migrants. Initial indications are that the partnership with Egypt will not be limited to migration but will include a broader economic approach. In December 2023, EU Commission President Ursula von der Leyen indicated that the EU wants to reach an agreement with Egypt similar to the deal struck with Tunisia in 2023, which mobilised funds to support economic development and stem irregular migration. In January, EU Commissioner Olivér Várhelyi specified that the agreement will focus on investment by mobilising 3.2 billion euros, in addition to 5.8 billion that the EU had already earmarked for Egypt, in areas such as food, water and energy, as well as migration. Such external credit may provide short-term support for the Egyptian economy, alleviating fiscal and external pressures until 2027, when loan repayments are expected to decline.

While the apparent shift away from narrow concern with migration is positive, the EU should go further, tying at least some of its future financial assistance to progress with much needed economic and governance reforms. On the economic front, the EU partnership offered to Egypt should make priorities of budget support and economic development, such as green transition and digital projects, that can bolster the country's political and economic resilience. The time is also ripe to press for steps to loosen the military's grip on the private sector. On the governance front, Brussels should push Cairo to release political prisoners, issue guarantees to protect opposition political parties from repression and take measures safeguarding respect for migrants' human rights, ideally setting clear benchmarks that it can use to assess progress.

In addition, Egypt will need European help in allaying and managing the plight of the Palestinians who live on its border, both because of the humanitarian imperative and because of the risk of a major inflow of people from Gaza, which could in turn jeopardise its national security and trigger domestic backlash. An incident leading to the forcible or "voluntary" exodus of part of the Palestinian population cannot be ruled out. As noted in the Israel-Palestine entry below, Europe should exert continuing pressure on Israel to seek an immediate ceasefire with Hamas and to enable greater volumes of aid to reach the strip. At the same time, Egypt needs the EU and its member states to keep stressing the message that displacement of Palestinians from Gaza, in any numbers, is out of bounds – as some leaders are already doing. On 17 November, EU High Representative Josep Borrell declared his firm stance against the forcible removal of Palestinians from Gaza. On 19 November, it was von der Leyen who, in a meeting with Sisi, stated that she opposed this scenario, despite her initial unconditional support for Israel's actions. The EU should continue to remind Israel of its obligations under international humanitarian law, which strictly forbid any action to relocate the residents of occupied territory. European leaders should likewise tell Israel that Gaza's future will remain its (and not Egypt's) responsibility.

Containing the Gaza Conflagration

The Israeli-Palestinian conflict is at a defining moment, one of its bloodiest and most volatile ever. The grievous Hamas-led attack in southern Israel on 7 October 2023 saw Palestinian militants kill over 1,100 Israelis and take nearly 250 hostages, mostly civilians; reports emerged that they also engaged in acts of sexual assault, torture and mutilation. Since then, Israel has undertaken a relentless military campaign in the tiny, densely populated Gaza Strip, killing over 26,000 people – most of them women and children.

Conditions for Gaza's 2.23 million inhabitants – already poor before the war, due to the blockade Israel had enforced for sixteen years – are now catastrophically bad, with 85 per cent of the population displaced at least once and 60 per cent of the civil infrastructure destroyed. Israel made the siege near total, cutting off water and electricity and severely restricting food supply. Palestinians in Gaza are facing starvation, with expectant and new mothers, as well as babies, at the highest risk, and aid agencies are warning of the spread of communicable disease. Israeli leaders have vowed unending war to eliminate Hamas, or at least its military wing, an objective that appears unachievable. Hamas is equally determined to continue the fight.

Meanwhile, the war has already rendered large parts of Gaza uninhabitable, with destruction increasing by the day. In an interim ruling on 26 January, the International Court of Justice (ICJ) found that "the catastrophic situation in the Gaza Strip is at risk of deteriorating further" and ordered Israel to take provisional measures in the service of preventing and punishing breaches of the Genocide Convention. In response to Israeli allegations that twelve staff members of the UN Relief and Works Agency (UNRWA) had participated in Hamas's 7 October attack, several donor governments, including the U.S., temporarily suspended their financial support for the agency, which serves Palestinian refugees.

The conflagration is not limited to Gaza. Israeli army raids and settler violence in the West Bank, already at a twenty-year high, have escalated significantly. Conflict has also spread across the Middle East, with flashpoints in Lebanon, Syria and Iraq. On 28 January, an attack by Iran-backed militias killed three U.S. servicemembers on Jordan's border with Syria, expanding the battlefield yet further. The U.S. is reportedly preparing a sustained military campaign against Houthi insurgents in Yemen, who have been targeting Red Sea shipping. The longer the war continues, the greater the human and political damage in Gaza, in Israel and throughout the region, and the greater the risk that tensions erupt into something far bigger and more dangerous than the present flareups.

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

- Press for an immediate ceasefire, recognising that the best way to serve both humanitarian needs and Israel's security concerns, and to lower the risk of regional war, is to bring the military campaign to a close. The most

promising path to a durable end to the fighting would begin with a truce, followed by another hostage release and measures addressing restrictions on humanitarian aid. Interim governance arrangements excluding Hamas from a role and an extended ceasefire structured to reduce the threat it presents would come next in the sequence.

- On a parallel track, and consistent with the ICJ's interim ruling, insist that restrictions on aid, commerce and the provision of essential goods and services be lifted or eased, regardless of whether there is progress on a truce. This would mean enabling the supply of water and electricity; expediting inspection procedures at entry points to the strip; narrowing the list of prohibited dual-use items, including fuel; allowing expanded commercial activity; and reopening the Erez border crossing in the north for aid and vital goods given the challenges of transporting them through Gaza from the two open crossings in the south.
- Taking into account the potential impact of cutting essential services to Palestinian refugees in Gaza and beyond, continue funding UNRWA at the same time as insisting on a full, transparent investigation of the accusations against it.
- Remain focused on developments in the West Bank as well as in Gaza, recognising that they are related, and both press for a halt to settlement expansion and take action (eg, in the form of visa bans like those imposed by the U.S. and UK) against those responsible for settler violence.

Devastation and Escalation

The 7 October 2023 attack by Hamas was the worst sustained by Israel since the state was founded in 1948. It shattered Israelis' sense of security, which remains in pieces with details of the attacks continuing to emerge, 136 hostages still in captivity – at least twenty are known to be dead – and approximately 200,000 residents still displaced from towns near Gaza and (because of Hizbollah's operations in support of Hamas) the Lebanese border. It also dealt a serious blow to Israel's image as a regional superpower, which rests largely on perceptions of military prowess and invulnerability to enemy incursion. In part to restore that image, and in part to mollify citizens who, infuriated by its failure to prevent the Hamas assault, are demanding that Hamas be removed from Gaza, the far-right government has spearheaded what are by far Israel's most intensive military operations in the strip to date. The devastation caused by the campaign, which has killed more than 1 per cent of Gaza's population, nearly defies comprehension.

The humanitarian emergency in Gaza has left hardened aid workers aghast. The death toll keeps climbing, and the numerous uprooted families have been forced to move repeatedly to escape bombing and shelling. Most Palestinians in Gaza are descendants of people made refugees in the 1948 war attending Israel's founding. In past conflicts, they have sought shelter in schools and

other facilities run by UNRWA. The 155 UNRWA buildings, particularly in Rafah, the southernmost governorate where the displaced are now concentrated, are packed far beyond their intended capacity. Fleeing people have found shelter in the remaining large structures that sit at a distance from designated evacuation zones, including municipal buildings and mosques.

Military operations are the primary reason for the enormous destruction and displacement caused by the war, but Israel's "complete siege" on Gaza – declared two days after the Hamas attack and relaxed only slightly since – has taken a huge toll as well. Two weeks after Israeli authorities cut off the electricity supply on 11 October, fuel reserves at Gaza's sole power plant were depleted. Fuel remains in short supply since the amount Israel allows does not cover Gaza's basic needs, even for aid operations. Medical services are badly affected: as of 3 January, the World Health Organization reported, only thirteen of Gaza's 36 hospitals were even partly operational.

Meanwhile, hundreds of thousands are desperately hungry. Before 7 October, 60 per cent of Gaza's food was imported with most of the remaining 40 per cent locally grown. Today, imports have fallen precipitously, and the agricultural sector has been heavily damaged. Repeated telecommunications shutdowns hinder efforts to distribute the insufficient food aid that is getting in. As a result, in December the Famine Review Committee (an international mechanism activated to assess situations of extreme food insecurity) established 17 per cent of the population have surpassed "catastrophic" levels of food insecurity, signifying "starvation, death or extremely critical acute [sic] malnutrition levels". Meanwhile, 42 per cent are estimated to be within the emergency threshold of "acute malnutrition and excess mortality". Aid officials say the situation has worsened in the five weeks since, a deterioration that is unlikely to be reversed without a ceasefire.

Israel disputes that there is an overall food shortage in Gaza or suggests that any scarcity owes to theft of supplies by Hamas (a claim for which U.S. officials say they see no evidence), even as aid workers aver that Israeli measures are compounding the problem inside the strip. The convoluted process of importing goods has limited imports to a meagre flow. The inspection process is unpredictable and, for a single truck, sometimes takes up to two hours. Dual-use goods, ie, those which Israel says have civilian as well as military uses, face arbitrary and inconsistently applied restrictions. Even if assistance were coming in at greater speed and volume, Gaza's market-based food system cannot function without some level of commercial imports; aid agencies provide a supplement either in the form of staples or cash, but they do not provide complete food rations.

Moreover, getting goods into Gaza is only part of the problem. Once they enter the strip, there are many obstacles to distribution. The most important ones are the lack of fuel and Israel's refusal to coordinate deconfliction with its military operations, without which movement is dangerous or impossible. With the two operational crossings both in Gaza's south – Rafah and Kerem Shalom – hardly any aid makes it to the north. Other obstacles include crowding in Rafah, which

makes many roads impassable; damage to roadways; lack of fuel and trucks; and the inability of residents to safely make their way to distribution points.

Yet for all the anguish and destruction the events of 7 October and subsequent war have wrought, no end is in sight. Israel continues to reject the notion of a ceasefire. It has no clear exit strategy and does not appear close to achieving either of its two main war goals of eradicating Hamas and securing the hostages' release. Hamas fighters have taken shelter in the group's extensive tunnel network, emerging to launch painful hit-and-run attacks on Israeli soldiers and at times firing rockets into Israel. Even if the Israeli military does manage to dismantle the group's armed wing or significantly degrade its capacity, the anger and grievance it has created through years of occupation and blockade, not to mention the present campaign of decimation, all but guarantee that both political and violent resistance to Israel will continue.

Indeed, as Crisis Group has long argued, the only way for Israel to achieve a lasting peace is through negotiations with the Palestinians that recognise their rights and aspirations to self-determination. Today's Israeli government, however, flatly rejects those aspirations, and the far-right flank of the governing coalition is even floating ideas about rebuilding Israeli settlements in Gaza and encouraging "voluntary emigration" of Palestinians to third countries. These notions are resoundingly rejected by both Palestinians and people in the Middle East; in some cases, Prime Minister Benjamin Netanyahu has been compelled to distance himself from them. Egypt and Jordan oppose any possible relocation of Palestinians from Gaza or the West Bank to their territory.

Against this backdrop, on 26 January, the ICJ found it plausible that Israeli conduct alleged by South Africa would violate the Genocide Convention. The court ordered Israel to take provisional measures with respect to the prevention and punishment of genocidal acts and incitement; the immediate and effective provision of humanitarian assistance; and the preservation of evidence. Although the court stopped short of ordering a ceasefire, it is hard to see how Israel can implement the provisional measures it ordered absent either that or a dramatic scaling-back of its military operations. Because the ICJ lacks enforcement power, the primary result of its decision will likely be to increase diplomatic and political pressure on Israel.

Separately, in response to Israeli allegations that twelve UNRWA staff members had participated in Hamas's 7 October attack, several donor governments, including the U.S., temporarily suspended their financial support of the agency, imperilling its operations. Cutting aid to the agency, which provides essential services and the bulk of aid to Gaza, even as its population starves, is short-sighted in the extreme. The consequences will extend beyond Gaza to all Palestinian refugees served by UNRWA, including in the West Bank, Jordan, Lebanon and Syria. The European Commission has announced that it will review decisions about future funding for UNRWA after the investigation the UN plans.

Meanwhile, the conflict's regional reverberations are becoming increasingly serious. Israel's assault on Gaza has outraged Arab public opinion and been

condemned by many leaders. From Lebanon, Hizbollah has skirmished with Israel across its northern border in support of Gaza, causing Israeli communities in the area to empty out; Israel has threatened extensive destruction in Lebanon if the escalation continues. Iran-backed "axis of resistance" militias based in Iraq and Syria have engaged in over 150 attacks on U.S. troops in both countries, leading to several U.S. counterstrikes – mainly in Syria but also in Iraq (threatening Washington's partnership with Baghdad). On 28 January, a drone strike on a U.S. base in north-eastern Jordan killed three U.S. servicemembers. President Joe Biden attributed the strike to Iran-backed militants and committed to hold the attackers accountable at a time and in a manner of Washington's choosing. Perhaps most consequentially, the Houthi insurgents who control much of Yemen have attacked shipping in the Red Sea and Gulf of Aden, provoking the U.S. to form a coalition with the mission of guaranteeing safe passage. Neither the U.S. presence nor its mounting attacks on Houthi targets in Yemen have stopped the insurgents from continuing their salvos, and Washington is now reportedly preparing for sustained operations in Yemen.

Each of these fault lines could become something much bigger – even though neither Tehran (which supports Hizbollah, the Iraq-based militias and the Houthis in various ways) nor Washington appears to see a regional conflagration as being in its interests.

Political Backdrop

The challenges in forging a resolution to the current situation are compounded by a crisis in political leadership on both the Palestinian and Israeli sides. The Palestinian Authority (PA) – dominated by the Fatah party (a bitter rival of Hamas) – enjoys partial governance over the West Bank. The PA was created in 1994, pursuant to the Oslo accords, under the umbrella of the Palestine Liberation Organisation. The PLO hoped the PA would become the nucleus of a future Palestinian state, but Israel and the PLO have not held negotiations since 2014.

The Israeli government's actions in the West Bank also undercut the PA's authority. The present Israeli government is rapidly expanding settlements in the West Bank, and several ministers are themselves settlers who come from and represent a base that openly advocates Jewish supremacy in the entire West Bank. Settler violence has spiked since 7 October, often with Israeli soldiers' active participation, with over 1,000 Palestinians driven from their villages. Against this backdrop, Palestinians not surprisingly see the PA as a subcontractor for the Israeli occupation. They resent that the PA does not protect them from the violence of settlers and Israeli soldiers even in the 18 per cent of the West Bank it is supposed to control (known as Area A). They are angry as well that it arrests Palestinians wanted by Israel. Starved of funding, the PA was collapsing and at risk of fragmenting politically even before 7 October.

At the same time, Israel's leadership, too, is in crisis. Prime Minister Netanyahu remains on trial for corruption charges (which he denies); prior to 7 October, his far-right government was facing unprecedented mass demonstrations (with

many elite combat and air force reservists among the participants) against its plan to overhaul the judiciary. The military establishment warned that this unrest was undermining Israel's national security. The 7 October attacks sapped Netanyahu's popularity even further. But they rallied the Israeli public around the war effort and enabled his coalition to also continue destructive policies in the West Bank. With the Israeli public increasingly calling on Netanyahu to step down, deep splits within the war cabinet on how to prosecute the war and frustration among military officers with the lack of a day-after plan, Netanyahu has an interest in dragging out the war to remain in power. He thus continues to pander to the far-right base that paved his return to power in 2022.

Israel's Western Friends: Discomfort without Pressure

Uncomfortable as Israel's U.S. and European partners may be with its conduct of the campaign, there has been little if any attempt to restrain it in a meaningful way, much less impose costs. Washington provides weapons without any apparent strings attached; claims that it is not even monitoring whether Israel is using U.S.-supplied arms consistent with international humanitarian law; has blocked resolutions at the UN Security Council meant to pressure Israel toward a ceasefire; and issued a 100-day commemoration of the 7 October attacks that failed to mention the horrific fallout that they have had for the Palestinian people.

The EU has attached somewhat more caveats to its support. While expressing solidarity with the Israeli people after the shock of 7 October, states like Spain and Ireland made clear from the start that it would be important for Israel to proceed with restraint, though others like Austria and the Czech Republic were more or less unconditional in their backing. That said, even some of Israel's staunchest European supporters have gradually shifted their positions. Israel's closest European friends (like Germany and, outside the EU, the UK) have called for a "sustainable ceasefire" – which appears intended to give Israel more time to eliminate Hamas. By contrast France's call for an "immediate and durable" truce conveys a greater sense of urgency. None of this rhetoric amounts to serious pressure on Israel to change tack, however, and the EU and its member states have failed to collectively endorse calls for a ceasefire. As suggested above, the ICJ ruling, which the EU has acknowledged, could bring a harder diplomatic and political push for a truce, but the practical impact is difficult to predict.

What the EU and Member States Can Do

Both the EU (as the largest provider of external assistance to the Palestinian territories) and member states (through their bilateral ties to Israel in some cases, and to the PA and surrounding states in others) have a powerful voice when it comes to the Israeli-Palestinian conflict, and the risk of regional esca-

lation. In using their political and economic influence they should focus first and foremost on the following goals.

For both urgent humanitarian reasons and to manage the risk of a regional conflagration, reaching a ceasefire is an immediate imperative. Due to national sensitivities and divergent views, European policymakers are still struggling to agree on a collective call for a ceasefire and are instead putting a lot of energy into discussions of what they call "the day after". Europeans, however, need to come to terms with the fact that the starting point for any way out of this crisis – one that can address both the humanitarian emergency and Israel's security concerns – will inevitably need to be a ceasefire. The most promising sequence of events to pursue would include a truce that precedes another release of hostages and sees the removal of all restrictions on the entry of humanitarian aid and facilitation of its distribution; the development of interim governing arrangements with Hamas relinquishing the civilian administration of the strip; a more extended ceasefire guaranteed by outside powers; and, ideally, the reinvigoration of a meaningful political negotiating track between the parties.

At the same time, in light of Gaza's urgent needs, increasing the availability of essential goods and services in the strip cannot await a ceasefire. Mortality in Gaza from lack of food, water, fuel, medicine and shelter is already rising. Thus, the EU and member states should continue funding for UNRWA even as they demand that the agency undertake a full, transparent investigation of the accusations against it. They also should press Israel for an immediate ceasefire, and in keeping with the ICJ ruling, simultaneously insist that it immediately restore the provision of essential services to the strip (including water and electricity), while ensuring the systematic distribution of sufficient volumes of aid and sufficient commerce to sustain the population. This would require Israel to:

- speed up inspections of goods coming into the strip;
- narrowly tailor the list of prohibited dual-use goods, exempt those essential for saving lives, including fuel, and ensure that the list is consistently applied;
- permit a broader reactivation of commercial activity, since aid alone is insufficient to ensure the basic needs in Gaza; and
- reopen the Erez border crossing in the north for aid and vital goods, since it has become extremely difficult to transport anything into northern Gaza.

Finally, the EU and its member states should not allow Gaza to distract them from what is happening in the West Bank, as the two areas are directly interconnected. EU actors should press Israel to halt settlement expansion while taking direct action against settler violence by imposing visa bans – like the U.S. and UK have begun to do – on violent settlers. It should also insist that Israel uphold the historical status quo on the Holy Esplanade in Jerusalem. The more clarity and unity Europeans can show in these demands, the more meaningful their contribution can be to ending the violence and putting the region on a path toward peace.

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