CONCORDIA

EUROPE

2023 Concordia Europe Summit
Report

WITH PRINCIPAL SUMMIT HOST PARTNER

50 THE NEXT FIFTY

ie UNIVERSITY
SCHOOL OF POLITICS, ECONOMICS & GLOBAL AFFAIRS

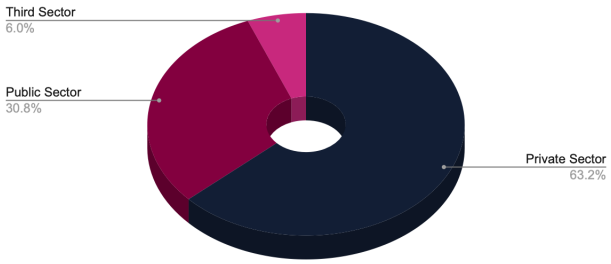
The 2023 Europe Summit in numbers

Number of countries represented: 22

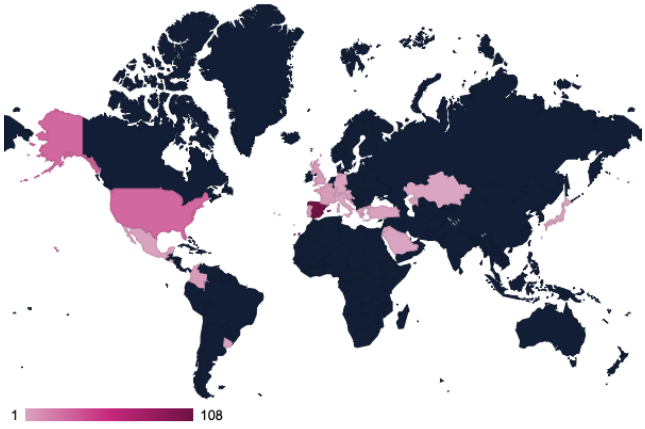
Number of EU government officials: 18
Number of US government officials: 3

Number of Programming Partners: 4
Number of Programming Sponsors: 10
Number of Media Partners: 4

Sector Representation



Countries Represented



CONCORDIA
EUROPE SUMMIT | MADRID

Principal Summit Host Partner

150 THE NEXT FIFTY

ie UNIVERSITY
SCHOOL OF POLITICS, ECONOMICS & GLOBAL AFFAIRS

Programming Sponsors, Programming Partners, and Media Partners

IBERDROLA

CEPSA

edp

CAF DEVELOPMENT BANK OF LATIN AMERICA

NATO OTAN

IBERIA

MADRID

indra

INVEST IN MADRID SPAIN

Navantia

Santander

Telefónica

esglobal

euronews.

FP

NTN24 NUESTRA TELE NOTICIAS

Founding Sponsor

LIBRA GROUP

A message from the Chair of the 2023 Europe Summit

Europe, throughout its rich and storied history, has been a cradle of civilization, a hub of innovation, and a catalyst for progress. It is a continent that has weathered countless tribulations, transformations, and triumphs, and today stands as a testament to the resiliency, determination, and unity of its nations. From the ever-changing geopolitical landscape of the region to the need for more intense climate action, improved cyber-infrastructure, and better diplomatic tools and strategies, Europe is at the precipice of a new chapter that demands our collective action and attention.

Concordia is an organization rooted in the belief of the power of dialogue, collaboration, and nonpartisanship. By bringing together leaders from various spheres, including government, business, civil society, and academia, we inspire a setting that welcomes candid, transparent discussions, innovative thinking, and the forging of actionable, forward-thinking solutions.

Last month at the 2023 Concordia Europe Summit in Madrid, decision-makers convened over the course of one-and-a-half-days to discuss matters of sustainable development, digital advances in critical technologies, the electrification of Europe with renewables, and other contemporary and present issues facing the European community. Its three main themes, diplomacy, cyber defense, and energy security, are areas that require monumental consideration.

As Spain assumes the Presidency of the European Council this month, it is my sincere hope that this report will not only provide key insights into the foremost challenges affecting Europe but inspire the policy making necessary to drive progress.

José Manuel Barroso
Chair, 2023 Concordia Europe Summit
Chair, Gavi, The Vaccine Alliance
Former President, European Commission

A message from Concordia's Co-Founders

Last month, Concordia brought together key leaders in the cyber, energy, and diplomacy spheres for a set of high-level, closed-door conversations through our Concordia Concilium format. Maintaining Concordia's nonpartisan, public-private sector approach, the 2023 Europe Summit created opportunities for market-based, environmental, cyber-resilient solutions to the biggest challenges facing the European and global communities.

This month, Spain assumes the Presidency of the Council of the European Union, at a critical juncture in Europe's trajectory. This report, presented to Spanish and EU officials, contains key insights and outcomes from the 2023 Europe Summit, centered around the three themes of cyber defense, energy security, and diplomacy. While conversations were closed door, we're pleased to share analysis from a select number of IE University students on each of these themes, along with key poll results.

We are pleased to have welcomed many speakers from various industries, sectors, and countries, including multiple ambassadors, former presidents and prime ministers, C-level executives, industry innovators, and reporters.

We eagerly anticipate continuing these conversations during our upcoming 2023 Concordia Annual Summit, taking place September 18-20 in New York City. In the meantime, thank you to our 2023 Europe Summit Programming Partners and Sponsors, as well as our Members, Speakers, Leadership Council Members, Senior Advisors, and Advisors for their continuous support, expertise, and invaluable guidance. We would also like to extend a special thank you to our Principal Summit Host Partner, IE University.

Matthew A. Swift
Co-Founder & CEO
Concordia

Nicholas M. Logothetis
Co-Founder & Chairman of the Board
Concordia

A message from IE University's Provost & SPEGA Dean

We were honoured to host the 2023 Concordia Europe Summit last 15-16 June at IE University. The insightful discussions that took place in the different panels and working sessions embody many of our university´s key values: frank exchange, diversity of views, a global vision, an open mind, a focus on innovation and a problem-solving approach to tackling the challenges of our time.

As Spain assumes the Presidency of the European Council, we are glad to contribute the main conclusions of the Summit through this document, providing specific recommendations on some of the critical issues that focused our debates. We live at a time of great uncertainty and peril, but of great opportunity as well. The Concordia Europe Summit allowed us to dive deeper into issues such as the energy transition and sustainability, digitalization and cyber security, and the role of diplomacy in dealing with the current geopolitical context.

The many leaders, experts and seasoned practitioners that joined us in Madrid stressed the need for increased cooperation and awareness of the changes that need to be made to stay on top of current technological, political, and societal trends. Nurturing and fostering a public-private cooperation will be fundamental, especially in sectors where the corporate world is at the cutting-edge of innovation, such as artificial intelligence or renewables, but governments too can provide a catalyst for transformation and ensure that the benefits are widely shared. As the Summit proved, diplomacy and international cooperation will also need to evolve and provide meaningful ways of cooperation among countries and global stakeholders, with the goal of better managing interdependence.

We want to thank all the participants at the summit for their ideas and inspiration. And of course, we also want to express our gratitude to the Concordia Team, led by Matthew Swift, for their trust and for choosing IE University as their partner and Summit host. We share with Concordia the DNA of convening brilliant voices, stimulating informed debates, and advancing solutions to the problems our world faces. Organizing this meeting has been a fascinating endeavour and we look forward to many more.

Manuel Muñiz
Provost, IE University;
Dean, IE School of Politics, Economics, and Global Affairs

A message from United Nations Secretary-General António Guterres

UNITED NATIONS NATIONS UNIES

I send my warmest greetings to the 2023 Concordia Europe Summit.

You gather in troubled times. Conflicts, geopolitical tensions and inequalities are threatening the very essence of multilateralism. And every day brings warnings of the risks of unregulated new technologies.

Governments and technology companies have a responsibility to prevent online threats to democracy, security and human rights. We must work together to stop the spread of misinformation and disinformation, and build an open, safe, and secure digital space.

We must also restore trust by intensifying efforts to achieve the Sustainable Development Goals, including by supporting developing countries to secure affordable and clean energy access. The only true path to energy security, stable prices and a livable planet lies in ending the addiction to fossil fuels, building resilience and accelerating a clean energy transition.

In these areas and beyond, we must recommit to dialogue, strengthen cooperation and revitalize global governance mechanisms to effectively address current crises and prevent future ones. That is the ambition of Our Common Agenda – a renewed multilateralism that is more agile and more inclusive, addresses new threats and protects our planet.

Thank you for your efforts and commitment to advancing these goals and ensuring sustainable and innovative solutions for all.

Cyber Defense

In today's interconnected, digitized, and globalized world the role of technology is essential to modern life. While technological developments have facilitated tremendous progress in socioeconomic mobility, information sharing, and problem solving worldwide, the cyber landscape is fraught with malicious actors leveraging cyberspace to their advantage. This chapter explores how private, public, and multilateral cooperation is necessary to form comprehensive policy structures capable of effectively mobilizing and combating cybercrime in the digital age, providing innovative solutions able to navigate complex regulatory and operational frameworks. Multi-sector disruptions, particularly in defense, have exponentially emerged as a result of the technological revolution, and dialogue on best practices and emerging areas of application is paramount to harnessing critical technologies for public welfare.

Cyber Defense: Gray Zones, Non-State Actors, and Human Vulnerability

By Raquel Hazeu, Law and International Relations, IE University

Technologies such as artificial intelligence (AI) and quantum computing provide a wide range of opportunities for cyber defense (*see Annex I*), from attack detection and prevention to identification and differentiation of targets and documentation of war crimes. However, by contrast to nuclear weapons, these technologies are not the monopoly of states: many non-state actors have access to and are currently deploying them. This essay will begin by providing an overview of the current landscape in cyber security, where cybercrime is on the rise and new technologies are being weaponized. Secondly, it will analyze the rationale behind the poll results obtained at the 2023 Concordia Europe Summit on three main themes: the regulation of cyberspace, the role of public-private partnerships, and the importance of training and awareness. Finally, this analysis will be summarized into five key findings that can serve as a basis for future discussions.

Cybercrime is proliferating and professionalizing. 85% of respondents attending the Summit considered that "emerging technologies have become increasingly weaponized" (*see Annex II*). There are numerous dark web sites offering

Malware-as-a-Service (MaaS) and a list of targets to choose from (Mladenovska, 2023). These sites facilitate the launching of attacks for cybercriminals, as they do not need to develop the malware themselves, and it also makes it harder for law enforcement authorities to assign responsibility for such attacks. For instance, the Russia-aligned hacktivist group KillNet has been conducting a campaign of Distributed Denial of Service (DDoS) attacks against authorities which are supporting Ukraine in the war (Reuters, 2022). Similarly, the hacktivist group NoName057(16) already has over 1,000 members to whom they grant financial compensation for every attack successfully conducted (Morrison, 2023).

Ransomware attacks are particularly common: Cybersecurity Ventures predicted that by 2021 ransomware attacks would occur every 11 seconds and by 2031 they will take place every 2 seconds (Zandt, 2021). Ransomware-as-a-Service (RaaS) focusses on the development and deployment of ransomware, which is a type of malware that blocks access to a computer system or the data embedded in it until the victim pays a ransom. Victims are often re-targeted by hackers who pretend to be law firms or law enforcement agencies that offer to help them recover their funds (Europol, 2021).

Cybercriminals find the weak links in supply chains and attack those which they identify as most vulnerable. Hence, it is not enough to invest in the best internal cybersecurity software: third party and individual employee risk must be considered. So-called cyber-influence operations are also "becoming increasingly sophisticated" (Microsoft, 2022), as AI enables the creation of highly-realistic synthetic videos and images. Between 2019 and 2020, there was a 900% increase in the proliferation of deep fakes (Sentinel, 2020).

Having identified that cybercrime is a growing concern, what can regulators do to prevent it? When asked how to make the most of AI's potential, "strengthening regulation and accountability" was the second most voted option at the Summit (39%), after R&D funding (42%) (*see Annex III*). The challenge with regulating new technologies is that they are in constant evolution. Hence, some panelists suggested opting for technologically-neutral norms that can adapt to these changes whilst keeping the core principles and minimum standards clear.

At the European level, 62% of respondents at the Summit considered that improving the "transparency of security properties of products with digital elements" should be the top priority addressed by the EU Cyber Resilience Act (CRA) (*see Annex IV*). The latter is a regulatory proposal on how to improve the security of "any software or hardware product and its remote data processing solutions" (Article 3 (1)), by establishing obligations for economic operators on confidentiality, security settings, and information sharing, amongst others.

The EU AI Act is another product regulation that has been recently approved by the European Parliament

and classifies AI applications into different levels of risk. Firstly, those of "unacceptable risk" will be banned, including AI applications that involve behavioral manipulation of vulnerable groups, social scoring, or remote biometric identification. Secondly, those which pose a "high risk" to fundamental rights must comply with existing EU product safety legislation, if they fall under its scope, or be registered in an EU database and assessed before being put on the market (European Parliament, 2023). Finally, generative AI has to comply with specific transparency requirements and AI systems with "limited risk" must still allow users to make informed decisions about how and when to use them.

At the international level, some scholars claim that there are no international rules regulating cyberspace, whilst others argue that existing international norms, such as jus ad bellum and International Humanitarian Law (IHL), do apply to cyberwarfare (Schmitt, 2014). The Cooperative Cyber Defense Centre of Excellence (CCDOE) is a group of cybersecurity experts that have developed guidelines on how to interpret international law in cyber operations through the Tallinn Manual 1.0 (2013), Tallinn Manual 2.0 (2017) and Tallinn Manual 3.0, currently being developed to incorporate state practices (NATOCCDOE, 2022). As shown by the divergence of opinions in these manuals, there is still a long way until the international community reaches a consensus on the limitations to the use of new technologies in warfare.

Traditional arms control or deterrence approaches may not work in cyberspace, as it is difficult to attribute responsibility for an attack and respond accordingly, considering the perpetration of cyberattacks is much more decentralized. For this reason, Tallinn 2.0 provides a series of criteria to identify whether a state is 'in effective control' of a non-state actor carrying out a cyberattack, including "financing, equipping and target selection" (Siers, 2018). Other scholars suggest establishing a spectrum of responsibility with categories ranging from 'state ordered' to 'state encouraged' (Healey, 2013).

An additional challenge with civilian participation is determining at which point these 'hacktivists' become targetable and are no longer protected by the principle of distinction (Article 48, Protocol I to the Geneva Conventions). Rule 29 of the Tallinn Manual states that "civilians are not prohibited from directly participating in cyber operations amounting to hostilities but forfeit their protection from attacks for such time as they so participate". The question is how to apply this "for such time" criteria in practice, if by the time an attack is attributed to a certain person they may no longer be "participating" (HSL, 2015).

Despite the divergences in opinions, the Tallinn guidelines are a positive step forward to establish "rules of engagement that can constitute the basis for future norms" (HSL, 2015). Other initiatives include the Council of Europe (CoE) Budapest Convention on Cybercrime (2010) and its additional

protocol on access to electronic evidence. They provide states with a classification of attacks against and by means of computer devices, as well as the procedural tools to investigate cybercrime and obtain electronic evidence, for instance through increased cooperation with registrars and service providers (CoE, 2022).

Digital interoperability and real-time data sharing is one of the many forms of public-private collaboration, which is the second overarching theme of the Summit. However, according to respondents, "corporate reporting" will not be the main way in which the private sector will strengthen cybersecurity resilience (3%) (*see Annex V*). Public-private and intersectoral partnerships have to be commercially viable whilst at the same time furthering the interests of all parties. In order to achieve this, there should be continuous bilateral communication, rather than simply one-way reporting by companies to the government.

The highest-ranking approach that the private sector should follow is "investment in advanced technologies" (48%) (*see Annex V*). According to the panelists, the government is no longer in the business of leading innovation; companies, particularly startups, have taken the lead. Therefore, the public sector should focus on productizing (i.e., getting a product ready for the market) rather than prototyping (i.e., developing and designing). They should change from being an inventor to an implementer. It is also advisable to opt for more agile and flexible models of procurement, moving away from mass production and taking advantage of industry 4.0 technology. In order to minimize third party risk and increase supply chain resilience, public-private partnerships should be formed at different stages of production.

Finally, although it was ranked second in the poll (42%) (*see Annex V*), "increased training and awareness" has been repeatedly mentioned throughout the Summit as the key to increasing cybersecurity resilience. People are the weak link of the equation, and cybercriminals exploit these security gaps with personalized phishing and ransomware attacks. Therefore, companies should put in place training programs and awareness campaigns at all levels: managers, employees, and customers.

There should also be a focus on providing the next generation of workers with the necessary cyber skills. For this purpose, the U.S. Cybersecurity and Infrastructure Security Agency has put in place the Cybersecurity Education and Training Assistance Program (CETAP) which, in collaboration with the nonprofit academic development center Cyber.org, has provided cybersecurity curricula to 18.000 teachers across the U.S. (CISA, 2023). Ensuring that schools have appropriate cybersecurity training is essential considering education is one of the most affected sectors by cybercrime (Microsoft, 2022; World Economic Forum, 2022).

Moreover, an overwhelming majority of respondents (94%) voted that the government has not adequately adapted its capabilities to cyber and state-sponsored hacking (*see Annex VI*). In order to regulate new technologies, legislators need to understand their technicalities and have a team of experts advising them at all times about the possible unintended effects. Upskilling can also be achieved by having members of government spend a period of time at private technological corporations to see firsthand how certain technologies work and the challenges a particular industry is facing.

In conclusion, despite the benefits offered by digital innovation, it is both an opportunity and a threat (*see Annex VII*): new technologies are in the hands of both criminals and law enforcement authorities, of the attacker and the defender. In order to increase cybersecurity resilience and combat cybercrime, we can extract the following five key takeaways from the Summit discussions:

1. Initiatives like the EU Cyber Resilience Act, AI Act, the Budapest Convention, and Tallinn Manuals are steps in the right direction to regulate new technologies, but there is still some uncertainty about the standards applicable at an international level.

2. The principles of international law can be applied to cyberwarfare, although there are gray areas in interpretation which require clarification, such as state responsibility for cyberattacks and the treatment of hacktivists under IHL.

3. Public-private partnerships are essential to increase overall cybersecurity resilience, by leveraging the innovative capacity of the private sector in the design stage and the institutional support of the government in the implementation stage.

4. Communication between the public and private sector should move away from broad unilateral reporting towards bilateral and real-time information and data sharing.

5. Training and awareness should be a key priority both in the private and public sector, in order to reduce supply chain risk, close cybersecurity gaps, and incorporate a technical understanding into regulation.

References

CISA (2023) Cybersecurity Education and Career Development, https://www.cisa.gov/topics/cybersecurity-best-practices/cybersecurity-education-career-development

Council of Europe (2010) Convention on Cybercrime (ETS No. 185), https://rm.coe.int/1680081561

Council of Europe (2022) "Enhanced co-operation and disclosure of electronic evidence: new countries join additional Protocol to Cybercrime Convention", https://www.coe.int/en/web/portal/-/enhanced-co-operation-and-disclosure-of-electronic-evidence-new-countries-join-additional-protocol-to-cybercrime-convention

Deutsche Welle (2022) "Pro-Russia 'Killnet' hackers target Italian institutions", www.dw.com/en/pro-russia-killnet-hackers-target-italian-institutions/a-61764612

European Parliament (2023) "EU AI Act: first regulation on artificial intelligence", https://www.europarl.europa.eu/news/en/headlines/society/20230601STO93804/eu-ai-act-first-regulation-on-artificial-intelligence

Europol (2021) "Internet Organized Crime Threat Assessment (IOCTA)", https://www.europol.europa.eu/publications-events/main-reports/internet-organised-crime-threat-assessment-iocta-2021

GFCE (2016) "The Budapest Convention on Cybercrime: a framework for capacity building", https://thegfce.org/the-budapest-convention-on-cybercrime-a-framework-for-capacity-building/#:~:text=The%20Budapest%20Convention%20is%20a,more%20effective%20and%20subject%20to

Healey, J. & Domain, A.F. (2013) "A fierce Domain: Conflict in Cyberspace, 1986 to 2012", *Atlantic Council, Cyber Conflict Studies Association.*

HSL Program on International Law and Armed Conflict (2015) "Michael N. Schmitt: PILAC Lecture on Cyber Operations and IHL: Fault Lines and Vectors" https://www.youtube.com/watch?v=ZWwrVAMSOT4

Microsoft (2022) "Microsoft Digital Defense Report 2022", https://www.microsoft.com/en-us/security/business/microsoft-digital-defense-report-2022

Mladenovska, M. (2023) "Understanding Malware-as-a-Service (MaaS): The future of cyber attack accessibility", *AT&T Cybersecurity*, https://cybersecurity.att.com/blogs/security-essentials/understanding-malware-as-a-service-maas-the-future-of-cyber-attack-accessibility

Morrison, R. (2023) "Pro-Russian hacktivist group offers citizens financial rewards to join DDoS attacks", *Tech Monitor*, https://techmonitor.ai/technology/cybersecurity/noname057-russia-ukraine-hacktivist

NATOCCDOE (2022) "CyCon 2022 DAY 2 Panel: Tallinn Manual 3.0 Achievements, Shortcomings, Prospects", https://www.youtube.com/watch?v=2papcgw2888

Reuters (2022) "Russia's Killnet hacker group says it attacked Lithuania", www.reuters.com/technology/russias-killnet-hacker-group-says-it-attacked-lithuania-2022-06-27/

Schmitt, M. N. (2014) "The law of cyber warfare: quo vadis", *Stanford Law and Policy Review*, 25, 269.

Siers, R. (2018) "Cybersecurity", in Williams, P.D. and McDonald, M. (eds), "Security Studies. An Introduction" (Third Edition, Routledge)

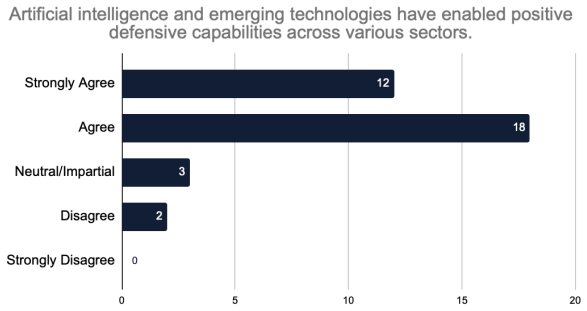
Sentinel (2020) "Deep Fakes 2020: The Tipping Point", https://thesentinel.ai/media/Deepfakes%202020:%20The%20Tipping%20Point,%20Sentinel.pdf

World Economic Forum (2022) "Should cybersecurity be made part of the school curriculum?", https://www.weforum.org/agenda/2022/05/de059443-c00c-4b15-94c0-5a367c94d31b/

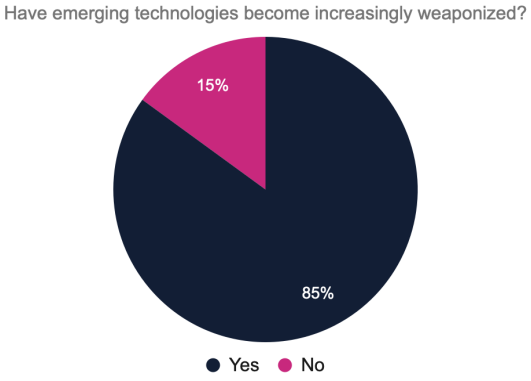
Zandt, F. (2021) "Ransomware attacks are on the rise. These are the industries most at risk", *World Economic Forum*, https://www.weforum.org/agenda/2021/11/industries-affected-ransomware-cybersecurity-cybercrime/

Annexes

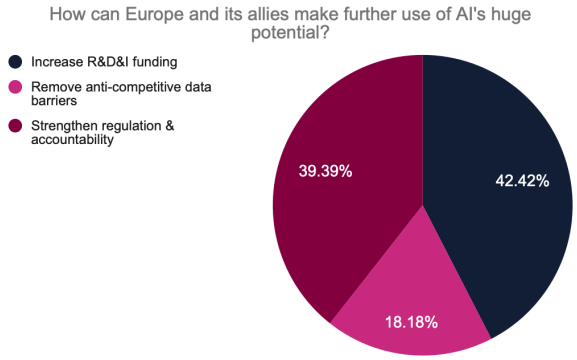
Annex I. AI enabling positive defensive capabilities.



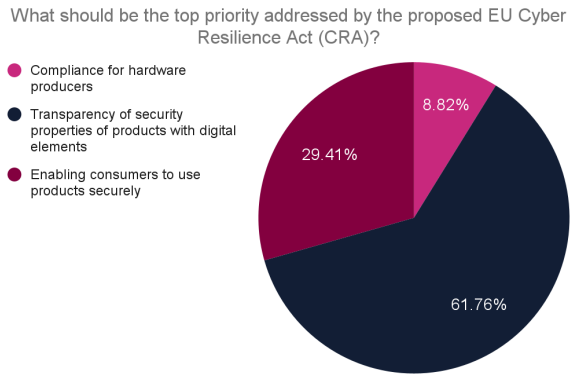
Annex II. Emerging technologies increasingly weaponized.



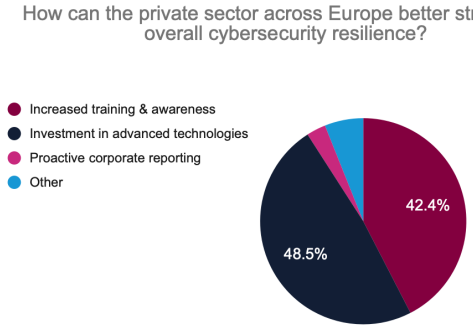
Annex III. Making further use of AI's potential.



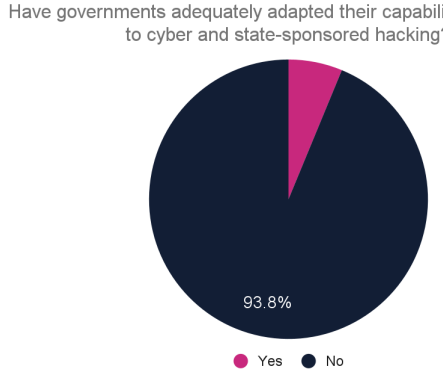
Annex IV. Top priorities to be addressed by EU Cyber Resilience Act.



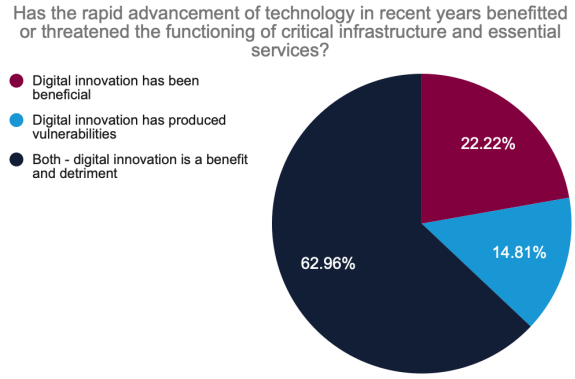
Annex V. How the private sector can strengthen cybersecurity resilience.



Annex VI. Lack of adaptation of government



Annex VII. Digital innovation as both a benefit and a threat.



Cyber Defense in the Current European Context

By Juan Pablo González, Behavior and Social Sciences, IE University

Context and Current Landscape

It is evident that the last few years have proven to be a complete change in paradigm, not only for the European Union (EU), but the West as a whole, especially in the realm of technology and cyber defense. As the Russian invasion of Ukraine progresses, various issues have surged, including concerns related to supply chains, as well as an increase in the weaponization of technology. This context necessitates a rearrangement of Europe's systems and approach to warfare, technology, and diplomacy.

In this challenging political landscape, now more than ever, the democratic Europe and North Atlantic Treaty Organization (NATO) have to take action to ensure they can keep united and maintain the Global South as allies. Technology, as well as cyber defense, are both hugely important pillars that will shape the socioeconomic and political visage of the West for the coming years, and therefore it is essential that Europe create new frameworks and policy regarding its use, changing the perception of technology in the media while increasing collaboration with deep tech private companies to secure innovation in the West.

Secondly, as the next election for the European Council approaches, there is no doubt that the driver of change and evolution must be the presence of more courage and responsibility in political debate, as well as an increase in cooperation and efficiency in democratic systems to promote an European vision which can in turn fight the increasing confrontation and polarization in society.

The Role of Public-Private Partnerships in Deep Tech

Long gone are the days when government agencies were at the forefront of technological innovations, vital to a state's military advancements. Nowadays, however, most of the ownership of technological development is at the hands of private companies and startups as it becomes less expensive to develop new technologies. Due to this evolution, which has only continued driving technological innovations in the last few years, it is crucial that seamless public-private partnerships are developed across the West.

In the context of the Ukrainian conflict, it is clear that innovation will play a defining role on whether or not victory for the West can be assured. There are a number of tasks in which artificial intelligence (AI) can exponentially reduce the amount of time taken, and even reduce collateral damage when applying it to weaponry. In this sense, Europe should collaborate with deep tech companies from an understanding of commonalities and cooperation, and even assign government and military liaisons to advance these partnerships.

It is also essential for European governments to work hand in hand with deep tech companies in communicating the capabilities and restrictions of artificial intelligence. In general, the media portrays AI as a personification of risk. However, the use of AI in defense can have an impact in reducing the loss of lives, both in a domestic context as well as in warfare.

Secondly, the Russian invasion of Ukraine has seen an increase in cybercrime and hacktivist groups, completely changing the way that technology is used in warfare and society. Also at a public level, seemingly innocuous crimes such as ransomware can have systemic ripple effects, making it extremely important for the public to have an awareness and understanding of best practices for security. As of right now, more than seventy countries across the world have had general elections affected by ransomware and cybercrime. Looking at governments and societies holistically, this means that the impact of cybercrime on politics, the media, and an ever polarized society cannot be denied.

It is clear that the effort to create cybercrime conventions and agreements has to be global in scope, taking into account society as a whole. Nations in the democratic West, as well as the companies that operate within these, need to be co-responsible. Especially for Europe, it is important that countries affected by the new developments are involved in the regulation from

the onset, all through a common understanding of democratic values.

The trust and leadership components are also very important when it comes to adoption of the new measures by companies or the population as a whole. However, while a globally coordinated regulation regime can seem to be the best solution, it will be difficult to achieve because of local regulations.

Technology in the Russian-Ukrainian Context

The Russian invasion of Ukraine is probably one of the most important focuses of the socio-political situation in Europe. With this in mind, some experts on diplomacy agree that a more targeted and extensive use of available technological assets should be used to help the Western troops in the conflict. AI and advanced analytics has been tremendous in Ukraine as it is: through unmanned air vehicles, which have helped save large numbers of people, as well as in surveillance and reconnaissance for the military effort.

Deep tech can also be used to sanction Russia. There has been talk of the taking of Russian assets by the West, but there is still some controversy on the topic between the U.S. and Europe. Some diplomats suggest reconsidering how the Russians make use of western institutions, and overall a more targeted and elevated system of sanctions for Putin and his entourage, such as freezing assets, which can be achieved through the use of analytics and AI.

It is clear that after the end of the war, the humanitarian aspect cannot be ignored. Firstly, it is paramount to identify which organizations can measure the human impact of the war. Another relevant factor is housing, because if it is resolved properly, it can incentivize people to come back to Ukraine after the war. Technology can be used to help repatriate Ukrainian citizens, as well as aid people vulnerable to human trafficking and child sexual exploitation. On the humanitarian side, geospatial technology can help organizations know where to send humanitarian support urgently. All of this requires an alignment between the private and the public sectors.

The war in Ukraine has also made evident the importance of a European partnership with NATO and a transatlantic agenda. There is a proven value of unity in Europe with the U.S. as a natural ally, from the security, technology, and economic perspectives. In the frame of Spain assuming the presidency of the Council of the European Union, this partnership also provides Latin America, as an ally of Spain, with an opportunity to communicate with the EU.

Bias and Ethics in Framework Building for Artificial Intelligence

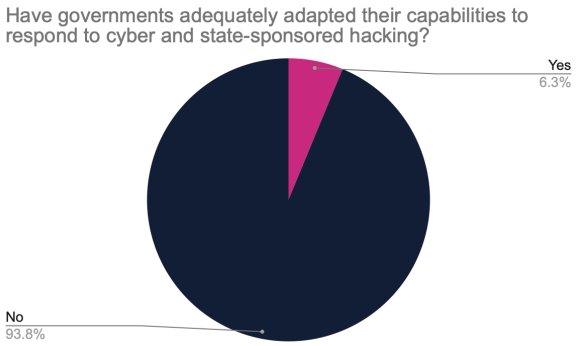
One of the key aspects from the 2023 Concordia Europe Summit is the idea that frameworks need to be put in place to control the impact of AI, and therefore be able to follow a narrative from the media. Overall, technology is not biased, but the people who create it or who gather the data

that teaches AI can be. It is therefore relevant to highlight the sheer number of people that are involved in the process: not only the data scientists that build the models or the providers of the data, but also importantly business owners, regulatory authorities and committees, and users. However, there is growing concern from the media that artificial intelligence is perceived to have a potential for driving unemployment, being biased, and unethically using data. Today, the accessibility to data is not the issue, but its management and regulation.

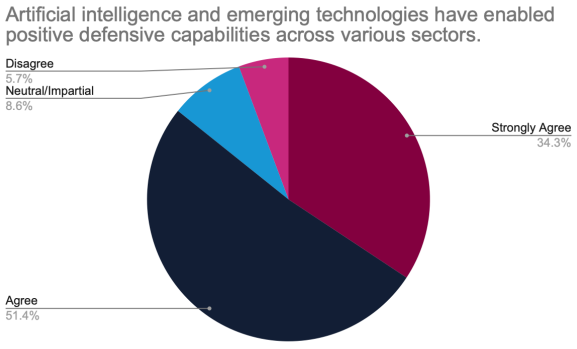
This is one of the reasons why testing, and involving as many stakeholders as possible in the development process, is really important to avoid bias. However, ethics is probably one of the main issues in the building of frameworks for the use of AI, as morals and values are not standard throughout the world and as of right now there is no agreement put in place to ensure humanity and morality in the use of AI by neither states nor companies. In essence, the democratic West has to create these frameworks, from the common notion that AI will not be making critical decisions by themselves, at least for the time being, but rather the mundane work which can increase humanity's quality of life through research that would take humans much more time: one of these areas is crisis planning in the aftermath of the Ukraine invasion, as well as in development, diplomacy, and business. This, however, has to be done also maintaining the ever important border between privacy and security.

Poll Results Analysis

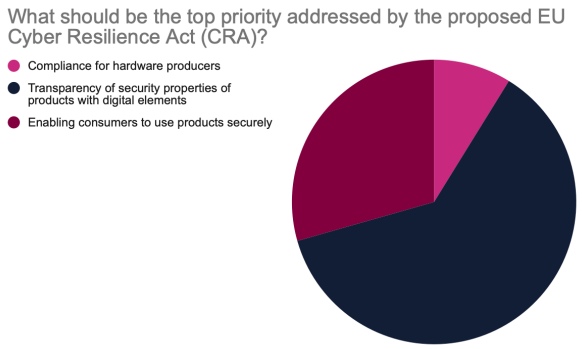
1) Have governments adequately adapted their capabilities to respond to cyber and state-sponsored hacking?



2) Artificial intelligence and emerging technologies have enabled positive defensive capabilities across various sectors.



3) What should be the top priority addressed by the proposed EU Cyber Resilience Act (CRA)?



From these polls, it is evident that governments haven't adapted their capabilities to the ever evolving field of technology, especially in the field of cybercrime affecting individual companies as well as democracy in Europe. However, the participants overall agree in the power of AI and these emerging technologies in enabling defensive capabilities across a number of sectors, including warfare. One could agree that these technologies are a double edged sword, and that, as discussed previously, strong regulation with the intervention of both the public and private sectors is the key to move forward.

With this in mind, the last question demonstrates how the participants believe overall in the transparency of security features (or lack thereof) in technological products, which is incredibly important for their use, as both cybercrime and cybersecurity begin with how individuals use technology. This then leads to the second answer: prioritizing enabling consumers to use products securely. Only with the existence of proper regulation that provides transparency to consumers, companies, and governments, can these stakeholders make an appropriate use of technology which ensures safety and security in the digital world. If done correctly, the introduction of these new policies and regulations can strengthen the relationship between Europe and the U.S., while weakening hackers across the globe.

Key Outcomes and Next Steps

Europe and NATO as representatives of democracy should work in tandem to ensure the conservation of their values against the Russian advances in Ukraine and the rise of polarization. This diplomatic consensus and unity of purpose will be tremendous to ensure the Western narrative in the Global South, as the war will have a strong impact on food security in this region.

Governments should continue advancing new technologies, following the example of businesses, to ensure supply chains are sustainable and not dependent on their adversaries, as well as calling people and companies to innovate. Governments should collaborate with private entities and encourage innovation.

Europe and NATO should create a framework for AI, and with the help of the media, stop speculating, personifying, and villainizing AI, through incorporating as many stakeholders as possible in the process of machine learning, data collection, and analysis.

Diplomacy

The state of European geopolitics is mired in conflicts foreign and domestic, there being many potential avenues for de-escalation and cooperation in the midst of current heightened tensions. War on Europe's borders, internal democratic crises, intra-European disagreement, and socioeconomic upheavals challenge the current diplomatic status quo. The international stage has shifted in light of the incorporation of the private sector into foreign affairs, the conventional diplomatic order becoming more inclusive and multi-sectoral. This chapter explores the need for multi-faceted solutions that utilize the full extent of Europe, the United States, and Latin America's diplomatic toolkits as well as the resources of private-public collaboration.

Diplomacy

By Mario Vicente Pérez, Law and International Relations, IE University

Key Factors Affecting Diplomacy Today

The current landscape has been shaped by a series of factors that transform the status of diplomacy today. There is an increase in power competition in which there are more state actors in pursuit of hegemony, materialized in specific cases like trade wars. China, Russia, and India remain paramount, as the current landscape will probably lead to a zero-sum competition in which one party's gain will imply another party's loses and vice versa.

Furthermore, it has been remarked that in the field of diplomacy, non-state actors are acquiring more importance in recent days which shows in the end that diplomacy is no longer performed exclusively by states, but it is done in collaboration with other actors. One actor is the private sector which is strongly entering the world stage as its relevance continues to rise. Thus, it can be argued that some large multinational corporations (MNCs) have influence in the multilateral arena for the provision of goods and services to a wide array of countries in addition to molding relations with specific countries. For the particular case of tech companies, in a journal article, Ian Bremmer categorizes these enterprises as states in terms of functions and delivery of goods. In this line of thought, participants at the 2023 Concordia Europe

Summit advocated for the need to overcome the Westphalian mindset where the state is the main character to a more global mindset where borders lose presence.

Lastly, another rising trend is tech diplomacy or digital diplomacy in which emerging technologies and more particularly, artificial intelligence (AI) with its subcomponents such as generative AI, are gaining momentum.

Looking Ahead: Immediate and Longer-Term Outlook

In the immediate future, there is the important objective of reducing power confrontation by setting immediate priorities that understand the capacities of each actor and seek diversity as the main driver. In a longer-term outlook, there is a need to reach a status similar to a global citizenship through the use of technology so that what has already been achieved in the field of social media can also be replicated in politics. The consequence would be that there is a democratization of International Organizations (IOs) like the United Nations (UN) and that the public perceives IOs as a legitimate source of power in domestic politics. Ultimately, that would help to create stronger transatlantic ties and more public-private partnerships could be developed.

Poll Analysis

1) Which approach should the international community adopt in response to Russia's invasion of Ukraine? Rank based on relevance.

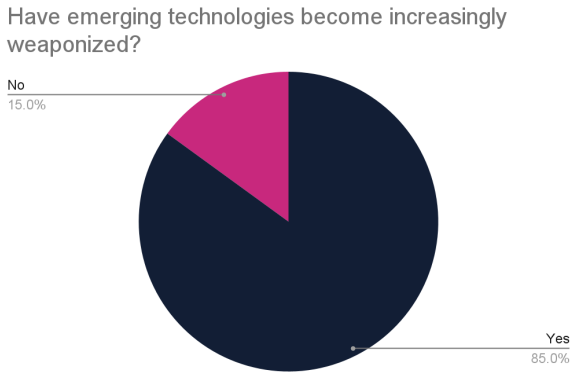
With these answers, we see that the current actions taken by the international community supporting Ukraine are welcomed by the audience who seek an end to the conflict either by weakening Russia and forcing it to withdraw the invaded territories or by signing an agreement with the international community. To date, there has been 10 sanction packages approved by the EU and there is currently an 11th package being prepared by the European Commission (EC) which prohibits travel to the EU, freezes assets located in Europe, or places trade restrictions between Russia and the EU with a particular focus on oil, quantum, or aeronautics technology. According to an Eurobarometer, 75% of Europeans support the effort made by the EU to help Ukraine while in Spain it goes up to 82%, hitherto, there is a wide support to the EU's effort in Ukraine.

Against this background, the U.S.-EU relationship is strengthened under the North Atlantic Treaty Organization (NATO) framework due to the existing military cooperation in providing weapons to Ukraine. The U.S. contributed with Stinger and Patriot missiles or Howitzer canyons while the UK sent air defense systems and Spain contributed with ammunition. In sum, transatlantic cooperation has increased in light of the several Joint Declarations issued by the EU-NATO in which they call for stronger collaboration to deal with one of the biggest transatlantic security threats–the war in Ukraine.

During the summit roundtable, the underlying objective was to examine whether there was some room left for diplomacy in the complicated scenario where Russia has acted aggressively ever since the annexation of Crimea and the Donbas in 2014 and with the aggressive unilateral redrawing of territories since 24th March 2022 in Ukraine. There was consensus over the fact that Russia's concerns are not over a possible NATO enlargement of countries closer to its borders, including Ukraine, as Finland did join NATO and there was no aggressive reaction from Russia. Similarly, the panelists considered that the quickest way to end the war would be for Russia to stop its aggression, either by being defeated or by resorting to violent means. The panelists concluded that although there are difficulties for diplomatic negotiations, there could be room for agreement if China can be configured as a key player.

2) Have emerging technologies become weaponized?

The second question that I will analyze is framed in the roundtable, "Harnessing Technology for Security: Lessons From the Ukraine Conflict." The poll question presented to the audience was: *Have emerging technologies become weaponized?*



The majority of the respondents (85%) agreed with the statement while a small portion of the audience did not believe that emerging technologies have become weaponized.

The central theme of this debate was to understand the state of technological development in the field of defense and security as a result of the outbreak of the war in Ukraine. There was unanimity among the experts on the idea that there has been a recent change in the ownership and finance of this technology, as it is no longer the government doing the research and testing the latest technological development, but the private sector. Consequently,

it has boosted the potential for signing private-public partnerships.

Given that innovating is usually expensive, technological development in the field of defense might be confined to big corporations. Therefore, to make it more inclusive, a possible option could be the existence of government programs aiming to incorporate smaller companies through subsidies or tax alleviations. In Europe, the EU Defense Fund (EDF) encourages companies regardless of their size to present their projects for defense technologies up to a maximum of EUR €8 billion with specific requirements set in each document. The newly created NATO Innovation Fund could follow this inspiration to ensure inclusivity of actors in their defense projects.

In a similar vein, it was argued at the Summit that contrary to what we initially thought, the war in Ukraine does not follow an old-style warfare format, but incorporates rapid technological developments in defense. Nevertheless, there was agreement over the fact that there is still no clear regulation at the international level with an approach similar to the UN Convention on the Law of the Seas (UNCLOS) for regulating some of the implications of emerging technologies.

However, despite there being sustained and inclusive innovation, it does not prevent its weaponization. One example of weaponization that was cited during the panel was the case of drones which are not only used for transporting blood or other types of essential services but also are employed for defense purposes such as scanning facilities searching for enemies. A possible field for EU-U.S. cooperation could be through the joint creation of common frameworks and norms to avoid the dangers of weaponized technology or the creation of a binding sanctions regime that makes it more difficult to weaponize civilian technology. Here, there could be an open consultation process with expert private actors that give insights to regulatory authorities in drafting legislation.

The term "weaponization of everything" denotes that emerging technologies are not the single element being weaponized, but any element critical for a country's future. For instance, supply chains are weakened when companies providing cybersecurity services to other companies are attacked..

3) The Transatlantic Alliance: Impact on Security Due to the War in Ukraine and Possible Ways for Furthering Transatlantic Cooperation

The last poll examines the development and functioning of the transatlantic agenda, that is, the possible avenues for cooperation between the U.S. and the EU. The panel audience was asked to point out what areas have been the most affected as a result of the Russia-Ukraine war. Some of the most relevant answers cited were a possible renewal of NATO's strength, military assistance to Ukraine, energy security, and independence.

The second question posed to the audience consisted in identifying one aspect that has

the highest growth potential for furthering transatlantic cooperation. Energy transition, trade, climate change, and all types of security (energy, technology, military) were the most cited cases. Therefore, these answers denote that security is a big concern for the audience. Indeed, the NATO Annual Tracking Survey in 2021 found that transatlantic cooperation is particularly needed for security.

During the panel, the special and natural alliance between the U.S. and the EU was underscored, remarking especially that in the Russian-Ukrainian war, there is more unity between Europe and the U.S. Similarly, it was argued during the roundtable discussion that a transatlantic agenda should not only embrace America and Europe but also Latin America.

In pursuit of public-private cooperation, NATO has different partnership programs. At the 2022 NATO Summit in Madrid, a NATO Innovation Fund was launched, expected to provide USD $1 billion. Together with that, the Defense Innovation Accelerator for the North Atlantic (DIANA) was created with an approved Charter. In the upcoming years, synergies could be built between the European EDF and specific U.S. entities to work together to meet common challenges with a particular regional focus.

Key Outcomes

Panelists at the Summit agreed that the private sector is acquiring relevance in a wide array of fields, such as in security where many defense technologies are not developed exclusively by states. Furthermore, all participants agreed in saying that there is not currently adequate international legislation to tackle problems related to emerging defense technologies. This might be a field for further transatlantic cooperation in the future. It was also stated that there could be more dialogue pursued between NATO members along with a common call in increasing defense expenditure in the upcoming years.

Next Steps

As Spain assumes the Presidency of the Council of the European Union, there are many opportunities to use the insights gathered during the 2023 Concordia Europe Summit:

1. Take a more active role in digital diplomacy by promoting partnerships with tech companies to arrive at common goals.

2. Create a proposal for common norms and binding restrictions on the possible weaponization of emerging technologies by opening a consultation process with experts from the private sector.

3. Promote policies to regulate problems derived from emerging technologies with a view to harmonize them at a European level to reach a minimum level of transborder consensus.

4. Provide assistance at all levels to national companies included in the EDF to further boost

public-private cooperation.

5. Speed up the process of EU enlargement and offer guarantees to Serbia as it could be the next target of unjustified expansionism.

References

Moravcsik, A. (1997). Taking Preferences Seriously: A Liberal Theory of International Politics. *International Organization*, *51*(4), 513–553. https://www.princeton.edu/~amoravcs/library/preferences.pdf

Bremmer, I. (2021, October 19). *The technopolar moment: How digital powers will reshape the global order.* Foreign Affairs. https://www.foreignaffairs.com/articles/world/2021-10-19/ian-bremmer-big-tech-global-order

Hillman, J. E. (2020). *China and Russia: Economic Unequals*. Center for Strategic and International Studies (CSIS). http://www.jstor.org/stable/resrep25230

Nato. (2023, June 19). *Defence innovation accelerator for the North Atlantic (diana)*. NATO. https://www.nato.int/cps/en/natohq/topics_216199.htm

Lipsky, J. Graham N. (2023, May 30). *China is trading more with Russia-but so are many US allies and partners*. Atlantic Council. https://www.atlanticcouncil.org/blogs/new-atlanticist/china-is-trading-more-with-russia-but-so-are-many-us-allies-and-partners/

2021 NATO Annual Tracker Report https://www.nato.int/nato_static_fl2014/assets/pdf/2022/3/pdf/220331-annual_tracker_report.pdf

A New Diplomacy for a New World Order

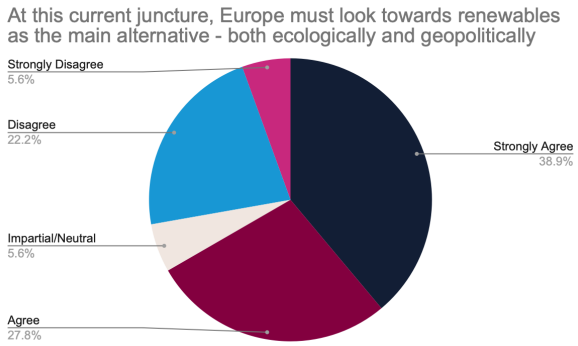
By Teresa Olombrada Rodríguez, Law and International Relations, IE University

The Spanish Presidency of the Council of the European Union (EU), taking place in the second semester of 2023, occurs at an unprecedented moment in the history of European diplomacy. The challenges at stake are more transnational and cross-sectoral than ever: from a pandemic to a change in the global balance of power, and with a war on its borders, every action is moreover influenced by still ungoverned advent technology and its unknown potential. These are borderless problems that defy the Westphalian conception of the world order and that require joint responses. How European countries address them will determine whether the current stage of democracy and multilateralism reaches an inflection point or whether the international community comes out strengthened. Only a month before the start of the Spanish Presidency, the 2023 Concordia Europe Summit gathered political and business leaders to discuss the current issues at stake for the EU and how to address them through the collaboration of the private and public sector. This report summarizes the ideas shared during the Summit on diplomacy: the challenges it is facing, the opportunities coming out from this situation, and concrete ideas on actions to be taken. Therefore, the following paragraphs do not represent the opinion of the author but rather constitute a structured analysis of the ideas shared by the experts at the Summit and the positions expressed in anonymous polls.

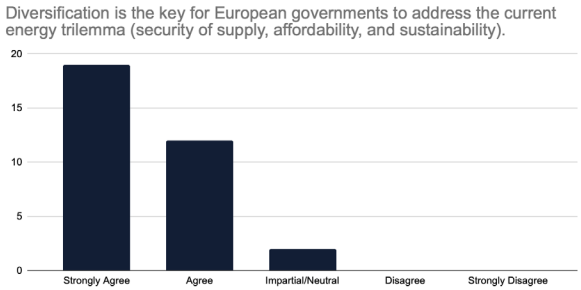
Not surprisingly, the event which has awakened the urge for a renewed diplomacy in Europe has been the Russian invasion of Ukraine. The global stage of diplomacy is evolving rapidly with the rise of China and the subsequent new balance of power and, at an EU level, with the rise of populism and the palpable internal erosion of long-standing democracies. However, for the EU to react to a challenge, the threat needs to be imminent. The EU has the capacity to react, but it needs an urgent pressure to do so. In this sense, Russia's invasion of Ukraine was the turning point. It is true that, when participants of the Summit were asked to vote on which approach the international community should adopt in response to Russia's invasion, diplomatic talks did not top the rank. The provision of security assistance and military equipment, and the implementation of stricter sanctions, did. However, although diplomacy might not be the main tool to solve this issue, it does constitute a tool to solve underlying European issues that have come to light after the recent events in Ukraine. In fact, the effects of this war are reminding us of the necessity to become energy independent, to discover the potential of technology and how to govern it, and to adopt an integrated approach to face these challenges.

To begin with, being energy independent will place the EU at a higher negotiation position in

diplomatic talks. Almost 90% of participants at the Summit agreed or strongly agreed to the sentence, "The main solution for strengthening Europe's energy security and competitiveness is reducing fossil fuel use and electrifying economic activities." This translates to becoming energy independent, because electrifying European economic activity means reducing the share of (mostly Russian) imported fossil fuels. At the moment, electricity only amounts to 20-25% of the energy Europe consumes, and the EU imports 85% of the energy it uses, so self-sufficiency will not be achieved easily nor fast.



Although there was widespread agreement on the need for independence and diversification, whether renewable energy was the solution gave rise to opposed positions. While two thirds of participants agreed to the sentence, "At this current juncture, Europe must look towards renewables as the main alternative - both ecologically and geopolitically," the remaining third disagreed. Some of the reasons to oppose this statement were the short-term cost of switching to renewable energy and the still incipient stage of technology to solve some related issues, such as energy storage or its viability to replace fossil fuels effectively in some sectors that demand high consumption levels (like long-haul flights). Additionally, 94% of participants agreed or strongly agreed that, "Diversification is the key for European governments to address the current energy trilemma (security of supply, affordability, and sustainability)." However, diversification will not be an easy path, either. For example, regarding the use of nuclear energy, participants were divided as to whether nuclear energy can provide further opportunities for the EU to cooperate with systemic rivals, and they attributed such division to the geopolitical vulnerability the EU would suffer if it embraced nuclear power. This is due to a lack of common guidance, because Member States alone are investing in nuclear power by themselves.



In this respect and to favor the energy transition, the participants suggested that public-private partnerships should mainly focus on financial incentives for the private sector to bet on renewable energies. However, the energy transition is not

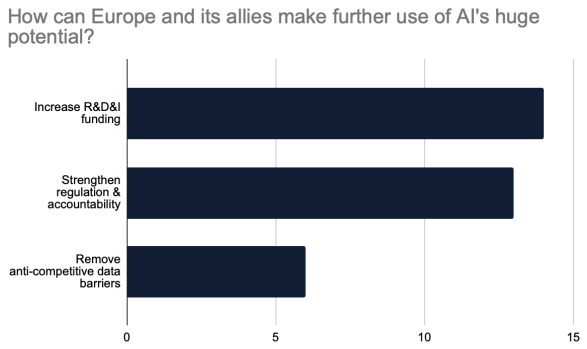
only costly in terms of money, but also in terms of time. Thus, there should be a timeline in place with binding targets. Overall, the size of the challenge requires a transnational, coordinated effort. In this sense, diplomacy is key to accelerate the energy transition through the negotiation of a European energy union. If the efforts are added up and coordinated, the transition will be smoother. Not every Member State needs to produce every type of energy, but each should rather focus on what they can produce. If the starting point of the EU was the European Coal and Steel Community, 70 years later the strength of the EU in the global landscape relies also on the common use of energy.

This European diplomatic effort with regards to energy must be replicated in the technological field and with the help of the private sector. Traditionally, technology has evolved as a result of new warfare technologies being applied to daily life (like the GPS or the internet), and governments were on top of these developments as guardians of the monopoly on the use of force. However, innovation no longer comes from the defense sector, and governments are not controlling its progress either: they are rather trying to keep track of it. Startups are the main drivers of the growth of artificial intelligence (AI). Not surprisingly, 85% of participants agreed or strongly agreed that AI and emerging technologies have enabled positive defensive capabilities across various sectors. The Ukrainian response to the conflict is an example of the purchase and use of commercial technology to adapt it to warfare. For example, they are buying drones to fly them a distance ahead of their troops to scan the territory. It is not the army who builds them: they buy them from private companies.

Technology is a cross-sectoral and transnational issue. In this context, the role of diplomacy in addressing new technologies is one of communication and standardization. On the one hand, in order to tackle the problem, it is fundamental that there is transparency between the private sector developing the technology and the public sector regulating its use, as well as between countries. Both the developer of the technology and the politician need to speak the same language, or at least work together. It is a fruitless effort that a politician decides on matters on which he does not have the required technological expertise. There needs to be transparency with regards to the functioning of the technology and to the existence itself of the technology. Participants commented that it is the case nowadays that governments often lack consensus on their inventory numbers or audit counts. If that happens within a country, the issue exacerbates when it becomes international. Agreement needs to be reached on technological transparency. Today, transparency builds on data. European states need to put together their technological progress to build on existing tools.

On the other hand, diplomatic efforts need to aim at the international standardization of the rules governing new technologies. Policymakers have realized that there is a need to extend the scope of

regulations. Due to the deployment and the effects of AI being crossborder, effectively addressing its regulations must be done at a transnational level too. Indeed, when participants were asked the question of how Europe and its allies can make further use of AI's huge potential, 39% of participants agreed it was by strengthening regulation and accountability, 42% voted for increasing R&D&I funding, and 18% voted for removing anti-competitive data barriers. Increasing funding and strengthening regulation on AI at a European scale must be a priority.



Reaching an international agreement on the rules for new technologies is definitely a challenge. The evolution of technology is giving rise to new questions that are still unanswered. However, this is precisely the reason why it constitutes an unprecedented opportunity for politicians, companies, and tech leaders to sit at the same table and give an integrated answer to shape the future together. Diplomacy has traditionally been the enterprise of state officials. However, with the rise of multinational corporations (MNCs) and the Westphalian nation-state model at stake, on the one hand, and with new challenges arising outside the purely political sphere, on the other, that approach appears anachronic. Europe needs to invite new actors to the conversation. The challenge will be to develop mechanisms of public policy capable of keeping up with innovation, striking a balance between governing change while not containing the advance of technology. It is the chance for Europe to showcase the power of diplomacy, to reinforce its leadership, and to stay on top of the fight.

However, giving an integrated answer will not be an easy task. Indeed, participants at the 2023 Concordia Europe Summit were asked what was the main driver behind the European Union successfully implementing the concept of "open strategic autonomy" and the answers were polarized: 56% agreed it was the common vision of the EU but 38% believed it was the independent political will of Member States. With such divergent views, finding common ground and agreeing on a defined direction will be a challenge. Indeed, that is the main barrier for progress: not being able to set goals and the inability to agree on a definition of "progress." If the EU wants to achieve progress, it will have to set specific priorities and take action. To conclude, recent events have brought the diplomatic order to a fragile equilibrium. In the EU, the Russian invasion of Ukraine has underlined existing problems which now need to be addressed with dramatic urgency. Notably, the European need to be energy independent (especially from Russia) and the urgency to understand the full potential

of new technologies and to be able to govern them. These issues are inherently transnational and, as such, they should be addressed by the EU as whole. European diplomacy must now find a common ground that will lead to safer borders, safer internal democracies, and a higher standing in the global order. At the 2023 Concordia Europe Summit, participants acknowledged that the EU must strengthen its union through the establishment of an energy union and of new regulation to govern AI. In the process, the common understanding is that all stakeholders should sit at the table: from politicians to technology startups and experts. Diplomacy should integrate actors from the public and the private sector and harness the potential of new technological tools. History proves that creativity has flourished in times of crises. Indeed, the current crisis scenario must be seen as an opportunity where diplomatic efforts, under the current leadership of the Spanish Presidency, challenge the status quo and focus on approaching the future with a renewed, innovative vision.

Diplomacy

By Litzey Anahi Ramos, International Relations, IE University

Europe's green transition encompasses the progression of policies, investments, and regulations in the pursuit of a low-carbon future for the world, aligning with various previously established objectives set by both the European Union (EU) and national governments. One highlighted ambition is the EU's 2030 target, which aims to reach a 32% total sourced share of renewable energy and reduce net greenhouse gas emissions by at least 55% by that same year. These goals were affirmed by participants at the 2023 Concordia Europe Summit as the vision leaders must actively work towards when drafting legislation and forming diplomatic agreements. However, a consensus was reached that these goals might be categorized as unreachable given the ongoing conflict in Ukraine, which has exposed weaknesses in energy self-sufficiency among leading global states, particularly in Europe.

A poll was conducted at the Summit regarding the statement, "At this current juncture, Europe must look towards renewables as the main alternative - both ecologically and geopolitically." The fact that almost 39% of participants selected "strongly agree" suggests that a significant portion of respondents strongly support the notion that Europe should prioritize renewable energy sources as the primary alternative. This indicates a strong

belief in the ecological and geopolitical benefits of transitioning to renewables. The fact that 22% of participants selected "disagree" indicates a significant percentage of respondents who hold a contrary view to the statement. These individuals likely believe that Europe should explore alternatives other than renewables or prioritize different aspects, such as traditional energy sources or other geopolitical considerations.

One participant expressed concern that the EU has not invested enough in renewable energy. Within a continent that is exploring alternative energy solutions ranging from hydrogen to nuclear, some believe there needs to be increased commitment to investment in non-volatile, long-term renewable solutions, following the United States' (U.S.) self-sufficiency initiatives. A call to focus on transition incentivization and the search for new sources of supply was made. The European Commission's recent work in establishing long-term goals was applauded, but the need for increased assertiveness when it comes to international implementation was emphasized.

The importance of creating an energy union within Europe, fostering a common approach to energy security and competitiveness, was emphasized. The panel also highlighted the influence of external factors on Europe's energy landscape. We also see Asian nations pursuing their own process towards green energy investment, notably China, whose plan to decarbonize is based on the economic and business potential recognized by the state. The question of whether the diversification goals set by the European Commission can be applied and realistically adopted by all areas of the world was posed by one participant, to which the general assembly proposed various answers. One participant suggested that the Asian and European agendas might only be compatible for the next 10 years, as the former's approach is more pragmatic, placing the latter in a dilemma regarding the timeline and weight of investments.

Diplomatic efforts and collaboration, both domestically and internationally, are crucial to address the challenges and opportunities associated with sustainable energy sources and to ensure energy security, competitiveness, and environmental sustainability. There was a shared sense of responsibility among participants towards protecting the environment and its nonrenewable resources. This race for protection presents a significant opportunity for global investors and industries in all sectors, as governments worldwide strive to establish a sustainable model for operation and cooperation that secures a long future for generations to come.

During the summit, the ongoing invasion of Ukraine by Russian forces took center stage in diplomatic discussions. Within this context, an open exchange of views revealed two distinct perspectives on the level of preparedness exhibited by the rest of the world leading up to the conflict, which officially escalated on February 24th, 2022. One viewpoint asserted that all signs

and actions from the Russian government prior to the aggression pointed to an invasion, dismissing any other perspective as wishful thinking. This perspective relied on the seemingly amicable diplomatic relations presented by Russian representatives before the aggression, which were quickly discarded due to perceived rashness. On the other hand, an alternative perspective argued that while the world expected action from Russian forces, the severity of the invasion caught many off guard. However, it was unanimously acknowledged that the initial global response to the conflict was weak, primarily influenced by economic and escalation concerns rather than geopolitical or geostrategic motivations.

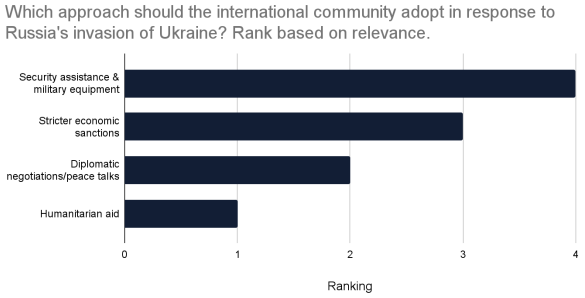
It was agreed upon that Russia had greatly underestimated the resilience and national identity of the Ukrainian people. Russia based its invasion on the narrative that Ukrainians are an extension of Russian citizens, thus justifying unification. Due to its commitment to maintaining its sphere of influence, Russia was identified as a long-term threat by participants.

The international response thus far has been overwhelmingly robust, suggesting that economic sanctions, coupled with political and military measures, could erode the Russian economy and shift global markets. The role of diplomacy in minimizing the conflict and achieving de-escalation was also examined. Questions were raised about the efficacy of traditional diplomacy methods and the notion of neutrality, as remaining neutral in this conflict could validate breaches of international law and human rights committed by the aggression.

The Ukrainian government was recognized as holding the power to determine the terms and conditions for formal diplomatic processes in conflict resolution and peace agreements. Limited space for international diplomatic involvement was acknowledged, but increasing international pressure on China was suggested as a viable route as it has become increasingly difficult for China to maintain a relationship with Russia without direct involvement in the war. Concerns were raised about the growing collaboration between Russia and China, with a proposed approach of guaranteeing non-interference with Taiwanese national interests to maintain separation.

Ultimately, there was a consensus to continue supporting Ukraine until the end of the war, with a participant emphasizing a commitment to stand by Ukraine until it prevails. Any hesitation in this approach would reveal weaknesses in international cooperation. Some participants advocated for formal security and defense rights for Ukraine under the United Nations (UN) Charter to solidify its sovereignty and deter future Russian aggression. However, it was recognized that this cycle cannot be broken, and formal diplomatic actions such as North Atlantic Treaty Organization (NATO) membership could only be realistically considered after the armed conflict concludes.

The poll results from the Summit regarding the international community's response to Russia's invasion of Ukraine indicate certain priorities and preferences among the participants. "Security assistance & military equipment" was ranked as the top priority by a significant number of participants, suggesting the perceived need to bolster Ukraine's defense capabilities to counter Russian aggression. This was followed by "economic sanctions" and "diplomatic negotiations/peace talks" as the second and third priorities, respectively. While participants recognized the importance of diplomacy and seeking peaceful solutions, they considered security assistance and economic sanctions as more immediate and effective approaches in the current situation.



The role of diplomatic relations in the fast-evolving sectors of technology and cybersecurity was highlighted as an area requiring attention. The agility of technological adaptation demonstrated by Ukraine during the conflict emphasizes the need to industrialize world supply chains and focus on industry 4.0. Establishing partnerships between nations was deemed crucial to facilitate collaboration, private sector procurement, and increased investment into deep tech on a larger scale. Open communication and sharing of information were emphasized as vital to strengthening security sector transparency. Voluntary guidelines for responsible behavior in diplomatic relations were considered constructive, along with the development of consequences for non-compliance with agreed-upon norms and practices. Building a world consensus on the proper utilization of technology was emphasized, despite the challenges involved. Existing initiatives like the Budapest Convention on Cyber Warfare were mentioned, and calls for new conventions to address the evolving landscape of technology and security were noted.

Forums like the 2023 Concordia Europe Summit were recognized by participants as being vital for coordinating international response and exploring global instruments for change. A proposed combined strategy between countries, including the U.S., Western European nations, and other established countries committed to democracy and the rule of law, was suggested to secure an alliance with major stakeholders on a global level. Additionally, by including political leaders and firm chairmen in this process, the establishment and maintenance of intersectional trust based on values would be secured. Based on poll results from the Summit regarding the most important driver behind the successful implementation of the concept of 'open strategic

autonomy' (EU-SA) in the EU, several inferences can be made. Given that a little over 53% of participants chose “common vision” as the most important driver, a shared understanding and alignment of goals amongst EU Member States has unveiled a crucial need for a unified approach in the pivotal process of advancing the EU’s strategic autonomy. Additionally, because the choice "independent political will of Member States" was selected by 37% of respondents, the significance of individual Member States demonstrating strong determination and commitment to achieving EU-SA was highlighted. It suggests that the initiative's success relies on the proactive involvement and engagement of each Member State to move forward. Overall, these findings back up the importance of unity and shared goals to facilitate a proactive shaping of the EU’s strategic autonomy.

Throughout the dialogue at the Summit, the commitment to peace in our time was emphasized. The importance of proactive efforts to strengthen global democracy and work towards shared goals was emphasized, with the understanding that what can be achieved by one generation can be lost by another.

Next Steps

1. The Summit participants highlighted the significance of renewable energy transition in Europe's energy landscape. The proposed next steps include diplomatic efforts, collaboration, and investments to address the challenges and opportunities associated with sustainable energy sources, ensure energy security, competitiveness, and environmental sustainability.

2. The ongoing invasion of Ukraine by Russian forces was a central focus of the Summit. The proposed next steps include continuing to support Ukraine until the end of the war, standing by until it prevails, and advocating for formal security and defense rights for Ukraine under the UN Charter to solidify its sovereignty and deter future Russian aggression.

3. The need for partnerships between nations, open communication, and better information sharing to enhance collaboration and strengthen security.

4. Overall securing alliances between major stakeholders on a global level and establishing and maintaining intersectional trust based on values was a key takeaway.

References

Spanish Ministry of Foreign Affairs, European Union, and Cooperation. (n.d.). Spain and the European Union. Retrieved from https://www.exteriores.gob.es/en/PoliticaExterior/Paginas/EspanaUE.aspx

European Commission. (n.d.). Renewable Energy Targets. Retrieved from https://energy.ec.europa.eu/topics/renewable-energy/renewable-energy-directive-targets-and-rules/renewable-energy-targets_en

European Commission. (n.d.). European Green Deal. Retrieved from https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

Energy Security

Energy security is an integral part of Europe's defense, economic, and climate strategies, especially in the broader context of electrification with renewable energy and nuclear politics. This chapter analyzes how Europe's systemic rivals have become larger threats and the need to become self-sufficient through the lens of Europe's green recovery and road to energy independence. The fight for carbon neutrality and sustainable strategic energy autonomy rests on the trajectory of alternative energy and forward-thinking solutions to the climate crisis. At this unique moment in Europe's history, it is increasingly clear that now is the time to transition to a green and sustainable future.

Energy Security

By Gabriel Barcelo, International Relations, IE University

Current Landscape of Energy Security in Europe

- **Diversification of Energy Sources:** A shift towards renewable energy, such as wind and solar, and exploring alternative options like nuclear energy, LNG, and hydrogen is necessary to reduce dependence on a single supplier or fuel type.
- **Energy Efficiency and Demand Response:** By reducing energy consumption and optimizing demand patterns, Europe aims to decrease reliance on external energy sources and enhance the resilience of its energy systems.
- **Geopolitical Considerations:** The diversification efforts mentioned earlier are aimed at reducing dependence on politically unstable regions and minimizing the risk of supply disruptions.

Immediate Outlook of Energy Security in Europe

- **Transition to Renewables:** While renewables offer long-term sustainability and reduced emissions, integrating intermittent energy sources into the grid requires careful planning to ensure reliable power supply.

- **Interconnection and Grid Infrastructure:** Strengthening interconnections between European countries and improving grid infrastructure is essential for energy security. This enables the sharing of resources, balancing supply and demand, and facilitating the integration of renewable energy across borders.
- **Cybersecurity and Digitalization:** With increased digitalization of energy systems, the risk of cyber threats grows. Protecting critical energy infrastructure from cyberattacks is crucial to maintaining energy security.

Longer-Term Outlook of Energy Security in Europe

- **Renewable Energy Expansion:** The deployment of renewable energy sources is expected to continue at an accelerated pace. Advances in technologies, such as offshore wind and solar power, along with energy storage solutions, will contribute to a more secure and sustainable energy mix.
- **Electrification and Decentralization:** The electrification of various sectors, including transportation and heating, will increase electricity demand. This demand will need to be met and therefore governments need to be prepared for it.
- **Hydrogen Economy:** The development of a hydrogen economy, including green hydrogen produced from renewable sources, could play a significant role in the long-term energy security strategy.
- **Energy Storage and Flexibility:** Batteries and pumped hydro-storage, will play a vital role in balancing intermittent renewable energy supply and demand. Flexibility measures, such as demand response and smart grid technologies, will also be crucial in managing energy security in a high-renewables future.

The recent Russian invasion of Ukraine has exposed Europe's vulnerability and heavy dependence on Russia for energy, highlighting the urgent need for self-sufficiency in energy production. In response to geopolitical crises, countries like the United States (U.S.) and Australia have taken steps to reduce their reliance on fossil fuels. Europe, too, acknowledges the importance of decarbonization. This essay explores Europe's journey towards energy independence, emphasizing the shift towards renewable energy sources. It discusses the European roundtable of industries, energy efficiency targets, political policy changes, cost-effectiveness of renewable energy, concerns over energy storage, and the role of China in the global energy landscape. Climate change is a global problem, and there is a risk of pushback from EU countries if other nations do not show adequate commitment.

The journey towards energy independence in Europe is shaped by various factors. The Russian invasion of Ukraine has shifted Europe's focus towards the diversification of energy sources. Germany, for instance, is developing its own liquefied natural gas (LNG) capabilities. While achieving complete energy independence is unlikely, efforts have been made to reduce energy consumption and explore renewable energy alternatives. Europe lacks reserves for oil and gas production but has ample opportunities to develop renewable energy resources. The U.S. has achieved a level of energy independence, primarily through a clear industrial strategy. However, Europe faces conflicting market dynamics due to its open market nature, necessitating collaboration and avoiding excessive competition.

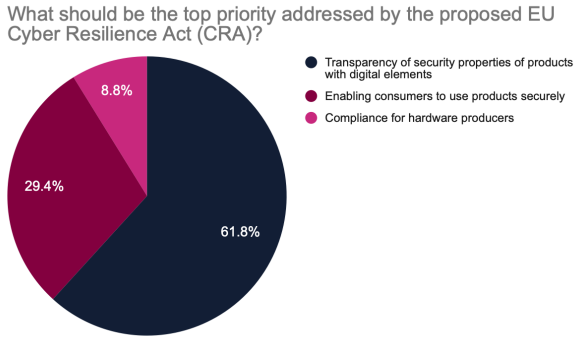
The Climate and Energy Package in 2020 set the objective of increasing energy efficiency by 20% and having 20% of energy come from renewable sources. While countries like the UK, Scandinavian nations, and Spain supported this goal, opposition was expressed by countries such as Poland and Romania. The European Commission offered assistance to Poland, including aid and pipeline construction, to encourage its cooperation and reduce its reliance on Russian gas. Germany has successfully reduced its dependency on Russian gas by implementing political policy changes in record time. Building consensus among stakeholders and emphasizing the importance of the problem have been instrumental in driving progress.

The debate regarding the higher cost of renewable energy sources has become obsolete as production costs have significantly decreased. The success of the Paris Agreement can be attributed to the efforts of civil society and the growing scientific consensus on the need for action. China has emerged as a leading investor in renewable energy, recognizing both the environmental benefits and market viability. However, the commitment of countries like China, Russia, and India is yet to be fully demonstrated. The industry increasingly acknowledges that renewable energy is not only better for the environment but also economically viable.

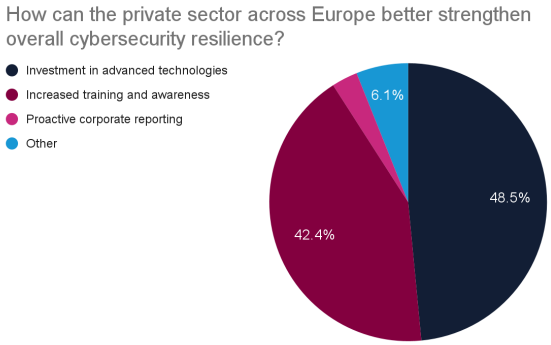
Furthermore, civil society is becoming more concerned about climate change. During times of crisis, politicians often prioritize immediate solutions, while the energy transition requires a long-term perspective. Geopolitical crises, especially those reliant on material resources, prompt governments to seek secure supply chains. Europe has shifted its attention from Africa to Latin America. India, with its large population, cannot counterbalance China due to national interests and its favorable gas deals with Russia. While India is interested in an energy transition, it does not commit to binding targets and adopts a different rhetoric towards the West. In terms of demographics, Africa is the most dynamic region with its youthful population. In a poll conducted at the 2023 Concordia Europe Summit on strengthening Europe's energy security and competitiveness, the majority of participants

agreed, and the rest strongly agreed that reducing fossil fuel energy and making sacrifices in economic activity is the main solution.

Europe's fragmented response to energy crises has led to a lack of unified action, with Member States not fully embracing the war mentality required for progress. Incentivizing investment, addressing concerns of vulnerable consumers, and strengthening cybersecurity resilience in the private sector are crucial steps. The European Commission's guidelines on energy security face challenges due to their broad nature, necessitating improved coordination and collective action to avoid duplication of efforts. Innovation often arises from peripheral initiatives, rather than centralized ones. Countries should leverage their intrinsic advantages for energy production. For example, not every country needs to produce all its energy, but rather focus on what they are capable of. Red tape and restrictions can create bottlenecks, hindering renewable energy development. Collaboration initiatives, like the 3 C's initiative by Poland and Croatia, aim to explore meaningful pathways forward with other Eastern European countries.



European policy makers are increasingly concerned about the threat of cyberattacks, particularly targeting critical infrastructure such as energy, transport, water, healthcare, and financial services. This new frontier of modern warfare has become a political focus and priority, leading to increased collaboration between private security companies and governments. Latin America is an important region that should be included in these efforts due to its engagement with Europe and the added value it provides. However, there is a growing need to address the vulnerabilities in critical infrastructure in Latin America, where cyberattacks have been increasing by 60%. Other polls conducted at the Summit concluded that to strengthen cybersecurity resilience in the private sector across Europe, key actions include increased training and awareness (42%), investment in advanced technologies (48%), proactive corporate reporting (3%), and other measures (6%) are required. The top priority for the proposed EU Cyber Resilience Act, according to respondents, is the transparency of security properties of products with digital elements (64%), followed by enabling consumers to use products securely (30%), and compliance for hardware producers (6%).



Leveraging resources for infrastructure projects and improving awareness and defense against breaches caused by employee misbehavior are crucial steps governments can take. The future will likely see continued increases in cyberattacks, but with improved defense, awareness, and law enforcement capabilities. The U.S. has implemented the Critical Infrastructure Attack Bill, which requires companies to disclose attacks on critical infrastructure within 24 hours, while European companies are looking to invest in Europe and ensure regulatory compliance with organizations like the CAF. Collaboration between Europe and Latin America, particularly through agreements and projects, is being pursued, and Europe's investments in Latin America are considered safer compared to Russia, China, and India. The presence of Russia, China, and India in Latin America, as well as the rapid evolution of technology, has both beneficial aspects and vulnerabilities for critical infrastructure, according to a majority of poll participants.

Europe's journey towards energy independence and self-sufficiency is driven by the urgent need to reduce dependence on Russia and decarbonize the energy sector. The shift towards renewable energy sources, such as wind and solar power, is gaining traction. While challenges exist, including geopolitical implications, affordability, and differing regional priorities, Europe must invest more in the energy transition and collaborate with systemic rivals to achieve its goals. The path to energy independence requires technological neutrality, a common approach to energy security, and concrete strategies to compete globally. By embracing renewable energy alternatives and strengthening cybersecurity resilience, Europe can build a more resilient and sustainable energy future.

Europe's ability to meet consumer energy demands is questioned as only 20-25% of consumed energy comes from renewables, while 80% relies on non-renewable sources. Transitioning power lines and decarbonizing transportation, especially aviation, pose significant challenges. Sustainable aviation fuels, like hydrogen, offer emission reductions of up to 90%. Collaboration between public and private sectors and a common approach to energy security are crucial. Affordability and realistic transition strategies are key concerns. Technological neutrality, a European energy union, and concrete strategies are necessary for global competitiveness amid China's coal investments.

Countries are actively implementing decarbonization policies, with the European Commission recognizing carbon and nuclear energy as clean sources. COP28, hosted by the UAE, emphasizes decarbonization further. However, some countries seeking industrialization oppose mandatory transition for G7 funding. Nuclear energy's potential contribution to the global energy supply makes it a prominent topic at COP28. Advocacy for doubling capacity and investment in nuclear energy exists. Supply chain disruptions

caused by China's dominance impact energy transition efforts. Although nuclear energy faces challenges like time, cost, and safety concerns, advancements have improved plant safety. Varying perceptions of nuclear energy in Europe create vulnerability. A fair assessment and education are necessary for a successful energy transition. Poll results on nuclear energy approaches show a divided response, and EU cooperation with systemic rivals through nuclear energy depends on defining "systemic rivals."

Recommendations

1. Enhance the integration of renewable energy sources, such as wind and solar, and explore alternative options like nuclear energy, LNG, and hydrogen to diversify the energy mix and reduce dependence on a single supplier or fuel type.

2. Implement energy efficiency measures and demand response programs to optimize energy consumption and reduce reliance on external energy sources, thereby enhancing energy system resilience.

3. Consider geopolitical considerations when formulating energy security strategies, with a focus on reducing dependence on politically unstable regions and minimizing the risk of supply disruptions.

4. Prioritize the transition to renewable energy sources while ensuring careful planning to maintain a reliable power supply despite the intermittency of renewable energy generation.

5. Strengthen interconnections and improve grid infrastructure between European countries to enable efficient sharing of resources, balance supply and demand, and facilitate the integration of renewable energy across borders.

6. Enhance cybersecurity measures to protect critical energy infrastructure from cyber threats and ensure the resilience of digitalized energy systems.

7. Promote the expansion of renewable energy deployment, including offshore wind and solar power, as well as energy storage solutions to achieve a more secure and sustainable energy mix in the long term.

8. Encourage electrification of various sectors, such as transportation and heating, to increase electricity demand and develop strategies to meet this demand reliably.

9. Invest in the development of a hydrogen economy, particularly green hydrogen produced from renewable sources, to contribute to long-term energy security and decarbonization goals.

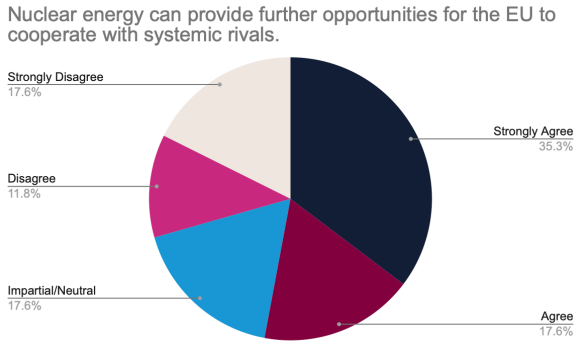
10. Focus on energy storage technologies, such as batteries and pumped hydro storage, to balance intermittent renewable energy supply and demand. Additionally, implement flexibility measures like demand response and smart grid technologies to manage energy security effectively in a high-renewables future.

Energy Security

By Jack Radford, International Development, IE University

European Energy Security

The vulnerability of the European Union (EU) to Russian gas and oil supplies have been highlighted by the war in Ukraine. Participants addressed the need for Europe to strengthen energy security and competitiveness, with the overwhelming majority (89%) agreeing, or strongly agreeing that the main solution lies in reducing fossil fuel use and electrifying economic activities. Furthermore, 94% of participants viewed diversification as key to European governments in addressing the energy trilemma, security of supply, affordability, and sustainability. In the breakout session, participants recognised the importance of nuclear energy, with 35% strongly agreeing that nuclear energy can provide further opportunities for the EU to cooperate with systemic rivals. Nuclear aside, two thirds of participants agreed that Europe must look towards renewables as the main alternative to fossil fuels - both ecologically and geopolitically.



Europe is grappling with an energy trilemma to deliver energy security, from sustainable sources, in an affordable way. The Summit discussion applied this lens to debate the role of nuclear energy in the European domestic energy matrix. In the EU, the current approach to decarbonization lacks coherence. While energy security is an issue affecting every Member State at the national level, energy sustainability is centralized in Brussels. This dichotomy inhibits a coordinated transition to energy security. The most prominent example of this is an absence of coherent policy on nuclear power.

In 2021, more than 20% of the EU's energy came from renewable sources (EuroStat, 2022). Yet, the EU has ambitious decarbonization targets, aiming for climate neutrality by 2050 – with an economy of net-zero greenhouse gas emissions (The European Commission, 2018). Yet the path to sustainability must also offer security. From 2010 to 2020 Russian exports of gas to the EU increased to make up approximately 38% of all European fossil fuel consumption (Gielen & Gorini, 2022). The weaponization of gas exports by Russia in 2022 has demonstrated the fragility of Europe to these fuel imports.

Nuclear energy, that produces electricity domestically, with minimum environmental impact, is an obvious solution. However, nuclear power has long been a divisive issue (The World Nuclear Association, 2022). On the one hand the energy produced by nuclear power is reliable and

clean, producing no green-house gas emissions. It also has a high-power output from a small land footprint. On the other hand, critics cite the high initial costs of nuclear plants, the danger of nuclear plant crises, and the environmental impact of waste disposal. This debate has led to contrasting stances by European powers on nuclear power.

On 30 June 2011, the German Bundestag opted to phase out nuclear energy (Federal Office for the Safety of Nuclear Waste Management, 2023). More than a decade later, Germany closed its final three nuclear power plants on 15 April 2023: Isar 2, Emsland and Neckarwestheim 2. However, elsewhere in Europe, 17 different countries continue to invest in nuclear, with none planning to phase out the energy source. Instead, many, including the Czech Republic, France, Hungary, Poland, Romania, Slovakia, and Slovenia are expanding the scale of their nuclear power generation (The Economist, 2021). France, for example, relies on nuclear power for over 40% of its energy generation (International Energy Agency, 2021). These European nations with nuclear power emit lower levels of greenhouse gasses than countries that do not. Germany's emissions per person were, for example, 43% higher than those of nations that use nuclear power from 2000-2019 (The Economist, 2021). However, those proclaiming that nuclear power offers true energy security overlook the reliance on Russian exports of uranium. In 2021, Russian exports constituted 20% of European uranium imports, an integral component in nuclear power generation (Nakhle, 2022).

European policy continues to be shaped by the agendas of France and Germany. When their agendas contrast on issues, Brussels tends to defer leadership to national governments. Yet in the face of threats to energy security that affect the whole union it must assume continental leadership. On this issue, the European Commission has included nuclear within its green taxonomy, but it must go further, to ensure an energy transition that welcomes renewables and nuclear alike, to deliver improved sustainability and security for the whole EU (Haahr, 2022).

The EU is beginning to demonstrate federal leadership on energy resilience through the impending implementation of the Carbon Border Adjustment Mechanism (CBAM). The CBAM is described by the European Commission as the "landmark tool to put a fair price on the carbon emitted during the production of carbon-intensive goods'' (2023). The impacts of the policy go beyond energy to the war in Ukraine, multilateralism, and global development.

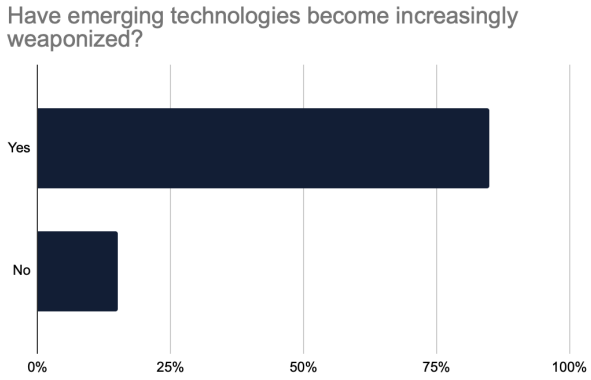
Today Russian carbon-intensive industries have an advantage over their European counterparts. Whereas those in Europe pay for their emissions through the Emissions Trading System (ETS), their Russian competitors do not (Reinaud, 2009). The CBAM, which comes into force on 1 October 2023, aims to change this. The CBAM attempts to level the playing field for European producers impacted by the ETS and thereby decrease carbon leakage. Under the CBAM, importers must declare,

and then be taxed for, all the emissions embedded in the carbon-intensive goods they import to the EU (European Commission, 2023). Crucially, Russia is the largest exporter of CBAM-affected goods to the EU (Figure 1). The CBAM will therefore impact Russian industry more than any other country and incentivise de-risking of European economies from Russian exports. It should therefore provide a financial incentive for the private sector to drive progress towards improved European security.

Critics cite the CBAM as protectionist (Chen, 2023) (Magacho, Espagne, & Godin, 2022). The CBAM limits trade with regions that lack the mechanisms and technology to decarbonise production, including Ukraine. In response, the European Commission has stated its commitment to "work with low and middle-income countries towards the decarbonisation of their manufacturing industries" and provide "the necessary technical assistance to facilitate adaptation to the new obligations" (The European Commission, n.d.). The credibility of this assurance, along with the scale and effectiveness of its implementation, will determine the degree to which the CBAM acts as a barrier to trade. In seeking greater isolation from Russia, the EU potentially risks leaving developing economies behind and thereby undermining the global green energy transition (Magacho, Espagne, & Godin, 2022). In conclusion, through the implementation of the CBAM, the EU hopes to encourage a green energy transition in Europe, support the decarbonisation of European firms' supply chains across the developing world, and respond to the war in Ukraine with a mechanism to damage Russian industry.

US Energy Security

Participants discussed how the EU-U.S. Task Force on Energy Security can reduce reliance on Russian energy through investment in new pipeline routes, engagement with strategic regional partners, by increasing capacity of nuclear, renewables and green energy, and through development of emerging technologies. However, 85% of participants acknowledged that emerging technologies, key to the energy transition, have become increasingly weaponized. This is exemplified by recent industrial policy in the United States (U.S.).



Much of the discussion on the energy landscape focused on the Inflation Reduction Act (IRA) – the landmark policy of President Biden's first term. The policy has major ramifications for energy security and policy on both sides of the Atlantic.

The IRA is a USD $500 billion package of clean energy, climate mitigation and resilience, agriculture, and conservation-related tax incentives and investment (The White House, 2022). However, critics cite its conspicuous protectionist elements. The IRA, (as well as the 2022 Chips and Science Act), creates an unlevel playing field for free trade, by providing a clear cost advantage to firms based in the U.S.. Such policy actively undermines the WTO's multilateral agenda, establishing clear non-tariff barriers to trade and violating the WTO's most-favored-nation principle. This demonstrates a continuation of President Trump's 'America First' agenda.

The rise of China is the fundamental reason for the IRA. China has become the second largest economy in the world and is a major geopolitical actor. It represents an existential threat to U.S. hegemony over the neoliberal world order. As its largest trading partner, the U.S. is intrinsically tied to China, with many supply chains relying on processes from both countries. From an energy security perspective, China has a near monopoly in the manufacturing of certain green energy products.

The scale of China's dominance is exemplified by the case of solar panels. The International Energy Agency (IEA) estimates that 85% of solar cell production capacity is in China, compared to only 0.6% in the U.S. Considering batteries more broadly, the IEA believes China currently manufactures 75% of all lithium-ion batteries, a key component of all green-energy infrastructure (International Energy Agency, 2022). China also dominates in the processing and extraction of key raw materials and rare earths that are critical to the production of strategic technologies for the energy transition. This interdependency between China and the U.S., long viewed as a source of economic prosperity, is now seen as an economic vulnerability and security threat. This has led to a U.S. policy of de-risking, which has global implications for energy security.

The IRA also has an impact on EU firms that do not benefit from the IRA. The EU has therefore criticized the act, viewing it as a non-tariff barrier to trade that distorts the global market for green technologies (Scheinert, 2023). The EU is concerned that resources, production, investment, and businesses will transfer to the U.S., ultimately inhibiting the relative competitiveness of the EU in strategic industries. In response the EU has devised its own set of green tech subsidies in the form of the Green Deal Industrial Plan (The European Commission, 2021). This plan aims to increase investment and financing for green technology production and accelerate the EU's green transition. The policy by the EU reaffirms the fears of many commentators that the IRA could kick start a race-to-the-bottom for green subsidies.

However, even following the passing of the IRA and the Green Industrial Plan, China continues to lead the world on green energy investments. In 2022,

the country spent USD $546 billion on investments including solar, wind, and hydroelectricity, expanding battery manufacturing capacity and increasing electric car production (International Energy Agency, 2023). For years, China has subsidized the green energy industry and is currently ahead of the U.S. in the energy transition. However, despite apparent hypocrisy, Chinese state media has been critical of the deal. In China Daily, Yan Shaohua, a professor at Shanghai's Fudan University, writes "it is important that the EU's response does not reflect a zero-sum thinking as the U.S. does'' (Weihua, 2023) This refers to the potential for a race-to-the-bottom on subsidies, that will have global casualties beyond China and the US.

As global powers buttress their domestic industries, they actively undermine the competitiveness of countries in the Global South that lack the ability to implement equivalent policies. The impact of this is to drain the Global South of investment and businesses in green energy. This is already being seen across the world with 90% of global green investment originating in developed countries (International Energy Agency, 2023). Ultimately the IRA seeks to further the de-risking agenda and to deliver tangible progress towards energy security. However, this comes at the cost of global energy transition, and impedes the international sustainability agenda.

As Spain assumes the Presidency of the Council of the European Union, and in the face of an evident need to strengthen European security, Summit participants discussed the need for innovative and bold policy responses. As discussed, these must include – Brussels' leadership on nuclear power, comprehensive policies to incentivize decarbonization and penalize Russian dependence, and in the U.S., to reconsider the IRA such that it no longer inhibits the energy transition of its transatlantic allies.

References

Chen, E. (2023, April 17). *CBAM: Climate Change Savior or Protectionist Ploy?* Retrieved from Chicago Policy Review: https://chicagopolicyreview.org/2023/04/17/cbam-climate-change-savior-or-protectionist-ploy/

European Commission. (2023). *Carbon Border Adjustment Mechanism.* Retrieved from Taxation and Customs Union: https://taxation-customs.ec.europa.eu/carbon-border-adjustment-mechanism_en#:~:text=The%20EU's%20Carbon%20Border%20Adjustment,production%20in%20non%2DEU%20countries.

EuroStat. (2022). *Renewable energy statistics.* Retrieved from EuroStat: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Renewable_energy_statistics

Federal Office for the Safety of Nuclear Waste Management. (2023). *The nuclear phase-out in Germany.* Retrieved from https://www.base.bund.de/EN/ns/nuclear-phase-out/nuclear-phase-out_node.html#:~:text=The%20decision%20of%20the%20German,for%20high%2Dlevel%20radioactive%20waste.

Gielen, D., & Gorini, R. (2022, 05 06). *Europe Must Simultaneously Replace Russia's Fossil Exports & Accelerate Its Clean Energy Deployment*. Retrieved from International Renewable Energy Agency: https://www.irena.org/News/expertinsights/2022/May/Europe-must-simultaneously-replace-Russias-fossil-exports-and-accelerate-its-clean-energy-deployment

Haahr, T. (2022, July 06). *Taxonomy: MEPs do not object to inclusion of gas and nuclear activities*. Retrieved from European Parliament: https://www.europarl.europa.eu/news/en/press-room/20220701IPR34365/taxonomy-meps-do-not-object-to-inclusion-of-gas-and-nuclear-activities

International Energy Agency. (2021). *France*. Retrieved from Country Profiles: https://www.iea.org/countries/france

International Energy Agency. (2022, July 07). *The world needs more diverse solar panel supply chains to ensure a secure transition to net zero emissions*. Retrieved from https://www.iea.org/news/the-world-needs-more-diverse-solar-panel-supply-chains-to-ensure-a-secure-transition-to-net-zero-emissions

International Energy Agency. (2023). *World Energy Investment 2023*. Retrieved from https://www.iea.org/reports/world-energy-investment-2023

Kardish, C., Mäder, M., Hellmich, M., & Hall, M. (2021, August 20). *Which countries are most exposed to the EU's proposed carbon tariffs?* Retrieved from resourcetrade.earth: https://resourcetrade.earth/publications/which-countries-are-most-exposed-to-the-eus-proposed-carbon-tariffs

Magacho, G., Espagne, É., & Godin, A. (2022, March). *Impacts of CBAM on EU trade partners: consequences for developing countries*. Retrieved from AFD Research Papers: https://www.cairn-int.info/journal-afd-research-papers-2022-238-page-1.htm

Nakhle, C. (2022, May 13). *The EU's uranium question*. Retrieved from GID Reports: https://www.gisreportsonline.com/r/europe-uranium/

Reinaud , J. (2009, January). *Trade, Competitiveness and Carbon Leakage: Challenges and Opportunities*. Retrieved from Chatham House: https://www.ecolex.org/details/literature/trade-competitiveness-and-carbon-leakage-challenges-and-opportunities-mon-081940/

Scheinert, C. (2023). *EU's response to the US Inflation Reduction Act (IRA)*. Retrieved from European Parliament: https://www.europarl.europa.eu/RegData/etudes/IDAN/2023/740087/IPOL_IDA(2023)740087_EN.pdf

The Economist. (2021, August 15). *Can Europe go green without nuclear power?* Retrieved from https://www.economist.com/graphic-detail/2021/08/15/can-europe-go-green-without-nuclear-power

The European Commission. (2018). *2050 long-term strategy*. Retrieved from Climate Action: https://climate.ec.europa.eu/eu-action/climate-strategies-targets/2050-long-term-strategy_en

The European Commission. (2021). *The Green Deal Industrial Plan*. Retrieved from https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/green-deal-industrial-plan_en

The European Commission. (n.d.). *Carbon Border Adjustment Mechanism: Questions and Answers*. Retrieved from https://ec.europa.eu/commission/presscorner/detail/en/qanda_21_3661

The White House. (2022). *Inflation Reduction Act Guidebook*. Retrieved from https://www.whitehouse.gov/cleanenergy/inflation-reduction-act-guidebook/

The World Nuclear Association. (2022, May). *The Nuclear Debate*. Retrieved from https://world-nuclear.org/information-library/current-and-future-generation/the-nuclear-debate.aspx

Weihua, C. (2023, February 01). *Caution sounded on EU's Green Deal*. Retrieved from China Daily: https://www.chinadaily.com.cn/a/202302/01/WS63d9d27fa31057c47ebac4c8.html

Appendix

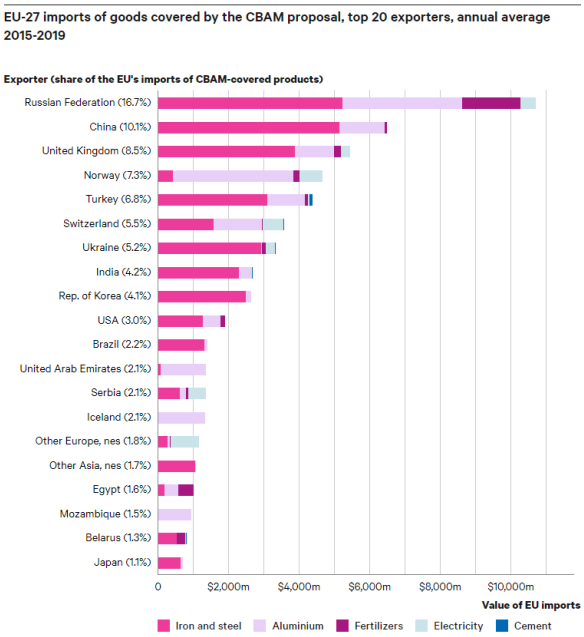


Figure 1: *EU-27 imports of goods covered by the CBAM proposal, top 20 exporters, annual average 2015-2019* (Kardish, Mäder, Hellmich, & Hall, 2021)

2023 Europe Summit Speakers

Hon. José Manuel Albares, Minister of Foreign Affairs, European Union and Cooperation of the Kingdom of Spain

German Alcayde, Board Member, HVR energy

Isabela Alcazar, Global Head of Sustainability, IE University

H.E. José Manuel Barroso, Chair, 2023 Concordia Europe Summit; Chair, Gavi, the Vaccine Alliance; Former President, European Commission

Irene Blázquez-Navarro, Director, Center for the Governance of Change, IE University

Jacques Boschung, CEO, Kudelski Security

Jay Collins, Vice Chairman of Banking, Capital Markets, and Advisory, Citi

Ignacio Corlazzoli Hughes, Manager for Europe, Asia and the Middle East, CAF Development Bank of Latin America

Hanne Dalmut, Senior Director, Partnerships, Concordia

Amb. Paula Dobriansky, Senior Fellow, Former Under Secretary Of State For Global Affairs; Senior Fellow, Harvard University Belfer Center For Science & International Affairs

Amb. Sorin Ducaru, Director, European Union Satellite Centre

H.E. Iván Duque, Former President, Republic of Colombia

Henrietta Fore, Chairman & CEO, Holsman International

Matthew C. Fraser, Chief Technology Officer, City of New York

Nicola Furlong, Director - Public Sector, Health & Life Sciences, SAS

Ignacio Galán, Executive Chairman, Iberdrola

H.E. Kolinda Grabar-Kitarović, Former President, Republic of Croatia

Lane Greene, Madrid Bureau Chief, *The Economist*

Dr. Stefan Grobe, Journalist, Euronews

Wei Huang, Director, The International Atomic Energy Agency (IAEA)

Keith Johnson, News Editor, *Foreign Policy*

Othmar Karas, First Vice-President, European Parliament

Maureen Koetz, President, Planet A* Strategies

Nicholas Logothetis, Co-Founder & Chairman of the Board, Concordia

Cristina Manzano, Director, *Esglobal*

Donato Martínez Pérez de Rojas, CTO & Systems and Services Vice President, Navantia

Hon. José Luis Martínez-Almeida, Mayor, City of Madrid

Dr. Manuel Muñiz Villa, Provost of IE University & Dean of IE School of Politics, Economics and Global Affairs, IE University

Morgan Ortagus, Founder, Polaris National Security

H.E. Borut Pahor, Former President, Office of the President of the Republic of Slovenija

Hon. Ana Palacio, Former Minister of Foreign Affairs of Spain, Visiting Professor, Georgetown University

Teresa Parejo, Director of Sustainability, Iberia

Patrick Penninckx, Head of Department, Council of Europe

Amb. Julissa Reynoso Pantaleón, U.S. Ambassador to Spain and Andorra, U.S. Department of State

Hon. Dr. Will Roper, Distinguished Professor, Georgia Tech

Fernando Ruiz Pérez, Global Head of Response, Bank Santander

Miguel Sánchez, Global Chief Security & Intelligence Officer, Telefónica

Raphaël Schoentgen, Co-Founder and Partner, Hydrogen Capital Partners

Radoslava Stefanova, Head of the Integrated Air and Missile Defence Section in NATO's Defence Investment Division, NATO

Miguel Stilwell d'Andrade, CEO, EDP

Matthew Swift, Co-Founder & CEO, Concordia

Sasha Vakulina, Journalist, *Euronews*

David van Weel, Assistant Secretary General, NATO

Maarten Wetselaar, CEO, CEPSA

2023 Europe Summit Participants

Malisa Aksentijevic, CEO, Wevo Group

Diego del Alcazar Silvela, President & Founder, IE University

Diego del Alcazar Benjumea, CEO, IE University

Afshin Almassi Givechi, Director Public Sector, Spain and Co-Chair EMEA Government Leadership Board, SAS

Angel Alonso Arroba, Vice Dean School of Politics, Economics & Global Affairs, IE University

Paula Alonso, IE University

Yalda Aoukar, President, Bracket Foundation

Rosa Aranda, Program Assistant, IE University

Soledad Atienza, Dean IE Law School, IE University

Steven Barranca, Chief of Staff, Ross Acquisition Corp II

Soizic Belliard, Communications Manager, IE University

Alejandro Beltrán, Senior Partner, McKinsey & Company

Liam Benham, President of EU, NATO and Government Affairs Europe, Boeing

Luca Bertoletti, Government Affairs Director, B&K Agency LLC

Ruben Bicho, Head of Brand & Communication, EDP Renewables

H.R.H. Noor bint Asem, Princess, Jordanian Royal Family

Henry Bradford, Vice Dean, IE University

Hon. Maria Eugenia Brizuela de Avila, Former Minister of Foreign Affairs, Republic of El Salvador & Executive Coach, JAWW Governor

Leslie Brown, Senior Advisor, NYC Office of Technology and Innovation

Rhett Buttle, Founder, Public Private Strategies

Nuno Cabral, CEO, Petrotec

President Felipe Calderón, President, Sustainable Human Development Foundation & Former President of Mexico

Nicole Callahan, Office of Ambassador Reynosso, US Embassy of Madrid

Rubén Campos, Programmes Coordinator, Club de Madrid

Ares Capdevila, Political Advisor, Embassy of Israel in Spain

Jorge Caro Terron, National Coordinator of Spain, Airbus

Cordell Carter, Executive Director, Socrates Program, The Aspen Institute

Carmen Castillo, President & CEO, SDI International Corp.

Max Castroparedes, Research Assistant, Harvard Kennedy School's Belfer Center for Science and International Affairs

Juan Manuel Cendoya, Vice Chairman of Santander Spain, Banco Santander

Pat Condo, CEO, Seekr

Holly Copeland, Senior Director, Corporate Social Responsibility, Sustainability & Impact, Horizon Therapeutics

Felipe Coral, Private Secretary, Office of the President of Colombia

Victor Cortizo, Director Degree in International Relations, Universidad Francisco de Vitoria

Jaime De Aguinaga, Vice Provost for Strategy and Development, IE University

Rodrigo De la Mota, Executive Director, Invest in Madrid

José de Pierpont, Jefe de Misión adjunto Ministro Consejero, Embajada del Reino de Bélgica

Isabelle Delacave, BD Europe, IE University

Faustino Díaz Fortuny, Director, Madrid City Council

Gina Díez Barroso, President & CEO, DIARQ Holdings

Ricardo Jesus Domínguez García-Baquero, Chairman, Navantia

Andres Duque, CEO, Strategy & Action Consulting

Jimena Duran Sanin, Senior Executive, CAF - Development Bank of Latin America

Sinan Eraydin, CEO, SiberZincir

Alex Erquicia, Corporate Communications, Santander

Daniel Fernandez Alonso, Public Affairs and Corporate Strategy Director, ENGIE España

Miguel Fluxa, CEO, Camper

Richard Fore, Chairman, Fore Property

Abraham Franklin, President of Grupo Franklin, Diez Holdings

Matilde Garcia Duarte, Coordinador City Hall Madrid, City Hall Madrid

Maria Marta Geraldes, Global Head of External Affairs and Stakeholders, EDP

Andrés Gil, Journalist, NTN24

James Gill, Global Head - Cyber Threat Response, Banco Santander

Cristina Giner, Journalist, Euronews

Iván Glasovac, Director General, Resolute Consulting SL

Oliver Gower, Head of Global CERT, Grupo Santander, Banco Santander

Rafael Guardans Cambó, Area Director - Market Access, ATREVIA

Javier Herrador, Navantia Seanergies Vice President, Navantia

Federico Hoyos, Executive Director, Fundacion Los 8 Valores

Carolina Jimenez Mozo, Communications Director, Navantia

Dave King, CEO, Digitalis

Robert Krmelj, Ambassador, Embassy of the Republic of Slovenia in Madrid

H.E. Luis Alberto Lacalle, Former President, Republic of Uruguay

Helena Laffarge, IE University

Katerina Lambrinou, Postdoctoral Researcher, Panteion University

Alfredo Leonard Lamuño de Cuetos, Engineer, Councelor

Mercedes Ligues, IE University

Juan Llobell, Director of Communications, CEPSA

Gabriel Lopez, Government Affairs Director, Microsoft Iberia

Nives Malenica, Ambassador, Embassy of Croatia

María Andrés Marín, Director, European Parliament Office in Spain

Teresa Martín-Retortillo, IE Lifelong Learning Executive President, IE University

Gonzalo Mateo-Guerrero Alcázar, Advisor to the Chairman, Navantia

Yolanda Mayordomo, Manager Institutional Affairs, Chairman's Office, Iberdrola

Sophia McIntyre, Ambassador, Department of Foreign Affairs and Trade of Australia

Natalia Moreno, Global Institutional Relations Director, Telefónica

Rosanna Mortoglou, Chief Representative, Greece, Libra Group

Miguel Muñoz Rodriguez, Head of Climate Policies and Alliances, Iberdrola

Danat Mussayev, Ambassador of Kazakhstan to Spain, Government of Kazakhstan

Takahiro Nakamae, Ambassador, Embassy of Japan

Marina Nogales, Global Head Cyber External Engagement, Grupo Santander

Teresa Olombrada Rodriguez, Student, IE University

Jane Onyemenam Okoye, Board Member, World Vision

Michael A. O. Oyugi, Ambassador, Ministry of Foreign and Diaspora Affairs - Kenya

Sofía Paño, Student, IE University

Purvi Parekh, Managing Director, Anakiya Consulting

Alejandro Pérez, Advisor, Office of the Prime Minister

Arnaud Polynice, Speaker Team Security, NYC Office of Technology

Manuiel Pombo, NYC Security, NYC Office of Technology and Information

Jose Rodriguez Garcia, General Lieutenant, Army

José Manuel Rodríguez, Global Head for Institutional and Government Affairs, Chairman's Office, Iberdrola

Javier Romero Caramelo, Advisor to the Chairman, Navantia

Kris Rose, Head of Global Intelligence, Meta

Sasha Rubel, Head of Artificial Intelligence/Machine Learning, Public Policy, Europe, Middle East, and Africa, Amazon Web Services

Tracy Rucinski, Head of International Media Relations, Cepsa

Joel Ruet, Chairman, The Bridge

Gonzalo Saenz de Miera, Director of Climate Change, Iberdrola

Carlos Saez, Cameraman, Euronews

Marta Salafranca, Institutional Relations, Telefónica

Borja Santos Porras, Associate Vice Dean IE School of Politics, Economics and Public Affairs (IE University) and Director IMFAHE (International Mentoring Foundation of Advanced High Education)

Siri Scanlon, Partner, Montfort Advisory

Oliver Schuster, Chief Policy Advisor & Deputy Head of Cabinet, European Parliament

Beatriz Serena, IE University

Esperanza Serrano, Coordination and Studies Manager, Telefónica

Santiago Sierra, IE University

Diego Solana, Attorney, World Jurist Association

Celsa Susino, Project Manager, IE University

Symeon Tsomokos, Founder & President, Delphi Economic Forum

Teuta Turani, Senior Donor Manager, Gavi, The Vaccine Alliance

Christopher Upperman, Head of Governance Partnerships Team, Meta

Cristina Vazquez Figueria, Institutional Affairs Director, Navantia

Javier Velasco Villegas, Embajador, Embajada Chile España

Cesar Mauricio Velásquez, Board Member, Fundación Los 8 Valores

Cristina Vicente, IE University

Mario Vicente, Student, IE University

Nuria Vilanova, President, 525

Alexandra von Puttkamer, Chief Marketing Officer, On sabbatical

Michael Walsh, Partner, Shearman & Sterling LLP

Cecilia Yuste, Director of Institutional Relations, Banco Santander

Amr Zedan, Chairman, Saudi Polo Federation

Stavroula Zervoulakou, COO, Mexoxo

Michael Zuppone, Student, IE University

About Concordia

Concordia is a registered 501(c)(3) nonprofit, nonpartisan organization that builds meaningful partnerships for positive social impact. As equal parts convener, campaigner, and idea incubator, Concordia is actively fostering cross-sector collaboration to create a more prosperous and sustainable future. Concordia was founded in 2011 by Matthew A. Swift and Nicholas M. Logothetis.

About IE University

IE University promotes positive change through education, research and innovation. The academic institution offers a technology-based learning ecosystem for leaders who make a difference in the world with global vision, an entrepreneurial mindset, respect for diversity and sustainability, and a unique focus on the humanities. The institution has a faculty of more than 500 professors who teach students from 140 countries in undergraduate, master's and executive education programs. IE University's platform of more than 75,000 alumni is present in 180 countries. Within IE University, IE School of Politics, Economics and Global Affairs is a global reference for innovation in its academic fields, committed to training the next generation of global leaders. The school equips professionals with the tools to navigate complex global affairs, excel in organizational management, and occupy prominent positions within international entities.