

CED POLICY BRIEF
The Weekly Round-Up:
Developments on Ukraine and Geopolitical Impact
November 18, 2022

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1. DEVELOPMENTS ON UKRAINE

Missile hits Poland: On Tuesday, a missile [hit](#) equipment used for drying grain in Przewodów, about 15 miles from the Ukrainian border, killing two farmers. In response, the Polish government requested an emergency meeting of NATO ministers under Article 4 of the NATO Treaty, under which a NATO meeting can be called when the “territorial integrity, political independence or security” of a member is under threat. It later emerged that the missile was apparently fired as part of Ukrainian defenses; Polish President Andrzej Duda [called](#) the attack an “unfortunate incident” with “no indication” it was a deliberate attack. NATO Secretary General Jens Stoltenberg [said](#) that the incident “is not Ukraine’s fault. Russia bears the ultimate responsibility.” Russia [claims](#) it is not targeting areas within 35 kilometers of the Polish border. The Russian attack on Tuesday was part of a barrage of about 85 Russian missiles [targeting](#) energy infrastructure in Ukraine; the strikes [damaged](#) 15 energy infrastructure sites and left seven million homes without power. Moldova [suffered](#) blackouts from damage to the Ukrainian grid. Russian attacks on Thursday [hit](#) critical infrastructure in Odesa and Dnipro.

US-Russia talks: US Director of Central Intelligence William Burns [met](#) in Turkey with Sergei Naryshkin, the head of Russia’s SVB foreign intelligence service. The Administration said that Burns was “not conducting negotiations of any kind” or “discussing settlement of the war in Ukraine” but delivering a [warning](#) “not to use nuclear weapons” as well as raising cases of US prisoners in Russia. A US spokesperson also said that Ukraine had been briefed in advance on this trip and that “[w]e firmly stick to our fundamental principle: nothing about Ukraine without Ukraine.”

General Milley’s remarks: Chairman of the Joint Chiefs of Staff General Mark Milley [said](#) that “[t]he probability of a Ukrainian military victory – defined as kicking the Russians out of all of Ukraine to include what they claim as Crimea – the probability of that happening anytime soon is not high, militarily.” However, he added that “there may be a political solution where, politically, the Russians withdraw. That’s possible,” given that Russia “right now is on its back. The Ukrainians have achieved success after success after success. And the Russians have failed every single time. They’ve lost strategically, they’ve lost operationally, and I repeat, they lost tactically.” Secretary of Defense Lloyd

Austin [noted](#) that Ukraine “has to keep the pressure on the Russians going forward and I think [a] winter fight favors the Ukrainians.”

G-20 meeting: Meeting in Bali as Russian missiles struck Ukraine, the leaders of the Group of 20 (G-20) spent a considerable portion of the meeting discussing the war. Indonesian President Joko Widodo stated that “[i]f the war doesn’t end, it will be difficult for the world to move forward,” adding that “[w]e should not divide the world into parts. We must not allow the world to fall into another Cold War.” Speaking virtually to the leaders, President Zelensky [proposed](#) a series of conditions to end the war, including that Russian troops must leave all of Ukraine, Russia must reaffirm Ukraine’s territorial integrity, and pay compensation for damage, as well as guaranteeing energy security and freeing prisoners of war. Russian Foreign Minister Sergei Lavrov [called](#) these terms “obviously unrealistic.” Zelensky also called for a postwar international conference to “cement key elements of the postwar security architecture” and prevent further “Russian aggression.”

After a debate lasting until midnight described as “[very, very tough](#),” the leaders issued a declaration [that](#) “deplores in the strongest terms the [Russian] aggression” against Ukraine and “demands its complete and unconditional withdrawal” from Ukrainian territory. While Russia and China opposed the use of the word “war,” its final text [stated](#) that the “war in Ukraine adversely impacts the global economy” and that “most members strongly condemned the war” while noting other views. The declaration also opposed threatening to use nuclear weapons

Indian Prime Minister Narendra Modi [called](#) for “a way to return to the path of ceasefire and diplomacy in Ukraine,” Chinese President Xi Jinping [opposed](#) “politicization” and “weaponization” of food and energy, and French President Emmanuel Macron, after meeting with President Xi, [said](#) that both leaders “call for respect for Ukraine’s territorial integrity and sovereignty.” However, the Chinese readout of the meeting stated only that “China stands for ceasefire, cessation of the conflict and peace talks.” Macron [said](#) later that China can play “a more important mediating role in the coming months, to prevent in particular a stronger return of ground offensives in early February,” arguing that “[t]here is space of convergence, including with the major economies China and India, to push Russia to de-escalate.”

Grain deal: The agreement between the UN, Turkey, Russia, and Ukraine for exports of Ukrainian grain was extended on Thursday until March with [reportedly](#) no changes at this time. Russian Foreign Minister Lavrov [said](#) that the UN had received written promises from the US and EU to remove obstacles to exports of Russian grain and fertilizers, an important Russian condition for renewal of the agreement. Turkey reported that the agreement has permitted the export of 11 million tonnes of grain, a sizeable percentage of the estimated 25.9 million tonnes [harvested](#) through September 9. (Some grain has been exported through land routes, and other grain remains in siloes.)

German floating LNG terminal: Germany completed its first floating terminal to receive shipments of liquefied natural gas (LNG) via sea, with many of these imports coming from the US. The country plans to build five floating terminals, each with a capacity of handling 5 billion cubic meters of LNG per year; two should be operational by the end of the year.

NATO cyber defense: NATO hosted a meeting in Rome focusing on cyber defense. Deputy National Security Adviser for Cyber and Emerging Technology Anne Neuberger [said](#) NATO must be “prepared to

respond to cyber crises,” adding that “[w]e must be more nimble as an alliance . . . in providing direct, technical, and necessary support if a country faces a significant disruptive attack.”

2. BIDEN-XI MEETING

The President [met](#) with Chinese President Xi Jinping for three hours before the beginning of the G-20 Summit in Bali; after the meeting, the President [said](#) that “I absolutely believe there need not be a new Cold War” between the US and China. In his opening remarks, the President said “[t]he world expects, I believe, the U.S. and China to play a key role in global challenges, from climate change to food insecurity, and for us to be able to work together. The United States stands ready to do just that. In response, President Xi said that “China-U.S. relations currently face a situation that is not in the interests of the two countries, their peoples or the expectations of the international community. As the leaders of China and the United States, we must take the helm and steer the bilateral relationship in the right direction.” The US readout of the meeting stated that the President said that while the US would continue to compete “vigorously” with China, competition “should not veer into conflict” and should be managed “responsibly”; the President also noted China’s “coercive and increasingly aggressive actions toward Taiwan” and reaffirmed that the US has not changed its one-China policy.

A major purpose of the meeting was simply to reset the relationship after a difficult year. The Chinese state-owned *Global Times* [noted](#) that both leaders were “shaking hands and smiling” and noted positively that “[t]his long-awaited scene between China and the US has timely relaxed and comforted the world’s tense emotions.” Secretary of State Anthony Blinken will visit China to promote cooperation in areas such as food security and climate change. A senior administration official told the press that “Lines of communication should be open. . . . The only thing worse than having contentious conversation is having no conversation at all.” Secretary of the Treasury Janet Yellen said that “first and foremost, the meeting today is intended to stabilize the relationship between the United States and China and to create a more certain atmosphere for U.S. businesses so they understand what to expect.” On the question of supply chains involving China, she said that while the US wants “a more secure and more resilient supply chain. But certainly over a wide range of commercial activities — and U.S. firms doing business in China — that’s certainly not something that we are intending to hamper.”

On Ukraine, the leaders [reaffirmed](#) that a nuclear war “should not be fought and can never be won and underscored their opposition to the use or threat of use of nuclear weapons in Ukraine”; a senior administration official briefing the press [said](#) that “I think there is undeniably a discomfort in Beijing about what we’ve seen in terms of reckless rhetoric and activity on the part of Russia. I think it is also undeniable that China is probably both surprised and a little bit embarrassed by the conduct of Russian military operations.” On Taiwan, President Xi [said](#) according to the Chinese readout of the meeting that “the Taiwan question is at the very core of China’s core interests, the bedrock of the political foundation of China-US relations, and the first red line that must not be crossed in China-US relations.”

International Monetary Fund Managing Director Kristina Georgieva [called](#) the meeting a “very constructive” development for the world economy, sending “a very significant message to the world that international cooperation is important for all of us,” noting the Fund’s estimates that further division of the world into geopolitical blocs could reduce global GDP by between \$1.4 and 3.5 trillion.

She also said that “China recognizes that there has to be a reliance on mutual cooperation because we see the Chinese economy being in a very tough spot.”

3. G-20 MEETING

The Group of 20 (G-20) countries met in Bali, Indonesia this week. Because of conflicts over the war in Ukraine, the G-20 issued a “[leaders’ declaration](#)” rather than a joint communique which would have required unanimity from all countries, including Russia. The leaders [focused](#) on global food security, agreed to “stay agile and flexible” in macroeconomic policies while promoting price stability through central banks, expressed concern about the “deteriorating” debt postures of some middle-income countries, and promoted pledges of \$81.6 billion to support vulnerable countries continuing to emerge from the pandemic facing food and energy crises distributed through the International Monetary Fund using countries’ Special Drawing Rights there. On climate change, the leaders resolved “to pursue efforts to limit” global temperature increases to 1.5 degrees Celsius above pre-industrial levels. Echoing the “recover together, recover stronger” theme of this year’s meeting, Indonesian President Joko Widodo also [highlighted](#) an agreement to help countries prepare for future pandemics, the Financial Intermediary Fund, which has already received pledges of \$1.5 billion, and a separate agreement with the United States and Japan for \$20 billion in public and private financing to help Indonesia transition to renewable energy so the country can preserve its forests that absorb carbon.

4. US-ASEAN STRATEGIC PARTNERSHIP

During the summit of the Association of Southeast Asian Nations (ASEAN) in Phnom Penh, Cambodia, the President and ASEAN [announced](#) a “comprehensive strategic partnership” with the bloc of ten countries and nearly 700 million people to promote cooperation in areas such as climate change. Singapore Prime Minister Lee Hsien Loong said that “ASEAN has greatly benefitted from the US’ presence in the region. At the same time, ASEAN believes that we can be a useful partner to the US”; he specifically called on US companies to work in ASEAN’s energy sector, including developing renewable energy sources and upgrading power grids. The President [said](#) the agreement will promote work on “the biggest issues of our time” and help to build “an Indo-Pacific that’s free and open, stable and prosperous, and resilient and secure.” The new agreement gives the US the same status as China as a partner of the regional bloc. So far this year, the US has provided over \$860 million in assistance to member countries of ASEAN.

5. EGYPT CLIMATE CONFERENCE CONTINUES

The Conference of Parties (COP 27) of the Paris Agreement continued in Sharm el-Sheikh, Egypt. The COP is scheduled to end on Friday November 18; few if any new major agreements are expected. Negotiations on carbon markets, defining a goal for climate adaptation, and providing funds for climate adaptation and damage have been [contentious](#), with the most likely outcome to move discussions on climate finance to next year’s conference in the United Arab Emirates. Pakistan’s climate change minister representing the G77 group of developing countries [said](#) Thursday the discussions were at a “pivotal moment.” The US and the EU oppose binding provisions on climate finance. As of Thursday, a [proposal](#) from India, the EU, and the US calling for the phasedown of all fossil fuels was not in the official text for the formal statement of the conference. Brazilian President-elect Luis Inacio da Silva [spoke](#),



saying “there is no planetary security without a protected Amazon” and Brazil “will do whatever it takes to have zero deforestation and degradations of our biomes.” Brazil, Indonesia, and the Democratic Republic of the Congo -- three major rainforest countries -- agreed to joint work on forest conservation.

6. UK BLOCKS CHINESE TAKEOVER OF SEMICONDUCTOR COMPANY

On Wednesday, the UK Government [blocked](#) Nexperia, a Netherlands-based but Chinese-owned manufacturer of semiconductors used in power management in electronic devices, from purchasing Welsh company Newport Wafer Fab on the ground that the transaction poses “a risk to national security” from “technology and knowhow that could result from a potential reintroduction of compound semiconductor activities at the Newport site, and the potential for those activities to undermine UK capabilities.” The Department for Business, Energy and Industrial Strategy also noted that the transaction “could facilitate access to technological expertise and knowhow” in a south Wales cluster of companies which might “prevent the Cluster being engaged in future projects relevant to national security.” Nexperia plans to appeal the decision.