

RUSSIA-UKRAINE WAR: A WATCHLIST OF EVOLVING SYSTEMS RISKS IN EURASIAN HOTSPOTS


ORGANISED CRIME NETWORKS

-  **1** Refugees targeted for **human trafficking**, increasing smuggling flows
Poland
Romania
Slovakia
Germany
- 2** Increased **arms trafficking** leads to deteriorating security environment
Poland
Western Balkans
- 3** **Opiate flows** commonly transited via Ukraine are **diverted along the Balkan route** increasing smuggling activity
Bulgaria
North Macedonia
Romania

COMMODITIES

-  **1** **Volatility in commodity markets**, with some countries less resilient than others to changing prices
Lebanon
Syria
Yemen
- 2** Perceptions of impending commodity shortages lead to **stockpiling and protectionist policies**, pushing up prices
Türkiye
India
China
Indonesia
- 3** **Sanctions and export restrictions** on commodities (oil, gas, fertiliser) from Russia benefit other exporters through higher export volumes and prices
Saudi Arabia
UAE
Kuwait
Iraq
Qatar
Jordan


PEACE AND SECURITY

-  **1** Increased **potential for instability** in regions of strategic importance to Russia including areas where it holds a mediator position
Georgia (Abkhazia and South Ossetia)
Moldova (Transnistria)
Armenia and Azerbaijan (Nagorno-Karabakh)
- 2** European countries **increase defence spending**, and new countries **join NATO**, further antagonising Russia and reinforcing Chinese concerns about NATO expansion
Sweden
Finland
Germany
China
- 3** **Increased risks** associated with both tactical and strategic **nuclear warfare** in response to changing threat perceptions
Poland
United Kingdom
Lithuania
Global
- 4** **China** uses European and US focus on Ukraine to **shore up defence** and strategic alliances in the South China Sea and to diminish US power in hotspots across Eurasia
China
Afghanistan
Western Balkans
India
Pakistan
- 5** The current dominance and **status quo** of the rules-based international system is **openly challenged**
China
Iran

FINANCIAL

-  **1** **China** sees an opportunity to garner support for its **ambitions to reform the global financial system**
China
- 2** **Disruption** of economic relations with Russia/Ukraine has **severe economic impacts** for countries with close economic links to both countries
Belarus
Armenia
Uzbekistan
Kyrgyzstan
- 3** **Countries take advantage of sanctions** against Russia for political leverage and financial gain
UAE
Qatar
Türkiye
Israel
Kazakhstan
Uzbekistan

CLIMATE GOVERNANCE

-  **1** Compound risks of economic instability and Ukraine conflict mean potential **deprioritisation** of delivering on the **Paris Agreement commitments**
Global
- 2** **Russia fails** to live up to **climate commitments**, undermining the Paris Agreement
Global
- 3** Embargo on Russian gas, higher gas prices and concerns about energy security **drive demand for alternative fuels**, including higher-carbon fuels, contributing to **higher emissions**
Germany
Czech Republic
Italy
China
- 4** **China benefits from EU push for renewables**, leaving the block **more dependent on China** for energy transition
China

