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How wide is the divergence between Europe and the US on Energy Transition?

The Europeans are not happy with what they have seen in the Inflation Reduction Act (IRA). They see it as unhealthy competition for now and that's why Ursula von der Leyen was in the US recently and the two sides agreed to create the space for dialogue and for complementarity to work together. Europe is working on counterpart measures to the IRA, which we will see come out soon – such as the Net Zero Industrial Act and one for raw materials. The latter is particularly critical because of the minerals needed for the Energy Transition. Europe wants to incentivize companies to establish on the continent vis a vis other places where these materials are being produced. Some say the US law is more straightforward than the EU in terms of incentives, taxes, etc. But at the end of the day, both understand that the bigger issue is competition with China. Almost everything regarding the materials necessary for the Energy Transition, is processed in China so Europe and the US are trying to now narrow that gap.

Likely outcome for the Presidential election in Turkey later this year?

The polls are showing a big advantage for the opposition and that Erdogan will lose. If he does, that will be a political earthquake to follow the natural disaster that happened last month. He is someone who has been at the heart of regional politics and is an established political figure with the EU. A new person coming in will bring a new politics, new behaviour and a new vision of Turkey's relations with the region, with the EU and with NATO. ■

**Paraphrased Comments*

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