



Plenary sitting

B9-0279/2022

16.5.2022

MOTION FOR A RESOLUTION

to wind up the debate on the statements by the Council and the Commission

pursuant to Rule 132(2) of the Rules of Procedure

on the social and economic consequences for the EU of the Russian war in
Ukraine – reinforcing the EU's capacity to act
(2022/2653(RSP))

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on behalf of the ECR Group

European Parliament resolution on the social and economic consequences for the EU of the Russian war in Ukraine – reinforcing the EU’s capacity to act (2022/2653(RSP))

The European Parliament,

- having regard to its resolution of 7 April 2022 on the conclusions of the European Council meeting of 24-25 March 2022, including the latest developments of the war against Ukraine and the EU sanctions against Russia and their implementation¹,
- having regard to the Versailles Declaration of 11 March 2022,
- having regard to the European Council conclusions of 25 March 2022,
- having regard to European Central Bank staff macroeconomic projections for the euro area of March 2022,
- having regard to International Monetary Fund regional economic outlook report of 22 April 2022 entitled ‘Europe: War Sets Back the European Recovery’,
- having regard to draft amending budget No 3 to the General Budget 2022 of 22 April 2022 entitled ‘ Financing reception costs of people fleeing Ukraine’, which the Commission adopted on 22 April 2022 (COM(2022)0262),
- having regard to its resolution of 24 March 2022 on the need for an urgent EU action plan to ensure food security inside and outside the EU in light of the Russian invasion of Ukraine²,
- having regard to its resolution of 6 April 2022 on the start of the implementation of the 2021-2027 cohesion policy³,
- having regard to the Commission communication of 8 March 2022 entitled ‘REPowerEU: Joint European Action for more affordable, secure and sustainable energy (COM(2022)0108),
- having regard to the Commission communication of 23 March 2022 entitled ‘Temporary Crisis Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia’⁴,
- having regard to the Commission communication of 2 March 2022 on fiscal policy guidance for 2023 (COM(2022)0085),

¹ Texts adopted, P9_TA(2022)0121.

² Texts adopted, P9_TA(2022)0099.

³ Texts adopted, P9_TA(2022)0113.

⁴ OJ C I 131, 24.3.2022, p. 1.

- having regard to the Commission communication of 23 March 2022 on safeguarding food security and reinforcing the resilience of food systems (COM(2022)0133),
 - having regard to the Commission proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2017/1938 of the European Parliament and of the Council concerning measures to safeguard the security of gas supply and Regulation (EC) n°715/2009 of the European Parliament and of the Council on conditions for access to natural gas transmission networks (COM(2022)0135),
 - having regard to Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027⁵ (Multiannual Financial Framework Regulation),
 - having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012⁶ (the Financial Regulation),
 - having regard to Rule 132(2) of its Rules of Procedure,
- A. whereas Russia has been carrying out an illegal, unprovoked and unjustified war of aggression against Ukraine since 24 February 2022;
 - B. whereas Russian soldiers continue to commit war crimes by looting, raping and executing members of the civilian population, targeting civilian structures, including hospitals, medical facilities, schools and shelters, as well as ambulances, and shooting at civilians trying to flee conflict areas via pre-established humanitarian corridors;
 - C. whereas over 6 million people have left Ukraine since the beginning of the conflict, seeking refuge mainly in Poland, Romania, Moldova, Hungary and Slovakia; whereas the financial burden related to the humanitarian crisis is mostly being borne by the states bordering Ukraine and their citizens;
 - D. whereas the vast majority of refugees are women and children; whereas the Member States are faced with providing an unprecedented level of assistance in the areas of care, social protection, healthcare, education and facilitating access to the labour market;
 - E. whereas the EU, together with the US, the UK, Canada, Australia, Japan and other countries, have imposed a wide array of sanctions on Russia and Belarus; whereas, however, these sanctions contain numerous loopholes, omissions and exceptions that allow the Russian authorities and Russian oligarchs to circumvent them, and whereas they have not been sufficient to stop Russia's war machine;
 - F. whereas economies and societies are still weak following the COVID-19 pandemic and

⁵ OJ L I 433, 22.12.2020, p. 11.

⁶ OJ L 193, 30.7.2018, p. 1.

now have to face another challenge in the form of the war in Ukraine; whereas the war is having, inter alia, an impact on inflation and energy prices and energy shortages; whereas the war will have an impact on food prices;

- G. whereas sanctions on Russia, although they are the only tool that can affect the Russian economy and are therefore absolutely necessary, will also have economic repercussions on several European sectors and businesses;
- H. whereas the Russian Federation has for a long time been actively contributing to the destabilisation of global energy markets, including by refusing to fill Gazprom-owned or -leased storage facilities in selected EU countries, by showing a lack of interest in selling crude oil on European exchanges, by refusing to book additional capacity on selected export pipelines and by frequently abusing its dominant position in the markets, including in the form of direct gas blackmail against neighbouring countries, most recently against Poland and Bulgaria;
- I. whereas the high energy prices and resulting volatility have led to record margin calls across centrally cleared and non-centrally cleared markets, exposing liquidity risks and other potential vulnerabilities of energy market participants, clearing members and clearing houses;
- J. whereas the Commission has still not released resources for Poland under the Recovery and Resilience Facility;
- K. whereas no separate EU financial instrument has so far been proposed to allow the Member States to provide support for Ukrainian refugees;

General considerations

- 1. Condemns in the strongest possible terms the ongoing Russian aggression against Ukraine and reiterates its call on the Russian Federation to immediately terminate all military activities in Ukraine;
- 2. Emphasises its full support for Ukraine and the Ukrainian people; stresses its continued commitment to the sanctions packages against Russia already imposed by the European Council and calls for their implementation to be enhanced and expedited; reiterates its call for an immediate and full embargo on Russian imports of oil, coal, nuclear fuel and gas, and for Nord Stream 1 and 2 to be completely abandoned;
- 3. Welcomes the statement by the Commission in communication COM(2022)0108 that it is currently investigating as a matter of priority all allegations of potential anti-competitive commercial conduct by Gazprom;
- 4. Condemns the demand for a new payment system for gas by the Russian Federation, which breaches its existing contracts and is an attempt to contravene the EU's sanctions regime; draws attention to the fact that Bulgaria and Poland, who insisted on paying in the usual way, had their payments rejected and their gas supplies halted; warns that Russia will continue to use the export of fossil fuels as a weapon and calls therefore for an urgent revision of appropriate regulatory frameworks, such as the gas storage regulation proposal, to make the EU energy system fit for purpose during times of war, absorb supply

shocks and increase Europe's resilience;

5. Is convinced that as soon as it is feasible and no later than the entry into force of the gas storage regulation, Member States should not use gas from countries subject to Union economic restrictive measures to fulfil the objectives of the regulation;
6. Stresses that sources of electricity production vary significantly among the Member States; warns that Russia's invasion of Ukraine has aggravated the security of supply situation and driven energy prices to unprecedented levels, putting a number of countries in a vulnerable position; notes specifically that over 50 % of Bulgaria's energy is produced by thermal power stations and therefore calls on the Commission to reassess its current policy towards coal-fuelled power stations, which use reliable and independent own energy resources;

Addressing the economic and social crisis in a coordinated manner

7. Is convinced that in order for the short-term response to be effective, it has to contribute to the alleviation of the high energy prices for households and businesses in order to maintain purchasing power and employment;
8. Acknowledges that mitigating the impact of increases in energy prices on vulnerable households will be crucial to containing poverty rates; calls on the Member States to be prudent and targeted in their social spending, including income support, to mitigate the impact of the rise in energy prices, especially for low-income households, and to finance public policies to increase energy efficiency and the expansion of renewables;
9. Underlines the Council's recent conclusions, which invite the Member States and the Commission to continue to make best use of the toolbox, including the new State aid temporary crisis framework, as a time-limited departure from the status quo;
10. Recalls the importance of a well-functioning single market as the backbone of the EU economy; underlines that the Russian invasion of Ukraine has highlighted a number of challenges to the Union's demand and supply resilience, which are affecting its industries and fragmenting the single market; calls on the Commission to present an ambitious proposal for a single market emergency instrument and to frame it in a way that allows for the Union to react more quickly in times of crisis, to strengthen the resilience of its supply chains and to ensure the circulation of goods and people and access to services, and thus guarantee a smooth functioning of the single market when it is most needed;
11. Calls on the competent authorities to monitor and assess the impact of extreme margin requirements on central counterparties, banks and other relevant market participants, with a view to avoiding jeopardising their operational and financial resilience through significant procyclical shocks and cliff effects and avoiding reducing their dependency on non-EU currencies, thereby keeping in mind the overarching objectives of safeguarding financial stability and market integrity;
12. Points out the importance of the European Semester process to coordinating dedicated economic and budgetary policies in order to address the challenges ahead;
13. Notes the Commission communication on fiscal policy guidance for 2023 and its view

that transitioning from an aggregate supportive fiscal stance in 2020-2022 to a broadly neutral aggregate fiscal stance appears appropriate in 2023, while standing ready to react to the evolving economic situation; stresses the importance of fiscal discipline and proper and equal enforcement of fiscal rules by the Commission for the stability of the monetary union;

14. Echoes the call of the Council on the Member States and the Commission – in preparation for the next winter season – to urgently establish the necessary solidarity and compensation mechanisms, to work together on voluntary common purchases of gas, liquefied natural gas and hydrogen, making optimal use of the collective political and market weight of the European Union and its Member States to lower prices in negotiations, to complete and improve the Union's gas and electricity interconnections throughout the European Union, including by fully synchronising power grids, and to work on ensuring security of supply for all Member States;
15. Stresses that the inflow of refugees fleeing the war in Ukraine could further exacerbate the situation of women and children at risk of poverty or social exclusion or who need access to quality care if adequate additional protective measures are not implemented; is especially concerned about the situation of refugee children; calls for the rapid recognition of skills to ensure the smooth integration of these refugees into the labour market;

Reinforcing the EU's capacity to act

16. Calls for optimal use to be made of existing funding opportunities, flexibility and other provisions set out in the Multiannual Financial Framework (MFF) Regulation and the Financial Regulation; is, however, convinced that additional flexibility needs to be provided for in the EU budget to respond to unforeseen and urgent needs;
17. Considers that the 'Recovery Package for Ukraine' announced by the President of the Commission on 4 May 2022 should be underpinned by concrete sources of financing and should not be set up to the detriment of existing EU policies; calls for Parliament's full involvement in the establishment and implementation of this package; calls on the Commission, to that end, to come up with a sound legal instrument that would allow for the confiscation of frozen Russian assets and funds, which could then in turn be used for the reconstruction of Ukraine;
18. Calls on the Commission to conduct as a priority an in-depth analysis of the impacts on the EU's current and next budgets and the 2021-2027 MFF, including in order to determine the pertinence and timing of the latter's revision; expects this revision to take into account the long-term implications of the war in Ukraine as well as the shift to new political priorities and emerging needs in order to make the MFF more resilient when responding to future crises;
19. Calls on the Commission to urgently approve Poland's national plans under the Recovery and Resilience Facility; insists that a speedy release of Poland's recovery funds is needed to meet the enormous challenges posed by the migration of Ukrainian refugees;
20. Calls on the Commission to prepare an adjustment reserve to support the sectors, EU businesses and Member States that will be most affected by the economic repercussions

of the sanctions;

21. Recalls Parliament's readiness to mobilise all available Union budget instruments and make optimal use of existing flexibility provisions; underlines the necessity to create a new instrument, as well as new sources of funding, with a view to providing the strongest possible financial support to the people fleeing the war in Ukraine and the Member States providing assistance to them, and warns that such mobilisation should not be detrimental to existing programmes and actions; points, in particular, to the need to increase the ceilings of the relevant headings in the EU budget in order to reflect the financial needs related to the refugee crisis;
22. Welcomes the swift activation of the Temporary Protection Directive⁷ and calls on the Commission to fully implement it through solidarity and shared responsibility between Member States by guaranteeing the full range of rights provided by the directive; calls on the Commission to assess possibilities for helping refugees to enter the labour market by working towards the recognition of professional qualifications;
23. Stresses that the EU must take urgent measures to prioritise food security for its residents and at the global level; believes that to achieve this, the common agricultural policy must find a better balance between its environmental, social and economic aspects; supports the Council's calls on the Member States to act upon the Commission communication on safeguarding food security and reinforcing the resilience of food systems, which sets out short-term measures to address food affordability in the European Union and help farmers facing high input costs, as well as medium-term measures to support the transition to a sustainable food system;
24. Highlights the extreme increases in costs of fuel and fertilisers; calls for the 'Farm to Fork' strategy⁸, the biodiversity strategy⁹ and the common agricultural policy strategic plans to be reviewed in the light of the need to ensure food security following the Russian invasion of Ukraine; calls on the Commission to present a cumulative impact assessment of its environmental objectives on the EU's food security and the sector's economic stability; urges the mobilisation of any unspent funds from the European Maritime and Fisheries Fund owing to the deteriorating situation of the fishing sector;
25. Highlights that current market distortions will hit residents in rural areas in particular, who are highly vulnerable and often under threat of social exclusion owing to, inter alia, declining profitability of production, job losses and mobility constraints – resulting in increasing land abandonment and lack of generational renewal in agriculture;
26. Takes the opportunity, amid ongoing global geopolitical challenges, such as the COVID-19 pandemic and the invasion of Ukraine by Russia, to rethink the EU's economic governance so as to increase its resilience to shocks and crises;

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⁷ OJ L 212, 7.8.2001, p. 12.

⁸ COM(2020)0381.

⁹ COM(2020)0380.

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27. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States and the Government and Parliament of Ukraine.