In response to the unprovoked invasion of Ukraine by Russia, the EU has imposed sanctions against Russia, inter alia, targeting the energy sector. The sanctions also prohibit new energy investments and export of technology. They are designed to undermine the financial viability of the Russian energy sector, while avoiding substantial impacts on the EU. The EU embargo on Russian coal imports is estimated to reduce annual Russian revenue by around EUR 8 billion and will be applied as from August 2022. This allows a gradual replacement of Russian coal by available alternatives from third countries and thereby limits the impact on the EU economy. Such phased imposition of the embargo has helped to decrease market uncertainties. The Commission is now proposing a gradual ban on Russian oil that allows to secure alternative supply routes and minimises the impact on global markets.

With its October 2021 toolbox\(^1\) and March 2022 REPowerEU Communication\(^2\), the European Commission presented a set of measures to address the impact of the energy price crisis and sanctions on citizens and industries. The new State aid Temporary Crisis Framework\(^3\) adopted on 23 March 2022 allows Member States to grant aid to companies affected by the war in Ukraine. So far over EUR 60 billion have reached 115 million EU households and 3.4 million small and medium sized enterprises\(^4\). The REPowerEU plan, adopted on 18 May 2022 sets out concrete measures to phase-out imports of Russian fossil fuels well before the end of this decade\(^5\).

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\(^1\) https://ec.europa.eu/commission/presscorner/detail/en/IP_21_5204
\(^3\) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_2022.131.01.0001.01.ENG
\(^4\) Estimations based on publicly made announcements by Member States.
\(^5\) https://ec.europa.eu/info/publications/key-documents-repowereu_en