



Plenary sitting

**B9-0267/2022 }
B9-0271/2022 }
B9-0278/2022 }
B9-0280/2022 } RC1**

17.5.2022

JOINT MOTION FOR A RESOLUTION

pursuant to Rule 132(2) and (4) of the Rules of Procedure

replacing the following motions:

B9-0267/2022 (Renew)

B9-0271/2022 (PPE)

B9-0278/2022 (S&D)

B9-0280/2022 (Verts/ALE)

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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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 European Council conclusions of 25 March 2022,
- 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 staff working document of 27 May 2020 on identifying Europe’s recovery needs (SWD(2020)0098),
- having regard to International Monetary Fund (IMF) regional economic outlook report of 22 April 2022 entitled ‘Europe: War Sets Back the European Recovery’,
- 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 5 May 2022 on the impact of the war against Ukraine on women³,
- having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources⁴,
- having regard to its resolution of 8 July 2021 on the review of the macroeconomic legislative framework for a better impact on Europe’s real economy and improved transparency of decision-making and democratic accountability⁵,
- having regard to Rule 132(2) and (4) of its Rules of Procedure,

A. whereas Russia has been carrying out an illegal, unprovoked and unjustified war of

¹ Texts adopted, P9_TA(2022)0121.

² Texts adopted, P9_TA(2022)0099.

³ Texts adopted, P9_TA(2022)0206.

⁴ OJ L 433 I, 22.12.2020, p. 28.

⁵ Texts adopted, P9_TA(2021)0358.

aggression against Ukraine since 24 February 2022;

- B. whereas the Russian invasion of Ukraine is a major humanitarian crisis affecting millions of people that will inevitably result in a severe economic shock of uncertain duration and magnitude in the EU;
- C. whereas the most important consequences of the war in Ukraine are the lives lost and the humanitarian crisis associated with the huge numbers of besieged and displaced people; whereas by 5 May 2022, more than 5.7 million people had fled Ukraine according to data from the UN High Commissioner for Refugees, with more than 85 % of them currently being hosted in an EU country; whereas the burden related to the humanitarian crisis is being borne to a great extent by Member States bordering Ukraine;
- D. whereas the environmental impacts caused by the conflict, as a consequence of bombings, oil/gas leaks and incidents in chemical factories and nuclear plants, are of major concern for the population in both Ukraine and the EU; whereas the EU must help to protect against and rectify environmental damage caused by the war and sanction environmental crimes, as they will inevitably have long-lasting consequences;
- E. whereas Russia has unilaterally decided to cut off the gas supply to Bulgaria and Poland; whereas an increasing number of EU Member States have already expressed their support for implementing a full energy embargo on Russia to escape this blackmail;
- F. whereas the sanctions are having a severe effect on the Russian economy (per the IMF: 8.5 % contraction of its GDP and 21.3 % inflation in 2022); whereas European purchases of fossil fuels from Russia by paying up to EUR 800 million per day to Russia for the delivery still provide the regime with means that help finance the war; whereas the Commission has presented an ambitious plan to ban the import of Russian oil within six months and refined products by the end of the year;
- G. whereas the economic context, combined with the effects of the necessary sanctions, will have a serious impact on the social and economic situation, inter alia on the EU's labour markets and living conditions; whereas the crisis resulting from the war risks negatively impacting growth and employment, including through the repercussions on financial markets, energy shortages and further energy price pressures, persistent supply chain bottlenecks and confidence effects;
- H. whereas consumer price inflation in the EU has reached levels not seen since the 1970s in many countries, standing at 7.5 % in April 2022, the highest level since the introduction of the single currency, a spike mostly due to fossil energy price rises; whereas this has resulted in increased agricultural prices; whereas according to the ECB's latest euro area forecast, the inflation rate (HICP) is expected to decline from an average of 5.1 % in 2022 to 2.1 % in 2023 and 1.9 % in 2024;
- I. whereas increasing inflation and, in particular, rapid increases in food and energy prices across the EU are affecting the most vulnerable populations, further increasing inequality, and aggravating poverty and energy poverty; whereas wages are not

projected to increase as fast as inflation and therefore workers are losing purchasing power and might see their living conditions worsen in the next few months; whereas this will also exert greater pressure on social policy capacity, as well as on automatic stabilisers such as national unemployment schemes; whereas the European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) adopted by the Commission was a success;

- J. whereas according to the International Monetary Fund (IMF) world economic outlook of April 2022, global growth is projected to slow from an estimated 6.1 % in 2021 to 3.6 % in 2022 and 2023, which is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January; whereas growth in the euro area is projected to decrease from an estimated 5.3 % in 2021 to 2.8 % in 2022 and 2.3 % in 2023;
- K. whereas according to the Commission's proposal for a Joint Employment Report 2022, the widespread use of job retention schemes during the pandemic contributed to the relatively limited increase in unemployment in 2021, from a 6 % increase in 2020 to only 0.4 % in 2021⁶;
- L. whereas small and medium-sized enterprises (SMEs) struggle to get finance more than large enterprises; whereas administrative procedures make it particularly difficult for SMEs to access public funds; whereas any conditions for SMEs' access to financial support should therefore take into consideration the necessary simplification of procedures;
- M. whereas Europe is facing emerging challenges, such as increasing inequalities between generations, diminished social, health, economic and environmental opportunities and resources, territorial disparities and unequal access to fundamental social and health services, jobs and business opportunities and social infrastructure; whereas in 2020, 96.5 million people in the EU were at risk of poverty or social exclusion, which is the equivalent of 21.9 % of the EU population; whereas poverty and social exclusion have declined in the last decade; whereas a further reduction is needed; whereas reducing inequalities is a shared responsibility of the EU and the Member States; whereas we should address the root causes of long-term economic and social imbalances;
- N. whereas about 34 million Europeans reported an inability to keep their homes adequately warm in 2018, and 6.9 % of the Union population have said that they cannot afford to heat their home sufficiently in a 2019 EU-wide survey;
- O. whereas robust social protection systems are essential for social resilience in times of crisis; whereas the main social consequence in Europe is an increase in the cost of living and the affordability of goods and services, which puts at risk human rights such as access to food, housing, clothing and education, favourable working conditions and protection against unemployment, and access to medical care;
- P. whereas the European Pillar of Social Rights Action Plan set a target for the EU to reduce the number of people at risk of poverty or social exclusion by at least 15 million and adopted a series of proposals in order to reach this goal by 2030; whereas in the

⁶ Commission proposal of 24 November 2021 for a Joint Employment Report 2022 (COM(2021)0743).

current context, reaching the target is becoming more challenging, given the projected increase in poverty and unemployment in the months to come; whereas social protection systems are under severe pressure to mitigate the social impact of the crisis, to give support to refugees and to ensure decent living conditions for all, as well as access to quality essential services such as health, education and housing;

- Q. whereas the International Energy Agency has estimated that excess profits amount to EUR 200 billion⁷ in 2022; whereas it has also stated that temporary fiscal measures on windfall profits could be made available for public revenue to partially offset higher energy bills; whereas the Commission proposed guidance on the introduction of temporary tax measures on windfall profits in March 2022⁸;
- R. whereas the Russian war in Ukraine has shown the EU's determination, unity and strength in defending democratic values; whereas it has also demonstrated the need for economic, social and institutional reforms of the EU to cope with the global consequences of Russia's military aggression; whereas there is an absolute need to maintain the hitherto impressive unity and solidarity of the Union behind the use of all available non-military tools to end the Russian aggression against Ukraine and through collective means to address the immediate effects within the EU, as well as through maintaining the ongoing legislative agenda with the aim of improving the social, economic and environmental resilience of the Union, despite Putin's desire to divide us and derail those efforts;
- S. whereas it is necessary to ensure the functioning of the social market economy and single market, including in times of crisis, to realise its full potential for the benefit of European consumers and contribute to boosting productivity, the competitiveness of European businesses and quality job creation;
- T. whereas the Commission has presented concrete measures to make REPowerEU a reality;
- U. whereas the EU must become a real power on the world stage with the capacity to act and decide by itself, in particular as regards defence, energy, agriculture, aquaculture and industry;
- V. whereas access to sexual and reproductive health and rights is also becoming increasingly difficult for the refugees arriving in the EU; whereas the EU is committed to the promotion, protection and fulfilment of the right of every individual, and of every woman and girl, to have full control and decide freely and responsibly on matters related to their sexuality and sexual and reproductive rights, free from discrimination, coercion and gender-based violence;

General considerations

1. Stands in solidarity with the Ukrainian people and acknowledges that active war at the

⁷ <https://www.iea.org/reports/a-10-point-plan-to-reduce-the-european-unions-reliance-on-russian-natural-gas>

⁸ Commission communication of 8 March 2022 entitled 'REPowerEU: Joint European Action for more affordable, secure and sustainable energy' (COM(2022)0108).

EU's immediate borders has severe social and economic consequences for Europe; is fully aware that democracy and freedom cannot be expressed through any monetary equivalent or social comfort; reiterates its condemnation in the strongest possible terms of the illegal, unprovoked and unjustified military aggression against and invasion of Ukraine by the Russian Federation, as well as the involvement of Belarus therein;

2. Highlights that the Russian military aggression against Ukraine and the EU's justified sanctions against Russia and Belarus are affecting the post-pandemic economic recovery of the EU and pose a serious threat to its recovery and resilience strategy, as well as to the integrity of the single market;
3. Stresses that the current war on Ukraine has exacerbated an already stark energy price crisis across Europe, which is having a direct negative effect on the purchasing power of all EU citizens and on SMEs; recalls that today's high gas and electricity prices affect most Member States, although to different degrees and at different times, and that the current price spike requires rapid intervention in order to identify, avoid and prevent the socio-economic consequences through a coordinated economic and social policy response;
4. Underlines the importance of ensuring energy sovereignty and independence from Russian supplies and more strategic autonomy and energy security, by upgrading and ensuring major investment in the EU's energy infrastructure, including on interconnections and cross-border infrastructure for renewable energy production, and energy efficiency;
5. Is convinced of the need to further strengthen the Union's solidarity capacities in times of crisis; calls on the Commission and the Council to stand ready in case the adverse effects of the crisis cannot be sufficiently addressed through existing programmes, and to react with determination, unity and speed and in solidarity with those affected by this new severe crisis, in order to help households and companies, in particular SMEs; underlines that a determined, coordinated and solidarity-based European response is essential to limit the spread of the crisis by identifying, preventing and mitigating its economic and social consequences, and therefore maintaining European citizens' support for the actions taken against Russia and for the other actions needed in supporting the Ukrainians in their defence; calls for the EU institutions to grant EU candidate status to Ukraine, in line with Article 49 of the Treaty on European Union and on the basis of merit;
6. Emphasises its full support for Ukraine and the Ukrainian people; highlights the importance of the approval of the five packages of sanctions on Russia by the European Council and calls for their swift and effective implementation; calls on the Member States to urgently adopt the sixth package of sanctions, including a ban on imports of Russian oil, as proposed by the Commission; 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; calls for the urgent adoption of damage control measures with regard to the sanctions in order to ensure that workers and households do not carry the burden of these political decisions;

7. Supports global efforts to help Ukraine, in particular via the G7, and calls for debt relief for Ukraine; requests that the Commission and the Member States lead the work on a Ukraine Solidarity Trust Fund and the strategy to rebuild Ukraine after the war; recalls its long-standing position that Parliament must be fully involved in the establishment and supervision of EU trust funds and related operational decision-making;
8. Calls on the Council to extend the list of individuals directly targeted by EU sanctions, including Russian oligarchs, taking into account the list of 6 000 individuals presented by Navalny's Foundation; calls for an extension of EU-sanctioned Russian-affiliated media entities operating in the EU, specifically the GRU-affiliated 'news agency' InfoRos;
9. Notes that former politicians such as Esko Aho, Francois Fillon and Wolfgang Schäuble have recently resigned from their positions in Russian firms and strongly demands that others, such as Karin Kneissl and Gerhard Schröder, do the same; further calls on the Council to extend the list of individuals targeted by EU sanctions to the European members of the boards of major Russian companies and to politicians who continue to receive Russian money;

Addressing the economic and social crisis in a coordinated manner

10. Is convinced that an effective response in the short term is to contribute to the alleviation of high energy prices for households and businesses and to maintain purchasing power, quality employment and public services, while continuing the implementation of the European Green Deal and the just, digital and green transition, as well as strengthening the European Pillar of Social Rights Action Plan; calls for the reinforcement of the internal energy market in order to eliminate EU dependencies without creating new ones;
11. Stresses, once again, the importance of the diversification of energy resources, technologies and supply routes, while avoiding lock-in-effects, in addition to setting up a large-scale plan for public and private investment in energy efficiency, renewable energy, and sustainable long-term public investments in tackling climate change and the energy supply problem; calls on the Commission, therefore, to increase the coordination of the planning and financing of energy efficiency and renewable energy, notably green hydrogen; calls for the swift phasing-out of fossil subsidies;
12. Reiterates the Commission's estimation of the need for additional annual investment in the three-digit billion range⁹ to address the challenges and opportunities of the digital transformation, the green and just transition, and economic and social recovery; stresses, therefore, that an increased level of investment must be stabilised and upward convergence in the EU enhanced for many years to come;
13. Calls on the Commission and the Member States to condition public investment and financial support, including public financial support for businesses granted within the flexibilisation of State aid rules, to relevant requirements linked to public policy

⁹ Commission staff working document of 27 May 2020 on identifying Europe's recovery needs (SWD(2020)0098), p 16ff.

objectives, in particular social, environmental and financial requirements, which should be fulfilled by beneficiaries for as long as they receive public support, while ensuring fair and open competition, a level playing field between our companies, and respect for the fundamental principles on which our single market is based;

14. Acknowledges that mitigating the impact of increases in energy prices on vulnerable households will be crucial to containing poverty rates; calls on Member States to be effective and targeted in their increased social spending, including income support, to mitigate the impact of the rise in energy prices, especially for low-income households, and in the financing of public policies to increase energy efficiency and the expansion of renewables; stresses that wage growth should take into consideration long-term inflation and productivity growth in order to maintain households' purchasing power;
15. Echoes the Council's call on the Commission to submit proposals that effectively address the problem of excessive electricity prices while preserving the integrity of the single market; recalls the current short-term options presented by the Commission (direct support to consumers through vouchers, tax rebates or through an 'aggregator model/single buyer', State aid, taxation, price caps and regulatory measures such as contracts for differences) in order to reduce the impact of the extraordinarily high prices on citizens and businesses, while addressing the contagion effect on electricity markets; is concerned about potential market abuses; calls on the Commission to assess the impact of gas prices on the functioning of the electricity market, in particular on the setting role of the gas price in the final price;
16. Is deeply concerned by the consequences of the Russian war against Ukraine on the EU's food security; stresses the urgent need to enhance the EU's approach to food security and, where necessary, to increase sustainable production capacity in order to reduce the overall dependence of the EU food system and build increased resilience into the food supply chain; points out the major impact on the agri-food sector due to the severe increase in production costs, as outlined in Parliament's 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 Ukraine; warns that the export restrictions announced by many countries can lead to price increases, destabilise the markets, contribute to hunger and feed into speculative practices;

Integration of people temporarily displaced from Ukraine

17. Stresses that the war in Ukraine and the subsequent increase in the cost of living and the risk of unemployment could further exacerbate the situation of families, refugees, women, children at risk of poverty and social inclusion or of those who need access to quality care if adequate additional protecting measures are not implemented; calls on the Commission and the Member States to focus their efforts on the implementation of the European Child Guarantee towards ensuring access to free quality services for children fleeing Ukraine on an equal footing with their EU national peers in the hosting countries and to urgently increase the funding of the European Child Guarantee with an appropriate budget;
18. Considers that access to full healthcare services for all, in particular for women and girls

who have been the victim of war crimes and are refugees in the EU, must be guaranteed in all Member States; calls on the Member States to help temporarily displaced Ukrainian women to ensure universal access to quality sexual and reproductive healthcare free from discrimination, coercion and abuse, to address the issue of legal remedies and to prevent human rights violations affecting them; welcomes the Commission's announcement of EUR 1.5 million for a dedicated project to support the UN Population Fund in assisting women and girls in Ukraine by providing sexual and reproductive health services;

19. Calls on the Commission and the Member States to pay particular attention to the situation of unaccompanied minors, separated children and children from institutional care settings from Ukraine to ensure that their immediate needs are met, that they are adequately identified and tracked and that data is shared between Member States with the aim of reuniting them with their families or later re-integrating them into Ukrainian society, while guaranteeing their protection from abuse or trafficking, particularly in the case of young women and girls;
20. Highlights that the COVID-19 crisis has shown the crucial contribution of migrant workers in supporting European economies; warns however, that very often migrant workers encounter poor working and living conditions, the absence of social protection, a denial of the freedom of association and workers' rights, discrimination and xenophobia, and is concerned about the reported cases of labour exploitation of people coming from Ukraine; calls on the Commission and the Member States to tackle these cases and to ensure that Ukrainian workers' rights are protected and that their integration is carried out with full respect for the law, equality and non-discrimination; believes that trade unions and civil society organisations across the EU need to be supported, also when carrying out actions to safeguard refugees' fundamental labour and social rights, to organise and unionise refugee workers and to empower them;
21. Calls on the Commission to also provide financial aid to the Member States that respect the rule of law for the reception and social and labour market integration of refugees, including for care services, housing, food, material aid, training programmes and public employment services; underlines the need to offer specialised protection and care to people with disabilities coming from Ukraine; calls on the Member States to support national authorities, reception, education and employment centres, NGOs and charitable organisations in the use of the EU Skills Profile Tool for Third Country Nationals;
22. Points out that Europe's mental health systems should be better financed and that care can be challenging for the general population to access and should be improved; stresses that it is even more challenging for refugees and other migrants; considers that it will be critical to ramp up funding significantly for clinical mental health services to support refugees in coping with trauma, alongside non-clinical approaches in partnership with schools, community-based organisations and others;

A new resilience package for Europe

A Social Resilience Package for the people

23. Stresses that it is expected that the economic and social situation in the EU risks

deteriorating further in the coming months and will intensify due to a combination of even higher energy prices and hence higher expenditure for heating, and higher inflation for other goods and services; reiterates that health risks should still be monitored; considers that it would be important for the EU to anticipate this and put in place a policy framework and concrete initiatives for the Member States, which should be targeted to support the most vulnerable segments of their populations by summer 2022; echoes the call of the Council on the Member States and the Commission, with a view to the next winter season, to urgently establish the necessary solidarity and compensation mechanisms and to work together on common measures;

24. Calls for a temporary European social resilience package coordinating a set of measures and means to strengthen social welfare and social protection systems in the EU, including the continuation and refinancing of SURE as long as the socio-economic consequences of the war continue to have a negative impact on the labour market, and a social rescue facility with increased public support for existing instruments aimed at the poorest in our society; calls, in addition, for the swift adoption of the Social Climate Fund; calls for strengthening investment in social climate measures; calls on the Member States to consider a temporary suspension of national rent indexation schemes, where applicable;
25. Calls on the Commission to organise a follow-up to the Porto Social Summit including the EU institutions and social partners in order to discuss the challenges of the extraordinary situation we are facing with increasing inflation and its social consequences, in particular regarding living conditions, a fair redistribution of wealth among different groups in society and decent wages, and to work on an update of the European Pillar of Social Rights Action Plan to ensure that the objectives that were set are met by potentially adopting additional proposals, where needed, and/or financial means;
26. Highlights that the Commission will present a Council recommendation on a framework for minimum income schemes, with the purpose of safeguarding the right to a decent life, eradicating poverty and addressing the questions of adequacy and coverage, including a non-regression clause, as this is urgently required; recalls that the Commission has been recommending minimum income schemes in the country-specific recommendations and stated that not all Member States have set theirs above the poverty line; calls, in addition, for the adoption of allowance schemes for obtaining qualifications to be granted to people in need that want to enrol in vocational training or tertiary education, in order to cover their educational costs and essential needs;
27. Recalls that young people have been particularly affected by the COVID-19 crisis in terms of employment, education, training and mental well-being; is concerned that the economic fallout from the current crisis resulting from the Russian aggression in Ukraine will risk leaving many more young people in Europe unemployed, with long-lasting socio-economic consequences;
28. Recalls that the right to an adequate standard of living, including housing, is included in the Universal Declaration of Human Rights; warns that the housing market in Europe will be put under even more pressure and calls on the Commission and the Member

States, therefore, to work towards ensuring access to decent and affordable housing for all through the National Affordable Housing Plans included in the National Reform Programmes; welcomes, in this context, the European Platform on Combating Homelessness;

29. Warns of the impact of the ongoing war on global food supply chains and food prices, and the consequences for the purchasing power; in light of the increase of food prices, highlights the adopted increased minimum allocation towards social inclusion measures in the new ESF+ as well the 3 % on top of those for measures within FEAD and encourages Member States to allocate more than the minimum amounts required in line with ESF+;

An Economic Relief Package for Businesses

30. Reiterates its calls for concerted EU action to deal with the economic and social consequences of Russia's war against Ukraine and the sanctions imposed; proposes creating an Economic Relief Package for Businesses, including economic, budgetary and legislative elements, for SMEs and public investment, without compromising the EU's 2030 and 2050 climate targets; believes that such a package should at least encompass:
- a. the Commission to provide an analysis that identifies the sectors most affected by the cumulative effects of higher energy and raw material prices and the impact of the war, in line with the objectives of Better Regulation;
 - b. increasing aid for businesses in such sectors by ensuring a flexible application of State aid rules, while ensuring fair competition subject to the relevant binding sustainability requirements integrated in the undertakings' business models, such as bans on collective dismissals, increased energy efficiency, additional renewable energy usage and virgin material reduction targets;
 - c. the adoption of a diversification strategy to ensure a reliable supply of commodities and critical raw materials, such as rare earth metals, as well as securing sustainable supply chains in line with the Paris Agreement;
 - d. ensuring energy independency from Russian supplies and more strategic autonomy, by upgrading and ensuring major investment in the EU's energy infrastructure, including on interconnections and cross-border infrastructure, renewable energy production and energy efficiency;
 - e. an increase in the level of the EU guarantee in the InvestEU programme to boost investment in support of European SMEs, including for the purposes of capital support, and the creation of a dedicated window for companies affected by the consequences of the war and for projects related to energy independence supporting the energy and climate targets in this programme, financed with fresh funding;
31. Underlines the Council's recent conclusions inviting the Member States and the Commission to continue to make best use of the State aid toolbox, including the new

State aid temporary crisis framework; underlines the absence, in this regard, of any sustainability and social conditions in the State aid framework presented by the Commission; insists that the EU institutions and the Member States ensure that public financial support provided to firms in order to combat the economic effects of the pandemic and the war is conditional upon the funding being used to benefit employees and the recipient firms refraining from paying bonuses to management, tax evasion, paying out dividends or offering share buy-back schemes for as long as they are receiving this support;

32. Welcomes the forthcoming adoption by the Commission of a single market emergency instrument; urges the Commission to integrate provisions in the context of such a legislative framework that establish resilience stress tests for undertakings, akin to the stress tests for financial institutions, that would map, assess and provide potential responses to their supply chain risks, including externalities and social, environmental and political risks;
33. 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 EU's demand and supply resilience, which are affecting its industries and fragmenting the single market; asks the Commission to put forward new proposals to encourage private actors to invest in the EU and in particular to strengthen the single market for services, make progress on the capital markets union and the banking union and make use of new forms of public-private partnerships in which the state assumes limited financing risks to crowd in more private sector investment activities, such as the COVID support schemes for SMEs;

Reinforcing the EU's capacity to act

34. Highlights that in the European response to the COVID crisis, European citizens felt that the EU was protecting them and opening up prospects, notably through the creation of the SURE programme and NextGenerationEU (NGEU); underlines that neither the NGEU fund, its Recovery and Resilience Fund component, nor the flexibility under the current 2021-2027 multiannual financial framework (MFF) are sufficient to fully cover the financial needs generated by the war in Ukraine; recalls that these instruments were neither designed nor conceived in terms of size to address the new challenges stemming from the Russian aggression and invasion and simultaneously maintain investments in the EU's programmes and policies, including important priorities like the just, green and digital transitions;
35. Stresses the need to make optimal use of the existing funding opportunities, flexibility and other provisions set out in the MFF Regulation and the Financial Regulation; is convinced, however, that additional flexibility needs to be provided for in the EU budget, including the full use of decommitments, to respond to unforeseen and urgent needs; calls on the Commission to conduct an in-depth review of the functioning of the current MFF and proceed with a legislative proposal for a comprehensive MFF revision as soon as possible and no later than the first quarter of 2023; expects such a revision to take into account the long-term implications of the war in Ukraine and the emergency measures taken;

36. Recalls its readiness to mobilise all available EU budget instruments with a view to providing the strongest possible financial support to the people fleeing the war in Ukraine and warns that such mobilisation should not be detrimental to existing programmes and actions; calls on the Commission to identify the additional unallocated resources, in particular from previous programming exercises, that can be mobilised to support Ukraine and address the consequences of the war;
37. Welcomes the plan outlined by the Commission under its new REPowerEU programme to make Europe independent from Russian fossil fuels well before 2030, starting with gas, in light of Russia's invasion of Ukraine; invites the Commission to explore how this programme could be used together with the National Recovery and Resilience Plans to advance investments in the energy transition, including financing multi-country projects in the field of energy security;
38. Calls for the swift implementation of the National Recovery and Resilience Plans, particularly in the area of energy, at both national and European level; strongly believes that this should increase the EU's strategic autonomy;
39. Recalls that more than EUR 200 billion of loans have not been contracted; asks the Member States, therefore, to use the unrequested RRF loans for covering current negative economic and social costs resulting from the war, in accordance with the Recovery and Resilience Facility Regulation;
40. Notes the IMF conclusions that fiscal policy is better suited than monetary policy to address new shocks and that automatic fiscal stabilisers should be allowed to operate freely, while additional spending is allocated, inter alia, for humanitarian support to refugees and for transfers to low-income households and targeted support to vulnerable but viable firms;
41. Notes the Commission communication on fiscal policy guidance for 2023¹⁰ and its call to maintain a supportive fiscal stance while standing ready to react to the evolving economic and social situation; expects the Commission to come forward with a set of fiscal policy measures to react to economic shocks and the spike in poverty levels; further expects, in this context, the general escape clause to remain activated as long as the underlying justification persists; considers that reverting to the fiscal rules in the current circumstances may have unintended consequences for the EU economy and for the Member States' ability to face the current crisis;
42. 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, as well as strengthening its social and energy dimension; invites the Commission to revamp the comprehensive economic policy response to the current crisis in order to effectively address economic and social inequalities against the backdrop of enormous investment needs;
43. Calls on the Commission to launch a review of EU fiscal rules; notes that the review of

¹⁰ Commission communication of 2 March 2022 on fiscal policy guidance for 2023 (COM(2022)0085).

the economic governance framework must take into account the consequences of the pandemic, the war and the implications for the energy transition;

44. Calls for the establishment of a new dedicated European Fund (a Strategic Autonomy Fund for Europe) to finance cross-border energy infrastructure, avoiding lock-in effects on fossil fuels, and renewable energy production and energy efficiency, reinforcing the path towards the European Green Deal, as well as cybersecurity, industrial competitiveness, the circular economy, food security and sustainable development, thereby securing Europe's autonomy and protecting quality public services in the decades to come; insists that any such new fund should be established according to the ordinary legislative procedure and function under the full oversight of the European Parliament and with direct management by the Commission; emphasises that its overall amount should be established on the basis of a clear assessment of the costs and investment gaps; asks all of it to be based on lessons learnt from NGEU;
45. Stresses that, in parallel, additional new EU own resources are necessary to at least cover the repayment costs of NGEU (principal and interest) and to assure sustainable financing of the EU budget on a long-term basis in order to avoid the new EU priorities being financed to the detriment of existing EU programmes and policies; is determined to monitor closely the implementation of the agreed and legally binding own resources roadmap from December 2020; urges the Council to speed up the negotiations on the first basket of EU own resources, which includes revenues from the Carbon Border Adjustment Mechanism, the Emissions Trading System and a share of the profits of the largest and most profitable multinationals with a view to reaching an agreement before the completion of the 2023 budgetary procedure; reiterates its demand for the introduction of the second basket of new own resources without any further delay, including a Financial Transaction Tax, and urges the Commission to present a proposal before December 2023; highlights the need to take further action if the proposed new own resources are not adopted or do not generate the anticipated level of revenue for the EU budget; points to the importance, in this context, of the Own Resources Regular Dialogue between the three institutions;
46. Highlights that, as stressed by the European Council, temporary taxation of or regulatory interventions on windfall profits could be a source of national public financing; calls on the Commission and the Member States to coordinate the design of windfall profit taxation schemes or other regulatory measures in order to use them to mitigate the social and economic consequences for the EU of the war in Ukraine;
47. Highlights the urgency of the swift implementation of the OECD Pillar 2 agreement on minimum effective taxation, in addition to the implementation of Pillar 1, focused on a fairer distribution of profits and taxing rights among countries with respect to the largest multinationals, including those in the digital sector¹¹;
48. Reiterates the urgency of fighting tax evasion, tax avoidance and aggressive tax planning through further reforms, including that of the Code of Conduct Group on Business Taxation, in line with Parliament's recommendations; calls on the Council to

¹¹ See the answer given by Commissioner Gentiloni on 15 February 2022 in response to Written Question E-005563/2021 on tax revenue of the Member States and the EU following the OECD agreement.

reach an agreement on the Commission's proposals for a revision of the Energy Taxation Directive¹² and for a directive laying down rules to prevent the misuse of shell entities for tax purposes¹³ following Parliament's opinion thereon;

49. Welcomes the feasibility study requested by the Commission relating to an EU asset registry as a result of a specific request from Parliament; notes that such a mechanism could provide public authorities with timely access to information on the ownership of high-value assets and goods throughout the EU and thereby effectively curb efforts to circumvent financial targeted sanctions, and fight money laundering and tax evasion and avoidance; considers, in addition, that the Commission should request that jurisdictions outside the EU disclose information on the ownership of assets of sanctioned individuals and entities within their jurisdictions;
50. Reiterates its call to use the framework of the negotiations on the anti-money laundering and countering the financing of terrorism legislative package to close existing loopholes enabling beneficial ownership structures to be obscured, and to ensure that all relevant assets held by listed Russian oligarchs in the EU are confiscated in accordance with the EU's legal framework; acknowledges the work of the Commission's Freeze and Seize Task Force in this context;
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51. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

¹² Commission proposal for a Council directive of 14 July 2021 on restructuring the Union framework for the taxation of energy products and electricity (COM(2021)0563).

¹³ Commission proposal for a Council directive of 22 December 2021 laying down rules to prevent the misuse of shell entities for tax purposes (COM(2021)0565).