



Russia's Invasion of Ukraine: European Union Responses and Implications for U.S.-EU Relations

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The 27-member European Union (EU) has responded with unprecedented unity and speed to Russia's February 2022 invasion of Ukraine. EU policy responses and ongoing coordination with the United States, especially on sanctions, are of interest to Congress given the EU's role as a U.S. partner in addressing Russia's military aggression against Ukraine.

Key EU Responses

Sanctions

The EU has imposed several rounds of sanctions—or *restrictive measures*—intended to cripple Russia's ability to finance the war against Ukraine, enact costs on Russia's elites, and diminish Russia's economic base. Imposing sanctions requires unanimity among EU members. As of March 15, EU sanctions include

- Freezing the assets of 62 entities and imposing asset freezes and travel bans on 877 Russian officials, legislators, and other elites (Russian President Vladimir Putin and Foreign Minister Sergei Lavrov are subject only to asset freezes);
- Expanding existing sanctions on Russia's financial sector and key banks, including
 restricting transactions with Russia's Central Bank and blocking access to its reserve
 holdings and cutting seven Russian banks off from SWIFT (the world's dominant
 international financial messaging system, headquartered in Belgium);
- Expanding existing or imposing new sanctions on Russia's energy, aviation, transportation, and technology sectors;
- Broadening the scope of export controls on dual-use goods to limit Russia's access to crucial technologies, such as semiconductors;
- Banning exports of luxury goods to Russia and certain metals imports from Russia;
- Closing EU airspace to all Russian-owned aircraft; and

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• Expanding sanctions on Belarus for supporting Russia's invasion of Ukraine.

The EU's increasingly punitive sanctions are notable given the bloc's trade and investment ties to Russia, its reliance on Russian energy imports, and the potential negative economic effects of Russian retaliatory sanctions or Russian threats to cut off energy supplies. Some member states are critical that the EU has not disconnected Sberbank (Russia's largest bank) or Gazprombank (linked to Russia's energy sector) from SWIFT or banned energy imports from Russia. (See CRS Insight IN11869, Russia's Invasion of Ukraine: Overview of U.S. and International Sanctions and Other Responses; and CRS In Focus IF12062, New Financial and Trade Sanctions Against Russia.)

Military Assistance

On February 28, the EU announced a total of €500 million (about \$550 million) in financing for military assistance to Ukraine through the European Peace Facility (EPF), which includes—for the first time—funding for lethal equipment worth €450 million (\$495 million); the remaining €50 million (\$55 million) is for nonlethal supplies. On March 21, the EU announced an additional €500 million for Ukraine under the EPF. Member states are responsible for delivering equipment and may be reimbursed from the EPF for assistance provided since the start of 2022.

Helping Refugees and Providing Aid

Over 3.5 million people have fled Ukraine, with about 60% of refugees arriving in Poland. The EU has adopted a temporary protection mechanism to provide Ukrainian nationals and other legal residents of Ukraine with immediate residency rights and access to benefits throughout the EU (for one year with extension possible up to three years). EU assistance to date includes €500 million in humanitarian aid for Ukraine and neighboring countries from the EU's budget and €107 million (around \$118 million) for emergency supplies through the EU's Civil Protection Mechanism. (See CRS Insight IN11882, Humanitarian and Refugee Crisis in Ukraine.)

Tackling Disinformation

The EU has condemned Russia's disinformation campaign against Ukraine and suspended broadcasting of Russian state-owned media outlets Russia Today (RT) and Sputnik across all platform types (cable, satellite, websites, apps, etc.) throughout the EU. The EU also is addressing disinformation targeting Ukraine through its EUvsDisinfo project.

U.S.-EU Cooperation

Russia's war against Ukraine has strengthened U.S.-EU ties and transatlantic unity. The United States and the EU have moved largely in lockstep in terms of the types and timing of sanctions imposed. Many EU sanctions are identical or substantively similar to U.S.-imposed sanctions, including restrictions on Russia's Central Bank and prohibiting access to airspace. With other partners, the EU and the United States established a transatlantic task force to ensure effective implementation of sanctions against designated individuals and companies and announced plans to suspend Russia's preferential trade treatment under World Trade Organization rules.

The major current divergence between U.S. and EU sanctions centers on Russian energy imports. The United States has banned imports of Russian crude oil and certain petroleum products, liquefied natural gas, and coal; the EU, which is far more dependent on Russia for its energy needs than the United States, has not done so. Although some EU countries reportedly support sanctioning Russian energy imports, others—including Germany—remain opposed. The EU has pledged to decrease its energy dependence on Russia and is working on measures to reduce EU demand for Russian gas by two-thirds by the end of

2022. President Biden is to attend the EU leaders' summit meeting on March 24 in Brussels to discuss further U.S.-EU support for Ukraine and responses to Russia.

U.S. and Congressional Interests

Russia's invasion of Ukraine has galvanized debate on several EU initiatives that could be central to how the EU as an institution and U.S.-EU relations evolve. Among the most prominent of interest to Congress are

- Security and Defense. Russia's actions could prompt greater EU efforts to improve military capabilities and become a more independent global actor (often referred to as *strategic autonomy*). Such ambitions could create some tensions in U.S.-EU relations. At the same time, Russia's aggression has reinforced NATO's importance to European security and could help ensure that any EU defense initiatives remain tied to NATO.
- Energy and Climate Policies. Russia's war in Ukraine could accelerate EU energy diversification efforts, long called for by some in Congress. Reducing EU energy dependence on Russia, partly by increasing the use of renewables, also could bolster the European Green Deal to address climate change and other environmental challenges.
- EU Enlargement. Traditionally, strong bipartisan support has existed in Congress for EU enlargement. Russia's invasion may be boosting Ukraine's EU membership prospects, with the EU agreeing to assess Ukraine's recent membership application. Joining the EU, however, typically takes many years, and some EU members remain wary about Ukraine's readiness and further antagonizing Russia.

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