



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 coordination with the United States are of interest to Congress given the EU's role as a U.S. partner in addressing Russia's aggression.

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. To date, 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
- Expanding sanctions on Belarus for supporting Russia's invasion of Ukraine.

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https://crsreports.congress.gov IN11897 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

The EU has announced a total of \$1 billion (about \$1.1 billion) in financing for military assistance to Ukraine through the European Peace Facility (EPF). For the first time, this financing includes funding for lethal equipment, worth €900 million (\$987 million); the remaining €100 million (\$110 million) is for nonlethal supplies. 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 3.8 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 \notin 500 million (around \$548 million) in humanitarian aid for Ukraine and neighboring countries from the EU's budget and \notin 107 million (\$117 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.). 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. 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.

One 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 (LNG), and coal. The EU, however, is far more dependent on Russian energy than the United States. Although some EU countries reportedly support banning Russian energy imports, others—including Germany—remain opposed. The EU has pledged to decrease its energy dependence on Russia, starting with reducing demand for Russian gas by two-thirds by the end of 2022.

While in Brussels on March 24-25, President Biden committed to helping the EU reduce its dependency on Russian gas by working with "international partners" to boost LNG shipments to the EU this year and

outlined plans to enable additional annual U.S. LNG shipments through 2030. A new U.S.-EU task force on energy security is to implement these and other goals. President Biden also announced plans for the United States to welcome up to 100,000 Ukrainian refugees and noted close U.S.-EU coordination on humanitarian assistance efforts.

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 U.S.-EU tensions. At the same time, Russia's aggression has reinforced NATO's importance and could strengthen the NATO-EU partnership (as suggested in the EU's new Strategic Compass document).
- Energy and Climate Policies. Russia's war in Ukraine could accelerate EU energy diversification efforts (long called for by some in Congress), bolster the European Green Deal to address climate change, and encourage U.S.-EU cooperation on clean energy technologies and renewables.
- 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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