



# Russia's War Against Ukraine: European Union Responses and U.S.-EU Relations

# Updated October 10, 2023

The 27-member European Union (EU) has implemented a range of policy responses to Russia's war against Ukraine. EU actions and coordination with the United States are of interest to Congress given the EU's role as an important U.S. partner. (Also see CRS In Focus IF12277, Russia's War on Ukraine: U.S. Policy and the Role of Congress.)

# **Key EU Responses**

#### Sanctions

Since February 2022, the EU has imposed 11 packages 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 on Russia's government and financial, business, defense, technology, and media sectors include

- Freezing the assets of 245 entities (including key banks) and 1,551 individuals (primarily Russian officials and elites), to whom travel bans also apply.
- Restricting transactions with Russia's central bank and blocking access to its reserve holdings.
- Imposing debt and equity restrictions on certain banks and companies.
- Banning transactions with certain Russian state-owned military-industrial enterprises.
- Disconnecting 10 leading Russian financial institutions—including Sberbank, Russia's largest bank—from SWIFT (the world's dominant international financial messaging system).
- Broadening export controls on dual-use goods and technologies.
- Banning certain exports in the aviation, maritime, and technology sectors (e.g., semiconductors) and the export of drone engines and luxury goods to Russia.

**Congressional Research Service** 

https://crsreports.congress.gov

IN11897

- Prohibiting imports of steel, spirits, seafood, gold, and other products from Russia.
- Closing EU airspace, seaports, and roads to Russian aircraft, ships, and freight operators, respectively.
- Suspending broadcasting activities of 13 Russian media outlets (including subsidiaries).

EU energy dependence on Russia has made targeting its energy sector challenging. The EU has not prohibited Russian natural gas imports but has approved progressively tougher sanctions, including

- Prohibiting most imports of Russian crude oil and petroleum products (to apply to around 90% of Russian oil imports), with an exemption for crude oil delivered by pipeline.
- Banning oil transport services. EU companies may provide such services for Russian crude oil and petroleum products sold to non-EU countries at or below agreed price caps (established in cooperation with the Group of Seven [G7] price cap coalition and aimed at reducing Russia's oil revenues while keeping global energy markets stable).
- Banning EU exports of oil refining technologies.
- Prohibiting Russian coal imports.

In June 2023, the EU approved an anti-circumvention tool to combat sanctions evasion in other countries.

#### **EU** Assistance to Ukraine

According to EU data as of October 2023, EU and member state support to Ukraine totals over €65 billion in military, financial, humanitarian, and emergency assistance and reaches over €82 billion when EU funding to help Ukrainian refugees is included. (U.S. dollar figures are slightly higher at the current €1:\$1.06 exchange rate.)

Military Assistance. Through its European Peace Facility (EPF), the EU has committed €5.6 billion to date in military assistance financing for Ukraine, including €3.1 billion for lethal equipment, €380 million for nonlethal supplies, and €2 billion to provide Ukraine with 1 million rounds of ammunition (either from existing EU member state stocks or through joint procurement). Member states may be reimbursed from the EPF for assistance provided. The EU also has established a training mission for Ukraine's armed forces. The EU estimates that members' bilateral military support to Ukraine is more than €19 billion.

Financial and Other Aid. The EU, its member states, and European financial institutions have collectively committed €40.4 billion in financial, humanitarian, and emergency assistance for Ukraine, including

- €11.6 billion provided or guaranteed by the EU budget in 2022.
- €18 billion in EU financial assistance for 2023 (in the form of favorable loans).
- €9.4 billion from member states.

The EU also coordinates the delivery of in-kind emergency supplies to Ukraine. An EU temporary protection mechanism provides Ukrainian nationals who have fled with immediate residency rights and access to benefits throughout the bloc; the EU has made available up to €17 billion to help care for the needs of Ukrainians in member states. The EU also is considering up to €50 billion in financial assistance to Ukraine (in loans and grants) for the 2023-2027 period and possibilities for using frozen Russian assets to support Ukraine's reconstruction.

## **Addressing Energy Dependence**

Following Russia's invasion of Ukraine, the EU pledged to phase out all Russian fossil fuel imports—including natural gas—before 2030. By the end of 2022, pipeline gas from Russia accounted for roughly

8% of EU gas imports (down from 40% in early 2022), although this decrease reflects in part Russia's decision to reduce deliveries. EU imports of Russian liquefied natural gas (LNG) increased somewhat during the same period. In the first half of 2023, EU statistics indicate further decreases in Russia's share of EU coal, oil, and pipeline gas imports and a marginal decline from 2022 levels in Russia's share of EU LNG imports.

# **U.S.-EU** Cooperation and Congressional Interests

The U.S. government and the EU have worked together closely in responding to Russia's aggression against Ukraine. Cooperation has included devising and enforcing sanctions, suspending Russia's preferential trade treatment under World Trade Organization rules, formulating the G7 price cap on Russian oil exports, and ensuring accountability for war crimes. The Biden Administration also committed to help the EU reduce its dependency on Russian gas, in part by boosting LNG shipments to the EU.

U.S.-EU cooperation on Ukraine could be challenged by increasing strains on EU solidarity, including a dispute over EU imports of Ukrainian grain, and by possible "donor fatigue" and political divisions in the United States. The EU regards U.S. military and financial support for Ukraine as "irreplaceable." Some in Congress may be interested in monitoring the extent of EU assistance and other aspects of U.S.-EU relations affected by the war in Ukraine:

- **Security and Defense.** The war has prompted debate on EU efforts to improve its military capabilities and on strengthening the NATO-EU partnership.
- Energy and Climate Policies. Russia's actions could accelerate the EU's energy transition and present opportunities for U.S.-EU energy cooperation, although some U.S.-EU tensions over U.S. subsidies for green technologies persist.
- **EU Enlargement.** Traditionally, bipartisan support has existed in Congress for **EU** enlargement. The EU declared Ukraine and Moldova official candidates for membership in June 2022 (six other countries also are official candidates). Joining the EU typically takes many years.

## **Author Information**

Kristin Archick Specialist in European Affairs

## Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

Congressional	Research	Service
---------------	----------	---------