

CHANCE Policy Brief

**Taking stock of the EU's actions towards Ukraine since the Russian invasion:**

**The difficult transition from crisis response to longer-term strategy**

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The EU’s response to the 2022 Russian war against Ukraine has been widely described as unprecedented in scope and unexpected speed, displaying a rare unity among its member states. One year on, and without an end to the Russia's war in sight, the question arises how well the EU has fared in transitioning from its remarkable 'crisis response' to developing longer-term strategies to support Ukraine. This article reviews the EU's actions towards Ukraine in four main areas: (a) the integration of refugees from Ukraine, (b) Ukraine's accession to the EU, (c) EU military and financial aid to Ukraine and (d) the effectiveness of EU sanctions. While the EU has written history with its initial response to the Russian invasion, it currently struggles to find longer-term strategies to address the effects of the war, and the serious geopolitical challenges arising from it.

**(a) Ukrainian refugees: From humanitarian support to longer-term integration strategies**

Almost 8 million refugees have fled Ukraine since Russia’s invasion in February. The EU reacted with swift and decisive support. It has offered residency rights, work permits, and access to health care, schools, housing and banking services. In October 2022, the European Commission extended the [Temporary Protection Directive](https://www.government.nl/latest/news/2022/10/14/european-commission-extends-temporary-protection-directive) until 4 March 2024. However, disproportionate pressure is put on the reception and integration capacity of a handful of EU countries may become a crucial challenge for implementing temporary protection. Poland, Germany, and the Czech Republic have so far registered the most refugees for temporary protection. Pressure on reception and integration capacities is likely to increase as refugees are unable to return home on a permanent basis. Europe should do more to help integrate refugees into its societies and economies, which implies transitioning from crisis response to longer-term strategy. It would, for example, be important to invest in state capacity to provide adequate housing, schooling, language training and employment opportunities for refugees, as well as comprehensive childcare offers. Active labor market policies, which so far have been used to varying degrees, should become more tailored to enhance refugees’ skills and labor market success, including the recognition of qualifications, language training, and job search and matching services. The Commission should prepare for longer-term financial support for member states’ efforts to host Ukrainian refugees, beyond the current focus on offering immediate humanitarian support. Moreover, the EU should revise its recently proposed amendment to the [Long-term Residence Directive](https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex%3A32003L0109) by waiving the exemption for those benefitting from temporary protection, allowing refugees from Ukraine to obtain regular residence status.

**(b) Supporting Ukraine's reform efforts - candidacy status**

Ukraine applied for EU membership in February 2022 and was granted EU candidate status in June 2022. In December 2022, the EU approved a €18 billion loan for Ukraine, conditional on the country's reform progress. Representatives of the Ukrainian government recently stated that 77 percent of the obligations under the [Association Agreement](https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A22014A0529%2801%29) had been met, including 90 percent in the area of justice. The major unanswered question that remains, however, is how fast can Ukraine become an EU member. The EU clearly expects to follow the usual procedure: a candidate country should meet the [Copenhagen criteria](https://eur-lex.europa.eu/legal-content/NL/TXT/?uri=LEGISSUM:accession_criteria_copenhague) and receive an official decision from the European Commission on how well it has done on that objective; based on the commission’s positive assessment, the EU Council can start negotiations with a country on membership. In March 2023, the Commission is expected to provide a report on Ukraine's reform progress. It remains to be seen if the report is focused on procedure - that is, all criteria have to be fulfilled before accession negotiations can start - or more on political or [values-based motives](https://www.tandfonline.com/doi/full/10.1080/13523260.2022.2099713) - that is, start negotiations with Ukraine for geopolitical reasons, and to boost morale among Ukrainians. Within the EU, discussions on the issue continue while larger questions loom: For example, how to deal with the other current candidate countries, such as Albania, Montenegro and North Macedonia; how ready is the EU for another enlargement, including the reform of its decision-making processes; and of course, is the EU's current enlargement policy an adequate tool to meet current geopolitical challenges, such as the growing Russian military threat in Europe or a changing world order more generally?

**(c) Military, financial and humanitarian aid to Ukraine: Where next for EU defense policy?**

In Brussels, many EU officials believe that the Russian invasion of Ukraine has overturned EU foreign, defense and security policy. Reacting to the Russian invasion of Ukraine, for the first time in its history the EU has now mobilised funds for the delivery by member states of military equipment, including lethal weaponry, through the European Peace Facility (EPF). EU countries and institutions have spent nearly €52 billion in [military, financial and humanitarian assistance to Ukraine](https://www.ifw-kiel.de/topics/war-against-ukraine/ukraine-support-tracker/), including approximately €12 billion in military aid under the EPF and bilateral support from EU member states. By December 2023, the EU had approved support for the Ukrainian army worth €3.6 billion. Throughout 2022, the EU has been producing policy proposals that focus on organizing Europe’s rearmament efforts and forging a stronger European defense industrial base, including a new joint defense procurement initiative. However, Europe's support to Ukraine since the start of the war had always lagged behind that of the US. Especially on military aid, the discrepancy between Europe and the US remains significant. Among the many problems inhibiting the EU to move towards a stronger defense policy is that France and Germany disagree on how to shape Europe’s rearmament, and that the EU's northern and eastern member states place a focus on NATO and have traditionally been skeptical of an EU defense role. In the last budget negotiations, funds that the EU had initially allocated to defense were cut significantly. Also, building a common defense should be accompanied by a united foreign policy, and effective decision-making mechanisms, and here the EU still has a long way to go.

**(d) Effectiveness of EU sanctions: From unprecedented measures to *'fatigue'***

While the [EU's sanctions](https://www.consilium.europa.eu/en/policies/sanctions/restrictive-measures-against-russia-over-ukraine/sanctions-against-russia-explained/) have not stopped Russia's war against Ukraine, there is ample evidence that sanctions have had an impact. Most EU officials involved in European sanctions policy stressed the goal was never to make Russia pull back its troops. Instead, the aim was to weaken the Kremlin's war machine by denying Putin the financing he needs. Evidence of the latter is that the Russian budget deficit is growing, revenues from oil and gas are halved and very likely to continue to shrink in the longer term, and critical technology for industrial production is scarce. For others, the sanctions have not achieved their goal, because the war has not ended. While the initial EU response in imposing sanctions was unprecedented in its history, one year later, EU officials already talk of ['sanctions *fatique'*](https://www.bloomberg.com/opinion/articles/2022-06-06/ukraine-war-sanctions-fatigue-is-next-obstacle-against-putin). As time passed, some EU member states started to push back on energy related sanctions, sanctions on fossil fuels also came with transition periods, giving Russia time to adjust and switch its exports to other parts of the world. Even though the EU steadily reduced energy purchases from Moscow, high prices meant that cash flows to Russia stayed high. Often, sanctions decisions were blocked by the veto of few member states, such as most prominently Hungary. To move to a more sustainable arrangement, the EU currently tries to move the extension period for sanctions from six to 12 months, giving single member states less opportunity to block EU sanctions. But the proposal is currently blocked, perhaps unsurprisingly, by Hungary. In the longer term, the EU needs to revise its decision-making process and transition to majority voting on sanctions, as part of a longer-term vision on the strategic use of sanctions and a clear strategy on Russia. Thus far, the EU and its member states have been avoiding the question on what outcome of the war they want for Ukraine, and for Russia; a question that is not only highly critical for Ukraine, but also for the EU's future unity and credibility.

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