

# EU's Assistance to Ukraine: Looking Ahead to 2023

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The European Union has always played a crucial role in Ukraine's state and societal development. Since 2014, the EU has solidified its partnership with Ukraine in various domains, including in reaction to the Russian aggression and, subsequently, in Ukraine's progress to becoming an EU member state.

The full-scale aggression launched in February 2022 made Brussels rethink and intensify its support to Ukraine on the political, humanitarian, financial, and military tracks. Although in tragic circumstances, Ukrainian authorities applied for membership in the EU using this window of opportunity. In June, the European Council, upon the Conclusion of the European Commission, granted Ukraine candidate status for membership in the EU.

As the high-intensity war unfolded, European institutions adopted a comprehensive approach to assist Ukraine in fighting the Russian aggressor. As of the beginning of December 2022, the EU adopted eight sanctions packages, hitting major Russian state energy and financial entities, as well as individuals involved in actively supporting aggression against Ukraine.

Given Ukraine's dire financial and economic situation caused by the war, Brussels provided a 1.2 billion euro emergency disbursement earlier this year. From May 2022, the EU pledged and partly delivered 9 billion euros of macro-financial assistance to Ukraine.

Simultaneously, in the EU Civil Protection Mechanism framework, the European Union delivered assistance and emergency operations in Ukraine worth **443 million** euros.

For the first time, the EU launched lethal military assistance to Ukraine within the newly introduced EU instruments. All shipments of arms and military equipment by the European Union and EU members are worth **s** in financial value.

## Challenging 2023

Now that we will unfortunately see the Russian-Ukrainian war extend into 2023, EU institutions in Brussels must devise long-term policies for Ukraine's support based on the past ten months of the full-scale war. Some important decisions might be promptly adopted in the EU. For instance, in October, the EU extended the temporary protection directive for Ukrainian refugees **until March 2024**. At last, in November, the EU launched its long-awaited and requested **Military Assistance Mission in support of Ukraine**.

But some other decisions may seem cumbersome in many respects. Let's look in depth at some worrying current trends in cooperation between official Brussels and Kyiv.

## Sanctions process

As the heated debates over the last packages demonstrate, it will be difficult for European institutions to retain solidarity over new phases of severe pressure and to preserve the rhythm of sanctions on Russia. The prolonged and fierce debate between EU member states over the oil price cap ended with a decision on December 2, which is likely to be added to the ninth sanction package due to be adopted in mid-December. It is essential to mention that work over the 9th package was declared in October 2022.

With the more time it takes to find a compromise on every new set of sanctions and the already obvious list of states which traditionally torpedo unity, we may observe the slowing down of the sanction posture in 2023. Simultaneously, the issue of EU sanction enforcement appears high on the agenda.

## Accession process

In the framework of the candidature status for EU membership, Ukraine has started implementing seven steps, indicated by the European Commission in its Conclusion in June 2022. At the moment, despite the active engagement of Ukrainian state institutions in the implementation process from the beginning, the independent expert assessment indicates overall **mixed progress**.

It becomes apparent that until the end of 2022, Ukraine will not accelerate its active engagement with the European institutions on its integration path. The EU-Ukraine summit previously planned for November has been postponed several times. One of the reasons for such pause is a low progress record on Kyiv's implementation of some of EC's recommendations, although the chances are high that Ukraine's authorities will deliver on the commitments early next spring. In this scenario, Kyiv expects that in Brussels, there will be enough political will to stay true to its word to propose further steps on the enlargement track.

But there is a problem lingering over possible Brussels' lukewarm response to Ukraine's aspirations, as major member states are voicing a **sceptical posture toward further enlargement** and its connection to EU reform.

In parallel, Kyiv is pessimistic about the continuous effort of some EU member-states, including presiding in the EU Council Czechia, to keep the Eastern Partnership policy afloat. This part of the European neighbourhood policy is often considered a **failure**, drawing criticism from both **governmental** and expert levels in Kyiv. That said, signals from EU institutions that Eastern Partnership might be preserved with Ukraine as a part of it are not well received in Ukraine.

## Military assistance

Ukraine has been the biggest beneficiary of the European Peace Facility (EPF) since the start of the full-scale aggression. In October 2022, the Council of the EU delivered the sixth tranche worth 500 million euros for military assistance to Ukraine, with total support for Ukraine equalling 3.1 billion euros.

In 2023, the current military needs requested by Ukraine will most likely continue to be on the same high level, while the possibility of the EPF is rather limited at this point. Out of the 5.7 billion euros planned for the seven-year period, European institutions have

spent more than half in 2022. At the same time, these resources are also needed to cover ongoing military and civic operations all over the globe, as well as provide military assistance to other countries. This may prompt a situation in which some member states may question the level of support for Ukraine, financed by the EPF while advocating the need to focus on other partners.

Moreover, this financial mechanism envisages the reimbursement of military assistance deliveries made by some member states. 2023 may also witness a decreasing level of EU members' readiness to deliver weapons and munition. First, the most active member states have depleted their military stocks. Second, the reimbursement rate from EPF funds of the military shipments to Ukraine may not be very attractive to European **governments**.

## Conclusions and Recommendations

Russia's war against Ukraine has created a new reality for the European Union, leaving its footprint on the decision-making process. While some positive measures have been introduced on an ad-hoc level, new approaches should also be adopted in order to preserve the "agency" and role of the EU in supporting Ukraine and reinstalling stability in the EU's neighbourhood.

1. As for the sanctions implementations, it is essential to safeguard due diligence on the side of European companies. At the same time, sanctions enforcement is also part of Brussels' task for next year's activity. The punishment of European businesses for sanction circumvention and the entities from the third states, which facilitate the process, must be adequately addressed.
2. While it is still unclear when the official negotiations on membership will start, European institutions might actively engage Ukraine in entering the EU's internal market. European institutions and Ukrainian authorities voiced this common will. At the same time, it is imperative to boost the Ukrainian economy and trade via the long-term abolition of trade tariffs and duties, the substitution of Russian export products with Ukrainian possibilities, the facilitation of the border crossing between Ukraine and the EU, and the introduction of emergency mechanisms in energy security cooperation.

3. If Ukraine delivers on the seven recommendations of the European Commission, EU institutions, as well as member states, should consider it possible to issue a so-called “interim report” on Ukraine.
4. In the coming year, EU member states that are partners of Ukraine must intensify political and technical consultations over the possible mechanisms and terms of refilling the European Peace Facility. With the continuation of the current trend in military requests from Ukraine, the EPF will likely be depleted by half of 2023. Furthermore, long-term instruments must be introduced to meet steady demand from Ukrainian partners.
5. With soaring energy bills and inflation in Europe, both EU institutions and national governments must double down on fighting Russian narratives and disinformation, which may hit susceptible and vulnerable audiences in EU countries.