
Economy: Dombrovskis (EU Commission), “challenging period due to war”. But “fundamentals are solid” and boost may come from NRRPs

“There is no doubt that the EU economy is going through a challenging period due to Russia’s war against Ukraine, and we have downgraded our forecast accordingly”. European Commission Executive Vice-President Valdis Dombrovskis echoed the words of his colleague, Paolo Gentiloni, speaking about the Spring Economic Forecast in Brussels. “The overwhelming negative factor is the surge in energy prices, driving inflation to record highs and putting a strain on European businesses and households”. According to Dombrovskis, “while growth will continue this year and next, it will be much more subdued than previously expected. Uncertainty and risks to the outlook will remain high as long as Russia’s aggression continues”. Then a silver lining: “there are some positives that allow us to weather this crisis. Our economic fundamentals are solid: before this war started, the EU economy had embarked on a path of strong recovery and growth. More jobs are being created in the EU economy, attracting more people into the labour market and keeping unemployment low. And as Member States put their recovery and resilience plans into full effect, this will provide a much-needed boost to our economic strength”.

Valentina Bombelli