
EU Commission: Dombrovskis, “critical time, economy hit by war. Need to coordinate policies”

“Russia’s brutal invasion of Ukraine continues to shock the world. Europe’s geopolitical and economic landscape has changed dramatically. This aggression is pressuring supply chains and driving inflation higher. It has created enormous uncertainty. People have valid concerns about their rising living costs and ability to pay higher energy bills”, said EU Commission Vice-President Valdis Dombrovskis at a press conference in Brussels, as he presented the results of the European Semester, the framework for coordination of economic and fiscal policies across EU Member States, together with his colleague, Commissioner for Economy Paolo Gentiloni. “The EU economy has been hit hard”, the vice-president remarked. “Still, we had a good starting point. Let us recall that before February 24, the EU economy was on a strong growth path. All signs were pointing to a good recovery from the COVID-19 crisis, following our massive, coordinated response to support people and businesses to get through the economic hardship of various lockdowns”. “The Recovery and Resilience Facility is helping too. Its implementation is progressing fast. We have now paid out around €100 billion to Member States so they can carry out their reforms and investments”. Now, “overall, the EU economy is proving resilient, despite the ramifications and risks brought by Russia’s invasion of Ukraine”. The Commission therefore expects “growth in 2022 and 2023”, but it will be more subdued than previously expected. “From the economic perspective, this is a critical time when it is paramount for the EU to coordinate policies effectively. Our compass for doing so is the European Semester. It will help us to address these current challenges, prepare to face new ones, and weather this storm”.

Valentina Bombelli