



Lithuanian
Confederation
of Industrialists



European reaction to the war in Ukraine

voice of business federations from Poland, Lithuania, Latvia and Estonia

Russian aggression is a threat not only to territorial integrity and sovereignty of Ukraine. This is a threat to the whole Western civilization – our way of life and values that we hold dear. In her State of the Union address in 2021, President von der Leyen recalled the words of Robert Schuman, who said: ***Europe needs a soul, an ideal, and the political will to serve this ideal.*** This soul needs to be grounded in values and defended by our societies, our companies, our institutions.

The Ukrainians defend not only peace, freedom and security of their country. They are fighting for peace, freedom and security of the whole Europe, for multilateral order based on rules and values. They defend the basic principle that people are equal and have the right to choose their future. In this historic moment, we need courageous leadership in Europe. We need leaders who are not afraid to make bold decisions in the time of crisis, who are able to learn from the past and truly defend our common values.

Signatories to this appeal welcome the sanctions introduced by European authorities to this date. We welcome the united front of the democracies and good coordination within the European Union as well as with our partners. This must continue. We welcome that fact that the European Commission works closely with business to provide European companies with an adequate assistance. EU's global strengths comes also from its economic power. The Russian invasion of Ukraine has delivered a massive immediate shock to the European economy. This is vital to support businesses in Europe that are facing severe challenges, such as supply disruptions, massive hikes of energy prices and huge inflation, to name a few.



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Our federations are strongly convinced that dependencies and exposure to unreliable suppliers must end. We appreciate commitments in this regard that are already undertaken. The EU needs to strengthen its internal energy market and diversify its energy supply sources and routes. We urgently need significant investments in energy infrastructure within the EU.

However, the measures introduced so far are insufficient. As business federations, we are supported by our members – companies that choose to bear more costs of running their businesses than to live in soulless Europe.

Therefore, we call on EU leaders, to:

1. Endorse Ukraine's application for EU membership

We are convinced that Ukraine's future lies within the European family of nations. According to the recent poll, 91% of Ukrainians want their country to join the EU. **This is the right time to officially recognize Ukraine as a candidate state and open accession negotiations.** This will mean a clear timetable and milestones for its full integration. This will also contribute to the economic stability of the country and attract investors. It would accelerate Ukraine's integration into the European single market, contributing greatly not only to the development of this country but also of European economy as a whole.

2. We should go farther with sanctions against Russia

As Ukraine continues fighting the Russian invasion, it is very important that the EU does not convey an impression of fatigue in supporting its struggle and taking a very clear stand against the aggressor. **The EU must increase the pressure on the Russian government and relevant actors by going further with comprehensive sanctions,** aiming to cut important revenue sources that are being used to finance the military aggression, thus limiting its military, political and economic options. Stepping up of the sanctions and their implementation should be carried in continued close coordination with the international partners. **Those measures should also jointly ensure that possible loopholes are closed and attempts to circumvent the sanctions are effectively prevented.**



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3. The EU should urgently provide an adequate assistance to receiving countries

The EU countries and regions that receive refugees from Ukraine currently struggle to channel this nationwide aid to refugees into a centralized and coordinated effort. **They urgently need EU support, in terms of funding in order to cover costs such as accommodation, social care, education and healthcare but also in order to help them to integrate refugees into the society.** Most of the refugees declare their willingness to return to their country after the war. **We should use this moment as an opportunity to invest in Ukrainian society and help its citizens to prepare for the reconstruction of the country by providing the right competences and skills.** The refugees should also have the right to unrestricted travel to a chosen destination within the European Union.

4. The EU should provide an assistance in rebuilding Ukraine after the war

A strong and independent Ukrainian state is an indispensable element of a strong, safe and resilient Europe. Therefore, we should ensure the fastest possible reconstruction and development of Ukrainian institutions, infrastructure, social services, civil society, and especially the economy, so as to provide Ukrainians with jobs and development prospects.

While calling to strengthen support to Ukraine at this critical point, we also urge the EU to already begin **preparing for the assistance in Ukraine's post-war recovery.** The EU will have to play an important role in helping Ukraine to embark on **effective reconstruction of its infrastructure that suffered massive devastation and on development of a robust and sustainable economy.** In coordination with international partners, **the EU should also assist Ukraine in building the capacity needed to effectively manage and implement this recovery.** Close cooperation between the EU and Ukrainian business communities will also play an important role in this process.

Statement issued by:

Lithuanian Confederation of Industrialists

Polish Confederation Lewiatan

Estonian Employers' Confederation

Employers' Confederation of Latvia