



EUROPEAN COMMISSION

Cabinet of President Ursula von der Leyen
Member of Cabinet

Brussels, 3 May 2022
CA.1.CAB STAFF/KS

SHORT NOTES OF A MEETING

Subject: Meeting on 18 March on general economic questions

EC : President, Jens Flosdorff, Anthony Whelan

External:

1. [REDACTED] (Sweden) – [REDACTED] Volvo & of ERT
2. [REDACTED] (Denmark) – [REDACTED] Siemens and Maersk
3. [REDACTED] (France) – CEO of Air Liquide
4. [REDACTED] (Italy) – Economist. [REDACTED] Italy and [REDACTED]
5. Prof. [REDACTED] (Germany) – Economist. Munich University and IFO
6. [REDACTED] (Switzerland) – [REDACTED] CEPR

External participants made the following remarks in an open discussion of economic challenges arising from the Russian invasion of Ukraine:

- Imperative to accelerate energy transition
- How to advance EU accession process while respecting expectations of others (e.g. W Balkans);
- Importance of coordinated sanctions with partners to achieve scale effects and fair burden sharing;
- How to help UA – militarily, but also sanctions, humanitarian, macro-financial support?
- What short-term and medium-term fiscal cost, and how to apportion it?
- Economic effects of war and current sanctions negative but limited, full energy sanctions (or RU energy counter-sanctions) could have more far-reaching effects;
- Possibility of import tax on RU energy as first step;
- Focus energy price support on most vulnerable consumers & businesses, broad energy tax reductions are untargeted and create windfalls for some;
- Second NGEU economic stimulus not needed, perhaps more targeted new budgetary instruments (e.g. for security investments);
- Significance of ‘self-sanctioning’ by firms (i.e. cutting off business links not covered by sanctions, on reputational or other grounds) – RU not a key market for most companies – many difficult operational questions for suspension or exit.
- Challenge of maintaining supplies of certain critical materials dominated by RU supply;

- Green Deal will bring energy security in medium term but we also need to fix it in short term;
- Better infrastructure will support more localized production (of RES electricity & green hydrogen).

e-signed -
Anthony WHELAN