



STATE OF THE UNION

2022

BY THE VON DER LEYEN COMMISSION

[#SOTEU](#)

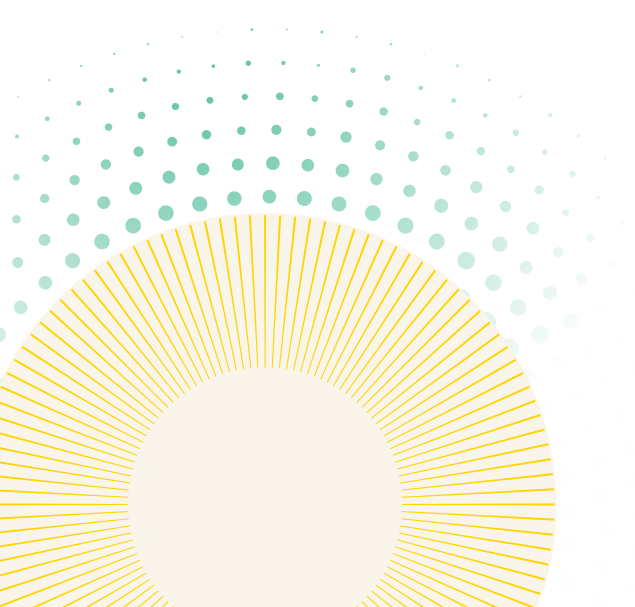
EN

Every year in September, the President of the European Commission delivers a State of the Union Address before the European Parliament, taking stock of achievements of the past year and presenting priorities for the year ahead. The President also sets out how the European Commission will address the most pressing challenges the European Union is facing. The speech is followed by a plenary debate. This kick-starts the dialogue with the European Parliament and the Council to prepare the Commission Work Programme for the following year.

Anchored in the Treaty of Lisbon, the State of the Union Address is set out in the 2010 Framework Agreement on relations between the European Parliament and the European Commission, which also requires the President to send a Letter of Intent to the President of the European Parliament and the Presidency of the Council detailing the actions the European Commission intends to take by means of legislation and other initiatives until the end of the following year.

Ursula von der Leyen, the President of the European Commission, delivered her third State of the Union Address on 14 September 2022.

All material is available at ec.europa.eu/soteu2022.



CONTENTS

ADDRESS.....	4
LETTER OF INTENT TO PRESIDENT ROBERTA METSOLA AND TO PRIME MINISTER PETR FIALA.....	30
ACHIEVEMENTS.....	35
1. EUROPEANS STAND WITH UKRAINE, FOR DEMOCRACY AND PEACE	38
2. OVERCOMING THE PANDEMIC WITH SOLIDARITY AND SCIENCE	50
3. LEADING THE GREEN, DIGITAL AND FAIR TRANSITIONS ...	56
4. THE PILLARS OF EUROPEAN DEMOCRACY	69
TIMELINE	79



ADDRESS

**STATE
OF THE
UNION
2022**

A UNION THAT STANDS STRONG TOGETHER

INTRODUCTION

Madam President,
Honourable Members,
My fellow Europeans,

Never before has this Parliament debated the State of our Union with war raging on European soil.

We all remember that fateful morning in late February.

Europeans from across our Union woke up dismayed by what they saw. Shaken by the resurgent and ruthless face of evil. Haunted by the sounds of sirens and the sheer brutality of war.

But from that very moment, a whole continent has risen in solidarity.

At the border crossings where refugees found shelter. In our streets, filled with Ukrainian flags. In the classrooms, where Ukrainian children made new friends.

From that very moment, Europeans neither hid nor hesitated.

They found the courage to do the right thing.

And from that very moment, our Union as a whole has risen to the occasion.

As soon as Russian troops crossed the border into Ukraine, our response was **united, determined and immediate.**

Fifteen years ago, during the financial crisis, it took us years to find lasting solutions.

A decade later, when the global pandemic hit, it took us only weeks.

But this year, as soon as Russian troops crossed the border into Ukraine, our response was united, determined and immediate.

And we should be proud of that.



We have brought Europe's inner strength back to the surface.

And we will need all of this strength. The months ahead of us will not be easy. Be it for families who are struggling to make ends meet, or businesses, who are facing tough choices about their future.

Let us be very clear: much is at stake here. Not just for Ukraine – but for all of Europe and the world at large.

And we will be tested. Tested by those who want to exploit any kind of divisions between us.

This is not only a war unleashed by Russia against Ukraine.

This is a war on our energy, a war on our economy, a war on our values and a war on our future.

This is about autocracy against democracy.

And I stand here with the conviction that with courage and solidarity, Putin will fail and Europe will prevail.

—
Today - courage
has a name, and
that name is
Ukraine.

THE COURAGE TO STAND WITH OUR HEROES

Honourable Members,

Today - courage has a name, and that name is Ukraine.

Courage has a face, the face of Ukrainian men and women who are standing up to Russian aggression.

I remember a moment in the early weeks of the invasion. When the First Lady of Ukraine, Olena Zelenska, gathered the parents of Ukrainian children killed by the invader.

Hundreds of families for whom the war will never end, and for whom life will never go back to what it was before.

We saw the first Lady leading a silent crowd of heartbroken mothers and fathers, and hang small bells in the trees, one for every fallen child.





And now the bells will ring forever in the wind, and forever, the innocent victims of this war will live in our memory.

And she is here with us today!

Dear Olena, it took immense courage to resist Putin's cruelty.

But you found that courage.

And a nation of heroes has risen.

Today, Ukraine stands strong because an entire country has fought street by street, home by home.

Ukraine stands strong because people like your husband, President Zelenskyy, have stayed in Kyiv to lead the resistance – together with you and your children, dear First Lady.

You have given *courage* to the whole nation. And we have seen in the last days the bravery of Ukrainians paying off.

You have given *voice* to your people on the global stage.

And you have given *hope* to all of us.

So today we want to thank you and all Ukrainians.

Glory to a country of European heroes. *Slava Ukraini!*

Europe's solidarity with Ukraine will remain unshakeable.

From day one, Europe has stood at Ukraine's side. With weapons. With funds. With hospitality for refugees. And with the toughest sanctions the world has ever seen.

Russia's financial sector is on life-support. We have cut off three quarters of Russia's banking sector from international markets.

Nearly one thousand international companies have left the country.

The production of cars fell by three-quarters compared to last year. Aeroflot is grounding planes because there are no more spare parts.

**Europe's
solidarity
with Ukraine
will remain
unshakeable.**



The Russian military is taking chips from dishwashers and refrigerators to fix their military hardware, because they ran out of semiconductors. Russia's industry is in tatters.

It is the Kremlin that has put Russia's economy on the path to oblivion.

This is the price for Putin's trail of death and destruction.

And I want to make it very clear, the sanctions are here to stay.



—
We will not only support with finance – but also **empower Ukraine** to make the most of its potential.

This is the time for us to show resolve, not appeasement.

The same is true for our financial support to Ukraine.

So far Team Europe have provided more than 19 billion euros in financial assistance.

And this is without counting our military support.

And we are in it for the long haul.

Ukraine's reconstruction will require massive resources. For instance, Russian strikes have damaged or destroyed more than 70 schools.

Half a million Ukrainian children have started their school year in the European Union. But many others inside Ukraine simply don't have a classroom to go to.

So today I am announcing that we will work with the First Lady to support the rehabilitation of damaged Ukrainian schools. And that is why we will provide 100 million euros. Because the future of Ukraine begins in its schools.

We will not only support with finance – but also empower Ukraine to make the most of its potential.

Ukraine is already a rising tech hub and home to many innovative young companies.

So I want us to mobilise the full power of our Single Market to help accelerate growth and create opportunities.





In March, we connected successfully Ukraine to our electricity grid. It was initially planned for 2024. But we did it within two weeks. And today, Ukraine is exporting electricity to us. I want to significantly expand this mutually beneficial trade.

We have already suspended import duties on Ukrainian exports to the EU.

We will bring Ukraine into our European free roaming area.

**We will bring
Ukraine into
our European
free roaming
area.**

Our solidarity lanes are a big success.

And building on all that, the Commission will work with Ukraine to ensure seamless access to the Single Market. And vice-versa.

Our Single Market is one of Europe's greatest success stories. Now it's time to make it a success story for our Ukrainian friends, too.

And this is why I am going to Kyiv today, to discuss this in detail with President Zelenskyy.

Honourable Members,

One lesson from this war is we should have listened to those who know Putin.

To Anna Politkovskaya and all the Russian journalists who exposed the crimes, and paid the ultimate price.

To our friends in Ukraine, Moldova, Georgia, and to the opposition in Belarus.

We should have listened to the voices inside our Union – in Poland, in the Baltics, and all across Central and Eastern Europe.

They have been telling us for years that Putin would not stop.

And they acted accordingly.

Our friends in the Baltics have worked hard to end their dependency on Russia. They have invested in renewable energy, in LNG terminals, and in interconnectors.





This costs a lot. But dependency on Russian fossil fuels comes at a much higher price.

We have to get rid of this dependency all over Europe.

Therefore we agreed on joint storage. We are at 84% now: we are overshooting our target.

But unfortunately that will not be enough.

We have diversified away from Russia to reliable suppliers. US, Norway, Algeria and others.

Last year, Russian gas accounted for 40% of our gas imports. Today it's down to 9% pipeline gas.

But Russia keeps on actively manipulating our energy market. They prefer to flare the gas than to deliver it. This market is not functioning anymore.

In addition the climate crisis is heavily weighing on our bills. Heat waves have boosted electricity demand. Droughts shut down hydro and nuclear plants.

As a result, gas prices have risen by more than 10 times compared to before the pandemic.

Making ends meet is becoming a source of anxiety for millions of businesses and households.

But Europeans are also coping courageously with this.

Workers in ceramics factories in central Italy, have decided to move their shifts to early morning, to benefit from lower energy prices.

Just imagine the parents among them, having to leave home early, when the kids are still sleeping, because of a war they haven't chosen.

This is one example in a million of Europeans adapting to this new reality.

—
Last year,
Russian gas
accounted for
40% of our gas
imports. Today
it's **down to 9%**
pipeline gas.



I want our Union to take example from its people. Reducing demand during peak hours will make supply last longer, and it will bring prices down.

This is why we are putting forward measures for Member States to reduce their overall electricity consumption.

But more targeted supported is needed.

For industries, like glass makers who have to turn off their ovens. Or for single parents facing one daunting bill after another.

Millions of Europeans need support.

EU Member States have already invested billions of euros to assist vulnerable households.

But we know this will not be enough.

We are putting forward measures for Member States to reduce their overall electricity consumption.

This is why we are proposing a cap on the revenues of companies that produce electricity at a low cost.

These companies are making revenues they never accounted for, they never even dreamt of.

In our social market economy, profits are good.

But in these times it is wrong to receive extraordinary record profits benefitting from war and on the back of consumers.

In these times, profits must be shared and channelled to those who need it the most.

Our proposal will raise more than 140 billion euros for Member States to cushion the blow directly.

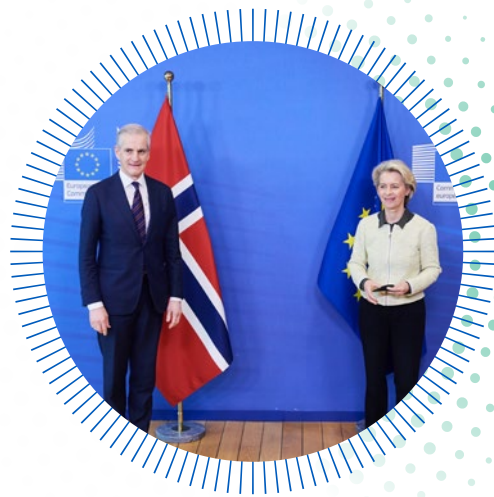
And because we are in a fossil fuel crisis, the fossil fuel industry has a special duty, too.

Major oil, gas and coal companies are also making huge profits.

So they have to pay a fair share – they have to give a crisis contribution.

These are all emergency and temporary measures we are working on, including our discussions on price caps.





We need to keep working to lower gas prices.

We have to ensure our security of supply and, at the same time, ensure our global competitiveness.

So we will develop with the Member States a set of measures that take into account the specific nature of our relationship with suppliers – ranging from unreliable suppliers such as Russia to reliable friends such as Norway.

— We have to decouple the dominant influence of gas on the **price of electricity.**

I have agreed with Prime Minister Store to set up a task force. Teams have started their work.

Another important topic is on the agenda. Today our gas market has changed dramatically: from pipeline mainly to increasing amounts of LNG.

But the benchmark used in the gas market – the TTF – has not adapted.

This is why the Commission will work on establishing a more representative benchmark.

At the same time we also know that energy companies are facing severe problems with liquidity in electricity futures markets, risking the functioning of our energy system.

We will work with market regulators to ease these problems by amending the rules on collateral - and by taking measures to limit intra-day price volatility.

And we will amend the temporary state aid framework in October to allow for the provision of state guarantees, while preserving a level playing field.

These are all first steps. But as we deal with this immediate crisis, we must also look forward.

The current electricity market design – based on merit order – is not doing justice to consumers anymore.

They should reap the benefits of low-cost renewables.

So, we have to decouple the dominant influence of gas on the price of electricity. This is why we will do a deep and comprehensive reform of the electricity market.

Now - here is an important point. Half a century ago, in the 1970s, the world faced another fossil fuel crisis.

Some of us remember the car-free weekends to save energy. Yet we kept driving on the same road.

We did not get rid of our dependency on oil. And worse, fossil fuels were even massively subsidised.

This was wrong, not just for the climate, but also for our public finances, and our independence. *And we are still paying for this today.*

Only a few visionaries understood that the real problem was fossil fuels themselves, not just their price.

—
Hydrogen
can be a
game changer
for Europe.

Among them were our Danish friends.

When the oil crisis hit, Denmark started to invest heavily into harnessing the power of the wind.

They laid the foundations for its global leadership in the sector and created tens of thousands of new jobs.

This is the way to go!

Not just a quick fix, but a change of paradigm, a leap into the future.

STAYING THE COURSE AND PREPARING FOR THE FUTURE

Honourable Members,

The good news is: this necessary transformation has started.

It is happening in the North Sea and the Baltic Sea, where our Member States agreed to invest massively into off-shore wind generation.

It is happening in Sicily, where Europe's largest solar factory will soon manufacture the newest generation of panels.

And it is happening in Northern Germany, where local trains now run on green hydrogen.

And hydrogen can be a game changer for Europe.



We need to move our hydrogen economy from niche to scale.

With REPowerEU, we have doubled our 2030 target to produce ten million tons of renewable hydrogen in the EU, each year.

To achieve this, we must create a market maker for hydrogen, in order to bridge the investment gap and connect future supply and demand.

That is why I can today announce that we will create a new European Hydrogen Bank.

It will help guarantee the purchase of hydrogen, notably by using resources from the Innovation Fund.

—
We will
create a **new**
European
Hydrogen
Bank.

It will be able to invest 3 billion euros to help building the future market for hydrogen.

This is how we power the economy of the future.

This is the European Green Deal.

And we have all seen in the last months just how important the European Green Deal is.

The summer of 2022 will be remembered as a turning point.

We all saw the dry rivers, the burning forests, the impact of the extreme heat.

And under the surface, the situation is far starker.

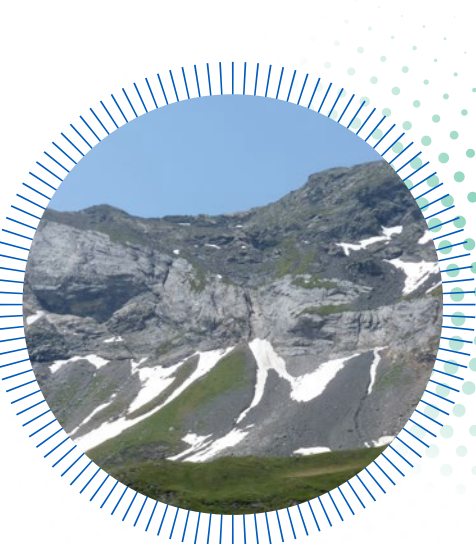
So far the glaciers in the Alps helped as an emergency reserve for rivers like the Rhine or Rhone.

But with Europe's glaciers melting faster than ever, future droughts will be felt far more acutely.

We must work relentlessly to adapt to our climate – making nature our first ally.

This is why our Union will push for an ambitious global deal for nature at the UN Biodiversity conference in Montreal later this year.

And we will do the same at COP27 in Sharm el-Sheikh.



But in the short term, we also need to be better equipped to handle our changing climate.

The destructive power of extreme weather is too big for any country to fight on its own.

This summer, we sent planes from Greece, Sweden and Italy to fight fires in France and Germany.

—
**We will
 double our
 firefighting
 capacity over
 the next year.**

But as disasters become more frequent and more intense, Europe will need more capacity.

This is why I can today announce that we will double our firefighting capacity over the next year.

The EU will buy another 10 light amphibious aircrafts and three helicopters to add to the fleet.

This is European solidarity in action.

Honourable Members,

The last years have shown how much Europe can achieve when it is united.

After an unprecedented pandemic, our economic output overtook pre-crisis levels in record time.

We went from having no vaccine to securing over 4 billion doses for Europeans and for the world.

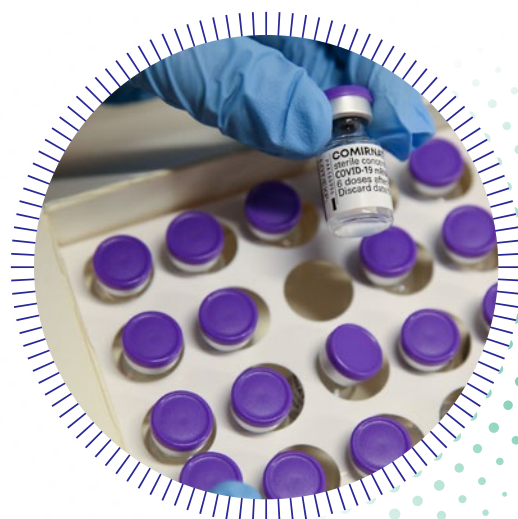
And in record time, we came up with SURE – so that people could stay in their jobs even if their companies had run out of work.

We were in the deepest recession since World War 2.

We achieved the fastest recovery since the post-war boom.

And that was possible because we all rallied behind a common recovery plan.

NextGenerationEU has been a boost of confidence for our economy.





And its journey has only just begun.

So far, 100 billion euros have been disbursed to Member States. This means: 700 billion euros still haven't flown into our economy.

NextGenerationEU will guarantee a constant stream of investment to sustain jobs and growth.

It means relief for our economy. But most importantly, it means renewal.

It is financing new wind turbines and solar parks, high-speed trains and energy-saving renovations.

We conceived NextGenerationEU almost two years ago, and yet it is exactly what Europe needs today.

So let's stick to the plan.

Let's get the money on the ground.

NextGenerationEU
will guarantee a
constant stream of
investment to sustain
jobs and growth.

Honourable Members,

The future of our children needs both that we invest in sustainability and that we invest sustainably.

We must finance the transition to a digital and net-zero economy.

And yet we also have to acknowledge a new reality of higher public debt.

We need fiscal rules that allow for strategic investment, while safeguarding fiscal sustainability.

Rules that are fit for the challenges of this decade.

In October, we will come forward with new ideas for our economic governance.

But let me share a few basic principles with you.

Member States should have more flexibility on their debt reduction paths.





But there should be more accountability on the delivery of what we have agreed on.

There should be simpler rules that all can follow.

To open the space for strategic investment and to give financial markets the confidence they need.

Let us chart once again a joint way forward.

With more freedom to invest. And more scrutiny on progress.

More ownership by Member States. And better results for citizens.

Let us rediscover the Maastricht spirit – stability and growth can only go hand in hand.

Honourable Members,

As we embark on this transition in our economy, we must rely on the enduring values of our social market economy.

It's the simple idea that Europe's greatest strength lies in each and every one of us.

Our social market economy encourages everyone to excel, but it also takes care of our fragility as human beings.

It rewards performance and guarantees protection. It opens opportunities but also set limits.

—
The strength of our social market economy will drive the green and digital transition.

We need this even more today.

Because the strength of our social market economy will drive the green and digital transition.

We need an *enabling business environment*, a *workforce with the right skills* and *access to raw materials* our industry needs.

Our future competitiveness depends on it.





We must remove the obstacles that still hold our small companies back.

They must be at the centre of this transformation – because they are the backbone of Europe’s long history of industrial prowess.

And they have always put their employees first – even and especially in times of crisis.

But inflation and uncertainty are weighing especially hard on them.

This is why we will put forward an SME Relief Package.

It will include a proposal for a single set of tax rules for doing business in Europe – we call it BEFIT.

This will make it easier to do business in our Union. Less red tape means better access to the dynamism of a continental market.

And we will revise the Late Payment Directive – because it is simply not fair that 1 in 4 bankruptcies are due to invoices not being paid on time.

For millions of family businesses, this will be a lifeline in troubled waters.

But European companies are also grappling with a shortage of staff.

Unemployment is at a record low, and this is great.

At the same time, job vacancies are at a record high.

Europe lacks truck drivers, waiters and airport workers, as well as nurses, engineers and IT technicians.

Both low-end and high-end. We need everyone on board.

We need much more focus in our investment on professional education and upskilling.

—
We must
remove the
obstacles
that still hold
**our small
companies**
back.



—
I am proposing
to make 2023
the **European
Year of
Skills.**

We need better cooperation with the companies, because they know best what they need.

And we need to match these needs with people's aspirations.

But we also have to attract the right skills to our continent, skills that help companies and strengthen Europe's growth.

As a first important step, we need to speed up and facilitate the recognition of qualifications also of third country nationals.

This will make Europe more attractive for skilled workers.

This is why I am proposing to make 2023 the European Year of Skills.

Honourable Members,

My third point for our SMEs and our industry.

Whether we talk about chips for virtual reality or cells for solar panels, the twin transitions will be fuelled by raw materials.

Lithium and rare earths are already replacing gas and oil at the heart of our economy.

By 2030, our demand for those rare earth metals will increase fivefold.

And this is a good sign, because it shows that our European Green Deal is moving fast.

The not so good news is – one country dominates the market.

So we have to avoid falling into the same dependency as with oil and gas.

This is where our trade policy comes into play.

New partnerships will advance not only our vital interests – but also our values.

Trade that embraces workers' rights and the highest environmental standards is possible with like-minded partners.



We need to update our links to reliable countries and key growth regions.

And for this reason, I intend to put forward for ratification the agreements with Chile, Mexico and New Zealand.

And advance negotiations with key partners like Australia and India.

But securing supplies is only a first step.

The processing of these metals is just as critical.

Today, China controls the global processing industry. Almost 90 % of rare earths and 60 % of lithium are processed in China.

We will identify strategic projects all along the supply chain, from extraction to refining, from processing to recycling. And we will build up strategic reserves where supply is at risk.

This is why today I am announcing a European Critical Raw Materials Act.

We know this approach can work.

Five years ago, Europe launched the Battery Alliance. And soon, two third of the batteries we need will be produced in Europe.

Last year I announced the European Chips Act. And the first chips gigafactory will break ground in the coming months.

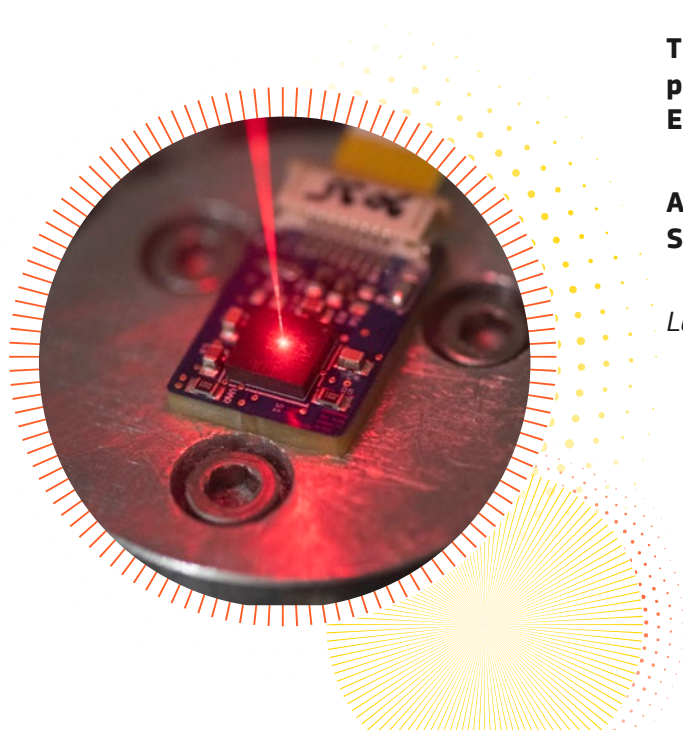
We now need to replicate this success.

—
Let's make
sure that
the future
of industry
is **made in**
Europe.

This is also why we will increase our financial participation to Important Projects of Common European Interest.

And for the future, I will push to create a new European Sovereignty Fund.

Let's make sure that the future of industry is made in Europe.



STANDING UP FOR OUR DEMOCRACY

Honourable Members,

As we look around at the state of the world today, it can often feel like there is a fading away of what once seemed so permanent.

And in some way, the passing of Queen Elizabeth II last week reminded us of this.

She is a legend!

—
Queen Elizabeth II
always reminded
us that **our future
is built on new
ideas** and founded
in our oldest
values.

She was a constant throughout the turbulent and transforming events in the last 70 years.

Stoic and steadfast in her service.

But more than anything, she always found the right words for every moment in time.

From the calls she made to war evacuees in 1940 to her historic address during the pandemic.

She spoke not only to the heart of her nation but to the soul of the world.

And when I think of the situation we are in today, her words at the height of the pandemic still resonate with me.

She said: “We will succeed – and that success will belong to every one of us”.

She always reminded us that our future is built on new ideas and founded in our oldest values.

Since the end of World War 2, we have pursued the promise of democracy and the rule of law.

And the nations of the world have built together an international system promoting peace and security, justice and economic progress.



Today this is the very target of Russian missiles.

What we saw in the streets of Bucha, in the scorched fields of grain, and now at the gates of Ukraine's largest nuclear plant – *is not only a violation of international rules.*

It's a deliberate attempt to discard them.

This watershed moment in global politics calls for a rethink of our foreign policy agenda.

—
**This is the
time to
invest in the
power of
democracies.**

This is the time to invest in the power of democracies.

This work begins with the core group of our like-minded partners: our friends in every single democratic nation on this globe.

We see the world with the same eyes. And we should mobilise our collective power to shape global goods.

We should strive to expand this core of democracies. The most immediate way to do so is to deepen our ties and strengthen democracies on our continent.

This starts with those countries that are already on the path to our Union.

We must be at their side every step of the way.

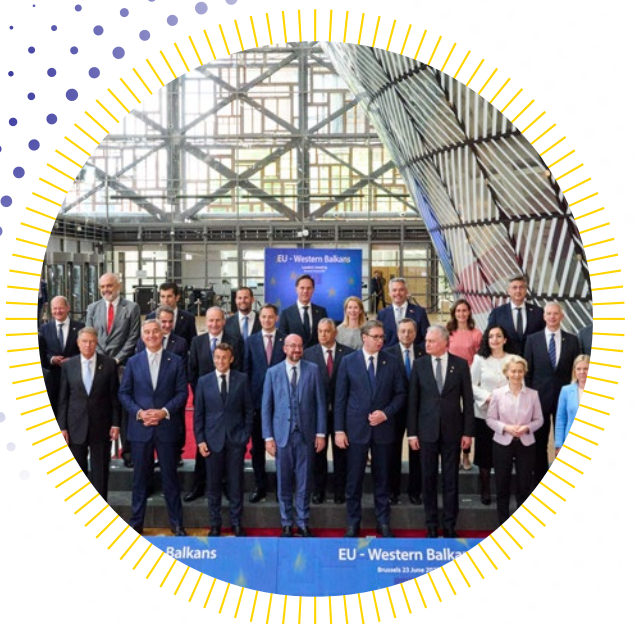
Because the path towards strong democracies and the path towards our Union are one and the same.

So I want the people of the Western Balkans, of Ukraine, Moldova and Georgia to know:

You are part of our family, your future is in our Union, and our Union is not complete without you!

We have also seen that there is a need to reach out to the countries of Europe – beyond the accession process.

This is why I support the call for a European Political Community – and we will set out our ideas to the European Council.



But our future also depends on our ability to engage beyond the core of our democratic partners.

Countries near and far, share an interest in working with us on the great challenges of this century, such as climate change and digitalisation.

This is the main idea behind Global Gateway, the investment plan I announced right here one year ago.

It is already delivering on the ground.

Together with our African partners we are building two factories in Rwanda and Senegal to manufacture mRNA vaccines.

They will be made in Africa, for Africa, with world-class technology.

And we are now replicating this approach across Latin America as part of a larger engagement strategy.

This requires investment on a global scale.

So we will team up with our friends in the US and with other G7 partners to make this happen.

In this spirit, President Biden and I will convene a leaders' meeting to review and announce implementation projects.

Honourable Members,

This is part of our work of strengthening our democracies.

But we should not lose sight of the way foreign autocrats are targeting our own countries.

Foreign entities are funding institutes that undermine our values.

Their disinformation is spreading from the internet to the halls of our universities.

Earlier this year, a university in Amsterdam shut down an allegedly independent research centre, which was actually funded by Chinese



Our future also depends on our ability to engage **beyond the core of our democratic partners.**



entities. This centre was publishing so-called research on human rights, dismissing the evidence of forced labour camps for Uyghurs as “rumours”.

These lies are toxic for our democracies.

Think about this: We introduced legislation to screen foreign direct investment in our companies for security concerns.

If we do that for our economy, shouldn't we do the same for our values?

We need to better shield ourselves from malign interference.

This is why we will present a Defence of Democracy package.

It will bring covert foreign influence and shady funding to light.

We will not allow any autocracy's Trojan horses to attack our democracies from within.

For more than 70 years, our continent has marched towards democracy. But the gains of our long journey are not assured.

Many of us have taken democracy for granted for too long. Especially those, like me, who have never experienced what it means to live under the fist of an authoritarian regime.

Today we all see that we must fight for our democracies. Every single day.

We must protect them both from the external threats they face, and from the vices that corrode them from within.

We must fight for our democracies. Every single day.

It is my Commission's duty and most noble role to protect the rule of law.

So let me assure you: we will keep insisting on judicial independence.

And we will also protect our budget through the conditionality mechanism.



And today I would like to focus on corruption, with all its faces. The face of foreign agents trying to influence our political system. The face of shady companies or foundations abusing public money.

If we want to be credible when we ask candidate countries to strengthen their democracies, we must also eradicate corruption at home.

That is why in the coming year the Commission will present measures to update our legislative framework for fighting corruption.

We will raise standards on offences such as illicit enrichment, trafficking in influence and abuse of power, beyond the more classic offences such as bribery.

And we will also propose to include corruption in our human rights sanction regime, our new tool to protect our values abroad.

Corruption erodes trust in our institutions. So we must fight back with the full force of the law.

Honourable Members,

Our founders only meant to lay the first stone of this democracy.

They always thought that future generations would complete their work.

“Democracy has not gone out of fashion, but it must update itself in order to keep improving people’s lives.”

These are the words of David Sassoli – a great European, who we all pay tribute to today.

David Sassoli thought that Europe should always look for new horizons.

And through the adversities of these times, we have started to see what our new horizon might be.

A braver Union.

Closer to its people in times of need.

Bolder in responding to historic challenges and daily concerns of Europeans. And to walk at their side when they deal with the big trials of life.

—
Corruption erodes trust in our institutions. So we must fight back with the **full force of the law.**



—
The **Citizens' Panels** that were central to the Conference will now become a regular feature of our democratic life.

This is why the Conference on the Future of Europe was so important.

It was a sneak peek of a different kind of citizens' engagement, well beyond election day.

And after Europe listened to its citizens' voice, we now need to deliver.

The Citizens' Panels that were central to the Conference will now become a regular feature of our democratic life.

And in the Letter of Intent that I have sent today to President Metsola and Prime Minister Fiala, I have outlined a number of proposals for the year ahead that stem from the Conference conclusions.

They include for example a new initiative on mental health.

We should take better care of each other. And for many who feel anxious and lost, appropriate, accessible and affordable support can make all the difference.

Honourable Members,

Democratic institutions must constantly gain and regain the citizens' trust.

We must live up to the new challenges that history always puts before us.

Just like Europeans did when millions of Ukrainians came knocking on their door.

This is Europe at its best.

A Union of determination and solidarity.

But this determination and drive for solidarity is still missing in our migration debate.

Our actions towards Ukrainian refugees must not be an exception. They can be our blueprint for going forward.



We need fair and quick procedures, a system that is crisis proof and quick to deploy, and a permanent and legally binding mechanism that ensures solidarity.

And at the same time, we need effective control of our external borders, in line with the respect of fundamental rights.

I want a Europe that manages migration with dignity and respect.

I want a Europe where all Member States take responsibility for challenges we all share.

And I want a Europe that shows solidarity to all Member States.

We have progress on the Pact, we now have the Roadmap. And we now need the political will to match.

Honourable Members,

Three weeks ago, I had the incredible opportunity of joining 1,500 young people from all over Europe and the world, who gathered in Taizé.

They have different views, they come from different countries, they have different backgrounds, they speak different languages.

And yet, there is something that connects them.

They share a set of values and ideals.

They believe in these values.

They are all passionate about something larger than themselves.



This generation is a generation of dreamers but also of makers.

In my last State of the Union address, I told you that I would like Europe to look more like these young people.

We should put their aspirations at the heart of everything we do.



I want a Europe that shows **solidarity** to all Member States.

And the place for this is in our founding Treaties.

Every action that our Union takes should be inspired by a simple principle.

That we should do no harm to our children's future.

That we should leave the world a better place for the next generation.

And therefore, Honourable Members, I believe that it is time to enshrine solidarity between generations in our Treaties.

It is time to renew the European promise.

And we also need to improve the way we do things and the way we decide things.

Some might say this is not the right time. But if we are serious about preparing for the world of tomorrow we must be able to act on the things that matter the most to people.

And as we are serious about a larger union, we also have to be serious about reform.

So as this Parliament has called for, I believe the moment has arrived for a European Convention.

—
As this Parliament
has called for,
I believe the
moment has arrived
for a **European
Convention.**

CONCLUSION

Honourable Members,

They say that light shines brightest in the dark.

And that was certainly true for the women and the children fleeing Russia's bombs.

They fled a country at war, filled with sadness for what they had left behind, and fear for what may lie ahead.

But they were received with open arms. By many citizens like Magdalena and Agnieszka. Two selfless young women from Poland.

As soon as they heard about trains full of refugees, they rushed to the Warsaw Central Station.

They started to organise.

They set up a tent to assist as many people as possible.

They reached out to supermarket chains for food, and to local authorities to organise buses to hospitality centres.

In a matter of days, they gathered 3000 volunteers, to welcome refugees 24/7.

Honourable Members,

Magdalena and Agnieszka are here with us today.

Please join me in applauding them and each and every European who opened their hearts and their homes.

Their story is about everything our Union stands and strives for.

It is a story of heart, character and solidarity.

They showed everyone what Europeans can achieve when we rally around a common mission.

This is Europe's spirit.

A Union that stands strong together.

A Union that prevails together.

Long live Europe.



**LETTER
OF INTENT
TO PRESIDENT ROBERTA
METSOLA AND TO PRIME
MINISTER PETR FIALA**

**STATE
OF THE
UNION
2022**

Brussels, 14 September 2022

Dear President Metsola,

Dear Prime Minister Fiala,

It is just over 200 days since Russia's brutal and cruel war of aggression against Ukraine started. 200 days in which the people of Ukraine have suffered so much – yet shown so much courage and resolve. 200 days of united, unstinting and unwavering support from the people, nations and institutions that make up our European Union.

What is at stake here is about Ukraine. But it is also about what the European Union stands for: freedom, democracy, human rights, the rule of law and all the values that constitute our foundations.

*So as we gather for this year's State of the Union debate, we jointly reaffirm our commitment to supporting Ukraine in every way possible. And we double down on our **support to all Europeans who are facing difficulties** as people and companies look to make ends meet as the cost of living becomes more expensive, having so recently faced the impact of the pandemic and the lockdowns.*

*This is why supporting Europeans through these testing times will be the Commission's first priority in the year ahead. In this spirit, the Commission is putting forward a series of proposals to alleviate the impact of the energy crisis on those households and businesses most in need and help them to adapt. This is the latest in a number of measures to reinforce our resilience since the start of the war, in particular in ridding ourselves of our energy dependencies. Through **REPowerEU**, we accelerated the work for diversifying supply away from Russian fossil fuels, accelerating the roll-out of renewables, promoting energy savings and increasing our storage capacities.*

*Since the onset of Russia's aggression, the European Union has shown how swiftly and how strongly it can respond when it acts together. We adopted rapid and hard-hitting sanctions with many of our global partners, which are now biting hard for Russia's economy and industry. As Team Europe we have provided more than 19 billion euros in financial assistance to **Ukraine**, without counting military support. We activated the Temporary Protection Directive granting Ukrainian refugees' access to jobs, housing, education and healthcare across the EU. We took action to facilitate trade and established Solidarity Lanes to help Ukrainian exports and safeguard global food security. And, historically, we also granted candidate status to Ukraine and Moldova to open up their path to our Union. Europe has shown in the last year that is a geopolitical Union – and we must continue to show leadership, working with our partners across the world. This also includes strengthening our resilience and security by strengthening our cybersecurity and stepping up our work on defence.*

*In the year ahead the best way to deal with these pressing challenges is also to **stay the course** on the plan we commonly set out for this mandate. The major digital and green transformations we embarked on together have only taken on additional importance as we have grappled with pandemics, lockdowns and now a war on our border. This is about building a better future for the next generation and making ourselves more resilient and more prepared for challenges to come.*

*This starts with implementing what has already been agreed. This includes implementing the landmark agreements on the Digital Markets Act and the Digital Services Act which saw the EU take global leadership in regulating the digital space to make it safer and more open. We will continue looking at new digital opportunities and trends, such as the metaverse. It also means continuing the work on investment and reforms through **NextGenerationEU**, of which 700bn EUR remains to be invested in the years ahead. Similarly, we must continue to use the power of the EU budget to ensure it best supports people and the economy. Looking ahead, we must also assess how COVID, the war*

and their spill-over effects is affecting our long-term budget. To this end, we will put forward a **mid-term review of the long-term budget** in the year ahead.

It is essential we continue our work to **find agreement on legislative proposals the Commission has already presented**. We want to thank the European Parliament and Council for their cooperation and efforts to agree so many urgent proposals with such speed – whether on COVID-19 certificate, digital rules or the minimum wage. We must speed up this approach, notably on files key to the European Green Deal and to reaching our climate neutrality goals.

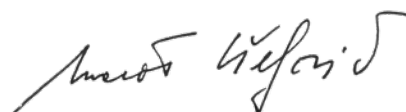
We will also put forward a number of targeted new proposals that are essential to responding to short term challenges or our long-term objectives. Given the need for the co-legislators to prioritise the adoption of proposals in the year ahead, the list focuses on action where it is most needed. The list below highlights key initiatives for 2023. It is based on our discussions with the European Parliament and Council and will be complemented by the upcoming **Commission Work Programme** and continued interinstitutional dialogue.

The 2023 Commission Work Programme will be also largely inspired by the outcome of the **Conference on the Future of Europe**. This reflects not only our shared commitment to better listening to the expectations of citizens but also the resounding success of the Conference, both as an exercise in participative democracy, and as a way to improve our policy making. The list below includes proposals stemming directly from the citizens' recommendations, such as an initiative on mental health – one of the new areas which the Conference asked us to work on. We will include Citizens' Panels in our policy making toolbox so that they can make recommendations before certain key policy proposals, starting with the upcoming work on food waste. Building on the success of the European Year of Youth, one third of participants will be young people.

For Europe – now more than ever - solidarity is destiny. The more we stand together, the more unity we show, the more we can emerge from the year ahead as a stronger Union and the better we can prepare the world of tomorrow. This will be our collective mission in the year and you can count on the Commission to work with you every step of the way.



Ursula von der Leyen



Maroš Šefčovič

KEY NEW INITIATIVES FOR 2023

Initiatives that directly follow up or indirectly contribute to a proposal of the Conference of the Future of Europe are marked with an asterisk (*).

A EUROPEAN GREEN DEAL

- *Revision of EU's internal electricity market rules*
- *Proposal to create EU Hydrogen Bank*
- *Revision of waste framework to reduce waste, including food waste, and the environmental impact of waste management **
- *Legislative proposal on plants produced by certain new genomic techniques **
- *Revision of animal welfare EU legislation **

A EUROPE FIT FOR THE DIGITAL AGE

- *European critical raw materials act **
- *SME Relief Package, including Late Payment Directive*
- *Initiative on virtual worlds, such as metaverse*
- *Patent Licensing package*
- *Legislative proposal on the screening and registration of asbestos in buildings **
- *Proposal for European Year of Skills*

AN ECONOMY THAT WORKS FOR PEOPLE

- *Mid-term review of the Multiannual Financial Framework 2021-2027 **
- *Economic Governance Review*
- *Legislative proposal on a second set of new own resources **
- *Legislative proposal on Business in Europe: a framework for income taxation 'BEFIT' **
- *Data Access in financial services **
- *Legislative proposals on establishing the digital euro **

A STRONGER EUROPE IN THE WORLD

- *EU space strategy for security and defence **
- *New Agenda for Latin America and the Caribbean*
- *Update of the EU maritime security strategy*
- *Updating the human rights sanctions regime*

PROMOTING OUR EUROPEAN WAY OF LIFE

- *A comprehensive approach to mental health **
- *Recognition of qualifications of third country nationals*
- *Legislative proposal on the digitalisation of travel documents and the facilitation of travel*
- *Revision of the combating child sexual abuse Directive*
- *Initiative on Cybersecurity Skills Academy*

A NEW PUSH FOR EUROPEAN DEMOCRACY

- *Defence of democracy package, including an initiative on the protection of the EU democratic sphere from covert foreign influence*
- *Anti-corruption package*
- *Legislative proposal on a European disability card **

ACHIEVEMENTS

STATE
OF THE
UNION
2022

A PIONEERING STORY OF DEMOCRATIC RESILIENCE

In December 2019, the von der Leyen Commission set a new and **ambitious course towards a greener, more digital and fairer European Union**. Through two historic world events – the coronavirus pandemic and Russia’s cruel war against Ukraine – Europe has stood united both in its fight against the virus and beside Ukraine’s people. While doing so, we have not only held but also accelerated our bold course forward. Together, we are shaping the future.

Europe’s response to the two epoch-making crises of our times may have surprised the world. First came COVID-19. The pandemic has taken a heavy toll, but together we have saved countless lives and helped our economy recover in record time. Thanks to the European Commission’s vaccine strategy, **83.4 % of the adult population in the EU has received primary vaccination (one or two doses)** against the disease. The EU is the world’s biggest provider of vaccines against COVID-19. And the EU Digital COVID Certificate has protected the fundamental right to free movement, becoming a global standard.

For the first time in its history, the Commission has raised massive resources from capital markets to support economic recovery and reforms in the Member States. Our recovery plan, **NextGenerationEU**, has given new confidence in the future to families, businesses and investors in the EU. Our pandemic response has not only made us more resilient to COVID-19 and future health threats, but also strengthened the resilience of democracy and the economy in Europe.

Then came Russia’s unprovoked and unjustified aggression against Ukraine. An entire continent has mobilised to support Ukrainians. With unprecedented speed and unity, the EU imposed

severe sanctions on Vladimir Putin’s war machine. Supported by partners from across the world, the **sanctions are taking a heavy toll on Russia’s economy and are damaging the Kremlin’s ability to wage the war**. We have cut Russia’s access to the international financial system by expelling it from SWIFT, we are freezing and seizing the assets of Kremlin-linked oligarchs and we are crippling Russia’s military-industrial complex by cutting its access to advanced technologies.

The European Union’s answer to the great challenges we face is **guided by democratic values and the Sustainable Development Goals**, and based on an economy that works for people.



In parallel, the Commission has put forward **REPowerEU, Europe's ground-breaking plan to cut its dependency on Russian fossil fuels**. We are diversifying our energy supplies, increasing energy efficiency and accelerating the roll-out of renewable energy. The green transition is not only good for the health of people and the planet, but also strengthens Europe's energy security. If Putin was seeking to divide Europe, he has achieved the exact opposite. The EU is more united than ever, and we are standing together in this war.

The European Union's answer to the great challenges we face is guided by democratic values and the Sustainable Development Goals, and based on an economy that works for people. The EU has the **strongest labour market in decades** because the Commission helped Member States support workers and businesses during the lockdowns. And with NextGenerationEU, we are investing in European industry, infrastructure and jobs. The **European chips act** proposal, for example, is building on Europe's world-class semiconductor research base to drive cutting-edge production. The **Global Gateway**, Europe's new global investment strategy, is helping to accelerate fair green and digital transitions around the world.

The last two and a half years have confirmed that **Europe's strength is its unity**, and this unity is based on our shared democratic values: our commitment to fundamental human rights; the protection of a free and independent press; upholding the rule of law; and equality between women and men, rural and urban, young and old. No matter how you choose to identify, in Europe you are free to be yourself. Democracies must be worked at and renewed every single day, and this requires that citizens be empowered to speak up.

The Conference on the Future of Europe, which concluded on 9 May 2022, tapped into this deep reserve of creativity and energy, to empower citizens to shape the future of our European Union. The Commission has listened, and now it is time to deliver.

There is an arc in Europe's history that bends towards democracy and unity. From the defeat of fascism in 1945 to the end of the dictatorships in Greece and the Iberian Peninsula in the 1970s, and from the fall of the Berlin Wall in 1989 and the reconciliation of East and West to **Ukraine's fight for freedom and democracy** against Russian aggression, there is a consistent long-term drive towards more democracy in Europe. And in each instance of change, it is **people – their voices, courage and demands for justice – who bring about this change.** This is the story of the European Union. It is what makes us Europeans strong and confident about the future.



1. EUROPEANS STAND WITH UKRAINE, FOR DEMOCRACY AND PEACE

MOMENTOUS SOLIDARITY WITH UKRAINE

Millions of Ukrainians have sought shelter in the European Union, torn from their families and country by Putin's bombs. The scenes of war are devastating. But the bravery of the Ukrainian resistance, and the images of EU citizens welcoming refugees, show another picture – they tell us a story of hope. **Ukraine and the European Union have never been closer.** Until Ukrainians can safely return home and rebuild their independent and democratic country in peace, we will welcome and support them. Because they are part of our European family.

The first priority of the European Union's response is to protect Ukrainian civilians. Working with our partners on the ground, the Commission is ensuring **the delivery of humanitarian aid** and the openness of humanitarian corridors guaranteeing free and safe evacuation. As of June 2022, the EU had provided over EUR 348 million in humanitarian aid to Ukraine, for example to provide food, water, shelter and healthcare to the most vulnerable people.

Since the beginning of Russia's brutal attack on Ukraine on 24 February 2022, **more than 8.2 million entries by Ukrainians nationals were recorded in the EU,**

mainly women, children and older persons. The overwhelming solidarity shown by EU citizens towards Ukrainian refugees – in particular in the Member States bordering Ukraine (Hungary, Poland, Romania and Slovakia), but everywhere across the Union – has shown the very best of European values and openness. The majority of Ukrainian refugees – more than 5.24 million – have crossed the border into Poland, and Polish citizens have opened their hearts, homes and cities to shelter them.



A group of citizens in **Warsaw** launched the "Pulawska 20" shop to collect and deliver free food, cosmetics and clothing to Ukrainian refugees and those internally displaced.

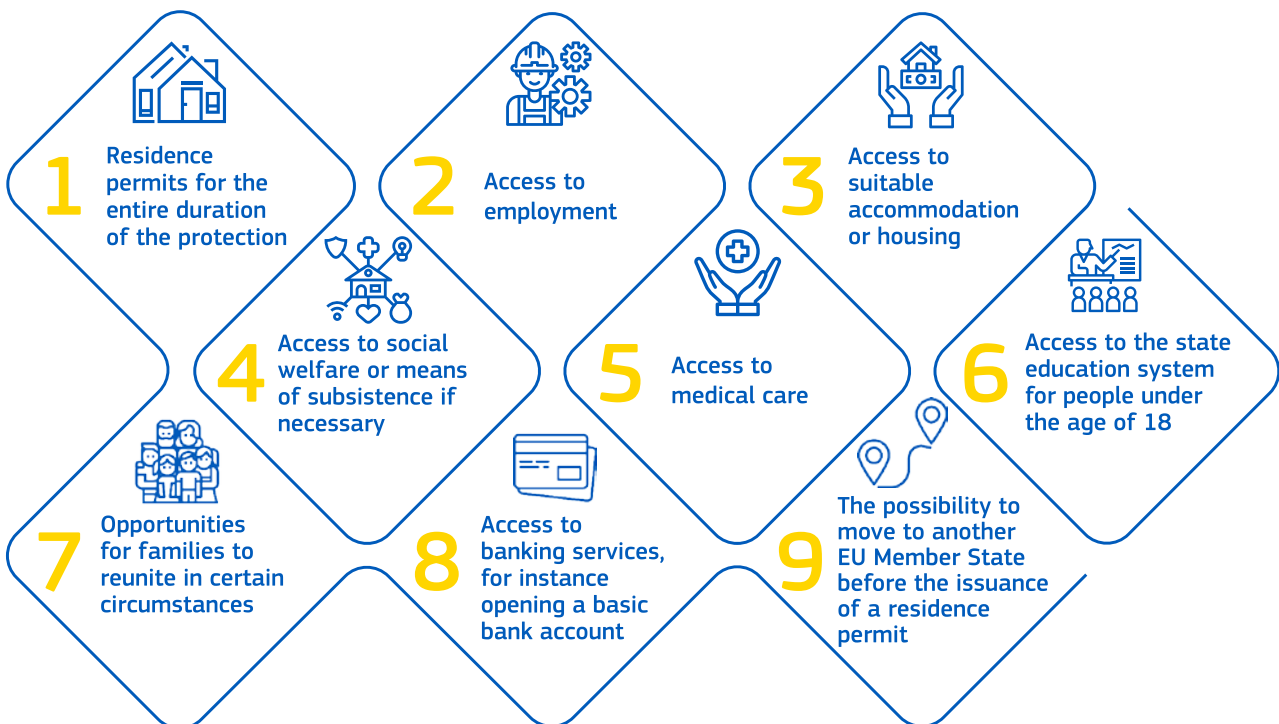
More than 4 million Ukrainians

have registered for temporary protection in the EU.



In a historical first for our European Union, on 2 March 2022 the European Commission proposed to activate the **Temporary Protection Directive**. This means that Ukrainian refugees have immediate full protection in the EU:

Kiril Slavov, a deaf young Bulgarian who grew up in Stockholm, helps deaf Ukrainians flee the war and restart their lives in **Sofia**. He assists them by translating into international sign language, and helps them find work.



The Commission acted with speed and solidarity to support EU Member States on the ground. With **CARE** (cohesion's action for refugees in Europe), Member States can use EU cohesion funds to provide emergency support to refugees. EUR 3.5 billion from the pandemic crisis instrument **REACT-EU** was also made immediately available to Member States. In June 2022, the Commission

adopted the FAST-CARE proposal, which would provide an additional EUR 3.5 billion in pre-financing payments to Member States and ensuring that at least 30 % of the related resources should be granted to operations managed by local authorities and civil-society organisations addressing migratory challenges.



Via the **largest ever mobilisation of the EU Civil Protection Mechanism**, the 27 Member States, along with North Macedonia, Norway and Turkey, have provided **over 66 000 tonnes of aid** to Ukraine, including food, first aid kits and protective clothing, but also strategic equipment such as mobile hospitals, energy supplies and fire engines, with a financial value of the EU's support under the Civil Protection Mechanism of over EUR 425 million. Medical stockpiles in the EU under **rescEU** have also been sent to Ukraine, including ventilators, infusion pumps, patient monitors, masks and gowns, ultrasound devices, oxygen concentrators, and much more. Given the scale of this operation, the EU has established logistics hubs in neighbouring Poland, Romania and Slovakia to coordinate the deliveries. Two EU-funded humanitarian warehouses and logistics operations have also been set up in Ukraine.

On 11 March 2022, the first Medevac operation was launched. Since then, more than 1 000 patients from Ukraine in need of continued treatment or urgent medical assistance have been transferred to hospitals in the EU with the help of the EU Civil Protection Mechanism. A **new medical evacuation plane** has been added to the EU's rescEU fleet to help transport Ukrainian patients in need of urgent healthcare.

At the same time, the Commission stepped up its efforts to reach out to both the Ukrainian- and Russian-speaking communities, with a particular focus on informing refugees about EU support. The Commission quickly launched a **dedicated website about solidarity with Ukraine**, available for the first time ever in both Ukrainian and Russian. To directly reach people in Ukraine and Russian-speaking audiences, the Commission also joined Telegram. The Europe Direct contact centre has replied to around 10 000 questions in relation to the Ukraine crisis and the plight of refugees and internally displaced people.

Answering the call of Ukraine's President Volodymyr Zelenskyy, the European Commission and Canada rallied world leaders, in partnership with the advocacy group Global Citizen, and launched the **pledging campaign Stand Up for Ukraine** on 26 March 2022. The campaign quickly raised **EUR 9.1 billion for people fleeing the Russian invasion**, including EUR 1 billion from the Commission and another EUR 1 billion from the European Bank for Reconstruction and Development. The momentous solidarity on the part of the EU and its citizens will continue for as long as Ukrainians need our support. This is because Ukrainians are not only standing up for their own freedom, they are also standing up for our European and democratic values.

SANCTIONS: A UNITED DEMOCRATIC FRONT VERSUS AUTOCRACY

In immediate response to Russia's recognition of the separatist territories of the so called 'Donetsk and Luhansk People's Republics' on 21 February 2022, and its military attack on Ukraine on 24 February, **the EU imposed hard-hitting sanctions** against the Russian economy and those entities and individuals complicit in the war. With swiftness and force, the European Union, and its partners and businesses around the world have acted to isolate Russia economically and bring Putin's war machine to a halt. We stand on the side of Ukraine and of democracy over autocracy; on the side of the rule of law over the right of might; on the side of a fair and peaceful international order over aggression and chaos.

Russia's actions are a breach of universal values and international law, which the international community cannot allow. On 2 March 2022, **the United Nations** voted overwhelmingly to condemn Russia's invasion of Ukraine: 141 of the 193 member states voted for the resolution, with 35 abstentions and just 5 countries siding with Russia.

Since the start of the war, the EU has adopted **six unprecedented packages of sanctions** with the aim of crippling the Kremlin's ability to finance the war and putting pressure on the Russian regime. These sanctions cover the financial, energy and transport sectors, along with exports of dual-use goods, visa policy, disinformation outlets spreading the Kremlin's war propaganda, and Russian and Belarusian individuals and entities linked to Putin's war. In accordance with international humanitarian law, the EU includes **humanitarian exceptions** in its sanction regimes.

We stand **on the side of Ukraine** and democracy over autocracy.

The EU's sanctions are so effective because they are implemented in concert with like-minded partners across the world. **More than 40 countries**, representing almost half of global gross domestic product, are applying sanctions against Russia, including Canada, Japan, Liechtenstein, Norway, Singapore, South Korea, Switzerland, the United Kingdom and the United States, along with neighbouring and candidate countries, particularly in the Western Balkans.

The sanctions are cutting off Russia's access to money on global capital markets, and are gradually eroding Russia's industrial base, in particular its military-industrial complex. They have **cut key Russian banks out of the SWIFT system** – the world's dominant financial messaging system – including Sberbank, Russia's largest bank, essentially isolating Russia from global financial markets. The EU has also blocked Russia's EU-held foreign exchange reserves.

Within the first 3 months of the war alone, **EU Member States froze assets worth EUR 12.5 billion**, such as financial transactions, real estate, works of art, cars and yachts. This is in addition to blocking the reserves of the Central Bank of Russia in Europe. In total, **1 212 individuals and 108 entities** have been subject to asset freezes and travel bans because of their

actions in undermining Ukraine's territorial integrity, sovereignty and independence. To enforce these sanctions, the Commission swiftly brought together EU Member States, Europol and Eurojust, and **set up a Freeze and Seize Task Force**. The task force exchanges information and experience across Member States and provides guidance on enforcing the sanctions. It works closely with the international Russian Elites, Proxies and Oligarchs Task Force, under which the EU operates together with the G7 countries (Canada, France, Germany, Italy, Japan, the United Kingdom and the United States) and Australia. The Commission has also proposed to make the violation of EU restrictive measures an EU crime and to strengthen the rules on asset recovery and confiscation.

Existing export controls on dual-use goods have also been sharpened significantly to target sensitive sectors in Russia's military-industrial complex, thereby **limiting Russia's access to advanced technologies crucial to its security and defence**, such as drones and their software, software for encryption devices, and semiconductors and advanced electronics. The sanctions are downgrading Russia's technological capabilities and the ability of its economy to modernise.

In accordance with the World Trade Organization framework, the sanctions have **imposed export bans on products destined for Russia**, such as steel, jet fuel, semiconductors, chemicals and other essential products for Russia's industrial base. At the same time, we have introduced **import bans** to cut revenue streams for Russia and its oligarchs, on products ranging from wood to cement and from seafood (caviar) to liquor (vodka), which cover more than half of what we imported from Russia before the war.

President of the European Commission
Ursula von der Leyen attends the G7
Summit in Schloss Elmau, Germany.



For the sanctions to be effective, it was necessary for the EU to **close down transportation routes** to and from Russia. Two key areas in this regard were the closure of EU airspace to all Russian-owned, -registered or -controlled aircraft, and the export ban on goods, services and **technology for aviation and the space industry**. Three quarters of Russia's current commercial air fleet was built in the EU, Canada or the United States. Sanctions also include a full ban on Russian and Belarusian freight road operators working in the EU and an entry ban on Russia's entire merchant fleet. However, certain exemptions apply that cover essential goods, such as agriculture and humanitarian aid.

Belarus is supporting the invasion of Ukraine by allowing the Russian military to operate from within its territory. This is why **the EU has also stepped up its sanctions against Belarus**. Since October 2020, the EU has progressively imposed restrictive measures against Belarus in response to the Belarusian authorities' unacceptable violence against peaceful protestors and the instrumentalisation of migrants at the EU's border in 2021. The economic sanctions on Belarus, which now cover almost 70 % of all Belarusian exports to the EU, also exclude three Belarusian banks from the SWIFT system. At the same time, the EU has continued to support the people of Belarus, with close to EUR 65 million in aid provided since summer 2020. This includes emergency support for civil society and the victims of state oppression.

Revenues from energy exports constitute a significant proportion of the Russian war chest. To stem the cash flows to Russia, **the EU sanctioned the Russian energy sector** in the following ways.

- An import ban on Russian seaborne crude oil and petroleum products. **The ban covers 90 % of Europe's current oil imports from Russia.**

- Prohibiting the export to Russia of goods and technologies in the oil-refining sector. As such, the EU is **making it impossible for Russia to upgrade its oil refineries**.
- Prohibiting EU companies from offering insurance and other financial services to any ship transporting Russian oil products. This will **cripple Russia's ability to export oil products worldwide**.
- Stopping new investment in the Russian **energy sector**.
- **Banning all forms of Russian coal imports**. This affects one quarter of all Russian coal exports, amounting to a revenue loss of around EUR 8 billion per year for Russia.

In addition, the Commission is setting the direction and providing momentum for the EU to entirely remove its dependence on Russian fossil fuels, including Russian gas, and to accelerate Europe's green transition.

ENERGY SECURITY AND THE GREEN TRANSITION

On 18 May 2022, the European Commission presented **REPowerEU, the EU's groundbreaking plan to phase out its dependency on Russian fossil fuels** through the accelerated roll-out of renewable energy, energy savings and



85 %
OF EUROPEANS
believe that the EU should reduce its dependency on Russian fossil fuels as soon as possible.
REPowerEU is the EU's answer.



the diversification of energy supplies. REPowerEU is a comprehensive and detailed plan to achieve affordable energy for people living in the EU, energy security for Europe and sustainability for the planet. REPowerEU is fully supported by the Versailles Declaration, signed by all Member State leaders on 11 March. Some 85 % of EU citizens believe that the European Union should reduce its dependency on Russian fossil fuels as soon as possible. **REPowerEU is the EU's**

A massive scale-up and speed-up of renewable energy is under way in power generation, industry, buildings and transport. The Commission has proposed to increase the headline 2030 target for renewables from 40 % to 45 % under the European Green Deal. REPowerEU is paving the way for new and ambitious initiatives:



A dedicated EU solar strategy to **double solar photovoltaic capacity by 2025** and install 600 gigawatts by 2030



A solar rooftop initiative with a phased-in **legal obligation to install solar panels on new buildings** – public, commercial and residential



The doubling of the rate of deployment of **heat pumps**



Concrete measures to **speed up permits for major renewable projects**



The doubling of the target for **renewable green hydrogen production** to 10 million tonnes of domestic production and 10 million tonnes of imports by 2030



An increase in **biomethane production** to 35 billion cubic metres by 2030

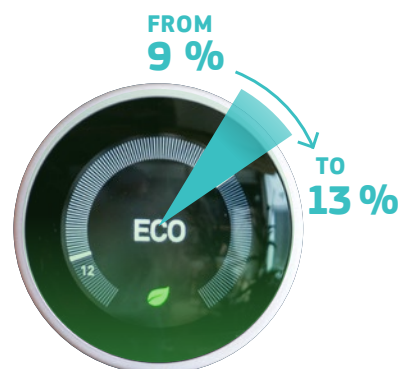
REPowerEU is supporting the development of **one of the largest offshore wind farms in the world** in the North Sea. It will soon cover the annual energy consumption of more than 50 million homes, or roughly one quarter of all EU households. The Commission's legislative proposal for accelerating the permitting for renewable energy projects and their grid infrastructure will pave the way for a much faster deployment of renewable energy across the EU. Every kilowatt-hour of electricity we generate from wind, solar, hydropower or biomass reduces our dependency on fossil fuels from Russia and brings the EU one step closer to its net-zero future.

The Commission is helping Member States stem electricity prices and protect consumers.

Renewables are the best answer to rising energy prices. The old carbon-heavy energies – coal, oil and gas – are getting more and more expensive, whereas renewable-energy costs have been falling steadily for many years. Global energy prices have been rising since summer 2021 and have been significantly exacerbated by Russia's war of aggression against Ukraine. In the immediate term, the Commission is also helping Member States stem electricity prices and protect consumers. As part of the Fit for 55 climate and energy package, the Commission has also put forward a proposal for a **Social Climate Fund** aimed at supporting vulnerable households, small and medium-sized enterprises and transport users.

The Commission has also proposed steps to enhance long-term **energy efficiency**, including an increase in the 2030 binding energy efficiency target under the European Green Deal from 9 % to 13 %. Member States are encouraged to use fiscal measures to encourage energy savings, such as reduced VAT rates on energy-efficient heating systems, building insulation, and

INCREASE FROM 9 % to 13 % in the 2030 binding energy efficiency target under the **EUROPEAN GREEN DEAL**



appliances and products. To ensure that the EU is ready and resilient for the next winter, the Commission has introduced minimum **gas storage obligations** on Member States, which need to ensure an 80 % filling level by 1 November 2022.

To answer to the weaponisation of gas by Russia, the Commission also proposed a new legislative tool and the '**Save gas for a safe winter**' plan. This tool, which was adopted by the Council on 5 August 2022, would help the EU withstand a complete disruption of Russian gas supply by decreasing its gas consumption by 15 % until next spring. The plan also provides guidance for a coordinated gas reduction, in order to limit the impact for citizens and the economy.

The EU is engaging with international partners to diversify energy supplies, and has secured record levels of liquefied natural gas imports and higher pipeline gas deliveries. The Commission is working with Norway, the United Kingdom and United States, and also with Angola, Azerbaijan, Egypt, Israel, Nigeria and South Korea. The **agreement President von der Leyen reached with US President Joe Biden** will be replacing around one third of the 155 billion cubic meters of Russian gas the EU imported last year. The new liquefied natural gas infrastructure that the EU is building, to ensure security of supply and solidarity for all Member States, will form the core of the green hydrogen corridors of the future.

The newly created **EU Energy Platform**, supported by regional task forces, will enable voluntary common purchases of gas, liquefied natural gas and hydrogen by pooling demand, optimising infrastructure use and coordinating outreach to suppliers. Replicating the success of the common vaccine purchasing programme, the Commission is developing a **joint purchasing** mechanism to contract gas purchases on behalf of participating Member States. The EU will continue to engage with likeminded partners around the world through our bilateral trade agenda, to help secure the crucial supplies of energy and raw materials which will underpin our energy and economic security going forward.

REPowerEU comes with nearly EUR 300 billion in financial support, including EUR 225 billion in loans available to Member States from NextGenerationEU, Europe's historic recovery fund. The Commission has also proposed that Member States add a REPowerEU chapter to their recovery and resilience plans, so they can better target the pandemic recovery funds to the objective of cutting the EU's dependence on Russian fossil fuels once and for all. REPowerEU is a comprehensive and detailed plan to achieve affordable energy for people living in the EU, energy security for Europe and sustainability for the planet.

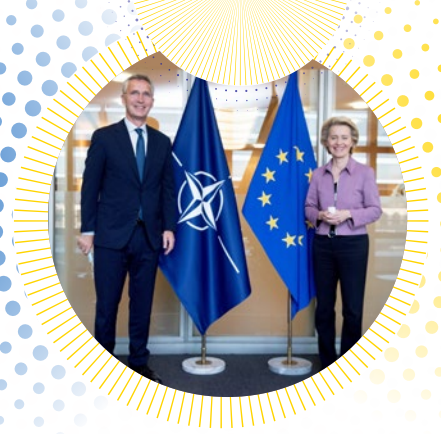
EUROPEAN DEFENCE AND NATO

The European Union is becoming a stronger security provider to **protect EU citizens** and contribute to international peace and security in our neighbourhood and beyond. On 11 March 2022, EU leaders gave a clear direction on how

to enhance Europe's security through the **Versailles Declaration**: stepping up investment, harnessing innovative and critical technologies and building a more integrated and competitive European defence market. On 21 March 2022, the European Council formally approved the **strategic compass**, which gives the EU an ambitious plan of action towards 2030. This is all the more important at a time when war has returned to Europe.

In response to the Versailles Summit, in May 2022 the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, Josep Borrell, presented an analysis of **defence investment gaps**. In the immediate term, a Defence Joint Procurement Task Force has been established to work with Member States. Based on the work of the task force, a short-term EU instrument to reinforce defence industrial capabilities through **joint procurement** has been proposed for fast-track adoption, to support Member States in filling the most urgent and critical gaps in a collaborative way. Also in May 2022, the EU defence innovation scheme was announced aiming to see a total investment of EUR 2 billion into defence innovation.

The European Union is doing everything in its power to protect the people of Ukraine in their resistance against the Russian aggressor and to help them realise their dream of a democratic, independent and peaceful Ukraine. That is why, **for the first time in its history, the EU is providing military equipment** and security infrastructure to a non-EU country under attack.



NATO Secretary General Jens Stoltenberg and President of the European Commission Ursula von der Leyen.



Nadia Dobrianska moved from Kyiv to **Cork** after an Irish family offered to host her and her family. Nadia is documenting human rights violations and war crimes by the Russian military. She also plays the Irish flute and sings Irish traditional songs.

Upon the initiative of the High Representative, on 28 March 2022 the Council of the European Union adopted assistance measures under **the European Peace Facility** to provide equipment and supplies to the Ukrainian armed forces. The total amount of support provided to the Ukrainian armed forces via the European Peace Facility since then amounts to EUR 2.5 billion.

Russia's invasion of Ukraine, and the long-lasting effects it will have on the European and global security order, has brought the EU and NATO (North Atlantic Treaty Organisation) closer than ever. NATO is the world's most powerful military alliance, and it is a strictly defensive alliance. **EU–NATO cooperation** constitutes an integral pillar of European stability and security. The EU and NATO have shown strong transatlantic unity in the face of Russia's invasion of Ukraine. In fact, on 18 May 2022, two further EU Member States, **Finland and Sweden, applied to join NATO**, abandoning their long-standing military non-alignment in the face of Russia's unprovoked war on Ukraine.

NATO is the world's most powerful military alliance, and it is a strictly defensive alliance.

President of the European Commission Ursula von der Leyen and President of Ukraine Volodymyr Zelenskyy.



COUNTERING WAR CRIMES, FOOD INSECURITY AND PROPAGANDA

Together with the Ukrainian government, the EU is investigating allegations of war crimes committed by Russian military. Justice is the basis of reconciliation, and those responsible for crimes will be prosecuted. As the Russian troops withdrew from the area surrounding Kyiv, reports of atrocities began surfacing. The Ukrainian General Prosecution Office, 13 EU Member States, and the Office of the Prosecutor of the International Criminal Court have opened investigations into possible **war crimes and crimes against humanity** committed by the Russian military in Ukraine.

The **Joint Investigation Team** set up on 25 March 2022, with the support of Eurojust, aims to facilitate the coordination of cross-border investigations of core international crimes, as well as prosecutions in the participating states, and before the International Criminal Court. The team consists of investigators and prosecutors from Estonia, Latvia, Lithuania, Poland, Slovakia and Ukraine. On 25 April, the International Criminal Court decided to join the joint investigation team.

The war in Ukraine is also having global repercussions, especially on the most vulnerable. **Putin's war has put global food security under serious threat.** Exports, especially of grains and oilseeds, have been drastically constrained due to the block of Black Sea ports by the Russian navy. The EU is helping Ukraine export its agricultural goods currently stored in the country, as well as forthcoming harvests, via road, rail and inland waterways and import the agricultural inputs it needs, from seeds to fertilisers and animal feed, via the solidarity lanes it announced on 12 May 2022. By August 2022, the **EU solidarity lanes helped export**

President of the European Commission Ursula von der Leyen and EU High Representative for Foreign Affairs and Security Policy Josep Borrell pay tribute to the victims of Russia's aggression on Ukraine.

over ten million tons of Ukrainian grain, nearly half the grain stuck in Ukrainian ports, due to Russia's blockade. None of the EU's sanctions target Russia's agricultural sector, to specifically ensure the food security of some of the most vulnerable countries across the world.

Together, the EU and its Member States are the **world's leading provider of humanitarian and development assistance**, including on food security. Team Europe has initiated a comprehensive response to global food insecurity, comprising both short-term emergency food and livelihood assistance as well as medium-term support for resilient and sustainable food systems in partner countries.

As part of this response, the EU has mobilised EUR 600 million in additional funding for the most affected African, Caribbean, and Pacific countries. The EU has also initiated a EUR 225 million Food and Resilience facility for North Africa and the Middle East. This brings the total EU support for food security to EUR 7.7 billion until 2024 in countries around the world. The EU's support leaves no one behind, working together with humanitarian, development and peace actors to ensure a just and inclusive transition in line with the European Green Deal.



Mykola Kharytonov, who heads the Dnipro Centre for Organic Agriculture and Environmental Protection, is continuing his research into fertilisers from Catalonia in **Spain**, because he wants to help rebuild Ukraine.



To **counter the Kremlin's disinformation and information manipulation campaigns**, on 2 March 2022 the EU decided to suspend the broadcasting activities of the state-owned media outlets Sputnik and Russia Today in the EU until the aggression against Ukraine is brought to an end. On 3 June 2022, the broadcasting activities of another three Russian state outlets – Rossiya RTR/RTR Planeta, Rossiya 24/Russia 24 and TV Centre International – were suspended. They are among the most significant pro-Kremlin disinformation outlets targeting audiences in Ukraine and the EU, and disseminating disinformation and propaganda in support of Russia's aggression against Ukraine.

The Commission is also working with industry and social media worldwide to fight disinformation and the Kremlin's propaganda. In June 2022, 34 signatories – including platforms and tech companies, such as Facebook, Google, Twitter, Microsoft, Mozilla and TikTok, as well as civil-society organisations – signed a new and strengthened **Code of Practice on Disinformation**, a voluntary and self-regulatory framework based on guidance by the Commission in line with the digital services act. Widely acknowledged as a pioneering framework, the code sets out extensive and precise commitments to fight disinformation and marks another important step towards a more transparent, safe and trustworthy online environment.

UKRAINE'S EUROPEAN FUTURE

A touching moment of Ukraine's journey towards the European Union took place on 8 April 2022. President von der Leyen presented President Zelenskyy a questionnaire, aiming at gathering information about Ukraine's preparedness to

become EU candidate. Ten days later, Ukrainian authorities formally submitted the completed questionnaire. Through its Association Agreement, Ukraine is already closely aligned with the EU, and the process of regulatory and political approximation is being accelerated as much as possible while ensuring that all merit-based conditions are respected. On 17 June 2022, the European Commission provided its positive opinion on granting Ukraine, along with Moldova, **EU candidate status**, which was unanimously confirmed by the European Council on 23 June 2022. The European Council also recognised the European perspective of Georgia. It expressed readiness to grant Georgia candidate status once the priorities specified in the Commission's opinion on its membership application have been addressed.

The EU's direct support for the Ukrainian government is long-standing, with the EU, Member States and European financial institutions working together hand in hand. Since the start of the war, the EU has significantly stepped up its support, **mobilising EUR 9.5 billion to support Ukraine's overall economic, social and financial resilience** in the form of macro-financial assistance, budget support, emergency assistance, crisis response, humanitarian aid and military assistance under the European Peace Facility. A total EUR 2.2 billion in macro-financial assistance has already been fully disbursed between March and the beginning of August, as well as EUR 120 million in Budget Support. Moreover, on 27 April, the Commission proposed to suspend all remaining import duties on all Ukrainian exports to the EU for at least 1 year.

—
On 17 June 2022, the Commission provided its positive opinion on **granting Ukraine EU candidate status.**

In an extraordinary act of solidarity and ingenuity during the early days of the war, on 16 March 2022 the **electricity grids of Moldova and Ukraine** were successfully synchronised with the continental European electricity grid. This helped Ukraine keep its electricity system stable, warm homes and keep lights on during these dark times. It is also a milestone for the EU–Ukraine relationship, and now provides a literal connection between Ukraine and the EU.

But Russia's invasion of Ukraine has also had an economic impact in the EU itself. In this context, in March 2022, the Commission adopted a State Aid Temporary Crisis Framework to enable Member States to use the flexibility provided for under State-aid rules to **support the economy in the context of the Russian invasion**, while protecting the level playing field in the single market. As of today, the Commission has adopted 89 decisions on support for the economy in the current geopolitical crisis, for an estimated total approved amount of nearly EUR 430 billion. On 20 July 2022, the Commission adopted an amendment to the Temporary Crisis Framework. The amendments include new categories of aid to support Member States' efforts to become independent of fossil fuels.



In **Estonia**, Johanna-Maria Lehtme founded “Slava Ukraini”, which has delivered over 60 ambulances to Ukraine, filled with medical supplies and other assistance needed to save lives.

Hand in hand with the Ukrainian government, the Commission is already looking towards the future, towards **rebuilding a free and prosperous Ukraine anchored in European values**. In this spirit of solidarity, on 18 May 2022 the Commission put forward an ambitious vision for both the short-term relief and the long-term reconstruction of Ukraine, in the knowledge that a major global financial effort will be required to rebuild the country after the war. In order to address Ukraine's immediate needs, the Commission proposed on 7 September a further EUR 5 billion **macro-financial assistance** operation. This is the second part of the exceptional package of up to EUR 9 billion proposed by the Commission on 18 May.

Looking at the medium-term future of the country, the Ukrainian government and the Commission have proposed to set up the **Ukraine Reconstruction Platform**, which would organise and coordinate international partners and financial institutions in the implementation of the **'RebuildUkraine' reconstruction plan**. The plan sets out a clear European path for Ukraine, linking the EU's support for reconstruction to the implementation of wide-ranging reforms and anti-corruption measures.



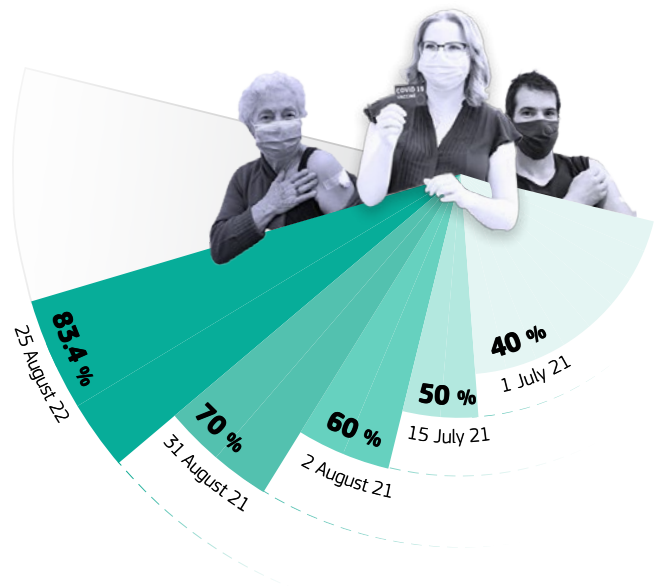
2. OVERCOMING THE PANDEMIC WITH SOLIDARITY AND SCIENCE

A PIONEER IN SAFE AND EFFECTIVE VACCINES AND TREATMENTS

The coronavirus pandemic has disrupted the lives of millions in Europe and around the world. The scale of the crisis was such that only as a Union we could provide the response our citizens needed. It was **Europe's moment to step in**, and it was a make-or-break moment for the European Union.

Since the early days of the pandemic, the European Commission has engaged on **three fronts**. First, we have worked to contain the spread of the coronavirus and to protect as many people as possible with vaccines. Second, we have responded to the economic shock with an unprecedented recovery plan, with investments and reforms. Third, we have stayed on course with our green and digital transition – because the pandemic has only accelerated the need for change. Today we can safely say that the EU has responded with competence, care and unity to the challenge of COVID-19.

83.4 % of the adult EU population has received primary vaccination (one or two doses) against COVID-19.



APPROVAL TIMELINE: safe and effective vaccines against COVID-19

BioNTech–Pfizer

21 December 2020

AstraZeneca

29 January 2021

Novavax

20 December 2021

Moderna

6 January 2021

Johnson & Johnson

11 March 2021

Valneva

24 June 2022



The first shipment of vaccines against COVID-19 arrives in Abidjan, Ivory Coast.

Thanks to the **EU vaccines strategy**, more than 1.7 billion doses of vaccines against COVID-19 have been delivered to all corners of Europe. A colossal **83.4 % of the adult population** in the EU has received primary vaccination (one or two doses) against the disease while 62 % have had an additional booster, and thousands of lives have been saved.

Early in the coronavirus pandemic, the Commission entered into **advance purchase agreements** with individual vaccine producers on behalf of the Member States. In return for the right to buy a specified number of vaccine doses within a given period and at a given price, the Commission financed part of the upfront costs faced by vaccine producers from the EUR 2.7 billion **Emergency Support Instrument**. By doing so, the Commission contributed to developing and manufacturing safe and effective vaccines in record time. It is thanks to this foresight that Europe has now tamed the worst pandemic in a century.

Since 2020, six vaccines against COVID-19 have been authorised, after passing the **most rigorous clinical trials and regulatory approval processes in the world**. In the past year, the European Commission has continued to build the world's largest, safest and most effective vaccine portfolios for people living in the EU. **Contracts for 4.2 billion vaccine doses have been concluded** with eight vaccine developers and manufacturers. In the case of new variants, if an adapted vaccine is authorised by autumn 2022, the EU will have access to deliveries in the form of adapted vaccines from BioNTech-Pfizer and Moderna. Should a new pandemic wave reach our continent, Europe will be ready for it.

Protecting the health of citizens requires more than vaccines – it requires treatments. COVID-19 patients need safe and effective treatments to fight the infection, improve their prospect of a swift recovery, reduce hospitalisations and, most importantly, prevent loss of life. The **EU strategy on COVID-19 therapeutics** is supporting the development and availability of medicines, including for patients recovering from COVID-19.

In October 2021, the Commission established a portfolio of 10 potential COVID-19 therapeutics, after screening 82 therapeutic candidates in late-stage clinical development, taking into account that different types of products are needed for different patient populations and at different stages and severities of the disease. By May 2022, **eight treatments for COVID-19 were authorised**. Several joint procurement contracts for COVID-19 medicines have also been concluded with manufacturers to facilitate Member States' access to COVID-19 treatments.

GLOBAL LEADERSHIP IN VACCINE SOLIDARITY

From day one of the coronavirus pandemic, the Commission has been committed to international cooperation in fighting the pandemic. We made the choice of solidarity not only within Europe, but also with the rest of the world. The EU is the single biggest supplier of vaccines against COVID-19 in the world, and one of the lead COVAX (the COVID-19 Vaccine Global Access Facility) donors to developing countries. Between November 2020 and July 2022, the EU exported **over 2.4 billion doses of vaccines against COVID-19 to a total of 168 countries**, of which 478 million doses were donated to countries in need, in particular across Africa, mostly through COVAX.

The **EU–African Union Summit** in February 2022 saw the launch of the Global Gateway Investment Package for Africa. The health component of the package includes at least EUR 425 million to ramp up the pace of vaccination on the continent. During May 2022's **Second Global COVID Summit**, and in view of the changed supply–demand situation for vaccines, President von der Leyen announced the adaptation of the EU's efforts towards supporting the most efficient use of available doses. This includes a EUR 450 million pledge to the Global Pandemic Preparedness Fund, subject to agreement on the Fund's governance. This illustrates the strength of the **EU–US agenda for beating the global pandemic**: vaccinating the world, saving lives now and building back better global health security.

In the medium term, over EUR 1 billion from the EU budget and from Member States will be used **to boost manufacturing capacity in Africa and access to vaccines, medicines and health technologies** in support to African Union's goal of manufacturing locally 60 % of the vaccines used on the continent by 2040, while strengthening local pharmaceutical systems.

In September 2021, with EU support, the global World Health Organization **mRNA Technology Transfer Hub** was established in South Africa. At the regional level, the EU is supporting the launch of the African Medicines Agency with know-how and funding. At the national level, the focus is on increasing production capacity and creating the right ecosystem for investment in frontrunner countries, including Ghana, Rwanda, Senegal and South Africa.

In June 2022, the EU and Member States, led by Spain, also launched a partnership with Latin America and the Caribbean to support local manufacturing of vaccines, medicines and other health technologies, and to strengthen the resilience of health systems there.

Finally, the EU has been at the forefront of the work on **a global trade response to the coronavirus pandemic**. During the World Trade Organization's 12th Ministerial Conference in June 2022, members agreed to waive certain intellectual property obligations concerning vaccines against COVID-19 based on a text successfully negotiated by the EU with India, South Africa and the United States.

RE-OPENING EUROPE, AND THE WORLD

The coronavirus pandemic is the first pandemic to be fought in the digital age. The **EU Digital COVID Certificate** has been a crucial innovation in Europe's response, and has rapidly become a global standard. Adopted on 14 June 2021, the system set out a common framework for issuing, verifying and accepting vaccinations against COVID-19, test and recovery certificates to facilitate free movement. Since the regulation started to apply, more than 2 billion certificates have been issued across the EU.



In 2020, the 6-year-old Adam King from **Ireland**, who suffers from a brittle bone condition, decided he wanted to send a virtual hug around the world as a symbol of hope during the coronavirus pandemic. His idea travelled far and wide and helped us to collectively heal.

With this system, the **EU developed a global standard**: 48 non-EU countries and territories across five continents have joined the system, on top of the 27 Member States. As such, the EU Digital COVID Certificate has not only been key to upholding the fundamental right to free movement within the EU in the context of the restrictions put in place to slow down the spread



of COVID-19, but also contributed to the resumption of safe international travel. As of August 2022, more than 1.6 billion people worldwide can use EU Digital COVID Certificates for their international travel.

Due to the ongoing uncertainty relating to the evolution of the pandemic it was agreed to extend the application of the EU Digital COVID Certificate Regulation until 30 June 2023, as proposed by the Commission.

The use of the EU Digital COVID Certificate has gone hand in hand with **Re-open EU** – a web and mobile application that helps Europeans find up-to-date information on travel and health measures in European countries in 24 languages. Re-open EU has become the **most widely used mobile application ever produced by the EU institutions**, with almost 4 million downloads and almost 43 million visitors.

To ensure that national contact-tracing apps could talk to each other across borders, the Commission launched a European interoperability gateway service. By autumn 2021, **19 Member States were exchanging risk contact information through the European gateway**, with their national apps having been downloaded over 70 million times. These downloads correspond to 23 % of the population in the connected Member States. These national apps and the European gateway were designed as temporary tools to be discontinued once the pandemic is over. So far, nine Member States have discontinued their mobile apps.

In addition to reopening Europe to internal and external travel, and building on the early experience of the **green lanes** approach meant to keep goods being transported and delivered to consumers across borders throughout the pandemic, in May 2022 the Commission presented the **EU transport contingency plan**. It aims to strengthen the resilience of the European transport sector in times of crisis.

Finally, we have also strengthened our trade policy with our communication – **an open, sustainable and assertive trade policy** – adopted in February 2021. The openness pillar of our trade policy remains of critical importance

to the EU's economic and geopolitical ambitions. Open, rules-based trade supports jobs and growth in the EU, while helping to build resilient and diversified supply chains, and securing access to the goods and raw materials that we need to avoid harmful dependencies. And in line with our new assertive approach in defending and promoting the interests of our businesses and consumers, we have put in place autonomous tools such as the **International Procurement Instrument and the Foreign Subsidies Regulation** which is a new instrument to address potential distortive effects of foreign subsidies in the single market.

BUILDING A STRONG EUROPEAN HEALTH UNION

This is the first pandemic to have taken such a heavy toll in Europe since the birth of the European Union. But we could face similar outbreaks in the future. Because of the loss of biodiversity and climate change, other zoonotic viruses could leap from animals to humans. In the event of another pandemic, we must be sure that all European countries are equally prepared and responsive. This is a clear lesson that the pandemic has taught us, and it is one of the main reasons why the von der Leyen Commission has laid **the foundations of a European Health Union**.



The European Health Union is the next step on the path towards a better EU. It is designed to better protect the physical and mental health of EU citizens, equip the EU and its Member States to prevent and address future pandemics, and strengthen the resilience of Europe's healthcare systems.



The most immediate focus of the European Health Union is crisis preparedness and response. The **regulation on serious cross-border threats to health**, which will provide a legal framework within which the EU can react rapidly to cross-border health threats, is being finalised by the European co-legislators.

The **new Health Emergency Preparedness and Response Authority (HERA)**, established in September 2021 on the occasion of that year's State of the Union address, is contributing to the development, production and stockpiling of medicines, vaccines and other medical countermeasures – such as personal protective equipment – that were often lacking during the first phase of the coronavirus response. HERA will contribute to better **prevention of, detection of and rapid response to health emergencies** at the EU level and globally. In its first year of activation, HERA has established an expert group on COVID-19 variants to monitor mutations, made vaccine purchases against monkeypox, set up the **EU FAB** – a network of 'ever-warm' production capacities for vaccine and medicine manufacturing that can be activated in case of future crises – and begun stockpiling equipment and drugs against chemical and nuclear threats.

—

With the new **European Health Data Space**, the Commission is taking a historic step towards digital healthcare in the EU.

Rapid response to variants is possible because, early in the pandemic, the Commission called on Member States to increase genome sequencing and monitor the presence of variants to at least 5 %, and preferably 10 %, of positive test results, and provided EUR 110 million in support through the **European Centre for Disease Prevention and Control**. With an additional EUR 123 million from the EU's research and innovation programme

– Horizon Europe – the EU has significant capacity for monitoring the emergence of new variants.

The pandemic has had and continues to have a major impact on patients, medical and healthcare staff and health systems in Europe. **The EU4Health programme** goes beyond crisis response to address healthcare systems' resilience. Learning from the successes of the pandemic response, EU4Health is investing EUR 5.3 billion in measures with EU added value and helping Member State health systems build extra capacity and recover from the pandemic.

The **pharmaceutical strategy for Europe**, adopted in November 2020, presents concrete initiatives to ensure access to safe, high-quality, affordable medicines for patients, and addressing unmet medical needs, while facilitating scientific and technological innovation. It also aims to enhance **security of supply**, address shortages and promote the strategic autonomy of the EU so that we can provide medicines, including in times of crisis. In March 2022, the mandate of the European Medicines Agency was strengthened to provide for better monitoring and mitigation of shortages of critical medicines.

A flagship initiative of the health union is **Europe's beating cancer plan**. With EUR 4 billion in funding, including EUR 1.25 billion from the EU4Health programme, the plan is already strengthening cancer prevention, research and patient care. The Commission has begun establishing European cancer centres and

networks in every EU Member State, for cross-border cooperation. On World Cancer Day in February 2022, the Commission launched a new Cancer Registry, which tracks Member States' progress in fighting cancer and sets priorities for cooperation.

With the new **European Health Data Space**, the Commission is taking a **historic step towards digital healthcare** in the EU. With this proposal, the Commission is empowering citizens in giving them full control over their health data and enabling better healthcare across the EU. It will also foster a genuine European single market for digital health services and products. It will do so by offering a consistent, trustworthy and efficient framework to use health data for research, innovation, policymaking and regulatory activities, while ensuring full compliance with the EU's **high data protection standards**. This will be invaluable for scientists, researchers, innovators and policymakers working on innovative life-saving treatments.

Thanks to safe and effective vaccines, high vaccination rates, effective treatment options, digital innovations like the EU Digital COVID Certificate, a stronger European Centre for Disease Prevention and Control supported by the new HERA, emergency stockpiles of medical supplies and a comprehensive testing capacity, the EU has built **world-class resilience to the coronavirus pandemic and future health crises**.



3. LEADING THE GREEN, DIGITAL AND FAIR TRANSITIONS

NEXTGENERATIONEU: A HISTORIC OPPORTUNITY

At the start of the von der Leyen Commission, we set a new and ambitious course for the European Union: to build a greener, digital and socially just Europe. **COVID-19 and Russia's aggression against Ukraine have confirmed that our course of action was right.** The lockdowns sped up our economies' digital transition, and we saw years' worth of digital innovation and transformation in the space of a few weeks. The pandemic has also shown the need to mend our relationship with our planet, and many Europeans rediscovered the importance of nature in their life. Moreover, the Kremlin's energy blackmail has added yet another reason to break free from our dependency on Russian fossil fuels. United in solidarity, the EU is not just beating the virus, restarting its economies and supporting Ukraine, it is also confidently investing in a strong and sustainable future for the next generation of Europeans.

This is the promise of **NextGenerationEU, Europe's historic recovery plan.** It is worth over EUR 800 billion, and combined with the EU's long-term budget towards 2027, the European stimulus package totals over EUR 2 trillion. By the spring of 2022, the Commission's had

—
So far, more than EUR 100 billion has been disbursed to Member States under the **Recovery and Resilience Facility.**

approved nearly all Member States' recovery and resilience plans. Nearly 40 % of investment is committed to climate measures, and more than 26 % to the digital transition. The recovery and resilience plans also include **a wealth of structural reforms** that will have a long-lasting impact and accelerate the green and digital transitions. So far, more than EUR 100 billion has been disbursed to Member States under the Recovery and Resilience Facility. The Commission estimates that the stimulus from NextGenerationEU investment could **boost the EU's economic growth** by 1.5 % by 2027 and help create 2 million new jobs.

EUR 800 billion
NextGenerationEU
recovery plan

40 %
of investment
committed to
climate measures

26 %
of investment
committed to the
digital transition

NextGenerationEU is investing in renewable energy to **speed up the green transition** and, in light of Russia's invasion of Ukraine, make the EU independent from Russian fossil fuels well before 2030, thanks to the REPowerEU plan. We are investing in greener cities with restored nature, and a connected countryside, with high-speed internet. We are investing in Europe's high-tech industrial base, from green steel to renewable batteries and microchips. And we are investing in equal and high-quality educational and professional opportunities for young people across the European Union.

To finance NextGenerationEU, the Commission is on track to become **the largest issuer of green bonds** in the world to finance green policies. Up to EUR 250 billion of the funding will be raised via NextGenerationEU green bonds, or 30 % of NextGenerationEU. The disbursement of funds by the Commission under the Recovery and Resilience Facility is also on track, and depends on Member States implementing the agreed commitments, including structural reforms, such as encouraging innovation or defending the rule of law. **Civil-society organisations, local and regional stakeholders, and social and economic partners** are helping to steer investment to where it is most needed.

Sustainable finance is at the heart of the green and digital transitions. Since the Commission adopted its ambitious and comprehensive **sustainable finance package** in April 2021, the EU is the global leader in setting environmental, social and governance standards in financial markets. The **EU Taxonomy** is creating a first-of-a-kind classification system for sustainable activities. To combat greenwashing, the Commission is also updating EU law on **corporate sustainability reporting**, which requires large companies to disclose information on their operations. Combined with reforms to capital markets, the Commission is building a **single**

market for capital, not just to channel private investments into the green and digital transitions, but to benefit consumers, investors and companies with deep, efficient and reliable sources of funding, regardless of where they are located in the EU.

THE FIRST CLIMATE-NEUTRAL CONTINENT, BY 2050

The **European Green Deal** is Europe's roadmap to become the first climate-neutral continent, by 2050 and to implement the 2030 Agenda for Sustainable Development. From the pandemic to Russia's war against Ukraine, the European Commission has stayed on track and even doubled down on the green transition, as we are doing again with **REPowerEU**. Not only does the health of people living in the EU depend on the health of our planet, but the EU's energy security also depends on the massive shift towards renewable energy. The green transition is a generational opportunity to improve the well-being and resilience of our citizens, wildlife and the planet.

Since the von der Leyen Commission presented the European Green Deal, only 10 days into its mandate, the EU has accelerated action to cut greenhouse gas emissions, invest in green technologies and protect the natural environment. Thanks to the **Climate Law**, we have cast our 2050 ambition into binding EU law. The Climate Law also sets an intermediate target of reducing net greenhouse gas emissions by at least 55 % by 2030, compared to 1990 levels.

Reducing net greenhouse gas emissions
by **AT LEAST 55 %** by **2030**



The **Fit for 55** package, presented by the Commission in summer 2021, includes the concrete steps needed to achieve our ambition. The European Green Deal is the most comprehensive transformation plan in the world. Europe has the vision and targets, with NextGenerationEU we have the investment and now is the **time to accelerate implementation**, through the following instruments:

The Commission published in March 2021 an **action plan for the development of the organic sector** to support the EU farmers in reaching the target of 25 % of agricultural land under organic farming and a significant increase of organic aquaculture by 2030. The action plan puts forward concrete actions to boost both consumption and production of organic products, combined with further increasing the sustainability of the sector.



In January 2022, the Commission adopted the new **Guidelines on State aid for climate, environmental protection and energy** ('CEEAG'), which create a flexible, fit-for-purpose enabling framework to help Member States provide the necessary support to reach the European Green Deal objectives in a targeted and cost-effective manner.

Also in March 2022, the Commission presented a package of proposals to make **sustainable products** the norm on the EU market. New rules make products more durable, reusable, upgradable, repairable, recyclable, and energy and resource efficient. The proposals build on existing eco-design requirements, which in 2021 alone led to a 10 % lower annual energy consumption for consumer products, like household appliances,

and saved EU consumers EUR 120 billion. As part of the new package, the Commission also presented plans to make textiles more durable, repairable and recyclable, along with new rules to empower consumers in the green transition, ensuring that they are better informed about the environmental sustainability of products and better protected against greenwashing.

In June 2022, the Commission presented two new laws to **bring nature back across the EU**. The proposed nature restoration law is a key step in preventing the worst impacts of climate change and biodiversity loss by focusing on **restoring EU wetlands, rivers, forests, grasslands, marine ecosystems and urban environments**, and the species they host. Newly proposed rules on chemical pesticides will **reduce pesticide use by 50 % by 2030**, reduce the environmental footprint of the EU's food system, protect the health and well-being of citizens and agricultural workers and help mitigate economic losses caused by declining soil health and pesticide-induced pollinator loss. This is part of the EU's objective to legally protect a minimum 30 % of its land areas and 30 % of its sea areas by 2030, as set out in the EU's biodiversity strategy for 2030. The Commission has also made a proposal to ban goods and commodities that drive deforestation in other parts of the world from entering the EU single market.

For Europe's green transition to be a success, we need **the support and active engagement of**

citizens and businesses across the European Union. The European Green Deal therefore includes a **European climate pact**, bringing together citizens across the EU to act together for climate and sustainability as volunteer ambassadors.

The need for bottom-up, co-creative solutions to climate change is also why President von der Leyen, in her 2020 State of the Union address, launched the **New European Bauhaus**, a movement to make the green transition a sustainable, beautiful and inclusive experience for citizens in their everyday lives. In September 2021, the Commission announced the 20 winners of the New European Bauhaus Awards and the New European Bauhaus Rising Stars. To provide a public space for the growing community, the Commission launched the **New European Bauhaus Lab** in spring 2022 and the Festival of the New European Bauhaus in the summer. The lab supports the community in testing the tools, solutions and policy measures that will facilitate the transformation on the ground. The Commission's new research centre in Seville is also putting these ideas into practice: the building will not only be fully carbon neutral, but also energy positive. The New European Bauhaus shows that the European Green Deal is about more than finding inspiring effective solutions to climate change; it is about **improving people's lives in the way we design and build our homes, towns and cities**.

REDUCE pesticide use
by **50 %** by **2030**



—
The **New European Bauhaus** is a movement to make the green transition a sustainable and inclusive experience for citizens in their everyday lives.



On the global stage, at the United Nations Climate Change Conference (**COP26**) in Glasgow in November 2021, the European Union pushed for significant progress on the implementation of the **Paris Agreement**, ensuring that the global ambition of limiting global warming to 1.5 °C remains within reach. As a highly innovative and industrialised region, **the EU's leadership is inspiring others around it to follow**. In Glasgow, the Commission pledged EUR 1 billion to protect the world's forests, which are essential for mitigating climate change and protecting biodiversity. Our pioneering Just Energy Transition Partnership with South Africa is helping it exit from coal, and will serve as a model for climate and technology cooperation with other partners, including Vietnam. The EU and its Member States remain the biggest contributor of **public climate finance** to developing economies. And our Green Alliance with Japan reaffirms our close cooperation with democracies to become climate-neutral by 2050.



Maria Teresa Ferres, stemming from five generations of **Catalan** fishermen, founded the cooperative "Sea of Women", which promotes ethical engagement with the sea and the visibility of the role of women in the fisheries sector.

In June 2022, the Commission **anchored sustainability criteria firmly into its bilateral trade deals**. This matters because the EU is the number-one trading power in the world. Following a review of the sustainable development aspects of our trade agreements, the EU will work more closely with its trade partners to enforce and implement core sustainability criteria, notably the Paris Agreement and labour conventions of the International Labour Organization. The EU-New Zealand Trade Agreement, concluded on 1 July 2022, is early proof of our new ambition. The agreement includes state of the art provisions on trade and sustainability, including sanctions linked to respect of the Paris Agreement.

Also in June, at the World Trade Organization's 12th Ministerial Conference, the EU helped secure a **landmark agreement to tackle harmful fishing subsidies** worldwide. The agreement will ban subsidies for illegal, unreported and unregulated fishing and overfished stocks, two scourges emptying our oceans. To enforce this, and lead a collective global approach to protect and restore the high seas, the Commission unveiled its new International Ocean Governance agenda. We are preserving our oceans for future generations.

ADVANCING EUROPE'S DIGITAL DECADE

The EU is a global pioneer in the path towards a safe and trusted digital world. The coronavirus pandemic has proved the benefits of digitalisation in our everyday lives, and why **Europe's human-centred digital transition** is the right way forward. The freedom to connect with friends and family across borders must be a right, not a privilege. The freedom to work or study remotely is fast becoming a reality for many Europeans, opening up new possibilities for young families, businesses and rural communities. The growth of our personal and professional lives online should be accompanied by increased protection online of our fundamental rights and data.

In January 2022, the Commission proposed a draft **European declaration on digital rights and principles**. The European Parliament and



the Council have joined the Commission to negotiate the final text, to be adopted by all three institutions. This proposal follows a number of major pieces of EU legislation that are building a safer and freer digital space, in Europe and beyond.

The Commission released its highly anticipated draft **artificial intelligence (AI) act** in April 2021. It represents the world's most forward-looking attempt to regulate AI technologies, setting out a risk-based cross-sectoral regulatory approach to the use of AI systems in the EU and its single market. The Commission wants to make AI rules consistent across the EU and thereby ensure legal certainty, encourage investment and innovation in AI and build public trust that AI systems are used in ways that respect European values and fundamental rights.

The Commission's **Data Governance Act**, agreed with the European Parliament and Council in autumn 2021, increases trust in data sharing. It was complemented in February 2022 by a proposal for a **data act**, setting out new rules on who can use and access data generated in the EU across all economic sectors. The Commission is also establishing common European data spaces in strategic domains, involving private and public actors.

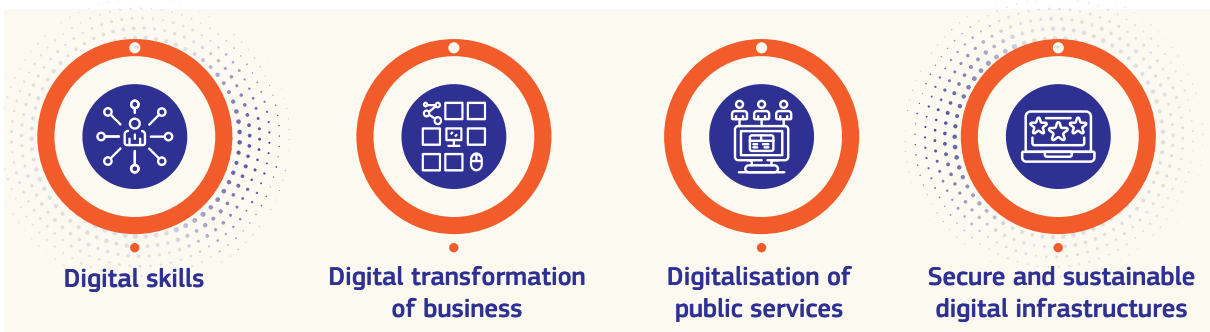
In a milestone in March 2022, the EU's co-legislators reached an agreement on the **digital markets act**, which regulates the activities of large digital platforms, or 'gatekeepers', to ensure that the European digital single market is open and fair. These gatekeepers will be subject to a number of clearly defined obligations and prohibitions that prevent large digital companies from abusing their market power and allow new players to enter the market. With the digital

markets act, the Commission will be the world's first enforcer of big tech market regulation covering numerous practices and digital services.

Another milestone agreement was reached in April this year on the **digital services act**, a world-first in the field of digital regulation. This act follows the principle that what is illegal offline must also be illegal online: very large online platforms and search engines will be subject to more stringent requirements to protect their users from illegal content, goods and services. Moreover, online platforms and search engines will be required to assess and mitigate the broader harms that their activities and algorithms may pose to fundamental rights, children's well-being and civic discourse. Both the digital markets act and the digital services act were adopted by the European Parliament plenary in early July, will enter into force this year, and be applicable during 2023.

A human-centred digital transition is the foundation on which the **four pillars** of Europe's Digital Decade stand: empowering citizens with digital skills; digitalising businesses; digitalising public services; and strengthening digital infrastructure. Agreed with the European Parliament and the Council in July 2022, the **Path to the Digital Decade Policy Programme** set concrete targets along this four pillars and established a robust implementation mechanism. Within the EUR 250 billion boost to digitalisation from NextGenerationEU, Europe is advancing on

President of the European Commission Ursula von der Leyen visits the Advanced Semiconductor Materials Lithography (ASML) company in Eindhoven, the Netherlands.



all four pillars. For example, this year the Commission will adopt its proposal for a **connectivity infrastructure act** to promote more efficient and faster deployment of very-high-capacity electronic communications networks, including fibre and 5G, across the EU.

The **European chips act** proposal, adopted by the Commission in February 2022, is a flagship project for the EU's transformation. There is no digital future without chips. They are in our phones, computers, cars, medical devices and all connected appliances. The ongoing supply-chain disruptions caused by the pandemic have reinforced the need to invest, building on Europe's world-class semiconductor research base to return to the cutting edge of design and production. The EU and Member States are mobilising EUR 43 billion in public investment, and this has already attracted the largest chip manufacturer in the United States to invest EUR 19 billion in the EU.

The European chips act proposal is a flagship project of Europe's transformation.

In parallel, the Commission adopted a revised communication on State-aid rules for **important projects of common European interest** to support major cross-border infrastructure investment in breakthrough innovations, for example for the battery value chain.

Two emerging frontiers of the digital transition are finance and space, and here too the EU is a pioneer. In January 2021, the Commission and the European Central Bank agreed to work together to analyse various design options and the related regulatory implications of the **digital euro**. A digital form of central bank money, it

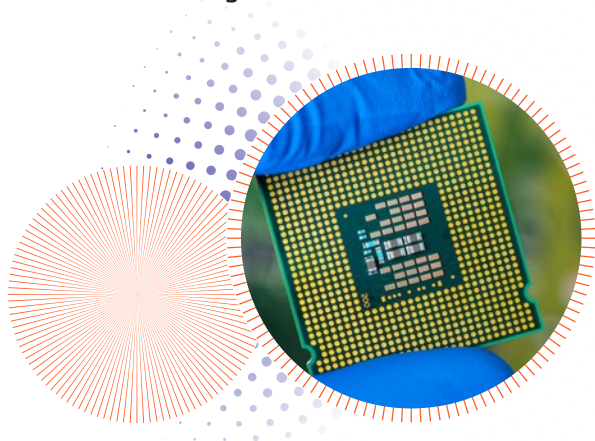
would offer greater choice to consumers and businesses. Taking into account digitalisation, rapid changes in the payments landscape and the emergence of crypto-assets, the digital euro could complement cash and respond to new payment needs.

To preserve financial stability, while allowing innovation and fostering the attractiveness of the crypto-asset sector, the EU is the first regulator in the world to protect its citizens against some of the risks associated with crypto-asset investments. In June 2022, EU co-legislators reached a landmark agreement on the Commission's proposed **crypto-assets regulation**.

The EU's **space programme** already provides prized data and services for a wide array of daily applications, for example to support commercial transportation and personal navigation, precision agriculture and solutions to climate change. In February 2022, the European Commission proposed two new flagship initiatives to boost **satellite-based secure connectivity** and **space traffic management**.

The **EU-US Trade and Technology Council**, established in June 2021, offers an effective platform for the European Union and the United States to coordinate their approaches and deepen cooperation on key digital, technological, economic and trade issues. It held its first meeting in Pittsburgh, Pennsylvania, on 29 September 2021, and the second in Paris-Saclay, France, on 16 May 2022. The EU and US co-chairs built on strong foundations and announced new initiatives on supply chains, food security, emerging technology, digital infrastructure and trade. These initiatives will reinforce our shared democratic values and bolster transatlantic global competitiveness, benefit workers and families on both sides of the Atlantic and shape the global digital and technological transition.

In addition, in April 2022 President von der Leyen and India's Prime Minister Narendra Modi agreed to establish an **EU-India Trade and Technology Council** to tackle key trade, economic and technology challenges and advance cooperation in these areas. The European Union is working



with like-minded partners across the world to shape global rules in the digital sphere. We are upgrading digital relationships with key partners, to set the rules for digital trade, linking this to the projection of our internal reforms. A digital partnership has been concluded with Japan at the EU-Japan summit in May 2022, and similar negotiations are ongoing with Singapore and South Korea.

WORLD-CLASS RESEARCH AND INNOVATION

With EUR 95.5 billion in funding for the period up to 2027, **Horizon Europe** is the largest transnational research and innovation programme in the world. Both the green and the digital transitions in Europe depend on world-class research and innovation. The Commission launched **five EU research and innovation missions** in September 2021, to come up with concrete solutions to some of our greatest challenges.

On 14 October 2021, the **European Innovation Council**, a flagship initiative of Horizon Europe, selected 65 innovative start-ups and small and medium-sized enterprises to receive EUR 363 million in funding for breakthrough innovations in healthcare, digital technologies, energy, biotechnology, space and other areas.

Another 99 start-ups were selected in December 2021 to receive up to EUR 627 million. In June 2022, the Commission launched a EUR 20 million European Innovation Council support action for at least 200 deep-tech start-ups from Ukraine, and selected another batch of 74 innovative start-ups and SMEs. They are set to receive EUR 382 million.

The new **European innovation agenda** was adopted in July 2022, and included five major flagship programmes to make the EU the global leader in deep-tech innovation. It has the potential to mobilise around EUR 45 billion from private institutional investors to support scale-ups. In addition, the agenda will establish a programme to train 1 million individuals in deep-tech skills, in particular deep tech fields ranging from new materials and synthetic biology to cleantech.

The Commission is also strengthening efforts to pioneer green technology projects with the launch of the **EU-Catalyst**, a new partnership aimed at boosting and scaling-up investments in high-impact EU-based projects in critical climate technologies expected to enable the future net-zero economy (green hydrogen, sustainable aviation fuels, direct air capture and long-duration energy storage). The partnership was launched at COP26, with the potential to mobilise up to EUR 840 million by 2026 and to help deliver European Green Deal ambitions and the EU's 2030 climate targets.

MISSION AREAS



Soil health and food



Adaptation to climate change, including societal transformation



Fighting cancer



Climate-neutral and smart cities



Healthy oceans, seas, coastal and inland waters

Scientists backed by the **European Research Council** won top international prizes in medical research, astrophysics, mathematics as well as two Nobel Prizes in Chemistry and in Physics over the past year. Recent surveys showed that the European Research Council funded hundreds of research projects key to EU climate action, health policies, and digital transformation, while more than one in ten grantees launched start-ups or transferred the results of their research to other companies.

Additionally, with support from Horizon Europe, the EU will more than double the number of **hydrogen valleys** from the current 21 to 50 by 2025, leveraging more investment from industry and Member States. The EU will also extend the existing hydrogen valleys network to other parts of the world by developing 100 hydrogen valleys world-wide with Mission Innovation (the global initiative to accelerate clean energy innovation through action-oriented cooperation). Furthermore, the Commission has granted approximately EUR 4 million under the Erasmus+ programme to support a long-term partnership between industry and education to develop the necessary **skills for the hydrogen economy** and make them available to all education institutes.

After the Russian invasion of Ukraine, the EU terminated the ongoing participation of Russian public entities and related bodies in the EU research and innovation programmes, excluded future cooperation with all Russian legal entities, and launched support measures for the research community of Ukraine. **Ukraine is already eligible for EU funding under Horizon Europe.** The Commission has already launched a

dedicated scheme worth EUR 25 million to support Ukrainian researchers through the Marie Skłodowska-Curie Actions. The **MSCA4Ukraine scheme** will provide fellowships for doctoral candidates and post-doctoral researchers to continue their work at academic and non-academic organisations in the EU and Horizon Europe Associated countries.

LEAVING NO EUROPEAN BEHIND

Social justice must be at the heart of the green and digital transitions, reflecting **the values of the European social market economy**. That is why the von der Leyen Commission created the **Just Transition Mechanism**, which will mobilise up to EUR 55 billion by 2027 for the most affected regions of the EU. It has also proposed a **Social Climate Fund**, to be financed directly by the revenues generated from the European emissions trading system, to help the most vulnerable households in our society manage their energy and transport bills.

In June 2022, the Parliament and the Council reached a historic agreement on the **directive on adequate minimum wages.**

The EU's response to the pandemic, and now to Russia's war on Ukraine, is working thanks to a combination of short-term flexibility and long-term vision. This flexible approach, based on European social market values, is embodied by the Commission's programme of support to mitigate unemployment risks in an emergency (**SURE**). SURE helped employers keep employees at work by paying their salaries during the lockdowns. EUR 92 billion of financial assistance was disbursed to 19 Member States for the direct benefit of the recipients. In 2020 alone, SURE



SURE supported almost 30 % of total employment and one quarter of total firms in the 19 BENEFICIARY COUNTRIES



supported around 31 million people in the EU and 2.5 million firms. SURE supported almost 30 % of total employment and one quarter of total firms in the 19 beneficiary countries. In 2021, SURE continued to protect jobs while laying the groundwork for a robust economic recovery.

Today, the EU has its strongest labour market in decades. Between the beginning of 2021 and the beginning of 2022, **almost 6 million jobs were created in the EU**. As the economy recovered, Member States gradually moved from emergency short-term work schemes to forward-looking measures in labour markets, in line with the Commission's recommendation on effective active support to employment (**EASE**). Despite the serious economic impact of Russia's war against Ukraine on certain sectors, so far, employment figures in the EU have remained largely unaffected, and unemployment has reached record-low levels (at 6.0 % in June 2022). While increased economic uncertainty prevails, current projections show that employment should continue to grow in 2023.

Another tool to bring about a shared recovery across the EU, especially to **boost growth in less-developed regions**, was the recovery assistance for cohesion and the territories of Europe (**REACT-EU**) initiative. Cohesion policy funds received a significant top-up worth over EUR 50 billion. REACT-EU was the very first instrument to be used under **NextGenerationEU**,

with the first payment made as early as June 2021. This quick action softened the impact of the pandemic crisis and provided a bridge to the long-term recovery plan. REACT-EU supports enterprises and business development, strengthens healthcare systems, finances training programmes, employment schemes, and provides school equipment and material assistance for those most in need.

State aid was also an important part of the Commission's economic response to the pandemic. Since the start of the crisis, the Commission has adopted more than 1 430 State-aid decisions, approving nearly 1 010 national measures for an estimated total amount approved of around EUR 3.2 trillion. The State Aid COVID Temporary Framework was phased out on 30 June 2022.

In November 2021, the Commission adopted a communication on a **competition policy fit for new challenges**, which highlights the important role of competition policy in Europe's journey towards recovery, the green and digital transitions and a resilient single market. The communication highlights the inbuilt ability of competition policy to adapt to new market circumstances, policy priorities and customer needs. Furthermore, the Commission is currently pursuing a review of competition policy tools to make sure all competition instruments (merger, antitrust and State-aid control) remain fit for purpose and complement its existing toolbox.

As the pandemic has proved, a strong social market economy that puts people's well-being first is the most resilient model for a technologically driven post-pandemic world. The **European Pillar of Social Rights** action plan, adopted in March 2021, proposed three ambitious EU headline targets for 2030 in the areas of employment, skills and poverty reduction, welcomed by EU leaders at the Porto Summit. With a total budget of EUR 99 billion, the **European Social Fund** is a key financial instrument for implementing the European Pillar of Social Rights. In June 2022, all Member States submitted their national targets, demonstrating their commitment to delivering on the promises made at the **Porto Summit**.

2030 headline targets set in the European Pillar of Social Rights Action Plan

at least

78 %

of the population aged 20 to 64 should be in employment by 2030

at least

60 %

of all adults should be participating in training every year by 2030

a reduction of at least

15 million

in the number of people at risk of poverty or social exclusion

The **European skills agenda**, presented in July 2020, is a 5-year plan to help individuals and businesses develop more and better skills, fill in job gaps and thrive in the greener, more digital economy. The pact for skills, launched in November 2020, brings together companies, workers, local authorities, social partners, training providers and employment services to identify what skills will be needed in different sectors and to make commitments to reskill workers. So far, more than 700 organisations have signed up to

the pact and 12 large scale partnerships in strategic sectors have been set up, with pledges to help upskill up to 6 million people.

The Council adopted recommendations on **individual learning accounts and micro-credentials** in June 2022. And to ensure that Europe continues to be world class in education, the Commission has launched a **European strategy for universities** that will greatly improve the competitiveness of our higher education systems through larger and deeper transnational cooperation. This will create better conditions for talent to flourish in the knowledge-based society.

In June 2022, the Parliament and the Council reached a **historic agreement on the directive on adequate minimum wages**, proposed by the Commission in October 2020. This law has been a priority for the von der Leyen Commission from the start, and will help improve the adequacy of minimum wages and increase the access of workers to minimum wage protection across the EU.

To protect workers against new challenges linked to the digitalisation of the world of work, the Commission proposed a **directive on improving the working conditions in platform work** in December 2021. The proposal aims to ensure that people working through digital labour platforms are granted the legal employment status that corresponds to their actual work arrangements and can enjoy the labour rights and social benefits they are entitled to. It also tackles the complex issue of algorithmic management on platforms to ensure there is human oversight and transparency.

Also in December, the Commission presented an **action plan for the social economy**. Enhanced support for the social economy not only creates jobs, but also allows organisations to increase their social impact across the EU. The action plan smooths the way for social-economy organisations to prosper and grow by increasing

When Russia attacked Ukraine, the **Romanian** business community came together to launch **jobs4ukr.com**, a platform to help Ukrainian refugees find employment across the EU.

their visibility, putting in place the right policy and legal frameworks and helping them start up and scale.

Globally, the EU and its Member States are front runners in corporate tax reform. In 2021, following the signature of an international agreement by 137 countries on a 15 % effective tax rate, the Commission proposed a directive ensuring a minimum effective tax rate for the global activities of large multinational groups. The proposal delivers on the EU's pledge to move extremely swiftly and to be among the first to implement the **historic global tax reform agreement**, which aims to bring fairness, transparency and stability to the international corporate tax framework.

EUROPE'S GLOBAL GATEWAY TO THE WORLD

In autumn 2021, President von der Leyen announced the **Global Gateway**, Europe's offer to a world that needs massive investment: investment in clean energy, in roads and bridges that are flood-proof and in buildings that can withstand extreme heatwaves; investment to prepare health systems for the pandemics of the future and to adapt farming to drier conditions; investment to equip our workers with skills that match the jobs of tomorrow; or investment in digital infrastructure, because the fuel of the new economy is data.

The Global Gateway will help make such investments possible – be they public or private. This will boost smart, clean and secure links in digital, energy and transport sectors and strengthen health, education and research systems across the world. The EU is therefore stepping up its offer to its partners **to support major infrastructure projects around the world**, with a focus on advancing the green and digital transitions. Team Europe aims to mobilise up to EUR 300 billion of investments by 2027, half of which in Africa.

The Global Gateway is based on **five principles**: sustainability; the expansion of human and social rights; good governance; security and crowding-

in of private investment. It is about giving countries a better, value-based choice. The EU will work closely with like-minded partners in rolling out this initiative.

Thanks to the Global Gateway, the EU is helping to build **two factories in Rwanda and Senegal to manufacture state-of-the-art mRNA vaccines**. Starting next year, these vaccines will be sold to African countries at not-for-profit prices. Similar work is also ongoing with Ghana and South Africa. The Global Gateway is also already **supporting the Great Green Wall**, to boost food production from Niger and Senegal to Ethiopia as a bulwark against food insecurity and climate change.

The EU invests heavily in establishing security, stability and prosperity in our European neighbourhood. For the **Western Balkans**, the EU has an economic and investment package of almost EUR 30 billion – one third of the region's global gross domestic product – ten flagship investments in the areas of sustainable transport, clean energy, environment and climate, digital future, the private sector and human capital. EU investment is also rapidly supporting the green energy transition in the Western Balkans and the phasing out of coal as the primary energy source. In 2022, the EU has also taken a key step to start accession negotiations with Albania and North Macedonia.



For the **Eastern Partnership**, the EU is mobilising investment of up to EUR 17 billion across all sectors. This includes digital connectivity projects, such as deploying a **fibre-optic cable under the Black Sea** and developing high-speed broadband infrastructure. We also want to establish transport lines facilitating the transport of people and goods between the Caucasus and the EU. Another EUR 30 billion is being invested in the Southern Neighbourhood, largely in renewable energy infrastructure.

The Global Gateway's investments are sustainable both for the environment and for our partners' finances. Our investments will always put people first. And in relation to this, we will always **co-design projects with our partners**, to make sure they deliver lasting benefits for local communities. Europe has a clear strategic interest in this. We have an interest in working together for our planet, making our neighbours and partners more resilient to all sorts of shocks and replacing unsustainable dependencies with more balanced interdependencies.

GLOBAL GATEWAY: 5 INVESTMENT PRIORITIES



DIGITAL

The EU will support open and secure internet



CLIMATE AND ENERGY

The EU will support investments and rules paving the way to the clean energy transition



TRANSPORT

The EU will support all modes of green, smart and safe transport



HEALTH

The EU will help strengthen supply chains and local vaccines production



EDUCATION AND RESEARCH

The EU will invest in high quality education, with a special focus on girls and women and vulnerable groups

4. THE PILLARS OF EUROPEAN DEMOCRACY

THE COMMISSION UPHOLDS DEMOCRACY AND THE RULE OF LAW

Democracy on the European continent is under attack. Russia's aggression against Ukraine is a war against democracy itself. It is a war against the idea that the people of Ukraine should be the only ones to take sovereign decisions about their own future. Our support for Ukraine stems directly from **our democratic values**. When the people of Ukraine look at our Union, they see democracy, human rights, the rule of law and individual and economic freedom. This is what the European Union stands for today. Yet our democracy cannot be taken for granted. It must be nurtured and taken care of every day. This is what the von der Leyen Commission has strived for since the start of its mandate.

Representative democracy also needs constant rejuvenation. In November 2021, the Commission presented a **proposal on the transparency and targeting of political advertising**, as part of measures aimed at protecting election integrity and open democratic debate announced under the European democracy action plan. The proposed rules would require any political advert to be clearly labelled as such and to include information such as who paid for it and how much. The Commission also proposed to update the current EU rules on European political parties

and foundations, and those concerning EU 'mobile citizens' (living in an EU country other than their nationality). While there are around 13.5 million such citizens, few exercise their right to vote in European and municipal elections. The new proposals will make it easier for mobile citizens to vote.

The Commission is the guardian of the treaties. It is the Commission's duty to protect the rights of EU citizens, wherever they live in our Union. The rule of law is the glue that binds the European Union together. It is essential for the protection of the values on which the EU is founded: democracy, freedom, equality and respect for human rights. And this is what all 27 Member States have signed up to as part of the EU, as sovereign countries and free people.

The von der Leyen Commission has put in place historic measures to strengthen the EU's capacity to promote and protect the rule of law. The Commission has established a comprehensive **Rule of Law Mechanism** that provides for a process of an annual dialogue with the European Parliament, the Council and the Commission, together with the Member States, alongside national parliaments, civil society and other stakeholders in the rule-of-law field.

To facilitate this dialogue, the Commission has been issuing annual EU **rule-of-law reports**, focusing on four key areas: justice systems, anti-corruption frameworks, media pluralism and other institutional issues relating to checks and balances. Each report assesses the situation in the EU as a whole and includes 27 country chapters looking at developments in Member States. Three annual rule-of-law reports have been published so far, with the latest in July 2022. As of this year, the reports include specific recommendations for the Member States.



The Commission has a responsibility to protect the EU budget against breaches of the rule of law. As of 2021, the Union budget has an additional layer of protection against breaches of the rule of law principles. This is thanks to a general regime of conditionality for the protection of the EU budget – also known as the “**conditionality regulation**” – that is in force since January 2021. This mechanism is at the very heart of NextGenerationEU and the European budget. Measures must be taken if it is established that breaches of the rule of law in any Member States affect or seriously risk affecting the sound financial management of the EU budget or the financial interests of the EU.

On 27 April 2022, the Commission sent a **written notification to the Hungarian authorities** under the budget conditionality regulation. The Commission considered that a number of rule of law issues in Hungary affect or seriously risk affecting the sound financial management of the Union budget or the protection of the financial interests of the Union. This notification opened a procedure during which the Commission discussed with national authorities how the issues raised could be constructively addressed. On 22 August, Hungary provided observations and remedial measures. The Commission is now analysing this reply, before deciding whether to propose measures for adoption by the Council.

Today the European Union is investing more money than ever before to advance our collective recovery and to break free from our dependency on Russian fossil fuels. So we must take special care that this money is used properly and effectively. This is not only a vital ingredient of our democracies: it also creates trust for investors and business at this crucial moment.

Democracy and the rule of law are also at the core of the EU accession process. This is what the citizens of the Western Balkans, Ukraine, Moldova, and Georgia expect for their countries and those values form the core of the ‘**fundamentals first**’ approach of the enlargement methodology.

JOURNALISM AND FREE SPEECH

A fundamental principle of democracy is that government serves the people. Democracies empower their citizens to make decisions and hold their elected officials to account. This requires free and high-quality access to information. That is why **media freedom and pluralism** are essential to a properly functioning democratic system, and represent a priority area in the **European democracy action plan**.



In December 2021, President von der Leyen chaired a leaders' session at the Summit for Democracy hosted by US President Biden, saying that 'we must every single day nurture and work on improving democracy, because we know how quickly and how devastatingly history can change'. The Commission announced a new **global Europe human rights and democracy programme**, worth EUR 1.5 billion, to step up EU support for the promotion and protection of human rights, fundamental freedoms, democracy, the rule of law and the work of civil-society organisations and human-rights defenders around the world until 2027.



Brave journalists are risking their lives covering the human impact of the war in Ukraine. Frederic Leclerc-Imhoff, from **France**, was just 32 when he lost his life in a Russian attack on a humanitarian convoy in Ukraine.

The Commission is actively **supporting Ukraine's independent media and civil society**, as part of the EUR 335 million in humanitarian aid delivered to Ukraine. European civil society is also stepping up to support Ukrainian journalists.

A day after Russia's attack on Ukraine, on 25 February, a group of small-scale pan-European media partners, including the Are We Europe Foundation, rallied around a goal: raising EUR 150 000 as an emergency fund for Ukrainian media organisations and individual journalists.

One week later, their **Keep Ukraine's Media Going** campaign had raised over EUR 1.5 million, mostly in small donations from thousands of people around the world. These donations are going directly to Ukrainian journalists to cover the operational costs of reporting on the war, provide urgent equipment, relocate or set up new offices in Ukraine's safe cities or in the EU.

But **journalists also face increasing challenges** within the EU. Given the technological and digital changes to the media environment, which have been accelerated by the coronavirus pandemic, and the increasing threats and attacks against journalists, many journalists are facing increasing impediments to doing their essential work for democracy. Three measures to reverse these trends have thus far been implemented or are under preparation by the Commission.

First, the Commission presented recommendations on how to improve the **safety of journalists** – offline and online – to Member States in September 2021. Key initiatives include the creation of independent national support services, including helplines, legal advice, psychological support, increased protection of journalists during demonstrations and shelters for journalists and media professionals facing threats.

Second, in April 2022, the Commission proposed robust **legislation to protect journalists and human-rights defenders against abusive lawsuits**. The new measures will enable judges to swiftly dismiss the so-called SLAPPs (strategic litigation against public participations) and empower journalists and human-rights defenders in their efforts to speak up in the public interest.

And third, the Commission is now presenting a **media freedom act**. The act will enshrine, for the first time in EU law, common safeguards to protect media pluralism and the editorial independence of the media. Media freedom, pluralism and the safety of journalists are also monitored in the annual rule-of-law reports.

A UNION OF EQUALITY

In politics, business and society as a whole, we can only reach our full potential if we use all of

our talent and diversity. Innovation happens when people from different backgrounds and perspectives blend together. With the demographic challenges that we face, we cannot afford not to empower and use the potential of all members of diverse societies. There must be the same opportunities for all who share the same aspirations, and this has been one of the main priorities of the von der Leyen Commission since the start of the mandate. Building a gender equal world is a key objective integrated into the EU's external actions.

Equality and the fight against discrimination are core values of any democracy. Equality between women and men is a fundamental value of the EU, set out in Article 2 of the Treaty on European Union. Inclusion and diversity also drive innovation and economic productivity. Ten years after the Commission first proposed a directive to improve the **gender balance on company boards**, the co-legislators reached an agreement thanks to a renewed effort by the von der Leyen Commission.

Pay discrimination at work remains a problem. The Commission therefore presented, in March 2021, a proposal for a directive to strengthen the application of the principle of **equal pay for equal work** through pay transparency and enforcement mechanisms. Additionally, the Commission's Horizon Europe programme launched the **women TechEU** pilot project to put women at the forefront of deep tech. Women TechEU addresses the innovation gender gap by supporting 130 women-led tech start-ups every year.

Gender-based violence remains a terrifying reality for too many women in the EU. In March 2022, the Commission proposed EU-wide rules



President of the European Commission Ursula von der Leyen welcomes the political agreement reached between the co-legislators on the Directive on improving the gender balance among non-executive directors of listed companies.

to **end gender-based violence against women** and domestic violence. The proposed directive will criminalise both rape based on lack of consent and female genital mutilation. It will also criminalise cyber violence based on sex and gender, which includes non-consensual sharing of intimate images, cyber stalking, cyber harassment and incitement to violence or hatred online. The new rules strengthen victims' access to justice and encourage Member States to make it easier to get support.

Outside the EU, the EU-UN **Spotlight Initiative** to fight all forms of violence against women and girls has achieved remarkable results. It has reached 130 million people globally through behaviour change campaigns. It has doubled convictions for gender-based violence in participating countries, and endowed a thousand local and grassroots women's rights organizations with greater agency and influence. Active even and especially during the COVID-19 pandemic, the Spotlight Initiative has helped provide more than 1.6 million women and girls with local gender-based violence services.

The Commission is working with Member States to develop, adopt and implement national **LGBTIQ+ and anti-racism action plans**.

The European Commission is committed to a pluralistic, gender-equal and inclusive society, where LGBTIQ+ people, minorities or people with disabilities are treated equally. A dedicated **Task Force on Equality** works to mainstream equality in all policy areas.



Discrimination should have no place in the EU. The Commission is working with Member States to develop, adopt and implement national **LGBTIQ+ and anti-racism action plans**, and it issued related guidelines in April and March 2022, respectively. In December 2021, the Commission took the first steps towards extending the list of EU crimes to include **hate speech and hate crime**. Once agreed with the Council, the initiative will ensure minimum common rules on how to define criminal offences and sanctions applicable in all EU Member States. As the guardian of the treaties, the Commission does not hesitate to initiate **infringement procedures against violations of fundamental rights**, as has been the case, for instance, in relation to violations against the LGBTIQ+ community in Hungary and Poland.



Anna Ohnweiler is one of the founders of “Omas gegen rechts” (grannies against extremism) fighting against antisemitism, racism and misogyny.

To generate changes on the ground, action at the local level is essential. In this spirit, the **European Capitals of Inclusion and Diversity Award** was presented for the first time in April 2022, to recognise the work done by towns, cities and regions in Europe to promote inclusion and create societies free of discrimination and hate. The **Disability Platform** provides another setting that enables relevant stakeholders to share experiences and good practices, learn from each other and collaborate.

European Jews and Jewish communities have been contributing to the development of Europe for over two millennia and are an inextricable part of Europe’s identity. Antisemitism is incompatible with Europe’s core values, but sadly still exists in Europe today. The **EU strategy on combating antisemitism and fostering Jewish life**, adopted in October 2021, sets out a series of measures to step up the fight against all forms of antisemitism – but also, for the first time ever, to promote Jewish heritage and culture and to fight antisemitism beyond the EU. The Member States are now developing national action plans, which will be developed by the end of 2022.

There is no place for violence of any kind in our societies, especially not violence against children. On 11 May 2022, the Commission proposed new **EU legislation to prevent and combat child sexual abuse online**. The proposed EU rules will oblige service providers to detect, report and remove child sexual abuse material. A new independent EU Centre on Child Sexual Abuse will work closely with national law enforcement authorities, the European Union Agency for Law Enforcement Cooperation and support groups to **rescue and empower survivors and bring the perpetrators to justice**.

On the same day, the Commission adopted a new European strategy for a **better internet for kids**. Beyond more investment in child digital education, the Commission and stakeholders are developing rules for the age-appropriate design of online services, with the active participation of children. Rules on removing terrorist content online also entered into force. These standards will be in line with our flagship digital services act. Children around the world, not just those in Europe, will be safer and more empowered.

Disadvantage and exclusion at an early age have an impact on children’s ability to succeed later. The **European child guarantee** aims to break this cycle. It provides guidance and the means for Member States to support children in need by guaranteeing their access to education, extracurricular activities, healthy school meals and healthcare. In 2022, the Commission helped 10 Member States to make their education

systems more inclusive by supporting the inclusion of children with disabilities or children from migrant or vulnerable backgrounds.

Since the war in Ukraine started, more than **2 million Ukrainian children have sought shelter in the European Union**. These children have the same rights and protection as children who are EU citizens. It has been heart-warming to see them welcomed into schools across the Member States. These children deserve the best education and care so that, when the war ends, they can return home to rebuild Ukraine and guide it on its European path.



Anastasiia Konovalova fled from Odesa to **Bucharest**, where she now teaches primary school classes to Ukrainian children. She is 30 years old.

DEMOGRAPHY, RURAL AREAS AND DIVERSITY

Europe has undergone and continues to face **profound demographic change**. In the EU, life expectancy at birth has increased by 10 years over the past five decades. This is a remarkable achievement, and demonstrates the strength and value of our social-market economy. Nonetheless, an ageing population has an impact on the way we live, and our social model and policies need to be adapted to the pace of this new reality.

This is why the Commission adopted the **Green Paper on Ageing** early in its mandate, and launched a broad public debate on the challenges and opportunities that deal with the long-term impacts of ageing, which affects all generations. The outcome of the public consultation will largely be reflected in the **European care strategy**, which the Commission will present in September 2022.

—
Europe's rural areas – home to almost 30 % of the EU's population and covering 80 % of its territory – are active shapers of the EU's green and digital transitions.



STRONGER RURAL AREAS

Empowered communities
Better access to services
Social innovation



CONNECTED RURAL AREAS

Deeper digital connectivity
Transport links and new forms of mobility



MORE RESILIENT RURAL AREAS

Environmental resilience
Climate action
Social cohesion



PROSPEROUS RURAL AREAS

Diversification of economic activities
Improving the value added of farming and agri-food activities



The future of Europe also depends on rural areas, which are home to almost 30 % of the EU's population (137 million people) and cover 80 % of its territory. **Rural areas are active shapers in the EU's green and digital transitions.**

The freedom to work or study remotely is fast becoming a reality for many people living in the EU, opening up new possibilities for young families, businesses and rural communities. Innovations in sustainable agriculture are not only good for people's health and the climate, but also for Europe's food security.

The **long-term vision for rural areas**, launched in June 2021, sets out the path towards strong, connected, resilient and prosperous rural areas. A **rural pact** was launched in December 2021 engaging the voices and views of rural communities, while a co-created rural action plan will help transform the long-term vision into a reality. In this spirit, NextGenerationEU puts special emphasis on our rural areas' prosperity: the 25 national recovery and resilience plans adopted by the Council as of 30 June 2022 support rural and remote areas with funding of around EUR 14.6 billion, including investment and reforms in a wide range of areas, such as nature restoration, high-speed internet connections and local railways.

An ambitious and sustainable EU legal migration policy is needed to help attract the talent that our businesses in cities and rural areas need. In April 2022, the Commission presented the **skills and talent package**. It includes legislative proposals to improve the rights of migrant workers and facilitate intra-EU mobility for long-term residents. The Commission will launch an **EU talent pool** to facilitate labour matching with non-EU nationals. A pilot scheme is currently being launched, focusing on Ukrainian refugees. To strengthen operational cooperation with non-EU countries on **matching labour market and skill needs**, the Commission is launching talent partnerships with key partners.

Since the Commission presented the **new pact on migration and asylum** in September 2020, progress has been made on addressing the larger question of migration. The pact combines robust and fair border management with efficient and

humane rules on asylum and migration. On 2 June 2021, the Commission presented a new strategy to strengthen the Schengen area to ensure the **effective management of the EU's external borders**, increase police and judicial cooperation, improve preparedness and governance and complete the enlargement of the Schengen area. The **European Union Asylum Agency** began operations in January 2022 and stepped up the amount of assistance provided to Member States. The activation of the Crisis Management Blueprint Network, with the objective of improving situational awareness and early warning in the area of migration, showed the key role played by information sharing.

EUROPE'S YOUTH AND PARTICIPATORY POLICYMAKING

In the face of the coronavirus pandemic, young people have sacrificed much of their freedom for the health and safety of others. They have truly led by example. In the 2021 State of the Union address, President von der Leyen proposed to make 2022 the **European Year of Youth**. It is an opportunity for the European Union to engage more with young people, to hear what they demand and dream for Europe.

The European Year, halfway through, is bearing impressive results:

- Involvement of 27 Member States, 6 non-EU countries, 30 European Commission DGs and services, 120 stakeholder organisations;
- Around 90 Commission flagship initiatives dedicated to young people, thousands of activities and events implemented by Member States across Europe and beyond;
- Social media campaign awareness-raising posts displayed 240 million times and reached 80 % of Europeans aged 18-25.



A new initiative called **ALMA** (aim, learn, master, achieve) was launched by the Commission in 2022 to help the most vulnerable or disadvantaged young people access the job market. ALMA comprises a supervised stay in another EU Member State for a period of 2 to 6 months, accompanied by coaching and counselling before, during and after. ALMA comes on top of the reinforced **Youth Guarantee**, launched in 2020, which is a commitment by all Member States to ensure that everyone under the age of 30 receives a good-quality offer of employment, continued education, an apprenticeship or a traineeship within 4 months of becoming unemployed or leaving education. The Youth Guarantee, successful in many EU Member States, is being extended to the Western Balkans to ensure that no young citizen in the region is left behind.

We believe Europe needs a youthful spirit to overcome the pandemic and to open a new chapter. That is why the European Year of Youth goes hand in hand with **NextGenerationEU**, which is investing in a greener, more digital and fairer society and economy for the decades to come.

To empower young people to have a voice in EU policymaking, throughout 2022 the Commission coordinated a range of activities in close contact with the European Parliament, the Member States, regional and local authorities, youth organisations and young Europeans directly. One third of the citizens' panels of the **Conference on the Future of Europe** were composed of young people (aged 16 to 25).

The year 2022 also marked the 10th anniversary of the European citizens' initiative. The Commission has, since mid September 2021, registered **ten new European citizens' initiatives**, calling for EU action in areas ranging

from improved working conditions in the garment sector to the taxation of green products and more animal rights. In this period, three initiatives have collected more than 1 million citizens' signatures, that need to be verified by national authorities:

- Stop Finning – Stop the trade;
- Save bees and farmers! Towards a bee-friendly agriculture for a healthy environment;
- Save cruelty free cosmetics – Commit to a Europe without animal testing.

The Commission is committed to ensuring the transparency and legitimacy of the EU policymaking process. One of its key goals is to promote the participation of Europeans and civil society in policymaking. The public and stakeholders can provide input online via the **Have Your Say** portal throughout the whole policymaking cycle, from the first ideas put forward by the Commission to after the adoption of the initiatives by the College of Commissioners.

In November 2021, to further simplify the consultation process, the Commission introduced single calls for evidence, an approach that combined two previous steps. This has now been translated to all EU languages to allow maximum participation by the public. Consultations also became more **accessible for people with disabilities**, in line with the strategy for the rights of persons with disabilities, and the scientific research community is encouraged to submit relevant scientific research from the beginning of the consultations.

To raise broad awareness of the possibilities to contribute to policymaking via social media, the Commission engages actively with the European Economic and Social Committee, the European



Committee of the Regions, the Commission's representations in Member States, national authorities and other representative associations. All in all, the Commission has published more than 5 000 feedback opportunities and received more than 3 million contributions. Since the 2021 State of the Union address, the Commission has received almost **600 000 contributions from citizens, businesses and stakeholders** on more than 800 of its policy initiatives.



CITIZENS SHAPING THE FUTURE OF EUROPE

From 9 May 2021 to 9 May 2022, the European Union reached out to hundreds of thousands of Europeans who never thought about getting involved in our Union's decision-making. The **Conference on the Future of Europe** was a unique exercise in participatory democracy, of unprecedented scale and scope. The conference's final report, which contains **49 proposals and 326 concrete measures**, was presented to the Presidents of the three EU institutions on 9 May 2022. These are the result of deliberations by the conference plenary – including citizens, elected representatives from the EU, national, regional and local levels, social partners and civil society.

More than 750 000 participants shared and debated close to 19 000 ideas on the multilingual digital platform. This **deliberative democracy platform**, specifically designed for the conference, was visited by more than 5 million people and is available in **all 24 official EU languages**. Automatic machine translation allowed for a direct transnational dialogue between users, bypassing language barriers. All of the proceedings were published to ensure full transparency, and the platform is serving as a repository of the process.

The Conference on the Future of Europe gave citizens from all walks of life a greater say in what the EU should do in the future.

Leverne Nijman and Leah Corsmit cycled from the north of **The Netherlands** to Brussels, with a European Solidarity Corps grant. They gave guest lectures about the EU and talked to over 800 young people to collect ideas about the(ir) European future.

The more than 6 500 events organised within the framework of the conference took different forms, from randomly selected citizens' panels to **grassroots events organised by civil-society organisations**, often in cooperation with national, regional and local authorities. One such grassroots project was **Untold Stories**, which aims to amplify the voices and stories from people in countries that are not equally reported on or represented on the European stage. Untold Stories encompasses seven interdisciplinary workshops in seven European countries where young journalists and campaigners work together to produce a platform for local immersive multimedia stories and their ideas about our collective future.



A centrepiece of the conference was the work of 800 randomly selected citizens who participated in the four **European citizens' panels**. One third of the participants were aged 16 to 25, which ensured the significant participation of young people in the conference. They came together for three weekends to hold **in-depth discussions and deliberate about solutions** to challenges faced by the European Union, on the basis of the input from the platform. Based on the success of this innovative deliberative forum, citizens' panels will be given the time and resources to make recommendations before the Commission presents key legislative proposals in the future.

In June 2022, the Commission set out four work streams to **respond to the conference's proposals**. First, existing initiatives that address the proposals (e.g. the European Climate Law); second, those already proposed by the Commission where the Parliament and the Council are called upon to adopt legislation (e.g. the new pact on migration); third, planned initiatives that will deliver on the ideas, building in new reflections from the conference (e.g. the media freedom act); and fourth, new initiatives or areas of work inspired by the proposals, falling within the remit of the Commission (e.g. issues relating to mental health).

The first new proposals will be announced in the context of **President von der Leyen's State of the Union address** in September 2022. These proposals will be among those to be included in the 2023 Commission Work Programme. In following up, the Commission will ensure that new reforms and policies are not mutually exclusive to discussions on the need for treaty change, focusing on making the most of what is currently possible while being open to treaty change where it is necessary.

To keep the citizens who participated in the conference informed, and to keep up the momentum, a **conference feedback event** will be organised in autumn 2022. This event will be the moment for communicating and explaining how the three EU institutions are following up and taking stock of progress at that stage of the process. The European Parliament, the Council and the Commission have collectively committed to following up on the conference proposals in full transparency, each within their own sphere of competence and in accordance with the Treaties.





TIMELINE



STATE
OF THE
UNION
2022

SEPTEMBER 2021

15.9

The European Commission adopts the communication on the **New European Bauhaus**, setting out the framework, core principles and key measures that will drive the initiative forward.



16.9

The Commission proposes a **path to the digital decade** to deliver the EU's digital transformation by 2030.

16.9

The Commission adopts its first-ever **recommendation on the safety of journalists**.



16.9

The Commission launches the **European Health Emergency preparedness and Response Authority (HERA)** to prevent, detect, and rapidly respond to health emergencies.



16.9

The EU proposes a strengthened **partnership with the Indo-Pacific region** to advance trade, investment and connectivity.



22.9

The Commission adopts a **comprehensive review of EU insurance rules**, helping insurance companies scale up long-term investment while also aiming to make the insurance and reinsurance sector more resilient.

29.9

The Commission adopts the **communication on European missions**, aiming to tackle significant challenges relating to health, climate and the environment and to achieve ambitious and inspiring goals in these areas.

OCTOBER 2021

12.10

The Commission issues the **first green bond** to finance the sustainable recovery.



5.10

The Commission presents the first-ever **EU strategy on combating antisemitism and fostering Jewish life**.

13.10

The Commission and High Representative / Vice-President Josep Borrell put forward an **approach on** stronger EU engagement for a peaceful, sustainable and prosperous **Arctic**.



27.10

The Commission adopts a **review of EU banking rules** to ensure that banks in the EU become more resilient to potential future economic shocks while contributing to Europe's recovery from the COVID-19 pandemic and the transition to climate neutrality.

28.10

The **reinforced mandate of the European Medicines Agency** proposed by the Commission enters into force.



NOVEMBER 2021

2.11

The Commission announces a **EUR 1 billion pledge to protect the world's forests** at the COP26 conference on climate change.



17.11

The Commission adopts new **proposals to stop deforestation, innovate on sustainable waste management and make soils healthy** for people, nature and the climate.



19.11

TAIEX (the Commission's Technical Assistance and Information Exchange instrument) **celebrates its 25th anniversary**. Over the last two and a half decades, it has mobilised EU public experts over 40 000 times, helping public administrations in EU and globally to address digital, environmental and health challenges.



25.11

The Commission proposes **new measures to improve the ability of companies to raise capital across the EU** and to ensure that people living in the EU get the best deals for their savings and investments.



13.11

Political agreement is reached to **strengthen the work of the European Centre for Disease Prevention and Control**, particularly in areas of surveillance, early warning, preparedness and response.

18.11

The Commission adopts a **communication on a competition policy fit for new challenges**, which frames the important role of competition policy for Europe's path towards recovery, for the green and digital transitions and for a resilient single market.



25.11

The Commission sets out **new laws on political advertising, electoral rights and party funding**, aimed at protecting election integrity and open democratic debate.

26.11

At the **ASEM Summit**, the EU and Asia reaffirm their shared partnership and engagement towards a stronger recovery from the pandemic.

DECEMBER 2021

1.12

The EU launches the **Global Gateway**, a new European strategy to improve smart, clean and secure links in the fields of digital, energy and transport and to strengthen health, education and research systems across the world.



1.12

The Commission paves the way for the **further digitalisation of EU justice systems**, making them more accessible and effective.

8.12

At the Nutrition for Growth Summit, the **Commission pledges to improve nutrition by providing EUR 2.5 billion** in funding between 2021 and 2024.



8.12

The Commission proposes a **new tool to counter the use of deliberate economic pressure** by non-EU countries.

9.12

The Commission proposes to extend the list of EU crimes to include **hate speech and hate crime**.



9.12

The Commission presents **an action plan to help the European social economy thrive**, tapping into both its economic potential and its contribution to a fair and inclusive recovery from the COVID-19 pandemic.

9.12

The Commission proposes to **improve the working conditions of people working through digital labour platforms** and publishes draft guidelines on the application of competition rules to collective agreements by solo self-employed people.



14.12

To support the transition to cleaner, greener and smarter mobility, the Commission proposes **modernising the EU's transport system**.



14.12

The Commission proposes **new rules to make the Schengen area without internal border controls more resilient**.

15.12

A **new Commission digital finance strategy** paves the way for modern and streamlined supervisory data reporting.

**15.12**

The **EU and Moldova** sign a EUR 60 million grant financing agreement to help the country face its current severe gas crisis.

**15.12**

The Commission proposes a **new EU framework to decarbonise gas markets, promote hydrogen and reduce methane emissions**.

16.12

A **renewed agenda on recovery and resilience reform** is put forward at the Eastern Partnership Summit.

21.12

A new policy is proposed to support **disarmament, demobilisation and the reintegration of former combatants**, as part of the EU's wider contribution to peacebuilding.

**22.12**

The Commission proposes **swift transposition of the international agreement** on minimum taxation of multinationals.

JANUARY 2022**1.1**

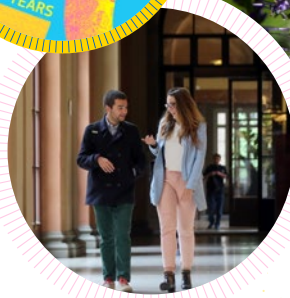
20 years of the euro in our pockets. The **European Year of Youth** starts.

**14.1**

The Commission adopts a proposal for a Council recommendation on **learning for environmental sustainability**.

18.1

In the higher-education field, the Commission adopts two **new initiatives to make universities in the EU ready for the future** through deeper transnational cooperation.

**18.1**

The Commission publishes a **toolkit to help mitigate foreign interference in research and innovation**.

26.1

The Commission puts forward a **declaration on digital rights and principles** for everyone in the EU.

**27.1**

The Commission adopts **new guidelines on State aid relating to the climate, environmental protection and energy**.

FEBRUARY 2022

1.2

The Commission proposes a EUR 1.2 billion **emergency macro-financial assistance package for Ukraine**.



2.2

The Commission proposes a **standardisation strategy**, putting forward a new approach to enable global leadership of EU standards promoting values and a resilient, green and digital single market.

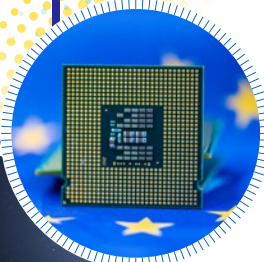


2.2

The Commission approves in principle a **complementary climate delegated act** that will help accelerate the shift from solid or liquid fossil fuels, including coal, towards a climate-neutral future.

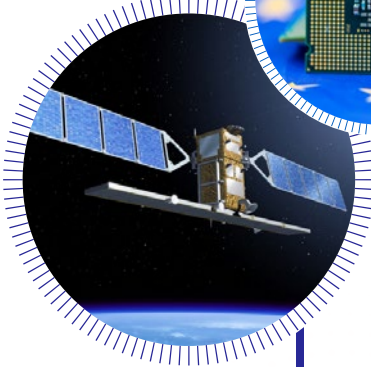
8.2

The Commission proposes a comprehensive set of measures to ensure the EU's resilience, technological leadership and security of supply in the field of **semiconductor technologies and applications**.



15.2

The EU initiates a **satellite-based connectivity system** and boosts action on managing space traffic for a more digital and resilient Europe.



15.2

The Commission presents **measures to contribute to European defence, increase innovation and address strategic dependencies**. These new initiatives are concrete steps towards a more integrated and competitive European defence market, particularly by enhancing cooperation within the EU.



17-18.2

At the **African Union–EU Summit** in Brussels, the leaders agree on a joint vision for 2030. This will be supported by the Africa-Europe Investment Package with investments worth EUR 150 billion.

23.2

The Commission proposes a **new EU data act**, containing rules on who can use and access data generated in the EU across all economic sectors, to ensure fairness in the digital environment and open opportunities for data-driven innovation.



23.2

The Commission proposes a **new directive on corporate sustainability due diligence**, laying down rules for companies to respect human rights and the environment in global value chains.



25.2

The EU imposes **further individual and economic sanctions to respond to Russia's military aggression on Ukraine**. This second package of sanctions covers the finance, energy, transport and technology sectors, along with visa policy.



19.2

Following a request for assistance by Ukraine in view of escalating threats by Russia, the European Response Coordination Centre **activates the EU Civil Protection Mechanism**. By end of August, over 66 000 tonnes of assistance to Ukraine from all 27 Member States, North Macedonia, Norway and Turkey have been delivered to Ukraine.

23.2

The EU agrees on a **first package of sanctions to respond to Russia's recognition of the non-government-controlled areas of the Donetsk and Luhansk oblasts in Ukraine** as independent entities, and the decision to send Russian troops into these areas.

28.2

The EU approves a **third package of sanctions against Russia**.

MARCH 2022

2.3

The Commission proposes to **activate the temporary protection directive** to offer quick and effective assistance to people fleeing the war in Ukraine.



8.3

The Commission proposes the **cohesion's action for refugees in Europe initiative**, allowing Member States and regions to provide emergency support to people fleeing from Russia's invasion of Ukraine.

9.3

The Commission sets up **solidarity mechanism for medical transfers of refugees** within the EU under the EU Civil Protection Mechanism.



8.3

The Commission proposes **EU-wide rules to combat violence against women and domestic violence**.

11.3

The **Freeze and Seize Task Force**, set up by the Commission to ensure the efficient implementation of the EU's sanctions against listed Russian and Belarussian oligarchs across EU territory, is launched.



9.3

In view of the situation in Ukraine and in response to Belarus's involvement in the aggression, the EU imposes **further targeted sanctions**.

16.3

The Commission proposes **changes to the central securities depositories regulation** to enhance the efficiency of the EU's settlement markets while safeguarding financial stability – a key component of the 2020 capital markets union action plan.



15.3

The EU imposes a **fourth package of economic and individual sanctions** in respect of Russia's military aggression against Ukraine.



21.3

The EU agrees on a **strategic compass for stronger EU security and defence** in the next decade.

22.3

The Commission launches a **one-stop shop to support Ukrainian researchers**.

23.3

The Commission outlines **options to mitigate high energy prices** by means of common gas purchases and minimum gas-storage obligations.

23.3

The Commission adopts a **temporary crisis framework to enable Member States to use the flexibility provided for under State-aid rules** to support the economy in the context of Russia's invasion of Ukraine.

25.3

The Commission and the United States announce that they have agreed in principle on a **new trans-Atlantic data privacy framework**, which will foster trans-Atlantic data flows.

30.3

In the **circular-economy field**, new rules are proposed to make sustainable products the norm in the EU, improve circular business models and empower consumers for the green transition.

**22.3**

The first day of application of the **pan-European personal pension product regulation**, paving the way for a new voluntary EU-wide scheme to help people save for their retirement.

23.3

The Commission presents **measures to enhance global food security** and to support farmers and consumers in the EU in the light of rising food prices and input costs.

24.3

The Parliament and the Council reach a **political agreement on the digital markets act**. The act will ensure fair, open and contestable digital markets for digital businesses to grow within the single market and compete globally.

28.3

The Commission adopts a recommendation for Member States to take immediate steps on **investor citizenship schemes and investor residence schemes** in the context of the Russian invasion of Ukraine.

APRIL 2022

6.4

The EU takes **action to support Africa's Sahel and Lake Chad regions**, with a total of EUR 554 million in funding to be used to both address acute food insecurity and enhance the sustainability of food systems in the longer term.



6.4

As a response to the impact of the Russia's aggression on Ukraine, the EU announces a support package worth EUR 225 million to **support food security and resilience in the Middle East and North Africa**.

8.4

The EU agrees on a **fifth package of restrictive measures against Russia** in response to its brutal aggression against Ukraine and its people.



8.4

Commission President Ursula von der Leyen and High Representative Josep Borrell visit Ukraine and meet with Ukrainian President Volodymyr Zelensky. President von der Leyen hands over the EU questionnaire.

9.4

The **Stand Up for Ukraine global pledging event** and campaign raises EUR 9.1 billion for people fleeing the Russian invasion, within Ukraine and abroad, including EUR 1 billion from the Commission. The European Bank for Reconstruction and Development pledges an additional EUR 1 billion.



20.4

The EU marks **30 years of humanitarian aid and civil protection operations**, helping people in emergencies all around the world.



23.4

The Parliament and the Council reach a **political agreement on the digital services act**. The act sets out an unprecedented new standard for the accountability of online platforms, better protecting internet users and their fundamental rights.



25.4

President von der Leyen and Narendra Modi, Prime Minister of India, launch the **EU–India Trade and Technology Council**.

**25.4**

The Commission proposes to **strengthen the European Union Agency for Criminal Justice Cooperation's mandate** to collect and preserve evidence of war crimes and cooperate with international tribunals in this regard.

26.4

Team Europe steps up **support to the drought-affected countries in the Horn of Africa**, with the EU and its Member States pledging a total of EUR 633 million to improve food security.

**27.4**

The Commission proposes **an EU law and a recommendation to tackle abusive lawsuits** against journalists and human rights defenders.

27.4

The Commission proposes **a legal migration policy**, including initiatives that will benefit the EU's economy, strengthen cooperation with non-EU countries and improve overall migration management in the long term.

**28.4**

The EU and international partners put forward a **Declaration for the Future of the Internet**.



MAY 2022

3.5

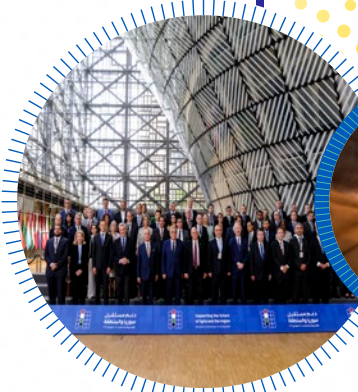
The Commission launches the **European Health Data Space**. It will empower people to control and utilise their health data in their home country or in other Member States and foster a genuine single market for digital health services and products.

**9.5**

The **Conference on the Future of Europe concludes its work**. Its year-long journey of discussion, debate and collaboration between citizens and politicians culminates in 49 proposals and more than 320 measures for the EU institutions to follow up on.

9-10.5

The EU hosts the **6th Brussels Conference on 'Supporting the future of Syria and the region'**, mobilising aid to Syrians and hosting communities in neighbouring countries through pledges totalling EUR 6.4 billion for 2022 and beyond. Out of this amount, the EU pledged more than EUR 4.8 billion, with over EUR 3.1 billion from the Commission.

**10.5**

Political agreement is reached on the **Digital Operational Resilience Act**, helping to ensure our financial system is more resilient to cyberattacks and other digital risks.

11.5

The Commission proposes **new EU legislation to prevent and combat child sexual abuse online**.

11.5

The Commission proposes tax incentive for equity to help **companies grow, become stronger and more resilient**.

**12.5**

At the **Second Global COVID-19 Summit**, the Commission pledges to accelerate the roll-out and uptake of vaccines and other COVID-19 measures in Africa with a further EUR 400 million in support.

12.5

In Tokyo, the **EU and Japan** hold their 28th summit. They reaffirm their close and comprehensive relations and launch the digital partnership.

**12.5**

The Commission proposes to establish **solidarity lanes** to help Ukraine export agricultural goods.

13.5

Political agreement is reached on **new rules on cybersecurity of network and information systems**, ensuring that citizens and businesses are protected and can trust essential services.

**18.5**

The EU presents the **REPowerEU plan** to rapidly reduce dependence on Russian fossil fuels and fast-forward the green transition.

18.5

The Commission and the High Representative present an **analysis of defence investment gaps** and propose further measures and action necessary to strengthen Europe's defence industrial and technological base.

**18.5**

The EU unveils a **strategic partnership with the Gulf states**, aiming to broaden and deepen its cooperation with the Gulf Cooperation Council and its member countries.

18.5

The Commission presents plans for the EU's immediate response to address **Ukraine's financing gap and the longer-term reconstruction**.

**23.5**

The Commission adopts a **contingency plan for transport** laying out concrete measures to protect EU transport in times of crisis.

25.5

The Commission proposes **rules on criminalising the violation of restrictive measures** and on the freezing and confiscating of assets of persons violating restrictive measures and other criminals.

JUNE 2022

3.6

The EU agrees on a **sixth package of restrictive measures against Russia**, including a ban on most Russian oil imports.



7.6

A political agreement is reached on a proposal relating to **gender balance on company boards**.

16.6

A **New Code of Practice on Disinformation** is agreed, based on the Commission's guidance from May 2021.



22.6

The Commission adopts proposals to **restore Europe's nature** by 2050 and **halve pesticide use** by 50 % by 2030.

23.6

EU leaders grant candidate status to **Ukraine** and **Moldova**. They also recognise the European perspective for Georgia.



23.6

EU-Western Balkans Leaders Meeting ahead of the European Council meeting in Brussels.

24.6

The EU unveils the renewed agenda on **International Ocean Governance**.



30.6

The Parliament and the EU Member States reach a political agreement on a new regulation to address distortions caused by **foreign subsidies in the single market**.

30.6

Commission President von der Leyen and Prime Minister of New Zealand Jacinda Ardern announce the conclusion of negotiations of a **comprehensive trade agreement**.



30.6

The co-legislators reach an agreement on European crypto-assets regulation. This new legal framework **will protect consumers, market integrity and financial stability**, while enabling further innovation in the crypto-asset sector.

JULY 2022

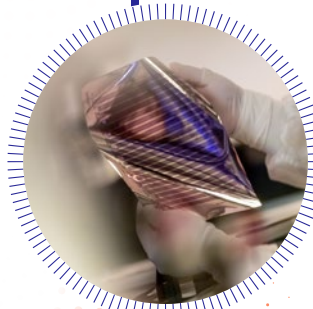
1.7

The **new roaming rules** enter into force, in time to ensure continued 'roam like at home' benefits for citizens.



5.7

The Commission adopts a **New European Innovation Agenda** to position Europe at the forefront of the new wave of deep tech innovation and start-ups.



13.7

2022 Rule of Law Report:
The Commission issues specific recommendations to Member States.



19.7

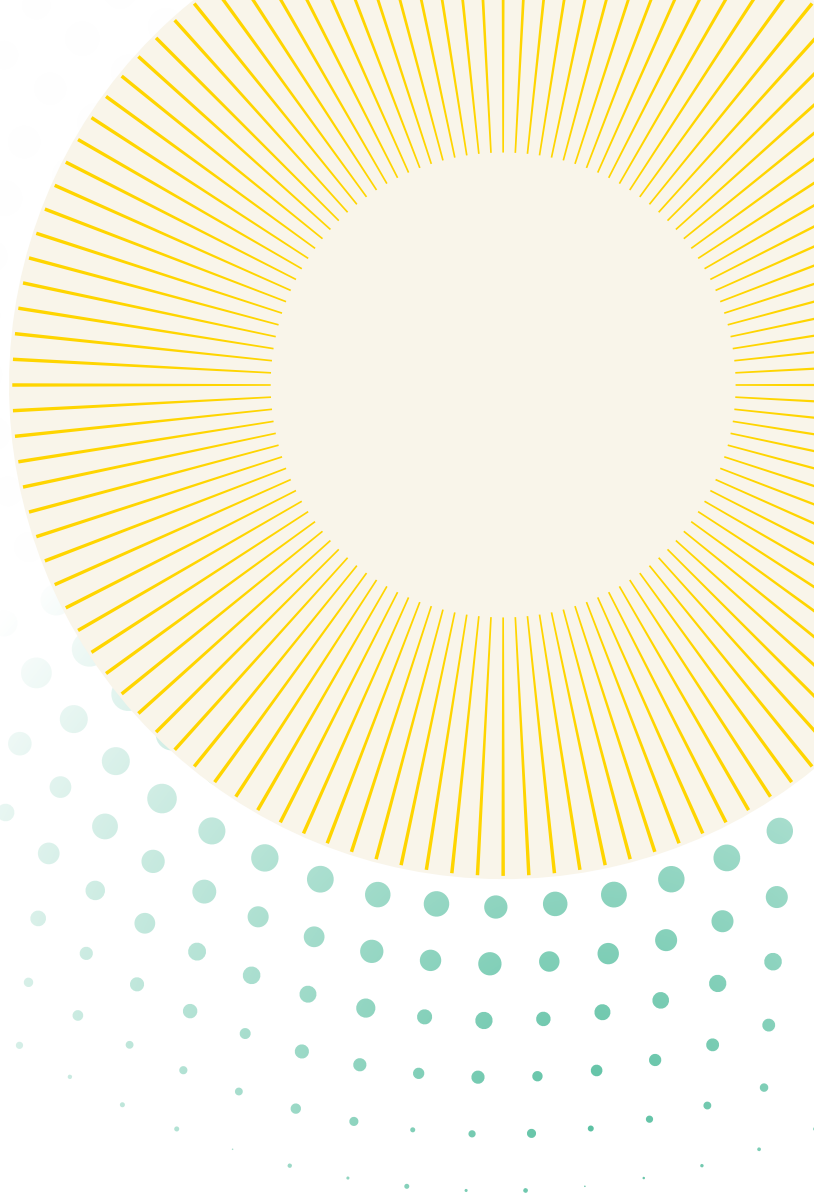
The European Union starts **accession negotiations with Albania and North Macedonia.**



20.7

The Commission presents the **'Save gas for a safe winter'** proposal, a new legislative tool and a gas demand reduction plan to prepare the EU for supply cuts.





The European Commission is not liable for any consequence stemming from the reuse of this publication.

© European Union, 2022



The reuse policy of European Commission documents is implemented based on Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39).

Except otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC-BY 4.0) licence (<https://creativecommons.org/licenses/by/4.0/>). This means that reuse is allowed provided appropriate credit is given and any changes are indicated.

For any use or reproduction of elements that are not owned by the European Union, permission may need to be sought directly from the respective rightholders. The European Union does not own the copyright in relation to the following elements:

p. 17: Screen with lists of percentage numbers - source: AdobeStock;
p. 29: Child with the EU flag - source: AdobeStock;
p. 38: "Pulawska 20" shop in Warsaw, Poland - © Konrad Smoleński;
p. 39: Kiril Slavov from Sofia - © Vihren Georgiev;
p. 43: Solar energy panels and windmills - source: AdobeStock;
Engineer and young technician - source: AdobeStock;
A hydrogen pipeline - source: AdobeStock;
Modern biogas plant - source: AdobeStock;
Workman, Rooftop solar power plant - source: AdobeStock;
p. 45: Nadia Dobrianska at home in Blackrock, Cork, Ireland - © John Allen;
p. 47: Mykola Kharytonov - © Marc Llibre Roig;
p. 52: Adam King at home in Youghal, Co. Cork, Ireland - © John Allen;
p. 59: Trees and tractor, source: AdobeStock;
p. 60: Bosco Verticale, Milan, Italy - source: Unsplash;
Maria Teresa Ferres - © Marc Llibre Roig;
p. 65: Man architect - © Emmanuel Ikwuegbu, Unsplash;
Sitting man - © Rayul, Unsplash;
Person in a tunnel in Zurich - © Ricardo Gomez Angel, Unsplash;

p. 66: Ukraine support web platform team - © Marian Curcuta;
p. 67: Man planting a tree - source: © EU;
p. 68: Windmill - source: © EU;
Female leather worker - source: Shutterstock;
p. 71: A portrait of French journalist killed in Ukraine Frederic Leclerc-Imhoff - © Bertrand Guay/AFP, Getty Images;
p. 73: Anna Ohnweiler - © Christoph Ohnweiler;
p. 74: Anastasiia Konovalova - © Ioana Moldovan;
p. 77: Leverne Nijman and Leah Corsmit - © Christophe Licoppe;
p. 80: Bosco Verticale, Milan, Italy - © Daniel Seßler, Unsplash;
p. 81: Inuit houses - source: iStock;
p. 85: Sentinel 1 - © ESA.

Icons sources - Flaticon and AdobeStock

