**Subject:** RE: Ukraine war- challenges and impact on companies weekly report

Commission services have been fully mobilised to understand and find wide-ranging solutions to some of these problems. DG GROW in particular has been focusing on monitoring supply chain disruptions, with a specific focus on critical raw materials, in view of supporting companies most affected by the war.  Outreach to industrial stakeholders, the SME Envoy network, Member States and other EU Institutions (Council/Presidency, EP) has enabled us to collect and exchange information on the challenges faced by EU businesses and to follow up with quick, operational actions.

Many companies need first and foremost **guidance** regarding the implementation of sanctions. DG GROW has worked proactively across the Commission services to ensure that guidance for companies regarding sanctions is easily available and up-to-date online. A dedicated DG FISMA website is up now, with a guidance document that has been widely distributed to business organisations: [Sanctions adopted following Russia’s military aggression against Ukraine | European Commission (europa.eu)](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/international-relations/restrictive-measures-sanctions/sanctions-adopted-following-russias-military-aggression-against-ukraine_en)

Another webpage deals with FAQs restrictions regarding dual use exports to Russia[[1]](#footnote-1)[1]. In parallel, the European Competition Network has stated it would not actively intervene against strictly necessary and temporary measures specifically targeted at avoiding the severe disruptions caused by the impact of the war and/or of sanctions in the Internal Market.

On the operational side, we have leveraged our tools and **networks** to mitigate some of the most immediate disruptions. One example is the work of the Enterprise Europe Network (EEN) and the Clusters network to help affected companies find partners in Europe. The EEN “Supply Chain Resilience” platform provides a partner matchmaking tool to help companies overcome urgent needs and any disruption to their value chain ([The Supply Chain Resilience (SCR) platform - Welcome (b2match.io)](https://supply-chain-resilience-platform.b2match.io/)). The European Cluster Collaboration Platform, in collaboration with the Enterprise Europe Network, runs [a survey](https://ec.europa.eu/eusurvey/runner/industrial-disruptions-2022) to pick up the signals of disrupted supply chains from the ground in order to anticipate and find solutions. The survey is opened and promoted with the cut off on 29 March ([EUSurvey - Survey (europa.eu)](https://ec.europa.eu/eusurvey/runner/industrial-disruptions-2022)). The results will be presented at the Cluster Talks webinar on 30 March[[2]](#footnote-2)[2].

Moreover, we will be organising an onsite workshop ‘Clusters meet Regions’ in Vilnius, Lithuania, on 26th March followed by a virtual Matchmaking on 27th April. The event will cover the wider Baltic Sea region and will be hosted by Lithuania.  The aim is to strengthen the integration of the supply chains within the Baltic Region and the wider EU Single Market in the context of current geopolitical situation[[3]](#footnote-3)[3]. The event will focus on the industrial ecosystems most affected by the disruption in region, such as agri-food, solar, lasers, wood, automotive, plastics, ICT, health. The preparatory webinar is foreseen for the last week of March (5 April).

The **Temporary Crisis Framework**, adopted on 23 March, complements the existing State aid toolbox with many other possibilities already available to Member States, such as measures providing compensation to companies for damages directly suffered due to exceptional circumstances, and measures outlined in the Commission Communications on energy market developments.

The new Framework will enable Member States to (i) grant limited amounts of aid to companies affected by the current crisis or by the related sanctions and countersanctions; (ii) ensure that sufficient liquidity remains available to businesses; and (iii) compensate companies for the additional costs incurred due to exceptionally high gas and electricity prices. As regards **trade finance**, Member States can provide support for short-term export credit to Ukraine since it has a non-marketable risk.

A sharp increase in energy **prices** along with the increase in prices of raw materials and transport is impacting an increasing number of companies. The Commission is working on measures to stabilise **energy** prices, while accelerating the transition to renewables and away from Russian gas, e.g. by increasing the use of photovoltaic panels and heat pumps, and by rapidly deploying hydrogen. We are also working on how to maintain the access to a list of **raw materials**, including noble gases, titanium, palladium, aluminium, nickel and steel.

Finally, we have also leveraged our networks to **support Ukrainian companies and displaced population**. The new EU Clusters Support Ukraine Forum has been created to enhance the ability of European industry to contribute to the delivery of humanitarian aid for Ukraine and to support Ukrainian refugees in Member States[[4]](#footnote-4)[4].

The clusters and the EEN can also support the refugees to enter the labour market as quickly as possible and the Erasmus for Young Entrepreneurs has reached out to Ukrainian intermediary organisations to take contingency measures to support candidate Ukrainian entrepreneurs and those already on an exchange in the EU. The Commission is also working on the guidance to help Member States on the recognition of professional qualifications for persons fleeing war in Ukraine.

[1] [Frequently asked questions on export-related restrictions pursuant to Articles 2, 2a and 2b of Council Regulation No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine | European Commission (europa.eu)](https://ec.europa.eu/info/files/220316-faqs-export-related-restrictions-russia_en)

2 [EU Clusters Talks - European Supply Chains and Impact of the war in Ukraine | European Cluster Collaboration Platform](https://clustercollaboration.eu/events/organised-by-eccp/clusters-talks/European-Supply-Chains-and-Impact-of-the-war-in-Ukraine)

3 [Clusters meet Regions - Vilnius, Lithuania | European Cluster Collaboration Platform](https://clustercollaboration.eu/events/organised-by-eccp/clusters-meet-regions/vilnius-lithuania)

4 [EU Clusters Support Ukraine | European Cluster Collaboration Platform](https://clustercollaboration.eu/content/eu-clusters-supporting-ukraine)

1. [1] [Frequently asked questions on export-related restrictions pursuant to Articles 2, 2a and 2b of Council Regulation No 833/2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine | European Commission (europa.eu)](https://ec.europa.eu/info/files/220316-faqs-export-related-restrictions-russia_en) [↑](#footnote-ref-1)
2. [2] [EU Clusters Talks - European Supply Chains and Impact of the war in Ukraine | European Cluster Collaboration Platform](https://clustercollaboration.eu/events/organised-by-eccp/clusters-talks/European-Supply-Chains-and-Impact-of-the-war-in-Ukraine) [↑](#footnote-ref-2)
3. [3] [Clusters meet Regions - Vilnius, Lithuania | European Cluster Collaboration Platform](https://clustercollaboration.eu/events/organised-by-eccp/clusters-meet-regions/vilnius-lithuania) [↑](#footnote-ref-3)
4. [4] [EU Clusters Support Ukraine | European Cluster Collaboration Platform](https://clustercollaboration.eu/content/eu-clusters-supporting-ukraine) [↑](#footnote-ref-4)