

# RUSSIA'S WAR ON UKRAINE: ECONOMIC CONSEQUENCES AND RESPONSES<sup>1</sup>

## RESOLUTION 478

The Assembly,

1. **Reaffirming** its declaration, [Standing with Ukraine](#), adopted at Spring session in Vilnius (Lithuania) in May 2022, which conveys full solidarity with Ukraine in the face of Russia's illegal and catastrophic war on Ukraine;
2. **Appalled** by the wanton violence and massive destruction resulting from Russia's war of aggression;
3. **Condemning** in the strongest terms Russia's use of torture and summary executions and its utterly reckless targeting of civilian and economic infrastructure, including housing, grain silos, energy plants, powerlines and other facilities needed to ensure the survival of the Ukrainian population, all of which constitute horrific violations of international humanitarian law;
4. **Honouring** the heroic sacrifices undertaken by the Ukrainian people to defend their homeland and, by extension, the democratic community of nations;
5. **Dismayed** that Russia's war on Ukraine has not only compelled millions of civilians to flee from their homes but is also having a profound impact on Ukraine's economy, which will likely contract by 35% in 2022 alone;
6. **Concerned** that Russia's illegal war has had global economic consequences, driven up prices and slowed growth while striking international energy, food, commodities, consumer goods, and equities markets—developments which have undermined growth in allied countries;
7. **Lamenting** that the developing world has been struck particularly hard by this war-driven shock and that rising food prices could trigger hunger, poverty, grave instability, a humanitarian crisis and mass migration events;
8. **Applauding** Allied and partner nations' steadfast support for Ukraine and clear refusal to recognise any of Russia's illegal and illegitimate claims on Ukrainian territory, including Crimea;
9. **Welcoming** decisions taken by Allied governments to apply an ever-broadening array of sanctions that aim both to weaken the Russian war machine and to target those close to Putin's regime including individuals who have promoted the war and propagated lies that the regime has employed to justify it;
10. **Stressing** that sanctions have weakened Russia's economy but that high energy prices have so far limited the costs to it;

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<sup>1</sup> Presented by the Economics and Security Committee and adopted by the Plenary Assembly on Monday 21 November 2022

11. **Endorsing** the commitment made by most Allied governments to reduce or eliminate imports of Russian energy, which constitutes the most important source of financing for the Russian military and the corrupt leaders who have used that military for such nefarious purposes;
12. **Welcoming** solidarity and cooperation among Allies in finding alternatives sources of energy;
13. **Asserting** that any attacks on Allied critical infrastructure, including energy infrastructure, would be met with a strong and united response;
14. **Noting** that the decision taken by the EU and the G7 to impose a cap on the price paid for Russian oil will limit the revenues that country can generate from this key export;
15. **Emphasising** that reducing and ultimately eliminating Russian energy from the allied energy mix demands a broad-based strategy aiming not only to diversify the energy supply, but also to hasten the coming of a greener more sustainable energy future that, in due course, will enhance security and well-being;
16. **Condemning** the decision of OPEC Plus to reduce oil supplies at a dangerous moment of global economic uncertainty;
17. **Recognising** the importance and increasing effectiveness of Allied and partner financial sanctions against Russia, including banning Russian banks from the SWIFT messaging system; freezing the assets of those individuals and institutions directly responsible for the war or for financing it; and denying key services like insurance to Russian traders;
18. **Observing** that given the importance of western technology in virtually all military systems, the decision to restrict Russian access to these technologies will impede the capacity of its military to operate on the battlefield;
19. **URGES** member governments and parliaments of the North Atlantic Alliance and NATO partners:
  - a. to hold Russian leaders accountable for any war crimes that they have committed, including through the establishment of a special tribunal to prosecute the crime of aggression;
  - b. to provide the Ukrainian government with all the means necessary to defend its people and its vital infrastructure against Russia's wanton bombing and ground campaign;
  - c. to increase military, intelligence, financial, training and humanitarian support to Ukraine, including by accelerating deliveries of the weapons that Ukraine needs to protect itself and to restore its territorial integrity, and to sustain this support for as long as it takes for Ukraine to prevail;
  - d. to sustain critical humanitarian aid to the Ukrainian victims of this war both in Ukraine and beyond;
  - e. to continue to strengthen sanctions on Russia both to further undermine its capacity to wage war on the European continent and to impose daunting costs on its leadership and the economic forces that underwrite it;
  - f. to do everything possible to avoid purchasing Russian energy and to understand this sacrifice not only as an act of solidarity with Ukraine, but also as a long-term security investment;

- g. to forge a trans-Atlantic approach engaging all Allies and the EU to overcome the immediate energy supply crisis and to plan for a long-term secure and sustainable energy future premised on diversifying energy supplies, rapidly adopting greener and more sustainable sources of energy and increasing energy efficiency;
- h. to make the protection of critical civil infrastructure a central strategic priority in light of Russia's willingness to attack fundamental economic assets;
- i. to launch a concerted planning effort for a comprehensive aid programme akin to the Marshall Plan for the reconstruction of a more prosperous Ukraine firmly anchored to the liberal democratic family of nations—a project that Russia itself should ultimately help fund given its responsibility for the terrible and costly damage it has inflicted;
- j. to recognise that this reconstruction will demand sustained financial and political support from the international community and to begin to outline in close consultation with Ukraine, the EU, and key international financial institutions like the World Bank and the IMF a strategy for financing Ukraine's economic rebirth;
- k. to continue active support for Ukraine's integration into Euro-Atlantic institutions;
- l. to support developing countries as they cope with the economic fallout from this war, including rising food, goods, energy and commodity prices and soaring interest rates, all of which disproportionately strike poor indebted countries.