Tomorrow's Affairs
Analysis of today
Assessment of tomorrow

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G7 and EU set new standards for aid to Ukraine

Support for Ukraine has reached a point where it is necessary to draw a clear line between political solidarity and a concrete reconstruction strategy.

According to the UK government's working scenarios, which Tomorrow's Affairs has had insight into, a series of preparatory meetings between the foreign, finance and defence ministers of the G7 countries and the European Union could take place in late May and early June to coordinate further assistance to Ukraine.

The date, venue, and format of these meetings have not yet been officially confirmed. They should set the stage for an official G7 summit scheduled for 15-17 June in Canada.

Western donor countries face pressure to reduce public spending and reassess the extent of their financial aid to Ukraine. This is due to both domestic demands for austerity measures and strained budgets burdened by higher prices and slower economic activity.

Although President Trump has renewed formal support for Ukraine, some Republicans in Congress continue to block certain parts of military and budget aid.

General statements are no longer enough. Each meeting must lead to binding decisions with precisely defined amounts of aid, deadlines for its disbursement and clear control mechanisms for its implementation.

The previous mechanisms

The previous mechanisms have shown their weaknesses. Of the USD 60 billion promised in 2023, a significant proportion of the funds remained unused due to complex and uncoordinated administrative procedures.

The EU funds, totalling EUR 50 billion, are still awaiting ratification by the parliaments of several member states.

On the ground, infrastructure projects are at a standstill, the restoration of power grids is delayed and local authorities have no access to stable sources of funding.

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The G7 member states cannot afford another cycle of non-binding political declarations that will be watered down after the heads of state and government return to their national capitals.

If the preparatory meetings do not introduce a mechanism to sanction unfulfilled commitments, both by donors and by Ukraine, there is a risk that the entire aid system will become a political form without operational content.

Dynamic ranking

This is precisely why the so-called "dynamic ranking" was introduced, in which the fulfilment of the commitments of all actors, including those who delayed the disbursement of the promised funds, would be transparently presented.

As part of these preparations, there are three important steps. First, establish a permanent office for the coordination of Ukraine's reconstruction with teams in the respective capitals, tasked with monitoring the flow of funds, approving projects, and proposing corrective measures in real time.

Secondly, formulate clear phases for restoring key infrastructure, which should include deadlines, checkpoints, and mandatory reporting.

Third, expand partnerships with the private sector – including state funds, investment banks and large industrial groups – for investment protection and risk insurance mechanisms.

> The financing model will not depend exclusively on the budgets of the donor countries

The financing model will not depend exclusively on the budgets of the donor countries. It is expected that a hybrid approach will be chosen: a combination of grants, subsidised loans and the placement of "reconstruction bonds" on the international financial markets.

These bonds would tie up global capital without adding an extra fiscal burden on budgets, as they are linked to Ukraine's future public revenues and guaranteed by the joint G7 fund.

Security guarantees

In addition to financial reconstruction, the issue of security guarantees for Ukraine must also be resolved. No energy or logistics project will be sustainable if it is not integrated into a broader plan to protect against future attacks.

While NATO membership remains politically sensitive, the West needs to offer a functional framework for military support with elaborate scenarios for action, regional co-operation and strategic capacity allocation. Without this, every renovated building remains a potential target and every investor a reluctant partner.

Without fundamental reforms in Ukraine, no financial structure will survive. Priorities include the adoption of a law on the independence of anti-corruption authorities with deadlines for investigations; judicial reform with international oversight over the appointment of judges; decentralisation of budget authority with mandatory transparency; and liberalisation of the land market with protection for small producers.

Another challenge that has not been sufficiently emphasised is the country's demographic revival. More than eight million Ukrainians still live in the diaspora, and some of these highly qualified professionals have been integrated into the labour markets of Western Europe and North America.

Without institutional, fiscal, and housing policy incentives for their return and retention, Ukraine risks losing the key personnel essential for long-term transformation.

> The reconstruction of the energy infrastructure should go hand in hand with the green transition

The reconstruction of the energy infrastructure should go hand in hand with the green transition. The reconstruction of nuclear and thermal power plants must be planned in compliance with the strictest environmental standards and with the inclusion of renewable energies.

Only in this way can Ukraine reduce its dependence on Russian gas and build sustainable power generation capacity, creating an attractive environment for green investments from the EU and the US.

The role of local authorities must be strengthened through public-private partnership models at the regional level. Municipalities that manage the funds best and report transparently should be prioritised for funding.

This will create a competitive spirit between territories and ensure that the tangible results of reconstruction reach even the smallest communities.

The risks

If this comprehensive plan is adopted and implemented, it is realistic that 25% to 30% of the priority projects will be completed by the end of 2025. Private sector participation could double, and formal EU accession negotiations would become a more credible prospect.

However, the risks are significant. Some Republicans in the US Congress are still blocking new aid packages, and in the EU, internal disagreements over fiscal rules could prolong the instalments.

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The greatest risk is the loss of public trust in the donor countries if the promised reforms are not implemented.

Ukraine's reconstruction will only succeed if the West shows that it stands behind its words—every dollar for aid must be accompanied by measurable results; every project must be monitored by independent auditors; and every new instalment must be conditional on the fulfilment of clear reform targets.

Without such an approach, the West risks its efforts remaining at the level of diplomatic rhetoric while Ukraine is mired in delays and political deadlock.

If partners fail to take decisive action now, any future aid instalment could become meaningless. That is why clear deadlines must be set, strict sanctions implemented for unfulfilled commitments and activated independent monitoring mechanisms.

Only with such decisive action will solidarity with Ukraine become a guarantee not only for its renewal but also for the security of Europe as a whole.