

Politics

## Zelenskiy Appeals for Urgent Help to Restore Energy Network

- President speaks at latest forum on Ukrainian reconstruction
- Rebuilding program could mobilize up to \$1 trillion of capital



Olaf Scholz and Volodymyr Zelenskiy at the Ukraine Recovery Conference in Berlin, on June 11. *Photographer: Krisztian Bocsi/Bloomberg*

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President Volodymyr Zelenskiy highlighted the urgent need to rebuild Ukraine's battered energy infrastructure at a conference in Berlin convened to mobilize international support for reconstruction.

The gathering co-hosted Tuesday by Zelenskiy and German Chancellor Olaf Scholz brought together government officials, international organizations and company executives and follows similar meetings held in Lugano and London last year.





Olaf Scholz and Volodymyr Zelenskyy at the Ukraine Recovery Conference in Berlin, on June 11. *Photographer: Krisztian Bocsi/Bloomberg*

Russia resumed extensive attacks on Ukraine's power network last month, targeting energy facilities across the country. A major missile and drone assault on June 1 prompted authorities to impose more rationing of electricity supplies.

Zelenskyy accused Russian President Vladimir Putin of using energy as a weapon and said about 80% of thermal-power generation and a third of hydro generation has been destroyed since the full-scale invasion began in February 2022.

He appealed for investment that would help restore as much as 1 gigawatt of capacity during the next three to four months out of the 9 gigawatts he said Russian attacks have knocked out.

“We are asking for equipment from non-operating stations and direct financial support,” Zelenskyy said. “We have already lost many times more generation than the consumption of large cities.”



Governments, executives and investors are already preparing for a reconstruction program in Ukraine that the European Investment Bank estimates could amount to more than \$1 trillion of public and private capital.

Adjusted for inflation, that's more than five times the scale of the US Marshall Plan that funded the rebuilding of large parts of Europe after World War II.

One challenge will be to convince private companies to respond to Zelenskiy's appeal for immediate investment given that there is little sign of an end to the fighting and Russia's aerial assaults anytime soon.



In his opening remarks Tuesday, Scholz said private capital was key to the rebuilding effort, adding that it “must also be a business case.”

“Those who get involved at an early stage, who cultivate and expand their economic relations with Ukraine now, will be at the forefront,” Scholz told delegates including European Commission President Ursula von der Leyen and outgoing Dutch Prime Minister Mark Rutte. “On behalf of German industry, I can say that they are doing this.”

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Von der Leyen said that the European Union has raised close to €500 million (\$537 million) so far for urgent repairs to Ukraine's energy grid and is also supplying 1,000 additional power generators and nearly 8,000 solar panels.

The bloc will also provide backing for equity investments in Ukraine, she announced, adding that under the program, banks will be able to apply for EU budget support when they invest in equity funds active in the country.

Link

“Our aim is to improve access to finance for Ukrainian businesses,” she said. “Especially for SMEs and startups that can help modernize the Ukrainian economy” in sectors like IT, renewable energy and critical raw materials.

Both von der Leyen and Scholz reiterated their firm backing for Ukraine's eventual membership of the EU. The commission president said accession talks with the government in Kyiv should begin this month.

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“A few months after the start of the Russian war, we jointly made a firm promise: Ukraine's future lies in the EU,” Scholz said. “That still applies.”

Accession negotiations typically take years, as the path to membership is lengthy and complicated. Croatia, the last country to join, saw its application process drag on for 10 years before it was formally accepted in 2013.

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– *With assistance from Petra Sorge, Olesia Safronova, Aliaksandr Kudrytski and Jorge Valero*



*(Updates with Zelenskiy, von der Leyen comments starting in fourth paragraph.)*

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