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EU Convenes for High-Stakes Summit on Tapping Russian Funds for Ukraine

By AFP

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German Chancellor Friedrich Merz in Brussels on Dec. 18, 2025. **John Thys / AFP**

European leaders will gather in Brussels on Thursday for a high-stakes summit focused on whether to use frozen Russian assets to finance aid for Ukraine, with Belgium under mounting pressure to drop its opposition to the plan.

The 27-nation bloc is scrambling to shore up Kyiv's finances as Russia's war approaches its fourth year and U.S. President Donald Trump pushes for a swift end to the fighting. European officials say Ukraine's survival and the EU's credibility are both on the line.

"If we do not succeed in this, then the European Union's ability to act will be severely damaged for years," German Chancellor Friedrich Merz warned this week. "We will show the world that we are incapable of standing together at such a crucial moment in our history."

The European Union estimates that Ukraine, whose president, Volodymyr Zelensky, is

expected to join the meeting, will need an additional 135 billion euros ($159 billion) over the next two years to remain financially afloat, with funding shortfalls beginning as early as April.

To address the gap, the European Commission has proposed tapping roughly 210 billion euros in Russian central bank assets frozen inside the bloc.

Under the plan, the assets would be used to back a reparations loan, initially providing Ukraine with 90 billion euros over two years. Kyiv would repay the loan only if Russia ultimately pays war reparations.

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Belgium, where the securities depository Euroclear holds the bulk of the frozen assets, has opposed the proposal, citing concerns about potential legal and financial retaliation from Russia. The Russian Central Bank has already announced it is suing Euroclear.

Belgian Prime Minister Bart De Wever is expected to face intense pressure from other European leaders, most of whom support the plan.

European officials say they have sought to address Belgium's concerns by proposing multiple layers of protection, including financial guarantees from other member states.

De Wever has so far remained unconvinced, arguing that any guarantees must be unlimited and that frozen Russian assets held outside Belgium should also be used.

While other member states could theoretically force the plan through with a weighted majority vote, officials say such a move would risk a deep political rupture and is unlikely.

"These are complex decisions that cannot be forced," Italian Prime Minister Giorgia Meloni said, signaling potential political cover for Belgium.

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The commission has also floated a fallback option under which the European Union would borrow money directly to lend to Ukraine. That proposal has largely been set aside because it would require unanimous approval from all 27 member states, and Hungary has already ruled it out.

Still, some diplomats say the idea could resurface if the primary plan stalls.

"It is on the shelf, not in the bin," one European diplomat said, speaking on condition of anonymity. "But the focus now is on the reparations loan."

The talks come as the United States intensifies efforts to broker a peace deal. American officials are expected to meet separately with Ukrainian and Russian diplomats in Florida this weekend to discuss Trump's peace proposal, Zelensky and the Kremlin confirmed Thursday.

Ukraine has said Washington is pressuring European governments not to use the frozen

assets, viewing them as leverage in negotiations with Moscow. European officials deny that claim, saying the peace push has instead increased urgency around securing funding for Kyiv.

With Ukraine facing looming budget shortfalls, diplomats say leaders are determined to reach at least a political agreement this week, even if technical details are finalized later.

“We need to find a solution,” another European diplomat said. “I would be surprised if leaders leave Brussels without some kind of decision.”

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