

N. Korean Debt Forgiven

By [The Moscow Times](#)

September 14, 2011

The  Moscow Times

Russia will write off North Korea's \$11 billion debt, Izvestia reported Wednesday, citing a source close to the Finance Ministry.

Russia has proposed a plan under which 90 percent of the debt — some of it Soviet-era — will be written off, and the remaining 10 percent will be invested in joint projects in North Korea. Pyongyang has given its preliminary consent to the proposal.

The source gave two reasons for the move: Nothing can be recovered from North Korea because it is insolvent, and the debt is obstructing efforts to establish economic ties. The Finance Ministry has not confirmed the report.

(Interfax, MT)

Original url: <https://www.themoscowtimes.com/2011/09/14/n-korean-debt-forgiven-a9549>