

Western Heads Move to Secure Financial Aid Package for Ukraine

By [The Moscow Times](#)

February 24, 2014

The  Moscow Times

European and U.S. finance heads moved quickly Monday to secure a financial aid package for Ukraine following the ouster of its president Saturday and a potential withdrawal of Russian economic support.

Ukraine's parliament voted Saturday to impeach President Viktor Yanukovich following months of anti-government protests that originally flared up in November when the government took a step back from closer EU ties in favor of strengthened cooperation with Russia. Nearly 100 people were killed last week in clashes between protesters and the police.

U.S. Treasury Secretary Jacob Lew speaking with Ukrainian authorities by telephone urged them to begin dialogue with the International Monetary Fund as soon as possible and said that the U.S. was willing to supplement IMF aid, Reuters reported.

George Osborne, Britain's Chancellor of the Exchequer, said Monday that his country was

ready to support an aid package for Ukraine via the IMF, the news agency reported.

Olli Rehn, Europe's top economic official, said any proposed bailout deal for the cash-strapped former Soviet state would be measured in billions of euros, according to the Financial Times.

Ukraine's acting president Oleksandr Turchynov said Sunday that Yanukovych had "driven the economy to the brink of a catastrophe."

On Sunday, Russia warned that it would freeze a \$2 billion purchase of the country's eurobonds pending clarity in the political fallout of the weekend's events.

That payment was to be the second tranche of a \$15 billion loan package agreed to in December in what was widely seen at the time as a resolution to the crisis in Ukraine and a foreign policy coup by Moscow.

On Friday, rating agency Standard & Poor's warned it expected Ukraine to default on its foreign-currency obligations if Russia delayed its promised loans.

Turchynov added that the new leadership would return the country to a course of integration with Europe and that Russia must respect that choice.

Rehn, the EU's economic commissioner, earlier said that Europe stood ready to provide a financial aid package to the country following the formation of a new government and a commitment to reform, signaling that a deal backed by Western leaders may come with stipulations.

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