

# Duma Committee Urges Adoption of North Korean Debt Bill

By [The Moscow Times](#)

March 19, 2014

**The  Moscow Times**

The State Duma's Budget and Taxes Committee on Wednesday advised Russia's lower house of parliament to effectively wipe out North Korea's long-outstanding debt to the Soviet Union, Interfax reported.

In 2012, Russia's Finance Ministry set the amount to be paid at \$11 billion, based on the Soviet-era exchange rate of 67 kopecks to the dollar.

A bill was submitted to the Duma in February with additional concessions. It forgave \$10 billion of the debt, with the remaining \$1 billion to be directly invested in North Korean healthcare, education, and energy projects over the next 20 years.

The burgeoning ties between Russia and North Korea in recent years have been seen by some analysts as an indication of Moscow's growing appreciation of the geopolitical and economic opportunities that could be gained from cooperation with the rogue regime.

Although President Vladimir Putin agreed to the imposition of UN sanctions on North Korea in December 2013, Russia has been trying to secure the regime's cooperation to build a pipeline to South Korea and revive plans for a trans-peninsula railway.

In 2013, Russian Railways set up a rail service linking the Russian city of Khasan to the North Korean port of Rajin.

Original url:

<https://www.themoscowtimes.com/2014/03/19/duma-committee-urges-adoption-of-north-korean-debt-bill-a33143>