

IMF Says Undecided Whether Russia's Ukraine Debt Is 'Official'

By [The Moscow Times](#)

March 27, 2015



Ukraine's Finance Minister Natalia Yaresko attends a meeting to report on the work done during the first 100 days of the Ukrainian government in Kiev, March 12, 2015.

The International Monetary Fund has not decided whether Russia's \$3 billion holding of Ukrainian debt should be classified as "official" debt, an IMF spokesman said Thursday, taking back an earlier statement.

Ukraine, which recently received a \$17.5 billion bailout from the International Monetary Fund, must come up with at least \$15.3 billion from sovereign debt restructuring under the conditions of the program. But Russia, which holds a \$3 billion Eurobond from Ukraine, has so far refused to participate in the restructuring.

IMF spokesman William Murray earlier on Thursday said Russia's Ukraine Eurobond is held by its sovereign wealth fund, and therefore should be classified as official debt.

But the IMF later amended those comments. The status of Russia's debt could influence how the Eurobond is treated in the Ukrainian government's talks with creditors.

"No determination has been made by the Fund as to the status of this claim," Murray said in reference to Ukraine's Eurobond debt to Russia, according to the later Fund statement.

Countries borrowing money from the IMF are also not allowed to be behind in debt payments due to other governments, Murray said, without specifically commenting on what that means for Ukraine's IMF program. Ukraine's Eurobond from Russia comes due in December.

Russia, which Western countries accuse of military intervention in eastern Ukraine, has suggested its bonds should be classified as sovereign debt and thus subject to the Paris Club of creditor governments, not Kiev's talks with private creditors.

The status of the bonds could prove a stumbling block in Ukraine's discussions with creditors, which it hopes to conclude by June, in time for the next IMF review of its program.

Ukraine's Finance Minister Natalia Yaresko has said Russia's Eurobond should be part of the debt restructuring, and invited Moscow to participate.

Original url:

<https://www.themoscowtimes.com/2015/03/27/imf-says-undecided-whether-russias-ukraine-debt-is-official-a45200>