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# Moldova, Eyeing Russia Loan, May 'Pause' Cooperation With IMF, PM Says

By Reuters

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**Dumitru Doru / EPA / TASS**

Moldova's new prime minister on Tuesday raised the possibility of a "pause" in its cooperation with the International Monetary Fund, a day after he said his ex-Soviet republic was negotiating a $500 million loan with Russia.

Ion Chicu's comments and actions, including a trip to Moscow last week, suggest a likely pivot back towards Russia after Moldova's previous pro-Western government was felled by a no-confidence vote on Nov. 12, just five months after it took power promising to fight corruption.

Chicu's minority Socialist government wants to raise pensions and salaries ahead of a presidential election next year. President Igor Dodon is a former Socialist Party leader and also a strong supporter of closer ties with Moscow.

"We consider any cooperation with external partners through the prism of Moldova's

national interests. We are committed to investing a significant amount of money in the social sphere," Chicu told N4 television channel.

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"If the IMF shows flexibility, we will continue to cooperate with it. If there is no such flexibility, then we do not exclude the possibility of a pause in our cooperation," he said.

Moldova has already received $157 million out of $182 million under a three-year IMF program which expires in 2020.

Chicu, a former finance minister, announced on Monday that Moldova, one of Europe's poorest countries, was negotiating a loan with Russia following his talks in Moscow with Russian Prime Minister Dmitry Medvedev.

Moldova, sandwiched between Ukraine and Romania, signed a political and trade accord with the European Union in 2014, but membership of the bloc remains a remote prospect, and Russia is keen to restore its influence in ex-Soviet republics.

The tiny country of 3.5 million people has lurched from crisis to crisis since the disappearance of $1 billion from its financial system in 2014, which tarnished the reputation of its political class.

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