
EUROZONE FINANCE MINISTERS TO HOLD MAY 9 MEETING ON GREECE

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BRUSSELS- [REDACTED] finance ministers will hold an extraordinary meeting May 9 to try to complete a deal for Greeces bailout, a spokesman for Dutch Finance Minister Jeroen Dijsselbloem said late Thursday.

A tentative meeting for Thursday was called off when talks between the two sides ran into difficulties.

Mr. Dijsselbloem, who presides over the meetings of eurozone finance ministers, said Wednesday that creditors need a little more time to work with Athens on the legal possibilities for a contingency mechanism that would trigger further austerity if Greece misses targets.

The additional time would also give officials the opportunity to discuss what is possible to deal with Greeces debt burden, according to Mr. Dijsselbloem.

Greeces creditors [REDACTED] governments and the International Monetary Fund [REDACTED] been at odds for months about Greeces economic outlook and the scope of the overhauls it needs, with the IMF pushing for further austerity for Athens to meet its budget targets.

To resolve the standoff, eurozone finance ministers said last Friday Athens would have to come up with and put into law extra austerity measures worth 2% of gross domestic product [REDACTED] about [REDACTED] billion (about \$4.1 billion). The additional savings would be triggered only if the government missed its promised budget targets.

But the Greek government and the IMF have since been at loggerheads over how to find the so-called contingency measures, or additional austerity, if Greece misses its budget targets.

Finance Minister Euclid Tsakalotos has argued since last weekend that the savings should come by trimming public spending across all government departments if Greeces fiscal watchdog says it is needed. But the IMF wants the set of extra austerity measures to be specified before talks on the ongoing review of Greeces bailout can conclude.

The Greek government, however, says legislating the measures upfront isn't legally possible and instead has proposed a mechanism that would be automatically triggered when the country missed its targets.

Underscoring the differences that persist between the countrys lenders, Pierre Moscovici, the

European Unions economic affairs commissioner, supported the Greek governments view, saying that the extra austerity package doesnt need to be detailed or specified upfront.

The mechanism is a way to have measures if necessary, but in our view we dont need a precise, detailed set of measures, Mr. Moscovici told reporters earlier Thursday.

Legislating an extra set of painful economic overhauls now could also be politically challenging for the Greek government, which will have to get these measures through an already thin parliamentary majority.

It is certainly difficult for any parliament or government to legislate upfront for eventual measures to be taken in three years from now, Mr. Moscovici said.

Greek and EU officials had hoped an agreement could be reached quickly and approved by eurozone finance ministers on Thursday, but that meeting was called off after the two sides failed to reach an agreement over the contingency measures over the previous days.

The currency blocs finance ministers, who met in Amsterdam last week, said they would reconvene once Athens and its creditors reached a deal on the package of austerity measures Greece must implement in exchange for fresh loans under its up-to-EUR86-billion bailout.

Greece needs financial aid by July, before large debts fall due.

The ministers said that if agreement is reached on the new measures, they would meet again to sign off on the deal and start politically sensitive discussions on reducing Greeces debt burden.

By VIKTORIA DENDRINO and NEKTARIA STAMOULI

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