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## **ATHENS CLOSER TO AGREEMENT WITH CREDITORS; IMF HEAVILY CRITICIZED**

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The Greek government escalated its criticism of the International Monetary Fund (IMF) over the weekend, accusing it of complicating the second review of the countrys bailout program by tabling unrealistic demands.

Athens and creditors have moved significantly closer to a deal to conclude the review of the countrys program. The quartet of Greeces creditors is reportedly expected to return to Athens this week with Eurozone sources pointing out that an agreement could be reached by Wednesday.

However, the Greek government is expected to make a series of concessions, chiefly to appease concerns raised by the IMF about the targets of the program being met.

Prime Minister Alexis Tsipras said on Saturday he believed the review will be successfully completed but Athens would not succumb to illogical demands. Speaking to the Syriza Central Committee, the PM said Athens will not make concessions in matters of principle.

Tsipras accused the IMF of being cowardly, and of coming up with new demands for Greece; absurd, imaginary unreal, it doesnt matter, as long as it is made to look like Greece is to blame for the already agreed decision of the Fund to not finance the third Greek bailout.

I dont know if the review will be completed with the IMF having a central funding role, or a different role, but the review will be completed because Europe cannot afford to play games, Tsipras said.

Finance Minister Euclid Tsakalotos struck a similar tone when he called on the Washington fund to make up its mind about the role it wants to have in the Greek program. The minister accused the IMF of not being interested on the size of the primary surplus in 2019 but rather of pushing Greece to push through reforms on the tax free ceiling and pensions.

Tsakalotos also said that the IMF uses very questionable reports to strengthen its position.

The IMF should decide quickly what it wants to do underlined Tsakalotos adding that if it wants to participate in the program it must respect the efforts of the Greek people in the last years as well as Europes institutional framework for labor. If it wants pressure, it can put pressure on the countries that do not accept more reasonable primary surpluses for Greece the Fin Min underlined.

Following deliberations between Greek officials and creditors in the last few days, it is thought that Athens will be called upon to implement 1.8 billion euros worth of new reforms by 2018 and

another 1.8 billion euros after then. Measures will reportedly include broadening the tax base and pension cuts.

For the Greek side February is considered a critical month, given the governments goal of concluding the bailout program review by the Eurogroup meeting of 20 February, in order to avoid complications stemming from the electoral procedures that begin in several European countries as of March, as well as to achieve Greeces induction in the European Central Banks quantitative easing program by that time.

According to reports in some Greek media, several government MPs and officials are concerned about the political cost of voting through fresh austerity measures, especially since the premier himself has publicly reassured that the government wont vote for measures outside the context of the current bailout program. Some Syriza officials appear to have advised the PM should consider calling a snap election should Athens come away from talks with creditors with a package that would be politically damaging.

By Zacharias Petrou

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