

Concrete Europe commitment needed to relieve Greek debt

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Washington: The International Monetary Fund (IMF) said that "difficult" talks lie ahead with regard to a third bailout programme for Greece and stressed the need for a commitment by European leaders to re-structure Athens' debt.

"On the debt relief, there would need to be a specific, concrete commitment," IMF spokesman Gerry Rice said in a regular press briefing on Thursday.

The issue of debt re-structuring is a contentious one, with Germany in particular opposing such as step as incompatible with Eurozone membership.

On July 13, a framework agreement was reached between Greek Prime Minister Alexis Tsipras' government and its international creditors.

The goal of all parties is to stabilise Greece's economy so that it can once again achieve sustainable growth, Rice told reporters.

A new bailout is expected to be worth up to 86 billion euros (\$96 billion) over three years, with the rescue funds contingent on Greece enacting deeper austerity measures, including pension cuts and tax increases.

Earlier this month, Tsipras accepted an austerity deal demanded by European leaders.

That move was a reversal of course for the prime minister, whose Syriza party won election in January on a promise to throw off austerity measures mandated by the troika - the European Union, European Central Bank and the IMF.

Those measures have pushed Greece's unemployment rate above 25 percent even as the ratio of debt to gross domestic product has soared amid an economic contraction of more than 20 percent.

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