
Source Says Greece to Lock in Bailout By Tuesday

10/08/2015



Greek negotiators are reportedly optimistic a bailout deal will be secured this week.

Greece intends to complete bailout talks by Tuesday, one official in Athens said Monday.

"Efforts are being made to conclude the negotiations, the horizon is by Monday night or early Tuesday," an anonymous official close to negotiations told Reuters.

"When the new bailout comes to parliament for a vote it will be one bill with two articles - one article will be the loan agreement and the MoU (memorandum of understanding) and the second article will be the prior actions," the official said

As the source said negotiators were closing in on a deal, talks between Athens and international creditors stretched on into the early hours of Monday. The negotiations began in late July, with lenders trying to reduce the size of future bailout commitments, and Greek representatives frustrated with non-performing banking sector loans, and harsh austerity demands from lenders.

However, a second unnamed official that spoke to Reuters said talks are now in their "final stretch."

"Combing through the final text, sentence by sentence, word by word," the official stated.

Greece needs at least US\$94.5 billion by Aug. 20, when Athens is expected to make its next debt repayment to the European Central Bank.

In late July, Greece and lenders reached an agreement on a reform program that demanded the government deepen unpopular austerity measures. The deal included controversial pension reform, new privatizations and the dumping of tax breaks for farmers and other groups.

The deal sparked a revolt against Greek Prime Minister Alexis Tsipras from the left of his own Syriza government, with some accusing the government of reneging on its anti-austerity electoral platform.

However, the new austerity measures weren't enough to woo the International Monetary Fund, which argued the deep cuts wouldn't sufficiently reduce Greece's debts. Earlier in July a secret IMF report was leaked, showing behind closed doors the financial institution had already concluded the upcoming debt relief package isn't enough to keep Greece afloat.
