



**PRESS RELEASE**

**RUSSIA ABOUT TO SIGN AN AGREEMENT WITH THE PARIS CLUB ON THE EARLY  
REPAYMENT OF ALL ITS US\$ 22 BILLION DEBT**

Negotiations held between the representatives of the Paris Club creditors and of the Government of the Russian Federation on the 15 and 16 June 2006 resulted in an agreement regarding the early repayment by Russia of all its Paris Club debt. This agreement is about to be signed by Russia.

After the early repayment of its debt which amounts to about US\$ 22 billion in face value, Russia will no longer be a Paris Club debtor, while remaining a major creditor within the Paris Club. This operation will represent the largest prepayment ever made to Paris Club creditors.

Contact: Julien RENCKI, Secretary General of the Paris Club

☎ : 33.1.44.87.73.61 - ✉ : 33.1.53.18.36.04

[www.clubdeparis.org](http://www.clubdeparis.org)

### **Background notes**

1. The Paris Club was formed in 1956. It is an informal group of creditor governments from major industrialized countries. It meets on a monthly basis in Paris with debtor countries in order to agree with them on restructuring their debts.

2. The members of the Paris Club which are creditors of Russia are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.

3. The delegation of Russia was headed by Mr Serguei STORCHAK, Deputy Minister of Finance. The meeting was chaired by Mr Ramon FERNANDEZ, Vice-Chairman of the Paris Club.

### **Technical note**

1. The debt owed by Russia to Paris Club creditors amounts to US\$22.3 Bn as of 1<sup>st</sup> June 2006. Under the rescheduling agreements of 1996 and 1999, these amounts were to be repaid between 20 August 2006 and 20 August 2020.

2. On 13 May 2005, the Russian Federation concluded a first prepayment agreement with the Paris Club, which led to the prepayment of US\$ 15 billion of debt during the summer of 2005.