

Countdown to unlock Greek bailout

At least eight steps must take place successfully between now and an EU leaders' summit on March 1 – the deadline Athens' paymasters have set to approve a €130 billion rescue – to avoid a Greek default

1 Greece's national unity coalition, under leadership of Prime Minister **Lucas Papademos**, must agree to cuts demanded by "troika" – European Commission, European Central Bank and International Monetary Fund



Cuts agreed: Healthcare €1.1bn
Defence €400bn
Local government €400bn
Public sector jobs to go 15,000
Minimum wage to be cut by 20% to €600 a month. Minimum pay for those under 25 cut 30% to €527.
15% cut to state-run pensions.
Extra conditions: Athens must find further €325m in savings in 2012

2 Feb 12: Greek parliament likely to convene to approve cuts

3 Feb 13: Deadline for coalition to submit final debt swap offer to private sector bondholders

4 Feb 14: Earliest date for special session of German parliament to approve €100bn of €130bn bailout. Delay would give Berlin time to secure more cuts from Athens

5 Feb 15: Debt swap begins.

Swap will slice €100bn off more than €200bn of privately-held bonds. Debt to be swapped for new 30-year bonds guaranteed by **EFSF – European Financial Stability Facility**. Eurozone finance ministers meet to ensure all conditions have been met



6 Feb 17: Greek parliament passes **collective action clauses**.

CACs stop unwilling investors from holding up debt swap, thereby preventing official "**credit event**" that would trigger **credit default swaps** – "insurance" against default

7 Feb 20: EFSF to issue €35bn euro bond to guarantee Greek government bonds held by ECB

8 Feb 29: Debt swap completed



■ Mar 1-2: Summit of EU leaders to approve release of funds

■ Mar 20: Repayment of €14.5bn bond falls due

