

MINISTRY OF FOREIGN AFFAIRS OF THE RUSSIAN FEDERATION



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Mikhail Kamynin, the Spokesman of Russia's Ministry of Foreign Affairs, Answers a Media Question Regarding Debts and Assets of the USSR

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Question: The spokesman of the Ukrainian Foreign Ministry has declared that his country insists on resuming the negotiation process with Russia on Soviet debts and assets. What can you say in this connection?

Answer: Russia does not intend to conduct negotiations on this problem. We consider this matter as settled. As is known, on December 9, 1994, there was signed the Russian Federation-Ukraine Succession Agreement on Foreign National Debt and Assets of the Former USSR, the so called "zero option," under which Ukraine undertook to transfer its share of those assets to Russia, and Russia undertook to pay Ukraine's share of the foreign debt. When signing this Agreement the head of the government of Ukraine had full information on the size of the USSR's debt and assets.

I shall stress that for fifteen years now Russia alone as the continuer state of the USSR has been repaying the Soviet foreign debt, including Ukraine's share of it. For some reason Kyiv is modestly silent about this fact.

The other inseparable component of the zero option is Ukraine's obligation to transfer, and that of the Russian Federation to accept Ukraine's share of the Soviet assets to repay the foreign-debt part assigned to Ukraine.

For the parties, this Agreement records no obligations other than these, including providing additional information.

Unfortunately, the Ukrainian side, unlike the Russian side, has still not carried out intrastate procedures necessary for the entry into force of the Zero Option Agreement.

We reaffirm our position, which presumes that the Ukrainian side in accordance with the existing obligations must enact the Zero Option Agreement and will comply with its provisions without any conditions and reservations.

April 6, 2006

