Illustrative Comments on Correctly Measuring Greece Debt: EU-Related

1. **European Stability Mechanism Managing Director Klaus Regling**: "the actual cost to Greece of servicing its debt is among the lowest in Europe and will remain so for a long time. Its gross financing needs will drop in the coming years and fall well below those of most other eurozone countries by 2020" (FT, 9 Feb 2017). Greece debt ratio is meaningless (WSJ, 26 Sep 2013) given very generous concessional terms on the debt, and the debt relief should be measured using net present value. (ESM Annual Report, 18 Jun 2015)
2. **Germany Deputy Minister of Finance Jens Spahn**: Debt burden should be assessed based on "net present value of debt" and "how much in fact does Greece have to pay per year". (Bloomberg, 2 Sep 2015)
3. **Germany Chancellor Angela Merkel**: "It is rightful that we do not ask about the 120% debt [to GDP] ratio, but ask, what is the actual burden on Greece from its debt service." (Axia, 1 Sep 2015)
4. **IMF**: Given the extraordinarily concessional terms that now apply to the bulk of Greece's debt, the debt/GDP ratio is not a very meaningful proxy (Greece Preliminary DSA 26 Jun 2015). Present value of debt is the appropriate measure for non-market access countries (DSA LIC Framework, 5 Nov 2013)
5. **CDU Economic Council**: It is the present value of a loan that is decisive, not the nominal value. Greece debt is significantly lower than thought. This 'competitive edge' is kept quiet. (Letter to Members of the CDU/CSU Parliamentary Group, 24 Feb 2015)
6. **Former Member of German Council of Economic Experts Beatrice Weder di Mauro**: The present value of outstanding Greek debt is now about 100% of GDP. (Brookings, Sept 2015)