

Argentina's Senate approves government debt renegotiation



Buenos Aires, February 6 (RHC)-- Argentina's Senate approved this Wednesday and turned into law a project that enables the government of Alberto Fernandez to take the necessary formal steps to restructure the massive sovereign debt of the country issued under foreign laws.

The initiative, which had already been approved last week by the Chamber of Deputies, unanimously received Wednesday's approval in the Upper House.

The approval of the Law promoted by the governing party takes place in parallel with the end of the tour undertaken last week by Fernandez through Europe in search of support for the negotiations that Argentina also intends to open with the International Monetary Fund (IMF).

The new Law on the Restoration of the Sustainability of Public Debt Issued under Foreign Legislation enables the Minister of Economy, Martin Guzman, to carry out a series of actions to restructure bonds issued under foreign law.

The norm indicates that the Executive will determine the nominal amounts of the debt reached by the imminent restructuring and authorizes the Ministry of Economy to issue new public titles for an eventual exchange. It also gives Guzman the freedom to determine the terms and procedures for issuing new bonds while choosing which financial institutions and advisors to act as process coordinators or as

placement agents.

According to data from the Ministry of Finance, at the end of last December Argentina's gross debt amounted to 323,177 million dollars, 44% issued under foreign legislation. The debt in medium and long-term public bonds amounts to about 194,000 million dollars, 80% in foreign currency.

The government, which has not yet informed what volume of debt will enter the process, plans to launch a restructuring offer to private creditors in the second week of March, whose term of accession will expire at the end of the same month.

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