

UPDATE 1-Time running out for Greece, says Germany's Schaeuble

Reporting by Caroline Copley, Matthias Sobolewski; Editing by Stephen Brown | March 18, 2015

(Reuters) - German Finance Minister Wolfgang Schaeuble said on Wednesday time was running out for Greece, which is trying to renegotiate the terms of its international bailout, and urged the government in Athens to focus on regaining competitiveness.

Greece has not made much progress with the implementation of reforms since its bailout deal was extended in February and euro zone officials have called on Athens to stop wasting time, given that the country could run out of money by the end of March.

At a news conference in Berlin about the German government's spending plans, Schaeuble said Greece had repeatedly said it didn't want a third bailout programme.

"We have the impression, and everyone who is dealing with the question shares the impression, that time is running out for Greece. They obviously have certain problems," he said.

The conservative minister also rejected a debt restructuring and said the discussion should focus on how the country can make its economy more competitive.

"A debt restructuring is not the issue but rather how Greece can get back on track to become competitive and regain access to financial markets," he said. "Whoever is talking about a debt restructuring shows they don't realise what the problems are."

Tensions between Germany and Greece have simmered in recent weeks but Schaeuble rejected criticism that his tough comments on Greece had exacerbated relations between the two countries.

"I don't know of any impolite statement from me towards Greek politicians," he said, adding he had always behaved correctly towards his Greek counterpart Yanis Varoufakis.

Economy Minister Sigmar Gabriel leapt to Schaeuble's defence and warned against reducing the debt crisis to a duel between the two nations.