

IMF's nod awaited on medium-term economic targets

ISLAMABAD: Pakistan is awaiting a consent of the IMF with the medium-term economic targets as the fund's team is currently on a visit to the country to conclude a financial support program, the de-facto finance ministry's head said on Thursday.

"The government has finalised its strategy to deliver on medium-term economic framework's targets to be agreed with the IMF team already in Pakistan for technical discussions for a three years program," Adviser to the Prime Minister on Finance, Revenue and Economic Affairs Hafeez Shaikh said in a statement.

An IMF's (International Monetary Fund) team is currently discussing modalities of a bailout package with Islamabad as the country is awaiting its 13th loan program since 1980s. Pakistani authorities are hopeful that the two would be able to strike a staff level agreement on \$6.4 billion loan deal till May 10.

The PM adviser was talking with an Islamic Development Bank's delegation, led by its President Bandar MH Hajjar. The meeting preceded signing of grant agreement between the Islamic Development Bank (IsDB) and the country to set up exports and imports bank and enhance agriculture production in Balochistan. The grants are for the projects, "Operationalisation of Exim Bank of Pakistan" and "support enhancing agricultural production using efficient irrigation system in Balochistan", an official statement said without mentioning the grant amounts.

The International Islamic Trade Finance Corporation, a subsidiary of Islamic Development Bank, last month also agreed to lend \$551 million to help the country meet its oil and liquefied natural gas (LNG) import needs. The support was accompanied with a \$3 billion oil deferred payment facility from Saudi Arab. The PM adviser informed the IsDB president of the concrete policy measures introduced by the government for improving the economic and fiscal situation in the country in general and the current account situation in particular.

Shaikh appreciated the role played by the Islamic Development Bank as a leader in Islamic finance and promoting global development that is supported by shariah long-term sustainable and ethical financing structures. The adviser lauded the financing facility by International Islamic Trade Finance Corporation for import of oil and LNG. "The teams at EAD (Economic Affairs Division) and IsDB should press on to realise the full disbursement of the facility," he said.

The IsDB president vowed to further strengthen cooperation with Pakistan in the areas of project financing and assured of early financing of Jamshoro coal-fired power plant. "IsDB would extend all possible cooperation for economic development of Pakistan," the bank's executive said.

The delegation of IsDB is on a three-day visit to Pakistan to explore possible financing in health, energy, water and infrastructure. During the visit, the delegation would call on the Prime Minister and the President and hold meeting with relevant line ministries and departments.

Our Correspondent