

Financing agreements worth \$1,500m signed with three IFIs

ISLAMABAD: Prime Minister Imran Khan on Friday witnessed the signing ceremony of the financing agreements worth \$1,500 million with the three International Financial Institutions (IFIs); the World Bank (WB), the Asian Development Bank (ADB), and the Asian Infrastructure Development Bank (AIIB), said a press release issued on Friday.

This is concessional financing in the form of budgetary support that is being provided by the three IFIs that will help mitigate socioeconomic impact of the Covid-19 pandemic, strengthen health, education, and social safety nets systems.

The details of three programmes are: i) Covid-19 Active Response and Expenditure Support Programme (CARES) US\$ 500 million: The Asian Development Bank is extending financial support of US\$500 million for this programme with the objective to support Government of Pakistan's efforts to strengthen the health system and mitigate socioeconomic impacts of the Covid-19 pandemic.

ii) The Asian Infrastructure Investment Bank is extending co-financing of US\$500 million for the Covid-19 Active Response and Expenditure Support Programme (CARES) to augment the government's efforts to mitigate the direct and indirect impacts of Covid-19 pandemic

The scope of the CARES programme covers; (i) social protection for the poor and vulnerable, (ii) an expanded health sector response to the pandemic; and (iii) a pro-poor fiscal stimulus package to ensure recovery in growth and employment.

iii) Securing Human Investments to Foster Transformation (SHIFT) US\$500 million: It aims to strengthen the civil registration and vital statistics, health and education systems essential for human capital (HC) accumulation; recognize and support the contribution of women to economic productivity; and improve efficiency of the national safety nets.

Noor Ahmed, secretary, Ministry of Economic Affairs signed the three loan agreements on behalf of Government of Pakistan, while Patchamuthu Illangovan, Country Director, WB, Xiaohong Yang, Country Director, ADB and Konstantin Limitovsriy, Vice President, AIIB signed agreements on behalf of the WB, ADB and Asian Infrastructure Investment Bank respectively.

The disbursement of US\$1,500 million will be disbursed to Pakistan in the next few days.

The country directors of the WB and the ADB reiterated their commitments to support Pakistan, and appreciated the government's resolve, efforts and measure to fight the pandemic.

Makhdum Khusro Bakhtyar, Minister for Economic Affairs, while thanking the three IFIs for their continued support, especially in times of pandemic crisis, said that this, reflects the confidence of the IFIs, and the international development community in the government's policies and endeavours in structural reforms process.—PR