

World Bank advises PTI govt to pursue long-term policies

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ISLAMABAD: The World Bank has advised newly elected government to maintain long-term policies for private sector to maintain higher economic growth and human development, and has showed its inability to enhance funding to Pakistan beyond existing commitments under the ongoing country assistance strategy (CAS).

Informed sources told Dawn that a visiting delegation of the bank has ensured full support to macroeconomic stabilisation, inclusive growth and human capital development under the next five-year CAS 2019-24.

The delegation emphasised that for Pakistan to achieve faster growth, it would need to focus on private sector policies for a longer time horizon in order to encourage private investors to unleash their true potential.

It was discussed during a meeting here between Minister for Finance and Revenue Asad Umar and World Bank South Asia Regional Vice President, Hartwig Schafer held on Tuesday.

Finance Minister welcomed Vice President and acknowledged the bank for its continuous partnership with Pakistan in extending support to the government over the years.

The Vice President assured the minister that his Bank will continue its support to help implement the agenda for economic growth and social development currently being pursued by the new government.

An official statement quoted Mr Schafer as saying that achievement of economic stabilisation should be an important objective for the government and emphasised the importance of human capital development, macroeconomic stabilisation and inclusive growth.

He also reaffirmed World Bank's support to Pakistan in these areas.

The Minister for Finance, Revenue and Economic Affairs informed the visiting Vice President of the World Bank that the government will take all the requisite measures to implement the economic reform agenda to help put the economy back on track.

He said the new government desired to enhance the role of private sector and for that, private sector will be encouraged to take the lead in economic development of country.

The Bank has committed an indicative financing of \$11billion to Pakistan under CAS, 2014-19.

This includes an International Development Association (IDA) backed lending of about \$1.1bn per year, besides additional regional IDA allocations, particularly in trade and energy and International Bank for Reconstruction and Development lending of about \$500 million every year. The support will be aimed at fixing the macroeconomic imbalances.

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This includes an International Development Association (IDA) backed lending of about \$1.1bn per year, besides additional regional IDA allocations, particularly in trade and energy and International Bank for Reconstruction and Development lending of about \$500 million a year to strengthen macroeconomic balances, evidenced among other things by foreign exchange reserves equal to at least two and half months of imports of goods and services and a stable or declining public debt to Gross Domestic Product ratio.

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