

## **Five-year tenure PML-N govt borrowed \$13.1bn from China**

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ISLAMABAD: The Pakistan Muslim League-Nawaz government borrowed around \$ 13.1 billion from China as loans during its five-year tenure (2013-18).

This was revealed from data collected by this newspaper from the State Bank of Pakistan (SBP) and Economic Affairs Division (EAD).

This amount was not part of disbursements under the China Pakistan Economic Corridor (CPEC) framework.

The PML-N government received \$ 6.3 billion as balance of payment (BoP) support and an additional \$ 4.8 billion under the head of external resources in budget documents during the past five years.

Former Finance Minister Miftah Ismail negotiated loans of \$ 2 billion with China during the last few weeks of PML-N tenure. China has disbursed \$ 1 billion to SBP accounts last week while another \$ 1 billion is expected soon, sources in the Finance Ministry added.

According to data collected by Business Recorder, out of the \$ 6.3 billion the country received as BoP from China, \$ 4.5 billion were loans from Chinese commercial banks and the remaining \$ 1.8 billion was under the head of bilateral loans for BoP support.

The PML-N government borrowed \$ 2.2 billion during the first eleven months of 2017-18 from Chinese commercial banks which include: \$ 1 billion from China Development Bank at 3 months LIBOR + 3.02 percent, \$ 200 million from Bank of China, \$ 500 million from Industrial and Commercial Bank of China Limited (ICBC) at 3 months LIBOR + 3.25 percent for 3 years and \$ 500 million from ICBC.

The PML-N government borrowed \$ 2.3 billion from Chinese commercial banks during Nawaz Sharif's administration (2016-17), including \$ 300 million from Bank of China at 3 months LIBOR + 2.70 percent for 3 years, one billion dollar from China Development Bank (CDB) at 3 months LIBOR + 3 percent for 3 years, \$ 300 million from Industrial and Commercial Bank of China Limited at 3 months LIBOR + 2.75 percent for 2 years and \$ 700 million from China Development Bank at 3 months LIBOR + 3.02 percent for 3 years.

The PML-N government borrowed \$ 1.2 billion from China under the head of bilateral external loans in 2014-15. The country also borrowed \$ 500 million from China during 2015-16.

China disbursed \$ 1.64 billion in the first eleven months of 2017-18 against the budgeted estimates of \$ 1.595 billion for the entire year.

Pakistan received \$ 1.594 billion from China in 2016-17 against the budgeted estimates of \$ 572.3 million. The country received \$ 976.43 million from China in 2015-16.

Pakistan received a total of \$ 1.027 billion from China in 2014-15 against the budgeted inflow of \$ 1.365 billion. China is Pakistan's single largest donor with a budgeted inflow of \$ 1.365 billion; and the country received about \$ 516.72 million in 2013-14.

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