Media Tracking Report

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CPEC and Pakistan

IMF Won't Stop China From Turning Pakistan Into The Next Sri Lanka- in Forbes

The article explores the current economics situation of Pakistan and compares key economic metrics of Pakistan with Siri Lanka. According to the author, Pakistan's external debt increased shortly after CPEC was launched, where the project that was valued at $46billion in 2014 has balloned to $62 billion in 2019. Drawing a bleak statement about the key economic metrics, he says "That's why the country had to appeal to China and Saudi Arabia for loans to deal with the situation. But these funds haven't been sufficient to ease Pakistan's Current Account crisis so the country had to appeal to IMF for the $6 billion loan.The trouble is that the CPEC project is far from over, and the costs of completing it keeps on rising.And that makes it very likely that Pakistan will have to reschedule its debt several times before it's over, and share the same fate with Sri Lanka -- swapping debt with equity, which in essence will hand CPEC to Beijing.That's the model China used in rescheduling Sri Lanka's debt, turning the country's Hambantota port officially into China's own port, for 99 years. A milestone deal signed early last year gives China Merchants Ports Holdings—an arm of the Chinese government—70% stake in the Indian Ocean's prominent outpost."

IMF and Pakistan

IMF approves $6bn package for Pakistan- in Pakistan Today

The executive board of the International Monetary Fund (IMF) has approved a three-year bailout package worth $6 billion for Pakistan in a bid to revive "sustainable growth to the country's economy and improve the standards of living". The decision was announced by the Fund's spokesperson, Gerry Rice, on Twitter.

The IMF board released $1 billion to Pakistan immediately and said in a statement that the programme aims to "support the authorities' economic reform program" and to help "reduce economic vulnerabilities and generate sustainable and balanced growth." The fund will review Pakistan's performance quarterly over 39 months, phasing release of the additional aid over time.

IMF package to bring $38bn from other creditors- in DAWN

PM's Adviser on Finance and Revenue Dr Abdul Hafeez Shaikh said the approval of 39-month reform programme by the IMF executive board without opposition from any member would provide stability to Pakistan. "The board has given us trust to prove ourselves good partners and deliver on reform promises," he said. He said this had improved the country's standing and other institutions had also started extending their financial support. He said the Asian Development Bank would disburse about $2.1bn out of $3.4bn agreed funds to Pakistan this year and the World Bank had also agreed to additional assistance purely for budgetary support. Discussions with the World Bank were in progress for assistance only for the purpose of government expenditure, he said.

Implementing the IMF-supported programme by Jihad Azour-in DAWN

Following several boom-and-bust cycles over the last 25 years, Pakistan's economy is once again in a challenging situation. Public-sector deficits and losses in state-owned companies ballooned in recent years as successive governments have been unable to increase revenues. Government borrowing — both domestic and international — to cover the fiscal gaps gave rise to a heavy debt and a growing share of the budget for servicing debt. Interest payments alone now absorb around 25 per cent of the government revenue, leaving the government with little money for much-needed spending on development, like public health, education or infrastructure.