Pakistan receives USD 1.39 billion emergency loan from IMF to deal with Corona virus crisis

Pakistan has received an emergency loan of 1.39 billion US Dollars from the International Monetary Fund to boost its foreign exchange reserves in the wake of the further economic downturn due to the Corona virus crisis.

Earlier, Pakistan requested the global money lender for a low-cost, fast-disbursing loan under its Rapid Financing Instrument (RFI) to deal with the adverse economic impact of COVID-19. The RFI is used to provide financial assistance to IMF member countries facing an urgent balance of payments need without requiring them to put a full-fledged programme in place. The 1.39 billion US Dollar loan is in addition to the six billion US Dollar bailout package that Pakistan has signed with the IMF in July last year to stave off a balance of payment crisis.

Pakistan has also approached other multilateral donors for additional funds to fight the pandemic and its economic implications. The World Bank has earlier approved one billion US Dollars and the Asian Development Bank (ADB) 1.5 billion US Dollars for Pakistan to keep its economy afloat.