IMF and Riyadh have also discussed the possibility of Islamabad being able to borrow up to $2.8bn against Riyadh’s quota of SDRs

PM Shahbaz thanks Crown Prince Salman for Saudi economic support

https://www.thenews.com.pk/assets/uploads/updates/2022-08-15/982433\_9877933\_PM\_MBS\_updates.jpg

ISLAMABAD: Prime Minister Shahbaz Sharif telephoned Saudi Arabia Crown Prince Mohammad Bin Salman and thanked him for the recent economic and development support provided to Pakistan.

According to a PM Office statement, the prime minister recalled the historic support extended by the kingdom to Pakistan in times of need and conveyed his deep respect to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz.

The development comes after Saudi Arabia bailed out Pakistan ahead of a crucial board meeting of the International Monetary Fund (IMF) later this month to approve Pakistan’s request for a $1.17 tranche.

The IMF agreed last month to increase its loan package by $1bn to $7bn, but has conditioned the disbursement on assurances that Pakistan receives additional financial support from elsewhere.

According to a Financial Times report, the IMF and Saudi Arabia have also discussed the possibility of Islamabad being able to borrow up to $2.8bn against Riyadh’s quota of Special Drawing Rights (SDRs) at the Fund after Saudi Arabia’s decision to renew $3bn deposit at the State Bank of Pakistan.

“Once finalised, Pakistan’s extent of borrowing from the IMF during the present financial year (July to June) will increase by $2.8bn. This will be a very important gesture,” a senior Pakistani official said.

During the telephone call today, Saudi Crown Prince Salman congratulated Prime Minister Shahbaz Sharif and the people of Pakistan on the 75th Anniversary of Pakistan’s independence.

The crown prince also conveyed best wishes for the continued progress, prosperity and development of Pakistan.

The two leaders, the statement added, also exchanged views on issues of mutual interest. Both the leaders reaffirmed the resolve to further strengthen the strong, longstanding Pakistan-Saudi Arabia fraternal ties.

They also reviewed the progress made on the decisions taken by the two sides during the visit of the prime minister in April 2022. They resolved to expedite the ongoing cooperation in investment, energy and trade fields.

The prime minister reiterated his invitation to the crown prince for a state visit to Pakistan, which he graciously accepted.