

# Pakistan gets \$3.4 billion ADB lifeline

● Last month, Pakistan reached an accord with IMF for a \$6 billion bailout package

● The government unveiled its first federal budget under the government of new Prime Minister Imran Khan on Wednesday

● Officials had forecast growth of 4pc for the next financial year

Reuters | Islamabad

Pakistan will receive \$3.4 billion in budgetary support from the Asian Development Bank (ADB), the de facto finance minister said yesterday, as the government seeks help to overcome a ballooning balance of payments crisis.

Last month, Pakistan reached an accord in principle with the International Monetary Fund (IMF) for a three-year, \$6bn bailout package aimed at shoring up its fragile public finances and strengthening a slowing economy.

The ADB financing would come on top of the IMF loan, with most of the funds to be disbursed in the current fiscal year.

"The ADB will provide \$3.4bn in budgetary support," de facto



A Pakistan shopkeeper waits for customer at his rice shop at a market in Karachi. Pakistan Prime Minister Imran Khan's government vowed to collect more taxes and make cuts in spending in a closely watched budget presented to parliament on June 11, weeks after reaching a deal with the IMF for a \$6 billion bailout



**\$2.2 billion will be released this fiscal year (FY), starting in the first quarter of FY 2019-20. This will help the reserve position and the external account**

FINANCE MINISTER HAFEEZ SHAIKH

Finance Minister Hafeez Shaikh said on Twitter.

"\$2.2bn will be released this fiscal year (FY), starting in the first quarter of FY 2019-20. This will help the reserve position and the external account."

The first disbursement is to "cover such policy reform ar-

reas as trade competitiveness, energy sector and capital markets development," Pakistan's Finance Ministry said in a statement.

Financial crises have shaken the world's sixth-largest nation repeatedly over the years, threatening the stability of a

nuclear-armed state plagued by Islamist militancy.

Political analysts say that while the IMF programme may help stabilise the economy, it could bring more hardship due to austerity measures.

The government unveiled its first federal budget under the government of new Prime Minister Imran Khan on Wednesday aimed at meeting the terms of the IMF loan, and included a number of expected belt-tightening policies.

Officials had forecast growth of 4 per cent for the next financial year, but after Revenue Minister Hammad Azhar delivered his budget speech to parliament on Tuesday, the government released a budget document showing it had trimmed its growth estimate for the coming year to 2.4pc.

The government has already slashed its year to June 2019 growth forecast to 3.3pc from the 6.2pc predicted at the time of the last budget.

The IMF estimates growth of about 2.9pc during the same period.

Inflation, which hit 9pc in May, is seen accelerating to between 11pc and 13pc during the 2019/20 fiscal year.

Under the IMF's terms, Pakistan is also expected to let the rupee currency weaken to help correct an unsustainable current account deficit and cut its debt while trying to expand the tax base in a country where only 1pc of people file returns.

## India to impose tariff on 28 US goods from today

Reuters | New Delhi

India will impose higher tariffs on 28 US products including almonds, apples and walnuts, a government notification said.

The new duties take effect starting today.

It was previously reported that India was preparing to levy higher tariffs following Washington's withdrawal of key trade privileges for New

Delhi.

India initially issued an order in June last year to raise import taxes as high as 120 per cent on a slew of US items, incensed by Washington's refusal to exempt it from higher steel and aluminum tariffs.

But New Delhi repeatedly delayed raising tariffs as the two nations engaged in trade talks. Trade between them stood at about \$142.1 billion in 2018.

## Drought forces Namibia to auction 1,000 wild animals

Windhoek, Namibia

Drought-hit Namibia has authorised the sale of at least 1,000 wild animals -- including elephants and giraffes -- to limit loss of life and generate \$1.1 million for conservation, the authorities confirmed Saturday.

"Given that this year is a drought year, the [environment] ministry would like to sell various type of game species from various protected areas to protect grazing and at the same time to also generate much needed funding for parks and wildlife management," environment ministry spokesman Romeo Muyunda said.

The authorities declared a national disaster last month, and the meteorological services in the southern African nation estimate that some

parts of the country faced the deadliest drought in as many as 90 years.

In April, an agriculture ministry report said 63,700 animals died in 2018 because of deteriorating grazing conditions brought on by dry weather.

Namibia's cabinet announced this week that the government would sell about 1,000 wild animals.

They include 600 disease-free buffalos, 150 springbok, 65 oryx, 60 giraffes, 35 eland, 28 elephants 20 impala and 16 kudus -- all from national parks.

The aim is to raise \$1.1 million that will go towards a state-owned Game Products Trust Fund for wildlife conservation and parks management.

There were currently about 960 buffalos in its national parks, 2,000 springbok, 780 oryx and 6,400 elephants.

## New York state lawmakers pass new protections for renters

● Since 1994, about 300,000 rent-controlled apartments have vanished in the city of New York alone

New York, United States

Lawmakers in New York state on Friday passed a bill aimed at protecting lower-income families from skyrocketing rents -- a move seen as a victory for tenants amid a crippling lack of affordable housing.

The vote -- the culmination of a years-long battle between powerful real estate owners and housing rights advocates -- became possible after the November elections, which left Democrats in full control of the state legislature.

"Tenants have pounded on Albany's door for decades for

the protections they deserve. We've stood with them, fought for them tooth-and-nail, and now the wait is finally over," New York Mayor Bill de Blasio said after compromise legislation was reached this week.

The text -- which Democratic Governor Andrew Cuomo quickly signed into law -- eliminates rules that allowed building owners to increase the rent when an apartment changed hands.

It also will prevent new tenants from being charged for extensive renovations via increased rents, and help keep owners from reducing the number of rent-controlled apartments.

Since 1994, about 300,000 rent-controlled apartments have vanished in the city of New York alone, according to official figures.



**The new law should directly affect about 2.4 million New Yorkers, out of a population of roughly 8.5 million, who live in close to one million rent-controlled apartments. The legislation only applies to buildings built before 1974, with six or more units.**

That has forced low-income and even middle-class families to move, fueling gentrification

of the Big Apple, one of the world's top 10 most expensive cities.

While rents vary by neighborhood, monthly rent for an average two-bedroom apartment in New York has increased from \$1,938 in January 2011 to \$2,831 in January 2019, according to industry data analysis from Rainmaker Insights.

The measure does not just affect New York City; it also offers protections across the state of 20 million people -- including for those renting mobile homes -- from giant rent hikes, questionable evictions and steep security deposits.

"These reforms mean we can go from just holding the line to actually growing the number of apartments New Yorkers can afford," said De Blasio, one of nearly two dozen Democratic presidential candidates.

