

# RAHBAR KISAN INTERNATIONAL

**Finance minister rules out proposal to lower retirement age  
to 55**



Published on December 11, 2024

Document Date: Tue, Dec 24 2024 01:42:48 am

Category: ,English,Snippets

Show on website : [Click Here](#)

Finance Minister Muhammad Aurangzeb has clarified that there is no proposal under consideration to reduce the retirement age of government employees to 55 years. He commented on the matter in a Senate committee meeting on finance on Wednesday. The Senate's Standing Committee on Finance held a meeting under the chairmanship of Senator Saleem Mandviwala wherein the terms of loans obtained from the International Monetary Fund (IMF) and global commercial banks were presented. During the briefing, it was revealed that the government acquired the \$7 billion loan from the IMF at a high interest rate of 5%. Additionally, loans were obtained from Chinese banks and other institutions at an interest rate of 7-8%. It was disclosed that the IMF loan of \$7 billion was acquired at an interest rate of approximately 5%, which includes a 3.37% SDR rate, a 1% margin, and 50 basis points as service charges. The loan will be repayable over a 10-year period, including a grace period, and repayments to the IMF will be made in 12 installments on a semi-annual basis. The meeting also revealed that loans were taken from Chinese banks, including the China Development Bank, Industrial and Commercial Bank of China, and Standard Chartered Bank, at an interest rate of 7-8%. The ECO Trade and Development Bank and a joint loan facility were also secured. The finance minister dismissed the impression of taking expensive foreign commercial loans, stating that loans would only be taken when

necessary, and any loans from commercial banks would be on the government's terms. He assured that the external financing gap has been bridged and that any future loans would be transparently shared with the committee. Aurangzeb also hinted at approaching the international capital market soon, with plans to issue Panda bonds in the current fiscal year. He noted that industrial indicators in Pakistan have begun to show improvement, citing a 49% year-on-year increase in vehicle sales. He added that the new IMF program is extensive and long-term, with some additional conditions. Talks are ongoing with the IMF regarding climate financing, and projects for this purpose need to be identified.