

MEDIA COVERAGE



PIDE Policy Session on the IMF Extended Fund Facility (EFF)

December 20, 2025

The News International

<https://www.thenews.pk/print/1387872-macroeconomic-vulnerabilities-persist-imf>

Business Recorder

<https://www.brecorder.com/news/40398437/pakistans-macroeconomic-vulnerabilities-persist-says-imf>

Nation

<https://www.nation.com.pk/20-Dec-2025/imf-acknowledges-improvements-economic-indicators-warns-macroeconomic-vulnerabilities-persist>

Pakistan Today

<https://profit.pakistantoday.com.pk/2025/12/20/imf-warns-of-persistent-macroeconomic-vulnerabilities-despite-recent-improvements/>

APP Pakistan

<https://www.app.com.pk/business/pide-holds-imfs-dialogue-on-pakistans-economic-path-after-eff-second-review/>

Lead Pakistan

<https://leadpakistan.com.pk/news/pide-hosts-imfs-dialogue-on-pakistans-economic-path-after-eff-second-review/>

Islamabad Post

<https://islamabadpost.com.pk/pide-hosts-policy-session-on-successful-imf-second-review-completion/>

Global News Pakistan

<https://globalnewspakistan.com/2025/12/19/pide-hosts-imfs-dialogue-on-pakistans-economic-path-after-efr-second-review/>

CenterLine

<https://centreline.com.pk/2025/12/19/pide-hosts-policy-session-on-successful-imf-second-review-completion/>

Bloom Pakistan

<https://bloompakistan.com/imf-flags-ongoing-economic-risks-for-pakistan/>

Macroeconomic vulnerabilities persist: IMF

Resident chief addresses PIDE session on second review of EFF; stresses fiscal discipline, tax reforms, subsidy rationalisation

By our correspondent

ISLAMABAD: The IMF's Resident Chief in Pakistan, Mahir Binici, on Friday cautioned that the country's

macroeconomic vulnerabilities persist, underscoring the need for continued and credible reform efforts. The

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Macroeconomic vulnerabilities persist: IMF

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Pakistan Institute of Development Economics (PIDE) convened a policy session on the International Monetary Fund's (IMF) Extended Fund Facility (EFF), focusing on the completion of the second review, at its Islamabad office.

The session was chaired by Mahir Binici, Resident Representative of the IMF in Pakistan, marking his first official visit to PIDE. The event brought together faculty members, researchers, students, and policy professionals for an in-depth exchange on Pakistan's macroeconomic trajectory and reform priorities.

The session was formally inaugurated by Dr Karim Khan, Dean of Academics at PIDE, who highlighted the importance of informed, evidence-based policy dialogue in addressing Pakistan's economic challenges.

In his presentation, Mahir Binici provided a comprehensive overview of the completion of the second review under Pakistan's IMF Extended Fund Facility, approved on December 8, 2025. He noted that the 2024 EFF has been designed by incorporating lessons from previous arrangements, with a stronger stress on building economic resilience and supporting sustainable growth.

Highlighting progress under the program, Binici pointed to reductions in external imbalances, improved functioning of the foreign exchange market, and a gradual easing of pressure on foreign exchange reserves.

He stressed that these stabilisation gains must be preserved through policy continuity, discipline, and consistency to ensure long-term durability. On fiscal policy, he underscored the importance of consolidation

to ensure debt sustainability, identifying tax base broadening, stronger tax administration, and rationalization of untariffed subsidies as key reform priorities necessary to create space for development spending and social protection.

Binici also emphasized that structural reforms remain central to the IMF-supported program, particularly in the energy sector, state-owned enterprises, and governance and transparency frameworks. He noted that these reforms are critical not only for macroeconomic stabilization but also for strengthening long-term economic resilience. Recognizing the social costs associated with adjustment measures, he stressed the importance of targeted social safety nets to protect vulnerable segments of society from the impact of inflation and reforms.

Macroeconomic vulnerabilities persist: IMF

ABDUL RASHEED AZAD
ISLAMABAD: The International Monetary Fund (IMF) has said that structural reforms remain central to the IMF-supported programme for Pakistan, particularly in the energy sector, state-owned enterprises, governance, and transparency frameworks.

IMF Resident Representative in Pakistan Mahir Bisici said this here on Friday at a policy session on the IMF's Extended Fund Facility (EFF) hosted by the Pakistan Institute of Development Economics (PIDE).

He highlighted the salient features of the fund's second review under Pakistan's IMF Extended Fund Facility (EFF), cautioning that macroeconomic vulnerabilities persist.

He underscored the need for continued and credible reform efforts, saying that these reforms are critical not only for macroeconomic stabilisation but also for strengthening long-term economic resilience.

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Macroeconomic vulnerabilities

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Recognizing the social costs associated with adjustment measures, he stressed the importance of targeted social safety nets to protect vulnerable segments of society from the impact of inflation and reforms.

Addressing inflation and monetary policy, Bisici acknowledged the adverse impact of high inflation on households and emphasised the role of a tight and credible monetary policy framework in ensuring price stability. He highlighted the importance of central bank independence and anchoring inflation expectations as foundations for sustainable economic growth. On the external sector, he reiterated that the value of a market-determined exchange rate in absorbing external shocks, enhancing export competitiveness, and supporting foreign exchange reserve accumulation.

Bisici underscored the importance of strong domestic ownership and consistent implementation of reforms for the success of the program, noting that nationally driven and well-communicated reforms help build investor confidence and support durable growth.

Bisici provided a comprehensive overview of the completion of the second review under Pakistan's IMF EFF, approved on December 8, 2025. He noted that the 2024 EFF has been designed by incorporating lessons from previous arrangements, with a stronger emphasis on building economic resilience and supporting sustainable growth.

The presentation covered key elements of the program, including macroeconomic stabilisation, fiscal consolidation and revenue mobilisation, inflation dynamics, monetary policy stance, and developments in the external sector and foreign exchange market.

While acknowledging recent improvements in economic indica-

tors, Bisici highlighted progress under the program. He pointed to reductions in external imbalances, improved functioning of the foreign exchange market, and a gradual easing of pressure on foreign exchange reserves. He stressed that these stabilisation gains must be preserved through policy continuity, discipline, and consistency to ensure long-term durability. On fiscal policy, he underscored the importance of consolidation to ensure debt sustainability, identifying tax base broadening, stronger tax administration, and rationalisation of untargeted subsidies as key reform priorities necessary to create space for development spending and social protection.

He also appreciated PIDE's role in facilitating constructive engagement between academia and policymakers, emphasising that research-driven analysis and informed debate are essential for effective economic policymaking.

The session concluded with an interactive question-and-answer segment, reflecting strong academic and policy interest in Pakistan's ongoing engagement with the IMF.

The session was formally inaugurated by Dr Karim Khan, Dean of Academics at PIDE, who emphasised the importance of informed, evidence-based policy dialogue in addressing Pakistan's economic challenges. Highlighting PIDE's role as a platform for rigorous research and policy engagement, Dr Khan outlined the core objectives of the IMF-supported program, including fiscal sustainability through achieving a primary balance, maintaining a sustainable debt-to-GDP ratio, strengthening macroeconomic prudence, enhancing climate resilience in light of Pakistan's vulnerability to climate shocks, and reinforcing social protection mechanisms.

IMF acknowledges improvements in economic indicators but warns macroeconomic vulnerabilities persist

FAWAD YOUSAFZAI
ISLAMABAD

While acknowledging recent improvements in Pakistan's economic indicators, International Monetary Fund has cautioned that macroeconomic vulnerabilities persist, underscoring the need for continued and credible reform efforts.

While talking in a policy session on the International Monetary Fund's (IMF) Extended Fund Facility (EFF), focusing on the successful completion of the second review, Mahir Binici, resident representative of the IMF in Pakistan, emphasised that structural reforms remain central to the Fund-supported programme, particularly in the energy sector, state-owned enterprises, governance and transparency frameworks. The policy session was hosted by Pakistan Institute of Develop-

ment Economics (PIDE). The session was delivered by Mahir Binici, Resident Representative of the IMF in Pakistan. The event brought together faculty members, researchers, students, and policy professionals for an in-depth exchange on Pakistan's macroeconomic trajectory and reform priorities.

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enhancing climate resilience in light of Pakistan's vulnerability to climate shocks, and reinforcing social protection mechanisms.

In his presentation, Mahir Binici provided a comprehensive overview of the completion of the second review under Pakistan's IMF Extended Fund Facility, approved on Decem-

IMF underscores need for continued and credible reform efforts

ber 8, 2025. He noted that the 2024 EFF has been designed by incorporating lessons from previous arrangements, with a stronger emphasis on building economic resilience and supporting sustainable growth. The presentation covered key elements of the program, including macroeconomic stabilization, fiscal consolidation

and revenue mobilization, inflation dynamics, monetary policy stance, and developments in the external sector and foreign exchange market.

Highlighting progress under the program, Binici pointed to reductions in external imbalances, improved functioning of the foreign exchange market,

and a gradual easing of pressure on foreign exchange reserves. He stressed that these stabilization gains must be preserved through policy continuity, discipline, and consistency to ensure long-term durability. On fiscal policy, he underscored the importance of consolidation to ensure debt sustainability, identifying tax

base broadening, stronger tax administration, and rationalization of untargeted subsidies as key reform priorities necessary to create space for development spending and social protection.

Addressing inflation and monetary policy, Binici acknowledged the adverse impact of high inflation on households and emphasized the role of a tight and credible monetary policy framework in restoring price stability. He highlighted the importance of central bank independence and anchoring inflation expectations as foundations for sustainable economic growth. On the external sector, he reiterated the value of a market-determined exchange rate in absorbing external shocks, enhancing export competitiveness, and supporting foreign exchange reserve accumulation.

Binici also emphasized that structural reforms remain

central to the IMF-supported program, particularly in the energy sector, state-owned enterprises, and governance and transparency frameworks. He noted that these reforms are critical not only for macroeconomic stabilization but also for strengthening long-term economic resilience. Recognizing the social costs associated with adjustment measures, he stressed the importance of targeted social safety nets to protect vulnerable segments of society from the impact of inflation and reforms. Concluding his remarks, Binici underscored the importance of strong domestic ownership and consistent implementation of reforms for the success of the program, noting that nationally driven and well-communicated reforms help build investor confidence and support durable growth.

PIDE hosts IMF's dialogue on Pakistan's Economic Path after EFF second review

STAFF REPORTER
ISLAMABAD

The Pakistan Institute of Development Economics (PIDE) convened a policy session on the International Monetary Fund's (IMF) Extended Fund Facility (EFF), focusing on the successful completion of the second review, at its Islamabad office. The session was delivered by Mr. Mahir Binici, Resident Representative of the IMF in Pakistan, marking his first official visit to PIDE. The event brought together faculty members, researchers, students,

and policy professionals for an in-depth exchange on Pakistan's macroeconomic trajectory and reform priorities.

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In his presentation, Mr. Mahir Binici provided a comprehensive overview of the completion of the second review under Pakistan's IMF Extended Fund Facility, approved on December 8, 2025. He noted that the 2024 EFF has been designed by incorporating lessons from previous arrangements, with a stronger emphasis on building economic resilience and supporting sustainable growth. The presentation covered key elements of the program, including macroeconomic stabilization, fiscal

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Islamabad POST

December 20, 2025

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