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Japan to loan \$60 billion to IMF amid eurozone crisis

Kyodo

The government signed a deal Friday with the International Monetary Fund to provide \$60 billion in emergency loans to the multilateral lender amid the global economic downturn aggravated by Europe's sovereign debt crisis.

The contract, announced in April, came as other IMF members made similar contributions to help boost resources at the fund. As of June, the Washington-based body had received offers totaling \$456 billion, according to the Finance Ministry in Tokyo.

Japan, the second-biggest stakeholder in the IMF after the United States, made the largest contribution among non-European members.

The resource boost reflects concerns that the fiscal and banking problems in the eurozone that have had a negative impact outside the region through trade and financial channels, may eventually force the IMF to handle aid requests from affected members in the developing world.

www.japantimes.co.jp/text/nn20121013b5.html