



PRESS RELEASE

Prime Minister Delivers Major Relief: Export Surcharge Abolished After PTC-Led Push

Islamabad, November 27, 2025 – The Pakistan Textile Council (PTC), on behalf of the country’s leading export-oriented textile manufacturers, warmly welcomes the decision of the Prime Minister of Pakistan to abolish the **0.25% Export Development Surcharge (EDS)** with immediate effect. This major policy correction is an encouraging step toward reducing the cost of doing business and strengthening Pakistan’s export competitiveness. The decision follows the recommendations submitted by the **Working Group on the Export Development Fund (EDF)** chaired by **Mr. Musadaq Zulqarnain**, Chairman Interloop and Vice Chairman Pakistan Textile Council. The working group had proposed that the surcharge—first imposed in 1991 and no longer justified under today’s Normal Tax Regime—be abolished to ensure that exporters are not additionally burdened. PTC formally conveyed these concerns to the government in its submission dated **4 November 2025**.

The Prime Minister’s Office, in its directive issued on **24 November 2025**, ordered the *immediate abolition* of the surcharge and directed the relevant ministries to take necessary action without delay. PTC appreciates this swift and decisive response.

A Positive Signal for Export-Led Growth

Chairman Pakistan Textile Council, **Mr. Fawad Anwar**, commended the Prime Minister for moving in the right direction—towards policies that directly support export-led economic recovery and long-term growth. This decision reflects the government’s willingness to respond to the industry’s evidence-based recommendations and its recognition that Pakistan’s economic stability is linked to strong and sustainable export performance.

PTC also acknowledges the broader initiative of the Prime Minister to constitute sector-specific Working Groups—on Energy, Taxation, Tariffs, Railways, Ports, Industrialization, Agriculture, and EDF—to identify structural bottlenecks and propose reforms, as notified on **23 October 2025**

Expectations for Action on Energy, Taxation, and Tariffs

With EDF reforms now underway, PTC is confident that the Prime Minister will also give due consideration to the remaining recommendations submitted by PTC to remaining working groups, including:

- **Energy Reforms Working Group** to resolve urgent issues such as high peak tariffs, WACOG-based unified pricing, anomalies in captive power levies, and unsustainable electricity/gas costs.
- **Customs, Trade, Tariffs & Dumping Working Group** to eliminate duties on essential raw materials for export and rationalizing GST on cotton to curb undocumented trade and corruption.

These reforms are critical for restoring competitiveness, enabling capacity utilisation, and achieving the government's ambition of **\$60 billion in exports under the "Uraan Pakistan" programme.**

PTC reaffirms its commitment to supporting the government in designing and implementing policies that can lift Pakistan out of its structural economic challenges through export-led growth. The Council appreciates the Prime Minister's proactive leadership and the constructive engagement of the Ministry of Commerce, Ministry of Finance, SIFC, and other relevant ministries.

"Abolishing the EDS is an important first step. We look forward to continued progress on energy, taxation, and tariff reforms – areas where the textile industry urgently needs relief to remain competitive and drive Pakistan's export growth," said Chairman PTC.

For media inquiries, please contact:

Pakistan Textile Council

Email: info@ptc.org.pk

Phone: +92 (51) 2726971

Website: www.ptc.org.pk