



**PRESS RELEASE**

**Pakistan Textile Council (PTC) Expresses Concern Over Declining Export Trends – Urges Immediate Policy Action**

**Islamabad, September 14, 2025** — The Pakistan Textile Council (PTC) has expressed serious concern over the recent decline in Pakistan’s export performance, particularly in the textile and apparel sector, despite its central role in sustaining the country’s foreign exchange earnings.

According to PTC’s latest **Monthly Report on Textile & Apparel Exports (July–August 2025)**, Pakistan’s total exports stood at **\$5.1 billion**, reflecting a negligible growth of **0.65%** compared to the same period last year. Alarming, **exports fell by 12.5% year-on-year in August 2025**, with a **10% month-on-month decline**, underscoring continued volatility in external trade.

The textile and apparel sector, which accounts for nearly **63% of Pakistan’s total exports**, recorded **\$3.21 billion** in July–August 2025, up 10% compared to the previous year. However, in **August 2025**, exports plunged to **\$1.53 billion**, marking a **7% year-on-year decline** and a **9% month-on-month fall**.

**Key Areas of Concern**

- **Traditional textiles (HS 50–60):** Persistent decline continues, falling from **\$685 million in FY22** to only **\$523 million in FY26**, with cotton exports alone dropping **3.5%** and knitted fabrics down **32.7%**
- **Value-added textiles (HS 61–63):** Although showing long-term resilience, value-added exports also dipped in August 2025, with knitwear, non-knit apparel, and made-ups collectively falling **13% month-on-month**
- **Export destinations:** While the EU remains Pakistan’s largest market at **\$1.3 billion**, exports to the United States have stagnated over the past five years at **\$878 million**, reflecting lost competitiveness

**PTC’s Policy Recommendations**

PTC emphasizes that the current export trajectory is unsustainable without **urgent structural reforms**. The Council urges the Government of Pakistan to adopt the following measures without delay:

1. **Regionally competitive and predictable energy pricing** for export industries.
2. **Liquidity and tax reforms**, including automated 72-hour refunds and zero-rating of inputs under the Export Facilitation Scheme.
3. **Alignment of wage and labor policies** with competitor economies to restore cost competitiveness.
4. **Support for HS 50–60 sectors**, including cotton quality improvements and lower costs for spinning/weaving.

5. **Financing facilitation**, including strengthening EXIM Bank and expanding Export Finance (EFS) and Long-Term Financing Facilities (LTFF).
6. **Policy stability**, with a legally backed 5-year textile and apparel export strategy, monitored transparently with monthly KPIs

## **Conclusion**

“The numbers clearly show that Pakistan’s export engine is losing momentum, particularly in August 2025, where sharp declines have been recorded across key categories,” said the Pakistan Textile Council. “The government must act urgently to implement regionally competitive policies and remove bottlenecks if Pakistan is to safeguard its global market share, protect jobs, and sustain foreign exchange inflows.”

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