Monthly Report of Pakistan's Textile & Apparel Exports

QR002

Prepared by: Pakistan Textile Council 11/28/25 Reference period: July-October 2025

EXECUTIVE SUMMARY

Pakistan's overall exports stood at $10.45 billion during July–October FY26, showing a 4% decline compared to $10.85 billion in the same period of FY25. In October 2025, exports were recorded at $2.85 billion, reflecting a 4.4% year-on-year decrease from $2.98 billion in October 2024. On a month-on-month basis, exports increased by 14.5%, rising from $2.49 billion in September 2025 to $2.85 billion in October 2025. Within this, the textile sector remained the dominant contributor, with exports reaching $6.41 billion, representing a 4% growth over FY25 and accounting for nearly 61% of Pakistan's total exports. However, textile exports in October 2025 posted a 0.6% year-on-year decline, while showing a 3% month-on-month increase.

Within textile and apparel exports, performance varied across product categories. Trend analysis of Chapters 50–60 (traditional textiles) continued to show a persistent decline, with exports falling from $1,395 million in 2021–22 (July–October) to $1,043 million in 2025–26. In contrast, Chapters 61–63 (value-added textiles) rose from $4,693 million in 2021–22 to $5,365 million in 2025–26 (+14%), reflecting a CAGR of nearly 3.4%. Growth was driven by knitwear (+8.3%), non-knit apparel (+5.1%), and other made-up articles (+5.4%), collectively posting an 6.3% increase in 2025–26. The sector retains strong potential for higher growth, but uncompetitive energy tariffs and wage policies continue to weigh on competitiveness relative to regional peers. This has been substantiated by declines in individual product categories of top 10 exported products in export markets.

Export destinations also displayed mixed trends. The European Union remained Pakistan's largest market at $2.551 billion, followed by the United States at $1.739 billion, where exports have remained broadly stable over the past five years. The EU and US (Pakistan's two largest buyers) exhibited notable declines in key categories such as men's cotton ensembles, jerseys, and bed linen, signaling erosion of competitiveness in high-volume items. The United Kingdom show a similar pattern, with headline growth ($631 million) but sharp contractions in core cotton apparel and knitted shirts. Bangladesh (exports of $179 million) a critical raw-material market, continues a multi-year decline in yarn and fabric imports from Pakistan, reflecting weakening performance of Pakistan's upstream textile base. While the UAE shows a rising overall trend ($153 million), it too displays steep drops in major apparel lines. Collectively, the trends indicate that Pakistan is struggling to hold market share in key product segments across all major destinations, underscoring the need for targeted policy support to stabilize performance and maintain export footholds in an increasingly competitive global market.

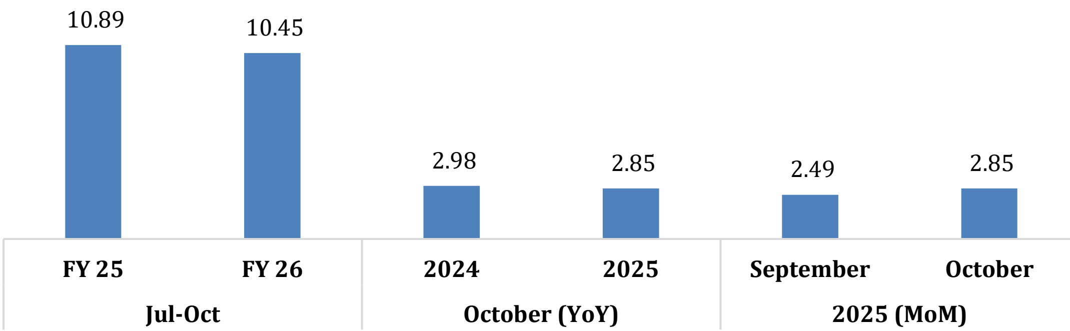
The report highlights that while Pakistan's textile exports are showing resilience and growth in value-added categories, persistent declines are being observed in cotton and other traditional textiles. Strategic emphasis on provision of regionally competitive energy prices and wage policies, rationalization of tax rates, provision of affordable financing for costs related to compliance, diversification, innovation, and supportive trade policies will be critical for picking up export momentum and enhancing global market share.

1. EXPORTS ANALYSIS OF TEXTILE & APPAREL (50-63)

1.1 OVERALL EXPORTS OF PAKISTAN

Pakistan's exports were recorded at $10.45 billion during July–October FY26, showing a 4% decline compared to $10.45 billion in the same period of FY25. In October 2025, exports stood at $2.85 billion, reflecting an 4.4% year-on-year decrease from $2.98 billion in October 2024. On a month-on-month basis, exports increased significantly by 14.5%, rising from $2.49 billion in September 2025 to $2.85 billion in October 2025 (see Fig-1.1).

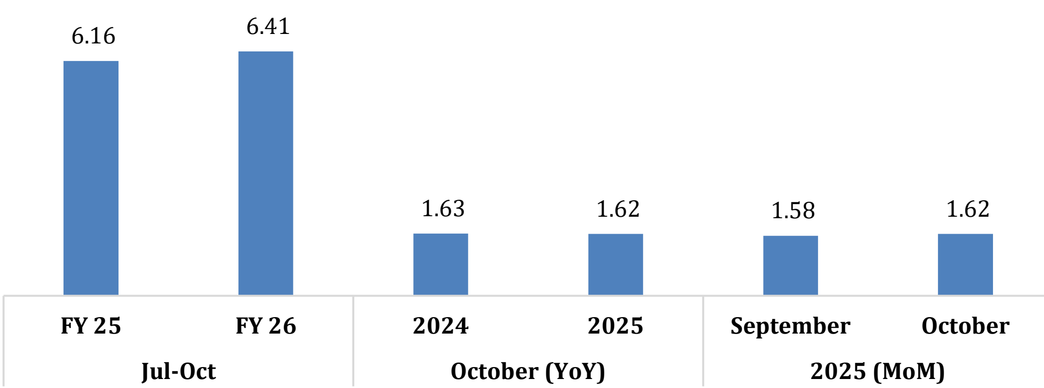
Fig-1.1: Total Exports Growth



1.2 OVERALL TEXTILE & APPAREL EXPORTS (50-63)

Pakistan's textile and apparel exports stood at $6.41 billion during July–October FY26, reflecting an increase of 4% from $6.16 billion in the same period of FY25. However, in October 2025 alone, exports were recorded at $1.62 billion, reflecting a **0.6% year-on-year decline** compared to October 2024 ($1.63 billion) and a 3% month-on-month increase from ($1.58 billion) September 2025 (see Fig-1.2).

Fig-1.2: Total Textile & Apparel Exports

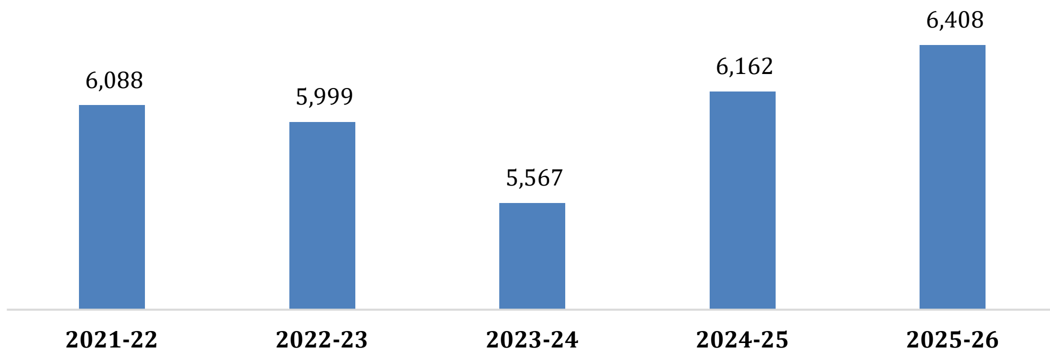


Trend Analysis

Pakistan's textile and apparel exports over the last five years display a pattern of mild fluctuation followed by a strong recovery. Exports were recorded at $6,088 million in 2021–

22, followed by a slight decline to $5,999 million in 2022–23. The sector experienced a more notable drop in 2023–24, when exports fell to $5,567 million. However, the downward trend reversed thereafter, with exports rising markedly to $6,162 million in 2024–25 and further strengthening to $6,408 million in 2025–26, the highest level in the period under review (see Fig-1.3). This trajectory indicates a temporary slowdown in 2023–24 followed by two consecutive years of strong recovery.

Fig-1.3: Textile & Apparel Exports Trend (July-October)

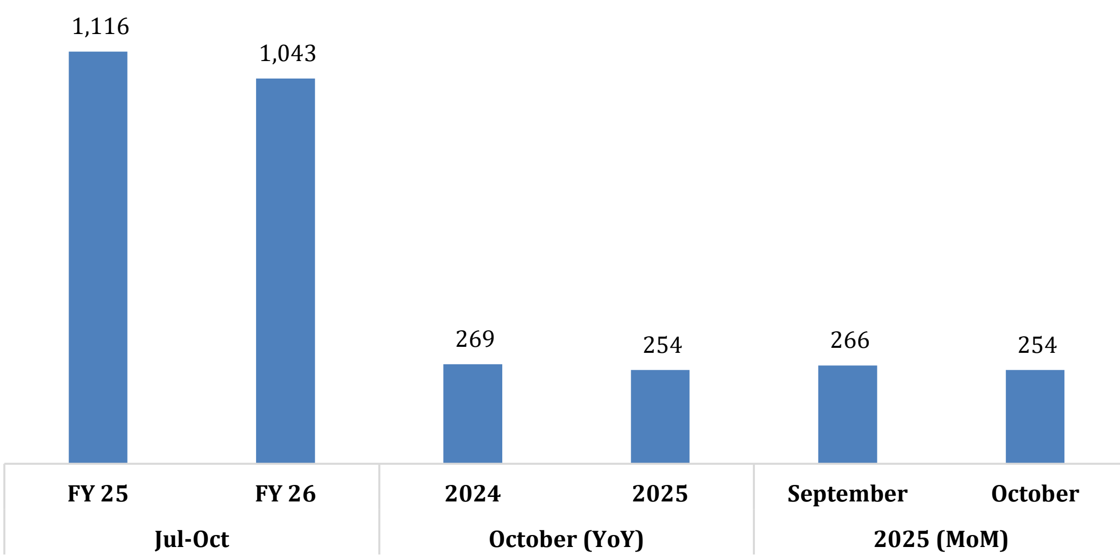


1.3 EXPORTS BY PRODUCT CATEGORY

1.3.1 TEXTILES (CH 50-60)

Pakistan's traditional textiles (comprising raw materials and semi-processed goods) exports stood at $1,043 million during July–October FY26, reflecting a **decline of 7% from $1,116 million** in the same period of FY25. In October 2025, exports were recorded **at $254 million, reflecting a 6% year-on-year decline compared to October 2024** ($269 million). Similarly, a **5% month-on-month decrease was observed from ($266 million) September 2025** (see Fig-1.4).

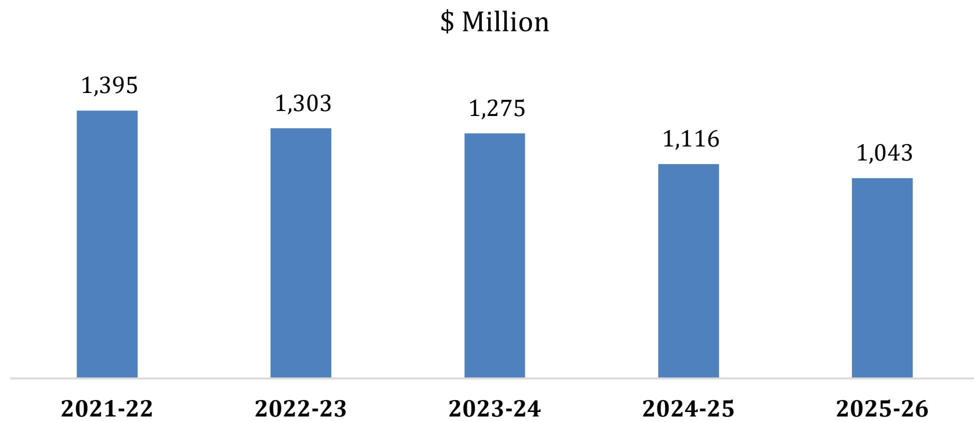
Fig-1.4: Textile & Apparel Exports



Trend Analysis

The exports of textiles from Pakistan under Chapters 50–60 **show a consistent declining trend in the selected four months (July-October) over the five-year period**. The highest export value was recorded in 2021–22 at $1,395 million, after which exports gradually decreased to $1,303 million in 2022–23 and $1,275 million in 2023–24. The downward trajectory continued in 2024–25, with exports falling to $1,116 million, and further declined to $1,043 million in 2025–26, the lowest level in the period. Overall, exports dropped from $1,395 million in 2021–22 to $1,043 million in 2025–26, **reflecting a sustained contraction across the five years** (Fig-1.5).

Fig-1.5: Textile Exports Trend (Ch 50-60)



In textile exports (CH 50-60), growth shown by CH-55 man-made staple fibers ($125.30m, +3.3%), CH-58 special woven fabrics ($14.09m, +16.2%), and CH-59 coated/impregnated fabrics ($3.23m, +19.4%). However, declines were noted in CH-52 cotton **(-7.18%),** CH-54 man-made filaments **(-23.15%),** CH-56 wadding, felt and nonwovens **(-5.01%),** CH-57 carpets **(-10.83%),** CH- 60 – knitted fabrics **(-30.69%), and** CH-53 other vegetable textile fibers **(-47.3 %), reflecting persistent weakness** in conventional and raw material-based categories (see Table-1.1).

Table-1.1: Chapter-wise Textile Exports % Change

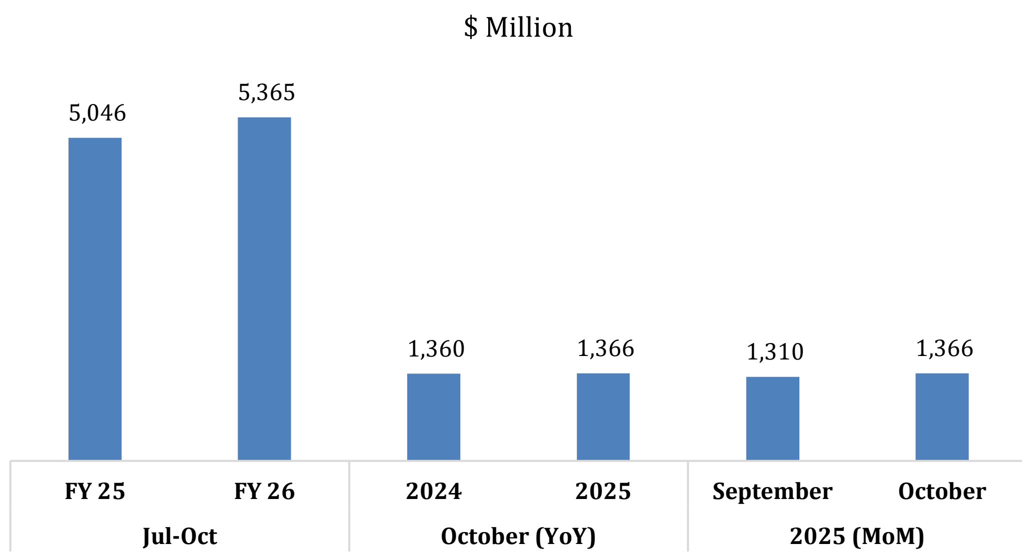
HS 2	Chapters	2024-25	2025-26	%Change
50	Silk	0.05	0.02	↓51.26%
51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric	0.72	0.72	↓0.40%
52	Cotton	913.53	847.95	↓7.18%
53	Other vegetable textile fibers; paper yarn and woven fabrics of paper yarn	3.49	2.17	↓37.93%
54	Man-made filaments; strip and the like of man-made textile materials	23.82	18.31	↓23.15%

55	Man-made staple fibers	121.35	125.30	↑3.26%
56	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof	3.78	3.59	↓5.01%
57	Carpets and other textile floor coverings	18.93	16.88	↓10.83%
58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery	12.12	14.09	↑16.22%
59	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable ...	2.70	3.23	↑19.44%
60	Knitted or crocheted fabrics	15.74	10.91	↓30.69%
Total		846.80	1,116.25	↓6.55%

1.3.2 APPAREL AND OTHER MADE-UP TEXTILES (CH 61-63)

Pakistan's Apparel and Made-up textiles exports stood at $5.365 million during July–October FY26, reflecting an increase of 6% from $5,046 million in the same period of FY25. **However, in October 2025 alone, exports were recorded at $1,366 million, reflecting a 0.4% year-on-year decline compared to October 2024 ($1,360 million)** and a 4% month-on-month increase from ($1,310 million) September 2025 (see Fig-1.6).

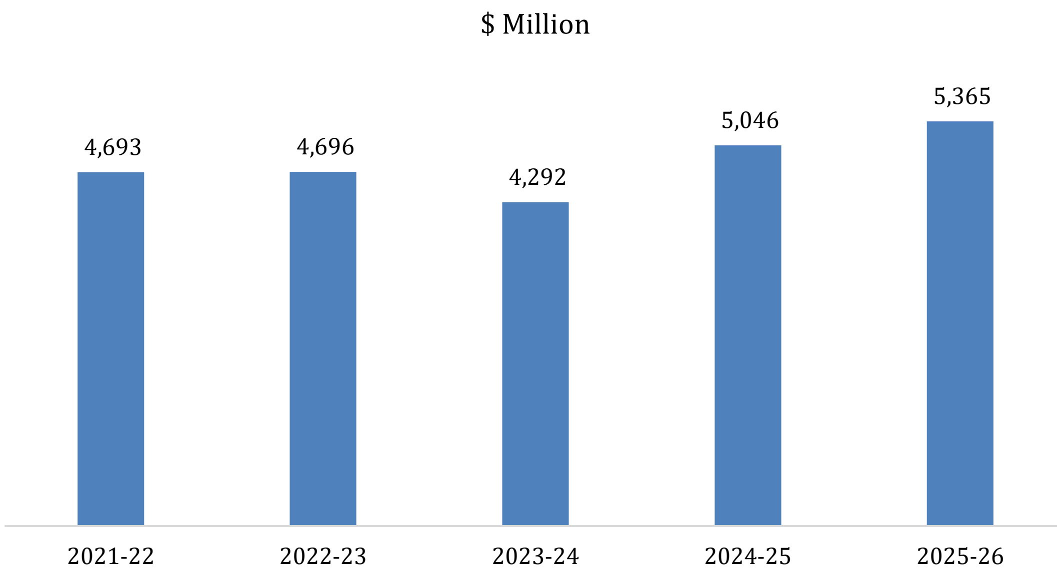
Fig-1.6: Apparel and Made-up textiles Exports



Trend Analysis

The exports of Pakistan under Chapters 61–63 show an overall increasing trend over the five-year period, despite some fluctuations. Exports rose from $4,693 million in 2021–22 to $3,696 million in 2022–23, before declining to $4,292 million in 2023–24, the lowest point in the series. A recovery followed with exports reaching $5,046 million in 2024–25 and climbing further to $5,365 million in 2025–26, the highest level recorded. Overall, exports increased from $4,693 million in 2021–22 to $5,365 million in 2025–26, reflecting a CAGR of 4% over the period.

Fig-1.7: Apparel and Other Made-Up Textiles Exports Trend (Ch 61-63)



In Apparel and Other Made-Up Textiles exports, growth was driven by all three categories collectively: Chapter 61 – knitwear ($1,905m, +8.3%), Chapter 62 – non-knit apparel ($1,428m, +5.1%), and Chapter 63 – other made-up articles ($2,031m, +5.4%). Together, these value-added segments collectively increased from $3,685 million in 2024–25 to $3,998 million in 2025–26, reflecting an overall growth of 6.3%, and highlighting the central role of apparel and made-up articles in sustaining Pakistan's textile export expansion.

Table-1.2: Chapter-wise Textile-Clothing Exports % Change

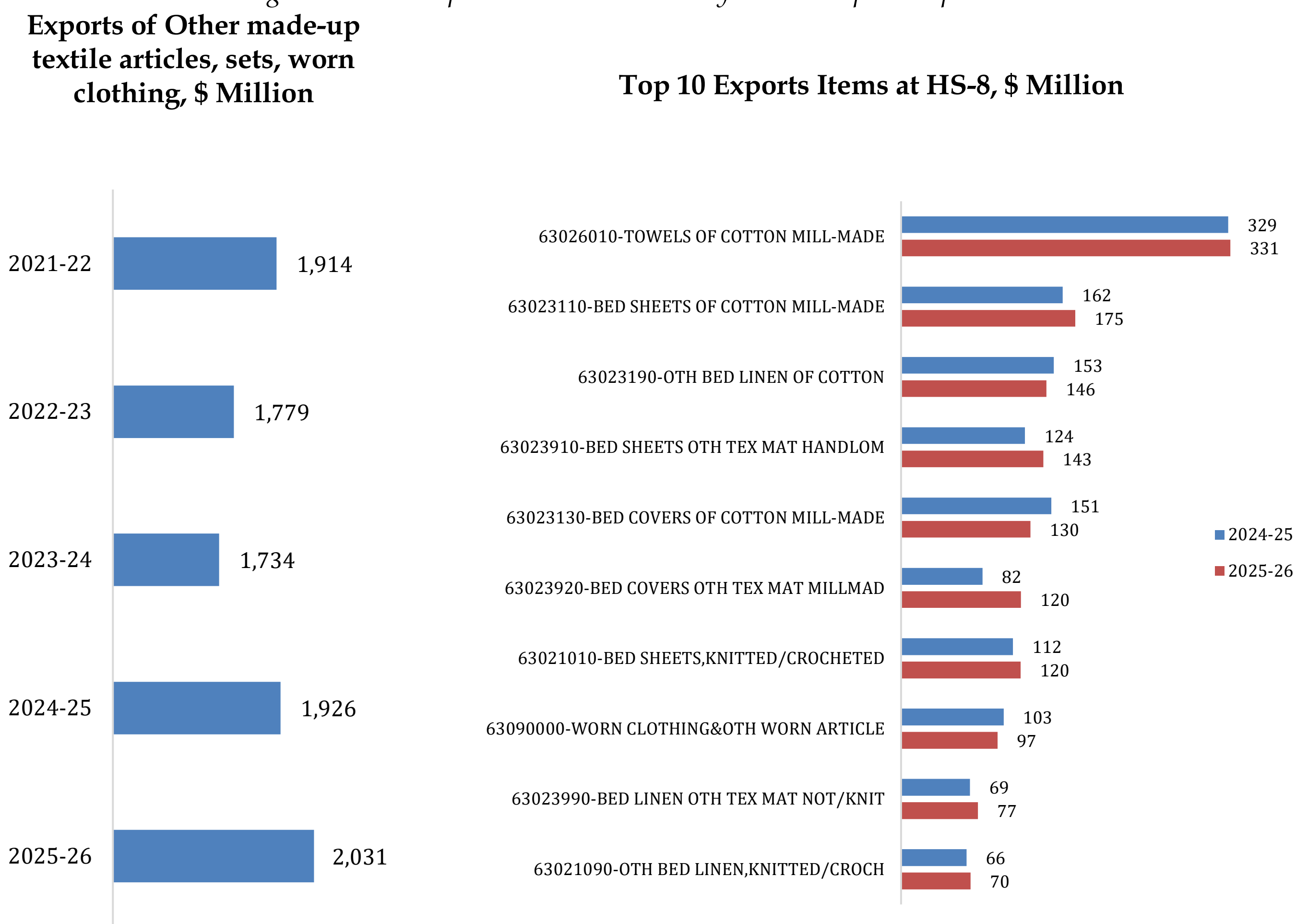
HS 2	Chapters	2024-25	2025-26	%Change
61	Articles of apparel, accessories, knit or crochet	1,760	1,905	↑8.3%
62	Articles of apparel and clothing accessories, not knitted or crocheted	1,359	1,428	↑5.1%
63	Other made textile articles, sets, worn clothing etc	1,926	2,031	↑5.4%
Total		**5,046**	**5,365**	**↑6.3%**

1.3.2a HIGHEST EXPORTED CATEGORY - CHAPTER 63 - OTHER MADE TEXTILE ARTICLES, SETS, WORN CLOTHING ETC

The exports of Chapter 63 (Other made-up textile articles, sets, worn clothing, etc.) graphed below, show an overall increasing trend over the five-year period. The highest exports were recorded in 2025–26 at $2,031 million. Overall, exports rose from $1,914 million in 2021–22 to $2,031 million in 2025–26. Individually out of the top 10 exported items in Chapter 63: **major**

decline was recorded in **“HS 6302.3190 Other bed linen of Cotton”** from $153 million (Jul-Oct FY 25) to $146 million in FY26, **“HS 63023130-bed covers of cotton mill-made”** from $151 million (Jul-Oct FY 25) to $130 million in FY 26 **and “HS 63090000-worn clothing & other worn article”** from $103 million to $97 million in the same period.

Fig-1.8: Ch-63 Exports trends over last 5 years and top 10 Exports items

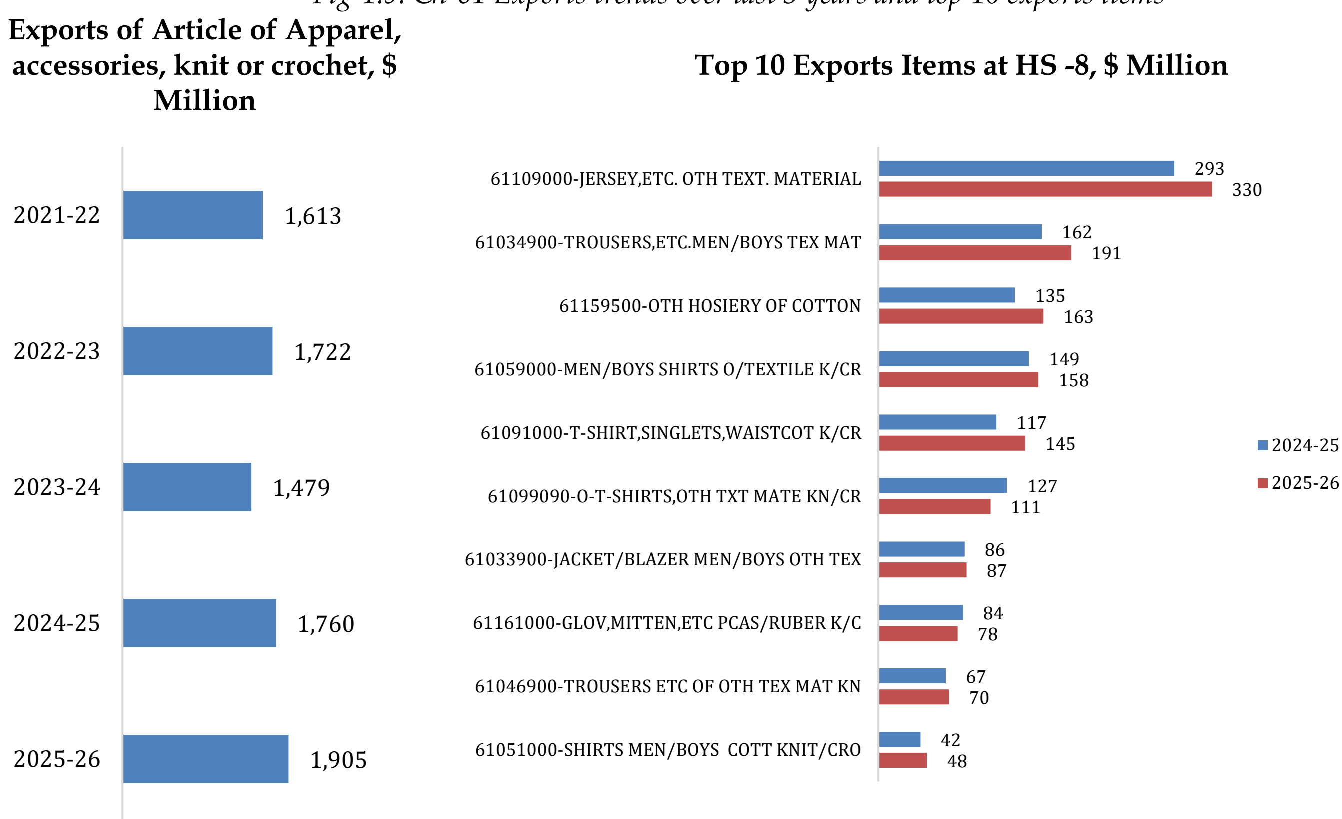


1.3.2b 2ND HIGHEST EXPORTED CATEGORY - CHAPTER 61 – ARTICLES OF APPAREL, ACCESSORIES, KNIT OR CROCHET

The graph below shows the export performance of Chapter 61 (Articles of apparel and accessories, knit or crochet) over the last five years. The exports show an overall increasing trend across the five-year period. The highest exports were recorded in 2025–26 at $1,905 million. Overall, exports grew from $1,613 million in 2021–22 to $1,905 million in 2025–26, reflecting an increase of 24%. Individually out of the top 10 exported items in Chapter 61: "**Knitted or crocheted T-shirts, singlets, and other vests made from "other textile materials", a category that includes fibers like bamboo, hemp, linen, ramie, lyocell, and jute (HS**

61099090)" declined from $127 million (July- October 2024-25) to $111 million in FY 2025-26 and "**Knitted or crocheted gloves, mittens, and mitts that are impregnated, coated, or covered with plastics or rubber, specifically including working gloves, industrial gloves, and some types of sport and boxing gloves (HS 61161000)"** declined from $84 million (July- October 2024-25) to $78 million in FY 2025-26.

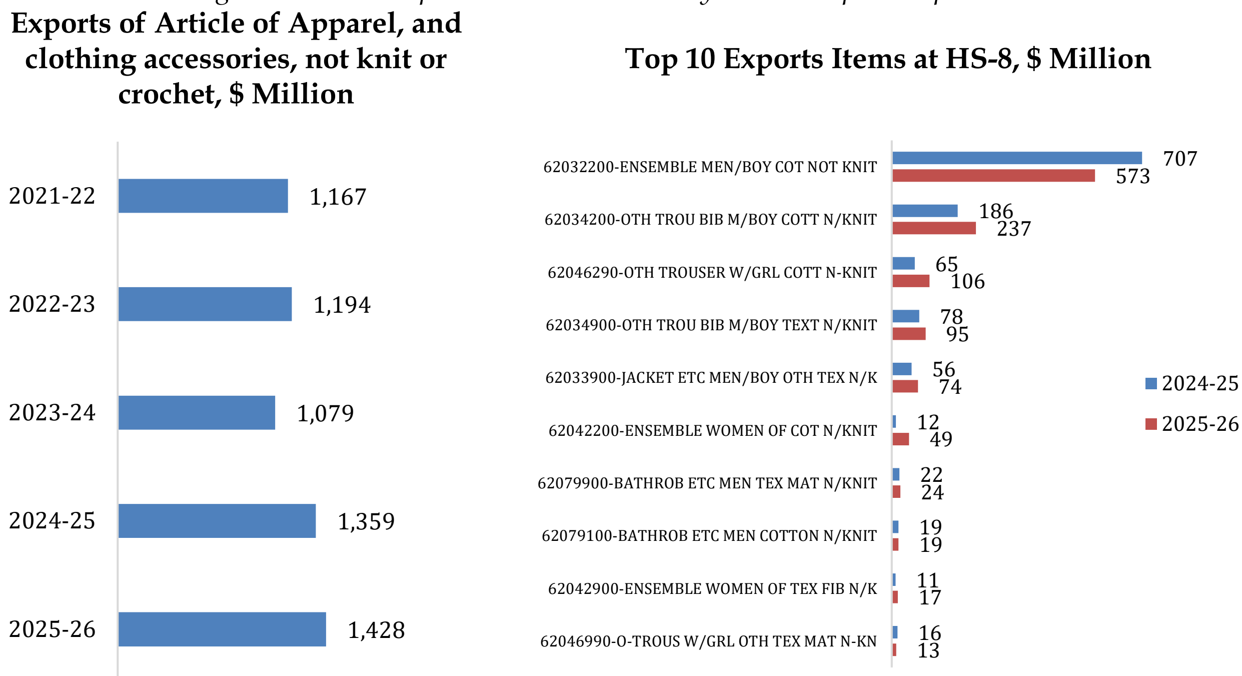
Fig-1.9: Ch-61 Exports trends over last 5 years and top 10 exports items



1.3.2c 3RD HIGHEST EXPORTED CATEGORY - CHAPTER 62- ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, NOT KNITTED OR CROCHETED

The exports of Chapter 62 (Articles of apparel and clothing accessories, not knitted or crocheted) show an overall increasing trend over the five-year period. The highest exports were recorded in 2025–26 at $1,428 million. Overall, exports rose from $1,167 million in 2021–22 to $1,428 million in 2025–26, reflecting an increase of 22%. Individually out of the top 10 exported items in Chapter 62: "**Cotton ensembles, specifically men's or boys' suits, jackets, and blazers made of cotton, as well as other ensembles, trousers, shorts, and overalls that are not swimwear (HS-6203.2200)"** declined from $707 million (July- October 2024-25) to $573 million in FY 2025-26 and **non-knitted or non-crocheted women's or girls' trousers, bib and brace overalls, breeches, and shorts made of textile materials, specifically for those not specified under other subheadings (HS 62046990)** declined from declined from $16 million (July- October 2024-25) to $13 million in FY 2025-26

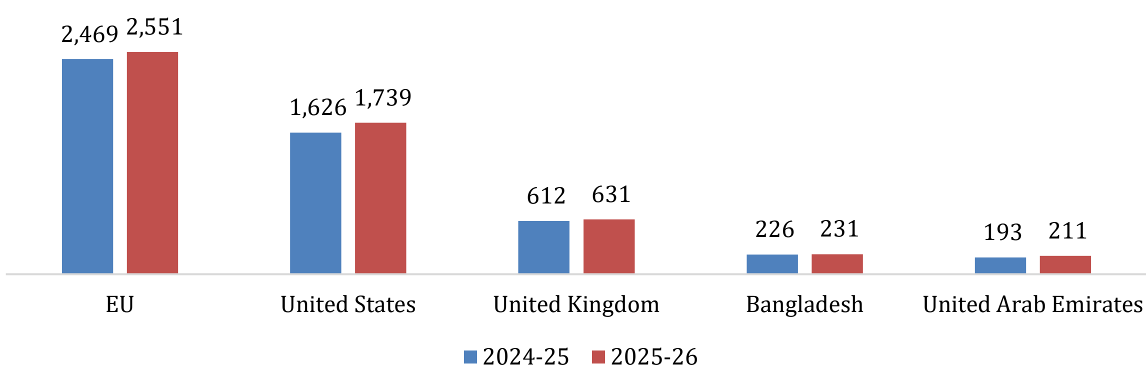
Fig-1.10: Ch-62 Exports trends over last 5 years and top 10 Exports items



1.4 EXPORTS BY DESTINATION COUNTRY

Pakistan's top five textile and apparel export destinations showed nominal growth in 2025–26 compared to the previous year. The EU (27) was the largest market with exports rising from $2,469 (Jul-Oct FY 25) million to $2,551 million (Jul-Oct FY 26), followed by the United States at $1,739 million, the UK at $631 million, Bangladesh $231 million and the UAE with $211 million in FY 26.

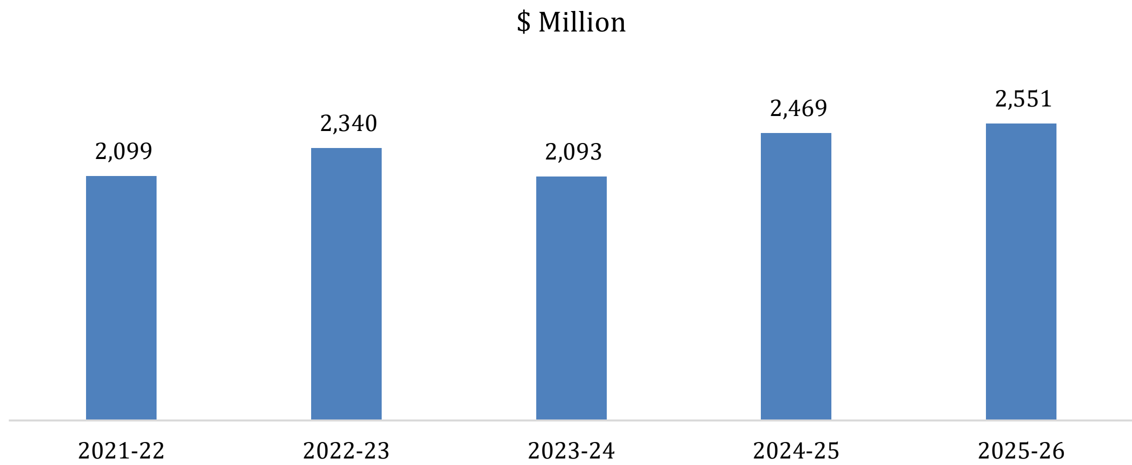
Fig-1.11: Top 05 Textile Exports Destinations



1.4.1 EUROPEAN UNION (27)

The exports of textiles and apparel from Pakistan to the EU show generally a stable trend over the five-year period. Exports to EU were $2,099 million in 2021-22 and are at $2,551 million in 2025–26.

Fig-1.12: Trend of Textile Exports to EU



Top 10 exports to EU – HS 8 level

The following table presents the top 10 exports to the EU, indicating whether they show an increasing or decreasing trend. Out of the top 10 exported products to EU, **Ensemble men/boy cot not knit (HS 62032200)** declined by 13.06, Jersey, etc. **Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted, of other textile materials (HS 61109000)** declined by 5.58% and **Bed covers of cotton mill-made (HS 63023130)** decline by 15.62%.

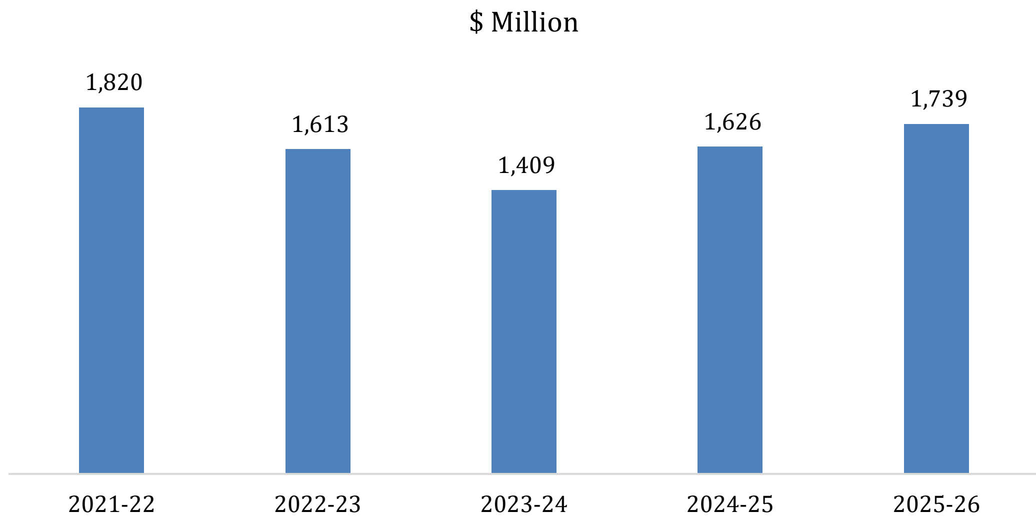
Table-1.3: Top 10 exports to EU – HS 8 level

Values in USD Million					
Sr.#	**HS-8**	**Top 10 Products**	**2024-25**	**2025-26**	**%Change**
1.	62032200	Ensemble men/boy cot not knit	342	298	↓13.06%
2.	63026010	Towels of cotton mill-made	128	131	↑2.32%
3.	62034200	Oth trou bib m/boy cot n/knit	111	125	↑13.15%
4.	61109000	Jersey, etc. Oth text. Material	120	114	↓5.58%
5.	63023110	Bed sheets of cotton mill-made	91	97	↑6.68%
6.	63023190	Oth bed linen of cotton	91	96	↑5.03%
7.	63023130	Bed covers of cotton mill-made	107	90	↓15.62%
8.	63021010	Bed sheets, knitted/crocheted	79	84	↑6.54%
9.	61034900	Trousers, etc. men/boys tex mat	72	82	↑14.03%
10.	61159500	Oth hosiery of cotton	63	68	↑7.85%

1.4.2 UNITED STATES

The exports of textiles from Pakistan to the United States show a generally stable trend over the five-year period. The highest exports were recorded in 2021–22 at $1,820 million. Overall, exports stood at $1,820million in 2021–22 and remained at $1,739 million in 2025–26, reflecting a marginal decline**.**

Fig-1.13: Trend of Textile Exports to USA



Top 10 exports to USA – HS 8 level

The following table presents the top 10 exports to the United States, indicating whether they show an increasing or decreasing trend. Out of the top 10 exported products to USA, **Ensemble men/boy cot not knit (HS 62032200)** declined by 27.36%**, knitted or crocheted T-shirts, singlets, and other vests made from "other textile materials" (excluding cotton, wool, fine animal hair, or man-made fibers HS 61099090)** declined by 11.17% **and Bed sheets of cotton mill-made (HS 63023110)** declined by 4.09%**.**

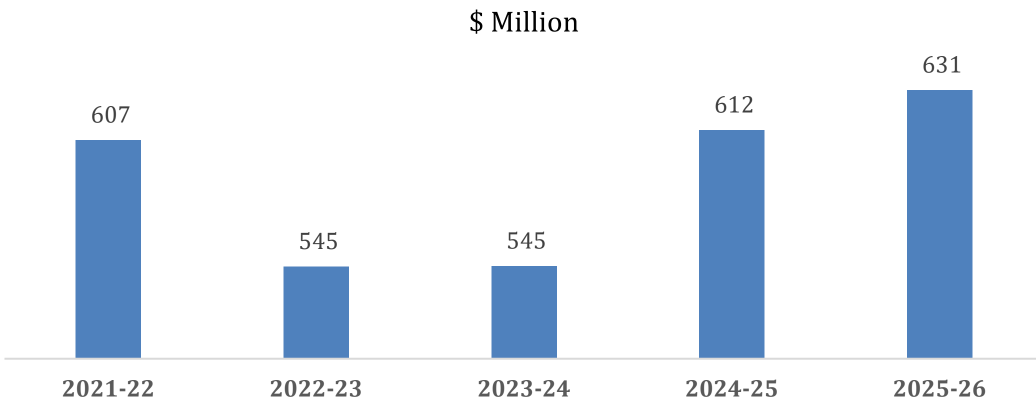
Table-1.4: Top 10 exports to USA – HS 8 level

Values in USD Million					
Sr.#	**HS-8**	**Top 10 Products**	**2024-25**	**2025-26**	**%Change**
1.	62032200	Ensemble men/boy cot not knit	230	167	↓27.36%
2.	61109000	Jersey, etc. Oth text. Material	99	141	↑43.30%
3.	63026010	Towels of cotton mill-made	121	123	↑1.34%
4.	61099090	O-t-shirts, oth txt mate kn/cr	75	67	↓11.17%
5.	61159500	Oth hosiery of cotton	48	65	↑34.04%
6.	61059000	Men/boys shirts o/textile k/cr	52	63	↑20.51%
7.	61034900	Trousers, etc. men/boys tex mat	41	61	↑50.24%
8.	62034200	Oth trou bib m/boy cott n/knit	42	61	↑43.14%
9.	61091000	T-shirt, singlets, waistcoat k/cr	46	58	↑26.55%
10.	63023110	Bed sheets of cotton mill-made	43	42	↓4.09%

1.4.3 UNITED KINGDOM

The textile exports of Pakistan to the United Kingdom show an overall increasing trend across the five-year period. The highest exports were recorded in 2025–26 at $631 million. Overall, exports rose from $607 million in 2021–22 to $631 million in 2025–26, reflecting an increase of 4%.

Fig-1.14: Trend of Textile Exports to UK



Top 10 Exports to UK – HS 8 Level

The following table presents the top 10 exports to the United Kingdom, indicating whether they show an increasing or decreasing trend. Out of the top 10 exported products to UK, **ensembles of men's or boys' cotton apparel, including suits, jackets, blazers, trousers, and shorts (not including swimwear HS 62032200)** declined by 20.14%**, Bed covers of cotton mill-made (HS 63023130) declined by 0.42%, men's or boys' shirts, knitted or crocheted, made of other textile materials (HS 61059000**) declined by 27.54% **and other bed linen of cotton that is not printed, knitted, or crocheted, and is also not napped (HS 63023190)** declined by 9.07%**.**

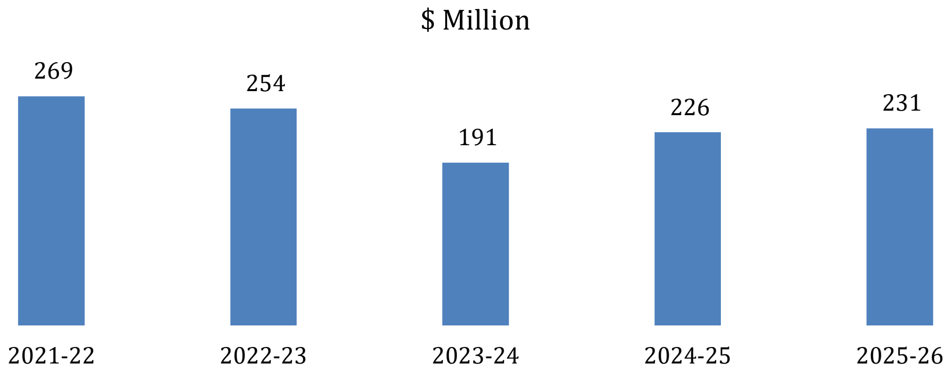
Table-1.5: Top 10 exports to UK – HS 8 level

Values in USD Million					
Sr. #	**HS-8**	**Top 10 Products**	**2024-25**	**2025-26**	**%Change**
1.	61109000	Jersey, etc. Oth text. Material	44	48	↑7.44%
2.	62032200	Ensemble men/boy cot not knit	48	38	↓20.14%
3.	63026010	Towels of cotton mill-made	32	33	↑0.50%
4.	63023920	Bed covers other textile mat mill-made	28	30	↑7.15%
5.	61034900	Trousers, etc. men/boys tex mat	26	29	↑9.94%
6.	63023910	Bed sheets other textile material handloom	25	26	↑1.60%
7.	63023130	Bed covers of cotton mill-made	25	25	↓0.42%
8.	61059000	Men/boys shirts o/textile k/cr	32	23	↓27.54%
9.	63023110	Bed sheets of cotton mill-made	18	23	↑26.97%
10.	63023190	Oth bed linen of cotton	21	19	↓9.07%

1.4.4 BANGLADESH

The exports of Pakistan to Bangladesh show declining trend from 2021-22 to 2023-24 and then slight pickup in 2024-25 and 2025-26. The highest exports were recorded in 2021–22 at $203 million. In 2025-26 the exports are now $179 million

Fig-1.15: Trend of Textile Exports to Bangladesh



Top 10 Exports to Bangladesh

The following table presents the top 10 exports to Bangladesh, indicating whether they show an increasing or decreasing trend. Also, Bangladesh is mainly importing raw materials from Pakistan i.e. cotton yarn and cotton fabric. Out of the top 10 exported products to Bangladesh**, dyed 3-thread or 4-thread twill fabrics of cotton, including cross twill, that contain 85% or more cotton by weight and weigh more than 200g/m^2 (HS 52093200)**declined by 19.37%**, single cotton yarn of uncombed fibers, containing 85% or more cotton by weight, not put up for retail sale, that is measuring 714.29 decitex or more (HS 52051100)** declined by 18.62%**, dyed other woven fabrics of cotton that weigh more than 200 grams per square meter (HS 52122300)** declined by 12.19%**, bleached woven fabrics of cotton that are made of 3-thread or 4-thread twill, including cross twill (HS 52092200)** declined by 15.88%**, Other fabrics" within the category of dyed, woven cotton fabrics that are 85% or more cotton by weight and weigh more than 200g/m^2 (HS 52093900)** declined by 48.14% **and dyed 3-thread or 4-thread twill fabrics of cotton, mixed predominantly with man-made fibers and weighing more than 200g/m^2 (HS 52113200)** declined by 25.03%.

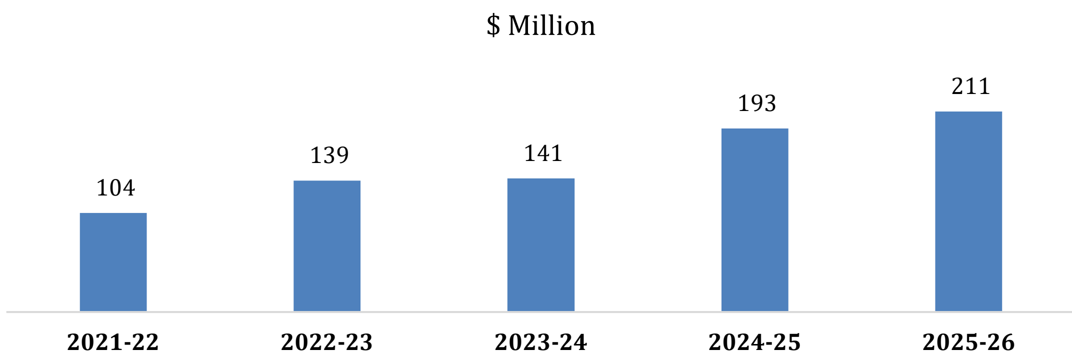
Table-1.6: Top 10 exports to Bangladesh – HS 8 level

Values in USD Million					
Sr. #	**HS -8**	**Top 10 Products**	**2024-25**	**2025-26**	**%Change**
1.	52094200	Cotton wov fab denim>200g/sqm	111	124	↑11.83%
2.	52114200	W-fab cot denm,mx mfw>200g/sqm	24	26	↑7.21%
3.	52093200	Cotton wov fab dyed 3-4 thread	25	20	↓19.37%
4.	52051200	S-cot.yarn ucf.d-232.56-714.29	13	13	↑2.24%
5.	52051100	Sin.cot.yar.u.com.fib.d-714.29	10	8	↓18.62%
6.	52122300	Oth cot wov fab dyed>200g/sqm	4	4	↓12.19%
7.	52092200	Cot wov fab 3/4thrd w>200g/sqm	4	4	↓15.88%
8.	52051300	S-cot.yarn ucf.d-192.31-232.56	2	3	↑20.94%
9.	52093900	Oth cot wov fab dyed>200g/sqm	4	2	↓48.14%
10.	52113200	Wov fab 3-4thread mix>200gdyed	2	2	↓25.03%

1.4.5 UNITED ARAB EMIRATE

The exports of textiles from Pakistan to the UAE show an increasing trend over the five-year period. The highest exports were recorded in 2025–26 at $153 million, while the lowest were in 2021–22 at $77 million.

Fig-1.16: Trend of Textile Exports to UAE



Top 10 Exports to UAE

The following table presents the top 10 exports to the UAE, indicating whether they show an increasing or decreasing trend. Out of the top 10 exported products to UAE**, ensembles of men's or boys' cotton apparel, including suits, jackets, blazers, trousers, and shorts (not including swimwear HS 62032200)** declined by 35.65%, **jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted, of other textile materials (HS 61109000)** declined by 15.94%, **woven fabrics containing 85% or more by weight of synthetic staple fibers (specifically polyester staple fibers), but excluding those that are unbleached or bleached (HS 55121900)** declined by 29.92% **and women's or girls' suits, ensembles, jackets, and blazers made of synthetic fibers that are not knitted or crocheted (HS 62041300)** declined by 51.64%.

Table-1.7: Top 10 exports to UAE – HS 8 level

Values in USD Million					
Sr. #	**HS 8**	**Top 10 Products**	**2024-25**	**2025-26**	**%Change**
1.	62032200	Ensemble men/boy cot not knit	30	19	↓35.65%
2.	62033900	Jacket etc. men/boy other tex n/k	4	15	↑269.96%
3.	62034200	Oth trou bib m/boy cott n/knit	6	12	↑112.92%
4.	61109000	Jersey, etc. Oth text. Material	11	9	↓15.94%
5.	63026010	Towels of cotton mill-made	7	7	↑2.10%
6.	61034900	Trousers, etc. men/boys tex mat	6	7	↑18.20%
7.	61059000	Men/boys shirts o/textile k/cr	3	4	↑53.21%
8.	61046900	Trousers etc of other tex mat kn	4	4	↑0.13%
9.	55121900	Other woven fab of syn staple fib	6	4	↓29.92%
10.	62041300	Suit women/grl of syn n/k	6	3	↓51.64%

2. POLICY INTERVENTIONS RECOMMENDED

- Regionally competitive, predictable energy pricing for export-oriented industries.
- Reduction in taxes, 72-hour automated refunds (risk-based post-audit), zero-rating of inputs via the Export Facilitation Scheme.
- Wages & labor policies: Alignment of wage and overtime regulations with practices in key competitor countries (e.g., Bangladesh) to restore cost competitiveness.
- HS 61–63 push (value addition): time-bound incremental export rebate tied to value addition, compliance to SDGs and ESG requirements.
- HS 50–60 repair: Structural reforms to improve cotton quality and yield, support for spinning and weaving sector by reducing cost of doing business in Pakistan.
- Financing: Strengthening of EXIM Bank, enhancement in limits of EFS and LTFF and provision of financing schemes to support innovation, renewable/sustainable energy, green projects and related investments.
- Policy stability: 5-year export/textile & apparel/industrial policy with legal cover (no ad-hoc SROs), and transparent monitoring of implementation of policies by publishing KPIs on monthly basis.

CONCLUSION

Pakistan's textile and apparel export performance reveals deeper structural weaknesses that outweigh the limited gains seen in value-added segments. The persistent and multi-year decline in Chapters 50–60 (cotton, spinning, weaving, and other foundational inputs) is signaling an erosion of the sector's raw-material base, rising production costs, and loss of competitiveness relative to regional peers. Even within value-added categories (Chapters 61–63), growth remains fragile, with product-level declines being observed in top markets (EU, US, UK, Bangladesh, and UAE) indicating weakening market share and growing vulnerability to external competition. Despite isolated improvements, the overall picture points toward a sector struggling to hold ground, with current gains at risk of reversal. Without urgent and predictable policy intervention (alignment of wage and overtime regulations with practices in key competitor countries, energy pricing, taxation, liquidity, and long-term policy stability) Pakistan risks further contraction in traditional textiles and stagnation in value-added exports. Timely, targeted support remains essential not only to prevent further loss of global market share but to create conditions for sustainable recovery and renewed export growth.

PAKISTAN TEXTILE COUNCIL
PEOPLE. PLANET. PROGRESS.

About PTC

Pakistan Textile Council (PTC) is a not-for-profit organization set up to serve as a research, advocacy and impact acceleration platform for the Pakistan textile and apparel sector. Our mission is to help shape a path of sustainable growth for Pakistan's textile and apparel sector, and deliver economic and societal impact, putting Pakistan first.

PTC aims to put on the table key topics for sustainable development of Pakistan's textile sector – bringing together relevant stakeholders, establishing key facts, and facilitating effective decision-making at home and abroad. PTC aspires to help shape a new path and narrative for Pakistan's textile sector and to support the government in formulating globally comparable medium- and long-term policies, with the following objectives:

- Enable increased local and foreign investment in growth, innovation and sustainability in the textile and apparel industry – making Pakistan a sourcing destination of choice
- Generate employment and sustenance with decent work standards and gender equality thereby contributing to desirable economic and social development outcomes
- Make Pakistan textile and apparel sector internationally competitive and globally compliant to spur textile and apparel exports, generating valuable foreign exchange and contributing to a stable, sustainable and prosperous future for Pakistan

PTC aims to work on industry level topics with key stakeholders of the textile and apparel sector in Pakistan and overseas, i.e., Government of Pakistan and its relevant arms, concerned domestic and multilateral agencies/institutions, foreign governments, NGOs and trade bodies, international buyers and related bodies, industry analysts, research bodies, media, etc.

PTC aspires to serve the entire textile and apparel value chain, end-to-end (from fiber to finished products and back, including recycling), across all layers (large players and SMEs).

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