

Value-added textile & apparel sector

Govt urged to declare exports as 100pc federal subject

ANWAR KHAN

KARACHI: Ahead of the budget 2026-27, major value-added textile and apparel sector associations have made a unified and strong demand to the government to constitutionally and administratively declare export as a 100 percent federal subject and place it under a single one-window federal authority.

The demand was presented by Muhammad Jawed Bilwani, Chairman of the Pakistan Apparel Forum during a meeting with Minister of State for Finance, Bilal Azhar Kayani at the Karachi Chamber of Commerce & Industry (KCCI). The proposal forms part of joint recommendations submitted by leading exporting associations for the Federal Budget 2026-27.

Bilwani, who is also the Chief Coordinator of All Pakistan Value-Added Textile Exporters Associations, emphasized that export policy, incentives, taxation, and facilitation must be handled exclusively by the Federal Government with uniform rules applied across the country. This centralization is essential to eliminate conflicting provincial interpretations, overlapping regulations, and disruptions in trade.

"Export and import policies need uniform application across the country to avoid conflicting provincial interpretations and regulatory overlapping jurisdictions that can disrupt trade and export," Bilwani stated.

He added that since bilateral and multilateral trade agreements are signed by the Federal Government, centralized control is necessary to ensure Pakistan effectively meets its international obligations. A single one-window federal authority would also improve ease of doing business, reduce procedural complexity and duplication, and enhance Pakistan's global competitiveness.

The demand was jointly endorsed by chairmen and representatives of major exporting associations, including: Pakistan Hosiery Manufacturers & Exporters Association (PHMA), Pakistan Knitwear & Sweaters Exporters Association (PAKSEA), Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA), Pakistan Cotton

Fashion Apparel Manufacturers & Exporters Association (PCFA), Towel Manufacturers' Association of Pakistan (TMA)

- Pakistan Bedwear Exporters Association (PBEA), All Pakistan Bedsheets & Upholstery Manufacturers Association (APBUMA), Pakistan Textile Exporters Association (PTEA), Pakistan Denim Manufacturers and Exporters Association (PDMEA), Pakistan Textile Council (PTC), All Pakistan Fruit & Vegetable Exporters, Importers & Merchants Association (PFVA)

- Rice Exporters Association of Pakistan (REAP)

The associations stressed that without immediate fiscal and administrative reforms, Pakistan's value-added textile and apparel sector, which contributes 56 percent of the country's total exports, faces the risk of collapse due to uncompetitive costs and severe liquidity shortages. The sector currently operates on razor-thin profit margins of just 2 to 3 percent.

1. Exporters demanded an immediate return to the Fixed Tax Regime for all exporting sectors, replacing the current Normal Tax Regime (NTR). Under the existing NTR, corporate tax stands at 29 percent, while individuals and AOPs face up to 45 percent tax plus a 10 percent surcharge and 10 percent super tax, resulting in what they described as "triple taxation."

Bilwani warned that the shift from FTR to NTR has created severe liquidity and cash-flow problems, with 2 percent tax deducted at the realization of export proceeds (only 1 percent adjustable). He cautioned that continued pressure could force industrialists to shift to other businesses, deter new entrants, reduce export volumes, cause mass unemployment, and weaken foreign exchange earnings.

2. The associations called for the EFS to be restored to its original form under SRO 957(I)/2021. Changes introduced in the previous budget removed zero-rating on local supplies and imposed duties and taxes on imports for exporters. This has forced exporters into a lengthy sales tax refund process, blocking working capital. Billions of rupees in refunds are currently stuck with the government,

contrary to the scheme's original objective of easing liquidity pressure.

3. The government was urged to reintroduce the DLTL scheme, which was previously suspended. The proposal includes a 5 percent base DLTL on value-added exports plus an additional 2 percent performance-based incentive for exporters achieving a minimum 10 percent year-on-year growth in exports.

4. Exporters demanded the complete withdrawal of super tax from the export sector and immediate suspension of default surcharge on outstanding super tax amounts, citing its severe impact on liquidity.

To reduce the cost of doing business and support export competitiveness, the associations recommended: Reintroduction of Regional Competitive Energy Tariffs (RCET), freezing of utility tariffs (power, gas, and water) and abolition of taxes on utilities for 100 percent exporting industries, downward revision of the policy discount rate to levels at par with or below those of regional competing countries, adoption of a simplified social security contribution model similar to Bangladesh's, where exporters contribute only 0.03 percent of export turnover (deducted directly from export proceeds) for transparent worker welfare and social compliance.

Chairman of the Pakistan Apparel Forum also highlighted that these measures are critical for the survival of the value-added apparel and textile sector amid stiff global competition and historic high manufacturing costs.

Minister of State for Finance Bilal Azhar Kayani acknowledged the joint demands and reiterated the government's commitment to sustainable economic stability and export-led growth through strong public-private collaboration. He noted that consultations were being held across the country on the directives of the Prime Minister ahead of the Federal Budget 2026-27.

The exporting associations presented their proposals as a national priority to promote industrialization, generate urban employment, and boost foreign exchange earnings through a coherent, centralized export strategy.

Bilwani demands for export tax, regulatory framework overhaul

STAFF REPORTER

Pakistan's leading exporters have called on the federal government to declare "export" a fully federal subject, arguing that fragmented provincial and federal oversight is undermining trade efficiency and weakening the country's global competitiveness at a critical economic moment.

Muhammad Jawed Bilwani, Chairman of Pakistan Apparel Forum and Chief Coordinator of value-added textile exporters' associations, urged policymakers to place export governance under a single federal authority and one-window

system, warning that overlapping jurisdictions are creating regulatory delays and policy inconsistencies across the country.

"The Federal Government must declare 'Export' as a total 'Federal Subject' according to it as national priority for export-led economic growth of Pakistan," Bilwani said during a meeting with Minister of State for Finance Bilal Azhar Kayani at the Karachi Chamber of Commerce and Industry. He argued that export-led growth requires centralized coordination to ensure uniform policy implementation, especially since international trade

agreements are negotiated at the federal level.

A unified system, he added, would reduce administrative duplication and improve Pakistan's ease of doing business rankings.



Bilwani also pressed for the reinstatement of the Fixed Tax Regime for exporters,

saying the shift to the Normal Tax Regime has strained liquidity and created what he described as "triple taxation" pressures. He warned that exporters operate on profit margins as low as 2 to 3 percent, making the current structure unsustainable. He further called for restoring the Export Facilitation Scheme (EFS) to its 2021 framework, arguing that recent changes have increased refund delays and liquidity constraints.

Exporters, he noted, are already awaiting billions in pending sales tax refunds. The delegation also demanded reintroduction of

the Duty Drawback of Taxes and Levies scheme, removal of super tax on exports, and relief in utility costs, including energy tariff rationalization for export industries.

Bilwani cautioned that continued fiscal pressure could drive businesses away from exports, leading to job losses and declining foreign exchange earnings. Minister of State Bilal Azhar Kayani acknowledged the concerns, reiterating the government's commitment to export-led growth and ongoing consultations with stakeholders ahead of the 2026-27 federal budget.

The News International, Karachi, Tuesday, April 21, 2026

Exporters call for single federal authority to streamline trade policy

By our correspondent

KARACHI: The federal government has been urged to declare exports a "complete federal subject" and establish a single-window federal authority to streamline policy execution and support export-led economic growth.

The proposal was put forward by Muhammad Jawed Bilwani, chairperson of the Pakistan Apparel Forum and chief coordinator of the All Pakistan Value-Added Textile Exporters Associations, during a meeting with Bilal Azhar Kayani, minister of

state for finance, at the Karachi Chamber of Commerce and Industry (KCCI).

Bilwani said export-led growth requires a unified national strategy under centralised federal control to ensure consistency in trade policies, avoid regulatory overlaps among provinces, and enable Pakistan to meet its international trade commitments. He added that a single-window authority would reduce procedural complexities and improve the ease of doing business, making exports more competitive globally.

He noted that commerce, industry and trade via sea, land and air already fall under federal jurisdiction and should formally be declared a complete federal subject.

Bilwani said he had consulted major value-added textile and export associations, which have collectively submitted proposals for the 2026-27 federal budget, focusing on tax relief and policy support to boost exports, industrialisation and employment.

He reiterated the need to reinstate the Fixed Tax

Regime (FTR) for exporters, arguing that the shift to the Normal Tax Regime (NTR) has adversely affected liquidity and cash flow. Exporters are facing multiple layers of taxation, including income tax, surcharges, and super tax, resulting in a higher tax burden compared with regional competitors, he said.

"The export sector is already operating on thin margins of 2-3 per cent amid intense global competition," Bilwani said, warning that continued pressure could lead to business closures, lower exports, and job losses.

He also called for the restoration of the Export Facilitation Scheme (EFS) in its original 2021 form, stating that recent changes, including the removal of zero-rating on local supplies and the imposition of duties on imports, have increased refund claims and worsened liquidity constraints.

Among other proposals, he urged the government to reintroduce the Duty Drawback of Taxes and Levies (DLTL) scheme with a 5.0 per cent base incentive and an additional 2.0 per cent performance-based incentive; abol-

ish super tax on exports and suspend related surcharges; reduce the cost of doing business by restoring Regionally Competitive Energy Tariffs (RCET) and freezing utility prices; lower the policy discount rate in line with regional economies; and introduce a simplified social compliance contribution model similar to Bangladesh.

Responding to the proposals, Kayani said the government remains committed to economic stability and export-led growth through close coordination with the private sector.

express

نیوز

APRIL 21, 2026

ویلیو ایڈڈ ٹیکسٹائل سیکٹر کا برآمدی شعبے کو وفاق کے دائرہ کار میں کا مطالبہ

یہ مطالبہ پاکستان اپریل فورم، آل پاکستان ویلیو ایڈڈ ٹیکسٹائل ایکسپورٹرز ایسوسی ایشن کے چیئرمین جاوید بلوانی نے کیا



April 21, 2026 | احتشام مفتی



ویلیو ایڈڈ ٹیکسٹائل سیکٹر کے برآمد کنندگان نے مختلف نوعیت کی منظوریوں اور بین الصوبائی ریگولیٹری اختلافات سے چھٹکارے کے لیے ملک کے برآمدی شعبے کو خالصتاً وفاق کے دائرہ کار میں لانے، برآمدی شعبے کی مالی مشکلات پر قابو کی غرض سے ایف ٹی آر کی بحالی، ایکسپورٹس پر سپر ٹیکس ختم کرنے اور 2021 کی ایکسپورٹ فیسیلیٹیشن اسکیم من وعن بحال کرنے کا مطالبہ کر دیا ہے۔

Govt. demanded to declare export as 100% federal subject

By, FARHAT MANZOOM

KARACHI: "The Federal Government must declare 'Export' as a total 'Federal Subject' according to a national priority for export-led economic growth of Pakistan. Export-led growth requires a strong export-driven economy supported by coordinated national strategy, which is only possible through centralized policy direction and execution. Export and import policies need uniform application across the country to avoid conflicting provincial interpretations and regulatory overlapping jurisdictions that can disrupt trade and export. Since bilateral and multilateral trade agreements are signed by the Federal Government, centralized control ensures Pakistan can meet its international obligations and commitments effectively.

For ease of doing business and global competitiveness a single One Window Federal-Authority shall reduce procedural complexity, duplication of approvals and inter-provincial regulatory differences for facilitation and enhancement of exports making it faster and more efficient. Commerce, industry and export as well as trade through sea, land and air are dealt by Federal Government

- need formal declaration as complete Federal Subject under one-window and single Federal Authority." This was urged to the Prime Minister of Pakistan and the Federal Government by Muhammad Jawed Bilwani, Chairman Pakistan Apparel Forum, and Chief Coordinator, All Pakistan Value-Added Textile Exporters Associations, in a meeting with Minister of State for Finance Bilal Azhar Kayani during his visit at Karachi Chamber of Commerce & Industry to meet the Chairmen of Value-Added Apparel & Textiles Exporting Associations & prominent exporters of Pakistan. Jawed Bilwani highlighted that he has consulted all the Value-Added Apparel & Textile Associations representing the National Textile Value Chain as well as other large exporting Associations and compiled important proposals for Federal Budget 2026- 2027 focused on export-led economic growth of Pakistan which envisage taxation relief measures and imperative policy facilitations for the development of exports to earn more foreign exchange, promote industrialization and create more urban employment.

The Chairmen of Pakistan

Hosiery Manufacturers & Exporters Association (PHMA), Pakistan Knitwear & Sweaters Exporters Association (PAK-SEA), Pakistan Readymade Garments Manufacturers & Exporters Association (PRGMEA), Pakistan Cotton Fashion Apparel Manufacturers & Exporters Association (PCFA), Towel Manufacturers' Association of Pakistan (TMA), Pakistan Bedwear Exporters Association (PBEA), All Pakistan Bedsheets & Upholstery Manufacturers Association (APBUMA), Pakistan Textile Exporters Association (PTEA), Pakistan Denim Manufacturers and Exporters Association (PDMEA), Pakistan Textile Council (PTC), All Pakistan Fruit & Vegetable Exporters, Importers & Merchants Association (PFVA) & Rice Exporters Association of Pakistan (REAP) endorsed the joint submission and proposals who were physically or online participating in the meeting. Jawed Bilwani, on behalf of Exporting Associations, demanded the Government to reinstate Fixed Tax Regime for all exporting sectors to facilitate exporting industries for cash-flows and liquidity as the Normal Tax Regime has turned counterproductive for exports.

Govt Urged to Declare Exports as 100% Federal Subject

KARACHI (PRESS RELEASE): Muhammad Jawed Bilwani has urged the federal government to declare exports as a fully federal subject and establish a one-window, single federal authority to streamline export and import policies across the country.

Speaking during a meeting with Bilal Azhar Kayani Federal Minister of State for Finance at the Karachi Chamber of Commerce & Industry, Bilwani emphasized that centralized policy control is essential for export-led economic growth, eliminating regulatory overlaps and ensuring uniform implementation nationwide.

He also called for the reinstatement of the Fixed Tax Regime (FTR) to ease liquidity issues faced by exporters

and demanded restoration of the Export Facilitation Scheme (EFS) in its original 2021 form. Highlighting challenges faced by the textile sector, he noted that high taxation, rising production costs, and global competition have reduced profit margins to 2-3%.

Bilwani further recommended restoring the Duty Drawback of Taxes and Levies (DLTL), abolishing super tax on exports, and introducing business-friendly policies to reduce the cost of production, including energy tariff relief.

Bilal Azhar Kayani assured that the government is committed to consultative policymaking and export-led growth, adding that stakeholder consultations are underway ahead of the Federal Budget 2026-27.

Editor Mirza Alam Baig
Managing Editor
Muhammad Hanif
News Editor
Maqbool Khan
Chief Reporter
Jameel Chandio

DAILY RULE

HYDERABAD

A
B
C
CERTIFIED
REGD. 3496

TUESDAY, 21 APRIL 2026 03, ZIQAD 1447 ISSUE 248 VOL 08

Pages 4 - Rs 20

Exporters Demand Federal Government Declare Exports a Federal Subject

By M.A.Siddiqui

KARACHI: Muhammad Jawed Bilwani, Chairman of the Pakistan Apparel Forum and Chief Coordinator of the All Pakistan Value-Added Textile Exporters Associations, has urged the Prime Minister and the Federal Government to formally declare "Export" as a complete Federal Subject. He emphasized that export-led growth requires a centralized national strategy, uniform policies, and a one-window federal authority to streamline trade facilitation and avoid conflicting provincial regulations. Bilwani presented these proposals during a meeting with Minister of State for Finance Bilal Azhar Kayani at the Karachi Chamber of Commerce & Industry, attended by chairmen of leading apparel, textile, and export associations. He highlighted that the value-added textile sector contributes 56 percent of Pakistan's total exports but is struggling under harsh taxation, high manufactur-

ing costs, and stiff global competition. Exporters demanded reinstatement of the Fixed Tax Regime (FTR), restoration of the Export Facilitation Scheme (EFS) in its original form, reintroduction of the Duty Drawback of Taxes and Levies (DLTL) scheme, and withdrawal of the super tax on exports. They also proposed regional competitive energy tariffs, freezing utility tariffs, and adopting simplified social compliance contributions similar to Bangladesh. Bilwani warned that the current Normal Tax Regime (NTR) has created severe liquidity pressures, discouraging new entrants and threatening mass unemployment. Exporters stressed that without urgent reforms, Pakistan risks losing competitiveness in global markets. Minister Bilal Azhar Kayani assured exporters that the government is committed to sustainable economic stability and export-led growth, reaffirming that consultations are underway ahead of the federal budget 2026-27.