

# Annual Fact File 2017

Textile is the most important manufacturing sector of Pakistan and has the longest production chain, with inherent potential for value addition at each stage of processing, from cotton to ginning, spinning, fabric, dyeing and finishing, made-ups and garments. The sector contributes nearly one-fourth of industrial value-added and provides employment to about 40% of industrial labour force and consumes about 40% of banking credit. Barring seasonal and cyclical fluctuations, textiles products have maintained an average share of about 62% in national exports.

Government has announced incentives worth Rs180 billion in January, 2017 in a bid to boost Pakistan's sagging exports. The package includes the removal of customs duty and sales tax on the import of cotton. Customs duty on man-made fibres other than polyester and sales tax levied on the import of textile machinery has also been scrapped.

The government announced an export package, which industry hopes will help in its modernisation and development. The package contains new duty drawback rates on products, including processed fabric, textile and garments, yarn and grey fabric and made-up textile articles. Under the package, the new duty drawback rates for textile garments will be 7%; textile made-ups 6%; processed fabric 5%; yarn and grey fabric 4%.

The export package by the government has started to impact the performance of textile sector albeit with a slower pace than anticipated. It may be highlighted that only sufficient investment by textile players in BMR, efforts to concentrate on value-added products, and increased focus on improving operational efficiency could broaden the export potential of the products and stimulate its performance on sustainable basis.

In Annual Fact File-2017, PTJ has collected all information/statistics from various institutions/organizations related to the textile industry to our readers. These statistics give a comprehensive picture of Pakistan's textile industry including historical charts and graphs. For the interest of our readers we have included international textile statistics. For further details please contact PTJ at [info@ptj.com.pk](mailto:info@ptj.com.pk).

### World Textile & Clothing Exports

