

EXCLUSIVE INTERVIEW



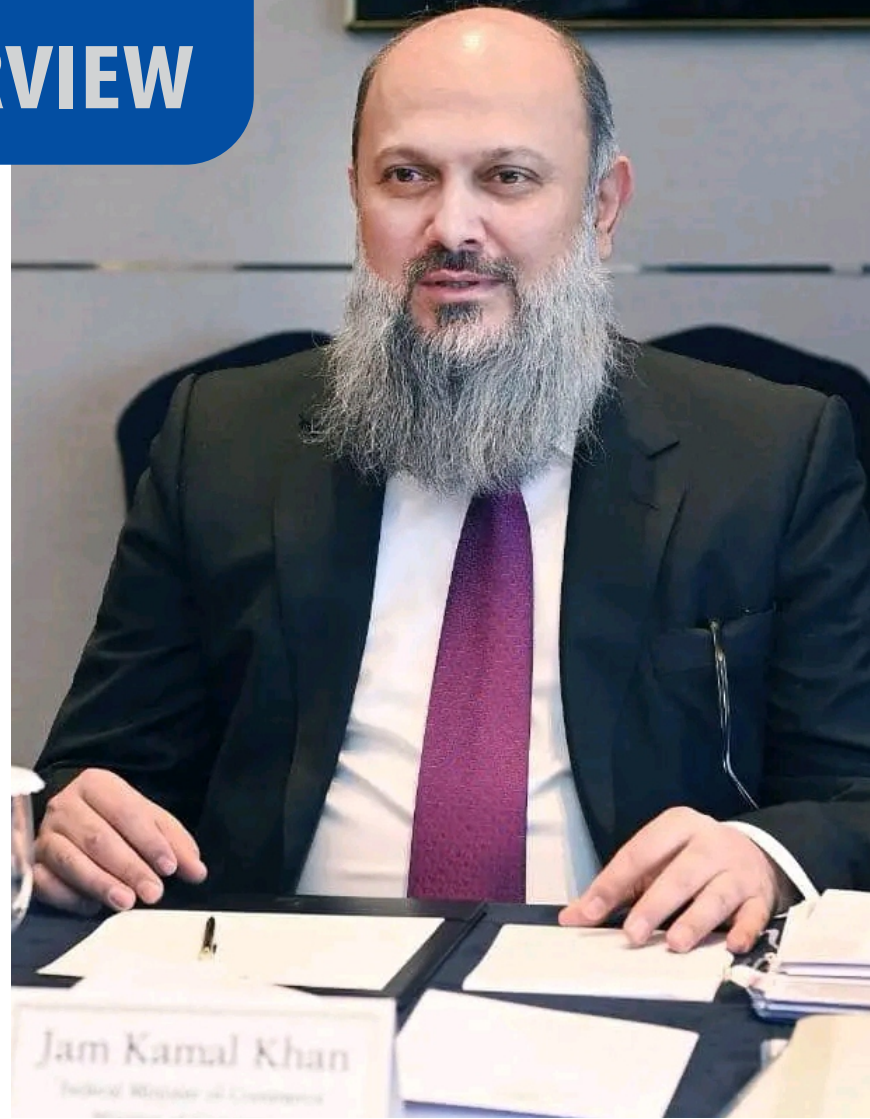
**MINISTRY OF
COMMERCE
PAKISTAN**

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ICMA: Facing global shocks, where should Pakistani exporters focus first to protect trade and seize emerging opportunities?

Jam Kamal Khan: Pakistan has faced multiple shocks in recent years, including the COVID-19 pandemic, balance of payments pressures, geopolitical conflicts, and climate disasters. At the same time, exporters are dealing with rising protectionism, stricter compliance and sustainability standards, and stronger competition in traditional markets.

In this environment, the focus must be on improving international compliance, increasing value addition, diversifying markets and products, and expanding into sectors like IT and digital services. Exporters also need greater operational flexibility and a focus on more stable demand products. The ability to adapt quickly to global



Mr. Jam Kamal Khan
Federal Minister for Commerce

changes will be key to maintaining competitiveness and capturing new opportunities.

ICMA: How are recent global tensions, including the US-Israel-Iran conflict, disrupting Pakistan's exports, trade revenues, and supply chains?

Jam Kamal Khan: Recent global tensions, including the US-Israel-Iran conflict, have significantly impacted Pakistan's macroeconomic variables, exacerbating balance of payments issues and exerting pressure on inflation and interest rates. Oil prices have doubled, while disruptions in maritime routes, escalating freight and insurance costs have affected supply chains by creating delays in accessing imported inputs and raw materials needed for export production, creating challenges for maintaining stable trade flows and export revenues.

ICMA: Which export sectors are most at risk, and what decisive steps is the Ministry taking to safeguard key industries like textiles and rice?

Jam Kamal Khan: Major agricultural and perishable sectors, particularly rice, fruits, vegetables, seafood, and related value chains, remain vulnerable amid global shocks and logistical disruptions, while traditional markets are tightening purchasing due to risk aversion. To mitigate these risks, the government has announced targeted facilitation measures for key agri exports, including equalization support for rice exporters to enhance liquidity and competitiveness in export markets. The Ministry has proactively arranged vessel availability, streamlined port procedures, and secured alternative routes to reduce export-related costs and sustain regional trade flows.

ICMA: How is Pakistan repositioning its trade strategy to capture new markets and stay competitive globally?

Jam Kamal Khan: Pakistan is focusing on strategic market diversification, particularly targeting high-growth markets through ongoing trade initiatives. The Ministry is taking steps to expand market access through trade diplomacy, strengthening regional and bilateral partnerships, and encouraging exporters to move into higher-value products and non-traditional markets in the African, CIS, and ASEAN regions. Key efforts include strengthening trade routes through the China-Pakistan Economic Corridor (CPEC) and new access routes. At the same time, reforms in trade facilitation, digitalization, logistics, regulatory compliance, quality standards, and intellectual property protections are helping reduce the cost and time of doing business, while improving the global perception, credibility, and value positioning of Pakistani products in international markets.

ICMA: How do the Strategic Trade Policy Framework and tools like the Pakistan Single Window help exporters respond quickly to market shifts, supply chain disruptions, and high sea freight costs?

Jam Kamal Khan: The Strategic Trade Policy Framework (STPF) focuses on export development, market diversification, compliance with international standards, improved financing and facilitation measures, and strategic alliances to help exporters navigate global disruptions. Tools like the Pakistan Single Window (PSW) streamline customs procedures, reduce documentation, and provide faster access to trade information. Together, these reforms reduce transaction costs and delays, helping exporters respond more quickly to market shifts, supply chain disruptions, and high sea freight costs while maintaining competitiveness in global markets.

ICMA: What trade policy reforms or incentives are being introduced to boost competitiveness, value addition, and sustainable foreign exchange earnings?

Jam Kamal Khan: To boost competitiveness and value addition, the government has introduced several key

measures, including the abolition of the 0.25% Export Development Surcharge (EDS) and tariff rationalization under the National Tariff Policy 2025–30, which reduces duties on raw materials and intermediate inputs. It has also worked to ensure more affordable energy for industry, revamped the Export Finance Scheme (EFS) to provide concessional financing, and streamlined trade procedures through the Pakistan Single Window to reduce trade costs. In addition, the Export Development Fund (EDF) is being reorganized to support industrialization and value-added exports, particularly in textiles, minerals, and SMEs, to broaden the export base and strengthen foreign exchange earnings.

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ICMA: With Middle East tensions escalating, what is the Ministry's top contingency plan to secure Pakistan's trade and remittances?

Jam Kamal Khan: In light of escalating Middle East tensions, the Ministry is prioritizing the diversification of export markets and the establishment of alternative trade routes. Key contingency plans include enhancing trade with Central Asia through improved access, leveraging the China-Pakistan Economic Corridor (CPEC), and expanding trade relationships with non-traditional markets. Efforts are also being made to reduce reliance on remittances from the region by encouraging more balanced economic partnerships with countries outside the Middle East. Additionally, the government is focusing on streamlining trade procedures and improving export financing mechanisms to safeguard the flow of goods and services, ensuring stability despite regional disruptions. These measures aim to maintain economic resilience and secure critical foreign exchange earnings.

The Editorial Board thanks Mr. Jam Kamal Khan, Federal Minister of Commerce, for sparing his precious time to give an exclusive interview for Chartered Management Accountant Journal.