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**Circular to members # 137** of 2025-26  
March 11, 2026

## *Senate panel irked by impediments to export growth*



The Senate Standing Committee on Planning, Development and Special Initiatives on Tuesday expressed serious concern over heavy taxes on exports, multiple regulatory NoCs required to set up industries, the absence of long-term economic policies, and the increasing trend of brain drain from the country.

The Committee members also expressed concern over the absence of the Federal Minister for Planning and emphasised that the Minister should attend meetings of the Standing Committee to ensure effective parliamentary oversight.

The Committee met here on Tuesday with Senator Shahadat Awan in the chair. It deliberated on a resolution calling upon the government to take effective measures to control unemployment in the country and to review the Public Sector Development Programme (PSDP) budgetary proposals of the Ministry of Planning, Development and Special Initiatives for the Financial Year 2026-27.

The members of the Committee expressed serious concern over heavy taxation on exports, multiple regulatory NoCs required for establishing industries, lack of long-term economic policies, and the rising number of skilled people leaving the country. They recommended the introduction of an integrated NoC mechanism for industrial establishment, the promotion of a business-friendly environment, policy continuity, and a stronger focus on export-led growth to generate sustainable employment opportunities.

The Committee reviewed the PSDP budgetary proposals of the Ministry for FY 2026-27 and was informed that the Ministry has not proposed any new projects for the upcoming financial year. However, it is currently executing 21 PSDP projects, ranging from institutional capacity building of the Planning Ministry to programmes aimed at economic and youth development.

The Committee took note of the significant increase in the PSDP allocation compared to the current year and was informed that a major portion of the proposed budget would be utilized for the purchase of land for the Pakistan Institute of Development Economics (PIDE) campus in H-16, Islamabad, and the construction of the Plan House.

Members of the committee expressed concern over the lack of visible research work by PIDE and suggested that the Economics Department of Quaid-i-Azam University should be strengthened instead. The chair directed the secretary planning to ensure

the presence of a PIDE representative in the next meeting and asked for a detailed briefing on the institute's performance, research work, and institutional capacity.

The Committee was further briefed on several PSDP initiatives, including the Centre of Excellence for CPEC, the Prime Minister's Youth Internship Programme, the Post-Flood 2022 Reconstruction Programme (IFRAP), and the Rising Together Project for the uplift of 20 poorest districts of Pakistan. Officials informed the Committee that CPEC 2.0 will primarily focus on livelihood-strengthening initiatives. The Committee was also informed that the Federal Government is engaged in housing reconstruction, rehabilitation, and rebuilding of damaged infrastructure in Balochistan, following the model adopted in Sindh after the devastating floods of 2022.

The panel's members stressed the need for transparency and effective implementation of development projects. The Chair reiterated that the Standing Committee would actively monitor PSDP projects during their execution phase and directed the relevant authorities to regularly update the Committee on the progress and impact of development initiatives in underdeveloped areas of Khyber Pakhtunkhwa and Balochistan. The Senate body also received a detailed briefing on the resolution regarding measures to control unemployment in Pakistan.

Officials informed that the unemployment rate has increased from 6.2 percent in 2020–21 to 7.1 percent in 2024–25. The government has launched several initiatives, including youth internships and training programmes, to enhance skills development and facilitate the export of skilled labour.

The Chairman directed that the matter would be taken up in greater detail in subsequent meetings, after which the Committee will present comprehensive recommendations to address unemployment and strengthen economic growth.

The discussion on a motion regarding the exit of multiple companies from Pakistan and its adverse impact on foreign direct investment (FDI) was deferred at the request of the mover. The meeting was attended by Senator Jam Saifullah Khan, Senator Atta Ur Rehman, Senator Saadia Abbasi, and Senator Manzoor Ahmad, while Senator Syed Faisal Ali Subzwari participated virtually via online link. Senator Muhammad Talha Mahmood attended the meeting as mover of the resolution.

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