MEDIA COVERAGE

Policy View point: NO.**66: 2026**

Capturing the Middle East Recovery

From Labour Export to Contract Export: A Costed, Self-Enforcing National Mission to Operationalise the Exports Pillar of Uraan Pakistan

Author

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SUMMARY

Wars devastate economies, and recovery rewrites economic geography. The relationship between Pakistan and the Gulf is real but asymmetric, grounded in remittances, energy imports, deposits, and goodwill rather than in contracts, firms, and systems. In periods of regional stability, Pakistan breathes, but in periods of instability, the balance of payments, inflation, and external financing tighten. The strategic objective should shift from surviving the Middle East crisis to capitalising on the recovery in the Middle East.

There is much at stake, and much of it can be measured. Reconstruction after conflict in Gaza (US$71bn over five years), Syria (US$216bn) and Lebanon (US$11bn) goes hand in hand with the Gulf region's giga-project pipeline, which includes the ambitious Saudi Vision 2030 program, costing up to US$1.1-1.3tn, and US$1.5tn of unawarded construction projects, the largest in the world. Pakistan earns the wages of its workers but nothing close to the project margin, as exports of goods to the GCC amounted to only US$3.79bn, compared with imports worth US$17.9bn.

> **We send workers; others get projects. We provide manpower; others provide systems. This document translates that sentence into an actionable change.**

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ARAB News

https://www.arabnews.pk/node/2650977/pakistan

The News International

https://www.thenews.pk/print/1426230-pide-urges-middle-east-recovery-mission-to-boost-exports-and-overseas-contracts

Islamabad Post

https://islamabadpost.com.pk/pide-calls-for-middle-east-recovery-mission-to-boost-exports/

Lead Pakistan

https://leadpakistan.com.pk/news/pide-calls-for-middle-east-recovery-mission-to-shift-pakistan-from-labour-export-to-contract-export/

Mettis Global

https://mettisglobal.news/PIDE-urges-SIFC-mission-to-capture-15tr-Gulf-project-market-61866

Bloom Pakistan

https://bloompakistan.com/pakistan-could-cash-in-on-a-1-5-trillion-gulf-opportunity-heres-the-plan

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https://www.urdupoint.com/en/business/pide-proposes-middle-east-recovery-mission-2220348.html

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Saba News

https://sabahnews.net/english/news/pide-calls-for-middle-east-recovery-mission-to-shift-pakistan-from-labour-export-to-contract-export/

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https://inforanews.com/pide-urges-launch-of-middle-east-recovery-mission-to-boost-pakistans-exports-and-global-contracts

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Samaa Urdu

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https://www.momentumpakistan.com/blog/pides-urgent-warning-middle-east-recovery-mission-could-bring-pakistan-extra-15-trillion-from-gulf-countries-2026-07-15-15-31-36-lcymsvsmcf-27747

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DNA News Agency

https://dnanews.com.pk/pakistan-urged-to-pursue-balanced-foreign-policy-amid-geopolitical-shifts/

INTERNATIONAL THE NEWS

July 16, 2026

PIDE urges Middle East recovery mission to boost exports and overseas contracts

By our correspondent

ISLAMABAD: The Pakistan Institute of Development Economics (PIDE), an affiliate of the Planning Commission, has called for the immediate launch of a Middle East Recovery Mission to help Pakistan move beyond exporting labour and start exporting contracts, services, goods and business expertise.

In its latest Policy Viewpoint, titled 'Capturing the Middle East Recovery: From Labour Export to Contract Export', authored by Dr Nasir Iqbal, professor of economics and registrar at PIDE, the institute argues that while Pakistan benefits from remittances, energy supplies, deposits and diplomatic goodwill from Gulf countries, it captures only a small share of the value generated through construction, logistics, engineering, healthcare, information technology and regional reconstruction.

The report urges the prime minister to designate the Special Investment Facilitation Council (SIFC) as the central coordinating body for the proposed mission, approve a 90-day implementation framework and ensure that economic gains are channelled through transparent and audited contracts benefiting Pakistani workers and private firms.

According to the study, the Gulf's project and reconstruction market could exceed $1.5 trillion this decade, driven by Saudi Vision 2030 projects and reconstruction needs in Syria, Gaza and Lebanon. However, Pakistan continues to earn largely through workers' remittances rather than project margins, specialist contracts, supply chains and professional services.

The report notes that Pakistan exported goods worth $3.79 billion to Gulf Cooperation Council (GCC) countries in FY25, while imports from the region totalled about $17.9 billion. It also highlights that more than 762,000 Pakistanis went abroad for work in 2025, with around 61 per cent classified as unskilled.

Dr Iqbal said Pakistan's challenge was not a lack of comparative advantage but its inability to convert its workforce, firms, products and strategic relationships into organised, certified and commercially viable offerings.

The proposed mission will operate through five dedicated desks within the SIFC, focusing on labour and skills certification, exports and supply chains, investment and contracts, defence-industrial cooperation and migrant protection.

Under the framework, workers will be certified, insured and connected to formal banking channels before deployment, while exporters and firms will receive support to access opportunities in Gulf markets across sectors including construction, healthcare, logistics and information technology.

PIDE estimates that the initiative could generate an additional $2 billion to $4 billion in annual debt-free external inflows by its third year, with the potential to exceed $5 billion by Year Five. The institute stressed that these figures are indicative policy targets and should be independently verified before being incorporated into official projections.

The report also proposes a Gulf Worker ID linked to NADRA, banking, insurance and skills certification systems, as well as a diaspora-focused Pakistan Development Bond aimed at directing migrant savings into productive investment.

PIDE said the initiative complements the government's broader economic agenda and could help advance the export, employment, digital economy and infrastructure goals of the Uraan Pakistan programme.

The study concludes that Pakistan should stop viewing the Middle East solely as a destination for workers and instead treat it as a strategic market for Pakistani businesses, services and products.

Pakistan
OBSERVER
July 16, 2026

PIDE calls for ME recovery mission to shift Pak from labour to contract export

STAFF REPORTER

ISLAMABAD

The Pakistan Institute of Development Economics (PIDE) has called for the immediate launch of a Middle East (ME) Recovery Mission to help Pakistan move beyond exporting workers and begin exporting contracts, services, goods and firm-level expertise.

In its latest Policy Viewpoint, "Capturing the Middle East Recovery: From Labour Export to Contract Export," authored by Dr Nasir Iqbal, Professor of Economics and Registrar, PIDE, the Institute argues that Pakistan's relationship with the Gulf remains economically important but structurally weak.

While the country benefits from remittances, energy supplies, deposits and diplomatic goodwill, it captures only a limited share of the commercial value generated through construction, logistics, engineering, healthcare, information technology and regional reconstruction.

"We send workers; others get projects. We provide manpower; others provide systems." The report estimates that the Gulf's project and reconstruction landscape represents a market exceeding US$1.5 trillion this decade, including Saudi Vision 2030 projects and reconstruction requirements in Syria, Gaza and Lebanon. Pakistan, however, continues to earn mainly through workers' wages rather than through project margins, specialist subcontracts, supply chains and professional services.

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Despite strong labour and remittance flows, Pakistan exported only US$3.79 billion worth of goods to GCC countries in FY2025, compared with imports of approximately US$17.9 billion. The study also notes that more than 762,000 Pakistani workers went abroad in 2025, but around 61 per cent were classified as unskilled.

Daily Islamabad POST
July 16, 2026

Call for ME recovery mission to shift Pakistan from labour export to contract export

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