

# **MEDIA COVERAGE**

**Addressing Pakistan's Trade Deficit: Unraveling Factors  
Influencing Export Competitiveness**

**August 28, 2023**

## Web Coverage:

### The News

<https://www.thenews.com.pk/print/1104802-pakistan-s-exports-on-the-decline>

### Business Recorder

<https://www.brecorder.com/news/40260141>

### The Nation

<https://www.nation.com.pk/28-Aug-2023/contribution-of-exports-to-gdp-declines-to-10pc-from-16pc-in-last-two-decades-research>

<https://www.nation.com.pk/29-Aug-2023/lowering-exports-emerges-as-major-contributor-to-trade-deficit>

### Pakistan Today

<https://www.pakistantoday.com.pk/2023/08/27/pide-emphasizes-critical-role-of-export-competitiveness-in-countrys-economic-landscape/>

### Independent News Pakistan

<https://www.inp.net.pk/news-detail/pak-china/pakistans-share-in-global-trade-has-dwindled>

### DNA

<https://dnanews.com.pk/addressing-pakistans-trade-deficit-unraveling-factors-influencing-export-competitiveness/>

INTERNATIONAL  
**THE NEWS**

August 29, 2023

## 'Pakistan's exports on the decline'

**Rasheed Khalid**

Islamabad

Lowering exports emerged as a significant contributor to Pakistan's persistent trade deficit, posing a multifaceted challenge that plagued the country since the early 2000s, said Dr Nadeem-ul-Haque, vice-chancellor, Pakistan Institute of Development Economics (PIDE).

Dr Haque was addressing here a group of journalists. The PIDE chief said that in the last two decades, the contribution of exports to our GDP declined from 16% to 10%. To address the ongoing economic crisis and pave the way for a more resilient future, it is imperative that we strategise rigorously to identify potential markets that align with our exportable products.

He said that to overcome the challenges posed by our current economic crisis, we must collaborate across sectors – government, exporters, and economists – to identify potential markets and align them with our export capabilities. A swift response is crucial in building a thriving economic environment, he concluded. Dr Durre Nayab, the Pro-VC, talking to the mediapersons said that Pakistan's share in global trade dwindled from 0.15% in 2005 to a mere 0.12% in 2021. This decline in export competitiveness places us at a disadvantage, especially when compared to economies like Bangladesh, India and Vietnam which managed to expand their export capacities.

She pointed to historical examples of countries like

South Korea which transformed from an agrarian economy to a tech-driven powerhouse. Learning from these success stories, we understand that enhancing export competitiveness, improving productivity and fostering innovation are central to breaking the cycle of stagnation. She said we have witnessed a decline in our export share on the global stage, a trend that is most concerning when measured against our regional counterparts. The two academics underlined key factors that led to stagnancy in Pakistan's exports, including low productivity of firms, lack of value addition and innovation, complex incentive mechanisms, limited export destinations and inadequate investment in research and development.



THE NATION

August 28, 2023

# Contribution of exports to GDP declines to 10pc from 16pc in last two decades: Research



FAWAD YOUSAFZAI  
ISLAMABAD

The contribution of Pakistan's exports to the country's GDP has declined to 10 percent from 16 percent during the last two decades. This finding was made by PIDE researchers and economists in their recent brief titled "What Are the Factors Making Pakistan's Exports Stagnant? Insight from Literature Review." Dr Nadeem ul Haque, Vice Chancellor, and Dr Durre Nayab, Pro Vice Chancellor, shed light on the pressing issue of Pakistan's widening trade deficit, emphasizing the critical role of export competitiveness in the country's economic landscape.

They underlined key factors that have led to stagnancy in Pakistan's exports, including low productivity of firms, lack of value addition and innovation, complex incentive mechanisms, limited export destinations, and inadequate investment in research and development. "Lowering exports has emerged as a significant contributor to Pakistan's persistent trade deficit, posing a multifaceted challenge that has plagued the country since the early 2000s. During the last two decades, the contribution of exports to our GDP has

declined from 16% to 10%," said the research. "Pakistan's share in global trade has dwindled from 0.15% in 2005 to a mere 0.12% in 2021. This decline in export competitiveness places us at a disadvantage, especially when compared to economies like Bangladesh, India, and Vietnam, which have managed to expand their export capacities."

According to Dr. Nadeem, "To address the ongoing economic crisis and pave the way for a more resilient future, it is imperative that we strategize rigorously to identify potential markets

that align with our exportable products." It was revealed that Pakistan's export competitiveness has been waning, particu-

**Pakistan's share in global trade has dwindled from 0.15 percent in 2005 to a mere 0.12 percent in 2021**

larly when compared to peer countries like Bangladesh, India, Vietnam, and Malaysia. "We have witnessed a decline in our export share on the global stage, a trend

that is most concerning when measured against our regional counterparts." The contrasting trajectories of economies like

Bangladesh and Vietnam were discussed in the context of export growth. "Bangladesh, once among the poorest nations, has managed to outpace growth pre-

dictions with a robust export-driven economy," explained Dr Nadeem. "In contrast, our exports have remained stagnant at around 30 billion dollars, posing a significant challenge to our economic outlook," he added. Dr Nadeem ul Haque concluded, "To overcome the challenges posed by our current economic crisis, we must collaborate across sectors – gov't, exporters, and economists – to identify potential markets and align them with our export capabilities. A swift response is crucial in building a thriving economic environment."

# PIDE VC highlights issue of widening trade deficit

**RECORDER REPORT**  
ISLAMABAD: Vice Chancellor PIDE Dr Nadeem-ul-Haque has highlighted the pressing issue of Pakistan's widening trade deficit and emphasized the critical role of export competitiveness in the country's economic landscape.

In a recent address to a group of journalists, Nadeem-ul-Haque and Professor Dr. Durra Nayab stated by acknowledging the paramount nature of the challenge at hand, stating, "Lowering exports has emerged as a significant contributor to Pakistan's persistent trade deficit, posing a multifaceted challenge that has plagued the country since the early 2000s. During the last two decades, the contribution of exports to our GDP has declined from 16% to 10%."

Drawing attention to the international context, Dr Durra Nayab highlighted, "Pakistan's share in global trade has dwindled from 0.15 percent in 2005 to a

mere 0.12% in 2021. This decline in export competitiveness places us at a disadvantage, especially when compared to economies like Bangladesh, India, and Vietnam, which have managed to expand their export capacities."

This finding was made by the researchers and economists in their recent brief titled "What Are the Factors Making Pakistan's Exports Stagnant? Insight from Literature Review."

They underlined key factors that have led to stagnancy in Pakistan's exports, including low productivity of firms, lack of value addition and innovation, complex incentive mechanisms, limited export destinations, and inadequate investment in research and development. Dr. Nadeem-ul-Haque added, "To address the ongoing economic crisis and pave the way for a more resilient future, it is imperative that we strategize rigorously to identify potential markets that align with our

exportable products."

In a comprehensive literature review, it was revealed that Pakistan's export competitiveness has been waning, particularly when compared to peer countries like Bangladesh, India, Vietnam, and Malaysia.

"We have witnessed a decline in our export share on the global stage, a trend that is most concerning when measured against our regional counterparts," said Dr Durra Nayab.

The contrasting trajectories of economies like Bangladesh and Vietnam were discussed in the context of export growth. "Bangladesh, once among the poorest nations, has managed to outpace growth predictions with a robust export-driven economy," explained Dr. Nadeem-ul-Haque. "In contrast, our exports have remained stagnant at around 30 billion dollars, posing a significant challenge to our economic outlook."

Dr Nayab pointed to his-

torical examples of countries like South Korea, which transformed from an agrarian economy to a tech-driven powerhouse. "Learning from these success stories, we understand that enhancing export competitiveness, improving productivity, and fostering innovation are central to breaking the cycle of stagnation."

Dr Haque concluded, "To overcome the challenges posed by our current economic crisis, we must collaborate across sectors – government, exporters, and economists – to identify potential markets and align them with our export capabilities. A swift response is crucial in building a thriving economic environment."

They emphasized the need for a comprehensive firm-level survey to identify barriers to productivity and export competitiveness. By addressing these issues collectively, Pakistan can chart a course toward economic recovery and resilience.

## Addressing Pakistan's Trade Deficit

# Unravelling factors influencing export competitiveness

### Spokesman Report

ISLAMABAD: In a recent address to a group of Journalists, Dr. Nadeem ul Haque, Vice Chancellor, and Dr. DurreNayab, Pro Vice Chancellor, shed light on the pressing issue of Pakistan's widening trade deficit, emphasizing the critical role of export competitiveness in the country's economic landscape.

Dr. Nadeem ul Haque began by acknowledging the paramount nature of the challenge at hand, stating, "Lowering exports has emerged as a significant contributor to Pakistan's persistent trade deficit, posing a multifaceted challenge that has plagued the country since the early 2000s. During the last two decades, the contribution of exports to our GDP has declined from 16% to 10%."

Drawing attention to the international context, Dr. DurreNayab highlighted, "Pakistan's share in global trade has dwindled from 0.15% in 2005 to a mere 0.12% in 2021. This decline in export competitiveness places us at a disadvantage, especially when compared to economies like Bangladesh, India, and Vietnam, which have managed

to expand their export capacities." This finding was made by PIDE researchers and economists in their recent brief titled "What Are the Factors Making Pakistan's Exports Stagnant? Insight from Literature Review."

The academic duo underlined key factors that have led to stagnancy in Pakistan's exports, including low productivity of firms, lack of value addition and innovation, complex incentive mechanisms, limited export destinations, and inadequate investment in research and development. Dr. Nadeem ul Haque added, "To address the ongoing economic crisis and pave the way for a more resilient future, it is imperative that we strategize rigorously to identify potential markets that align with our exportable products."

In a comprehensive literature review, it was revealed that Pakistan's export competitiveness has been wanting, particularly when compared to peer countries like Bangladesh, India, Vietnam, and Malaysia. "We have witnessed a decline in our export share on the global stage, a trend

that is most concerning when measured against our regional counterparts," said Dr. DurreNayab.

The contrasting trajectories of economies like Bangladesh and Vietnam were discussed in the context of export growth. "Bangladesh, once among the poorest nations, has managed to outpace growth predictions with a robust export-driven economy," explained Dr. Nadeem ul Haque. "In contrast, our exports have remained stagnant at around 30 billion dollars, posing a significant challenge to our economic outlook."

Dr. DurreNayab pointed to historical examples of countries like South Korea, which transformed from an agrarian economy to a tech-driven powerhouse. "Learning from these success stories, we understand that enhancing export competitiveness, improving productivity, and fostering innovation are central to breaking the cycle of stagnation."

Dr. Nadeem ul Haque concluded, "To overcome the challenges posed by our current economic crisis, we must collaborate across sectors – government, export-



ers, and economists – to identify potential markets and align them with our export capabilities. A swift response is crucial in building a thriving economic environment." The scholars emphasized the need for a comprehensive firm-level survey to identify barriers to productivity and export competitiveness. By addressing these issues collectively, Pakistan can chart a course toward economic recovery and resilience.

## PIDE emphasizes critical role of export competitiveness in country's economic landscape

PESHAWAR  
STAFF REPORT

Dr Nadeemul Haque, Vice Chancellor, and Dr. Durre Nayab, Pro Vice Chancellor of the Pakistan Institute of Development Economics (PIDE), shed light on the pressing issue of Pakistan's widening trade deficit, emphasizing the critical role of export competitiveness in the country's economic landscape.

According to a press release issued here on Sunday, Dr Nadeemul Haque began by acknowledging the paramount nature of the challenge at hand, stating, "Lowering exports has emerged as a significant contributor to Pakistan's persistent trade deficit, posing a multifaceted challenge that has plagued the country since the early 2000s. During the last two decades, the contribution of exports to our GDP has declined from 16% to 10%."

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"We have witnessed a decline in our export share on the global stage, a trend that is most concerning when measured against our regional counterparts," said Dr. Durre Nayab.

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national context, Dr. Durre Nayab highlighted, "Pakistan's share in global trade has dwindled from 0.15% in 2005 to a mere 0.12% in 2021. This decline in export competitiveness places us at a disadvantage, especially when compared to countries like Bangladesh, India, and Vietnam, which have managed to expand their export capacities." This finding was made by PIDE researchers and economists in their

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# Pak global share trade dwindled from 0.15% in 2005 to a mere 0.12% in 2021

■ DNA  
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In a comprehensive literature review, it was revealed that Pakistan's export competitiveness has been wanting, particularly when compared to peer countries like Bangladesh, India, Vietnam, and Malaysia. "We have witnessed a decline in our export share on the global stage, a trend that is most concerning when measured against our regional counterparts," said Dr. Durre Nayab.

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## Addressing Pakistan's trade deficit

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### MAHNOOR ANSAR

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