# **Major Imports & Exports of Pakistan**



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## **Exports**

Pakistan's exports for the year 2015-2016 stood at US\$21 Billion and imports were at US\$44.76 billion for the same period. Pakistan's exports increased more than 100% from \$7.5 billion in 1999 to stand at \$18 billion in the financial year 2007–2008.

Pakistan exports rice, kinnows, mangoes, furniture, cotton fiber, cement, tiles, marble, textiles, clothing, leather goods, veterinary surgical supplies, sports goods (renowned for footballs/soccer balls), cutlery, surgical instruments, electrical appliances, software, carpets, rugs, ice cream, livestock meat, chicken, powdered milk, wheat, seafood (especially shrimp/prawns), vegetables, processed food items, Pakistani-assembled Suzukis (to Afghanistan and other countries), defense equipment (submarines, tanks, radars), salt, onyx, engineering goods, and many other items. Pakistan produces and exports cements to Asia and the Middle East. In August 2007, Pakistan started exporting cement to India to fill in the shortage there caused by the building boom. Russia is a growing market for Pakistani exporters. In 2009/2010 the export target of Pakistan was US\$20 billion. As of April 2015, Pakistan's exports stand at US\$29 billion.

### **Exports of Pakistan**

Exports are a crucial source of foreign exchange for Pakistan. The country primarily exports agriculture-based, textile, and semi-manufactured goods.

### 1. Textiles and Garments (60% of total exports)

Pakistan's most significant export sector is textiles and garments, which account for approximately 60% of the country's total exports. The major products in this category include cotton yarn, cotton cloth, ready-made garments, knitwear, bed linen, and towels. This sector is important because Pakistan is one of the world's largest cotton-producing countries, and the textile industry provides

employment to millions. Key export destinations for textiles are the USA, UK, Germany, Netherlands, and China.

### 2. Rice

Rice is another major export product, with Pakistan being among the top three global exporters of Basmati rice. The country exports both Basmati and non-Basmati rice types. This is vital for the agricultural economy and foreign earnings. Important markets for Pakistani rice include the UAE, Saudi Arabia, Iran, Kenya, and Afghanistan.

### 3. Sports Good

The export of sports goods is also a prominent part of Pakistan's trade. These include footballs, cricket gear, and hockey sticks, most of which are manufactured in Sialkot. Pakistani footballs have been used in FIFA World Cups. The main export destinations for sports goods are Germany, the UK, the USA, and the Netherlands.

### 4. Leather Goods

Leather goods such as shoes, jackets, gloves, and bags are also widely exported. This sector adds value to raw animal hides and supports traditional craftsmanship. Countries like Italy, Germany, the USA, and Spain are major importers of Pakistani leather products.

### 5. Surgical Instruments

Surgical instruments, especially those produced in Sialkot, are well-known for their precision and quality. These include scissors, forceps, and dental instruments, which are exported to developed countries such as the USA, Germany, the UK, and the UAE.

### 6. Fruits and Vegetables

Pakistan also exports a variety of fruits and vegetables, with notable items being mangoes (especially Sindhri and Chaunsa), Kinnows (oranges), onions, and potatoes. These are exported mainly to regions like the Middle East, Central Asia, and the European Union, contributing to the agricultural export sector.

### 7. Carpets and Rugs

Lastly, carpets and rugs, especially hand-knotted and woven ones made from wool or silk, are part of Pakistan's traditional export items. These are valued for their craftsmanship and quality, and are primarily exported to the USA and European markets.

## **Imports**

Pakistan's imports are largely driven by its industrial, energy, and technological needs. The country's largest import category is petroleum and energy products, including crude oil, LNG, and refined fuels. Due to limited local energy production, Pakistan depends heavily on countries like Saudi Arabia, Qatar, and the UAE. Another major category is machinery, which includes equipment for power generation, construction, and telecommunications. This supports infrastructure and industrial projects, especially under the China-Pakistan Economic Corridor (CPEC).

Pakistan also imports large quantities of edible oils and food items, such as palm oil from Malaysia and Indonesia, and tea from Kenya, due to insufficient domestic production. The country brings in chemical and pharmaceutical products, which are essential for its manufacturing and healthcare sectors, mainly from China, India, and European countries. Vehicles and auto parts, including cars, bikes, and spare parts, are also heavily imported, especially from Japan and South Korea, to meet growing domestic demand. Additionally, Pakistan imports iron, steel, and industrial metals for construction and manufacturing purposes. With the rise of digital technology, the import of electronics, such as mobile phones and home appliances, has also increased sharply.

## **Imports of Pakistan**

Imports are the goods and services that Pakistan buys from other countries. Imports are necessary for industrial growth, energy needs, and food security due to limited local production in some sectors.

### 1. Petroleum and Energy Products

One of Pakistan's largest import categories is petroleum and petroleum products, including crude oil, liquefied natural gas (LNG), and refined petroleum. These are essential for meeting the country's growing energy demands, especially because Pakistan lacks sufficient domestic oil production and refining capacity. The main suppliers of these energy products are Saudi Arabia, the UAE, Qatar, and Kuwait.

### 2. Machinery

Another major import sector is machinery, which includes equipment for power generation, construction, textiles, and telecommunications. These machines are crucial for Pakistan's industrialization and infrastructure development, particularly in projects like the China-Pakistan Economic Corridor (CPEC). Key sources for these imports are China, Germany, Japan, and the USA.

### 3. Edible Oils and Food Products

Edible oils and food products form another essential part of Pakistan's import list. Items such as palm oil, soybean oil, tea, coffee, and powdered milk are brought in due to limited local production. Most of the palm oil is imported from Malaysia and Indonesia, while Kenya is a leading source of imported tea.

### 4. Chemicals and Pharmaceuticals

Pakistan also imports a significant amount of chemicals and pharmaceutical products. These include industrial chemicals used in the textile and agricultural sectors (like fertilizers), as well as raw materials for the pharmaceutical industry. Major suppliers of these items include China, India, Germany, and Switzerland.

### 5. Vehicles and Auto Parts

The country also imports vehicles and spare parts, including cars, motorbikes, trucks, and various auto components. This is necessary because of Pakistan's limited domestic automobile manufacturing capabilities. These vehicles and parts mainly come from Japan, China, and South Korea. **6. Iron, Steel, and Industrial Metals** 

Additionally, iron, steel, and other industrial metals are heavily imported to support infrastructure development, the construction sector, and manufacturing. Pakistan sources these materials from countries like China, Russia, and the UAE.

### 7. Electronics

Lastly, the growing demand for digital technology and modern appliances has led to increased imports of electronics, including mobile phones, computers, and household appliances. These products are largely imported from China, South Korea, and Japan, catering to Pakistan's expanding middle class and rapid technology adoption.

### **Major Trading Partners**

Pakistan maintains trade relations with several key countries across the globe. Among its top export destinations, the United States stands as the largest, importing a wide range of Pakistani products including textiles, garments, and surgical instruments. China is also a significant buyer, particularly of cotton yarn and other raw materials. The United Kingdom and Germany are major European markets for Pakistan's textiles, leather goods, and sports equipment. Additionally, the

United Arab Emirates (UAE) is a crucial export destination, especially for rice, fruits, and vegetables. On the other hand, Pakistan's top import sources are led by China, which is the country's largest trading partner overall. Pakistan imports a wide variety of goods from China, including machinery, electronics, and chemicals. The UAE and Saudi Arabia are major suppliers of petroleum products, helping Pakistan meet its energy needs. The United States also plays a dual role by exporting machinery, medical products, and technology to Pakistan. Lastly, Indonesia is a key partner, particularly in the supply of palm oil and food-related products.

## **Trade Balance and Challenges**

Pakistan faces a persistent trade deficit, where imports exceed exports. This creates economic pressure by increasing reliance on foreign loans and depleting foreign reserves. Major challenges include over-dependence on energy imports, limited export diversification, and global competition in key sectors like textiles. Moreover, Pakistan's exports are often low in value-added content, meaning raw materials are exported without significant processing or branding. However, there are opportunities to improve, such as promoting value-added products, investing in IT and services, exploring new international markets, and enhancing the ease of doing business through better infrastructure and policies. The development of Special Economic Zones (SEZs) and trade agreements under CPEC also hold potential for boosting both exports and overall trade performance.