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US Targets Pakistan's Copper Sector for Major Investment

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The United States is eyeing Pakistan's vast copper reserves for investment, aiming to boost bilateral trade and tap into the country's mineral wealth, a Ministry of Commerce report reveals.

Pakistan's copper sector is drawing significant attention from the United States, with the Ministry of Commerce informing the National Assembly that American companies are keen to invest, according to a statement reported by Daily Times on August 7, 2025. The move is seen as a strategic step to strengthen Pakistan's economy and narrow its trade deficit, leveraging the country's position as the world's fifth-largest holder of copper reserves. Commerce Minister Gohar Ijaz highlighted that Pakistan's untapped copper resources offer immense potential to enhance export revenues, particularly as global

demand for copper surges due to its critical role in clean energy and electric vehicle technologies.

The interest was further underscored during a recent visit by Eric Meyer, Senior Bureau Official for the U.S. State Department's Bureau of South and Central Asian Affairs, who met with Prime Minister Shehbaz Sharif in Islamabad. Meyer emphasized the potential of Pakistan's mineral sector, particularly the Reko Diq project in Balochistan, one of the world's largest undeveloped copper-gold deposits, as noted by Associated Press of Pakistan. Sharif invited U.S. firms to explore these opportunities, stressing the need for value-added processing to maximize economic benefits and reduce reliance on raw material exports. He also expressed Pakistan's commitment to deepening ties with the Trump administration, per The Media Line.

Despite the promise, challenges persist. Security concerns in Balochistan, where Reko Diq is located, have escalated with recent attacks, including a deadly assault on a police van in Quetta, as reported by Associated Press of Pakistan. Pakistan's Chief of Army Staff, General Asim Munir, assured investors of military-backed security at the Pakistan Minerals Investment Forum, according to Business Standard. Infrastructure gaps and regulatory hurdles also pose risks, though the government's Foreign Investment Promotion and Protection Act (FIPPA) of 2022 offers tax incentives for investments exceeding \$500 million, per trade.gov.

The U.S. exemption of refined copper from a 50% import tax provides Pakistan an edge in exporting processed copper, potentially boosting foreign exchange reserves, as stated by the Ministry of Commerce. This development signals a new chapter in U.S.-Pakistan economic collaboration.