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## Economic Coordination Committee Approves Key Measures to Boost Industry, Housing, and Environment

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The Economic Coordination Committee (ECC) of Pakistan's Cabinet, chaired by Federal Finance Minister Senator Muhammad Aurangzeb, has recently approved a series of strategic decisions affecting several vital sectors, including industry, housing, telecommunications, and environmental finance. These moves aim to enhance economic growth, reduce costs, and foster sustainability amid ongoing challenges.

The ECC, which includes key ministers such as Sardar Owais Leghari (Energy), Ali Pervez Malik (Petroleum), and Jam Kamal Khan (Commerce), reviewed the Ministry of Commerce's report under the National Tariff Policy (NTP) 2025–30. The policy targets a reduction in production costs for the steel sector, intending to increase export competitiveness. This step is critical for revitalizing Pakistan's industrial base and improving the country's trade balance.

On the environmental front, the committee formally approved the Pakistan Green Taxonomy. This classification framework will guide investment towards environmentally sustainable projects, enabling easier access to financing for green initiatives. The move is a positive development toward addressing climate challenges while promoting economic growth.

Another significant approval involved the Ministry of Maritime Affairs' proposal to officially recognize shipbreaking and recycling as a formal industry. While the ECC welcomed this initiative, it requested comprehensive power consumption data from the Power Division to evaluate the financial and environmental impact of applying industrial electricity rates to this sector.

To enhance workforce skills and reduce government financial exposure, the ECC greenlit a Rs1 billion government guarantee for launching the Pakistan Skill Impact Bond (PSIB). This innovative financing tool encourages private investment in skill development programs. The committee also urged ministries to transition gradually toward public-private partnerships (PPPs) to decrease reliance on direct government guarantees.

Addressing housing, the ECC endorsed a markup subsidy and risk-sharing scheme aimed at expanding access to affordable housing finance for low-income groups. This program seeks to improve living standards while stimulating construction and related industries.

The committee also expressed concern about persistently high edible oil prices domestically, despite recent declines in global markets. It directed the Ministry of Industries to coordinate closely with the Competition Commission of Pakistan, the National Price Monitoring Committee (NPMC), and provincial authorities to ensure consumers benefit from international price drops.

Finally, in telecommunications, the ECC approved adjustments to Radio-Based Services (RBS) fees following a proposal by the Ministry of Information Technology & Telecom. Recognizing the fast pace of technological change, the committee recommended reviewing

the fee structure every three to five years to maintain alignment with market developments and economic conditions.

These decisions reflect a concerted effort by the government to bolster key sectors while fostering economic stability and sustainability. However, it remains to be seen how effectively these policies will be implemented and whether they will overcome structural challenges that have long hindered Pakistan's economic progress.