

Report on Wheat

(for Expo Pakistan 2017)

Product: Wheat, Meslin, & Flour

HS Code: 1001 & 1101

Prepared by

Name: M. Amir Khan

Designation: Assistant Manager

Date: Sep 19, 2017

Introduction

Wheat is the most widely grown crop in the world. Wheat (*Triticum aestivum.*) is one of the first domesticated food crops and has been the basic staple food of the major civilizations of Europe, West Asia and North Africa for last 8000 years. Approximately one sixth of the total arable land in the world is under wheat. It is most demanded food grain and its production leads all crops, including rice, maize and potatoes.

Wheat, as a human food is prized for its taste and as source of calories, protein, and certain vitamins and minerals, is the world most important crop. Its importance is derived from the properties of its gluten, a cohesive network of tough endosperm, proteins that stretch with the expansion of fermenting dough, yet hold together to produce a "risen" loaf of bread. Only the grain of wheat, and to lesser extent the grain of rye, has this property. In addition to its utilization for bread large quantities of wheat are utilized for unleavened bread such as "Chapatti" in Pakistan and India, for pastry products, and for semolina products. These uses, combined with its nutritive value and storage quality, have made wheat a staple food for more than one-third of the world's population. In general, hard wheat varieties are used for bread flour and pasta, and soft varieties for cake flour. Low grades of wheat, and by-products of the flour-milling, and distilling industries, are used as feed for livestock. A minor amount of wheat is used as a coffee substitute, and wheat starch is employed as a sizing for textile fabrics.

World Wheat Scenario

Wheat is grown on about more than 240 million ha, larger than for any other crop, and world trade is greater than for all other crops combined. FAO now puts world wheat output in 2013 at 704 million tonnes, an increase of 6.8 percent from the last year, which would imply more than full recovery from the previous year's reduction and bring world production to its highest level in history. By far, the bulk of the increase this year is expected to originate in Europe, as prospects remain favorable overall in the EU and outputs in the major producing CIS countries are forecast to rebound sharply from drought-reduced levels in 2012. The outlook is also positive in Canada, Australia and Argentina - other major exporters - and in most other wheat producing and consuming countries.

Wheat Production in Pakistan

In Pakistan, wheat being the main staple food cultivated on the largest acreages. Pakistan falls in ten major wheat-producing countries of the world in terms of area under wheat cultivation, total production and yield per hectare. Wheat is the essential diet of population as it constitutes 60% of the daily diet of common man in Pakistan and average per capita consumption is about 125 kg

and occupies a central position in agricultural policies of the government. The government announced wheat support price of Rs. 1200 which created interest on the part of farming community. Wheat contributes 10.1 percent to the value added in agriculture and 2.2 percent to GDP. Area under wheat has increased to 8.693 million hectares in 2012-13, from 8.650 million hectares showing an increase of 0.5 percent over last year's area. The production stood at 24.3 million tonnes during 2012-13, against the target of 25.5 million tonnes which is 5.1 percent decrease from target while a 3.2 percent increase over the last year production of 23.5 million tonnes has been witnessed. The yield per hectare in 2012-13 stood at 2797 (Kg/ha) posted a positive growth of 2.7 percent as compared to negative 4.2 percent growth last year. The overall increase in area due to enhancement in support price from Rs 1050 to Rs.1200. This was further supported by favorable temperature and healthy grain formation.

Wheat production in the country has increased from 3.35 to 25 million tonnes (617%) during 1948 to 2011 whereas increase in the area was from 3.9 to 8.9 million hectare during this period (129%). Grain yield (Kg ha⁻¹) has been increased from 848 (1948) to 2797 (2013) with an increase of 317 percent.

Over the past three decades, increased agricultural productivity occurred largely due to the deployment of high-yielding cultivars and increased fertilizer use. With the introduction of semi dwarf wheat cultivars, wheat productivity has been increased in all the major cropping systems representing the diverse and varying agro-ecological conditions. Improved semi-dwarf wheat cultivars available in Pakistan have genetic yield potential of 7-8 t/ha whereas our national average yields are about 2.8 t/ha. A large number of experiment stations and on-farm demonstrations have repeatedly shown high yield potential of the varieties. National average yield in irrigated and rainfed area is 3.5 and 1.5 t/ha, respectively. The progressive farmers of irrigated area are harvesting 5.5 to 7 tonnes wheat grain per hectare.

Based on cropping pattern, disease prevalence and climate, Pakistan has been divided into a ten production zones. *However, production zones need to be revisited.* In Pakistan, wheat is grown in different cropping systems, such as; cotton wheat, rice wheat, sugarcane wheat, maize wheat, fallow wheat. Of these, Cotton-Wheat and Rice-Wheat systems together account about 60% of the total wheat area whereas rain-fed wheat covers more than 1.50 m ha area. Rotations with Maize-Sugarcane, Pulses and fallow are also important.

Historically, wheat production in Pakistan can be divided into three distinct periods: 1947-65, prior to the release of semi-dwarf wheat; 1966-76, the "Green Revolution" period when High Yielding Varieties (HYVs) with chemical fertilizers were rapidly adopted on about two thirds of total wheat area; and 1977 to date, post green revolution period in which HYVs with disease resistance continued to cover the major wheat area through coordination efforts at national level.

Wheat Support Price and Procurement

In Pakistan, wheat support price has been major driving force for farmers to increase production through cultivation wheat on more area and increased use of input during the last decade. Major increase in wheat support price were made in 2009 when price was increased from Rs. 625 to Rs. 950 per 40 kg.

In 2010, international wheat prices increased sharply and have remained at a level of about USD 450/ton import parity (Lahore) through the end of 2012. Domestic wholesale prices have been far lower (USD 300/ton). Procurement in April-May 2012 (at Rs. 1050/40 kg) increased to 5.66 million tonnes from 2.23 million tonnes in 2011. The procurement price for April-May 2013 was increased to Rs. 1200/40 kg in December 2012.

Export/Import

Pakistan's economy has taken a new turn with the country for the first time entering the wheat export market with the shipment of 35,000 tons to Iraq in 2000. Depending upon production and inland consumption, export quantity varied from year to year.

Global trade in Wheat

List of exporters for the selected product in 2016

Product : 1001 Wheat and meslin

Sources: ITC calculations based on UN COMTRADE and ITC statistics.

Exporters	Select your indicators				
	Value exported in 2016 (USD thousand)	Trade balance in 2016 (USD thousand)	Quantity exported in 2016	Quantity Unit	Unit value (USD/unit)
World	36,354,665	(1,688,793)	184,341,355	Tons	197
United States of America	5,373,049	4,876,384	23,893,587	Tons	225
Canada	4,499,665	4,466,593	19,688,663	Tons	229
Russian Federation	4,215,803	4,126,792	25,326,784	Tons	166
Australia	3,610,022	3,609,529	16,173,104	Tons	223
France	3,371,809	3,172,318	18,344,961	Tons	184
Ukraine	2,672,986	2,670,372	12,696,566	Tons	211
Germany	1,933,068	1,026,345	10,145,986	Tons	191
Argentina	1,867,745	1,867,050	10,266,234	Tons	182
Romania	1,264,071	896,727	6,993,999	Tons	181
Poland	806,935	701,679	4,336,740	Tons	186

List of exporters for the selected product in 2016

Product : 1101 Wheat or meslin flour

Sources: ITC calculations based on UN COMTRADE and ITC statistics.

Exporters	Select your indicators				
	Value exported in 2016 (USD thousand)	Trade balance in 2016 (USD thousand)	Quantity exported in 2016	Quantity Unit	Unit value (USD/unit)
World	4,580,677	146,665	13,748,104	Tons	333
Turkey	1,078,489	1,057,251	3,533,968	Tons	305
Kazakhstan	504,592	503,860	2,391,360	Tons	211
Germany	286,702	245,440	827,429	Tons	346
Argentina	178,353	178,330	574,638	Tons	310
Pakistan	172,838	172,805	591,156	Tons	292
United States of America	161,096	(21,009)	334,224	Tons	482
Belgium	159,596	121,281	458,295	Tons	348
Canada	142,731	92,029	246,299	Tons	580
France	136,966	20,215	343,189	Tons	399
United Kingdom	116,385	71,327	237,379	Tons	490

List of importers for the selected product in 2016

Product : 1001 Wheat and meslin

Sources: ITC calculations based on UN COMTRADE and ITC statistics.

Importers	Select your indicators				
	Value imported in 2016 (USD thousand)	Trade balance in 2016 (USD thousand)	Quantity imported in 2016	Quantity Unit	Unit value (USD/unit)
World	38,043,458	(1,688,793)	-	No quantity	
Indonesia	2,408,210	(2,402,044)	10,534,672	Tons	229
Algeria	1,790,473	(1,790,473)	8,225,654	Tons	218
Italy	1,786,868	(1,652,046)	7,652,727	Tons	233
Egypt	1,537,611	(1,537,045)	4,718,288	Tons	326
Japan	1,361,701	(1,361,701)	5,446,642	Tons	250
Brazil	1,335,389	(1,220,014)	6,866,327	Tons	194
Morocco	1,304,339	(1,304,248)	6,288,066	Tons	207
Spain	1,296,445	(1,216,079)	6,983,297	Tons	186
Nigeria	1,114,975	(1,114,975)	-	No quantity	
Philippines	1,040,762	(1,040,762)	4,626,204	Tons	225

List of importers for the selected product in 2016

Product : 1101 Wheat or meslin flour

Sources: ITC calculations based on UN COMTRADE and ITC statistics.

Importers	Select your indicators				
	Value imported in 2016 (USD thousand)	Trade balance in 2016 (USD thousand)	Quantity imported in 2016	Quantity Unit	Unit value (USD/unit)
World	4,434,012	146,665	13,119,020	Tons	338
Afghanistan	501,357	(501,357)	2,050,267	Tons	245
Iraq	494,847	(494,847)	1,434,685	Tons	345
United States of America	182,105	(21,009)	268,336	Tons	679
Sudan	176,851	(176,851)	568,687	Tons	311
Angola	171,362	(171,362)	491,064	Tons	349
Netherlands	143,862	(107,389)	418,377	Tons	344
Uzbekistan	127,546	(127,546)	726,557	Tons	176
France	116,751	20,215	279,123	Tons	418
Brazil	111,787	(108,820)	366,846	Tons	305
Hong Kong, China	108,533	(102,027)	181,331	Tons	599

Exports from Pakistan & Pakistan's ranking : 3 years figure

List of importing markets for the product exported by Pakistan in 2016

Product: 1001 Wheat and meslin

Sources: ITC calculations based on UN COMTRADE statistics.

Importers	Select your indicators					
	Value exported in 2016 (USD thousand)	Trade balance 2016 (USD thousand)	Share in Pakistan's exports (%)	Quantity exported in 2016	Quantity unit	Unit value (USD/unit)
World	1,677	1,672	100	5,091	Tons	329
Afghanistan	1,539	1,539	92	4,691	Tons	328
Malaysia	138	138	8	400	Tons	345
Mexico		(5)				
Indonesia						
Algeria						

List of importing markets for a product exported by Pakistan

Product: 1001 Wheat and meslin

Sources: ITC calculations based on UN COMTRADE statistics.

Unit : US Dollar thousand

Importers	Exported value in 2007	Exported value in 2008	Exported value in 2009	Exported value in 2010	Exported value in 2011	Exported value in 2012	Exported value in 2013	Exported value in 2014	Exported value in 2015	Exported value in 2016
World	96,748	47,420	2,730	249	674,439	45,318	39,174	8,156	3,194	1,677
Afghanistan	4,167	47,420	2,724	249	18,045	9,860	9,069	8,015	2,090	1,539
Malaysia	8,319	-	-	-	19,455	4,115	983	-	-	138
Somalia	-	-	-	-	60	-	-	-	-	-
Australia	-	-	-	-	4	4	-	-	-	-
Bangladesh	8,874	-	-	-	240,831	-	-	-	-	-

Pakistan's exports represent **3.8%** of world exports for this product, its ranking in world exports is **5**

List of importing markets for the product exported by Pakistan in 2016

Product: 1101 Wheat or meslin flour

Sources: ITC calculations based on UN COMTRADE statistics.

Importers	Select your indicators					
	Value exported in 2016 (USD thousand)	Trade balance 2016 (USD thousand)	Share in Pakistan's exports (%)	Quantity exported in 2016	Quantity unit	Unit value (USD/unit)
World	172,838	172,805	100	591,156	Tons	292
Afghanistan	171,537	171,537	99	587,348	Tons	292
Saudi Arabia	457	457	0	1,171	Tons	390
United Arab Emirates	167	166	0	552	Tons	303
Tanzania, United Republic of	154	154	0	670	Tons	230
Yemen	115	115	0	300	Tons	383
Kenya	94	94	0	340	Tons	276
Australia	86	86	-	249	Tons	345
Hong Kong, China	39	39	-	88	Tons	443

List of importing markets for a product exported by Pakistan

Product: 1101 Wheat or meslin flour

Sources: ITC calculations based on UN COMTRADE statistics.

Unit : US Dollar thousand

Importers	Exported value in 2007	Exported value in 2008	Exported value in 2009	Exported value in 2010	Exported value in 2011	Exported value in 2012	Exported value in 2013	Exported value in 2014	Exported value in 2015	Exported value in 2016
World	100,898	2,970	934	39,061	351,781	248,200	208,393	195,350	323,007	172,838
Afghanistan	93,923	2,969	901	38,349	226,521	226,119	195,405	191,995	320,876	171,537
Saudi Arabia	-	-	-	1	-	-	-	-	19	457
United Arab Emirates	4,204	1	-	390	106,179	7,615	5,679	1,021	424	167
Tanzania, United Republic of	-	-	-	-	-	54	382	318	235	154
Yemen	149	-	-	-	-	181	-	-	271	115
Kenya	-	-	-	68	1,330	543	395	250	139	94
Australia	-	-	-	15	90	43	58	56	48	86
Hong Kong, China	-	-	-	-	-	136	122	85	41	39

List of top ten (10) manufacturing companies/ exporters of Pakistan with contact details(try to obtain from associations or website)

ALL EXPORTER LIST OF WHEAT AND FLOUR

UNITED FLOUR MILLS 10-B INDUSTRIAL ESTATE
SYED ALLAUDDIN GOVT.CONTRACTOR NEW KILLI KARBALA DISTT, PISHIN, QUETTA BALOCHISTAN
ABDUL MALIK & COMPANY SHOP#53 54 BLK B-2 POTATO ONION SECTION NEW SUBZI MANDI SUPER H.WAY KARACHI. arshadlaw1@gmail.com
FRESH FRUIT COMPANY SHOP NO.159 NEW FRUIT MARKET HAZAR GANJI, QUETTA CHILTAN TOWN, QUETTA.
MOHAMMAD AKRAM AND BROTHERS MALL ROAD

GREEN FIELD ENTERPRISES
05/04 ARKAY SQAURE EXTENTION, SHAHRAH-E-LIAQUAT,
NEW CHALI KARACHI.
maheshwary333@gmail.com

LEO INDUSTRIES
SHOP # M-136 COLUMBUS TOWER FT-3 FRERE TOWN
CLIFTON, KARACHI.

GULZAR GARMENTS
SHOP NO,15 ROSHAN MUSTAFA CENTER LANDA BAZAR
LAHORE.
gulzargarments@gmail.com

ASMATULLAH AND COMPANY
KILLI TOUHEED ABAD CHAMAN DISTRICT.
asmatqta2013@yahoo.com

QURESHI FLOUR MILLS
PLOT NO 42 SECTOR 28 KORANGI INDUSTRIAL
AREA,KARACHI.
qureshiflourmills@hotmail.com

WAHEED SAEED & SONS
RAILWAY COLONY CHAMAN
WAHEED_AHMED1786@YAHOO.COM

Source: <http://www.pakistanexportersdirectory.gov.pk>

THARA INTERNATIONAL	- - - OF WHEAT
UMAR ENTERPRISES	- - - OF WHEAT
RIAZ ENTERPRISES	- - - OF WHEAT
AL GHAZNAVI FLOUR MILLS	- - - OF WHEAT
LUCKY STAR FLOUR & GENERAL MILLSS PVT LTD	- - - OF WHEAT
SAMAY RAJ COMMISSION SHOP	- - - OF WHEAT
MIDDLE EAST INFRATECH LIMITED	- - - OF WHEAT
AL- MIRAJ ROLLER FLOUR MILLS PVT LTD	- - - OF WHEAT
BABA NANIK SHAH TRADERS	- - - OF WHEAT
BUT FLOUR MILLS (PVT) LTD	- - - OF WHEAT

Source: <http://www.pakistanexportersdirectory.gov.pk>

Note: The Contact Details of the above exporters are incomplete due to non - availability of their contacts on internet and associations list, but I am trying my best to search again to find the details of the companies.