

PAKISTAN MEAT INDUSTRY

Product: **Meat**
HS Code **02**

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i. Industry Economic Scenario

a. Product description:

Meat is animal flesh that is eaten as food. Humans have hunted and killed animals for meat since prehistoric times. The advent of civilization allowed the domestication of animals such as chickens, sheep, pigs and cattle. This eventually led to their use in meat production on an industrial scale with the aid of slaughterhouses.

Meat is mainly composed of water, protein, and fat. It is edible raw, but is normally eaten after it has been cooked and seasoned or processed in a variety of ways. Unprocessed meat will spoil or rot within hours or days as a result of infection with and decomposition by bacteria and fungi.

Livestock sector plays a pivotal role in the agricultural based economy of Pakistan. It is extremely labor-intensive and includes a big portion of the rural work force, provides employment to more than 8 million families. The agriculture sector in Pakistan is the backbone of economy, provides raw materials to run the different industries and helps in reducing poverty. Meat is a major source of proteins, vitamins, and minerals, which is important for the health of humans. This sector contributes approximately 19.8% in gross domestic product (GDP) and employer absorbing 42.3% of the country's total labor force, this sector is constantly registering at an optimistic real growth rate at the rate of 4%, annually. Livestock sector also yields an enormous range of by-products especially leather whose export, earned billions of dollars for Pakistan and the country listed as 3rd largest export after cotton and rice [Economic Survey of Pakistan (ESP), 2017-18].

Due to urbanization, economic growth, industrialization as well as eating pattern resulting increased per capita meat in Pakistan, in 2013-14 per capita meat consumption was 18.5 kg which increase to 21.4 kg in year 2017-18. Per capita consumption of meat in developed countries are higher than developing countries, it is projected that global annual per capita meat consumption is expected to reach 35.3 kg retail weight equivalent (r.w.e.) by 2025.

The world exports in selected meat products were increased in last 10 years, in year 2008 the exports were US\$ 58,981 million, which increased to US\$ 79,691 million in year 2017. Brazil is the top exporter with share of US\$ 11,999 million, followed by USA and Australia with share of US\$ 10,464 and US\$ 8,377 million respectively in the year 2017. Pakistan rank 34 with share of US\$ 211 million in world exports.

Frozen, fresh, and chilled boneless meat has the major trading commodity and big share in meat exports, the export value accounts US\$ 36,287 million in year 2017. Frozen cuts and edible offal of fowls of the species *Gallus domesticus* is at rank 3 with share of US\$ 4,850 in the selected meat products. Pakistan major exporting meat products are Carcasses or half-carcasses of bovine animals, fresh, chilled, and frozen, the world exports in these products were US\$ 2,020 million in year 2017.

Top importing countries of selected meat is USA, Japan, China, Hong Kong, and Germany. USA share of world imports is 8.23%, Japan, China, Hong Kong, Germany, share is 6.68%, 6.39%, 5.75%, and 5.46% respectively. Pakistan's meat has a negligible or no share in these top importing countries. Pakistani's meat exporter may fulfill the requirements and focus on the high end importing markets which have high average unit price to reap maximum benefits of export.

As, food choices are mainly influenced by region, religion and economic level. However, religion is one of the major factors to influence the food choices. In this context, halal foods a growing trend, trade estimated to cross USD \$ 3 trillion and among this, the meat sector contribute about US\$ 600 billion. Halal meat and allied products are requirement from Muslims, but it is also accepted by non-Muslims due to safe and hygienic nature, nutritious value and superior quality. Pakistan meat industry is vibrant and has seen rigorous developments during the last decade as government also showed interest to boost livestock production and processing facilities to meet increasing local and global demand. The industry has potential to grow, owing to its natural animal rearing capability, Muslim majority country (96% of total population), and improvisation of market and consumer preference towards halal meat. Current review debates Pakistan meat industry scenario, production trend, global trade as well as future potential with respect to modernization, processing, distribution and trade.

Pakistan meat industry may pursue the Differentiation strategy to meet the non - tariff measures by the high end importing countries and provide quality meat product to the focus Halal market. Importer countries trust Pakistan because, Pakistan has an advantage that all meat in Pakistan is Halal. Pakistani Halal meat industry is getting

ground in international market and now the government as well as private sector is focusing on measures to produce, process and export Halal meat and meat based products by adopting halal certification and other quality assurance systems being implemented in the world to meet the demand.

Government and Private sector striving hard improve the quality and production of livestock sector to satisfy the need of consumer demand. Ministry of National Food Security and Research, Livestock and Dairy Development Board (LCCB) and Pakistan Dairy Development Company (PDDC) have been established to strengthen the livestock sectors especially with current focus on meat. These corporations are working platform for improvement in this sector by strengthening livestock production services, improving disease control practices, animal breeding

b. HS Codes:

02, 0201, 2010

c. Quality of Pakistani products:

The Pakistani meat traders have improved the quality of their meat according to international standards. And it is pertinent to mention here that Pakistani meat's quality is far better than our business rival i.e. India. Due to the presence of the state of the art slaughter houses which are in compliance with the international checks, our meat sector can beat any country.

d. Existence of international brands:

There are a few brands of Pakistan which have international recognition. Tajiz is famous brand in Dubai, PK Livestock is famous in Middle East, Syed Traders is famous in Qatar and Kuwait. In Dubai Zenith is also famous.

e. Compatibility to international quality standards/certifications:

Currently in Pakistan there is four (04) CB which is accredited by Pakistan National Accreditation Council (PNAC) i.e. Renaissance Inspection & Certification Agency (RI&CA) (Pvt.) Ltd, Karachi, Punjab Halal Development Agency, Lahore, SANHA Halal Associates Pakistan, Karachi, International halal certification (Pvt) Ltd, Karachi.

There is currently no “one size fits all” process for halal compliance, nor is there likely to be one in the foreseeable future. Manufacturers of any halal product, whether it is meat, poultry, non-meat foods, dairy, baked goods and other processed foods, or personal care, cosmetics and pharmaceutical products MUST make sure that they understand the requirements of their target market, and proceed accordingly.

For example:

- Malaysia used to allow mechanical slaughter, but now rejects it, and is insisting on separate lines for halal and non-halal processes.
- Brunei Darussalam does not permit pre-slaughter stunning.
- The Gulf Cooperation Council (GCC) member states may accept mechanical slaughter, but now require certification bodies in the exporting country to be accredited in line with their new standards.
- In most European Union (EU) countries, there are no official or national halal standards in use for domestic production. Halal compliance parameters are thus set by the certification body, a central Islamic association, or a regional mosque.

Compliance with a specific standard

- i. In some cases, most noticeably in Southeast Asia, a halal logo on a food product will refer to compliance with a specific standard, such as the following examples:
- ii. Malaysia’s JAKIM logo refers to the MS1500:2009 standard. Although this is generally the most widely-recognized and accepted halal standard and logo, it still does not guarantee universal market access.
- iii. Singapore’s MUIS logo refers to its MUIS-HC-S001 - General Guidelines for the Handling & Processing of Halal Food standard.
- iv. Thailand’s CICOT logo refers to its THS 24000:2552 - General Guidelines on Halal Products standard.
- v. The Brunei halal logo refers to its PBD 24:2007 - Brunei Darussalam Standard for Halal Food standard, and indicates unstunned slaughter done by hand.
- vi. The logo of ESMA, the Emirates Standards and Metrology Authority, refers to several recent ISO-style standards developed by this agency.

vii. Some of the main halal standard bodies (and related agencies) are listed below:

- Department of Standards Malaysia - <<http://www.jsm.gov.my/>>
- The Department of Islamic Development Malaysia JAKIM - <<http://www.islam.gov.my/>>
- The Islamic Religious Council of Singapore (MUIS) - <<http://www.muis.gov.sg/halal/>>
- Central Islamic Council of Thailand (CICOT) - <http://www.cicot.or.th/>
- Indonesia Ulema Council (MUI) - <<http://mui.or.id/>>
- Emirates Standards and Metrology Authority (ESMA) - <<http://www.esma.gov.ae/en-us>>
- Institute Marocain de Normalisation - <<http://www.imanor.gov.ma/>>
- GCC Standardization Organization - <<https://www.gso.org.sa/>>
- Standards and Metrology Institute for the Islamic Countries - <<https://www.smiic.org/>>

There are an estimated 400+ independent halal certification bodies, and it is not possible to list them all here. The major independent halal certification bodies are members of one of the following organizations:

- The World Halal Council - <http://www.worldhalalcouncil.com/members>
- The World Halal Food Council - <http://www.whfc-halal.com>

In addition, there is a list of over 90 major CBs listed in a report on Salaamgateway.com, available at the following link:

https://www.salaamgateway.com/en/food/story/resolving_the_current_inefficiencies_in_the_global_regulation_of_halal_food-salaam13042016195204/

These resources list the majority of the most widely used CBs. Manufacturers should take care to choose the most appropriate CB depending on their target market, and depending on whether they aim at domestic distribution or export.

f. Value Chain:

The supply chain of meat sector needs attention. Though work is underway to improve the quality in supply chain and bring it at par with those of international brands. The process of improving the supply chain is quite slow.

g. Acceptance of Pakistani products in global markets:

As mentioned earlier, Pakistani meat has acceptance all across the world. The inspectors of the importing countries visit the Pakistani companies and often approve importing from them. Middle East is the main destinations of Pakistani meat.

ii. **Global trade in this specific product**

a. *Top 05 Importing Destinations:*

1. USA
2. Japan
3. China
4. Hong Kong
5. Germany

b. *Top 05 Exporting Competitors :*

1. USA
2. Brazil
3. Australia
4. Netherlands
5. Germany

iii. **Exports from Pakistan & Pakistan's ranking : 3 years figure:**

Pakistan export -0.02% of the global export of this product and its ranking is 39.

Year	USD Thousand
2018	227,284
2017	211,988
2016	239,741

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

S. #	Company Name	Address	Tel/Cell/Fax/Email/Website
1	P.K. Livestock & Meat Company (Pvt) Ltd	Factory: National Highway, Razzaqabad Distt Malir, Karachi Pakistan Head Office: 14-C, Bukhari Commercial, Lane 8, Phase VI, DHA, Karachi. Pakistan	Factory: +92 21 3400984-6 Head Office: +92 21 38581182-4 Email: info@pkmeat.com
2	Tazij Meats	3.5 KM, Raiwind, Manga Road, Raiwind, Lahore. Pakistan	Ph: +92 42 35398022 to 29 Fax: +92 42 35398030 Email: contact@tazijgroup.com
3	Anis Associates	Anis Associates (Pvt) Ltd, 4-KM, Manga Road, Raiwand, Lahore, Pakistan.	Cell: 0322-2229463 Web: www.saifi-group.com Email: ceo@saifi-group.com
4	Katco International	: 632-B, SATELLITE TOWN, NEAR RANA IQBAL ADVOCATE, GUJRANWALA	+92-300 9642067
5	Asia Livestock & Meat Company	231-Small Industrial Estate, Kotlakhpat, Lahore – Pakistan.	+92-42-35150725 Fax No: +92-42-35150724 E-mail: info@almc.com.pk, aitc_231@hotmail.com URL: www.almc.com.pk
6	The Organic Meat Company (Pvt) Limited	9th floor, Room# 903-904, Port Way Trade Tower, Plot# 189/A, S.M.C.H.S, Karachi, Pakistan.	Ph: 0092-21-35295508, 34552146 Fax: 0092-21-35294756. info@theorganicmeatcompany.net
7	Fauji Meat Limited	FFBL Tower, C1/C2, Sector B, DHA II, Islamabad – Pakistan	0092 51 876 3325 (Ext. 3013) E: info@fml.com.pk
8	Koldkraft Tongda (PVT) LTD	243-S, Quaid-e-Azam Industrial Estate Kot Lakhpat, Lahore 54770, Pakistan.	Tel: +92-42-35116728, +92-4235400643 Fax: +92-42-35400645 Email: koldkraft@brain.net.pk
9	Zenith Associates	Factory (Abattoir): 3.5-KM, Manga Road Raiwind, Lahore, Pakistan Office: 18 CCA, Phase V, D.H.A, Lahore.	+92 42 35391726, Fax: +92 42 35391725 E-mail: contact@zenith.pk
10	Seven Stars International	Head Office: Ali Akbar Street, Juna Market, Karachi 74000, Pakistan. Site Address: 1586/B & 1586/C, Deh Kohistan, Tapo Ghara, Taluka Mirpur Sakro, Dhabeji, District Thatta, Sindh. Pakistan.	Phone : (9221) 32524958, 32524864, 32547436 Fax : (9221) 32512991 Email : info@7star-intl.com Web : www.7star-intl.com
11	M/s. Foodex	259-H, Block 6, P.E.C.H.S., Karachi - Pakistan.	(92-21) 34384779 (92-21) 34548528 FAX : (92-21) 34389170 info@foodex.com.pk

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

v. **TDAP participation in international exhibitions in the subject product / Sector**(*please use Exhibition Calendar of 2017-2018*):

World Halal Assembly Philippines Manila, Philipines July, 2017

Halal Food 2 Halal Trade Expo Korea, South Korea August, 2017 Halal Food

Asia Fruit Logistica, Hong Kong September, 2017 Food Sector

KAZ Food, 2017 Astana, Kazakhstan September, 2017 Food Sector

Fine Food, Australia September, 2017 Food Items

World Food Kazakhstan 2016: Atakent Exhibition Center, Almaty, Kazakhstan November, 2017 Food Sector

Halal Expo, Japan in Tokyo, Japan November, 2017 Halal Food

Interfood Jakarta, Indonesia November, 2017 Food items

Thailand Halal Assembly, Bangkok, Thailand December, 2017 Halal Food

Halal Expo, Istanbul, Turkey December, 2017 Halal Food

Halal Expo Australia, Sydney, Australia February, 2018 Halal Food

MIHAS (Malaysia Hotel Show Case) Kuala Lumpur, Malaysia April, 2018 Halal Food

Halal EXPO Japan in Osaka, Japan May, 2018 Halal Food

World Halal Assembly Philippines Manila, Philipines July, 2018 Halal Food

Halal Trade Expo Korea August, 2018 Halal Food

Asia Fruit Logistica, Hong Kong September, 2018 Food Sector

World Food, Istanbul, Turkey September, 2018 Food and Beverages

Fine Food, Australia September, 2018 Food Items

World Food Kazakhstan 2017: Atakent Exhibition Center, Almaty, Kazakhstan November, 2018 Food Sector

Halal Expo, Tokyo, Japan. November, 2018 Halal Food

Interfood Jakarta, Indonesia November, 2018 Food items

Thailand Halal Assembly, Bangkok, Thailand December, 2018 Halal Food

Halal Expo, Istanbul, Turkey December, 2018 Halal Food

Food Africa, Cairo, Egypt 2017-2018 Food & Beverages

World Food, Moscow, Russia September, 2017 Food Items

Int'l Trade Show For Food Processing, Minsk, Belarus June, 2018 Food Items

SIAL Paris, France October, 2018 Food Items

Xi'an International Halal Expo (XIHE), Shaanxi, China October, 2017 Halal Food

Sial Food China, Shanghai, China May, 2018 Food Items

Xi'an International Halal Expo (XIHE), Shaanxi, China October, 2018 Halal Food