



PAKISTAN PROCESSED FOOD INDUSTRY



**TRADE DEVELOPMENT AUTHORITY
OF PAKISTAN**





TDAP INTRODUCTION

Trade Development Authority of Pakistan is the premier trade promotion organization mandated to develop and promote products and services of the country in international markets.

TDAP implements policies and directives of Federal Government and its Board of Directors for enhancing, promoting and facilitating trade.

TDAP supports and facilitates businesses through latest information and capacity building initiatives to enhance and improve their leverage in international trade.

To achieve its objectives, TDAP organizes as well as participates in local & international trade fairs, country specific exhibitions, trade delegations, conducts seminars and organizes contacts and information

exchange events both physically as well on digital platforms.

This publication is part of the efforts of TDAP to share details and showcase Pakistan's products and services in international markets.





PRODUCT PROFILE

The food and beverage processing industry is the 2nd largest industry of Pakistan after textiles, accounting for **27%** of the value-added production and **16%** of employment in the manufacturing sector. Food processing accounted for an annual average of **\$223.5m** in FDI from 2012-2018. Retail sales of processed food are expanding 10% per annum with current estimated size of about **\$1.4 billion** (including \$325 million worth of imported products).

The food processing sector of Pakistan has the ability to create spillover effects in multiple other industries such as food packaging, bottling, retail chains (hypermarkets, supermarkets) etc.

BILATERAL TRADE BETWEEN PAKISTAN & WORLD FOR PROCESSED FOOD

Product	HS Code	Value in USD 000
Dates, figs, etc fresh dried	0804	173796
Yeast	'1101	122965
Chilled Potatoes	0701	114157
Gelatin	'1302	39291
Bread and Pastries	'1905	37148
Sauces	2103	31597
Juices	'2009	20707
Honey	'0409	8308
Jams and Jellies	2007	5943
Cream /Kephir	'0403	4156
Almonds	0802	2167

Unit: US Dollar thousand

The food processing industry is categorized into either informal/cottage establishments or formal establishments.

Most of the food industry in Pakistan is concentrated in Punjab (60%) followed by Sindh (30%), KPK (6%), Baluchistan (2%) and ICT (2%). In total, there are approximately 2500+ food processing units in Pakistan.

Global overview

Food processing is among the largest industries of the global economy, manufacturing a wide range of food and beverages products. Driven by a growing world population, increasing disposable income and rapid urbanisation, the global demand for processed food is on the rise and is expected to experience sustainable and stable growth in the foreseeable future.

Food Processing Industry in Pakistan

The food and beverage processing industry is the 2nd largest industry of Pakistan after textiles, accounting for 27% of the value-added production, and 16% of employment in the manufacturing sector. In total, there are approximately 2500+ food processing units in Pakistan. Agro accounts for 19% of Pakistan's GDP and processed food makes up 20% of that; including the primary processing of fruits, vegetables, flour, sugar, pulses and grains. More than 22 varieties of vegetables are produced in Pakistan and there are approximately 1,400 flour mills.

Growth Pattern

Pakistan food products market grew at a CAGR of ~6% during the last 5 years. Potato chips market grew at the rate of 14.2%, while biscuits market at 9.1% and confectionery products grew at the rate of 9.4% in the last 5 years

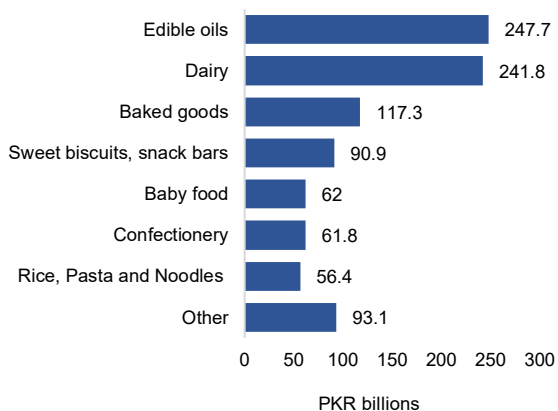


Figure: Sales of packaged food in Pakistan, 2015–2020 (PKR billions)





SUB SECTORS

The sub sectors in processed food industry are broadly classified as follows:

i. **Value added and frozen food processing units**

including frozen vegetables, snacks and meals,

‘Value added Processed Food’ including jams, jellies, pickles, sauces, concentrates, fruit juice drinks, canned fruits, lentils, cereals, snack foods etc.

‘value added fruit and vegetable and intermediate products’ including all value addition of fresh produce and intermediate products

ii. **Edible Oils and Fats Manufacturing/Processing units**

includes fruits and vegetable oils, ghee, margarine etc.

iii. **Beverage production units**

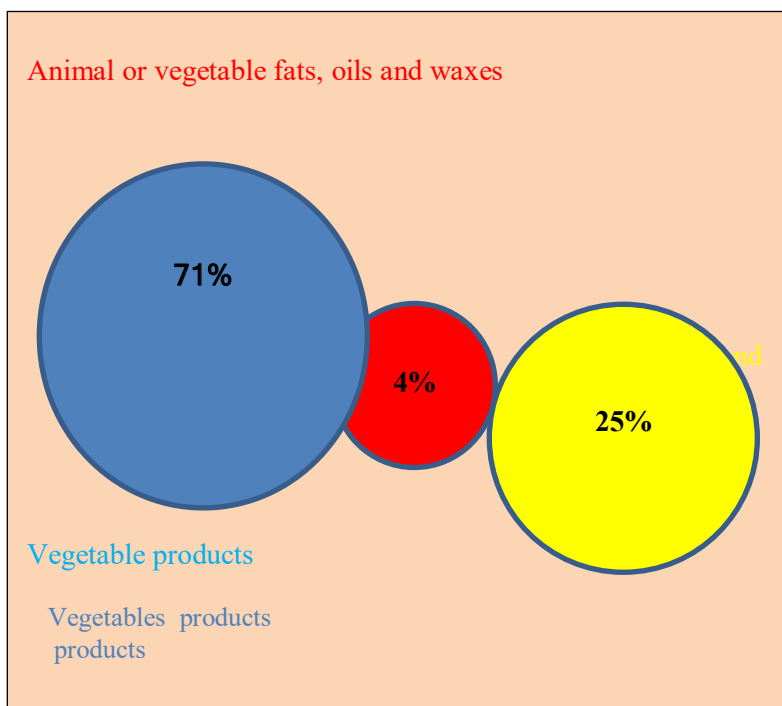
includes aerated drinks, juices, bottled water etc.

iv. **Bakery and confectionery manufacturing units**

includes, cakes, breads, pastries, rusks, doughnuts, pies, pancakes, muffins, toffees, candies, bubble gum, chocolates, specialty mixes and concentrates, breadings, pancakes and batter mixes etc

Main Categories of food export from Pakistan:

1. Vegetable products
2. Prepared food and beverages
3. Animal or vegetable fats, oils and waxes



The Pakistan Food and Beverages Industry and FDI

The processed food and beverages sector in Pakistan attracted a cumulative total of FDI inflows of about \$1.8 billion over the period 2013-2021, mainly targeting the food segment (80%). United Kingdom, The Netherlands and the United States were the largest investors in the sector, together accounting for about 80% of the total FDI inflows in the processed food and beverages sector.

The subsectors demonstrating the greatest potential for FDI attraction and linkage and, therefore, deserving most attention for proactive investment promotion include:

- Olive oil extraction
- Value addition units in fruits, dairy
- Frozen foods including fruit, vegetables, and meat
- Potato powder and flakes

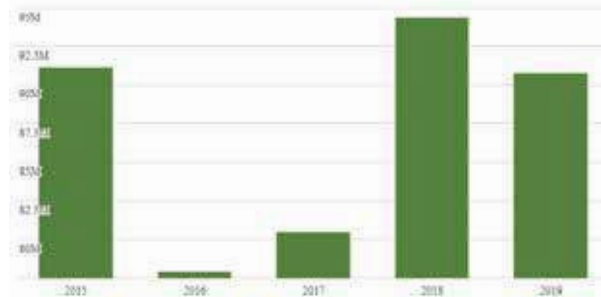




SPICES

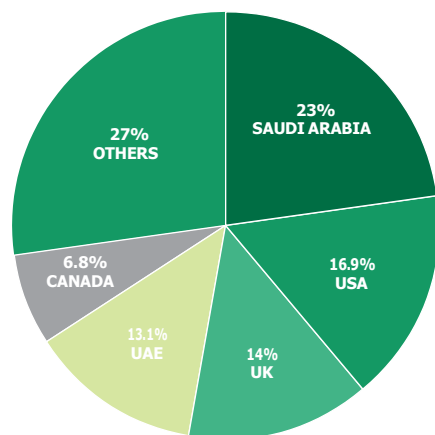
The value of **exports of commodity group 0910 "Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices."** from Pakistan totalled \$ 73 million in 2019. Sales of commodity group 0910 from Pakistan went up by 0.968% compared to 2018. Exports of commodity group 0910 "Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices." went up by **\$709 thousand**.

Exports of commodity group 0910 "Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices. "**amounted to 0.311% of total exports** from Pakistan.



TOP 5 EXPORT DESTINATIONS

Top 5 export destinations of "**Ginger, saffron, turmeric (curcuma), thyme, bay leaves, curry and other spices.**" from Pakistan in 2019:



Saudi Arabia with a share of 23% (17 million US\$)



USA with a share of 16.9% (12.5 million US\$)



United Kingdom with a share of 14% (10.3 million US\$)



United Arab Emirates with a share of 13.1% (9.73 million US\$)



Canada with a share of 6.85% (5.06 million US\$)



BEVERAGES

The value of **exports of commodity group 22 "Beverages, spirits & vinegar"** from Pakistan totaled **\$ 322 million in 2019**. Exports of commodity group 22 "Beverages, spirits and vinegar" amounted to **1.35%** of total exports from Pakistan.

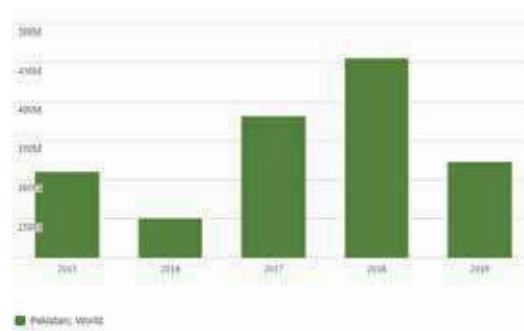
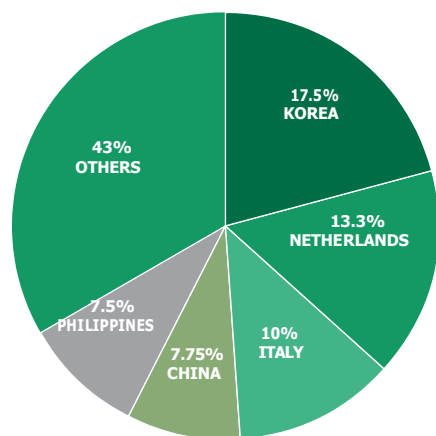


Figure 2EXPORT OF BEVERAGES FROM PAKISTAN 2015-19 (\$US) Source:: UNCOMTRADE

TOP 5 EXPORT DESTINATIONS

Top 5 export destinations of **"Beverages, spirits and vinegar"** from Pakistan in 2019:



Korea with a share of 17.5% (56 million US\$)



Netherlands with a share of 13.3% (43 million US\$)



Italy with a share of 10.1% (32 million US\$)



China with a share of 7.75% (25 million US\$)



Philippines with a share of 7.51% (24 million US\$)

LIST OF COMPANIES OF SPICES

National Foods

12/CL-6, Claremont Road,
Civil Lines, Karachi

👤 Mr. Fazl ur Rehman Hajano, Secretary
☎ 021-38402022 / 0302-8230023
✉ corporate.secretary@nfoods.com

A.R.Foods (PVT.) Ltd,

B.S.192, Bagh Sardaran,
Rawalpindi

👤 Mr. S.M.Naseem
☎ 051-4490471-4 / 03335512000
✉ arf@arfoods.com.pk

Shangrila

5th Floor Ebrahim Alibhai
Tower, M.C.H.S, Block 7/8
Shahrah- e-Faisal, Karachi

👤 Mr. Bilal Ahmad, Manager
☎ 021-34375654 / 021-34375656
✉ bilal.ahmad@shangrila.com

Shan Foods Pvt. Ltd

☎ 021-35053076-79
✉ info@shanfoods.com

Mehran Spice & Food Industries

Plot # 14 & 15 Sector 24,
Korangi Industrial Area Karachi

☎ 021-111-634-726 / 021-5076841-50
✉ marketing@mehrangroup.com

Zaiqa Food Industries

Plot # 20-B/5 Sector-19,
Korangi Industrial, Karachi

👤 Mr. Mohammad Salman, Export Manager
☎ 021-35053683 / 0333-0255231
✉ zaiqafoods@hotmail.com

SpiceO Foods

357 Block-B Adamjee Nagar
K.C.H.S Main Ghazi Salahuddin
Road Karachi

☎ 021-3453 8820-1
✉ info@spiceo.com

Puro Foods

156 / M-Block Johar Town Lahore

☎ 042-35304439 / 0311-1636 111
✉ info@puro.pk

LIST OF COMPANIES OF BEVERAGES

Citropak Ltd

38-A, Main Gulberg Lahore

👤 Mr. Waseem, Export Manager
☎ 0300-4009786
✉ export.citropak@gmail.com

Fruiticana

House # 9, Street-3, A Block,
Eden Value Homes, 14 KM
Multan Road Lahore

👤 Sheikh Usama Akhtar, Export Manager
☎ 0345-2001061
✉ info@fruiticana.com.pk

Six B Food Industries Pvt Ltd

25 Katarband Road Industrial
Area, Thokar Niaz Baig , 14 KM
Multan Road Lahore

👤 Mian Asghar Ali, Export Manager
☎ 0301-8454533
✉ export@six-b.com

Murree Brewery Co. Ltd

3-National Park Road,
Rawalpindi

👤 Muhammad Javed, General Manager
☎ 051-5567041-47 / 03008500724
✉ murbr@cyber.net.pk

Shezan International Limited

👤 Mr. Tabish Zaidi, Export Manager
☎ 021-36349222-23 / 0347-3546799
✉ shezan@cyber.net.pk

Fauji Foods Limited

42 CCA, Ex Park View, DHA
Phase - VIII, Lahore

👤 Mr. Akhtar Hussain, Export Manager
☎ 42 37136315-17 / 0300-4496602"
✉ akhtar.hussain@faujifoods.com

Popular Group of Industries (Maza)

311, Chapal Plaza, Hasrat Mohani
Road, Off I. I. Chundrigar Road,
Karachi

☎ 021-111-117-117
✉ info@populargroup.com.pk

Maaher Foods (Country)

212/S, Industrial Area
Kot Lakhpat Lahore

👤 Mr. Kalim Akhtar Baig-Director
☎ 042-35117673 / 35155551
✉ maher@brain.net.pk

Source:

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