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Pakistan

OILSEEDS AND PRODUCTS ANNUAL

Vegetable Oil and Soybean Meal Imports Forecast at Records

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Report Highlights:

Pakistan's vegetable oil imports are forecast at a record 2.35 million tons in MY2009/10, 13 percent higher than last year's record imports of an estimated 2.1 million tons. Nearly 70 percent of domestic demand for vegetable oil is met through imports, 98 percent of which comprised of palm oil. Pakistan's MY 2009/10 imports of soybean meal are projected at a record 350,000 tons, to be largely sourced from India. Imports of oil seeds are expected to decline, and are forecast at 1.1 million tons (70 percent rape seed and 30 percent sunflower seed).

Executive Summary:

Pakistan is a net importer of oilseeds and edible oils. Domestic production of edible oils is only sufficient to meet 30 percent of total demand. The local production/import ratio has remained steady over the past decade. Domestic oilseed production includes cotton, sunflower seed, and rapeseed. The introduction of canola, olive and oil palm cultivation has met with limited success. Despite the rapidly increasing cost of oilseed imports, increased oilseed production has not been made a Government of Pakistan (GOP) priority.

MY 2009/10 oilseed production is forecast at 5.1 million tons, two percent higher than last year's estimated 5.0 million ton crop. Cotton seed regularly accounts for about 80 percent of Pakistan's total oilseeds production. Imports of oilseeds are forecast at 1.1 million tons (75 percent of which are rapeseed), down from the record 1.25 million tons imported in MY 2008/09. Consequently the total supply of oilseed available for crushing in MY2009/10 is down slightly and forecast at 6.2 million tons.

MY 2009/10 domestic meal production is forecast at 2.6 million tons, down slightly from last year's level due to lower oilseed imports. MY 2009/10 imports of soybean meal are forecast at a record 350,000 tons, up 17 percent from the previous year. Virtually all of Pakistan's soy meal imports are sourced from India.

MY 2009/10 local oil production is forecast at 1.1 million tons, down slightly from the previous year. Vegetable oil imports are forecast at a record 2.35 million tons, an increase of 13 percent relative to MY2008/09. Palm oil accounts for 98 percent of the total imports.

Commodities:

Select

Production:

OILSEEDS

Production

MY 2009/10 total domestic oilseed production is forecast at 5.1 MMT, 2 percent higher than last year due to an anticipated increase in cottonseed production. Production of sunflower seed is forecast at 600,000 tons down about 12 percent from last year's record production level of 685,000 tons. Rapeseed production is anticipated at 220,000 tons down slightly from last year.

Cottonseed:

Pakistan's primary oilseed crop, cottonseed, accounts for 80 percent of domestic oilseed production. Seed cotton contains both lint and cottonseed. Lint is the basic input for the domestic textile industry – and a major contributor to Pakistan's exports. Oil and meal, derived from cottonseed, are secondary products.

MY 2009/10 cottonseed production is forecast at 4.3 million tons an increase of 3 percent over the previous year's output, mainly due to the use of higher yielding biotech seeds. Farmers are more motivated to improve cotton productivity in response to stronger cotton prices.

In MY 2008/09, cottonseed production increased by 7 percent over the prior year's output due to improved productivity resulting from favorable weather conditions during the growing season.

Rapeseed:

Traditionally, rapeseed is produced for fodder and mixed with wheat straw – as well as for oil. Domestic rapeseed accounts for only 4 percent of total oilseed production in Pakistan. Efforts to replace rapeseed with higher-yielding canola varieties have not met with much success due to the high cost and lack of availability of quality hybrid seeds, susceptibility to pest attack and problems with uniform maturity and seed shattering. MY 2009/10 rapeseed production is forecast at 220,000 tons down slightly from last year’s estimated crop of 225,000 tons.

Sunflower seed:

MY 2009/10 sunflower seed production is forecast at 600,000 tons down about 12 percent from last year’s record production level of an estimated 685,000 tons. Due to higher, MY2008/09 international oil prices, solvent extractors assured farmers remunerative prices for their sunflower seed, and in response, MY2008/09 production increased by 17 percent compared to the previous harvest.

Consumption:

Supporting the GOP’s policy of importing oilseeds, the crushing industry has improved its efficiency by overhauling older machinery and installing high-tech solvent extraction equipment.

Trade:

The MY 2009/10 oilseed import forecast includes 800,000 tons of rapeseed/canola (mainly from Canada and Australia), and 300,000 tons of sunflower (mainly from Australia). Since June 2005, the GOP has exempted oilseeds from customs duty and sales tax. Vegetable oils are assessed a fixed customs duty along with a 15 percent sales tax and 2 percent withholding tax upon import.

MY 2008/09 oilseed imports were 1,250,000 metric tons. Rapeseed/canola seed are typically sourced primarily from Canada and Australia.

Government Support

There is no support price mechanism for oilseeds and the GOP does not procure oilseeds. Oilseeds are a low priority crop as compared to other crops like wheat and rice. The lack of availability of quality seed, poor coordination among research organizations, lack of suitable machinery for planting, harvesting and threshing operations, improper dissemination of site-specific production technologies and lack of research-based crop management are some of the major constraints being faced by the oilseed sector.

Preferential tariff treatment of oilseed imports assisted in the development of a viable domestic crushing industry which is now in a position to help growers increase oilseed production. Over the last few years, the solvent extraction industry has offered better prices and technical services to sunflower growers, resulting in increased planting and increased production.

Production, Supply and Demand Data Statistics:

Table1: TOTAL OILSEEDS

Total Oilseeds	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	Official	Post	Data	Official	Post	Data
Area Planted	0	3,640	3,640	0	3,722	3,722	0	0	3,662

Area Harvested	3,640	3,640	3,640	3,352	3,722	3,522	3,452	0	3,622
Beginning Stocks	436	28	28	136	29	29	47	0	28
Production	4,650	4,585	4,585	4,912	4,992	4,992	4,917	0	5,106
MY Imports	536	902	902	630	1,250	1,250	870	0	1,100
MY Imp. from U.S.	0	0	0	0	0	0	2	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	5,622	5,515	5,515	5,678	6,271	6,271	5,834	0	6,234
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	4,780	4,872	4,872	4,890	5,566	5,566	5,048	0	5,428
Food Use Dom. Cons.	0	2	2	0	2	2	0	0	2
Feed Waste Dom. Cons.	706	612	612	741	675	675	736	0	769
Total Dom. Cons.	5,486	5,486	5,486	5,631	6,243	6,243	5,784	0	6,199
Ending Stocks	136	29	29	47	28	28	50	0	35
Total Distribution	5,622	5,515	5,515	5,678	6,271	6,271	5,834	0	6,234
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
TS=TD	0	0	0	0	0	0	0	0	0
Comments									
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TABLE 2: OILSEED, COTTONSEED

Oilseed, Cottonseed Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
Official	Post	Data	official	Post	Data	Official	Post	Data	
Area Planted (Cotton)	0	3,000	3,000	0	3,000	3,000	0	0	2,960
Area Harvested (Cotton)	3,000	3,000	3,000	2,900	3,000	2,800	3,000	0	2,960
Seed to Lint Ratio	0	67	67	0	67	67	0	0	67
Beginning Stocks	200	0	0	0	0	0	0	0	0
Production	3,875	3,810	3,810	4,000	4,080	4,080	4,000	0	4,284
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	4,075	3,810	3,810	4,000	4,080	4,080	4,000	0	4,284
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	3,480	3,315	3,315	3,400	3,550	3,550	3,405	0	3,650
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	595	495	495	600	530	530	595	0	634
Total Dom. Cons.	4,075	3,810	3,810	4,000	4,080	4,080	4,000	0	4,284

TABLE 4: OILSEED, SUNFLOWERSEED

Oilseed, Sunflower seed Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	Official	Post	Data	Official	Post	Data
Area Planted	0	383	383	0	450	450	0	0	400
Area Harvested	383	383	383	450	450	450	450	0	400
Beginning Stocks	61	15	15	43	16	16	34	0	15
Production	583	583	583	685	685	685	685	0	600
MY Imports	1	62	62	180	350	350	230	0	300
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	645	660	660	908	1,051	1,051	949	0	915
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	588	607	607	830	981	981	870	0	845
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	14	37	37	44	55	55	44	0	50
Total Dom. Cons.	602	644	644	874	1,036	1,036	914	0	895
Ending Stocks	43	16	16	34	15	15	35	0	20
Total Distribution	645	660	660	908	1,051	1,051	949	0	915
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
TS=TD	0	0	0	0	0	0	0	0	0
Comments									
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Comments To Post									

TABLE 5: OILSEED, SOYBEAN

Oilseed, Soybean Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Jan 2007			Market Year Begin: Jan 2008			Market Year Begin: Jan 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official Post	Data	Official Post	Data	Official Pos	Data	Official Pos	Data	
Area Planted	0	2	2	0	2	2	0	0	2
Area Harvested	2	2	2	2	2	2	2	0	2
Beginning Stocks	12	0	0	0	0	0	0	0	0
Production	2	2	2	2	2	2	2	0	2
MY Imports	0	0	0	0	0	0	10	0	0
MY Imp. from U.S.	0	0	0	0	0	0	2	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	14	2	2	2	2	2	12	0	2
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	12	0	0	0	0	0	10	0	0
Food Use Dom. Cons.	0	2	2	0	2	2	0	0	2
Feed Waste Dom. Cons.	2	0	0	2	0	0	2	0	0
Total Dom. Cons.	14	2	2	2	2	2	12	0	2
Ending Stocks	0	0	0	0	0	0	0	0	0
Total Distribution	14	2	2	2	2	2	12	0	2
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
TS=TD	0	0	0	0	0	0	0	0	0
Comments									
AGR Number									
Comments To Post									

TABLE 6: TOTAL OIL MEALS

Total Oil Meals	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	Official	Post	Data	official	Post	Data
Crush	4,780	4,872	4,872	4,890	5,556	5,556	5,048	0	5,428
Beginning Stocks	125	125	125	65	115	115	65	0	122
Production	2,268	2,336	2,336	2,299	2,649	2,649	2,384	0	2,580
MY Imports	219	275	275	250	300	300	285	0	350
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	2,612	2,736	2,736	2,614	3,064	3,064	2,734	0	3,052
MY Exports	4	15	15	3	15	15	2	0	15
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,543	2,606	2,606	2,546	2,927	2,927	2,667	0	2,925
Total Dom. Cons.	2,543	2,606	2,606	2,546	2,927	2,927	2,667	0	2,925

TABLE 8: MEAL, RAPESEED

Meal, Rapeseed Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	Official	Post	Data	official	Post	Data
Crush	700	950	950	660	1,035	1,035	763	0	933
Extr. Rate, 999.9999	0.59	0.	0.	0.59	0.	0.	0.59	0.	0.
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	412	559	559	389	609	609	450	0	550
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	412	559	559	389	609	609	450	0	550
MY Exports	4	15	15	3	15	15	2	0	15
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	408	544	544	386	594	594	448	0	535
Total Dom. Cons.	408	544	544	386	594	594	448	0	535
Ending Stocks	0	0	0	0	0	0	0	0	0
Total Distribution	412	559	559	389	609	609	450	0	550
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
SME	290	0	0	275	423	423	319	0	381
TS=TD	0	0	0	0	0	0	0	0	0
Comments									
AGR Number									
Comments To Post									

TABLE 9: MEAL, SUNFLOWER SEED

Meal, Sunflower seed Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	official	Post	Data	Official	Post	Data
Crush	588	607	607	830	981	981	870	0	845
Extr. Rate, 999.9999	0.42	0.	0.	0.42	0.	0.	0.41	0.	0.
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	245	252	252	345	407	407	361	0	350
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	245	252	252	345	407	407	361	0	350

Food Use Dom. Cons.	547	310	310	502	324	324	501	0	334
Feed Waste Dom. Cons.	5	5	5	5	5	5	0	0	5
Total Dom. Cons.	580	342	342	534	356	356	528	0	366
Ending Stocks	30	60	60	24	60	60	24	0	60
Total Distribution	610	402	402	558	416	416	552	0	426
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
TS=TD	0	0	0	0	0	0	0	0	0
Comments									
AGR Number									
Comments To Post									

TABLE 13: OIL, RAPESEED

Oil, Rapeseed Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	Official	Post	Data	Official	Post	Data
Crush	700	950	950	660	1,035	1,035	763	0	933
Extr. Rate, 999.9999	0.4	0.3979	0.3979	0.4	0.3981	0.3981	0.4	0.	0.3976
Beginning Stocks	35	35	35	10	30	30	10	0	30
Production	280	378	378	264	412	412	306	0	371
MY Imports	0	1	1	0	1	1	0	0	1
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	1	0	0	0	0	0	0	0	0
Total Supply	315	414	414	274	443	443	316	0	402
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	10	10	10	10	10	10	10	0	10
Food Use Dom. Cons.	294	373	373	253	402	402	295	0	371
Feed Waste Dom. Cons.	1	1	1	1	1	1	1	0	1
Total Dom. Cons.	305	384	384	264	413	413	306	0	382
Ending Stocks	10	30	30	10	30	30	10	0	20
Total Distribution	315	414	414	274	443	443	316	0	402
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
TS=TD	0	0	0	0	0	0	0	0	0
Comments									
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TABLE 14: OIL, SUNFLOWER SEED

Oil, Sunflower seed Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	official	Post	Data	Official	Post	Data
Crush	588	607	607	830	981	981	870	0	845
Extr. Rate, 999.9999	0.4	0.3985	0.3987	0.4	0.3976	0.3976	0.4	0.	0.398
Beginning Stocks	9	9	9	9	15	15	15	0	15
Production	233	242	242	328	390	390	345	0	336
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	242	251	251	337	405	405	360	0	351
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	233	236	236	322	390	390	348	0	335
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0
Total Dom. Cons.	233	236	236	322	390	390	348	0	335
Ending Stocks	9	15	15	15	15	15	12	0	16
Total Distribution	242	251	251	337	405	405	360	0	351
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
TS=TD	0	0	0	0	0	0	0	0	0
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ABLE 15: OIL, SOYBEAN

Oil, Soybean Pakistan	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	Annual Data Displayed		New Post	Annual Data Displayed		New Post	Annual Data Displayed		Jan
	Official	Post	Data	Official	Post	Data	Official	Post	Data
Crush	12	0	0	0	0	0	10	0	0
Extr. Rate, 999.9999	0.17	0.	0.	0.	0.	0.	0.2	0.	0.
Beginning Stocks	4	4	4	6	2	2	3	0	3
Production	2	0	0	0	0	0	2	0	0
MY Imports	61	10	10	20	20	20	15	0	50
MY Imp. from U.S.	0	10	10	0	20	20	5	0	50
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	67	14	14	26	22	22	20	0	53
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	8	0	0	3	0	0	3	0	0
Food Use Dom. Cons.	51	12	12	18	20	20	12	0	50

