

Sector Profile

Livestock



BOARD OF INVESTMENT & TRADE
GOVERNMENT OF BALOCHISTAN



Preface

The sector profiling exercise aims to capture the current state of the sector, map related regulations and identify areas of reform. It highlights basic value propositions for the selected sectors, as revealed by stakeholder interviews and the consultant's business knowledge.



Balochistan Board of Investment and Trade

The Balochistan Board of Investment and Trade (BBoIT) is Balochistan's premier investment promotion body, responsible for attracting, facilitating and promoting both local and foreign investment for speedy capitalization of projects in all sectors of economy in Balochistan. BBoIT is established with broad based responsibilities of promotion of investment in all sectors of economy; facilitation of local and foreign investors for speedy

materialization of their projects and to enhance the province regional competitiveness and contribute to economic and social development. BBoIT is seeking to develop a conducive environment for private sector. As an input to this process, a sector profiling exercise is required to capture the current state of the sector, map related regulations and identify areas of reform. For this purpose, BBoIT has engaged EY Ford Rhodes to develop sector profiles for designated sectors.



Governance and Policy Project (GPP) for Balochistan

The project is expected to help Balochistan increase its own source revenues, thereby reducing the province's dependence on federal transfers and expanding fiscal space for financing public services. The Project Development Objective (PDO) is to strengthen the capacity for Sales Tax on Services collection, and improve accountability in public financial management and public service delivery in the education and irrigation sectors in Balochistan.

*This sector profile has been prepared through technical assistance from **M/s EY Ford Rhodes**, which is a member firm of Ernst & Young Global Limited (EYGL), providing professional services to its clients, both globally and in Pakistan.*

Livestock Sector in Balochistan



Livestock contributes more than 50% to Balochistan's Agriculture Produce (GDP)⁴

It is one of the subsectors focused by the Government of Pakistan for economic growth, food security and poverty alleviation.¹



10% GDP contribution
Livestock sector Contribution to Provincial GDP ⁴



8 million+ Rural Families
engaged in livestock production in Pakistan.¹



21 Million Hectors⁹
Grazing Land in the Province



40 Million⁹
Livestock Population in the province

In Pakistan, livestock is the largest subsector of agriculture that contributed 60.1% in agriculture value addition and 11.5% to the GDP during 2020-2021.¹ Livestock is one of the four major pillars of Balochistan's economy that contributed 10% in the overall GDP of the province.⁴

Over 90% of the area of Balochistan that constitute nearly 35 million hectares consist of rangelands out of which 21 million hectares are considered as medium to good grazing land.⁹ Considering the potential in value added livestock exports, the Government of Pakistan is in view of developing meat export processing zones.¹

Global trade market size of bovine meat was USD 52 billion in 2019 with Pakistan's contribution of only 0.44%.⁶

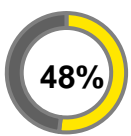
Although significant increase in export of meat witnessed at national level, however, no registered meat processing unit is situated in Balochistan.¹⁰ The sector has a high profit potential from employing technological inputs and introducing practices to improve flock and animal productivity and capitalize on the growing demand for meat.⁴

Lohani, Bhagnari, Kajalle, Waziri, Kakari, Muskhaili, Dumeri, Kajalle, Waziri, Kakari, Muskhaili, Dumeri, Berbri, Kohi-Suleimani, Khurasani, Morak

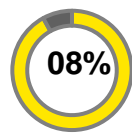
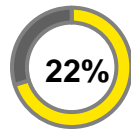
Indigenous Breeds of cattle in Balochistan



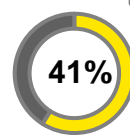
16.14 Million Sheep



16.42 Million Goat



6 Million Cattle



0,5 Million Camels

Balochistan's contributes 20% in national livestock population⁹

Livestock Sector in Balochistan

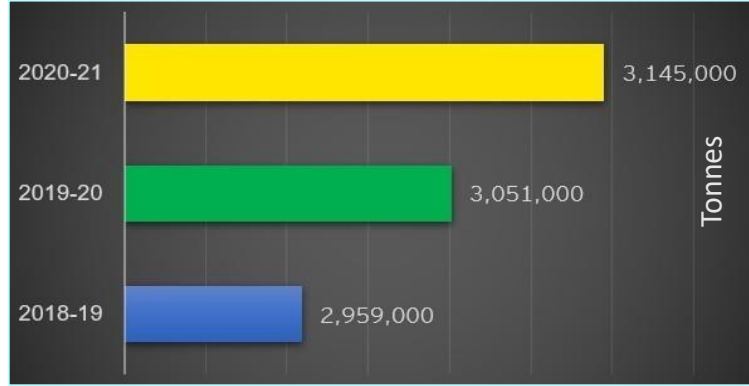


Livestock Sector

Livestock sector has emerged as the largest contributor in agriculture over the years; comprising livestock and poultry. Livestock consists of domesticated animals produced and reared for providing essential commodities such as meat and milk. Over time it has also emerged as one of the major industries with export potential, from merely used as the purpose of subsistence in the past. It has also become support for many industries ranging from wool/ leather production to different types of cheese and dairy products. The animals which are considered as a part of livestock sector are: cattle, buffalo, sheep, goat, camels, horses, asses and mules. Major products generated in the livestock sector are milk and meat followed by some other livestock products such as hides, skins, wool, hair, edibles offal, blood, hooves, horns and bones.¹

During FY 2021, Pakistan has produced 63.6 million tonnes of milk and 3.1 tonnes of meat (beef and mutton). In Pakistan, focus on livestock sector revolves around production of milk (dairy products) and meat is considered as a by product of dairy farming. Animals are not reared for the purpose of meat production. Therefore, this profile is focused on livestock farming for meat production and meat processing.¹ The global market is predicted to post CAGR of 7.0% during the period 2020 to 2025 for beef and 2.8% during the period 2020 to 2030 for mutton.

Production of Meat in Last 3 Years in Pakistan



Corporate dairy farming for production of meat

Meat processing for domestic use and exports

Growth Potential of Halal Meat in Global Market

Halal foods trade estimated to cross USD \$3 trillion and among this, the meat sector contribute about USD 600 billion. In International halal red meat market, Pakistan's share is less than 4% despite the market being valued over USD 4.3 billion in 2018 and its biggest competitors are non-Muslim countries with Halal accreditations.⁶

Halal red meat is amongst the most desired meat around the globe with high demand in specifically developing economies and Pakistan, in this regard, has an advantage as all the meat processed in Pakistan is Halal. Halal meat is not just the requirement from Muslims, but it is also accepted by non-Muslims owing to its safe and hygienic nature, nutritious value and superior quality. The government as well as private sector has started focusing on measures to increase the Halal meat export.⁷

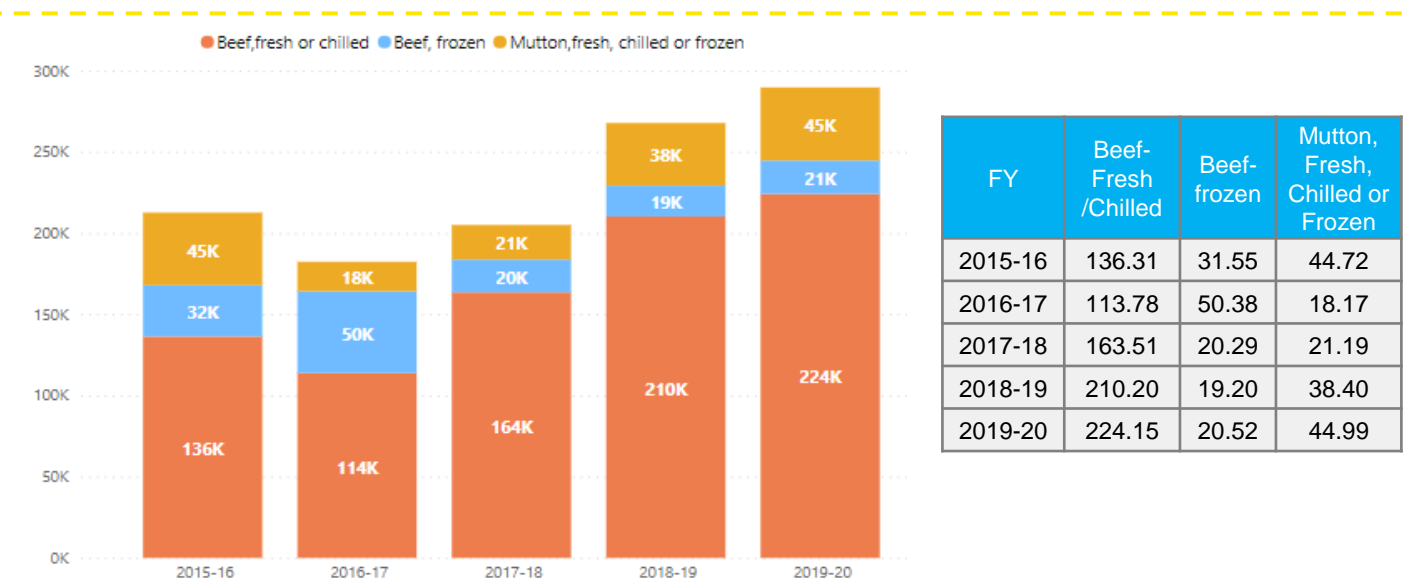
Balochistan has extraordinary natural capabilities with variety of livestock breeds, pastures and suitable environment creating opportunity for investment in Halal meat value chain to cater the growing demand.⁹

Global Export Destinations for Pakistan's Meat



Major exports of Pakistan consist of meat of bovine animals, sheep and goat. Export destinations include UAE, Saudi Arabia, Kuwait, Afghanistan, Qatar, Bahrain, Hong Kong, Oman and Vietnam.¹⁵

Types of Meat Exported by Pakistan FY2016-20 (Amount in 'million' USD)

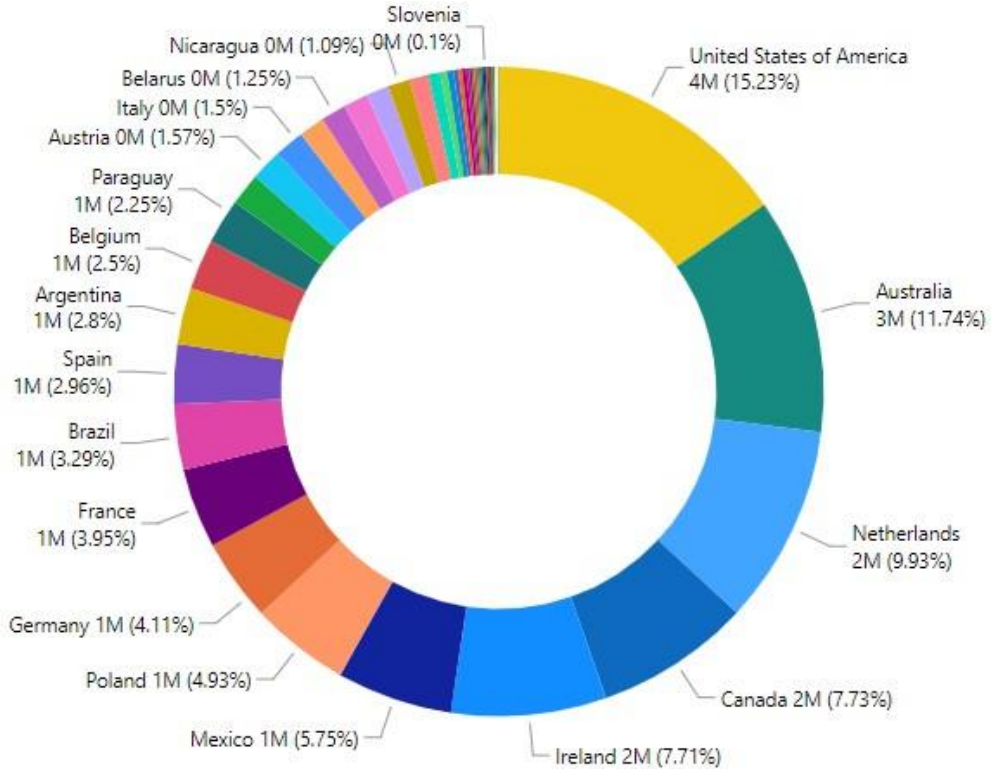


Pakistan is witnessing significant growth in its exports especially in chilled meat category. However in case of frozen meat category the overall trend is not as promising, providing huge opportunity to Pakistani exporters for tapping this segment.¹⁵

Livestock Sector in Balochistan



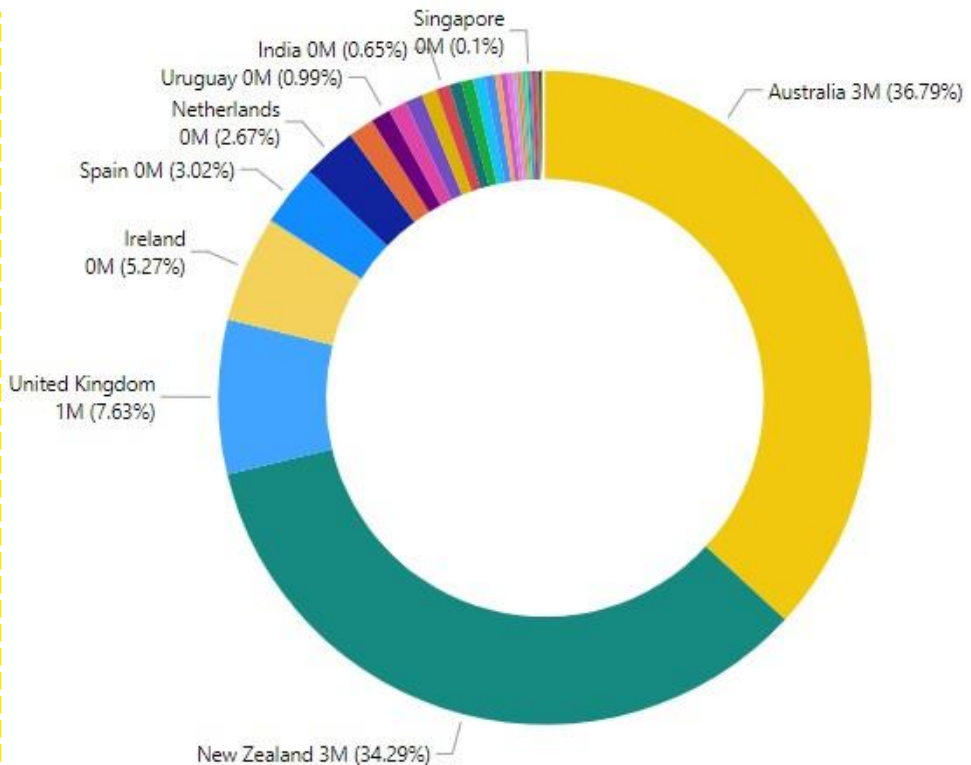
Chilled Bovine Meat Exporting Countries in FY 2020



Value of global exports of chilled bovine meat is **USD 23.3 billion** and **USA, Australia & New Zealand** are the top three exporters.

Pakistan's share in the global exports for this category is **USD 224 million**.¹⁵

Meat of Sheep / Goat Exporting Countries FY 2020



Value of global exports of meat of sheep/goat is **USD 7.4 billion** and **Australia, New Zealand & UK** are the top three exporters.¹⁵

In Balochistan presence of 32 million sheep & goats along with contribution of **27%** in national production of Mutton make the province at comparative advantage for making investment in the area to increase the share in exports for Pakistan.



Balochistan Livestock Policy and Strategy 2020-30

The government of Balochistan acknowledged the importance of livestock sector for development of the province particularly rural community's socio-economic development. Therefore, the Government of Balochistan has launched "The Balochistan Livestock Policy and Strategy 2020-30" as a stepping stone towards growth, prosperity and wellbeing of all the livestock value chain stakeholders. The policy can be summarized into six following Outcomes:⁴

- ❑ **Sustainable rangelands productivity:** by introducing better community based rangelands management and grazing practices.⁴
- ❑ **Innovation and technology:** in the areas of innovation breeding, disease management, husbandry and resource efficiency supplemented with enhanced skills of farmers and better access to information.⁴
- ❑ **Private sector investments:** through informed investment decisions of investors in profitable input service, value addition and processing infrastructure.⁴
- ❑ **Access to diversified markets:** through identification of requirements and roadmap for compliance with food quality and safety standard requirements of targeted international markets.⁴
- ❑ **Access to credit:** though engaging the State Bank of Pakistan (SBP) and other commercial banks to launch innovative financial products for livestock sector in Balochistan.
- ❑ **Enabling environment and government services for growth:** through removing market distortions, bringing policy reforms and reforming the livestock & dairy development department as a facilitator for the sector development, investment attraction and partnering with private sector/ communities/ farmer associations.⁴

It is estimated that the successful implementation of the interventions through Balochistan Livestock Policy and Strategy can improve the livestock household income by 50% over the next 10 years and potential to generate over Rs. 100 billion for the province.



Balochistan Board of Investment and Trade (BBotT):

Focused towards **facilitating and guiding investors** in order to help realize Balochistan's maximum potential. Houses a specialized wing dealing in the livestock sector of Balochistan.

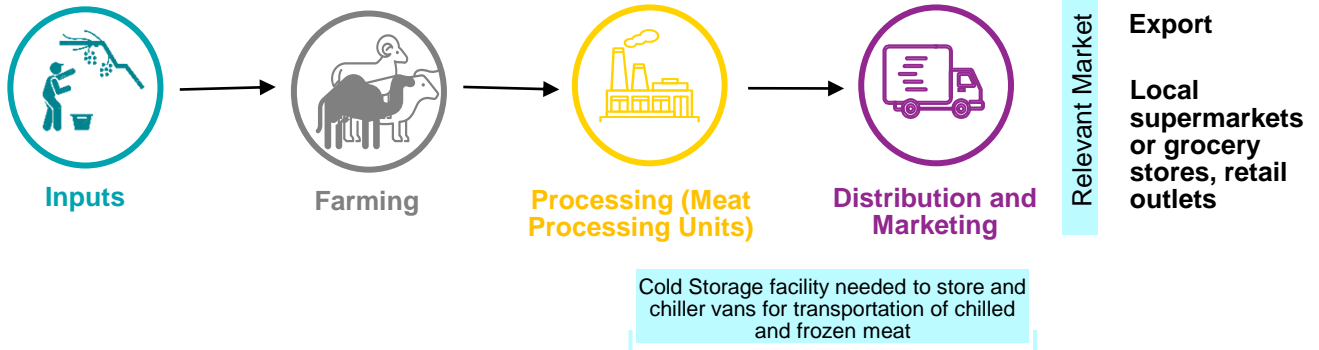
[Contact Us – Board of Investment & Trade \(bboit.gob.pk\)](http://bboit.gob.pk)

Glimpse of successful interventions in the past

Increase in household income by USD 700,000 for 931 households in 2018, through Improved livestock fattening and marketing for Eid Festival and other markets.

Reduction in mortality of sheep & goats by 10% for 242 farmers through improved para-vet services for disease and parasite management.

High Level Value Chain – Meat



Meat Value Chain in Balochistan Context

Inputs

This process mainly involves breeds of meat animals, their feed and availability of veterinary services (medicine, vaccination and artificial insemination). Balochistan is blessed with excellent climate suitable for livestock, rich pastures and unique livestock breeds. Balochistan's livestock has become accustomed to living in harsh climate of the province.^{9,12 & 13}

Around 90% area (nearly 35 million hector) of the largest province of Pakistan is consists of range lands capable to support the feeding needs of large number of animals. In Balochistan Livestock Policy and Strategy 2020-30, the government focuses on the initiatives for community management and ownership of rangelands for sustainability. The availability of veterinary services paves the way for the organic and native breed to grow in the province of Balochistan.⁹

Civil Veterinary Hospitals, ¹³

110

Civil Veterinary Dispenseries, ¹³

841

Artificial Insemination, ¹³

25

Disease Investigation ¹³ Labs, 7

Govt. Dairy Farms, ¹³

18

Despite the significant presence of livestock, suitable climate and abundance of rangelands there lies a big potential for improvement with regards to properly managed rangelands, availability of better quality animal feed and procurement, selection and management of meat production livestock.¹²

Production

This process mostly deals with breeding of animals and their rearing. Animal breeding is mainly focused on reproduction of livestock through natural & scientific manner (artificial insemination) and rearing is mostly directed towards moving the livestock from the breeding farm to an environment where they are fed with high protein feed and fattened for further sale in the open market or to meat processing units.¹²

In the formal setting the production is supported by backgrounding facilities and feedlot farms. During backgrounding, an animal develops its muscle and frame with little fattening. Animals are subsequently sold or transferred to feedlot farms, which have the capability of doubling the weight of an animal in an average of three months.⁶

In Balochistan, the livestock production is hugely heterogeneous and being driven by one million smallholder households and herder families. Producers responsible for breeding & rearing of animals mostly sell their animals as per their needs, but not for the commercial purpose. Such sale transaction is usually facilitated by the village middleman and body score of the animals depend upon the rangeland conditions. In case of poor rangeland conditions, animals with weak body score are sold as soon as possible generating very little revenue in return. However, if rangeland conditions are good, then animals are kept for longer period to gain weight before they are sold to Markets or Pirrhi which are held on daily basis. Animals are usually sold on hoof and just by visual examination, but not on the basis of weight using weight machine.¹²

Value Chain (Cont'd)

Meat Value Chain in Balochistan Context (Cont'd)

Processing

In established setups, meat processing is carried out by the companies which focus on slaughtering, processing, packaging and distribution of meat from livestock. In Pakistan, processing of meat can be categorized into two broad categories as meat processed by butchers and meat processed by recognized meat processing units (slaughterhouses). Meat processing units process the meat for export and supply to retail stores including company operated retail outlets/ supermarkets. Butchers are found in urban as well as rural areas of Pakistan. They buy the animals from open market and sell the meat to end consumers including a small portion of the meat to food suppliers, hotels and restaurants. Meat is processed in the form of carcass, cut with bone or boneless.⁵

Pakistan being owner of the 7th largest cattle population in the world has only 34 registered meat processing units with the capacity and technology of processing the meat properly. All these registered units are mainly in three urban cities – Karachi (Sindh), Lahore (Punjab) and Peshawar (KPK) with none located in Balochistan province despite being contributor of 20% of national Livestock with suitable topographic conditions.¹⁰

In registered meat processing units, animals are brought from the open cattle markets or far flung rural areas and culled within few hours of arrival. Majority of the units do not have supplemental lairage required to hold and de-stress the animals before slaughter. However, the global practices recommend supplemental lairage facilities to hold and de-stress the animals before slaughter.⁶

In 2019, Pakistan's export of Bovine meat included 89% chilled and only 11% frozen meat. Improvements in meat processing capabilities will enable the country to grab the fair share in international frozen meat market.⁵

In order to exploit the export potential, development of mechanical meat processing units in Balochistan is vital for better defined procedures, elimination of human errors, achieve economies of scale and improve hygiene standards. Government of Balochistan is intended to promote the livestock sector in the province as evidenced from the proposal to establish five dairy development and meat production parks at Hazaganji, Achozai, Pishin, Bela and Sibi and a Foot & Mouth Disease (FMD) free zone spreading over 700 acres at Mirani Dam.^{5 & 13}

Distribution and Marketing

Butcher sold the meat in the wet form within same day to end customers/consumers. However, carcass cut into standard pieces sold mostly to retailer from recognized meat processing units who further sell it to local population mostly in wet form in the same day. Demand of such meat is always high due to prevalence of perception relating to freshness. Some quantity of the meat is also sold to wholesalers in packaged form who have the capacity to maintain the temperature necessary for meat suitability. Some quantity of the meat is also sold to big hotel chains and restaurants.^{5 & 11}

For exports, chilled meat is maintained in low temperature and is vacuum packed helping in delay the fat oxidation process which inhibits the reproduction of microorganisms. Well packed and preserved meat in chilled conditions can be stored for up to 21 days. In case of frozen meat, the carcasses protected with plastic film under jute or fabric cloth are cut within four hours. These meat cuts are stored in the plastic films or vacuum packed bags. Frozen meat stored at -18°C remains usable for 12 months.⁶

Meat is transported to nearby airports in chiller trucks for dispatch to its destination countries via air. Pakistan has recently acquired specialized containers which have the ability to maintain freshness of the meat during transport via sea to near by countries.⁶

Currently in Balochistan, facilities like storing, packaging and logistics are not available at any level due to which meat cannot be stored for longer period of time and sold on the day of slaughtered. Even in case inter provincial movement, the meat is transported only if the destination city is located near to Balochistan. Mostly live animals are transported from Balochistan to the other provinces and meat is processed and packaged in the destination provinces.¹⁰

Why to invest in Livestock Sector of Balochistan?

01

Sector Growth Potential

Pakistan's exports of halal meat and meat preparations were stood USD 333 million during fiscal year 2020-21 and these are expected to reach USD 500 million during the fiscal year 2021-22 as Jordan and Indonesia allowed the access to Pakistan's halal meat. Similarly, Malaysia has started to approve Pakistan based meat exporting companies which will ultimately increase the demand of Pakistan based halal meat. Locally with the growth of middle class population, the demand for meat is always on the rise.⁷

02

Government Initiatives /Support

Government of Balochistan intends to promote the livestock sector in the province as evidenced from the proposal to establish five dairy development and meat production parks at Hazaganji, Achozai, Pishin, Bela and Sibi and a Foot & Mouth Disease (FMD) free zone spreading over 700 acres at Mirani Dam. The Government of Balochistan has launched its first ever Livestock Policy and Strategy 2020-30 for growth of the sector in the province.^{4,13}

03

Availability of Raw Material

Balochistan has been bestowed with 21 million hectares of rangelands despite arid and semi-arid climate. Further, well adapted unique/indigenous breeds of large number of sheep and cattle enable the area to produce significant results with marginal increase in inputs. Furthermore, as most of the livestock is depends upon rangelands, organic development of meat of such indigenous breeds is distinct in its taste and tender fiber and is preferred over the other breeds of the country.^{9,12}

04

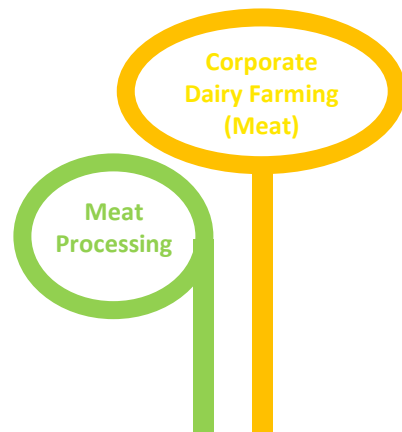
Geo-strategic Location, Provincial Infrastructure and Suitable Climate & Topography

Balochistan's geostrategic location provides it access to local and global markets in Middle East through coastal belt, Central Asian States through border with Afghanistan and South Asian countries and Europe through Pak-Iran border. Infrastructure: 3 major international airports, 5,000 km highway network, 1,000 Km railway network. The excellent climate and rich pastures making it suitable for a livestock development.⁹

Areas to Invest

Balochistan is mainly an agro-based economy with agricultural contribution of 26% to the provincial GDP. 50% of the agriculture GDP is contributed by the livestock sector. Therefore the development of livestock is vital for the development of province and wellbeing of people. Rural household represent 80% of the provincial population and 75% of them depend upon livestock for some or all of their subsistence. The key investment areas identified in the value chain include:^{1,2}

1. Corporate dairy farming for meat production
2. Meat processing



Top Areas to Invest



Area to Invest

Corporate Dairy Farming



Corporate / organized farming of livestock production generally refers to a modern type of animal husbandry wherein densely populated groups of animals are confined to cages, barns or feedlots and are raised for meat and dairy as the main source of food.

In 2017, the world's beef production was 70 million tonnes obtained from 331 million animals with an average carcass size of 212 kg that is around 35% higher than the average carcass size in Pakistan.¹¹

Pakistan contributes around 3.6% in the animal population of the world (buffalo and cattle) that are slaughtered every year, while Pakistan's contribution in production is only 2.7% because



40 Million
Balochistan total Livestock Population



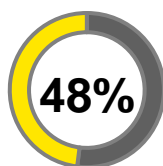
44% Land area⁹
93% Range Land



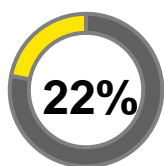
Major consumer
-Slaughterhouse/ Butcher

of low weight of carcass. Globally, the countries export around 9% of their production while Pakistan's exports around 0.2% of its production. Major reasons for these differences as compared to leading countries are:⁵

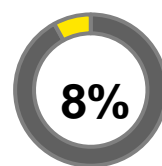
- Almost 85% of total bovine animals are owned by households with ten or less animals and are fragmented across different parts of rural Pakistan. Producers who are mostly small landowners or landless shepherds raise their animals on freely available graze land and the conditions of such graze land determines the body score of the livestock which ultimately determines their value;⁵
- There has been a little focus by livestock farmers on rearing the animal for meat production and spent animals, who stop producing the milk have been used for meat production;¹¹
- Emphasis is placed on rearing female calves due to their economic utility in dairy production and a limited number of bulls are reared for meat production. Male calves are weaned off the mother's milk upon birth resulting into development of illness and they remain weak;⁵
- Livestock-production system is mostly based on mixed crop-livestock farming. Where market oriented small-holdings, rural commercial and peri-urban dairy farms rear cattle and buffaloes for subsistence and meat is instead only a by product. Further, the small holders do not pursue the high meat yielding breed leading to low meat productivity; and ^{6,17}
- Animals are sold and purchased through middleman without official channels, which creates lack of traceability of livestock regarding their birth, vaccination and genetic history making Pakistan's bovine meat non-complaint in high-end markets that require animal traceability.¹²



Balochistan's contribution to Overall Sheep in Pakistan³



Balochistan's contribution to Overall Goat in Pakistan³



Balochistan's contribution to Overall Cattle in Pakistan³

In Pakistan, particularly in Balochistan, aggregation of animals in the form of dedicated farms with the focus on meat production through conducive environment, feed management and traceability of records is vital for volumetric increase in export of meat. Currently, most of the meat processors or butchers procure the animals from open market facilitated by the middlemen who usually finance the households to procure the animals from farmers and transport these animals to designated open markets. The inherent flaw in the middleman system is lacking of documentation and traceability of animals with regards to breed, vaccination record, deworming and other history.

Balochistan being largest province having 44% land mass of Pakistan which is mostly covered with rangelands, blessed with unique/ indigenous breeds of large number of sheep and cattle livestock with high provincial and national demand making it ideal place for corporate farming.

Investment Potential in Corporate Dairy Farming - Value Chain



Breeding Farm

Genetic, conducive environment, feed management



Backgrounding Farm

Conducive environment, feed management upto certain age, vaccination



Feedlot Farm

Conducive environment, feed management for fattening, vaccination



Marketing & Distributing

Meat processing units, open market, butcher, Eid festival

Backgrounding Farms

There are only few feedlot farms in Pakistan and they used to procure their animals from open market due to lack of backgrounding facilities in the country. Backgrounding farm is an important element of value chain that provides the feedlot farms with reliable animals supply for fattening.⁵

Backgrounding farms are important for weaning the calves to pastures for suitable age, completion of vaccination activities to prevent from diseases, completion of deworming activities and identification of unsuitable or low quality calves from the herd. It enables the calves to develop their body frame with little fattening for input into feedlot fattening farm.⁵

Balochistan's suitable climate, availability of indigenous breed and availability of rangelands making it suitable for investment in backgrounding farms to obtain maximum benefits of the resources.

Corporate/ Feedlot Farms

Investment in corporate / organized farming of livestock will provide a solution to various issues faced by the Pakistan in accessing and competing in the international markets. A well established corporate farm will ensure not only the proper documentation regarding the animal but also make sure that only such animals are included in the herd which fulfills the requisite criteria with respect to breed, vaccination, health and potential growth in meat production. Such documentation will assist in traceability of animals and controlled environment will help to prevent the animal against diseases including FMD, hence will open up several international markets which are otherwise inaccessible by Pakistan.⁵

It will enable the meat processing units to establish contracts with these farms for supply of animals against predetermined prices, weight of the animals and desired quality of the meat.^{5,6}

Government of Balochistan has recently proposed an intervention to establish a beef park at Beef Production and Research Center, Sibi starting with 50 Bhagnari and 50 Nari Master breed animals. The project also includes the establishment of meat processing unit of 200 animals capacity per day.¹³

Area to Invest

Meat Processing



Meat processing at large scale is carried out by the companies which specialize in slaughtering, processing, packaging, and distribution of meat.

The global bovine meat market was valued at USD 52 billion in 2019 that registered the CAGR 7.9% since 2001 and likely to continue the same trend in future. Consumption of meat in developing countries will increase in future as rising income levels will result into increase in propensity to consume more meat.⁶

Pakistan with 7th largest cattle inventory in the world has only 34 registered slaughterhouses with none located in Balochistan despite being with 40 million livestock population and suitable topographic conditions.^{5,13}

40 Million ⁷
Balochistan total Livestock Population

28,000 Tons beef **204,000 Tons mutton** ⁸

Major consumer
-Individuals, food processors
-Exports

Pakistan's share of global bovine meat market stands only 0.44% as compared to total market of USD 52 billion.⁹

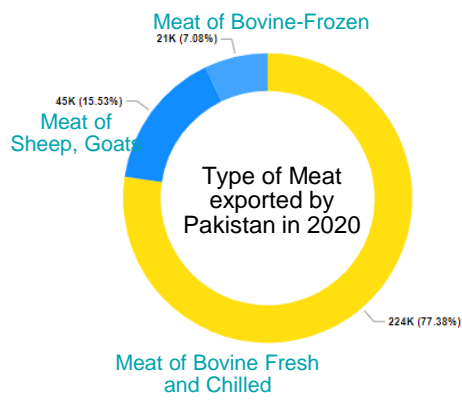
Major exports of Pakistan consists of meat of bovine animals, sheep and goat. Meat is exported to UAE, Saudi Arabia, Kuwait, Afghanistan, Qatar, Bahrain, Hong Kong, Oman and Vietnam. Majority of the exports of meat are to GCC countries with minimal share of other regional countries such as Vietnam and Afghanistan. Over half of the imports by GCC countries in chilled bovine carcass and bone in cuts categories is catered by Pakistan. However, Pakistan's share in imports of chilled boneless category by GCC countries is negligible despite the fact that the category contributed over 50% of chilled category of bovine meat imports. There lies a tremendous opportunity of investment to cater the untapped portion. ⁶



USD 224 million¹⁵

Pakistan's Chilled Bovine Meat Export in FY 2020

Pakistan's contribution to the global export of chilled bovine meat is quit low for a country with the ownership of 7th largest cattle population. During FY 2020, USA (USD 3.55 billion), Australia (USD 2.74 billion) and Netherlands (USD 2.31 billion) were ranked at top 3 exporters. This reflects that Pakistan has not achieved its export potential yet. One of the reasons is Pakistan's absence of declaration as foot and mouth disease (FMD) free country which restricts its exports to 8 countries only and act as major impediment of access to developed markets. Pakistan can increase its exports by applying appropriate measures to control FMD such as establishment of FMD free zones and installation of heat treatment facility to remove FMD virus from meat.⁵



Major share of Pakistan's meat exports is comprised of chilled bovine meat, chilled or frozen mutton and frozen bovine meat.



Despite the size of livestock population in Pakistan, it is facing the issues of low yield. The yield gap between the top three global bovine meat exporting countries and Pakistan is 102 kilograms per animal.



USD 1 million

Pakistan's Frozen Bovine Meat Import in FY 2020

Despite being owner of the large population of the livestock, Pakistan is also importing frozen bovine meat from other countries and majority of the **imports are from UAE and Australia**. Which represents an untapped opportunity in domestic market.

Meat Processing (Cont'd)

Meat Processing Facilities

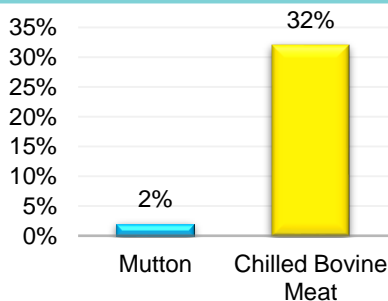
To lock the potential opportunities in international market and untapped areas of domestic market, investments in meat processing units such slaughterhouse/abattoir can be made.^{5,13}

Balochistan province can be an ideal location considering its geostrategic location and livestock population in the province. Unfortunately, Balochistan despite being owner of 20% livestock population of the country does not have any registered meat processing unit (slaughterhouse).⁹

The province is blessed with conducive environment of livestock grazing, unique breeds well adapted to harsh conditions of Balochistan, large population of sheep and goats, abundance of labor connected with the livestock, rapidly developing infrastructure due to CPEC and conveniently access to large nearby consumer markets, making the Balochistan at comparative advantage for these investments.

In Balochistan, almost all the animals rely on rangelands for acquiring their nutritional needs which gives unique taste to their highly sought meat as compared to the other breeds in Pakistan. Introduction of modern interventions will work as a fresh blood for this sector for not only to serve as a protein source and food security for the people of Pakistan but it can also help the country to explore the potential of untapped areas in the international markets.^{9,13}

Pakistan's share in UAE's Imports



Meat processing of sheep and goats

Export of mutton constitute 14.5% of total meat exports of Pakistan. China, USA, UK, Germany, France and UAE are amongst the top importer of the mutton. Pakistan has no share in China's import of mutton and Pakistan's share in UAE's import was 2% in 2019 as compared to 32% in case of chilled bovine meat category.¹⁵

Therefore, there lies a tremendous opportunity in meat processing of sheep and goats as Balochistan has 32 million sheep and goats herd. By making dedicated efforts, export of mutton can be increased significantly to earn the foreign exchange.⁹

Recent Wins

As mentioned earlier, the majority of the exports of meat by Pakistan is to GCC countries and there is a huge potential for increase in export income through meat. It is evident that the demand for Pakistan based meat is increasing as Egyptian Veterinary Authority has recently approved ten Pakistan based meat processing units for export of meat to Egypt. These meat processing units include P.K Livestock & Meat Company (Pvt) Limited, TATA Best Food Limited, Fauji Meat Limited, Al Shaheer Corporation Limited, The Organic Meat Company (Pvt) Limited, Tazij Meat & Food, Abedin International Abattoirs (Pvt) Limited and Zenith Associates.⁶

Similarly, Jordan has approved three Pakistan based meat processing units for export and Department of veterinary Sciences, Malaysia & Department of Islamic Development, Malaysia have approved two Pakistan based meat processing Units.²⁰

China has approved The Organic Meat Company (Pvt) Limited for export to China as the company has installed heat treatment facility to remove FMD viruses from meat with capacity to treat 300 tonnes per month.¹⁸



Public Private Partnership (PPP) Initiatives of Government of Balochistan

Livestock Development Projects

General ¹³

- Improving management of rangelands for efficient utilization for feeding sheep, goats and camels.
- Improved veterinary clinics for better service delivery to communities along with strengthening and modernization of disease investigation laboratories network and disease surveillance.
- Establishment of FMD Free Zone at Mirani Dam (700 acres) which includes advance veterinary service center (hospital & labs) with introduction of vaccination program along with certificates.
- Development of non-conventional feed resources and new varieties of fodder/ grasses through establishment of feed production zone at Bhagnari Cattle Farm Usta Muhammad, & Hub/ Lasbella.
- Formation of (private) farmer marketing collectives for livestock; farmer association and cooperatives.

Small Ruminants and Bovine Animals ¹³

- Establishment of nucleus herds of sheep and goats breeds for large scale genetic improvement of small ruminants.
- Development of small ruminants production and processing zone at karakul sheep breeding farm Maslakh (36,000 acres) and multipurpose sheep research station Yet-Abad (17,600 acres) for goat and sheep farming along with modern meat processing facilities.
- Beef park at beef production research station at Sibi.
- Establishment of model livestock market at Rakhni. (Pilot Project)
- Quetta dairy & meat city at Chiltan Hazarganji. (1000 acres)
- Modern slaughterhouse & meat processing/ packing unit For export of meet at Zhob and Hub.

Impact of China Pakistan Economic Corridor



Infrastructural projects and trade routes developed under CPEC will significantly impact the livestock sector



Improved trade with China

1

China though one of largest meat importer is still inaccessible by Pakistan due to some sectoral issues/ impediment such as absence of disease free certificates & lack of fulfilment of traceability requirements.^{5,6} Construction of trade routes under CPEC will make access to the neighboring country far easier for Pakistan and it can grab the fair share of the market just by resolving sectoral issues.

Significantly slashed transportation cost and secure supply chain would facilitate and encourage increased trade between the two countries.⁹

Increased domestic activities

2

Various infrastructural projects being developed under the banner of CPEC will attract the population in the province as a result of industrialization that will likely to have following impact:¹³

- Increased demand for livestock domestically for consumption as the result of increased commercial activities due to establishment of new businesses around the area.
- The communities living along the routes would be able to produce and sell livestock to a much larger segment of consumers.

Infrastructural projects as facilitators for the sector

3

Current and planned CPEC investments will improve connectivity throughout the Balochistan that will allow the improved delivery of inputs with increased access to currently important provincial and national markets, as well as the future potential international markets (China and the Middle-East). Further, establishment of special economic zones will focus on better meat processing and marketing facilities leading to increased production and export of meat.⁹



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