



COUNTRY STATS

POPULATION (2022):

224 million (Urbanization 37%)

GDP (2022):

\$383 billion

AVG. ECONOMIC GROWTH

(2016- 2022): 3.5%

PER CAPITA INCOME (2022):

USD 1,798

COUNTRY SNAPSHOT:

PAKISTAN

Pakistan is the world's 5th most populous country and agriculture remains a core pillar of economic growth and development. In 2022, soybean imports were pegged at 2.5 million tons and crossed the \$1 billion threshold. After seeing several years of growth, the poultry sector has recently stagnated, following the COVID-19 pandemic as consumption fell due to lockdowns and closures of the hospitality sector. The poultry industry started to rebound and eventually observed a growth of 7.5% YOY in first 10 months of 2022. However, a severe economic crisis highlighted by a shortage of U.S. dollars and the central government banning the imports of GMOs have led to a marked contraction.

U.S. Soy started collaboration with Pakistan in 1996. Regular imports started in 2015-16, and since then, Pakistan has imported 6.6 MMT of soybeans from the U.S.

MARKET STATS

- CY 2022 soybean imports stood at 1.9 million tons.
- Approximately 650,000 tons from the U.S. - 32% share.
- Ban on GMO soybean imports in October reduced the share of U.S. Soybeans.
- 100% soybean meal is used as feed and soybean oil is used for human consumption.
- Soybean meal is predominately used in the poultry sector.
- 1.6 MMT of soybean meal used in poultry.
- 350,000 MT in dairy sector.
- Small quantity is used in aquaculture and pet food.

STRENGTHS

- Poultry industry recognizes U.S. Soy's superior quality.
- Pakistan recently imported its first cargo of Sustainable U.S. Soy Sustainability Assurance Protocol (SSAP) verified soybeans.
- Importers are reporting an increased requirement of SSAPs by multinational companies to provide proof of sustainability in their supply chain, particularly in their vegetable oils.
- USSEC is expanding outreach to potential end-users representing mid-size companies after previously focusing on the largest poultry, livestock and aquaculture companies.
- First soy-milk factory was established in Islamabad, Pakistan, in 2022.

OPPORTUNITIES

- Poultry, livestock and aquaculture sub sectors are fundamental to Pakistan.
- More than 40% of the population suffers from protein deficiency, and increasing the proportion of protein consumption in Pakistan's youth provides an opportunity for expansion.
- Being the 4th largest milk producer in the world at an annual production of 65 MMT, the commercial dairy industry is an untapped market and has potential for immense growth.

CHALLENGES

- A deeply price sensitive market where the U.S. has unfavorable freight advantages relative to South America. Freight spreads are at a disadvantage for U.S. Gulf origin by about 7 days.
- Requirement for fumigation of methyl bromide, for various reasons, coupled with a zero-pest tolerance, resulting in added and unnecessary time and cost.
- The Minister of Food has publicly issued warnings against consuming chickens that are fed GMO soybeans.
- There has been a decline in overall imports due to the shortage of forex funds and high inflation rate.
- Unstable political and economic situation leading to high inflation and declining purchasing power.
- Unreliable and expensive supply of energy and fuel.

