

Pakistan's Sea food industry play major source of foreign exchange earnings

by Dr. Noor Ahmed Memon, Professor KASBIT

Abstract

The objective of this research paper is to evaluate exports of fish and fisheries products and their importance in the ground of Pakistan's economy. Pakistani seafood has a significant export potential. A widespread diversity of commercially valued products is available. The results showed exports of sea food tend to increase in most years but fluctuated during the past few years (2005-06 to 2009-10.). In 2011 exports of Pakistani fisheries products grew significantly in

volume about 155,671 tonnes and US\$ 369.46 million in value. Study has suggested that government and experienced authority of Pakistan should give serious attention in food safety of imported and exported fishery products and to manage export of fisheries products into real economic resources. It is expected that in the near future a number of processing establishments will be re-approved to gain better position in the international sea food exports market.

Keywords: Seafood; Fish products; Export; Economy; Karachi Harbour

Introduction

Seafood is a natural part of a balanced diet. It contains high levels of several important nutrients and thus helps maintain a good nutritional status, important for health. The World Health Organisation (WHO) has estimated that 80 % of cardiac infarctions, 90 % of diabetes type 2 and 30% of cancer occurrences could be prevented with better diets, regular physical activity and not smoking. In Europe, more than 70 % of the most important risk factors associated with non-communicable diseases are related to our diet. Eating fresh seafood once or twice a week can provide great health benefits to human health.

The fishery industry plays a significant role in Pakistan's national economy as a major source of employment and foreign exchange earnings. Pakistan has two fish-

ing seasons. The August to November season is for shrimp, which are mainly caught for exports. Fish are caught from October to June.

Fisheries contribute directly to food supplies, a source of livelihood for the coastal inhabitants, export earnings and boosting the economy. Fishery products are one of the most traded foods and feed commodities. A part from marine fisheries, inland fisheries (based in rivers, lakes, ponds, dams etc.) is also an important activity throughout the country. Fisheries share in GDP although very little but it adds substantially to the national income through export earnings.

During the year 2013-14 a total of 155,671 tonnes of sea food were exported earning US\$ 369.46 million compared to tonnes earning US\$ 317.65 million during last year, thus showing an increase of 16% in terms of value.

During the year 2013-14, total marine and inland fish production was estimated 590 thousand tonnes out of which 348 thousand tonnes was marine production and the remaining catch came from inland waters.

Literature Review

Fish and Fisheries products serves primary source of food which provide high quality protein. Over one billion people depend on fish as a food to get animal protein. (World Health Organization, 2012). Fish and fish products have a con-

Table 1: Fish Production (000 Tonnes)

Year	Total	Inland	Marine
2000	614.8	176.4	438.4
2001	629.6	178.6	451.0
2002	655.0	175.0	480.0
2003	562.0	161.1	400.9
2004	566.2	165.7	400.5
2005	572.8	186.2	386.6
2006	574.4	225.0	349.4
2007	572.6	230.0	342.6
2008	579.7	235.5	344.7
2009	577.2	238.5	338.7
2010	578.3	239.8	339.9
2011	579.5	240.1	339.4
2012	581.7	232.5	349.2
2013	590.3	242.0	348.3

Source: Agriculture Statistics of Pakistan.

temporary, healthy image (Tidwell, 2010).

Sea food fulfil requirement of protein, important vitamins, minerals and omega 3 fatty acids for a human body. Fish oil is suggested to reduce inflammation throughout the human body and to reduce Cholesterol. (Mogadashian, 2008), (Food Sc. And Nutrition). Fisheries products have great economic value. Pearlescence is a kind of ingredient found in fish scales that has been used in some lipsticks. (Cecil, 2000).

In Ireland and UK Cod (White fish) is the most demanding fish despite of the fact their production have largely decreased in Atlantic region they import Cod fish now a days (Featured Articles, 2011).

In India, 2013-14 the volume of fish and fish products exported was 9,83,756 tonnes worth Rs.30,213.26 crore as compared to 2009-10 (6,78,436 tonnes; Rs.10,048.53 crore). (Indo- Asian News, 2014).

According to a new report published by Transparency Market Research " Fish Oil Market for Aquaculture". Global market for fish oil was valued at US\$ 1.1 billion in 2011 and is expected to reach US\$ 1.7 billion in 2018, (Dublin, 2014).

Research Methodology

This paper has emphasized the situation of fish and fishery exports and their relation with economy growth. From the

Year	Value (US \$ 000)
2005-06	194,157
2006-07	188,320
2007-08	211,649
2008-09	233,692
2009-10	226,936
2010-11	296,182
2011-12	319,926
2012-13	317,6652
2013-14	369,458

Source: Trade Development Authority of Pakistan.

detailed reviews of many citations exports of fish and fish products could be an important part of Pakistan's economy which will directly impact on national income.

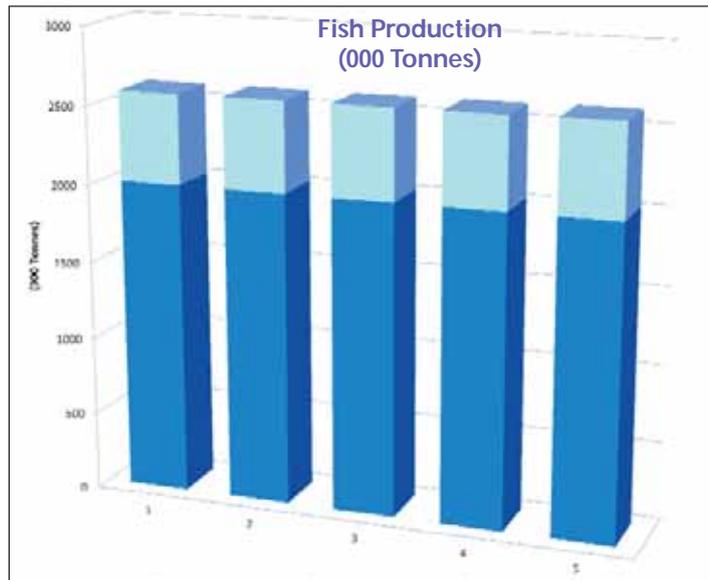
A broad literature review related to export of fish products was used to achieve the objective of this paper. Pakistan as a developing country has data-limited situations in fisheries. The information needed for this paper was collected from the concerned institution and some various related publications. Most of the data on export of Fish products of Pakistan was derived from secondary sources such as FAO Fishery and Aquaculture statistics. Fisheries Reports and publications or journals related to Fishery export in Pakistan.

Fish Harbours

The major fish harbours of Pakistan are Karachi Fisheries Harbour is being operated by Provincial government of Sindh. Karachi Fish Harbour handles about 90% of fish and seafood catch in Pakistan and 95% of fish and seafood exports from Pakistan. Korangi Fish Harbour is being managed by Federal Ministry of Food, Agriculture and Livestock. Pasni Fish Harbour being operated by Provincial government of Balochistan. Gwadar Fish Harbour being operated by Federal Ministry of Communication.

Production

Pakistan is rich both in the marine as well as inland fisheries resources. While marine fishing is done in the coastal areas of Sindh and Baluchistan, the inland resources consist of rivers, canals, lakes,



reservoirs, dhands, dhoras, sluices, water-logged areas and village ponds. Marine fisheries account for about 60% of the total production, including both fish and shrimps. Shrimps though account for only 15% of the production; yet, they are of much significance due mainly to their value and demand in foreign markets. As for inland fisheries, it forms 41% of the total production. Fish production increased from 566 thousand tonnes in 2004 to 590 thousand tonnes in 2013, thus showing an increase of only 4% per annum as given in Table-1.

Fish Processing Plants

A substantial quantity of fish is consumed locally. In addition, small pelagic and by-catch of trawl fishing is being used for production of fish meal. Remaining balance is exported in salted dried, frozen and chilled form.

There are 37 fish processing plants in Pakistan with the capacity to process 586 tonnes of fish and shrimp daily. Out of these, 27 plants are involved in production of frozen products, 2 in canning, and 8 for fishmeal processing.

Federal government provided intelligentsia and technical assistance to seafood establishments for improving their processing conditions in line with various EU / international standards. Through this process, establishments have already improved their conditions and were approve to export seafood to European Union countries.

Exports

Pakistan has enjoyed strong export performance in fish products over the past couple of decades. This performance has been aided by natural advantages for production resulting directly from the high fish production capabilities of Arabian Sea, existing void for the fishery products in the international markets, the private sector investment and to some extent their vigorous export management skills, and government provision and technical support of other international developing agencies. However, further rational organizational changes can help to continue export expansion for products which are currently competing mainly on the basis of low prices they are offering in the international markets.

Fish and fishery products are processed and exported to over 50 countries. About 30% – 35% of the fish and fishery products are exported to Vietnam, UAE, Thailand, China, Malaysia, Korea, Egypt and Saudi Arabia are other major importing countries. The export markets of Pakistan changed drastically in 200-2010. One of the main reasons for this change is the ban of Pakistani seafood products from the EU (European) market. Export of sea food increased from US\$ 226.94 million in 2009-10 to US\$ 369.46

million in 2013- 14, thus showing an average increase of 16% per annum. Export of sea food from Pakistan is given in Table-2.

The principal importing countries in 2013-14 were Vietnam, UAE, Thailand, China, Malaysia etc. Country-wise export of sea food from Pakistan is given in Table-3.

The European Union has allowed import of Pakistani fish products from March, 2013. These products were subject to a ban in EU since 2007. It has agreed to lift the ban as of March 12, and two of the Pakistani processors have been allowed to start exporting fish products to the region. The European Commission also recommend to the 27 member states for inclusion of two Pakistani companies in an approved list of third country establishments that are authorised to export fishery products.

Future Prospects

Pakistan is blessed with a wealth of fishery resources; however, these

Table 3: Country wise Export of Sea Food
Value: US\$ 000

Country	2013-14	2012-13	2011-12
Vietnam	91,802	75,347	89,337
UAE	52,489	35,567	38,291
Thailand	50,463	42,769	30,168
China	45,113	41,366	41,962
Malaysia	19,339	16,423	18,073
Korea	18,321	19,430	17,619
Egypt	16,096	13,569	17,495
Saudi Arabia	14,761	21,573	20,184
Kuwait	13,659	10,532	9,385
Indonesia	8,892	6,908	4,613
Hong Kong	6,097	8,340	8,799
Japan	6,602	3,368	4,911
Siri Lanka	4,437	4,239	3,585
Qatar	2,469	2,104	1,261
All Other	18,918	16,117	14,243
Total	369,458	317,652	319,926

Source: Trade Development Authority of Pakistan.

resources are still not being utilized according to their potential, which results in the under-developed fishery industry; the main causes are lack of institutional facilities, shortage of fish seed of cultural species, lack of basic knowledge of fish farm and capital to run new ventures. Despite sufficient production as well as export potential, the fisheries sub-sector, Pakistan has not been able to attain a sat-





isfactory growth rate. The world-wide shortage of animal protein has resulted in increased attention towards programs of aquatic resources.

Fish is one of the best aquatic animals that can help in supplementing the protein. During the past two decades, most countries (both developed and developing) have made steady progress towards increasing protein production from aquatic resources. This is resulting in an overall increase of harvest from water resources. Pakistan has vast inland water resources. The general characteristics of inland fisheries are dominated by the Indus River, which flows southwards from the mountains of Khyber Pakhtunkhwa, entering the Punjab province near Attock, and eventually falling into the Indian Ocean in the Sindh province. The Indus River is joined by four large rivers that flow through most of the Punjab province. An extensive canal system and inter-connecting water ways is a salient feature of this network throughout the inland heartland in Punjab and upper Sindh.

There is a substantial scope for fish production from aquaculture in private sector. For the mobilization of private sector important concessions, such as canal water supplies at reduced rates facility of bulldozers on subsidized agricultural rates, seed supplies at nominal

rates, tax holiday, and lease of government land for fish farming have been granted by the government.

Conclusion

Pakistan has a fish and seafood industry estimate worth \$1.2 billion. Exports alone are worth nearly \$370 million per annum. More than 0.8 million people rely directly or indirectly on the industry for their livelihood. The seafood industry is under threat from two sides, one is over fishing, which may reduce the resource base and hence the yields. The other is from poor quality control, which means that the value of the catch is not being maximized and much is going to waste. Poor quality was injurious to Pakistan's competitiveness in the world markets, since the standards demanded by the importing countries (notably EU and US) were not being maintained on vessels, at landing sites and auctions and in the processing units.

Despite being the popular dish, the per capita consumption of fish in Pakistan is the lowest in the world with only 2 kg per year compared to world average of 17 kg per year. A variety of fish is available in the market at affordable price. In Pakistan, fish is generally consumed during the winter season starting from October till April.

The major reason for the low consumption is stated to be the fact that most of the produce is exported. Fish catch in Pakistan is from marine sources, which is stated to be 60% of the total fish exports.

Pakistan exports fish mainly to Europe, US, Japan and Middle Eastern countries, accounting for only 0.25 % of world exports. Fish has always been recognized as a cheap source of animal protein. Countries with low per capita gross domestic product (GDP) tend to have a higher proportion of fish protein in their animal protein consumption. Although less developed countries are not the biggest consumers of fish, they are the most dependent on it.

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