COUNTRY STATEMENT OF PAKISTAN

75TH PLENARY MEETING OF ICAC

Cotton, a major cash crop of Pakistan, is considered the backbone of the national economy. It adds up to about 1.5% of GDP and 6.7% of total value addition in agriculture.

Pakistan is the fourth largest producer, third largest consumer and second largest exporter of cotton yarn in the world. Export of cotton and textile products is 60% of overall exports of the country. The current tariff policy is based on free trade and there are no restrictions on import or export of cotton.

Cotton is grown by 1.3 million farmers on over 3.1 million hectares of land which is 15% of the cultivable area of Pakistan with average production hovering around 12.7 million bales to 14 million bales per hectare. This is consumed largely by 521 textile mills in the country although a significant quantity of up to one million bales is also exported.

However, to meet the demand for extra long staple cotton, about two million bales are imported annually. During 2014-15, cotton production was recorded the highest ever in last decade at 13.96 million bales or 2.373 million tons against the target of 15.0 million bales weighing 170kg each.

However, in 2015-16 cotton production declined by 28% at 9.92 million bales or 1.686 million tons, mainly because of climate change, competition with other crops, lower market prices and outbreak of pinkbollworm.
Pakistan Central Cotton Committee (PCCC), the apex cotton research body of the country, is doing its due by releasing new Bt varieties within the set standards of fiber quality and National Coordinated Varietal Trials.

PCCC is catering to the cotton requirement of the industry, exporters and other stakeholders by dissemination of data, documentation of cotton trade, pricing and policies at national and international level and provision of technical support for planning of cotton policies at federal level.

Planning and coordination of cotton R&D programs among federal and provincial cotton research institutions is being strengthened to increase cotton production, improve yields per hectare, evolve disease resistant varieties, promote Bt cotton cultivation and improve overall quality of cotton. Above 1200 cotton ginning factories are in operation in Pakistan. The ginning industry operates in 80-120 saws type.

However, the majority of ginning factories have saw gins of 90 saw blades type. The production capacity of ginning industry in Pakistan ranges from 12 million bales to 35 million bales. The government is taking some serious steps to upgrade this sector of the industry.

Establishment of cotton standards through Pakistan Cotton Standard Institute (PCSI), and setting up of a Ginning Institute in public sector are positive steps. Pakistan exports about one million bales annually and competes neighboring countries in this regard. Although the cotton trade is dependent upon market forces, Ministry of Textile Industry supports exporters in regulatory framework in order to enhance cotton exports.

The future cotton policy envisages a number of strategies which include germplasm improvements, development of hybrid cotton, much improved and
better farm and crop management, bringing additional area under cultivation, especially in the provinces of Baluchistan and Khyber Pakhtunkha, and minimizing post-harvest losses.

Cultivation of organic cotton is also being encouraged, particularly in the virgin, fertile and pest-free lands of Baluchistan. Necessary legislative and regulatory frameworks have been strengthened. Seed Act has been amended and rules are being formulated. Plant Breeder’s Act has also been passed by the parliament of Pakistan.

National cotton research and development system is being streamlined with the involvement of all the key stakeholders to bring it at a par with international standards. The government is also encouraging multinational and national technology providers for introducing latest and effective insect protection technology.