

Snags in soybean marketing and demand projection in Pakistan

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There are many oilseed crops cultivated here and most of them are grown on small area. Rapeseed, mustard, sesame, linseed and castor are traditional oil crops, while sunflower and soybean non-traditional. Cotton-seed is the major source of edible oil and accounts for more than 70 per cent of the domestic production. Rapeseed and mustard contribute around 16-18 per cent and non-traditional oilseed crops accounted for only 5-8 per cent of the total production over the last two decades. Corn and rice bran are the other small sources of oil. Total production of edible oil is very little and a large quantity is imported. Both traditional and non-traditional oilseed crops contribute around one-fourth of the domestic requirements and nearly three-fourths of the local demand is met through imports. Import of edible oil was only 82,000 tons in 1970-71 which increased to 16,04,000 tons during 2005-06. A big chunk of foreign exchange is being spent every year on import of edible oils. This drain of foreign exchange was only Rs135 million in 1970-71 which increased to Rs44.212 million in 2005-06. Local production of oilseed accounted for 29 per cent of domestic requirements while 71 per cent was met through imports. Steadily increasing demand, meagre and fluctuating domestic production base and the increasing imports are the salient features of current edible oil situation.

The projected per capita consumption of edible oil by 2010 will be 15.5 kg per annum, while the population of the country will be 168 million. With these parameters, around 2.604 million tons of edible oil will be needed by 2010 to meet the requirements. Industrial use of 0.300 million tons of vegetable oil would bring the country's total requirements of vegetable oil to 2.904 million tons per year.

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