



PROMOTION OF OILSEED CULTIVATION IN PUNJAB

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OILSEED CROPS GROWN IN THE COUNTRY



Sunflower



Rapeseed/Mustard



Canola



Sesame



Maize



Safflower



Linseed



Cotton



Soybean



Peanuts



CURRENT SITUATION OF OILSEED CROPS



Edible Oil Requirement
(4.383 Million Tons)



Import Share
(3.906 Million Tons 89%)



Local Production
(0.477 Million Tons 11%)



Per Capita Consumption
18 kg/annum



Import bill
of ~USD
3.40billion



SHARE OF IMPORTED EDIBLE OILS & OILSEEDS IN DOMESTIC USE (2018-19)

SHARE OF IMPORTED EDIBLE OIL & OILSEEDS 2018-19

Oil	Quantity (MT)	Share (%) in imports	Share in total availability %
Oil from imported Oils			
Palm Oils	3.16	99	89%
Soybean Oil	0.014	0.4	
Other Oils	0.019	0.6	
Total (A)	3.194 (82%)		
Oil from Oilseeds			
Soybean	0.401	56	
Canola	0.31	44	
Sunflower	0.001	-	
Total (B)	0.712 (18%)		
Total (A+B)=C	3.906		

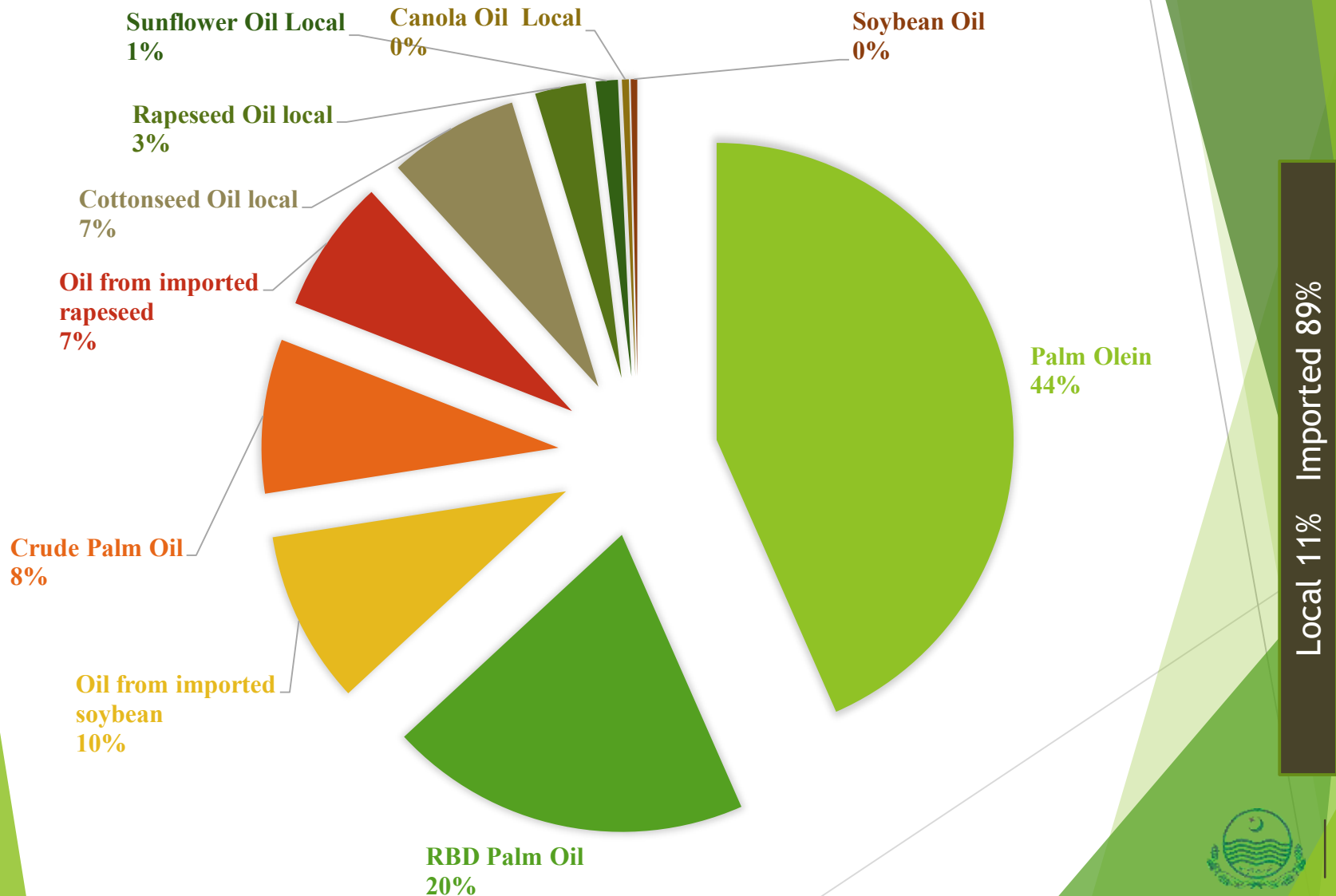


SHARE OF LOCAL OILSEEDS (2018-19)

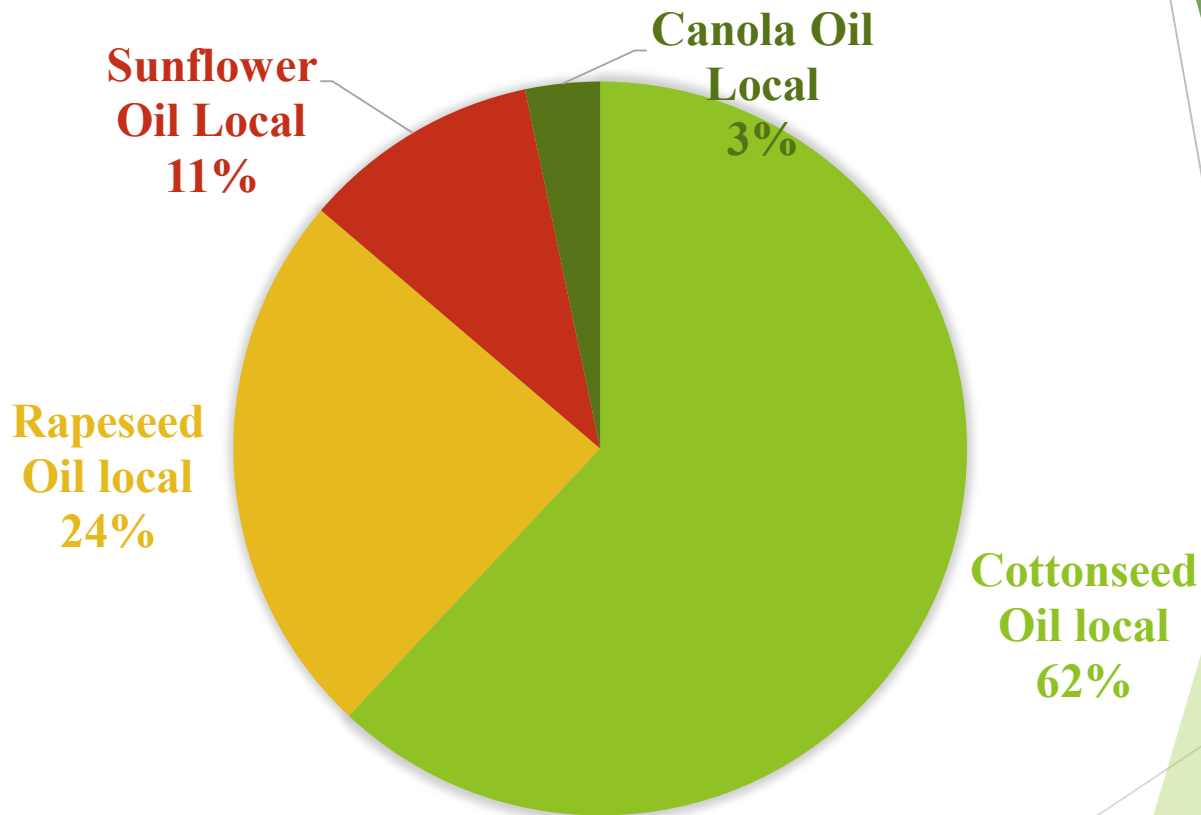
Crop	Quantity (MT)	Share in Local production(%)	Share in total availability
Cotton	0.302	63	11%
Rapeseed & Mustard	0.108	23	
Sunflower	0.051	11	
Canola	0.016	3	
Total (D)	0.477		
GRAND Total (C+D)	4.383		



SHARE OF EDIBLE OILS IN TOTAL AVAILABILITY (000 TONS) 2018-19



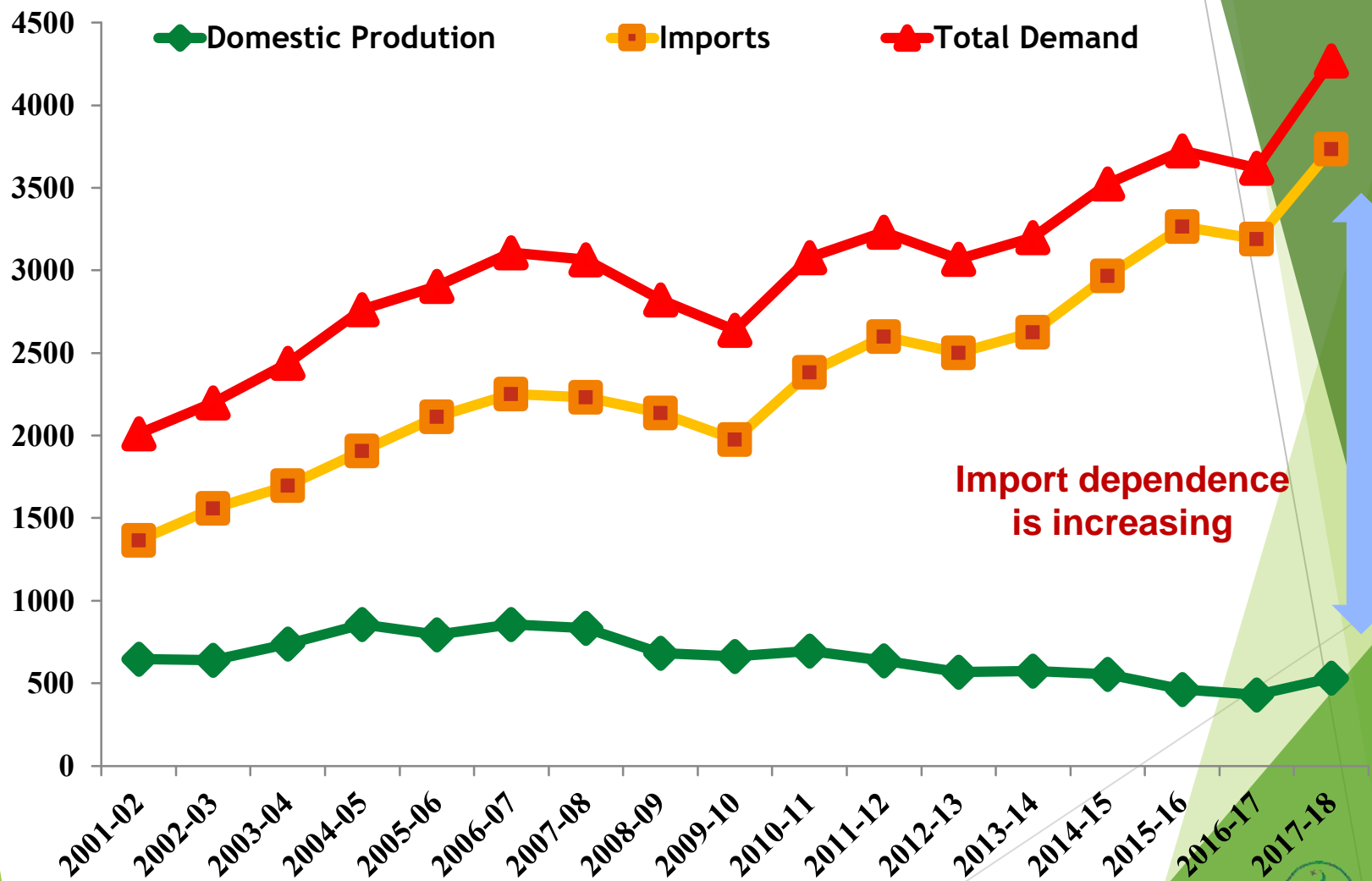
LOCALLY PRODUCED EDIBLE OILS (000 TONS)



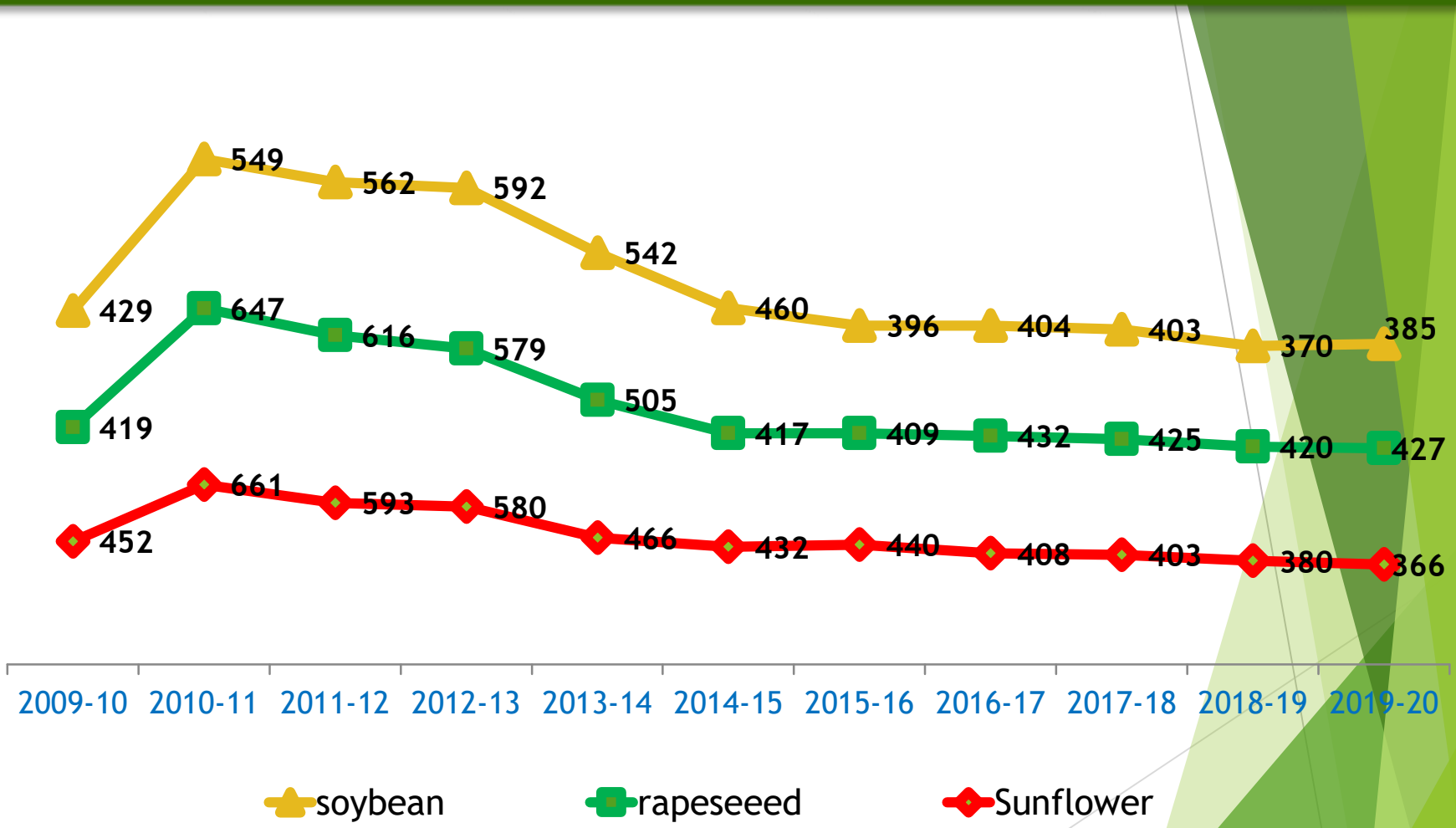
11% of Total Requirements in 2018-19



INCREASING DEMAND AND STATIC LOCAL PRODUCTION HAS MADE US DEPENDENT ON IMPORTING EDIBLE OILS

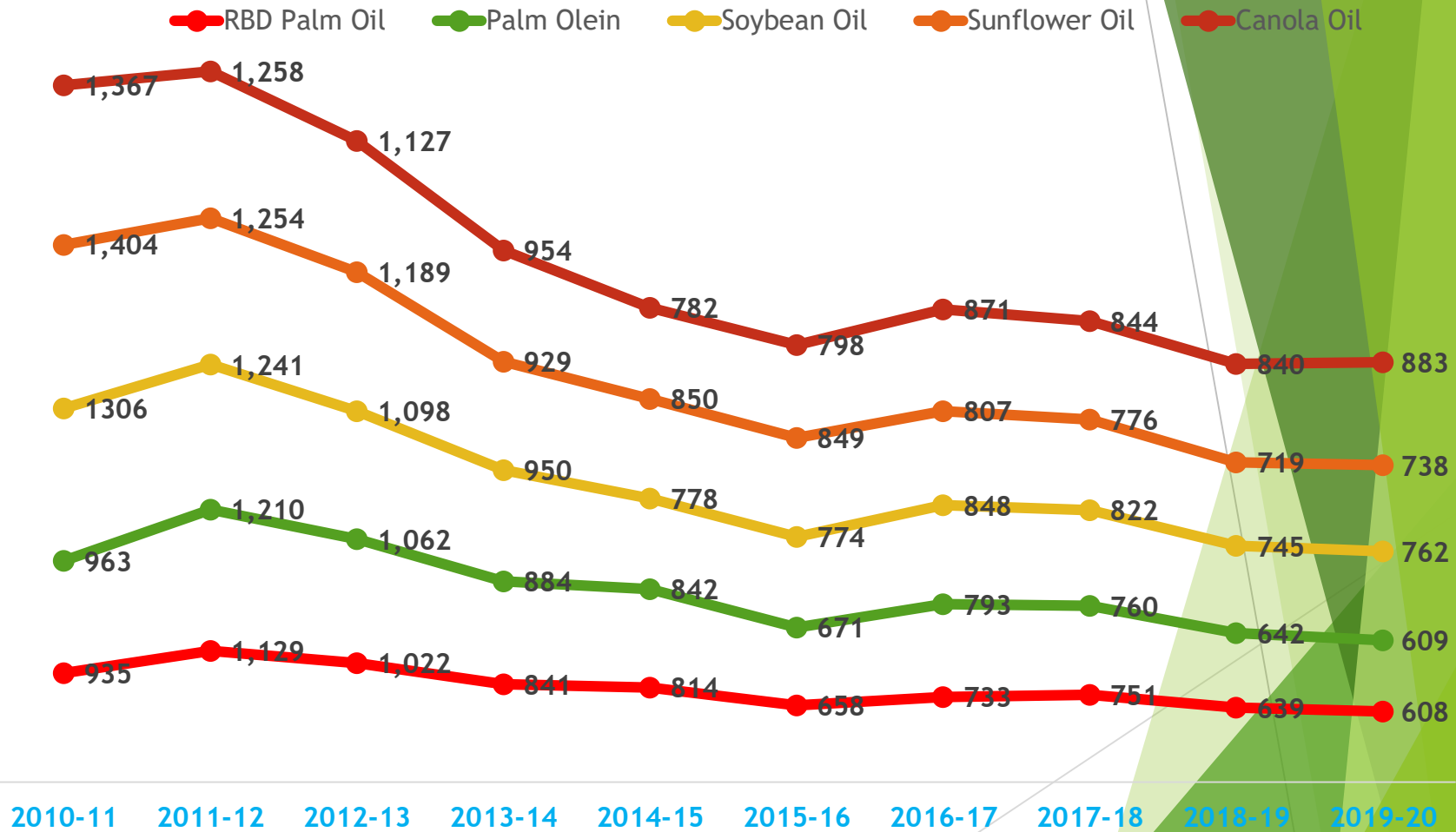


TREND OF INTERNATIONAL PRICES OF OILSEEDS DURING LAST 10 YEARS

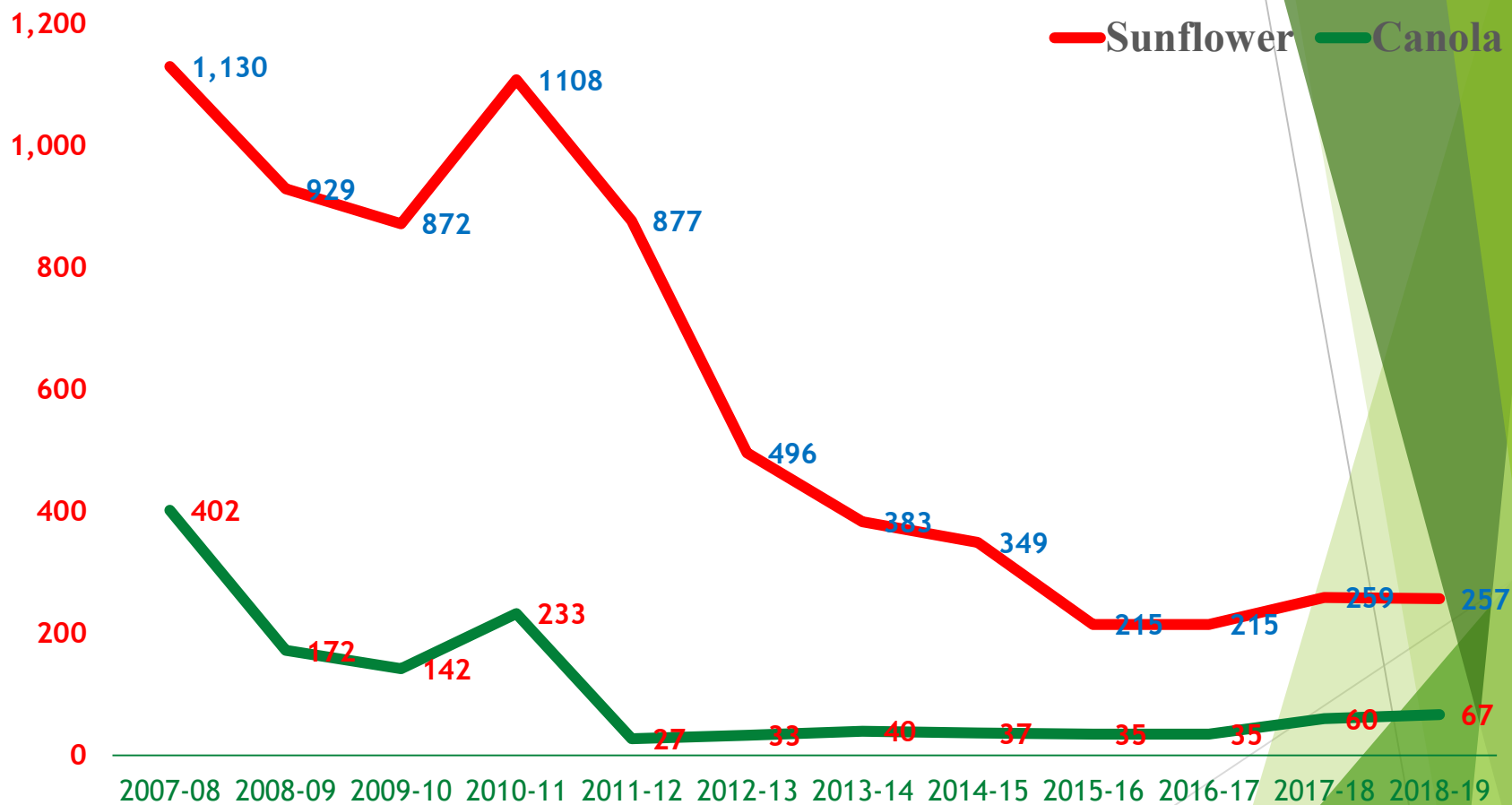


TREND OF INTERNATIONAL PRICES OF EDIBLE OIL DURING LAST 10 YEARS

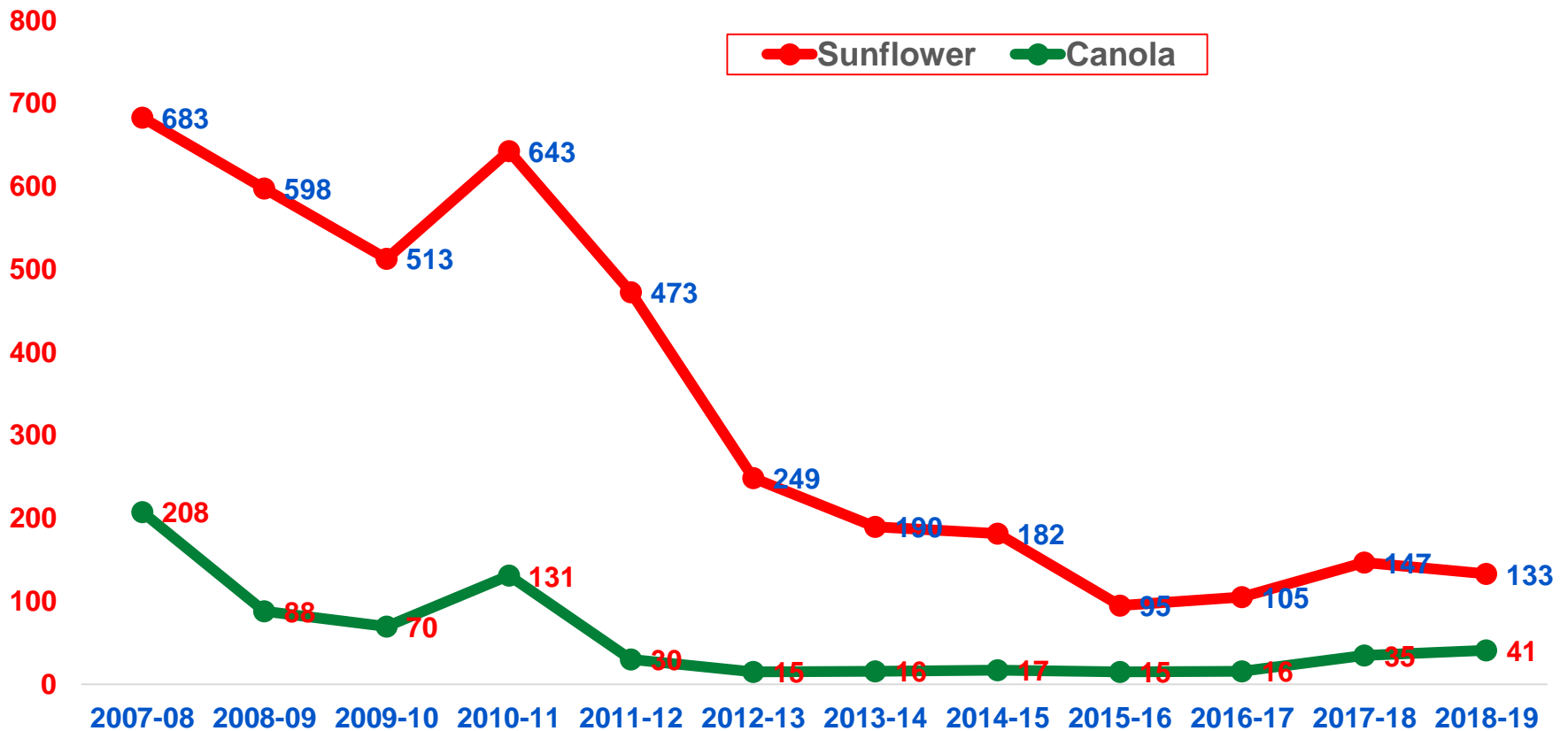
Price of imported edible oils US\$ per ton



AREA OF SUNFLOWER AND CANOLA DURING LAST TEN YEARS ('000' ACRES)



PRODUCTION OF SUNFLOWER AND CANOLA DURING LAST TEN YEARS ('000" TONS)



A COMPARISON OF CUSTOM DUTIES ON IMPORTED EDIBLE OIL AND OILSEEDS IN PAKISTAN AND INDIA

	Edible oils	RBD Palm Oil	Palm Olein	Soybean	Canola	Sunflower
Pakistan	C&F price US\$	620	625	810	946	806
	Fixed custom duty Rs. per ton	10,800	9,050	10,550	16,800	16,800
	Cess Rs/ton	50	50	50	50	50
	FED (Rs 1/kg)	12,000	12,000	12,000	12,000	12,000
	TOTAL	22,850	21,100	22,600	28,850	28,850
India	Ad-valorem custom duty *	59.40%	55%	49.50	49.50	49.50
	CD in Pak Rupees/ton	57,820/-	53,969/-	62,949	73,518	62,638
	Oilseeds	Soybean	Canola	Sunflower		
Pakistan	C&F price in US\$	415	475	405		
	Pak Rupees (Rs=157 US\$)	65,155	74,575	63,585		
	CD 5% (Rs.)	3,258	3,729	3,179		
	FED Rs. 0.40/kg	400	400	400		
	Total	3,768	4,136	3,840		
India	CD 30 to 49%*	32,252	22,373	19,076		

Source: MPOB 6-11-2019 for Palm oils, USDA September 2019 for Soybean, Canola and Sunflower Oils/Oilseeds.

1 US\$= 157 Pak rupees

* Solvent Extractors Association (SEA) of India (Soybean 49.5%, canola and sunflower 30% each)



CHALLENGES



No availability of quality seed at economical prices



Comparatively high per capita consumption of edible oil



Non-availability of suitable machinery for planting, harvesting and threshing

CHALLENGES ADDRESSED UNDER NATIONAL PROGRAMS



CHALLENGES IN BRIDGING GAP BETWEEN DEMAND AND LOCAL PRODUCTION OF EDIBLE OILS

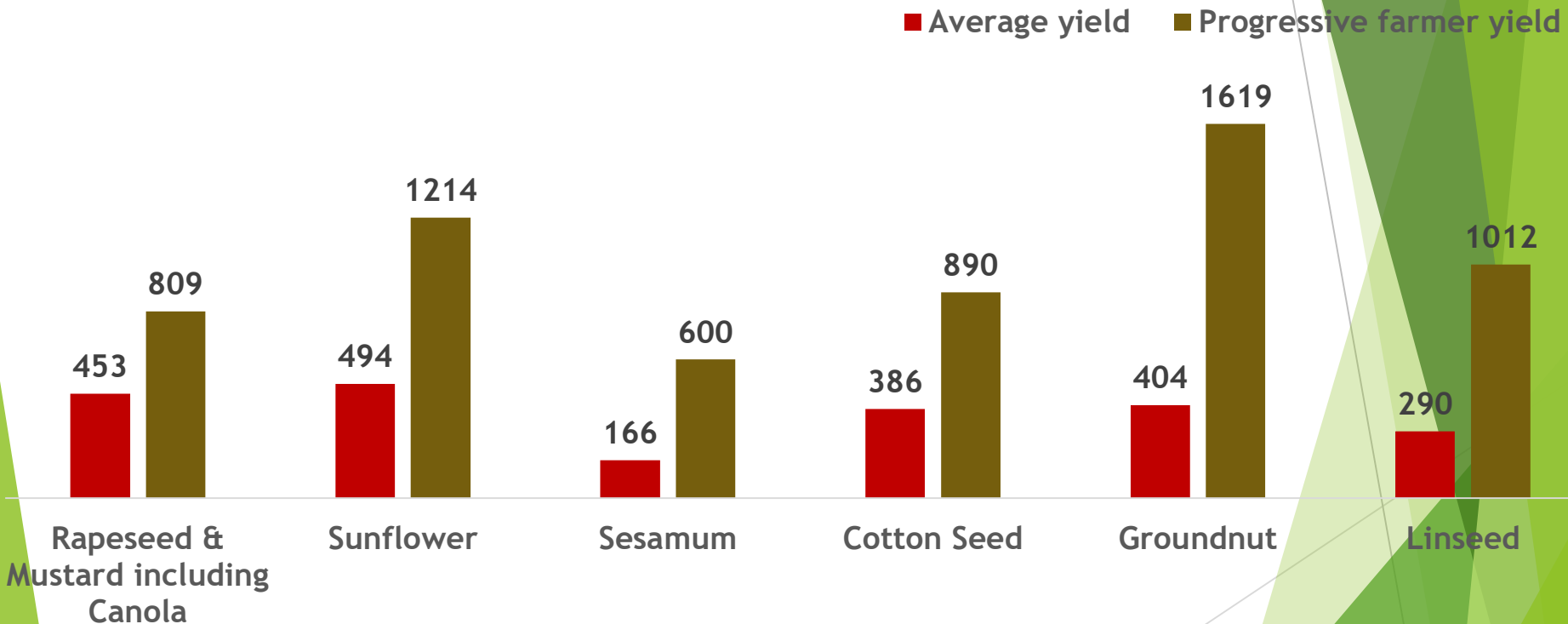
MINIMUM SUPPORT PRICE (MSP)

Crop	MSP in INDIA	Market price in* Pakistan
<u>Kharif</u>		
Sunflower	4904	2000-2600
Soybean	3220	-
Sesamum	5627	9000-10750
Nigerseed	4766	-
<u>Rabi</u>		
Rapeseed & Mustard	3646	2000-2600
Safflower	4292	-
*No Minimum Support Price is announced in Pakistan		
Source: http://vikaspedia.in/agriculture/market-information/minimum-support-price		
1 INR = 2.17 PKR		



LOW YIELDS OF OILSEED CROPS IS THE KEY REASON FOR POOR RETURNS

Average national yields of all oilseed crops are 25% to 50% of what the progressive farmers achieve



REASONS OF NON SIGNIFICANT GROWTH OF OILSEEDS IN PAKISTAN

Competition for Rabi and Kharif i.e Wheat, Cotton, Sugarcane, Rice, Maize etc

Heavy reliance on cheap imports & insignificant share of local raw material

Non significant work on R&D, promotional work and institutional support

Liberal Imports and enabling policies not conducive to enhance local production

Less funding for R&D and promotion of oilseeds

- After devolution, oilseed planning is exclusively a provincial subject but has gained little attention



REASONS OF NON SIGNIFICANT GROWTH OF OILSEEDS IN PAKISTAN

Low productivity/profitability due to

- Plantation on rain-fed areas and marginal lands
- Use of sub-optimal inputs
- Traditional sowing methods & Harvesting problems
- Non significant work on edible oil trees
- Lack of high yielding varieties/hybrids
- Losses due to biotic and abiotic stresses

Antagonistic and exhaustive. Perception or Reality

Increase in
consumption
/Population

No Oilseed
Policy

No Campaign
against overuse

Up gradation of
Extraction/
Processing
business

Increase
share of Local
Production



Total Cost (Pakistan) = Rs. 10,963.883 Million

Punjab Share= Rs.5115 Million

Farmer Share = Rs. 375 Million

Duration =2019-20 to 2023-24

NATIONAL OILSEED ENHANCEMENT PROGRAM (NOEP)



WAY FORWARD

- The present government has set off a **National Agriculture Emergency Programme** on Crops, Livestock Fisheries, agriculture markets and conserving water.
- The objective of the Programme is **to uplift small farmers by creating attractive opportunities to increase profitability**, make Pakistan more food secure and reduce dependence on imports.
- In addition to the Minister of National Food Security & Research, the Prime Minister will personally patron the Programme.
- For oilseeds “National Oilseed Enhancement Programme” for five years with total budget of **Rs. 10.964 billion has been launched**
- Another project “Productivity Enhancement of Wheat” has also been launched with a total budget of Rs.30.455 billion for five years to increase the yield/acre of wheat up to 280 kgs to **vacate the 4 million acres for oilseeds crops**



OBJECTIVES OF THE PROEJCT

Sr. #

INTERVENTION

- 1 To boost the adoption of oilseed crops by **utilizing area to be vacated from productivity enhancement programs** of major crops (Wheat, Rice and Sugarcane).
- 2 Phase-wise increase yield of three potential crops viz **Canola, Sunflower and Sesame.**
- 3 To make oilseed crops comparable with cash crops.
- 4 **Enhance export** potential of Sesame seed.
- 5 Encourage **oilseed growers through subsidy** on seed, inputs & machinery and appreciation awards.
- 6 To provide **improved production technology of oilseed** crops through aggressive extension services, demonstration, training, mega and mini farmer gathering.
7 Ensure the **availability of quality sowing seed** through national and multinational seed companies.
- 8 **Promotion of mechanization** for oilseed crops to minimize post harvest losses.
- 9 **Popularize use of agriculture machinery** for achieving optimum yield.
- 10 **Mass awareness campaigns** through print and electronic media for adoption of oilseed crops.
- 11 **To encourage solvent industry to procure farmers** produces at competitive price and establish procurement center in major growing areas.



COMPONENTS OF NATIONAL OILSEED ENHANCEMENT PROGRAM

COMPONENTS OF NATIONAL OILSEED ENHANCEMENT PROGRAM



1. Farmer Registration



2. Provision of Cash Support to Farmers



3. Ensuring seed availability



4. Assistance in crop procurement



5. Subsidy on implements on cost sharing basis



6. Printed production technologies



7. Improving farmers awareness



8. Yield competition



9. Maintaining of Data base



YEAR WISE COMPONENT WISE PHYSICAL ACTIVITIES / TARGET OF THE PROJECT ON OILSEED

Sr. No.	Item	Unit	2019-20	2020-21	2021-22	2022-23	2023-24	
1	Subsidy on Oilseed implements							
i)	Planter/ Drill	150	10	20	50	70	0	
ii)	Thresher for Oilseeds							
iii)	Combine Header Extension							
2	Seed Subsidy Program	Acres						
i)	Subsidy on Sunflower		37,224	44,669	52,114	65,143	79,449	
ii)	Subsidy on Canola		14,612	20,092	36,531	56,623	83,542	
iii)	Subsidy on Sesame		28,800	43,200	57,600	86,400	144,000	
3	Demonstration Plots	Number						
i)	Sunflower	150	30	30	30	30	30	
ii)	Canola	150	30	30	30	30	30	
iii)	Sesame	75	15	15	15	15	15	
4	Mega Farmers Gathering	No.	70	50	45	30	30	
5	Yield competitions	No.	<ul style="list-style-type: none"> • Canola 7 Divisions (Except Rawalpindi & Gujranwala) • Sunflower 6 Divisions (Except Faisalabad, Rawalpindi, Lahore) • Sesame All 09 Division • One at provincial level for each crop 					



RECOMMENDATIONS

- National Oilseeds Policy to meet contemporary conditions and ensuing situation
- National Oilseed Plan may be announced for next 10 years with monitoring through a National Commission for productivity enhancement, self reliance through
 - Strengthening of National Agriculture Research System (NARS) for R&D and Extension service
 - Establishment of Endowment fund for edible oil production from farm to fork
 - Rejuvenation of Pakistan Oilseeds Development Board to plan, coordinate and to provide secretarial support to the commission



RECOMMENDATIONS

- Review of tariffs and fees especially palm oil >90%. Will improve cotton crop as well
- Traceability of edible oil imports from port to the consumer end through digital means.
- Massive campaign against adulteration, deteriorating quality in blending, misbranding etc
- Targeting malnutrition and health hazards and over use of edible oil to implement WHO standards
- Venaspati Ghee (Hydrogenated Oil) manufacturing regulation to avoid health hazards. 117 members and Rs 120 Billion annual tax (PVMA)
- PSQCA and Pure Food Rules may be implemented and further improved if required

RECOMMENDATIONS

- Consortium of private and public sector to develop areas under oilseeds linked with solvent plants
- Establishment of Procurement Centres from APSEA for Sesame, Canola and Sunflower
- National Program for Palmoil and edible oil tree (Olive) plantations with the help of Provincial Governments
- Cash subsidy through IT system @ Rs 5000/acre on Sunflower and Canola under National Program may be extended further with the support of Oil Industry
- National Slogans, mega promotional plans (Seed Support) to encourage oilseeds production for home consumption for health, income and reduce expenditure
- Education in schools/colleges and awareness seminars.
- TV shows, road shows, cooking programs & competitions and other activities for healthy consumption and demerits of low quality oils



RECOMMENDATIONS

- APSEA to work on model of sugar and Tobacco industries to provide quality seed and other inputs & procure as well
- Farmers Support through low interest credit and crop Insurance for the edible oilseed growers and dedicated campaign on oilseeds
- Distribution of canola seeds in sachet of 250 gm for intercropping in berseem crop on ridges (To replace sarsoon) (Punjab has over 2 million acre area under Berseem/Lucerne)
- Distribution of small oil expellers at village level with training about oil processing. (A Dedicated project at National Level with share from the provinces for Canola cultivation)
- Establish a team of service providers for specialized services on contract farming, corporate farming, cluster farming etc



RECOMMENDATIONS

- Development of short duration canola hybrids and varieties with higher yields & resistant to shattering
- Development of local sunflower hybrids with higher yields via-a-vis indigenous seed production.
- Promotion of photoperiod insensitive new soybean varieties in different zones
- Use of quality seed (FSC&RD) and mechanization
- Improvement and effective dissemination of production technology through provinces
- Private sector companies be invited and supported to develop oilseeds areas i.e Palm, Olive, Sunflower, Canola, safflower, groundnut, castor bean, sesame etc



RECOMMENDATIONS

- Encouraging private sector for quality seed production, training on local oil extraction & processing, farm machinery provision and value addition
- Replacement of sarsun with canola from juncea background. Canola inter-cropping with sugarcane
- Sunflower cultivation in cotton and rice based cropping systems of Punjab and Sindh and in tobacco fallow lands of Jehlum Mardan, Swabi and Mansehra districts.
- Promotion of oilseed crops in fallow lands, river belts, sailaba and Khuskhaba areas.
- Promotion of Soybean in Northern areas of Punjab, KP during autumn and during spring Southern Punjab and Sindh. Cultivation of olive in the northern parts of the country, FATA and Baluchistan
- Plantation of Safflower and castor bean on marginal lands in the country



THANK YOU