



FOOD TECHNOLOGY IN PAKISTAN

BRIEF LANDSCAPE OF F&B MARKET FOR SWISS COMPANIES

The agricultural sector in Pakistan is a cornerstone of its economy, contributing significantly to GDP and employing a large portion of the population. According to the World Bank, 36% of the total employment in the Country is from Agriculture. The country is a leading producer of a variety of crops, including wheat, rice, cotton, sugarcane, and a range of fruits and vegetables. Explore the dynamic potential and make a lasting impact on the sector landscape in this factsheet.

COUNTRY SECTOR PROFILE

Pakistan's F&B sector is rapidly evolving, presenting a dynamic landscape of opportunities for international collaboration. With a growing population of over 240m, increasing urbanization, and rising consumer demand for high-quality food products, the sector is poised for significant growth. The National Accounts Committee reported a 5.02 percent growth in this sector compared to the last year's 2nd quarter. The PBS also projected a provisional GDP growth rate of 2.38% for the entire financial year ending in June 2024.

The Swiss Business Council (SBC) is introducing Swiss technology for food security, reducing post-harvest losses, and improving the overall quality and safety of food products to meet the needs of the population, for which the local companies are collaborating with Swiss companies to meet the needs.

STRENGTH (AGRI-FOOD)

- | | |
|--|---|
| 1) 2 nd largest industry in Pakistan | 2) 4 th largest milk producer in the world |
| 3) 11 th largest citrus producer in the world | 4) More than 35 different varieties of vegetables |
| 5) More than 30 varieties of fruits produced | 6) One of the world's best irrigation system |

According to the Asian Development Bank (ADB), the proportion of the population using safely managed drinking water is 36% in Pakistan. A Swiss company, Nestlé, is successfully providing clean drinking water across Pakistan. Whereas, other Swiss companies may find the same potential market in clean water management as Nestlé has found in Pakistan. Pakistan is the birthplace of Nestlé Pure Life as this is where this brand was first launched in 1998.



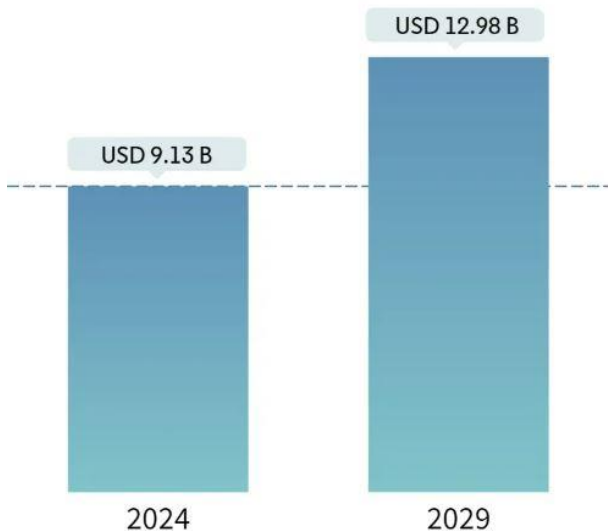
AGRICULTURE AND AGRONOMY

Agriculture in Pakistan is a crucial sector. Major crops include wheat, rice, cotton, sugarcane, maize, mangoes, and vegetables. Agronomy focuses on plant genetics, physiology, meteorology, and soil science. Pakistan's Agricultural Product Derivatives market is projected to reach US\$2.83bn in 2024-25, with a CAGR of 4.07%.

The Fresh Fruits market is expected to reach US\$9.21bn in 2024, with a 7.13% annual growth and 1.6% volume growth in 2025.

Pakistan Fruits and Vegetables Market

Market Size in USD Billion
CAGR 7.30%



Study Period	2019 - 2029
Base Year For Estimation	2023
Forecast Data Period	2024 - 2029
Market Size (2024)	USD 9.13 Billion
Market Size (2029)	USD 12.98 Billion
CAGR (2024 - 2029)	7.30 %

Source: **Mordor Intelligence**

FOOD PROCESSING

Pakistan's F&B industry has significant potential due to abundant agricultural resources. It contributes 27% to value-added output. Food processing involves converting raw ingredients into marketable products through 3 methods. Nestlé and Unilever dominate the industry, with smaller and medium-sized companies emerging, these industries, including ingredients, equipment, packaging materials, and chemicals, provide raw materials to food processing industries, creating employment and indirectly boosting the country's economy.

Nestle Nesfruta and Nestle Fruita Vitals stand as a testament to the exceptional quality of Pakistani fruits, produced exclusively using locally sourced fruits, these beverages capture the rich, natural flavors that Pakistan's diverse agricultural landscape has to offer. From the sun-kissed orchards of Sindh Province to the fertile plains of Punjab Province, Pakistani fruits are renowned for their superior taste, vibrant color, and high nutritional value. Nestlé's decision to produce these premium beverages in Pakistan and export them globally underscores the country's potential in the F&B sector. This success story serves as a compelling invitation for other Swiss companies to explore business collaborations in Pakistan, leveraging the country's abundant agricultural resources to create world-class products.

JUICES, SQUASHES AND SYRUPS & AERATED BEVERAGES.

Both sectors have recorded impressive growth with major local and international players such as Pepsi, Coca Cola, Nestle, Mitchells, Mountain Dew, etc. Their production units are mostly located in Punjab specifically Lahore.



FRUITS, DAIRY, VEGETABLE, AND INTERMEDIATE VALUE ADDING PRODUCTS

Pakistan is the 4th largest milk-producing country in the world which provides tremendous opportunities for value-added products in the dairy sector. The dairy sector of Pakistan is growing at a massive pace with major local and international players, such as Cadbury Dairy Milk, Ferrero Rocher, Snickers, Ricola, Lindt, Toblerone, etc.



FILLING THE GAPS

Ricola, a renowned Swiss manufacturer of herbal sweets, enjoys a significant market presence in Pakistan. Their products are widely available at major retail outlets across the country, highlighting the strong demand for Ricola's offerings among Pakistani consumers. Despite not having an official representation in Pakistan, Ricola's products are imported from the Middle East, indicating substantial market potential. This situation presents an excellent opportunity for establishing official representation in Pakistan.

SWISS TECHNOLOGY IN PAKISTAN

Swiss technologies have found a significant foothold in the food sector of Pakistan, particularly in the manufacturing industry. Many local companies recognize the benefits of Swiss machinery to enhance their production capabilities and ensure high standards of quality and efficiency. For instance, various Pakistani manufacturers, such as National Foods, Fauji Cereals, and Far Eastern Impex etc. in the food sector have integrated advanced machinery from Swiss companies like Bühler, who is known for its innovative food processing equipment, provides machinery that streamlines operations and maintains consistent quality.

Swiss companies, known for their innovation and excellence in food technology, are already making significant contributions to this sector in Pakistan. Nestlé Pakistan, a subsidiary of the Swiss multinational Nestlé, has established a strong presence with its extensive range of dairy, nutrition, and beverage products. Similarly, Bühler, a Swiss technology group, is playing a pivotal role in modernizing Pakistan's food processing industry with its advanced milling and processing solutions, along with SGS, Givaudan, Syngenta, and more.

This adoption of Swiss technology not only boosts the companies' performance but also underscores the trust Pakistani manufacturers place in Swiss engineering.

Givaudan and Firmenich, renowned Swiss companies in the flavors and fragrances industry, have established a significant presence in the Pakistani food sector, collaborating with numerous local companies to enhance the taste and aroma profiles of various products. Their successful integration into the market underscores the potential for other Swiss companies to introduce their advanced technologies and innovative solutions to Pakistan.

This flourishing partnership demonstrates the demand for high-quality Swiss expertise, creating a promising landscape for Swiss enterprises to expand their operations, share cutting-edge technologies, and contribute to the growth and modernization of Pakistan's food industry.

By partnering with local enterprises and exploring new avenues for innovation, Swiss companies can play a vital role in revolutionizing Pakistan's food technology landscape, benefiting from the immense potential this market holds.

LIVESTOCK MARKET

Pakistan is investing significantly in its livestock genetics through a strategic collaboration with the Swiss Company, Swiss Genetics. Pakistan has one of the largest milk production and meat export markets, making it one of the top producers globally. The superior quality of Pakistani livestock is a direct result of advanced genetic techniques and expertise provided by Swiss Genetics. To sustain and expand this success, Pakistan continues to seek innovative Swiss technologies.

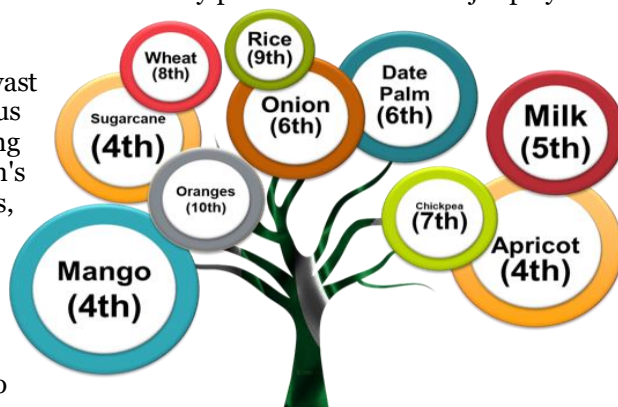


PAKISTAN IS ONE OF THE WORLD'S LARGEST PRODUCERS OF THE FOLLOWING

With its diverse climate, fertile soil, and extensive water resources, Pakistan is ideally positioned to be a major player in global agricultural production.

One of the remarkable strengths of Pakistan's agriculture is its vast irrigation system, one of the largest in the world, fed by the Indus River. This system ensures a stable supply of water, enabling consistent and high-yield crop production. Additionally, Pakistan's strategic location offers easy access to key international markets, enhancing its appeal as a hub for Food Tech market.

Pakistan is also among the world's top ten producers of wheat, cotton, sugarcane, mango, dates, and oranges, and is ranked 10th in rice production. Major crops (wheat, rice, cotton, and sugar cane) contribute around 4.9%, while minor crops contribute 2.1% to the country's total GDP.



Source: aari.punjab.gov.pk

SWOT ANALYSIS



UPCOMING CONFERENCES IN PAKISTAN 2024

IFTECH Pakistan - 19th International Exhibition of Food & Beverage Processing Packaging Technologies

September 3, 2024 - September 5, 2024, KARACHI EXPO CENTRE

Exhibits: IFTECH Pakistan's 19th edition, from September 3rd-5th, 2024, showcases food and hospitality industry growth, attracting importers, distributors, retailers, and professionals to connect with global manufacturers and find new business. [Learn More](#)



FOOD TECHNOLOGY ASIA 2024

Oct. 29 - 31, 2024, KARACHI EXPO CENTRE

Exhibits: International Exhibition & Conferences for Food Technology, Food Processing, A paramount convergence point for innovation, trade exploration, and the promotion of sustainable practices Food Processing Industries Catering & Hospitality Industries. [Learn More](#)



CONCLUSION

In conclusion, Pakistan's Food Tech development trends present a wealth of opportunities for both domestic and international businesses. Pakistan offers opportunities for growth in various areas. It opens a pathway to sharing knowledge, expertise, and capital, paving the way for a more prosperous and innovative era in Pakistan's Food Tech Sector.

HOW S-GE CAN SUPPORT

We would be delighted to support you in your expansion plans to Pakistan and connect you with the appropriate business partners. Our renowned experts in Zurich work closely with the Embassy and our specialists at SBC in Pakistan, ensuring that you benefit from firsthand information. We look forward to hearing from you!

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GET IN TOUCH



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