Dated 014-09-2015 SPEECH OF MR. SIKANDER HAYAT KHAN BOSON (Federal Minister for Food Security & Research)

Mr. Murad Ali Bhatti President Pakistan Society of Sugar Technologists, All office Bearers of the Society, Distinguished guests and delegates.

Assalam-o-Alaikum

It is a matter of great pleasure and honor for me to be here with you on this occasion of 49th Annual Convention of Pakistan Society of Sugar Technologists (PSST).

I really feel honored for having privilege to inaugurate this august conference.

I understand that PSST is a technical body providing technical support to the sugar industry. I also understand that PSST is a highly organized body and also convening Conventions and Workshops to create awareness for improving the productivity of sugarcane and sugar. I appreciate this endeavor of PSST for its devoted services to the industry.

Pakistan has about 89 sugar mills, 47 in Punjab, 33 in Sind and 9 in KPK. The installed capacity of these sugar mills is plus seven million tons. However, the <u>production of sugarcane is not matching with the capacity</u> of mills because of low cane yield.

It may not be out of place to mention here that the sugar mills cannot survive without sugarcane, being the main raw material for the industry. Similarly the sugarcane growers cannot survive without sugar mills because they provide them with market. Both are inter-dependent. However the <u>relations</u> between these two main stakeholders are not conducive because of several reasons.

For instance when the sugarcane crop is bumper, the farmers suffer due to delayed payment and deduction from cane.

In such a situation a third party, the <u>middle man</u> harvests windfall profit by exploiting both the stakeholders. This, not only, disturbs the industry but also affects the overall economy.

I am aware that the <u>cost of inputs</u> has gone up and farmers need funds for cultivation of crop. I would appreciate that the sugar industry should look into this issue along with PSST and work out a mechanism for establishing cordial relations between mills and growers and to eliminate the middlemen.

Pakistan has a Trillion rupees sugar industry and we would not like it to suffer but at the same time it is also suggested that sugarcane growers should not be

ignored. Sugarcane is a Kharif crop and there are other competing crop like cotton, corn, rice and sunflower which are not only of short duration but require less water and yield more profitability. So <u>shifting of farmers form sugarcane</u> to other crops may be quite attractive but not a Good sign for the sugar industry.

Now I would like to discuss some of the points for improvement of sugarcane yield, and By-products.

In this regards I would like to share with you that the Federal Government supports the establishment of <u>Sugarcane Research and Breeding</u> institute in lower Sind in district Thatta. Currently we are dependent on imported Fuzz to develop sugarcane varieties which may not acclimatize to agro climatic conditions of Pakistan. Fuzz breeding Institute at Thatta would help to produce its own seed requirement.

The sugar industry produces by products like <u>Press Mud</u> which is rich in phosphate. If this press mud is distributed to the farmers it would improve the soil health. The nutrient depleted from land will return back to soil.

Therefore I suggest that PSST and PSMA should sit together and evolve a mechanism to sell press mud to farmers for use as manure at affordable price.

I understand that out of the present around 89 sugar mills, some are efficient while others are not. This needs an appropriate action by PSMA and PSST together.

Sugar industry is an important industry in Pakistan and is providing job opportunities in rural area. We want them to flourish but at the same time we also want them to be more efficient. In today's globalization, we have to improve our system of delivery and quality otherwise we will lag behind and would remain dependent on others.

Pakistan has the capacity to address its problems in sugar sector and PSST can play appropriate role and come up with some suggestions. In the present competitive world our industry faces many challenges for survival.

The sugar industry should explore possibilities of utilizing By-products, like captive power, board plants, distilleries and also avail Carbon Credit.

With these words, I would like to conclude my speech and thank PSST and all of you and hope that the points raised and suggestions made by me as well as in the papers to be presented, will be given due consideration both by PSST and PSMA.

"I HEREBY DECLARE THIS CONVENTION OPEN".