

# CHALLENGES AND OPPORTUNITIES.

Sir,

Sugar industry in Pakistan is 67 years old . The country has been producing sugar abundantly for domestic needs and also exporting the surplus while at times, it had to be imported.

There is a big gap between potential and achievement in all fields of sugar industry. Our sugar industry has the following challenges and a lot many opportunities exist to set them right. Major areas of possible improvement are:-

### **1.01. Cane Yield:**

Pakistan's cane yield is 57.55 tons per hectare whereas in neighboring India, having similar climatic conditions, it is plus 70.

### **1.02. Sugar Yield Per Hectare:**

Pakistan gets 4.77 tons sugar per hectare on an average whereas it is plus 6 in other countries.

### **1.03. Recovery:**

Average recovery in Pakistan was 10.04 and 9.90% for the season 2012-13 and 2013-14 respectively whereas it is 11.5 to 12 in southern Punjab of Pakistan itself. The potential exists to achieve even plus12%.

#### **1.04. Molasses.**

Total production of molasses is about 2.5 mln tons, which is more than the capacity of 27 distilleries in the country. The distilleries can consume a total of 1.4 mln tons .As such, a substantial quantity is exported. There is a room to convert them to some more useful and value added products.

#### **1.05. Bagasse Utilization.**

There are about a dozen board plants in the country. There is a need to convert it to pulp/paper and other by-products.

## **1.06. CO-GENERATION.**

More than a dozen mills have co-generation facilities at their sites. They produce electric power and sell to the government and earn revenue. This source of earning can be propagated for better viability of the industry and also to make up electric power deficiency in the country.

## **1.07. Production Losses.**

At present the production process losses range from 1.8 to 2.5% on cane. That means the potential exists to reduce losses from 2.5% to 1.8%.

## **1.08. Mechanization & Automation.**

At present various functions in the field and factory are performed manually. They can be mechanized and automated to reduce the cost of production.

## **1.09. Economic Viability.**

- Economic viability of sugar industry has gone down.
- Cost of production of sugar is more than return due to higher price of sugar cane, lower sugar yield, higher production losses, limited exploitation of by products and higher cost of cane.

- Consequently on one hand it is very difficult to export the expensively produced sugar while on the other hand the mills have not been able to pay 100% price to growers. Some portion of cane payment for the season 2014-15 is still pending.
- There is a great need to review the price of cane as well as to increase sugar yield per hectare in addition to reducing cost of production.
- Research and development in the field of Cane Agronomy and Sugar Technology has also to be expedited.

*THANK YOU FOR PATIENT HEARING.*

