



Food to Pakistan.

Trends and opportunities

The market

Pakistan has a population of 150 million with a growing middle-class. In all, approximately one-quarter of the total population represents the potential market for processed and packaged foods – although that percentage is rising. **Imported products are perceived as being of better quality** than locally produced product. Increased affordability has increased the volume of sales.

Increased exposure to international food products and brands via cable and satellite TV (and travel) has increased their desirability among Pakistani consumers. Evidence of the viability of the packaged and processed food market is the **success of international fast food chains** such as McDonald's, KFC, Pizza Hut, TGIF, Pizza Express, Subway, Dunkin' Donuts and A&W.

The **import duties on food products are decreasing**; a result of the influence of international bodies such as the World Trade Organization and the government understanding of the benefits of trade and more open markets.

Opportunities

The penetration of Australian brands into Pakistan market is low. The scope of the opportunity in the market is demonstrated by **the range and variety of imported food products of the shelves of supermarkets** in the regions where there is a high concentration of upper and middle class consumers.

Australian food products (eg. honey, cheese, and canned fruit) are **perceived as being of high quality**, even while the **range of products is limited**.

Some of the items that represent opportunity in the Pakistan for Australian suppliers include:

- ✦ dairy products (cheese, butter, milk powder)
- ✦ spreads (jam, mayonnaise, margarine)
- ✦ fruit (canned fruit, fruit juice)
- ✦ confectionery (chocolates, candies)
- ✦ snack foods (potato crisps, nuts, popcorn)

Pakistan allows some importation of meat to overcome domestic shortages. The preferred meat types in Pakistan includes: chevon (goat), mutton, buffalo and beef.

Competitive environment

The Pakistan processed food market is valued at approximately A\$2 billion; an estimated 25 per cent is imported. The market has been **growing at an annual rate of 10 per cent**.

The Netherlands, Germany and France are the largest suppliers of processed and packaged food to Pakistan. The United Arab Emirates, Saudi Arabia, and China are Pakistan's largest trading partners overall.

More information

For further information please contact Austrade on 13 28 78 or email info@austrade.gov.au

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