

## 3.2 TEA IN PAKISTAN

### BY F.S. Hamid\*

Pakistan has a long tradition of tea drinking that has now become an integral part of the country's social life. The first tea experiments were initiated in the then West Pakistan (present Pakistan) in village Baffa (district Mansehra, NWFP) under the auspices of Pakistan Tea Board in 1958. These efforts were not followed up because tea production in the then East Pakistan (now Bangladesh) met the needs of the Nation. Subsequently, efforts to grow tea were reinitiated in 1964 at Misriot Dam near Rawalpindi but due to unfavorable soil and climatic conditions could not achieve the desired results (Annual Report PARC-1996). After the delinking of East Pakistan the entire requirement of tea is imported by Pakistan (Refer Tea imports by Pakistan, Hanif Janoo, IJTS 1:4, 2002). Pakistan is the 3rd largest importer of tea after England and Russia and the consumption is increasing day by day with the increase in population. The quantity and cost of black tea imported during the past ten years is given in Table 1. Tea ranks 8th in the major

**Table 1: COST AND QUANTITY OF BLACK TEA IMPORTED IN PAST TEN YEARS.**

| Year    | Quantity (000 kg) | Rs./kg | Value<br>(Rs. In Billion) |
|---------|-------------------|--------|---------------------------|
| 1990-91 | 104,056           | 35.92  | 3.729                     |
| 1991-92 | 110,235           | 39.06  | 4.306                     |
| 1992-93 | 125,651           | 42.87  | 5.386                     |
| 1993-94 | 116,140           | 48.39  | 5.619                     |
| 1994-95 | 116,629           | 49.68  | 5.794                     |
| 1995-96 | 114,760           | 49.73  | 5.707                     |
| 1996-97 | 85,426            | 61.09  | 5.218                     |
| 1997-98 | 98,649            | 99.52  | 9.818                     |
| 1998-99 | 119,695           | 93.15  | 11.150                    |
| 1999-00 | 108,644           | 100.27 | 10.895                    |
| 2000-01 | 111,867           | 101.57 | 12.030                    |

Source: Economic Survey 2001-02, Govt. of Pakistan

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items imported by Pakistan and its percentage share among the imports during the past ten years is shown in Table 2. Pakistan is importing black tea from nineteen different tea-producing countries of the world. The quantity, cost and percent share of the imported black tea during the last three years is shown in Table 3. Consumption of green tea in Pakistan is very small: it is imported from four different countries. The quantity, cost and percent share of the imported green tea during the last three years is shown in Table 4.

The annual per capita consumption of tea in Pakistan is about 1 kg. In order to conserve valuable foreign exchange spent on importing tea the Govt. of Pakistan created a cell for special crops in 1973 and initiated a project called "Research and Introduction of Tea in Pakistan". A soil survey of the prospective tea growing areas of NWFP was carried out in 1982 and was followed up again in and was followed up again in 1989 by Chinese tea experts. About 60,000 ha of land was identified suitable for tea growing in Mansehra and Swat districts based

**TABLE-2** PERCENTAGE SHARE OF TEA AMONG THE MAJOR IMPORTS OF PAKISTAN IN THE PAST TEN YEARS

| Commodities          | 91-92 | 92-93 | 93-94 | 94-95 | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | 00-01 |
|----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Machinery*           | 27.0  | 24.3  | 22.0  | 22.8  | 21.6  | 23.1  | 18.9  | 17.9  | 13.9  | 19.3  |
| Petroleum & Products | 15.0  | 15.5  | 16.1  | 15.3  | 16.8  | 19.0  | 15.5  | 15.5  | 27.2  | 31.3  |
| Chemicals**          | 13.1  | 12.5  | 14.4  | 14    | 15.6  | 13.4  | 15.7  | 16.6  | 17.5  | 20.0  |
| Transport Equipments | 9.0   | 12.5  | 9.7   | 5.9   | 4.7   | 4.7   | 4.8   | 5.7   | 5.5   | 4.0   |
| Edible oil           | 4.4   | 5.9   | 5.7   | 9.6   | 7.3   | 5.1   | 7.6   | 8.7   | 4.0   | 3.1   |
| Iron & Steel         | 3.5   | 3.2   | 3.8   | 3.6   | 4.1   | 3.9   | 3.2   | 3.1   | 3.0   | 2.6   |
| Fertilizers          | 2.8   | 2.5   | 3.1   | 1.2   | 2.9   | 3.2   | 2.1   | 2.8   | 1.9   | 1.6   |
| Tea                  | 1.9   | 2.1   | 2.2   | 1.8   | 1.4   | 1.1   | 2.2   | 2.4   | 2.0   | 1.9   |
| Sub Total            | 76.7  | 78.5  | 77.0  | 74.2  | 74.4  | 73.5  | 70    | 72.7  | 75.0  | 83.8  |
| Other                | 23.3  | 21.5  | 23.0  | 25.8  | 25.6  | 26.5  | 30    | 27.3  | 25.0  | 16.2  |
| Total                | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   |

\* Excluding transport equipment

\*\*Excluding fertilizer

Source: Economic Survey 2001-2002, Govt. of Pakistan.

**TABLE - 3 COST, QUANTITY AND PERCENTAGE SHARE OF BLACK TEA IMPORTED DURING PAST THREE YEARS FROM TEA PRODUCING COUNTRIES**

| S. # | Name of country | Quantity in Tons |         |           | Cost (Rs. in Millions) |          |          | Percentage Black Tea Imports |         |         |
|------|-----------------|------------------|---------|-----------|------------------------|----------|----------|------------------------------|---------|---------|
|      |                 | 2002-03          | 2003-04 | 2004-05   | 2002-03                | 2003-04  | 2004-05  | 2002-03                      | 2003-04 | 2004-05 |
| 1.   | BANGLADESH      | 5,628            | 9,830   | 8,453     | 399.658                | 738.46   | 635.40   | 5.35                         | 8.41    | 6.50    |
| 2.   | BURUNDI         | 2,697            | 2,687   | 3,244     | 246.337                | 265.68   | 285.49   | 2.56                         | 2.30    | 2.49    |
| 3.   | CHINA           | 1,007            | 791     | 3,012     | 19.641                 | 16.63    | 101.71   | 0.96                         | 0.68    | 2.32    |
| 4.   | CONGO           | 15               | 89      | 72        | -                      | 8.08     | 5.69     | 0.01                         | 0.08    | 0.06    |
| 5.   | ETHIOPIA        | -                | 681     | 567       | -                      | 51.41    | 48.69    | -                            | 0.58    | 0.44    |
| 6.   | INDIA           | 3,783            | 6,873   | 4,991     | 281.045                | 445.69   | 333.58   | 3.59                         | 5.98    | 3.84    |
| 7.   | INDONESIA       | 8,074            | 9,258   | 9,395     | 533.365                | 663.61   | 718.58   | 7.67                         | 7.92    | 7.23    |
| 8.   | KENYA           | 63,881           | 65,857  | 83,176    | 6368.591               | 7148.36  | 8641.36  | 60.70                        | 57.00   | 63.95   |
| 9.   | MADAGASCAR      | 20               | 5       | 23        | 1.303                  | 0.30     | 1.76     | 0.02                         | 0.00    | 0.02    |
| 10.  | MALAWI          | 1,463            | 1,307   | 1,434     | 109.871                | 103.99   | 119.17   | 1.39                         | 0.12    | 1.10    |
| 11.  | MOZAMBIQUE      | 157              | 2       | -         | 6.689                  | 0.14     | -        | 0.15                         | 0.00    | -       |
| 12.  | NEPAL           | -                | 927     | 392       | 1.632                  | 6.47     | 30.15    | -                            | 0.79    | 0.30    |
| 13.  | P.N.GUINEA      | 52               | 203     | 153       | 625.767                | 9.40     | 8.47     | 0.05                         | 4.76    | 0.12    |
| 14.  | RWANDA          | 6,302            | 5,567   | 4,752     | -                      | 603.51   | 508.53   | 5.99                         | 0.17    | 3.65    |
| 15.  | SRI LANKA       | 3,338            | 3,121   | 29.7      | 361.477                | 389.65   | 375.70   | 3.17                         | 2.67    | 2.23    |
| 16.  | S.AFRICA        | -                | 11      | 147       | -                      | 1.17     | 13.01    | -                            | 0.01    | 0.11    |
| 17.  | TANZANIA        | 3,073            | 3,340   | 2,573     | 246.519                | 305.17   | 216.49   | 2.92                         | 2.86    | 1.98    |
| 18.  | UGANDA          | 1,840            | 1,767   | 2,078     | 141.085                | 166.25   | 180.50   | 1.75                         | 1.62    | 1.60    |
| 19.  | VIETNAM         | 2,936            | 3,812   | 2,029     | 143.545                | 220.66   | 142.14   | 2.79                         | 3.36    | 1.54    |
| 20.  | ZAIRE           | 12               | -       | -         | 0.800                  | -        | -        | 0.01                         | -       | -       |
| 21.  | ZIMBABWE        | 968              | 812     | 671       | 61.403                 | 55.26    | 48.92    | 0.92                         | 0.69    | 0.52    |
|      | <b>Total</b>    | 105,246          | 116,940 | 127,191.7 | 9548.728               | 11199.89 | 12415.34 | 100                          | 100     | 100.00  |

Source: Pakistan Tea Association Karachi, Pakistan

**TABLE - 4 COST, QUANTITY AND PERCENTAGE SHARE OF GREEN TEA IMPORTED DURING PAST THREE YEARS FROM TEA PRODUCING COUNTRIES**

| S.# | Name of country | Quantity In tons |         |         | Cost (Rs. in Millions) |         |         | Percentage of Green Tea Imports |         |         |
|-----|-----------------|------------------|---------|---------|------------------------|---------|---------|---------------------------------|---------|---------|
|     |                 | 1999-2000        | 2000-01 | 2002-03 | 1999-2000              | 2000-01 | 2002-03 | 1999-2000                       | 2000-01 | 2002-03 |
| 1.  | BANGLADESH      | -                | 94      | 115     | -                      | 9.736   | 12.190  | -                               | 4.82    | 5.10    |
| 2.  | CHINA           | 189              | 1048    | 965     | 6.000                  | 49.474  | 32.191  | 80.66                           | 53.71   | 42.82   |
| 3.  | INDONESIA       | 27               | 204     | 202     | 1.390                  | 10.591  | 10.323  | 11.65                           | 10.44   | 8.97    |
| 4.  | VIETNAM         | 18               | 605     | 972     | 0.400                  | 22.466  | 44.202  | 7.69                            | 31.03   | 43.11   |
|     | <b>TOTAL</b>    | 234              | 1951    | 2154    | 7.790                  | 92.268  | 98.906  | 100.00                          | 100.00  | 100.00  |

Source: Pakistan Tea Association Karachi - Pakistan

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on topography, soil and climatic data. On the recommendation of Chinese tea experts National Tea Research Station was set up with their technical assistance on 50 acres (20 ha) of land at Shinkiari, District Mansehra (NWFP) under the auspices of Pakistan Agricultural Research Council (PARC), Islamabad. The Station has been upgraded to the level of institute in 1996. The first black tea processing plant with the capacity of one ton made tea per day was established at NTRI by PARC with the technical assistance of Chinese Engineers during 2001. NTRI planted tea on 550 acres (220 ha) in small pockets on private land in addition to its 33 acres (7 ha) at the Institute. Meanwhile, the Unilever Pvt. Ltd. also entered in tea plantation business in the same area and established Unilever Tea Experimental Station during 1986. The Company planted tea on 1060 acres (420 ha) on farmers' land and installed a black tea processing plant with the capacity of one ton made tea. Simultaneously, a pilot green tea processing plant with the capacity of 100 kg made tea has also procured from China and installed with the financial assistance of Pakistan Science Foundation (PSF), Islamabad. Now the Government of Pakistan is planning to commercialize tea plantation through Public- Private Sector in prospective tea growing areas.

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