

# Smuggling of animals rising

By Amir Shafaat Khan

KARACHI, May 12: Smuggling of over 100,000 live animals every month to Iran and Afghanistan along with the rising export of meat has pushed up the prices of beef and mutton sharply since 2008 in the local market.

The price of good quality meat of cow and goat, which was Rs180 and Rs 260 per kg in 2008, has led to an increase, with the rates now being at Rs320 and Rs600 per kg respectively.

Meat merchants sell quality meat at higher prices depending on the area. However, a new breed of meat merchants has emerged in the markets selling cheap, low quality meat of older animals.

A number of animals are being slaughtered on meatless days in order to provide "pressure meat" of cow, buffalo and veal (bachia).

A meat seller said that water is injected through a pipe in a vein near the wind

pipe after slaughter and removal of the hide of big animals. As a result water, finds its way all over the muscle tissue and lightens the colour of the meat to pink and at the same time increases the weight.

He said the weight of a three maund animal surges to over four maund after the "pressure water treatment". The 'treated' meat is then sold at Rs1000-2000 per maund lesser than non pressure meat. As a result, price conscious consumers actually pay the price of one kg meat but they get 750-850 grams.

Slaughtering of goats in the city hovers between 15,000-20,000 per day followed by veal (bachia) 2,000-2,500 and buffalo by 300-500 per day.

The meat merchant said that smuggling might have come down after government's decision regarding

export of animals under CY12 Quota.

Pakistan Tanners Association (PTA) as well as meat sellers are shocked over export of live animals from Pakistan under CY12 Quota especially to Iran and Afghanistan.

During first quarter (January-March 2012) the number of export quantity of cattle/buffalo has been fixed at 5,000 through Karachi/Gwadar, 2,000 Quetta and 5,000 Peshawar. The export quantity of sheep/goat would be 8,000 through Karachi/Gwadar, 1,000 Quetta and 1,000 Peshawar.

During the second quarter (April-June 2012) 13,000 cattle/buffalo will be exported through Karachi/Gawdar, 8,000 Quetta and 15,000. While, 28,000 sheep/goat via Karachi/Gwadar, 1,000 Quetta and 1,000 Peshawar along with 575, 125 camels respectively through Karachi /Gwadar and Quetta have been exported during this time.

The Ministry has approved for the third quarter (July-Sept 2012) 13,000 cattle/buffalo to be exported through Karachi/Gwadar, 8,000 Quetta whereas 15,000 through Peshawar. Sheep/Goats to be exported are 28,000 via Karachi/Gwadar, 1,000 Quetta and 1,000 Peshawar. 575 camels are allowed to be exported via Karachi/Gwadar and another 125 through Quetta. In the fourth quarter (Oct-Dec 2012) 13,000 cattle/buffalo have been allowed to be exported through Karachi/Gwadar, 8,000 Quetta and 15,000 via Peshawar. Sheep/Goats skins to be exported are 28,000 from Karachi/Gawadar, 1,000 via Quetta and 1,000 thru Peshawar.

The Ministry of Finance in

a statement issued on April 28 has already expressed its deep concern, says Central Chairman PTA S.M. Naseem while talking to Dawn.

"A considerable number of animal exports are allowed while smuggling continues unabated. No serious action has been taken to raise the production of animals. The industry does not have any authentic figure of animal smuggling but over 100,000 animals are being smuggled on monthly basis," he said.

**Leather industry suffers**

Due to less availability of livestock, slaughtering has come down while consumers are paying higher prices. Number of hides and skins has also been reduced for local production. This capacity in tanning industry is also under utilised. Total leather industry requirement is 900 Million sq ft per annum.

It must be noted that the leather industry consumes 39 per cent of the total livestock available in Pakistan. Imported raw materials from different countries particularly from African countries are 11 per cent. Procurement of imported raw materials has also stopped as most of the countries have already banned and imposed higher export duties. Total availability of domestic plus imported raw materials in Pakistan for the leather sector is around 60 to 70 cent only. As a result, the manufacturing units are now working at 60-70 per cent production of their installed capacity.

Naseem says exports of live animals would impact the leather industry negatively.

Hide and skin price of cow and goat, which was Rs 1,800-2,000 and Rs 500-550 in 2009, is now Rs 2,900-3,000 and Rs 750-800 respectively.

He said low availability of cow, buffalo, sheep and goat

skins at this stage does not permit to start export of live animals as the country needs firstly to improve population of cattle hides to certain extent to bring stability in meat rates besides meeting demand of hide and skin for the leather and tanning industry.

Export of meat and meat preparations surged to 38,691 tons (\$124 million) in July-March as compared to 37,829 tons (\$108 million) in the same period of last fiscal year.

There is one burning issue for the export of Raw/Wet Blue Hides & Skins including Pickled/Split from Pakistan thru "mis-declaration / under invoicing". The industry is suffering from the shortage of this basic raw material these days and our member exporters are unable to meet their export orders owing to high rates of raw materials due to short supplies. 15 per cent of capacity is based on imported hides and skins, which is not available now.

In order to take preventive measures in this regard, PTA has already fixed necessary criteria of prices of Raw/Wet Blue Hides and Skins and already forwarded to MOC, FBR and all Customs Collectorate to ascertain the actual prices and evaluate the existing 20 per cent Regulatory Duty to avoid misuse and under invoicing.

PTA seeks complete Ban on Export of Raw/Wet Blue Hides & Skins including Pickled/Wet Blue split of all sorts from Pakistan and revoke the decision for the export of live animals from Pakistan under CY12 Quota.

Leather garments exports in July-March 2011-2012 fell to \$265 million (645,000 dozens) as compared to \$313 million (765,000 dozens) in the corresponding period of last fiscal year.