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"Before you judge a man, walk a mile in his shoes. After that, who cares? ...He's a mile away and you've got his shoes."
(Billy Connolly)
Shield Toothpaste

Boosting tobacco and cigarette exports

By Khan Faraz

COMPLEXITIES of export of tobacco and its products are well known. Peculiar feature of tobacco trade is that the US, being a big exporter of tobacco, is the leading importer of the commodity needed for blending purposes. Quality of tobacco and its prices are the principal factors in international trade.

During the fifties Pakistan used to import tobacco for meeting the demand of its cigarette industry. Cultivation of flue-cured Virginia was started on experimental basis over about 20 acres in 1948. And, self-sufficiency in tobacco for use in low brands cigarettes was achieved during 1969-1971, but the country used to import large quantities of good quality tobacco for use in superior brands cigarettes.

With a view to reducing dependence on the import of good quality tobacco leaf, the Pakistan Tobacco Board, in collaboration with the tobacco companies, intensified re-

search and development activities and explored the soil and climatic conditions in the sub-mountain areas of Mansehra, Buner, Swat and Dir districts to meet the quality requirements of cigarettes for domestic use. And, all the tobacco consumed by the tobacco companies for cigarettes was produced in the country except for a nominal quantity which was im-

signed to the Pakistan Tobacco Board (PTB), under the provision of relevant law, is to regulate, control and promote export of tobacco and tobacco products. The PTB is not directly involved in the purchase/export of tobacco. Tobacco and its products are exported mainly through the tobacco companies while some traders are also involved in it.

It will be observed from the above table that there has been generally a decline in the total value of export of tobacco and its products whereas the values of imports of tobacco and its products have registered a steep rise.

The imports have outstripped the exports. The matter, therefore, needs an earnest consideration of the con-

momentum in 2009-10 to reach Rs1400 million. Hence, there is a strong need not only to maintain this rising tempo but also to excel it.

Areas for improvement/steps for export promotion

- Establishment of an export promotion cell in PTB staffed by professionals.
- Fixing export targets in consultation with all stakeholders and monitoring thereof.
- Creation of institutional capacity among manufacturers and growers in respect of quality, standards, testing and marketing.
- Sending of growers and manufacturers delegation abroad.
- Promoting growers to export.
- Participation in international exhibitions on tobacco.
- Providing common facilities, etc. like modern curing facilities, modern re-drying facilities to small growers for exports.
- Providing training to growers and dealers in export.
- Survey of new markets/market diversification.
- Bringing all growers on one platform/one association.
- Activating Pakistani embassies and trade offices abroad to promote tobacco exports.
- Fertilisers companies to make available compound fertiliser for tobacco growers and PTB, in consultation with all stakeholders, to devise a system for ensuring easy availability, financing and recovery procedures.
- Extension of export finance facility to tobacco exporters.
- Preparation of training programme for growers by multi-national tobacco companies in liaison with PTB/SMEDA in export packing and allied activities.

Year	Total value of export of tobacco and its products (M. Rs.)	Total value of import of tobacco and its products (M. Rs.)	Balance (M. Rs.)
2004-05	673.61	87.715	(+) 585.895
2005-06	386.32	481.516	(-) 95.196
2006-07	570.18	645.571	(-) 75.391
2007-08	454.147	683.413	(-)229.266
2008-09	978.140	1036.085	(-)57.945

Source: Statistical Division

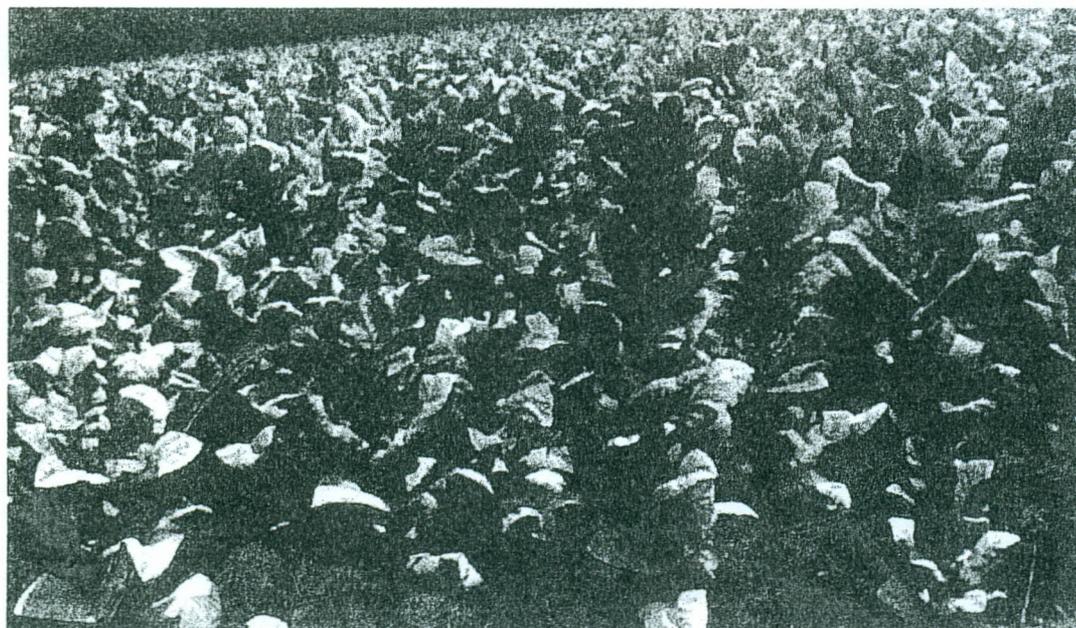
ported for use in superior brand cigarettes towards the end of 20th century.

One of the functions as-

The attached table depicts exports/imports of tobacco and its products during the last five years.

cerned authorities.

However, it is heartening to note that export of tobacco and its products has gained



The writer is the former secretary of the Pakistan Tobacco Board