

## Livestock Farming & Modarabas



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Livestock Farming is one of the oldest professions of the world. This has been profession of our Prophets & Caliphs. Almighty Allah has said in the Holy Quran that:

“He created cattle from whom you get warm clothing and (other) advantages, and some you eat. There is life and cheer for you as you drive them home in the evening, and lead them out in the morning to graze. They carry your burdens to lands so distant you could not have reached without much hardship. Indeed your Lord is Compassionate and Kind” (Surah An-Nahl).

The size of herd was considered as the sign of dignity for Arab Tribes. It is unfortunate that Livestock Farming despite being highly profitable, & its products highly consumable in Pakistan & neighboring countries, was never developed on scientific ground in Pakistan during the last sixty years or so (since Pakistan came into being). Organized Livestock Farming has not been developed in Pakistan as a result this sector remains in mostly un-organized sector which lacks proper animal husbandry, medicines/vaccines, feed, quality breed etc. All the three major factors required for Livestock Farming viz., land, water & grass are abundantly available in the country but these were never availed for this propose so much so the market price of mutton & beef have now surmounted the buying power of an average Pakistani.

### **Demand:**

Livestock plays an important role in poverty alleviation/development of National Economy particularly in rural areas where most of Pakistani population lives. It contributes about 55.9% to the agricultural sector & 11.8% to the GDP. Gross value addition of Livestock has increased from Rs. 756.3 billion (2012-13) to Rs. 776.5 billion (2013-14), showing an increase of 2.7% as compared to the last year. The importance of livestock farming in rural economy may be gauged by the fact that 30-35 million of the total rural population is engaged in livestock farming, having 2-3 cattle/buffalo & 5-6 sheep/goats per family deriving 30-40% of income from it. The livestock population (major cattle) for the last three years has been as under.

### **Population of Livestock (in million):**

Species	2011-12	2012-13	2013-14
Cattle	36.9	38.3	39.7
Buffalo	32.7	33.7	34.6
Sheep	28.4	28.8	29.1
Goat	63.1	64.9	66.6



**Production of Livestock Products (in 000 tons):**

<b>Product</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
Milk (Gross production)	47,859	49,400	50,990
Meat	3,232	3,379	3,531
Beef	1,769	1,829	1,887
Mutton	629	643	657

By 2020, the gap between supply & demand is projected to be 55 million tons of milk & 2.3 million tons of beef.

Source:

1. Economy Survey of Pakistan (2013-2014).
2. SAMEDA.

**Export Market:**

In addition to the local market, Afghanistan, Iran & the Middle Eastern Countries provide a very good opportunity for Pakistan as a supplier of live cattle & meat. During Hajj season, sheep are in great demand in Saudi Arabia who imports them from far flung countries like New Zealand & Australia. We are sitting at their next door & can supply them animals at a much competitive price because of lesser freight provided we can meet their demand.

**Role of Modarabas in the development of Livestock Farming:**

Livestock Farming require short term investment & is highly Islamic, demanded, & profitable venture but Banks don't finance this sector because of one reason or the other nor it is subject of leasing cos. It is subject of Modarabas who may consider to enter this sector on Musharakah basis. Entry of Modarabas in this sector will not only help in earning good profit for them but also good name by doing some innovative business. It will contribute in the National Economy & will be appreciated by the Govt., sector as well as international Donor Agencies.

The Livestock sector has a lot of potential in Pakistan. If it develops properly, it can be one of the leading business sectors of the country in due course of time. It is pertinent to mention here that economy of some leading European Countries is heavily depended on Dairy Products.

The Govt., of Pakistan has recently announced a "Livestock Development policy" which has adopted a legal framework, suggests strategies & action plans. Under this policy the import of dairy & Livestock machinery, not manufactured locally, is allowed duty free.