

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

Date: 7/21/2016

GAIN Report Number: IN6098

India

Post: New Delhi

Pork - 2016

Report Categories:

Livestock and Products

Retail Foods

Food Service - Hotel Restaurant Institutional

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Report Highlights:

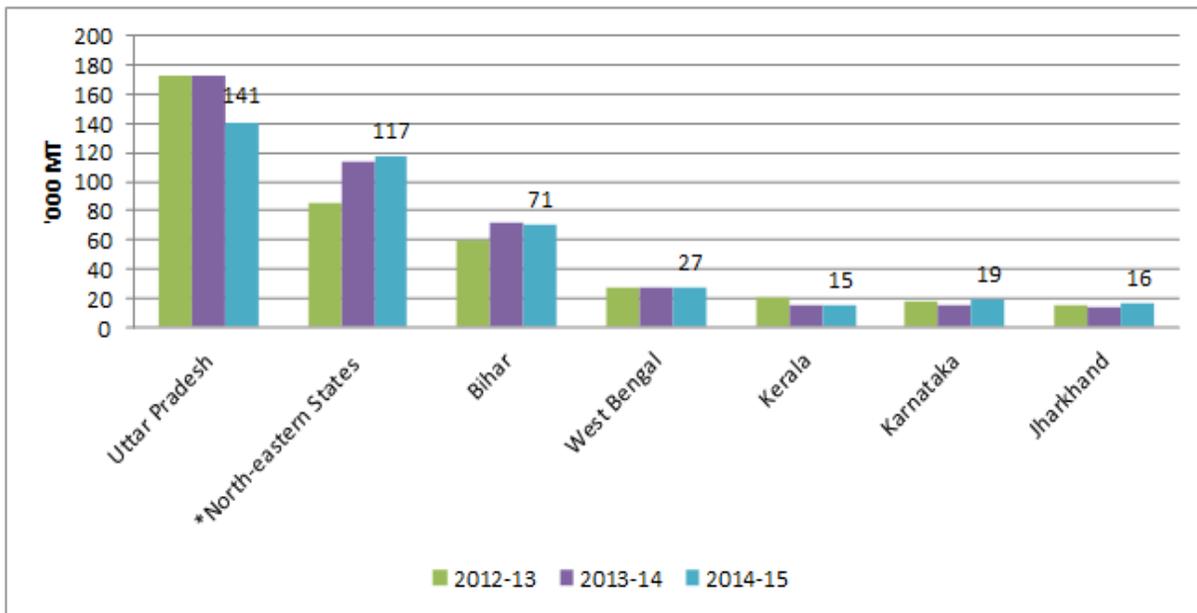
Pork production in India is estimated at 464 thousand metric tons in FY 2014-15 (April-March), which contributes approximately 8 percent of the country's animal protein sources. From FY 2009-10 to 2014-15, pork production increased at a slow pace with annual growth rate of 1.4 percent. India's pork import was 527 metric tons in 2015, which increased at an annual growth rate of 11 percent from 2010 to 2015. The demand for imported pork is mainly in hotel, restaurant and institutional and high-end retail sector.

General Information:

Production:

Pork production in India is estimated at 464 thousand metric tons in FY 2014-15 (April-March) (GOI), which contributes approximately 8 percent of the country's animal protein sources. From FY 2009-10 to 2014-15, pork production increased at a slow pace with compound annual growth rate of 1.4 percent due to population growth. According to the Livestock Census, 2012, published by Government of India (GOI), the pig population declined by 7.5 percent to 10.3 million from 2007 to 2012. The decline in population may be attributed to disease outbreaks. The eastern and north eastern regions of the country comprise around 63 percent of the pig population. The highest pig population is in state of Assam (1.63 million) followed by Uttar Pradesh (1.33 million), Jharkhand (0.96 million), Bihar (0.65 million) and West Bengal (0.65 million). The pork production is concentrated mainly in the states of Uttar Pradesh (30 percent), followed by north-eastern states (25 percent), (Bihar (15 percent), West Bengal (6 percent), Karnataka (4 percent), Jharkhand (4 percent), and Kerala (3 percent) (Figure 1).

Figure 1: India: Major Pork Production States



* North-eastern states include smaller hilly states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura.

The majority of the pig population in India is of indigenous breeds (76 percent) though population of cross-bred and exotic pigs increased by 12.7 percent from year 2003 to 2012. The exotic breed mainly comprises Hampshire, Large White York Shire, Duroc, Landrace, and Tamworth while some of the popular indigenous pig breeds include *Ghungroo*, *Niang Megha*, *Ankamali*, *Agonda Goan*, and *Tany-Vo*.

The indigenous breed animals are small sized, slow growing, produce small number of litters and have

low quality pork. India's average meat yield of indigenous breeds is around 35 Kg/animal, which is quite low in comparison to world average of around 78 Kg/animal. The major challenges that affect the growth of pork sector include lack of sufficient breeder farms, deficiency of feed and fodder resources, diseases like classical swine fever, porcine reproductive and respiratory syndrome (PRRS), and porcine rotavirus, limited availability of vaccines, and insufficient slaughter and processing facilities across the country. The sector is also constrained as most of the pig farmers belong to the lower socio-economic strata and undertake pig farming as a livelihood rather than scientific pig farming with improved foundation stock, proper housing, feeding and management. Generally, pigs are fed concentrated feed with other locally available agro byproducts, tuber crops like sweet potato, tapioca, colocasia, vegetables and kitchen waste.

The industry sources indicated that India imported exotic pigs such as Duroc, Berkshires, Hampshire, Landrace, Large White Yorkshire, Saddleback, and Tamworth to augment the piggery production and overcome poor performance of indigenous pig germplasm. India's research institutes also over a period of time developed different crossbred animals by crossing local pigs with exotic breeds to produce animals of significantly higher productivity and better characteristics. Government of India's Department of Animal Husbandry, Dairying, and Fisheries (DAHDF) supports state governments under its national level programs on piggery development, establishment of pig rearing and breeding units, and control programs for diseases such as classical swine fever.

Consumption:

The per capita pork consumption in India is negligible with the consumption mainly concentrated in north-eastern states including Assam, Nagaland, Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Sikkim, and Tripura. Other Indian states with high pork consumption include Bihar, Jharkhand, West Bengal, Goa and Kerala. India's *Muslim* population comprising 14.2 percent of the total population do not eat pork due to religious reasons. Besides, large sections of Indians consumers are suspicious about cleanliness of domestic pork meat as pigs are natural scavenger; the factors further limiting the growth of pork meat sector.

In fact, India's pork consumption can be divided into two segments. First segment being the consumption in the form of fresh pork meat sold through unorganized wet markets and meat vendors. The second segment is the high value imported pork products like sausages, ham, bacon, salami, canned meat products and frozen meat. The hotels and restaurants are the major buyers of the imported pork products, which cater to international travelers and wealthier Indian consumers. There is also retail demand for imported pork products amongst the well-traveled Indian consumers and foreigners residing in India. Though imported pork cuts are preferred for its quality, these are three to four times more expensive than the domestically produced pork cuts. The distribution of imported frozen pork products and other meat products is a major challenge due to insufficient cold chain infrastructure across the country. Poultry is the most preferred meat in India which is currently experiencing a strong growth.

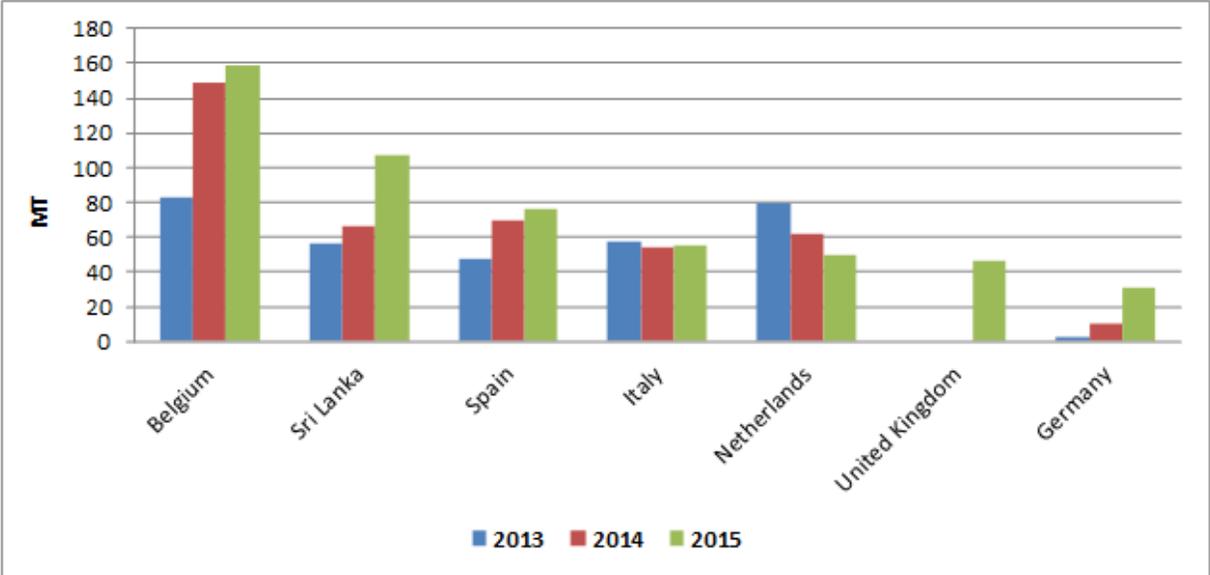
The processed pork segment is still very small but growing at a rapid pace due to socio-economic and demographic changes. The major market for processed pork is limited to large Indian cities such as Delhi, Mumbai, Bangalore, Kolkata, and Pune. A large segment of the processed pork demand is in high end hotels and restaurants which serve pork products such as ham, bacon, and sausages for the breakfast buffet and other meals. The expanding popularity of Italian and Chinese cuisines amongst high end

consumer segment also drives the demand for pork products. The domestic processed pork segment is catered by few organized players selling products such as ham, bacon, salami, sausages and frozen meat. Most of these processors do not have any integrated value chain but procure pigs through informal contracts with pig farmers.

Trade:

From year 2010 to 2015 pork imports increased at a CAGR of 11 percent on steady demand in hotel, restaurant and institutional sector as well in high-end retail segment. In 2015, pork imports increased by 28 percent from the previous year to 527 metric tons. Major suppliers of pork meat to India are Belgium, Sri Lanka, Spain, Italy, and Netherland (Figure 2). The major imported pork products include pork belly, chops, loin, tenderloin, neck, shoulder, spare ribs, bacon, ham, salami and sausages. U.S. pork exports to India are effectively prohibited due to India’s restrictive sanitary import protocol. Indian applies 30 percent basic tariff on imports of pork and pork products. Indian exports of pork and pork products are negligible.

Figure 2: India: Major Suppliers of Pork and Pork Products



Source: Global Trade Atlas

Policy:

The Department of Animal Husbandry, Dairying, and Fisheries (DAHDF) regulates pork and pork product exports to India. In order to import product, the required documentation includes a sanitary import permit issued by DAHDF, and a veterinary certificate certified by an exporting country’s competent authority. Indian import certification requirements and documentation for pork and processed pork products are available on DAHDF’s website (<http://dahd.nic.in/dahd/default.aspx>). India’s sanitary requirements restrict US pork exports to India. The Government of India’s Food Safety and Standards Authority of India (FSSAI) regulates domestic pork slaughter and processing sector. FSSAI also regulates imported pork products and tests pork and pork product shipments.

Table 1: Import duty and Import policy on swine meat and its various products

HS code	Description	Basic Duty	CV D	Special CVD	Total duty with 3% education cess	Import Policy
Chap 2	MEAT AND EDIBLE MEAT OFFAL.					
203	MEAT OF SWINE,FRESH,CHILLED OR FROZEN					
	FRESH OR CHILLED					
2031000	CARCASSES AND HALF CARCASSES	30	0	0	30.90	Fr SanP
2031200	HAMS,SHLDR & CUT OF SWINE, WITH BONE IN	30	0	0	30.90	Fr SanP
2031900	OTHER MEAT OF SWINE	30	0	0	30.90	Fr SanP
	FROZEN					
2032100	CARCASSES AND HALF CARCASSES					
2032200	HAMS,SHLDR & CUT OF SWINE, WITH BONE IN	30	0	4	36.136	Fr SanP
2032900	OTHER MEAT OF SWINE	30	0	4	36.136	Fr SanP
206	EDBL OFFAL OF BOVINE ANMLS,SWINE,SHEEP, GOAT,HORSE,ASS,MULE/HINNI,FRSH,CHLD/FRZN					
2063000	EDIBLE OFFAL OF SWINE FRESH OR CHILLED	30	0	4	36.136	R SanP
2064100	LIVERS OF SWINE FROZEN	30	0	4	36.136	Fr SanP
2064900	OTHER EDIBEL OFFALS OF SWINE FROZEN	30	0	4	36.136	Fr SanP
2090000	PIG FAT, FREE, OF LEAN MEAT AND POULTRY FAT, NOT RENDERED OR OTHERWISE EXTRACTED, FRESH, CHILLED, FROZEN, SALTED, IN BRINE, DRIED, OR SMOKED	30	0	4	36.136	Proh San P
210	MEAT/EDBL MEAT OFL,SLTED,IN BRINE,DRIED/ SMOKD;EDBL FLOURS&MEALS OF MEAT/MEAT OFFAL					
2101100	HAM SHOULDER CUT THREOF WTH BONE IN OF SWINE	30	0	4	36.136	Fr San P
2101200	BELLIES(STREAKY)&CUTS THEREOF OF SWINE	30	0	4	36.136	Fr San P
2101900	OTHR MEAT OF SWINE,SLTD,IN BRINE,DRD/SMKD	30	0	4	36.136	Fr San P

Source: Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.