

Kissan Package: Rs 40 billion being provided to small farmers

Punjab Agriculture Minister Dr Farrukh Javed said that provincial government has taken lead in providing relief to farmers through Kissan Package. An amount of Rs. 40 billion is being provided to compensate more than 12.5 million small farmers of the province. Rs 5000 per acre are being distributed among small farmers of wheat and cotton crop.

He said that 50% of the aid to the farmers in Punjab has been provided and the process will continue with complete transparency.

Dr Farrukh Javed said that agriculture is the backbone of our country but we have not seen any exemplary package for farming community in 67 years history of the country. He told the delegation that Punjab government has distributed 30,000 tractors among farmers and giving subsidy on solar tube-wells as well. About Rs. 150 billion project of Punjab rural road reforms is also underway on a fast pace.

Additional soft loan worth Rs 100 billion is being given to small farmers under the package. He said that under the wheat campaign of Punjab government, winners of contest are getting 80 mounds. He further said that balanced usage of fertilizer will not only increase the productivity, but also save billions of rupees.

Government allows sugar industry Rs7 billion exports

Despite pleadings from within the government for diversion of surplus sugar to poor population through utility stores, Finance Minister Ishaq Dar-led Economic Coordination Committee (ECC) of the Cabinet allowed 500,000 tonnes of sugar export with Rs13 per kg subsidy (Rs.7 billion) out of public purse.

This was considered important to support wealthy sugar industry which has seen falling prices because of cheaper rates on the international commodities market and expected surplus production at home following a bumper sugarcane crop.

The ECC also decided in principle to deregulate the sugarcane pricing from next year so that "government involvement and provision of subsidy is eliminated as the whole issue arises due to fixing of sugarcane price and difference in prices of sugar by the provincial governments".

Instead, government accepted the demand of the Pakistan Sugar Mills Association (PSMA) and "the ECC of the Cabinet in its meeting chaired by Finance Minister, Ishaq Dar accorded approval for export of 500,000 tonnes of sugar in a phased manner till March 31, 2016.

The PSMA told the government that Punjab and KP had set Rs180 per 40 kg purchase price for sugar and Sindh's Rs172 per 40 kg was higher than prices worked out by Agriculture Policy Institute of the Federal government.

Punjab may achieve wheat sowing target by mid-December

The Punjab has achieved 78% of its 16.50 million acres wheat sowing target during November, 2015 and hopes to cover the remaining 22% by mid-December.

An official of the Punjab Agriculture Department said the weather conditions were almost identical to what second or third weeks of November entail; on an average, the temperature is still above 15 degrees Celsius, which is ideal for germination. So, delayed sowing should not make much difference to germination benchmark. The provincial planners are also hopeful about the yield given the additional sale by the Punjab Seed Corporation.

Wheat exports post 100% increase in four months

Wheat exports from the country during first four months of current financial year registered 100% increase as compared to the corresponding period of last year. About 1,061 tonnes of wheat were exported during the period from July-October 2015 and earned US\$ 0.220 million, as per data released by Pakistan Bureau of Statistics.

Meanwhile, exports of rice also witnessed 10.78% increase during the period under review as compared to same period of last year as about 898,603 tonnes of rice worth US\$ 339.92 million as against 657,420 tonnes of US\$ 306.89 million exports of last same period last year.

The data revealed that vegetable exports during last four months has also witnessed an increase of 89% as the country was able to export 195,659 tonnes of fish vegetables of different kind and fetched US\$56.779 million for the country. The vegetable exports during first four months of last financial year were recorded at 85,420 tonnes valuing US\$ 28.689 million.

However, overall food group exports from the country during first four months remained to declining trend as it reduced by 8.17% as compared to same period of last year. During the period under review, food exports came down from US\$ 1.205 billion to US\$ 1.107 billion as exports of some items including rice basmati, fish and fish preparations, fruits and leguminous recorded negative growth in their exports.

Concrete steps needed to resolve water crisis

President Pakistan Businessmen and Intellectuals Forum (PBIF), Mian Zahid Hussain, has said that the looming water crisis is a big threat to the survival of the country which calls for immediate action. Water scarcity continue to increase but policymakers remained aloof as allocation for the development of water resources in the on-going fiscal have been cut by almost Rs 15 billion which is disappointing.



Different national and international institutions have repeatedly warned the government about water crisis but to no avail, said President PBI. He said that there is no proper policy made on water resources in the country since long. The third largest water resource in the world is going down by 30 meters to 50 meters per annum due to climate change which calls for urgent steps.

Senator Haji Ghulam Ali, Presidential Candidate of Businessmen Panel (BMP) for FPCCI while addressing the business community, said that upraising of Mangla Dam saved country from drought but more needs to be done otherwise all investments in social and economic sectors will become useless. Water scarcity will not only damage population, agriculture and industry but also lead country to a civil war between provinces.

Punjab government fixed the sugarcane price at Rs 180 per 40 kilograms

The Punjab government has fixed the sugarcane minimum purchase price at Rs 180 per 40 kilograms for the crushing season 2015-16. According to the notification issued by the Food Department, the minimum purchase price of sugarcane at the factory gate as well as at the cane purchase centres for the crushing season 2015-16 has been fixed at Rs 180 per 40 kg or Rs 450 per 100 kg or Rs 4500 per tonne.

However, the sugar factories will be authorised to deduct transport charges



incurred by them on the cane purchased at purchase centres and other locations away from the factory gate from the purchase price at the rate of Rs 1.25 per 100 kg per kilometre subject to a maximum deduction for a distance of 40 kilometres from the factory gate.

According to another notification issued by the Food Department, the Sugarcane Development Cess for crushing season 2015-16 has been fixed Rs 3 per 40kg or Rs 7.50 per 100 kg or Rs 75 per tonne. However, the incidence of the cess amount shall be shared equally by the sugar mills and the growers selling sugarcane to the mills. In case the sugarcane is obtained from the sugar mills' own farm, the Cess at the rate of Rs 3 per 40 kg or Rs 7.50 per 100 kg or Rs 75 per tonne shall be paid by the mills.

Export of potatoes: Dar directs Ministry to monitor

Minister for Finance, Ishaq Dar directed Ministry of National Food Security and Research to analyse and monitor the export of potatoes to ensure that domestic prices are not affected. He was Chairing a meeting of National Price Monitoring Committee here to review the price movement of essential items in the country.

The meeting observed that the prices of wheat, wheat flour, chicken, eggs, bananas, potatoes, tomatoes, rice, cooking oil, vegetable ghee decreased as compared to last year while the prices of milk powder, onion, red chillies, garlic, beef, mutton and pulses increased.

The Committee also noted increasing trend in some products such as pulses (moong, mash, and masoor) and garlic and directed Ministry of National Food Security and Research to closely monitor the prices of these items and take measure to bring them down.

Ishaq Dar observed that the prices of the most of the essential items like rice basmati broken, rice irri, mutton, mustard oil, banana, masoor pulse, gram pulse, potatoes, tomatoes and garlic are very high in Islamabad as compared to the provinces. He directed Islamabad Capital Administration to take appropriate administrative measures to check and control the price disparity with the neighbouring regions.



Pakistan expands Soybean imports

Pakistan appears to be on its way to altering its import mix of oilseeds and meals. The increase in the import tariff on soybean meal from zero to 11% during the last year and 10% this year, leading to a total 21% effective from July 1, is generally expected to reduce soybean meal imports with higher imports of soybeans.

Pakistan continues to expand its imports of soybeans, importing a record of more than 500,000 tonnes in 2014-15, with projected 2015-16 imports of 1.5 million tonnes, says the U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS)

In addition to a tariff that now favours soybean imports over soymeal imports, a growing and modernizing domestic poultry sector, lower rapeseed imports, lower cotton production, and adequate crushing capacity are expected to support larger soybean imports.

Imports of soybean meal are expected to drop from 1 million tonnes to 700,000 tonnes in 2015-16. Pakistan appears to be on its way to altering its import mix of oilseeds and meals.

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Surprisingly, despite the higher tariff, exports of soybean meal to Pakistan were stronger than expected, rising to just over 1 million tonnes in 2014-15. To some degree, stronger than expected post-July imports were due to pre-existing forward purchases and import contracts.

Exports of soybeans to Pakistan reached a record 540,000 tonnes in 2014-15. The report says that, looking forward, the ratio of soybean meal to soybean imports is expected to continue to tilt in favour of soybeans.

Importers are lining up their supplies for 2015-16 and have reportedly contracted for at least 500,000 tonnes of soybeans for the first six months of the marketing year. At this stage, it does not appear that deals have been struck for 2015-16 soybean meal from the Western Hemisphere.

There is always potential for soybean meal imports from India. Much will depend on the relative advantages of lower freight costs, shorter shipping times, and smaller shipments from nearby India. Importers and feed compounders have much to consider when weighing the price benefits of soybeans vs.

However, as long as the current duty structure is in place, soybeans are expected to comprise an increasingly large share of soy complex imports. Lower 2015-16 cotton production is also expected to support additional imports of soybeans.

Decline in Basmati rice production

The share of Basmati rice in total rice production in Pakistan has gone down from 74% in 2008 to 50% last season. The reason for this drop in production has been, among other things, due to the illegal adoption of the Indian variety, Pusa.

Small farmers are adopting the Pusa variety as it opens an opportunity to grow a third crop between rice and wheat. This variety gives a superior yield, consumes less water and grows in a short duration.

However, this breed is illegal in Pakistan; an industry source said that the seed is not registered and not approved by the KSK Rice Institute. Indeed, a lack of research and development is a key reason for the decline of Basmati exports.

The world rice market is growing at 12.2% annually and Pakistan's share in this market is increasing at a rate of 18%, revealed an SBP report titled "Basmati





Rice Value Chain in Pakistan.” However, the report concedes the decline is due to the demand for our coarse rice in low-end markets, while the superior Basmati breed continues to suffer. The size of the international Basmati market is around \$6 to 6.8 billion (7-8 million tonnes @ \$850/tonnes).

About 2million tonnes of Basmati are grown annually in Pakistan, of which around 0.6 million tons are exported. This number used to be a lot higher, but lack of research and no incentives have left the industry behind, meanwhile, India has hybrid seeds which give exactly twice the yield of our seeds.

Farmers must grow approved crop varieties

The farmers should cultivate approved varieties of sugarcane besides adopting September cultivation to get bumper crop as well as overcome their financial constraints. Spokesman of Ayub Agricultural

Research Institute (AARI) Faisalabad said that the approved varieties had most resistance against various diseases besides giving high quality yield. He told that the agriculture department had approved 18 sugarcane varieties for their cultivation in Punjab province.

Among these varieties include: CP-77-400, HSF-240, CP-43-33, CP-72-2086, CPF-237, HSF-242, CPF-243, SPF-245, CPF-246, CPF-247, SPF-234, etc. He told that CP-77-400, CP-72-2086, CP-43-33, CPF-237, HSF-240, HSF-242, CPF-243 are the best varieties for September cultivation in Punjab. The varieties become ready for harvest early and give more yield than the varieties being cultivated in November or October. He said that the growers should select healthy seed of the sugarcane for cultivation as the high yield mostly depends upon the selection of healthy and disease free seed. These varieties can give 1000 to 1500 mounds per acre yield.

1000 farmers from Balochistan to be trained by Government

Almost 1000 farmers from Balochistan to be trained by the government of Pakistan. Dr. Azeem Khan said, that four major need based areas of agriculture including water conservation, vegetable and fruit production and value addition, major crops and livestock production would be focused during the training.

PARC and NARC has trained 103 farmers in the first batch of one month training, farmers from 23 districts of Balochistan participated in it.

Dr. Azeem Khan further said that China-Pakistan Economic Corridor is a big opportunity for Pakistan.

Various food processing zones will be set up in Balochistan province, he said adding, Balochistan is future for agriculture development in Pakistan and olive is going to become a major industry in Pakistan. PARC is also focusing its research to increase onion and tomato production on large scale basis in the country. At present PARC and NARC are also working on various solar projects to dry and preserve various agri - products.

PARC is supporting government in its efforts to provide 30,000 solar systems to farm families of remote areas especially for solar water pumping for agriculture use and also highlighted the scope of cash crop of Zafran cultivation in Balochistan.

He urged the participants to practice new knowledge which they learned at NARC during training and share with other farmers of their region to increase production. ♦

