



The situation of various agricultural crops, inputs, credit, prices in the country and steps taken for the sake of development of agriculture are as follows:

1. Position of Various Crops:

1.1. Wheat:

- For the year 2008-09, total wheat production targets stipulated by ‘Federal Committee on Agriculture (FCA)’ in its 89th meeting held on 21st October 2008 were 25 million tonnes from a target area of 8.610 million hectares (Annexure-I).
- For the year 2007-08 wheat production estimates finalized by FCA were 20.96 million tons from an area of 8.550 million hectares. (Annexure-I).
- The cabinet considered the summary on “Support Price of Wheat 2008-09 Crops” submitted by MinFAL dated 28th September 2008 and approved the proposal of Rs.950 per 40 kilogram as a Guaranteed Minimum Price (GMP) of wheat for 2008-09.
- “Grow More Wheat Campaign 2008-09” has been initiated by Ministry of Food & Agriculture (MinFA) with the coordination of federal and provincial stakeholders to achieve the target of 25 million tones to ensure wheat self sufficiency and food security in the country.
- To ensure food security in the current year Government has planned to import a total of 3.5 million tons of wheat during the year. Up till now ‘Trading Corporation of Pakistan (TCP)’ has contracted 1.7 million tons and 1.5 million of wheat has already arrived in the country. It has been decided to import additional one million ton of wheat for which tenders have already been floated.
- Updated progress of wheat sowing is given in the Annexure-I (a) depicting that on overall basis, sowing of 4.73 million hectares has been completed by November 22, 2008 which is 55% of the target area. Middle and late season sowing is still in progress.

1.2. Cotton:

- For the year 2008-09, cotton production achievements reported in the above mentioned meeting of FCA were 12.06 million bales from an area of 2.85 million hectares (Annexure-II).
- Cotton arrival in ginning factories of Punjab and Sindh for the season as on 15-11-2008 was 7.2 million bales which is 22% higher than the same in the last year (5.89 million bales). In Punjab cotton arrival in ginning factories was 4.90 million bales and in Sindh it was 2.27 million bales.
- The Seed-cotton (phutti) prices on 15th November 2008 were ranging between Rs. 1550 to Rs 1650 per 40 kgs while Lint prices were between 3050 to 3125/40kg.
- Ministry of Food, Agriculture and Livestock has initiated a process of negotiations with “Monsanto” – an American based multinational seed company, for formal introduction of Bt cotton with Bollgard-II technology in the country on fast track basis and consultative committees of both sides are interacting in series to finalize modality of compensation/collaboration of government of Pakistan with Monsanto for an

expeditious introduction of cotton biotechnology. Monsanto also imported seeds of 20 various cotton hybrids from India for testing during the current season for their possible release and commercialization of most adapted and high performing entries. Negotiations with other companies like Biocentury Transgene Company, China, Bayer CropScience etc. are also in progress for introduction of genuine Bt cotton in the country.

1.3. Rice:

- For the year 2008, rice production achievement reported in the above mentioned meeting of FCA was 6.543 million tonnes from an area of 2.916 million hectares (Annexure-III).
- This year hybrid rice (IRRI/Coarse type) was planted on about 300,000 acres in Punjab and Sindh provinces which is expected to give a sudden boost to the total rice production this year.
- A well established evaluation and screening system of exotic rice hybrids of Indian, Chinese and Philippine origin has been devised and implemented keeping in view sensitivity of the rice crop. Further testing of most productive and resistant exotic rice hybrids is in progress.
- In order to ensure the stable marketing of rice/paddy in the country, Government of Pakistan has decided to procure the paddy directly from the growers at Guaranteed Minimum Prices (GMPs). PASSCO has a target to procure about 1 million ton paddy of basmati and IRRI type varieties. GMPs are Rs.1500/40 kg for Basmati Super, Rs.1250/40kg for other Basmati varieties and Rs.700/40kg for coarse rice (IRRI-6).

1.4. Maize:

- For the year 2008-09, maize production achievement (both spring & autumn crops) reported by FCA was 3.326 million tonnes from an area of 1.062 million hectares (Annexure-IV).
- Importance of maize crop has been increased on account of its role in food security in the country.
- Still there is need to promote the absorption of hybrid maize in the country.
- Public research institutes and public and private sector seed companies are being motivated to initiate the indigenous hybrid maize production programmes.

5. Sugarcane:

- For the year 2008-09, sugarcane production achievement reported by Federal FCA in its meeting held on 21st October 2008 was 52.071 million tonnes from an area of 1.044 million hectares (Annexure-V).
- Harvesting of the current season crop is in progress with the start of crushing season from 15th November 2008.
- The sugar stocks with the mills including old stocks and stocks of TCP as on 31st October 2008 were reported at 0.904 million tons. Estimated consumption during the month of November, 2008 is 0.350 million tonnes that will result in a balance of 0.544 million tonnes in the beginning of December, 2008.

1.6. Potato:

- For the year 2008-09, potato production achievement reported by FCA in its meeting held on 21st October 2008 was 2.458 million tonnes from an area of 0.140 million hectares (Annexure-VI).

1.7. Gram:

- For the year 2008-09, total gram production target fixed by FCA was 6,52,290 tonnes from a target area of 1.013 million hectares (Annexure-VII). The current crop is under cultivation.
- For the year 2007-08, gram production estimates finalized by FCA were 474600 tons from an area of 1.107 million ha.
- Gram is mostly a barani/ rainfed area crop and its area and production are highly fluctuating and unpredictable.

1.8. Mung:

- For the year 2008-09, total mung production target fixed in 89th meeting of FCA was 147,550 tonnes from a target area of 231,050 hectares.

1.9. Oil Seeds (PODB):

1.9.1. Sunflower:

- An extensive work is being done by PODB to popularize sunflower in the country that involves campaign to motivate the growers to plant sunflower and technical guidance during production.
- Area and production estimates during 2007-08 were 457,437 hectares and 682,940 tonnes, respectively (Annexure-?).
- Area and production target for 2008-09 are 1.25 million hectares andtonnes, respectively (Annexure?).

1.9.2. Canola:

- Area and production estimates during 2007-08 were 162,570 hectares and 207980 tonnes, respectively (Annexure-?).
- Area and production target for 2008-09 are 260000 acres andtonnes, respectively (Annexure?).
- For rabi 2008-09 availability of Canola seed is 178 mt. PODB is distributing the seed variety "Bulbul-98" of canola @Rs.75/kg.

2. Position of Agricultural Inputs:

2.1. Seeds & Planting Material:

- Efforts have been made to improve the availability of quality seed which was affected due to provincial restrictions on the movement of wheat. Resultantly, the total availability of wheat seed is 190,000 tons which is 19% of the total requirements. Farmers saved seed is being graded to raise the total availability by 20%. Due to

shortage of wheat seed in other provinces, Punjab has been requested by FCA to allow free seed movement to other provinces through public and private seed sector.

- Hybrid rice varieties have been introduced that are more productive and are expected to bring a revolution in total rice production and will play a key role in food security system.
- Efforts are on the way to introduce genuine Bt cotton varieties in the country to reap the real benefits of this technology.

2.2. Fertilizers:

- Government is providing a huge subsidy on fertilizers and special arrangements have been made to ensure smooth supply of fertilizers at rational prices for wheat crop 2008-09.
- To facilitate farmers' DAP fertilizer price has been capped at Rs.3050 per bag this will cost Rs.27 billion on account of subsidy.
- The DAP availability for rabi (2008-09) stands at 990 thousand tons against the requirements of 820 thousand tons.
- The Urea availability for rabi (2008-09) stands at 2.5 million tons against the requirements of 2.6 million tons.
- Government has authorized MINFAL to import about 0.25 million tons of Urea for the Rabi crop.
- This year (2008-09) agri credit supplies have been increased from Rs. 212 billion to Rs 250 billion.
- Government has decided to launch "Banazir Zarai Card Scheme" in order to improve small farmer's access to credit.
- Government has introduced a Crop Loan Insurance Scheme with a built in bias in favour of small land owners. Waiver of 5% excise duty on premium of crop insurance policy.
- Fertilizer Supply Demand estimates (in 000 tonnes) during Rabi 2008-09 are given as under;

Description	Urea	DAP	TSP/MAP	SOP/MOP	Total
Opening inventory	59	655	68	20	802
Imported supplies	125	0	100	10	235
Domestic production	2,295	330	-	-	2625
Total availability	2,479	985	168	30	3662
Off take	2,910	850	54	10	3824
Estimated inventory	-431	135	114	20	-162

2.3. Pesticides & Agrochemicals:

- A satisfactory supply of pesticides and other agrochemicals has been reported. Government has waived off 5% duties on the import of pesticides/weedicides to tackle the high prices of the chemicals being used in agriculture for plant protection purposes.
- A standardized check has been placed to ensure import and distribution of quality pesticides/weedicides.

3. Supply of Agricultural Credit:

- The demand for agricultural credit has increased considerably due to rapid increase in the prices of agricultural inputs. The Government had set indicative agricultural credit target of Rs.250 billion for FY 2008-09 which is Rs.50 billion higher than the last year target of Rs.200 billion showing an increase of 25% over the last year.
- Agricultural Credit target of Rs.250 billion for FY 2008-09 is 18% higher than the last year actual disbursement of Rs.212 billion or in absolute term Rs.38 billion higher as compared to last year disbursement.
- The Government has enhanced the indicative per acre credit limit for major and minor crops, orchards and forestry by an average 70 percent. The enhancement in the credit limit has been made on the basis of current prices of agriculture inputs, like seeds, fertilizers, pesticides, fuel, electricity, etc. The decision has been taken in line with government's priority to develop agriculture sector and to ensure adequate and timely availability of agricultural credit to the farming community. The production loan will be disbursed to the farmer from Rabi Crops 2008-09 on the enhanced credit limit.
- Agricultural credit disbursement for the first quarter July-September of the current financial year 2008-09 is Rs.46.6 billion which is 28.4% higher than the last year's disbursement of Rs.36.3 billion during the same period. In absolute term, disbursement rose by Rs.10.3 billion.

5.1. Crop Loan Insurance Scheme:

- Agriculture contributes substantially to the GDP but no mechanism exists to protect this sector against occurrence of losses mostly due to natural perils. Protection of agriculture sector is obviously of strategic interest to the economy of Pakistan.
- Agriculture sector has remained unattended by the insurance industry. Banks were reluctant to extend short and long term loans to farmers because of high risk of default in the repayment of loans on account of loss of production due to natural calamities, crops diseases etc.
- Realizing the importance of agriculture sector, The Prime Minister in his address to the National Assembly announced introduction of Crop Insurance Scheme particularly for the small farmers. Accordingly, the Cabinet, in its meeting held on 18-07-2008 approved the Crop Loan Insurance Scheme (CLIS) to mitigate the risk of farming communities in case of crop damage due to natural calamities.
- The premium for the subsistence farmers will be picked up by the Government (up to 2%).
- The Scheme will be launched from Rabi Season 2008-09.
- The Crop Insurance Policy would boost the agricultural productivity and also helpful in achieving the wheat production target of 25 million ton of Rabi Crop of 2008-09.
- Wavier of 5% excise duty on premium of crop insurance policy.

5.2. Benazir Zarai Card Scheme

- The Government is launching Benazir Zarai Card Scheme 1st time in the history of Pakistan for the benefit of small farmers to obtain agricultural loans. This card will be issued for three years; under this scheme small farmers will be able to get financial support from banks.

Annexure-I: Total area, production and average yield target & achievement of Wheat

for the year 2007-08:**Achievement 2007-08:**

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	6402.00	15607.00	2437.83
Sindh	989.90	3411.40	3446.21
NWFP	747.40	1071.80	1434.04
Balochistan	410.50	868.60	2115.96
Total	8549.80	20958.80	5451.38

Targets 2008-09:

Province	Area (000 hec)	Production (000 tons)	Yield (kg/ha)
Punjab	6460.00	19400.00	3003.10
Sindh	922.00	3503.00	3531.25
NWFP	748.00	1221.00	1632.35
Balochistan	410.00	876.00	2136.59
Total	8610.00	25000	2903.60

Annexure-1(a): Sowing Estimates of Wheat 2008-09 by Week ending 15-11-2008*:

Province	Area Targets (000 ha)	Area Sown (000 hec)		Percent Area Sown Compared to	
		2007-08	2008-09	Target	+/- over 2007-08
Punjab	6460	3355	3721	58	+11
Sindh	992	298	312	31	+5
NWFP	748	470	524	70	+11
Balochistan	410	202	172	42	+15
Total	8610	4325	4729	55	+9

Source: Crop Reporting Services Departments

Annexure-II: Total area, production and average yield target & achievement of Cotton for the year 2007-08:**Targets 2008-09:**

Province	Area (M. ha)	Production (M. Bales)	Yield (Kg/ha)
Punjab	2.52	11.0	742.46
Sindh	0.63	3.00	809.95
NWFP	0.01	0.01	170.09
Balochistan	0.04	0.10	425.23
Total	3.20	14.11	749.99

Achievement 2008-09:

Province	Area (M. ha)	Production (M. Bales)	Yield (Kg/ha)
Punjab	2.25	9.16	692.15
Sindh	0.56	2.80	850.45
NWFP	0.01	0.01	170.09
Balochistan	0.03	0.09	510.27
Pakistan	2.85	12.06	719.51

Annexure-III: Total area, production and average yield target & achievement of Rice/Paddy for the year 2007-08:**Targets (2008-09):**

Province	Rice Type	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	Basmati	1489.00	2666.40	1790.73
	IRRI/Others	254.90	622.40	2441.74
Sub-total	Sub-total	1743.90	3288.80	1885.89
Sindh	IRRI/Others	578.30	1776.90	3072.63
NWFP	IRRI/Others	62.00	129.80	2093.55
Balochistan	IRRI/Others	210.00	525.00	2500.00
Total	Total	2594.20	5720.50	2205.11

Achievements (2008-09):

Province	Rice Type	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	Basmati	1524.42	2706.60	1775.49
	IRRI/Others	429.78	1066.40	2481.27
Sub-total	Sub-total	1954.20	3770.00	1930.71
Sindh	IRRI/Others	712.52	2189.59	3073.02
NWFP	IRRI/Others	62.82	128.00	2037.57
Balochistan	IRRI/Others	186.10	452.80	2433.10
Total	Total	2915.64	6543.39	2244.24

Annexure-IV: Total area, production and average yield target & achievement of Maize for the year 2007-08:**Achievements 2007-08:**

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	534.00	2536.70	4750.37
Sindh	2.72	1.45	533.09
NWFP	520.12	782.40	1504.27
Balochistan	5.50	5.10	927.27
Total	1062.34	3325.65	3130.49

Targets 2008-09:

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	530.00	2539.00	4790.57
Sindh	3.00	1.60	533.33
NWFP	463.00	733.00	1583.15
Balochistan	5.20	5.20	1000.00
Total	1001.20	3278.80	3274.87

Annexure-V: Total area, production and average yield target & achievement of Sugarcane for the year 2007-08:

Achievements (2007-08):

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	673.79	31819.00	47.22
Sindh	265.14	15457.55	58.30
NWFP	103.82	4752.80	45.78
Balochistan	0.75	41.30	55.07
Total	1043.50	52070.65	49.90

Targets (2008-09):

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	700.00	37940.00	54.20
Sindh	230.00	13409.00	58.30
NWFP	109.10	5145.00	47.16
Balochistan	0.40	22.00	55.00
Total	1039.50	56516.00	54.37

Annexure-VI: Total area, production and average yield target & achievement of Potato for the year 2007-08:

Achievements 2007-08:

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	142.00	2387.50	16.81
Sindh	0.30	2.60	8.67
NWFP	8.90	117.20	13.17
Balochistan	3.10	31.70	10.23
Total	154.30	2539.00	16.45

Targets 2008-09:

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	128.99	2299.96	17.83
Sindh	0.31	2.67	8.61
NWFP	8.11	115.89	14.29
Balochistan	3.02	39.76	13.17
Total	140.43	2458.28	17.51

Annexure-VII: Total area, production and average yield target & achievement of Gram for the year 2007-08:

Achievements 2007-08:

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	989.00	387.50	391.81
Sindh	48.20	45.60	946.06
NWFP	38.20	15.50	405.76
Balochistan	31.40	26.00	828.03
Total	1106.80	474.60	428.80

Targets 2007-08:

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	869.72	553.70	636.64
Sindh	53.46	48.22	901.98
NWFP	53.28	20.49	384.57
Balochistan	36.05	29.88	828.85
Total	1012.51	652.29	644.23

Annexure-VIII: Total area, production and average yield target & achievement of Mung for the year 2007-08:

Achievements 2007-08:

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	198.04	127.86	645.63
Sindh	10.81	4.65	430.16
NWFP	11.00	7.20	654.55
Balochistan	11.20	7.84	700.00
Total	231.05	147.55	638.61

Targets 2008-09:

Province	Area (000 ha)	Production (000 tons)	Yield (kg/ha)
Punjab	206.30	125.70	609.31
Sindh	10.00	4.30	430.00
NWFP	11.10	7.20	648.65
Balochistan	4.60	3.20	695.65
Total	232.00	140.40	605.17

Annexure-VI: Total area, production and average yield target & achievement of Sunflower for the year 2007-08:

Achievements 2007-08:

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	152.10	325.00	2136.75
Sindh	244.00	277.30	1136.48
NWFP	0.50	0.80	1600.00
Balochistan	0.70	0.80	1142.86
Total	397.00	603.90	1520.01

Targets 2008-09:

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	194.25	289.91	1492.46
Sindh	267.10	398.64	1492.47
NWFP	14.16	21.13	1492.23
Balochistan	30.35	45.30	1492.59
Total	505.86	754.98	1492.47

Annexure-VI: Total area, production and average yield target & achievement of Canola for the year 2007-08:

Achievements 2007-08:

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	3.60	3.40	944.44
Sindh	2.30	2.70	1173.91
NWFP	1.10	0.50	454.55
Balochistan	3.30	2.20	666.67
Total	10.30	8.80	854.37

Targets 2008-09:

Province	Area (000 ha)	Production (000 tons)	Yield (tons/ha)
Punjab	58.69	74.96	1277.22
Sindh	12.14	15.51	1277.59
NWFP	18.21	23.26	1277.32
Balochistan	16.18	20.68	1278.12
Total	105.22	134.41	1277.42