

GENERAL AGREEMENT ON TARIFFS AND TRADE

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Agricultural Policies

Addendum

PAKISTAN

1. In the agricultural sector, the Government pursued vigorously the programmes for accelerating agricultural production through more efficient use of resources and by bringing the unutilized resources under use. Particular emphasis was given to the problem of increasing the farmers' incomes especially for improving the economic conditions of small farmers. This is being achieved through intensified researches and development programmes aiming at increasing the value of produce per unit of land and labour. Programmes are also being executed to create employment opportunities through modernization of agriculture by the adoption of more intensive agricultural practices, institution of the Integrated Rural Development Programme and establishment of processing industries in areas which were neglected in the past.
2. The Government's policy could be executed successfully because of the radical change in the outlook, motivations and attitudes of the farmers brought about by the Land Reforms announced in March 1972. These reforms have affected over 18 lakh acres and about 8 lakh acres have been resumed without compensation for free distribution to tenants. Burden of land revenue, water rates and cost of seed has been transferred to landlords. Levy of cess and service without remuneration demanded by landlords from tenants has been declared unlawful. Security of tenure has been assured through a bar on arbitrary ejectments. These revolutionary reforms have ensured fuller participation of the tillers of the soil in the process of economic development. The Agri-milieu created by these reforms has made the agricultural policies and programmes more meaningful, efficacious and productive.
3. The following steps have been taken to increase farm productivity:
 - (i) Special arrangements were made to supply adequate quantities of major inputs to the farmers. It included multiplication and distribution of large quantities of quality seeds of high yielding varieties of crops like cotton, maize, wheat and rice. Special programmes were prepared to ensure supply of good seeds for cotton crop.

- (ii) Imports of large quantities of artificial fertilizers were arranged to augment their use from a level of 4.36 lakh nutrient tons in 1972-73 to about 6.75 lakh nutrient tons in 1973-74. Serious attention was given to effect improvements in the distribution system and the fertilizer distribution was taken over by the Government in the province of Punjab.
- (iii) It was envisaged that an area of about 106 lakh acres shall be covered by curative plant protection measures during 1973-74 as compared with about 45 lakh acres sprayed during the previous year. It was for the first year that aerial spraying was done, on a rather large scale, by private aircrafts. The aerial plant protection programme saved about 31 lakh acres of cropped area. A programme was started for the distribution of standard spraying equipment at subsidized rates. Timely supply of pesticides was arranged.
- (iv) The programme for tubewell installation in the private sector was continued. In addition, a scheme was implemented for the benefit of smaller and economically less-privileged farmers, under which 5,450 diesel tubewells are being installed in riverain, rainfed and non-perennially irrigated areas.
- (v) A precision land levelling programme has been started in the canal irrigated areas of Punjab and Sind with the objective of optimum use of water resources and adoption of improved agronomic practices on levelled fields.
- (vi) In order to control the twin menaces of water-logging and salinity a comprehensive programme has been approved by the Government which includes the establishment of a tubewell corporation. In addition arrangements are being made to plan horizontal drainage in suitable tracts.
- (vii) The ban on inter-provincial movement of agricultural commodities was lifted with a view to enabling the farmers to obtain better prices for their produce.
- (viii) In order to decentralize as much of field functions as possible, the work of seed and fertilizer distribution was transferred to the provinces.

- (ix) The Government also increased the procurement prices of major crops. The price of wheat was raised to Prs 22.50 per maund for the 1972-73 crop compared to Prs 17.00 per maund for 1971-72 and to Prs 25.50 per maund for 1973-74 crop. The procurement price of Basmati rice was increased from Prs 46 per maund to Prs 62 per maund, while the prices of other rice varieties were raised by about Prs 6 per maund. The mill-gate price of sugarcane was also increased in all the provinces.
- (x) Special programmes are being formulated to provide incentives to farmers to increase the production of meat, milk, poultry and eggs.

4. These policies and programmes created conditions congenial for the farmers to take more interest in farming and to increase farm production. These efforts are being supplemented by programmes for improving the conditions of small farmers and in less-developed regions. The steps taken so far in this direction are given below:

- (i) The programme for grant of subsidy and easy loans for the installation of 5,450 diesel tubewells was continued in rainfed, riverain and non-perennially irrigated tracts.
- (ii) The procedures for advancing loans to farmers have been simplified. Commercial banks have been inducted into the agricultural field and a system of pass book introduced and allocation for loans to farmers has been increased.
- (iii) 65 Markaz¹ are functioning for integrated rural development in different parts of the country. The experience gained shall provide the base for developing an effective programme for modernizing agriculture in a big way.
- (iv) For the betterment of the economic conditions of fishermen, large number of diesel engines and fishing equipment are being imported. Construction of fish harbours at Gowadar and Port Qasim is also planned.
- (v) An arid Zone Research Institute is being set up with headquarters at Quetta and sub-stations in the major arid/semi-arid tracts of all the provinces.
- (vi) The research and developmental work on range development was continued. In addition, on the basis of the recommendations of the National Range Management Committee, the Provincial Governments are drawing up and processing schemes for development of ranges in different regions.

¹Centres for advisory work.

- (vii) Research programmes are planned on a national level to study the problems of development of Barani areas¹, including soil erosion and water management and for the introduction of crops, which shall increase farmers income.
- (viii) A programme is being planned to import and test farm implements for adoption by medium and small farmers. It is envisaged that selected implements shall be assembled/manufactured in the country so that they are available in adequate numbers and at reasonable prices with suitable credit facilities.

5. The problems of farmers are continuously being studied for finding solutions. A perspective study on agricultural development of Pakistan is being carried out with the help of FAO. Studies on cotton, oil-seeds, oils and fats, sugarcane and sugar, feed grains, tobacco, forest products, range management and ocean fish are being carried out with the assistance of foreign expertise.

6. The Government's policies kept the morale of the farmers high and, assisted by the Government's efforts, the farmers took full advantage of the availability of moisture in the soils. It is estimated that this year area under wheat crop is substantially more than the previous years. A production target of 8.5 million tons of wheat is expected to be achieved during Rabi 1974-75. Acreage and production of other rabi crops² like gram pulses and oil seeds is also expected to be high during Rabi 1974-75.

¹Dry land, not irrigated artificially.

²Seasonal crops harvested in the spring.