

P B I T

COVID-19 REPORTS



The Golden Soil

Pandemic & The Food System of Pakistan

MAY 2020

AMPLE LOCAL PRODUCTION

An Uninterrupted Supply

Pakistan produces all the necessary crop and food locally to cater the domestic dietary needs

During 2018-19, the availability of staple food items remained uninterrupted

Food Availability KG/Capita per Annum		
Food items	2018-19	2017-18
Cereals	150	148
Pulses	6	5.3
Sugar	28.8	28.2
Milk-Liter	165.7	167.6
Meet	21.1	21
Eggs-dozen	7	7
Edible Oil/Ghee- Liter	15	15.2

PUNJAB

The Land of Fertile Plains

Agriculture is one the leading sectors of Pakistan's economy

18.5%

GDP Contribution

18.5%

Employment Generation

Agriculture Contribution to Punjab

27%

GDP Contribution

40%

Employment Generation

Punjab Grows:



83% of cotton



95% of Potato



80% of Wheat



78% of Maize



97% of Rice



66% of Mango



63% of Sugarcane



95% of Citrus



82% of Guava

Source:

Analysis by Transactions Team | PBIT
Agriculture Department Government of Punjab

NATIONAL PRODUCTION CYCLE

Availability of Essential Vegetables

ONION

Punjab (20%)	4,25,388 Tons (March – July)
Sindh (36%)	7,47,500 Tons (Nov. April & June-July)
KPK (11%)	2,24,000 Tons (June – Sept.)
Baluchistan (33%)	6,81,600 Tons (June – Nov.)

POTATO

Punjab (97%)	4,690,999Tons (Nov. – June)
Sindh (0.12%)	5,700Tons(Dec – Jan)
KPK (2.5%)	1,21,000Tons (July – Nov.)
Baluchistan (0.44%)	21,300Tons (Mid Aug. – Oct.)

TOMATO

Punjab (24%)	1,38,397 Tons (April - June)
Sindh (26%)	1,53,300 Tons (Dec-April)
KPK (21%)	1,24,800 Tons (June - Nov)
Baluchistan (29%)	1,69,100 Tons (End June – Mid Nov.)



THREATS TO NATIONAL FOOD SALES

The Academic Facts

Unemployment

The rising unemployment and underemployment will reduce the purchasing power of the people.

Reduction in remittances

Households that rely on remittances will also lose their source of income

Labor shortage

Restrictions on the movement of agricultural workers due to Covid-19.

Transport interruptions

Major facilitator in managing supply chain. Opening this sector would strike away one more obstacle

Limiting access to markets

Disruption in supply-chain, inflation and less availability of food items.

Locust outbreak

Locust outbreak is a major threat to food security.

Source:
Gulf News

Analysis by Transactions Team | PBIT

PROBABILITY OF SUCCESS

Responsibilities of Private Sector

Temporary Production Units away from Quarantine Areas
Offer substitutional products
Alternative Sourcing Strategies
Top companies may form a cluster to develop common strategy and proposing new steps to government
Investing in Agricultural zones by establishing processing & production units and cold storages
Establishing regional field units on temporary basis
Going digital, connecting farms and owners with retail chains and e-commerce channels close to their location
Investing in cold storages throughout Punjab
Investing in food packaging units to store the inventory in case of closure of trade activities
Educating the farmers for exploring non-traditional crops

Source:
Gulf News

Analysis by Transactions Team | PBIT

ALERT AND RESPONSIVE

Initiatives by the Government

- **PKR 37Bn** Subsidy on fertilizers
- **PKR 8.8Bn** Reduction in agriculture loans
- **PKR 2.5Bn** Subsidy on sales tax
- **PKR 100Bn (\$627Mn)** for Agricultural SMEs
- **PKR12,000** Assistance to 12Mn families
- **PKR 15Bn** Worth interest-free loans to farmers by Government of the Punjab
- Crop insurance for **250,000** farmers
- **1.2Mn** Sacks of seeds for the next wheat crop
- **PKR 75Bn** Allocated for daily wagers during Pandemic lockdown

ABOUT US

Punjab board of investment & trade is a provincial trade and investment promotion agency established by the Government of Punjab in 2009. In today's global economy, trade and investment play an increasingly important role in generating means for transformative change. At PBIT, we strive to ensure that this transformative change is sustainable and more impactful. PBIT is committed to enhancing the global competitiveness of Punjab and its business. To this end, we work to attract new investments in the region and strengthen the existing ones by promoting local investment opportunities, facilitating businesses and highlighting the distinct advantages of Punjab as a business location.

Transactions Department

Punjab Board of Investment and Trade targets a socio-economic growth through its Transactions Department. The department plans to fortify its deep roots, both locally and internationally, by reaching out to leading businesses for discussing the panoramic commercial opportunities. As per the initiative of inventiveness, the department plans to provide a transaction advisory as defined in its role to bring-in the investments and establish new businesses. For this purpose, Pitch books of different identified sectors are a new resourcefulness of this department which would target to develop the in-house capacity of production by connecting the local and international market players. This would not only ensure the technology transfer but also create several jobs in the province. The department plans to connect through the regional IPAs, financial institutions, the embassies in different countries and local chambers as well so as to fast-track the process of economic growth and industrialization in Punjab in regard to its recognition as 'The Land of Opportunities

Investment Associates

Mafaz Ahsan

Ghazi Asad Ali

Bilal Ansir

Deputy Manager

Samad Rasheed

Head of Transactions Dept

Rana Waqas

