[Dr Khaqan Hassan Najeeb](https://www.thenews.com.pk/writer/dr-khaqan-hassan-najeeb)

&

[DYZ](https://www.thenews.com.pk/writer/dr-yusuf-zafar)

[Dr Yusuf Zafar](https://www.thenews.com.pk/writer/dr-yusuf-zafar)

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**Whatever it takes**

Recent agriculture data is concerning enough to send chills up one's spine. The food import bill is up a massive 52 percent for July 2020 to January 2021, compared to the same period last year. It presents a formidable amount of $4.64 billion in just seven months.

Spending on import of cotton has increased by a whopping 266 percent to $0.7 billion in the same period. On the other hand, export earnings of basmati rice have fallen by more than 31 percent to just $0.3 billion.

On the domestic front, the Sensitive Price Index (SPI) has risen in the range of 0.32 percent to 0.81 percent, week on week, for the last five weeks in a row to February 18, 2021. On a yearly basis, the SPI has increased by 9.92 percent. The SPI is a reasonably good measure of the change in the cost of a fixed basket of goods and services purchased by a household.

Most of the items have increased in price as seen in a year-on-year trend. Some price increases are unnerving. Price surge during the year has ranged from 17 percent in ghee, 18 percent in sugar and rice, 23 percent in mustard oil, 50 percent in chicken, 54 percent in eggs and 143 percent in chilies. A few decreases from an elevated level have been noted in prices of onions by 43 percent and tomatoes by 27 percent.

The evidence is glaring. A weakening agriculture sector is adversely affecting both balance of payments and food inflation. More than ever, whatever it takes, the modus operandi is the only way forward. Pakistan is fortunate to have undertaken some good policy work in the agriculture sector at both the macro and micro levels. It is possible to move forward in a swift manner. Follow-through on the National Food Security Policy developed in 2018 can reinvigorate the agriculture sector. It is holistic in its agenda as well as being forward-looking. It goes beyond helping with the prevailing ills of productivity, water usage, yields and regulatory hurdles. It talks of promoting value added food production while creating a new class of agricultural entrepreneurs to raise exports.

Pakistan’s basmati rice is of high economic significance to the economy. It contributes 3.1 percent to its total agricultural value addition and 0.6 percent in the national GDP. The fall in basmati rice exports in the past seven months comes at a time when exports from neighbors and competitors have risen. The country’s export share in the world has plummeted to less than 10 percent from a high of nearly 50 percent in the mid-2000s.

A more dedicated approach is required to remedy the rice market. To this end, a pioneering study was initiated in 2017. It took two years to analyze the whole value chain, starting at farm level production, processing, storage, value addition and marketing. In February 2020, the Planning Commission published a Cluster Development Based Agricultural Transformation Plan-Vision 2025 of 33 agriculture commodities including rice. The tasks for the short term are clearly defined and prioritized in this plan and need to be adopted. These include mechanical rice transplantation to enhance productivity, adoption of high yielding varieties, improving crop management practices to bridge the gap between average and progressive farmers’ yield, and controlling harvest and post-harvest losses in milling. Highest priority has been given to capacity building of stakeholders and reforms in basmati research and development.

An Export Development Surcharge of 0.3 percent on export has been in vogue for many a year. These funds can be judiciously utilized for the promotion of rice export beyond a restrictive participation in international exhibitions. The commerce ministry can add much value through an aggressive marketing stance to reverse Pakistan’s falling global position in the rice market.

Pakistan has benefitted from import of Chinese hybrid technology in increasing yields of rice crop. Some effort has been initiated by the private sector for hybrid seed production in Gharo Sindh and around Lahore. The government needs to strengthen the regulatory regime of seed approval and ensure effective implementation of the Plant Breeders Right Act for protection of innovation and ownership of technology in the seed sector.

The recently formulated Agriculture Emergency Program envisages 18 Public Sector Development Program projects, including rice. The productivity enhancement sub-project on rice emphasizes on mechanization of transplanting as well as rice-specific harvesting machines. This can help if timely executed. The country has little or no time to waste. The escalation in the import bill of food items and increase in food prices are both untenable and hurting the vulnerable. The SPI for lower income quintiles is in the double digits. Low-income households are feeling the brunt of the price hike. No amount of administrative intervention can ease price pressures. The real problem lies with agriculture productivity, mechanizations and supply chain.

Feeding the growing population will require changes to the way the country grows things. The task at hand is both quantitative and qualitative in nature. From macro policy work, to regulatory approvals, aided by micro level interventions as highlighted in the rice sector, only point towards the enormity of the task at hand. The country has little choice but to put in the hard work. The agriculture sector needs a mammoth effort in coordinating policy.

An anchor in the planning division at the federal level, supported by a plethora of organizations working with the Ministry of Food Security, agriculture research centers and universities and provincial departments have to collaborate and start undertaking reform interventions. Scientists, past and present, need to come together for consultation and an inclusive approach to at least arrest the decline in the agriculture sector.

Dr KhaqanNajeeb has served as adviser, Ministry of Finance.

Email: khaqanhnajeeb@gmail.com

Twitter: @KhaqanNajeeb

Dr Yusuf Zafar is former chairman of the Pakistan Agriculture Research Council.

Email: y\_zafar@yahoo.com