Agribusiness Development

Through

Public / Private Partnership

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AGRIBUSINESS SUPPORT FUND
Agribusiness Development

OBJECTIVE

To develop a competitive and sustainable private-sector led agribusiness sector, particularly in high value areas of horticulture, livestock and fisheries

And thereby

Support rural development, employment generation and poverty alleviation
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OUTPUTS of INITIATIVES

- Increase productivity / reduce yield gaps
- Promote commercially oriented agriculture activity
- Advance high potential sectors: horticulture, livestock and fisheries
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Potential / Opportunities: Agribusiness in Pakistan

- Large Domestic Market of 160 Million People
- Strategic Location: Proximity to Regional Markets
- Rising domestic income levels
- Low Cost Human Capital
- Vast Agriculture Resource Base
  - Largest Producer of Kinow Variety in the World
  - 3rd Largest Herd of Animals
  - 4th Largest Producer of Milk
  - 5th Largest Producer of Mango
  - 3rd Largest Producer of Dates
- Large untapped potential with high value addition possible
- Large and growing global / domestic market for targeted high-value sectors
### MAJOR HORTICULTURE PRODUCE

<table>
<thead>
<tr>
<th>Produce</th>
<th>Ton (000)</th>
<th>% of World</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citrus Fruit</td>
<td>1,966</td>
<td>2.82</td>
</tr>
<tr>
<td>Dates</td>
<td>610</td>
<td>10.65</td>
</tr>
<tr>
<td>Mango</td>
<td>970</td>
<td>4.02</td>
</tr>
<tr>
<td>Onion</td>
<td>1,310</td>
<td>2.62</td>
</tr>
<tr>
<td>Potatoes</td>
<td>1,560</td>
<td>0.49</td>
</tr>
<tr>
<td>Tomato</td>
<td>303</td>
<td>N/A</td>
</tr>
<tr>
<td>Lentils/Pulses</td>
<td>980</td>
<td>7.72</td>
</tr>
<tr>
<td>Peas</td>
<td>143</td>
<td>0.74</td>
</tr>
</tbody>
</table>

- Other items not included due to lesser quantities
- Produce figures taken from FAO data

![Pie chart showing the proportion of major horticulture produce](image)
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Major constraints faced by agribusiness

- Lack of a guiding national policy
- Limited access to finance
- Limited capacity for agribusiness start-up
- Weak public-private partnerships / institutional capacity
- Poor inter-agency coordination
- Absence of demand driven agriculture research and extension
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Strategic actions

- National / Provincial / Special Area horticulture policies in-hand
- Livestock and Fisheries policies finalized
- SBP has identified 5 Banks for agribusiness finance development
- Demand-driven support for agro-enterprise start-up launched
- Upgrading of laboratory services for fisheries, grains, animal products, seeds and nurseries in place
- Programs to build awareness for the need to comply with international standards and practices (EUREPGAP)
- National Animal and Plant Health Service (NAPHIS) established
- Collection and dissemination of market information in collaboration with the private sector launched
- Agribusiness courses and technical training / capacity building programs established with key institutions
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Key Agribusiness Initiatives

- Agribusiness Development & Diversification Project
- Agribusiness Support Fund
- Livestock & Dairy Development Board and Dairy Development Company
- Fisheries Development Board
- Complementary projects for tea, herbs, olives, palm oil and vegetable seed & fruit nursery production
- MINFAL Trade coordination unit for agricultural products
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**Livestock & Dairy Development Board (LDDB)**

- **Structure:** Private-sector led Not for Profit Company

**Major Initiatives**

- **Milk collection and dairy development program**
  - 300 Milk Collection and Marketing centers for Small and Landless Farmers
  - Support to Market-oriented Rural Dairy Farmers / Production of Quality Breeding Animals
  - Direct impact: 345000 tons increase in qty

- **Livestock production and meat production program**
  - Feedlot Fattening Farms (2350)
  - Slaughterhouses (8) and butcheries (20) in Private Sector
  - Direct impact: 30000 tons increase in beef and mutton

- **Food Security and Productivity Enhancement of Small Farmers**
  - Diversification of activities to include livestock and poultry
  - Program covers 80 districts with 1963 union councils.
  - Train and deploy 290 Vets with RSPs’ field units for vet services
  - 7250 community livestock workers to be trained
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Fisheries Development Board (FDB)

Structure: Private-sector led Not for Profit Company

Fisheries Potential:
- Source of livelihood: 400,000 fishermen
- Potential for export: $200 mill to $1 bill

Fisheries Development Board: Outputs
- Business Development Support of Rs. 500 mill
- Will attract private sector investment Rs 2.0 bill
- Shrimp farms: 1175
- Cages: Ponds / raceways / inland farms: 1000
- Additional Employment 3000 households
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Agribusiness Support Fund

- **Structure:** Private sector led Not for Profit Company

- **OVERALL FOCUS**
  
  To strengthen and support demand-driven private sector service delivery mechanisms throughout the agribusiness value chain

**Strategy in Action:** Enterprise Development through Capacity Building

- Two examples of ASF Interventions:
  - Citrus EurepGap Certification project
  - Partnership with RSPs for farmer group enterprise (FGE) formation
Citrus EurepGap Certification project
Partnership: Exporters / Processors / Growers / Private sector extension / ASF
Demand-driven: Project costs equally borne between Exporters / Processors and ASF
In the first phase 12 exporters and 250 farm families will benefit from the program
Initial area covers over 100,000 tons of annual kinnow production which accounts for 50% of current kinnow exports
Result: higher yields, improved quality, new markets, premium prices, increased foreign exchange earnings
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ASF INITIATIVE: EXAMPLE 2

- Partnership with RSPs for farmer group formation
- 100 % financed by ASF
- RSPs identify, establish and facilitate farmer group enterprises (FGE)
- Case: Support extended to 9 women associations (83 women) for the establishment of green house for seedling production for supply to local small farmers
- Commercially oriented / sustainable / replication potential
- Result: Off-season production, premium prices, commercial activity / source of income for rural women
## Agribusiness Development Project: Outputs

<table>
<thead>
<tr>
<th>Output</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agribusiness enterprises support</td>
<td>705</td>
</tr>
<tr>
<td>Farmers Group Enterprises</td>
<td>1,250</td>
</tr>
<tr>
<td>Research &amp; extension providers</td>
<td>30</td>
</tr>
<tr>
<td>Agribusiness enterprises financed</td>
<td>10,000</td>
</tr>
<tr>
<td>Farmers trained – on-farm</td>
<td>25,000</td>
</tr>
<tr>
<td>Agribusiness awareness trainees</td>
<td>3,200</td>
</tr>
<tr>
<td>Trainers trained</td>
<td>816</td>
</tr>
<tr>
<td>Extension officers trained</td>
<td>500</td>
</tr>
<tr>
<td>Reduction in post harvest losses</td>
<td>$500 mill</td>
</tr>
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EXPECTED IMPACT

- Creation of commercially viable agribusiness enterprises
- Meet consumer demand for product uniformity, presentation and continuity of supply
- Enhance Pakistan’s reputation for standards compliant agriculture produce
- Empower small farmers by developing numerous farmers’ group enterprises
- Increase access to agribusiness finance
- Generate employment and alleviate poverty
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Thank you