



# KISSAN PACKAGE 2022-24



Ministry of National Food Security & Research  
Economic Wing



## EXECUTIVE SUMMARY

The agricultural sector in Pakistan is vital to the country's economy, contributing significantly to employment, food security, and raw materials for various industries. With agriculture accounting for 24% of the national GDP and providing jobs to 37.4% of the population, it remains the backbone of Pakistan's economy. However, the sector faces substantial challenges, such as limited access to modern machinery, inadequate financing, fluctuating fertilizer prices, and water scarcity. To address these issues, the then Prime Minister established a Task Force on Agriculture in 2022, focusing on strategies to enhance agricultural productivity, reduce the import bill, and directly support growers.

In 2022, Pakistan was hit by unprecedented flooding, affecting 33 million people and severely damaging agricultural infrastructure, with losses in crops and livestock estimated at over \$12.9 billion. During this challenging period, farmers from Punjab protested in Islamabad in September 2022, demanding reduced electricity tariffs for tube wells, the abolition of taxes, and measures to control the prices of fertilizers. In response, the Prime Minister formed a committee to negotiate with the protesting farmers, leading to the announcement of the Kissan Package. In response, the government launched the Kissan Package, aimed at revitalizing the agricultural sector and supporting farmers impacted by the disaster. This package included measures such as increased agricultural loan disbursements, subsidies for interest-free loans to flood-affected farmers, a reduction in the price of fertilizers, and the introduction of agro-SME initiatives to modernize the sector.

Key initiatives within the Kissan Package also included targeted subsidies for wheat seeds in flood-affected areas, the import of up to five-year-old tractors with reduced duties, and significant reductions in Completely Knocked Down (CKD) duties to support new tractor manufacturers. These measures were designed to alleviate the financial burdens on farmers and encourage investment in agricultural technology.

Despite these efforts, the sector still faces challenges, including ensuring effective implementation and coordination among stakeholders. The government's continuous assessment and adjustments to the Kissan Package have shown progress, with most initiatives being successfully implemented or actively monitored. The Task Force and various committees have been actively involved in refining strategies to address emerging issues and to sustain agricultural development, ensuring that the sector remains resilient in the face of climate change and economic pressures.

## 1. Background

Agriculture invariably plays a pivotal role in the economic framework of any nation. It not only provides sustenance for the entire populace but also fosters interconnectedness with various allied industries. A nation is often regarded as socially, politically, and economically stable when its agricultural sector exhibits robustness. Nevertheless, individuals in developing countries who rely on agriculture for their livelihoods are frequently impoverished compared to those employed in other economic sectors. Generally, those engaged in agriculture constitute a substantial proportion of the impoverished demographic in their respective countries. Consequently, there is an imperative to enhance the agricultural sector.

Agriculture holds utmost importance for the survival of Pakistan's population, as it forms the backbone of the country's economy and sustains the livelihoods of millions. With over 60% of the population residing in rural areas, agriculture is a primary source of employment as contributes 37.4% in employment, food security, and raw materials for various industries. It contributes 24% to the national GDP, and crops like wheat, rice, cotton, and sugarcane are essential for both domestic consumption and export. In the face of challenges like population growth, climate change, and water scarcity, the sustainable development of agriculture is critical for ensuring food security, economic stability, and poverty alleviation. For Pakistan, strengthening agricultural practices is not just an economic necessity, but a fundamental aspect of ensuring the long-term survival and well-being of its people.

The agriculture sector in Pakistan faces numerous challenges that hinder its growth and productivity. One key issue is the limited access to modern machinery and technology, which reduces efficiency and crop yields. Many farmers, particularly smallholders, cannot afford advanced equipment or techniques due to inadequate agricultural financing. Access to credit remains a challenge, with financial institutions often hesitant to lend to farmers without collateral. Additionally, the availability and affordability of essential inputs like fertilizers and quality seeds are inconsistent. Fertilizer prices are frequently subject to fluctuations, making it difficult for farmers to plan their crops effectively. Water scarcity, inefficient irrigation systems, and a lack of investment in research and development further exacerbate the problems, leaving the sector vulnerable to both domestic and global market pressures. These issues collectively hinder the potential of Pakistan's agriculture, affecting food security and economic stability. Keeping in view issues faced by agriculture sector the then Prime Minister of Pakistan constituted a Task Force of Agriculture.

## **2. Task Force on Agriculture**

The then Prime Minister constituted a Task Force on Agriculture for agricultural policy framework, import substitution, national food security and related issues on 16<sup>th</sup> June 2022 via PM Office’s U.O. No. 2 (44)/ DS (IA-IV).

### **Terms of Reference (ToR) of the Task Force are as under:**

- To undertake broad-based stakeholder consultations
- To advise a plan/ strategy to achieve agriculture related growth targets for the current financial year 2022-23
- To promote Agro-based Industry in line with international best practices
- To come up with a plan to reduce the import bill on food items by substituting Tea, Oil seeds, Palm oil etc.
- To conceive a plan through which subsidy may be directly extended to the growers instead of mills
- To examine issues related to the Agriculture Policy and suggest legislative proposals, if required
- To continuously assess threats emanating from climate change and suggest specific responses to enhance resilience
- Any other related issues, which require consideration of the Task Force
- The Task Force shall come up with a Plan in one week in the form of a Presentation
- The Task Force may co-opt any other member(s) / expert(s) as per its requirement
- The convener of the Task Force shall brief the Prime Minister about the overall progress on a fortnightly basis

### **The composition of the Task Force was as under:**

i.	Mr. Tariq Bashir Cheema, Federal Minister for National Food Security and Research	Convener
ii.	Syed Khurshed Shah, Federal Minister for Water Resources	Member
iii.	Rao Muhammad Ajmal Khan, Member National Assembly (MNA)	Member
iv.	Secretary, Ministry of National Food Security and Research	Member/ Secretary
v.	Secretary, Ministry of Industries and Production	Member
vi.	De. Jehanzeb Khan, Former DCPC	Member
vii.	Secretary, Agriculture, Government of the Punjab	Member
viii.	Secretary, Agriculture, Government of the Sindh	Member
ix.	Secretary, Agriculture, Government of the Khyber Pakhtunkhwa	Member
x.	Secretary, Agriculture, Government of Balochistan	Member
xi.	Vice Chancellor, Arid & Agriculture University, Rawalpindi	Member
xii.	Vice Chancellor, University of Agriculture Faisalabad	Member
xiii.	Vice Chancellor, University of Agriculture Peshawar	Member
xiv.	Vice Chancellor, Sindh Agriculture University, Tando Jam	Member
xv.	Chairman, Pakistan Agriculture Research Council, Islamabad	Member
xvi.	Director General, Federal Seed Certification & Registration Department	Member
xvii.	Food Security Commissioner I & II, Ministry of National Food Security and Research	Member
xviii.	Director General, Department of Plant Protection	Member
xix.	Mr. Afaq Ahmad Tiwana, Chairman Agriculture (Pvt.) Ltd.	Member

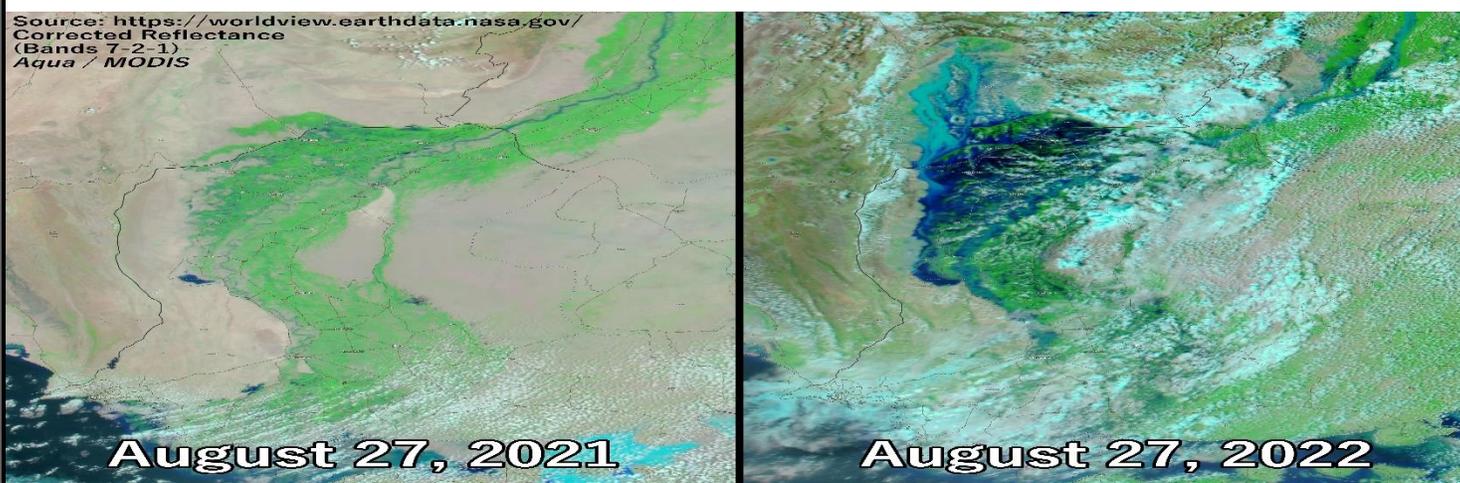
xx.	Mr. Mumtaz Khan Manais	Member
xxi.	Representative of APTMA	Member
xxii.	Mr. Ahmad Umair (Progressive Farmer)	Member

### **3. Flood 2022**

The 2022 monsoon rains, followed by catastrophic flooding, were unprecedented in Pakistan’s history, causing immense damage to life and livelihoods, especially among the rural and agricultural populations. The flooding affected 33 million people across 94 districts, claiming the lives of over 1,700 individuals and displacing 7.6 million people. In addition to the humanitarian toll, the floods wreaked havoc on critical agricultural infrastructure, destroying standing crops, grain storage, and livestock.

Sindh and Balochistan were the hardest-hit provinces among Pakistan's six regions. Approximately 14.6 million people require food security and agricultural-related emergency assistance. Agriculture suffered the most, accounting for 43% of total damage and losses. Crops on 4.4 million acres were damaged. Around 1 million livestock were lost. Total damages and losses were estimated at US\$30.13 billion, with US\$12.9 billion affecting agriculture alone. Within the agricultural sector the crop sub-sector accounted for 82% of total damage. Livestock accounted for 7%, while fisheries/aquaculture made up 1%.

The total recovery and reconstruction need was estimated at US\$16 billion, with US\$4 billion (25%) required for the agriculture sector. The spillover effects of this devastation were expected to significantly impact poverty levels, food insecurity, and malnutrition, particularly among the poorest rural communities.

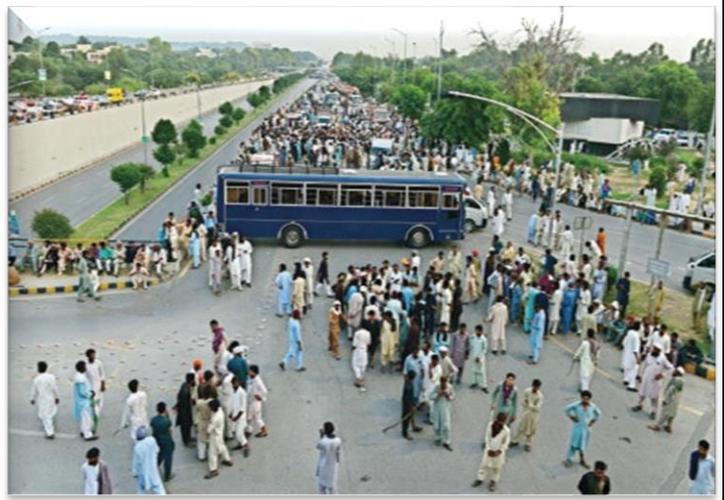


### **4. Farmers’ Protest in Capital**

In September 2022, farmers reached Islamabad from across the Punjab and demanded restoration of the previous tube-well electricity tariff and abolishing of all taxes and adjustments. Besides, they said, an end must be put to the black marketing of fertilizers and reduction of urea. The rate of wheat should be fixed.

A meeting of the Federal Cabinet was held at the Priem Minster’s House on Wednesday, 28<sup>th</sup> September 2022. The Prime Minister of the Islamic Republic of Pakistan was in the chair. Alluding to the sit-in by the farmers in Islamabad, the Prime Minister directed that a committee under Minister for Finance shall negotiate with the protesting farmers and address concerns as the Government intends to announce numerous incentives for the farming community through Kissan Package.

As objective of the committee was to hold meetings/ negotiations, with representatives of the protesting farmers and to decide upon a package of incentives (to be incorporated in kissan package) to address the grievances of the farming community. To address issues of farmers multiple meetings of committee were held and a package was formulated for farmers keeping in view the demands of the protesting farmers and as well the need of farmers affected from havoc flood which was announced by Prime Minister of Pakistan.



**5. Kissan Package Description**

Sr. No	Announcement by PM	FISCAL OUTLAY (RS IN B)	Responsibility
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01	Agri loan disbursement target enhanced from Rs 1,419 to Rs 1,819 billion	400	Finance Division & SBP
02	Waiver of mark-up on outstanding loans for subsistence farmers in the flood affected areas	10.62	Finance Division & SBP
03	Provision of subsidy for interest-free loans for subsistence farmers in the flood affected areas	8.2	Finance Division & SBP
04	PM's Youth Business & Agriculture Loan scheme		Finance Division & SBP
05	Mark-up subsidy for Risk Sharing scheme for farm mechanization	6.4 (for 1 <sup>st</sup> year)	Finance Division & SBP
06	Reduction in DAP price to Rs. 11,250/ bag from Rs. 13,750 (Rs. 2,500/ bag)	57.5	M/o Industries
07	Subsidy on Imported urea	30.0	M/o Industries
08	Inclusion of agro-SMEs in SME modernization scheme	10	Finance Division, M/o Commerce & SBP Existing SBP re-finance scheme to cover Agro-SMEs.
09	Interest free loan to landless farmers in the flood affected areas	5	Finance Division & SBP
10	Targeted subsidy for provision of free wheat seeds in flood-affected areas	6.6	MNFS&R, BISP & Finance Division 100% by Federal Government
11	PIU value increased from Rs. 4,000/- to Rs. 10,000/-	Nil	Finance Division, SBP
12	Import of up to 5-year-old tractors with duty reduction	2	FBR
13	Reduction in CKD duty from 35% to 15% for new tractors manufacturers	Future impact	Finance Division & FBR
14	Tariff for electric tube-wells fixed at Rs 13/unit (plus FAC and other charges and taxes will be levied at prevailing rates)	42	Power Division
15	Loans (at 7% interest rate) to convert 300,000 tube-wells to solar (Included in scheme mentioned in Sr. No. 5)		Power Division

## **6. Implementation Committee of Kissan Package**

In pursuance of the directive of the Prime Minister office's U.O.No.2(69) DS(IA\_IV)/2022 dated 10-11-2022, a committee consisting of the following members was constituted to oversee implementation status of Kissan Package. The committee is as under.

<b>S.#</b>	<b>Name/ Designation/ Organization</b>	<b>Status</b>
1.	Mr. Tariq Bashir Cheema, Federal Minister for National Food Security and Research	Convener
2.	Syed Muratza Mahmood, Federal Minister for Industries and Production	Member

3.	Mr. Ahad Khan Cheema, Advisor to the Prime Minister on Establishment	Member
4.	Ms. Shaza Fatima Khwaja, SAPM on Youth Affairs	Member
5.	Secretary, Ministry of National Food Security and Research	Member/ Secretary
6.	Secretary, Finance Division	Member
7.	Secretary, Power Division	Member
8.	Secretary, Ministry of Commerce	Member
9.	Governor, State Bank of Pakistan	Member
10.	Chairman, Federal Board of Revenue	Member
11.	Chairman, National Disaster Management Authority	Member
12.	Chief Secretary, Punjab	Member
13.	Chief Secretary, Sindh	Member
14.	Chief Secretary, KPK	Member
15.	Chief Secretary, Baluchistan	Member
16.	Food Security Commissioner-I, Ministry of National Food Security and Research	Member

**The Terms of Reference (ToR) of the committee are as under: -**

- i. To regularly assess overall progress in implementation of the Kissan Package.
- ii. To resolve any issue(s)/bottleneck(s) which may emerge, in order to ensure timely and effective implementation.
- iii. To ensure effective coordination with all the stakeholders.
- iv. The committee may co-opt any other member(s) or expert(s) as per requirement; and,
- v. The convener of the steering committee shall brief the Prime Minister on the progress on a fortnightly basis.

The committee was notified, and the 1st meeting of the committee was held on Thursday, 24<sup>th</sup> November 2022 (Annex-IV). The last meeting of the Implementation Committee of Kissan Package-2022 was held on 6th June 2023(Annex-V). During these eight meetings of Implementation Committee of Kissan Package-2022 issues pertaining to intra-ministerial and departmental coordination for effective implementation of the package were discussed.

Mostly decisions have completely been implemented and on the rest of the decisions implementation is continuously being monitored. In the upcoming paragraphs item wise implementation status of Kissan Package-2022 is given.

**Item No. 1 Agri. loan disbursement target enhanced from Rs 1,419 billion to Rs 1,819 billion**

SBP allocated an indicative agricultural credit disbursement target of Rs 1,819 billion for FY 2022-23, which was 28% higher than last year’s disbursement of Rs. 1,419 billion. The agriculture credit target includes Rs 400 billion recently announced under the PM’s Kissan Package. From 01 July 2022 to 30 June 2023 (FY 2022-23), agriculture lending banks have disbursed 1,776 billion, which is around 97.6% of the overall annual target.

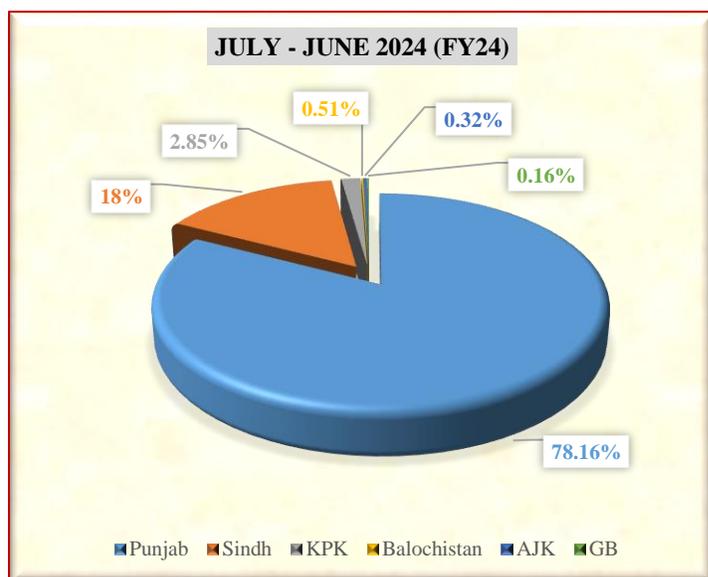
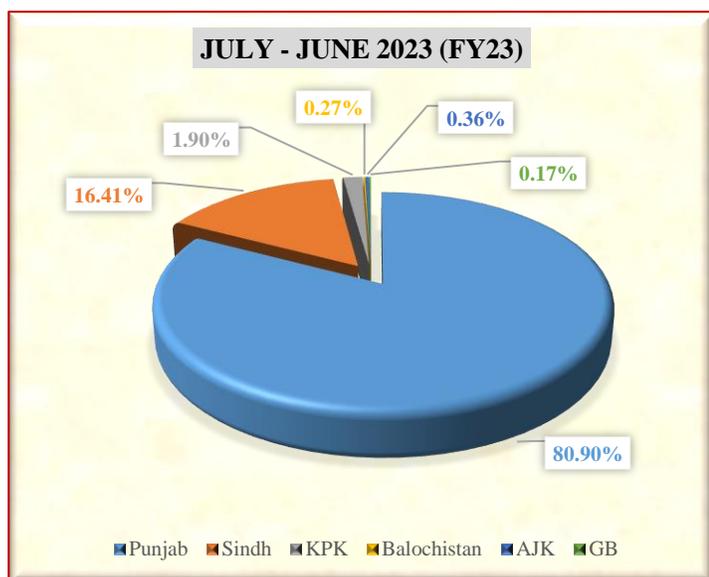
The production loan. can be utilized to purchase inputs of farm sector, livestock, dairy, poultry and fisheries. The development loan can be used to purchase farm machinery or fixed investment for livestock, poultry, dairy and fisheries.

**July - June 2023 (FY23) (In PKR Million)**

Area	Targets	% Share	Production	Development	Total	% Share
<b>Punjab</b>	1,306,300	71.81%	1,328,215	108,486	1,436,701	80.90%
<b>Sindh</b>	332,000	18.25%	275,404	16,007	291,411	16.41%
<b>KP</b>	98,700	5.43%	27,961	5,817	33,778	1.90%
<b>Balochistan</b>	69,000	3.79%	4,040	751	4,791	0.27%
<b>AJK</b>	5,500	0.30%	5,622	696	6,319	0.36%
<b>GB</b>	7,500	0.41%	1,844	1,111	2,956	0.17%
<b>Total</b>	1,819,000	100.00%	1,643,087	132,868	1,775,955	100.00%

**July - June 2024 (FY24) (In PKR Million)**

Area	Targets	% Share	Production	Development	Total	% Share
<b>Punjab</b>	1,628,458	72.38%	1,567,713	164,169	1,731,882	78.16%
<b>Sindh</b>	408,866	18.17%	369,261	29,613	398,874	18.00%
<b>KP</b>	119,363	5.31%	55,611	7,525	63,136	2.85%
<b>Balochistan</b>	76,776	3.41%	7,841	3,401	11,242	0.51%
<b>AJK</b>	9,078	0.40%	6,168	886	7,054	0.32%
<b>GB</b>	7,458	0.33%	1,707	1,812	3,519	0.16%
<b>Total</b>	2,249,999	100.00%	2,008,301	207,405	2,215,706	100.00%



During meetings of Implementation Committee of Kissan Package it was observed that major share of financing is going to Punjab and Sindh Provinces, matter was discussed with State Bank of Pakistan (SBP), SPB

informed that -----. In FY 23, the share to disbursement of Punjab and Sindh Provinces was 97.31% which has been decreased to 96.17% in FY 24. While the share of the rest of the entities in FY23 was 2.69%, which has increased to 3.83% in FY24.

**Item No. 2: Waiver of mark-up on outstanding loans for subsistence farmers in flood affected areas**

Mark-up Waiver Schem (MWS) was offered to the borrowers of farm sectors having subsistence landholding and to small farmers of non-farm sectors in flood affected areas as declared by NDMA/ PDMA during recent floods 2022.

Banks/ MFBs have waived-off the entire amount of markup due till September 30<sup>th</sup>, 2022, against outstanding agriculture loans (principal plus markup) up to Rs 500,000/- that were regular as on June 30<sup>th</sup>, 2022, and rescheduled/ restructured the principal amount of loans for up to one year in calamity-notified areas. 50% of the cost of above waiver of markup was borne by the Government of Pakistan (GoP) through budgetary allocation whereas 50% was borne by the concerned Banks/MFBs themselves. In this regard, banks/MFBs submitted their markup subsidy claims on prescribed format duly audited by their Internal Audit Department to Director DFSD SBP BSC Head Office Karachi. DFSD, SBP BSC scrutinized subsidy claims of Banks/ MFBs within 15 working days after receiving complete information for onward submission to Finance Division-Ministry of Finance (MoF).

Upon receipt of the Finance Division letter dated 19 December 2022 regarding the approval of the scheme, SBP issued AC&MFD Circular No. 03 of 2022 dated 21 December 2022 to all banks/ MFBs for implementation. The Scheme may be accessed at: <https://www.sbp.org.pk/acd/2022/C3.htm>

The revised claims of Rs 2.96 billion were submitted to Finance Division, Government of Pakistan, on May 31, 2023, after being reviewed by DFSD (SBP-BSC). As per scheme, 50% of the waived amount (Rs 1.48 billion) was borne by the government. The amount of Rs 1.48 billion was received by SBP as sanctioned by Finance Division, Government of Pakistan vide letter No. F.4(2) IF-I/2022 dated June 14, 2023, and was disbursed to respective banks accordingly on June 27, 2023. This was a one-time facility provided by GOP and banks to flood affected farmers. Details are given below:

Province	No. of Claims	Total Subsidy Amount	% Share in Claims	% Share in Amount
Sindh	69299	1878906512	67.5%	63.5%
Punjab	28592	989879134	27.9%	33.4%
KPK	3487	70649158	3.4%	2.4%
Balochistan	1284	20815326	1.3%	0.7%

GB	1	15688	0.001%	0.001%
Pakistan	102663	2960265818	100%	100%

**Status: Closed**

**Item No. 3: Provision of subsidy for interest-free loans for subsistence farmers in the flood affected areas**

The purpose of financing was production/ working capital loans for purchase of input supplies, rentals of farm implementation etc. The loan’s tenor was based on a cropping cycle up to a maximum period of six (06) months, in flood-affected areas. Participatory Financial institutions (PFIs): Banks and Microfinance Banks were Participatory Financial Institutions (PFIs). The markup rate for end users was 0%. The maximum loan size was PKR 200,000 per borrower. Both crop and non-crop sectors were given this opportunity. Small and marginalized landless farmers/ tenants in flood affected areas cultivating (i) 5 acres for irrigated land or (ii) 10 acres for rain-fed land were facilitated.

Upon receipt of the Finance Division letter dated 19 December 2022 regarding the approval of the scheme, SBP issued AC&MFD Circular No. 03 of 2022 dated 21 December 2022 to all banks/ MFBs for implementation. The Scheme may be accessed at: <https://www.sbp.org.pk/acd/2022/C3.htm>

The scheme concluded on December 31, 2023. Under the scheme, Rs10.05 billion were disbursed to 43,465 borrowers. Details are given below:

Province/ Region	No. of Borrowers	% Share in Borrowers	Amount in Rs Million	% Share in disbursement	Per person loan (Rs Million)
<b>Punjab</b>	11,812	27%	2,834.9	28%	0.24
<b>Sindh</b>	29,163	67%	6,668.3	66%	0.23
<b>KPK</b>	1,804	4%	280.9	3%	0.16
<b>Balochistan</b>	686	2%	273.5	3%	0.40
<b>AJK</b>	0	0%	0.0	0%	-
<b>GB</b>	0	0%	0.0	0%	-
<b>Total</b>	<b>43,465</b>	<b>100%</b>	<b>10,057.6</b>	<b>100%</b>	<b>0.23</b>

**Status: Closed**

**Item No. 4: PM’s Youth Business & Agriculture Loan scheme**

This was an existing scheme prior to the announcement of Kissan Package; however, the proportion of agriculture loan was added through Kissan Package. The first phase of PMYBALS was completed successfully whereby banks achieved 100% of their assigned targets, which was Rs15 billion, for agriculture financing by June

2023. Under this scheme the target of Rs 80 billion has been assigned to SME and Agricultural loans combined. Out of which, Rs40 billion has been assigned to 16 banks for agriculture financing. As of March 31, 2024, Rs19.5 billion have been disbursed to 19,316 borrowers, as per data reported by PM Youth Office. Details are given below:

<b>Province/</b>	<b>Disbursed</b>	
<b>Region</b>	<b>Applications</b>	<b>Amount (PKR in Billion)</b>
<b>Punjab</b>	17,345	16.27
<b>Sindh</b>	522	1.65
<b>KPK</b>	891	0.91
<b>Balochistan</b>	86	0.20
<b>AJK</b>	275	0.11
<b>GB</b>	153	0.28
<b>Islamabad</b>	44	0.10
<b>Total</b>	<b>19,316</b>	<b>19.5</b>

**Status: Continue**

**Item No. 5: Mark-up subsidy for Risk Sharing scheme for farm mechanization**

The purpose of the scheme was purchase of following new/used farm machinery:

- a. Tractor
- b. Thresher
- c. Harvester
- d. Planters
- e. Mobile Grain Dryers
- f. Solar Tube-well

All farmers, processors and corporations engaged in agriculture crop production are eligible under this scheme. Validity of scheme was initially for 1 year which was extended later on. Maximum loan size is PKR 30 million. The end user markup rate is 7% per annum. Banks have resumed financing under the scheme after being extended in March 2024. As of April 15, 2024, PKR 31.6 billion has been disbursed to 14,240 borrowers.

<b>(Rs. in Millions)</b>				
<b>Province/ Region</b>	<b>No. of Borrowers</b>	<b>Amount</b>	<b>Province Wise Borrowers Share</b>	<b>Province Wise Amount Share</b>
<b>Punjab</b>	13,204	29,006	92.72%	91.91%
<b>Sindh</b>	617	1,598	4.33%	5.06%
<b>KPK</b>	269	649	1.89%	2.06%
<b>Balochistan</b>	143	292	1.00%	0.93%
<b>AJK</b>	5	11	0.04%	0.03%
<b>GB</b>	2	3	0.01%	0.01%

<b>Total</b>	<b>14,240</b>	<b>31,559</b>	100.00%	100.00%
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**Status: Continue**

**Item No. 6: Reduction in DAP price to Rs. 11,250/ bag from Rs. 13,750 (Rs. 2,500/ bag)**

After negotiations with the private sector a price reduction of Rs 2500 per bag was achieved.

**Status: Closed**

**Item No. 7: Subsidy on imported urea**

In the Kissan Package subsidy of PKR 30 billion was announced on imported urea fertilizer.

**Status: Closed**

**Item No. 8: Inclusion of Agro-SMEs in SME Modernization Scheme**

Small Medium Enterprises (SME) modernization scheme was an existing SBP’s scheme, however, in Kissan Package it was ensured that the Agro SME’s may get the due share. As of March 31, 2024, PKR 7.4 billion has been disbursed under SBP’s Refinancing Facility for Modernization of SMEs (RFMS), of which PKR 3.7 billion has been availed by Agro-based SMEs. There are 6 sub-categories for agro-based SMEs: Dairy and Livestock, Meat and Poultry, Food Processing, Cotton Ginning, Farm Machinery and Others. Details of disbursement are given below:

Type of Business	Disbursement		Share	
	No. of Borrower	Amount (in Rs Mn)	No. of Borrower	Amount
Dairy & Livestock	21	180	11.1%	5%
Poultry & Meat	11	210	5.8%	6%
Food Processing (e.g. flour/sugar/rice mills, seed processing, fruit/vegetable packaging etc.)	61	1158	32.1%	31%
Cotton Ginning	2	31	1.1%	1%
Farm Machinery (e.g. tractors, threshers, planters, combined harvesters, mobile grain dryers etc.)	2	32	1.1%	1%
Others (Agri. Businesses only)	93	2,170	48.9%	57%
<b>Total</b>	<b>190</b>	<b>3781</b>	<b>100.0%</b>	<b>100%</b>

Province/ Province	Dairy & Livestock		Poultry & Meat		Food Processing		Cotton Ginning		Farm Machinery		Other Businesses		Total Share		% Share	
	No. of Br	Amou nt	No. of Br	Amou nt	No. of Br	Amou nt	No. of Br	Amou nt	No. of Br	Amou nt	No. of Br	Amou nt	No. of Br	Amou nt	No. of Br	Amou nt
<b>Punjab</b>	7	31	8	140	23	641	2	31	-	-	53	1,347	93	2,190	48.95 %	57.91 %
<b>Sindh</b>	14	150	3	70	37	481	-	-	2	32	40	823	96	1556	50.53 %	41.14 %
<b>KPK</b>	-	-	-	-	1	36	-	-	-	-	-	-	1	36	0.53%	0.95%
<b>Balochistan</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>AJK</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>GB</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>21</b>	<b>181</b>	<b>11</b>	<b>210</b>	<b>61</b>	<b>1158</b>	<b>2</b>	<b>31</b>	<b>2</b>	<b>32</b>	<b>93</b>	<b>2170</b>	<b>190</b>	<b>3782</b>	<b>100.00 %</b>	<b>100.00 %</b>
<b>% Share</b>	<b>11.1 %</b>	<b>4.8%</b>	<b>5.8 %</b>	<b>5.6%</b>	<b>32.1 %</b>	<b>30.6%</b>	<b>1.1 %</b>	<b>0.8%</b>	<b>1.1 %</b>	<b>0.8%</b>	<b>48.9 %</b>	<b>57.4%</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>-</b>	<b>-</b>

**Status: Continue**

**Item No. 9: Interest free loan to landless farmers in the flood affected areas**

Upon receipt of the Finance Division letter dated 19 December 2022 regarding the approval of the scheme, SBP issued AC&MFD Circular No. 03 of 2022 dated December 21, 2022, to all banks/ MFBs for implementation. The Scheme may be accessed at: <https://www.sbp.org.pk/acd/2022/C3.htm>

The scheme was designed while merging IF&RSLF into an ongoing scheme CGSMF as both were meant for landless farmers. Under this scheme, banks provided loans of up to Rs200,000, with risk coverage of 50%, to small and marginalized landless farmers/tenants in flood affected areas. Banks disbursed Rs5.802 billion to 47,425 borrowers. The scheme concluded on December 31, 2023. Details are given below:

Province/Region	No. of Borrowers	Amount (in Rs million)	% Share in Borrowers	% Share in Amount	Per person lending (in Rs million)
<b>Punjab</b>	27,838	3,325.6	58.7%	57.3%	0.12
<b>Sindh</b>	18,273	2,250.8	38.5%	38.8%	0.12
<b>KPK</b>	791	157.4	1.7%	2.7%	0.20
<b>Balochistan</b>	521	68.2	1.1%	1.2%	0.13
<b>AJK</b>	0	0.0	0.0%	0.0%	-
<b>GB</b>	2	0.1	0.004%	0.002%	0.05
<b>Total</b>	<b>47,425</b>	<b>5,802.2</b>	<b>100%</b>	<b>100%</b>	<b>0.12</b>

**Status: Closed**

**Item No. 10: Targeted Subsidy for Provision of Free Wheat Seeds in Flood-Affected Areas**

The Prime Minister approved provision of free wheat seed to flood-affected farmers. Both Sindh and Balochistan agreed to match the federal grant with 50:50 cost sharing for their respective seed distribution targets, however the proposal could not be materialized due to provinces demand to transfer the amount of federal share to the provinces for cash transfer.

**Status: Closed**

**Item No. 11: Increment of PIU Value from Rs. 4,000 to Rs. 10,000**

Produce Index Unit (PIU), a measure of farm productivity against which farmers are given loans - had been fixed at Rs4,000 in 1973 and since then it had not been increased. An increase in the unit will allow farmers to get their credit limit enhanced. In order to facilitate farmers for borrowing from the formal sector, in Kissan Package PIU value has been increased from Rs 4,000/- to Rs. 10,000/-. The Finance Division has issued notification of increased PIU value Rs. 10,000/- SBP has advised banks for adoption of revised PIU

**Status: Closed**

**Item No. 12: Import of up to 5-year-old tractors with duty reduction**

It was decided with the consensus of stakeholders that imports of up to 5-year-old tractors will be allowed. SRO 214(1) (2023) has been issued on 23<sup>rd</sup> February 2023 by M/o Commerce.

**Status: Closed**

**Item No. 13: Reduction in CKD Duty from 35% to 15% for new tractor manufacturers**

Completely Knocked Down (CKD) duty on importing for new tractors manufacturers was reduced from 35% to 15%. It has facilitated new entrants in tractor manufacturing and has ultimately benefitted the farmers. Notification for SRO 2305 issued by Revenue Division on 28<sup>th</sup> December 2022. Provisions are defined in SRO 693.

**Status: Closed**

**Item No. 14: Tariff for electric tube-wells fixed at Rs. 13/unit**

Power Division issued notification to all DISCOS/K-Electric for implementation. However, on 28<sup>th</sup> February 2023, the notification was withdrawn by the Power Division.

**Status: Closed**

**Item No.15: Interest rate Subsidy for Solarization of Tube-wells**

Prime Minister National Program for Solarization of tube wells was inaugurated by Prime Minister. Total project cost is 377,236.3 million Rs. Project is being implemented by Federal Water Management Cell (FWMC).

**Status: Continue**