



## CONFIDENTIAL

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### PROVINCIAL ASSEMBLY OF THE PUNJAB

#### INTERIM REPORT OF THE SPECIAL COMMITTEE NO.13 REGARDING "ISSUES RELATING TO AGRICULTURE IN THE PUNJAB PARTICULARLY AS MANDATED BY PARA-2 OF NOTIFICATION NO. PAP/LEGIS-1(22)/2018/2353 DATED 03.09.2020"

The Special Committee No.13 was notified vide No. PAP/LEGIS-1(22)/2018/2353 dated 03.09.2020, pursuant to the decision of the Assembly made during the sitting held on 02.09.2020 having self-explanatory Terms of Reference (TORs) as envisaged at para-2 of notification *ibid*. The Committee considered the issues relating to Agriculture in the Punjab in its meetings held on 17 September 2020 and 09 November 2020 under the Convenorship of Hon'ble Speaker, Provincial Assembly of the Punjab.

2. The following were present:-

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|---|-------------------|
| 1. Mr Muhammad Tahir<br>Parliamentary Secretary for Agriculture<br>(attended on 17.09.2020) | Ex-officio Member |
| 2. Mian Shafi Muhammad, MPA (PP-258)  | Member            |
| 3. Mr Nawabzada Waseem Khan Badozai, MPA (PP-213)   | Member            |
| 4. Syed Usman Mehmood, MPA (PP-264)   | Member            |
| 5. Malik Ahmad Ali Aulakh, MPA (PP-280)   | Member            |
| 6. Malik Jamshaid Altaf, MPA (PP-5)   | Member            |
| 7. Raja Yawar Kamal Khan, MPA (PP-25)   | Member            |
| 8. Ms Sonia, MPA (PP-123)   | Member            |
| 9. Mr Sajid Ahmad Khan, MPA (PP-67)   | Member            |
| 10. Malik Nadeem Kamran, MPA (PP-197)   | Member            |
| 11. Mian Manazar Hussain Ranjha, MPA (PP-74)<br>(attended on 17.09.2020)                    | Member            |
| 12. Malik Muhammad Ahmad Khan, MPA (PP-176)<br>(attended on 17.09.2020)                     | Member            |
| 13. Mr Muhammad Safdar Shakir, MPA (PP-104)<br>(attended on 09.11.2020)                     | Mover             |

3. Mr Waqar Hussain, Special Secretary (Agri-Marketing), Agriculture Department, Government of the Punjab, Ms Sherin Naz, Additional Secretary (Food), Food Department, Government of Punjab, Mr Saif Anjum Secretary to Government of Punjab, Irrigation Department and Mr Mohsin Bukhari, Additional Director, Law & Parliamentary Affairs Department represented their respective departments and Mr Muhammad Khan Bhatti, Secretary, Provincial Assembly of the Punjab, functioned as Secretary to Committee.

4. The Hon'ble Speaker/Convenor, Special Committee No.13, succinctly outlined that the Special Committee was formed as per analogy of National Assembly of Pakistan to extend Punjab Assembly's support to the Provincial Government in order to realize the Province's potential in the Agriculture Sector. He also underscored that Province's Agriculture Sector had been in distress for very long time owing to poor policies and official neglect. This was reflected in dwindling crop yields, decreasing farm incomes and increasing rural poverty and food crisis. Consequently, the share of Agriculture in the National GDP has diminished to 19pc from 27pc in the last decade.

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5. It was also accentuated that the little interest had been shown thus far in working out a long term solution to factors impeding the growth of Agriculture chains. It had preferred the usual short term approach of handing out *untargeted subsidies that seldom reach the smallholders who work almost 90pc of the arable land*, pursuing crop procurement policies that have thrown the private sector out of competition and compelled the farmers to shift the value added crops. He emphasized the need for a broad based inclusive and multi stake holder's consultations to devise a comprehensive policy framework to enhance farmers' protection, access to new markets, quality seeds, research in the Agriculture Sector, improvement of Irrigation system for empowerment of the small scale farmers and exports; and support for inputs.

6. The Committee hailed the determinations of Mr Speaker and vowed to assign substantive meanings to Punjab's quest for agriculture prosperity and agricultural transformations in the Province. The initiatives taken during Mr Speaker's tenure as Chief Minister Punjab for the improvement of Agriculture Sector particularly the waiver of Agriculture Tax, Flat Water Tax (*Aabiana*), provision of laser levelers in all the Union Councils, measures to stop the water theft from the water courses, construction of Small Dams in the Potohar Area, lining of canals, construction of Taunsa Barrage and the steps for protection of major crops such as wheat, rice, maize and sugarcane were also recalled.

7. It was regretted with great concern that despite the fact that Punjab was an agrarian Province, no comprehensive policy existed to address the key constraints and challenges faced by the Agriculture Industry and Products of the Province. The Committee stressed that special attention to Agriculture Sector was indispensable to Province's economic growth. Decades of neglect, lack of policy attention, innovation in seeds and insufficient progress in research had precluded the Province from capitalizing on its potential in the agricultural trade.

8. The Committee underlined the need for Comprehensive Policy to get a holistic perspective of Agriculture Development and highlighted that a collective action problem precluded the farmers from any meaningful influence on policy issues that affected them. The farmers faced structural barriers and lack of incentives to enhance agriculture production. It was stressed that the revitalization of Agriculture was indispensable to poverty alleviation and reiterated the need for empowering the small scale farmers to continue to remain mired in the poverty traps. It was also observed that the production of Province's major crops was reducing and same were losing share in the overseas markets; and *proposed that Minimum Support Price (MSP) be fixed for major crops such as wheat, cotton, rice, maize and sugarcane etc.*

9. A detailed briefing on the situation, progress on the Work Plan for development of Agriculture Sector and Modern Agro Based Food Industry, criterion for fixing of Minimum Support Price (MSP) for major crops; and increasing production of various commodities was given to the meeting by the Special Secretary (Agri-Marketing), Agriculture Department, Government of the Punjab. He was of the view that the Minimum Support Price (MSP) of wheat would be revised in light of the decision of the Federal Government.

10. Mr Speaker regretted the aforesaid viewpoint of Agriculture Department regarding revision of Minimum Support Price (MSP) and elucidated that after 18<sup>th</sup> Constitutional Amendment, it's the sole jurisdiction of Provincial Government to fix the Minimum Support Price (MSP) for major crops. He further beheld that multiple factors were to blame for diminishing agriculture productivity, including uncertain irrigation water availability, unpredictable weather patterns, undeveloped cold storage facilities, low investments in extension services and research, rising input costs, and lack of fiscal and policy incentives for farmers to adapt to new technology base farm practices. The same was endorsed by the

Committee and recommended improvements in agriculture research, value addition export, seeds quality and efficient utilization of water; and stressed the need for special attention to crop zoning, crop diversification, value addition and improved data collections system.

11. The Committee endorsed the aforesaid viewpoint of Hon'ble Speaker regarding fixing of **Minimum Support Price (MSP)** for wheat crop and underlined that the Agriculture was still the mainstay of Province's Economy as it provides livelihood to 70pc population of Province staying of rural area and directly employs over 40pc of the work force, provide raw materials for more than two thirds of merchandise exports and could help to eradicate poverty and hunger besides ensuring food security. Further neglect of the sector would have huge consequences on both the farmers and the economy.

12. The Chair directed to collect accurate and reliable data regarding Agriculture Production, its consumption, wastage and exports, so that the exact information about the demand and supply of commodities could be revealed; and also called for an action plan based on timelines for medium and long term projects in the Agriculture Sector to increase production and ensure modernization thereof. The need to recognize the Agro Ecological Zones (AEZ) was also highlighted and stressed the necessity for robust and integrated system of coordination among all stakeholders, including research institutes, universities and related institutions.


13. The Committee greeted the valuable views of the Chair and proposed that given the acute water shortage in the Province the Government should assist the farmers and Research Institutions to introduce drought resistance crops and improve productivity. It was also noted that the cleanliness of the water courses had not been maintained as per Standard Operating Procedures (SOPs) due to which the supply of water to the farmers had almost failed.

14. The Committee after threadbare discussion, having viewpoints of the Administrative Departments, emphasized that the Government could revive the Agriculture Sector by investing in research/modern technologies and helping the farmers through fiscal and policy incentives. *Furthermore, keeping in view the current price hike due to devaluation of rupees, its impact on Consumer Price Index (CPI), 100pc increase in utility bills, increase in prices of fertilizers, seeds, diesel, insecticide, herbicides, ongoing inflation, current import price of wheat, it was unanimously recommended that Minimum Support Price (MSP) of wheat in the Province be fixed at Rs.2000 (Rupees two thousand) per 40kg (per Mund), across the board within two weeks to incentivize the "Wheat Growers".*

Lahore :  
09 November 2020

  
(CH. PERVAZ ELAHI)  
Speaker/Convenor  
Special Committee No.13

Lahore:  
09 November 2020

  
(MUHAMMAD KHAN BHATTI)  
Secretary, Provincial Assembly of the Punjab/  
Secretary to Committee