

Pakistan Agricultural Coalition Director's Report 2017-18

BBA Agriculture degree program first batch to graduate this year

In early 2014, PAC brought about a collaboration between University of Agriculture, Faisalabad (UAF), Faisalabad and Institute of Business Administration (IBA), Sukkur to develop a 4-year BBA Agribusiness program that provides technical skills and business development and management training to students. Since the start of the program, participating institutions, which have offered industry-specific trainings and internships to the students include HBL, Fatima Fertilizers, Fauji Fertilizers, Engro Fertilizers, ICI Pakistan, Syngenta, Pakistan Tobacco Company, Mirpurkhas Sugar Mills, Pakistan Sugar-Mills Association and Al Moiz Sugar Mills. The program started on 14th July 2014. The first batch of agribusiness graduates is expected to graduate this year and will be entering the job market.

SANIFA Early stage trials ongoing this year

Subsequently, PAC designed a program to establish Pakistan's first world-class cotton seed company to provide cotton farmers with high-germination, high-yielding, highly pure and highly pest/insect resistant cotton seed. The initiative is being backed by three of Pakistan's leading textile groups i.e. Sapphire, Fatima and Nishat Group which purchase 20-25% of Pakistan's cotton lint. Dr. Don Keim and Dr. Albert Santos, who are U.S based cotton breeders and are known to be one of among the best cotton breeders in the world, have been engaged to steer the breeding component of the program. Dr. Neil Forrester, who is one of the world's leading entomologists and an international business strategist based in Australia advised on its business development aspects. SANIFA's breeding trials have begun this year.

Red chilli trading on the PMEX continues to boom

Based on the above assessment, PAC brought together different contributors to the agricultural value-chain in order to build an e-Trading Platform where high-quality standardized agricultural products are traded. The e-Trading Platform for red chillies was officially launched in October 2015, where PAC was able to secure the involvement of three specialized partners in this market model: Agility Logistics, SGS Pakistan, and Pakistan Mercantile Exchange (PMEX). The services, which constitute this model—world class testing by SGS, warehousing by Agility, Trading Platform by PMEX, and facilitation/extension services by PAC—are covered by a transaction charge. Red chillies worth \$ 1.2 million were traded during the first pilot in the 2015 whereas in 2016 it was worth \$3.94 million. Red chillies trading is now a regular feature at PMEX.

Unlocking credit: Agri-collateral management pilot through e-warehouse receipts

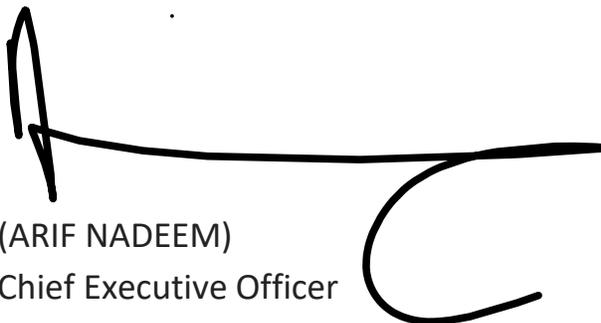
PAC has successfully piloted a business model for lending against crop (not land) as collateral for wheat farmers/sellers with the participation of Agility, SGS, PMEX, HBL for wheat crop in district Sheikhpura, Punjab, where HBL lent Rs. 4.8 million against 232 tons of wheat as collateral. PAC has also replicated the same model for Basmati Paddy farmers in district Sheikhpura in November 2017 with Bank Islami, which also helped develop an Islamic banking model for the program.

As a next step, PAC is coordinating a maize pilot for the summer in 2018. After completing this last pilot, PAC has designed a roadmap to engage private sector stakeholders and government to chalk out a path forward.

Training on capacity building of Chili farmers for adaption of best Agriculture Practices for food safety and Export Market

Pakistan is one of the red Chili producing and exporting countries of the world. The Dandi-cut variety of red chili with its round or oval-shape, strong aroma, pungency and colour makes it unique in the world. Yet the Chili sector faces serious problems throughout its supply chain from inefficient seed selection to improper handling and storage that has significantly lowered Chili production in Pakistan to 145,856 tons in 2013 from 188,859 and 171,736 tonnes in 2009/10 and 2010/11 respectively.

To address this issue, Pakistan Agricultural Coalition initiated the training of **Chili farmers for capacity-building and adoption of best agriculture practices for food safety and export market** with the USAID/AMD at Kunri in Sind, Pakistan, one of the largest production centres for red chilies in Asia. The approved syllabus consists of six modules covering all aspects of the chili value-chain. Pakistan Agricultural Coalition is conducting a series of 3-day trainings in three separate clusters for groups of 20 contractual farmers from each cluster, i.e. Kunri, Naukot and Umerkot, while each training session comprises of three days of training for each of six modules, so that each group receives 18 days of training, while 60 contractual farmers benefit from the training program.



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