

# **EPA Project Office**

AGRICULTURE SECTOR, SUPPORT PROGRAM : PAKISTAN

---

No. 33, Blue Area, P.O. Box 2075, Islamabad. Telephone No. 813019. Telex : 54124 EAN PK

## PURPOSE OF THE ECONOMIC WING AND ITS SUBORDINATE UNITS

Pakistan Economic and Policy Analysis Project  
Economic Wing, MINFA  
Islamabad, Pakistan

Chemonics International Consulting Division  
USAID Contract No. 391 0492-C-00-0831-00

EPA Deliverable  
No. 30.02.01  
February 3, 1981

## FOREWORD

This document presents a summary of the purpose statements for the Economic Wing (EW), Ministry of Food, Agriculture and Cooperatives (MINFA), GOP, and for each of its subordinate units. Following the summary text, the appendix contains detailed purpose statements.

This activity represents the first of several activities undertaken in the first year of the Economic Policy Analysis (EPA) project to strengthen the organization and management of the EW. Other such planned activities include developing a work plan for the units of the EW and job descriptions for each professional within the Economic Wing. Building on the PC 1 issued by the GOP for the Establishment of the EW, these activities will help the management and staff of the EW more fully operationalize the mission of the Economic Wing as specified in the PC 1 and create an understanding of the role of each subordinate unit and professional staff within the EW.

The purpose statements were drafted by the Directors and Deputy Directors of the EW in consultation with the EPA Advisors, reviewed, discussed at an EW staff meeting, revised, and then acknowledged by the appropriate Director and Director General. The purpose statements will be annually reviewed and revised as necessary.

## CONTENTS

<u>Topic</u>	<u>Page</u>
1.0. INTRODUCTION . . . . .	.1
2.0. DIRECTORATE OF AGRICULTURAL STATISTICS . . . . .	.2
2.1. Data Assembly . . . . .	.2
2.2. Data Processing . . . . .	.4
2.3. Data Forecasting. . . . .	.4
3.0. DIRECTORATE OF ECONOMIC RESEARCH . . . . .	.4
3.1. Commodity Situation . . . . .	.4
3.2. Farm Finance. . . . .	.5
3.3. Agribusiness. . . . .	.5
4.0. DIRECTORATE OF AGRICULTURAL POLICY . . . . .	.5
4.1. Farm Inputs . . . . .	.5
4.2. Farm Production . . . . .	.5
4.3. Aggregate Analysis. . . . .	.6
APPENDIX: ECONOMIC WING INFORMATION SYSTEM Economic Wing Purpose Statements	

PURPOSE OF THE ECONOMIC WING  
AND ITS  
SUBORDINATE UNITS

1.0. INTRODUCTION

Pakistan is in the process of implementing the Seventh Mid-Term Plan (1988-93) and second Perspective Plan (1988-2003) to achieve national goals of (a) poverty alleviation (b) increasing opportunities for employment (c) social development (d) increasing food self-reliance and (e) improving the technological base in agriculture. Towards this end, the role of agriculture as a driving force of the national economy needs no emphasis. It has been and is still the major source of labor for the industrial sector, capital for new business, revenue for the federal and provincial governments and exports essential to balance the imports required for other developing sectors. The total agricultural economy now accounts for a little less than half of the gross national product; farming alone accounts for half of the agricultural economy while agriculture business make up the other half. Thus the development of agriculture inter-alia means the development of the country's economy.

Pakistan's traditional agricultural economy has entered in a new but complex phase of economic development. It requires continuous in depth study of policies and programs if Pakistan is to realize the potential of its agriculture in contributing to the achievement of stated national goals. The government has moved progressively to introduce a host of policies to promote the agricultural sector and make it more competitive and export oriented. Such policies include the gradual withdrawal of subsidies and implicit taxes, aligning output prices with border prices and striking a reasonable relationship between prices received and prices paid by farmers. However, much remains to be done. Continuous evaluation, review and monitoring of agricultural policies and programs on a regular basis is needed to identify gaps and to develop alternative ideas which will make the policies and programs more effective. More policy oriented research and analytical work is needed to ensure the rational and efficient use of the country's resources to achieve sustainable growth. The transition to a more industrial and trade oriented agriculture also requires a thorough insight to identify and resolve issues likely to emerge.

Thus, the primary mission of the Economic Wing is to supply the Ministry of Food, Agriculture and Cooperatives (MINFA) with timely, relevant economic and policy analysis in support of MINFA's role in strengthening Pakistan's food security. The mission will

be achieved by:

- a. Assembling and analyzing relevant agricultural economic statistics:
- b. Describing major agriculture and agricultural business policy options:
- c. Providing statistical and economic analysis on agriculture and agricultural business problems through:
  - 1) Economic situation reports on essential agricultural commodities.
  - 2) Early warning systems from economic and crop forecasts, and
  - 3) Economic sector reports on the food and fiber system.

The Economic Wing is functionally organized under three directorates: Agricultural Statistics, Economic Research, and Agricultural Policy as depicted in Figure 1.

## 2.0. DIRECTORATE OF AGRICULTURAL STATISTICS

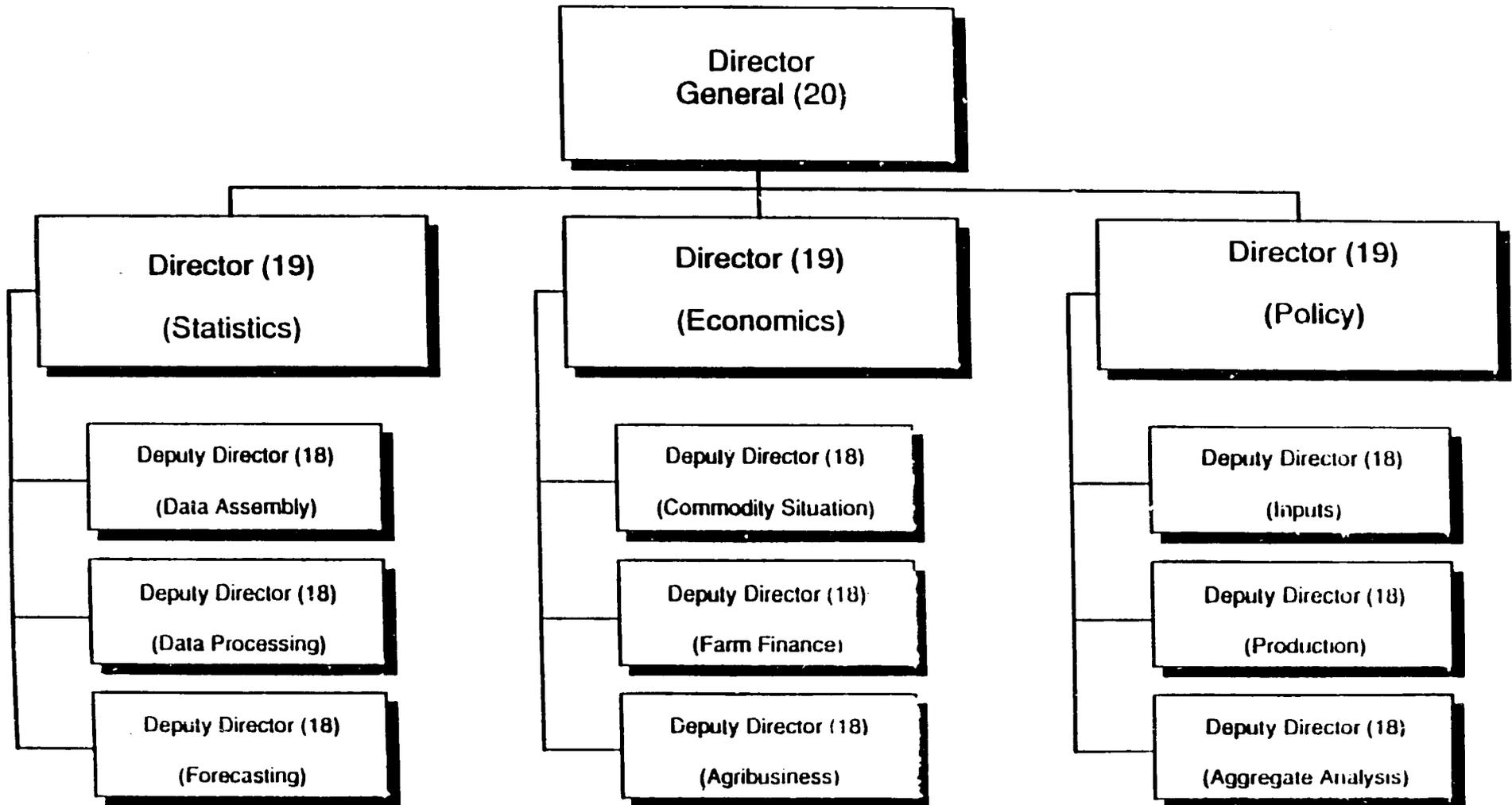
The Directorate of Agricultural Statistics (DAS) assembles, processes and disseminates secondary data and develops statistical models for use in forecasting crop area, yield and production. Data are obtained from various National and Provincial departments and organizations. The Directorate develops, maintains, and uses the Agricultural Information Management System (AMIS) as a tool for imputing and processing data in appropriate tables, charts, and graphs for disseminating, on line, to researchers and policy analysts in the Economic Wing and to broader food and agricultural audiences in various statistical publications such as agricultural statistics of Pakistan, an annual publication.

### 2.1. Data Assembly

The Data Assembly Section (DAAS) collects secondary data relating to agricultural land availability and use, manufactured input use, agricultural prices, crop and livestock production, imports, exports, total supply and utilization, agricultural credit, forestry, and fisheries. Data bases are developed, updated, and expanded for imputing into the Data Base Management

Figure 1

## Economic Wing Organization Chart



System (DBMS), a component of the Agricultural Management Information System (AMIS), and checked for accuracy. Major data sources include Provincial Agriculture Departments, the Federal Bureau of Statistics, and other National and Provincial organizations.

## 2.2. Data Processing

The Data Processing Section (DAPR) develops, maintains and provides training relative to the Agricultural Management Information System (AMIS) which has been designed to include crop production system, procurement and disposition, weather, prices and publication systems for the Economic Wing. The Section publishes Agricultural Statistics of Pakistan, Pakistan Agricultural Chart Book, Fruit, Vegetables and Condiments Statistics, and Crop, Area and Production Statistics by Districts, as well as occasional statistical publications. AMIS will be expanded to generate standard data forms such as commodity supply and utilization accounts, farm inputs, economic accounts for agriculture, farm costs and returns, farm income, marketing margins, Pakistan agricultural trade, the food and agricultural marketing bill, producer and consumer subsidy equivalents, and other analytical forms specified by the Economic Research and Agricultural Policy Directorates.

## 2.3. Data Forecasting

The Data Forecasting Section (DAFO) develops crop forecasting models in cooperation with other sections of the Economic Wing. Using such models and current values of exogenous variables, it makes routine forecasts of area, yield and production of wheat which will be later extended to rice, cotton and other major and minor crops.

## 3.0. DIRECTORATE OF ECONOMIC RESEARCH

The Directorate of Economic Research (DER) will support the efforts of its three Sections concerning commodity situation, farm finance, and agribusiness; anticipate and assess the impact of economic events on Pakistani agriculture and; provide the staff support necessary for the EW to be effective in accomplishing its mission.

### 3.1. Commodity Situation

The Commodity Situation Section (COSI) will provide MINFA, other GOP officials and the general public with Commodity Situation Reports containing appropriate economic information on a commodity basis which is needed to understand the current and prospective situations and to propose alternative ways of dealing with unfavorable situations. The economic information will include

annual Commodity Situation Reports (CSRs) on major crops and periodic CSRs on minor crops and livestock.

### 3.2. Farm Finance

The Farm Finance Section (FAFI) will estimate, analyze and report time series of Pakistani farm costs and income at the national, provincial and regional level. This information will provide the basis for suggesting and analyzing alternative agricultural policies and programs.

### 3.3. Agribusiness

The Agribusiness Section (AGBU) will provide timely and relevant information on: marketing margins, the costs of marketing food and fiber, total expenditure budget for food and fiber periodic reports on significant agricultural business issues and will cooperate with the Directorate of Agricultural Policy in analyzing issues of international trade in Pakistani food and fiber products. The Section will provide MINFA, including the Agribusiness Cell, with economic intelligence that will contribute towards the formulation, analysis and execution of effective agribusiness policies and programs.

## 4.0. DIRECTORATE OF AGRICULTURAL POLICY

The Directorate of Agricultural Policy (DAP) will support the efforts of its three Sections covering farm inputs, farm production and aggregate analysis: anticipate and assess the impact of alternative agricultural and trade policies and programs Pakistani agriculture; and provide staff support necessary for the EW to be effective in accomplishing its mission.

### 4.1. Farm Inputs

The Farm Inputs Section (FAIN) will analyze alternative farm input policies, prepare analytical reports on the farm input sector and provided briefing papers on farm input issues and policies.

### 4.2. Farm Production

The Farm Production Section (FAPR) will monitor developments in the farm production sector and analyze alternative farm policies by determining their impact on the achievement of GOP goals and objectives, prepare reports on the farm production sector and provide briefing papers on farm production issues and policies.

### 4.3. Aggregate Analysis

The Aggregate Analysis Section (AGAN) will conduct analysis and prepare reports and policy briefs: on linkages between agriculture, agribusiness and the general economy, on the impact of Pakistan's food and fiber system on the general economy and on the impact of GOP policies on the aggregate food and fiber system.

APPENDIX

ECONOMIC WING INFORMATION SYSTEM

Economic Wing Purpose Statements

ECONOMIC WING INFORMATION SYSTEM

Directory - ORGANIZA(TION)

File - PURPOSE

Economic Wing

Director General: A. H. Maan

1. POLICY BACKGROUND:

Pakistan is in the process of implementing a Seventh Mid-Term Plan (1988-93) and a second Perspective Plan (1988-2003) to achieve national goals of (a) poverty alleviation (b) increasing opportunities for employment (c) social development (d) towards increasing self-reliance and (e) improving technological base. Towards this end, role of agriculture as a driving force of the national economy needs no emphasis. It has been and is still the major source of labor for industrial sectors, capital for new business, revenue for the federal and provincial governments and exports essential to balance the imports required for other developing sectors. The total food and fiber system now accounts for a little less than half of the gross national products: farming alone accounts for half of the agricultural economy while agriculture business account for the other half. Thus the development of agriculture inter-alia means the development of country's economy.

Pakistan's traditional agricultural economy has entered in a new but complex phase of economic development. It requires continuous in depth study of policies and programs if Pakistan is to realize the potential of its agriculture to contribute to the achievement of its stated national goals. The government has moved progressively to introduce a host of policies to promote the agricultural sector and make it more competitive and export oriented. Such policies include the gradual withdrawal of subsidies, aligning the output prices with border prices and striking a reasonable relationship between prices received and prices paid by farmers. However, much remains to be done. Continuous evaluation/review and monitoring of agricultural policies and programs on a regular basis is needed to identify gaps and to develop alternative ideas which will make the policies and programs more effective. More and more, policy oriented research and analytical work is needed to ensure the rational and efficient use of the country,s resurces to achieve sustainable growth. The transition to a more industrial and trade oriented agriculture also requires a thorough insight to identify and resolve issues likely to emerge.

## 2. UNIT PURPOSE:

The primary mission of the Economic Wing is to supply MINFA with timely, relevant economic and policy analysis in support of MINFA's role in strengthening Pakistan's food security. The mission will be achieved by:

- a. Assembling and analyzing relevant agricultural economic statistics:
- b. Describing major agriculture and agricultural business policy options:
- c. Providing agricultural economic and statistical analysis on agriculture and agricultural business problems through:
  - 1) Economic situation reports on essential agricultural commodities.
  - 2) Early warning systems from economic and crop forecasts, and
  - 3) Economic sector reports on the food and fiber system.

## 3. OPERATIONAL PRODUCTS:

In addition to the products its three Directorates, the Economic Wing (EW) will produce special reports when appropriate to MINFA officials. The EW will supply MINFA with a yearly report on the effort required and the outputs produced as the result of commissioned and special studies. The EW will also submit a proposed work plan each year for approval.

## 4. UNIT PURPOSE:

The Economic Wing (EW) will support the efforts of its three Directorates, anticipate and assess the impact of events on the economic and financial health Pakistani agriculture and provide the staff support necessary for MINFA to be effective in accomplishing its mission of strengthening Pakistan's food security.

## ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)

File - PURPOSE

-----

Directorate of Agricultural Statistics

Director: M. A. Jafri

-----

### 1. LINKAGE TO POLICY BACKGROUND:

Agriculture is basically a provincial subject. However, policy formulation and planning at the national level are Federal responsibilities. These two functions require that basic data and statistical analysis be made available to planners and policy makers. For agriculture, this responsibility rests with the Ministry of Food, Agriculture, and Cooperatives (MINFAC), and in particular with the Directorate of Agricultural Statistics, Economic Wing.

### 2. UNIT OBJECTIVES:

The Directorate of Agricultural Statistics is responsible for: 1.) collecting and compiling agricultural statistics from secondary sources at the national; 2.) processing and disseminating food and agricultural data to researchers and policy analysts in the Economic Wing and more broadly at the national and international levels through various statistical publications and by special requests; and 3.) developing crop forecasting models to provide estimates of crop output before harvest.

### 3. OPERATIONAL PRODUCTS:

The products of the Directorate of Agricultural Statistics are: 1.) The computerized Agricultural Information Management System (AMIS) and various statistical publications including a.) Agricultural Statistics of Pakistan, b.) Pakistan Agricultural Statistics Pocket Book, c.) Fruits, Vegetables and Condiment Statistics of Pakistan, d.) Quarterly Weather and Crop Report, e.) Statistical Chart Book, and f.) Other ad hoc statistical publications.

### 4. UNIT PURPOSE:

The Directorate of Agricultural Statistics (DAS) assembles, processes and disseminates secondary data and develops statistical models for use in forecasting crop area, yield and production. Data are obtained from various National and Provincial departments and organizations. The Directorate develops, maintains, and uses the Agricultural Information Management System (AMIS) as a tool for imputing and processing data in appropriate tables, charts, and graphs for disseminating, on line, to researchers and policy analysts in the Economic Wing and to broader food and agricultural audiences in various statistical publications such as agricultural statistics of Pakistan, an annual publication.

ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)

File - PURPOSE

-----

Directorate of Agricultural Statistics

Data Assembly Section

-----

1. LINKAGE TO POLICY BACKGROUND:

Data needed for research, policy analysis and decision making in food and agriculture are collected by a variety of National and Provincial Government organizations. Such data must be assembled according to a careful conceptualization of the food and fiber system and according to the rationale of the study to be undertaken.

2. UNIT OBJECTIVES:

The Data Assembly Section is responsible for collecting, checking for consistency, inputting into the Agricultural Management Information System (AMIS), documenting, and updating time series of appropriate secondary food and agricultural data.

3. OPERATIONAL PRODUCTS OF THE UNIT:

Products of the Data Assembly Section are documented time series of agricultural data in the Data Base Management System (DBMS) component of the Agricultural Management Information System (AMIS).

4. UNIT PURPOSE:

The Data Assembly Section (DAAS) collects secondary data relating to agricultural land availability and use, manufactured input use, agricultural prices, crop and livestock production, imports, exports, total supply and utilization, agricultural credit, forestry, and fisheries. Data bases are developed, updated, and expanded for inputting into the Data Base Management System (DBMS), a component of the Agricultural Management Information System (AMIS), and checked for accuracy. Major data sources include Provincial Agriculture Departments, the Federal Bureau of Statistics, and other National and Provincial organizations.

## ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)

File - PURPOSE

-----

Directorate of Agricultural Statistics

Data Processing Section

-----

### 1. LINKAGE TO POLICY BACKGROUND:

The utility of agricultural statistics is greatly enhanced if they are routinely processed and made available in standardized, internationally comparable form and if a specific governmental unit is responsible for such standardized processing and distribution of agricultural data.

### 2. UNIT OBJECTIVES:

The Data Processing Section is responsible for catering to the needs of agricultural data users; developing basic statistical formats such as socio-economic indicators and commodity supply and utilization accounts; maintaining, improving, documenting, and operating the Agricultural Management Information System (AMIS); and generating standard and special statistical report formats.

### 3. OPERATIONAL PRODUCTS OF THE UNIT:

Products of the Data Processing Section include the annual publication of Agricultural Statistics of Pakistan; Fruit, Vegetables and Condiment Statistics of Pakistan; and Pakistan Agricultural Data - A Pocket Book. In addition, the DAS occasionally publishes Agricultural Statistics of Islamic Countries; Agriculture in Pakistan (In Retrospect and Prospect); Pakistan Agricultural Chart Book; and Agricultural Trade of Pakistan.

### 4. UNIT PURPOSE:

The Data Processing Section (DAPR) develops, maintains and provides training relative to the Agricultural Management Information System (AMIS) which has been designed to include crop production system, procurement and disposition, weather, prices and publication systems for the Economic Wing. The Section publishes Agricultural Statistics of Pakistan, Pakistan Agricultural Chart Book, Fruit, Vegetables and Condiments Statistics, and Crop, Area and Production Statistics by Districts, as well as occasional statistical publications. AMIS will be expanded to generate standard data forms such as commodity supply and utilization accounts, farm inputs, economic accounts for agriculture, farm costs and returns, farm income, marketing margins, Pakistan agricultural trade, the food and agricultural marketing bill, producer and consumer subsidy equivalents, and other analytical forms specified by the Economic Research and Agricultural Policy Directorates.

## ECONOMIC WING INFORMATION SYSTEM

-----  
Directory - ORGANIZATION

File - PURPOSE  
-----

Directorate of Agricultural Statistics      Data Forecasting Section

### 1. LINKAGE TO POLICY BACKGROUND:

Agricultural output is so dependent on weather and other biological and natural forces that it is impossible to routinely accurately predict output. However, historical data on planted acreage, crop yields and weather can be used to generate useful estimates of expected area, yield and production under specified assumptions.

### 2. UNIT OBJECTIVES:

In cooperation with the Directorate of Economic Research (DER), Commodity Situation Section (CSS), develop timely forecasting models for area and production of different crops.

### 3. OPERATIONAL PRODUCTS OF THE UNIT:

Products of the Data Forecasting Section include annual forecasts of crop area, yield and production of wheat. Forecasts will later be made for rice, cotton and other major and minor crops.

### 4. UNIT PURPOSE:

The Data Forecasting Section(DAFO) develops forecasting models in cooperation with related sections of the Economic Wing. It uses these models and current values of exogenous variables to make routine forecasts of area, yield and production of wheat which will be later extended to rice, cotton and other major and minor crops.

## ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)

File - PURPOSE

-----

Directorate of Economic Research

Director: Nassar Hussain

-----

### 1. LINKAGE TO POLICY BACKGROUND:

In order for agriculture to effectively contribute to the achievement of the goals and objectives of the GOP. The EW must have an understanding of how the farmers and agribusinesses of Pakistan are likely to respond to alterative agricultural and economic policies and programs. The estimated responses must be based on knowledge about the technical and economic relationships that exist within the food an fiber system. This knowledge must be effectively communicated to decision makers in both the public and private sector of Pakistan and to other units of the EW.

### 2. UNIT OBJECTIVES:

The objectives of the Directorate of Economic Research are: 1) to enhance the opportunities of its three sections (Commodity situation, Farm Finance and Agribusiness) to accomplish their objectives, including support of cooperative work carried out with non EW organizations 2) to develop the capacity, through internal maturation and contract work with external institutions, to anticipate and assess the development of important economic issues that can have a significant impact on Pakistani agriculture, 3) establish procedures for allocating work among internal staff and external institutions an regular methods for monitoring and evaluating such work, 4) cooperate with other EW Sections when such cooperation will contribute to the effectiveness of the EW efforts, 5) maintain an activity log for all commissioned and special studies and 6) provide staff support to the DG of the EW do deal with economic research issues assigned to the EW.

### 3. OPERATIONAL PRODUCTS:

In addition to the products of the products of its three Sections, the Directorate of Economic Research will produce special reports when appropriate and will supply the EW DG twice each year with a report on the effort required and the outputs produced as the result of commissioned and special studies.

### 4. UNIT PURPOSE:

The Directorate of Economic Research (DER) will support the efforts of its three Sections concerning commodity situation, farm fainance, and agribusiness: anticipate and assess the impact of economic events on Pakistani agriculture and; provide the staff support necessary for the EW to be effective in accomplishing its mission.

## ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)

File - PURPOSE

-----

Directorate of Economic Research

Commodity Situation Section

-----

### 1. LINKAGE TO POLICY BACKGROUND:

If the full potential of agriculture to contribute to the achievement of national goals is to be realized, MINFA and other GOP officials need timely and reliable reports on the domestic and, where relevant, international economic environment for significant Pakistani agricultural commodities. This will necessarily require that expectations about future as well as current events in commodity markets.

### 2. UNIT OBJECTIVES:

The objective of the Commodity Situation Section (CSS) is to provide timely economic information in the form commodity situation reports (CSRs) on each of the major crops, significant minor crops and the livestock sector. CSRs for the major crops will be done on at least an annual basis in cooperation with the various commodity boards and commissions. CSRs for minor crops will to be done on a less frequent, but regular basis. In special situations, such as occurred in the case of onions in 1990, the section will monitor such crops and develop special CSRs on short term notice. The CSRs will reflect international commodity situations for the major crops. The section will also undertake activities leading to the generation of annual livestock CSRs with special emphasis on milk and meat. In order to develop effective CSRs, section staff will have to understand not only the aggregate economic numbers involved, but also the producer and consumers issues involved.

### 3. OPERATIONAL PRODUCTS:

Annual CSRs for major crops,  
Periodic CSRs for minor crops,  
Annual CSR for Livestock, and  
Special CSRs to deal with important commodity issues

### 4. UNIT PURPOSE:

The Commodity Situation Section (COSI) will provide MINFA, other GOP officials and the general public with Commodity Situation Reports containing appropriate economic information on a commodity basis which is needed to understand the current and prospective situations and to propose alternative ways of dealing with unfavorable situations. The economic information will include annual Commodity Situation Reports (CSRs) on major crops and periodic CSRs on minor crops and livestock.

## ECONOMIC WING INFORMATION SYSTEM

-----  
Directory - ORGANIZA(TION)

File - PURPOSE

-----  
Directorate of Economic Research

Farm Finance Section  
-----

### 1. LINKAGE TO POLICY BACKGROUND:

To estimate the impact of existing and possible alternative agricultural programs and policies, it is necessary to determine farm income and costs. The value of such estimates is greatly enhanced if they are part of a regular data series. The value of such work is enhanced since the basic components needed to estimate farm incomes and costs have use in many other economic research and policy analysis activities of the EW.

### 2. UNIT OBJECTIVES:

The Farm Finance Section will develop farm budget generators and maintain these generators with current data. These generators will then be used to provide current estimates of farm costs and incomes for the major agricultural regions of Pakistan. Annual farm income and costs reports and periodic reports dealing with special issues will be published for the purpose of providing current information on the financial condition of Pakistani agriculture. Analysis done by the Section will provide the basic information needed to estimate the economic impact of agricultural production on Pakistan's economy. Such analysis will also contribute to a better understanding of the demand by Pakistani farmers for agricultural inputs, such as seeds, fertilizer and credit.

### 3. OPERATIONAL PRODUCTS:

The Farm Finance Section will produce annual reports on farm income and cost of production; and periodic reports on financial conditions, the demand for agricultural credit, and on the demand for agricultural inputs. In addition, the Section will maintain a computer Based information system for farm costs and returns by size of farm for major agricultural regions and farming systems.

### 4. UNIT PURPOSE:

The Farm Finance Section (FAFI) will estimate, analyze and report time series of Pakistani farm costs and incomes at the national, provincial and regional level. This information will provide the basis for suggesting and analyzing alternative agricultural policies and programs.

## ECONOMIC WING INFORMATION SYSTEM

-----  
Directory - ORGANIZA(TION)

File - PURPOSE

-----  
Directorate of Economic Research

Agribusiness Section  
-----

### 1. LINKAGE TO POLICY BACKGROUND:

An effective agribusiness sector is required to maintain the momentum in the production of traditional crops and in the development of high value crops for consumption at home and surpluses for export. Agribusiness must supply inputs such as fertilizers, pesticides, seed and mechanization as well as provided the transportation, marketing, processing and linkages with the international market. The contribution of agribusiness to the national economy is approximately equal to the contribution of production agriculture in Pakistan. Agribusiness is increasingly becoming involved in production activities where the latest technology is used in such fields as greenhouses, modern poultry production, etc. In some cases the involvement is through ownership and in some cases via specialized contracts with farmers.

### 2. UNIT OBJECTIVES:

The Agribusiness Section is responsible for: analyzing and reporting on marketing margins and costs, and estimating total expenditures for food and fiber by the consumers and exporters in Pakistan. Marketing margins for a markets basket of foods are estimated using secondary data. An update of the total food and fiber expenditure budget will be updated on a bi-annual basis. The Agribusiness Section will develop a cooperative relationship with the Agribusiness Cell of MINFA to determine the types of reports on agribusiness issues that need to be completed in the future. The Agribusiness Section will also develop a cooperative action with the Directorate of Agricultural Policy to determine the type of work on international trade to be undertaken in the future.

### 3. OPERATIONAL PRODUCTS:

The Agribusiness Section will produce reports on marketing margins, costs of marketing food and fiber, and other significant agribusiness issues, including those relating to international trade.

### 4. UNIT PURPOSE:

The Agribusiness Section (AGBU) will provide timely and relevant information on: marketing margins, the costs of marketing food and fiber, total expenditure budget for food and fiber periodic reports on significant agricultural business issues and will cooperate with the Directorate of Agricultural Policy in analyzing issues of international trade in Pakistani food and fiber products. The Section will provide MINFA, including the Agribusiness Cell, with economic intelligence that will contribute towards the formulation, analysis and execution of effective agribusiness policies and programs.

## ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)	File - PURPOSE
Directorate of Agricultural Policy	Director: B. A. Malik

-----

### 1. LINKAGE TO POLICY BACKBROUND:

In order to achieve national goals, continuous evaluation and monitoring of Pakistan's agricultural policy is essential. Government policies and programs play an important role in providing conducive economic environment to increase farm production and productivity. More and more policy reforms are contemplated to achieve national goals, particularly the alleviation of poverty, reduction in un-employment and growth with equity. Research and analytical work to be under-taken will be useful in informing policy decisionmakers of the potential outcomes of alternative policies.

### 2. UNIT OBJECTIVES:

The Directorate of Agricultural Policy will be responsible for (i) analysing on-going farm input policies ;(ii) preparing analytical reports on the farm-input sector;(iii) developing alternative policy options based on research programme; (iv) studying the farm sector as a whole to identify policy related problems, and (v) provide macro agricultural economic analysis for the agriculutre sector and its linkage with other sectors. The main functions of the Directorate will be to carry out continuous review of national agricultural policies and thus contribute directly to policy making functions of the MINFA. The Directorate will maintain a close liasion with other Directorates of the Economic Wing for data transmission and use of analytical tools available for report generation.

### 3. OPERATIONAL PRODUCTS:

Besides various reports and briefing paper by its sections, the Directorate will continue to carry out a comprehensive review of national agriculture policy based on commissioned and special studies.

### 4. UNIT PURPOSE:

The Directorate of Agricultural Policy (DAP) will support the efforts of its three Sections, anticipate and assess the impact of alternative agricultural and trade policies and programs Pakistani agriculture and provide the staff support necessary for the EW to be effective in accomplishing its mission.

ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)	File - PURPOSE
-----	-----
Directorate of Agricultural Policy	Farm Inputs Section
-----	-----

1. LINKAGE TO POLICY BACKGROUND:

Farm inputs are important for increasing production and productivity of various sub-sectors of agriculture, particularly in the crop sector which is a crucial sub-sector of our economy. It contribution towards value added in agriculture is as high as 60 percent. Development in agriculture is dependent on the adequate and timely availability of appropriate and reasonably priced inputs as as a pre-requisite to boost agricultural production. For this purpose, the government strategy has been to streamline not only the institutional arrangements but reduce constraints by adopting appropriate policy measures directed to ease the access of farmers, particularly the smaller ones to these inputs.

2. UNIT OBJECTIVES:

The Farm Input Section will be responsible for (i) analyzing the on-going farm input situation to identify problems and policy options; (ii) studying constraints, both technical and financial, with regard to access to farm inputs technology and institutions by target groups; (iii) exploring the possibility to shift from single input programme/policies to a package programme approach; (iv) studying the implications of deregulation policies in the farm-input sector;(v) examining the impact of import policy, local manufacturing and delivery services on the farm input sector and (vi) conducting policy oriented research studies to provide information and policy options in the farm input sector.

3. OPERATIONAL PRODUCTS:

The section will produce policy review reports, briefing papers and commission special studies on various farm input problems and policies of the government.

4. UNIT PURPOSE:

The Farm Inputs Section (FAIN) will analyze alternative farm input policies, prepare analytical reports on the farm input sector and provided briefing papers on farm input issues and policies.

ECONOMIC WING INFORMATION SYSTEM

-----  
Directory - ORGANIZA(TION) File - PURPOSE  
-----  
Directorate of Agricultural Policy Farm Production Section  
-----

1. LINKAGE TO POLICY BACKGROUND:

Agriculture holds the prominent position in the overall development of Pakistan's economy. There is a need to analysis alternatives which would permit a shift from traditional agriculture to high value alternatives. Such alteratives may provide a means of generating greater incomes both at the farm and country level. It is essential to stimulate agribusiness both for the supply of inputs and in production activities to rationalize resource utilization for maximizing farm production to meet domestic requirements and generate surpluses for exports.

2. UNIT OBJECTIVES:

The Farm Production Section will study existing GOP policies as they relate to farm production to 1. identify strengths and weaknesses of the farm production sector and 2. suggest alternative policy options for achieving desired objectives. Areas needing attention include: inter- and intra-sectoral imbalances; un-employment, under- employment and disguised employment; farm structure; production incentives; policy alternatives to promote adoption of more productive technology; ways to encourage greater investment in agriculture; appropriate policies for promoting fruit and vegetables as well as means to improve fruit and vegetable marketing, including the export market; and policy options for increasing oilseeds and pulses production..

3. OPERATIONAL PRODUCTS:

The Farm Production Section will provide information relative to adjustments, problems and policy options for MINFA and other public and private decision making in the form of commissioned studies, analytical reports and briefing papers.

4. UNIT PURPOSE:

The Farm Production Section (FAPR) will monitor developments in the farm production sector and analyze alternative farm policies by determining their impact on the achievement of GOP goals and objectives, prepare reports on the farm production sector and provide briefing papers on farm production issues and policies.

## ECONOMIC WING INFORMATION SYSTEM

=====

Directory - ORGANIZA(TION)	File - PURPOSE
-----	
Agricultural Policy Directorate	Aggregate Analysis Section
-----	

### 1. LINKAGE TO POLICY BACKGROUND:

Agriculture will continue to play a dominant role in over-all development of the country. In order to enable agriculture to contribute more towards national goals, there is need to attach it highest priority in development efforts and investment programmes. The objectives of mid term plan and perspective plan in the field of food and agriculture are to be translated in projects and programmes. For all this, there is need to initiate macro-economic aggregate analysis of the agricultural sector to identify the strengths and weaknesses and to suggest alternative policies to maximize the value added by this vital sector.

### 2. UNIT OBJECTIVES:

The Aggregate Analysis Section will analyse th food and fibre system as a whole and its linkages with rest of the economy. The unit will construct and up-date input/output models to assess the impact of alternative agricultural policies and programs on the rest of Pakistans economy. Efforts will be made to install, maintain and use an agricultural sector model in the Economic Wing. This sector model will be used to analyse the need and impact of one or more policy altertenatives on farm income by regions and on the demands for agri-business services. The basic model can also be modified to allow the study of specific issues including commodity pricing policies, irrigation policies, agricultural taxation, the impact of monetary policies on agriculture, the impact of exchange rates, tarrifs and export taxes on farm production, input demands, farm incomes agricultural trade, and food supplies.

### 3. OPERATIONAL PRODUCTS:

The Agregate Analysis Section will provide reports and policy briefs on aggregate issues relating to interrelationships between agriculture, agribusiness, the generarl economy and GOP policies and programs.

### 4. UNIT PURPOSE:

The Aggregate Analysis Section (AGAN) will conduct analysis and prepare reports and policy briefs: on linkages between agriculture, agribusiness and the general economy, on the impact of Pakistan's food and fiber system on the general economy and on the impact of GOP policies on the aggregate food and fiber system.