

THE IMPACT OF GOVERNMENT POLICIES ON OLIVE PRODUCTION IN PAKISTAN

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INTRODUCTION

As Pakistan's agriculture is transitioning more towards commercialization, leaving behind the subsistence farming, a greater number of farmers are exploring their options. In pursuit of this, Pakistan's agricultural sector is undergoing a shift towards high-value crops, with olive cultivation gaining significant attention due to its potential economic and environmental benefits. It has been a while since olive plantations were initially started in Potohar but have expanded to many areas of Pakistan including all the provinces. The government has implemented various policies and programs to promote olive growth. However, the farmers, and industry face challenges like limited technical knowledge, inadequate access to quality plant material, and a lack of processing and marketing facilities.

This study investigated the impact of government policies on olive production in Pakistan. It analyzed policy interventions, their effectiveness, and identified gaps and areas for improvement. It also assessed the challenges faced by farmers and explored the potential socio-economic and environmental benefits of olive cultivation.

METHODOLOGY

A multistage stratified sampling technique was employed to collect data from farmers' questionnaires and Key Informative Interviews (KIIs) with stakeholders across various olive-growing regions.

RESULTS

- **Status of Olive Plantation:** A considerable and distributed effort is evident across provinces, with a significant number of plants (5.6 million) and acres (45623) dedicated to olive farming. Balochistan (1.6 million plants), Khyber Pakhtunkhwa (KPK) (1.4 million plants), and Punjab (2.1 million plants) are the leading contributors.
- **Status of Olive Oil Extraction Units:** Again, a distributed and spread strategy involving both public and private sectors is observed. Processing infrastructure is established across various provinces (34 olive extraction units throughout Pakistan), with units of diverse capacities (50 kg per hour to 600 kg per hour).
- **Socioeconomic Indicators of Olive Producers:** The average education level of olive producers is 13.26 years, with an average farming experience of 8.84 years. Access to

essential services like extension services, subsidies, and weather information is limited for a significant portion of farmers.

- **Farmers' Responses to Policy Interventions:** Farmers expressed interest in increased investment if the government provided various incentives, including subsidies for costs, processing units, training, and drought-resistant varieties. Improved water availability and crop insurance were also seen as favourable factors.
- **Farmers' Concerns:** Access to high-quality inputs (fertilizers, pesticides, herbicides) and markets (national and international) were identified as major concerns.
- **Results of the Analysis of Agricultural Policies:** The Policy Analysis Matrix (PAM) indicated that Balochistan has a comparative advantage in olive production due to a lower domestic resource cost (DRC). However, price volatility and policy discontinuity require attention.

KEY FINDINGS

- Government policies have played a role in the initial growth of the olive sector.
- Limited access to essential services, high input costs, and inadequate market access hinder olive production.
- Farmers are receptive to government support and improved policies.
- Balochistan has the potential for higher productivity.

RECOMMENDATIONS

- **Policy Continuity and Targeting:** Ensuring consistent and targeted policy interventions based on regional needs and crop specificities would further strengthen this sector.
- **Improved Access to Inputs:** Facilitating access to high-quality fertilizers, pesticides, and herbicides at affordable prices is need of the hour.
- **Market Development:** Focusing on promoting domestic and international markets for olive products through branding, packaging, and adherence to international standards would further support this excellent economic activity.
- **Water Management:** Implementing strategies to improve water availability under the decreasing water availability circumstances, and enhancing irrigation efficiency for olive cultivation would help farmers cope up with the challenge of water scarcity.
- **Technical Support:** Providing training and extension services to farmers on best practices in olive orchard management, pruning techniques, and pest control are essential, for which all stakeholders should be capacity strengthened.
- **Processing Infrastructure:** Investing in establishing more processing units, particularly portable units, to address capacity limitations. This is important for more remote areas where access is limited.
- **Climate-Smart Practices:** Promoting the adoption of climate-resilient olive varieties and adaptation strategies to address the challenges posed by climate change is crucial for

growth of olive sector. Olive breeding is another area which needs improvement and investment.

CONCLUSION

The olive sector in Pakistan holds great potential for economic growth, job creation, and environmental sustainability. By addressing the existing challenges and implementing the recommended policy improvements, the government can significantly enhance olive production and help Pakistan towards becoming a major player in the global olive oil market.