



# Sectoral Study

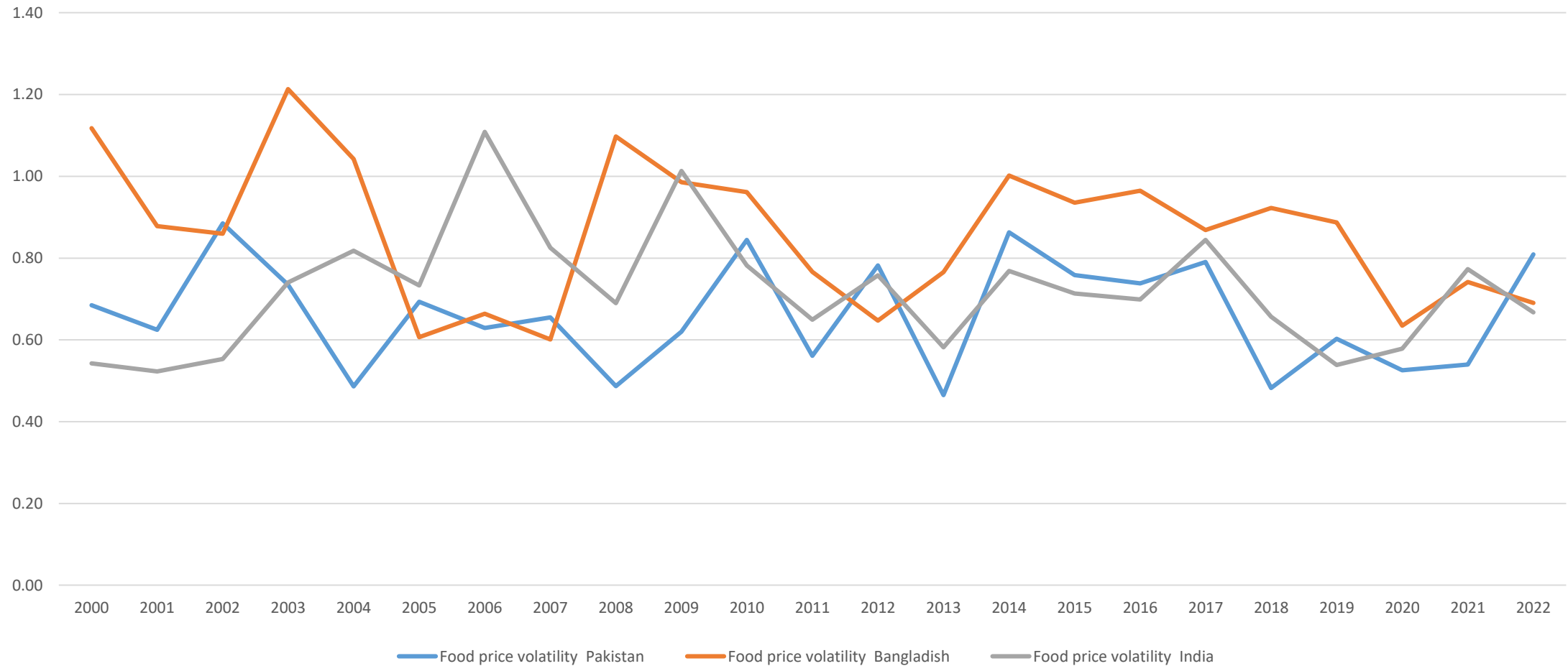
## Wheat

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# Wheat

- Staple food in Pakistan.
- Green transformation focuses primarily on production, not post-harvest.
- Objectives of equity, sustainability and fair trade compromised overtime.
- Consumers expected to pay the increased cost of production.

# Food Price volatility



**According to the FAO, more than half of the Pakistani population suffers from moderate to severe food insecurity.**

# Approach

- Protect wheat from profit-driven practices to advance greening agri agenda
- Social protection needs to inform the greening of wheat sector agenda alongside the reduction of greenhouse gas emissions and environmental degradation.
- Expansion of greening wheat agenda in Pakistan to encompass social protection

# Political economy of wheat crop

- Feudal production relations, established due to British system of Land ownership, still have a central position in rural Pakistan
- Pakistan pursued 'productionist' policies to generate an economic surplus from the agriculture sector.
- The structure of the grain markets in Pakistan is never free from the plurality of social relations rooted in the rural political economy.
- Government's role enables gaining power and influence in market settings, instead of curtailing the power.

# Profit margins of stakeholders across the wheat value chain

- Farmers share in prices – approx. 50%
- Last year's policy of wheat import and information asymmetry increased the plight of the farmers.
- Higher profit margins for the farmer a necessary condition for green wheat production.

- Greening of wheat production needs to incorporate market economy reforms
- De-Financialization of food to reduce speculation
- Digitalization in food and agriculture production ensuring improved social contract
- Corporate capital and investment in food

# Key Pillars of a new Policy Framework

- Reimagine Environmental, Social, and Governance (ESG)
- Regulate non-staple use of Wheat in the sectors such as biscuits, noodles etc.
- Support small farmers
  - Value their contribution to produce wheat for domestic use
  - Provide targeted financial support
- Strengthen public procurement and promote public private partnerships in storage.
- Monitor and document the movement of wheat from one economic actor to another, restricting its transfers to non-processors
- Re-negotiate the profit-margins with flour mills