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Pakistan Sets July Deadline for Agricultural Loan and Tech Plan for Small Farmers

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Prime Minister Shehbaz Sharif has directed government authorities to devise a full-fledged agricultural relief plan by the end of July, aimed at delivering easy-term loans and modern farming technologies to Pakistan's small-scale farmers. The initiative, targeting those with land holdings under 12 acres, seeks to improve productivity and reduce dependency on archaic methods that have long plagued the country's agricultural backbone.

Agriculture contributes roughly 19 percent to Pakistan's Gross Domestic Product (GDP) and provides employment to over 37 percent of the labor force. Yet, despite its central role in the

economy, the sector remains hindered by systemic issues. Outdated practices, inefficient irrigation, lack of mechanization, and poor access to affordable inputs such as seeds and fertilizers continue to suppress yields. Climate-related disasters such as flooding and drought have only worsened the challenges, particularly for smallholders who lack the resources to recover from crop failures or invest in resilient farming techniques.

An estimated 80 percent of Pakistani farmers operate on plots smaller than 12.5 acres. These smallholders are the most vulnerable to market instability and inflationary pressure. With limited access to credit from formal banking channels, many are forced to borrow from informal lenders at exorbitant interest rates, further eroding their financial security. The prime minister's proposed strategy will need to address both access to finance and the affordability of high-quality agricultural inputs if it hopes to make a meaningful impact. Experts caution, however, that without transparent oversight and collaboration with the private sector, such initiatives risk becoming more rhetoric than reform.



While the announcement may appear promising on paper, past experience has shown that top-down directives without meaningful structural reforms often falter in execution. Real change will require a bottom-up strategy that listens to farmers' needs, incentivizes innovation, and ensures accountability in credit distribution. If done right, this could usher in a long-overdue modernization of Pakistan's agricultural sector, driving rural development and strengthening food security. But time is of the essence and farmers, especially those on the margins, cannot afford another missed opportunity. The July deadline will reveal whether this government is serious about reform or simply recycling old promises.