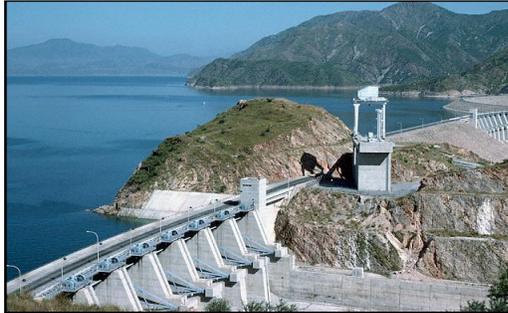


Agency Economic Profile

MOHMAND AGENCY

FEDERAL ADMINISTRATED TRIBAL AREA (FATA)



Prepared By

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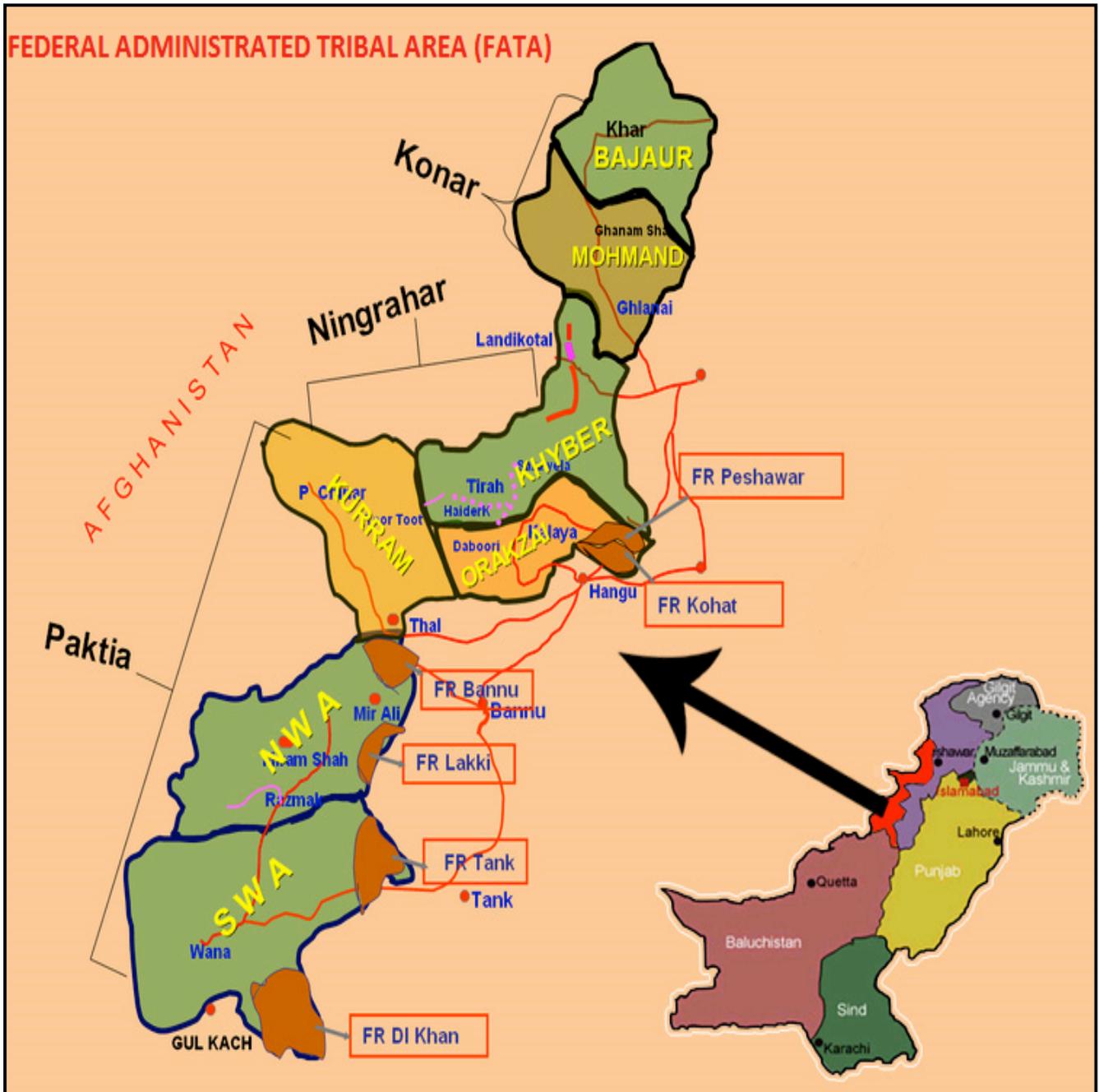
Small & Medium Enterprises Development Authority
Ministry of Industries and Production
Government of Pakistan

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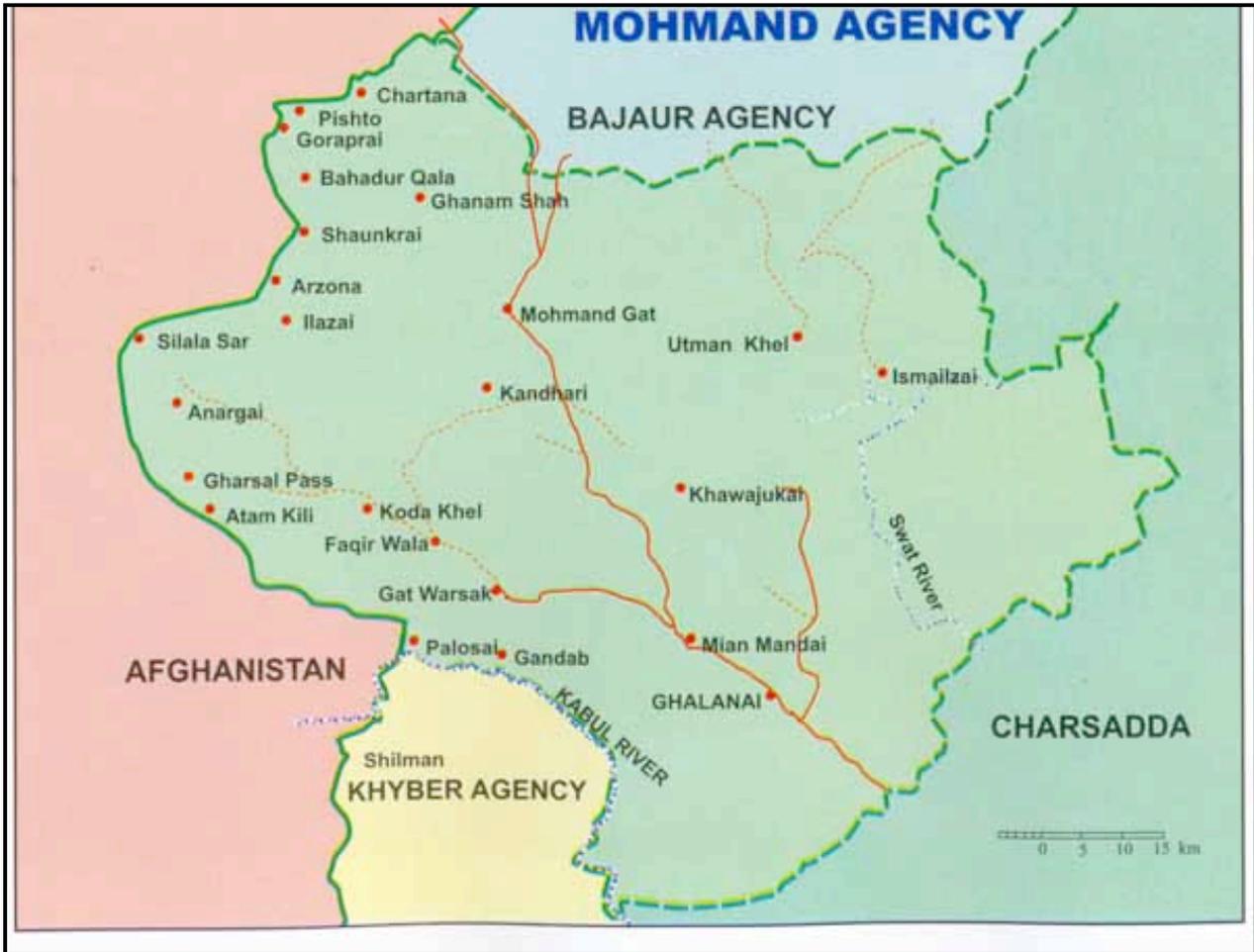
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Map of Federal administrated Tribal Area (FATA)



Map of Mohmand Agency



1. INTRODUCTION

1.2 The Federally Administered Tribal Areas (FATA)

The Federally Administered Tribal Areas (FATA) are located along Pakistan's north-western Hamalaya zone and south-western Sulaiman Mountains and runs as a narrow tract along the river Indus with the parallel lines almost north to south. It consists of seven semi-autonomous agencies or administrative units – Khyber, Mohmand, Bajaur, Kurram, Orakzai, North Waziristan and South Waziristan. Additionally, the FATA includes 'frontier regions' that adjoin the districts of Peshawar, Kohat, Bannu, Lakki Marwat, Tank and Dera Ismail Khan. This tangled mass constitutes an area of 27224 sq kilometres and is inhabited by around 3.17 million people belonging to different Pukhtoon or Pushtun tribes. The 1400 miles (2500 KM) long Durand Line, which was drawn in 1893 by the British colonial rulers of India, geographically divides the Pushtun tribes in the region between Afghanistan and the FATA of Pakistan. The FATA has remained strategically important since the times of “the Great Game” for imperial domination that took place in the 19th century.

1.3 Khyber Agency

The British rulers first established the Khyber Agency in 1879. Though initially there was to be a Political Officer acting as the Administrative Head of the Khyber Agency (Political Agent's Officer, Khyber Agency), in actual fact in 1902 a full-fledged Political Agency was assigned here. It draws its name from historic Khyber Pass and covers an area of 2576 sq. km. The famous Torkham border links the Khyber agency with Afghanistan's Nangarhar province. It has an estimated population of 546730 and is comprised of people from Afridi, Shinwari, Mulagoori and Shalmani tribes.

1.4 Kurram Agency

This Agency was created in 1892, a year before the demarcation of the Durand Line. It covers an area of 2296 sq. km and has a population of 448,310. It is inhabited by several tribes, the major tribal composition being the Turi, Bangash, Parachinari and Masozai - both Sunni and Shia sects. The Kurram Agency borders Afghanistan's Nangarhar province in the North West and Paktia province in the South West.

1.5 South Waziristan Agency

Two more agencies were created along the Pak-Afghan border in 1895 through the division of what became known as Waziristan. South Waziristan, the largest of all tribal agencies at 6,620 sq. km and is inhabited by a population of around 429,841 persons. The major tribal composition is derived from the Mehsud and Ahmadzai Wazir tribes. South Waziristan borders with Afghanistan's Paktia and

Khost provinces to the west, Pakistan's Balochistan province to the South, Pakistan's Dera Ismail Khan District to east and the FATA agency of North Waziristan to the north.

1.6 North Waziristan Agency

Created in 1895 along with South Waziristan, the North Waziristan Agency is the second largest agency in size, covering an area of 4,707 sq. km. It has a population of 361,246 people mainly from the Utmanzai Wazir, Dawar, Saidgai, Kharasin and Gurbaz tribes. The North Waziristan Agency borders the Paktia and Khost provinces of Afghanistan.

1.7 Mohmand Agency

The Mohmand Agency was created in 1951, four years after creation of Pakistan as sovereign state in 1947. It covers an area of 2,296 sq. km. and its population is estimated to be around 334,453. The major tribes inhabiting the area are the Mohmand, Safi and Uthmankhel tribes. The Mohmand Agency shares a border with the Bajaur Agency to the north, the Dir district to its east, the district of Peshawar to its southeast and Afghanistan to the west.

1.8 Bajaur Agency

Bajaur Agency, the smallest in size at 1290 sq. km, was created in 1973. It has a population of 595,227 persons with tribal composition drawing from the Uthmankhel and Tarkani tribes. Bajaur shares a border with Afghanistan's Kunar province to the north west; Pakistan's Dir district to its north east and the Mohmand agency to its west.

1.9 Orakzai Agency

The Orakzai Agency is the only tribal agency that does not share a border with Afghanistan. Created in 1973, it covers an area of 1538 sq. km and has a population of 225,441 persons. It is bound in the north by the Khyber Agency; in the east by the Frontier Region (FR) Kohat; in the south by both FR Kohat and the Hangu districts; and in the west by the Kurram Agency. The major tribal groups are the Orakzai and the Bangash – both Shia and Sunni sects.

1.10 FR Peshawar (Tribal Area Adjoining Peshawar District)

FR Peshawar covers a total area of 261 sq. km, with a population of around 53,841. The Afridi tribe is the only major tribe inhabiting FR Peshawar. It is bounded on the north and west by the Peshawar District, on the south by Tribal Areas Adjoining the Kohat District, and on the east by the Nowshera District.

1.11 FR Kohat (Tribal Area Adjoining Kohat District)

FR Kohat covers a total area of 446 sq. km and has a population of around 88,456. The Afridi tribe is the only major tribe inhabiting FR Kohat. It is bounded on the north by FR Peshawar, on the east by the Noshehra District, on the south by the Kohat District and on the west by the Orakzai & Khyber Agencies.

1.12 FR Bannu (Tribal Area Adjoining Bannu District)

FR Bannu covers a total area of 745 sq. km and has a population of around 19593. The Wazir tribe is the only major tribe inhabiting FR Bannu. It is bounded to the north by the Karak District, on the east by Bannu District, on the south by FR Lakki Marwat and on the west by the North Waziristan Agency.

1.13 FR Lakki Marwat (Tribal Area Adjoining Lakki Marwat District)

FR Lakki Marwat covers a total area of 132 sq. km and has a population of around 6987. The Bhattani tribe is the only major tribe inhabiting FR Lakki Marwat. It is bounded on the north by the Karak District, on the east by the Bannu District, and on the west by the North Waziristan Agency.

1.14 FR Tank (Tribal Area Adjoining Tank District)

FR Tank covers an area of 1,221 square kilometres and has a population of around 27,212. The Bhattani tribe is the only major tribe inhabiting FR Tank. It is bounded on the north, south and west by the South Waziristan Agency, on the north-east by the Lakki Marwat District and on the south-east by the Tank District.

1.15 FR D.I. Khan (Tribal Area Adjoining Dera Ismail Khan District)

FR D.I. Khan covers a total area of 2,008 sq. km and has a population of around 38,990. The Ustran and Sherani are the major tribes inhabiting FR D.I. Khan. It is bounded on the north by the South Waziristan Agency, on the east by the Kulachi Tehsil of D.I Khan District, on the south by D.G. Khan Districts and on the west by the Zhob District.

Source: <http://www.understandingfata.org/>

2. MOHMAND AGENCY

The Mohmand Agency was created in 1951, four years after creation of Pakistan as sovereign state in 1947. The agency headquarters is located in Ghalanai. It covers an area of 2,296 sq. km. and its population is estimated to be around 334,453. The major tribes inhabiting the area are the Mohmand, Safi and Uthmankhel tribes. The Mohmand Agency shares a border with the Bajaur Agency to the north, the Dir district to its east, the district of Peshawar to its southeast and Afghanistan to the west

Mohmand agency is the area of rugged mountains with barren slopes and widespread along the banks of the Kabul river. The sources of income are very limited in general except from agriculture and some trade/businesses. Most of the locals are earning their livelihood in the foreign countries especially at Gulf States.



The agency is divided into seven Tehsils, Halimzai, Painiali, Safi, Upper Mohmand, Barangg Khar, Yakaghund and Ambar.

Source: FATA-Rural Livelihood and Community Infrastructure Project (RLCIP)

3. DEMOGRAPHY

The current population of Mohmand Agency is approximately 627,120 (while 334,453 persons as per 1998 census with a density of 146 persons per square kilometer). The annual growth rate of the population was calculated as 4.28. According to a recent estimates the population has now crossed 0.6 million. The population of the agency is predominantly Muslim (99 %) and about 99.5 % people speak Pashtu. (Source: Bureau of Statistics – FATA Cell)

Source: <http://fata.gov.pk/>

1.1 Main Clans

The agency is inhabited by many tribes, mostly the Mohmands, the Clans, Baizai, Khwaizai, Halimzai, Babazai, Tarak Zai, Safi. and Utman Khel. They all fought against the British and British called them as a Stone. The Safis, because of their association with the Mohmand, are



also called Safi Mohmands but actually they are not Mohmand in Legacy. The tribe has been divided in upper Mohmand and lower Mohmand. The central bazaar of Mohmand is Ghalanai.

1.2 Major Tribes

Mohmand tribe is further divided into four sub tribes, the Baizai, Halimzai, Khwaizai and Tarakzai.

(a) Halimzai

The Halimzai is Sub-tribe of Mohmand. This tribe is one of the strongest among other sub-tribe due its central location as Ghalanai is the capital of Mohmand agency and Gandhab is the biggest Bazaar of Mohmand agency. Government mainly depends upon Halimzai tribe. Gandhab is divided into Upper and Lower Gandhab. Halimzai is sub divided into the following three sub tribes.

1) Hamza Khel

2) Wali Baig

3) Kadi Khel yasir khan haim zaik. kamali halimzai, bosha khel, ibrahim khel, hamza khel tribes.

(b) Baizai

The Baizai the border tribe of Mohmand agency. This sub-tribe has also population in Afghanistan. The Baizai living in the settled area of Pakistan mainly residing in the city of Peshawar and supposed to be the prosperous people of Peshawar. Some Baizai live in Salala which was the site of a 2011 NATO attack in Pakistan. In Baizai, there are five big tribes: Mero Khel, Attmar Khel, Essa khel, Mosa khel, Khoaga Khel and Barakhel.

(c) Khwaizai

The Khwaizai tribe is farmers.

(d) Tarakzai

The Tarakzai are a Pashtun tribe concentrated in the lower Mohmand from Ekka Ghund to Michanai up to Daudzai. They are a well educated tribe settled at the gate of the Mohmand Agency. The sub-tribes of the Tarak Zai are Dado Khel, Qasim Khel, Bran Khel and Issa Khe.

Source: <http://kpktribune.com/index.php/en/mohmand-agency>

2 EDUCATION

As shown in the Table 1 (below), literacy rates across Mohmand (11.32%) fall below the literacy rate for FATA (17.42%) and trail well behind the literacy rates for the KPK and the country. In Mohmand the female literacy rate is well below five percent.

Table 1: Literacy Rates of Pakistan, KPK, FATA & Mohmand

Indicator	Pakistan	KPK	FATA	Mohmand
Literacy (Both Sex %)	43.29	35.41	17.42	11.32
Male Literacy	54.81	51.93	29.51	19.11
Female Literacy	32.02	18.82	3.00	1.92

Source: Population Census Reports FATA, 1998

Table 2: Total Number (Gender wise) of Educational Institutes in Mohmand Agency

Institutions	Male	Female	Both sexes
All type Primary	250	138	388
Primary	243	117	360
Mosque School	7	-	7
Community School	-	21	21
Middle School	41	22	63
High School	21	9	30
Higher Secondary schools	1	1	2
Degree Colleges	2	1	3
Govt, College of Management sciences	1	-	1
Govt Technical institution	1	-	1

Source: Directorate of Education FATA, Peshawar.

3 HEALTH FACILITIES (HOSPITALS)

Health services are not easily accessed in FATA and more particularly in Mohmand Agency. As provided in Table 3, there are only two hospitals with the capacity of 110 beds and nine dispensaries for catering to the medical requirements of Mohmand's population. This gap widens in case of dispensaries where 2.8% of the total dispensaries in FATA cater to Mohmand agency.

TABLE 3: HEALTH INSTITUTIONS AND THEIR BEDS STRENGTH IN FATA & MOHMANAD AGENCY

AREA	HOSPITALS		DISPENSARIES		R.H. CENTERS		T.B. CLINICS		BASIC HEALTH UNITS	SUB HEALTH CENTRE	M.C.H CENTERS
	NO.	BEDS	NO.	BEDS	NO.	BEDS	NO.	BEDS			
FATA	33	1,660	317	0	8	66	7	0	174	6	56
Mohman	2	110	9	-	1	8	1	-	25	-	-

Source: Directorate of FATA Health Services KPK

4 COMMUNICATION AND TRANSPORTATION

Mohmand Agency is well connected with the rest of the Khyber Pakhtunkhwa province through Roads. Pir Qala - Yakaghund - road is a major highway running through Khyber Pakhtunkhwa. It starts from Peshawar and terminates at the entrance to Bajaur Agency where it joins the above-mentioned Munda - Khar - Nawagai road. This route from Peshawar to Mohmand Agency and then to Bajaur Agency is used for supply of food items to the agencies as well as transportation of minerals from the Agencies to the settled area. This route is also important because of the fact that the



major clusters of marble mines lies alongside it. The road requires rehabilitation through resurfacing, widening and alignment at some locations. In Map no.4.7, the road running through Mohmand Agency from Pir Qala (Peshawar District) right up to Bajaur Agency is highlighted.

There is an immediate need for improving the existing road infrastructure and constructing new roads across the priority Areas of Bajaur and Mohmand Agencies. This will allow the priority areas better access to other towns, cities, agencies, and markets. Details of specific road improvement interventions that can be undertaken in the priority areas are provided below.

Development of a strong road infrastructure will result in overall development of FATA through increased economic activity across the region. Enhancing connectivity across this region will enable the tribal communities to access new markets and explore trading opportunities. Moreover, developing the roads will also make the priority areas more accessible and secure by strengthening their links with other agencies and with the settled areas. Outlined below are three types of road development interventions, which include: Priority Area Roads; Mine to Market Roads; and Farm to Market roads.

Source: FATA Capacity Building Program

5 PLACES TO SEE

Warsak dam is situated on the river Kabul about 32.2 km (20.0 mi) from Peshawar. The construction of the project was started in 1955 and the power station was commissioned in 1960. Before the commissioning of the Mangla Dam, it was one of the major sources of power.

Munda dam is being constructed on Swat River to the east of the agency. Shabqadar fort at shabqadar bazar is an interesting place to see which the Headquarter of FC (forces) in the Agency. The fort has a history of about 90 years.

Besides that the following are some of the important sites that hold good tourism potential in Mohmand Agency:

1. Michni
2. Grave of Haji Torangzai (Ghaziabad)
3. Ghalanai
4. Khawazai
5. Chamar Kand
6. Yakkaaund
7. Mander Dam.

Source: Study on Tourism Potential of FATA, FDA

6 AGENCY ADMINISTRATION

Local administration in each agency is run by the Political Agent (PA) who is a Federal civil bureaucrat and performs several functions, such as, acts as: an executive; a judge; a revenue collector ;and head of the Agency Council. The PA also oversees all development activity and line departments come under his jurisdiction. Furthermore, the PA is responsible for maintaining law and order through Khassadars/Levies⁷ and Maliks or Lungi Holders. The regulatory framework in place in FATA is based upon the Frontier Crimes Regulation (FCR).Under this system, the PA is the District Magistrate. Furthermore, the Political Parties Act of Pakistan has not been extended to FATA and adult franchise system was only introduced over the 1997 generalelections⁹. As per the Constitution of Pakistan no act passed by the parliament is applicable to FATA. Also, the constitution protects fundamental rights of the citizens of Pakistan and same rights are extended to the FATA population. However, Supreme Court that guarantees these fundamental rights does not have jurisdiction in FATA.

6.1 Regulatory Framework

There is no regulatory framework available in FATA except FATA Horticulture Policy approved in 2009. Other Acts and rules are basically the national and provincial KPK regulatory frameworks, which can be adopted in FATA. Details are:

6.2 Frontier Crimes Regulation (FCR) 1901:

The tribal areas are governed under FCR. All contracts and agreements between the prospective business owner and the local tribe are enforced under the FCR by a jirga, and not through the judicial channels.

6.3 Fata Horticulture Policy:

FATA Horticulture Policy was approved by the Government in 2009 and provides for: private sector to play active role in seed and nursery plant production and marketing; Research and Development (R&D) institutes shall not be involved in direct sales and marketing of consumer products; promotion of public-private partnerships; capacity building of staff and farmers; Fruit Plants and Seed Certification schemes, etc.

6.4 Seed Act (1976):

Under This Act provides for quality control through registration of crop varieties, crop inspection and seed testing.

6.5 Agricultural Pesticide Ordinance (1971) & Rules (1973):

These Acts regulate import, manufacture, formulation, sale, distribution, use, and advertisement of pesticides.

6.6 Agricultural Produces (Grading and Marketing) Act 1937 & Agricultural Produce (Markets) Act 1939:

The first Act is a Federal Act and relates to the grading and standardization of the agricultural produce and the latter is a Provincial Act which provides for the regulation of agricultural wholesale markets.

7 ECONOMIC SCENARIO

7.1 Trade

The Mohmand Agency has a population of around 540,000 (13% of total FATA population) and an area of 229,620 hectares (around 10% of the total FATA area). The cultivated area is around 9% and water availability is an issue in most parts of the Agency. The prominent sectors include Agriculture and Minerals; Chilies, wheat, and vegetables are predominant products in Agriculture while Marble, Manganese, Quartz, etc. in Minerals.

Trade is a major source of livelihood in the tribal areas after agriculture and livestock. Most of the trading activity in Mohmand relates to wholesaling/retailing and transportation of consumer goods, minerals and agriculture produce. Markets in Mohmand agency are relatively weak and are highly dependent upon markets in settled areas. Road Infrastructure in Mohmand Agency is badly damaged and in disrepair. This directly affects trading activities Investment made towards improving infrastructure and facilities available at these markets will have a meaningful and sustainable impact on increasing trade across this region.

Trading activity is reasonably dominant and around 40-50 truck loads per day cross the border to Afghanistan using two crossings; Yaqubi Kandao and Lwar Ghakhai. The major goods moving from Pakistan to Afghanistan includes timber, poultry, fertilizers, pesticides, etc. and the ones moving to Pakistan includes Electronic goods, fruit, dry fruits, vehicles, vehicle parts, etc. Destinations for imported goods are Bajaur, Shabqadar, Peshawar, Charsadda, and Mardan. A main roads runs through the corridor to Afghanistan

8 MINERALS:

Mohmand Agency is spread over an area of 2,296 square kilometers, of which about 80 % 52 is mountainous. Geological studies reveal that the area lies in the western tip of Kohistan Island Arc with the Main Mantel Thrust runs roughly in the east-west direction in the area. Along the southeastern and eastern parts of both agencies, a mixture of rock unit called the Mélange zone occupies the area. This area is rich in mineral potential, such as, gemstone, metallic minerals and dimension stones. The area mainly comprises igneous and metamorphic rock formations with minor sedimentary sequence.

Source: FATA Secretariat records, 2010

An estimated 1,150 million tons of good grade marble deposits of different shades and colors occur at Ziarat, Spinkai Tangi, Sar Lara Kandao, Chamarkand, Shin kamar, Jandai, Koh-e-more, Gumbatai and Sagi areas of

Mohmand Agency where more than 438 operational mines are producing about 0.90058 million tons marble annually.

About 0.43 million ton of marble is processed in 301 units established in Mohmand Agency. The remaining production is processed in units in Peshawar, Mardan, and Islamabad etc. Most of the processing units in FATA run at less than 30%60 of their installed capacity due to irregular power supply.

Source:

- 1) Badshah M.S, A report on marble deposits of Bajaur, Mohmand and Khyber Agencies (un-pub), 1984.
- 2) Based on survey conducted in connection with establishment of marble city in Mohmand Agency 2007.
- 3) Annual mineral production data, FATA Secretariat.

8.1 Marble:

Marble is the sixth largest mineral extracted in the country. As shown in Table (below), the mineral has experienced steady growth both in the volume of production and export. However, marble sector is not internationally competitive because of the techniques and technologies utilized in its extraction and processing. It is important to point out that less than 6% of the entire production is exported, whereas, the rest is consumed locally.

YEAR	MARBLE PRODUCTION	EXPORT (IN MILLION TONS)	VALUE IN US \$ (MILLION)	GROWTH RATE
2004-05	1.280	0.043	12.262	19 %
2005-06	1.835	0.036	11.929	-16%
2006-07	1.980	0.046	15.970	28%
2007-08	1.537	0.076	25.496	63%
2008-09	0.94	0.098	34.327	74%

Source: Economic Survey of Pakistan, 2009

Despite technical and financial constraints and poor infrastructure, marble sector in FATA has been performing well. Marble production increased from 0.800 million tons in 2005-06 to 1.2 million tons in 2008-09. This was mainly due to the fact that a number of access roads were constructed in different marble bearing areas opening up new opportunities across the sector. However, in peaceful and conducive conditions the production would have been over 3 million tons.

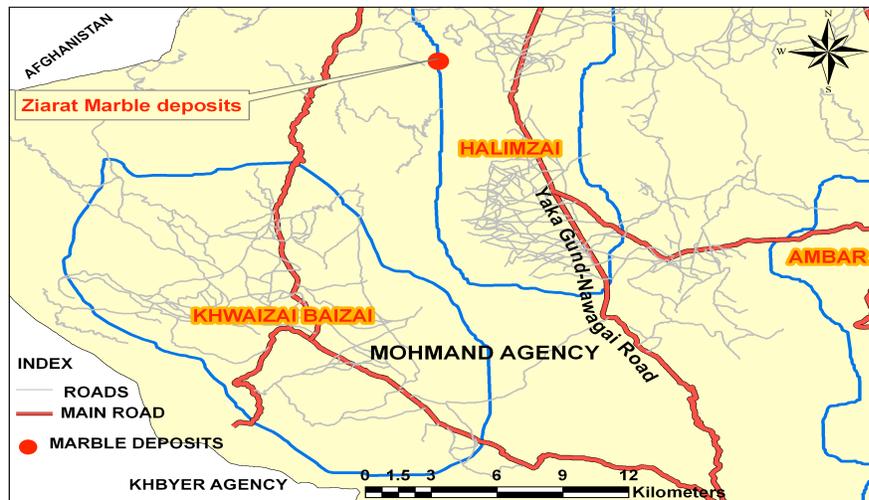
The marble sector of FATA is presently providing over 5,000 job opportunities in different mining activities and has the capacity to easily absorb another 20,000 people provided the sector is developed on modern scientific lines.

Source: FATA Mine Owners Association

8.1.1 Ziarat Marble Deposit

The famous Ziarat marble deposit is located west of Lakaro, about 8 km from main Mohmand-Bajaur road (Map). The marble formation covers a considerable large area with workable marble reserves of more than 100 million tons.

The deposit generally extends in east-west direction and the marble beds are steeply inclined in the north-west and north-east directions. Thickness of beds increases towards the center of the folds. The marble is medium to thick bedded and massive at the central parts of the deposit. The marble beds are well spaced on the surface as well as in the developed faces. The marble is mostly white, silver white, grey and white grey (Badal). The deposit is suitable for mechanized mining operations. Presently, about 36,000 tons marble blocks, with an average



rate of Rs. 3,500 – 5,000/- per ton, are extracted annually from the quarry. A narrow access road leading to the mining site needs to be improved.

Khanka Ghudai Marble Deposit-Ziarat Area is located on the southern flank of Ziarat and is a continuation of the Ziarat marble deposit at some elevation in the south west. The deposit has more than 180 million tons marble reserves. It is a newly explored deposit and will be opened for mining through an 8 km shingle road which will be completed shortly and is being funded by FDA. The marble is fine to medium grained and medium to thick bedded. The dominant colour is white but grey color is also present in the middle of the deposit. The deposit has great potential for mechanized mining operation.

Sarlara Kandao Marble deposit, with estimated reserves of over 150 million tons, lies at a distance of 12 km north of main road to Khel road and about 5 km west of Spinkai Tangi stream in Khawezai area in Upper Mohmand Agency. It is part of the extensive marble formation, running for more than 10 km east of Spinkai Tangi. The marble bearing formations are highly folded, faulted, jointed and

fractured due to structural disturbances. Thickness of beds increases towards the center of the anticline. The marble is medium to thick bedded and massive in the middle. The developed faces exhibit well defined spaces between marble beds. The marble is mostly grey and white grey (Badal), while silver white is also present. The deposit has the potential for mechanized mining operations. Presently about 40,000 tons marble is extracted annually.

8.1.2 Chromite:

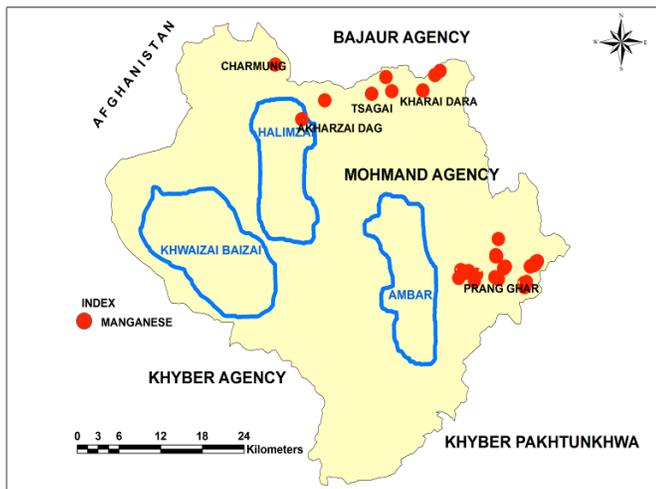
Chromite is used in manufacture of: refractory chrome bricks; chrome steel (for making cutting tools, projectiles and armor plates); stainless/rust proof steel; and, production of pigments, dyes and mordants. It is also used in tanning. Two types of chromite deposits are known in the world i.e. Alpine type and Stratiform type. The first type is formed in highly deformed regions and is present in the known chromite deposits in the eastern part of Mohmand agencies. Thus the mélange zones, with dominant ultramafic rocks association, host the main load of workable deposits. As chromite occur in the form of pods and lenses with varying dimensions and shapes, therefore, proper evaluation of these deposits could not be made.

Major concentration of deposits exists in Bucha & Rangmena, Balola, Balogai, Jau, Kawal and Bazargai in Prang Ghar area and Tsapari Tangi, Jawar Mena, Gumbatai and Lakarai areas of Mohmand Agency. Average annual production of chromite from Mohmand Agency is 32,000 tons, which is mostly exported to China.

Source: Annual mineral production data, FATA Secretariat.

8.1.3 Manganese

Manganese is an important metallic mineral found in the area and is mainly used in steel industry for the production of stainless steel and special carbon steel. It is also used in a number of electrical and chemical industries. Manganese mostly occurs in the form of stringers, lenses, veins and pockets with various dimensions.



Manganese deposits are located in the eastern part of Mohmand agency. Five manganese bodies have been discovered at Qazi Mula Ziarat, Bamdara, Kamangara Kandao and Kharai Dara in Safi & Ambar areas, whereas, more than 38 prospects have been identified at 22 locations within a 10 km linear zone covering Nasir Kasai, Maizar Pai Khan and Ziarat/Razam Dherai in Parang Ghar

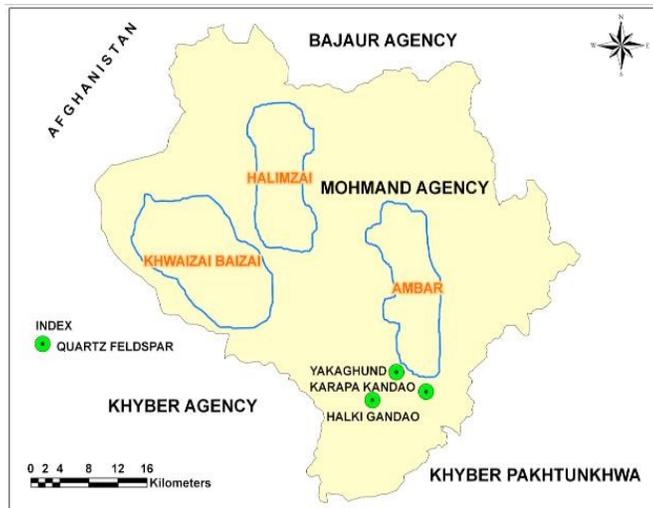
area, Mohmand Agency (Map). Some of these are quite large (i.e. 115 meter long and 10 meter wide) with 35-66% MnO₂ (manganese dioxide) content⁶⁴. Other manganese deposits in the Agency are being evaluated under an ongoing FATA Development Authority (FDA) scheme called **“Investigation & Evaluation of Manganese Prospects in Bajaur & Mohmand Agencies.”** Mohmand Agency annually produces about 1, 00065 tons manganese ore. The ore is transported in lumps form.

8.1.4 Quartz & Feldspar

Quartz found in the form of veins and lenses sparsely exists throughout Mohmand Agency. Quartz is used in ceramics, optical instruments, spectacles, radio apparatus and properly processed quartz can be used in manufacturing of silicon chips as well as solar panels. Small-scale mining in different localities

of Mohmand (Map) results in an average annual production of 500 tons, respectively. A small portion of the production is processed (micronized) in a few old units at Mohmand Agency

in unscientific/unhygienic manner. The remainder is supplied to the ceramic industry in raw form. It is important to point out that major demand of the ceramic industries in the region is met from Mohmand & Bajaur agencies.



Feldspar has numerous uses in pottery, glass, enamel and soap industries. It occurs in lenticular shapes at a number of places in lower Mohmand Agency and their length, width and depth vary from place to place. About 100068 tons feldspar is extracted from Mohmand Agency annually.

8.1.5 Soapstone

Low to medium commercial grade soapstone deposits occur at Prang Ghar in Mohmand Agency. These occur in the form of irregular to pod-like elongated or tabular masses and generally contain talc and carbonate in 60:40 ratio. It is mostly used in rubber, paint and paper industries. An estimated 11,00070 tons of soapstone is annually extracted from Mohmand Agency.

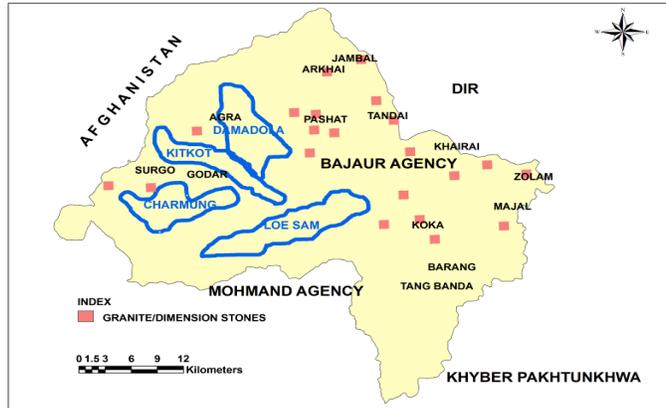
8.1.6 Silica Sand

Silica sand deposits of around 53771 million tons occur at Qaldara, Dawat Kor, Durba Khel and Sangar along Gandao Khwar near Ghalanai in Mohmand

Agency. Previously, the sand was used in a factory that produced glass containers at Ghalanai. The factory was later abandoned due to unwanted ingredients in the raw material. However, a study by Prof. J.E.Prentice in 1989 proved that after proper processing, Silica Sand can be used in manufacturing of sheet and container glass. Currently, Silica Sand is not mined.

8.1.7 Granite

Granite is used as a dimension stone. As compared to marble, it is more dense and hard with very high compressive strength and almost no water absorption capacity. Due to these characteristics, it takes on a brilliant and long-lasting polish with little weathering effect and that is why it is preferred over the rest of decorative stones. A number of granitic bodies exist in Mohmand (Map) Agency but the one near Liaghunai with about 1.5-sq.km exposures is suitable for block cutting. Currently, granite is not mined due to abundance of marble and absence of granite mining and processing technology.

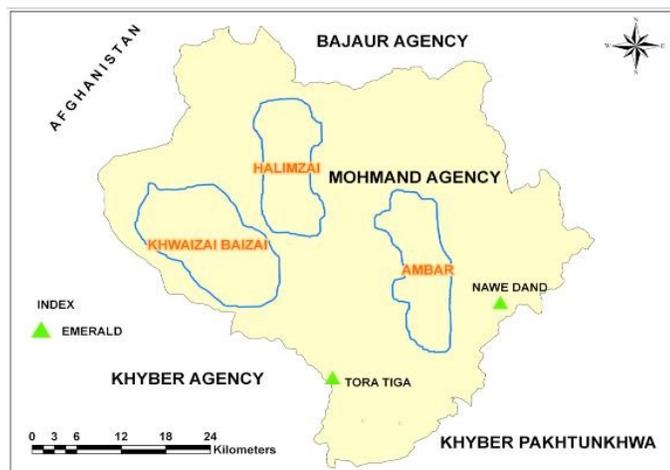


8.1.8 Dolomite

High quality Industrial grade 11 million tons dolomite deposits exist at Qaldara and Durba Khel near Ghalanai in Mohmand Agency. It is used in glass industry, steel furnace as refractory material and froth floatation in the steel furnace for extracting unwanted impurities from iron. However, due to its bright white color, presently it is used as dimension stone/building material and about 1000 tons dolomite is annually extracted from Mohmand Agency.

8.1.9 Emerald

Gem quality emerald has been reported from Tora Tiga in Mohmand Agency (Map). Geological studies conducted under on-going FDA scheme “Exploration & Evaluation of Precious Stones in Bajaur & Mohmand Agencies” resulted in identification of a number of promising emerald bearing zones in the aforementioned



areas. Previously emerald was mined at these localities using indiscriminate blasting method which resulted in very little recovery of commercial grade emerald which led to mine closures. It is important to note that gemstones (including emerald, garnets etc.) occur in small distinct pockets at various depths, therefore, exact estimation of deposits is not possible. However, the estimates provided here are based upon delineating prospective zones through subsurface studies by driving trenches and adits.

Source:

- 1) FATA Capacity Building Program
- 2) Interim reports on the scheme "Investigation & Evaluation of Manganese Prospects in Bajaur & Mohmand Agencies".
- 3) Annual Mineral Production Data, FATA Secretariat.
- 4) Prentice. J.E. Potential for Glass Production, Mohmand Agency, 1989.
- 5) Interim Report on "Exploration & Evaluation of Precious Stones in Mohmand & Bajaur & Agencies" FATA DA, 2009
- 6) Directory of mineral deposit of Pakistan, Records of Geological Survey of Pakistan, Vol.15, Part 3, 1969
- 7) Based on personal communications with the concerned mine owners.

9 AGRICULTURE:

Agriculture is the largest sector of the economy and is the backbone of the rural economy in Pakistan. Similarly, agriculture is also the stronghold of FATA's economy as over 90% of the population derives their livelihoods, directly or indirectly, from this sector. It serves as a lifeline for the people of FATA and a pillar of the tribal economy. Small landholders who make up the majority of farmers practice agriculture mainly at the subsistence level. Farming practices here are characterized by underutilization of land and prevalence of risk-averse behaviors such as the cultivation of low input crops. The major cultivations are Wheat, Onions, Fruit Orchards, Chilies, Coriander and Vegetables etc.

Agriculture is mostly dependent on rain water and that potential of irrigated agriculture and forestry in Mohmand Agency is less as compared with other Agencies. Major part of the land is covered with rangelands and rocky mountain followed by forests, irrigated agriculture and water bodies. The climate of Mohmand Agency is hot in summer (May- August) while cool in winter (November-February). The area generally gives dry and arid outlook. Mohmand Agency has 87% barren area which points to a serious shortage of water. The most important plains in Mohmand are those of Yakaghund, Pranghur, Pandiali, Ambar, Safi and Khwaize Baize. The general elevation of the areas varies from 329 m to 2654m.

Source: - Pakistan Census of Agriculture 2000

9.1 Fruit:

In Mohmand Agency, Apricot, Plum, citrus, pomegranate and some other fruits are also produced on limited scale in the areas where irrigation water is available. Data collected from proposed Priority Areas indicate that Shandra of Baizai (Mohmand Agency) produces pomegranate and in Ghanam Shah and Methai areas of Baizai there is a significant potential to grow apricot and walnut. Apricot is the dominant fruit in the area of Lakaro (Mohmand Agency).

9.2 Live stock

FATA is endowed with a large and diverse range of indigenous breeds of sheep, goats and cattle. These animals directly contribute to the socio-economic conditions of these households and around 90% of the farmers' rear livestock.

Farmers in valleys with irrigation facilities and who are close to urban centers tend to rear more buffaloes than cows for milk production. Buffaloes are stall fed, whereas cattle are grazed. A typical household with one hectare of irrigated land keeps two to three buffaloes, one to two cows, three to four sheep and goats and six to ten chickens. In rain fed (barani) areas there are more cows as they can be grazed and thus require less extra feed. According to the livestock

census of 2006, the number of ruminants in FATA stands at 6.5 million of which 0.77 million are in Mohmand Agency.

Landless sheep/goat herders are also an important part of the livestock sub sector. In FATA, goats and sheep are the dominant species of livestock. On average, each household raises two to three goats of low quality and nondescript breed. Natural breeding is common in small ruminants, but the local breeds do not always have the most desirable production traits.

9.3 Poultry

Backyard poultry farming is part and parcel of the rural economy, with 6.7 million birds kept by some 200,000 households (GoP, 1996). Poultry production (backyard poultry) is an old tradition in the tribal communities. Traditionally, most of the families keep a small number of poultry birds, ranging from six to ten, for household egg and meat consumption. However, those who live near the main towns sell surplus eggs for cash income. There are some larger commercialized poultry farms (broiler) in Mohmand Agency.

10 ECONOMIC POTENTIAL

10.1 Marble City Mohmand

Nature has gifted Pakistan with huge reserves of marble and granite but unfortunately these could not be properly utilized according to estimates, there are 160.2 million tons of marble reserves in the country out of which around 80% are in Khyber Pakhtunkhwa & FATA. Granite reserves, only at one place in northern areas show a total of 414 million tons while other reserves of granite are spread all over FATA, Khyber Pakhtunkhwa, Balochistan and Sindh.

Mohmand, Khyber, Bajaur, Orakzai and Kurram Agencies in FATA are the major zones where huge quantities of Marble are extracted. These deposits have a great variety of colors and fabrics and thus have vast potential in international Market. About 7000 million tones of good quality marble ranging from super white, silky and grey varieties exist in FATA. Currently more than 1.5 million stones of Marble are excavated.

In order to process the available marble into products compatible in the international market, a Marble City is being set-up in Mohmand Agency in collaboration with Pakistan Stone Development Company Islamabad (PASDEC). An area of 300 Acres has been acquired for Mohmand Marble City (MMC). It is an industrial estate with tremendous investment and growth opportunities for the entrepreneurs through infrastructure availability. The Marble City will be equipped with a dedicated infrastructure, regular power & utilities availability within the same vicinity which will substantially reduce the cost of doing business besides having a continuity of flow in operations. Following are salient objectives of MMC:

- Attract new business by providing an integrated infrastructure in one location;
- Provide a conducive environment for the Dimensional Stone Industry of Pakistan;
- Add value to the existing products, enhance exports and to attract local & international investment in the Dimensional Stone industry;
- Address the environmental and health hazards;
- Localized environmental controls that are specific to the needs of an industrial area;
- Process innovation according to international standards.

It is estimated that in addition to other economic benefits, Marble City will generate more than 18,000 direct job opportunities in the area where unemployment is rampant.

Source: FATA Development Authority/project

11 CLUSTERS:

11.1 Marble Cluster:

There are more than 438 operational mines are producing about 0.90058 million tons marble annually having approx 6,570 direct jobs and approx 10,000 indirect jobs. An estimated 1,150 million tons of good



grade marble deposits of different shades and colors occur at Ziarat, Spinkai Tangi, Sar Lara Kandao, Chamarkand, Shin kamar, Jandai, Koh-e-more, Gumbatai and Sagi areas of Mohmand Agency.



About 0.43 million ton of marble is processed in 301 units established in Mohmand Agency having more than 3000 direct jobs and 5500 indirect jobs in the area. The remaining production is processed in units in Peshawar, Mardan, and Islamabad etc. Most of the processing units in FATA run at less than 30% of their installed capacity due to

irregular power supply in the area.

12 SMALL INVESTMENT PROJECTS

12.1 Marble Tile Manufacturing:

With total estimated reserves of around 160.1 million tons, the marble and onyx mines of Pakistan are mainly located in Balochistan (Chaghi, Lasblea, Loralai, Mastong, and Naal), Khyber Pakhtunkhwa/Federally Administered Tribal Areas FATA (Bunair, Mardan, Mohamand Agency, Swat), Chitral, and Sindh (Dadu, Johi range). The major marble processing clusters are concentrated in specific areas of Mohamand Agency, Buner, Gujranwala, Islamabad/Rawalpindi, Karachi, Lasbela, Lahore, Peshawar, and Nowshera/Risalpur. About 50% to 60% of the marble processors of Balochistan and Khyber Pakhtunkhwa prefer to produce Gutka/Sheet and Slabs respectively. These are sold to the small scale Tile Manufacturing Units of distant locations, because the finished Tiles are thinner and bear the risk of breakage during long journey. The low level of competition within the previously suggested areas will be the main advantage provided the critical issues are addressed proactively. The rapid urbanization is also a promising factor for such investment.

Marble production in the country is increased from 0.800 million tons in 2005-06 to 1.2 million tons in 2008-09. This was mainly due to the fact that a number of access roads were constructed in different marble bearing areas opening up new opportunities across the sector. However, in peaceful and conducive conditions the production would have been over 3 million tons.

The marble sector of FATA is presently providing over 5,000 job opportunities in different mining activities and has the capacity to easily absorb another 20,000 people provided the sector is developed on modern scientific lines.

Potential target markets for the proposed project will be the middle class consumers (houses and retail shops), and civil contractors. The target cities will be the place of origin as per the suggested locations, and the nearest urban and suburban areas, like, Peshawar, FATA, Bahawalpur, Bannu, Charsada, Dadu, D.G. Khan, D.I. Khan, Gawadar, Gujrat, Karak, Khuzdar, Mansehra, Mardan, Mastong, Minawaali, Muzaffargarh, Nawabshah, Nowshera, Rahimyar Khan, Saadiqabad, Sargodha, Sahiwal, Sawabi, Shikarpur, and Sialkot.

Total Investment: (Amount in Pak Rs.)

Total Capital Cost: Rs. 1,330,000

Initial Working Capital: Rs. 842,000

Total Project Cost: Rs. 2,172,000

12.2 Marble Mosaic Manufacturing:

The Marble and Granite industry of Pakistan has a total estimated reserve of around 160 million tons. The marble and onyx mines of Pakistan are mainly located in Balochistan (Chaghi, Lasbela, Loralai, Mastong, and Naal), Khyber Pakhtunkhwa /FATA (Bunair, Mardan, Mohmand Agency and Swat), Chitral, and Sindh (Dadu, Johi range). The major marble processing clusters are concentrated in Gujranwala, Islamabad, Rawalpindi, Karachi, Lasbela, Lahore, Peshawar, Swat, Buner, Nowshera and Risalpur. As the production is dependent upon the easy availability of marble and onyx, therefore, the project should be established in or around marble and onyx mines. Resources like skilled labour, utilities, infrastructure and transportation are also easily available in these cities.

Marble mosaic products are famous worldwide for their application in construction industry as well as for decorative purposes. Promising export markets for onyx mosaic are Central Asian Republics, United States of America, and Australia. Domestic market also carries a great untapped potential for marble mosaic with a target market comprising architects, builders, corporate customers, domestic consumers and exporters of Faisalabad, Gujranwala, Hyderabad, Islamabad/Rawalpindi, Karachi, Kohat, Lahore, Lasbela, Nowshera, Peshawar, Sargodha, Sialkot, and Quetta.

Initially, the unit will process Field Tiles, Split Face Tiles, Artisan Mosaics (Borders, Medallions, Carpets and Rugs, Frames, and Kitchen Backsplash. The proposed project will provide direct employment to 04 persons.

Total Investment: (Amount in Pak Rs.)

Total Capital Cost: Rs. 182,500

Initial Working Capital: Rs. 1,986,016

Total Project Cost: Rs. 2,168,516

12.3 Poultry Farm

The broiler farm is the project of life stock sector in which a day old chicks (DOCs) are raised on high protein feed for a period of six weeks. The business can be started both in rural and semi urban areas in sheds. The broiler birds are sold to traders and in the market in the urban areas sometimes birds can also be sold to the shopkeepers in the urban markets.



Calculations have been based on a flock size of 10,000 birds. As six flocks are produced per year, hence total 60,000 birds are reared per annum. There will be a lag time of two weeks for cleaning and disinfection (e.g. fumigation) on the farm..

Total Investment: (Amount in Pak Rs.)

Total Capital Cost: Rs. 310,495

Initial Working Capital: Rs. 1,735,244

Total Project Cost: Rs. 2,045,738

13 REFERENCES:

- www.fatada.gov.pk
- PASDEC (Pakistan Stones Development Company)
- SMEDA (Small & Medium Enterprises Development Authority)
- Directory of Industrial Establishment (2012)
- Government Offices for Business Support in FATA