



DISTRICT ECONOMIC PROFILE KHARAN.



Turn Potential into Profit

Small & Medium Enterprise
Development Authority

Government of Pakistan

<http://www.smeda.org.pk>

Lahore: 3rd floor, Building No3 Aiwan-e-Iqbal Complex Egerton Road Lahore,
Tel: (042) 111-111-456, Fax (042) 36304926-7
Email: helpdesk.punjab@smeda.org.pk

Karachi: Small and Medium Enterprise Development Authority, 5th floor, Bahria Complex-IIMoulvi Tameezuddin Khan Road,
Karachi Tel : 92-21-111-111-456, 5610432, 5610536, 5610459, Fax: 92-21-5610572 Email: helpdesk-khi@smeda.org.pk

Peshawar: Small and Medium Enterprise Development Authority, Ground Floor, Stalife Building, The Mall, Peshawar Cantt. Tel:
92-91-111-111-456, 92-91-9213046-7 Fax: 92-91-286908, Email: helpdesk-pew@smeda.org.pk

Quetta Small and Medium Enterprise Development Authority, Bunglow No.15-A Chaman Housing Scheme, Airport Road, Quetta
Tel: 92-81-2831702, 92-81-2831623 Fax: 92-81-2831922, Email: helpdesk.balochistan@smeda.org.pk



Table of Contents

1.	Introduction to SMEDA	4
2.	Disclaimer	4
3.	Purpose of Document	5
4.	Introduction	5
4.1	District MAP.....	6
4.2	District History.....	6
4.3	District Administrative Division.....	7
5.	SOCIO-Economic Framework	7
5.1	Geography and Climate.....	7
5.1.1	Area Under Cultivation and Economic Activity.....	8
5.1.2	Residential Area.....	8
5.2	Resource Endowment.....	9
5.3	Infrastructure.....	14
5.3.1	Communication System.....	14
5.3.2	Road and Rail network.....	14
5.3.3	Utilities (Electricity, Natural Gas, WASA).....	15
5.3.4	Social Infrastructure (Educational Institute, Technical/Vocational Hospital etc).....	15
5.3.5	Industrial Estate and parks.....	16
5.3.6	Dry Ports and Sea Ports.....	16
5.4	Demography.....	16
5.4.1	Total House Hold.....	16
5.4.2	Average house hold size.....	17
5.4.3	Education and Literacy.....	17
5.5	Human Resource Availability.....	17
6.	Economic Potentials	18
6.1	Main Sector of Distict.....	18
6.2	List of Sectors with bifurcation Manufacturing, Trading, Services, and Agriculture.....	18
6.3	Main Cluster of District.....	18
6.4	Main Product of District.....	19
7	Potential Sectors for investment	19
7.1	Domestic Commerce and potential.....	19



7.2	Export Status Potional.	23
	8 Major Issues & Policey Recommendation.	24
	9 Business Support Institutions.....	25
7.2	Local Bodies chambers & Trade Association.	25
10	Use full Links.....	26



1. Introduction to SMEDA.

The Small and Medium Enterprises Development Authority (SMEDA) was established in October 1998 with an objective to provide fresh impetus to the economy through development of Small and Medium Enterprises (SMEs).

With a mission "to assist in employment generation and value addition to the national income, through development of the SME sector, by helping increase the number, scale and competitiveness of SMEs", SMEDA has carried out 'sectorial research' to identify policy, access to finance, business development services, strategic initiatives and institutional collaboration and networking initiatives.

Preparation and dissemination of prefeasibility studies in key areas of investment has been a successful hallmark of SME facilitation by SMEDA.

Concurrent to the prefeasibility studies, a broad spectrum of business development services is also offered to the SMEs by SMEDA. These services include identification of experts and consultants and delivery of need based capacity building programs of different types in addition to business guidance through help desk services.

2. Disclaimer.

This information memorandum is to introduce the subject matter and provide a general idea and information on the said matter. Although, the material included in this document is based on data/information gathered from various reliable sources; however, it is based upon certain assumptions, which may differ from case to case. The information has been provided on as is where is basis without any warranties or assertions as to the correctness or soundness thereof. Although, due care and diligence has been taken to compile this document, the contained information may vary due to any change in any of the concerned factors, and the actual results may differ substantially from the presented information. SMEDA, its employees or agents do not assume any liability for any financial or other loss resulting from this memorandum in consequence of undertaking this activity. The contained information does not preclude any further professional advice. The prospective user of this memorandum is encouraged to carry out additional diligence and gather any information which is necessary for making an informed decision; including taking professional advice from a qualified consultant/technical expert before taking any decision to act upon the information.

For more information on services offered by SMEDA, please contact our website: www.smeda.org.pk

Document Control

Document No.	PREF-NO. 01
Revision	0
Prepared by	SMEDA-Balochistan
Revision Date	March, 2022
For information	shakoor@smeda.org.pk

3. Purpose of Document.

The objective of this District profile study is primarily to facilitate potential entrepreneurs and investors to invest in multiple sectors of business present in particular district different identification for investment. The project District Profile may form the basis of an important investment decision and in order to serve this objective, the document/study covers various aspects of business concept development, start-up, and production, marketing, finance and business management.

The purpose of this document is to facilitate potential investors in particular district by providing them with a general understanding of the business with the intention of supporting potential investors in crucial investment decisions.

The need to come up with District profile report for undocumented or minimally documented sectors attains greater imminence as the research that precedes such reports reveal certain thumb rules; best practices developed by existing enterprises by trial and error, and certain industrial norms that become a guiding source regarding various aspects of business set-up and its successful management.

Apart from carefully studying the whole document one must consider critical aspects provided later on, which form basis of any Investment Decision.

4. Introduction.

Kharan, is a district in the Balochistan province of Pakistan, it is situated in the north-western Balochistan with total area of 48051 sq km its divided in to the tehsils of Kharan, Bisma, Mashkhel, and Nag. . It is bound by Chagai in the north and Kalat in the east while towards the south is the Washuk district. The population density of the district is very low (barely 4 persons per square kilometre) and Kharan City is the only urban centre while 80-85% of the population lives in the rural areas. The total current population is estimated at 0.28 million people with Rakhshani and Hasni as the principle tribes.

4.1 District MAP.



4.2 District History.

The state of Kharan was established in about 1697 CE as a vassal state of Kalat, which remained until 1940. It became independent of Kalat in 1940. On 17 March 1948, Kharan acceded to Pakistan and on 3 October 1952 it joined the Baluchistan States Union. Mir Habibullah Nousherwani acceded to Pakistan stating: The state was dissolved on 14 October 1955 when most regions of the western wing of Pakistan were merged to form the province of West Pakistan. When that province was dissolved in 1970, the territory of the former state of Kharan was organized as Kharan District of the province of Baluchistan (later Balochistan). After partition, in 1947. At the time of the 2017 Census of Pakistan, the distribution of the population of Kharan District by first language was as follows:^[3]

- 81.5% Balochi
- 16.9% Brahui
- 0.4% Pashto
- 0.3% Sindhi



- 0.3% Saraiki
- 0.3% Urdu
- 0.2% Kashmiri
- 0.1% Hindko
- 0.1% Punjabi
- 0.0% Others

4.3 District Administrative Division.

In 2015, the Balochistan Assembly unanimously passed a resolution calling upon the provincial government to establish a new division comprising the districts of Nushki, Chagai, Kharan and Washuk, which were parts of Quetta and Kalat. District KHARAN is the Divisional Headquarter of Rakhshan Division. 500 acres of state land has also been allotted for Rakhshan Division at Kharan. And area is situated within the limits of Kharan Town.

Rakhshan division has been notified as Division on 17th May, 2017. One the same day another notification has also been issued separately of Tehsil Sar Kharan's Upgradation into Sub Division Sar Kharan with headquarter at Miskan-e-Kalat, District Kharan.

5. SOCIO-Economic Framework.

The socio-Economic frame work of district Kharan depends on multiple factors that are illustrated below. The socio-Economic factors manly depend on climate and population distribution which shows diversity of the district, we had explained each factor below that impact on business growth and sustainability.

5.1 Geography and Climate.

District Kharan is Headquarter of Rakhshan Division of Balochistan with total area of 48051 sq km. and is located at 28°35'0N 65°25'0E with an altitude of 692 metres (2273 feet) it's a dry land with hot and dry whether.

Mean temperature of Kharan Month

Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
-----	-----	-----	-------	-----	------	------	-----	------	-----	-----	-----



3 C	5 C	9 C	14 C	18 C	20 C	23 C	22 C	17 C	11 C	8 C	4 C
-----	-----	-----	------	------	------	------	------	------	------	-----	-----

maximum temperature of Kharan by Month

Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
20 C	22 C	28 C	34 C	39 C	42 C	41 C	41 C	38 C	32 C	27 C	21 C

***Rainfall Kharan by Month**

Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
5	6	6	6	4	0	1	1	0	1	2	2	34

5.1.1 Area Under Cultivation and Economic Activity.

The total cultivated area of District is 15359 hectares, Agriculture is the major source of livelihood in the district. Like in most other adjoining districts e.g. Panjgur, Awaran, Khuzdar, and Chagai, wheat is the principle crop in the district while a variety of fruits is also grown. Livestock and camel breeding is the second most important sector in the district. Rug making is also popular in the district. Electricity was provided to the district as late as 1991.

Total Geographical Area	1854100
Reported Area	3593379
Total Cultivated Area	15359
- cultureable waste	756995
- Forest area	97139
- not available for cultivation⁴	2637905

Source: Land Utilization statistics of Balochistan 2017-18

Labor is hired on daily wages or a short contract period. Machinery including tractors, tube wells are used for the agricultural work.

5.1.2 Residential Area.

At the time of the 2017 census the district had a population of 162,766, of which 84,631 were males and 78,135 females. Rural population was 111,378 (68.43%) while the urban population was 51,388 (31.57%). The literacy rate was 40.93% - the male literacy rate was 55.42% while the female literacy rate was 25.47%. 595 people in the district were from religious minorities.^[1]



Languages of Kharan district (2017)

█ Balochi (81.49%)

█ Brahui (16.88%)

█ Others (1.63%)

At the time of the 2017 census, 81.49% of the population spoke Balochi and 16.88% Brahui as their first language.

5.2 Resource Endowment.

District Kharan situated in north-western Balochistan with a total geographical area of 48,051 sq km, (13.84% of Balochistan), is divided into the Tehsils of Kharan, Basima, Mashkhel and Nag. It is bound by Chagai in the north and Kalat in the east while towards the south is the Washuk district. The population density of the district is very low (barely 4 persons per square kilometre) and Kharan City is the only urban centre while 80-85% of the population lives in the rural areas. The total current population is estimated at 0.28 million people with Rakhshani and Hasni as the principle tribes. The literacy rate in urban areas is estimated at 32.5% while in the rural areas it is as low as 12.5%. Most (over 95%) of the houses are katcha (mud) or semi-pucca Main corps, live stock, minerals/gems, any other.

The combination of the climate and the prevailing soils makes the area suitable for growing deciduous fruits, Labor wells is used for the agricultural work.

Agriculture.(Fruits & Vegetables)

Agriculture is the main pillar of economic growth in the rural areas of the district. Cultivable land is available but availability of water is a serious constraint in realizing the full potential of growing temperate fruit orchards and early and late winter vegetables.

Below illustrated chart shows current status of fruits and vegetables produce in the district.

Crop	Area (Hectares)	Production (Tons)
Wheat	4904	9266



Barley	490	645
Jowar	71	63
Onion	2356	44764
	Area	Production
Fruit	(Hectares)	(Tons)
Grapes	1192	82
Peach	10	45
Pomegranate	55	139
Dates	397	145
	Area	Production
Vegetable	(Hectares)	(Tons)
Tomato	50	383
Lady Finger	12	67
Tinda	3	21
Spinach	40	688
Radish	35	552
Turnip	7	1365
Broad Bean	4	34
Cabbage	0	0
Carrot	25	430
Cauliflower	0	0
Bitter Gourd	2	19
Bottle Gourd	2	14
Pumpkin	18	135
Cucumber	11	76
Pulses	Area	Production

	(Hectares)	(Tons)
Moong	86	66
Mash	105	97
Masoor	6	3
Cumin	100	51

Source: Directorate
Services

of corps Reporting
Balochistan 207-18

The vegetable and fruits are sold to the agents of Quetta, from where these are sent to the rest of the markets. There are two types of marketing contracts. Either the contractor purchases the orchard total production at the time of blossom. Then contractor is responsible for the orchard till harvest, he provides water, fertilizer, insecticide spray and labor for the management of orchard. Sometimes the contractor purchases the orchard when the production is ready and he only harvests the product. At the secondary level the product is purchased by the fruits commission agents from the primary contractor and sent to other provinces.

- **Minerals.**

Some of the sizeable economic activity in the district is related to mining specially Gemstones, uranium and copper reserves are found in abundance in the district. A large number of SMEs are involved in the mining activity.

The Major mineral resource of district includes Gemstone, uranium, copper, aggregates, sliver building stone. Most of the Minerals are transported to other provinces for Exterction.

Production of different minerals in

Minerals	Associated Localities	Total Localities	% Association(Commodities)
Gemstone	178	986	18.05% of Gemsstone deposit have Mineral Specimens
Uranium	46	8194	0.56% of all mineral specimen
Copper	45	11926	038% of all copper of all mineral specimen

Aggregates	30	6434	0.47% of all aggregated deposit have mineral specimen
Silver	27	12539	0.22% have all mineral Specimen
Lead	27	9950	0.27% have all mineral Specimen
Gold	27	24889	0.11% of all deposit have mineral Specimen
Zinc	26	6325	0.41% of all deposit have mineral Specimen

Source: *Directorate general of mines.2015

Minerals found in the district are copper, Gold, Silver Zinc, and ordinary stone. Other construction materials such as clay, sand and gravel deposits are also found in the district.

Copper mining by the private sector is often carried out on a sporadic basis to supply small tonnages only, as and when the opportunity arises. Royalties are payable on any mineral that is mined, and hence the lessees of the mines declare only a part of the production to avoid payment of full royalty. This leads to reduced government revenue and discrepancies in statistics. Minerals and rocks are being used in local industries and for other domestic purposes. Potential exists for large-scale export of certain mineral commodities like marble, building stones, provided export markets could be developed. Enormous resources exist for local consumption in the form of cement raw material and aggregates for use in the construction industry.

- **Live Stock.**

Livestock and rangelands are important for the people of the district for subsistence, reducing poverty and enhancing livelihood. A large workforce and households in the district are engaged in livestock-rearing. The district has great potential in this regard but this sector, especially in case of rangelands, has not received adequate attention. As many as 26.3 percent households in the rural areas own livestock. A significant percentage of workforce and households in the district are engaged in livestock rearing. Generally, sheep and goats are grazed in the rangelands in the rural areas.

Livestock population in district is mentioned in below table.

Type	Numbers of animals
Sheep's	665903
Goats	635731
Buffalo	118
Asses	11862
Camel	76069
Cattle	14854



Horse	138
Mule	8
Poultry	202230

Source: Balochistan livestock census 2017(<https://www.pbs.gov.pk/>)

- **Poultry.**

Poultry provides protein as well as income. Poultry is farmed on a commercial scale, though domestic poultry-keeping is also popular in the rural areas of the district. It is the main source of eggs and also white meat for the population in District since much less fish is eaten. Poultry is, however, vulnerable to diseases and farm mismanagement. In case of domestic poultry keeping, eggs and meat are generally used for family members and guests while surplus eggs and birds are sold and women can use the income thus generated. Chicken and eggs produced under free-range system (desi) fetch higher prices as compared with farm-bred chicken and eggs. There is a government-owned and many privately-owned poultry farms in the district.

- **Industry.**

The Industrial sector in Baluchistan is not much developed which is due to a very low population density, weak infrastructure, and volatile security situation. The major industry is in Lasbela. There are small industries like rice mills, brick kiln industry, flour mills, cooking oil mills and steel re-rolling mills in district Quetta and other parts. There is no major industry in district most of the FMCG items are being imported via Iran or transported from Quetta.

- **Hotels and restaurant industry.**

Hospitality–Hotel industry in Pakistan has started to pick due to rising economic activity. This is particularly related to foreign travellers and local travellers visiting for CPEC. The hotel occupancy rate has gone up to 80percent (on an average) across the country compared to 35 percent previously. In Baluchistan, there are limited number of first class hotels and their occupancy is also improving but is still far below the other parts of the country. With growing momentum on CPEC the demand for hotel accommodation is likely to rise in Baluchistan. The hotel operating in Baluchistan faces problem in meeting their skill requirements.

Hotels and restaurant industry is one of the major sector which linked with other industry too, in district Quetta or associated district of Kharan in a few years there is a dramatic change in this sector as the tourist along with families are welcomed in city which increase demand in this sector.

- **Service Sector.**



The Service Sector is strongly linked with other sectors of economy; it delivers important inputs and outputs to other sectors. The recent development that is taking place in terms of the development of the Gwadar port the importance of service sector will grow further. Port Handling- The development and operation of the Gwadar Port and associated Free Trade Zones are awarded to China Overseas Ports Holding Company Limited (COPHC). In initial phase, the southern area of the free trade zone is being built. It includes a commercial logistic zone, transit, and distribution center and a fish processing unit. Manufacturing area will be developed in the northern area of the zone. Gwadar till now has only been a remote fishing town. Recent exemptions from taxes on investment, development of industrial zone and development of the port are likely to boost the development of service and industrial sector in Gwadar. This will require introduction of modern practices, and right skills to run it effectively.

5.3 Infrastructure.

Kharan being the Head quarter of Makran Division is much more developed as compared to the rest of the cities in Division. It has primarily good network of roads, and telecommunications. Economically Kharan is very important due to its access to Iran, Afghanistan and Central Asian States. The development of Gawadar port will even increase its importance.

The infrastructure has been continuously improving. There is an airport and Commercial buss stand available in district. New construction of shopping malls and cinemas are also present in district.

5.3.1 Communication System.

The district has not well established telecommunication network. There are 2 telephone exchanges in the district and the total number of telephone lines was 456 in 2014-2015. There are a number of Cellular companies operating in the district including Mobilink, Zong, U phone, Telenor and Warid. There were 80 post offices in the district. There are a number of National and International courier services available in the district (TCS, OCS, and Pakistan Post etc).

5.3.2 Road and Rail network.

There is no rail track available in district, Local Transport services include buses and rickshaws. The local transport operates with in the District, and the Coaches and Vans to Karachi are available till the late night. Besides this the local transporters have secured contracts with the Industrial



Units, for carrying their staff coming from Karachi. The Qingqi rickshaws are also available in the Market (Bazars) area.

5.3.3 Utilities (Electricity, Natural Gas, WASA)

The District is being provided the Electricity by WAPDA to the households and also for commercial useage, Kharan is connected to the National Grid System which supplies major part of electricity to the district besides there is one power house in the district which is working under private sector. In addition to the domestic requirements electricity is the major requirement of Agriculture as well as industrial sector. Gas is also available but not in all areas of district.

5.3.4 Social Infrastructure (Educational Institute, Technical/Vocational Hospital etc)

Kharan district education sector plan flows from the provincial Balochistan Education Sector Plan (BESP). Many of the strategies in the document derived from the BESP but have been adjusted according to the needs of the district and its position, and limitations, in the governance structure. The aspects of access, equity, quality and governance and management have all been covered. It appears that district options get most limited in case of quality as most quality related supply institutions are at the provincial level. However, the sector plan emphasizes the need for the district to get more involved, and proactive, approach. They also need to take more responsibility for quality of the teaching and learning process. Kharan district faces a number of education related challenges in terms of access and quality both. Article 25A of the Constitution of the Islamic Republic of Pakistan has been made the basis of the targets faced by the district. BESP also used the same framework for the provincial indicators. The Article stipulates free and compulsory education for children between ages 5 to 16 as a fundamental right. The Constitution allows each province to prepare its own law for implementation. Governments of Balochistan have already passed 'The Right to Free and Compulsory Education Act 2014'. This Act makes the government responsible for bearing all the education-related costs inclusive of stationery, schoolbags, school meals and transport for the children falling in the aforementioned age group. This bill further stipulates that free and compulsory education is imparted to every child regardless of sex, nationality or race in a neighborhood school.

Boys Primary middle & high schools	165	Government
Girls Primary middle & high Schools	55	Government
Boys Intermediate and	2	Government

degree Collages		
Girls Intermediate and degree Collages	1	Government
Universities (Campus)	1	Government

Source: Directorate of education Balochistan quetta

5.3.5 Industrial Estate and parks.

There is no industrial estate in district people do business on their own. There are only traders, mining, livestock and growers are operating.

5.3.6 Dry Ports and Sea Ports.

In district Kharan no dry port or sea port is available major way of transportation is via road.

5.4 Demography.

The district enjoys a position of being close to the major city of Iran border. It is located at south west of Pakistan. Its bordering districts are Makran, Quetta, Mastung and Chaghai

Though the characteristics of a tribal society still exist, but it is fading away due to urbanization, commercialization, education and the role played by mass media in creating awareness.

5.4.1 Total House Hold.

The district is not much populated and partially urbanized district in the province. Population in 2017 was 162766 from which 84631 were male and 78135 were females. Rural population was 111,378 (68.43%) while the urban population was 51,388 (31.57%). The literacy rate was 40.93% - the male literacy rate was 55.42% while the female literacy rate was 25.47%. 595 people in the district were from religious minorities.

Total house hold of District is illustrated in table below

Population and household details of District Kharan				
District Kharan	Population	Tehsil Kharan	Sar Kharan Tehsil	Sub Tehsil Tohmulk
Rural	109934	29026	48857	32051
Urban	50094	50094	48857	0

Source: Bureau of Statistics census 2017



5.4.2 Average house hold size.

The average household size is 5.8 most of the population lived in city area of district.

5.4.3 Education and Literacy.

There are still strong indicators that the literacy and primary school enrolment rates in Pakistan are low compared with the countries of the region, these are improving over the passage of time due to Government policies through different programs such as SAP, PRSP etc by extending universal primary education and improving the quality of education. Education commands a large share of the overall development budget and the strategy for the sector includes, improving the functioning, utilization of existing school, improving the quality of education, increase enrolment, improving access to education and expanding the primary education system.

Kharan district faces a number of education related challenges in terms of access and quality both. Article 25A of the Constitution of the Islamic Republic of Pakistan has been made the basis of the targets faced by the district. BESP also used the same framework for the provincial indicators. The Article stipulates free and compulsory education for children between ages 5 to 16 as a fundamental right. The Constitution allows each province to prepare its own law for implementation. Government of Balochistan has already passed 'Balochistan Free and Compulsory Education Act 2014'. This Act makes the government responsible for bearing all the education-related costs inclusive of stationery, schoolbags, school meals and transport for the children falling in the aforementioned age group. This bill further stipulates that free and compulsory education is imparted to every child regardless of sex, nationality, race or disability in a neighborhood school.

Access and quality of education in the district is much better against the situation in other districts of the province. However issues in school availability, enrolment gaps in existing schools and missing facilities like water and toilets adversely affects the enrolment and retention. School availability bottleneck that appears at the primary to middle and secondary to higher secondary level further hampers the access situation. Teaching learning quality is a key concern in Kharan district. Annual Status of Education Report 2015 shows poor learning outcomes of the students which leads to the low survival and transition rates

Literacy Rates in the District.

10+	10+	10+	15+	15+	15+
Male	Female	Total	Male	Female	Total
23.73%	5.69%	15.1%	55.42%	25.47%	40.93%

5.5 Human Resource Availability.



Human Resource plays key role in development of country and its administrative units, Balochistan as province lacks the availability of skilled labor while being the capital city of the Rakshan Division district Kharan somehow manage to attract human resource from out station to engage In economic growth of district, when its come from human resource perspective but still industry need good and efficient human resource in district.

6. Economic Potentials.

6.1 Main Sector of Distict.

Being the capital District of Rakshan Division, Kharan District has lots of business opportunities which can be explore.

1. Agriculture.
2. Livestock.
3. Trading.

6.2 List of Sectors with bifurcation Manufacturing, Trading, Services, and Agriculture

The major sector in which industries are working and have further growth potential in specific district are stated below

1. Construction industry.
2. Cold storage houses.
3. Ice factory.
4. Trading.
5. Hotel and restaurant industry.
6. Dates Processing Unit.
7. Mines and Mineral Sector

6.3 Main Cluster of District.

Climate of Kharan remains hot and humid for more than eight months a year which provide opportunity and growth potential in multiple sectors like Ice plant, Cold Storage, Food Processing. Being rich in agriculture sector the economic and weather conditions provides opportunity in sector like Vegetable and fruit dehydration plant, Green house and Tunnel Farms. The remote areas of district contains huge reserves of minerals such can be exploited by creating economic opportunity in sectors like Coal washing Plant, Marble Processing unit, Marble Warehouses and Stone Crushing. Live Stock sector is one of major cluster of district as huge population is depends



on it District Kharan has huge markets for livestock almost 40% of population is attached with this business having opportunity in sector like Tannery, Sausage making, Meat Processing and cattle sheep and goat farming.

6.4 Main Product of District.

The Main product of district is illustrated below.

- 1 Cold Storage.
- 2 Dates Processing.
- 3 Mineral Mining
- 4 Agriculture.
- 5 Livestock.
- 6 Stone crushing.
- 7 Dairy Farms.
- 8 Poultry farms.

7 Potential Sectors for investment.

7.1 Domestic Commerce and potential.

There are number of sectors that can be potential sector in district with having very high growth and need professional working on district level to enhance its production, some of which are illustrated below.

- **Ice Plant**

Climate of Kharan remains hot and humid for more than eight months a year, ice consumption both at domestic and industrial use is high. Furthermore, a large portion of the population cannot afford refrigerators for domestic use. A growing market for ice plants is industries linked to food products i.e. fish, poultry, dairy, bakeries, restaurants etc. Their increasing demand for Ice has increased the demand of Ice plants in the district.

- **Cold storages**

Keeping in view the shelf life of the perishable food items it becomes essential to freeze and store these products. . A large quantity of fresh fruits including apple, apricot, grapes from all over the Balochistan are brought to Kharan. Similarly the Cold storage can be used for vegetables and other perishable items. In addition to local demand a large Quantity of Fruits



are also exported to Iran and other Central Asian States through Kharan and a cold storage facility will also assist the exporters of these items.

- **Food Processing**

Fruits & vegetables are seasonal and perishable commodities. These cannot be retained by the growers for a long period. During the peak harvest season, when bulk supplies arrive and the market is glutted with fruits and vegetables, prices fall down substantially. This plant will utilize the low grade fruits of the Farming Community which has a negligible price in the local market into valuable by-products which would further used in Jam, Juices, Concentrates, Chutney, Candy etc. The by-products can be prepared and packed according to the market acceptable standard, thus improving quality, price and shelf life. The introduction of processing technology shall minimize the post-harvest losses, wastage of low grade fruits and increase quantity, quality, shelf life and the availability of fruits through out the year.

As a large producer fruits and vegetables there are many opportunities for investors to move into high end market in the processed and packaged food industry.

- **Fruits & Vegetable dehydration**

Balochistan is far from tapping the potential of processing and exporting dried fruits and vegetables. Dried fruits have a large number of end-users including use in the dried fruit and nut industry, the breakfast cereal industry, the confectionery industry, the bakery industry, other food products, and are consumed directly.

Dehydration offers an economical and satisfactory means to extend the shelf life of Fruits and vegetables. The main advantages of dehydration over other methods of preservation being that the dehydrated products are light in weight and occupy much less space than the original, frozen or canned materials they are Cheap to pack compared to tinned materials and they are Stable under ordinary storage conditions. The dehydrated vegetables can serve as a good stand-by either for daily dishes or for off season consumption.

- **Green house farms and tunnel Farms**

Seasonal fruits and vegetables can be produced in off-season as well. Fruits and vegetables are the major source of income in Agriculture sector of the district Kharan, major fruits include Dates, Grapes, Coconut and Plum. The important Vegetables of the district include Cabbage, Tomatoes, Carrot, Cauliflower, Pumpkins and Potato etc.

Production of high quality fruits and vegetables requires proper greenhouses where environment is controlled. This controlled environment gives the producer control over what kind of fruit and vegetables he wants to produce and under what conditions. Another important



aspect of using a greenhouse is that high quality products can be produced all year round, irrespective of the weather that exists outside.

- **Marble processing units and Handicraft manufacturing units**

There is abundance of the high quality marble throughout Balochistan. There are a number of marble processing plants working in the district but due to high quantity of supply of raw marble most of marble and granite is processed outside the province. Marble and granite processing industry has been using modern techniques to come at par with other provinces of the country but still it requires more for better quality production. Processing plants with modern equipment will not only supply marble for local use but would also supply to other parts of the province and within the country.

- **Marble Warehouse.**

The warehouse will facilitate the buyers in selecting the stone of their choice and will enable them to streamline the supply of consistent product to the end users/exporters in a given time frame. The Warehouse would provide the storing, stacking, and cutting/squaring services for irregular shaped blocks of Marble, Granite, and Onyx for their extractors and processors in the district on rental basis.

- **Stone Crushing**

Over the last few years, the Construction sector has been registering strong growth rates in the district. In addition to housing construction the crush is also used for the building of roads and bypasses, and other developmental projects there is a mass and consistent need of crushed stone across the district. Hard Lime Stone is the basic raw material which is used for the production of quality crushed stone and enormous reserves of Hard Lime Stone are found around the district in abundance

- **Tannery**

Balochistan is producing a sizable quantity of hides and skins locally, besides local production good quantity of hides and skins from Iran and Afghanistan is traded through Quetta which at the moment is purchased by tanneries of Karachi. Investment in a wet blue processing industry or a tannery can be a viable project.

- **Meat Processing**

Balochistan produces 48 % Sheep 22 % Goats and 41 % of camels in the country. There is no meat processing plant, neither in the district nor in the Province. Meat processing plant will not only bring value addition to the local resource but would also help in supply safe meat for human consumption



- **Cattle/ Sheep/Goats Fattening Center**

Since nutrition is a serious limiting factor in the livestock industry of Balochistan with the result that many animals arrive at the market in less than optimal body condition with body weight on the lower end, there is a dire need to ensure feed availability round the year with proper protein contents for increasing livestock productivity rather than its numbers. Such a situation directs to adopt non-conventional feed preparation and feeding techniques like treatment of wheat/ rice straws and other crop residues with urea or ammonia, molasses blocks, silage making, concentrate mixtures with low cost formulae, feed lots, semi-intensive farming and ewe flushing etc. With the switching over to semi-intensive farming which would warrant stall/ supplementary feeding, non-conventional and economical feeding techniques the livestock farming will become a cost effective enterprise

- **Dairy Farms**

Peri urban commercial milk production has developed rapidly in recent years in response to growing urban milk demand in the district. The large peri-urban units have herds ranging from 20 to 600 heads, almost all adult females buffalos. The cross breeding measures with exotic European dairy breeds has also helped to build a good number of herds of cross bred cows in and around Kharan which yield almost two to three times more milk at the same cost. Even with a large number of peri urban dairy farms there is a deficiency of almost 100,000 litres per day which is met through; liquid milk brought from Jacobabad and Shikarpur in iced form and frozen cans after adding chemicals for prolonging its shelf life, Packed UHT milk of different brands and imported dry whole milk powder.

- **Poultry Farm**

As compared to beef and mutton broiler meat is the cheapest source of animal protein. The time required for raising broiler birds is less than that for big animals. The consumption of white meat is increasing due to growing health consciousness in the masses. Quetta, Lasbela and Pishin are the major poultry rearing areas of Balochistan. Poultry farming has got great scope for investment in the district. There are only few private poultry farms in the district and most of the demand is met through transport of poultry products from other parts of county.

- **Hospitals and Clinics**

Lack of infrastructure and growing number of population has increased demand of medical facilities, which has direct impact on public & private sector health care centers. No access to clean water and proper sanitation facilities has posed a major threat to the health of masses. Moreover, the overlapping and harsh climate of the region causes major viral diseases throughout the year. This creates a great demand for hospitals and clinics.



7.2 Export Status Potional.

When it comes to export district Kharan fails in some sector to produce such a finished Goods that can be export, some of business need much more attention to provide desired result while some of them needs little efforts as they are already making good product but lack in marketing.

Though Kharan is the major city of the Division still it did not develop as a major industrial city. Most of the people are inclined more towards trade then industry due to the fact that a number of problems are being faced by the industries.

The trading activities in Kharan have flourished because not only because it is center of economic activity of the Division but also it is located on the trade route to Iran and Afghanistan.

Likewise, there is a huge trade though Iran as well, Important commodities imported/smuggles from Iran includes petrol, blankets, carpets, plastic goods, dried fruit and fresh fruit e.g. cherries, dates and tinned fruit.

- **Food Processing.**

Processing add value to the product, preserves it thus prolonging shelf life and generates effective demand for raw materials. Fruits and vegetable processing in Balochistan is under exploited. Perishable farm produce are wasted or sold at throwaway prices during the peak seasons due to inadequate post harvest storage facilities and lack of effective processing or preservation techniques, leading to high wastage levels and low capacity utilization Balochistan is far from tapping the potential of processing and exporting dried fruits and vegetables as shown by the limited number of fruit processors and exporters currently available. Dried fruits have a large number of end-users including use in the dried fruit and nut industry, the breakfast cereal industry, the confectionery industry, the bakery industry, other food products, and are consumed directly.

- **Minerals.**

Marble processing units Marble and granite processing industry has been using modern techniques to come at par with other provinces of the country but still it requires more for better quality production. Currently the Processing Industry relies mostly on locally made H/V block cutter, sizing machine, overhead cranes and gantry cranes with accessories and polishing machines etc. currently government is making efforts and allocated multiple land for industry growth some new and modern techniques can be adopted to enhance quality finished product so that can be export.



8 Major Issues & Policy Recommendation.

Major Issues that SMEs faces is the district is of different kind with different sectors one of the most common issue in the district is Energy crisis that all SMEs depends on we are mention some key sectors issue here.

Problems and Issues for SMEs in different sector

- **Problem and issue in Agriculture/Horticulture Sector.**

The district has faced drought for last decade which has severely effected its production of fruits and vegetables.

Major issues faced by this sector:

- 1 Scarcity of Water resources. The water table has been decreasing steadily for fast few years which have forced farmers to drill more and more tube wells.
- 2 In adequate Capacity of Cold storages and unavailability of cool chains
- 3 Problems in access to finance
- 4 Lack of value addition in the production
- 5 Load shedding
- 6 Introduction of high efficiency irrigation system.

- **Recommendation for Agriculture/Horticulture Sector.**

- 1 Traditional process of harvesting should be changed and enact with new techniques to produce better results.
- 2 Modern machinery need to be installed in dehydration of fruits to have maximized result and quality product.
- 3 Local growers have to train to modern ways of harvesting.

- **Problem and issues in Mineral Sector.**

Some key issues in Mineral sector are stated below.

- 1 Lack of exploration and reserve estimates.
- 2 Poor infrastructure
- 3 Lack of modern mining equipment
- 4 Reliance on traditional mining techniques
- 5 Poor Safety measures in the mining sector
- 6 Access to finance
- 7 Scarcity of skilled Labor.

- **Recommendation for Mineral Sector.**

- 1 Guidance to be given to mine owners and factory owner to develop feasible infrastructure to keep finished and raw minerals while roads and traveling pathways of finished goods needs to develop in a way to provide better and timely availability of product to customers.
- 2 Training should be provided to factory owner and they should be equipped with modern



technology and machinery.

- 3 Availability of skilled labor, labor need to properly trained and guided about handling of raw mineral with new techniques.

- **Problem and issues in Livestock Sector.**

The livestock sector faces a number of issues which is hindering its development.

- 1 Current market premises have inadequate facilities of stock water points, feed stores and quarters, veterinary aid facilities, weighing scales and other such amenities
- 2 Non utilization of slaughter house
- 3 Difficulty in access to finance
- 4 Scarce source of water for livestock farming;
- 5 Lack and insufficient availability of balanced feed and fodder;
- 6 Lack of technology for manufacturing traditional and non traditional dairy products on a commercial scale
- 7 Absence of farmers associations;
- 8 Low milk yields per animal.
- 9 Improper management of Peri-urban commercial dairy farms;
- 10 Lack of awareness regarding value of hygienic milk in its various processes of production, distribution and consumption;
- 11 Lack of veterinary and laboratory testing facilities for milk and feeds adulteration.

- **Recommendation for Livestock Sector.**

1. Facilitate current market to improve premises and environment by giving trainings to framers.
2. Data and record keeping about farms and there vaccination.
3. Keeping in view about the market situation it is important to engage business person and encourage them to invest in Slaughter houses.
4. Helping farmers to avail access to finance by multiple donor agencies and banks.
5. Training of farmers to adopt new technic's to increase production and provide healthy atmosphere to animals.

9 Business Support Institutions.

District Kharan is capital district of the Rakhshan Division, one of the largest division of Balochistan and enjoys the neighborhood of Pakistan's border with Iran and Afghanistan that brings economic movement in district despite of having problems business person want to invest and support local business man to enhance their economical scale.

7.2 Local Bodies chambers & Trade Association.

There is no Chamber present in district only Local body and Trade union are working in Kharan.



10 Use full Links.

Small & Medium Enterprises Development Authority (SMEDA)	www.smeda.org.pk
Government of Pakistan	www.pakistan.gov.pk
Quetta Small Chamber of commerce.	www.smalltradersandindustryquetta.com
Quetta chamber of small traders and small industry	www.quettachamber.com
Ministry of Education, Training & Standards in Higher Education	http://moptt.gov.pk
Government of Punjab	www.punjab.gov.pk
Government of Sindh	www.sindh.gov.pk
Government of Khyber Pakhtunkhwa	www.khyberpakhtunkhwa.gov.pk
Government of Balochistan	www.balochistan.gov.pk
Government of Gilgit Baltistan	www.gilgitbaltistan.gov.pk
Government of Azad Jamu Kashmir	www.ajk.gov.pk
Trade Development Authority of Pakistan (TDAP)	www.tdap.gov.pk
Security Commission of Pakistan (SECP)	www.secp.gov.pk
Federation of Pakistan Chambers of Commerce and Industry (FPCCI)	www.fpcci.com.pk
State Bank of Pakistan (SBP)	www.sbp.org.pk
Punjab Small Industries Corporation	www.psic.gop.pk
Sindh Small Industries Corporation	www.ssic.gos.pk
Pakistan Horticulture Development and Export Company (PHDEC)	www.phdec.org.pk
Punjab Vocational Training Council (PVTC)	www.pvtc.gop.pk
Technical Education and Vocational Training Authority (TEVTA)	www.tevta.org



Pakistan Readymade Garment Technical Training Institute	www.prgmea.org/prgtti/
Livestock & Dairy Development Department, Government of Punjab.	www.livestockpunjab.gov.pk
Punjab Industrial Estates (PIE)	www.pie.com.pk
Faisalabad Industrial Estate Development and Management Company (FIEDMC)	www.fiedmc.com.pk

