

DISTRICT ECONOMIC PROFILE NUSHKI



Turn Potential into Profit

Small & Medium Enterprise Development Authority
Government of Pakistan
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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.

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3 PURPOSE OF THE DOCUMENT

The objective of the document is primarily to facilitate potential entrepreneurs in project identification for investment. The project may form the basis of an important investment decision and in order to serve this objective, the document/study covers various aspects of

project concept development, start-up, and production, marketing, finance and business management.

The purpose of this document is to facilitate potential investors, 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 reports 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 it's 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

DISTRICT NUSHKI

Nushki is a town and district in Balochistan, Pakistan. It lies in a plain south-west of Quetta, at an elevation of 2,900 feet (880 m) above sea level. From Nushki, the flat Balochistan desert stretches away northward and westward to the Helmand River. There is only one tehsil in the district, and this city serves as the administrative headquarter. The town is situated near the deserts, dunes, and foothills of high mountains and therefore famously known as the golden desert city. The desert stretches north-south and up to the Helmand province of Afghanistan. The name is composed of two words of the Balochi language; Nosh-Koh, Nosh (finish), and Koh (work), and later under the influence of several dialects, transformed to Nushki.

4.1 NUSHKI DISTRICT MAP



4.2 DISTRICT NUSHKI HISTORY

Nushki is a historical region that dates back centuries. For centuries it served as a passage and station for people traveling to Afghanistan and Iran. British Empire took a particular interest in this region to conquer neighboring areas such as Iran and Afghanistan. In 1801, the British Government sent two officers, Captain Charles Christie and Lieutenant Henry Pottinger, to explore this region and report their strategic findings. The officers concealed their identities and explored the area as traders to Kalat, Herat, and Pottinger. Historical archives maintained by the Government of Balochistan describe that the British came to this region in 1878 due to the agreement with Kalat's Khan. British surveyed to determine the western boundary with Iran and a line separating Balochistan from Afghanistan. Explorers surveyed Border with Iran from Kuhak to Koh-i-Malik Siah was surveyed. Subsequently, the British then included Sanjrani in Kalat State. Nushki remained in the Kalat state as its Niabat or Legateship. The Indian Government took administrative control of Nushki in 1886 from the Khan of Kalat.

In 1899, the British and Khan of Kalat made a leasing agreement allowing the British Government to administer this area on rent. The annual rent of Niabat (Legateship) of Nushki was Rs. 9000. According to this agreement, Khan of Kalat permitted the British Government sovereign control over the region's administration, such as revenue collection, levy dues, civil and criminal laws, and tolls. The pact continued to last from 1899 to 1947.

5. SOCIO – ECONOMIC FRAMEWORK

5.1 GEOGRAPHY AND CLIMATE

In Nushki, the summers are long, sweltering, and clear; the winters are cold and mostly clear and it is dry year round. Over the course of the year, the temperature typically varies from 36°F to 104°F and is rarely below 27°F or above 109°F. The hot season lasts for 4.0 months, from May 14 to September 13, with an average daily high temperature above 95°F. The hottest month of the year in Nushki is July, with an average high of 104°F and low of 80°F. The cool season lasts for 3.0 months, from November 28 to February 27, with an average daily high temperature below 68°F. The coldest month of the year in Nushki is January, with an average low of 36°F and high of 60°F.

The location of Nushki on the Geographical coordinate system is at 29.33° N (latitude), 66.10° E (longitude), and the town is 2900 ft. above sea level. Its total area is 5,826 km² in length.

5.2 CULTURE

It is the home of Badini, Barech, Hassanzai, Jalamdini, Mandai, Mengal, Mohammad Hassani, Pirkani, Rodeni, Sarparah, Sasoli, Sumalani, Syed, and Yallanzai tribes. Because of its proximity to Iran, some influence of the Iran-Baloch blend of culture is in vogue. A vast

supply of daily consumable items comes from Iran. Watermelon seeds and milk & cardamom tea are very famous. Inhabitants can speak and understand Pashto, Balochi, Brahuvi and Urdu.

5.3 AREA

The area of NUSHKI Division is 5,797 km². According to 2017 census, Nushki division had a population of 178,947 and population density 30.87/km². The city's population makes it the 14th most populated city in Balochistan.

5.4 POPULATION

Admin unit	Area (SQ. KM)	All sexes (2017)	Male	Female	Sex ratio	Population density per SQ. KM.	Average household size	Population 1998	1998-2017 average annual growth
Nushki district	5797	178,947	92,571	86,373	107.18	30.87	7.88	98,030	3.21
Rural		132,551	68,290	64,258	106.27	-	7.78	74,082	3.10
Urban		46,396	24,281	22,115	109.79	-	8.19	23,948	3.54

Source: Pakistan Bureau of Statistics.

5.5 LAND UTILIZATION

Reported Area. (in hectares)	Cultivated Area			Cropped Area		Un-cultivated Area			
	Total	Current fallow	Net Sown	Total	Area sown more than once	Total	Culturalable waste	Forest Area	Area not available for cultivation
90324	14932	0	14932	15257	325	75392	0	75392	0

Source: Pakistan Bureau of Statistics.

5.6 RESOURCE ENDOWMENT

MAIN CROPS

The primary occupation of people is agriculture. High hills and deserts surround the region. The cultivation of the supreme quality of grapes, watermelons, and melons is abundant in this region.

LIVE STOCK

Distri ct	Cattle	Buffalo es	Sheep	Goats	Camel s	Horse s	Mule s	Asses	Total	poultr y
Nushk i	6576	20	20572 5	29936 3	17543	100	83	4124	533534	92931

Source: GOB

5.7 EDUCATION

State of Education in district Nushki is better in comparison with other districts but cannot be rated as good. Access indicators of the district keep it relatively higher in order as compared to other districts in Balochistan but the quality indicators are weak. The district suffers from multiple issues in the backdrop of poverty and cultural constraints. The education sector in the district comprises of public and private schools with varying quality. A total of 226 schools are operated by the public sector which comprise of primary, middle, high and high secondary schools. Ninety percent of these schools are in rural areas and 10% in urban areas.

NO. OF SCHOOLS IN DISTRICT NUSHKI.

Total	Primary	Middle	secondary	H. secondary
266	155	40	27	4
School by level and gender				
Total	Boys-Girls	Boys-Girls	Boys-Girls	Boys- Girls
266	104-51	19-21	16-11	2-2

Source: Education Management Information System (BEMIS)

Low utilization of existing teacher strength and schools is another factor. The enrolment gaps continue to exist even in populations and settlements with accessible primary schools. The teacher student ratio varies across schools but overall average at middle and high schools is low in the district as depicted in the table below.

Teacher Student Ratio						
	Appointed Teacher – Student Ratio			Sanctioned Teacher – Student Ratio		
	Boys	Girls	Total	Boys	Girls	Total
Primary	34	29	31	28	26	27
Middle	14	14	14	11	10	11
High	15	26	18	07	06	06

Source: BEMIS

With schools having less than 1:20 ratio, there is a potential to enroll more children in the existing infrastructure. The district authorities will need to launch enrolment drives and awareness campaign in areas where there are underutilized schools. At primary level the teacher room ratio may be another dimension to analyze the gap in the district. At primary level there are 692 rooms whereas the sanctioned posts are 764 against which 664 are appointed that means still rooms are required to provide classroom to all the teachers.

5.8 INFRASTRUCTURE

5.8.1 ROADS

National Highway N-40 connects Mustang, Nushki, and Chaghi and ends up on the Pak-Iran border. Travelers from throughout the country can reach by road. Several transport services are operating in this region. The railroad network at Nushki runs along the main road and links the town with other cities. Nushki railway station was made operational in 1897 to connect Quetta to Sistan, and it is the oldest Indo-Persian track built in the region. The small domestic airport, Nushki Airport (NHS), is located in this city.

5.8.2 TRANSPORTATION

Buses, pick-ups and vans ply between Nushki and Quetta and Karachi and Gwadar, and other parts of the district. Transport is available 24 hours a day in Nushki is located halfway the N-25 highway which connects to rest of the country. Most of the vehicles in the district are registered at Karachi and Quetta, but a large number of vehicles move around in the district. Every day vans and buses travel between different destinations. Motorcycles, cars and rickshaws are the main means of transport for local people.

5.8.3 COMMUNICATIONS

Telecommunication and postal facilities are available to the major towns of the district while about 70 percent of the population has access to electricity. The district is linked to all parts of the country through telecommunications services. Telecommunication companies like PTCL, Mobilink, Telenor, Ufone, Zong are operational in the district and provide with cellular and internet connectivity.

5.8.4 ENERGY

An affordable and regular supply of power is crucial for basic needs such as cooking and heating; essential for adding value to and diversifying livelihoods (mechanization of agriculture, modernization of mining, poultry farming, ecotourism, value addition to agriculture and livestock products); and for the provision of basic social services such as education, health care and piped water. In Mastung District natural gas is made available to

households whereas Quetta Electric supply company (QESCO) supplies electricity to the district.

5.8.5 AIRPORT

Nearest airports to the city are Quetta International Airport (UET), 118.17 km, Moenjodaro Airport (MJD), 322.27 km and Sukkur Airport (SKZ), 338.58 km.

6. ECONOMIC POTENTIAL

6.1 TRADE (IMPORT/EXPORT)

The major sources of income are agriculture, handicrafts, livestock and goods imported from Iran via Afghanistan. In addition Nushki provides good business opportunity to petrol station owners. It is interesting to note that a large number of persons originating from the district are engaged in trade activities likewise buying goods from Iran and selling it in the district.

6.2 AGRICULTURE/ HORTICULTURE

District Nushki is water stressed area for both agriculture and drinking water. Additionally, the choice of crops in the area is high-delta; high value cash crops like vegetables and fruits, which are water intensive. Out of a total irrigated area of 90324 hectares, (99.98 per cent) is irrigated by tube wells. The important rabbi crops are wheat, barley, cumin, fodder and vegetables. Wheat is sown in irrigated as well as rain fed areas. The major kharif crops are cash crops including onion, fruit, fodder, vegetables, and melon.

Main Agricultural products.

- Wheat
- Barley
- Cumin
- Fodder
- Onion
- Chilies
- Tomatoes
- Melon
- Grapes
- Maize
- Cotton

6.3 LIVE STOCK

Livestock is an important source of livelihood for a majority of the rural population and a large percentage of the workforce and households in the district are engaged in livestock rearing. Livestock are a major source of nutrition (milk, yogurt, lassi, kurt, meat, beef) and income (sale of animals, wool and hides). These are an important source of transportation particularly where the area is hilly or the terrain is rugged. Both men and women are involved in the livestock sector. Women are responsible for watering and feeding the animals, cleaning their abodes and making dairy products such as yogurt, butter and ghee. However, they have no ownership rights over the livestock and poultry. Local livestock markets exist with fluctuating prices that drop during periods of drought and increase at the time of Eid-ul-Azha. Animals are slaughtered generally in the open and there is no meat processing plant in the district. Hides, skins and wool are not processed in the district and are sold raw. There are shops present in the district, selling milk and cream locally.

6.4 POULTRY

Domestic poultry in Nushki is popular. Women are largely responsible for the management of poultry; in rural areas women are also allowed to sell eggs and retain the income. This amount is not sizeable as flocks are largely small indicating asset poverty.

6.5 INDUSTRIES

In Balochistan, industrial development started after 1970 when Provincial Government took keen interest in development of industrial estates, because of availability of raw material such as minerals, agricultural crops, fruits, vegetables and fish. Industrial development is necessary for an area to thrive economically. District Nushki is still under developed, but it has a great potential to flourish. The district is agriculturally rich and people are very much into dairy and poultry farming. A major obstacle in the development of the area is that people have become apathetic from their situation. If Proper infrastructure facilities and financial support is given, the area has the potential to contribute in the economy of the country.

There is presence of factories in the region provide work opportunities to the residents and people in nearby cities.

Factory units include:

- Hafiz Muhammad Khalid & Brother – R.C Pipes & Blocks
- Al-Hayat Ice Factory
- Chagai Roller Flour Mill
- Hayat Ice Factory
- Nushki Roller Flour Mill
- Nushki Ice Factory

6.6 MINERAL

No mineral have been discovered as of yet in the district however surveys still needs to be conducted in-order to discover true potential of the district.

6.7 HANDICRAFTS

Balochistan is known for unique and intricate production of handicrafts which include hand-made Balochi shoes known for their durability, uniqueness and fineness all over the country; fine mirror work, embroidery, and marble work and fine quality precious stones. The embroidery of Makran, mirror work of Quetta, Kalat, Khuzdar, Dera Bugti and Panjgor, gold thread embroidery of Zhob and Sibi, leatherwork of Marri area, Lehri, Kalat and Turbat, Rugs and Namdas of Chaghi, Kalat, Ziarat and Pishin, Saddle bags of Bugti and Marri Tribal areas, Pottery of Dhadar, Bhag and Gulistan, perfume making of Kharan, Makran and Kalat, Wood carving of Kalat, stone carving of Nushki, Dalbandin and Quetta, shoe making of Marri and Bugti areas, woolen products of Makran, Kharan and Chaghi, copper utensils of Loralai, jewellery of Makran, Khuzdar, Pishin, Loralai and Nushki and beadwork of Marri tribal areas.

6.8 TOURISM

Nushki has the first transparent golden desert on the border, with natural patterns built on it, and the most beautiful oasis in Pakistan is located here. Tourist attraction points in this region include:

- Band Dosay
- Dosay Dam
- Khaisaar Valley
- Nath Duh Sand Dunes
- Nato Nordic
- Nushki Desert
- Sheikh Hussani Shrine
- ZangiNawar Lake

6.9 SME PRESENCE IN THE DISTRICT

- Groceries Shop
- Tailor Shops
- Vegetable Shops
- Filling Stations
- Poultry Farm
- Bakeries
- Meat Shops
- Handicrafts

7. POTENTIAL SECTORS FOR INVESTMENT

- Pharmaceutical
- Agriculture Machinery
- Fruit Processing
- Cattle Farming
- Electric Appliance
- Tunnel Farming
- Poultry Farms
- Private Schools and Collages

8. MAJOR ISSUES & POLICY RECOMMENDATIONS

AGRICULTURE

Issues

- Lack of training in agriculture sector is a major issue
- Lack of data is the major hurdle in any planning activity which may lead to agricultural development.
- Diseases in crops are common these days however unavailability of pesticides make it difficult for the farmers to archive optimal levels of production
- Electricity is used for tube wells however insufficient supply of electricity hinders growth of this sector
- Access to finance
- Agricultural research is either lacking or not communicated to the farmers. The result is underdevelopment of the agricultural sector

Recommendations

- Demand for electricity may be met by supplying sufficient amount of electricity.
- Supply of certified seeds of all major crops at subsidized rates can enhance productivity.
- Establishment of a Government Farm at the district level may be explored
- Farmers may be provided with loans on low markup rates.
- Surveys may be done in the district for agricultural sector
- Arrangements for field days, seminars, lecture on pest management and demonstration of improved package of technology plots by the concerned department will contribute positively.
- Agricultural loans on easy installments for purchase of farm implements can increase employment.
- Training may be provided to the farmers.

LIVESTOCK

Issues

- Difficulty in access to finance
- Lack of awareness regarding value of hygienic milk in its various processes of production, distribution and consumption.
- Scarce source of water for livestock farming.
- Lack of technology for manufacturing traditional and non-traditional
- Dairy products on a commercial scale
- Low milk yields per animal.
- Current market premises have inadequate facilities of stock water points, feed stores and quarters, veterinary aid facilities, weighing scales and other such amenities
- Lack of veterinary and laboratory testing facilities for milk and feeds adulteration
- Worm-infestation
- Ticks/Mites

Recommendations

- Training may be provided on how to cope with low milk yields per animal.
- Veterinary labs may be established by the government
- Access to finance is yet another hurdle and may be resolved by providing loans on low markup rates
- Quality feed may be provided by the government on subsidized rates.

MINERAL

Issues

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

Recommendations

- Exploration licenses may be awarded to private companies
- Infrastructure may be provided by the government
- Trainings may be provided by the government to divert from traditional mining technique to modern mining techniques.

- Government may procure latest equipment for mining
- Safety policies may be ensured
- Training programs may be provided for the development of human resource.

Industries

Issues

- Female involvement in the industrial sector, excluding embroidery, is negligible. Most private sector businesses are small enterprises.
- The major issue in the way of industrial development is the non-availability of local entrepreneurs.
- Lack of capital is another problem impeding the development of small enterprises.
- Institutional arrangements for the development of micro enterprises are not sufficient. For productive employment it is necessary to train the young people for particular enterprises, such as engineering workshops, carpentry, electronics, automobiles or mechanics.

Recommendations

- Female involvement may be ensured through government intervention
- Entrepreneurial skills may be developed through training programs
- Loans on low markup rates may be provided
- Skilled human resource may be developed through training programs

TOURISM

Issues

- Nushki, due to its scenic beauty, holds potential for tourism but it cannot be explored unless federal and provincial governments take keen interest in the promotion of tourism.
- scarcity of infrastructure
- Lack of human resource
- Access to finance
- Law and order situation

Recommendations

- Awareness programs and promotion may be initiated to promote beauty of the district and domestic tourist may be encouraged to travel domestically,
- Infrastructure may be developed and road may constructed to natural sceneries of the district

- Training may be initiated for human resource development
- Law and order situation may be improved through government interventions
- Access to finance may be made possible.

9 BUSINESS SUPPORT INSTITUTIONS.

9.1 LOCAL BODIES/CHAMBERS AND TRADE ASSOCIATIONS

There is no chamber in District Nushki as of yet.

9.2 FINANCIAL INSTITUTIONS

List of banks operating in Nushki.

Banks	Location	Contact
MCB Bank	Main bazar nushki	0825-873221
National Bank of Pakistan	M.A Jinnah road main nushki bazar.	0852-872167
ZTBL Bank	Near Govt Girls High School Naushki	0825-872984
Bank al Habib	Aminudin road, M.T, Nushki.	0825-872203
Habib bank	Jinnah Rd, Noshki, Nushki, Balochistan	0825-872556

10 USEFUL REFERENCES

DESIGNATION	STATION	PHONE NO
DIRECTOR GENERAL- LIVESTOCK& DAIRY DEVELOPMENT DEPARTMENT	QUETTA	081-9202564
DEPUTY SECRETARY- AGRICULTURE.	QUETTA	92-81-9201179.
DEPUTY SECRETARY (ADMIN) - AGRICULTURE.	QUETTA	92-81-9202332
SECTION OFFICER (COOPERATIVES)- AGRICULTURE	QUETTA	92-81-9201673
DIRECTOR(SPECIAL CROPS)	QUETTA	0300-9389432

ELECTION COMMISSIONER OFFICE	NUSHKI	0825-872224
INCHARGE LIVE STOCK MARKET	NUSHKI	0346-8332494
DEPUTY DIRECTOR LIVESTOCK	NUSHKI	0825-872185- 0333-7851065
INCHARGE CVH	NUSHKI	0825-872221
INCHARGE ALL CENTER	NUSHKI	0345-8841123
INCHARGED I LAB	NUSHKI	0344-8228583

11 PICTORIAL VIEW

GOLDEN DESERT OF NUSHKI.



RECO NUSHKI



NUSHKI CITY

