

# AGRI. BUSINESS SUPPLEMENT

Zarai Taraqati Bank Limited



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## AGRI-FINTECH REVOLUTION: EMPOWERING PAKISTAN'S FARMERS THROUGH DIGITAL MICROCREDIT

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Pakistan's agriculture sector, which contributes approximately 22.7% to GDP and employs 37–50% of the labor force, remains financially underserved (World Bank, 2024). Nearly 100 million adults lack bank accounts, with rural farmers relying heavily on informal, high-cost lending. To close this gap, the State Bank of Pakistan (SBP) has set a goal of 75% financial inclusion by 2028 (SBP, 2024).

### The Rise of Agri-Fintech Platforms:



Agri-fintech platforms are emerging as transformative tools, offering tailored financial services to rural farmers. Digitt+, Pakistan's first regulated agri-fintech, launched with SBP approval,

disbursed PKR 400 million to over 10,000 farmers via 85,000 digital transactions in its pilot phase (Arab News, 2024). Digitt+ now offers multilingual wallets, mobile payments, debit cards, and crop insurance. Private telecom fintechs are also scaling. JazzCash, with over 44 million users, partners with Concave Agri to digitize input payments. Farmers can now purchase seeds and fertilizers through Digitt+'s Agrimall platform, building a credit footprint and reducing cash dependency (TechMag, 2024). Easypaisa and other fintechs provide instant microloans such as EasyCash, further expanding credit access. FasalPay, launched by the Fatima Group, connects farmers with banks and agribusinesses to access crop loans in the form of inputs and services, supported by expert advisory. These partnerships help lower risk while improving financial literacy and market access.

### Data-Driven Credit and New Tech Tools:

The future of agri-finance lies in alternative data and digital infrastructure. Satellite imagery, geofencing, and crop models are now accepted by the SBP for digital land surveys (Profit, 2024). AI tools assess weather patterns, transaction history, and social data to develop credit scores, replacing outdated collateral-based models (IRE Journals, 2024). Partnerships like MasterCard Community Pass with Digit+ enable offline transaction records for the unbanked, creating digital credit histories. While block chain is still nascent, it holds potential for transparent financing and insurance via smart contracts and traceable supply chains.

### Barriers to Adoption:

However, significant obstacles persist. Only about 80% of the population has access to 3G/4G coverage, and digital literacy remains low in rural regions (LinkedIn, 2024). High interest rates (10–

18%) and stringent Know Your Customer (KYC) protocols deter adoption, especially among women, who often lack financial autonomy. The SBP's National Financial Inclusion Strategy (2024–2028) aims to reduce the gender gap in financial inclusion to below 25% and promotes agri-fintech development through regulatory support. Still, licensing hurdles and the lack of a national farmer registry limit scale.

### **Policy Innovations and Public-Private Collaboration:**

The SBP has introduced a Regulatory Sandbox to help fintechs test products under supervision, and now permits digital land verification. ZTBL, Pakistan's leading agri-bank, is actively collaborating with fintechs like FasalPay to expand outreach and efficiency (Business Recorder, 2024). Provincial programs like Punjab's Kissan Card and Sindh's e-Kissan app are digitizing subsidies and farmer data. World Bank-supported initiatives are developing satellite-based lending models. These advances promise faster, more transparent service delivery.



### **Strategic Recommendations:**

It is essential to expand rural digital infrastructure by improving broadband and mobile coverage, while subsidizing device access. A unified, interoperable farmer registry must be developed to enhance data accuracy and streamline verification

processes. Risk-sharing mechanisms such as credit guarantees and concessional financing should be introduced to encourage lending to underserved farmers. Regulatory frameworks need to be simplified by easing EMI licensing and enabling tiered KYC through biometric systems. Financial literacy programs, particularly targeting women, should be launched through agricultural extension networks and community-level fintech kiosks. Public-private partnerships, like those between Digitt+ and agri-retailers, must be incentivized to amplify reach and trust. Lastly, systematic impact evaluations should be mandated to track outcomes and refine policy for long-term scalability and inclusivity.

Digital microcredit is redefining agricultural finance in Pakistan. From mobile wallets to AI-powered scoring, farmers now have tools to break financial isolation. With continued innovation, regulatory support and inclusive outreach, agri-fintech can drive an equitable and productive transformation of Pakistan's rural economy.

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## URBAN GARDENING IN PAKISTAN: LETTING NATURE BLOOM

(Zeeshan Zia, Internee(PMAS Arid Agriculture University Rawalpindi )



Urban gardening is the practice of growing vegetables, fruits, and herbs in small city spaces such as rooftops, balconies, and vacant plots, using sustainable methods. The primary objective of urban gardening is to promote organic, chemical-free food production. This concept dates back to ancient civilizations, such as Mesopotamia, Egypt, and the Indus Valley, where people cultivated crops near their homes. A notable historical example is the Hanging Gardens of Babylon, one of the Seven Wonders of the Ancient World, which reflects early urban gardening efforts. In modern history, urban gardening gained renewed importance during the 20th-century war periods, particularly in Europe and the United States, when civilians began growing vegetables in home spaces to support food supplies during wartime emergencies. This not only ensured food availability but also promoted self-reliance, a theme still relevant today amid concerns about food security, environmental sustainability, and healthy lifestyles. In Pakistan, urban gardening experienced a significant rise after the COVID-19 pandemic disrupted supply chains and caused food shortages. The crisis, coupled with inflation and

rising food prices, pushed many urban dwellers to grow their vegetables and herbs at home.

### Background and overview:

Pakistan relies heavily on imported vegetables to meet domestic demand. In 2024, imports of edible vegetables, roots, and tubers reached \$1.08 billion, mainly from Sri Lanka, Indonesia, and Myanmar. These rising costs highlight the urgent need for sustainable local alternatives. Urban gardening offers a practical and eco-friendly way to reduce food insecurity and dependence on imports.

### Types of Urban Gardening:

Urban gardening can be done in many space-saving and creative ways in cities. Container gardening uses pots made of clay, plastic, or hanging baskets, which are easy to move and fit small spaces. Vertical gardening grows plants upward on wall frames, saving space and looking nice. In cities like Karachi, balcony gardening is popular, where people use railing planters and hanging baskets to create green areas.



Community gardening brings neighbors together to grow food on shared land, helping local food production and building stronger communities. Modern methods like hydroponics, which grows plants without soil using nutrient-rich water or cocopeat, are growing in cities like Lahore, Rawal

pindi, and Hyderabad. Hydroponic farms in Rawalpindi produce up to 168 tons per hectare, and solar-powered farms in Hyderabad yield about 60 kg per plant each year.

Aeroponics is a more advanced technique where plant roots hang in the air and are misted with nutrients. At NARC Islamabad, aeroponics produces 50–60 virus-free tubers per plant, much more than traditional farming. In Swat, this method uses up to 90% less water. Iqra University in Karachi uses AI and sensors to monitor plant health, showing how urban gardening in Pakistan is becoming smarter with technology.



### **Which Crop Should Be Focused On?**

The choice of crops in urban gardening depends on space, purpose, and resources. Generally, vegetables are preferred for daily use and cost savings. Herbs and medicinal plants are valued for cooking and remedies. Ornamental and indoor plants enhance beauty and support mental well-being.

### **Key Benefits of Urban Gardening:**

Urban gardening is a smart, sustainable solution to many urban challenges. Whether a small balcony pot or a rooftop garden, it promotes healthier living, environmental benefits, and financial

savings. Homegrown vegetables and herbs are fresher, safer, and free from harmful chemicals compared to store-bought produce. Gardens also improve air quality, attract birds, and provide peaceful spaces for relaxation.



Financially, urban gardening reduces grocery costs and can create small business opportunities by selling organic kits or surplus produce. It brings families together, teaches children about nature, and strengthens emotional bonds with the environment. Additionally, gardens support urban biodiversity by attracting pollinators like honeybees. Overall, urban gardening offers hands-on learning and a rewarding experience.

### **Challenges and Barriers:**

Urban gardening holds great promise for improving food security in Pakistan, yet several barriers continue to limit its widespread adoption. One of the major issues is the rapid urbanization, which has consumed vast areas of fertile land. Over 40% of the population now lives in cities, and areas once used for vegetable or fodder farming have been replaced by housing societies and malls. This shift not only shrinks local food sources but also increases reliance on distant rural farms. With Pakistan's population growing at 2.55% annually, the demand for food is rising, but available land

within cities is decreasing. As a result, fresh produce must travel long distances, and rising fuel prices push up the cost of food in urban markets.

Climate change further complicates the situation; unseasonal rains and weather fluctuations affect crop cycles and disrupt supply chains, leading to shortages and price hikes. Another critical challenge is the lack of space in densely populated urban areas. Even when space is available, many people lack awareness or knowledge about simple gardening methods, which discourages them from starting home gardens. These challenges highlight the need for better urban planning, public awareness campaigns, and promotion of space-saving gardening techniques like vertical and container gardening.

#### **Government and Institutional Initiatives for Urban Gardening in Pakistan:**

Urban gardening in Pakistan is being promoted through the efforts of institutions like ZTBL, PMAS-Arid Agriculture University, and NGOs. ZTBL has supported home gardening by offering smart tools and distributing free or low-cost seeds under its Green Banking Program, in collaboration with the Punjab Agriculture Department.

PMAS-Arid Agriculture University Rawalpindi has hosted international conferences to highlight the

importance of urban food systems and launched a PKR 7.3 million outreach project in Islamabad and Rawalpindi. The university has trained over 1,100 individuals in practical gardening, distributed seasonal seeds, and helped establish over 50 greenhouses with student-led outreach.

Meanwhile, SPARC initiated a women-focused gardening project in Islamabad's Golra area, training women to grow vegetables using vegetable seedlings and pots. The program introduced a digital follow-up system via WhatsApp and helped improve household food security while empowering women through sustainable practices.

#### **Conclusion:**

Urban gardening in Pakistan is more than just enhancing beauty; it is a step toward self-sufficiency and adopting an organic lifestyle. With shrinking agricultural land and rising urban populations, even small-scale home gardening by both men and women can make a meaningful difference. Just half an hour a day is often enough to maintain an urban garden. However, challenges like limited space, poor access to quality seeds and compost, and lack of public awareness hinder its adoption. To address these, the government should provide seed and compost subsidies, launch city-wide awareness campaigns, and include urban gardening in school courses. This will ensure that future generations grow up with a greener mindset and better food security.



## SBP UPDATES

### **Governor SBP Launches Pakistan Financial Literacy Week 2025**

The State Bank of Pakistan (SBP) inaugurated Pakistan Financial Literacy Week (PFLW) 2025 at NIBAF, Karachi, under the theme “Financial Inclusion through Collaboration and Innovation.” Governor SBP launched the National Financial Education Roadmap, highlighting efforts to expand access to quality financial services. He noted the success of literacy programs training over 3.4 million people (58% women), alongside initiatives like the Banking on Equality Policy, Raast, and Asaan Digital Accounts. Awards were also presented to institutions for outstanding contributions in financial inclusion and innovation, with wide participation from banking, regulatory, and development sectors.

### **Governor SBP updates foreign investors on Pakistan’s improving macroeconomic outlook**

Governor of the State Bank of Pakistan, Mr. Jameel Ahmad, reaffirmed Pakistan’s improving macroeconomic stability and outlook during meetings with senior executives from JP Morgan, Standard Chartered, Deutsche, Jefferies, and major credit rating agencies on the sidelines of the IMF–World Bank Spring Meetings in Washington, D.C. He briefed participants on tangible progress in stabilizing the economy, highlighting that prudent monetary policy and sustained fiscal consolidation have led to macroeconomic stability. Headline inflation has declined sharply over the past two years, reaching a multi-decade low of 0.7 percent in March 2025, while core inflation has come down from above 22 percent to single-digit and is expected to moderate further, stabilizing within the 5 to 7 percent target range. Regarding the external account, Pakistan’s FX buffers have

improved substantially as SBP’s reserves have more than tripled since February 2023 and forward liabilities reduced significantly. Unlike previous reserve build-ups, the rise is not due to external debt accumulation; public sector external debt, both in absolute terms and as a percent of GDP, has declined since June 2022, reflecting SBP’s focus on resilience against external shocks. SBP has built FX buffers through purchases amidst a surplus in the external current account and targets reserves of \$14 billion by June 2025.

### **NIBAF Pakistan and Risk Associates Partner to Strengthen Cybersecurity in Banking Sector**

The National Institute of Banking and Finance (NIBAF) Pakistan and Risk Associates have signed an MoU to enhance cybersecurity capacity across Pakistan’s financial sector. The partnership will deliver advanced training, advisory services, and capacity-building programs in areas such as cyber risk, governance, digital forensics, and compliance with global standards like PCI DSS and ISO/IEC 27001. Leaders from both institutions emphasized the importance of equipping banking professionals with cutting-edge skills to counter evolving digital threats and strengthen the sector’s resilience.

### **SBP Issues Third Quarterly Payment Systems Review FY25**

The State Bank of Pakistan released its Q3-FY25 Payment Systems Review, highlighting strong growth in digital transactions. Retail payments rose 12% to 2.4 billion, valued at PKR 164 trillion, with 89% processed through digital channels. Mobile apps, branchless wallets, and e-money wallets recorded 1.7 billion transactions worth PKR 27 trillion, while e-commerce payments surged 40% in volume. Raast processed 371 million instant transfers of PKR 8.5 trillion, and RTGS settled PKR 347 trillion in large-value payments.

**Source: State Bank of Pakistan**

# MANAGEMENT TIPS



## LEADING WITH EMPATHY IN THE AGE OF AI

In today's workplace, employees expect more than just results; they expect leaders to be empathetic. But balancing empathy with performance pressure can be challenging, especially as AI reshapes work. Stanford psychologist Jamil Zaki calls empathy a "workplace superpower," linking it to job satisfaction, resilience, and lower burnout rates. Here are eight key insights to help leaders sustain empathy without burning out — and use AI wisely.

### 1. Treat Empathy as a Strategic Strength

"Empathy is not a weakness — it's a superpower." Research shows employees in empathic workplaces take more creative risks, help their colleagues more, and are less likely to burn out or quit. Leaders should embrace empathy as a driver of engagement and retention, not just a "nice to have."

### 2. Practice Sustainable Empathy

Empathy can be draining if overused. Leaders who consistently put others' needs first risk emotional exhaustion. Adopt practices like regular reflection, setting boundaries, and sharing the emotional load with peers to stay resilient.

### 3. Connect Especially During Uncertainty

Economic turbulence, layoffs, and AI disruption can create fear and tunnel vision. This is when empathy

matters most. Reinforce shared values, communicate a clear vision, and keep people connected to purpose — not just tasks.

### 4. Focus on Culture, Not Just Policies

Policies themselves aren't inherently empathic or unempathic — it's how and why they're applied. Mandating office returns, for example, can hurt morale if done for control, but can strengthen collaboration if it fosters genuine community and co-creation.

### 5. Close the Empathy Perception Gap

Surveys show a growing disconnect between CEOs (who think they're doing well) and employees (who often don't feel supported). Schedule regular check-ins, solicit honest feedback, and act on what you hear to show empathy is more than lip service.

### 6. Avoid "Empathy-Washing" with AI

AI chatbots can simulate care, but shallow automation risks making people feel more disconnected. Use AI to assist — not replace — genuine human connection. Leaders should be intentional about when empathy must be human.

### 7. Learn from AI's Empathy Playbook

AI responses often follow an effective pattern: **validate → express care → offer help**. Leaders can adopt this approach in conversations to improve how employees feel heard and supported — without rushing to give advice.

### 8. Double Down on Human Connection

Even the most advanced AI can't replace the meaning of human care. When leaders choose to show up — despite the time and energy cost — it builds trust and a sense of belonging that no algorithm can replicate.

*Source: Harvard Business Review*

## NATIONAL NEWS

### **PM Calls for Local Manufacturing of Farm Machinery**

Prime Minister Shehbaz Sharif stressed the importance of locally producing agricultural machinery to reduce import reliance and boost the farming sector. Speaking at the launch of the Seed Potato Production and Aeroponics Complex, developed by PARC with South Korea's support, he noted the project's role in cutting seed imports and enhancing crop productivity. The PM urged federal and provincial collaboration to ensure affordable seeds, fertilizers, and pesticides, while also promoting opportunities for agriculture graduates, SMEs, storage, and value addition in rural areas.

### **KP to Launch Dedicated Mountain Agriculture Policy:**

Khyber Pakhtunkhwa Chief Minister has directed the drafting of a "Mountain Agriculture Policy" to enhance farming in hilly regions. The policy, to be finalized within 45 days, will focus on agro-ecological zones, crop and livestock potential, and improved market access. Key initiatives include creating a Mountain Agriculture Development Board, community seed banks, local cooperatives, water conservation projects, and training extension agents, aimed at strengthening research, technology, and sustainable development in remote areas.

### **Certified Seeds to Boost Cotton Revival:**

Pakistan is prepared to meet cotton seed demand for the 2025–26 Kharif season, with 50,000 metric tons of certified seed available against a need of 54,000 metric tons, according to MNFS&R. The Federal Committee on Agriculture set a production target of 10.18 million bales on 2.2 million hectares. To curb yield losses, the government banned 392

firms selling fake seeds and strengthened regulation through the new National Seed Development Authority (NSDA). The minister emphasized certified seeds, stable prices, and improved farming practices as key to sustainable cotton growth.

### **National Assembly Approves Rs34 Billion Agriculture Budget for FY 2025–26**

The National Assembly has passed a Rs34 billion agriculture budget focused on cotton revival, fertilizer surplus, and boosting exports. Major allocations include Rs23.07 billion for the National Food Security Division, Rs6.72 billion for PARC, and Rs4.25 billion for development projects. The strategy features a Rs50 billion solar tube well scheme in Balochistan, an 18% duty on imported cotton, stable fertilizer prices, distribution of 10,000 tractors in Punjab, and farmer training in China to promote modern practices.

### **5,000 Super Seeders to Transform Rice Cultivation in Punjab:**

The Punjab government is nearing completion of distributing 5,000 super seeders across rice-growing areas to combat stubble burning and reduce smog. This move is part of a broader strategy to modernize rice farming through mechanization and boost agricultural productivity. Announced by Agriculture Secretary during a rice consultative conference, the initiative also includes introducing modern Transplanters and harvesters. Rice is cultivated on about 6 million acres in Punjab annually. The government aims to increase rice exports and support farmers with modern tools and techniques, while ensuring the use of only approved pesticides. Farmers, exporters, and agricultural experts participated in the conference, and their input will shape future departmental plans.

*Source: [www.brecorder.com](http://www.brecorder.com)*

## ZTBL NEWS

### **ZTBL Converts Conventional Deposit taking branch Johar Town (Lahore) into Islamic Banking Branch**

With SBP's approval to convert 10 branches, ZTBL has transformed its Johar Town (Lahore) Deposit Taking Branch into an Islamic Banking Branch. The Islamic Banking Group will coordinate with relevant divisions to ensure smooth operations.

### **ZTBL Shifts Mirpurkhas City Branch to Naukot Branch**

ZTBL has announced the shifting of its Mirpurkhas City Deposit Taking Branch (Umerkot Road) to Naukot Conventional Branch under the same region. All deposits and lockers of the Mirpurkhas City branch have been transferred to the adjacent Mirpurkhas branch. Additionally, MCO Circle No. 58 (Loan Portfolio/Deposit) of Digri Branch has been reassigned to Naukot Branch.

### **ZTBL Implements eKYC Consent Form in Account Opening**

ZTBL has introduced an eKYC Consent Form as part of its account opening process in line with Pakistan Banks' Association directives and regulatory best practices. The form allows sharing and receiving customer KYC data between banks and regulators to strengthen compliance and efficiency. For branches using physical account opening forms, obtaining a duly signed eKYC Consent Form is mandatory before approval. All branches are instructed to educate customers, maintain signed forms securely, and ensure full compliance, with immediate effect.

### **SKMCH&RC Enlisted on ZTBL Approved Medical Panel**

ZTBL has added Shaukat Khanum Memorial Cancer Hospital & Research Centre (Lahore and Peshawar), along with its franchised/self-owned diagnostic and collection centers, to its approved medical panel for

cancer treatment on a credit basis with prior approval from Head (MSD), HO Islamabad. Treatment for non-cancer diseases may also be availed on cash terms, with reimbursement made at Shifa International Hospital's rates, while any excess cost will be borne by the employee.

### **ZTBL Issues SOPs for Customer and Transaction Due Diligence**

ZTBL has issued Standard Operating Procedures (SOPs) for branches and regional offices to strengthen compliance with SBP regulations and the Bank's AML/CFT/CPF framework. The SOPs prohibit structuring of transactions to avoid CTR reporting, require prompt reporting of unusual activities to TMU, and mandate updating of e-KYC profiles with verified income sources. Branch and regional managers will be held accountable for compliance breaches, while responses to AML queries must be submitted within three working days. An escalation matrix has also been outlined to ensure timely resolution and proper documentation of customer transactions.

### **Financing Scheme for Agri. Tourist Outlets & Orchards**

ZTBL Islamic Banking Group has launched a financing product to promote tourism and agriculture by supporting the establishment of Agri. Tourist Outlets and orchards. The scheme offers financing up to PKR 2.5 million with a minimum 10% self-contribution, secured through Shariah-compliant collateral. Eligible farmers include both new and existing creditworthy customers, subject to clear e-CIB and ORR requirements. Repayment terms vary by scheme, ranging from 5 to 10 years depending on the orchard type or tourist outlet. Financing will be sanctioned by Credit Review Department, with disbursements made directly to customers or suppliers, and utilization monitored by branch staff, recovery managers, and internal auditors.