

## CHAPTER-IV

### DEVELOPMENT OF PHYSICAL INFRASTRUCTURE

In the adoption of a strategy for the achievement of any meaningful development, a well planned physical infrastructure is of great significance. To bring about progress and to increase economic activity, it is necessary to have a well laid system of roads, telecommunication, post and telegraph offices. The transport and communication, as a vital infrastructure of the economy, plays a key role in any scheme of economic development and social progress.

The improved transport and communication system, also encourages the social development in a society. It encourages the mixing and mingling of the people. Mind has impact upon mind, resulting in stimulation of mental process, relaxing the conservative traditions and encouraging a progressive outlook in people and their affairs. It promotes the spread of education, makes medical relief possible, wherever necessary, and enrich the material, intellectual and moral patterns of the social life of the people.

Infrastructural facilities are not only a symbol of economic development, but also indispensable for the socio-political advancement of backward areas. It is a vital sector from the strategic point of view, because transport facilities allow quick movement of armies and equipment to strategic points, making the defence of the country more effective and economical. These physical infrastructural facilities also help in the maintenance of law and order.

The development of transport facilities in the Tribal Areas has the highest priority. These areas have remained inaccessible in the past and successive development plans have aimed at opening up

of these regions. The Government is of the opinion that the requirement of the road system in the Tribal Areas, must be based on population density, the terrain, its economic potential and other considerations in order to improve the traffic flow in the future. As in other sectors, the Government has decided to adopt a non-economic criteria of one kilometer of road per square kilometer of area for the long term development perspective.

### ROAD DEVELOPMENT IN FATA

The density of roads in the Tribal Areas is not too far below the national average. It is of course, much lower than that of Azad Kashmir which has similar terrain and topographical conditions. The overall availability of roads in the Tribal Areas is 0.12 kilometers per square kilometer as against 0.13 kilometers per square kilometer in Pakistan and 0.27 kilometers per square kilometer in Azad Kashmir.<sup>1</sup> This points to the need for increasing the road mileage in the Tribal Areas which are deficient in road facilities.

According to the 1971-72 figures, an expenditure of Rs. 1.038 million was incurred in the communication sector which increased to Rs. 4.000 million in 1972-73 and to Rs. 5.450 million in 1973-74.<sup>2</sup>

In the year 1970-71, there were 286 miles metalled and 937 miles shingled roads in the entire Tribal Areas.<sup>3</sup> The investment in the communication sector increased from Rs.55.155<sup>4</sup> million in 1974-75 to Rs.150 million in 1984-85 and to Rs.185.470 million in 1988-89.<sup>5</sup>The total length of roads has shown a remarkable increase since 1975. The progress has been very profound in the case

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<sup>1</sup> FATA Development Statistics 1988-89, P.1.

<sup>2</sup> Economic Review of FATA, 1970-80, P. 97.

<sup>3</sup> Important Statistics (FATA), States and Frontier Regions Division Islamabad, 1980, P.52.

<sup>4</sup> Economic Review of FATA 1970-80, P.97.

<sup>5</sup> Todate Investment in FATA, FATA-DC, Peshawar, 1989 PP.5-128.

TABLE-9

## ROAD DEVELOPMENT IN FATA 1973-89

(kilometers)

Agency/F.R.	1973-74-----To -----1988-89							
	Metalled Road	Shingled Road	Total Road	Area in km	Metalled Road	Shingled Road	Total Road	Road per sq. km of Area
F.A.T.A	564.34	1500.36	2064.70	27220	1914	1655	3569	0.13
Bajawar	-	47.47	47.47	1290	112	88	200	0.16
Mohmand	32.99	29.11	62.10	2296	156	109	265	0.12
Khyber	84.91	452.78	537.69	2576	182	404	586	0.23
F.R. Peshawar	-	12.87	12.87	261	65	11	76	0.29
F.R. Kohat	21.73	-	21.73	446	66	13	79	0.18
Orakzai	4.83	154.24	159.07	1538	216	125	341	0.22
Kurram	88.51	201.52	290.03	3380	249	206	455	0.13
N/Waziristan	133.57	164.95	298.52	4707	340	130	470	0.10
F.R. Bannu	13.28	134.99	148.27	877	100	123	223	0.25
S/Waziristan	184.52	169.66	354.18	6620	343	316	659	0.10
F.R. D.I.Khan	-	132.77	132.77	3229	85	130	215	6.07

## Sources:-

- (i) Socio Economic Indicators of FATA 1990.
- (ii) FATA Development Statistics 1988-89.
- (iii) Chief Engineer, (Development) Govt. of NWFP Peshawar.
- (iv) FATA Annual Development Programmes 1974-89.

metalled roads, the length of which increased more than five times.

According to the 1975 figures, 656.68 kilometers of metalled and 1512.04 kilometers of shingled roads were in existence in the Federally Administered Tribal Areas.<sup>1</sup> During the decades of 1960 and 1970, the priority was for the shingled roads for bringing the isolated pockets of the region into the main stream of national economy, and as such, road improvement programmes were carried out, to meet the expected traffic demand. During the decade of eighty, development was concentrated on the upgrading of existing roads, construction and improvement of road bridges, construction of secondary and feeder roads, for linking the far flung areas with the Tehsil and Agency Headquarters. Due to these efforts, the situation improved, and road network in the FATA, now stands at 3189.65 Kilometers consisting of 1601.66 kilometers of metalled roads and 1587.99 kilometers of shingled roads.<sup>2</sup>

One of the most interesting feature of the national economy has been that, transport in private sector in NWFP, is by and large, in the hands of the Tribesmen. They have shown tremendous energy and zeal in this particular activity. The Government encourages this performance on account of its implications for the economic integration and social uplift of the Tribal Areas.

#### ROAD DEVELOPMENT IN MOHMAND AGENCY

During the British period, a last attempt to build a road through the Mohmand Area was made during the 1933 and 1935 Campaigns. The Mohmands rejected the road totally and since that time the Yousaf Khel Mandi at the bottom of Nahqi range remained the symbol of a final barrier. There was no road beyond the Nahqi Pass in the Mohmand Agency till 1974-75.

In 1975, there was a single road which connected the only commercial centre, the Mian Mandi of Gandhab (Mohmand Agency) with

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<sup>1</sup> FATA Development Statistics, 1988-89, P.267.

<sup>2</sup> Ibid., P. 273.

the main market of Shabqadar Fort in the Charsaddah District. According to the 1974 figures, there were 62.10 kilometers-32.99 metalled and 29.11 Kms shingled roads in the Mohmand Agency.<sup>1</sup>

In Mohmand Agency, the major achievement has been the opening of the Yousaf Khel - Nawagai Road through the hitherto inaccessible area of Safi Mohmands, negotiated during 1972-73. In October, 1973, the Nahqi Pass, for the first time in the history, was crossed by Pakistani Officials, entering into the Kamali Halimzai area. Until then, neither the Pakistani Flag nor an officer had ever been seen, north of the Nahqi Pass.<sup>2</sup> The 42 Kms long road between Mian Mandi Gandhab and Nawagai on the border of Bajawar Agency was completed between 1974-75, without a single shot being fired. In 1975, half a dozen passenger buses were plying the shingled road between Lakaro and Gandhab in Mohmand Agency.

Mohmand Roads were allocated a sum of Rs. 18.000 million during 1974-75.<sup>3</sup> During the same year, another important achievement, was the construction of 18 Kms long road from Yousaf Khel- Nawagai road to the Nawa Pass, which is the most important strategic point on the Pak-Afghan Border."<sup>4</sup>

Between 1975 and 1985, an amount of Rs. 107.828 million<sup>5</sup> was provided in the Annual Development Plans (ADPs) for the improvement of existing roads and construction of new roads in the Mohmand Agency. The result has been very encouraging and by 1985, there were 237.18 kilometers-138.92 kms of metalled and 98.26 kms of shingled roads in the Mohmand Agency.<sup>6</sup>

<sup>1</sup> Ibid., P. 267.

<sup>2</sup> Ahmed, Pukhtun Economy and Society, P.399.

<sup>3</sup> Ibid., P. 340.

<sup>4</sup> Ahmed, The Tribal Areas , P.58.

<sup>5</sup> Todate Investment in FATA, P. 85.

<sup>6</sup> FATA Development Statistics, 1988-89, P.273.

TABLE-10

YEAR-WISE ALLOCATION OF FUNDS FOR THE DEVELOPMENT  
OF COMMUNICATION SECTOR IN MOHMAND AGENCY 1976-89

(Rs. in Million)

Financial Year	Allocation Mohmand Agency	Total Allocation FATA
1976-77	7.715	73.636
1977-78	7.904	55.102
1978-79	11.528	63.174
1979-80	11.287	75.921
1980-81	06.200	72.100
1981-82	10.652	65.130
1982-83	08.302	124.000
1983-84	10.975	126.000
1984-85	15.265	150.000
1985-86	14.290	153.400
1986-87	20.599	212.982
1987-88	19.034	238.000
1988-89	13.166	185.470

Sources:-

(i) FATA-Development Corporation, NWFP, Peshawar.

(ii) FATA-Annual Development Programmes 1976-89.

The road building activity has generated great economic activity. One of the concessions, the Government makes in this regard is that, contracts are, by and large, awarded to the tribesmen and labour employed from the local tribal sections, through whose territory, the road passes. For instance, the road leading to the Danishkool Valley through the Pindiali area ensured new economic opportunities to the Pindiali Mohmands in their own area.

The opening of roads, has generated a host of development activities such as construction of schools, dispensaries and the expansion of electric power in the remote areas of the region.

### Main Roads (Metalled)

The only means of access to the greater portion of the Mohmand Agency is the road, which leads from Shabqadar Fort to Mian Mandi Gandhab. It is a good black topped road of 32 kms with a width of 9.75 meters and meets the requirements of the present traffic. Passenger buses, trucks and cars can travel on this road at substantial speed, without danger, except at Karappa Pass, where steep slopes are encountered. The Gandhab- Nawagai Road is 42 Kilometers black topped with a formation width of 9.75 meters. It is safe at high speed, except at Nahqi Pass where the steep slopes and sharp turns break down the speed. In this rough topography, busses and loaded trucks are slowed down to creep and become overheated and stall.

Another road worth mentioning is Karappa Danishkool road passing through the Pindiali Tehsil. It is 23 kilometers long with a formation width of 7 to 9 meters. This road hardly deserves to be classified with the first two, yet it is superior to the other roads of the region.

Another important road of the area, is Shewa-Nawa Pass road. It is 18 kilometers long with a formation width of 9.75 meters. It facilitates the movement of military transport to the important Nawa Pass on the Pak-Afghan Border.

The other roads in Mohmand Agency are small, ranging from 2 to 8 kms which connect the scattered villages with the main trade

TABLE-11

YEAR-WISE DEVELOPMENT OF ROADS IN MOHMAND AGENCY 1973-86

Year	Metalled Road	Shingled Road	Total in Kms.
1973-74	32.99	29.11	62.10
1974-75	61.96	80.61	142.57
1975-76	66.79	84.31	151.10
1976-77	96.50	60.90	157.40
1977-78	108.08	58.48	166.56
1978-79	112.91	53.65	166.56
1979-80	112.91	66.69	179.60
1980-81	106.62	75.80	182.42
1981-82	106.61	75.31	181.92
1982-83	106.62	99.33	205.95
1983-84	110.82	105.92	216.74
1984-85	116.25	103.35	219.60
1985-86	138.92	98.26	237.18

Sources:-

(i) FATA Development Statistics, 1988-89.

(ii) Socio Economic Indicators of FATA, 1990.



TABLE-12

## POSITION OF METALLED ROADS IN MOHMAND AGENCY 1990

S.No	Name of the Road	Length in Kms.
1	Shabqadar Fort-Pir Qilla-Gandhab-Yousaf Khel Road.	32.991
2	YousafKhel-Lakarai-Nawagai Road.	38.610
3	Shewa-Nawa Pass Road.	18.000
4	Karappa-Pindiali-Garang-Danish Kool Road.	22.526
5	Garang-Kota Trap Road.	8.298
6	Mian Mandi- Khapakh Road.	9.991
7	Mian Mandi by Pass Road.	2.000
8	Chanda-Babi Khel Road (Ghallanay Area).	2.000
9	Kassai-Hamid Khan Qilla-BadiSia-Prata SurDag Road.	6.000
10	Lakaro-Turangzai Baba Road.	2.000
11	Habibzai-Ataullah Kor Road.	7.750
12	Michni-Kass Kor-KhatkiSharif Road.	6.451
13	Badikor-Mateen Koor- Darwazgai Road.	4.838
14	Rawalkor-Sapari-Gorgorai Road.	19.145
15	Michni Rest House-Dab Kor-Banglow Road.	6.451
16	Qilla Shah Beg-Dag Road (Michni).	4.838
17	Abazai-PrangGhar Road (Utman Khel).	8.000
18	PrangGhar-IsaBaba Road (Utman Khel).	2.500
19	Mohmand Blockade Road Phase-II.	16.500
20	Internal Road in Ghallanay Colony (Headquarter).	2.816
	Total Roads	221.705

## Sources:-

- (i) Executive Engineer (Dev) C & W Department, Ghalanay, Mohmand Agency.
- (ii) FATA Annual Development Programmes, Planning and Development Department, Government of NWFP, Peshawar.

TABLE-13

POSITION OF SHINGLED ROADS IN MOHMAND AGENCY 1990.

S. No	Name of the Road	Length in Kms.
1	KotaTrap- InzariKandow Road.	29.322
2	DanishKool-YakhDand Road.	12.067
3	HabibZai- YakhDand Road.	07.067
4	DandoKandow-Ziarat Road.	1.207
5	ShewaMitai-KagaPund Road.	5.229
6	Shewa-SheikhIsmail Road.	0.804
7	KuzChamarkand-Serai-NawaPass Road.	9.975
8	MichniKhwar Road.	1.207
9	SubhanKhwar Link Road.	2.414
10	Mansuka Link Road.	0.548
11	AtoKhel-GateWarsak Road.	5.229
12	HakimKhan-Koroona-PrangGhar Road.	9.380
13	Kirrah-NawiKilli-RangMena Road.	9.413
	<hr/> Total Shingled Roads.	<hr/> 93.862

Sources:-

- (i) Executive Engineer (Dev), C & W Department, Ghalanay, Mohmand Agency.
- (ii) FATA Annual Development Programmes, Planning and Development Department, Government of NWFP, Peshawar.

and transport centers in the region. The main areas of difficulty in transportation are the numerous rain nullahs (water courses). In rainy season, floods in these dry water courses, wash out bridges in the steep slopes and cause difficulty. The labourers are then employed to keep the roads open for travel. On the main roads, there are numerous stretches and bunds, causing it to be quite rough and dangerous for driving at high speed, even in good weather.

### Shingled Roads

The next category of roads in the Mohmand Agency, are shingled roads. These are difficult to travel except by four-wheel drive vehicles in good condition. These roads are, called roads only in the limited sense of the word. They, however, form a skeletal network, connecting nearly all isolated parts of the Agency.

The main shingled roads in the Mohmand Agency are Danishkool - Yakh Dand Road with a length of 12.000 kilometers, which links the Isa-Khel Danishkool Valley with Yakh Dand. Another shingled road is Kota Trap-Inzarai Kandow road (29.322 kms) which leads to the main Garang-Danishkool Road.

The other important shingled roads are Abazai Head at Swat River to Prang Ghar, Hakim Khan Koroona to Prang Ghar and Kirrah to Rang Mina via Nawi Killi in the Utman Khel Tehsil.

The next important graveled road is from Kuz Chamarkand to Nawa Pass (10 Kms) via Sarai. Travel is difficult and unpleasant on these shingled roads through-out the year. During rains, these roads including the countryside, become a sea of clay-mud. During the clear seasons of the year, the dust is thick and the numerous nullahs, bunds and embankments across the road, make the travel difficult.

According to the 1974 figures, there existed 29.11 kilometers of shingled roads in the entire Mohmand Agency.<sup>1</sup> The length

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<sup>1</sup> FATA Development Statistics 1988-89, P.267.

increased to 98.26 kilometers during the year 1985-86.<sup>1</sup>

However, inspite of the above developments, the road network is still inadequate in meeting the needs and requirements of the region.

#### MEANS OF COMMUNICATION - POSTAL SERVICE

The programme for the development of tele-communication and postal facilities in the Tribal Areas have also received substantial Government investment. The importance of communication links in this thinly populated but vast region is too obvious. At present, most of the Agencies and large villages have telecommunication facilities. The pressure on these facilities is increasing with the passage of time, due to the requirement of contact, with people working in other parts of the country, and abroad.

During the first twenty five years, the postal service facilities were extremely inadequate in the Tribal Areas. According to the 1970-71 figures, there were only 40 post offices in the Tribal Areas as against 930 post offices in NWFP and 7000 post offices in Pakistan.<sup>2</sup> The share of FATA in these facilities was 4.05 percent of NWFP and 0.51 percent of Pakistan.<sup>3</sup> There has been a considerable progress since 1970 in the postal service. The number of post offices increased from 40 in 1970 to 77 in 1975 and to a more significant number of 167 in 1985-86.<sup>4</sup> However, the postal facilities in the Tribal Areas appears to be negligible when compared with the facilities of the settled areas of Pakistan. There has been 50 percent increase in the number of post offices between 1947 and 1982 in the Tribal Areas as against 275 percent

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<sup>1</sup> Ibid., P.273.

<sup>2</sup> Ibid., P. 279.

<sup>3</sup> Ibid., P. 279.

increase in the number of post offices in Pakistan.<sup>1</sup> Each post office in the developed regions, on an average serves an area of 72 square kilometers and a population of 7,489 persons.<sup>2</sup>

As against this, a post office in the Tribal Areas on an average caters for the needs of an area of 220 square Kms and a population of 13168 persons, as there were 167 post offices for a population of 21,99,000 persons in 1985.<sup>3</sup>

According to the 1970 figures, there were only three post offices in Mohmand Agency which increased to six during the year 1975-76.<sup>4</sup>

The 5th Five Year Plan (1978-83) provided for a rapid expansion in the number of post offices. It proposed to open 600 post offices annually - 500 in rural areas and 100 in the urban centres.<sup>5</sup> For this purpose an amount of Rs. 180.000 million was allocated in the Fifth Five Year Plan.<sup>6</sup> Due to these measures, the situation improved and in 1982-83, there were 12 post offices in Mohmand Agency.<sup>7</sup> By the year 1985-86, seven post offices were upgraded as Telegraph offices. The situation further improved by 1986-87, and now there are 10 telegraph offices mainly located in Tehsil and Agency Headquarters.<sup>8</sup> By June, 1990, more branches of post offices were opened for providing postal services to the people in the region.

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<sup>1</sup> M.L Qureshi, Planning and Development in Pakistan, Review and Alternates 1947-82, Lahore, 1984, P.80.

<sup>2</sup> Ibid., P. 80.

<sup>3</sup> FATA Development Statistics 1988-89, P.278.

<sup>4</sup> Ibid., PP. 274-75.

<sup>5</sup> Qureshi, Op.cit., P.81.

<sup>6</sup> Pakistan: An Official Handbook 1978-81, PP.214-15.

<sup>7</sup> FATA Development Statistics 1988-89, P. 277.

<sup>8</sup> Ibid., P. 278.

TABLE-14

NUMBER OF POST AND TELEGRAPH OFFICES IN PAKISTAN, NWFP AND FATA 1970-86

YEAR	Pakistan		NWFP		FATA		FATA % of Pakistan		FATA % of NWFP	
	Post Office	Teleg. Office.	Post Office	Teleg. Office	Post Office	Teleg. Office	Post Office	Teleg. Office	Post Office	Teleg. Office
1970	7006	-	930	-	40	-	0.51	-	4.05	-
1971	7860	-	995	-	48	-	0.61	-	4.82	-
1972	7904	-	1040	-	50	-	0.63	-	4.81	-
1973	8140	210	1070	-	64	-	0.79	-	5.95	-
1974	8749	215	1159	-	77	-	0.88	-	6.64	-
1975	9043	219	1209	-	83	-	0.92	-	6.87	-
1976	9586	221	1321	-	96	-	1.00	-	7.27	-
1977	9886	223	1389	-	99	-	1.00	-	7.13	-
1978	10448	231	1502	-	105	-	1.00	-	7.00	-
1979	11088	237	1610	-	119	-	1.07	-	7.39	-
1980	11238	252	1614	-	121	-	1.08	-	7.50	-
1981	11388	278	1659	-	127	-	1.12	-	7.66	-
1982	11528	294	1721	35	138	1	1.20	0.34	8.02	2.86
1983	11698	310	1723	39	148	2	1.21	0.65	8.24	5.13
1984	11898	341	1607	41	163	2	1.37	0.59	10.14	4.88
1985	12006	387	1633	83	167	5	1.39	1.42	10.23	6.02
1986	12116	420	1653	48	166	-	1.37	-	10.04	-

Sources:-

- (i) 10 Years of Pakistan in Statistics 1972-82.
- (ii) Pakistan Statistical Year Book, Islamabad.
- (iii) Post Master General Peshawar, NWFP.
- (iv) Pakistan Economic Survey 1984-85.
- (v) FATA Development Statistics 1988-89.

The main post office of the region is located at Ghalanay, the Agency Headquarter. It has a number of branch post offices located at Mian-Mandi, Yousaf-khel, Haji Yar-Jan Killi, Ucha-Jawara, Sandokhel, Gazi-Beg and Lakarraai.

Some branch post offices have also been opened in the Ekka-Ghund Tehsil which are working under the control of the Shabqadar Head Post Office of the Charsaddah District. The branch post offices are also located, at Ekka-Ghund, Pindiali Tehsil, Pir-Qilla and Zarif Koroona in Tarakzai Area.

The post office at Nawagai is a branch of the main post office of the Bajawar Agency, which provides postal services to the Tribes in the north of the Mohmand Agency.

Inspite of the above developments, the office premises in many areas are inadequate and substandard, and postal services are not available in far flung villages of the region.

#### TELE COMMUNICATION SERVICE

##### Telegraph and Telephone Service

Before 1980s, tele-communication network hardly existed in the Tribal Areas. The need for developing quick means of communication was realized after 1980, for bringing these areas within the sphere of economic development. Therefore, work on the development of telegraph and telephone services was started immediately. Most of the telegraph offices were combined with the post offices, in the Tehsil and Agency headquarters.

According to the 1982-83 figures, in the entire Tribal Areas, there was only one telegraph office located in South Waziristan Agency, which increased to two in 1984-85.<sup>1</sup> However, during the financial year 1985-86, tremendous progress was made in this sector and 165 more telegraph offices were opened in the seven Agencies and four Frontier Regions.<sup>2</sup> According to the figures of 1985-86,

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<sup>1</sup> Ibid., P. 277.

<sup>2</sup> Ibid., P. 278.

there were five telegraph offices in Mohmand Agency, the number of which increased to ten during the year 1986-87, mostly by upgrading the existing post offices located at the Tehsil and Agency headquarters.<sup>1</sup> These telegraph offices, now provide services to the tribesmen at their door steps, to send or receive important messages from their relatives. They have been relieved of the pains to approach the urban centres in the settled areas, where these facilities were available.

The facilities of telephone connections in the Tribal Areas are, however, grossly inadequate. According to the 1981-82 figures, there were twelve telephone exchanges, one automatic and eleven manual with a total number of 761 telephone connections and fifteen public call offices in the entire Tribal Areas.<sup>2</sup>

The situation improved by 1985-86, and now there are twenty telephone exchanges with 1783 telephone connections in FATA.<sup>3</sup>

According to the 1981-82 figures, there was only one telephone exchange with 48 telephone connections mainly in the Tehsil and Agency headquarters in Mohmand Agency.<sup>4</sup> The number of telephone connections increased to 104 in the year 1985-86. During the year 1986-87, two more exchanges were installed, one each at Pir Qilla and Nawagai. The Agency headquarter Ghallanay enjoys the highest priority in STD and Non-STD Telephone facilities, followed by the EkkaGhund Tehsil. The exchange at Pir Qilla has 25 local connections which are likely to be increased in the near future. Similarly the Nawagai exchange in the upper Mohmand Area has a capacity of 20 telephone connections which is likely to be increased in due course of time.

In spite of the above described developments, the facilities of telephone connections fall short of the requirements. According to

<sup>1</sup> Ibid., P 278.

<sup>2</sup> Ibid., P. 281.

<sup>3</sup> Ibid., P. 285.

<sup>4</sup> Ibid., P. 281.



TABLE-15

## TELE-COMMUNICATIN SERVICE OPPERATION IN FATA 1989-90

Agency/Frontier Region	1981-82		1986-87		1989-90	Population Per Telephone
	Exchange	Connection	Exchange	Connection	Connection	
FATA	12	761	18	2266	3383	851
Bejawan Agency	1	48	2	107	372	1018
Mohmand Agency	1	8	3	55	136	1579
Khyber Agency	2	169	3	759	1017	366
F.R. Peshawar	-	-	-	-	-	-
F.R. Kohat	-	-	1	109	103	728
Orakzai Agency	1	99	3	532	-	-
Kurram Agency	2	232	4	601	788	489
North Waziristan	5	205	-	-	715	438
F.R. Bannu	-	-	-	-	3	34549
South Waziristan	-	-	1	84	239	1695
F.R. D. I. Khan	-	-	1	19	10	11265

Sources:-

- (i) FATA Development Statistics 1988-89.
- (ii) Socio Economic Indicators of FATA 1990.
- (iii) Pakistan Telegraph and Telephone Department NWFP.

the 1990 estimates, the population of Mohmand Agency has increased to 215,000<sup>1</sup> While there were only 136 telephone connections according to the 1989-90 figures.<sup>2</sup> Thus on an average, in Mohmand Agency, there is one telephone connection for about 1579<sup>3</sup> persons as against one telephone connection available to 196 persons in the country as a whole.<sup>4</sup>

With the increase in development activities, the need for providing convenient postal and tele-communication facilities also increases. There is a special need of these services in some of the areas which are still inaccessible.

### POWER SECTOR

Electricity means development in the economic as well as in social sector. The contribution of electricity to an increase in production, to modernization of the economy and to the provision of various essential services to the community, is undeniable. There is an urgent need for meeting the increasing demand of electricity in the Tribal Areas for its economic development and social progress. In the Tribal Areas, Tube-wells and irrigation schemes substantially increase cultivation, which brings prosperity and better standard of living. The execution of schemes regarding extension of power to the Federally Administered Tribal Areas is the responsibility of the Water and Power Development Authority (WAPDA). Electric power has now reached nearly every Agency of the Tribal Areas. However, the hydro-electric potential in FATA is very limited. The power supply programme is thus based mainly on the development of national grid system.

<sup>1</sup> Socio Economic Indicators of FATA 1990, P.1.

<sup>2</sup> Ibid., P.22.

<sup>3</sup> Ibid., P.22.

<sup>4</sup> Government of Pakistan, Social Indicators of Pakistan, Statistics Division, Islamabad, 1985, for National Data.

TABLE-16

YEAR-WISE ALLOCATION OF FUNDS FOR THE DEVELOPMENT  
OF POWER SECTOR IN MOHMAND AGENCY AND FATA 1974-89

(Rs. in Million)

S.No	Financial Year	Allocation Mohmand Agency	Total Allocation FATA
1	1974-75	1.600	13.473
2	1975-76	1.785	11.785
3	1976-77	1.500	15.884
4	1977-78	1.500	23.497
5	1978-79	3.298	23.808
6	1979-80	4.595	28.676
7	1980-81	3.533	26.700
8	1981-82	3.495	23.080
9	1982-83	5.000	46.900
10	1983-84	9.340	57.000
11	1984-85	7.529	65.007
12	1985-86	3.500	66.700
13	1986-87	6.600	75.596
14	1987-88	6.405	92.409
15	1988-89	7.700	102.997
	Grand Total	67.380	673.512

Sources:-

- (i) FATA-Annual Development Programmes, Planning and Development Department, Government of NWFP, Peshawar.
- (ii) FATA-Development Corporation, Peshawar.
- (iii) Planning Cell, Ministry of Finance, Islamabad.

The allocations made for power development in FATA was Rs.0.412 million in 1971-72,<sup>1</sup> which increased to Rs. 13.473 million in 1974-75 and to Rs.66.700 million in 1985-86.<sup>2</sup> Between 1947 and 1970, only 42 villages were electrified, mostly in the Frontier Regions of the Tribal Areas, but the number increased to 102 villages in 1975-76 and to 1874 villages in 1985-86.<sup>3</sup> It was further increased to 2885 villages by June 1989.<sup>4</sup> By June, 1990, substantial progress had been made in the supply and development of electric power in the Tribal Areas. According to the 1989-90 figures, five grid stations and 2259 transformers were installed in the region while for the transmission and distribution of electricity to the scattered villages, High Transmission (H.T.) lines were strung over 2310 kilometers and Low Transmission (L.T.) lines were strung over an area of 2185 kilometers in the entire Tribal Areas.<sup>5</sup>

The distribution system in the Tribal Areas has been covered by the secondary transmission lines of 11 and 33 K.V. The grid system has been given highest priority in order to expand village electrification programmes in the region .

As far as, Mohmand Agency is concerned, an allocation of Rs. 1.600 million was made in 1974-75.<sup>6</sup> This provided for the expansion of High Transmission (H.T.) lines over 12 kilometers and Low Transmission (L.T.) lines over an area of 27 kilometers, for

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<sup>1</sup> Government of NWFP, Economic Review of FATA, 1970-80, Peshawar, 1980, P.94.

<sup>2</sup> Todate Investment in FATA, P.5.

<sup>3</sup> FATA Development Statistics 1988-89, P. 266.

<sup>4</sup> Agency-wise Socio Economic Indicators of FATA 1990, Peshawar, 1990, P. 21.

<sup>5</sup> FATA Development Report (Unpublished), Presented to 52 Members Delegation of FATA, in their meeting with the President, on 10th October, 1990.

<sup>6</sup> Todate Investment in FATA, P. 36.

TABLE-17

## VILLAGE ELECTRIFICATION IN FATA 1976-90

Agency/ Frontier Region	1976-76	1986-87	1988-90	Domestic/Co mmercial	Industrial	Tube-wells	Total	Percen- tage with FATA
	Villages Electrified	Electric Connection	Villages Electrified	Connections	Connec- tions	Connec- tions	Connec- tions	
Bajawar Agency	12	5268	273	6782	58	95	6936	6.32
Mohmand Agency	20	7806	488	7234	259	449	7342	11.13
Khyber Agency	18	14600	497	14685	463	113	16261	21.37
F.B. Peshawar	-	1921	204	1930	8	2	1940	2.72
F.R. Kohat	-	6933	183	6696	160	104	6849	9.60
Orakzai Agency	13	520	310	1203	5	6	1216	1.70
Kurram Agency	27	12294	269	15419	84	2	16505	21.72
N.W. Agency	43	5220	170	6862	171	55	7091	9.93
F.R. Banna	-	1623	125	1722	95	6	1823	2.65
S.W. Agency	3	5530	287	7572	73	83	7828	10.97
F.R. D.I. Khan	-	-	48	-	-	-	-	1.70
FATA	136	63206	2885	69093	1368	818	71380	-

## Sources:-

- (i) Economic Review of FATA 1970-80, P & D. Department, Government of NWFP, Peshawar.
- (ii) FATA Development Statistics 1988-89.
- (iii) Socio Economic Indicators of FATA 1990.

the electrification of 19 villages.<sup>1</sup> In due course of time, more villages were electrified, 13 in (1976-77), 11 in (1977-78) and 32 in (1978-79).<sup>2</sup> Thus by 1980, 32 villages were provided electricity in Mohmand Agency out of a total number of 635 villages electrified in the entire Tribal Areas.<sup>3</sup>

The total allocation made between 1975 and 1988 for the development of power sector in the Mohmand Agency reached the extent of Rs. 67.380 million.<sup>4</sup> The physical achievement during this period was substantial. By 1988-89, 498 villages were electrified with a total number of 7942 connections - 7234 domestic, 259 industrial and 449 Tubewell connections provided in the Mohmand Agency.<sup>5</sup>

At present, there is only one grid station located at Ghallanay, which is the headquarter of the Agency. Electricity has been provided to the villages, mostly located near the main roads and in the administrative centres. There are a large number of villages, specially in the Kamali Zone, upper Mohmand Area and Utman Khel Tehsil, which are yet to be electrified. According to the 1981 census, there were 22,770 housing units in the Mohmand Agency, out of which only 3868 housing units were provided electricity while majority i.e.18807 housing units were using kerosine oil.

The migration of the tribal people to the developed centres within the country and Gulf States has made the use of electric appliances very common in the Tribal Areas. This points to the need for more supply of Electric Power in the region.

<sup>1</sup> Economic Review of FATA, 1970-80, Peshawar, 1980, P. 108.

<sup>2</sup> Ibid., P. 109.

<sup>3</sup> FATA Development Statistics 1988-1989, P. 266.

<sup>4</sup> Todate Investment in FATA, 1971-89, P. 36.

<sup>5</sup> Agencywise Socio-Economic Indicators of FATA, Peshawar, 1990, P. 21.

## MARKETING INFRASTRUCTURE

No well organized marketing structure exists in the Tribal Areas, the reason being that ideal Pukhtun settlements do not allow market development. A well organized marketing structure implies connections and links with trading networks of larger state systems and the opening of formally closed system. It also implies dependence on external systems. On the other hand, the economic activities in the Tribal Areas are connected with its traditional social structure. "The Pukhtun model, thus consciously rejects the presence of a focal and central market place with its socio-economic ramifications. By remaining closed, it remains self sufficient and therefore can perpetuate its unencapsulated (unchanged) condition.<sup>1</sup>

The lack of adequate transport and communication facilities have also limited the expansion of marketing structure in the Tribal Areas, thus making an increased level of social and economic activity impossible.

The functions of a market mainly depend on two sectors i.e. public sector and private sector. There is a very clear distinction in marketing between the public and private sectors in the Tribal Areas. The public sector relies mainly on markets, outside FATA, such as Peshawar and other cities of the country, while the private sector and general public carry on most of the business within the Tribal Areas as well as with the other developed regions of the country.

There are large funds at the disposal of Provincial and Federal Government organizations for capital and recurring expenditure. In public sector, under the Annual Development Programmes (ADPs), increasing amounts are being allocated for the development schemes in the Tribal Areas. Thus a number of goods like machinery, bulldozers, tubewell equipment, road building equipment, communication and electrical goods and raw material etc, are required by the Government for its various projects. All

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<sup>1</sup> Ahmed, Pukhtun Economy and Society, P. 297.

the equipment and most of the raw material are procured from outside FATA such as Peshawar or from other markets of the country. Some products such as building material, small electric items and furniture etc, are purchased locally. The amounts involved, however, are very small and purchases are mostly of daily use. The non-development expenditure in FATA is also considerable. This relates to the expenses for defence installations, accounts units and for nation building departments, like education and health etc. As the administration of the region has some special considerations, the expenditure on the maintenance of law and order is also considerable. The contractors engaged in various development schemes and projects, also prefer to obtain their supplies from the big towns and cities of the NWFP, simply because these places have stocks of the required goods.

### Mohmand Markets

The products of Mohmand Agency are few and rough. These include grain, firewood, grass, charcoal, ropes, honey, cattle from the hills and mats of maziri from Piniali and Ambar. Through Mohmand Agency, comes to Pakistan the timber wood from Chitral, Kunar and Laghman floating on the Kabul River and from Dir and Swat on the Swat River. The other products of Mohmand Agency are hides, wax, ghee, hawks, and falcons etc.

Mian Mandi Gandhab is the main market in the Mohmand Agency. "Most of the smuggling to and from Afghanistan across the International Border of the Agency begins and ends at the Mian Mandi and long trails of camels, mules and donkeys can be seen entering and leaving the Mian Mandi daily."<sup>1</sup> Before 1974, some clans of Mohmands alongwith some Ghilzai Kuchis, monopolized the camel carrying trade between Mian Mandi Gandhab and Lalpura, Chagha-Serai and Jalalabad in Afghanistan. Since the development activities that began in 1974, Mian Mandi has become a busy market centre. From Mian Mandi, wheat, rice, sugar and vegetable oils are

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<sup>1</sup> Ibid., P.299.



taken to Afghanistan while from Afghanistan, timber, green tea, Japanese cloth, tyres, engine parts, crockery, watches, electronic and household goods are brought in return.

The agriculture machinery i.e. tractors, bulldozers, tubewells equipment etc, are obtained directly from the areas outside the region, but one can find at many places fertilizers, seeds and agricultural implements in markets of Mian Mandi, Lakaro, Ekka-Ghund, Pindiali and Ghallanay. The surplus of agriculture commodities produced locally, are very small, and so whatever is surplus after home consumption, are sold in these local markets. Since the area is deficit in agricultural commodities; grains, sugar, oil, pulses, salt, fruit and vegetables are purchased from Shabqadar Fort and Peshawar. These items are more expensive in the local markets, thus permits are issued to the Maliks by the political authorities who sell these to the traders. These traders and shopkeepers arrange the supply of these commodities and sell them at high prices in the local markets.

Afghanistan is another source of supply from where a number of imported goods are brought and sold in many local markets. These markets also serve as distribution centres for sale throughout Pakistan, where the people are attracted and prepared to pay a premium price for imported goods. The trade however, is in the hands of a selected few, who control the markets and arrange the distribution in Pakistan. There is a good deal of activity in smuggling, transportation, sale and distribution etc, and quite a large number of people are involved in it. One of the important sources of funds for the smuggled goods is the money sent by the tribesmen working in the Middle East through the 'Hundis'. This money is used for the import of various commodities, such as weapons, refrigerators, air conditioners and other commodities of local consumption in Afghanistan which are then smuggled into Pakistan. Like other Tribal Areas, markets in Mohmand Agency are not well organized. There are only one or two shops in the small and scattered villages which cater for the needs of the local people. These traders get the supplies from the nearby market in

the region as well as from the settled districts of the N.W.F. Province. On the main road, some small markets such as Ekka Ghund, Pindiali Tehsil, Lakaro and Ghallanay have sprung up. These markets exist, because the vehicles make a halt there. These roadside bazars play an important role in the availability of goods for the local people and generally serve the area connected by metalled or shingled roads.

### Markets of Arms and Ammunition

Mohmand Agency, like most of the Tribal Areas, is also known for arms and ammunition trade, which is based on raw materials and component parts obtained from Darra Adam Khel, Peshawar and other cities of Pakistan. Dara Adam Khel, located in the tribal territory between Peshawar and Kohat, is the main market for the supply of weapons throughout the Tribal Areas. However, in every Tribal Agency, gun shops can be found in abundance.

All the roadside markets in the Mohmand Agency have arms and ammunition stocks like rifles, pistols, machine guns, cartridges, revolvers and Russian Kalashinkoves. Gunpowder of fine quality is also available in these markets. Traditionally, these products have a great demand among the local people. Since the people in other parts of the NWF Province have a great liking for the arms, the demand is great. The Pathan craftsmen have been carrying out this trade for at last 200 years, using only hand tools and a few primitive lathes to produce a wide range of lethal armaments. Hammered out of scrap steel by industrious gunsmith, each weapon carries a convincing serial number and company trademark to impress prospective buyers. The products are regarded as very valuable and are marketed to different places in the country. Although, poor material makes these weapons less reliable than those, assembled originally in Western countries such as Spain, Belgium, and Italy. A Pathan customer will pay as much as a year's cash for a well turned rifle of foreign made. The sale of these arms and ammunition is also made to various revolutionary groups in the Middle-East and to the other South Asian countries through the professional

smugglers, who are paid handsomely for the purpose.

### Permit System

One of the important elements of marketing in the Tribal Areas, is the permit system introduced by the British Government, for the sale and purchase of various commodities. Regarded as a privilege, these permits are given to Maliks by the administration to win over their loyalty to the Government. These permits are sold in the open market. Almost, no item of daily use such as food grains, pulses, ghee, sugar, and animals etc, can be taken into the Tribal Areas without a permit from the Political Agent. Permits are also required for transporting forest products like timber, charcoal and firewood from the Tribal Areas to the settled districts in Pakistan.

The tribesmen have to pay over and above the market rate to buy these commodities of daily life, in addition to the high cost of transportation to far flung areas of the region. At the moment, these permits are a source of corruption, which creates ill-will, and hostility amongst the various tribes. There is a strong demand from the tribesmen to replace the permit system by granting them fair incentives, such as, shares in industrial, mineral and other development projects in addition to raising the allowances of Maliks to a substantial level.

### Transportation

Transport and communication as a vital component of the infrastructure of the economy, play a key-role in the extension of marketing system. If there are good means of transportation, commodities and other perishable items can be transported from one place to another in the shortest possible time. The increased demand of every type of commodity, results in the extension of market system.

There are many inaccessible areas in FATA where the road system is not developed and which is an important factor responsible for non-existence of marketing infrastructure in the

region. Unless the under developed regions like FATA are able to develop a network of market towns and link roads which can function to disseminate, information, generate social change, and develop new economic activities, development in general and social change in particular will remain very low in the region.

#### Storage and Credit Facilities

There is a very little surplus to be sold by the farmers with the result that there are no big markets in Mohmand Agency, for the sale of agricultural produce. The result is that whatever is considered as disposable by the farmers, is sold in the nearby market and storage as such is not possible. The main crops sown in winter are wheat, barley, mustard, oil seeds, vegetable, a little poppy and tobacco. Apart from these winter crops, there are other crops, such as maize, pulses and sugarcane. The distribution of cultivable land is made in a way, so as to ensure the necessary food for domestic consumption as well as the necessary cash to meet various other essential requirements. Wheat is the staple food, Maize is mainly used for domestic consumption and supplement food requirements, where as pulses, onions, oil seeds, poppy seeds and other agricultural products, surplus from home requirements are sold within the villages or in the nearby markets. In fact no storage problems exist with respect to the traditionally grown crops. However the Government has constructed stores and godowns with an accommodation capacity of 500 metric ton, at Ekka Ghund to supplement the food grain shortage in the region.<sup>1</sup>

For the marketing of agricultural products, various system are in operation in Mohmand Agency. Some of the traders from the settled areas of Charsaddah and Peshawar districts, make advance payments for oil seeds, onions and maize etc. Co-operative marketing societies for the sale of various commodities do not operate here. The commercial banks do advance credit for capital investment, such as to buy tractors etc, but these are very

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<sup>1</sup> FATA Development Statistics 1988-89, P. 256.

limited. The traders also advance short term credit to their clients for the sale of various items of daily use. It may be added that most of these loans are utilized for household requirements, agricultural inputs, social ceremonies and festivals. A few banks also exist in Mohmand Agency which are located at Ekka-Ghund, Ghallanay and Mian Mandi Gandhab, but most of these banks transact their business with local traders, contractors and political administration and in rare cases provide credit facilities to the general public.

### FINANCIAL INSTITUTIONS

Financial Institutions play an important role in socio-economic development. A few branches of Commercial Banks have been established in the Tribal Areas. At present there are 26 branches of such banks in FATA. There are only three branches of such banks in Mohmand Agency.<sup>1</sup> Banks facilitate existing economic business and promote new economic activities. There is a need for the State Bank of Pakistan to keep the situation under constant review and promote the establishment of new branches in the areas where credit assistance is required for development.

Financial institutions like Pakistan Industrial Credit Investment Corporation, Agricultural Development Bank, National Development Finance Corporation, and Small Business Finance Corporation, have established their branches in NWFP but none of them exists in FATA. The reason being that there have been no large scale private sector projects in FATA to be financed by these institutions. In case of need, they can provide the required assistance while operating in Peshawar. The demand for such assistance has to come first. The Agricultural Development Bank has established its branches in Bajawar and Kurram Agencies. The Bank Authorities have plans for opening its branches in all the Agencies. However at present, there is no such Agricultural Bank in Mohmand Agency.

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<sup>1</sup> Ibid., P. 43.

TABLE-18

## NUMBER OF OPERATIONAL SCHEDULED BANKS IN FATA 1986-87

S.No	Agency/Frontier Region	National Bank of Pakistan.	Habib Bank Limited.	Allied Bank Limited.	Muslim Commercial Bank Ltd.	United Bank Limited.	Total
1	Bajawar	-	1	-	-	-	1
2	Mohmand	-	-	-	1	2	3
3	Khyber	3	2	-	1	3	9
4	North Waziristan	1	3	-	2	1	7
5	South Waziristan	-	-	-	-	1	1
6	Kurrani	2	5	1	2	3	13
7	Orakzai	-	2	-	-	-	2
8	F.R. Peshawar	-	-	-	-	-	-
9	F.R. Kohat	-	-	-	-	-	-
10	F.R. Bannu	-	-	-	-	-	-
11	F.R. D.I. Khan	-	-	-	-	-	-
	TOTAL	6	13	1	6	10	36

Sources:-

(i) FATA Development Statistics 1988-89, Government of NWFP, Peshawar.

(ii) State Bank of Pakistan, Islamabad.

As the development of these areas proceeds, there is likely to be the need for support from the House Building Finance Corporation and the Small Business Finance Corporation. It is to be hoped that such support would be forthcoming when needed/required

### IRRIGATION

Most of the Tribal Areas consist of arid zones, for which water is the most important input. But the region receives very little rain and snowfall. Surface water supplies are thus limited and most of what is available, is already committed for specific purposes. Some efforts have been made by the Government to develop new sources of water supply and to improve the existing water distribution system. The main areas of development in irrigation in the Tribal Areas are (i) Surface Water Development and (ii) Ground Water Development.

#### Surface Water Development

The major sources of available water for irrigation in this sector are canals, streams, khwars and small irrigation channels.

Known sources of Surface Water have been committed and are being utilized for irrigation purposes while FATA Development Corporation is exploring additional sources at a great cost. However, the chances of increased availability of water for surface irrigation do not appear to be great in the Tribal Areas. For the development of surface water facilities, the FATA Development Corporation Peshawar has completed 267 schemes between 1970 and 1989, with a cost of Rs.537.944 million.<sup>1</sup> The highest priority was given to South Waziristan with 61 schemes and Kurram Agency with 59 schemes. However, no scheme has so far been started in this sector in the Mohmand Agency.

Between 1977 and 1985, an amount of Rs.83.627 million was

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<sup>1</sup> Summary Submitted to the Standing Committee of the Senate on the Development of FATA, vide FATA-DC Letter No. F.B/101/ 88-89/ 2526 dated 14th Sept , 1989.

TABLE-19

## SURFACE WATER DEVELOPMENT IN FATA 1975-89

Agency/ Frontier Region	No. of Schemes Completed	Period of Completion	Completion Cost in (Million)	Area Irrigated in Acres
Bajawar	9	1978-89	9.920	2399
Mohmand	-	-	-	-
Khyber	2	1979-86	62.768	47394
F.R. Peshawar	-	-	-	-
F.R. Kohat	-	-	-	-
Orakzai	19	1980-89	23.469	5761
Kurram	59	1976-89	115.287	62544
N. Waziristan	61	1979-89	98.070	27732
F.R. Bannu	6	1979-89	7.264	2592
S. Waziristan	73	1978-89	103.482	24567
F.R. D.I. Khan	31	1977-89	34.057	5839
Survey/Investigation	7	1977-89	83.627	-
Total FATA	267	1976-89	537.944	178828

Source:-

FATA Development Corporation, NWFP, Peshawar.



spent on the survey and investigation of small irrigation schemes, including purchase of vehicles for Project Division and procurement of tools and plants for surface irrigation schemes in the Tribal Areas.<sup>1</sup>

As far as Mohmand Agency is concerned, the surface supplies for irrigation are very limited. Efforts are being made to utilize the perennial streams wherever possible.

The major streams in the Mohmand Agency are karzine khwar, khin khwar, Lakaro khwar, Nawagai Khwar, Danishkool stream, Pindiali stream and Ambar river. Most of the area of the Mohmand Agency comprises of a number of valleys that radiate from the mountains of Ilazai and Tatara and drain into the Swat and Kabul rivers respectively. The principal sources of these are, the valleys of Pindiali, Gandhab, Danishkool, Mitai, Salala and Shilman. They are, as a rule, dry and arid water courses, giving way to raging torrents in heavy rains, but usually present a stony and shingled bed, from which slopes of barren land lead to rocky spurs and ranges that flank them. With the exception of Danishkool stream, running water is not found in them. Water is found in stagnant pools (Juhar) or where tiny streams trickle from the water springs at the hill tops. The stream of Bohai Dag Valley disappears at the foothill of Illazai ranges, and again reappears in the Danishkool Valley, but in the Mitai area, there is sufficient supplies of water.

There does not appear to be any prospect for surface water project in the Mohmand Agency. However, there is a possibility for the control, storage and utilization of available surface water which need necessary investigation in this regard.

#### Ground Water Development

The use of ground water for irrigation and drinking purposes has grown rapidly in the Tribal Areas since 1970. FATA has been bestowed by rich soils for the development of the area, however,

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<sup>1</sup> Ibid., PP.21-22.

water is one of the primary constraint and most of the area does not have surface storage facilities or irrigation channels. The only alternative to bring the culturable land under irrigation is to resort to the ground water exploitation. For this purpose FATA Development Corporation has launched a comprehensive programme of ground water exploitation and have identified a number of areas with reasonable water resources. A considerable ground water potential has been found in some of the areas which has encouraged the ground water investigation and the exploitation of resources already discovered.

In Ground Water Development, FATA Development Corporation has so far completed 87 schemes between 1975 and 1989 with a cost of Rs. 312.428 million.<sup>1</sup>

Realizing the importance of irrigation in FATA, it was decided that water resource development should receive high priority. Thus in the 5th Five Year Plan (1978-83), an allocation of Rs. 324.0 million was made for this purpose. Out of this amount, Rs. 193 million were provided for ground water development and Rs. 131 million for surface water development.<sup>2</sup> The programme for ground water development covers the establishment of 500 tube wells in Bajawar, Mohmand and in the Tribal Areas of Peshawar, Kohat and D.I. Khan.

For the development of ground water resources, seven schemes have so far been completed during the period between 1982-89, with a cost of Rs.18.440 million, for providing irrigation water to an area of 2010 acres in the Mohmand Agency.<sup>3</sup>

In the first phase an amount of Rs. 2.103 million was

<sup>1</sup> FATA- DC Development Report No. F.B/101/88-89/2526 14th Sept, 1989 to the Ministry of States and Frontier Regions Islamabad, Annexure-B.

<sup>2</sup> Mian Tayyab Hassan, Planning and Administration of Tribal Development Programmes, CIRDAP Study Series No. 52, P.39.

<sup>3</sup> FATA-DC, Development Report, to the Ministry of SAFRON, Islamabad, Mohmand Agency, Ground Water Development, Annexure-B, P.1.

TABLE-20  
FATA-DC GROUND WATER SCHEMES IN MOHMAND AGENCY 1982-89

Scheme No.	Name of Scheme	Year of Completion	Cost of Completion (Million)	Irrigated Area (Acres)
1.	Sinking and installation of 4 tubewells in Shatikhel Area.	1982-83	1.931	450
2.	Ground water investigation for the development of lands Phase (I) 5 testwells.	1982-83	2.103	-
3.	Conversion of 2 existing testwells into tubewells.	1983-84	0.469	210
4.	Ground water investigation for the development of lands Phase (II) 6 testwells and 2 conversions.	1983-84	3.092	-
5.	Ground water investigation for the development of lands in the uncovered part of the Agency Phase (III) 16 testwells.	1986-87	7.858	-
6.	Conversion of 8 testwells into tubewells.	1987-88	2.166	1125
7.	Conversion of 3 testwells into tubewells.	1988-89	0.821	225
	Total	1982-89	18.440	2010

Source:-

allocated for five test-wells during the financial year 1982-83, for ground water investigation for the development of lands in Mohmand Agency.<sup>1</sup>

Another scheme during 1982-83, was the sinking and installation of four tubewells in Shati Khel area of the Gandhab Halimzai with a cost of Rs. 1.876 million in order to provide irrigation water to an area of 450 acres.

During the year 1983-84, in the first phase, an allocation of Rs. 0.470 million was made for the conversion of two existing testwells into tubewells for providing irrigation water to an area of 210 acres.<sup>2</sup> In the second phase, an amount of Rs. 3.092 million was earmarked for the conversion of 3 existing testwells into tubewells and sinking of 6 more testwells in the uncovered part of the Mohmand Agency, for the development of land during 1983-84.<sup>3</sup>

In the third phase, during the financial year 1986-87, Rs. 7.858 million were allocated for 16 testwells for ground water investigation for the development of lands in uncovered part of the Mohmand Agency.<sup>4</sup>

During the year 1987-88, an amount of Rs. 2.166 million was provided for the conversion of 8 testwells into tubewells for providing irrigation water to an area of 1125 acres.<sup>5</sup>

In the financial year 1988-89, a sum of Rs. 0.821 million was provided for the conversion of 3 testwells into tubewells for the provision of irrigation facilities to 225 acres of land in the Mohmand Agency.<sup>6</sup>

<sup>1</sup> FATA-DC, Annual Report 1982-83, Peshawar, P.17.

<sup>2</sup> FATA-DC, Annual Report 1984-85, Peshawar, P.4.

<sup>3</sup> FATA-DC, Development Report 1989, to the Ministry of SAFRON, Islamabad, Annexure, B, P.1 .

<sup>4</sup> FATA-DC, Annual Report 1985-86, Peshawar, P. 137.

<sup>5</sup> FATA-DC Development Report 1989, to the Ministry of SAFRON, Islamabad, Annexure B, P.1.

<sup>6</sup> Ibid, P.1.

The tubewells installed in Mohmand Agency, have shown encouraging results. The average discharge per well is 0.55 cusecs. Some of the areas have great potential for ground water development. Tribesmen have also shown interest for the development of land and improvement of agricultural techniques. With the potential available, further ground water development can be under-taken in this region, particularly when there is great need of water for irrigation and drinking purposes.

The programme is one of the major activities in the Tribal Areas and its implications for permanent settlement are great. There are, however, a number of problems which affect the development of water sector. Firstly, the cost per acre is much beyond the economic level. Secondly, due to tribal system of ownership of the water rights by sections/sub-sections of the tribe, an increasing problem is faced when the interests of lower riparians are affected by the loss of water during diversion to the lower lands. Thirdly, both the construction and operation of the irrigation projects is becoming increasingly expensive. In the absence of any direct returns from the farmers, the total liability continues to mount on the Government. The tribesmen have been exempted from payment of taxes, therefore they strongly resist the imposition of water charges of any kind. The testwells drilled, indicate that in most areas, the water bearing strata are at excessive depths and the water discharge is inadequate. In such areas, ground water cannot be economically exploited for agriculture purposes because of high cost of pumping and discharge inadequacy. In areas, where the conditions are favorable, ground water is being utilized. There is a need for additional surveys to find new areas which have ground water resources.

Lastly, the adoption of tubewells in the Tribal Areas is closely associated with the electrification of villages. In fact it has been the major constraint on tubewell development in the Tribal Areas. According to the 1988-89 figures, in all 609 test/ tubewells were attempted in the entire Tribal Areas, out of which 472 were successful but only 282 could be energized upto 1989. In the

Mohmand Agency, in all 53 test/ tubewells were attempted out of which 38 have been successful, but only 26 could be energized upto 1989.<sup>1</sup>

In the Tribal Areas, the constraint due to the scarcity of water, can be overcome to some extent, wherever feasible, by the storage of rain water. The high cost of ground water extraction calls for the cultivation of high valued crops which can serve the high cost of water. Agricultural Research can identify such crops. There is a need to make a comprehensive investigation of the water resources in FATA, covering the surface water development, ground water development and possibilities of establishing small hydel projects in various parts of this region to overcome the water shortage.

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<sup>1</sup> FATA-DC, Report on Physical Achievements in Water Sector, submitted to States and Frontier Regions Division, Islamabad, on 27th September, 1989.

TABLE-47

INDUSTRIAL UNITS, INVESTMENT, CAPACITY, JOBS, AND  
EMPLOYMENT OPPORTUNITIES IN FATA ON 30.12.1986

Location and name of Industry.	Year	Invest Rs. Million	Capacity per Shift per Annum.	Jobs	Workers	Economic Impact.
<u>Mohmand Glass Factory</u> Ghallaanay.	1977	6.167	3,000 ton of glassware.	50	20	Closed 1979.
<u>Khyber Agency</u> (a) Bara Cigarette Factory.	1976	13.686	Cigarettes 636 million.	105	48	Leased 1984.
(b) Bara Vegetable Ghee Mills.	1976	15.179	Ghee 9,000 ton. soap 1714 ton.	250	15	Taken over by GCP 1981.
(c) Mullagori Marbles.	1980	12.908	Marbles Slabs 7,75,000 sft. Terazo Tiles 25,000 sft. Chips 6,000 ton.	147	15	Leased 1986.
<u>Kurram Agency</u> Kurram Fruit Factory.	1977	7.388	containers of jams jellies and marmalades 773,000.	41	15	Closed 1983.
<u>N. Waziristan</u> (a) Tochi Match Factory.	1976	11.878	Gross boxes 6,000.	221	25	Closed 1985.
(b) Tochi Woolen Mills.	1978	15.808	Yarn 4,65,000 Lbs.	84	83	-do-
(c) Mir Ali Looms Unit.	1978	2.879	Cloth 2,50,000 yds.	30	10	-do-
<u>S. Waziristan</u> (a) Footwear & Leather Goods Factory, Spinkai, Raghzai.	1977	13.686	Shoes 300,000 Pairs. Sole 300,000 Pairs.	232	25	Closed 1985.
(b) Leather Tanneries Spinkai, Raghzai.	1978	14.350	Hides & skins 2,84,5000.	93	18	Closed 1982.
<u>Bajawar Agency</u> (a) Oil Expelling & Refining Plant.	1983	14.282	Edible Oil 2736 ton. Oil Cakes 5490. Soap 108 ton.	174	149	Closed 1985.
<b>Total=11</b>	-	128.211		1427	423	-

Sources:-

- (i) FATA Development Corporation, NWFP, Peshawar.
- (ii) Economic Research Section, Planning & Development Division, Islamabad.

collaboration with any nation or international organization.

The main reasons for its failure were the substandard quality of raw material (silica sand) which contained high quartz and iron contents, not suitable for hollow glass production, lack of technical know-how, locational disadvantage and local constraints of operating under one shift, due to which constant temperature of the furnace could not be maintained.

### The Project

Mohmand Glass Factory was set up by FATA-DC at Ghalanai Mohmand Agency. The project did not have its own independent legal status like other incorporated companies and was functioning as a department of FATA-DC. One of the important objectives of FATA-DC was to promote and raise the socio-economic conditions of the tribesmen by providing them job opportunities through the project. The project is located at a land of three acres. The project is equipped with 2 furnaces, 2 crushing and grinding machines, 2 annealing lehrs burners, compressors, blowers, sand washing and bottle making machines and a power generating plant.<sup>1</sup>

The entire machinery is housed in a shed with a covered area of 7200 sq. ft. The project has a laboratory, godowns, administration block and a residential colony for its staff members. The present value of the total assets including land, building, civil work, machinery, and equipment has been estimated at Rs. 35,85,000/-<sup>2</sup>

### Reasons for Sickness

#### Low Quality of Products

The project was using locally available silica sand and quartz which had a high content of iron and hence was not suitable for good quality glassware. The project operated for about 21 months

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<sup>1</sup> Planning and Development Division (Economic and Research Section), "Restructuring Studies of the Sick Units of FATA-DC and SDA", Vol.1, Islamabad, 1989, P. 3-4.

<sup>2</sup> Ibid., P. 225.



but during this period, no effort was made to switch over to better source of raw material. Due to poor quality of the products, the project could not market its products at reasonable prices.

### Organizational Problems

The project had no proper organizational set up like other incorporated companies. At the factory site, the project was managed by a General Manager who had no control over the affairs of the company. There was interference from FATA-DC head office in day-to-day affairs of the project. Therefore, senior staff at factory site was not feeling responsible. At Head Office, there was no proper set up to evaluate the performance of the project. The head office (FATA-DC) was controlling about 10 other units and was frequently transferring funds/ manpower resources from one project to another. There was no proper accounting system and despite the auditor's objection, it was not rectified.<sup>1</sup>

### Operational Problems

Most of the glass manufacturing units are generally operating three shifts a day, which is the economical way for glass making units. However, keeping in view the peculiar conditions of the area, where no body works after sunset due to tribal feuds and enmities, the project operated for single shift in a day, thus the furnace could not be kept warm for 24 hours to maintain the required temperature, and the operating efficiency of the project reduced to a very low level. The highest production ever achieved during September 1977 to July 1979, was reported to be ten percent.<sup>2</sup> The project could not operate at 100 percent efficiency even during the single shift, due to frequent load shedding and other related problems.

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<sup>1</sup> Restructuring Studies of Sick Units of FATA-DC and SDA , 1989 , P. 230.

<sup>2</sup> Ibid, P. 226.

### Financial Problems

The factory did not face any financial problems initially, as its entire finances were met from Government grants. However, later on, due to increase in cash losses which eroded its working capital base, it was faced with a crisis which ultimately resulted in the closure of the factory.

### Remedial Measures

The consultants recommended the following measures for the revitalization of the project.

### Technical

In glass manufacturing industry, the knowledge and experience of glass technologists is very important. It is therefore, suggested that the project should be provided with a team of sound professionals to produce a better quality of product of marketable value.

### Raw Material

The type of silica sand and quartz available in Mohmand Agency is substandard, as it contains large iron contents. The project should, therefore, change the source of procurement of this raw material.<sup>1</sup> Efforts should be made to switch over to a better quality of silica sand in the nearby areas.

### Efficiency of Annealing Lehr

The efficiency of the annealing Lehr be improved under the supervision of experienced and expert technicians. The possibility of major faults in the annealing Lehr cannot be ruled out which could only be removed on an assumption of production by expert glass technicians.

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<sup>1</sup> Ibid, P. 252.

### Decentralization of Authority

The present organizational structure of the project with its main control at FATA-DC head office Peshawar, is one of the major factors responsible for its failure.<sup>1</sup> Therefore, the project should have a proper set-up, preferably in the shape of a separate Board of Directors with absolute authority of taking decisions regarding its operation, with no interference from the head office. At the factory site, the General Manager should also have powers and complete delegation of authority with responsibility and accountability to deal with day-to-day operational problems.

### Marketing of Products

The project should have a marketing section of its own, duly staffed with efficient personnel. With improved quality of its products, the project has good chances of penetrating into the marketing of its products.

### Financial Requirements

The project requires a working capital finance of Rs. 1.5 million and Rs. 3.035 million for the write-off its existing liabilities which is outstanding against the project as inter-project borrowing.<sup>2</sup> This liability be discharged by FATA-DC through grants. The project is not expected to operate profitably. In order to keep it running, it will require an annual subsidy of Rs. 1 million. Still it cannot be assured to have a reasonable quality of product of marketable value. Thus even subsidies cannot guarantee smooth operation of the project. In the last, the consultants recommended that the project be dis-invested at-once at whatever price it can fetch. If private parties want to buy machinery only, FATA-DC should sell the same and use the infrastructure for some other potential project.

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<sup>1</sup> Ibid, P. 253.

<sup>2</sup> Ibid, P. 254.

The industrial units in FATA were installed without any proper survey and investigation and were not likely to achieve its desired results despite Government investment running into millions. The only factory, namely the Bara Ghee Mills was taken over by the Ghee Corporation of Pakistan in September, 1981 and is operating profitably.<sup>1</sup> The Bara Cigarette Factory was leased out from November 1984<sup>2</sup> and Mullagori Marble Factory in 1986.<sup>3</sup> The remaining eight industrial units<sup>4</sup>, including Mohmand Glass Factory were closed down rendering a large number of tribal workers Jobless who were directly or indirectly related to these units.

The Government has assured the reactivation of these factories with the help of private companies, but nothing has been done in this regard as yet.

#### SMALL SCALE INDUSTRY

There are no organized small scale industrial units operating in Tribal Areas, except a small manufacturing of shotguns, pistols and daggers which is carried out on cottage scale. The mass influx of refugees from Afghanistan since 1979, has been an important factor in boosting the arm trade in the Tribal Areas, where they are lodged in nearly 300 camps. However, no estimate of production and its value either is available or can be ascertained.

#### INDUSTRIAL PROSPECTS IN FATA

Industrial development of FATA represents some special problems. Lack of infra-structural facilities necessitates the establishment of such facilities for each industrial unit at the cost of the unit. A road has to be built to provide access to the unit and to the outside world. Tubewells have to be drilled for

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<sup>1</sup> FATA-DC, Annual Report 1984-85, P.3.

<sup>2</sup> FATA-DC Peshawar, Annual Report 1985-86, P.201.

<sup>3</sup> Ibid, P. 203.

<sup>4</sup> Ibid, P. 141.

TABLE-48

YEAR-WISE LOSS POSITION OF FATA-DC  
INDUSTRIAL UNITS 1975-85

(Rs. in Million)

Agency	Mohmand	Khyber		Kurram	North Waziristan			South Waziristan		Total
Year	Mohmand Glass Factory Ghalanay	Bura Cig. Factory	Mulla-gori Marbles Factory	Kurram Fruit Factory	Tochi Match Factory	Tochi Woolen Mills	Mir Ali Loom Unit	Foot-wear Unit	Lea-ther Unit	Total
1975-76	-	-	-	-	0.624	-	-	-	-	0.624
1976-77	0.630	1.735	-	0.197	0.020	-	-	-	-	2.582
1977-78	1.642	0.993	-	1.007	0.228	-	-	-	-	3.870
1978-79	1.009	1.720	-	1.005	0.395	0.023	-	0.231	2.659	7.042
1979-80	0.175	1.637	-	0.824	0.378	0.612	-	1.649	2.092	7.367
1980-81	0.175	2.345	-	0.705	0.029	0.205	-	0.816	3.792	8.067
1981-82	0.175	1.014	1.492	1.163	1.296	2.049	0.033	4.128	2.133	13.483
1982-83	0.022	0.435	1.597	1.382	2.041	1.369	0.126	1.467	2.694	11.133
1983-84	0.214	0.616	2.448	1.345	3.186	1.044	0.103	1.374	2.403	12.733
1984-85	0.174	0.925	1.964	0.500	2.280	1.539	0.094	0.462	2.301	10.239
Total	4.216	11.420	7.501	8.128	10.477	6.841	0.356	10.127	18.074	77.140

Source:-

FATA Development Corporation, NWFP, Peshawar.

water supply. Housing colonies have to be built for the manpower, required for the operation of the units. Due to shortage of skilled and semi-skilled manpower, labour and high level personnel have to be imported from the settled areas at high cost. Industries in FATA cannot work more than one shift. Night shifts are not possible due to security problems and tribal disputes. Frequent breakdowns of electricity and low voltage, necessitate the establishment of standby generators. Availability of local raw material is insufficient for large scale industrial units. Therefore, some raw material has to be imported from outside the area. Similarly, the local market demand is too small to support large scale industrial units. So the bulk of the products have to be exported to the areas outside FATA. This results in additional transportation cost both for the raw material and the finished goods. Thus it is difficult for the industrial units of FATA to compete with similar industrial units more favourably located elsewhere in the country.

There are, however, good prospects of developing small scale and medium scale industries in FATA. The objectives of these industries should be the creation of more job opportunities and the promotion and training of indigenous manpower in the industrial ownership and management.