



Economic Transformation Initiative Gilgit-Baltistan (ETI-GB) IMPACT ASSESSMENT 2026



PROGRAMME GOAL

Improve incomes and reduce poverty and malnutrition in rural areas of Gilgit-Baltistan

OBJECTIVE

Increase agriculture income and employment for at least 100,000 rural households in Gilgit-Baltistan through sustainable development of agriculture value chain

PROGRAMME COMPONENTS

COMPONENT - 1

Economic Infrastructure for
Value Chain Development

COMPONENT - 2

Support Services for
Value Chain Development

COMPONENT - 3

Programme Management and
Policy Support

PURPOSE

To assess the programme's contribution to economic transformation in Gilgit-Baltistan.

STUDY DESIGN

Applied quasi-experimental mixed methods for robust analysis.

SAMPLING

804 treatment and 786 control households, supported by FGDs and KIIs with key stakeholders.

PROGRAMME DURATION

September 2015 - June 2029

ASSESSMENT DURATION

August 2025 – February 2026

KEY OUTCOMES

78.50%

Households adopting improved inputs/practices

60.90%

Households reporting increase in production

91.30%

Improved market access

67.90%

Households reporting increased sales

86.60%

Households reporting increase in income

**28.3 % MPI Poverty Headcount
(Decreased from 34.6% at baseline)**

Overall Impact and Replicability

The study confirms that ETI-GB's integrated development approach- combining infrastructure, value chains, institutional strengthening and human capital- generated measurable improvements in production, income, wellbeing, and poverty reduction.

The assessment confirms that ETI-GB's integrated development model is effective and evidence-based.

The programme demonstrates that asset-based, market-oriented rural development can transform livelihoods in remote mountain regions.

The model shows strong potential for replication in other geographically isolated and economically constrained regions of Pakistan and beyond.

ETI-GB provides a compelling example of how coordinated investments in infrastructure, institutions, and livelihoods can generate sustainable rural economic transformation.

KEY FINDINGS

Expansion of Productive Assets

Irrigation and land development interventions significantly increased cultivable land.

Average irrigated land per household increased from 0.60 acres (baseline) to 1.50 acres, more than doubling productive capacity.

89.2% of treatment households reported access to agricultural land, compared to 70.2% of control households.

In a region where less than 2% of land is cultivable, these investments represent a structural transformation in rural livelihoods.

Income Growth and Economic Resilience

✓ 86.6% of beneficiary households reported increased income, improving from 73% recorded in the 2022 mid-term study.

✓ Nearly 60% of households experienced income growth of 50% or more.

✓ Average monthly agricultural income increased to PKR 16,830 among treatment households, compared to PKR 8,200 among control households.



Agricultural Production and Productivity

✓ 60.9% of beneficiary households reported increased agricultural production, compared to 27% among non-beneficiaries.

✓ This represents a 34-percentage-point programme impact, exceeding the 25% logframe target.

✓ 86.3% of households supported through value chain interventions reported production increases.

✓ Improved productivity was driven by a combination of irrigation expansion, improved seeds, fertilizer use, agronomic training and market support.

✓ Many communities have transitioned from subsistence farming to producing marketable agricultural surpluses.

Household Well-being and Financial Behaviour

31%

Beneficiary households reported savings (compared to 26% among controls).

Additional Income Invested in Improving Household's Well-being:

64.8%

Spent more on Children's Education

48.0%

Increased Healthcare Spending

37.4%

Improved Housing Conditions

31.2%

Improved Household Nutrition

26.8%

Re-invested Savings into Income-generating Activities

22.8%

Re-investment in Purchasing Inputs and Tools

Improved Market Access



Reduced Geographic Isolation

Farm-to-Market Roads significantly reduced geographic isolation.



3.5 Hours Saved Per Trip

Beneficiaries reported average travel time savings of 3.5 hours per market.



Positive Impact Index

The Farm-to-Market Roads Impact Index reached 91.3%, indicating strong positive impact.



Lowered Transport Costs

Improved connectivity, lowered transport costs and enabled farmers to sell produce more frequently and through multiple market channels.



Emerging Market Opportunities

✓ As agricultural production increases, market infrastructure is emerging as the next development priority.

✓ Gilgit-Baltistan currently lacks formal wholesale markets and auction platforms comparable to those in other provinces.

✓ Investment in organized wholesale markets and aggregation facilities could further accelerate commercialization and income growth.



Institutional Strengthening and Community Governance

✓ The programme established 162 Village Agriculture Cooperatives (VACs) with 40,613 farmers across ten districts.

✓ VACs serve as platforms for collective production, marketing, price negotiation and provide business development services.

✓ The program has strengthened community participation, created income-generating opportunities, and ensured transparency and local ownership through mobilization.

✓ Partnerships among government departments, communities, NGOs and private buyers created a strong public-private-community development model.

Nutrition, Health and Poverty Reduction

81.6%

Beneficiary households reported improvements in child health and nutrition.

64.8%

Reported full access to medical care when needed, compared to 55.1% among non-beneficiaries.

28.3%

Multidimensional Poverty Index (MPI) headcount declined among treatment households, lower than control households and the provincial benchmark.

Improvements reflect the programme's contribution to both economic and social wellbeing.