



***An executive summary
of the report:***

**Paving the Road
to Organic farming in Afghanistan**

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EXECUTIVE SUMMARY

Mission objectives and output

This report is the product of a ten-day mission to Afghanistan, which took place in June 2009. It was organized within the framework of ASMED (Afghanistan Small and Medium Economic Development) - a USAID-funded project, implemented by DAI (Development Alternatives, Inc.). The mission's objective was to initiate the development and support the establishment of an organic product value chain in Afghanistan and identify organic business opportunities that could lead to export. The mission consisted of a two-member consultant team: Martien Lankester, executive director of Avalon (a Netherlands-based, international foundation supporting organic farming in transition countries) and Darko Znaor, an independent organic farming consultant from Croatia working with Avalon as an associated expert. The mission output is this report containing findings and recommendations for the follow up steps required to strengthen the development of organic business and organic scene in Afghanistan.

Afghan agriculture challenges

Afghan agriculture is at the crossroads, trying to recover from the damage caused by the three decades of fighting and seven years of drought. Afghanistan has a total agricultural area of 38 million ha, of which grassland accounts for 79%. Small-scale family farms with irrigated cropping supplemented by livestock prevail in Afghanistan. Most farms are in the range of 2-5 hectares, although many farms are smaller than 2 hectares. The major crops produced in Afghanistan are corn, rice, barley, wheat and vegetables. However, the country is well known for its production and export of raisins, dry fruits and nuts. More than 80% of Afghanistan's livestock production consists of extensive sheep herding and goat herding. Water is the most limiting factor in determining crop and livestock production in Afghanistan. Due to limited rainfall, Afghan agriculture completely depends on erratic winter snows and spring rains providing water. In many parts of Afghanistan soil fertility is depleted due to overgrazing, deforestation and desertification. Severe overgrazing combined with the recent drought has resulted in a decrease of the livestock population. The reduction and lack of ground cover on hillsides has led to floods and widespread soil erosion. In many regions erosion has increased and soil organic matter has decreased. This contributes to the overall degradation of ecosystems, which can be noticed in many parts of Afghanistan. .

Fertilizer and pesticide consumption higher than in some EU countries

In spite of claims and the widespread belief that Afghanistan hardly uses any fertilizers and pesticides, information from recent reports suggests widespread use of these agents in arable, fruit and vegetable production. The annual fertilizer consumption is approximately 273,750 t nutrients, which is equivalent to 35 kg of nutrients per hectare of arable land. Nearly 150 active ingredients of pesticides are available in Afghan urban and rural farm stores. The figures and analysis on Afghan fertilizer and pesticide consumption presented in this report challenge the validity of the outdated data available in some international databases. They also suggest that fertilizer (and perhaps pesticide) consumption per hectare of arable land in Afghanistan is comparable to that of some economically more developed countries, e.g. New EU Member States.

Opium poppy production

Afghanistan is the world's most important producer of opium poppy, providing approximately 90% of the world's opium poppy supply. Cultivation of opium poppies is by far the most profitable agricultural activity in Afghanistan. The total area planted with poppies appears to be around 200,000 ha, occupying about 3% of cultivated land. The opium poppy allows many poor rural Afghan families to survive and gain access to land and

credit and generate cash income. The poppy is a multi-purpose crop; is easy to grow and no other crop gives such high revenue.

Organic farming is booming all over the World

Organic farming is an agricultural system, which excludes agro-chemical inputs (industrial fertilizers, synthetic pesticides, veterinary medicine, etc.) and genetic engineering. The production is governed by a set of standards and legislation and controlled by government (or other) approved inspection and certifying bodies. Organic farming is a rapidly growing sector. Globally, some 700,000 farmers practice this method and more than 30 million hectares are being managed organically. The organic food and drinks market is constantly growing and the value of the global organic market is currently approximately \$45 billion, of which Europe accounts for 52%.

Afghanistan lagging behind in organic farming

Afghanistan is currently one of the very few countries in which the organic farming concept and practice have not found their place yet. Consequently, the country has been lagging in developing an organic market and taking part in the booming international organic market (exporting). Organic farming is relatively unknown in Afghanistan and currently there are very few business initiatives directed towards organic food and agriculture. With the exception of a few liters of rose oil, no other certified organic produce seems to be exported from Afghanistan. It is also one of the few countries that does not have any IFOAM (International Federation of Organic Agriculture Movements) member. Afghanistan does have some non-certified organic production, but these are individual efforts and mostly small-scale operators.

Afghan organic business as part of the organic sector

In order to support the development of organic agricultural business in Afghanistan it is not sufficient to support just the existing and new organic production, processing and trade initiatives. The organic farming and food business in Afghanistan can only become viable and competitive (especially in the mid and long-term) if a wider enabling environment is put in place, too: accompanying organic policies, research and education, extension and inspection and a certification system. Therefore, besides supporting the Afghan organic business opportunities, it is equally important to support in parallel the establishment of a wider framework enabling the development of the Afghan organic sector as a whole. In this respect, the conclusions and recommendations presented in this report go beyond those concerned with merely the organic business opportunities identified. The mission recommends support at three levels: policy and conceptual context, market development and support to enabling facilities. As a precondition, it is necessary to tackle the issue of ecosystem rehabilitation.

Ecosystem rehabilitation

Degraded ecosystems need to be rehabilitated in order to improve soil fertility, an important precondition for any kind of farming but especially for organic farming, which depends more on the fertility of the soil. It is recommended to involve ecosystem experts in designing and implementing several exemplary projects for restoration of degraded ecosystems.

Support to policy

There is a huge gap, lack of information about what organic farming is, and how this concept and practice should be applied in the context of Afghanistan. It is therefore recommended that the Ministry of Agriculture, Irrigation and Livestock initiates a study and a series of round tables clarifying the conceptual background of different agricultural methods, their management practices and feasibility in the Afghan context. In order to assess whether the concerns about the widespread adoption of organic farming in Afghanistan are grounded, it is highly recommended that the Ministry of Agriculture, Irrigation and Livestock commission a study

assessing the consequences of a widespread conversion to organic farming in Afghanistan.

**Market
development**

Afghanistan has a variety of crops that can easily be exported as organic, provided they have organic certification. The prime candidates are rose oil, saffron, raisins, almonds, pistachio, dried fruits and herbs. The mission has identified concrete businesses and opportunities, which the ASMED project can support. These include the expansion of the existing rose oil production by Rona Ltd, production of organic raisins and pomegranate juice by Bagram Ltd. and the start of organic saffron production by Red Gold Ltd. Besides, the mission recommends supporting training in preparing organic business plans and a market study providing in-depth information about export feasibility. Finally, ASMED is recommended to assist in supporting a project identifying and selecting prosperous farmers' organisations and co-operatives willing to enter into smallholder farmers' organic inspection and certification scheme and to support inspection and certification training for potential Afghan organic inspectors, leading to the establishment of an Afghan organic inspection and certification body.

**Support and
enabling
facilities**

In order to catalyze development of the Afghan organic farming sector it is of utmost importance to set up appropriate organizational structures and activities facilitating organic farming training/education, research, extension and demonstration facilities. ASMED is recommended to support the establishment of an Afghan umbrella association for organic farming; a study tour of selected Afghan experts to Europe; setting up of two demonstration activities (smaller and larger-scale); establishment of pilot research and education; and an organic project with street children.