CRS-Research on Alternative Livelihood: Agro-enterprise Approach

November 20, 2005
Discussion Outline

• Poppy growing area and season
• ASP strategy (Production, Processing and Marketing)
• Production (PEAR Approach)
• Lessons Learned
• New Challenges
Poppy Area
Agro-enterprise Support Program (ASP)

Improve economic security of farmers.

– Improve production technology.
– Introduce value-adding processing.
– Link farmers to markets.
  • Domestic markets.
  • International markets (i.e., US, India, Pakistan).

- PEAR approach for production – Participation, Efficiency, Adaptation, and Redesign
ASP Enhancement Framework

Crop Improvement 1

Improved Techniques 2

Processing 3

Domestic Markets 4

Export Markets 5

FARMERS
Targeting Crop Improvement

Field Offices
- 16 National Agronomists.
- 22 Villages.
- 250 Farmers.
- Public Partnerships.

Demonstration Plots
- Saffron and Cumin.
- Vegetable Varieties.
- Nurseries.
Targeting Crop Improvement

Variety Tests
- Improve yield and quality.
- 12 tomato varieties.
- 2 garlic, onion, cotton.
- Turnip, squash, chickpea.
- Seed production – okra, cucumber.

Training
- Stakeholder meetings.
- Field days.
- Market visits.
Targeting Crop Improvement

Women in Farming

– 2 women agronomists.
– 70 women farmers.
  • Demonstration Plots.
– 5 Self Help Groups.
  • Collective farming for income generation.
– 50 in saffron farming.
ASP Enhancement Framework

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FARMERS
Improved Farming Techniques

Sowing.
Pest Management.
Composting.
Water Harvesting.
Improved Farming Techniques

Greenhouses

- Winter Production.
- Higher Winter Prices.
- Import Substitution.
- Low cost.
- Iron Pipe.
- Mudwall.
Greenhouse Economics (Mudwall)

- Const. Cost: $300
- Seed Cost: $15
- Other: $300
- Sq. Meters: 240
- Plants/M: 4.5
- Total Plants: 1,080
- Final Kgs/Plant: 2.5
- Total Kgs: 2,700
- Winter Price: $1/kg
- Revenue: $2,700
- Profit: $2,085

Cost Per Square Meter of Land

Improved Technology Reducing Cost

- Fall 2004
- Spring 2005
- Fall 2005
Sericulture

Silk-worm rearing.

- Second season research project.
  - 100 egg-boxes.
  - Prove to farmers late-season viable.
- Processing.
  - Silk thread for local and Iranian markets.
- Strong alternative livelihood.
  - 50 laborers per box.
  - About 40 kg per box at $12/kg.
Processing Activities

Improved Livelihoods.

– Value-addition.
– Diversified Markets.
– Niche Markets.
– Reduced Wastage.
– Food Security.
– Literacy and Numeracy for Women.
Tomato Processing Example
Medium-Scale Processing

Karokh Tomato Processing Center

– $70,000 investment.
– 15-20 tons of fresh tomatoes, tomato paste, and dried tomatoes daily.
– 400 women processors.
– 25% expected return.
– 1,700 farmer HHs.
ASP Enhancement Framework

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FARMERS
Collective Distribution and Marketing

Improved bargaining power of farmers.

- Access to city markets.
- Cost savings – collective selling.
- Storage in Bazaar to prevent “panic” selling.
- Traders offer greater price with guaranteed quality supply.
- Over 20 MT of tomato daily collected and shipped in Sept.
Other crops for domestic market

- Garlic (Local vs Chinese)
- Onion (Local vs Yellow Spanish)
- Squash (Holland)
- Turnip (Palpal Top)
- Cotton (S 108 vs Akola 151799)
- Chickpeas (Sweedish)
- Carrot (Mazhar local)
Export Markets

1 MT of cumin shipped to a US buyer.

- Consultant in US exploring market for cumin and saffron.
- Began discussions with boutique grocery outlets in US.
Saffron for Export

Saffron.

- 3.5 MT of saffron bulbs distributed
- 49 women farmers, 20 male farmers
- Field day held for farmers, university and government representatives and other NGOs
- Samples sent to US for quality and food safety testing
- Plans for test export of 20 kgs in Winter
- Training on post-harvest handling for export planned for December.
Lessons Learned

- All actors do not have equal bargaining power.
- PEAR approach is good for behavior change.
- Experimenting ability of farmers is very important.
- NRM like land and water resource care must go simultaneously.
Challenges

• Links to export markets.
• Better use of microfinance and small enterprise grants.
  – Need to overcome cultural/rural bias against loans.
  – Limited finance options available in Afghanistan.
New Challenges

• **Business development services.**
  – Marketing, Accounting, Business-plan Prep.

• **Market information systems.**
  – Real-time price information.
  – Database of key market indicators.
  – Consumer research.
  – Product testing.
Thanks from CRS-Research Team

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