



**PRIORITY NEEDS ASSESSMENT  
SUMMARY REPORT**



Former Opium Poppy Farmers in Charbolak,  
Dehdadi and Kaldar districts in Balkh

**October 2008**

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## **Synonyms and Acronyms**

AL	Alternative Livelihoods
CDC	Community Development Council
CN	Counter Narcotics
FAO	Food and Agriculture Organization of the United Nations
HH	Household
OPC	Opium poppy cultivation
MCN	Ministry of Counter Narcotics
NSP	National Solidarity Programme
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office of Project Services
WFP	World Food Programme

## **Acknowledgements**

The following organisations and individuals contributed to the preparation of this report:

### **United Nations Office on Drugs and Crime (Kabul)**

Christina Oguz (Country Representative); Elisabeth Bayer (Deputy Country Representative); Patrick Halewood (Project Coordinator); Ajmal Noorzai (National Alternative Livelihoods Expert); Andrew Weir (Consultant).

Lutf Rahman Lutfi (Provincial Coordinator, Mazar); Mohammad Azim (Provincial AL Coordinator, Mazar); Mohammad Hussain Jalili (Provincial AL Coordinator, Faizabad); Bahram Momand (Provincial AL Coordinator, Jalalabad); Ahmad Waheed Fayed (Provincial AL Coordinator, Herat); Mohammad Yakub Gulzai (Provincial AL Coordinator, Kandahar).

### **Strategic Impact Consulting (Kabul)**

# **An Assessment of the Priority Needs of Former Opium Poppy Farmers in Charbolak, Dehdadi and Kaldar Districts in Balkh Province**

## **Summary Report**

### **ABSTRACT**

#### **Household livelihoods**

##### *Characteristics*

- Between 5% and 15% of household heads are disabled, many of whom are heading poor households.
- Among males, there is an increasing shift from agricultural wage labour to off-farm employment in all socio-economic groups.
- Ownership of both orchard and timber trees is widespread.
- Livestock ownership is widespread across wealth groups and is particularly prevalent in areas where arable livelihood options are limited.

##### *Sources of Income*

- Household income sources are diversified by socio-economic group with rich households having more than 3 income sources; middle income households 1-2 and poor households, one.
- Casual labour is the most important income source for poor households and is also important for middle income households;
- Rich and middle-income households are pursuing employment opportunities with the government;
- Begging is an important source of income for poor households in the relatively well resourced district of Dehdadi.
- There is an increasing shift from agricultural labour to non-farm wage labour due to the low returns and limited opportunities in the licit agricultural sector.
- Households are under considerable stress and are having difficulty meeting their basic needs (including food security) and do not have the resources to invest in income generating activities to broaden their livelihood options.

##### *Shocks and coping mechanisms*

- All households have experienced some kind of shock in recent years and use various coping mechanisms. The major reported shocks were sickness (92% of households) problems with irrigation water (60%) livestock diseases (32%) flood/land slide (32%) and the opium ban/eradication (32%).

- 60 – 74% of households reduced the quality or quantity of their diet as a principal coping mechanism as shocks reduce the quantity or reliability of their food supply.
- In Dehdadi district, 21% of households took loans from family or friends and spent savings and 14% sold female reproductive livestock to cope with shocks.
- The consequences of these coping mechanisms are threefold:
  - many households are becoming food insecure;
  - households are increasing their level of debt and depleting their savings;
  - households are selling productive assets.
- The overall result is that coping mechanisms reduce the households' ability to recover from shocks.
- Some farmers have started cultivating cannabis as an alternative to opium poppy. The fact that one illicit crop has been replaced with another is an indictment of the inadequate efforts to re-introduce licit rural livelihoods in the province (and elsewhere in Afghanistan).

#### *Debt and Credit*

- Rural households are short of cash to meet their requirements for food and household consumables.
- On average, 81% of households in Charbolak district and 72% of households in both Dehdadi and Kaldar districts have accumulated debts.
- About 50% of household have sold physical assets and borrowed from relatives and friends to meet their household needs after the opium ban.
- The major sources of credit are relatives and friends available (54-61% of households taking credit) and shopkeepers (27-54%); while formal credit from MFIs contributes only 5-12% and is not available everywhere.
- Inadequate rural basic health care services increase the debt burden of rural households, which have to borrow to visit private clinics, thus having negative effects on livelihoods.
- As a result of stopping opium poppy cultivation most households reduced their purchasing power and thus accumulated debts. Since the opium ban, farmers stated that their main problems are lack of cash, and lack of food. Consequently, they take loans primarily to purchase household consumables and food.

#### *Food Security*

- Very few households are food secure; despite the fact that virtually all households produce crops and livestock for consumption.
- 56% to 96% of households do not produce sufficient wheat to meet their needs.
- 48% of poor households borrow from family, friends and shop owners to meet their food needs, thus increasing their level of indebtedness with consumption loans.
- The high levels of wheat purchase and borrowing to meet household wheat requirements are strong indicators of widespread household food insecurity.

- Overall, 37% of households experienced low dietary diversity and low food consumption levels and only 9% had good dietary diversity and food consumption levels.
- Households in low opium poppy cultivation areas are less food insecure than those where opium poppy is cultivated.

### **Opium Poppy Cultivation**

- All the farmers (ex-opium poppy growers) interviewed reported the total elimination of opium poppy cultivation in their villages and that they had no plans to revert.
- Farmers are committed to sustaining their elimination of opium poppy cultivation based on moral (religious) issues and, equally important, on the risks of sanctions from government authorities.
- Most farmers claimed that they were influenced by their peers from other provinces to resort to opium poppy cultivation; as others' livelihoods had improved substantially from incomes derived from opium poppy cultivation.
- For resource-poor households, opium poppy cultivation was attractive as a means of survival, providing access to land through sharecropping and securing access to credit to meet subsistence needs.
- For many poor farmers, growing opium poppy was more a necessity than a choice, due in part to limited licit livelihoods opportunities as well as to peer pressure.
- High expected profit was an important motivation for traders to enter the opium market.
- The labour-intensive nature of opium poppy cultivation created a reliable source of income for households with insufficient access to land to satisfy their basic needs.

### *Household economic situation*

- Households in all wealth groups are worse-off due to the reduction or elimination of opium poppy cultivation: the rich group, due to loss of farm income, and the poor due to loss of employment opportunities.
- The cessation of opium poppy cultivation has resulted in a serious depletion of physical and financial assets, which in turn has affected the social capital and the social status of village households.
- 90% of households reported a sharp decline in living standards after the opium cultivation ban, despite a shift in agricultural production to grains, fruit and vegetables and animal husbandry.
- The immediate negative impact of the opium ban was a reduction in household liquidity and a shortage of food, with households using various coping mechanisms to survive. However, some of these mechanisms – based on asset depletion - undermine household security over time.

### *Perceptions of Government Counter Narcotics (CN) Policy*

- Farmers recognised the local authorities' commitment to the ban on opium poppy cultivation and their capacity to enforce the ban.
- Farmers claimed that there was agreement between the government authorities and the international community to provide development assistance to improve their licit livelihoods and village infrastructure as a reward for cooperation with the ban on opium poppy cultivation.
- There was a widespread feeling that promises to introduce licit rural livelihoods after the opium ban had been broken; with a perception that the government used the opium ban to satisfy the interests of the international community at the expense of farmers' livelihoods.
- While the farmers are currently prepared to uphold the ban opium poppy cultivation, such a commitment may be short-lived if substantial agricultural support and village infrastructural development continue to be delayed.

### *Food Aid and Food Security*

- The overwhelming majority of households interviewed believed that food aid was a worthwhile intervention to reduce opium poppy cultivation.
- Although all respondents across the wealth groups acknowledged the benefits of WFP food aid, they felt that food aid is short-term and what is most needed is not a "hand-out" for a limited time, but development assistance that will make the villages both food secure and productive in the long-term.
- The first need for most households is to increase their food security. In the short-term, this can be achieved with appropriately targeted food aid. Subsequently, improved small-scale agriculture, essential for meeting longer term food security needs, can contribute to the establishment of sustainable livelihoods, as part of a rural development programme which includes new opportunities for income and employment.

## **The Way Forward: Villagers' Views**

### *Management*

- Development agencies should work with and strengthen village structures in the planning, implementation and monitoring of livelihood activities, to enhance transparency and ownership and reinforce sustainability.
- A cost recovery component should be built in to any income generation activity to encourage ownership and a commercial approach.

### *Food Aid*

- Timely delivery of food aid and improved access to key inputs such as seed and fertilizer are essential to support households that have stopped cultivating opium poppy.
- Targeted food aid should emphasize the needs of women and children, and should include health and nutrition education.

- Food aid should be provided at critical times and in quantities appropriate to the needs of households, to meet food gaps and have no disincentive effects on wheat production.

#### *Capacity Building*

- Create and/or improve villagers' capacities, assets and economic opportunities, to contribute to restoring, broadening and sustaining household livelihood systems.
- Support and strengthen educational programmes, including construction of schools and fostering girl's education.
- Enhance women's empowerment through appropriate skills development and support.
- Training is required to build local capacities and reduce dependency: to facilitate participation, training programmes should take place when there are few agricultural activities.

#### *Agriculture and rural development*

- Provide agricultural extension activities with sufficient resources.
- Provide access to agricultural equipment, materials and credit for seed.
- Establish enterprise-based skills development opportunities based on village entrepreneurial capacities and assets.
- Assist farmers to recover capacity to produce fruits, nuts, vegetables and timber for both domestic consumption and commercial sale. A market study to establish the comparative advantage and potential for fruits, nuts and vegetables would be needed.

#### *Welfare*

- Improve access to functioning health facilities particularly for maternal and child health care.

#### *Income generation*

- Support small and large scale enterprises to absorb surplus labour and reduce dependency on agriculture for household income generation.

#### *Infrastructure*

- Construct and upgrade roads to improve access and reduce transportation costs.
- Rehabilitate and develop irrigation systems, including: re-establishing village-based water management and distribution arrangements, training of villagers in irrigation water management and maintenance.

## 1. INTRODUCTION

This document is based on a draft report prepared for UNODC by Strategic Impact Consulting, using information collected in Charbolak, Dehdadi and Kaldar districts of Balkh province in December 2007 and January 2008. This document provides in-depth qualitative analysis, supported by data collected as described in Section 2 below. The analysis is not statistically rigorous but is designed to provide an overview of the current situation of former opium poppy-growing households in Balkh province.

The *objective* of the study was to investigate livelihood strategies and dynamics and to identify the immediate priority needs of farmers formerly engaged in, or at risk of re-engaging in, opium poppy cultivation, in order to inform interventions designed to address their needs. The study was also designed to serve as a baseline against which to assess the impact of such licit development interventions.

The key criteria for district selection, identified from a UNODC/WFP desk review in November 2007, were:

- **Opium Poppy:** history, trends and levels of opium poppy cultivation, proportion of arable land under opium poppy (Source: UNODC Opium Survey Reports);
- **Socio-economic vulnerability:** proportion of population food insecure, distance and travel time to local markets, land-holdings (size, irrigated, rain-fed, source of irrigation water), security and accessibility.

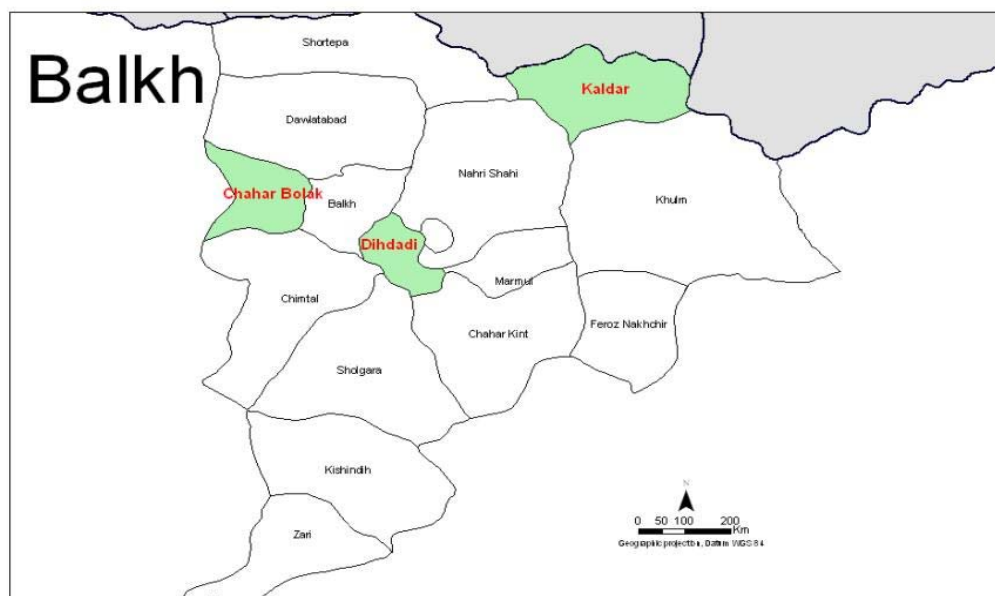
## 2. SURVEY METHODOLOGY

The priority needs of the target groups in the sampled districts were identified through combining qualitative and quantitative approaches, including:

- Key informants at provincial, district, sub-district;
- Meetings and focus group discussions with village elders and/or CDCs, supported by direct field observations;
- Household interviews (225) using structured questionnaires, with both men and women;
- Household case studies (16) using a more qualitative approach.

Within each sample district, three villages were sampled to illustrate differing livelihoods systems using the following criteria: landscape position, access to market, opium poppy cultivation (history and current level) and outside intervention. Within each site, households representing various socio-economic groups were interviewed to capture differing livelihood constraints and opportunities and the varying levels of dependency on opium poppy cultivation. The socio-economic groups were identified through wealth ranking during village meetings and then reviewed and finalised by the survey team.

Male and female members of poor, middle income, better-off and rich households were interviewed in three villages in each of the districts of Charbolak, Dehdadi and Kaldar, shown in the map below.



### 3. KEY FINDINGS

The characteristics of Balkh province and the three surveyed districts are:

- **Balkh Province:** Largely mainstream, good main trading links; some food insecurity, no tradition of opium poppy cultivation: opium poppy cultivation down from a high of 10,830 ha in 2005 to zero in 2007
- **Charbolak District:** productive arable and livestock; good orchards; generally good market access; many irrigation canals destroyed; poor access in some areas: opium poppy cultivation down from a high of 2,700 ha in 2005 to zero in 2007.
- **Dehdadi District:** moderately productive; generally good market links; irrigation infrastructure, but water shortages; mostly single cropping; good livestock – opium poppy cultivation down from a high of 990 ha in 2005 to zero in 2007.
- **Kaldar District:** remote, poor access; poor arable land (saline), single cropped; limited markets; low productivity; damaged irrigation infrastructure; livestock important; good forests; food deficit: opium poppy cultivation down from a high of 395 ha in 2005 to zero in 2007.

### 3.1 The Livelihood Context and Structural Factors

#### *The three districts*

**Dehdadi district**, one of the more productive districts in Balkh province, includes 36 villages. Most of the arable land is single cropped and about 10% of rural households are landless. The Nahr Shahi irrigation canal from the Balkh River is the main source of irrigation water, but there is a shortage of water due to the extensive damage to the water distribution system and the breakdown of traditional water management arrangements. There is little basic infrastructure away from the main roads. The district has potential for livestock development for both meat and milk, although the productivity of pasture land has been degraded. There are several development agencies operating, through the government (NSP), the UN (FAO, Habitat) and NGOs.

**Charbolak district** is also relatively productive and includes 110 villages. The arable land is moderately fertile and is generally single cropped. As with other districts in the province, much of the irrigation infrastructure has been destroyed or damaged, with the result that there is a shortage of irrigation water. Basic infrastructure away from the main roads is limited. However, due to ease of access to Mazar-e-Sharif, non-farm labour provides about 60% of household income. Many orchards have been developed, but pests and diseases are limiting their productivity. In addition to NSP and several NGOs, the UN agencies, WFP, FAO and UNOPS are working in the district.

**Kaldar district** is in the north east of the province, bordering Uzbekistan and Tajikistan, and includes 21 villages. Although the district borders the Amu river, there is very little irrigation infrastructure and the river is the cause of regular flood damage. The arable land is frequently saline and consequently is of low productivity. There are considerable numbers of livestock and large areas of pasture and forest. However, productivity is being affected by drought and over-exploitation of the pasture and forest resources. Carpet weaving is an important source of household income. Basic infrastructure is limited – although there is a regular electricity supply from Uzbekistan. There are high levels of short and long term migration in search of off-farm income.

- In Kaldar district 85% of children over the age of 7 years are involved in carpet weaving
- Many children (up to 80%) between 7 and 13 years of age are involved in cutting and collecting wood for domestic use and sale.

Demand for Food & Education for Children
<p>Our children must be relieved from their heavy work burden and provided with food. However food is not enough, we must have education for our children for it will give them better chances for success in life.</p> <p><i>50-year-old farmer, Charbolak district.</i></p>

- There is a strong interest in developing livestock resources as a livelihood option for both home consumption and income generation. However, lack of technical skills and veterinary services coupled with the degradation and encroachment of the rangelands is restricting progress.
- A strong demand for skills development and technical assistance is coupled with willingness from villagers to contribute their own resources in partnership with the government and development agencies.

### 3.2 Household Livelihoods

#### *Household characteristics and livelihood strategies*

**Table 1: Household Characteristics**

<b>Components</b>	<b>Rich</b>	<b>Middle</b>	<b>Poor</b>
Land Holding	▪ More than 20 Jeribs	▪ 5-20 Jeribs	▪ 1-5 Jeribs
Patterns of Cultivation	▪ Owning/cultivating land ▪ Owning/share cropping	▪ Owning/cultivating land ▪ Owning/share cropping ▪ Rent/lease land	▪ Owning/cultivating land ▪ Landless ▪ Share cropping ▪ Rent/lease land
Livestock	▪ Own more than 20 (cows, sheep, goats and donkeys)	▪ Own more than 10 but less than 20 (cows, sheep, goats, donkeys)	▪ Own less than 10 (cows, sheep, goats, donkeys)
Income Sources	▪ More than three income sources	▪ One or two income sources	▪ One income source
Crop Production for Consumption	▪ Less than 40% of crop produced is consumed	▪ 40-70% of crop produced is consumed	▪ More than 70% of crop produced is consumed

The key characteristics of household livelihoods, with implications for development interventions, are shown in Table 1. In addition:

- 5% to 15% of household heads are disabled, many of whom head poor households.
- Among males, there is an increasing shift from agricultural wage labour to off-farm employment in all socio-economic groups.
- In Kaldar district up to 95% of men and 90% of women have carpet weaving skills. Although lower in other districts, carpet and *kilim* weaving skills are widespread.
- Sharecropping is common in Charbolak district (12%-20% of households); elsewhere, the vast majority of households cultivate their own land.
- Ownership of both orchard and timber trees is widespread, particularly among the poorer households in Kaldar district – where tree seeds used for herbal medicine are sold to intermediaries for export to China.

- Ownership of carpet looms and sewing machines is widespread in Kaldar district, particularly among poor households.

### **Non-Farm Skills Support Essential For Sustainable Livelihood**

People with skills such as carpentry, masonry or carpet weaving have high potential to earn more money than from farm labour. With no reliable and sufficient irrigation systems, more people are moving into non-farm labour. The evidence suggests that more investment should be committed to industrial skills training as part of effective sustainable rural livelihoods programmes.

- Livestock ownership is widespread across wealth groups and is particularly prevalent in Kaldar district where arable livelihood options are limited.

### **Livestock ownership is an opportunity for improving livelihoods**

The high levels of livestock ownership illustrate the increasing importance of livestock in rural livelihoods strategies; suggesting the need to emphasise the improvement of livestock to support sustainable licit rural livelihoods. The findings also show that many poor households have substantial livestock assets which can be developed to broaden their livelihoods options and increase their licit income earning opportunities.

#### *Sources of income*

- Household income sources are diversified by socio-economic group with rich households having more than 3 income sources; middle income households having 1-2 and poor households having only one.
- Casual labour represents the most important source of income for the poor households but is also important for middle income households;
- Livestock, orchards and firewood are important sources of income for most households;
- Households in the rich and middle-income groups are pursuing employment opportunities with the government;
- Only in the relatively well resourced district of Dehdadi do the poor households consider begging an important source of income.
- There is an increasing shift from agricultural labour to non-farm wage labour due to the low returns and limited opportunities in the licit agricultural sector.

#### *Shocks and coping mechanisms*

- All households reported that they have experienced some kind of shock in recent years and use various coping mechanisms to deal with them. The major reported

shocks were sickness (92% of households) problems with irrigation water (60%) livestock diseases (32%) floods/landslides (32%) and the opium ban/eradication (32%).

- 60% – 74% of households reduced the quality or quantity of their diet as a principal coping mechanism as shocks reduce the quantity or reliability of their food supply.
- In Dehdadi district, 21% of households took loans from family or friends and spent savings and 14% sold female reproductive livestock to cope with shocks.

The consequences of these coping mechanisms are:

- many households are becoming food insecure;
- households are increasing their level of debt and depleting their savings;
- households are selling productive assets.

The overall result is that their coping mechanisms reduce the households' ability to recover from shocks.

#### *Cropping patterns*

- Farmers report that insufficient irrigation water and lack of cash (or credit) to procure quality inputs (improved seeds and fertilizer) are major constraints to improving licit agricultural production and, in particular, to diversifying licit cropping patterns.
- Some farmers have started cultivating cannabis as an alternative to opium poppy. The fact that one illicit crop has been replaced by another, is an indictment of efforts to re-introduce licit rural livelihoods in the province (and elsewhere in Afghanistan).

#### *Access to credit*

- The major sources of credit are relatives and friends available (54%-61% of households taking credit) and shopkeepers (27%-54%); while formal credit from MFIs contributes only 5%-12% and is not available everywhere.
- As a result of stopping opium poppy cultivation most households reduced their purchasing power and thus accumulated debts. Since the opium ban, farmers stated that their main problems are lack of cash, and lack of food. Consequently, they take loans primarily to purchase household consumables and food.

As is shown in Table 2, the vast majority of loans are taken for consumption with only 4% to 7% of households taking loans for productive agricultural purposes.

**Table 2: Purpose of Loans by Wealth Group (% of HHs)**

	<b>Rich</b>	<b>Middle Income</b>	<b>Poor</b>
HH consumables	40	42	71
Food purchase	38	50	56
Health care	19	23	21
Agricultural	4	7	4
Debt repayment	1	-	-
Funeral costs	-	8	-
Wedding costs	-	-	7

Note: As HHs may have more than one loan, percentages do not total 100.

The findings on use of loans indicate that;

- Rural households are in need of cash to meet their requirements for food and household consumables.
- There is a high degree of food insecurity despite the fact that virtually all households produce crops and livestock for consumption.
- Inadequate basic health care services is resulting in a debt burden upon rural households, thus having negative effects on livelihoods.
- Households are under considerable stress and are having difficulty meeting their basic needs (including food security) and do not have the resources to invest in income generating activities to broaden their livelihood options.

### **3.3 Household food security**

- Very few households are food secure. The proportion of households that do not produce sufficient wheat to meet their consumption needs ranges from 56% to 96%.
- 48% of poor households borrow from family, friends and shop owners to meet their food needs, thus increasing their level of indebtedness with consumption loans.
- The high levels of wheat purchase and borrowing to meet household wheat requirements are strong indicators of widespread household food insecurity.

### **3.4 Main challenges facing rural households**

- **Food:** Most households are food insecure; do not produce enough wheat and have limited access to food for several months each year.

- **Low yields:** Crop yields are generally low; use of improved varieties and better management practices can easily double or triple yields. The shortage of labour in rural areas also underscores the importance of increasing yields.
- **Low product quality:** At present the quality of agricultural produce is low with poor transport and storage facilities. Although a key criterion for expansion into new markets, farmers pay virtually no attention to quality issues.
- **Underdeveloped infrastructure and market access:** Lack of infrastructure and markets are serious constraints to increasing cash-generating activities and marketing. However, market accessibility is difficult because of difficult terrain in some areas, lack of transport, and lack of supporting marketing facilities.
- **Lack of information on demand, outlets and prices of agricultural products:** Lack of information is a serious constraint to optimal production from farmers, who are, for example, not aware of market prices and as a result tend to sell to middlemen at very low prices.
- **Too much handling:** Produce distributed from isolated areas is handled many times; although too much handling decreases quality and increases marketing costs. Handling costs and damage can be reduced with simple packaging at the community level.
- **Farmers are risk-averse:** Throughout Balkh province, food production is the priority for the vast majority of rural households. Although in recent years a broad range of cash crops has been developed, farmers are often reluctant to enter commercial farming, small-scale agro-processing and other non-farm activities such as handicrafts: this is a rational, risk-averse, response, given the actual and potential risks involved.
- **Expectations of risk and benefit:** Few licit cash crops or rural enterprises generate a secure, low-risk, but adequate income. Even when income is potentially high, it cannot be guaranteed season-to-season. When income from licit crops does not live up to farmers' expectations, at best, momentum to develop the licit rural economy is lost. Conversely, if farmers do not appreciate the potential of a crop, they will not take a risk and plant. Both unrealistic expectations and a lack of interest in innovation stem, in part, from inadequate market information and lack of access to broad-based knowledge. For example, inefficient agricultural markets cause discrepancies between supply and demand. This, coupled with poor communication, discourages farmers from investing time and money in new crops and to take these products to market.
- **Lack of information:** A critical factor for increasing rural income opportunities relates to how much market information is available to farmers, which is affected by the structure of the market. The greater the distance from the market, the less opportunity farming households have of accessing price information. Because of transport infrastructure problems and labour shortages, many marketplaces are not accessible to farmers, placing them at a substantial disadvantage with respect to traders, as they have to rely on third parties for information on trade and market conditions.
- **High transaction costs:** The remoteness of many farmers and low population densities increases transaction costs for commercial farming. Potentially, farmers

could benefit from cooperating more closely by pooling resources to access credit, bargain with middlemen and share equipment.

- **‘Subsistence’ households:** Poor households should not be seen as consuming only what they produce or producing only for their own consumption. Even the poorest household surveyed participates in the market place to some extent. As part of their livelihood strategies members of poor households expect to sell their labour, gather and sell fodder, migrate seasonally for work, produce cash crops, sell excess livestock and otherwise supplement their incomes with agricultural and non-agricultural activities.

#### 4. THE OPIUM ECONOMY

Historically, Balkh was not a major opium producing province and the recent surge in opium poppy cultivation was, in part at least, an opportunistic response to a combination of factors, including: weak governance, major structural constraints in the licit rural economic environment, pressure from within the illicit opium economy and a lack of licit income earning opportunities.

- All the farmers (ex-poppy growers) interviewed reported the total elimination of opium poppy cultivation in their villages and that they had no plans to revert to opium poppy cultivation.
- The farmers are committed to sustaining their elimination of opium poppy cultivation based on moral (religious) issues and, equally important, on the risks of sanctions from government authorities.
- Most farmers claimed that they were “*forced into opium poppy cultivation*” but were also influenced by their peers from other provinces whose livelihoods improved substantially from incomes derived from opium poppy cultivation.
- For resource-poor households, opium poppy cultivation was attractive as a means of survival, providing access to land through sharecropping and securing access to credit to meet subsistence needs.
- For many poor farmers, growing opium poppy was more a necessity than a choice, in part due to the poor licit livelihoods opportunities as well as to peer pressure.

### Impact of Effective Agricultural Seed Support

An opium poppy farmer in Dehdadi cited as an example that FAO support, during 2001-2002, through provision of breeder seeds and effective monitoring and technical support helped farmers to produce quality wheat.

"During the two years I learned a lot and earned a lot too, I was able to meet my basic necessities, and buy more things for my family. The programme was very effective; FAO conducted soil assessment for wheat planting, provided farming advice and really helped us. If we have this kind of help all the time, which gives us, better yield and we are happy, why should I cultivate opium poppy? People are interested in help like this."

*Haji Abdul Ghani-48 year old farmer, Chelqazi village, Dehdadi district.*

- In conditions of weak governance, the key factors driving opium poppy cultivation, according to the farmers, were: poverty, no viable licit agricultural support and peer influences.
- High expected profit was an important motivation for traders to enter the opium market.
- A guiding principle for farmers was that an increase in licit economic opportunities would decrease and eventually eliminate interest in opium poppy cultivation.
- Most importantly, for the resource poor, opium poppy cultivation provided the only source of credit for the purchase of basic necessities, including food, household consumables and agricultural inputs.
- The labour-intensive nature of opium poppy cultivation created a reliable source of income for households with insufficient access to land to satisfy their basic needs.
- Transport problems impact heavily on rural livelihoods constraining the ability of village households to generate sustainable licit livelihoods. The easily transportable nature of opium with the mode of transport available supported farmers' decisions to cultivate opium poppy. This strongly supports the farmers' claim of vulnerability and lack of access to markets as reasons contributing to their decision to cultivate opium poppy.
- The lack of road networks was cited as a major barrier to licit livelihood enhancement, and is a significant concern for rural households.

#### *Food Security*

As shown in Table 3, the patterns of household food consumption vary substantially by district, with particularly poor food consumption in Dehdadi district.

**Table 3: Food Consumption Pattern by District (% of HHs)**

Levels of Food Consumption	Low dietary diversity / Very Poor Food Consumption	Low dietary diversity / Poor Food Consumption	Better dietary diversity / Slightly Better Food Consumption	Better dietary diversity / Better Food Consumption	Total
Charbolak	9.3%	42.7%	30.7%	17.3%	100%
Dehdadi	70.7%	29.3%	0	0	100%
Kaldar	32%	8%	49.3%	10.7%	100%
<b>Average</b>	<b>37.3%</b>	<b>26.7%</b>	<b>26.7%</b>	<b>9.3%</b>	<b>100%</b>

Overall, 37% of households experienced low dietary diversity and poor food consumption levels and only 9% had good dietary diversity and food consumption levels.

Households in low opium poppy cultivation areas are less food insecure than those where opium poppy is cultivated.

After opium poppy cultivation was eliminated, the proportion of households capable of meeting their food needs fell from 80% to 30%, largely due to low level of productivity and lack of income from available licit livelihoods.

#### *Household Economic Situation*

Households in all wealth groups are worse-off due to the reduction or elimination of opium poppy cultivation: the rich group, due to significant loss of farm income, and the poor due to loss of employment opportunities.

On average, 81% of households in Charbolak district and 72% of households in both Dehdadi and Kaldar districts have accumulated debts.

About 50% of household surveyed had to sell physical assets and borrow from relatives and friends to meet their household needs after the opium ban.

The cessation of opium poppy cultivation has resulted in a serious depletion of physical and financial assets, which in turn has affected the social capital and the social status of village households.

#### *Sales or Exchange of Assets*

44% of the rich households, 36% of middle-income households and 24% of poor households sold or exchanged assets to generate income during the transition from opium production to licit sources of income. This indicates that the poor households have few assets to sell or exchange and may consider the preservation of what they do have as critical to their livelihoods.

90% of households reported a sharp decline in living standards after the opium cultivation ban, despite a shift in agricultural production to grains, fruit and vegetables and animal husbandry.

Opium poppy cultivation is an important means of obtaining credit. The system of advance payments and other loan arrangements available from within the illicit opium economy encourage resource-poor farmers to agree with the traders and shopkeepers to cultivate opium poppy. The cash received enabled them to buy food and other household consumables, especially during the winter; prior to repaying their debts with their opium crop.

The immediate negative impact of the opium ban was a reduction in household liquidity and a consequent shortage of food, with households being obliged to use various coping mechanisms to survive. However, some of these mechanisms undermine household productivity over time. Reduced expenditure on food, health care and education increases the likelihood of children dropping out of school; adversely affecting the development of the human assets of the household. When households have depleted their material assets, such as livestock or land, they are faced with few choices and may be forced to revert to opium poppy cultivation in the absence of income earning opportunities in the licit rural sector.

#### *Perceptions of Government Counter Narcotics Policy*

All respondents recognised the local authorities' commitment to the ban on opium poppy cultivation and their capacity to enforce the ban.

There was a widespread feeling that promises to introduce licit rural livelihoods after the opium ban had been broken; with a perception that the government used the farmers to satisfy the interests of the international community at the expense of their livelihoods.

Most farmers were disappointed at the lack of action by both the government of Afghanistan (central and provincial) and the international community, because the promises made to initiate developments as compensatory benefits for the farmers' cooperation to stop opium poppy cultivation had not been fulfilled. Although the farmers acknowledged the positive contribution of the National Solidarity Programme (NSP), it was considered inadequate to compensate for the promises that had been made to provide basic infrastructural assistance and agricultural support for farmers who had stopped opium poppy cultivation.

The farmers claimed that there was mutual agreement with the government authorities and the international community to provide development assistance to improve their licit livelihoods and village infrastructure as a reward for cooperation with the ban on opium poppy cultivation.

However, it was felt that the international community and the security forces had strongly encouraged the government's commitment to the opium ban, and it would be more appropriate if, instead, the international community worked together with the farmers and the government.

While the farmers are currently prepared to uphold the ban on opium poppy cultivation, such a commitment may be short-lived if substantial agricultural support and village infrastructural development continue to be delayed or neglected.

However, it was also felt that the commitment of the provincial and local authorities to the opium ban was also influenced and strongly associated with development assistance promised by the international community. The local authorities believed that such investment in rural and agricultural development would increase their political standing in rural areas. Thus farmers believed that the government commitment to the opium ban was based more on political considerations than on development issues.

98% of households surveyed felt that the local authorities have the capacity to sustain the ban on opium poppy cultivation with the backing of the security forces, as the international community has trained them.

## **5. FOOD AID, FOOD SECURITY AND VILLAGE DEVELOPMENT**

### *Food aid effectiveness*

The overwhelming majority of households believed that food aid was a worthwhile intervention to reduce opium poppy cultivation.

Although all respondents across the wealth groups acknowledged the benefits of WFP food aid, they felt that food aid is short-term and what is most needed is not a “hand-out” for a limited time, but development assistance that will make the villages both food secure and productive in the long-term.

The villagers appreciated school feeding, particularly to enhance girl’s education; food for training particularly targeting women, and food for work to help meet immediate community infrastructural needs.

Although respondents felt that there were weaknesses in the management of nearly half of the food aid interventions, they said that families benefited from reduced food expenditures and improved school attendance.

Villagers appreciated that development programmes need to enhance the capacities and skills of local people and aim at medium to long-term change; in partnership with village elders in order to strengthen their institutional and organizational capacities. In addition, wider economic, capacity building and infrastructural improvement needs to be addressed; since household food security ultimately depends on these issues. The respondents understood that food aid was only part of such a comprehensive approach.

### *Food aid and food security*

Multi-sectoral programmes are required to improve food security, agriculture and livestock, health, education, creation and rehabilitation of irrigation systems, and the promotion of micro-enterprises based on the skills and assets of rural households.

Development programmes should enhance existing coping mechanisms to support long-term self-reliance. Support to traditional village management structures should be designed to enhance the capacity of villagers and their leaders to identify development needs, to support and monitor implementation for effective monitoring and reporting of livelihood outcomes.

The first need for poor households is to increase their food security. For this, appropriately targeted food aid can meet their immediate needs. Subsequently, improved small-scale agriculture, essential for meeting longer term food security needs, can contribute to the establishment of sustainable livelihoods, including the emergence of new opportunities for income and employment.

#### *Irrigation infrastructure and crop improvement*

Since, in Afghanistan, crop production is largely dependent on irrigation, food security cannot exist without water security. The rehabilitation and expansion of irrigation systems will contribute to restoring agricultural production and to enhancing sustainable livelihoods and food security.

Between 70% and 100% of households rated their irrigation water supply as poor.

<b>Irrigation Rehabilitation and Sustainability of the Opium Ban</b>
If there are no interventions to rehabilitate the damaged irrigation systems, farmers may be enticed to cultivate opium poppy with the limited amount of water available. <i>Farmer, Khwaja Roshnaye village, Charbolak District.</i>

Communities indicated that inadequate irrigation resources was the major constraint for both agricultural production and food consumption, and to improving their living conditions.

Irrigation improvement, supported by credit, seed multiplication and crop improvement, is considered by communities to be essential for improving food security and livelihoods and for providing relatively equitable communal benefits.

Irrigation rehabilitation and development, managed by farmers and water users' groups, can be strongly linked to community needs and will enhance household empowerment.

Respondents appreciated that the rehabilitation and expansion of irrigation systems has the additional benefit of improving household access to drinking water.

#### *Rural enterprises*

The farmers viewed small-scale rural enterprises as vehicles for absorbing surplus village labour, and for diversifying income sources away from heavy dependence on agriculture. They felt that many such enterprises could build on existing village skills in carpet weaving, vegetable growing, dairying and poultry production as well as developing other skills that would increase non-farm income earning opportunities such as masonry, carpentry, metalwork and bicycle and vehicle maintenance.

## **6. STRATEGIC ISSUES AND RECOMMENDATIONS**

### **6.1 Issues for Programming**

Through case studies and focus group discussions, respondents identified a number of issues to be considered in licit development programmes:

- Improved access to financial capital and agricultural credit (financial and inputs/seed) needs to be supported by effective agricultural extension services.
- The structure and requirements of existing formal credit systems were a problem due to the rigorous screening processes (which disqualified many applicants) and the scheduling of interest payments, which did not necessarily coincide with agricultural production cycles.
- Since livestock diseases are a major problem for farm households, farmers express the need to train village-level para-veterinarians who would be able to earn an income from providing animal health services.
- In view of the high proportion of households owning assets such as carpet looms and sewing machines, respondents felt that strengthening skills and supporting for micro enterprise development would increase the use of these assets to provide much needed cash to improve livelihoods.
- The villagers believe that rehabilitation of the irrigation systems, and the construction of embankments and bridges on the canals will lead to better grazing and increased crop production.
- Villagers identified a need for development activities which focussed on women as they can particularly contribute to improving household livelihoods.
- Basic infrastructure. The widespread desire for improved services including clinics, schools for children (separate facilities for girls and boys), vocational training for adults, markets and roads was highlighted as part of an effective village livelihoods strategy.
- Strengthening local institutions. Many farm households spoke of the need to strengthen village institutions so that they can respond better to village needs, particularly with respect to agriculture, livestock and carpet weaving in the productive sector, and education and health in the social sector.
- Villagers firmly express their wish for greater transparency and accountability by government and international organizations.
- 90% of households believe radio is an effective medium for transmitting information.
- Meetings should be held periodically at the village level with participating agencies to ensure a close link between planning and implementation and to foster transparency and accountability.

- Extension and education programmes for farmers are needed to enhance agricultural productivity and to introduce high-value crops and improve yields of existing crops. Similarly, animal husbandry and livestock training programmes should be established to meet the need of both men and women.
- There were farmers' groups in several villages, which were credited with helping to improve members' agricultural productivity as well as being influential in opium poppy eradication. Respondents felt that such groups should be expanded and developed further.

## **6.2 The Way Forward: The Villagers' Views**

The most important recommendations made to the assessment team by village elders, villagers and concerned government agencies on the design and implementation of medium and long-term licit rural development and food security programmes are as follows.

### *Management*

- Any organization (government, UN, INGOs or NGOs) involved in long-term licit livelihood programmes should adhere to an overall strategy discussed and agreed for each sector at the provincial and district level; in order to prevent duplication of activities and waste of resources.
- Development agencies should work with and strengthen village structures in the planning, implementation and monitoring of livelihood activities, so as to enhance transparency and ownership and reinforce the sustainability of development activities.
- A cost recovery component should be built in to any income generation activity to encourage ownership and a commercial approach.

### *Food Aid*

- Timely delivery of food aid and improved access to key inputs such as seed and fertilizer are essential to support households that have stopped cultivating opium poppy.
- Provide targeted food assistance for households emphasizing the needs of women and children, and health and nutrition education for improvement of dietary levels.
- Provide food assistance at critical times and in quantities appropriate to the needs of households, so as to meet food gaps and have no disincentive effects on wheat production, in particular.

### *Capacity Building*

- Create and/or improve villagers' capacities, assets and economic opportunities, to contribute to restoring, broadening and sustaining household livelihood systems.
- Support and strengthen educational programmes, including construction of schools and fostering girl's education.
- Enhance women's empowerment through appropriate skills development and support.
- There is a need for training to build local capacities and avoid dependency. It was suggested that, to facilitate participation, training programmes should take place when there are few agricultural activities.

### *Agriculture and rural development*

- Provide agricultural extension activities with sufficient resources.
- Provide access to agricultural equipment, materials and credit for seed.
- Establish enterprise-based skills development opportunities based on village entrepreneurial capacities and assets.
- Any agricultural (including intensive vegetable and cash crop production, orchard development and crop diversification) and livestock (including fodder improvement) training activities would be more effective if conducted locally rather than outside the districts: an approach which would allow a greater number of people to benefit.
- Assist farmers to recover capacity to produce fruits, nuts, vegetables and timber for both domestic consumption and commercial sale. A market study to establish the comparative advantage and potential for fruits, nuts and vegetables would be needed.

### *Welfare*

- Improve access to functioning health facilities

### *Income generation*

- Support small and large scale enterprises to absorb surplus labour and reduce dependency on agriculture for household income generation.

### *Infrastructure*

- Construct and upgrade roads to improve access and reduce transportation costs, thus contributing to increasing licit agricultural productivity and to increasing household incomes.

- Rehabilitate and develop irrigation systems, including: re-establishing village-based water management and distribution arrangements, training of villagers in irrigation water management and maintenance of irrigation systems.

### **6.3 Some Issues for Further Investigation**

#### *Child Labour*

The assessment confirmed that child labour was common throughout the survey area, both boys and girls are heavily involved in such activities as wood cutting and carpet weaving.

Many children start working from seven years of age taking food from house to farm and girls frequently work with women in carpet weaving and mat making. The situation is critical, for example, in some villages where up to 70% of women are involved in carpet weaving and many are accompanied by their girl-child as helpers. Boys frequently work herding small livestock on pasture outside the village.

In some villages, due to limited income-earning opportunities for men, most boys are involved in wood cutting to contribute to household income and are therefore not attending school.

It is evident that, in closely knit rural households, children can, and do, contribute substantially to household livelihood strategies. Educational opportunities (and the quality of the education that is available) are limited, especially for girls, even at primary level and are even more restricted at secondary level and beyond. As a result, in such households, the benefits of education are frequently unappreciated and consequently unrealised.

There is need for a study of the role of child labour in household livelihoods strategies to identify its prevalence, the conditions under which it takes place, gender considerations and economic characteristics; in order to inform the design and implementation of licit rural livelihood programmes.

#### *Labour Migration*

Labour migration is common among younger male household members and is more seasonal than permanent with autumn being the main season. The most common locations for migration are Iran and Pakistan, as well as the north-eastern provinces of Afghanistan - for work on harvesting opium poppy.

Many studies of migration have been undertaken and there may be a case for providing training and advice to potential migrants to assist them in obtaining suitable employment abroad or elsewhere in Afghanistan: as a means of reducing direct pressure on the rural economy and enhancing licit rural livelihoods.

### *Women's Economic Empowerment*

The biggest impact on reducing household vulnerability and child labour comes from economic empowerment, in particular an increase in the income of women. Women often utilise income over which they have control to invest in the schooling of their children.

Adult literacy combined with skills training for income generation, specifically directed at women usually brings high livelihood returns. Labour-saving technologies to reduce women's work load and to enhance better health would be of particular importance

Greater attention should be given to addressing maternal and child health concerns which should be linked to nutrition training and support.

In view of the high incidences of health problems experienced by women due to their high workload and stress in non-farm work, occupational health problems need to be addressed. 90% of female respondents reported poor health due to their workload and exposure to different work environments in agricultural and non-farm activities.



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