



UNODC

United Nations Office on Drugs and Crime



Government of Afghanistan
Ministry of Counter Narcotics

August 2009

Afghanistan Opium Price Monitoring Monthly Report



**Ministry of Counter Narcotics, Islamic Republic of Afghanistan, Kabul
And
United Nations Office on Drugs and Crime, Kabul**

Summary

- Opium prices are collected from 15 of 34 provinces. The prices are collected for dry and fresh opium from traders (Trader prices) and farmers (farm gate prices). Heroin and cannabis resin prices are also collected from Afghanistan and Peshawar, the nearest town in Pakistan.
- *Dry opium prices*
 - Average dry opium price at farm gate level is **USD 73/kg** compared to USD 85/kg at the same time last year.
 - Average dry opium price collected from traders is **USD 79/kg** compared to USD 91/kg at the same time last year.
 - Since June 2007, prices in the Eastern and Western regions are generally higher than the prices in other regions. There was little opium produced in the North and North-eastern regions in 2008 and 2009.
- *Fresh opium prices*
 - Average fresh opium price at farm gate level is **USD 53/kg** compared to USD 61/kg at the same time last year.
 - Average fresh opium price collected from traders is **USD 61/kg** compared to USD 69/kg at the same time last year.
 - Fresh opium prices at farm gate and trader level were well above USD 100/kg till early 2007. Later prices decreased drastically.
- *Heroin and cannabis resin prices in Afghanistan*
 - Average heroin price in Afghanistan is **USD 2,151/kg** compared to USD 2,340/kg at the same time last year.
 - Average cannabis resin price in Afghanistan is **USD 50/kg** compared to USD 55/kg at the same time last year.
- *Heroin and Cannabis resin prices in Peshawar, Pakistan*
 - Average heroin price in Pakistan is **USD 2,412/kg** compared to USD 3,283/kg at the same time last year. .
 - Average cannabis resin price in Pakistan is **USD 302/kg** compared to USD 184/kg at the same time last year.

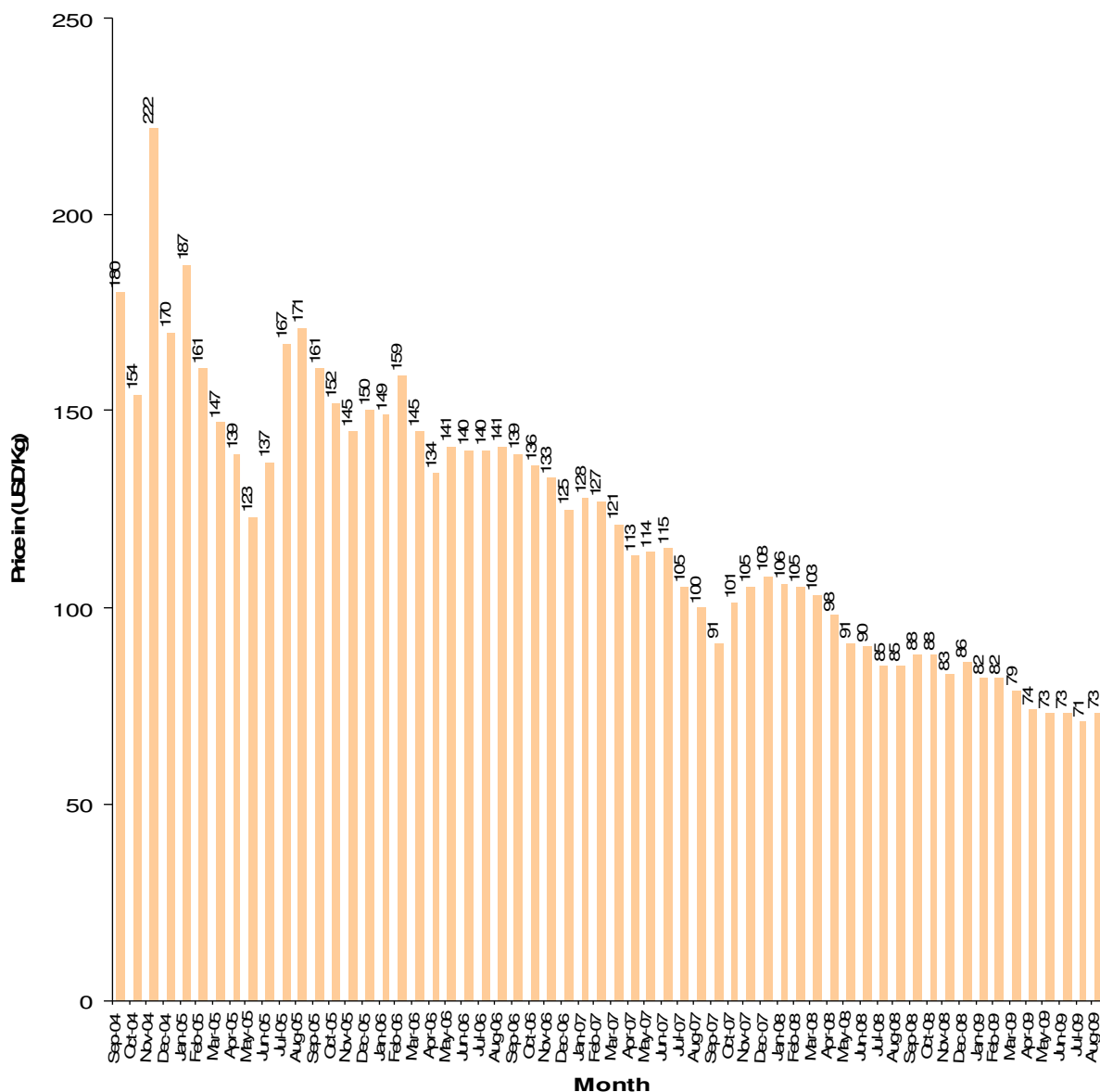
DRY OPIUM:

FARM GATE PRICE:

At the end of August 2009, the national average price for one kilogram of dry opium in Afghanistan at the farm gate level was **USD 73/kg** with 3.3% increase compared to price reported in July 2009 (USD 71/kg).

The average dry opium price is 13% less than the price reported in August 2008 which was 91 USD/kg. The average dry opium price is showing a decreasing trend since January 2009.

Graph 1: Weighted¹ average price of dry opium from September 2004 to August 2009



¹ The price is weighted by number of observations

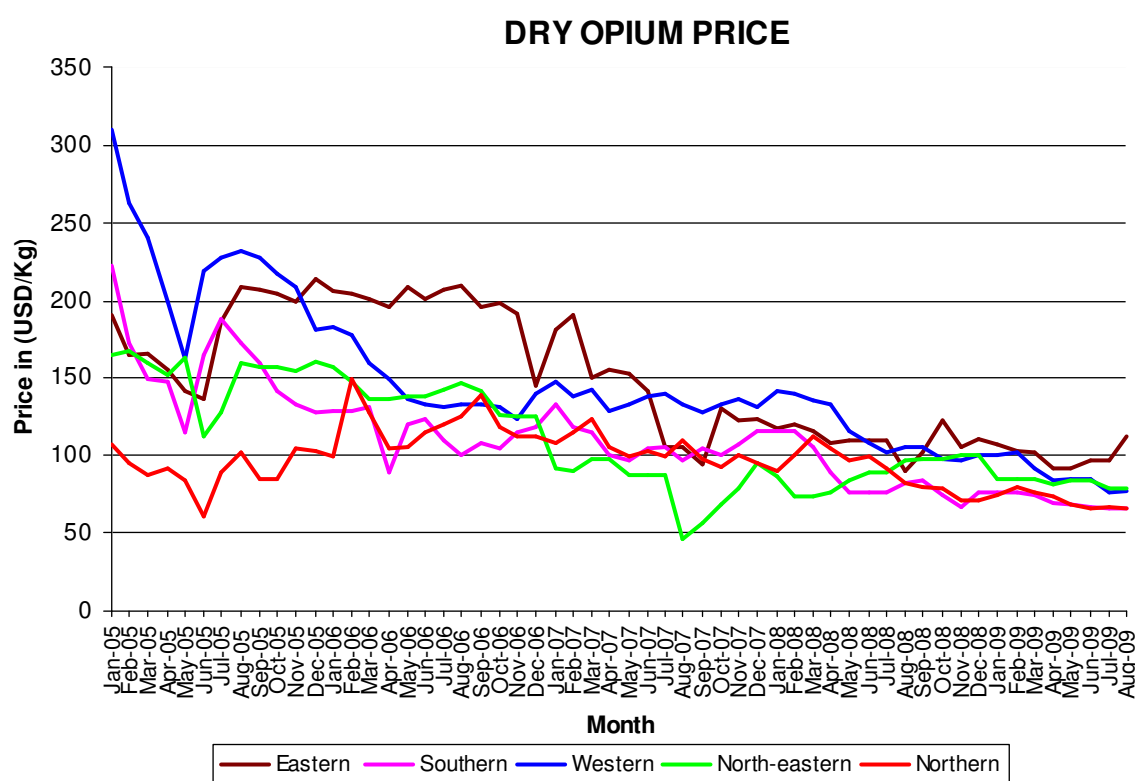
TRADER PRICE:

At the end of August 2009, the national average dry opium price collected from traders was **USD 79/kg** with 4% increase compared to price reported in last month (USD 76/kg). Dry opium price collected from traders has decreased in North-eastern and Northern regions by -1%. In Eastern and Western regions, dry opium price has increased by 15% and 1% respectively. There is no change in the prices of Southern region.

Table 1: Regional weighted² average price of dry opium collected from traders (USD/Kg)

Region	Price of Dry Opium (USD/Kg)		
	Jul-09	Aug-09	Change
Eastern region (Kunar, Laghman, Nangarhar)	97	112	15%
Southern region (Hilmand, Kandahar)	65	65	0%
Western region (Badghis, Farah, Ghor, Hirat, Nimroz)	76	77	1%
North-eastern region (Badakhshan, Takhar)	79	78	-1%
Northern region (Balkh, Faryab, Kunduz)	67	66	-1%
Average	76	79	4%

Graph 2: Regional weighted² average price of dry opium collected from traders (January 2005-August 2009)



Since June 2007, prices in the Eastern and Western regions are generally higher than the prices in other regions. Increase in prices in the Eastern and Western regions can be attributed to their strategic positions in trafficking bordering Pakistan and Iran respectively. Prices in Southern, Northern and North-eastern regions are generally lower than other regions since last few years. Lower prices in Southern region can be explained by availability of opium stocks with the farmers and drug dealers as a result of large quantity of opium production in 2008 and 2009. There is little opium produced in north and north-eastern regions in 2008 and 2009.

² The price is weighted by number of observations

Graph 3: Provincial average price of dry opium collected from traders (January 2009 - August 2009)

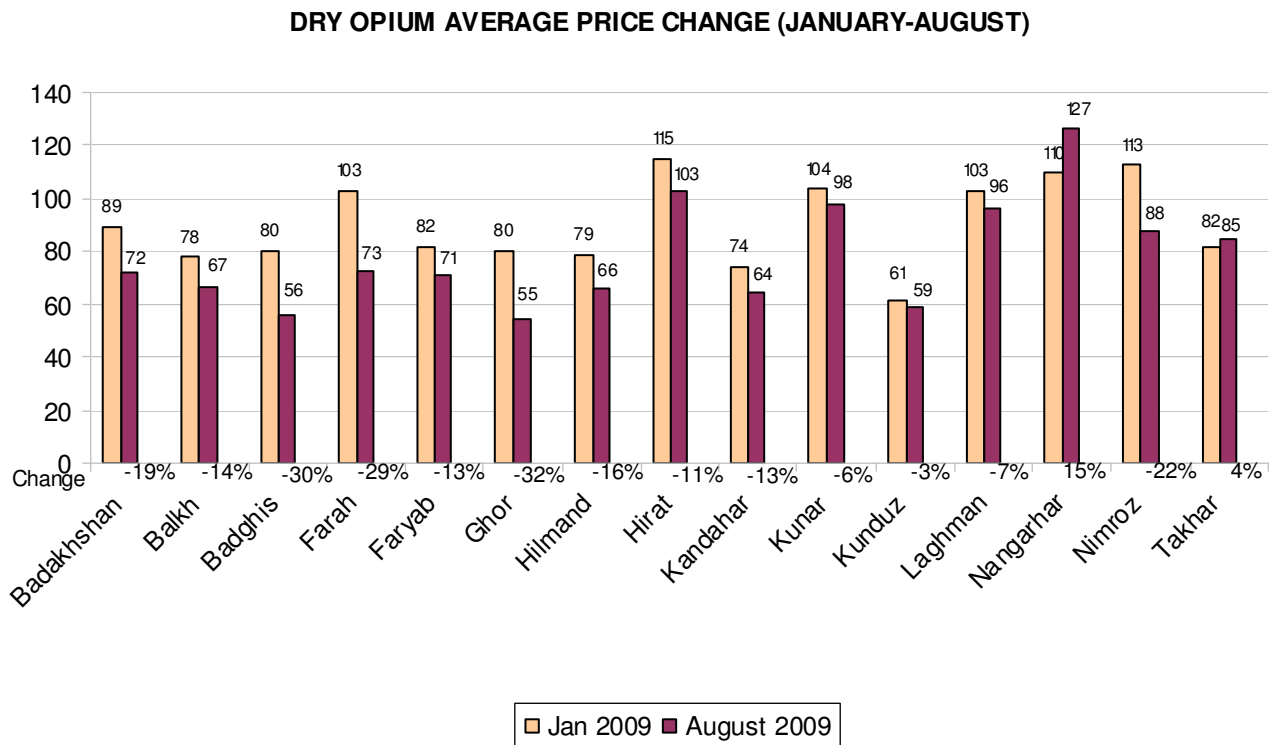


Table 2: Price of Afghanistan dry opium in Pakistan (USD/Kg):

	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
Dry Opium	197	166	102	153	202	214	188	136	142	129	111	97	145

The sharp increase in the price of dry opium in August may be attributed to recent army operations in Khyber agency which is the main market for drugs and also the main route for drug trafficking from Afghanistan to Pakistan. It is expected that the drug prices will keep increasing if the situation persists.

FRESH OPIUM:

At the end of August 2009, the national average price of fresh opium was **USD 53/kg** at farm gate level with 3.1% increase and **USD 61kg** at trader level with 3.9% increase compared to the prices reported last month. Fresh opium prices at farm gate and trader level were well above USD 100/kg till early 2007. Later prices decreased drastically.

HEROIN PRICES:

UNODC regional offices in Afghanistan and Pakistan reported below prices for Heroin (prices of best quality considered).

Table 3: Heroin Price in Afghanistan and Pakistan (USD/Kg)

Afghanistan	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
Badakhshan	2499	2507	2507	2407	2417	2398	2383	2383	2383	2383	2383	2512	2495
Balkh	3000	3100	3000	2900	2900	3000	3200	3000	2900	2850	2800	2750	2700
Hirat	2088	2093	1900	1868	1826	1867	1735	1602	1364	1500	1400	1450	1499
Nangarhar	1839	1920	1984	1875	1891	1891	1902	1817	1858	1800	1783	1751	1749
Kandahar	2420	2480	2370	2290	2320	2330	2335	2320	2300	2290	2280	2270	2265
Takhar	2194	2288	2288	2197	2206	2110	2097	2097	2097	2097	2097	2211	2196
Average	2340	2398	2342	2256	2260	2266	2275	2203	2150	2153	2124	2157	2151

Pakistan	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
Peshawer	3283	2559	2559	2542	2774	3152	3378	3101	3158	3021	2828	2415	2412

CANNABIS RESIN PRICES:

UNODC regional offices in Afghanistan and Pakistan reported below prices for cannabis resin (prices of best quality considered).

Table 4: Cannabis resin price in Afghanistan and Pakistan (USD/Kg)

Afghanistan	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
Badakhshan	73	66	60	57	58	67	67	65	65	65	65	68	68
Balkh	69	80	70	63	58	67	71	67	67	67	67	66	64
Hirat	75	76	65	65	61	62	51	50	61	61	55	50	50
Nangarhar	26	26	26	31	25	38	27	27	35	37	35	36	43
Kandahar	22	24	23	26	27	28	28	27	22	20	22	23	26
Takhar	63	64	58	55	56	44	44	44	44	44	44	46	46
Average	55	56	50	50	48	51	48	47	49	49	48	48	50

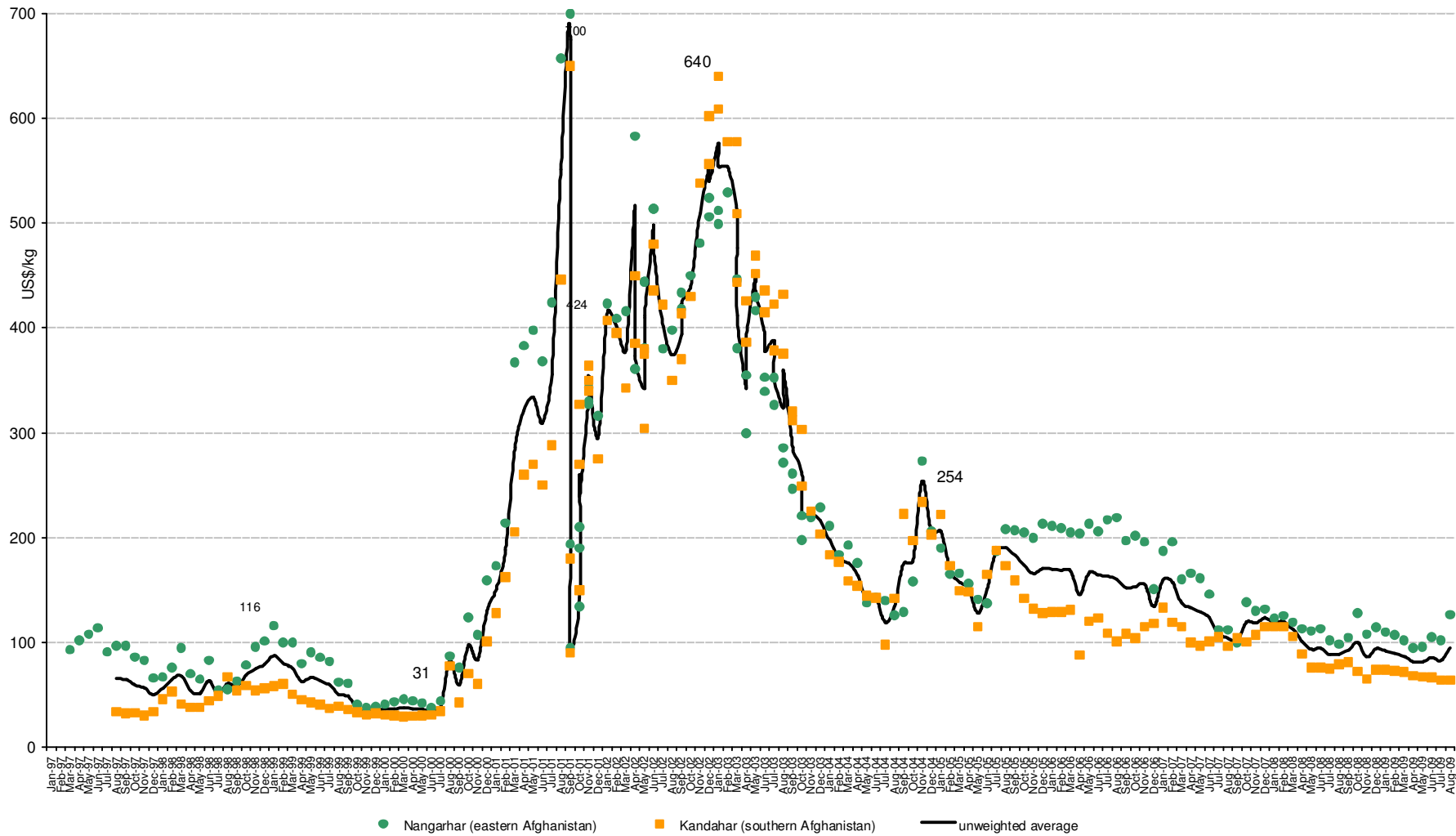
Pakistan	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
Peshawer	184	192	179	203	214	240	238	223	248	222	246	242	302

There has been an increase in the average price of cannabis compared to last few months. The increase in the price of cannabis is significant (19% increase from last month) in Nangarhar province. This may be due to The high demand of cannabis across the border in Pakistan.

The price of cannabis in Pakistan is generally higher than in Afghanistan because of its better quality. The quality of cannabis is good in Pakistan as it is more oily as compared to one available in Afghanistan.

Graph 4:

Average price of dry opium in Nangarhar and Kandahar provinces collected from traders (USD/kg), March 1997 - August 2009



Regional grouping of provinces for the opium poppy survey in Afghanistan



Source: Government of Afghanistan - National monitoring system implemented by UNODC

Note: The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.