



UNODC

United Nations Office on Drugs and Crime



Government of Afghanistan
Ministry of Counter Narcotics

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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 was USD 79/kg compared to USD 103/kg in March 2008. This is the lowest price observed since October 2004.
 - Average dry opium price collected from traders was USD 86/kg compared to USD 114/kg in March 2008.
 - Farm gate dry opium prices are showing decreasing trend since year 2005. Highest monthly price recorded during 2008 (USD 108/kg in January 2008) is much lower than the lowest monthly price recorded in 2006 (USD 125/kg).
 - Since June 2007, prices in the Western and Eastern Regions are constantly higher than the prices in other regions. Increase in prices in the Western Region can be attributed to its strategic position in trafficking bordering Iran. Prices in Southern and Northern region are consistently lower than other regions since last few months. Lower prices in Southern region can be explained by availability of opium stocks with the farmers and drug dealers as a result of bumper opium production in 2007 and 2008. There is little opium produced in the north region in 2008.
- Fresh opium prices
 - Average fresh opium price at farm gate level was USD 57/kg compared to USD 85/kg in March 2008.
 - Average fresh opium price collected from traders was USD 64/kg compared to USD 94/kg in March 2008.
 - Fresh opium prices at farm gate level were well above USD 100/kg till early 2007. Later prices decreased drastically. Price in November 2008 (USD 55/kg) is the lowest prices ever recorded since UNODC started price monitoring in Afghanistan. Fresh opium prices in 2006 were almost double of the prices recorded in 2008. Similar trend is noticed in case of fresh opium prices at trader level.
- Heroin and cannabis resin prices in Afghanistan
 - Average heroin price in Afghanistan was USD 2,203/kg compared to USD 2,591/kg in March 2008.
 - Average cannabis resin price in Afghanistan was USD 47/kg compared to USD 61/kg in March 2008.
- Heroin and Cannabis resin prices in Peshawar, Pakistan
 - Average heroin price in Pakistan was USD 3,101/kg compared to USD 2,948/kg in March 2008.
 - Average cannabis resin price in Pakistan was USD 223/kg compared to USD 367/kg in March 2008.

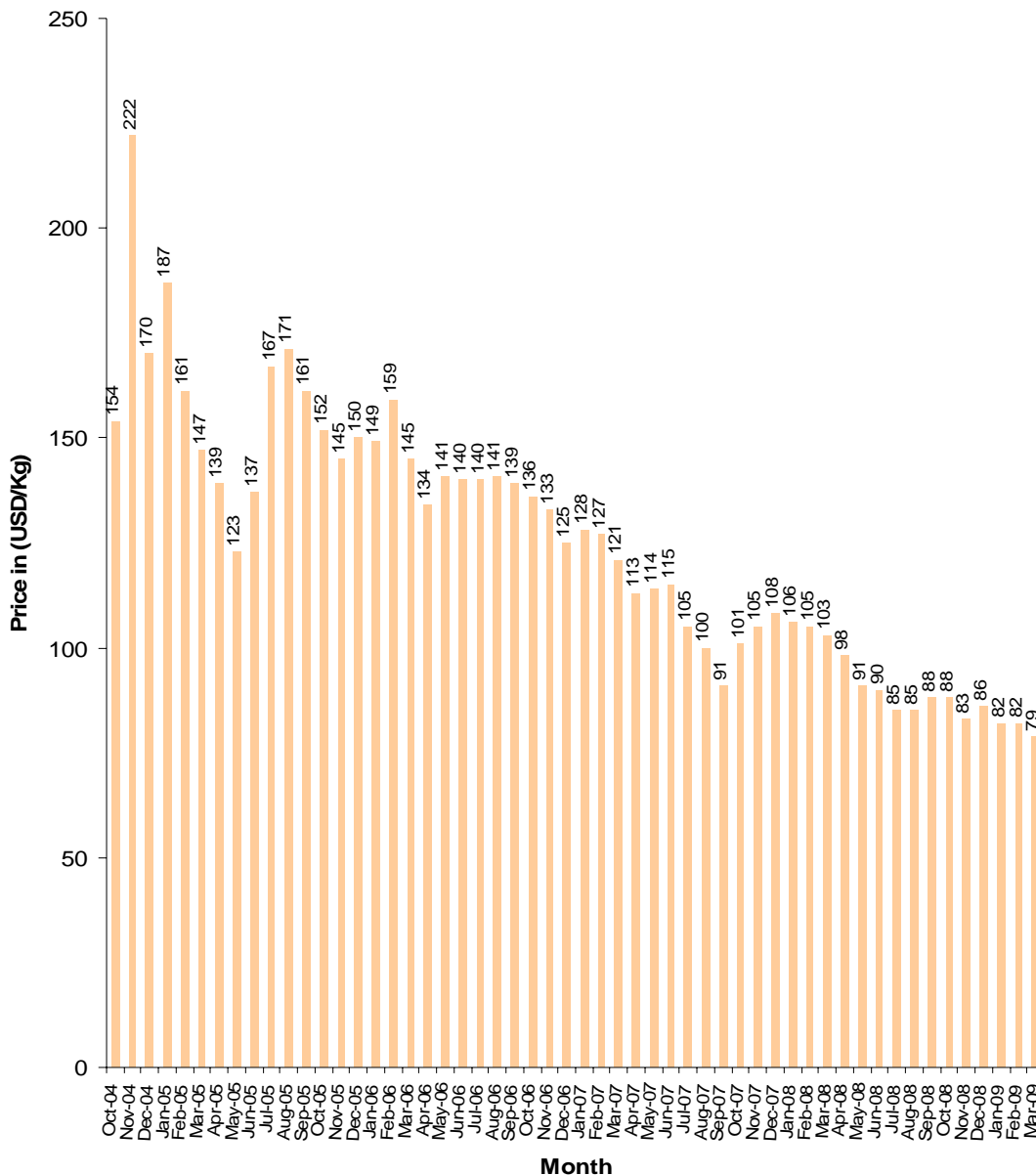
DRY OPIUM:

FARM GATE PRICE:

At the end of March 2009, the national average price for one kilogram of dry opium in Afghanistan at the farm gate level was **USD 79/kg** with 4% decrease compared to price reported in March 2009. This is the lowest price observed since October 2004.

The average dry opium price is 23% less than the price reported in March 2008 which was 103 USD/kg. The average dry opium price is showing a decreasing trend since January 2008.

Graph 1: Weighted average price of dry opium from September 2004 to March 2009 (USD/kg)



Average lowest opium prices were \$123/kg and \$125 in 2005 and 2006 respectively; however lowest price of opium in 2007 was \$91/kg and \$82/kg in 2008. This shows rapid drop of opium prices in 2007 and 2008 compared to previous years.

The highest opium prices were \$171/kg and \$158/kg in 2005 and 2006 respectively; however the highest price of opium was \$128/kg in 2007 and \$106/kg in 2008. In general, prices were much higher prior to 2005. This shows the decreasing trend of opium prices.

TRADER PRICE:

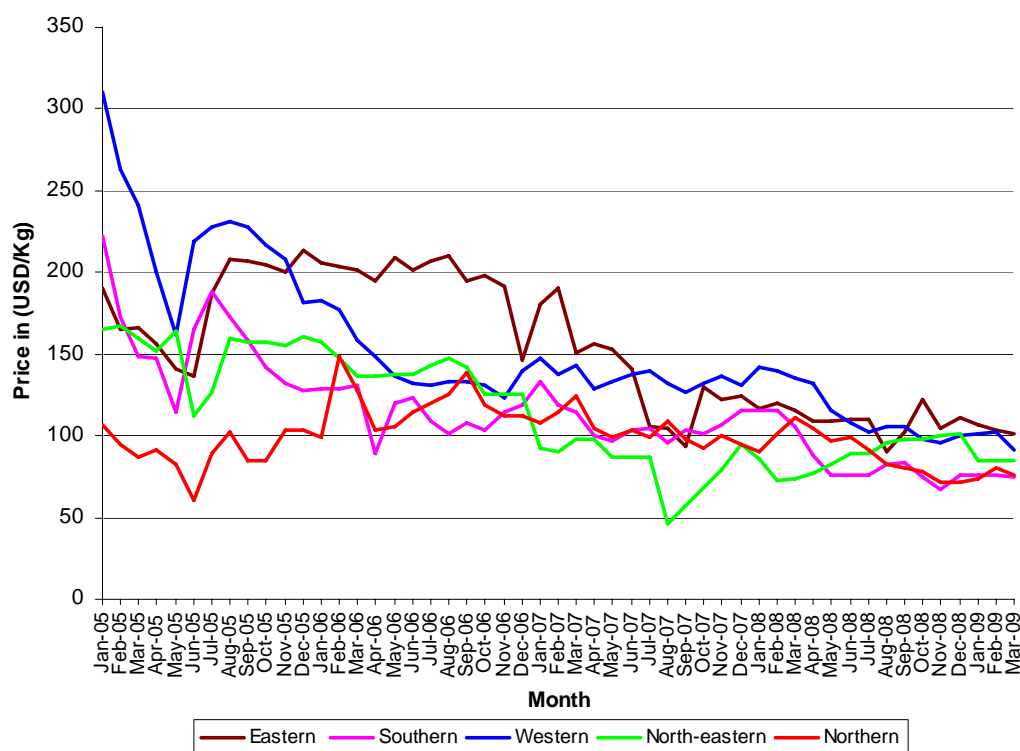
At the end of March 2009, the national average dry opium price collected from traders was **USD 86/kg** with 4% decrease compared to price reported in last month. Dry opium price collected from traders has decreased in Western region by 10% , Northern region by 5% , Eastern region by 2% and Southern region by 1%, However; dry opium price was stable in North-eastern region.

Table 1: Regional Average Price of dry opium collected from traders (USD/Kg)

Region	Price of Dry Opium (USD/Kg)		
	Feb-09	Mar-09	Change
Eastern region (Kunar, Laghman, Nangarhar)	103	101	-2%
Southern region (Hilmand, Kandahar)	76	75	-1%
Western region (Badghis, Farah, Ghor, Hirat, Nimroz)	102	92	-10%
North-eastern region (Badakhshan, Takhar)	85	85	0%
Northern region (Balkh, Faryab, Kunduz)	80	76	-5%
Average	90	86	-4%

Graph 2:

Regional average price of dry opium collected from traders, January 2005 – March 2009



Since June 2007, prices in the Western and Eastern Regions are constantly higher than the prices in other regions. Increase in prices in the Western Region can be attributed to its strategic position in trafficking bordering Iran. Prices in Southern and Northern region are consistently lower than other regions since last few months. Lower prices in Southern region can be explained by availability of opium stocks with the farmers and drug dealers as a result of bumper opium production in 2007 and 2008. There is little opium produced in the north region in 2008.

This trend of converging opium prices across regions within Afghanistan could be an indication of greater integration among the local markets. This warrants further studies.

Table 2: Dry opium price change between January 2009 and March 2009

Price of Dry Opium collected from traders (USD/Kg)			
Province	February 2009	March 2009	Change
Badakhshan	89	89	0%
Balkh	81	76	-7%
Badghis	78	73	-6%
Farah	107	95	-11%
Faryab	89	85	-4%
Ghor	76	72	-5%
Hilmand	78	77	-1%
Hirat	120	105	-12%
Kandahar	73	72	-2%
Kunar	99	104	5%
Kunduz	70	66	-5%
Laghman	97	96	-1%
Nangarhar	107	102	-5%
Nimroz	117	101	-14%
Takhar	81	81	0%

Table 3: Price of Afghanistan dry opium in Pakistan (USD/Kg):

	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Dry Opium	271	279	270	205	168	197	166	102	153	202	214	188	136

FRESH OPIUM:

At the end of March 2009, the national average price of fresh opium was **USD 57/kg** at farm gate level with 7% decrease compared to the price reported in February 2009 and **USD 64/kg** at trader level with 7% decrease compared to the prices reported last month. Fresh opium prices at farm gate level were well above USD 100/kg till early 2007. Later prices decreased drastically. Price in November 2008 (USD 55/kg) is the lowest price ever recorded Since UNODC started monitoring opium prices. Fresh opium prices in 2006 were almost double of the prices recorded in 2008.

After the harvest season there is no fresh opium available, but farmers keep their fresh opium in plastic bags or dishes covered with leaves in order to preserve moisture. This opium is referred as fresh opium.

HEROIN PRICES:

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

Table 4: Heroin Price in Afghanistan and Pakistan (USD/Kg)

Afghanistan	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Badakhshan	2293	2194	2211	2493	2494	2499	2507	2507	2407	2417	2398	2383	2383
Balkh	3600	3400	3200	3300	3300	3000	3100	3000	2900	2900	3000	3200	3000
Hirat	2512	2214	2227	2102	2049	2088	2093	1900	1868	1826	1867	1735	1602
Nangarhar	2390	2324	1799	2126	1970	1839	1920	1984	1875	1891	1891	1902	1817
Kandahar	2460	2500	2420	2425	2420	2420	2480	2370	2290	2320	2330	2335	2320
Takhar	2293	1994	2010	2193	2194	2194	2288	2288	2197	2206	2110	2097	2097
Average	2591	2438	2311	2440	2405	2340	2398	2342	2256	2260	2266	2275	2203

Pakistan	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Peshawer	2948	3254	3297	3299	3144	3283	2559	2559	2542	2774	3152	3378	3101

CANNABIS RESIN PRICES:

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

Table 5: Cannabis resin price in Afghanistan and Pakistan (USD/Kg)

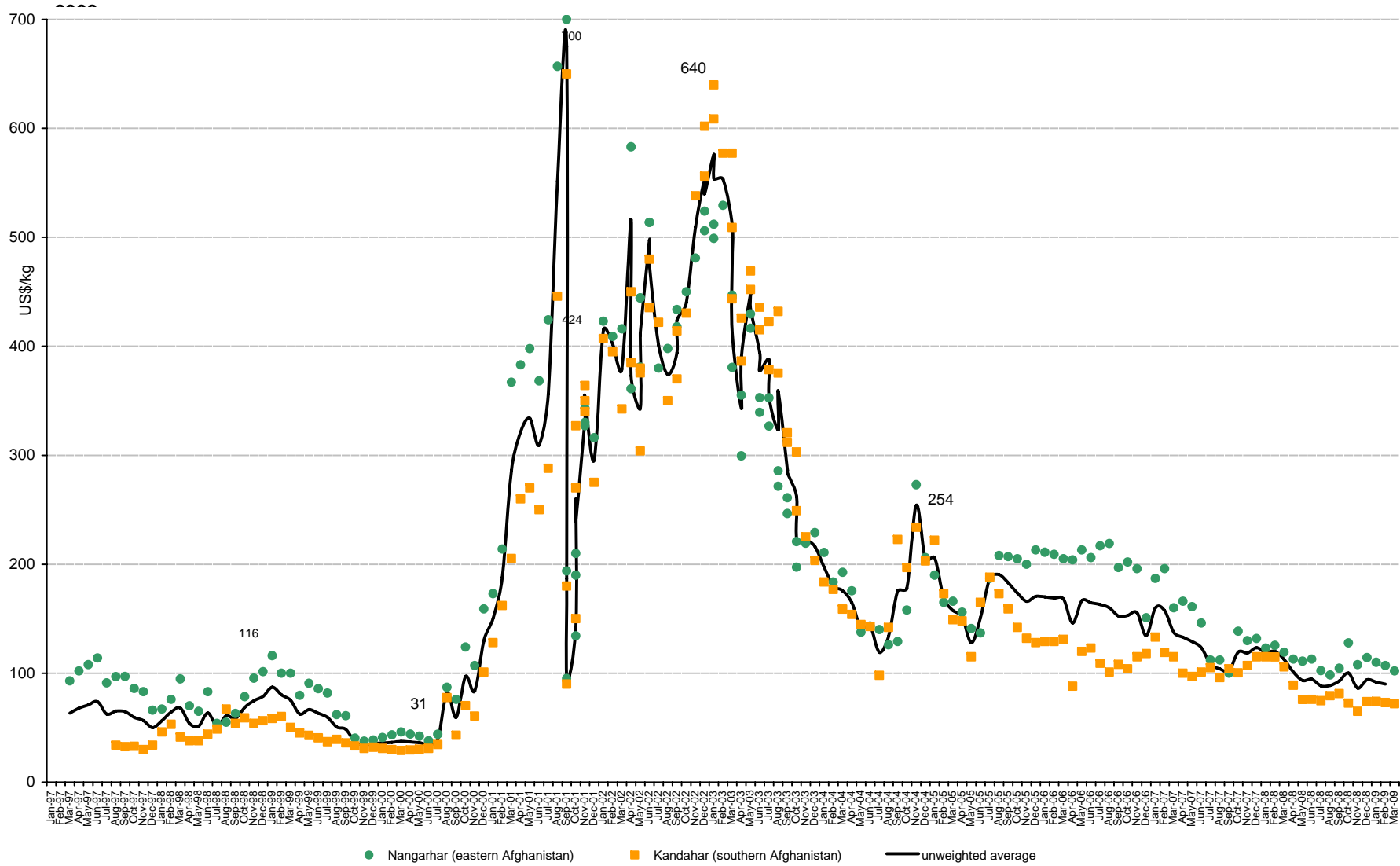
Afghanistan	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Badakhshan	91	91	83	73	73	73	66	60	57	58	67	67	65
Balkh	94	90	86	90	90	69	80	70	63	58	67	71	67
Hirat	64	66	70	70	72	75	76	65	65	61	62	51	50
Nangarhar	29	40	39	29	21	26	26	26	31	25	38	27	27
Kandahar	22	20	18	18	18	22	24	23	26	27	28	28	27
Takhar	68	68	64	64	64	63	64	58	55	56	44	44	44
Average	61	63	60	57	56	55	56	50	50	48	51	48	47

Pakistan	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09
Peshawer	367	403	270	264	168	184	192	179	203	214	240	238	223

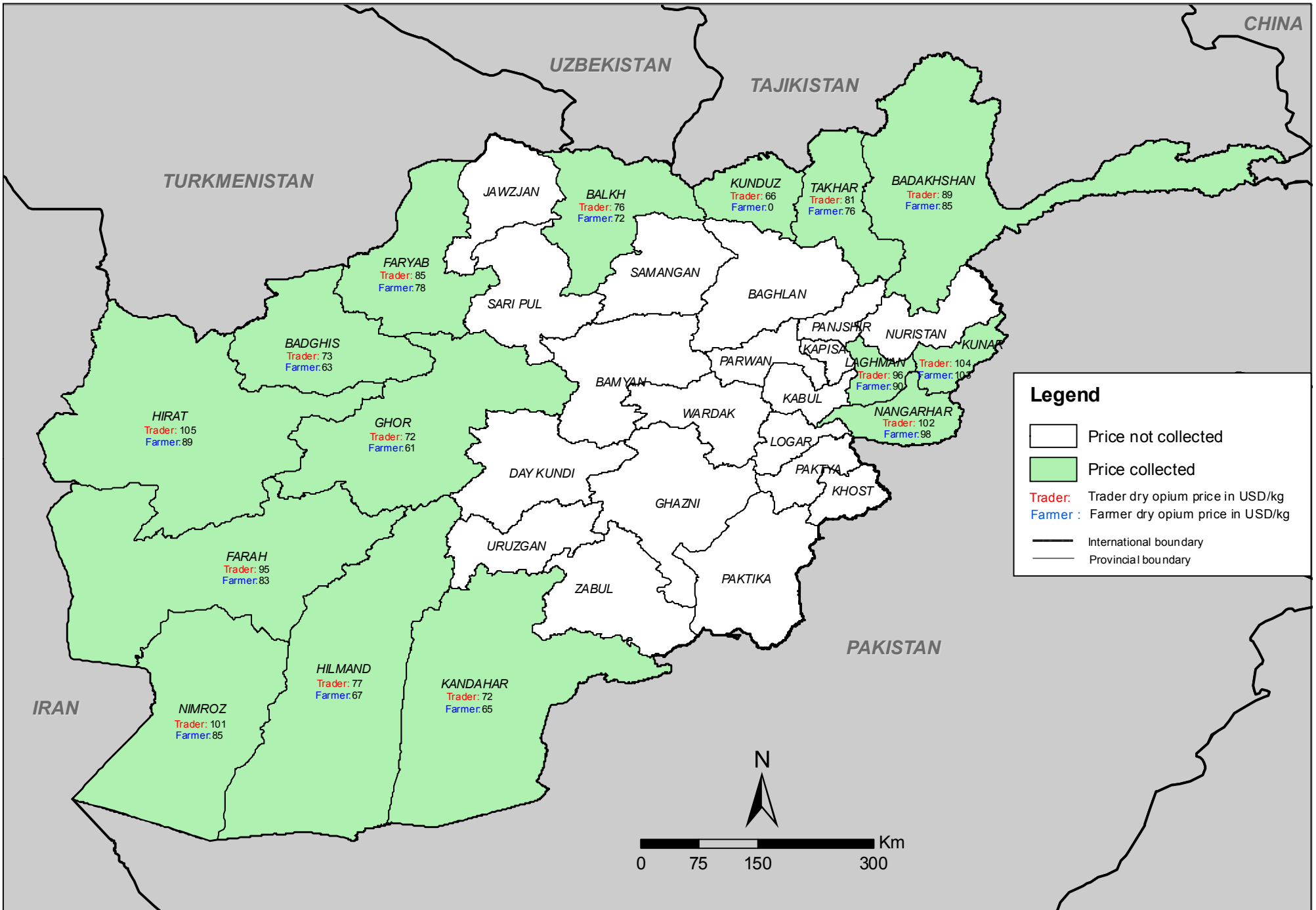
Steady decrease in Afghanistan cannabis prices is observed compared to the average prices in 2007.

Graph 3:

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



Afghanistan: Average Dry Opium Price (March 2009)



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.

Regional grouping of provinces for the opium poppy survey in Afghanistan



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

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