



## CONCEPT NOTE

### Alternative Livelihoods in Afghanistan

*Time Frame: June 2010 – July 2012*

#### **Background**

Considerable progress has been made in controlling Afghanistan's drug problem however Afghanistan remains the world's top producer of illicit opium and accounts for over 90% of global illicit production. The reduction of opium poppy cultivation is not followed by an equal reduction in yields (or productivity gains by hectare), and recent downsizing of planted area may have more to do with a market correction in response to low global prices for opium and heroin, than a permanent or sustainable departure from opium-poppy cultivation.

Providing a farmer with a licit livelihood is the only sustainable solution in addressing Afghanistan's drug problem, however the strategy is complicated by a deteriorating security situation. Insecurity thwarts the current downward market trend as the incentive to grow opium remains large for the farmer in insecure areas. Little competes with opium income when the neighbourhood is a battle scene. Hence an eventual increase of insecurity throughout the country does not only inhibit access for the aid community but also provides a perverse incentive for the farmer to continue or return to opium growth.



This places Afghanistan in a very delicate situation, as counter narcotics strategies may well have a profound impact on improving or worsening the security condition. On the one hand, any expansion in drug production and trafficking will fuel the insurgency, so there is pressure for eradication and punitive measures. On the other hand, in areas of entrenched poverty, where people are intensely vulnerable to food insecurity, and where household economies are prone to decimation by natural disasters (such as all-too-common drought, or excessively harsh winter weather), farmers are left with few options but to cultivate poppy. Removing this sole source of livelihood without a proper sequencing and offering licit income generating alternatives may leave farmers with no resort but to join the insurgency. Indeed, even opium eradication efforts can have a null result on the following season for the heavily indebted smallholder farmers unless agencies like UNODC offer replacement livelihood alternatives.

In 2009 it was estimated that there are over 245,200 households engaged in illicit opium poppy cultivation in Afghanistan. That is 1.6 million people, equating to 6.4% of the total population of Afghanistan. The average annual household income of opium poppy growers in 2008 was US\$ 4,480. Those households who stopped cultivation had their income decline by more than half (US\$ 2,562) which is slightly more than those who never grew poppy at all (US\$ 2,399).

UNODC recognizes that it is often impossible for a cash crop to compete one-on-one with opium poppy. As an example, the reliance on a mono-crop such as wheat includes vulnerability to market forces outside of Afghanistan. Between the opium income of yesterday and the legal income of tomorrow, is today's need to boost the quality of life of the farmer. This defines alternative livelihood (AL) versus the more long-term and indispensable notion of rural development. Therefore, it is critical that in order to prevent cultivation in opium poppy growing areas, or to sustain the ban on cultivation in opium free zones, alternate livelihoods measures are strengthened and coupled with government services provision. This will result in increasing the quality of life of the rural family, as part of the overall counter narcotics strategy.

Three elements guide UNODC's AL strategy.

- *Close analysis and monitoring of the opium economy's effects at the local level.* Nuanced understanding of the changing narcotics situation within communities is a fundamental part of our approach. In the North, factors that had previously contributed to the decrease in poppy cultivation in the past might not do so in the future due to changing circumstances. While the counter narcotics measures applied so far have been adequate to interrupt a system of poppy cultivation which is driven by more established and wealthier households, a shift in the internal dynamics towards poor households will test the current strategy.
- *Consolidating opium-free gains and securing the buffer zones.* Capitalising on the current market correction leading to a decline in opium price and cultivation, UNODC views this time as an opportunity to consolidate the gains made in reduced areas of opium cultivation through supporting the implementation of the National Drug Control Strategy and development assistance in order to strengthen licit livelihoods. UNODC will support the Ministry of Counter Narcotics (MCN) to play a pivotal role at the central and provincial levels to ensure that services from the line ministries and other partners reach the populations transitioning from opium cultivation and production. This, as it implies, involves support in turning MCN itself into a reliable and credible partner.
- *Balancing the distribution of development assistance.* Correcting the uneven spread of development aid throughout the country is of crucial significance to undermining the opium economy. Two major donors focus intensively on rural development interventions as related to counter-narcotics. The UK and the US are respectively pooling their efforts in the southern and the eastern provinces. While these interventions are instrumental, it does not permit rolling out sufficient US/UK support to other parts of the country, leaving many areas, especially in the western part of the country, with inadequate and insufficient development assistance. This in turn, negatively impacts on the ability to consolidate and sustain opium poppy reductions nation-wide. It risks alienating communities and undermining confidence in the government and the international community to provide development assistance and may contribute to new hubs of instability and insecurity.

UNODC continues its commitment towards the Government in building capacity and coordinating the AL efforts, but equally to take a nationwide view and advocate a balanced approach on AL, in line with the 2009 UN Development Assistance Framework (UNDAF). The UNDAF recommends that UN agencies improve coherence and complementarity, to deliver provincial packages in currently underserved areas of Afghanistan that have benefited relatively less from the peace dividend.

It is in this context that UNODC facilitated the 2009 UN Joint



Assessment Mission (JAM) including UN agencies (UNAMA, WFP, FAO, IOM, UNHABITAT, UNIDO, WHO, UNICEF) with a focus on the Western provinces. From this an intervention package emerged for Herat and Ghor provinces, renamed the Joint Action and Mobilization plan. Initial focus is given to Ghoryan, Kohsan, Kushk Rabat-i-Sangi districts in Herat, and Chagcharan district in Ghor. It is expected that if these pilots are successful, expansion will be sought to roll out similar activities for other provinces such as Farrah, Nimroz and Dai Kundi. These provinces form a ‘belt’ surrounding the core of insurgency and opium cultivation, Kandahar and Helmand. Being successful in the belt equally implies withstanding pressure from shifting cultivation patterns – the so-called ‘balloon effect’.

### **Alternative Livelihoods ‘at work’**

UNODC aims to enhance the livelihoods of farmers whose illicit crop is to be removed (or in the worst scenario – has been removed) so that they are able to cope with shocks and stresses as they make the transition towards sustainable licit forms of income. To accomplish this end UNODC partners with the Ministry of Counter Narcotics (MCN) and other Counter Narcotics (CN) stakeholders.

Support to the government to build capacity and extend outreach in the provinces remains a main drive for UNODC. UNODC continues to advocate for **mainstreaming CN issues** with national, international partners. In doing so it recognizes the **National Policy, Leadership, and Coordination role** of the MCN and the need to strengthen the MCN’s national and provincial capacity in coordinating the National Drugs Control Strategy. A pivotal tool at the disposal of the MCN will be the **Monitoring and Evaluation/Management Information System** which will link up with similar systems across key government departments and make better use of the AL database developed in recent years. A second instrument of importance resulting in evidence-based policy is **Research**. In view of the structural weaknesses within the administration at large and the MCN particularly, UNODC has agreed with the MCN to play a vital role and **act as a catalyst** in moving the above program forward.

A new factor to AL assistance is UNODC’s catalytic hands-on effort to seek an evenly spread and balanced approach throughout the country, with a focus on those regions which are underserved. In the latter context, emphasis is to be given to income substitution but also the overall quality of life (security, health care, education and related) within the cultural setting in which the communities best function. The preservation of the cultural setting is an important dimension given that among the three major reasons cited by farmers to stop growing opium is the factor of *haram* (forbidden by Islam).

Among the key points emerging from a recent evaluation of UNODC’s AL projects are that interventions, effective as these may have been in many areas, were to a great extent piecemeal by nature. Communities often felt that their expectations – unrealistic as they may be, in many cases – are not being met, and the unspoken compact between them and the government to cease poppy cultivation is undermined. This is especially the case among women, for UNODC’s AL evaluation reveals that it is likely that their priority needs remain unaddressed unless they are coincidental with those of the men in the community. Relatively little time remains to correct this negative view before disaffected households seriously consider resuming cultivation; if only to draw attention to the gap between promises and delivery.

UNODC’s integrated approach is designed to redress this imbalance, and to supplement achievements already made by government, NGO, and other UN agencies in the western provinces. The focus will also be on developing a gender responsive strategy. The AL template will be adjusted to the choice and preference of the beneficiary communities within a participatory framework of consultation and monitoring.

## **Proposed Areas of Intervention**

**Output 1:** Strategic partnership/synergy enhanced between UNODC and development streams (eg. education, health etc.) to promote integrated alternate livelihood interventions for opium farmers, through MCN, JAM, UNDAF and CN stakeholders at national and provincial level.

- ***Integrate alternative livelihoods interventions with rural development.***
  - 1) Initiate AL pilot projects for smallholder farmers (both men and women) in target districts of western provinces, in close partnership with other UN agencies and relevant stakeholders, such as community organizations;
  - 2) Stimulate income-generating activities with export potential and link it with markets;
  - 3) Promote entrepreneurship and agricultural value-added endeavours through alternative livelihoods intervention;
  - 4) Build the capacity of institutions at the national, provincial and district level to focus efforts at uplifting the socio-economic status of rural communities involved in opium cultivation, in particular where households have made the difficult decision to cease opium cultivation;
  - 5) Advocate with CN and development partners for a poppy-free Afghanistan through the improvement of broadbased quality of life outcomes for poor rural farmers.
- ***Mainstream CN issues with national, international partners.***
  - 1) Establishing informal enforcement mechanisms at the community-level against poppy cultivation to change behaviours;
  - 2) Establish strategies at the national and community level to prevent labour migration for the purpose of harvesting opium.
- ***National policy, leadership, and coordination.***
  - 1) Strengthen the national and provincial capacities of the MCN to coordinate and implement the National Drugs Control Strategy in conjunction with relevant CN stakeholders;
  - 2) Extend national framework for drug control to the sub-national level by continued capacity building with MCN and other line ministries, with an aim to mainstream CN activities;
  - 3) Through MCN encourage/support Ministry of Agriculture Irrigation and Livestock (MAIL) to enhance production of organic fruit and nut, value-added products for export to OECD nations to induce rural households to abandon opium poppy cultivation;
  - 4) Strengthening coordination between relevant government ministries attending the Alternative Livelihoods Working Group, at the national and community level;
  - 5) Develop the operational capacities of the MCN (administrative, financial, human resources) to initiate, coordinate as well as take ownership of alternative livelihood projects.

**Output 2:** Monitoring, evaluation and research capacity of MCN is strengthened at national and provincial level and targeted communities/institutions involved in CN-AL project implementation and coordination.

- ***Monitoring and evaluation/Management Information System (MIS).***
  - 1) Design a user-friendly and participatory monitoring and evaluation system with MCN for implementation of NDCS and CN-AL projects with key partners as well as a mechanism to address perceptions of target communities;
  - 2) Initiate preliminary studies and performance analysis of CN-AL interventions by different CN stakeholders (in areas of UNODC operations) to support the development of an AL MIS;
  - 3) Build the capacity of select MCN personnel to use the needs-based monitoring and evaluation system through training and mentoring of implementation process;

- 4) Empower local communities, through Community Development Councils (CDCs), to actively engage in monitoring and evaluation of CN-AL operations with a view to share experiences and discuss results. Furthermore, use results from the participatory monitoring and evaluation system to identify challenges and areas for improvement in future plans.
- **Research towards an effective response - evidenced-based policy.**
    - 1) Assess the impact of licit cash crops on opium cultivation to support and design CN-AL projects that could extend pre-and-post harvest management in cooperation with MCN and CN stakeholders, as well as to support NDCS implementation and policy planning;
    - 2) Monitor and assess gross margins for *all* crops currently cultivated in the country, including opium and cannabis, so that accurate comparisons can be made within and across agro-ecological zones to provide information to farmers. For annual crops especially, using a dynamic monitoring approach for both the spring and summer harvests will enable farmers to react quickly to changing market conditions. This will be possible through initiating market and supply-chain studies that show rural farmers where, when and how they could sell their agro-products.

**Output 3:** Strengthened coordination and communication between UNODC, MCN and other relevant stakeholders on CN-related issues.

- **Afghanization and increased credibility of the MCN.**
  - 1) Provide international and national mentors as required to guide and catalyze MCN in implementing comprehensive, local-level CN programs;
  - 2) Recruitment of Afghan CN advisors for placement in MCN provincial offices to advise the MCN Provincial Directors, to also act as a liaison officer between MCN provincial offices and other national and international organizations, UNODC, and MCN HQ in Kabul. The advisors will also play a key role in building the capacity of their provincial directorates;
  - 3) Construction of secure premises for key MCN provincial offices where buildings are currently on lease, to optimize independence and sustainability. Land is to be provided by the Government of the Islamic Republic of Afghanistan;
  - 4) Increase the project and program-planning capacity within MCN by implementing findings provided through the M&E system;
  - 5) Incorporate lessons learned into NDCS reporting and implementations plans.
- **Enhance partnerships.** Continuously build networks and establish relations with other organisations working with CN and AL in and outside Afghanistan
  - 1) UNODC, MCN and MAIL will engage with the Ministry of Energy and Water (MEW) in joint activities that could support irrigation and environmental issues in the western provinces of Afghanistan;
  - 2) Construction of a common agriculture and livestock primary production/value-added training and research center in Herat, to be available to all government, UN, NGO, and commercial entities. Land is to be provided by the Government of the Islamic Republic of Afghanistan. It is conceivable that the AL unit of MCN's provincial department will be quartered in this facility.
  - 3) Establish integrated AL initiatives (starting with pilots) within functional partnerships such as MCN, JAM partners, UNDAF and relevant stakeholders.

**Activities proposed for funding under this concept paper**

<b>Activities</b>	<b>Timeframe</b>	<b>Estimated Cost US\$</b>
6 Integrated AL pilot projects to be implemented in Herat for replication in wider Western region.		\$1,000,000
6 Integrated AL pilot projects to be implemented in Ghor and Dai Kundy (an UNDAF priority) provinces		\$1,000,000
3 Integrated AL projects to be implemented in Farah		\$1,000,000
2 integrated AL pilot projects focused on livestock, agriculture, and community development in one district of Nimruz province (as well as Badghis province, if remaining funds permit)		\$500,000
Institutional strengthening to coordinate and lead policy development		
a). Revise NDCS benchmarks and indicators; strengthen and support the Evaluation, Research and Reporting unit at the MCN (national and regional levels)		\$500,000
b). Conduct evaluation and research projects in western provinces with focus on gender-based CN & AL interventions:		\$500,000
i) identify gaps and inform NDCS,		
ii) measure impact of international assistance (CN/AL) on gender-based rural livelihood systems		
Capacity building and training on participatory M&E and development of best practices to optimize CN strategy		\$1,000,000
Provide leadership of the AL Working Group to guarantee a functional and useful nationwide integrated AL strategy and database		\$500,000
Recognizing the nexus between local demand and own-production of poppy, lead DR WG comprised of national and international stakeholders to deal with drugs addiction in a comprehensive, human-rights centered manner (management reduction and harm reduction)		\$500,000
Provision of international and national mentors to catalyze MCN in implementing comprehensive, local-level CN programs		\$1,000,000
Construction of the office buildings for MCN provincial directorates in Ghor, Farah, and Nimroz, as well as a common training and research centre for CN and AL in Herat		\$1,500,000
<b>Total:</b>		<b>\$9,000,000</b>