



Agri-Food Past, Present & Future Report

Afghanistan

February 2007



The Government of Canada has prepared this report based on primary and secondary sources of information. Readers should take note that the Government of Canada does not guarantee the accuracy of any of the information contained in this report, nor does it necessarily endorse the organizations listed herein. Readers should independently verify the accuracy and reliability of the information. This report is intended as a concise overview of the market for those interested in its potential and is not intended to provide in-depth analysis which may be required by the individual exporter. Although every effort has been made to ensure that the information is correct, Agriculture and Agri-Food Canada assumes no responsibility for its accuracy, reliability, or for any decisions arising from the information contained herein.

Please address any comments or suggestions you have on this report to:

Ben Berry - berryb@agr.gc.ca

Afghanistan - Past Present & Future Report - February 2007

Overview	2
Canada - Afghanistan Relations.....	2
Canada-Afghanistan Trade	4
Canada - Afghanistan Agricultural Trade.....	4
Economy	5
Current Economic Conditions	6
Economic Forecast 2007- 2008	6
Aid.....	7
Trade	7
Agricultural Trade	7
Trade Agreements.....	8
Competition	8
Population.....	9
Agriculture Sector & Policies	10
Key Contacts.....	12
Key Resources	13

Afghanistan

Past Present & Future Report February 2007

Overview

For 3,000 years, Afghanistan has been at the junction of trade routes between Central, South and West Asia, as well as serving as a key gateway between Europe, the Middle East and Asia. Afghanistan is bordered by Pakistan to the south and east, Iran to the west and Turkmenistan, Uzbekistan and Tajikistan to the north. In the extreme northeast, Afghanistan has a common border with China.

Afghanistan's agricultural sector has historically been important to both its population and various export markets. While the sector and its support infrastructure have been severely damaged over the last 30 years, it has demonstrated the ability to be both self-sufficient and profitable.

***All economic information and trade data included in this report has been presented without the inclusion of the poppy/opium/heroin trade, unless otherwise stated.*

Canada - Afghanistan Relations

Canada established diplomatic relations with Afghanistan in 1968, but relations were ended ten years later as a result of the Soviet invasion. After the Soviet withdrawal, Canada did not renew relations until 2002. Afghanistan reopened its embassy in Canada in 2002, while Canada's embassy in Afghanistan reopened in 2003.

Canada's current relations with Afghanistan are framed by its military efforts and development projects, aimed at bringing peace, security and economic rejuvenation to the country. Both types of participation have ensured that Canada is deeply invested in the future of Afghanistan.

- Since 2002, Afghanistan has been the single largest recipient of Canadian bilateral aid.
- To-date, Canada has invested \$600 million in the reconstruction and development of Afghanistan, and by 2011 Canada will have invested \$1 billion in total in development efforts.

Canada is one of the top five bilateral donors for reconstruction and development in Afghanistan. Canada's funding, overseen by CIDA, is delivered through trusted and well-managed partner organizations including the World Bank, UN organizations, as well as reputable international and Canadian non-governmental organizations (NGOs).

CIDA's aim is to help Afghans help themselves and to strengthen the presence of the national government across the country. Support focuses on Afghan national programs that ensure local ownership, accountability and community-based engagement. Through these programs, such as the National Solidarity Program (NSP), grassroots community groups set priorities, plan and implement village projects. This is democracy in action at the local level.

CIDA addresses the basic human needs of Afghans and supports projects that:

- Strengthen democratic development and effective government from the grassroots up to the national level, and build public institutions worthy of the trust and confidence of all Afghan citizens.
- Enhance the role of women and girls by ensuring that they have a greater voice in society as well as improved access to services and opportunities.
- Help rural Afghans develop sustainable agriculture-based livelihoods to increase income levels, food self-sufficiency and reduce dependence on poppy cultivation.

Kandahar

Many of Canada's aid efforts are focused on the province of Kandahar through the Provincial Reconstruction Team (PRT). Canada assumed responsibility for the Kandahar PRT in August 2005. 24 PRTs throughout Afghanistan help the democratically-elected government extend the authority and ability to govern, rebuild the nation and provide services to its citizens.

Based in Kandahar City in the southern province of Kandahar, the Canadian PRT is located in the former heartland of the repressive Taliban regime, which previously controlled much of Afghanistan. Kandahar is arguably the most targeted province for insurgent activities and represents the greatest need for support. The PRT supports key national Afghan programs such as the NSP. The PRT concurrently works on projects that have impacts in the long, medium and short term. The most important achievements will be those which bring about long-term sustainable benefits to the Afghan population. In addition, immediate-need, "quick impact" projects are also being carried out across the province.

Some examples of completed or ongoing projects in Kandahar Province funded by the NSP include:

- Irrigation canals
- Dam diversions
- Drainage initiatives
- Water intake (for irrigation)
- Wells
- Aqueducts (for channelling water)
- Rural road rehabilitation (for market access)
- Water reservoirs
- Water supply distribution networks

Canadian Agricultural-Specific Development

Canada has implemented a community renewal project in Northeast Afghanistan through the Aga Khan Foundation Canada's (AKFC) Community Renewal Program, providing alternative livelihood options in the context of concerted anti-narcotics efforts. Most of these efforts have been related to agricultural development, including:

- Livestock development centres
- Animal vaccination
- Livestock technologies training
- Rangeland rehabilitation and the establishment of forestry nurseries
- Horticulture nurseries, trial farms and farmer schools

Canada has also contributed to the Mine Action National Development Budget which has focused on clearing areas affected by land mines and other ordinance freeing up key arable land for agriculture. Additionally, CIDA has been involved in a number of quick impact projects that have provided seeds and fertilizers to 70,000 farmers.

Canada-Afghanistan Trade

Canada – Afghanistan Bilateral Trade	
Afghanistan Total Trade	
Exports	US\$471 million
Imports	US\$3.87 billion
Trade balance	(US\$3.40 billion)
Canada- Afghanistan Trade	
Exports	\$19.084 million
Imports	\$461,184
Trade balance	(\$18.623 million)
Canada - Afghanistan Ag Trade	
Exports	\$1.397 million
Imports	\$74,823
Trade balance	(\$1.322 million)

- In 2005, Canada dominated trade with Afghanistan, maintaining a positive trade balance of \$18.6 million.
- Canada's exports have increased annually since 2001, climbing from \$167,000 in 2001 to \$1.8 million in 2002, roughly \$9 million in 2003 and 2004, and then doubling to reach \$19 million in 2005.
- Imports have remained fairly stable since 2001, averaging roughly \$400,000, with a period high of \$618,000 in 2003 and a low of \$364,000 in 2002.

Canada's most valuable exports to Afghanistan include:

- Plastics and rubber products
- Vehicles and equipment
- Miscellaneous articles
- Machinery, mechanical and electrical products
- Fats, oils & wax products
- Mineral products
- Base metal products

Canada's most valuable imports from Afghanistan include:

- Textile products
- Machinery, mechanical and electrical products
- Animal & animal products
- Specialized industrial products
- Paper products
- Precious metals/stones
- Base metal products

Canada - Afghanistan Agricultural Trade

	1999	2000	2001	2002	2003	2004	2005	2006
Exports	\$457,994	0	\$143,069	\$112,480	\$678,885	\$70,337	\$2,101,388	\$1,397,053
Imports	\$108,685	\$98,737	\$76,658	\$76,366	\$61,385	\$51,779	\$10,025	\$74,823

Afghanistan ranks as Canada's 134th largest agricultural export market and 148th largest supplier of imports. In 2006, Canada's top five exports to Afghanistan were: Chicken Capon cuts \$1.3 million, Food preparations nes \$21,553, Frozen Swine cuts \$16,362, Tea or Maté extracts \$4,661 and Refined Sugar \$3,414.

Since 1999, Canada's agricultural exports to Afghanistan have generally been dominated by a single product annually (with the exception of 2003 and 2005).

- 1999 Hard spring wheat flour - 100%.
- 2001 Wheat nes - 77%.
- 2002 Swine cuts, frozen nes - 99.9%.
- 2003 Soy bean oil - 40%
- 2004 Bovine cuts boneless, nes - 99.9%.

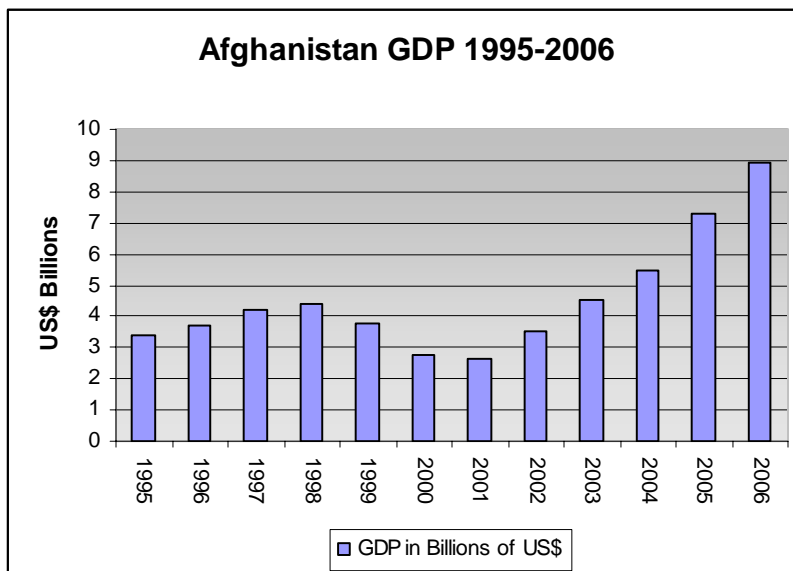
- 2005 Canola oil – 30%
- 2006 Chicken, capon cuts, offal - 95.6%.

Despite single product dominance, a number of goods have been shipped in quantity with some regularity since 1999. Such commodities include chicken and capon cuts and edible offal, wheat nes, soya-bean oil, canola oil, prepared foods (swelled or roasted cereals), food preparations nes, and frozen swine cuts.

In 2006, Canada’s agricultural imports from Afghanistan were almost entirely comprised of wine (95% of imports), and cheese (4% of imports). Since 1999, the following items have been imported from Afghanistan with some frequency: wine, dried grapes and pharmaceutical plants.

Economy

The Afghan economy is dominated by small-farm agriculture. With a lack of strong central governance the reported national economy represents only a fraction of actual economic activity. Currently, as much as 80-90% of economic activity remains informal.



During the last four decades, Afghanistan has undergone drastic economic policy changes. The economy was semi-market led in the 1960’s and 1970’s, a highly centralized state controlled system in the 1980’s and early 1990’s, and suffered from the complete destruction of public institutions during the Taliban era.

Regardless of state control or involvement, this economy remains reliant on its agricultural sector. The manufacturing sector is showing strong growth, but the sector remains very small, and continues to operate well below capacity. Before the collapse of manufacturing, the sector was predominately focused on processing agricultural products. Non-agricultural manufacturing is centred on the small-scale production of textiles (wool, rayon and cotton), soap, furniture, shoes, fertilizer, cement; hand woven carpets; and natural gas, coal, and copper.

Afghanistan is estimated to have very large natural gas, exploitable oil and coal reserves and substantial deposits of other metals, minerals and semi-precious stones. Afghanistan's exports of natural gas earned US\$300 million a year until the Soviet withdrawal, when wells were capped. Production has since dropped to less than 10% of the country's 1980 production levels.

Afghanistan Economic Snapshot					
	2002	2003	2004	2005	2006
GDP (US\$ billions)	4.08	4.58	5.97	7.31	8.91
GDP PPP (US\$ billions)	21.0	24.8	27.4	31.9	36.1
GDP Growth	28.6%	15.7%	8.0%	14.5%	8.4%
Per Capita GDP (US\$)	182	199	253	300	354
Per Capita GDP PPP (US\$)	939	1,079	1,158	1,310	1,440
Inflation	5.1%	24.1%	13.2%	16.3%	12%

Current Economic Conditions

Major impediments to Afghan economic growth include intermittent electrical power which is only focused around major urban areas, a weak and mainly inaccessible telephone network, as well as an unstable and dangerous transportation infrastructure.

- GDP growth was still healthy but fell to 8.7% in 2006, restricted by drought.
- Since 2001 Afghanistan's per capita GDP has doubled to reach US\$354 or US\$1,440 PPP.
- Major economic centres include Kabul, Kandahar, Herat, Jalalabad and Mazar-e-Sharif.
- Economic development and activity varies by region, and despite nationwide poverty, regional economic disparity is viewed as a problem and impediment to growth.
- The 2005/06 trade deficit was valued at US\$2.6 billion.
- Carpets are currently one of the country's most important export products.
- International pledges, made by more than 60 countries and international financial institutions, for reconstruction in March 2004 reached US\$8.9 billion for 2004-09.

Economic Forecast 2007- 2008

As an agriculture-based economy, most recent GDP performances and growth forecasts are dependant on favorable weather conditions. Drought is an inflationary threat (particularly food prices), but recently favourable growing conditions have also affected inflation by bringing larger cash inflows from informal agricultural activity. Rapid economic growth due to the informal economy has led to concerns that the currency relative strength at this early stage may hamper the development of the domestic economy by creating a reliance on imports.

- A favourable growing season in 2007 and key irrigation reconstruction projects should increase agricultural productivity.
- GDP growth is expected to exceed 12% in 2007 and then settle at 10% in the foreseeable future.
- Afghanistan's mining sector may become an area of future growth; however much foreign investment interest is still needed for the industry to see considerable expansion. To date, risk assessments of the mining sector have limited investment. It is widely believed that with expanded security and improved transport infrastructure this sector will be one of the country's leading earners in the future.

Aid

- International pledges, made by more than 60 countries and international financial institutions, for reconstruction in March 2004 reached US\$8.9 billion for 2004-09.
- 2007 international donors and agencies have turned their focus toward developmental goals.
- The Afghanistan National Developmental Strategy (ANDS) is a plan for medium-term development that will replace the Interim Afghanistan National Developmental Strategy (I-ANDS) which focused on provision of basic services, such as electricity and education.

Trade

Historically, Afghanistan has relied on traditional trade routes and longterm regional trade partners for its import suppliers and export markets. Trade of smuggled goods to Pakistan once constituted a major source of revenue for Afghan regimes, including the Taliban. This still exists as an important element of the Afghan economy, although efforts are underway to formalize this trade. Outside of its region, the country has been renowned internationally for select products such as rugs/carpets and certain agricultural products (e.g. pistachios, raisins and pomegranates).

Legal trade during the 1990s was dominated by the re-export of products to Pakistan and other neighbouring countries. Many of these goods originally entered duty-free from Pakistan under the Pakistan-Afghanistan Trade and Transit Agreement. When Pakistan clamped down on the types of goods permitted duty-free transit in 2000, transporting of the goods through Iran and the Gulf increased significantly. More recently, trade with NATO countries participating in Afghan operations has supplemented traditional trade partners.

- In 2005 exports were valued at US\$471 million and were comprised of fruits and nuts, hand-woven carpets, wool, cotton, hides and pelts, and precious and semi-precious gems.
- Afghanistan's largest export markets in 2005 were the United States 26%, India 21%, Pakistan 20% and Finland 4%.
- Afghanistan had a trade deficit of over US\$3.4 billion in 2005.
- In 2005, imports were valued at US\$3.87 billion and were comprised of capital goods, agricultural inputs, rice, wheat, textiles, and petroleum products (e.g. fuel and cooking oil). Imports are still heavily subsidised. As an illustration, the United States estimates that roughly 20% of its total exports to Afghanistan in 2005 were non-assistance related.
- Afghanistan's key import suppliers in 2005 were Pakistan 39%, China 17%, United States 11%, Germany 6%, India 5%, Turkey 4%, and Turkmenistan 4%.
- Afghanistan's merchandise trade deficit is projected to drop to US\$3 billion for 2008/09.

Agricultural Trade

Agricultural products have historically dominated total Afghan trade. However, the last 30 years have turned the country from a net agricultural exporter to a nation reliant on imports to meet its food needs. While agricultural products still dominate exports, they have become an increasingly large component of total imports. In 2005, agricultural products made up between 25% and 30% of the country's total imports.

Agricultural products accounted for about 53% of Afghanistan's exports in 2001. Nuts and fruit, including pistachios, almonds, grapes, melons, apricots, cherries, figs, mulberries, and pomegranates are among Afghanistan's most important exports.

Key Afghan agricultural products maintain a very high international image, particularly in India, and building on this image will be a key to recreating the once strong export sector.

Trade Agreements

Afghanistan has no existing Free Trade Agreements. However, it is actively negotiating access and investment agreements with a number of countries, particularly with neighbouring nations. Apart from development goals, it appears that Afghanistan and its region/traditional export markets are seeking to put in place the framework for a return to normalcy as soon as Afghanistan regains its supply capabilities.

- Afghanistan has signed bilateral Trade and Economic Co-operation Agreements with Russia and Turkey.
- Afghanistan has also signed a bilateral Reciprocal Promotion and Protection of Investments Agreement with Turkey, and a bilateral Preferential Trade Agreement with India.

Afghanistan is a member of the following trade organizations:

- Economic Cooperation Organization (ECO)
- Central Asia Regional Economic Cooperation (CAREC)
- South Asian Association for Regional Cooperation (SAARC)

Afghanistan receives special access to several Western markets based on its status as a least-developed country.

- Duty free and quota free access to Canada
- Generalized Preferences Treatment with Japan
- Duty free treatment for all goods, except arms with the EU
- Duty free access to the US
- A bilateral Investment Treaty with Germany and Turkey

Afghanistan is an observer to the WTO and plans to complete the accession process by 2010.

Competition

Domestic competition for quality Western goods is limited and imports will dominate this market for some time to come. Competition for general consumer goods comes primarily for cheap, low-quality goods from Iran and Pakistan. These products enter the country easily and are sold through sales and distribution networks that would be near impossible for an outsider to access.

- German products have a long history in the market and continue to succeed. Germany's relationship with Afghanistan predates the Russian invasion.
- Turkey is investing heavily in the country and their support, development work and proximity is expected to ensure success in this market as Afghanistan develops.

Population

Three decades of conflict and natural disasters led to millions of Afghans fleeing to neighbouring Iran and Pakistan and a million more internally-displaced within Afghanistan. Since 2002, between 2 and 3.5 million Afghan refugees have returned to their country and over 400,000 internally displaced people have returned to their home towns and villages. It is estimated that as many as 3 million Afghan refugees currently remain in Pakistan and Iran.

Current population figures for Afghanistan vary greatly. A 2006 Asia Development Bank estimate states the population is roughly 24 million while the CIA World Fact Book states the total is closer to 31 million. There are estimates from various sources which mirror or fall between these two values. Approximations have obviously been affected by a number of factors, such as a thirty-year gap in solid national governance for statistics purposes, conflict, deaths, refugees (both fleeing and returning) and a largely rural population, including nomads, which are difficult to account for. Generally, municipal figures are considered more accurate.

- Afghanistan's major cities include Kabul (3 million), Kandahar (322,000), and Herat (305,000).
- 80% of the population lives in rural areas.
- Afghanistan has 18,000 communities of various sizes.
- Afghanistan has roughly 35 commonly spoken languages. Afghan Persian or Dari and Pashtu are the country's two official languages. There is much bilingualism throughout the population.
- Afghanistan is an Islamic country. 80% of the population is Sunni, while the remainder of the population is predominately Shi'a.

Islamic religious tradition and codes, together with traditional tribal and ethnic practices, have an important role in personal conduct and dispute settlement. Afghan society is largely based on kinship groups, which follow traditional customs and religious practices, though somewhat less so in urban areas.

Employment

- The work force is estimated at 15 million.
- Unemployment is estimated at 40%.
- 50% of the population lives below the poverty line.
- Most rural inhabitants are farmers or farm labourers. Essentially 80% of the Afghan population depends on the agriculture sector for its livelihood.
- The average age of Afghan farmers is roughly 45 years.
- Non-farmers face very low income potential. Even skilled professionals find only low pay available. Police are reportedly being paid US\$70 a month, while it has been reported that doctors in some areas can receive as little as US\$50. When compared to the US\$400 Taliban fighters reportedly receive for their efforts, the reason for the continuing popularity of the insurgents in some areas is obvious.

Consumers

Much of the population continues to suffer from shortages of housing, clean water, electricity, medical care and employment. It will probably take the remainder of the decade and continuing donor aid and attention to significantly raise Afghanistan's living standards from its current status, among the lowest in the world.

Overall literacy rates are low at 50%, while that of males and females is estimated at 50% and 20% respectively. However, since 2001 aid and development projects have targeted this issue, and 235 schools in Kandahar now in operation. In addition, 40,000 men and women are enrolled in higher education.

- Fruit, both fresh and preserved (with bread), is a staple food for many Afghans.
- Rural consumption of meat, vegetables and fruit is limited.
- Afghans have a cereal-heavy diet.

Retail

A return to normalcy in traditional Afghan markets has been seen by many as one of the true positive developments since 2001. Retail trade in Afghanistan is unlike its Western counterparts, but all indications point to the fact that an active central market in a city, town or village is an excellent economic indicator and speaks to a heightened sense of security amongst local consumers.

- Formal distribution and sales channels are not well developed.
- Most commerce is limited to small store fronts, urban markets and road side trading.

Agriculture Sector & Policies

Overview

Agriculture continues to be the backbone of the Afghan economy. While arable land accounts for only 12% of the available land area, the sector was able to be almost entirely self-sufficient and a net exporter of many high-value commodities. Over the last three decades, cultivated land area has declined by half to just 6% of the country because of population dislocation, land mines, drought and damage to centuries-old irrigation infrastructure. Permanent crops make up less than 1% of total land use.

- Agriculture currently employs 80% of the population and contributes to roughly 40% to 50% of the country's GDP.
- From 2003 to 2005, agricultural GDP grew by roughly 10%.
- Key agricultural products include wheat, fruit, nuts barley, corn, rice, potatoes, horticultural products; and wool, mutton, sheepskins and lambskins.

Prior to decades of conflict, Afghanistan had a largely self-sufficient and export capable agriculture sector. The sector produced roughly 95% of its wheat and rye requirements, and produced surpluses of rice, potatoes, pulses, nuts and seeds. Horticultural crops (specifically pistachios, citrus fruits, figs, dates and almonds) once accounted for between 30% and 50% of the country's export earnings. However, current agricultural production is a fraction of its potential. A sector that was traditionally 80% self-sufficient has been reduced to 60%. In some regions, agricultural production had all but ceased due to destruction caused by the war and the migration of Afghans out of those areas. Land mines and a lack of irrigation have taken thousands of hectares of agricultural land out of production.

Apart from conflict-related issues, the sector has traditionally been constrained by an almost total dependence on erratic winter snows and spring rains for water. Drought is always a concern. Irrigation was primitive before the series of conflicts took place, and now it is essentially in ruins. The sector has never modernized or implemented modern techniques, and as a result, has very little experience with machines, chemical fertilizers or pesticides. Current issues facing the sector include limited natural fresh water resources, soil degradation, and overgrazing. There are current efforts underway to repair the damage of soil degradation, repair and renew the irrigation system and to introduce new farming and management techniques.

Irrigation is required for 50% of the country's agricultural land. This irrigated land contributes roughly 80% of the sector's total output. Despite irrigation's positive impact, the dated technology operates at an estimated 25% efficiency. Droughts are a regular occurrence and typically affect the sector through mild droughts every two to three years and severe droughts every 30 years.

Wheat currently makes up 80% of all grain production. In the years directly following NATO involvement in the country, wheat production has increased considerably. In 2002, the wheat crop grew by almost 70% over the level achieved in 2001.

The variety of the country's crops corresponds to its topography.

- The areas around Kandahar, Herat, and the broad Kabul plain yield a variety of fruit.
- The northern regions from Takhar to Badghis and Herat and Helmand provinces produce cotton.
- Corn is grown extensively in Paktia and Nangarhar provinces.
- Rice is produced mainly in Kunduz, Baghlan, and Laghman provinces.
- Wheat is common to several regions.

The size of farms is a real issue in Afghanistan. Many farms are still listed as little more than subsistence level, and as such too small to positively impact domestic needs. One key issue which will affect the future of the sector is farm debt. This seems to be one of the key reasons behind the persistence of poppy cultivation. While individual debt is under \$500 per debtor, interest rates can be as high as 50%, and \$500 is roughly a year's wage for many Afghans.

Planning/Development

The immediate plan for the sector involves a number of key issues which have been supported by and contributed to by the world's leading agricultural organizations. Through detailed actions which involve a sector-by-sector plan engaging communities, government and the private sector, the Afghan government envisions a sector that can:

- Provide food security to weather drought years and production lapses.
- Earn foreign exchange with its traditional high-value and marketable crops.
- Enable its population, both women and men
- Allow for rural development.

Poppies

Afghanistan is currently the world's largest producer of opium. The country's opium GDP is estimated at 27% of the total economy and 36% of illicit GDP. Afghanistan is estimated to produce 90% of the world's opium supply. Poppy production is centred in two provinces in the south where insurgents are at their strongest. Expanding poppy cultivation and a growing opium trade generate roughly US\$3 billion in illicit economic activity and looms as one of Kabul's most serious policy concerns. Afghanistan's President calls the opium trade his country's "worst enemy".

Cultivation dropped 48% in 2005; but this was due to weather, not success shifting agricultural producers away from poppy production. Better weather and lack of widespread disease returned opium yields to normal levels in 2006 and the opium harvest up 49% over 2005. There have been reported successes at getting farms off of poppy production, but it seems that examples are sited largely for publicity.

The negative effects of the sector's reliance on poppy production are not as simple as the issues associated with an economy reliant on illegal narcotics for dollars. Opium has a huge effect on this economy. The cash inflow from aid and opium is so much greater than current economic potential that it is having an effect on the currency's exchange rate as well as consumer prices. In effect, when combined with aid dollars, opium is putting too much money into the economy.

There are many impediments to stopping the poppy production in Afghanistan.

- Opium is easy to cultivate and transport and offers a quick source of income for impoverished Afghans.
- There are ready buyers with established sales networks.
- Poppy farmers are generally deeply indebted to regional war lords, and with minimal security in certain areas most farmers have no choice but to grow poppies to pay back their debts.
- It must also be considered that the power of regional warlords may make the choice to stop producing poppies difficult.
- Regardless of debt, there are very few avenues which allow for the same level of income farmers receive from poppy crops. Estimates have suggested that poppy production is three times more profitable than any other viable option currently available in Afghanistan.

These are all key factors in the minimal success to-date in ending/reducing poppy production. It is interesting to note that even the repressive Taliban regime gave up on its efforts to ban the production of opium because of the near impossibility/unpopularity of the initiative.

Regardless of the moral/social issues, most experts believe that destroying the opium economy would have a devastating impact unless it was preceded or accompanied by decades of development. So many people are reliant on funds from poppies that stopping the practice dead would leave thousands if not millions without income.

Key Contacts

The Embassy of Canada to Afghanistan

House 256, Street 15, Wazir Akbar Khan
Kabul, Afghanistan
Telephone: (011 930 799) 742-800
Fax: (011 930 799) 742-805
Email: Kabul@international.gc.ca
Web site: <http://www.canada-afghanistan.gc.ca>

Embassy of Afghanistan in Canada

246 Queen Street, Suite 400
Ottawa, Ontario K1P 5E4
Telephone: (613) 563-4223 / 65
Fax : (613) 563-4962
Email: contact@afghanemb-canada.net
Web site: www.AfghanistanEmbassy.ca

Consulate General of Afghanistan in Toronto

477 Richmond Street. West, Suite 901
Toronto, ON M5V 3E7
Telephone: (416) 385-1033
Fax: (416) 385-3810
Email: infoconsulate@cgoa.ca
Web Site: <http://www.cgoa.ca/>

Key Resources

Protecting Canadians / Rebuilding Afghanistan – Government of Canada
<http://www.canada-afghanistan.gc.ca/>

Canadian International Development Agency – Afghanistan – CIDA
<http://www.acdi-cida.gc.ca/cidaweb/acdicida.nsf/En/JUD-129153625-S6T?OpenDocument>

Country Fact Sheet – Afghanistan – Australian Government Department of Foreign Affairs and Trade
<http://www.dfat.gov.au/geo/fs/afgh.pdf>

CIA World Fact Book – Afghanistan - CIA
<https://www.cia.gov/cia/publications/factbook/geos/af.html>

Country Commercial Guide – Afghanistan - U.S. Commercial Service 2006
http://www.buyusainfo.net/docs/x_9192893.pdf

Fact Sheet – Afghanistan – ATS Web site - 2007
<http://www.ats.agr.gc.ca/stats/afghanistan.pdf>

Rebuilding Afghanistan's Agriculture Sector – Asian Development Bank 2003
<http://www.adb.org/Documents/Reports/Afghanistan/Agriculture/default.asp>

The Afghanistan Compact – CIDA - February 2006
<http://www.fco.gov.uk/Files/kfile/20060130%20Afghanistan%20Compact%20Final%20Final,0.doc>

Agriculture and Food Production in the Post-war Afghanistan, a Report on the Winter Agricultural Survey 2002/2003 – FAO 2003
<http://www.fao.org/docrep/007/ae407e/ae407e00.htm>

Afghanistan Agriculture Master Plan – Islamic Republic of Afghanistan Ministry of Agriculture and Food - 2006
<http://www.agriculture.gov.af/fills/English%20summary%20for%20masteplan.doc>

A Policy and Strategy Framework for the Rehabilitation and Development of Agriculture and Natural Resource Sector of Afghanistan – AIMS 2004
http://www.aims.org.af/services/government/related_documents/policy_framework.pdf