

I. EXECUTIVE SUMMARY

In 1976, horticulture was the single largest contributor to exports in the Afghanistan economy, comprising 40% of total export earnings. However, over the past 20 years, Afghanistan has been devastated by conflict and a debilitating three-year drought which have resulted in the collapse of the economy, destruction of infrastructure, massive displacement of the population, and widespread malnutrition and dependence on food aid. This market survey is conducted to identify trade opportunities for Afghan horticultural products and to determine the steps that need to be undertaken to develop a viable and market-oriented horticultural sector.

The activities undergone in this survey followed a three-step approach: *Market Assessment*; *Production Capability Assessment*; *Project Summary and Planning Document*. The resulting analysis and conclusions are presented as:

1. The most promising crops for both internal and export income generation;
2. The most critical constraints to production;
3. Economic and social rate of return on investments;
4. Key constraints to market profitability and long term sustainability;
5. Recommendations for investment.

The most promising crops for both internal and export income generation have been identified as:

- Dried Apricots
- Cumin
- Pine nuts
- Pomegranate
- Raisins
- Dried Figs
- Grapes
- Melons

Despite Afghanistan's long absence in the international horticulture market, this finding still coincides with several crops that historically led exports: grapes, pomegranate, melons and raisins (see Appendix A).

This study evaluated the most critical constraints to production as being:

- The lack of applied research capacity
- Diminished irrigation availability and distribution
- Poor input usage and production practices
- Limited enterprise management
- Lack of field extension capacity, institutions and agencies

The lack of available data made it impossible to calculate specific economic and social rates of return on investments. However, in-depth analysis of the supply and value chains revealed the operational feasibility and income potential of the selected crops.

Furthermore, the key constraints to market profitability and long term sustainability have been assessed as:

- Poor product quality
- The lack of post-harvest infrastructure
- The absence of marketing organizations
- Limited access to markets
- Commercial and financial limitations
- Non-uniformity of weights and measures

As a result, the following specific recommendations for investment are presented:

1. Develop research capabilities to support agriculture.
2. Provide extension services to effectively diagnose plant problems in the field.
3. Establish production and marketing centers for technical assistance.
4. Create marketing organizations to facilitate the education and training of farmers.
5. Build cold storage, packing and processing infrastructure.