



**USAID**  
FROM THE AMERICAN PEOPLE

# AFGHANISTAN

## Alternative Development and Agriculture

Summer 2007



PHOTO: CATHOLIC RELIEF SERVICES

*A farmer tends his crops in a greenhouse built through the Greenhouse Project in Herat as part of the ASP II project.*

### ALTERNATIVE DEVELOPMENT AND AGRICULTURE SNAPSHOT

- More than 28,000 loans to small businesses (75% to women-owned businesses)
- 350 veterinary field units provided 28 million vaccinations and treatments to livestock and poultry
- More than 500 women trained and provided with support to establish home-based businesses
- Water supply increased to over 494,000 hectares of land

### OVERVIEW

An estimated 80 percent of Afghans are dependent on agriculture for their livelihoods. Afghanistan historically has been a prolific producer of high quality agricultural products, but a generation of civil war obliterated the systems and farmers who managed that efficient production. While poppy production and the opium trade have a significant share of Afghanistan's agricultural economy, there are excellent opportunities for licit alternatives to be provided for the rural populace. Commercial agriculture can play a significant role in increasing the wealth of rural populations – international donors and Afghans themselves recognize that the opium trade is destabilizing as it contributes to insecurity and undermines the rule of law. USAID is taking a comprehensive approach to creating a licit rural economy – since 2001, USAID has been working to restore the agriculture sector in order to ensure people have a legitimate means to earn a living.

### PROGRAMS

The purpose of USAID's Alternative Development and Agriculture (ADAG) program is to create licit alternatives to poppy production by promoting and accelerating rural economic development. The goal is to increase commercial agriculture opportunities, improve agricultural productivity, create rural employment and improve family incomes and well being. Improved job opportunities and incomes also reduce pressures on the poor to grow opium poppy. ADAG programs are active throughout Afghanistan.

### COMPREHENSIVE DEVELOPMENT

To accelerate sustainable economic development in regions most affected by poppy production, USAID provides materials, technology, and expertise necessary to produce and market high-value licit crops such as fruits, vegetables, and tree crops. The program also dedicates significant resources to providing sources of credit, identifying and supporting value chains, developing new markets, improving infrastructure, and removing administrative constraints that hinder business growth.

With an increased water supply to more than 494,000 hectares of land and the introduction of better seed varieties, farmers can once again harvest the wheat, grapes, and pomegranates that were once legendary in this country. USAID has trained over one million farmers on how to improve crop yields. Refrigeration enables farmers to keep their produce fresh until they sell it at local markets or export it. Programs have been started to establish dried fruit and nut processing plants and provide marketing advice to expand trade opportunities.

Because many rural Afghans raise livestock as well as crops, USAID offers animal health training to boost the poultry and livestock populations. There are nearly 350 veterinary field units covering most of the country that have provided 28 million vaccinations and treatments to livestock and poultry.

### EXTENDING FINANCIAL SERVICES AND CREDIT

Afghan farmers need financing to buy seeds, fertilizer, and equipment so



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## Alternative Development and Agriculture (continued)



PHOTO: USAID/AFGHANISTAN

*A woman places peppers out to dry. USAID has trained more than 500 widows to establish small businesses and has extended loans to 21,000 women-owned businesses.*



PHOTO: USAID/AFGHANISTAN

*The recent USAID-sponsored AgFair attracted over 45,000 people and spurred much-needed investment in the agriculture sector.*

### CONTACT INFORMATION

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they can participate in the agricultural industry. USAID has helped restore basic banking and credit services with rural lenders now administering loans in 77 of the country's 380 districts. To date more than 28,000 loans have gone to small businesses, 75 percent of which went to women. The program's success has encouraged commercial banks to extend revolving loans for agri-businesses. Seed money has been provided for commercial leases and investment funds to promote agri-processing and crop exports.

### SUPPORTING COMMUNITY INITIATIVES

USAID contributes to the United Nations Development Program's Good Performers' Initiative. The objective of the Initiative is to support continued progress towards poppy elimination and maintenance of poppy-free provinces through the provision of financial support for priority development projects. USAID's funding supports economic development initiatives in provinces where there is commitment by local leaders and communities to forgo poppy production and maintain a poppy-free province. In these provinces, USAID funds highly visible public works projects such as district roads and irrigation projects.

### BOOSTING INCOME FOR WOMEN

Women are among the poorest and most vulnerable populations in Afghanistan, particularly in the rural areas. In order to improve the economic status of women, USAID provides skills training and raw materials for jobs that women can perform at home. In Nangarhar province, ten percent of program participants are women employed in farming and textile making. More than 500 widows have been trained and provided with support to establish home-based businesses.

### PRESERVING THE ENVIRONMENT

USAID helps communities better utilize their resources since environmental degradation is one of the core reasons for declining agricultural productivity in parts of Afghanistan. Another key element of the agricultural strategy – agro-forestry and land conservation – supports programs that promote tree planting to reduce soil erosion and habitat conservation so sheep, goats, and wild animals can continue utilizing grazing lands.

### INSTITUTIONAL DEVELOPMENT

USAID helps Afghans become more self-sufficient while increasing agricultural productivity. Links between Kabul University's agriculture and veterinary schools and U.S. land grant universities allow technical specialists to share their expertise. By partnering with the U.S. Department of Agriculture, technical advisors are providing training and advice about livestock health, sanitation, rangeland management, forestry, and biodiversity conservation. USAID also provides technical assistance to build capacity at the Ministry of Agriculture to make it more responsive to farmers' needs. The Ministry is promoting the formation of farmer associations, micro-credit, and trade organizations that help farmers sell their produce at local markets and export abroad for better prices.

On behalf of the American people, the U.S. government has provided humanitarian assistance and economic development to those in need around the world since the Marshall Plan.