

Working with Raisin and Pomegranate Farmers to Increase Their Productivity and Access to International Markets in Afghanistan

IFC helped raisin and pomegranate farmers increase the quality and quantity of their crops through farm extension services and farm management training. The training provided them with information about harvesting, grading, and storing their products, and enabled them to access new markets in Afghanistan and abroad.

The project engaged with hundreds of farmers across five districts in Afghanistan's Kandahar Province, helping them to increase productivity and contribute to the region's economic growth.

“(Thanks to IFC), new linkages were established and new effective markets were identified at national and international levels, especially in India. Technical problems of exporters have been solved, which led to new agreements between Afghan exporters and importers from India.”

—Haji Shahzada, owner of a drying house



RESULTS AND IMPACT

- 1,500 farmers and 40 extension workers were trained in modern production techniques. All came from remote locations in Kandahar Province with very limited access to technical support/knowledge.
- Doubled local farmers' raisin output, and reduced waste by introducing 125 new drying houses. Thanks to the success of this program, farmers are now also willing to invest in the drying houses themselves.
- Established linkages between farmers and Afghan exporters, who were introduced to new markets in India.
- \$4 million worth of raisins and pomegranates exported to Indian markets by farmers involved in the project.

The Opportunity

Agriculture is a major source of employment in Afghanistan, and raisins and pomegranates, in particular, are commodities with high growth potential. However, Afghan farmers face a number of challenges, including limited presence in international markets and lack of technical expertise in harvesting, sorting, and drying their crops. As a result, farmers produce sub-optimal harvests, and see lower returns on their investment.

IFC focused on raisin and pomegranate farmers in Kandahar Province because of their potential for producing superior-quality crops. IFC conducted a scoping mission and found that modernizing the raisin drying houses would allow farmers to complete two production cycles per season, instead of just one. The scoping mission also found that by focusing on quality and packing, pomegranate farmers could increase productivity and sales.

In 2006, IFC began a pilot project with 10 raisin farmers and 50 pomegranate farmers, building modern drying houses and training the farmers to improve post-harvest activities such as cleaning, sorting, grading, and packing their crop. The farmers participated in a trade mission to Dubai to view international wholesale markets and learn about the products offered by other countries.

In 2008, the project was scaled up to reach 100 grape farmers and 1,400 pomegranate farmers. The farmers were able to improve their post-harvest practices, sell their product at a much higher price, and export to new markets in New Delhi and Mumbai.

IFC's Approach

IFC initially identified 40 agricultural graduates and provided them with six months of technical training in harvesting and producing crops, to form an extension team able to provide technical support to farmers.

IFC connected with local small businesses to provide the materials needed to build modern drying houses and used IFC's Business Edge management training workshops to train extension workers on the basics of budgeting

and accounting. Workshops were conducted in Pashtu and used local examples. Two technical manuals were produced (one for each commodity) that cover aspects of farming related to quality, with specific attention to post-harvest activities.

During the project, extension workers worked to build a successful business model that could be replicated in five districts of Kandahar Province. IFC also partnered with Afghan exporters and identified potential Indian importers interested in working with the Afghan exporters. The farmers learned sorting and packaging techniques that would appeal to international markets, and were linked to exporters.

As a result, the time needed to produce raisins was cut by 50 percent, and waste was reduced to 15 percent from roughly 35 percent. Increased production and higher quality resulted in sales to India of roughly \$4 million worth of raisins and pomegranates produced by these farmers. Women benefited indirectly: while none received training directly, male family members who participated in the project trained them in post-harvest production, a process to which women on family farms often contribute.

To make the project sustainable, Afghan extension workers formed an association. They have continued to provide fee-based training and technical assistance to raisin and pomegranate farmers in Kandahar Province since the completion of the project in 2012.

Building on the success of the program, IFC will begin working with a large Afghan fruit processing and exporting company to enhance its supply chain and integrate farmers that were able to implement recommended practices. The new project will also help to gain access to wider market opportunities and attract financing.

IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector.

IFC CLIENTS ??????