

# Price Monitoring and Analysis Country Brief

# Afghanistan

May 2010

## Key Messages

- In recent months wheat prices in the country's major markets have gradually decreased, owing to a good harvest.
- Continued insecurity constrains humanitarian relief particularly in southern regions, while the number of displaced people continues to increase.
- Concerned agencies agree on localized food insecurity in the short term.
- The government is building up stocks to respond to food emergency situations.

## Background

The total population of Afghanistan was 28.39 million in 2008 and the annual growth rate was 2%. Most of the population lives in rural areas, however the contribution of agriculture to the GDP is below 40%.

Economic Indicators	View Data
Total Population - 2009 (CIA)	28396000
Population growth rate - 2009 (CIA)	2%
GDP per capita, \$ PPP - 2008 (CIA)	700
Population below 1\$ PPP per day	n.a.
Rural population - 2006 (WB)	77%
Agriculture, value added (% of GDP) - 2007 (WB)	37%

Food Consumption	
Undernourished Population	n.a.
Cereal share in total dietary energy consumption	n.a.
Meat share in total dietary energy consumption	n.a.

Health Indicators	
Pop. with sustainable access to improved sanitation - 2006 (WHO)	30%
Life expectancy at birth (years) both sexes - 2006 (WHO)	42
Pop. with access to improved drinking water sources - 2006 (WHO)	22%
Prevalence of HIV among adults aged >= 15 years - 2005 (WHO)	0%

## Prices

Retail wheat prices in major markets remained stable in January/ February and are showing a decreasing trend in recent months. In Kabul prices gradually fall to 14 AFN/Kg in May from 15 AFN/Kg in Jan/Feb. In Herat markets, prices were at 12 AFN/Kg in Jan/Feb and decreased to 9.5 AFN/Kg in May, while in Kandahar prices were at 16.5 AFN/Kg in Jan/Feb but registered 15 AFN/Kg in May. In April, wheat prices in Afghanistan (296 USD/Ton) remained well above (48%) international prices of US Wheat No2 Hard Red Winter, US fob Gulf (200.25 USD/Ton).

## Natural Disasters, Drought and Conflicts

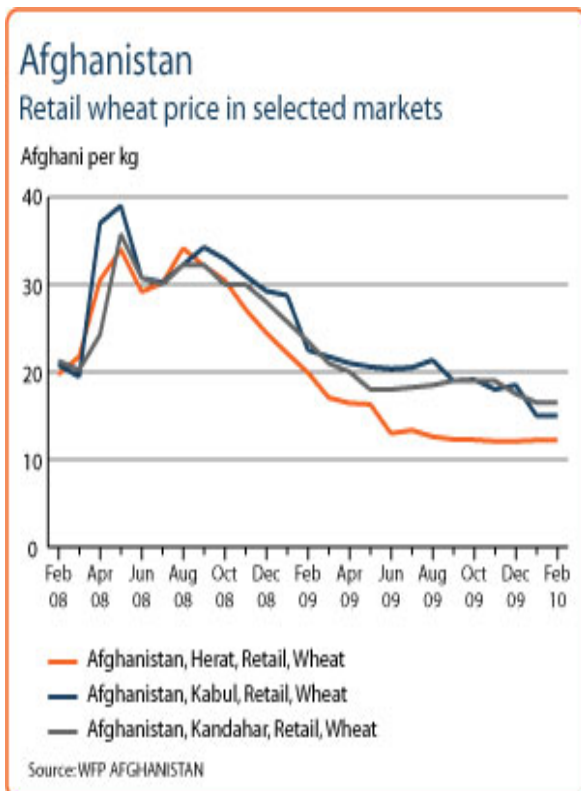
Heavy rains and snowmelt have generated violent floods in February and have destroyed thousands of hectares of farmland. In addition the continued conflict has badly affected households in several provinces, generating widespread displacement. The Government of the Islamic Republic of Afghanistan (GIROA) estimated the total internally displaced population at more than 400,000 people as of early 2010. Increased insecurity in 2010 has limited humanitarian access particularly in the southern region of Afghanistan.

Refugees and IDPs	2006	2007	2008
Total in the country	527710	535632	515659
Total outside the country	2749915	3609746	3371919

Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 22/10/2009.

Disaster Type (last year)	Date	Location	Alert
Earthquake	2010-04-18	Samangan	2/3
Earthquake	2010-05-13	Badakhshan	2/3
Flood	2010-05-04	Herat	1/3

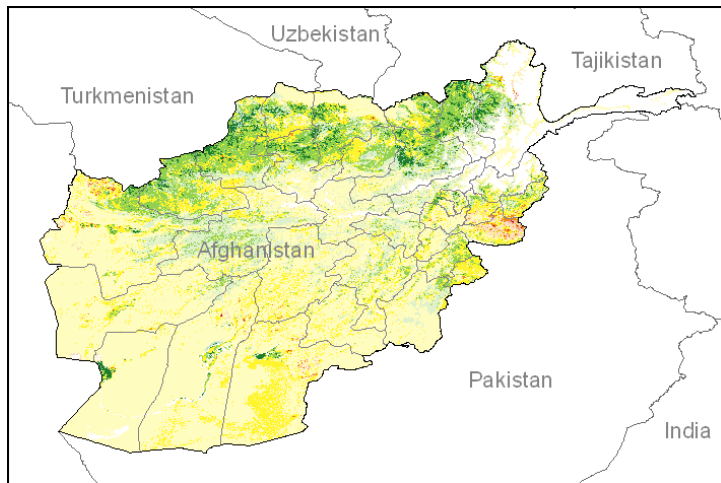
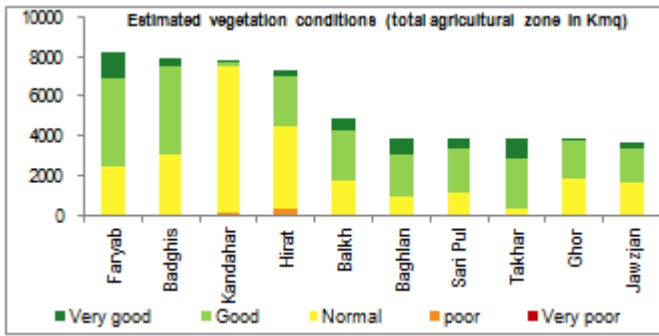
Source: Global Disaster Alert and Coordination System - 3 = 1000 or more people killed or 800000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.



Source: GIEWS Country Briefs

**Vegetation Condition**

At the beginning of the crop season, normal to good vegetation conditions are observed throughout the country. The general indicator of vegetation condition provided below is the relative difference between the NDVI for April 2010 and the average of the last 10 years, calculated on the agricultural zones derived from the GLOBCOVER land cover database (2005).



Source: JRC MARS & FoodSec

**Food Security Situation**

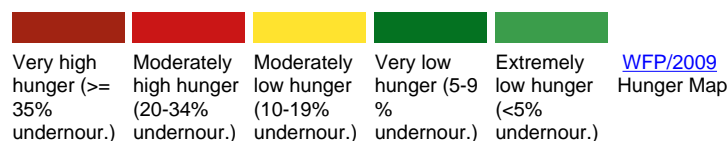
The food security situation has improved thanks to the good wheat harvest and declining staple food prices. However, in the short term GIEWS and FEWSNET estimate severe localized food insecurity especially in the north eastern and south eastern and central regions. Afghanistan is not covered in Hunger Map and GHI.

**CURRENT EMERGENCY ASSESMENT**



Food security conditions are expected to generally remain stable throughout the country in the next 6 months, with the exception of isolated areas. Good food security conditions are attributable to the 2009 ...[more](#)

**SCALE OF HUNGER**



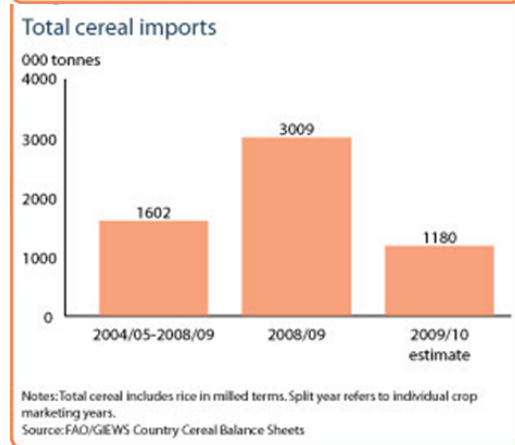
**Food Balance Sheet**

The 2009 total cereal output was estimated at record level of 6.56 million tonnes, representing about 70% increase over the depressed harvest in 2008. Consequently, imports of wheat and rice for 2009/2010 marketing year (July/June) are expected to decrease to about 1.2 million tonnes compared to about 3 million tonnes in 2008/2009.

**Afghanistan Cereal production**

	2004-2008 average	2008	2009 estimate	change 2009/2008
	000 tonnes			percent
Wheat	3378	2623	5064	93
Rice (paddy)	548	612	700	14
Barley	325	333	480	44
Others	329	292	319	9
<b>Total</b>	<b>4579</b>	<b>3860</b>	<b>6563</b>	<b>70</b>

Note: percentage change calculated from unrounded data.  
Source: FAO/GIEWS Country Cereal Balance Sheets



Source: GIEWS Country Briefs

**Government Policies**

The ministry of Agriculture, Irrigation and Livestock secured 70,000 tons of wheat in the newly created Strategic Grain Reserve in order to support consumers in case of food emergencies. safety net programmes have continued.

Consumer and market oriented measures	Built up stocks.
Producer oriented measures	n.a.
Trade policy measures	n.a.
Safety net (increased or introduced)	Food/cash transfer; targeted input distribution

Different sources

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- [AFGHANISTAN: Proselytizing charges "need fair investigation"](#)
- [ANALYSIS: "Flawed" peace strategy in Afghanistan](#)
- [PHOTOGALLERY: The cost of war - Kandahar, Afghanistan](#)
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For more information, contact: [Information-for-action@fao.org](mailto:Information-for-action@fao.org)  
Website: [www.foodsec.org](http://www.foodsec.org)

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