

Export Performance of Dried Fruits from Afghanistan -A Study in Afghanistan

Mansour Rasoly¹, Dr. H. M. Chandrashekar²

¹Master of MBA in (Agribusiness), Institute of Development Studies, University of Mysore, India

²Assistant Professor of Agribusiness Management, Institute of Development Studies, University of Mysore, India

**Corresponding Author:* Dr. H. M. Chandrashekar, Assistant Professor of Agribusiness Management, Institute of Development Studies, University of Mysore, India.

ABSTRACT

The world market for raisins, pistachios, dried apricots, almonds, and walnuts is more than \$2.2 billion, of which Afghanistan currently claims less than 3 percent. Many of these products were formerly produced on a large scale and continue to enjoy international recognition for quality. Raisins, for example, are Afghanistan's primary agricultural export commodity and once accounted for 60 percent of the world's market. Pakistan, India, and Russia offer large, nearby markets in which Afghan products could begin regaining market share. Existing raisin processors are ripe for new investment to increase and improve production. Ideal growing conditions exist for almonds, pistachios, and apricots. The world's largest importers of these products - India for almonds and Russia for dried apricots - are natural regional markets. Low productivity of existing orchards and production facilities as well as a lack of machinery for sorting, drying, and packaging, are issues facing the industry.

Keywords: Exports, Dried Fruits, Partner Countries.

INTRODUCTION

Horticultural crops are an important part of the agricultural sector in Afghanistan. In the late 70s, horticulture accounted for around 40% of the country export earnings, though occupying only some 6% of the total arable land and 12% of the irrigated land. There is no breakdown of either the orchard crops or the vegetable crops although it is known that horticulture crops consisted of significant areas of grapes, apricots, apples, almonds, walnuts, mulberries and melons. Raisins, dried apricots and almonds numbered among the country's major exports.

Vegetables included large areas of potato, which is a common element in Afghan diets as well as onions, tomatoes and egg plant. While horticulture crops covered only a small part of the total agricultural and irrigated area economically they were very important. They were primarily high value cash crops, which at the same time broadened the nutritional base of the population. After declining during the war years, horticultural production area somewhat increased after the war due to farmer's preference for more remunerative cash crops as an alternative

to poppy. Horticultural crops represented an important source of income (gross income per unit area is three to seven times that of wheat, which make horticultural crops a good alternative to poppy production). Afghanistan is the 104th largest export economy in the world. In 2016, Afghanistan exported \$572M and imported \$3.77B, resulting in a negative trade balance of \$3.29B. The world market for raisins, pistachios, dried apricots, almonds, and walnuts is more than \$2.2 billion, of which Afghanistan currently claims less than 3 percent. Many of these products were formerly produced on a large scale and continue to enjoy international recognition for quality. Raisins, for example, are Afghanistan's primary agricultural export commodity and once accounted for 60 percent of the world's market.

IMPORTANCE OF STUDY

- Dried fruits make more than 30 % of total export of Afghanistan (165.4 million US \$ out of 596.5 million US \$ in 2016-17).
- By exporting of dried fruits Afghanistan has political relations with more than 40 countries of the world.

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- Raisins, Almond, Apricot & pistachio have the highest share of export and incomes among all other fruits and dried fruits make a huge share among all exported items.
- By trading of dried fruits Afghanistan accessed now to the new markets and can send the dried fruits, fresh fruits and other agricultural and non-agricultural products to international markets.

OBJECTIVES

- To know the exporting importance of dried fruits in Afghanistan economy.
- To know the export fluctuation of Afghanistan dried fruits in different years.
- To know the Compound Annual Growth Rate (CAGR) of Afghanistan dried fruits from 2010 to 2017.
- To know the share and combination percentage of dried fruits in total export amount and trade balance.

METHODOLOGY

The study has based on collection of secondary data from Ministry of Agriculture, Irrigation &

RESULTS AND DISCUSSION

Table1. Afghanistan Export Partner Countries 2010-17

US\$ million

Country	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Pakistan	151	181	157	198	188	227	283
India	65	70	92	103	160	189	230
Turkey	35	11	29	35	40	18	12
Iran	32	20	29	43	33	29	19
Russia	30	33	20	14	21	19	3
China	12	6	11	20	15	10	5
Netherlands	9	1	1	-	-	-	-
Iraq	9	15	17	23	18	17	11
Turkmenistan	9	4	3	14	6	1	2
Tajikistan	7	5	12	3	11	5	1
UAE	6	3	18	26	28	24	9
USA	4	4	4	-	-	-	-
Finland	3	6	6	-	-	-	-
UK	2	2	1	-	-	-	-
Germany	2	2	1	10	17	6	4
Saudi Arabia	2	1	0.2	-	-	-	-
Other countries	8	10	14	8	31	27	16
TOTAL	382	375	416.2	497	568	572	595

Source: Afghanistan Statistical Yearbook 2012 to 2017

Table1 Shows the trade flows of Afghanistan with more than 18 countries, and there are three countries that have more trade flows with Afghanistan namely, Pakistan (151 million USD) in 2010-11 and has increased to (283

Livestock (MAIL) Afghanistan, Afghanistan Chamber of Commerce & Industries (ACCI), Afghanistan Ministry of Commerce & Industries (MOCI), Afghanistan Statistical Yearbook (2010-17) Editions, Roots of peace, and United State of America for International Development (USAID) for Afghanistan, Food & Agriculture Organization (FAO) Afghanistan.

LIMITATION

- The study areas are limited to Afghanistan. This study covers all provinces of Afghanistan but the major provinces are (Kandahar, Bamiyan, Samangan, Parwan, and Badqhis).
- This study based on secondary data which collected from government and non-government organizations, ministries and international organizations.
- The study focusing on all dried fruits but there are four major dried fruits namely (Pistachio, Raisons, Apricot & Almond) that have the large share of export.
- The study covers the years from 2010 to 2017.

million USD) in 2016-17, India (65 million USD) in 2010-11 and increased to (230 million USD) In 2016-17 and United Arab Emirate has (6 million USD) in 2010-11 in to (9 million USD) in 2016-17.

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Table2. Composition of Afghanistan Exports in Percentage 2012-17

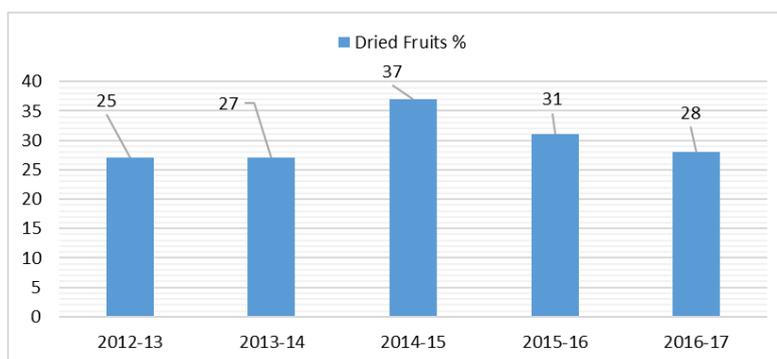
Years	D/Fruits	Fresh Fruits	Medical Botanies	Skin	Oil seeds	Carpet	Others
2016-17	28%	10%	10%	3%	0%	6%	43%
2015-16	31%	6%	11%	2%	0%	16%	34%
2014-15	37%	5%	6%	2%	0%	17%	33%
2013-14	27%	3%	12%	3%	0%	17%	38%
2012-13	26%	3%	6%	4%	12%	11%	38%

Source: Afghanistan Statistical Yearbook 2012 to 2017

Table2 shows the percentage of Afghanistan dried fruits among all other exported items. Dried fruits make the highest share among all

exported items and show a growth rate from 26% in 2012-13 in to 28% in 2016-17.

Chart1. Composition of Dried Fruits among Export Items 2012-17



Source: Afghanistan Statistical Yearbook 2012-17

Chart 1. Shows the fluctuation of five years from 2012 to 2017. It shows the fluctuation of dried fruits in 2012-13 that is (25%) and increased into (27%) in 2013-14, In 2014-15

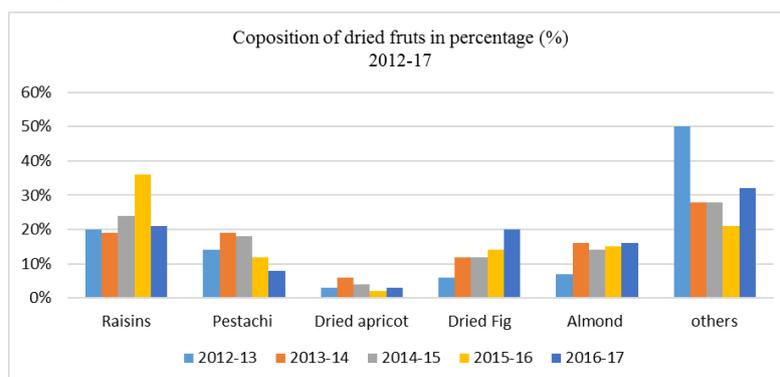
there is a huge increased rate of 10 % (37%) and again it decreased to (31%) in 2014-15 and continued decreasing to (28%) in 2016-17.

Table3. Dried Fruits Export Composition in Percentage 2012-17

Years	Raisins	Dried Apricot	Dried Fig	Almond	Pistachio	Other Fruits
2016-17	21%	3%	20%	16%	8%	32%
2015-16	36%	2%	14%	15%	12%	21%
2014-15	24%	4%	12%	14%	18%	28%
2013-14	19%	6%	12%	16%	19%	28%
2012-13	20%	3%	6%	7%	14%	50%

Source: Afghanistan Statistical Yearbook 2012 to 2017

Chart2. Dried Fruits Export Composition 2012-17



Source: Afghanistan Statistical Yearbook 2012-17

Table3 Shows the share of each individual dried fruits in export from 2012-13 in to 2016-17 and

the raisins, almond and dried fig have the large share among all dried fruits.

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Chart 2: Shows the composition of different dried fruits from 2012-13 to 2016-17 and the raisins has high rate in 2015-16, pistachio in 2013-14 while dried fig has in 2016-17

Table4. Exporting of Afghanistan Dried Fruits in Quantity 2010-17

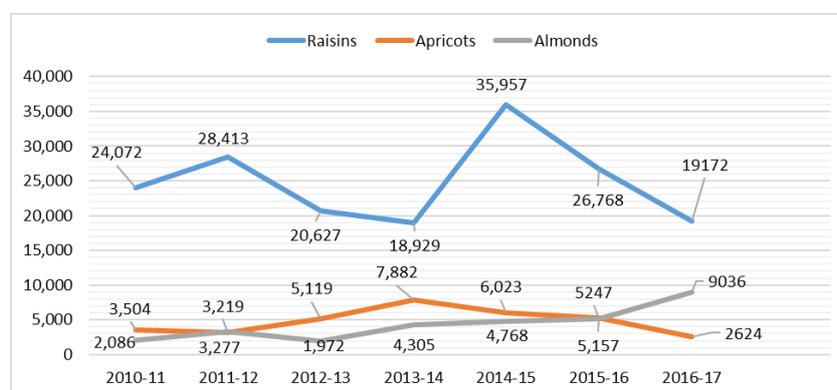
Ton

Name	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	CAGR
Raisins	24,072	28,413	20,627	18,929	35,957	26,768	19,172	-3.72%
Apricots	3,504	3,219	5,119	7,882	6,023	5,247	2,624	-4.71%
Cherry	343	416	422	472	908	157	25	-35.37%
Dried Fig	1,671	2,107	3,068	6,502	7,122	6,246	7,585	28.68%
Almonds	2,086	3,277	1,972	4,305	4,768	5,157	9,036	27.68%
Walnuts	608	388	4017	2648	2253	429	3,024	30.65%
Pistachio	915	1067	1671	1823	3007	1499	1,069	2.63%
Dried berry	112	262	61	233	1,147	176	862	40.51%
Dried plum	347	155	19	62	87	852	504	6.42%
Pine cone	46	50	50	42	100	326	91	12.04%
Other Fruits	162	342	375	1138	2570	2070	4,126	71.53%
TOTAL	33,866	39,696	37,401	44,036	63,942	48,927	48,118	6.03%

Source: Afghanistan Statistical Yearbook 2015-16

Table4 shows the share of each dried fruit from 2010-11 to 2016-17 and it has a positive growth rate from 33,866 tons in 2010-11 into 48,118 tons in 2016-17 with 6.03 % CAGR.

Chart3. Exporting of Three Major Dried Fruits in Quantity 2010-17



Source: Afghanistan Statistical Yearbook 2015-16

Chart 3: Shows the export of three major dried fruits (Raisins, Apricot & Almonds) from 2010-11 to 2016-17 and the raisins have the highest contribution among all other fruits, apricot has the second position and finally almond makes

the third share of quantity in ton among all three dried fruits. Table5 Shows the exporting value of Afghanistan in USD between 2010-17 and here it shows a 9.98% CAGR between mentioned years.

Table5. Exporting of Afghanistan Dried Fruits in Value 2010-17

1000 US\$

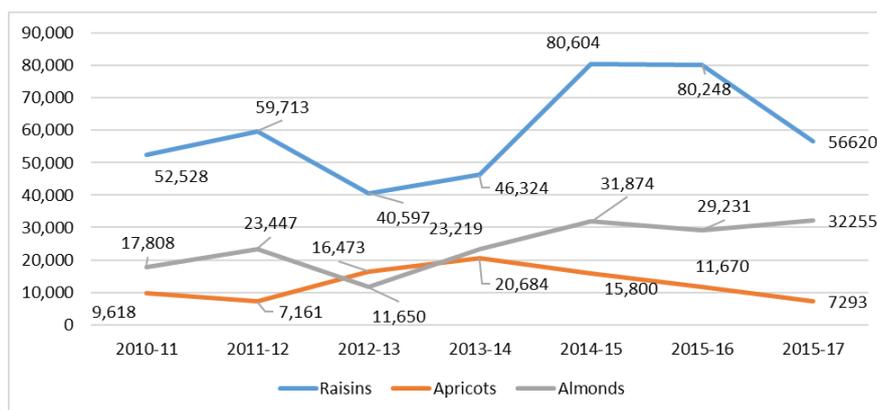
Name	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	CAGR
Raisins	52,528	59,713	40,597	46,324	80,604	80,248	56,620	1.26%
Apricots	9,618	7,161	16,473	20,684	15,800	11,670	7,293	-4.51%
Cherry	556	1,373	1,366	1,507	2,076	184	28	-39.23%
Dried Fig	6,847	5,591	9,891	16,905	24,912	24,607	33,861	30.53%
Almonds	17,808	23,447	11,650	23,219	31,874	29,231	32,255	10.41%
Walnuts	2,370	1,514	8,257	9,048	7,350	1,692	8,520	23.77%
Pistachio	1,425	15,440	22,703	25,517	37,824	21,164	12,999	44.55%
berry	313	704	170	467	3,327	545	2,490	41.29%
plum	1,359	575	66	174	205	2,577	28	-47.64%
Pine cone	377	622	521	320	1,299	3,839	992	17.50%
Others	301	601	427	1,836	6,255	4,068	10,372	80.39%
TOTAL	93,502\$	116,741\$	112,121\$	146,001\$	211,526\$	179,825\$	165,458\$	9.98%

Source: Afghanistan Statistical Yearbook 2015-16

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Chart4. Exporting of Three Major Dried Fruits in Value 2010-17

1000 US\$



Source: Afghanistan Statistical Yearbook 2015-16

Chart 4: Shows the contribution of three major dried fruits that have huge share among all fruits.

Raisins have a growth rate from 2010-11 to 2016-17, almond has the second position among all and finally apricot makes the third position in three major fruits.

FINDINGS OF THE STUDY

This study was done in Afghanistan. In this study found out that dried fruit contributed the large share of export and incomes by exporting too many countries.

This study based on secondary data the collected from Afghanistan Statistical Yearbook, Ministry of Agriculture, Irrigation & Livestock (MAIL) of Afghanistan, Afghanistan Chamber of Commerce & Industries & United State of America for International Development (USAID) in Afghanistan.

Following are major findings of the study:

- Total export of Afghanistan is (414.5 million US \$) in 2012-13, that dried fruits contributed (112.121 million US \$) & (37,401k ton) in quantity.
- Total export of Afghanistan is (515 million US \$) in 2013-14, that dried fruits contributed (146,001 million US \$) & (44,036k ton) in quantity.
- Total export of Afghanistan is (570.1 million US \$) in 2014-15, that dried fruits contributed (211,526 million US \$) & (63,942k ton) in quantity.
- Total export of Afghanistan is (571 million US \$) in 2015-16, that dried fruits contributed (179,825 million US \$) & (48,927k ton) in quantity.

- The Compound Annual Growth Rate (CAGR) is 6.03% in quantity and 9.98% in value between 2010-11 to 2016-17.
- The total export of Afghanistan products and especially dried fruits have a decreasing curve from (211,526 million US \$) & (63,942k ton) in 2014-15 to (179,825 million US \$) & (48,927k ton) in 2015-16 and the main cause is insecurity that prevents from trading and investment of traders and investors.
- Raisins, Almond, Apricot & pistachio have the highest share of export and incomes among all other fruits.
- Afghanistan produces more than quantity that has export in the recent years but there are some challenges that decrease the level of export as follow: lack of transportation, storage facilities, standard drying, processing and warehousing.
- The export share of dried fruits composed 27 % of the total export in 2012-13 and it increased to 31.5 % in 2015-16.

SUGGESTION

In this study explained exporting of dried fruits in value & quantity with fluctuation of them in different years from 2010-17 and mad charts, tables & graphs to easily give a clear picture related to the study.

Followings are the importance suggestions that realized from study & findings that help the producers and traders of dried fruits:

- Using of both varieties (local & modified) to increase the production and exporting level in local and international markets. Most of producer or farmers using just local variety

that has less yields in harvesting time and is not acceptable in international markets because of nonstandard products.

- Government should help with the facilities of transportation, warehousing & storing (fruits are more perishable). International organizations like: United State of America for International Development (USAID), Food & Agriculture Organization (FAO) & world Food Program (WFP) should expand and cover more number of producers and farmers that produce fruits in different provinces.
- Government should hold draying, processing & storing training to producers (most of draying, processing & storing activities done at homes “nonstandard”). Government should provide the training and machinery to the producer to have grading & standard product to international markets and it makes our national income to expanse in other sectors as well.
- Government should provide peace and stability for traders & investors to have export to international markets. From 2013 Afghanistan is passing a bad government terms that most of investors and traders specially dried fruits traders and investors stopped their trading and skipped from Afghanistan because of war and insecure situation. By turning of Afghanistan from a non-secure country to secure and stable country traders will be encouraged to trade more quantity of the products to different market of the world.
- Government should encourage the private sector to work with producers and traders for production, processing & exporting. Private sector has a vital role to Afghan economy. Government should give some facilities to private sector to work in exporting sector (less tariff and taxes, Licence facilities).
- Ministry of Agriculture, Irrigation & Livestock (MAIL), Afghanistan Chamber of Commerce & Industries (ACCI) & Afghanistan Ministry of Commerce & Industries (MOCI) must have an active contact with the producers, farmers & traders from one side and have the active contacts with the international markets to sale the product as well.

CONCLUSION

As mentioned in pervious Afghanistan is an agricultural country and most of the exports are agricultural products like: dried fruits, fresh fruits, vegetables, skins and other crops. As before analyzed that dried fruits contributes the major share of the Afghanistan export among all export items and has at least 30 % of the total exports.

The exports of Afghanistan dried fruits has increased from (93,502 million US \$) in 2010-11 in to (165,458\$million US \$) in 2016-17 with the Compound Annual Growth Rate (CAGR) of (9.98 %).

If the government provides the facilities (transportation, storage, warehousing, grading, and training) and a peace & stable situation in the country the investors, traders & producers will encourage having more production and export of dried fruits in international markets and it has a vital role to Afghanistan economy.

If the level of export increased with four major dried fruits namely: Raisins, Almonds, Pistachio & Apricot Afghanistan will gain more income by export of these fruits.

As discussed before the exporting of dried fruit has a huge increase. In 2012-13 the composition of dried fruits was 27% and increased to 31.5 % to 2015-16.

If compeer the production, exporting in quantity & export in value from 2012-13 to 2016-17 it shows an increasing rate of exporting to international markets.

By supporting of producers, farmers, traders & investors Afghanistan will have a good income by exporting of dried fruits and it helps Afghanistan’s weak economy in the future. Increasing of export has a big influence on producer’s consumption of food, children of farmers and producers can participate at school and totally it changes our economy.

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AUTHORS' BIOGRAPHY



Mansour Rasoly, Master of MBA in (Agribusiness) in, Institute of Development Studies, University of Mysore. I have done my Bachelors in Agricultural Economics & Extension

and worked for two years 2014 and 2015 as an Agricultural Extension Officer and Project Assistant in Shelter for Life (SFL) international Organization in Afghanistan.

Dr. H. M. Chandrashekar is working as an Assistant Professor of Agri-Business Management, Course Co-ordinator for MBA in Agribusiness Management course at Institute of Development Studies, University of Mysore, Mysore, India. And also worked as an Assistant Co-ordinator for University UGC-CSIR Coaching Center, University of Mysore, and Mysore, India.

Citation: *Mansour, Rasoly, and H. M. Chandrashekar. "Export Performance of Dried Fruits From Afghanistan -A Study In Afghanistan". International Journal of Research in Business Studies and Management, vol 5, no. 5, 2018, pp. 16-22.*

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