

# **Afghanistan RAMP Rebuilding Agricultural Markets in Afghanistan**

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## **Market Centers**

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## Rebuilding Agricultural Markets Program: Market Centers



### USAID/RAMP Market Centers

The USAID/RAMP market centers provide Afghan farmers with a place for cleaning, sorting, storing and packaging their products. Buyers and traders have easier access to farmers and their produce. RAMP market support facilities are strategically located to support irrigation, road rehabilitation, agricultural production and processing projects in the same region.

This report describes the various types of market centers, the criteria for selecting them, the number and location, examples of facilities constructed or under construction, and current market center activities.

### Who Builds the Market Centers

RAMP has twelve subcontractors building the market centers in RAMP's five priority provinces (Kunduz, Parwan, Nangarhar, Ghazni, and Helmand). These subcontractors include not-for-profit international and Afghan non-governmental organizations and also for-profit companies. These implementing partners are also involved in road building, irrigation and/or agricultural production and market development projects.

### Types of Market Centers

Market centers include: village produce collection centers, village bazaar market centers, storage, processing, and/or packing centers, and a wholesale market.

#### Village Produce Collection Centers

**Total: 74**

**Est. cost per facility: \$1, 500 - \$3,000**

Collection centers typically have a capacity of 100 cubic meters. They have concrete floors with brick and mortar walls and roofs made of galvanized steel, wood, and/or other local materials.

#### Village Bazaar Market Centers

**Total: 10**

**Est. cost per facility: \$10,000 - \$30,000**

The village bazaar market center is up to 600 cubic meters in size and consists of multiple stalls with concrete floor, brick and mortar walls and supporting structures for the roof, and galvanized, wood, and/or other local materials. The bazaar may include temporary storage facilities.



Relief International produce collection structure in Nangarhar

#### Storage, Processing and/or Packing Centers

**Total: 101**

**Est. cost per facility: Storage Centers \$35,000; Processing/Packing Centers \$35,000; Cold Storage \$30,000; Holding Bins \$3,000**

The storage, processing, and/or packing center varies in design from one location to another. In some cases, it is a multi-room warehouse, 250 or more cubic meters in size. One room is an open covered area of at least 125 cubic meters, and two rooms are about 75 cubic meters each. The center may be located in a district center or a central location where an association or cooperative operates. Additional market facilities include cylindrical holding bins (up to 10 metric tons capacity) made of galvanized steel, with skids for portability. In some cases, the center is equipped with cold storage facilities. Initially, these cold storage facilities are refrigerated containers (40'x 8'x 8') that are equipped with cooling fans. More permanent cold storage facilities will be established through private sector investment.

### **Wholesale Market**

**Total: 1**

**Est. cost: \$80,000**

Wholesale markets in Afghanistan provincial and district centers are typically dilapidated with very poor drainage and no utilities. The rehabilitation of the wholesale market (ranging in size from 0.4-1.0 hectare) includes paving (with reinforced concrete) the loading/unloading area and the exit/entry areas, and adding a potable water supply.

### **Criteria for Selecting these Types and Locations of Market Centers**

#### **Village collection centers:**

- provide a roadside, shaded, assembly area field produce;
- allow producers to cool and/or more efficiently prepare their produce for sale and offer better access to traders and truckers;
- allow producer associations to assemble and market larger volumes of agricultural produce at more competitive prices;
- may be used every day for most months of the year when crops are harvested and/or marketed;
- the location was based on;
  - close proximity to the main village road so that trucks could reach the center
  - nearby concentration of agricultural products
  - proximity to roads that may have been reconstructed by RAMP subcontractors
  - availability of land from farmers, associations, or municipalities.

#### **Village/district bazaars:**

- provide stalls for producers and traders to sell agricultural and other products to local, district, and provincial buyers and truckers;
- provide, in some cases, storage facilities for temporary storage of agricultural commodities;
- the location was based on;
  - close proximity to the main village road so that trucks could reach the center;
  - improving an existing traditional market site;
  - high intensity of use for marketing agricultural products;
  - management and ownership in place.

#### **Storage, processing, and/or packing centers:**

- provide opportunities for decreasing post-harvest losses of and adding value (through cleaning, sorting, grading, processing, and packaging) to agricultural products;
- provide for temporary storage of perishable and non-perishable agricultural products or extended storage of non-perishable agricultural products;
- provide space for cleaning, sorting, grading, and packaging agricultural commodities; holding bins for immediate post-harvest processing and integrated pest management opportunities (temporary holding, blending, packaging, weighing, fumigation, repackaging weathered bags, rodent protection) for use by producer associations and private seed growing enterprises. The bins (on skids) are easily moved from one location to another by tractor or even by oxen;
- provide for easy loading and unloading of trucks;

- provide space for cold storage facilities for maintaining the quality and increasing the shelf life of fresh fruits and vegetables by controlling the temperature of the produce;
- provide a cooling facility for removing heat from perishable commodities and/or a cold environment for maintaining perishables temporarily until they are shipped in refrigerated facilities.
- The location was based on:
  - nearness to the main district center or provincial center road;
  - close proximity to the concentration of agricultural production;
  - availability of land for building the center (land and land use agreement with district or provincial authorities);
  - access to producer associations with production and management capacity.

**Provincial/district wholesale markets:**

- once renovated, the volume of agricultural produce traded will increase, product handling and temporary storage losses will decrease, and average selling prices will increase as product quality improves;
- will replace the existing market areas in provincial and district centers are typically dilapidated with very poor drainage and no utilities;
- provide a concrete loading/unloading and entry/exit area will allow for easier access to the hundreds of stalls that wholesale agricultural produce;
- provide better drainage and a water supply that allows for greater sanitation and improved quality of products;
- The location was based on:
  - potential for increasing sales and quality of high-value agricultural products once the marketplace is renovated;
  - decentralized location in the provincial or district center where producers, traders, tuckers, and retailers can easily access without the traffic congestion of the inner city;
  - management structure of the marketplace;
  - permanence of the marketplace.

**Number and Location of Market Centers**

A total of 187 market centers are completed, under construction, or in the process of being built (various kinds of market centers are found in each of RAMP’s five priority provinces):

- The majority of the village collection centers will be completed within the next two weeks.
- Village bazaars, the wholesale market in Nangarhar, and the storage, processing, and packing centers will be completed within the next four months.
- Initial cold storage facilities will be completed within the next two months with additional cold storage facilities to follow.
- The multipurpose, portable holding bins will be completed and installed within the next 10 days.

The number and the location of these market centers are as follows:

Type	Number	Location (province)	Number Completed
Village Collection Centers	74	Kunduz (2) Parwan/Shamali Plains (25) Nangarhar (21) Ghazni (3) Helmand/Kandahar (23)	Kunduz (1) Parwan/Shamali Plains (10) Nangarhar (0) Ghazni (3) Helmand/Kandahar (4)
Village/District Bazaars	10	Nangarhar (10)	Nangarhar (1)
Wholesale Markets	1	Nangarhar (1)	Nangarhar (0)

Storage, Processing, and Packing Centers	102	Kunduz (27) Parwan/Shamali Plains (24) Nangarhar (20) Ghazni (16) Helmand (15)	Kunduz (1) Parwan/Shamali Plains (5) Nangarhar (6) Ghazni (5) Helmand (5)
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## Examples of Market Centers Constructed or Under Construction and Current Market Center Activities

### Village Collection Centers

- To assist in marketing grapes in Shomali Plains and Kandahar, 25 collection centers have been constructed or are being constructed by Roots of Peace. They will allow producers and/or traders to do two different things with their grapes: (1) assemble the grapes in a shaded environment before they are packed into trucks, (2) continue the process of chilling the grapes (that started in the field) until the grapes are trucked under refrigeration to the packing centers for export. These centers are also being used during other times of the year for assembling and trading high value crops, such as vegetables.
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- [RoP village collection center in Parwan](#)
- Under the direction of the Kunduz Rehabilitation Agency (KRA), two collection centers in the Khanabad District, one along the 11 kilometer secondary road and one along the 13 kilometer secondary road that KRA is constructing, are nearing completion. Farmers will bring their produce (such as melons and vegetables), to the collection center, where they may do minimal sorting or grading, cool their produce, and/or negotiate with traders for the sale of the produce. It is expected that farmers will use the collection centers daily and 5-10 traders are expected daily to come to buy the produce.
  - Relief International has twenty collection centers (158 cubic meters) under construction in Nangarhar. The centers are located 100 to 200 meters from the main road or on secondary roads leading into the village. The twenty centers are located in high agricultural production areas. It is expected that growers will bring their produce into the centers for assembly purposes and to negotiate a sales price with the many buyers and traders who are expected to come regularly to these strategically located centers.
  - Development Works Canada (DWC) has constructed four collection centers, each 150 cubic meters, shaded with a corrugated metal roof, in Sadulah, Sadaqat, Laghmani, Akhatachi villages in Parwan Province. These centers, located along the main village roads, allow farmers to assemble their produce (such as, vegetables) and provide better access to many buyers. These centers have also aided traders and truckers in more efficiently reaching greater volumes of assembled, fresh produce. Near each collection center, DWC is establishing demonstration farm plots (1 jerib) which will offer farmers added reason to utilize the collection centers as a venue for technology transfer and a place to share market information.

### Village/District Bazaars

- Reconstruction and Social Services for Afghanistan (RSSA) has nearly finished building a 12-stall (each about 18 cubic meters), brick and mortar, shaded, weekly bazaar (288 cubic meters),

intended to facilitate the trading of agricultural and non-agricultural products at the village level. The market center (see below) is located 20 km from Torkham and within 100 meters of the main road that links Jalalabad to Torkham. The market center, newly walled and gated with nearby drinking water facilities, was formerly an open area without any infrastructure. The new bazaar will attract many more producers, traders, and buyers and will be open on Fridays and Saturdays.

- Relief International is constructing nine new district-level agricultural produce marketing centers in different districts in Nangarhar province. Each market center includes 24 stalls (each stall about 8 cubic meters) and eight storage buildings (each building about 50 cubic meters) made of concrete floors, brick and mortar walls, and wood and galvanized steel sheets for roofing. Producers and traders will use the stalls to wholesale/retail fresh produce and other wares and to store in each storage facility at least a couple truckloads of produce.

### Wholesale Markets

- Relief International is rehabilitating the fresh fruit and vegetable wholesale marketplace in Jalalabad (Nangarhar province), laying down reinforced concrete in the loading/unloading areas (about 0.5 hectare area) and entry/exit areas, installing proper drainage of these areas, and adding a water supply to the market area. It is expected that stall renters will upgrade their own stalls once these improvements have been made in the market center area. The marketplace, located near the edge of Jalalabad, is municipality-owned but privately managed (through a one-year rental contract) by the organization that won the bidding process.



Relief International farmer's market in Jalalabad

### Storage, Processing, and Packing Centers

- The Grain Industry Alliance has received bids for the construction of district-level storage, cleaning, and handling facilities to be operated primarily by private associations or cooperatives. The construction of six (out of a total of 25) district storage facilities (capacity of 500 mt) will begin in July in Kunduz Province, followed by similar construction in the other four RAMP priority provinces. Grower associations and cooperatives will be provided post-harvest training so that they can effectively manage these facilities and add product value by cleaning, grading, and further processing non-perishable commodities.
- RAMP has received bids on cold storage facilities (40'x 8'x 8') to be located in different cities. It is expected that within two months, cold storage facilities will be installed in Kabul with a cold chain (including refrigerated reefers) reaching back to the produce supply area. Additional cold storage facilities will be installed in or near collection and packing centers in Jalalabad, Kandahar, and Kunduz. Various Afghan exporters of fresh produce have expressed interest in investing and managing their export markets with cold storage facilities.

- The Grain Industry Alliance has installed or will be installing 50 multipurpose and portable (on skids) holding bins in RAMP's five priority provinces. These bins are being used by private seed growers' and agricultural producers' associations. The bins are being used to decrease post-harvest storage losses and add value to the product through post-harvest processing, including blending, packaging, weighing, fumigating, and repackaging weathered bags.



Grain Industry Alliance holding bin in Nangarhar