



Iraq Covid-19 Food Security Monitor

Bi-weekly Update Issue 23 30 November 2020

Government Decisions

19 November 2020

The Ministry of Agriculture has postponed loan payments owed by farmers to the government until 2021 and canceled debts owed to the State Company for Agricultural Supplies.

25 November 2020

MoA approved the national program for development of wheat planting in Iraq for 2021 covering two million dunoms in Muthana, Babil, Diyala, Kirkuk, Mosul and Diwaniya governorates

I. Key Messages

- As of November 30, WFP's mVAM reported stable food commodity prices with reduction of household insufficient food consumption, as the Ministry of Trade (MoT) continues to press ahead with delayed distributions under the Public Distribution System (PDS) due to government liquidity challenges.

- To assist farmers in Iraq, MoA has postponed payments of financial dues on farmer loans owed to the Ministry until 2021. MoA also canceled debts of farmers owed to the State Company for Agricultural Supplies for the agricultural season (2020-2021) and will be providing them with subsidized seeds and fertilizers for winter planting season, in addition to providing permits to the private sector to import DAP and urea fertilizers through the State Company for Agricultural Supplies.

II. Overview

The novel coronavirus (COVID-19) has continued to spread in Iraq. As of 30 November, the World Health Organization reported 550,435 confirmed cases and 12,224 deaths; roughly a 5.5% and 9% increase respectively over the preceding two weeks.¹

The impact of outbreak of coronavirus and economic slowdown related to measures introduced to limit the spread of the pandemic continues to put pressure on international oil prices. Iraq has experienced a direct negative effect on the gross domestic product. Oil prices underwent an unprecedented fall in early 2020, followed by a modest recovery since November. Over the past two weeks, Basra heavy oil prices fluctuated between USD 44.53 and USD 47.16 per barrel, up from minimum of USD 18.7 per barrel in April 2020, but well below USD 58.4 per barrel, the price recorded roughly one year ago.²

The Food and Agriculture Organization (FAO), the World Food Programme (WFP), International Fund for Agricultural Development (IFAD) and the World Bank continue to track the impact of this crisis on food security, with a focus on food availability, access, utilization and stability.

III. Food Supply: Production (primarily on farm)

Production. The Ministry of Agriculture has approved the national program for development of wheat planting in Iraq for 2021 in six governorates (Muthana, Babil, Diyala, Kirkuk, Ninewa and Diwaniya) with an area of two million dunoms. The program contributes to the national plan for self-sufficiency in wheat and will aim to integrate modern techniques of planting through plowing, laser leveling, use of advanced irrigation technologies as well as reducing post-harvest waste³. Meanwhile, due to heavy rainfall, MoA has suspended reception of wheat in Kirkuk and rice from marketing farmers in Babil, Misan, Najaf and Diwaniyah in an effort to ensure safe storage and distribution of grain. Due to the bumper wheat crop of this year, a substantial amount of production has been stored in open air and warehouses.⁴

¹ <https://dataviz.vam.wfp.org/Hunger-Analytics-Hub>

² <https://oilprice.com/oil-price-charts/>

³ <http://zeraa.gov.iq/index.php?name=News&file=article&sid=8733>

⁴ <http://mot.gov.iq/index.php?name=News&file=article&sid=5955>

MoA has approved the transfer of government purchased barley from Nineveh governorate to the southern governorates to provide subsidized fodder for livestock and fish breeders. MoA has disbursed financial dues owed to yellow corn farmers marketed in the season 2014-2015 during the ISIS incursion. MoA has been gradually transferring delayed payments to farmers from previously ISIS-controlled governorates through the Mesopotamia General Seeds Company after completing background security checks for non-ISIS affiliation.⁵

In its constant quest to assist farmer in Iraq, MoA has postponed collection of outstanding financial dues on farmer loans until 2021. MoA also exempted farmers from the debts owed by the State Company for Agricultural Supplies for the agricultural season (2020-2021) and will be providing them with subsidized seeds and fertilizers, in addition to providing permits to the private sector to import DAP and urea fertilizers through the State Company for Agricultural Supplies. Meanwhile, MoA has assisted farmers to export 130,000 tons of dates during September and October, an increase from 2019 exports in the same period (61,000 tons) and 2018 (79,322 tons) respectively.⁶

Other Challenges. MoA has resumed the maintenance of agriculture aircrafts with assistance from a team of Airbus technicians from France who will be supervising infrastructure rehabilitation and training programs. These aircrafts will contribute to MoA's efforts in combating agricultural pests, and limit the spread of the Dubas and Humira insects, which are currently spreading in central and southern regions of Iraq and causing major losses in the palm groves and affecting production during the past few years.⁷

V. Food Demand (markets to consumers)

Prices. The national average prices of main food commodities remained stable although some major swings in prices were reported at governorate level. Compared with the second week of November, the price of vegetable oil for example decreased 17% in Duhok (IQD 1,500 to 1,250 per liter), and sugar prices decreased by around 25% in Babil (IQD 1,000 to 750 per kg). Concurrently, rice prices increased in Duhok by 10% (IQD 1,500 to 1,650 per kg), and Sulaimanyah by 4% (IQD 1,150 to 1,200 per kg). Even though the national wheat flour price average remained stable, prices increased in Sulaimaniyah by 12% (IQD 850 to 950 per kg) and decreased 5% in Wasit (IQD 915 to 870 per kg).

⁵ <http://zeraa.gov.iq/index.php?name=News&file=article&sid=8710>

⁶ <http://zeraa.gov.iq/index.php?name=News&file=article&sid=8751>

⁷ <http://zeraa.gov.iq/index.php?name=News&file=article&sid=8737>

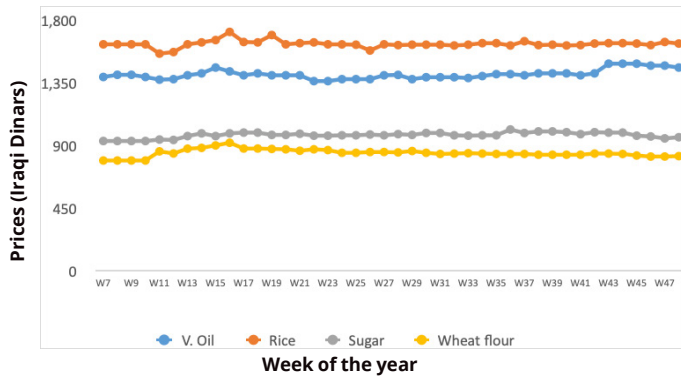


Figure 1. Weekly food prices (national averages) for four staple commodities during the COVID-19 crisis.

VI. Food Supply Chain for Vulnerable Populations

The Ministry of Trade (MoT) has resumed receiving and distributing vegetable oil across the governorates through its Public Distribution System (PDS), with around Basra receiving 870 tons, Wasit 183 tons, Najaf 204 tons, Kirkuk 207 tons, Anbar 313 tons, Muthanna 728 tons, Mosul 596 tons, Karbala 161 tons, Misan 123 tons, Diwaniyah 517 tons and some areas in Baghdad 241 tons.⁸

The General Directorate of Social Affairs in Erbil distributed cash assistance for 49,000 households. As part of the planned financial support to the 140,000 households across the three governorates in the Kurdish Region of Iraq (KRI), the directorate will distribute the 100,000 IQD per household through 24 bank branches.⁹

Consumption Patterns. As of November 28th, WFP mobile Vulnerability Analysis and Mapping (mVAM) system reported that approximately 2.6 million people had insufficient food consumption. Compared with the second week of November, this was a reduction of about 0.38 million individuals, with predominant insufficient food consumption in Ninewa, Anabar, Kirkuk, Diyala and parts of Baghdad. However, during the same period, 12% of respondents (representing around 4.5 million people) employed negative food-based coping strategies, increasing by 9.8% in two weeks. The common coping strategies adopted by the households were relying on less expensive food and borrowing food by 33.9% and 30.8% respectively. Compared to the second week of November, another 3.2% increase was observed in households relying on less expensive foods. Additionally, around 12% of households (approximately 0.78 million households) reported issues of accessing the market due COVID-19 concern and for lack of money. Around 25.5% households reported challenges accessing health facilities.

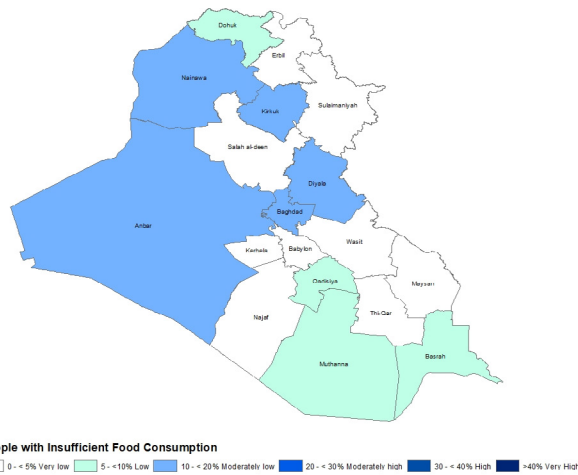


Figure 2. Distribution of people with insufficient food consumption. Where insufficient consumption refers to those with poor and borderline food consumption according to Food Consumption Score (FCS) using a seven-day recall (Source: WFP)