I. Key Messages

- The Ministry of Trade (MoT) received 3 million tons of wheat this season as of mid-June, with harvests ongoing in the north and government silos now open in Dohuk, Sulaimaniyah and Erbil.

- Average prices of staple commodities remained stable nationwide; however, there were governorate and commodity-specific week to week increases.

- On June 12th, WFP estimated around 2.7 million people (7.2%) had insufficient food consumption nationwide.

II. Overview

The novel coronavirus (COVID-19) pandemic continued to affect the world, including Iraq. As of June 14, 2020, the World Health Organization reported 18,950 cases in Iraq, with 549 deaths and 1,130 new cases daily. Oil prices also continued to be closely tracked, due to implications of the oil market on state revenue. 1

Basrah heavy oil prices rose from USD 39.31 per barrel on June 5th to USD 41.76 per barrel on June 15th, while Basrah light oil prices decreased from 44.51 USD to 43.61 USD in the same time period. 1 In compliance with the OPEC+ agreements, Iraq will reduce exports in July. The Minister of Oil stated that it intended to export 2.8 million barrels per day (bpd) from its southern ports, compared to 3.52 bpd exported in June 2019. 2,3

Overall, the Food and Agriculture Organization (FAO), the World Food Programme (WFP) 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 Trade (MoT) received 3 million tons of domestic wheat this season as of this report, with harvests ongoing in the north. 4 Government silos in Dohuk, Sulaimaniyah and Erbil opened on June 14th and are now accepting 390,000 tons of wheat at subsidized prices (IQD 420,000 to IQD 560,000, depending upon the quality). The aforementioned governorates anticipate a production of 2 million tons of wheat, so the remainder will be sold on the local market for between IQD 300,000 and IQD 350,000 per ton depending on the quality.

MoT stated that it will redouble efforts to improve the wheat marketing process in collaboration with the Ministries of Agriculture (MoA), National Security Agency and local governments. The MoT agreed to relax quality standards for lentil and certain weed impurities in cereal deliveries, release farmers’ financial dues from the previous and current seasons and accept cereals at government silos from all governorates, regardless of whether the areas were included in the original agricultural plan. 4 Finally, MoT agreed to collaborate with the National Security Agency to prevent smuggling of wheat and barley crops. 5 In line with that effort, the MoA announced that wheat, along with other strategic crops (i.e. barley and fodder corn) would not be allowed to cross governorate borders until further notice. Exceptions have been granted for products bound for the government owned company silos that have the required documentation. 6

---


---

Figure 1. Number of reported COVID-19 cases and deaths in Iraq by week, where Week 24 is June 8 to 14th (Source: WHO)
Due to the ban on inter-governorate travel, MoA began supporting the transport of locally produced poultry feed between governorates, excluding Dohuk, Sulaimaniyah and Erbil. At the borders, phytosanitary inspections continued, and recently a shipment of imported vegetable protein animal feed was detained at the Trebil border crossing. After inspection, the Veterinary Department and Port Directorate found that the product was expired and destroyed the 26 tons of vegetable protein.

The Minister of Agriculture continued to introduce measures to prioritize domestic production. For example, MoA may begin terminating contracts if land remains uncultivated, while also granting Agriculture Directorates greater authority to renew or rescind land leases. Additionally, the MoA amended the 1983 Law 35 to allow date packing and tomato processing plants to be built on leased land. The Directorates of Maintenance for Irrigation and Drainage Projects in Wasit, Babel and Diwaniyah also began investing in clearing irrigation canals of sediments and weeds to improve water delivery to agricultural lands in order to boost production.

In southern Iraq, fish producers have reported that their sales have doubled in comparison to pre-COVID-19 sales due to decreased availability of cheaper imported fish from Iran and Kuwait.

Other Challenges. In order to control the Dubas bug, the government conducted aerial control operations for 10,000 hectares of date palm orchards. Control campaigns were conducted and completed in all relevant governorates. Control operations for other date palm pests, including the Al Humara bug (Lesser Date Moth), Red Palm Weevil and dust mites, were ongoing.

Najaf and Al Diwania governorates continued struggling to control rodent populations, which are worse than normal this year. The Plant Protection Directorate, who is responsible for control operations in the agriculture fields and structures, recommended that MoA and the Ministry of Health and the Environment conduct an integrated campaign in order to simultaneously control populations in the agriculture and civilian areas (i.e. homes, sewage systems, etc.), which are the responsibility of each respective ministry.

IV. Food Demand (markets to consumers)

Prices. During Week 24, the average price of staple commodities remained stable. No significant changes were observed at the national level; however, in Anbar the price of rice witnessed a 25% week-to-week (w/w) increase — the price of one kg of rice increased up from IQD 1,000 to IQD 1,250. The price of vegetable oil also increased in Dohuk, from IQD 1,250 to IQD 1,500 per liter, a 20% w/w increase. The unit price of eggs also jumped from IQD 117 to IQD 215 in Nineveh markets, an 84% increase in one week. The unit price of eggs also increased in Basra by 14%.

Consumption Patterns. On June 12th, WFP’s mVAM system estimated around 2.7 million people (7.2%) had insufficient food consumption nationwide. On June 8th, roughly 13.9% of households (5.4 million people) reported adopting negative coping strategies, most commonly “relying on less expensive food” (30.1% of the respondents). Around 1.9 million households reported that they face challenges to access markets, an increase of 140,000 households compared to last week. “Travel restrictions” were the most commonly cited reason that people could not access markets. Around 700,000 households reported that they faced challenges accessing health facilities, which was an increase of 10,000 compared to the last week.

V. Food Supply Chain for Vulnerable Populations

UN/NGO Response. WFP continued to provide food assistance as cash based transfers, using multiple delivery mechanisms, including Electronic Vouchers (SCOPE cards), Mobile Money Transfers (MMT) and direct cash distributions. Starting in July, WFP will introduce a new transfer mechanism — prepaid cards. Additionally, WFP will pilot cashless payments where beneficiaries can purchase food commodities by transferring cash credits directly from their mobile phones to merchants’ accounts. WFP also introduced contingency plans in order to scale-up in-kind food assistance if needed, with sufficient Immediate Relief Rations (IRR) kits in-country to cover 60,000 people. Enough Family Food Rations (FFR) to support 330,000 people are excepted in-country by mid-July.

Organizations continue to track the impact of COVID-19 on relevant food security sectors and geographical regions, including FAO’s Global Information and Early Warning Iraq report, the International Organization for Migration’s report on Iraqi small and medium-sized enterprises and Mercy Corps’ rapid market analysis on agriculture needs in Ninewa governorate. FAO, WFP, World Bank and the International Fund for Agriculture Development will also be releasing a report on the impact of COVID-19 of food security, focusing on developments in April and May 2020.