



## Iraq COVID-19 Food Security Monitor

Weekly Update - Issue 3

28 April 2020

### Government of Iraq Announcements

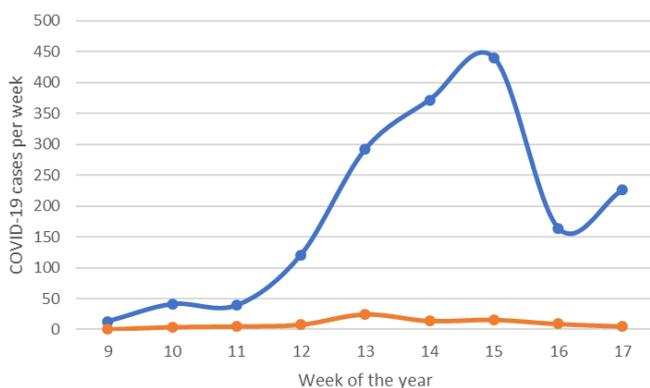
Date	Government Decision
April 21, 2020	Cabinet approves barley marketing recommendations. <sup>1</sup>
April 22, 2020	Ministry of Planning launched a National Food Security Project (2020—2022) in Iraq to increase food sovereignty. <sup>2</sup>

### I. Key Messages

- The Cabinet set the minimum export price of barley at \$125 USD per tonne and the internal price at no more than \$165 USD per tonne.
- Food prices are stable, with certain commodities experiencing a slight price decrease.
- The Ministry of Migration and Displacement (MoMD) is launching an initiative called '1.5 Million for Returnees' that provides 2,600 returning families with 1.5 Million IQD each to cover their basic needs.

### II. Overview

The novel coronavirus (COVID-19) pandemic continues to affect the world, including Iraq. As of April 26, 2020, the World Health Organization reported 1,704 cases in the country, with 86 deaths. Movement restrictions and curfews remain in place in an effort to curtail transmission of the disease, although the measures have been relaxed slightly. 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, agriculture production and the overall food system.



**Figure 1.** Number of reported COVID-19 cases and deaths in Iraq by week, where week 17 is April 19-25th.

### III. Food Supply: Production (primarily on farm)

Farmers continue to access their fields and herds in alignment with Supreme Committee's Decision No. 55 that was issued at the end of March 2020. Additionally, the government reports that slaughterhouses are operating as normal.

Wheat and barley harvesting continues in the south. For barley, the Cabinet set the minimum export price at \$125 USD per tonne and the internal price at no more than \$165 USD per tonne. The Border Port Commission and General Authority of Customs have tightened procedures to reduce smuggling, particularly for wheat and barley.<sup>1</sup>

The Ministry of Planning (MoP) announced a National Food Security Project in Iraq (2020-2022) in consultation with relevant stakeholders. The plan aims to increase Iraq's self-sufficiency for both crop and animal products.<sup>2</sup>

**Other Challenges.** Mature Desert Locust swarms are generally under control, with the Ministry of Agriculture's Directorate of Plant Protection and governorate-level Agriculture Directorates conducting pesticide spraying campaigns against nymph populations in Al Muthanna, Najaf and Thi Qar governorates. Al Muthanna continues to suffer from the highest rate of infestation, with approximately 5,000 ha affected.

### IV. Food Supply: Markets (farm gate to markets)

**Markets.** Movement restrictions nationwide have relaxed slightly and markets have started reopening during the day (6:00 am – 6:00 pm). According to the Ministry of Agriculture (MoA), agricultural traders have requested that authorities take additional measures to reduce seasonal produce imports, beyond the existing import ban on 25 commodities, in order to support domestic production. There is also interest in exporting some commodities if production remains high, particularly potatoes, cucumbers, tomatoes and eggs.<sup>3</sup>

<sup>1</sup> Government of Iraq. General Secretariat for the Council of Ministers. April 23, 2020. <http://www.cabinet.iq/ArticleShow.aspx?ID=9562>

<sup>2</sup> Face Iraq. April 22, 2020.. <https://www.faceiraq.org/inews.php?id=7677673>

<sup>3</sup> Government of Iraq. Ministry of Agriculture. April 22, 2020. <http://www.zeraa.gov.iq/index.php?name=News&file=article&sid=8448>.

Iraq has begun to cut oil production in alignment with an OPEC -plus agreement, which requires that Iraq cut 1 million barrels per day.<sup>4</sup> This new quota is an attempt to combat falling prices due to a slump in global demand. Demand is expected to remain subdued for an extended period and may critically impact the economy.

**Imports and Exports.** The majority of borders remain open for trade (i.e. food and non-food items), but the borders with Iran and Kuwait have remained closed, with some exceptions for selected products (i.e. natural gas). The Iraq-Iran border officially closed on March 8, 2020; however, Iran seeks to reopen the border to allow for greater movement of goods. At the time of writing this report; however, the Iraqi Border Authority stated that the border would remain closed until further notice.<sup>5</sup>

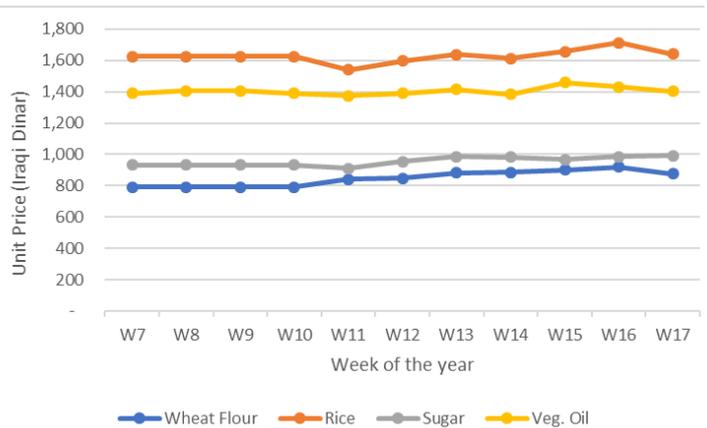
Government officials have conducted inspections of Baghdad, Babylon and Karbala's checkpoints to ensure adherence to approved procedures and continued movement of food, medical and agricultural supplies.<sup>6</sup>

## V. Food Demand (markets to consumers)

**Prices.** Food prices witnessed a slight negative trend. During the last two weeks of April, the prices of three out of four basic food commodities witnessed a slight negative trend (Figure 3). Wheat flour decreased by 5%, rice by 4% and vegetable oil by 2%. The decrease in prices differed by governorate, with Anbar, Diyala and Ninewah reporting the largest price reductions. Wheat flour prices in Anbar decreased 33% (1,500 - 1,000 IQD) and in Diyala by 20% (1,250 - 1,000 IQD). In Anbar and Ninewah, rice prices dropped by 50% (2,000 - 1,000 IQD) and vegetable oil prices decreased 17% in Anbar (1,500 to 1,250 IQD) and 14% in Diyala (1,750 - 1,500 IQD).

## VI. Food Supply Chain for Vulnerable Populations

**Ongoing Response.** The Government of Iraq (GoI) plans to assist approximately two million families (roughly 12 million individuals) through the *Minha* programme, which will provide



**Figure 3.** Weekly food prices (national averages) for four staple commodities during the COVID-19 crisis.

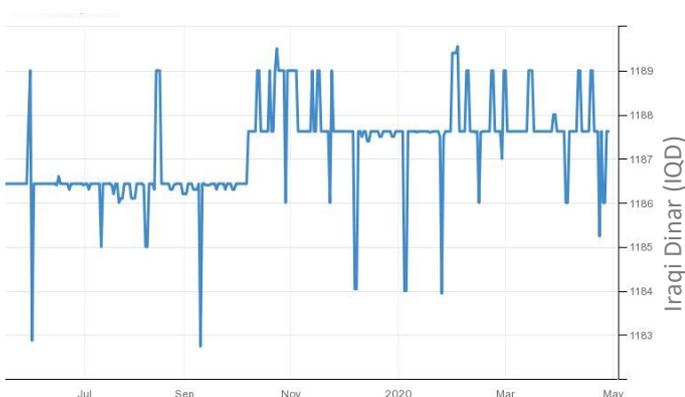
each individual with a 30,000 IQD grant. These funds will be transferred electronically and the Central Bank of Iraq (CBI) has connected with major financial service providers in the country to facilitate these e-payments. Following the April 16th deadline, GoI reported that 2,586,000 applications were submitted on behalf of 12,303,000 individuals.<sup>7</sup> The Council of Ministers, in close collaboration with the Ministry of Planning (MoP), Ministry of Trade (MoT) and Ministry of Labour and Social Affairs (MoLSA), are currently working to identify beneficiaries. Applicants' data will be triangulated with Ministry datasets to improve targeting. The selection criteria is still being defined; however, it is likely that people receiving government salaries and/or pensions may be excluded.

MoT continues to struggle to secure funding for the Public Distribution System commodities for upcoming months of distributions due to the absence of government who normally approves the funds required to import oil, sugar and rice.

The Ministry of Migration and Displacement (MoMD) conducted their first COVID-19 response distribution for Syrian refugee population in Erbil and Duhok governorates last week. Distribution in Arbat refugee camp in Sulaymania is planned for next week. MoMD is also launching an initiative called '1.5 Million for Returnees' that provides 2,600 returning families with 1.5 Million IQD each to cover their basic needs.

**UN/NGO Response.** WFP has confirmed that IDPs and refugees in camps have been able to cash out their assistance as banks and trader shops reopen.

Food Security Cluster members have also been distributing food assistance to vulnerable people in and out of camps. Partners plan to distribute to an additional 18,700 households in Ninewah and Dohuk governorates in the coming weeks.



**Figure 2.** USD-IQD spot exchange rate during May 2019 to April 2020. Source: Trading Economics.

<sup>4</sup>Iraq Oil Report. April 24, 2020. <https://www.iraqoilreport.com/news/as-iraq-begins-oil-cuts-steep-challenges-remain-for-opecc-compliance-42676/>

<sup>5</sup>Rubin, Alissa J. April 23, 2020. <https://www.nytimes.com/2020/04/21/world/middleeast/iraq-iran-border-virus.html>

<sup>6</sup>Al Ghad Press. April 22, 2020. <https://www.alghadpress.com/view.php?cat=243639>

<sup>7</sup>Government of Iraq. Council of Ministers. April 15, 2020. <https://web.facebook.com/photo?fbid=115184043485277&set=a.109926977344317&rdc=1&rdc>