GIEWS Country Brief
The Republic of Iraq

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FOOD SECURITY SNAPSHOT
- Drought-induced widespread crop failure in Ninewa Governorate, halved production in Kurdistan Region of Iraq
- Decreased cereal production expected to cause loss of income, soaring feed prices and increased import requirements
- About 4.1 million people in need of humanitarian assistance

Drought affected rainfed areas in north

The cereal harvest, which started in the southern part of the country in April, is proceeding northwards and will conclude in the Kurdistan Region of Iraq (KRI) in July.

Across the country, the first substantial rainfall of the season in November 2020 facilitated sowing activities that were completed by mid-December and early crop prospects were relatively promising. In central and southern parts of the country, where crops require supplementary irrigation, the season proceeded under reasonably favourable conditions and the development of cereal crops, despite above-average temperatures, was satisfactory. In northern parts of the country, sporadic and insufficient precipitation in Ninewa Governorate as well as portions of northeastern Dahuk, Erbil, Sulaymaniyah and Salah Al Din provinces, affected conditions of mainly rainfed winter cereals. Rainfall in March and early April, which would have been critical to saving the crops, did not materialize. In May, extreme temperatures (35-40°C) further reduced the already meagre yield prospects for winter grains in drought-affected areas. Details on the drought are discussed in the GIEWS Update.

Crop failure in Ninewa, halved cereal production in KRI

Unfavourable rainfall in terms of amounts and distribution constrained domestic cereal production from the rainfed areas in 2021. Taking into account the drought in northern parts of the country, FAO forecasts the 2021 cereal production at a slightly above-average level of 5.4 million tonnes on account of declined wheat and barley production in the drought-affected areas. However, the official production estimates by the Central Statistical Organization for the past years do not include the KRI and some villages in Ninewa, Kirkuk, Diyala, Anbar and Salah
Al-Din governorates, rendering comparisons with the average production inaccurate.

According to the KRI authorities, production of the 2021 wheat crop is forecast at about 750,000 tonnes, 50 percent lower than the exceptional harvest of 2020. In May 2021, the local Department of Agriculture of Nineveh Governorate forecasted the 2021 wheat output at 394,000 tonnes, over 70 percent less than the 1.4 million tonnes harvested in 2020 and over 50 percent lower than the 850,000 tonnes harvested in 2019. The 2021 barley crop failed completely and production is forecast at a negligible level of 11,510 tonnes, down from the 1.36 million tonnes harvested in 2020 and the 1.3 million tonnes harvested in 2019.

Livelihoods of livestock producers are likely to be severely affected by the decline in barley production. By mid-April 2021, when widespread crop failure in northern areas was confirmed, feed prices steeply increased at a rate much faster than seasonally justified. The affected farmers may consider reducing the size of their herds, selling some animals in order to improve their cash flow and be able to feed the remaining livestock. A large number of livestock keepers started moving to western and northern regions of Nineveh and to Kurdistan areas looking after pastures and grazing areas.

For the 2021 wheat procurement season, the Ministry of Trade maintains the same prices as in 2020, ranging from IQD 420,000 to IQD 560,000/tonne, depending on the grain quality. The devaluation of the national currency against the US dollar by almost 22 percent in December 2020, which reduced the official exchange rate from IQD 1,182 to IQD 1,450/USD, lessened the prices in US dollar equivalent to USD 290-USD 385/tonne. The international benchmark price of wheat was USD 314/tonne in the second week of May 2021. As some farmers reportedly have not yet been paid for the 2020 crop delivered to the government, they might be unwilling to sell to the Ministry of Trade silos.

In April 2021, the Ministry of Agriculture (MOA) restricted the movement of wheat and barley between the KRI and the rest of the country, with the exception of transfers to MOA warehouses, to deter speculative traders and smugglers from taking advantage of higher domestic prices.

Import requirements increasing
Cereal import requirements in the 2021/22 marketing year (July/June) are forecast at a below-average level of 3.7 million tonnes, including 2 million tonnes of wheat (imported mostly as flour) and 1.1 million tonnes of rice. Overall, the 2021/22 forecast cereal import requirement is over 35 percent higher than in the previous year. The country usually does not import barley and it is foreseen that carryover stocks from the ample 2020 harvest will cover the gap resulting from constrained 2021 barley production.

About 4.1 million people in need of humanitarian assistance
Unpredictable oil income resulting from the volatile global oil prices put pressure on the national budget as oil revenues account for over 90 percent of total State revenues. According to the Ministry of Oil, in April 2021, Basra heavy oil was traded at about USD 63.80/barrel, up from minimum of the USD 18.7/barrel in April 2020. In April 2021, the country was exporting about
3.9 million barrels per day. The 2021 budget, approved in March 2021, was prepared with the assumption of a USD 45/barrel of crude oil price and expected oil exports of 3.25 million barrels per day. Oil revenues determine, among other, the government’s ability to pay pensions and salaries of the public sector employees on time.

The 2021 Humanitarian Needs Overview (HNO) for Iraq identified 4.1 million people in need, of which 2.4 million have acute humanitarian needs. While the number of people in need remained similar to the previous year, the severity of those needs increased, largely due to the impact of the COVID-19 pandemic on top of an existing humanitarian crisis, leading to a 35 percent increase in the number of people in acute need.

More than half of them are concentrated in the governorates of Ninewa and Anbar. The number of severely food insecure people is estimated at about 435 000, while 731 000 are vulnerable to food insecurity, including IDPs (in camps and out of camps) and returnees. The most severe food insecurity conditions among IDPs living out of camps are reported in the governorates of Ninewa, Duhok, Erbil and Salah Al-Din, while the majority of the returnees are concentrated in the governorates of Ninewa, Salah Al-Din, Anbar and Kirkuk.

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