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GAIN Report

Global Agricultural Information Network

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Jordan

Grain and Feed Annual

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Report Highlights:

Jordan's domestic production of cereals is negligible. This report covers Jordan's production, supply and demand of wheat, barley, corn and rice.

Executive Summary:

The Hashemite Kingdom of Jordan is among the driest places on earth. Water scarcity is a real threat to the country's ability to grow crops. As a result, Jordan's domestic production of cereals is negligible. Jordan's total wheat imports for MY 2014/2015 are forecast to reach 915,000 MT, none of which is expected to be imported from the U.S. The major wheat suppliers are Black Sea sources. For the same period, Jordan's barley imports are expected to reach 750,000 MT, corn imports 530,000 MT with a very low U.S. market share due to rising market prices, and rice imports at 185,000 MT of which a percentage is U.S. origin.

Commodities:

Wheat

Production:

Production of wheat is negligible in Jordan and would cover about three weeks' worth of the country's annual consumption.

Consumption:

Wheat for human consumption is steady with a slight increase due to ongoing presence of hundreds of thousands of Syrian refugees. Total consumption also includes some wheat that is diverted for use as animal feed. Jordan's total wheat consumption is currently approximately 915,000 MT per year. However, before the influx of Syrian refugees which began in early 2012, annual wheat consumption remained steady at approximately 720,000 MT.

Trade:

In MY 2014/15 wheat imports are expected to slightly decrease to 915 TMT. As just mentioned, wheat imports are affected by the influx of Syrian refugees, estimated to be nearly 10 percent of the population (or slightly below 600,000 refugees) according to the UNHCR. Jordan's total population is approximately 6 million people. However, GOJ officials believe the Syrian presence could now represent as much as 20 percent of the actual number of consumers. Economic pressures coupled with high C&F prices for U.S. wheat kept Black Sea wheat more competitive and the only source of wheat to Jordan in MY 2013/14 and now MY 2014/15.

Stocks:

GoJ continues to maintain strategic stocks, in line with GOJ policy, at 10 months to avoid any shortages equivalent to 580,000 MT in storage silos and 200,000 on sea and at port, if that strategic reserve level is maintained.

Policy:

Jordan's wheat bread, known as "unified bread" (in Arabic as *mowahad*) fully subsidized by the government and all citizens are entitled to it. GoJ has committed itself to fix the price of subsidized wheat so that bakeries sell subsidized bread at US\$ 0.22 per kg. To do so, the GOJ provides the bakeries with wheat flour extracted at 80 percent at US\$50 per MT, while the market cost for the wheat flour can rise to US\$535 per MT. Whenever there is an increase in the cost of an input used for making bread, such as fuel, the GoJ lowers the flour price to compensate for that increase, in order to maintain the subsidized price. There are no indications that the GoJ has plans to change its bread subsidy policy.

Marketing:

The Ministry of Industry and Trade (MIT) is the predominant wheat importer in Jordan.

Production, Supply and Demand Data Statistics:

The already minimal level of production is expected to decline further due to persistent drought, land desertification and losses of land to other uses.

For now, an increase in demand is expected because of continued economic hardship, the continued and likely expanded presence of Syrian refugees and also the use of some flour in the market by some humanitarian relief agencies to feed Syrians on the border areas.

Wheat Jordan	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jul 2012		Market Year Begin: Jul 2013		Market Year Begin: Jul 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	15	15	15	15		15
Beginning Stocks	558	558	479	553		780
Production	15	15	15	15		20
MY Imports	781	900	850	1,107		915
TY Imports	781	900	850	1,107		915
TY Imp. from U.S.	50	50	0	0		0
Total Supply	1,354	1,473	1,344	1,675		1,715
MY Exports	10	0	10	5		10
TY Exports	10	0	10	5		10
Feed and Residual	15	20	15	20		25
FSI Consumption	850	900	850	870		900
Total Consumption	865	920	865	890		925
Ending Stocks	479	553	469	780		780
Total Distribution	1,354	1,473	1,344	1,675		1,715
Yield	1.	1.	1.	1.		1.3333
1000 HA, 1000 MT, MT/HA						

Commodities:

Barley

Production:

Production of barley is negligible. Most barley is used for animal feed at early growth stages.

Consumption:

Barley is mainly used for sheep feed and to a lesser extent for dairy cattle and poultry. Barley use has dropped significantly after the GoJ adopted the new animal tag system. Each sheep herder now receives subsidized barley according to the actual number of tagged animals. As a result, corruption has decreased substantially.

Trade:

No barley imports from the U.S. were recorded in FY 2013. Total imports are expected to reach 750,000 MT for MY2014/15. Barley suppliers are mainly Black Sea countries. The GOJ has been the main importer of barley and sets the selling price.

Stocks:

The ending stock in MY 2013/2014 was 687,000 MT in inland silos, and at port silos. This amount is sufficient for 10 months of Jordan's consumption needs.

Policy:

Only sheep and goat owners receive subsidized barley. This program excludes cattle and poultry farmers from receiving subsidized barley as these two agricultural subsectors are considered industries. The GOJ animal tagging project has created a reliable database on all ruminant animals in Jordan to replace the oft-questioned animal census.

Marketing:

The Ministry of Industry and Trade (MIT) is the predominant wheat importer in Jordan.

Production, Supply and Demand Data Statistics:

Barley Jordan	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2012		Market Year Begin: Jan 2013		Market Year Begin: Jan 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	30	30	30	30		20
Beginning Stocks	311	311	335	637		687
Production	15	15	15	20		15
MY Imports	759	1,091	950	780		750
TY Imports	750	1,091	950	780		750
TY Imp. from U.S.	0	0	0	0		0
Total Supply	1,085	1,417	1,300	1,437		1,452
MY Exports	0	0	0	0		
TY Exports	0		0	0		
Feed and Residual	750		950	750		750
FSI Consumption	0	780	0			
Total Consumption	750	780	950	750		750
Ending Stocks	335	637	350	687		702
Total Distribution	1,085	1,417	1,300	1,437		1,452
1000 HA, 1000 MT, MT/HA						

Commodities:

Corn

Production:

Jordan's corn production is negligible, with annual production totaling less than 10,000 MT. Any corn that is domestically produced is for human consumption as corn-on-the cob.

Consumption:

Corn consumption is forecast to be 540,000 MT MY14/15.

Trade:

The decrease in U.S. corn prices is expected to drive up the demand for U.S. origin corn by approximately 100,000 MT in MY 2014/15 compared to no sales in MY 2012/2013.

Jordan's imports of corn have increased, corresponding to growth in the poultry, dairy and table egg sectors and expansion of exports into the Iraq market (don't understand this last part). Jordan's poultry industry is considered the biggest agri-business sector in Jordan, with an investment value of around USD 2 billion. The Jordan-U.S. Free Trade Agreement no longer provides an advantage for U.S. corn, as all imported corn is exempt from tariffs.

Stocks: Only a nominal amount of corn is stored on-farm by poultry farmers.

Policy:

There are no restrictions on corn trade in Jordan, and specifications for corn are similar to U.S. standards.

Marketing: Corn in Jordan is imported and distributed through private sector traders according to free market rules.

Production, Supply and Demand Data Statistics:

Corn Jordan	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2012		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1	1	1	1		1
Beginning Stocks	30	30	45	40		40
Production	10	10	10	10		5
MY Imports	450	530	450	550		535
TY Imports	450	530	450	550		535
TY Imp. from U.S.	0	10	0	0		
Total Supply	490	570	505	600		580
MY Exports	10	0	10	0		0
TY Exports	10	0	10	0		0
Feed and Residual	425	520	450	550		530
FSI Consumption	10	10	10	10		10
Total Consumption	435	530	460	560		540
Ending Stocks	45	40	35	40		40
Total Distribution	490	570	505	600		580
1000 HA, 1000 MT, MT/HA						

Commodities:

Rice, Milled

Production:

Being the fourth driest country in the world, Jordan produces no rice.

Consumption:

Rice is a staple of the Jordanian diet. Average annual consumption is about 27 kg per person. The preferred variety is medium grain (Camolino), which constitutes 90 percent of imports.

Trade:

U.S. market share for rice is expected to stay steady in MY 2014/15 at nearly 60 percent of Jordan's market share for medium grain rice. Other major rice suppliers include Thailand, India and Turkey.

Stocks:

No stocks are maintained for this commodity.

Policy:

There are no restrictions on rice trade in Jordan, and specifications are similar to U.S. standards.

Marketing:

Rice in Jordan is imported and distributed through private sector traders according to free market rules.

Production, Supply and Demand Data Statistics:

Rice, Milled Jordan	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Jan 2013		Market Year Begin: Jan 2014		Market Year Begin: Jan 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	0	0	0	0		0
Beginning Stocks	20	20	10	15		15
Milled Production	0	0	0			
Rough Production	0	0	0	0		0
Milling Rate (.9999)	0		0			
MY Imports	180	180	200	185		185
TY Imports	180	180	200	185		185
TY Imp. from U.S.	0	100	0	100		110
Total Supply	200	200	210	200		200
MY Exports	0	0	0	0		0
TY Exports	0	0	0	0		
Consumption and Residual	190	185	200	185		185
Ending Stocks	10	15	10	15		15
Total Distribution	200	200	210	200		200

1000 HA, 1000 MT, MT/HA