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Grain and Feed

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Report Highlights:

Drought has affected the output of Jordan's 2003/2004 grain production. Total loss in field crops is estimated at \$18 million. Wheat imports during this period totaled 554,000 metric tons, of which 42 percent came from the United States. The PL 480 Title I program under USDA facilitated the shipment of 135,000 metric tons of wheat. Jordan's corn imports totaled 450,000 metric tons, of which 71 percent came from the United States. Rice imports were 125,000 metric tons, of which 18 percent came from the United States.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Amman [JO1]
[JO]

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Executive Summary

Persistent drought conditions continue to negatively effect Jordan's grain production. In 2003/2004, total loss in field crops is estimated at \$18 million. Strong imports of wheat and corn are necessary to offset market deficiencies left by poor local growing conditions.

PSD Table						
Country	Jordan					
Commodity:	Wheat					
		2002		2003		2004
	Old	New	Old	New	Old	New
Market Year Begin		Jul-02		Jul-03		Jul-04
Area Harvested	73	50	62	13	27	50
Beginning Stocks	208	129	143	205	78	111
Production	35	70	35	12	35	50
TOTAL Mkt. Yr. Imports	600	666	600	554	600	605
Jul-Jun Imports	600	666	600	554	600	605
Jul-Jun Import U.S.	450	200	594	235	450	330
TOTAL SUPPLY	843	865	778	771	713	766
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	100	0	100	0	100	0
TOTAL Dom. Consumption	700	660	700	660	700	660
Ending Stocks	143	205	78	111	13	106
TOTAL DISTRIBUTION	843	865	778	771	713	766

Production/Consumption

The 2003/2004 rainfall season was characterized by low rainfall quantities at variable levels throughout the country. Wheat production is estimated at 12,000 metric tons from a planted area of 12,790 hectares. This compares to 70,000 metric tons from an area of 50,000 hectares in 2002/2003. Severe drought conditions reduced this year's harvest. Wheat consumption is approximately 660,000 metric tons annually.

Trade

Wheat imports during MY2003/2004 totaled 554,000 metric tons. The United States supplied 235,000 metric tons (42 percent of total imports). USDA's PL480 Title I program facilitated the shipment of 135,000 tons of wheat. Although GSM-102 programming was available during MY2003/2004, Jordan purchased only 50,000 tons of wheat under this program. Commercially, U.S. wheat exports declined during this marketing year due to: (1) a Japanese donation of 300,000 metric tons of wheat and (2) high U.S. prices relative to other origins.

Imports of wheat during MY2004/2005 from the United States are forecast to be around 280,000 tons. Again, USDA PL480 Title I program will facilitate the shipment of 135,000 tons. It is expected that Jordan will purchase more U.S. wheat under the GSM program during this marketing year. Prices will be the determining factor.

Import Trade Matrix			
Country:	Jordan	Units:	1000 MT
Commodity:	Wheat		
Time period:	July/June		
Imports for	2003		2004
U.S.	235	U.S.	330
Others		Others	
Czech.Rep	97	Kazakhstan	50
Australia	50	Russia	100
Germany	100	Syria	75
India	72	Hungary	50
Total for Others	319		275
Others not listed			
Grand Total	554		605

PSD Table						
Country:	Jordan					
Commodity:	Barley					
	2002		2003		2004	
	Old	New	Old	New	Old	New
Market Year Begin		July 2002		July 2003		July 2004
Area Harvested	52	66	93	6	80	50
Beginning Stocks	57	236	51	166	26	65
Production	45	68	30	7	65	30
TOTAL Mkt. Yr. Imports	649	402	300	492	450	600
Oct-Sep Imports	609	0	300	492	450	600
Oct-Sep Import U.S.	0	0	0	0	0	0
TOTAL SUPPLY	751	706	381	665	541	695
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	700	540	355	600	515	600
TOTAL Dom. Consumption	700	540	355	600	515	600
Ending Stocks	51	166	26	65	26	95
TOTAL DISTRIBUTION	751	706	381	665	541	695

Production/Consumption

Jordan's barley production during MY 2003/2004 is projected at 7,000 metric tons from a planted area of 6,230 hectares against 68,000 metric tons from a planted area of 66,580 hectares in 2002/2003, a sizeable reduction due to severe drought conditions. Domestic barley consumption is about 600,000 metric tons annually. Barley is mainly used for cattle and sheep and sometimes for poultry feed.

Trade

Barley imports during 2003/2004 totaled 492,000 metric tons, Syria was the major supplier, shipping 440,000 metric tons or 89.4 percent of total imports. Other suppliers were Ukraine, supplying 46,000 metric tons, and France supplying 6,320 metric tons. Jordan's imports of barley during MY2004/2005 are expected to be around 600,000 metric tons. Since 1999, the GOJ has been the sole importer of barley and sets the price of barley for the livestock producers at JD80 per metric ton and for retailers at JD 127 per metric ton.

Import Trade Matrix			
Country:	Jordan	Units:	1000 MT
Commodity:	Barley		
Time period:	July/June		
Imports for	2003		2004
U.S.	0	U.S.	0
Others		Others	
Syria	440	Australia	50
Ukraine	46	Ukraine	550
France	6		
Total for Others	492		600
Others not listed			
Grand Total	492		600

PSD Table						
Country:	Jordan					
Commodity:	Corn					
		2002		2003		2004
	Old	New	Old	New	Old	New
Market Year Begin		Oct-02		Oct-03		Oct-04
Area Harvested	1	0	1	0	1	0
Beginning Stocks	0	92	0	79	0	79
Production	1	0	1	0	1	0
TOTAL Mkt. Yr. Imports	442	437	650	450	500	500
Oct-Sep Imports	442	437	650	450	500	500
Oct-Sep Import U.S.	272	105	0	320	0	350
TOTAL SUPPLY	443	529	651	529	501	579
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	417	450	625	450	476	450
TOTAL Dom. Consumption	443	450	651	450	501	450
Ending Stocks	0	79	0	79	0	129
TOTAL DISTRIBUTION	443	529	651	529	501	579

Production/Consumption

Jordan's locally produced corn is mostly used as corn-on-the cob for human consumption. In MY 2003/2004, approximately 450,000 metric tons of imported corn were used as feed for poultry.

Trade

Corn imports during MY2003/2004 were 450,000 metric tons of which 71 percent came from the United States. Other suppliers were Argentina, supplying 113,587 metric tons or 25 percent of total imports, and India supplying 17,165 metric tons or 4 percent of total imports. Imports during MY2004/2005 are expected to be equivalent to 2003/2004, with the United States again being the major supplier. Corn is imported in bulk by the private sector and no longer faces a 5.2 percent import tariff as a result of the Free Trade Agreement signed between Jordan and the United States.

Import Trade Matrix			
Country:	Jordan	Units:	1000 MT
Commodity:	Corn		
Time period:	Oct/Sept		
Imports for	2003		2004
U.S.	320	U.S.	350
Others		Others	
Argentina	113	Argentina	150
India	17		
Total for Others	130		150
Others not listed			
Grand Total	450		500

PSD Table						
Country:	Jordan					
Commodity:	Rice, Milled					
		2002		2003		2004
	Old	New	Old	New	Old	New
Market Year Begin		#####		Jan-03		Jan-04
Area Harvested	0	0	0	0	0	0
Beginning Stocks	14	42	47	47	42	62
Milled Production	0	0	0	0	0	0
Rough Production	0	0	0	0	0	0
Milling Rate (.9999)	0	0	0	0	0	0
TOTAL Imports	200	105	100	125	100	120
Jan-Dec Imports	200	105	100	125	100	120
Jan-Dec Import U.S.	83	48	0	22	0	30
TOTAL SUPPLY	214	147	147	172	142	182
TOTAL Exports	0	0	0	0	0	0
Jan-Dec Exports	0	0	0	0	0	0
TOTAL Dom. Consumption	167	100	105	110	100	110
Ending Stocks	47	47	42	62	42	72
TOTAL DISTRIBUTION	214	147	147	172	142	182

Production/Consumption

Jordan has no rice production and its consumption requirements are estimated at 100,000 metric tons per year, ninety percent is medium grain (Camolino). Jordanian private sector companies import rice freely.

Trade

Imports in 2003 were 124,665 metric tons, of which 22,338 metric tons came from the United States. Major suppliers were Egypt and Australia, supplying 45,280 and 30,355 metric tons respectively, (36 percent and 24 percent of total imports). Total rice imports during 2004 are forecast at the same level as 2003. Competition for medium grain rice is tough between the United States, Australia and Egypt. Egyptian rice is imported bagged and in small ships. Australian rice is imported in bulk and bagged. U.S. rice is imported in bulk and bagged in Jordan. Imports of consumer packaged, parboiled long grain and basmati rice during 2003 are expected to amount to 15,000 tons. U.S. long grain rice exports face strong competition from Thailand.

Import Trade Matrix			
Country:	Jordan	Units:	1000 MT
Commodity:	Rice, Milled		
Time period:	Jan-Dec		
Imports for	2003		2004
U.S.	22	U.S.	22
Others		Others	
		Egypt	45
		Australia	30
		Thailand	9
		Italy	5
		Pakistan	5
		Spain	4
Total for Others	0		98
Others not listed			5
Grand Total	22		125

Grain Production and Pricing

The 2003/2004 rainfall season is characterized by low rainfall quantities at variable levels throughout various regions of the country. High temperatures during February/March, accompanied by hot wind waves, have had a negative impact on winter and summer crops. The GOJ continues to import wheat and barley and sets prices for wheat sold to millers and flour sold to bakers.

The government also sets retail prices for two types of bread known as unified and baladi bread. The unified type of bread accounts for 90 percent of Jordan's wheat consumption. The price of wheat sold to millers is JD 98.480/metric ton. The price of flour is JD 121.130/metric ton for the unified flour and JD 124.400/metric ton for the baladi flour.

In addition, in 2003/2004 the GOJ continued its grain subsidy policy whereby it encourages farmers to plant wheat and barley and purchases these crops at higher than market support prices. Price supports are announced every year prior to the planting season. This year, GOJ purchased 6,485 tons of wheat at JD200/ton and 133 tons of barley at JD 200/ton.

Market Development

Jordan will continue to import most of its wheat and barley needs and all of its corn and rice requirements. The United States is expected to facilitate its sales through GSM credit guarantees and other assistance programs. Financing will continue to be a crucial factor in Jordan's purchasing decision due to Jordan's limited foreign exchange and budgetary structure.

The U.S. Department of Agriculture Development Cooperators (U.S. Wheat Associates, U.S. Grains Council and the U.S. Rice Council) provide valuable, technical in-country assistance and trade service programs as well as training for Jordanians inside and outside of Jordan.