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Jordan

Grain and Feed

Annual

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Report Highlights:

For the second successive year, Jordan's 1999/2000 rainfall season was characterized by late rain, low rainfall quantities and fluctuating distribution over the various regions of the country. The drought has affected the output of Jordan's grain production. The total loss in field crops alone is estimated at \$23 million. In MY 1999/2000 the U.S. supplied 80 percent of Jordan's wheat imports including 200,000 tons of food aid (416 (b) program), 294,377 tons with GSM's programs. Barley imports 93 percent came from Europe and 7 percent from the U.S. with GSM-102 program. Corn imports totaled 429,000 mostly from Argentina with 22 percent from the U.S. Rice imports during 2000 will reach 90,000 tons with an estimated 30,000 tons from the U.S.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Wheat**PSD Table**

PSD Table							
Country:	Jordan						
Commodity:	Wheat						
		1998		1999		2000	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		07/1998		07/1999		07/2000	(MONTH/YEAR)
Area Harvested	73	52	62	15	27	27	(1000 Hectares)
Beginning Stocks	208	238	143	56	78	131	(1000 MT)
Production	35	60	35	12	35	29	(1000 MT)
TOTAL Mkt. Yr. Imports	600	438	600	743	600	730	(1000 MT)
Jul-Jun Imports	600	438	600	743	600	730	(1000 MT)
Jul-Jun Import U.S.	450	370	450	594	450	530	(1000 MT)
TOTAL SUPPLY	843	736	778	811	713	890	(1000 MT)
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0	(1000 MT)
Jul-Jun Exports	0	0	0	0	0	0	(1000 MT)
Feed Dom. Consumption	100	80	100	80	100	80	(1000 MT)
TOTAL Dom. Consumption	700	680	700	680	700	680	(1000 MT)
Ending Stocks	143	56	78	131	13	210	(1000 MT)
TOTAL DISTRIBUTION	843	736	778	811	713	890	(1000 MT)

Production/Consumption

Due to the continuous drought conditions during 1999/2000 rainfall season, wheat production is projected at 29,000 metric tons up from 12,000 metric tons in 1998/1999, but still well below the normal crop level of 60,000 tons. Wheat consumption is estimated at 600,000 metric tons annually.

Trade

Wheat imports during MY 2000/2001 totaled 742,836 tons against 438,000 during MY 1998/1999. The United States supplied 594,000 tons (80 percent of total imports). USDA programs - GSM-102, GSM-103 and 416 (b) were important tools for these purchases. Other suppliers were Argentina (supplied 99,000 tons) and Romania (supplied 49,000 tons). The Argentinian wheat almost has the same characteristic as the U.S. hard red winter wheat. The GOJ were forced to purchase from Argentina at that time since there was a price difference between \$8-\$10/ton. As to the Romanian wheat, it cannot be compared to the U.S. or the Argentinian wheat but the GOJ were in need of wheat and had to conclude the deal because of the proximity of the exporting country to Jordan.

Imports of wheat during MY 2000/2001 from the United States are forecast to be in same level of MY 1999/2000. Under 416 (b) program, the United States donated an amount of 380,000 metric tons of which 200,000 metric tons were delivered during MY 1999/2000. The balance of 180,000 metric tons will be delivered during MY 2000/2001.

294,377 metric tons were delivered on both GSM 102/103 programs.

Wheat Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	07/1999		
Imports for	1999		2000
U.S.	594	U.S.	530
Others		Others	
Romania	50	Argentina	200
Argentina	99		
Total for Others	149		200
Others not listed			
Grand Total	743		730

Barley

Barley PSD Table

PSD Table							
Country:	Jordan						
Commodity:	Barley						
		1998		1999		2000	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		07/1998		07/1999		07/2000	(MONTH/YEAR)
Area Harvested	93	85	93	60	29	29	(1000 Hectares)
Beginning Stocks	244	338	174	158	276	276	(1000 MT)
Production	30	11	30	6	10	10	(1000 MT)
TOTAL Mkt. Yr. Imports	500	349	500	712	500	500	(1000 MT)
Oct-Sep Imports	500	349	500	712	500	500	(1000 MT)
Oct-Sep Import U.S.	0	0	0	50	0	0	(1000 MT)
TOTAL SUPPLY	774	698	704	876	786	786	(1000 MT)
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0	(1000 MT)
Oct-Sep Exports	0	0	0	0	0	0	(1000 MT)
Feed Dom. Consumption	600	540	600	600	600	600	(1000 MT)
TOTAL Dom. Consumption	600	540	600	600	600	600	(1000 MT)
Ending Stocks	174	158	104	276	186	186	(1000 MT)
TOTAL DISTRIBUTION	774	698	704	876	786	786	(1000 MT)

Production/Consumption

Barley production in Jordan during MY 1999/2000 is projected at 10,000 metric tons up from 6,000 metric tons in 1999 but well below the normal crop of 35,000 tons. Domestic barley consumption is about 50,000 metric tons monthly and is mainly used for cattle and sheep and sometimes for poultry.

Trade

Barley imports during MY 1999/2000 totaled 712,448 tons of which Germany was the major supplier (supplying 343,000 tons or 48% of total imports). The United States supplied only 50,000 tons, all under the GSM-102 program. Traders forecast that during MY 2000/2001 Jordan's imports of barley will be about 500,000 metric tons because of the drought that affected Jordan during 1999/2000. If the coming rainfall season is dry, consumption will continue to be in the range of 50,000 tons monthly. Since the beginning of 1999, the GOJ has been the sole importer of barley. Despite the fact that the private sector is allowed to import barley, they did not import because the GOJ has set a maximum price for selling barley to livestock farmers and which is subsidized by nearly JD 35/ton (\$50/MT).

Barley Import Trade

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	JULY/JUN		
Imports for	1999		2000
U.S.	50	U.S.	100
Others		Others	
Austria	51	France	50
FRANCE	98	Sweden	50
SWEDEN	99	Germany	300
GERMANY	343		
UK	71		
Total for Others	662		400
Others not listed			
Grand Total	712		500

Corn

Corn PSD Table

PSD Table							
Country:	Jordan						
Commodity:	Corn						
		1998		1999		2000	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1998		10/1999		10/2000	(MONTH/YEAR)
Area Harvested	0	0	0	0	0	0	(1000 Hectares)
Beginning Stocks	61	16	54	46	47	55	(1000 MT)
Production	0	0	0	0	0	0	(1000 MT)
TOTAL Mkt. Yr. Imports	413	450	413	429	413	467	(1000 MT)
Oct-Sep Imports	413	450	413	429	413	467	(1000 MT)
Oct-Sep Import U.S.	300	76	300	96	300	100	(1000 MT)
TOTAL SUPPLY	474	466	467	475	460	522	(1000 MT)
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0	(1000 MT)
Oct-Sep Exports	0	0	0	0	0	0	(1000 MT)
Feed Dom. Consumption	420	420	420	420	420	420	(1000 MT)
TOTAL Dom. Consumption	420	420	420	420	420	420	(1000 MT)
Ending Stocks	54	46	47	55	40	102	(1000 MT)
TOTAL DISTRIBUTION	474	466	467	475	460	522	(1000 MT)

Production/Consumption

Jordan's locally produced corn is used mostly as corn-on-the-cob for human consumption. Corn consumption is around 35,000 metric tons, mainly used for poultry.

Trade

Corn imports during MY 1999/2000 were 429,000 metric tons, of which 22 percent were from the United States. Argentina is the major supplier (supplying 286,000 tons or 67 percent of total imports). Argentina will continue to be the main competitor to the U.S. both in quality and price. Although the traders admit that the US corn may be higher in energy, they stress that the farmers do not like the dustiness in the US corn. Also, according to importers/traders, there is a price advantage for the Argentinian corn; the traders claim that they can get up to \$5.70/ton premium for the Argentinian corn over the US corn. The Argentinean corn has a hard gelatine coat which prevents it from breaking. During 2000/2001 Jordanian corn imports from the U.S. will be the same level of the previous year. Since 1997, corn has been imported freely by the private sector.

Corn Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	10/1999		
Imports for	1999		2000
U.S.	96	U.S.	100
Others		Others	
ARGENTINA	286	ARGENTINA	300
CANADA	22	CANADA	50
BULGARIA	23	BULGARIA	15
Total for Others	331		365
Others not listed	2		2
Grand Total	429		467

Rice

Rice PSD Table

PSD Table							
Country:	Jordan						
Commodity:	Rice, Milled						
		1998		1999		2000	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		01/1998		01/1999		01/2000	(MONTH/YEAR)
Area Harvested	0	0	0	0	0	0	(1000 Hectares)
Beginning Stocks	37	47	43	45	49	55	(1000 MT)
Milled Production	0	0	0	0	0	0	(1000 MT)
Rough Production	0	0	0	0	0	0	(1000 MT)
Milling Rate(.9999)	0	0	0	0	0	0	(1000 MT)
TOTAL Imports	102	88	102	110	102	90	(1000 MT)
Jan-Dec Imports	102	88	102	110	102	90	(1000 MT)
Jan-Dec Import U.S.	50	41	50	39	50	30	(1000 MT)
TOTAL SUPPLY	139	135	145	155	151	145	(1000 MT)
TOTAL Exports	0	0	0	0	0	0	(1000 MT)
Jan-Dec Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Dom. Consumption	96	90	96	100	96	100	(1000 MT)
Ending Stocks	43	45	49	55	55	45	(1000 MT)

Production/Consumption

Jordan does not produce rice. Rice consumption is around 95,000 tons of medium and long grain annually, 90 percent of which is medium grain.

Trade

Imports in 2000 are estimated at 90,000 metric tons, 30,000 tons of which come from the United States. Imports of rice during 2001 are forecast to be about the same level as 2000. Competition for medium grain rice is tough between Australian, Egyptian and U.S. rice imports. According to traders, the specifications of the Australian medium grain rice and the Egyptian No.1 medium grain rice is the same of the camolino rice imported from the U.S. The Egyptian rice is imported bagged and in small ships. The Australian rice is imported in bulk and bagged. The U.S. rice is imported in bulk and bagged in Jordan. An average price C&F Aqaba during 1999/2000 of U.S. rice is \$400/MT while Australian price was \$350/MT and Egyptian Camolino was \$305/MT. Imports of consumer packaged parboiled long grain and basmati rice during 2000 will not exceed 10,000 tons. The U.S. faces long grain competition from Thailand.

Rice Import Table

Import Trade Matrix			
Country:		Units:	1000 MT
Commodity:			
Time period:	JAN-DEC		
Imports for	1999		2000
U.S.	39	U.S.	30
Others		Others	
EGYPT	25	EGYPT	15
AUSTRALIA	32	AUSTRALIA	30
THAILAND	7	ITALY	5
SPAIN	2	SPAIN	2
ITALY	3	THAILAND	5
Total for Others	69		57
Others not listed	2		3
Grand Total	110		90

Production and Price Policy

Although the GOJ continues talking about privatizing the import of wheat and barley, Government officials claim that continuation of drought has led them to continue importing both commodities and to subsidize them. At present, the GOJ fixes price for wheat sold to millers, flour sold from millers to bakers and the retail price of two types of bread made from straight run flour known as unified and baladi flour. Both types of bread account for 90% of Jordan's wheat consumption. The subsidy paid under this system from January 1, 2000 to July 31, 2000 was JD 8 million for wheat, JD 5 million for barley and JD 2million for wheat bran - total JD 15 million (USD 21 million).

Market Development

Jordan will continue to import a substantial portion of its wheat and barley needs and all of its corn and rice requirements. The United States can continue to facilitate grain sales through GSM Credit Guarantees and PL 480 Title I programs. Financing will continue to be a crucial factor in Jordan's purchasing decision because of limited foreign exchange and budgetary structure, price competition from suppliers of grain sources i.e. Argentina for corn and Australia for rice and subsidies granted by the European countries for export of barley.

U.S. Department of Agriculture Market Development Cooperators - U.S. Wheat Associates, U.S. Grains Council and the U.S. Rice Council should continue to provide valuable technical in-country assistance and trade serving programs as well as training for Jordanian officials outside Jordan.