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Tajikistan, Republic of

Grain and Feed

Wheat Report

2004

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Report Highlights:

While land devoted to wheat production has increased over the past several years, inputs remain problematic with antiquated machinery, fuel shortages, poor seed quality and inadequate agriculture chemicals, which limit yields. Kazakhstan is the main supplier of wheat since Tajik wheat production does not meet domestic demand. Even with commercial imports, humanitarian assistance often fills wheat shortfalls.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
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[TI]

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Executive Summary

Tajikistan remains primarily a rural and agriculture-based economy with 65 – 70 percent of the population involved in the sector. The country is slowly emerging from a costly civil war in the 1990s. Wheat is one of Tajikistan's primary commodities although not the most profitable. In 2004 wheat product is expected to increase due to favorable weather conditions. Access to inputs including machinery, seeds, agriculture chemicals, fuel and credit constrain the sector. Wheat products remain an essential staple of the Tajik diet. Tajikistan does not produce enough domestically to meet demand. Food-aid deliveries and imports from neighboring countries help meet this demand, although supplies often fall short in many areas. Financial resources are not available to increase commercial imports.

Production

Wheat is grown on both irrigated and rain-fed lands with a little over 50 percent planted on irrigated land. In 2002, yields were approximately 1.6 tons per hectare on irrigated land and 1.2 on rain-fed land. Area increased somewhat in recent years although government statistics may overestimate planted-wheat area. Some farms likely plant cotton on area reportedly sown with wheat. This land is a sort of safety valve for farmers in case cotton production targets are not being met.

Weather this year was particularly good during the spring and summer. Soil moisture is reported to be adequate this year, which has assisted wheat production on rain-fed land. Inputs continue to be a problem particularly machinery, fertilizers, seeds and fuel. Most machinery is old and fertilizer availability is reportedly about 15 percent of need.

The availability of new seeds is an issue in Tajikistan. A number of specialists noted that Tajikistan is using old varieties, which are susceptible to diseases and, more importantly, lower yields. In addition, several representatives from the government and non-governmental organizations noted that seed preparation is a problem, which according to estimates reduces yields by 7 – 8 centners per hectare. In FY 2004, the United States supplied 2000 tons of wheat seed at the request of the Tajik government to improve the seed base in the country.

Soil salinity, soil compaction and erosion are major problems in Tajikistan. These are the legacy of the old Soviet system. There are a number of international organizations attempting to combat these problems using better land management including the establishment of crop rotation systems. The government believes that the country could produce up to 950 TMT a year given the proper inputs.

During Soviet times, harvest, transportation and processing losses were approximately 10 – 15% of the crop. Currently, harvest and transportation losses are still estimated at the same level.

Chilton is Tajikistan's major wheat and cotton producing area. In recent years, it has accounted for almost half of the country's irrigated production and more than 60% of its rain-fed production.

Consumption

Like most countries in Central Asia, bread is a main staple of the diet in Tajikistan. It is also a traditional part of any meal. Consumption of wheat is estimated between 180 – 190 kilos per capita. Total consumption is approximately 1.2 MMT a year. As such, current supplies including commercial imports do not meet consumption needs. Currently, supply shortfalls are estimated to be over 100 TMT a year. Some sectors of the populations are highly reliant on humanitarian assistance. According to several groups, small amounts of wheat are used

for feed. The World Food Program is scheduled to complete a country-wide food security survey at the end of 2004.

Trade

Imports decreased in 2004 due to the availability of wheat in neighboring countries. Russia and Kazakhstan are the major suppliers of wheat to Tajikistan. In 2003/2004, Kazakhstan put limits on its wheat exports in order to ensure their domestic supplies. Currently, local markets seem to have adequate supplies of Kazakh wheat. Kazakhstan also depends on humanitarian supplies of wheat flour to meet some critical needs.

Due to the lack of imports in 2003/2004, wheat prices rose considerably. Average prices for wheat flour are normally \$180/ton but rose to \$280/ton in 2003 and early 2004. There are not government reserves available to mitigate price spikes.

Stocks

There is no published information available regarding stocks.

Policy

Land reform has been at the center of the country's economic program since independence. All attempts at privatizing have been spectacular failures, leading to increased poverty and reduced production. Former collective farms have been leased or formed into joint-stock companies, usually still under the control of the former collective farm head. A portion of these collective farms have been privatized, and given to oligarchs who control inputs and production. Land sales are not permitted, although the government is moving towards a system of perpetual land use.

Production Supply and Demand Table

Tajikistan, Republic of Commodity Wheat							
	2002	Revised	2003	Estimate	2004	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		07/2002		07/2003		07/2004	MM/YYYY
Area Harvested	290	325	290	0	300	0	(1000 HA)
Beginning Stocks	50	50	50	45	50	50	(1000 MT)
Production	560	545	660	660	760	620	(1000 MT)
TOTAL Mkt. Yr. Imports	486	450	400	400	400	400	(1000 MT)
Jul-Jun Imports	486	450	400	400	400	400	(1000 MT)
Jul-Jun Import U.S.	35	35	37	37	0	0	(1000 MT)
TOTAL SUPPLY	1096	1045	1110	1105	1210	1070	(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	45	20	45	20	45	20	(1000 MT)
TOTAL Dom. Consumption	1046	1000	1060	1055	1160	1020	(1000 MT)
Ending Stocks	50	45	50	50	50	50	(1000 MT)
TOTAL DISTRIBUTION	1096	1045	1110	1105	1210	1070	(1000 MT)

Trade Matrix

Import Trade Matrix	
Tajikistan, Republic of	
Wheat	
Time Period	Jan-Dec 03
Imports for:	Units:
	TMT
U.S.	37
Others	
Kazakhstan	340
Russia	10
Uzbekistan	10
Kyrgyzstan	2
Afghanistan	1
Total for Others	363
Others not Listed	
Grand Total	400