



Food and Agriculture Organization  
of the United Nations



World Food  
Programme

## Rapid Food Systems Assessment

### Jordan

April 23, 2020

#### Introduction

The Coronavirus has reached over 200 countries including Jordan. Defense law was put into place on March 15 to curtail movement of people and the spread of coronavirus, with more rigorous lockdowns called as and when needed. All flights were banned except for cargo and the Aqaba port closed. The number of cases of coronavirus in Jordan has reached 435 but went down to 131 active cases with only 7 deaths reported.

The methodology for this rapid assessment makes use of primary data through interviews with key stakeholders and secondary data through review of government documents, news articles, etc. The interviews were held with NGOs, Producer associations and others, with relevance as of today, April 23, 2020. This is a qualitative rapid assessment follow-up to the previous assessments.

#### Key messages

1. The government of Jordan has been very proactive to ensure adequate food supply and to support a well-functioning food supply chain and agriculture sector. The sector is increasingly digitized leading to a more efficient Jordan food system.
2. Food production on farms has had some disruption but with 35,000 travel permits issued, farm production and access to market has greatly improved.
3. With domestic markets well stocked and operational, the export markets are working well although with some delays. Given the disruptions of European exports, Jordan with its early response to COVID is well-positioned to take advantage of some of the trade gaps.
4. Jordan needs to continue to monitor its food prices for consumers and pay particular attention to food availability for the most vulnerable.
5. Jordan has sufficient staple food stock for imported items, however, due to international supply and demand patterns, it may face price hikes in the future.

#### Government measures

- i. An electronic travel permit system has been put in place, as of April 6 by the Ministry of Agriculture<sup>1</sup>. The permits are provided to all actors in the food supply chain including farm owners, packing operators, export agents, input providers, veterinarians, nurseries, breeders, livestock farmers, etc. The new systems checks farmers' registration

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<sup>1</sup> [Announcing the mechanism for granting traffic permits to farmers and agricultural business owners](#) | Petra AR

in the MoA database but this currently does not include all small farmers. This may cause delay in farm access for these farmers. In summary, there are still ongoing difficulties for some farmers and others to reach their workplaces although big improvements have been made so far. Registration of and digitalization for all small farmers could become a norm in Jordan to promote inclusive growth for rural communities and women.

- ii. Government will begin a new program to support farmers affected by COVID virus and by the recent storms with JOD 10 million zero-interest loans<sup>i</sup> through the Agricultural Credit Corporation (ACC). Farmers will have a grace period of 5 years. The ACC is working to define the terms and conditions of the loan fund. Next week, the government will begin to define the criteria and modalities involved.
- iii. A 'Public Health and Safety Guide From the Field to the Consumer' was sent by the MoA to farmers on April 6 with detailed instructions about how to pick vegetables and fruits, package them, and send them to the market taking into consideration all health and safety precautions. In addition the guide explains how farmers should protect themselves from the spread of COVID19 in their farms, homes, central markets and slaughterhouses. Finally, there are instructions for the public on best practices for handling fruits and vegetables – how to wash and dispose plastic bags.
- iv. The Government has authorized export of locally produced agriculture goods for which the country has a surplus. The MoA has established a new online system for issuing import and export licenses, and the turnaround time is only one day.

## 1. Food production

Overall, food production on farms is almost at normal levels and most issues faced at the start of the ban have seen great improvement. However, issues faced especially by small farmers and losses from the first month ban has created losses for small farmers.

- a. Access to farms: For enterprises linked to larger formal collectives, food production has not been negatively impacted, as permits were quickly issued for them to produce and transport their products. Farmers with permits can travel freely but only outside of the cities. A total of 35,000 permits have been granted to farmers who are now registered on the MoA database. However, some small and medium farms, nurseries and herders who are not formally registered, have been facing difficulties to receive travel permits. As an example, in Irbid and Mafraq, small scale olive tree farmers, who own less than 200 dunams of land or less than 50 greenhouses, are only able to acquire single permits to access their farms, which poses the challenge of spraying and taking adequate care for the trees which is required in this season<sup>2</sup>.  
*Lessons learned: It is in the interest of all farmers to be registered in the MoA database.*
- b. Workers: Many agricultural workers live directly on farm but for those who don't, they can now travel to their employer if they have permission and only using transport provided by the employer.
- c. Input supplies: Input providers and companies were recently given permission to open. Many are moving to online ordering systems with direct delivery to farms. These systems are however still cash based without credit facilities.

## 2. Access to market

**Domestic Markets:** All Jordan wholesale markets are operational, and hygiene measures including mask, glove use and social distancing are broadly adopted. Before the recent 24-hour curfews, the markets were particularly crowded with consumers buying produce. However, the government and police have been controlling crowds. In preparation

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<sup>2</sup> MercyCorps Rapid Assessment of COVID impact on Irbid and Mafraq farms

for Ramadan, all supermarkets, small markets and hypermarkets are open for the public and have an abundance of food and Ramadan necessities.

**Export Markets:** After an initial temporary closure, Jordan agriculture producers are able to export their produce starting on April 17 for items which are considered surplus to Jordan. The Minister of Industry and Trade and, HE Al-Hamouri, decided to continue banning the export of rice, sugar, pulses, fodder, and all kinds of wheat as they are not locally produced. However, it is allowed to export dairy products as they are locally produced with a stock which covers the domestic market need with a good level of surplus. It has also been allowed to export not more than 50% of production of the following locally produced commodities: canned food, vegetable oil, tahini, ready sauces (tomato paste, etc.), pickles and jams, coffee, nuts. In addition, export of frozen meat (tender and burgers) and canned meat products are permitted, provided that a safe stock is available for the local market.

**Export license system:** The Minister of Agriculture announced on April 17 the launch of an online application for import and export licenses through the Ministry's website, in line with government measures to protect the health of citizens during the Corona crisis and out of the Ministry's keenness to facilitate and simplify the procedures for providing services for exporters, importers and all transit orders. Al-Kharabsheh pointed out that this measure intends to protect citizens by reducing gatherings, speeding up work and reducing the load on merchants. Licenses are issued on the very same day for requests received electronically before 12:00pm. All applications are through the Ministry's website <http://www.moa.gov.jo>

Various producers have reported that containers are regularly exported to Gulf countries although with additional challenges as truck drivers need to quarantine or crossloading needs to be organized at the border. Despite some challenges, Jordan is proactive in promoting exports and as a result, new export patterns may emerge as European countries are unable to export. Jordan may be able to take this new opportunity and fill the gap.

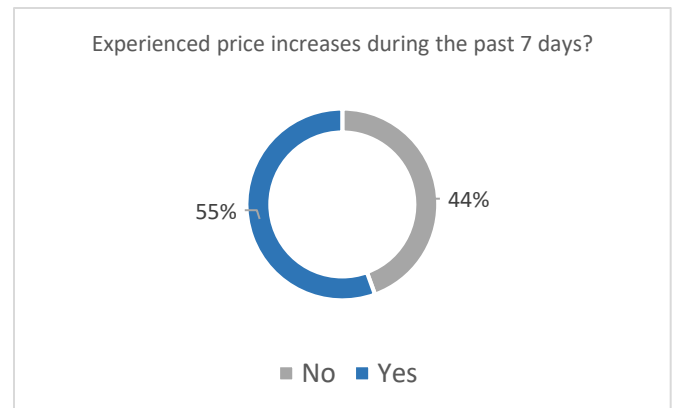
### 3. Food and water consumption (WFP)

In general, people continue to have access to food, and prices are more stable compared to March 2020, especially when compared to the beginning of the lockdown and curfew measures imposed by the government. The demand for various commodities has returned to normal after markets witnessed a greater demand during the past few weeks, which led to an increase in the demand for food supplies by 80%. However, according to the joint Rapid Needs Assessment conducted with UNHCR and UNICEF of vulnerable people in Jordan, 55 percent of the surveyed households from different nationalities (both refugees and non-refugees) reported experiencing increases in prices during the first week of April, and 36 percent reported inability to access markets during the same period. Despite that, all commodities have been available in large quantities.

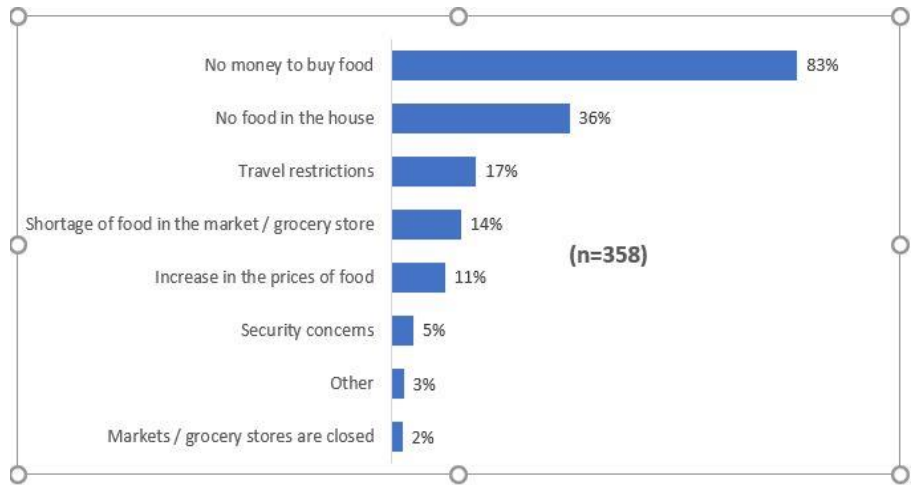
Link: <https://mit.gov.jo/DetailsPage/NewsDetails?ID=849>

The Ministry of Social Development in coordination with National Aid Fund started distributing assistance through E-cards to 30,000 vulnerable families facing difficult living conditions. The E-cards will enable the families of the targeted groups to purchase food and non-food supplies up to 100 dinars/month for up to six months from the markets of the military and civil service consumer corporation in different regions of Jordan.

Link: [NAF distribution article](#)



Based on data collected through a joint Rapid Needs Assessment in the second week of April 2020 with UNHCR and UNICEF, 32 percent of the surveyed refugees reported not having enough food to eat, this is despite the fact that the WFP reload was brought forward to 20<sup>th</sup> of March, two weeks prior to the survey taking place. This is likely to reflect the impact of the loss of income from other sources. This table shows the reasons reported for not having enough food to eat during the past week.



**Water resources** are operating at their highest capacity to meet the rising demand for water, which has soared by 40 per cent since the government imposed a nationwide lockdown to limit the spread of COVID-19. Water minister urges sector leaders to prepare for Ramadan and summer demands. Minister reviewed the most prominent challenges facing water sector in light of COVID-19 outbreak and the severe pressure on most water sources. Link: <https://www.jordantimes.com/news/local/water-resources-operating-highest-capacity-demand-surges-40-cent>

#### 4. Food systems for refugees in camps and vulnerable people (WFP)

As in the previous month, assistance for the month of May 2020 (Ramadan) has been provided to beneficiaries' accounts through cash-based transfers ahead of the originally planned dates. WFP also made arrangements to facilitate access to cash assistance provided to beneficiaries living in host communities. Such measures aimed to guarantee providing the needed assistance with dignity for beneficiaries in both camps and host communities. WFP is maintaining its presence in the camps to ensure that refugees are able to redeem their assistance, to enhance coordination and to monitor the implementation of protective measures.

#### 5. Stock levels of imported food (WFP)<sup>3</sup>

Jordan is largely dependent on food imports with wheat and rice import dependency currently at above 80 per cent. The country holds stocks enough for up to 3.5 months. Companies with medium to weak financial capacity are expected to close, and in the future, an increase of prices is expected.

**Global markets trends:** Prospects for harvest in 2020 is favorable, assuring food availability. Supermarket shelves remain stocked for now. But the pandemic crisis has started putting strain on the food supply chains, a complex web of interactions involving farmers, agricultural inputs, processing plants, shipping, retailers and more. The shipping industry is already reporting slowdowns because of port closures, and such logistics hurdles could disrupt the supply chains.

**Jordanian Market- Supply and Logistics:** The main ports and land entry points are open, although with significant delays. The lead time of international procurement has increased from 40 days to 60 days because of restrictions, closure and ban imposed from countries such as India's increased restrictions on exportation, delays at customs at both country of origin and Jordan due to decreased staffing capacities (5-10% in Jordan).

<sup>3</sup> See full WFP report 'Supply chain update on the commercial market in Jordan 14.04.2020'

Jordanian importers have developed alternative sourcing strategies by exploring new markets such as Turkey. The country usually holds stocks of basic food commodities for two to 3.5 months. The wholesalers and main suppliers (including WFP suppliers) hold stocks enough for 45-60 days.

**The supply chain of main food commodities:** Raw materials and grains are imported from the international market and milled/processed inside Jordan such as oil, wheat, sugar and canned foods. Jordanian's market daily requirement of wheat flour (WHF) is approximately 2,000MT. There are 3 main mills and other 16 small mills in the country with huge silos storage capacity, one of which is owned by the government. The millers are importers of grains and the only distributors of grains in the market. Wheat comes from Romania, Russia and Bulgaria.

**Prices:** Spikes in prices are expected in the Jordanian market for importers and therefore for consumers. The price of wheat has increased globally due to the increase in demand and will be expected to increase too in the Jordanian market. The prices of overland transport service has increased by 20% as a result of the decision of cross loading where the trucks now return empty in Jordan. The increase in logistics cost has still not affected the market prices but probably will do so within 30 days.

### **International Government measures**

- ✓ India, the main source of rice for Jordan, has put restrictions on exportation.
  - ✓ Egypt, the main source of pulses for Jordan, has banned the exportation of bulgur wheat and other pulses. An alternative source is Turkey, which may lead to an increase of up to 15% in market prices.
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