

**SECTORAL BRIEFING
TO SC 661 COMMITTEE**

STATUS OF THE AGRICULTURE SECTOR

PRESENTATION BY

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FAO Representative in Iraq

New York

22 October 2001

PRESENTATION STRUCTURE

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 - Slide 2. Trend (number) of holds and releases
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- **CONTRACTS ON HOLD**
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- **STATUS OF CONTRACTS (DETAILS BY SUB-SECTOR)**
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PROGRAMME IMPLEMENTATION STATUS

- APPLICATION APPROVAL HOLDS - ARRIVAL - DISTRIBUTION

US \$ million

3,500
3,000
2,500
2,000
1,500
1,000
500
0

Submitted 2 973



Submitted

Arrived 1 117

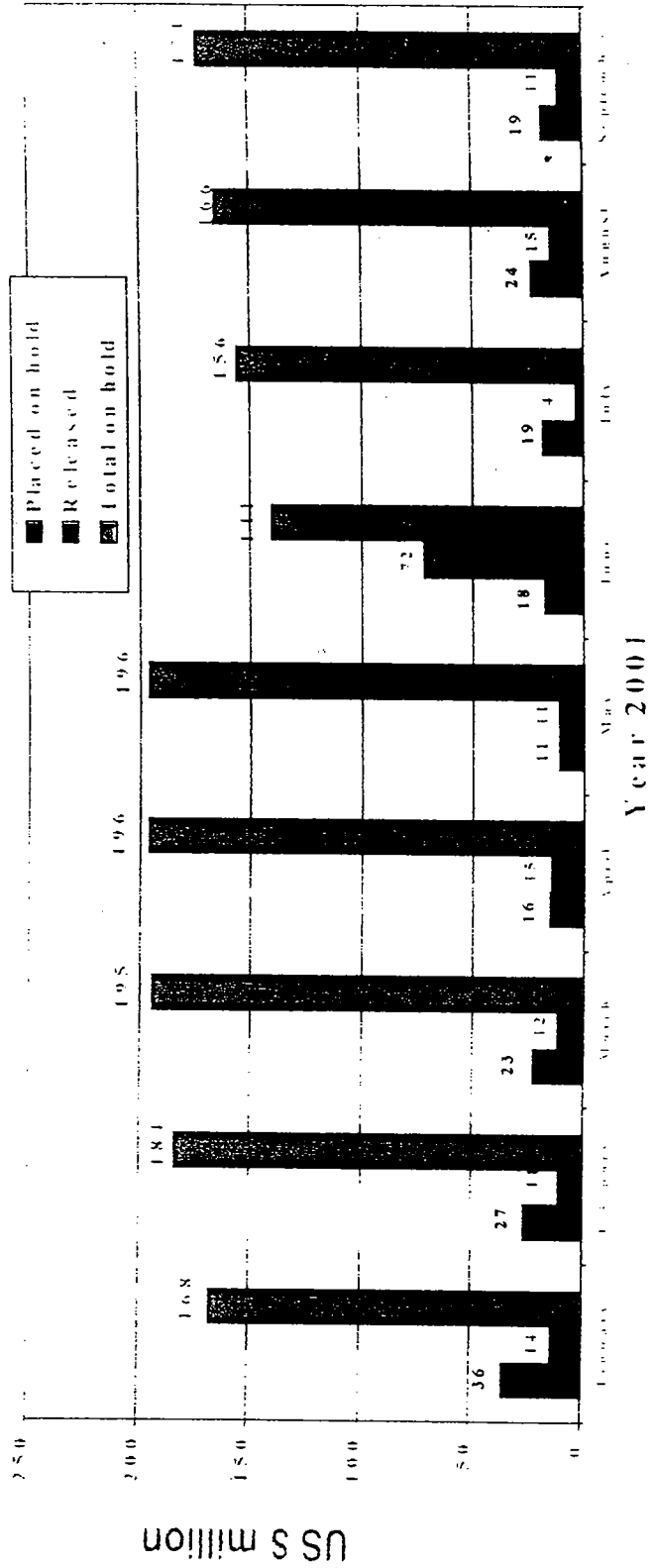


Arrived

(Cont'd)

PROGRAMME IMPLEMENTATION STATUS

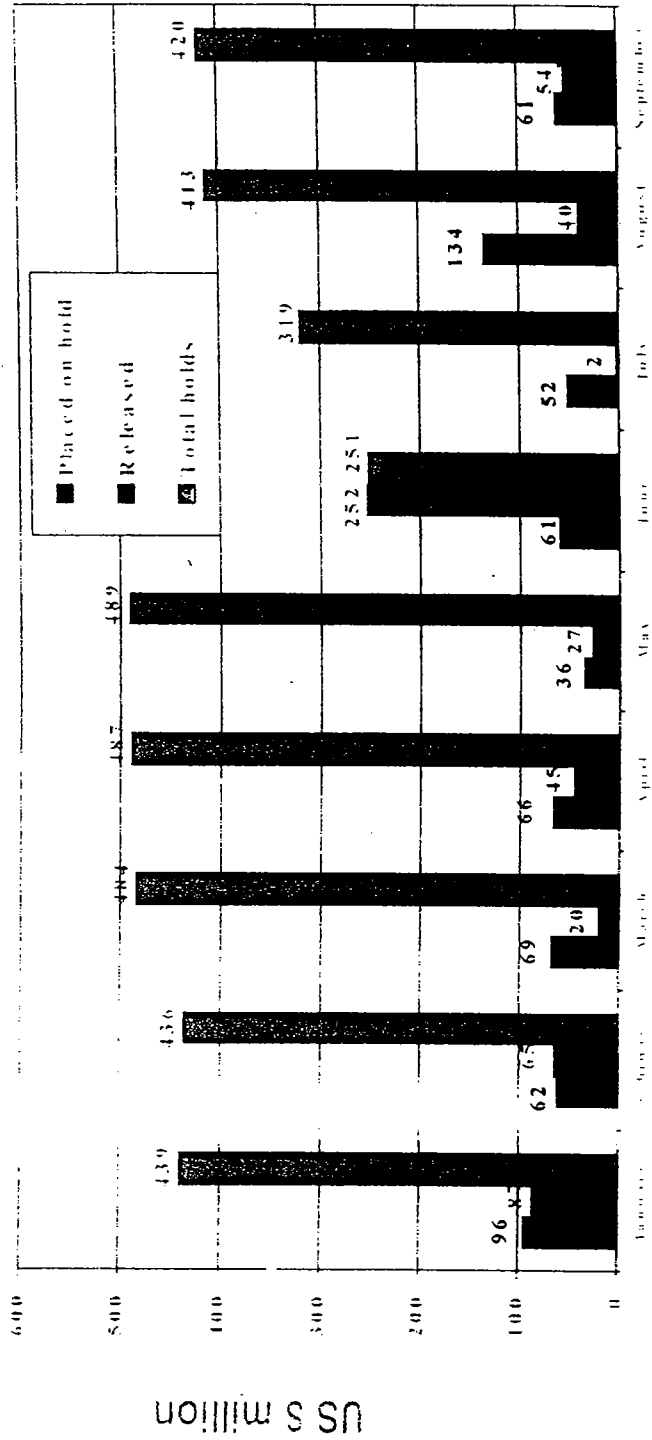
TREND NUMBERS OF HOLDS AND RELEASES



(Cont'd)

PROGRAMME IMPLEMENTATION STATUS

TREND VALUES OF HOLDS AND RELEASES

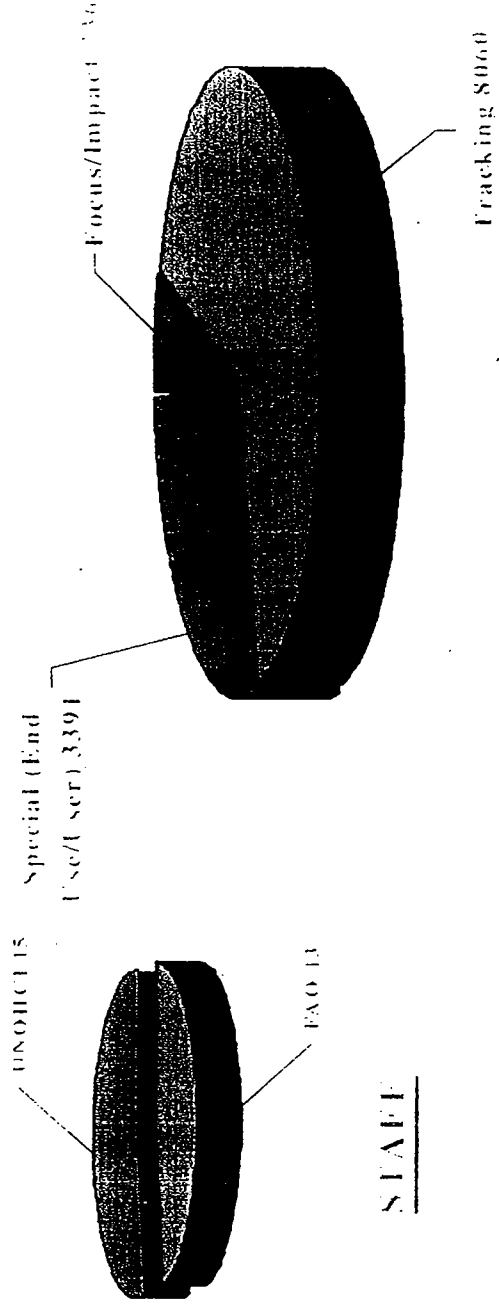


Year 2001

PROGRAMME IMPLEMENTATION STATUS (Cont'd)



● OBSERVATION



STAFF

NUMBER OF OBSERVATIONS

CONTRACTS ON HOLD

• CLARIFICATION DOCUMENT



Food and Agriculture Organization of the United Nations
FAO REPRESENTATION IN IRAQ

SCR 986 - Agriculture Sector

Clarifications for the Release
of contracts On Hold
As at 31 August 2001

Baghdad
September 2001



Food and Agriculture Organization of the United Nations
FAO REPRESENTATION IN IRAQ

SCR 986 - Agriculture Sector

Clarifications for the release of contracts on hold
(as at 31 August 2001)

ANNEXES

Baghdad
September 2001

CONTRACTS ON HOLD

(Cont'd)

(Summary As at 30 September 2001)

• TOTAL NUMBER 174

• CLASSIFICATION:

• % of Total Applications: 14

• Value (US \$ million): 420

• Categories (Essential & Complementary items): 16, 000

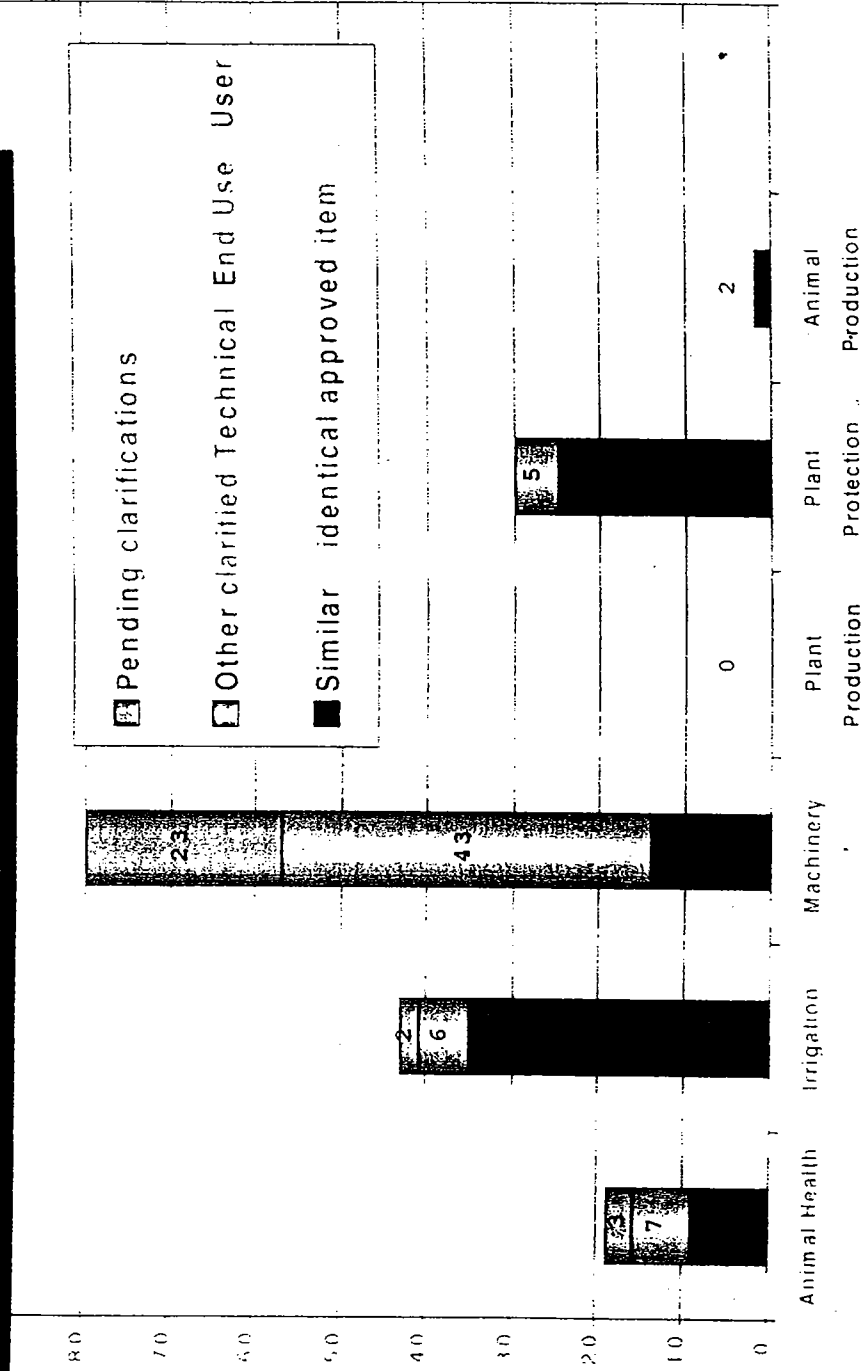
• Contracts having similar or identical inputs approved and delivered to Iraq 85 (49%)

• Others contracts queried and clarification provided to the Committee 61 (35%)

• Contracts pending Clarification 28 (16%)

CLASSIFICATION OF HOLDS (BY SUB-SECTOR)

(Cont d)



STATUS OF CONTRACTS (DETAILS BY SUB-SECTOR)

└ PRESENTATION SEQUENCES:

- CATEGORIES**
- CONTRACTS ON HOLD**
- RESULTS**
- CONSEQUENCES**

ANIMAL HEALTH

- **CATEGORIES:**

- Veterinary Vaccines
- Diagnostic Equipment and Laboratory Materials
- Cold Chain
- Cattle Artificial Insemination

- **CONTRACTS ON HOLD:**

- Total number: 19
- Value (US\$ million): 3.6
- Average duration on hold: 259 days

ANIMAL HEALTH (Cont d)

● RESULTS:

- Shortage of needed vaccines;
- Lack of diagnostic facilities;
- Non-functional cold chains;
- Lack of quality genetic material for artificial insemination .

● CONSEQUENCES:

- Curtailing poultry and ruminant preventive vaccines programme against endemic diseases;
- Lack of improvements in local cattle breeds.

ANIMAL PRODUCTION POULTRY

• CATEGORIES:

- Hatcheries Spare parts
- Refrigerated Trucks

• CONTRACTS ON HOLD:

- Total number: 2
- Value(US\$): 1.7
- Average Duration: 554 days

ANIMAL PRODUCTION

POULTRY (Cont d)

● RESULTS:

- Deficiency in functional poultry houses;
- Dependence of non-appropriate transportation;
- Non-proper functioning of the hatcheries.

● CONSEQUENCES:

- Reduction of egg production by 55 million/year;
- Adverse effect on supplements to food basket ;
- Higher chick mortality;
- Lower egg hatchability.

PLANT PROTECTION

- **CATEGORIES:**

- Crop Pesticides;
- Agro-industry Chemicals;
- Sprayers of varied capacities.

PLANT PROTECTION

(Cont'd)

• CONTRACTS ON HOLD:

Pesticides:	Total number:	20
	Value (US\$ million):	9.8
	Ave. duration on hold:	194 days
Sprayers:	Total number:	9
	Value (US\$ million):	6.2
	Ave. duration on hold:	395 days
Agro-industry:	Total number:	1
(Chemicals)	Value (US\$)	44,600
	Duration on hold:	300 days

PLANT PROTECTION

(cont'd)

RESULTS:

- Lack of essential pesticides, Plant chemicals and Inadequacy supply of sprayers;
- Increased incidence of crop pests and diseases;
- Inability of GOI to arrest spread of whitefly outbreak;
- Drastic output reduction of fertilizer and sugar plants.

PLANT PROTECTION

(Cont'd)

• CONSEQUENCES:

- Reduction of agricultural productivity:

Approximately 500,000 hectares of citrus orchards are threatened by the whitefly outbreak;

Lack of adequate protection of vegetable areas, producing over 4.7 million tons.

- Great reduction in small farmers income;
- Increased market price for fruits and vegetables;
- Adverse effect of nutrition condition of a majority of population.

IRRIGATION

• CATEGORIES:

- Equipment & Machinery for:

O&M of irrigation projects and infrastructures:

(loaders, pumps, pipes, mixing plants, jacking machines, cranes, bulldozers, excavators, lab. Equip.);

Draught mitigation & water resources development:

(drilling rigs, bored piles, pumps, pipes)

• CONTRACTS ON HOLD:

- Total number: 43
- Value (US \$): 192 million
- Average Duration on hold: 171 days

IRRIGATION

(Cont'd)

RESULTS:

- Lack of essential complementary items for projects and water wells;
- Inefficient utilization of the limited water utilization;
- Weed growth in canals and water flow blockages;
- Rise of soil salinization and water logging in farmers fields
- Deficiencies in on-farm irrigation systems.



IRRIGATION

(Cont'd)

• CONSEQUENCES:

- Limited water supply to farmers fields and on-farm irrigation systems;
- Limited O & M of irrigation canals and drains;
- Decrease of cultivated areas;
- diminishing returns from farmers investments on irrigation infrastructure and systems (drip, sprinkler);
- Curtail of drought mitigation measures

MACHINERY AND SPARE PARTS

• CATEGORIES:

- On-farm machinery and spare parts;
- On-farm irrigation systems (sprinklers, drips);
- Complementary items (pumps, cranes, generators);
- Equip./ spare parts & complementary for agro-plants;
- Agriculture spray helicopter spare parts.

• CONTRACTS ON HOLD:

- Total number: 80
- Value(US\$ million): 206
- Average duration of holds 203

MACHINERY AND SPARE PARTS (Cont'd)

• RESULTS:

- In-efficient on-farm irrigation system;
- Constraints in drought mitigation measures;
- Limitations on irrigated agriculture;
- Inadequate output of the agro-plants.

• CONSEQUENCES:

- Reduction in cultivated areas;
- Decrease in the overall agricultural productivity;
- Worsened farmers income;
- Adverse effect on enhancement of nutritional condition of the Iraqi population.

CONCLUSIONS

□ REASONS FOR RELEASE OF ON HOLDS:

- STATUS OF AGRICULTURE:

Two severe consecutive drought years had a devastating effect on agriculture production;

Cultivation of summer crops were limited by the diminished irrigation water availability.

- DETERMINING FACTORS OF AGRICULTURAL PRODUCTION:

Package deliveries and timely delivery of inputs to meet the seasonal requirements of agriculture.

- NO SUBSTITUTES EXIST FOR GOODS ON THE 1051 list .

CONCLUSIONS

(Cont'd)

● SUMMARY OF CONSEQUENCES OF THE HOLDS:

- Increased incidence of animal and crop diseases;
- Constraints in proper development and efficient use of the meager water resources ;
- Limitations in the area cultivated under irrigated agriculture;
- Constraints in drought mitigation measures;
- Crippled diagnostic capabilities of veterinary laboratories;
- Non-functionality of poultry hatcheries;
- Inadequate hygienic transportation of poultry and animal products

CONCLUSIONS

(Cont'd)

• NEW OBSERVATION MECHANISM IN

PLACE:

Enhanced Agriculture Observation

Capabilities:

- 28 ASWG Pooled International Staffing
Resources: (FAO 13; UNOHCI 15);
- Proven ability to track for all contracts from arrival to delivery to end users;
- Effective and efficient verification that are used for intended purposes

CONCLUSIONS

(Cont'd)



APPEAL FOR RELEASE OF CONTRACTS PLACED ON HOLD:

Approval of agricultural inputs on package basis;

Release of all contracts on hold, and in particular for immediate release from hold of the PRIORITY OF PRIORITIES LIST.

PRIORITY OF PRIORITIES Comms for Immediate Release

Sub-Sector	On Hold		Justification
	Total #	Comm Nos.	
Animal Health	7	<ul style="list-style-type: none"> • Enterotoxaemia Vaccines: (700645, 801323, 900641) • Diagnostic Lab. Equipment: (700869, 800774) • Cold Chain Equipment: (702533) • Cattle Artificial Insemination: (700979) 	<ul style="list-style-type: none"> • Vaccines for preventive vaccination for poultry and ruminants to arrest occurrence and spread of diseases. • Rapid diagnosis and surveillance of infection diseases. • Proper storage of vaccines and drugs.
Animal Production " (Poultry)	2	<ul style="list-style-type: none"> • Hatcheries Spare Parts: (601339) • Refrigerated Trucks: (601756) 	<ul style="list-style-type: none"> • Reduce mortality of chicks. • Improve hygienic transportation of animal and poultry products.
Plant Protection	27	<ul style="list-style-type: none"> • Pesticides: (700375, 700725, 701457, 701750, 701955, • 702576, 801931, 802464, 802624, 901036, 901038, • 901052, 901054, 901076, 901278, 901286, 901488, 901515) • Sprayers (under Machinery): (901033, 601234, 601960, 701912, 702071, 702077, 702149, 702402, 702590) 	<ul style="list-style-type: none"> • Essential to meet seasonality requirements. • Arrest the development and spread of whitefly infestation on items orchards.

PRIORITY OF PRIORITIES Comms for Immediate Release (cont'd)

Sub-Sector	On Hold		Justification
	Total #	Comm Nos.	
Irrigation	6	<ul style="list-style-type: none"> ● Casing Pipes: (501298) ● O&M Drains Equipment: (600654) ● Water Well Drilling Rigs: (601996, 800742) ● Concrete Mixing Plant: (802205, 802214) 	<ul style="list-style-type: none"> ● Complementary items for water development equipment. ● Improve functionality of irrigation infrastructure. ● Increase water supplies for agriculture and human use. ● Improve efficient water use at four level
Machinery	16	<ul style="list-style-type: none"> ● Irrigation Systems (Sprinklers/Drip): (701023, 802085, 702308, 800531, 800775, 801548, 801969) ● Agro-Plants: (702083, 702369, 702403) ● Agric. Spray Helicopter Parts: (801980, 900066, 900065, 900039, 900038, 900144) 	<ul style="list-style-type: none"> ● Increase crop cultivated areas. ● Improve on-farm irrigation systems. ● Improve supplementary to food-basket and hence nutritional status of population.

END

