



**TOGETHER**  
*for a sustainable future*

## OCCASION

This publication has been made available to the public on the occasion of the 50<sup>th</sup> anniversary of the United Nations Industrial Development Organisation.



**TOGETHER**  
*for a sustainable future*

## DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

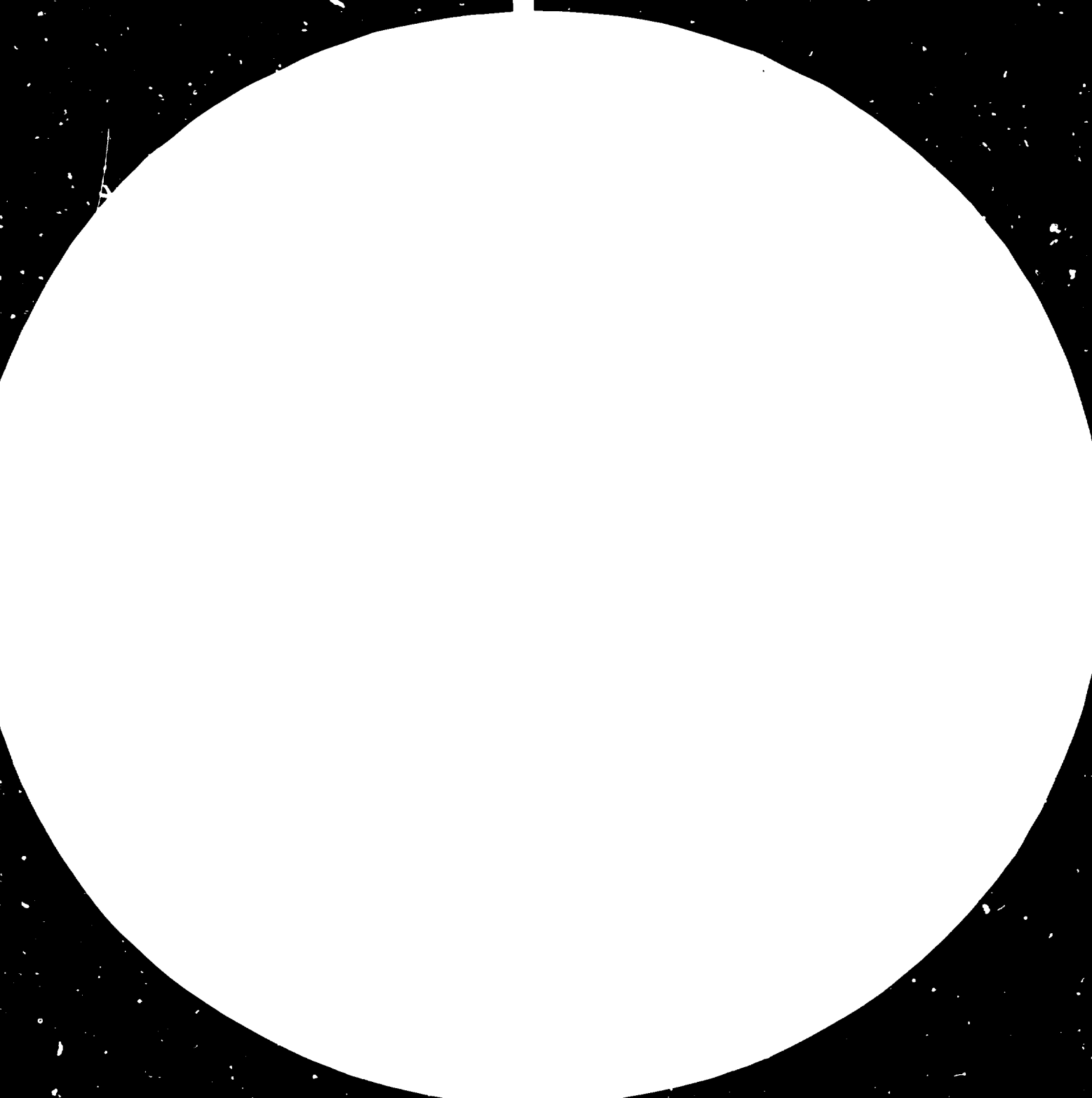
## FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

## CONTACT

Please contact [publications@unido.org](mailto:publications@unido.org) for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at [www.unido.org](http://www.unido.org)





MIKROGRAFIK-RESOLUTIONSMESSUNG (1)

VERGLEICHENDE BEWERTUNG DER ERGEBNISSE



10238



Distr.  
LIMITED  
ID/WG.328/10  
21 November 1980

United Nations Industrial Development Organization

ORIGINAL: ENGLISH

Round-Table Ministerial Meeting on  
Agro-Industry Development  
Baghdad, Iraq, 19 - 24 January 1981

DEVELOPMENT OF MAIN METHODS IN  
STORING AND PROCESSING CEREALS IN IRAQ

presented by the

Government of Iraq

*S. F. Alwan*

980300

## PREFACE

This document, Development of Main Methods in Storing and Processing Cereals in Iraq, is one of 18 studies presented as supporting material to the Iraq country paper about the development of agro-industries and state of agricultural production and supplementary industries. We thought of presenting them to assist the reader in getting acquainted with the pioneering experiment in Iraq in the development of this field of our economic activities. This documentation reflects the great development achieved within the years that have already elapsed since the uprising of 17th July Revolution under the leadership of Arab Baath Socialist Party that aimed at achieving economic and social welfare for the people by rational use of the natural resources and elevating our country to the rank of advanced countries within a considerable period.

From the point of view of the Revolution leadership in Iraq, what has been achieved so far in the field of irrigation development, drainage, mechanization of agriculture, animal production, other agro-industries, and other infra-structural development in this field, are deliberate and effective steps towards reaching our aspiration.

In those studies we have tried to highlight the main development features, the negative sides as well as the positive results achieved so far with the objective of presenting our experience to brotherly and friendly countries in particular to those whose conditions and potentialities are similar to our country. This exchange of experience is not only a necessity but a duty imposed on us by our principles and the current international circumstance in which food weapon becomes one of the important weapons raised by imperialism in the face of developing countries. If those countries do not support each other and exchange national experience their task in achieving their food security will be, if not impossible, difficult to achieve.

We hope that our contribution together with that of other participating states and organizations will contribute to the success of this ministerial meeting on development of food industries in developing countries.

Preparatory Committee  
for the Round-Table Ministerial Meeting  
on Agro-Industry Development

DEVELOPMENT OF MAIN METHODS IN  
STORING AND PROCESSING CEREALS  
IN IRAQ

---

Introduction

Cereal marketing and processing were not in better conditions than the other economic sectors before the revolution of (17-30) July 1968. The responsible establishment on marketing and processing cereals were characterised by the non-co-ordination.

The role of the Grain Board was not more than market watching and preparing reports. The private sector had the main role in cereal marketing, which caused the increase in marketing cost. Marketing and storing methods were primitive which led to a high rate of waste and loss quantitatively and qualitatively, undoubtedly, this situation was a great economic loss of resources.

The Economic Importance of Cereal  
Storing Establishment

Producing and storing cereals has some aspects which need special care in storing methods to facilitate its flow. These could be summarised as follows:

1. Seasonal production and its strong fluctuations.
2. Continuing consumption.
3. Timing gap between import contracts and receipt.
4. The long distance to main production sources.

5. The relation between providing storing requirements and the capability of farmers to obtain suitable prices to stimulate production.
6. The high concentration rate of IRAQI population in urban areas which require transporting and storing these products to cities to ensure accurate flow.

#### Cereal Storing Before State Control

FAO papers concerning cereal marketing state indicates that a major proportion of cereals is wasted due to open air storing systems in developing countries. This rate differs according to storage conditions and is estimated to be about (10-50%).

Available information indicates that governmental establishments had a secondary or no role, which reflects the prevailing philosophy of that time, that marketing institutions could be developed with the development of the economic production institutions, while production and marketing institutions interact positively and negatively.

Cereal merchants role was not better, this deteriorated the cereal storing methods, either in storing capacity or in its conditions. Their capacity in 1970 was 33% less than planned, 62% of it was covered but could not be considered as storage because it failed to provide the simplest storing requirements. Loss rate is estimated to be 7%, while it does not exceed 1.5% in regular stores.

The Role of State Marketing Institutions  
in Development

The Government realised these defects and restrictions. It arranged plans and surveyed the existing capacities and storage methods in order to take control of cereal commerce, and to cease profit by the advantage of economies of scale by reducing marketing costs and controlling waste.

The implementation of several storage projects have promoted storage capacities to a large extent as it can be seen in the following table:

Development of Wheat and Barley Storing  
Capacities %

	<u>1968</u>	<u>1979</u>
Wheat and barley	100	320
Rice	-	100



The State Organisation for Cereals is still acting in order to obtain equilibrium between storage capacities and consumption needs. The following table compares storage capacity with consumption for the years 1968-1979:

<u>Storage capacity/ gross consumption estimates for cereals during 1968</u>	<u>Storage capacity/ gross consumption estimates for cereals during 1979</u>
6.7	17.3

The Organisation is still studying the possibility of increasing storing capacities during this decade, in order to become 10 times what it was in 1968.

#### Development of Wheat Milling Capacity

Before 1970 milling industry was not in a better state than the other economic sectors. Stoney milling was mostly in use, no storing and marketing requirements were available, and dust and dirt was grinded along with wheat.

The State Organisation established several grinders, using the extraction method instead of crushing; the result was that grinding capacity of the socialist sector increased in 1979 at a rate of 68% as compared to 1969.

Technical grinding in the private sector increased in 1979 at a rate of 15% as compared to 1969.

#### Training

The Organisation policy did not include only the establishment of storing and grinding projects, it was accompanied by training policy to manage these projects. Training courses were implemented either in the country or abroad.

