

Based on data released by the Ministry of Agriculture-Jahad, major agricultural products, including farming, horticultural, livestock, and fishery products, amounted to 110.1 million tons in 2021/22. Based on preliminary data, the value added of the agriculture, forestry, and fishing sector indicated a growth rate of -2.6 percent in 2021/22 (at constant 2016/17 prices).

According to the National Drought Warning and Monitoring Center affiliated to Iran Meteorological Organization, total precipitation amounted to 241.1 billion cubic meters in the farming year 2020/21¹, with an average height of 146.3 millimeters. This showed a decrease of 49.8 percent compared with the previous farming year (2019/20) and a fall of 37.6 percent compared with the long-term average (52 years).

Table 3.1. Agricultural Products

(thousand tons)

	2020/21	2021/22	Growth rate (percent) ¹	Share in total (percent)	
				2020/21	2021/22
Farming products	91,794	70,464	-23.2	68.8	64.0
Horticultural products	24,374	22,420	-8.0	18.3	20.4
Livestock products	15,991	15,926	-0.4	12.0	14.5
Fishery products	1,269	1,258	-0.8	1.0	1.1
Total	133,427	110,068	-17.5	100.0	100.0

Source: Ministry of Agriculture-Jahad

¹ Due to the change in the methods used for collecting statistics, as well as significant alterations in data on agricultural products, a comparison of 2021/22 performance with previous years is impossible.

Table 3.2. Cumulative Precipitation

(millimeters)

	Farming year		Percentage change compared with	
	2019/20	2020/21	The farming year 2019/20	Long-term average (52 years) ¹
Water basins				
Caspian Sea	487.7	318.6	-34.7	-29.4
The Persian Gulf and the Gulf of Oman	402.8	182.9	-54.6	-43.4
Lake Urmia	364.1	258.4	-29.0	-24.4
The Central Plateau	201.2	88.9	-55.8	-40.4
Lake Hamoon	161.2	36.5	-77.4	-69.3
Kara-Kum	288.4	101.3	-64.9	-58.7
Iran	291.7	146.3	-49.8	-37.6

Source: Iran Meteorological Organization, National Drought Warning and Monitoring Center. ¹ Covering the period 1966-2018.

¹ The farming year 2020/21 begins as of October 2020 and continues until September 2021.

3.1. Farming and Horticultural Products

Based on data released by the Ministry of Agriculture-Jahad, about 92.9 million tons of farming and horticultural products were harvested in 2021/22¹, showing a decrease of 20.0 percent compared with the year before. Of total farming and horticultural products, 70.5 million tons (75.9 percent) were farming products, showing a decrease of 23.2 percent compared with the year before. Horticultural products amounted to 22.4 million tons, indicating a fall of 8.0 percent compared with 2020/21.

Grain production (wheat, barley, rice husks, and corn) decreased by almost 24.9 percent

to 17.3 million tons in 2021/22. Moreover, the production of barley and rice husks decreased by 36.0 percent and 33.5 percent, respectively, compared with the year before.

In 2021/22, total production of agro-industrial crops² decreased by 7.2 percent to 13.2 million tons. The production of sugar cane and sugar beet, with shares of respectively 45.0 percent and 49.5 percent in the production of agro-industrial crops, totaled respectively 5.9 million tons and 6.5 million tons. The production of sugar beet experienced the highest rise among agro-industrial crops by 16.3 percent.

Table 3.3. Cultivated Land Area and Production of Major Farming and Horticultural Products¹

(thousand hectares-thousand tons)

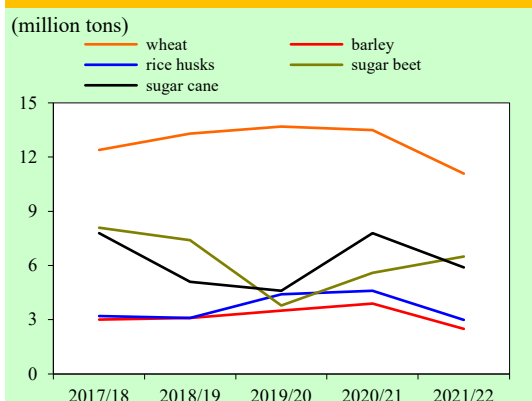
	2020/21		2021/22		Percentage change	
	Cultivated land area	Production	Cultivated land area	Production	Cultivated land area	Production
Farming products						
Wheat	6,005	13,541	6,269	11,132	4.4	-17.8
Barley	1,665	3,875	1,440	2,479	-13.5	-36.0
Rice husks	855	4,561	651	3,033	-23.9	-33.5
Corn	133	1,089	90	668	-32.4	-38.6
Cotton	99	278	78	219	-21.2	-21.1
Sugar cane	87	7,751	90	5,925	3.3	-23.6
Sugar beet	108	5,607	120	6,522	10.8	16.3
Oilseeds	334	533	277	493	-17.0	-7.5
Tobacco	12	26	5	10	-58.9	-60.9
Pulses	815	788	570	458	-30.1	-41.9
Potatoes	153	5,637	109	3,912	-28.6	-30.6
Onions	67	3,335	55	2,453	-18.3	-26.5
Horticultural products						
Citrus fruits	256	5,603	243	5,316	-5.1	-5.1
Grapes	283	3,390	255	2,775	-9.8	-18.1
Apples	223	4,225	219	4,044	-2.1	-4.3
Pistachio	424	387	512	360	20.7	-6.8
Tea	22	132	21	176	-3.4	33.3

Source: Ministry of Agriculture-Jahad

¹ Figures related to horticultural products cover the arable cultivated land area.

¹ The farming year 2020/21, beginning as of October 2020 and continuing until September 2021, is briefly referred to as 2021/22 in tables and figures.

² Cotton, sugar cane, sugar beet, oilseeds, and tobacco.

Figure 3.1. Production of Major Farming Products**Table 3.4. Yield of Major Farming and Horticultural Products, per Unit of Cultivated Land Area¹** (kilogram/hectare)

	2020/21	2021/22	Percentage change
Farming products			
Wheat	2,255	1,776	-21.3
Barley	2,328	1,722	-26.0
Rice husks	5,335	4,660	-12.6
Corn	8,217	7,462	-9.2
Cotton	2,813	2,817	0.1
Sugar cane	89,088	65,945	-26.0
Sugar beet	51,708	54,306	5.0
Oilseeds	1,596	1,781	11.6
Tobacco	2,176	2,071	-4.8
Pulses	968	803	-17.0
Potatoes	36,888	35,868	-2.8
Onions	49,752	44,791	-10.0
Horticultural products			
Citrus fruits	21,873	21,875	*
Grapes	11,989	10,877	-9.3
Apples	18,920	18,493	-2.3
Pistachio	912	704	-22.8
Tea	5,933	8,184	37.9

Source: Ministry of Agriculture-Jahad

¹ Ratio of production (unrounded figures) to the arable cultivated land area.

3.2. Livestock and Fishery Products

According to the Ministry of Agriculture-Jahad, livestock products, including red meat,

milk, poultry, eggs, and honey, amounted to 15.9 million tons in 2021/22, showing a fall of 0.4 percent compared with the year before.

Table 3.5. Livestock Products (thousand tons)

	2020/21	2021/22	Percentage change
Red meat	884	909	2.8
Milk	11,268	11,049	-1.9
Poultry	2,641	2,679	1.4
Eggs	1,082	1,177	8.7
Honey	115	112	-2.8
Total	15,991	15,926	-0.4

Source: Ministry of Agriculture-Jahad

In 2021/22, fishery products decreased by 0.8 percent to 1,258 thousand tons, with 53.4 percent of fishery products being related to the Persian Gulf, 2.4 percent to the Caspian Sea, and 44.2 percent to the aquaculture centers. The weight and value of fishery exports were 167 thousand tons and \$554 million, respectively, up by 19.5 and 4.8 percent, respectively, compared with the year before.

Table 3.6. Fishery Products and Exports

	2020/21	2021/22	Percentage change
Production (thousand tons)			
Persian Gulf	684	673	-1.7
Caspian Sea	31	30	-4.1
Aquaculture centers	553	556	0.5
Exports			
Value (million dollars)	529	554	4.8
Weight (thousand tons)	140	167	19.5

Source: Ministry of Agriculture-Jahad, Iran Fisheries Organization

3.3. Guaranteed Purchase of Major Agricultural Products

Setting the guaranteed purchase price on agricultural products, aimed at encouraging farmers to produce basic agricultural goods,

establishing a balanced production system, and maintaining the farmers' income level, has been an important government policy of recent years. In the farming year 2020/21, the guaranteed purchase price of farming products increased within a range of 35.0 to 107.1 percent compared with the year before. The guaranteed purchase price of wheat increased by 100.0 percent compared with 2020/21, with sugar beet (spring plantation) recording the highest rise in the guaranteed purchase price by 107.1 percent.

Table 3.7. Guaranteed Purchase Price of Major Agricultural Products (rial/kilogram)

	2020/21	2021/22	Percentage change
Wheat	25,000	50,000	100.0
Barley	16,300	23,798	46.0
Rice (Khazar variety)	61,120	82,512	35.0
Sugar beet (spring plantation)	6,024	12,476	107.1

Source: Cabinet decisions

3.4. Subsidies

Subsidy paid on goods and services (subject to Budgetary Measure No. 520000) reached Rls. 16.3 trillion in 2021/22. Out of this amount, a sum of Rls. 1,069 billion was paid on agricultural goods, services, and

activities, constituting 6.6 percent of total subsidy payment out of the mentioned Budgetary Measure.

3.5. Government Investment

According to data released by the Ministry of Economic Affairs and Finance, government credits paid on the acquisition of non-financial assets for the development of "agriculture and natural resources" and "water resources" projects amounted to Rls. 199.6 trillion in 2021/22, which rose by 68.3 percent compared with the year before and constituted 47.4 percent of the approved figure (Rls. 420.9 trillion). The credits paid on the acquisition of non-financial assets of the "agriculture and natural resources" project reached Rls. 60.7 trillion, rising by 26.5 percent compared with 2020/21. The highest share of these credits by 52.1 percent was related to "improvement of agricultural lands" group. The credits paid on the development of water resources amounted to Rls. 138.9 trillion, indicating an increase of 96.6 percent compared with the year before. The "water supply" project accounted for the highest share of the credits allocated to the development of water resources by 56.4 percent.

Table 3.8. Subsidy Payments under Budgetary Measure No. 520000 in 2021/22 (billion rials)

	Value	Share in total (percent)
Total subsidy payment to the agriculture sector	1,069	6.6
Assistance for the compensation of Iran Water Resources Management Company (Holding)	1,069	6.6
Subsidy payment to other sectors	15,212	93.4
Total subsidy paid under Budgetary Measure No. 520000	16,281	100.0

Source: Ministry of Economic Affairs and Finance

Table 3.9. Credits Paid on Acquisition of Non-financial Assets for Development of "Agriculture and Natural Resources" and "Water Resources" Projects (trillion rials)

	Performance figure		Percentage change	Share (percent)		2021/22	
	2020/21	2021/22		2020/21	2021/22	Approved figure	Realization ¹ (percent)
Agriculture and natural resources	48.0	60.7	26.5	40.4	30.4	133.4	45.5
Water resources	70.7	138.9	96.6	59.6	69.6	287.4	48.3
Total	118.6	199.6	68.3	100.0	100.0	420.9	47.4

Source: Ministry of Economic Affairs and Finance, Treasury General

¹ By realization, a dividing of the performance figure by the approved figure multiplied by 100 is meant.

3.6. Banking Facilities

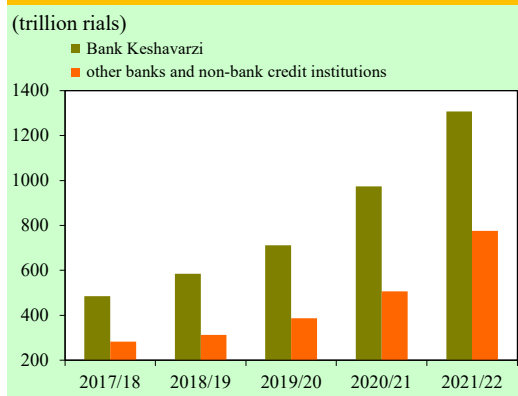
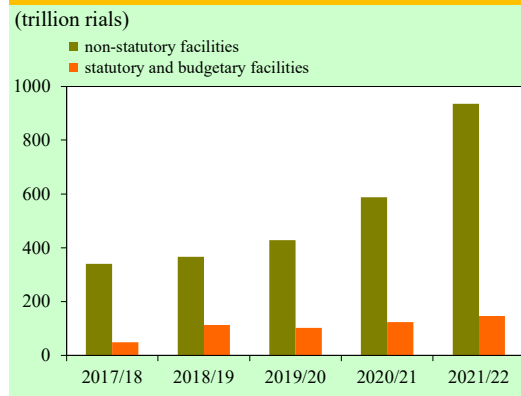
Outstanding facilities (net) extended by banks and non-bank credit institutions to public and non-public sectors active in the field of agriculture grew by 39.6 percent to Rls. 2,085.7 trillion in March 2022. The share of the non-public agriculture sector in the outstanding facilities (net) was 99.9 percent. By March 2022, the outstanding facilities (net) extended by Bank Keshavarzi (Agriculture Bank of Iran) to the non-public agriculture sector rose by 34.4 percent to Rls. 1,307.7 trillion. The share of Bank Keshavarzi in the outstanding facilities (net) extended to the public and non-public agriculture sectors was 62.7 percent, showing a fall of 2.4 percentage points compared with March 2021. Furthermore, bank Keshavarzi paid Rls. 1,080.9 trillion through non-statutory and statutory facilities, administered funds, and contracts in 2021/22, up by 51.9 percent compared with the year before. Out of credits paid by this bank, 86.5

percent (Rls. 935.1 trillion) were in the form of non-statutory resources, while 13.5 percent were in the form of statutory facilities, administered funds, and contracts. The composition of facilities extended by Bank Keshavarzi according to Islamic contracts indicates the high share of partnership contracts by 58.7 percent. A sum of Rls. 634.5 trillion was paid in the form of partnership contracts, indicating a rise of 53.9 percent. The composition of facilities extended by this bank by use indicates that "agricultural industries and services" activity (excluding the Gharz-al-hasaneh facilities), enjoying the highest share in total by 45.4 percent, increased by 70.6 percent to Rls. 490.5 trillion in 2021/22. Facilities extended by Bank Keshavarzi with a short-term repayment period, rising by 56.7 percent compared with 2020/21, enjoyed the highest share of 77.2 percent compared with the medium- and long-term periods.

Table 3.10. Outstanding Facilities¹ (Net) Extended by Banks and Non-bank Credit Institutions to Public and Non-public Sectors Active in Agriculture (trillion rials)

	March		Percentage change	Share (percent)	
	2021	2022		March 2021	March 2022
Non-public sector	1,479.9	2,083.6	40.8	99.1	99.9
Bank Keshavarzi	973.0	1,307.7	34.4	65.1	62.7
Other banks and credit institutions	506.9	775.9	53.1	33.9	37.2
Public sector	13.7	2.0	-85.1	0.9	0.1
Total	1,493.6	2,085.7	39.6	100.0	100.0

¹ Outstanding facilities (net) are calculated upon the deduction of the outstanding debt of customers and extended facilities under the exchange rate differential, future profits, future profits and commissions, receipts from Mudarabah, partnership contracts (with the bank as partner), and outstanding profits and commissions headings. Outstanding facilities include legal partnership and direct investment contracts.

Figure 3.2. Outstanding Facilities (Net) Extended by Banks to Non-public Agriculture Sector

Figure 3.3. Facilities Extended by Bank Keshavarzi

Table 3.11. Facilities Extended by Bank Keshavarzi by Term of Repayment (trillion rials)

	2020/21	2021/22	Percentage change	Share (percent)	
				2020/21	2021/22
Short-term	532.6	834.5	56.7	74.8	77.2
Medium-term	75.4	115.0	52.5	10.6	10.6
Long-term	103.7	131.3	26.7	14.6	12.2
Total	711.7	1,080.9	51.9	100.0	100.0

Source: Bank Keshavarzi

3.7. Agricultural Insurance Fund

In the farming year 2020/21, about Rls. 33.0 trillion was paid to farmers by the Agricultural Insurance Fund as compensation, showing an increase of 110.8 percent compared with the previous farming year. As this Fund is a loss-making institution, a large proportion of its commitments on compensations are constantly being financed out of government subsidies. It is to be noted that the share of government subsidies in the total paid compensation amounted to 68.7 percent in the farming year 2020/21, while 31.3 percent was financed out of the farmers' premium payments. Due to the government's failure to fulfill its commitments in due

time, Bank Keshavarzi has continually been the body in charge of financing the deficit of the Agricultural Insurance Fund over the past years. According to the report released by the Agricultural Insurance Fund, in the farming year 2020/21, this Fund insured 4.3 million hectares of lands under the cultivation of 200 farming and horticultural products against losses from natural disasters. The cultivated land area covered by the insurance scheme indicates an increase of 32.3 percent compared with the year before. Meanwhile, a sum of Rls. 27.7 trillion was paid by the Fund as compensation on farming and horticultural products in 2021/22, experiencing an increase of 106.2 percent compared with 2020/21.

Table 3.12. Performance of Agricultural Insurance Fund

	Insured area			Compensation paid (billion rials)		
	2020/21	2021/22	Percentage change	2020/21	2021/22	Percentage change
Farming (thousand hectares)	2,505	3,565	42.3	5,001	15,874	217.4
Horticulture (thousand hectares) ¹	739	728	-1.5	8,412	11,788	40.1
Livestock (thousand)	8,931	24,216	171.1	1,563	4,440	184.1
Poultry (million)	1,112	1,314	18.2	395	647	63.7
Aquaculture centers (billion)	2	2	10.1	283	267	-5.9
Machinery and equipment	28	83	196.4	8	0	-100.0
Natural resources (thousand hectares)	1,030	801	-22.2	13	29	115.9
Total	N/A	N/A	N/A	15,675	33,044	110.8

Source: Agricultural Insurance Fund.

¹ Includes "tree trunk" subgroup.**Table 3.13. Insured Farming and Horticultural Lands and Amount of Compensation**

	Area of insured land (thousand hectares)		Percentage change	Share (percent)	Compensation paid (billion rials)		Percentage change	Share (percent)
	2020/21	2021/22			2020/21	2021/22		
Wheat	2,029	2,668	31.5	62.1	3,434	11,868	245.6	42.9
Rice	66	68	2.2	1.6	661	786	18.9	2.8
Barley	169	500	195.9	11.6	301	1,983	#	7.2
Sugar beet	38	37	-2.4	0.9	118	206	75.1	0.7
Colza	128	105	-18.4	2.4	167	423	152.8	1.5
Pistachio	236	238	1.0	5.6	2,982	5,263	76.5	19.0
Other	578	678	17.2	15.8	5,750	7,134	24.1	25.8
Total	3,245	4,293	32.3	100.0	13,413	27,662	106.2	100.0

Source: Agricultural Insurance Fund

3.8. Performance of Rural, Women, and Agricultural Cooperatives and Unions

According to the Central Organization for Rural Cooperatives, the number of active rural, women, and agricultural cooperatives reached 6,710 in March 2022. These cooperatives covered 6.2 million rural dwellers, indicating an increase of 1.6 percent in terms of the number of cooperatives and a rise of 0.7 percent in terms of the members. By March 2022, the number of rural, women, and agricultural unions reached 503, up by 0.4 percent compared with March 2021. Meanwhile, the number of companies as member to these unions fell by 0.8 percent compared with March 2021, to 5,457 in March 2022. It is important to note that rural cooperatives purchased about 6.2 million tons of various agricultural products at agreed prices in March 2022, indicating a rise of

9.5 percent compared with the year before. Meanwhile, 148.6 thousand tons of various agricultural products were purchased by cooperatives at guaranteed prices, marking a 32-fold rise compared with March 2021.

Table 3.14. Rural, Women, and Agricultural Cooperatives and Unions

	March		Percentage change
	2021	2022	
Cooperatives			
Number	6,605	6,710	1.6
Members (thousand persons)	6,123	6,168	0.7
Capital (billion rials)	7,094	11,980	68.9
Unions			
Number	501	503	0.4
Member companies	5,500	5,457	-0.8
Capital (billion rials)	1,852	3,302	78.3

Source: Central Organization for Rural Cooperatives

3.9. Exports of Agricultural Products

Based on data released by the Ministry of Agriculture-Jahad, 8.5 million tons of various agricultural products worth \$5.3 billion were exported in 2021/22, indicating falls of 3.4 and 14.1 percent in terms of weight and value, respectively. Exports of agricultural products accounted for 7.0 percent of the weight and 11.0 percent of the total value of exports through Customs¹. In 2021/22, "farming products" accounted for 61.5 percent of total agricultural exports in terms of weight. "Horticultural products", despite a lower share of 29.3 percent in the weight of agricultural exports, accounted for 47.5 percent of the total value of agricultural exports.

3.10. Imports of Agricultural Products

According to the Ministry of Agriculture-Jahad, approximately 30.5 million tons of various agricultural products valued at \$17.1 billion were imported in 2021/22, showing increases of 28.9 and 56.9 percent in terms of weight and value, respectively. Imports of agricultural products accounted for 32.3 percent of the value and 74.2 percent of the weight of imported products. Meanwhile, the average value of each ton of imported agricultural products was \$560, indicating a rise of 21.7 percent compared with the year before. Imports of wheat amounted to 7.1 million tons in 2021/22, indicating an increase of 115.4 percent compared with the year before.

Table 3.15. Exports of Agricultural Products (million dollars-thousand tons)

	2020/21		2021/22		Percentage change	
	Value	Weight	Value	Weight	Value	Weight
Livestock and poultry ¹	685	675	680	639	-0.8	-5.3
Fish and fishery products	209	111	221	121	5.9	9.7
Farming products	2,077	5,425	1,870	5,248	-10.0	-3.3
Horticultural products	3,208	2,604	2,533	2,502	-21.0	-3.9
Forest products and grassland	32	20	30	21	-5.7	6.2
Total agricultural exports	6,210	8,835	5,334	8,532	-14.1	-3.4
Share of agricultural exports in total non-oil exports through Customs (percent)²	18.0	7.8	11.0	7.0	-7.0	-0.9

Source: Ministry of Agriculture-Jahad

¹ Includes the exports of veterinary pharmaceuticals.

² Non-oil exports through Customs exclude natural gas condensate. Percentage change is in percentage points.

Table 3.16. Imports of Agricultural Products (million dollars-thousand tons)

	2020/21		2021/22		Percentage change	
	Value	Weight	Value	Weight	Value	Weight
Livestock and poultry ¹	757	105	1,055	223	39.5	113.3
Fish and fishery products	48	20	32	11	-32.8	-42.0
Farming products	8,765	22,508	14,175	28,867	61.7	28.2
Horticultural products	1,285	1,025	1,798	1,415	39.9	38.0
Forest products and grassland	58	47	55	33	-4.8	-28.9
Total agricultural imports	10,912	23,704	17,116	30,550	56.9	28.9
Share of agricultural imports in total imports through Customs (percent)²	28.1	70.3	32.3	74.2	4.2	3.9

Source: Ministry of Agriculture-Jahad

¹ Includes the imports of veterinary pharmaceuticals.

² Percentage change is in percentage points.

¹ The weight and value of exports through Customs in 2020/21 and 2021/22 are calculated excluding the natural gas condensate.

In 2021/22, the value of imported wheat increased by 170.5 percent compared with 2020/21 to \$2.5 billion. Furthermore, the trade deficit of the agriculture sector increased by 150.6 percent to \$11.8 billion in the year under review. The increase in the trade deficit of the agriculture sector was the result of a rise of 56.9 percent in the value of the imports of agricultural goods versus a

fall of 14.1 percent in the value of the exports of agricultural commodities. Meanwhile, the average per-ton value of exported agricultural products decreased by 11.1 percent to \$625 in 2021/22. Considering the composition of agricultural imports and exports, the terms of trade of the agriculture sector decreased by 26.9 percent from 1.53 in 2020/21 to 1.12 in 2021/22.

Table 3.17. Trade Balance of Agricultural Products

(million dollars)

	2020/21	2021/22	Percentage change
Imports	10,912	17,116	56.9
Exports	6,210	5,334	-14.1
Trade balance ¹	-4,702	-11,782	150.6

Source: Ministry of Agriculture-Jahad

¹ The positive value represents surplus while the negative value refers to trade deficit.

Table 3.18. Terms of Trade for Agriculture Sector

(dollar/ton)

	2020/21	2021/22	Percentage change
Value of exports per ton	703	625	-11.1
Value of imports per ton	460	560	21.7
Terms of trade	1.53	1.12	-26.9