

# Cause of decrease of wheat purchase

President

of the Iranian Cereal Association: Unfortunately they do not buy wheat at the price determined and this causes 20-30 percent of farmers to not deliver their wheat and keep it in storage.

Mohammad

Hasan Talati, speaking with the News Channel, said: if the 40% rise in prices and inflation in various sectors related to wheat production is taken into account, the price would be IRR 25000-28000, and if wheat is imported from abroad with Nimaee exchange, the price would rise to more than IRR 30000.

Referring

to the meetings held for optimizing the price, he insisted that farmers are not interested in increasing the prices annually.

Qodrat

Heidari, deputy director of planning for the state owned commercial company, also pointed to the growing trend of wheat production, said: the prediction of the ministry of agriculture was to produce 14 million tons of wheat in 2019 and then it was reduced to 11 million tons and we were ready to buy that amount of wheat however despite all the financial bottlenecks, and despite the fact that

there was money available, we bought about 8 million tons. He said the decline in wheat purchases was due to a decrease in production and changing weather conditions.

Heidari on

the low purchase price of wheat, also pointing out that according to the law, the ministry of agriculture is responsible for the price-fixing, said: during the last 10 years the purchase rate of wheat has increased every year by 15%.

But we should only consider the purchase rate increase as a measure because in

the end it will incur additional financial cost on consumers and in this case

only a price increase will not be of assistance for the farmer.