

Onion price global problem not limited to Saudi market: FSC

09 February 2024 | News

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The Federation of Saudi Chambers (FSC) affirmed that the onion supply-chain crisis and the surge in prices are global issues that extend beyond the Saudi market.

In a statement released, the FSC reassured the public that the Saudi market is not vulnerable to an onion shortage.

It stated that local onion production in 2023 reached around 365,000 tonnes, covering 52 per cent of the Kingdom's consumption, which amounted to 702,000 tonnes. The remaining onion needs were imported from abroad.

The FSC attributed the disruptions in supply chains and reduced production levels in exporting countries amid the prevailing global circumstances to the global increase in onion prices. Consequently, this crisis has led to a decline in the Kingdom's onion imports from certain countries.

The FSC highlighted its collaboration with relevant authorities to monitor onion crop abundance in the Kingdom, promote domestic cultivation, and follow up on contracts with suppliers. Additionally, efforts are underway to expand the options for onion imports from different countries to meet local market demands.

As part of the ongoing efforts to address the crisis, the Food Abundance Committee, in collaboration with the FSC's agriculture national committee, conducted a study on October 1 to assess the impact of a three-month ban on onion exports imposed by one country.

Consequently, it was recommended that the committee closely monitor local supply, stocks, and contracts with the private sector in cooperation with the competent authorities. The committee was also tasked with incentivizing local farmers to cultivate onions through operating loans from the Agricultural Development Fund (ADF).