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The Logistics IQ Supply Monitor

Regional intelligence on food supply chains, agri-logistics, infrastructure & policy

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MARKET ALERT May 13, 2026: Turkey extends wheat & sunflower oil export ban through Q3 2026. Iran rice suspension enters month 4. Lebanon's Beirut Port operating at 55% capacity — alternative intake protocols now active. GCC reefer rates up 22% MoM on Red Sea rerouting. **Full analysis inside.**

+8.4% MENA FOOD INFLATION (MAY '26) — Levant & N. Africa 9–11%; GCC holding at 4–5% on subsidy buffers	**4.8 mo** GCC AVG. STRATEGIC RESERVE — Wheat 5.2 mo · Rice 4.1 mo · Sugar 5.6 mo across KSA, UAE, Qatar	**$3,240** 40FT REEFER (RED SEA ROUTE) — +22% MoM on Cape rerouting; adds 9–14 days to transit time	**67%** GCC RAIL NETWORK COMPLETE — UAE-KSA segment fully operational; Qatar spur commissioned Q1 2026

In This Issue

CRITICAL INTELLIGENCE BRIEF | TODAY'S BRIEFING

Five Supply Chain Signals That Define *MENA Food Logistics in May 2026*

This inaugural issue of The Logistics IQ Supply Monitor arrives at a defining moment for regional food security. The 2026 conflict cycle, combined with cascading export restrictions from key supplier nations, has produced a stress environment unlike any since 2022. Analyst Maan Barazy identifies the five most critical signals procurement and logistics leaders must act on now.

1 — The Red Sea Is Effectively Closed for Perishable Cargo
Reefer freight via Cape of Good Hope up 22% MoM. Every cold-chain shipment to MENA now costs more and takes 9–14 days longer. Salalah is absorbing the bypass, but congestion is building. Act now to pre-position or reroute.

2 — Lebanon Is the Region's Most Acute Supply Chain Emergency
Beirut Port at 55% capacity. Banking restrictions block normal import financing. Rice stocks at 42 days. The humanitarian-commercial interface in Lebanon is the hardest supply chain problem in MENA right now. Full analysis in the Special Report.

3 — Three Export Bans Are Reshaping MENA Procurement Lanes
Turkey (wheat flour & sunflower oil), Iran (rice — month 4), India (non-basmati quota). Combined, these bans affect a significant share of MENA import volumes in their respective categories. Alternative origins are available but carry cost premiums of $80–110/tonne in some cases.

4 — The GCC Rail Network Is No Longer a Future Asset — It Is Live
UAE-KSA segment operational. Qatar spur commissioned. 15% of May GCC Rail freight manifests are food commodities — up from 4% in Q3 2025. The multimodal shift is happening faster than most procurement plans account for. Model it into your routing now.

5 — Gulf Vertical Farming Has Crossed the Viability Threshold
Qatar and Kuwait are targeting 100% leafy-green self-sufficiency by Q1 2027. The investment case — already strong — has been sealed by 2026's logistics shock. For food service and retail buyers in the Gulf, domestic vertical farm supply is no longer a niche option. It is an emerging primary source.

The Analyst's View — Resilience Over Reaction
Every signal above represents a manageable challenge if addressed proactively. The worst outcomes in MENA food logistics come not from the shocks themselves but from reactive, uncoordinated responses to them. This newsletter exists to give you the lead time to act rather than react. Welcome to Issue 1.

LB SPECIAL REPORT

Lebanon Supply Chain: *The Region's Most Complex Logistics Emergency*

An in-depth assessment of Beirut Port constraints, import financing blockages, strategic reserve depletion, and the critical humanitarian-commercial interface shaping food access in Lebanon — May 2026.

55%
BEIRUT PORT OPERATING CAPACITY
Down from 78% pre-2025 stress. Berth availability limited; vessel queue averaging 3.2 days. Container yard utilisation at 91% — approaching operational threshold. Phase 2 reconstruction of grain elevator silo (EU-funded, €40M) ongoing but not operational until Q3 2026.

42 days
RICE STOCK — DAYS OF SUPPLY (MAY '26)
Lebanon's rice reserves are the most critically low of any non-conflict-zone MENA state. At current consumption rates, Lebanon has approximately 42 days of rice supply across commercial and government stocks. The FAO minimum threshold is 60 days. Immediate re-supply procurement is required.

~$180M
MONTHLY FOOD IMPORT VALUE (EST.)
Lebanon imports approximately 85% of its food requirements. Monthly import values are estimated at $150–200M. Critically, the near-complete dollarisation of the economy (90%+ of transactions in USD) means payment capacity is contingent on diaspora remittance inflows (~$145M/week) and BDL FX reserve access.

4–6 wks
IMPORT FINANCING LEAD TIME
Lebanese commercial banks remain severely restricted in issuing LCs (Letters of Credit) due to ongoing banking sector crisis. Most food importers are now operating on pre-payment or open-account terms — requiring USD cash upfront. This compresses procurement timelines and eliminates credit flexibility.

ANALYST ASSESSMENT — MAAN BARAZY, LOGISTICSIQ
Lebanon presents the most structurally complex food supply chain challenge in the MENA region. The compounding of three simultaneous crises — **port infrastructure constraints, banking system dysfunction, and import origin disruption** — means that the conventional supply chain playbook does not apply here. Standard LC-based import financing is unavailable. Standard port intake timelines are unreliable. Standard reserve replenishment assumptions are invalid given the BDL FX reserve constraints. What is needed — and what is partially materialising through UNHAS, WFP, and diaspora-funded procurement networks — is an entirely parallel logistics and financing architecture built around the country's de-facto dollarisation and diaspora financial flows.

Six Critical Pressure Points on Lebanon's Food Supply Chain

Beirut Port Reconstruction — Partial
The grain elevator silos destroyed in the August 2020 explosion remain only partially rebuilt. The EU-funded €40M silo reconstruction project is underway but the new facility won't reach operational capacity until Q3 2026 at earliest — leaving Lebanon's grain intake capacity constrained to 60–65% of pre-2020 levels for another quarter.

Banking System LC Freeze
Lebanese commercial banks can no longer issue standard Letters of Credit for food imports at normal terms. The 2019–present banking crisis means importers must either use international banks (expensive, requiring offshore accounts) or operate on USD pre-payment terms — concentrating financial risk on importers and eliminating standard credit periods.

Grain Reserve Depletion Rate
Lebanon's national wheat reserve cover has fallen to approximately 2.8 months — significantly below the FAO-recommended minimum of 3 months and far below GCC benchmarks of 5+ months. With the Beirut silo reconstruction incomplete, physical storage capacity constrains the ability to build reserves even when procurement is possible.

Fuel Cost Transmission
Diesel prices in Lebanon have risen 19% year-on-year in 2026, driven by regional fuel price dynamics and generator dependency (electricity grid providing only 2–4 hours/day in most areas). Cold chain logistics — refrigerated warehousing, reefer trucks, port reefer power — are absorbing disproportionate cost increases, threatening food safety standards across the supply chain.

Vessel Diversion — Tripoli as Backup
With Beirut Port operating at 55% capacity, an increasing share of commercial food cargo is being redirected to the Port of Tripoli (North Lebanon). Tripoli is handling approximately 30% above its normal commercial volume but has limited cold-storage infrastructure — creating bottlenecks specifically for temperature-sensitive imports including dairy, frozen protein, and fresh produce.

Humanitarian-Commercial Interface
WFP and UNHAS humanitarian food corridors are now operating alongside commercial import channels — but the two systems are not well-integrated. Humanitarian cargo benefits from priority berthing and clearing; commercial cargo does not. This creates perverse incentives and processing bottlenecks at customs, with commercial reefer units competing with humanitarian manifest clearances for limited port resources.

Lebanon — Critical Commodity Supply Assessment (May 2026)

COMMODITY	DAYS OF SUPPLY	PRIMARY IMPORT ORIGIN	ORIGIN RISK	FINANCING MODE	STATUS
Wheat / Flour	84 days	Ukraine, Romania, Australia	Moderate	USD pre-payment	WATCH
Rice	42 days	Thailand, Pakistan (Iran suspended)	High	USD pre-payment	CRITICAL
Sugar	68 days	Brazil, UAE re-export	Low-Mod	Mixed	WATCH
Edible Oils	56 days	Malaysia (palm), Turkey *suspended*	High	USD pre-payment	ELEVATED
Dairy / UHT Milk	61 days	EU (via Beirut), New Zealand	Moderate	International LC	WATCH
Frozen Protein	48 days	Brazil, India	High (cold chain)	USD pre-payment	ELEVATED
Fresh Produce	Local + 7 days	Domestic (Bekaa) + Jordan	Low	Cash / local LBP	ADEQUATE
Fuel (generator)	22 days	Iraq, KSA	Moderate-High	USD pre-payment	URGENT

Lebanon — Current Transport Mode Status

SEA (BEIRUT PORT)
55% Capacity
Primary intake. Grain elevator partial. Reefer berths limited. 3.2-day vessel queue.

SEA (TRIPOLI PORT)
Overflow Active
30% above normal volume. Limited reefer infra. Dry goods only — reliably.

ROAD (JORDAN/SYRIA)
Partial — Monitored
Jordan corridor functional. Syrian transit corridor security-dependent. Add 2–3 day buffer.

AIR (BEIRUT AIRPORT)
Operational
High-value, low-volume perishables only. Cargo hold capacity constrained by pax priority.

LOGISTICSIQ RECOMMENDATIONS — LEBANON
Lebanon-facing procurement and logistics teams should prioritise three actions immediately: **(1)** Build rice and edible oil buffer stocks to minimum 90-day levels before the Beirut Port silo reaches full capacity — window is Q3 2026. **(2)** Establish pre-approved international LC facilities with banks operating outside the Lebanese banking system (UAE, KSA, European correspondents) to bypass the domestic LC freeze for any shipments above $200K. **(3)** Register with WFP Lebanon's commercial-humanitarian coordination desk — priority port processing information, updated corridor status, and shared cold storage access are available through this channel to qualifying commercial importers.

SECTION 01 — REGIONAL BRIEF §1

The 2026 Conflict Ripple: *How Regional Instability Is Reshaping the MENA Food Map*

"The region is not facing famine — it is facing a logistics reckoning. Every disruption arrives on procurement desks within 72 hours."

The cascading effects of the 2026 regional conflict have moved beyond the battlefield into the food supply chain. For procurement managers and logistics directors across the Arab world, three macro dynamics are now non-negotiable realities: **price transmission is faster and more acute** than previous crisis cycles; **reserve cover is adequate for GCC states but critically thin for the Levant**; and **protein supply chains represent the next emerging pressure point** — less visible than grain headlines but accelerating rapidly.

⚠ VULNERABILITY WATCH — YEMEN & LEVANT
Yemen's Port of Hodeidah operating at 60% capacity — constraining approximately 70% of commercial food imports. Lebanon's Beirut Port at 55% (see Special Report). Jordan wheat reserves at 2.8 months — approaching the FAO minimum. The Levant sub-region requires coordinated multilateral logistics intervention, not country-by-country crisis management.

GCC Reserve Status: Saudi Arabia's GSFMO holds 5.2 months of wheat equivalent following procurement from Black Sea alternatives. Reserve drawdown rates are accelerating as import logistics are disrupted — replenishment lead times have extended from 45-day pre-crisis averages to **65–80 days** on key sea corridors, compressing the effective buffer below the headline figure.

"We are not running out of food. We are running out of certainty about when the next shipment arrives. That is a different crisis — and in some ways a harder one to manage."
— Senior procurement director, GCC sovereign food authority (name withheld)

COMMODITY	GCC RESERVE	LEVANT RESERVE	ALT. ORIGIN	RISK
Wheat	5.2 months	2.8 months	Australia, Argentina	WATCH
Rice	4.1 months	1.9 months	Thailand, Pakistan	ELEVATED
Sugar	5.6 months	2.4 months	Brazil, India	STABLE
Edible Oils	3.8 months	1.6 months	Malaysia (palm)	ELEVATED
Frozen Protein	3.2 months	1.4 months	Brazil, India, AUS	HIGH

Inventory Alert

Lebanon — Rice	42 days	CRITICAL
Jordan — Wheat	2.8 mo	WATCH
Egypt — Edible Oil	2.1 mo	WATCH
Lebanon — Fuel	22 days	URGENT
KSA — Wheat	5.2 mo	SAFE
UAE — Sugar	5.6 mo	SAFE
Qatar — Rice	4.4 mo	SAFE

Reefer Freight Index

20ft Far East→Jeddah	$2,180	+18%
40ft Far East→Jeddah	$3,240	+22%
40ft Europe→Dubai	$2,860	+16%
20ft Brazil→Jeddah	$1,920	+9%
40ft AUS→Dubai	$2,440	-4%

Rates as of May 13, 2026. Cape of Good Hope surcharge included. Source: Drewry / Freightos composite.

Input Cost Tracker

Urea (per tonne)	$345	↑12%
Potash (per tonne)	$280	↑8%
Diesel (regional avg)	$0.98/L	↑19%
Phosphate (per tonne)	$195	↓3%
Ammonia (per tonne)	$420	↑7%

Regulatory Alerts

TR **Turkey — Export Ban**
Wheat flour & sunflower oil ban extended through Q3 2026. Affects ~12% of Egypt's flour pipeline.

IR **Iran — Rice Freeze**
Month 4 of rice export suspension. Iraq and UAE most exposed. No timeline for lifting.

IN **India — Quota Watch**
Non-basmati rice quotas reinstated. Q3 review expected ~July 15. Monitor closely.

AU **Australia — Positive**
Record winter wheat crop forecast. Increased MENA allocation. Freight advantage via Salalah.

SECTION 02 — INFRASTRUCTURE & LOGISTICS PULSE §2

Ports Under Pressure: *Salalah Surges, GCC Rail Goes Live*

King Abdullah Port's congestion is forcing a fundamental rethinking of MENA's transshipment architecture.

King Abdullah Port (KAP), Saudi Arabia: Average dwell time for reefer units has climbed to **6.2 days** (vs. 2.4-day benchmark). Vessel queue times are 48–72 hours above normal. Phase 1 of an emergency expansion targeting berths 14–17 is underway — completion targeted Q4 2026.

PORT INTELLIGENCE — SALALAH, OMAN
Port of Salalah has registered a **34% surge in transshipment volume** (Jan–May 2026), driven by liner services bypassing Red Sea and Suez congestion. Hutchison Ports and APM Terminals are green-lighting emergency capacity expansion — two additional deepwater berths commissioning September 2026. Salalah's position outside the conflict risk zone is its most commercially valuable attribute right now.

ALTERNATIVE LOGISTICS CORRIDORS — MAY 2026 STATUS

Salalah Port	UAE / KSA	OPEN / SURGE
GCC Rail (UAE)	KSA / Qatar	OPERATIONAL
Saudi Land Bridge	Jeddah ↔ Dammam	ACTIVE
Iraq Dev Road	Turkey / EU	PARTIAL (Phase 1)
Jordan Trucking	KSA / UAE	CAPACITY STRESS
Red Sea / Suez	Europe / Asia	HIGH RISK
Beirut Port	Lebanon intake	55% CAPACITY

Operational · Stressed · High Risk

→ The **GCC Rail Network** (67% complete) is carrying 15% food commodity manifests in May 2026 — up from 4% in Q3 2025. The UAE-KSA segment handles 22,500 tonnes/day at full capacity.

→ The **Iraq Development Road** (Basra Grand Faw Port → Turkish border, 1,200km) completed Phase 1 in April 2026 — absorbing light freight, projected for significant food volumes by late 2027.

→ **Jordan–KSA trucking corridor** is at an estimated 87% of theoretical capacity — a secondary bottleneck forming as road freight absorbs demand from stressed sea routes.

SECTION 03 — AGRITECH & SUSTAINABILITY

Indoor Farming's Defining Moment: *Qatar and Kuwait Lead the Vertical Revolution*

Qatar — Al Sulaiteen Vertical Farm
Phase 3 Commissioned · May 2026
48,000m² across 22 growing towers. Targeting 100% national sufficiency in leafy greens by Q1 2027. Daily output: 12 tonnes. QAR 2.4B ($659M) further investment committed through 2030. Developed in partnership with Wageningen University.

48K m²	12t/day	Q1 '27
GROWING AREA	OUTPUT	SELF-SUFFICIENCY

Kuwait — Desert Greens Initiative
Kabd District · Phase 1 Operational
Six modular vertical farming units, each 6,000m². 100% solar-powered LED growing systems with closed-loop hydroponic water recycling using 94% less water than conventional field agriculture. Current output: 8.4 tonnes/day of baby spinach, rocket, romaine, and fresh herbs.

6	8.4t/day	94%
ACTIVE UNITS	OUTPUT	WATER REDUCTION

Solar Desalination × Hydroponic Clusters
NEOM (KSA) & Al Ain (UAE)
NEOM's Aqua Power delivers 120,000m³/day of solar-powered desalinated water, 35% allocated to hydroponic growing clusters. UAE's ADAFSA Al Ain pilot (completed April 2026) produces 4 tonnes/day of tomatoes, cucumbers, and capsicums entirely on solar energy and reclaimed water.

120K m³	100%	4t/day
DAILY DESAL.	SOLAR-POWERED	AL AIN OUTPUT

AI Crop Management — CropMind Platform
14 Gulf Farms Deployed · Bahrain-Based AgriLogic
Computer vision and ML optimising LED spectrum scheduling, nutrient dosing, and harvest timing across 14 indoor farms in KSA, UAE, and Qatar. Early data: +22% yield per m², 31% reduction in nutrient input waste, 18 billion sensor readings processed in May 2026 alone.

14	+22%	18B
FARMS	YIELD/M²	SENSORS/MO

SECTION 04 — REGULATORY & POLICY UPDATE

Export Bans and Green Lanes: *The Regulatory Landscape Reshaping MENA Food Trade*

Wheat Flour & Sunflower Oil Ban — Extended Q3 2026

Rice Export Suspension — Month 4, No Timeline

Green Lane Digitalisation — 65% Border Dwell Reduction

Non-Basmati Rice Quotas — July 15 Review

§5 — The Data Corner

Resilience Playbook

The Logistics IQ Supply Monitor