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Report Name: Food Service - Hotel Restaurant Institutional

Country: Morocco

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Report Highlights:

Morocco's hotel, restaurant, and institutional industry (HRI) started to recover in 2022, reflecting an increase in tourism arrivals as COVID-19 travel restrictions ease. According to Ministry of Tourism reports, Morocco received 3.4 million foreign visitors at the end of the first half of 2022, a 300 percent year-on-year increase (compared to a 57 percent decline in 2021). Implementation of the U.S.-Morocco Free Trade Agreement (FTA) resulted in the continued phase-out of many tariffs for consumer-oriented products.

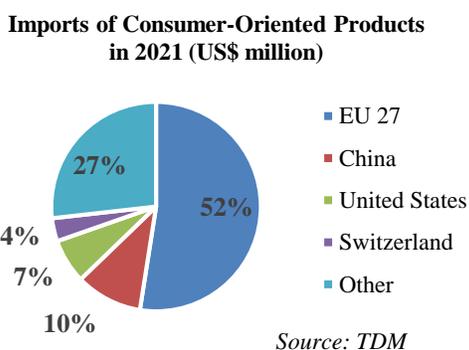
Market Fact Sheet: Morocco

Executive Summary

Morocco's food service industry started to recover in 2022, reflecting an increase in tourism arrivals as COVID-19 travel restrictions ease. U.S. exports of consumer-oriented products to Morocco doubled in 2021, reaching \$166 million. Morocco imports limited volumes of U.S. pre-packaged chocolates, seafood, sauces, and spirits. U.S. almond exports led growth in the food service industry.

Imports of Consumer-Oriented Products

In 2021, U.S. exports of consumer-oriented products to Morocco totaled \$166 million, a 32% increase from the previous year due to the phase out of tariffs for consumer-oriented products, especially tree nuts. The United States continues to face strong competition from the European Union.



Food Processing Industry

Morocco's food processing industry is comprised of 2,050 registered companies and employs more than 159,500 people; approximately 85 percent of them are small size companies with less than 20 employees. Food processing sales are a major focus in the domestic market and generated about \$6 billion in 2021.

Food Retail Industry

In 2021, Morocco's food retail market represented 14 percent of GDP. The Casablanca-Rabat corridor accounts for about 50 percent of all modern retailers. Marjane Holding (Marjane and Marjane Market) and Label'Vie (Carrefour, Carrefour Market, and Atacadao) are Morocco's leading modern food retailers with other notables including Ynna Holdings

(Aswak Salam) and the Turkish small format discounter BIM.

Quick Facts CY 2021

Imports of Consumer-Oriented Products

- \$2.4 billion from the World
- \$ 166 million from the United States

List of Top 10 Growth Products in Host Country

- | | |
|------------------------|------------------------------|
| 1) Tree nuts | 2) Seafood |
| 3) Food preparations | 4) Pulses |
| 5) Rice | 6) Cheese |
| 7) Sauces & condiments | 8) Chocolate & confectionary |
| 9) Poultry, beef | 10) Beer, win, and spirits |

Food Trade (U.S. billion) 2021

Food Exports- Agricultural and Related Products total (2021)	\$7.4
Food Imports- Agricultural and Related Products total (2021)	\$8.6
Retail Food Imports (2021)	\$1.7

Top Morocco's Retailers

- [Marjane Holding](#) (Marjane and Acima)
- [Label'Vie](#) (Carrefour, Carrefour Market, and Atacadao)
- [Ynna Holding](#) (Aswak Salam)
- [BIM Stores SARL](#) (BIM)
- [Akwa Group](#) (Minibrahim)

GDP/Population 2021:

Population (*millions*): 36.3
 GDP (*billions USD*): \$124
 GDP per capita (*USD*): \$3,421

Sources: [World Bank](#), [Morocco Office des Changes](#), [Morocco Haut Commissariat au Plan](#), [Central Intelligence Agency \(CIA\)](#).

Strengths/Weaknesses/Opportunities/Challenges

Strengths	Weaknesses
US-Morocco FTA provides market access and opportunities to use Morocco as a platform to reach African market.	Distance and lack of shipping lines. Freight disadvantage.
Opportunities	Threats
Morocco is one of the fastest growing economies in North Africa.	Erosion of U.S. preferences vis-à-vis Morocco's FTA with the EU, Arab League

Data and Information Sources:

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SECTION I. MARKET SUMMARY

The Government of Morocco lifted its COVID-related curfew and reopened international borders in November 2021, renewing tourism arrivals and generally boosting performance of the hotel, restaurant, and institutional industry (HRI). According to Ministry of Tourism reports, Morocco received 3.4 million foreign visitors by summer 2022, representing a 300 percent, year-on-year increase (compared to 57 percent decrease in 2021). Morocco’s food service market is currently valued at \$3.3 billion. Its fastest growing categories were quick and full-service restaurants. Morocco’s food service industry is most developed in Casablanca (commercial center) and Marrakech (tourism).

Table 1: Food Service Establishments and Consumer Sales, 2016-2021

	2016	2017	2018	2019	2020	2021
Food Service Units	54,958	55,475	55,992	56,503	50,496	50,254
Transactions (million)	1,456	1,474	1,492	1,512	1,016	1,051
Food Service Sales, Million U.S.\$	3,098	3,212	3,296	3,436	2,264	2,306

Source: [Euromonitor](#). Food service industry

Table 2: Advantages and Challenges Specific to the Moroccan Food Service Market

Advantages	Challenges
Morocco remains a desirable location for international quick service restaurants (QSR) and sit-down restaurants growing their international presence	Still limited market penetration outside Casablanca and Marrakech
The Moroccan economy relies heavily on tourism and hotel development, which in turn drives supply chain investment and demand for high-quality, safe ingredients	Food service suppliers from EU offer lower prices due to lower shipping costs and have closer relations with Moroccan clients.
U.S. ingredients like beef, poultry, almonds, prunes, and pulses fit well with traditional Moroccan cuisine	French-style cafes, bakeries, restaurants, and hotels dominate Morocco’s food service industry
Tolerance of alcohol consumption	Very limited number of importers and distributors active in this market segment

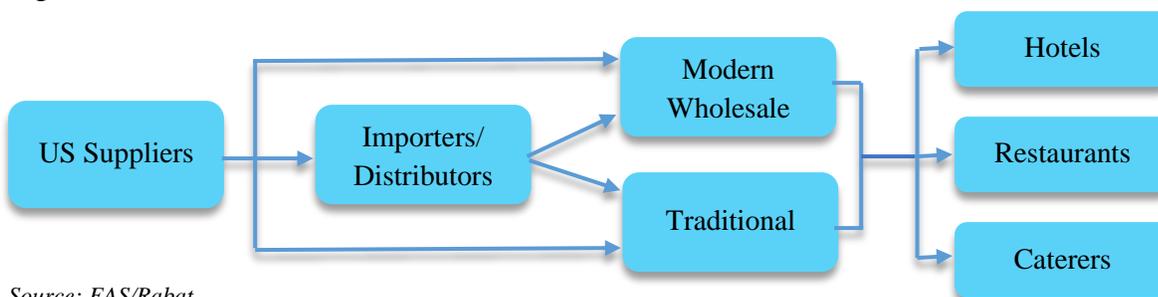
SECTION II. ROAD MAP FOR MARKET ENTRY

A. Market Entry Strategy

The network of importers and distributors in this market segment is limited, with a strong concentration of established supply chain investments and relationships in Europe. Many established importers and wholesalers provide credit (1-3 months) to hotels and restaurants. While there is little cross-over of importers/distributors among food service and retail, some independent hotels and restaurants do rely on large retailers to source ingredients. U.S. exporters that want to enter the Moroccan market must comply with local regulations for imported products to avoid problems when importing products. For further information on these regulations, please refer to [FAIRS Report](#).

B. Market Structure

Figure 1: Distribution Chains for Hotels and Restaurants in Morocco



Source: FAS/Rabat

Restaurants

- Quick-service (QSR) and pizza food service establishments, including Pizza Hut, Dominos, McDonalds, Burger King, and KFC, have a strong presence in major Moroccan cities (e.g., Casablanca, Rabat, Marrakech, and Tangier), while Chili’s, Starbucks, Cinnabon, and Papa John’s are present in one or more cities.
- On January 12, 2022, KFC Maroc announced the opening of 10 new restaurants in the kingdom. The company claims to have invested about USD 3.3 million in its development strategy in one year.
- French style bakeries and cafes are inseparable from Moroccan food culture and lifestyle. French and Spanish cuisine are popular restaurant formats and alcohol is served.
- Most non-QSR restaurants close entirely for the month of [Ramadan](#). However, select upscale restaurants do open for the evening breaking of the fast, and of those, most replace their *a la carte* menu with buffets. Ramadan 2023 dates are March 22- April 21.
- Moroccan restaurants increasingly relying on third party delivery services like [Jumia food](#) and [Glovo](#).

Table 3: Full-Service Restaurants by Category: Units/Outlets 2016-2021

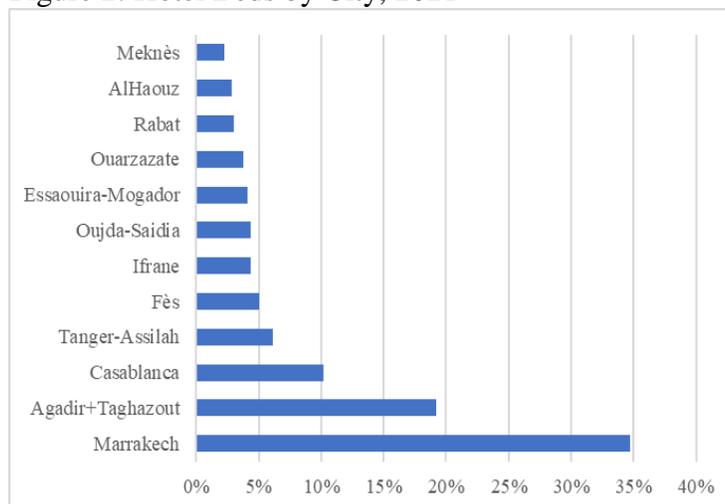
Outlets	2016	2017	2018	2019	2020	2021
Asian Full-Service Restaurants	114	127	142	157	148	150
Franchise	20	20	21	22	22	22
Independent	94	107	121	135	126	128
European Full-Service Restaurants	202	207	212	216	201	202
Franchise	37	39	41	43	42	42
Independent	165	168	171	173	159	160
Latin American Full-Service Restaurants	57	60	63	66	62	63
Franchise	3	3	3	3	3	3
Independent	54	57	60	63	59	60
Middle Eastern Full-Service Restaurants	801	808	817	828	799	809
Franchise	38	39	41	43	43	44
Independent	763	769	776	785	756	765
Pizza Full-Service Restaurants	184	190	196	202	192	194
Franchise	41	42	43	44	43	42
Independent	143	148	153	158	149	152
Total Full-Service Restaurants	1,358	1,392	1,430	1,469	1,402	1,418

Source: [Euromonitor](#). Food service industry

Hotels

- Moroccan upscale lodging that features imported foods include a mix of European and Moroccan hotel chains, as well a few independent operators.
- In 2021, the total nights spent in tourist accommodation establishments registered a 2.3 percent increase from 2020. See [link](#).
- Two tourist destinations, Marrakech and Agadir, generated 54 percent of the total number of nights spent by travelers in 2021.

Figure 2: Hotel Beds by City, 2021



Source: [Morocco Ministry of Tourism](#).

- According to recent report by the Ministry of Tourism, Morocco received 3.4 million foreign visitors at the end of the first half of 2022, representing an increase of 303.4 percent, year-on-year, after a decline of 57.3 percent in 2021.
- The Moroccan National Tourism Office (ONMT) expects the arrival of 200,000 tourists from Israel in 2022 as a result of the establishment of diplomatic ties between the two countries. As the number of Israeli tourists in the country increases, Morocco has witnessed a significant rise in the number of restaurants providing Kosher meals and other Kosher-friendly options.

Institutional (Catering)

- [Newrest Maroc](#) partner [Rahal Group](#) and [SODEXO](#) are estimated to account for over 80 percent of the catering market, Newrest being the leader.
- Catering peaks during the summer (May-August) when the wedding season and festivals tend to concentrate.
- Most catered meals are Moroccan-style, including lamb, beef, poultry, dried fruits and tree nuts, spices, tea, coffee, and sugar, but requests for western-style buffets are growing.
- The catering industry consists mainly of medium and large companies that have been operating in this sector for several years ago.

SECTION III. COMPETITION

Table 4: Morocco Imports of Select Consumer-Oriented Food Products

Commodity	Description	Average of 2019-2021 (World)	Average of 2019-2021 (USA)	U.S. Market Share (%)	U.S. Duty	Top Suppliers
Meat and Edible Meat Offal						
201	Meat of Bovine Animals, Fresh or Chilled	\$8,675	\$0	0%	0%*	AUS,ARG
202	Meat of Bovine Animals, Frozen	\$22,077,596	\$31,162	0%	0%*	EU
203	Meat of Swine (Pork), Fresh, Chilled or Frozen	\$157,604	\$0	0%	0%	EU
207	Meat & Ed Offal of Poultry, Fresh, Chill or Frozen	\$2,299,064	\$213,748	9%	0%*	BRA,EU
Fish, Crustaceans & Aquatic Invertebrates						
302	Fish, Fresh or Chilled (No Fillets or Other Meat)	\$18,539,419	\$2,919	0%	0%	EU
303	Fish, Frozen (No Fish Fillets or Other Fish Meat)	\$42,082,791	\$494,493	1%	0%	EU
306	Crustaceans Live Frsh Etc Smoked/Cooked Flours Etc	\$89,410,638	\$0	0%	0%	EU
Dairy Products						
401	Milk And Cream, Not Concentrated or Sweetened	\$6,668,185	\$1,962	0%	0%	EU
40210	Milk & Crm,Cntd,Swt,Powdr,Gran/Solids,Nov 1.5% Fat	\$20,110,838	\$3,376,020	17%	0%	EU
405	Butter And Other Fats and Oils Derived From Milk	\$70,652,612	\$1,644,356	2%	0%	NZL, EU
406	Cheese And Curd	\$116,495,969	\$1,669,462	1%	0%	EU
409	Honey, Natural	\$8,300,620	\$609	0%	0%	CAN
Edible Vegetables & Certain Roots & Tubers						
70190	Potatoes, Except Seed, Fresh or Chilled, Nesoi	\$279,277	\$150,758	54%	0%	EU
703	Onions, Shallots, Garlic, Leeks Etc, Fr or Chilled	\$16,812,382	\$0	0%	0%	EU
710	Vegetables (Raw or Cooked By Steam Etc), Frozen	\$769,634	\$29,501	4%	0%	EU
713109920	Peas	\$6,659,843	\$515,481	8%	0%	CAN
713339010	Dry Beans	\$9,562,197	\$846,167	9%	0%	EGY
713409090	Lentils	\$34,325	\$87	0%	5.20%	EU, CAN
Edible Fruit & Nuts; Citrus Fruit or Melon Peel						
80211	Almonds, Fresh or Dried, In Shell	\$52,910	\$49,618	94%	0%	USA, EU
80212	Almonds, Fresh or Dried, Shelled	\$81,009,528	\$78,944,262	97%	0%	USA, EU
80221	Hazelnuts or Filberts, Fresh or Dried, In Shell	\$26,362	\$0	0%	0%	EU, TUR
80222	Hazelnuts or Filberts, Fresh or Dried, Shelled	\$2,343,780	\$0	0%	0%	EU, TUR
80231	Walnuts, Fresh or Dried, In Shell	\$37,826,658	\$8,826,472	23%	0%	CHL, USA
80232	Walnuts, Fresh or Dried, Shelled	\$39,417	\$29,844	76%	0%	CHL, USA
80251	Pistachios, Shelled, Fresh or Dried	\$7,194,639	\$3,707,116	52%	0%	EU, IRN
802900010	Pecans	\$87,630	\$63,974	73%	0%	USA, IRN
802900085	Pecans, other	\$11,341	\$0	0%	0%	EU
80620	Grapes, Dried (Including Raisins)	\$14,556,381	\$21	0%	0%	EU
80810	Apples, Fresh	\$5,067,014	\$57,316	1%	0%	EU
80830	Pears, Fresh	\$31,367,139	\$0	0%	0%	EU
Coffee, Tea, Mate & Spices						
901	Coffee; Coffee Husks Etc; Substitutes With Coffee	\$108,794,125	\$2,217	0%	0%	IDN, GIN
90210	Green Tea Nt Fermtd In Packg Content Nov 3Kg	\$11,308,508	\$5,928	0%	0%	CHN, EGY
90230	Black Tea Fermtd & Partly Fermtd Tea, Packg 3Kg	\$1,076,250	\$2,614	0%	0%	EU
904	Pepper, Genus Piper; Genus Capsicum or Pimenta	\$18,557,426	\$187	0%	0%	EU
910	Ginger, Saffron, Tumeric, Thyme, Bay Leaves Etc.	\$31,612,366	\$9,184	0%	0%	EU
Cereals						
1006	Rice	\$29,947,533	\$2,234,041	7%	0%	EU
Milling Products; Malt; Starch; Inulin; Wht Gluten						

1101	Wheat or Meslin Flour	\$178,231	\$154	0%	0%	EU, CHN
Oil Seeds and Oleaginous Fruits; Miscellaneous grain, seed and fruits, Industrial or Medicinal Plants, Straw and Fodder						
1206	Sunflower Seeds, Whether or Not Broken	\$8,542,046	\$319,913	4%	0%	EU
Animal or Vegetable Fats, Oils Etc. & Waxes						
150790	Soybean Oil, Refined, And Fractions, Not Modified	\$1,828,252	\$372	0%	0%	EU, EGY
151620	Vegetable Fats & Oils/Fractions Hydrogenated Etc	\$33,317,530	\$13,057	0%	0%	UAE, MYS
Edible Preparations of Meat, Fish, Crustaceans, Etc.						
1601	Sausages, Similar Prdt Meat Etc Food Prep Of These	\$739,655	\$14,634	2%	0%	EU
1602	Prepared or Preserv Meat, Meat Offal & Blood Nesoi	\$16,194,481	\$66,650	0%	0%	EU, BRA
1604	Prep or Pres Fish; Caviar & Caviar Substitutes	\$27,163,177	\$16,308	0%	0%	SEN, EU
1605	Crustaceans, Molluscs Etc. Prepared or Preserved	\$4,048,097	\$0	0%	0%	EU, UAE
Sugars And Sugar Confectionary						
170191	Cane/Beet Sugar, Refined, Solid, Added Flav/Color	\$69,394	\$0	0%	4.10%	EU, BRA
1704	Sugar Confection (Incl White Chocolate), No Cocoa	\$22,418,122	\$66,598	0%	5.20%	EGY, EU
Cocoa And Cocoa Preparations						
1805	Cocoa Powder, Not Sweetened	\$17,006,111	\$9,070	0%	0%	EU
1806	Chocolate & Other Food Products Containing Cocoa	\$79,072,598	\$240,920	0%	0%	EU
Prep Cereal, Flour, Starch or Milk; Bakers Wares						
1902	Pasta, Prepared or Not; Couscous, Prepared or Not	\$14,185,245	\$2,341	0%	0%	EU, CHN
1905	Bread, Pastry, Cakes Etc; Comm Wafers, Emp Caps	\$102,693,174	\$2,335,932	2%	0%	TUR, EU
Prep Vegetables, Fruit, Nuts or Other Plant Parts						
2002	Tomatoes Prepared or Preserved Nesoi	\$13,746,608	\$0	0%	0%	EGY, EU
200410	Potatoes, Prepared Etc., No Vinegar Etc., Frozen	\$25,125,938	\$2,182	0%	0%	EGY, EU
2005	Vegetables Nesoi Prepared Etc Nesoi, Not Frozen	\$18,309,109	\$74,359	0%	0%	EU
2007	Jams, Fruit Jellies, Marmalades Etc, Cooked	\$7,010,935	\$21,660	0%	0%	UAE
2008	Fruit, Nuts Etc Prepared or Preserved Nesoi	\$15,531,214	\$466,732	3%	0%	EU
2009	Fruit Juice Nt Frtfd W Vit/Mnl Veg Juice No Spirit	\$10,216,259	\$824	0%	0%	EGY, EU
Miscellaneous Edible Preparations						
2103	Sauces & Prep; Mixed, Mustard Flour Etc	\$44,458,303	\$748,136	2%	0%	EU
2105	Ice Cream And Other Edible Ice, With Cocoa or Not	\$5,987,695	\$95,194	2%	0%	EU, TUR
210690	Food Preparations Nesoi	\$94,799,667	\$2,460,661	3%	5.20%	EU
Beverages, Spirits and Vinegar						
2201	Waters, Natural Etc, Not Sweetened Etc; Ice & Snow	\$8,219,028	\$1,035	0%	0%	EU
2202	Waters, Sweetened Etc & oth Nonalc Beverages Nesoi	\$33,341,041	\$50,092	0%	0%	EU, TUR
2204	Wine of Fresh Grapes; Grape Must Nesoi	\$26,679,126	\$97,309	0%	0%	EU
220830	Whiskies	\$16,161,935	\$2,685,717	17%	0%	EU
220840	Rum And Tafia	\$530,408	\$201,790	38%	0%	USA, EU
220850	Gin And Geneva	\$1,804,568	\$0	0%	0%	EU
220860	Vodka	\$12,423,575	\$66,484	1%	0%	EU

Source: Morocco Office des Changes

SECTION IV. BEST PRODUCT PROSPECTS CATEGORIES

Products present in the market that have good sales potential:

- Almonds, Pistachios, Walnuts
- Dairy Products (Cheese)
- Bread, Pastry and Cakes
- Food Preparations
- Spirits

Products not present in significant quantities but which have good sales potential:

- Poultry, Beef
- Rice
- Pulses
- Prunes, Raisins, Cranberries
- Apples
- Canned Fruit and Vegetables
- Frozen Food, including Potatoes and Seafood
- Frozen Yogurt and Ice Cream Mixes
- Flour Mixes
- Confectionary, including Chocolate and Cocoa
- Popcorn
- Sauces and Condiments
- Non-alcoholic Beverages, including Coffee

Product Not Present Because They Face Significant Barriers:

- Meat of sheep and goat, no market access
- Meat of swine (Pork), no market access

SECTION V. POST CONTACT AND FURTHER INFORMATION

For questions or comments regarding this report, or assistance exporting to the Moroccan market, please contact the Foreign Agricultural Service in Rabat. Importer listings are available from the Foreign Agricultural Service for use by U.S. exporters of U.S. food and agricultural products.

Agricultural Affairs Office

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Attachments:

No Attachments