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Report Name: Food Service - Hotel Restaurant Institutional

Country: Morocco

Post: Rabat

Report Category: Food Service - Hotel Restaurant Institutional

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Report Highlights:

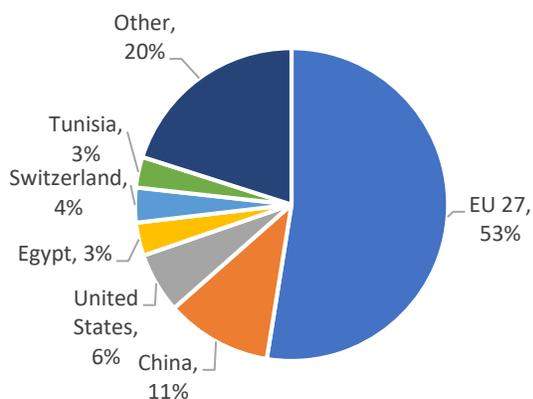
Morocco's hotel, restaurant, and institutional sector consistently improved its strength in 2023, reflected in the surge of tourist arrivals. According to a Ministry of Tourism report, Morocco received 10.9 million tourists and registered a 75 percent increase compared to pre-pandemic levels. Implementation of the U.S.-Morocco Free Trade Agreement (FTA) led to ongoing elimination of numerous tariffs on consumer-oriented products. In 2023, tariffs on items such as lentils, sugar confections, and food preparations were completely phased out.

Market Fact Sheet: Morocco

Morocco, a U.S. Free Trade Agreement partner, is a price-sensitive market that does not showcase significant quantities of U.S. food and beverages in the retail sector. In 2022, U.S. exports of retail-related products to Morocco reached \$138 million. Morocco imports limited volumes of U.S. pre-packaged chocolates, seafood, sauces, and spirits. A surge in U.S. almond exports is leading growth in retail-oriented trade.

Imports of Consumer-Oriented Products (2020-2022 Average Imports)

In 2022, U.S. exports of consumer-oriented products to Morocco amounted to \$155 million, representing a 6 percent decline from the previous year's total \$166 million. This decrease was a result of inflation and rising shipping expenses. The United States continues to encounter intense competition from the European Union.



Sources : *Office des Changes, TDM*

Food Service Industry

The food service industry in Morocco is expected to grow, despite inflationary pressures. Morocco's food service industry is most developed in Casablanca (commercial center) and Marrakech (tourism).

Food Processing

Morocco's food processing industry is comprised of 2,100 registered companies and employs more than 161,671 people. Sales of processed foods generated about \$16 billion in 2022 in Morocco. The U.S.- Morocco Free Trade Agreement provides tariff advantages for many U.S. food products.

Quick Facts CY 2022

Imports of Consumer-Oriented Food Products:

- \$2.7 billion from the World
- \$170 million from the United States

Top 10 Best Products:

- Tree Nuts
- Chocolate
- Dairy Products
- Food Preparations
- Beer, Spirits and Liqueurs
- Sweeteners & Confectionary
- Seafood
- Rice
- Sauces and Condiments

Food Trade (U.S. billion):

Food Exports- Agricultural and Related Products total (2022)	\$8
Food Imports- Agricultural and Related Products total (2022)	\$10.8
Retail Food Imports (2022)	\$1.9

Top Morocco's Retailers:

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

Top 6 OSR Chains in Morocco:

- [McDonalds](#)
- [Pizza Hut](#)
- [Domino's Pizza](#)
- [KFC](#)
- [Burger King](#)
- [Pomme de Pain](#)

GDP/Population 2022:

Population (millions): 36.3

GDP (billions USD): \$124

Moroccan Market Advantages and Disadvantages

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	Challenges
Morocco is one of the fastest growing economies in North Africa.	Erosion of U.S. preferences vis-à-vis Morocco's FTAs with the EU, Arab League.

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SECTION I. MARKET SUMMARY

Morocco’s food service market has been experiencing steady growth after the pandemic, paralleling the country’s rebounding tourism sector and a growing preference for eating out among the local population. Food service sector is currently valued at \$3.4 billion with the fastest growing categories being 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, 2017-2022

	2017	2018	2019	2020	2021	2022
Food Service Units/Outlets	1,392	1,430	1,469	1,402	1,422	1,460
Transactions	22,752	23,531	24,368	15,347	15,565	16,273
Food Service Sales, Million U.S.\$	4,616	4,862	5,105	3,275	3,308	3,448

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

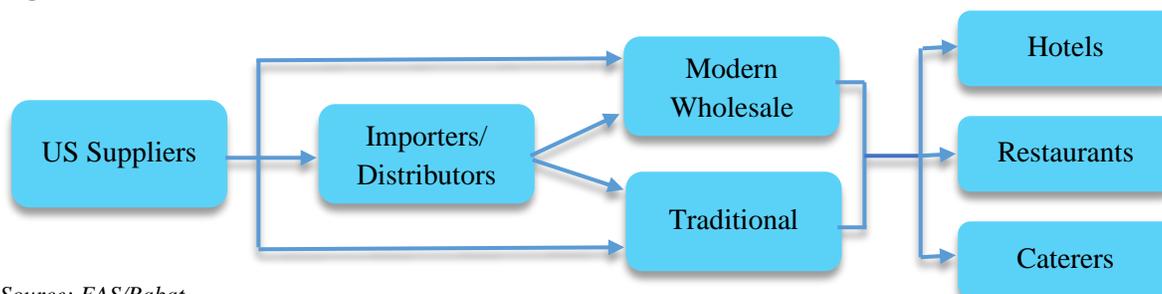
SECTION II. ROAD MAP FOR MARKET ENTRY

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 the latest [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.
- 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 2024 dates are March 10- April 9.**
- Moroccan restaurants increasingly relying on third party delivery services like [Jumia food](#) and [Glovo](#).

Table 3: Full-Service Restaurants by Category: Units/Outlets 2017-2022

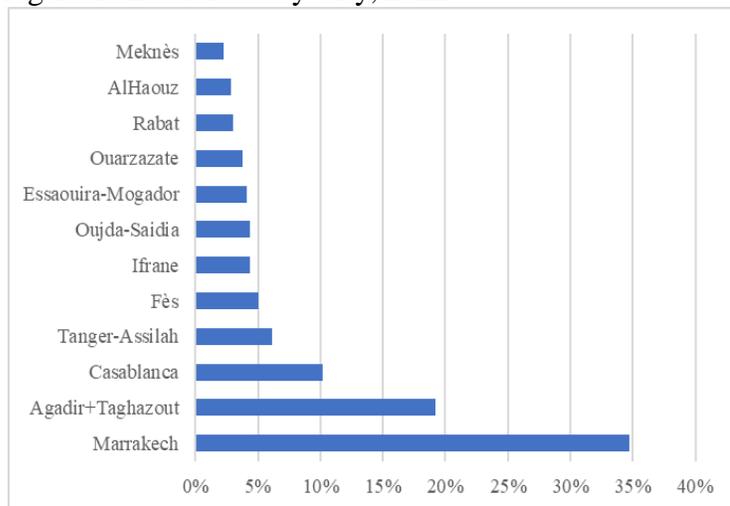
Outlets	2017	2018	2019	2020	2021	2022
Asian Full-Service Restaurants	127	142	157	148	151	154
--- Chained Asian Full-Service Restaurants	20	21	22	22	23	24
--- Independent Asian Full-Service Restaurants	107	121	135	126	128	130
European Full-Service Restaurants	207	212	216	201	203	206
--- Chained European Full-Service Restaurants	39	41	43	42	43	44
--- Independent European Full-Service Restaurants	168	171	173	159	160	162
Latin American Full-Service Restaurants	60	63	66	62	63	64
--- Chained Latin American Full-Service Restaurants	3	3	3	3	3	3
--- Independent Latin American Full-Service Restaurants	57	60	63	59	60	61
Middle Eastern Full-Service Restaurants	808	817	828	799	809	818
--- Chained Middle Eastern Full-Service Restaurants	39	41	43	43	44	45
--- Independent Middle Eastern Full-Service Restaurants	769	776	785	756	765	773
Pizza Full-Service Restaurants	190	196	202	192	196	218
--- Chained Pizza Full-Service Restaurants	42	43	44	43	44	63
--- Independent Pizza Full-Service Restaurants	148	153	158	149	152	155
Total Full-Service Restaurants	1,392	1,430	1,469	1,402	1,422	1,460

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

Hotels and Resorts

- Moroccan upscale lodging that features imported foods include a mix of European and Moroccan hotel chains, as well a few independent operators.
- According to recent report by the Ministry of Tourism, Morocco received 10.9 million tourists during the 2022. The total nights spent in tourist accommodation establishments registered a 75 percent increase compared to pre-pandemic levels.

Figure 2: Hotel Beds by City, 2022



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

- Two tourist destinations, Marrakech and Agadir, generated 55 percent of the total number of nights spent by travelers in 2022.
- Morocco and Israel have taken a new step in their rapprochement with the launch of a direct air link between Essaouira and Tel Aviv. The line will be operated by the Israeli company Arkia, which signed an agreement On July 18, 2023, with the National Tourist Office of Morocco (ONMT). The new connection is expected to boost tourism and economic cooperation between the two countries.

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 2020-2022 (World)	Average of 2020-2022 (USA)	U.S. Market Share (%)	U.S. Duty	Top Suppliers
Meat and Edible Meat Offal						
201	Meat of Bovine Animals, Fresh or Chilled	\$9,464	\$0	0%	0%*	AUS,ARG
202	Meat of Bovine Animals, Frozen	\$17,568,284	\$87,888	1%	0%*	EU
203	Meat of Swine (Pork), Fresh, Chilled or Frozen	\$190,929	\$0	0%	0%	EU
207	Meat & Ed Offal of Poultry, Fresh, Chill or Frozen	\$3,333,354	\$154,979	5%	0%*	BRA,EU
Fish, Crustaceans & Aquatic Invertebrates						
302	Fish, Fresh or Chilled (No Fillets or Other Meat)	\$19,125,367	\$2,229	0%	0%	EU
303	Fish, Frozen (No Fish Fillets or Other Fish Meat)	\$45,896,149	\$191,410	0%	0%	EU
306	Crustaceans Live Frsh Etc Smoked/Cooked Flours Etc	\$91,245,587	\$8,181	0%	0%	EU
Dairy Products						
401	Milk And Cream, Not Concentrated or Sweetened	\$6,811,152	\$1,962	0%	0%	EU
40210	Mlk & Crm,Cntd,Swt,Powdr,Gran/Solids,Nov 1.5% Fat	\$47,808,386	\$3,846,323	8%	0%	EU
405	Butter And Other Fats and Oils Derived From Milk	\$78,509,775	\$1,691,145	2%	0%	NZL, EU
406	Cheese And Curd	\$130,215,689	\$1,795,181	1%	0%	EU
409	Honey, Natural	\$9,460,564	\$1,045	0%	0%	CAN
Edible Vegetables & Certain Roots & Tubers						
70190	Potatoes, Except Seed, Fresh or Chilled, Nesoi	\$267,253	\$278,075	104%	0%	EU
703	Onions, Shallots, Garlic, Leeks Etc, Fr or Chilled	\$18,413,685	\$0	0%	0%	EU
710	Vegetables (Raw or Cooked By Steam Etc), Frozen	\$844,042	\$17,606	4%	0%	EU
713109920	Peas	\$7,162,495	\$566,117	8%	0%	CAN
713339010	Dry Beans	\$12,647,222	\$750,434	6%	0%	EGY
713409090	Lentils	\$1,775	\$0	0%	0%	EU, CAN
Edible Fruit & Nuts; Citrus Fruit or Melon Peel						
80211	Almonds, Fresh or Dried, In Shell	\$102,251	\$100,464	98%	0%	USA, EU
80212	Almonds, Fresh or Dried, Shelled	\$103,445,388	\$101,312,933	98%	0%	USA, EU
80221	Hazelnuts or Filberts, Fresh or Dried, In Shell	\$39,189	\$0	0%	0%	EU, TUR
80222	Hazelnuts or Filberts, Fresh or Dried, Shelled	\$3,573,768	\$0	0%	0%	EU, TUR
80231	Walnuts, Fresh or Dried, In Shell	\$45,297,229	\$7,956,046	18%	0%	CHL, USA
80232	Walnuts, Fresh or Dried, Shelled	\$45,007	\$59,634	132%	0%	CHL, USA
80251	Pistachios, Shelled, Fresh or Dried	\$10,678,589	\$7,204,956	67%	0%	EU, IRN
802900010	Pecans	\$70,692	\$78,711	111%	0%	USA, IRN
802900085	Pecans, other	\$10,297	\$0	0%	0%	EU
80620	Grapes, Dried (Including Raisins)	\$18,734,085	\$21	0%	0%	EU
80810	Apples, Fresh	\$5,376,592	\$0	0%	0%	EU
80830	Pears, Fresh	\$31,990,683	\$0	0%	0%	EU
Coffee, Tea, Mate & Spices						
901	Coffee; Coffee Husks Etc; Substitutes With Coffee	\$125,846,604	\$12,061	0%	0%	IDN, GIN
90210	Green Tea Nt Fermt In Packg Content Nov 3Kg	\$5,960,437	\$8,200	0%	0%	CHN, EGY
90230	Black Tea Fermt & Partly Fermt Tea, Packg 3Kg	\$1,224,601	\$2,720	0%	0%	EU
904	Pepper, Genus Piper; Genus Capsicum or Pimenta	\$21,912,595	\$1,178	0%	0%	EU
910	Ginger, Saffron, Tumeric, Thyme, Bay Leaves Etc.	\$37,955,799	\$4,639	0%	0%	EU
Cereals						
1006	Rice	\$36,931,449	\$1,750,524	5%	0%	EU
Milling Products; Malt; Starch; Inulin; Wht Gluten						
1101	Wheat or Meslin Flour	\$186,299	\$452	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	\$10,926,192	\$774,830	7%	0%	EU
Animal or Vegetable Fats, Oils Etc. & Waxes						
150790	Soybean Oil, Refined, And Fractions, Not Modified	\$1,268,648	\$320	0%	0%	EU, EGY
151620	Vegetable Fats & Oils/Fractions Hydrogenated Etc	\$41,670,340	\$13,174	0%	0%	UAE, MYS
Edible Preparations of Meat, Fish, Crustaceans, Etc.						
1601	Sausages, Similar Prdt Meat Etc Food Prep Of These	\$963,239	\$0	0%	0%	EU
1602	Prepared or Preserv Meat, Meat Offal & Blood Nesoi	\$17,047,114	\$162,870	1%	0%	EU, BRA
1604	Prep or Pres Fish; Caviar & Caviar Substitutes	\$34,896,984	\$6,164	0%	0%	SEN, EU
1605	Crustaceans, Molluscs Etc. Prepared or Preserved	\$2,792,848	\$0	0%	0%	EU, UAE
Sugars And Sugar Confectionary						
170191	Cane/Beet Sugar, Refined, Solid, Added Flav/Color	\$83,078	\$0	0%	0%	EU, BRA
1704	Sugar Confection (Incl White Chocolate), No Cocoa	\$24,858,797	\$72,360	0%	0%	EGY, EU
Cocoa And Cocoa Preparations						
1805	Cocoa Powder, Not Sweetened	\$19,986,199	\$30,451	0%	0%	EU
1806	Chocolate & Other Food Products Containing Cocoa	\$88,974,897	\$273,224	0%	0%	EU
Prep Cereal, Flour, Starch or Milk; Bakers Wares						
1902	Pasta, Prepared or Not; Couscous, Prepared or Not	\$15,344,201	\$4,463	0%	0%	EU, CHN
1905	Bread, Pastry, Cakes Etc; Comm Wafers, Emp Caps	\$118,059,727	\$2,043,483	2%	0%	TUR, EU
Prep Vegetables, Fruit, Nuts or Other Plant Parts						
2002	Tomatoes Prepared or Preserved Nesoi	\$14,971,175	\$0	0%	0%	EGY, EU
200410	Potatoes, Prepared Etc., No Vinegar Etc., Frozen	\$24,899,053	\$13,296	0%	0%	EGY, EU
2005	Vegetables Nesoi Prepared Etc Nesoi, Not Frozen	\$21,464,052	\$74,385	0%	0%	EU
2007	Jams, Fruit Jellies, Marmalades Etc, Cooked	\$7,264,500	\$12,182	0%	0%	UAE
2008	Fruit, Nuts Etc Prepared or Preserved Nesoi	\$18,392,701	\$509,324	3%	0%	EU
2009	Fruit Juice Nt Frtfd W Vit/Mnl Veg Juice No Spirit	\$11,098,776	\$292	0%	0%	EGY, EU
Miscellaneous Edible Preparations						
2103	Sauces & Prep; Mixed, Mustard Flour Etc	\$54,869,115	\$620,969	1%	0%	EU
2105	Ice Cream And Other Edible Ice, With Cocoa or Not	\$6,672,633	\$264,548	4%	0%	EU, TUR
210690	Food Preparations Nesoi	\$108,215,176	\$2,332,899	2%	0%	EU
Beverages, Spirits and Vinegar						
2201	Waters, Natural Etc, Not Sweetened Etc; Ice & Snow	\$8,051,555	\$0	0%	0%	EU
2202	Waters, Sweetened Etc & oth Nonalc Beverages Nesoi	\$45,739,935	\$135,403	0%	0%	EU, TUR
2204	Wine of Fresh Grapes; Grape Must Nesoi	\$29,191,502	\$52,336	0%	0%	EU
220830	Whiskies	\$17,098,328	\$3,783,873	22%	0%	EU
220840	Rum And Tafia	\$541,394	\$100,559	19%	0%	USA, EU
220850	Gin And Geneva	\$1,985,201	\$0	0%	0%	EU
220860	Vodka	\$13,350,010	\$97,152	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. KEY 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