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Morocco

Food Processing Ingredients

Bakery School Opens in 2018

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Report Highlights:

Morocco, a U.S. Free Trade Agreement partner, has been an occasionally good yet price-sensitive market for U.S. food processing ingredients. Best prospects include wheat; fats and oils; dairy products; vegetables; food preparation; tree nuts; oilseeds; sweeteners and confectionary; chocolate. Beef and poultry have strong potential when market access barriers are removed.

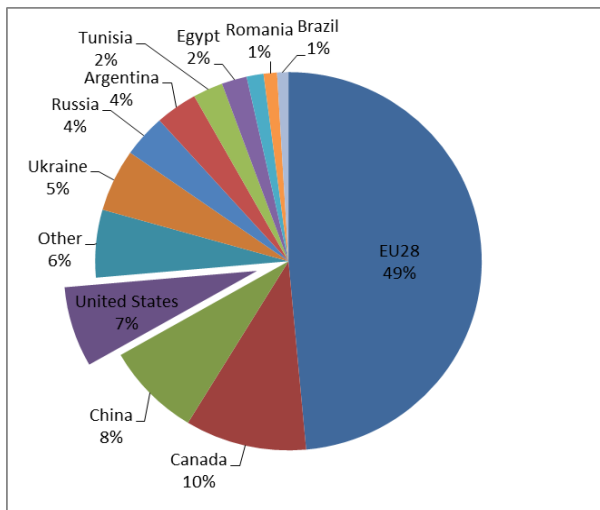
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Executive Summary

Morocco, a U.S. Free Trade Agreement partner, has been an occasionally good yet price-sensitive market for U.S. food processing ingredients. Best prospects include wheat; fats and oils; dairy products; vegetables; food preparation; tree nuts; oilseeds; sweeteners and confectionary; chocolate. Beef and poultry have strong potential if market access barriers are removed.

U.S. food ingredients face a competitive environment in Morocco, mainly from Europe.



Sources: Office des Changes

Quick Facts CY 2016

Food Processing Ingredient Imports: \$2.6 billion

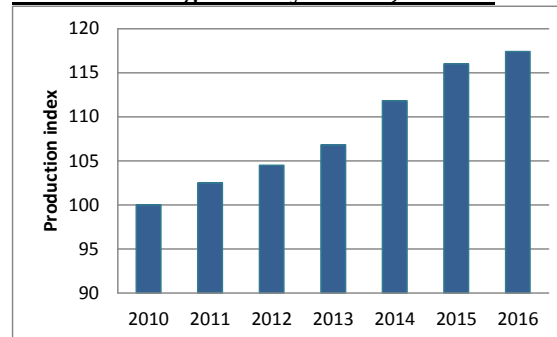
Top 10 Best Products

- Wheat
- Fats & Oils
- Dairy
- Vegetables
- Food Preparations
- Tree Nuts
- Oilseeds
- Sweeteners & Confectionary
- Chocolate
- Beef and Poultry

Food Trade (U.S. billion) 2016

Food Exports	\$4.6
Food Imports	\$5.7

Food Processing Industry Trends, 2010-16



Top 10 Food Processing Ingredients: See Annex.

GDP/Population

Population (millions): 35.7
 GDP (billions USD): \$121.4
 GDP per capita (USD): \$3,196

Sources: [Morocco Office des Changes](#), [Morocco Haut Commissariat au Plan](#), [World Bank](#)

Strengths	Weaknesses
Partnership with Moroccan Milling Institute (IFIM)	Distance and lack of shipping lines
Opportunities	Challenges
US-Morocco FTA provides access in Morocco and opportunities to use Morocco as a platform to reach Africa at large	Erosion of U.S. preferences vis-à-vis Morocco's FTAs with the EU, Arab League

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Section I: Market Summary

Advantages and Challenges Specific to the Food Processing Ingredients Sector

Advantages	Challenges
Morocco's relative stability, openness to trade, development, and institutions make it an attractive destination to do business as well as an attractive hub to reach out across Africa.	Distance vis-à-vis Europe, the Black Sea, and the Middle East hurt U.S. competitiveness.
	Food safety regulations largely influenced by the European Union, while being irregularly enforced.

Morocco's food processing industry was valued at \$16.2 billion in 2016 (≈16% of Morocco's GDP)¹. Sales are divided approximately 70% to retail and 30% to food service.

On December 21, 2017, Morocco and the World Bank signed a \$200 million loan agreement to boost agribusiness value chains and improve the performance of the agricultural sector. The agreement also aims to integrate small and medium-sized producers into a fast-growing and demanding agribusiness market through increased investment in food processing facilities.

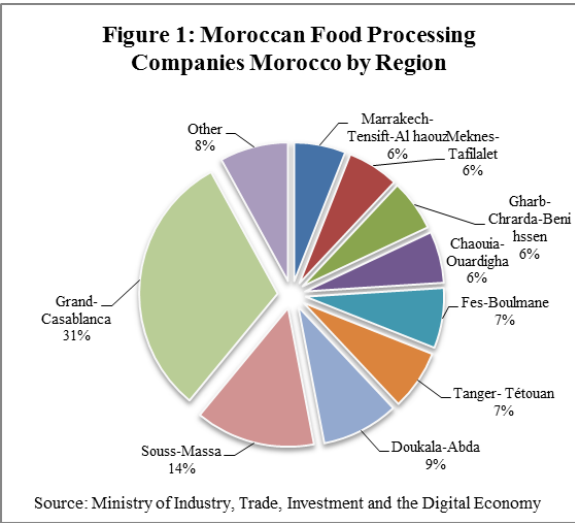
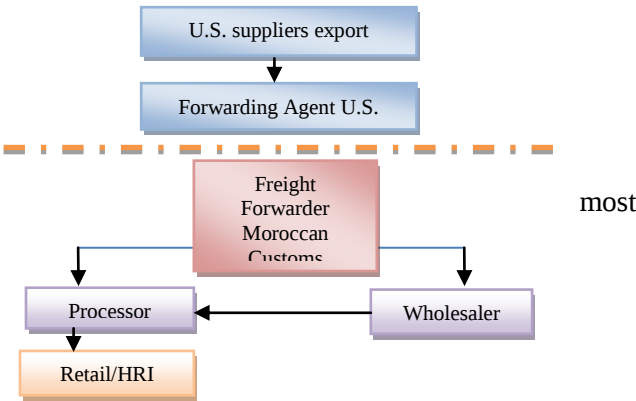
Section II: Road Map for Market Entry

For general information, see [Morocco Exporter Guide](#).

Opportunities for U.S. food ingredients exist primarily in/near Casablanca, Morocco's commercial hub, where importers and food processors are located.

Large Moroccan food processors import directly to control price and quality while most still procure ingredients through importers and local wholesalers.

Morocco's Milling Institute (IFIM), originally created partnership between Morocco's National Federation of Millers (FNM) and US Wheat Associates, will soon expand to include a new Bakery and Pastry School of Morocco (EBPM) in May 2018 with curriculum starting in January 2019. The school is expected to build on IFIM's success, providing vocational training well as research and development opportunities further along the value-chain. Like IFIM, EBPM's facilities be well-suited to host regional activities for North and Francophone Africa, including the introduction of new less familiar imported food ingredients.



¹ Source: National Federation of Food Processing Industry (FENAGRI), https://www.fenagri.org/index.php?option=com_content&view=article&id=1788&Itemid=151

Section III: Competition

Category	HS	Description	Avg Imports, 2014-16			US Duty %	Top Foreign Suppliers
			World	USA	%		
Meat & Poultry	0201-0202	Beef, Chilled/Frozen*	\$33,165,006	\$12,917	0.0	*	EU, Aust
	0207	Poultry, Chilled/Frozen*	\$1,052,481	\$0	0.0	*	EU, Tuni, Braz
Dairy	040210	Non-fat Dry Milk	\$24,211,420	\$1,418,416	5.9	14.5	EU, Canad
	0404	Whey	\$55,015,359	\$14,534,783	26.4	0	EU, Argen, Turk
	040510	Butter	\$95,476,658	\$17,380,869	18.2	0	EU, Rus, Chin
	0406	Cheese	\$70,852,278	\$5,758,224	8.1	0	EU, Tuni, Egyt
Eggs	0408	Processed Eggs	\$604,340	\$0	0.0	6.6	EU, Ukra, India
Vegetables	070190	Potatoes, Fresh (not seed)	\$188,985	\$20,943	11.1	0	EU, Rus, Egyt
	0710	Vegetables, Frozen	\$410,111	\$16,342	4.0	0	EU, Peru, Egyt
	0712	Vegetables, Dried	\$1,160,625	\$101,157	8.7	0	EU, Egyt, India
	0713	Legum Veg, Dried Shelled	\$27,973,485	\$1,282,952	4.6	0	Canad, Egyt, EU
Fruits & Nuts	080211-080212	Almonds*	\$1,136,942	\$399,899	35.2	*	Chile, EU, Chin
	080231-080232	Walnuts	\$8,205,976	\$6,960,156	84.8	0	Chile
	080250-080251	Pistachios	\$1,239,257	\$1,088,566	87.8	0	Iran
	080290	Other Tree Nuts (Pecans)	\$167,297	\$60,311	36.1	0	Tuni, EU, Aust
	080410	Dates	\$103,327,780	\$25,622	0.0	0	Tuni, Egyt, UAE
	080620	Raisins	\$745,959	\$85,021	11.4	0	India, Turk, Iran
Coffee, Tea, Spices	0902	Tea	\$194,445,737	\$68,374	0.0	0	Chin, India, Indo
	0904-0910	Spices	\$27,338,214	\$60,185	0.2	0	Chin, India, Braz
Cereals	1001	Wheat*	\$1,223,177,355	\$36,417,850	3.0	*	EU, Rus, Ukr
	1006	Rice	\$2,617,756	\$45,481	1.7	0	India, EU, Thai
Milled Products	110630	Flours of Fruit/Tree Nuts	\$536,255	\$37,603	7.0	0	EU, Phili
	110812	Corn Starch	\$1,153,219	\$182,836	15.9	0	EU, Turk, Egyt
Oilseeds	1201	Soybeans	\$57,639,114	\$34,418,179	59.7	0	Urug, Ukra
	120600	Sunflower Seeds	\$7,903,929	\$972,713	12.3	0	Argen, EU
Other Plant Products	1302	Vegetable Saps, Extracts; Pectates; Agar-Agar	\$10,343,534	\$193,107	1.9	0	EU, India, Chin
Fats & Oils	1502	Fats Of Bovines, Sheep/Goats Other Than Head 1503	\$8,425,184	\$7,828,401	92.9	0	EU
	150710	Soybean Oil, Crude	\$355,980,813	\$39,444,198	11.1	0	EU, Argen, Rus
	150910	Olive Oil, Virgin	\$7,554,283	\$117,912	1.6	0	Tuni, EU

	151521	Corn Oil, Crude	\$1,733,307	\$209,865	12.1	0	Braz, EU
	151529	Corn Oil, Refined	\$9,002,969	\$774,251	8.6	0	EU
Prep Meat Products	1602	Prep/Pres Meat & Poultry Prods	\$7,796,347	\$87,427	1.1	6.6	EU, Braz, Rus
	1604	Prep/Pres Fishery Products	\$9,824,155	\$75,374	0.8	0	Seneg, EU, UAE
Sweeteners, Confectionary	170211-170219	Lactose	\$1,061,206	\$259,365	24.4	0	EU, Canad
	170230-170240	Glucose	\$3,180,943	\$61,229	1.9	0	Turk, EU, Egypt
	170490	Sugar Confection	\$6,664,045	\$85,700	1.3	27.6	EU, Turk, Egypt
Chocolate	1806	Chocolate & Cocoa Products	\$38,008,662	\$56,660	0.1	27.6	UAE, EU, Turk
Prep/Pres Cereals	190120	Mixes & Doughs	\$1,963,778	\$18,086	0.9	27.6	EU, Turk, UAE
	1904	Food Preps of Cereals	\$11,367,762	\$10,242	0.1	0	EU, Chin, Egypt
Prep/Pres Fruit, Veg	200190	Prep/Pres Veg/Fr/Nut by Vinegar	\$653,901	\$21,947	3.4	0	Chin, EU, Ecua
	200290	Tomato Paste	\$9,978,374	\$15,612	0.2	0	Egypt, EU, Chin
	2005	Prep/Pres Vegetables, Not Frozen	\$11,126,368	\$181,765	1.6	0	Chin, EU, Turk
	2008	Prep/Pres Fruits & Nuts	\$10,145,906	\$1,218,053	12.0	0	EU, Egypt, Thai
	200911-200919	Orange Juice	\$5,081,298	\$871,027	17.1	0	Egypt, Braz, EU
Food Products	2102	Yeasts; Baking Powder	\$6,520,273	\$258,896	4.0	0	EU
	2103	Sauces & Condiments	\$12,768,201	\$509,892	4.0	0	EU, Chin, Egypt
	210610	Protein Concentrates	\$1,227,886	\$382,718	31.2	0	EU, Egypt, Turk
	210690	Food Preparations	\$58,307,376	\$1,202,727	2.1	0	EU, Egypt, Turk
Vinegar	220900	Vinegar	\$1,514,200	\$15,599	1.0	0	EU, Chin
Odoriferous Mixtures	3302	Odoriferous Mixtures	\$73,488,309	\$535,599	0.7	0	EU, Egypt, Aust
Proteins	3501	Casein & Caseinates	\$12,681,581	\$41,804	0.3	0	EU, India

*Subject to Tariff Rate Quota (see the [U.S.-Morocco Tariff Schedule for 2018](#))

Section IV: Best Product Prospects

Products present in the market that have good sales potential:

- Wheat
- Almonds, Walnuts, Pistachios
- Fats and Oils, including Soy, Corn, Tallow, and Butter

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

- Dairy Products, including Whey Powders
- Prunes, Raisins, Cranberries, Blueberries
- Pecans, Hazelnuts
- Pulses
- Confectionary
- Rice
- Popcorn

Products not present because they face significant barriers:

- Beef – health certificate under negotiation
- Poultry – health certificate under negotiation
- Processed Eggs – no health certificate

Section V: Post Contact and Further Information

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Morocco's Milling Institute (IFIM)

Morocco's Bakery and Pastry School (EBPM)

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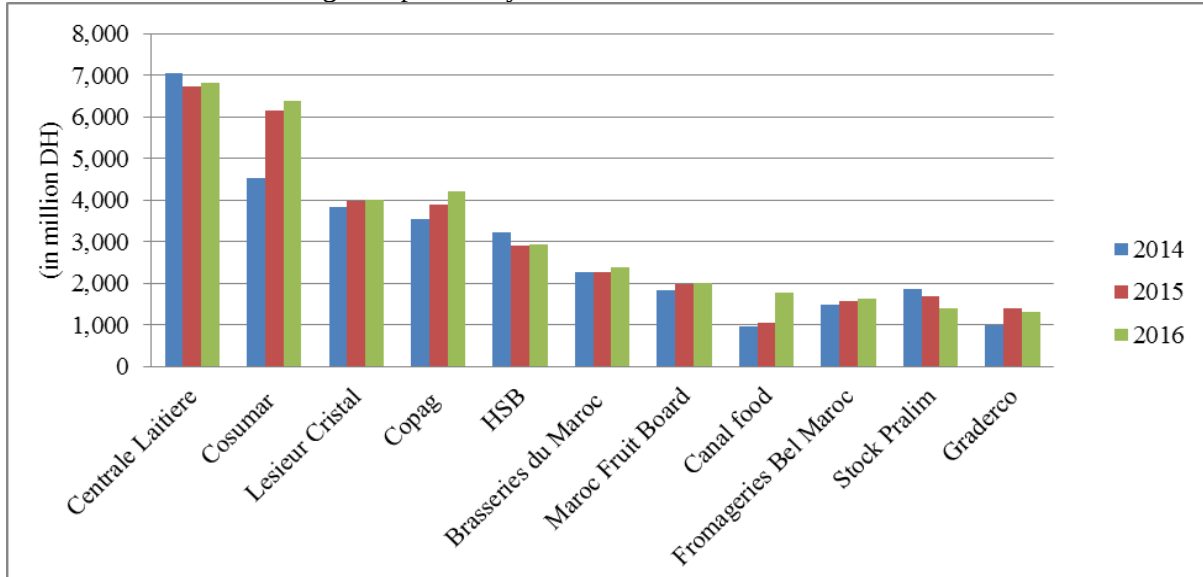
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Annex

Major Moroccan Food Processing Companies, by Turnover



Source: BAC Bourse, Industry Websites

Major Moroccan Food Processing Companies, by Sector

Company Name	Sales 2016 (mill USD)	End-User Channels	Procurement Channels
Cereals			
A&m Intercommodity	N/A	Retail/HRI	Importers/Direct
Casa Grains	\$276	Retail/HRI	Importers/Direct
Copragri S.A.	\$320	Retail/HRI	Importers/Direct
Glencore-Grain Maroc S.A.R.L	N/A	Wholesale /Retail/HRI	Importers/Direct
Atlantique Grains S.A	\$382	Wholesale /Retail/HRI	Importers/Direct
Graderco	\$142	Retail/HRI	Importers/Direct
Gromic	\$129	Wholesale /Retail/HRI	Direct
Sté Grains Mabrouka	<\$100	Retail/HRI	Importers/Direct
Saiss Cereales	<\$100	Retail/HRI	Importers/Direct
Moulins Lahlal	N/A	Wholesale /Retail/HRI	Importers/Direct
Fandy Copragri	\$320	Retail/HRI	Direct
Souss Cereales	N/A	Wholesale /Retail/HRI	Importers/Direct
Multigrain	\$30	Wholesale /Retail/HRI	Direct
Grands Moulins	\$20	Wholesale /Retail/HRI	Direct
Tria	N/A	Wholesale /Retail/HRI	Direct
Minoterie Amgala	\$23	Retail/HRI	Direct

Vegetable Oil/Refiners			
Lesieur Cristal	\$382	Wholesale /Retail/HRI	Direct
Les Huileries de Souss Bel Hassan Hsb	\$370	Wholesale/Retail/HRI	Direct
Les Conserves de Meknes Aicha	\$52	Wholesale /Retail/HRI	Direct
Baltimar	\$6.1	Retail/HRI	Importers/Direct
Comaner	\$10	Retail/HRI	Importers/Direct
Conserverie du Maroc Oriental	\$35	Retail/HRI	Importers/Direct

Dairy			
Centrale Laitiere	\$681	Retail/HRI	Direct
Copag	\$420	Retail/HRI	Importers/Direct
Stockpralim	\$140	Retail/HRI	Importers/Direct
Nestle Maroc	\$123	Retail/HRI	Importers/Direct
Safilait	\$88	Retail/HRI	Importers/Direct
Copragri S.A.	\$82.1	Wholesale/Retail/HRI	Importers/Direct
Coprallim	\$43	Wholesale/Retail/HRI	Importers/Direct
AFE Distributions	\$28.3	Retail/HRI	Importers/Direct
Comaner	\$10	Retail/HRI	Importers/Direct
Fromital	\$6	Wholesale/Retail/HRI	Importers/Direct
Fromageries Bel Maroc	\$164	Retail/HRI	Importers/Direct
Milk Products Morocco S.A.	\$13	Retail/HRI	Importers/Direct
Superfoods - International Trading	\$37	Retail/HRI	Importers/Direct
Margafrigue	\$50	Wholesale/Retail/HRI	Importers/Direct
Land'or Maroc	N/A	Wholesale/Retail/HRI	Importers/Direct

Dried Fruits and Nuts			
Morocco Peanuts	\$7.2	Wholesale/Retail/HRI	Direct
Comptoir Food	\$64	Wholesale/Retail/HRI	Direct
Maroc Delice	\$1-5	Wholesale/Retail/HRI	Importers/Direct
Eurodis	\$1-5	Retail/HRI	Importers/Direct
Fruit Orty	\$1-5	Retail/HRI	Importers/Direct
City Trade International	N/A	Retail/HRI	Local products/ Imports
Etablissement Bicha	N/A	Retail/HRI	Local products/ Imports
Frigo Baraka Sarl	N/A	Retail/HRI	Importers/Direct
Fruideli	N/A	Wholesale/Retail/HRI	Direct
Mix Food	N/A	Retail/HRI	Direct
Pistacherie Rayane SARL	N/A	Retail/HRI	Importers/Direct
Raji Freres	N/A	Retail/HRI	Importers/Direct
Ratra	N/A	Retail/HRI	Importers/Direct
Sactal	N/A	Retail/HRI	Importers/Direct
Trapico	N/A	Retail/HRI	Importers/Direct

Prepared Fruits & Vegetables			
Ste Ouest Marocain	N/A	Retail/HRI	Importers/Direct
Les Fruits Dores	N/A	Retail/HRI	Importers/Direct
Frudor Fruits Et Primeurs	N/A	Retail/HRI	Importers/Direct
Atlantic-Gulf Company	N/A	Retail/HRI	Importers/Direct
Mabex S.A	N/A	Retail/HRI	Importers/Direct
Arbor- Frigos Tarik	N/A	Retail/HRI	Importers/Direct
Frigorifrique Al-Fadiliya	N/A	Retail/HRI	Importers/Direct
Kantari (GROUPE)	N/A	Retail/HRI	Importers/Direct
Groupe Jamaï Domaines Agricoles	N/A	Retail/HRI	Importers/Direct

Chocolate & Cocoa			
Foods and Goods S.A.	\$52	Retail	Importers/Direct
Coprallim Maroc	\$38	Retail	Importers/Direct
Bimo Maroc	N/A	Retail	Importers/Direct
Jessy Diffusion	N/A	Wholesale /Retail	Importers/Direct
Biscoma	N/A	Retail	Importers/Direct
Best Biscuits	N/A	Retail	Importers/Direct

Source: Industry websites, press