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Report Highlights:

The 2023 crop season in Morocco is advancing under favorable weather conditions, showing promising recovery from the previous year's drought. Post forecasts MY 2023/24 production at 2.45 MMT for common wheat, 1.35 MMT for durum wheat, and 1.75 MMT for barley. To cover demand while maintaining stock levels, Post forecasts Morocco's wheat imports in MY 2023/24 at 7 MMT, while barley imports are forecast at 0.3 MMT.

Executive Summary:

Total area planted to common wheat, durum, and barley in the MY 2023/24 season is projected to reach 3.8 million hectares (HA), an increase of approximately 8 percent compared to the previous MY 2022/23 season.

Although precipitation levels remain at historic lows, the majority of wheat and barley production zones, with the exception of the Marrakech and Souss-Massa regions, are showing dramatically improved production compared to the previous year. Post forecasts MY 2023/24 production at 2.45 MMT for common wheat, 1.35 MMT for durum wheat, and 1.75 MMT for barley, representing a strong recovery from a disastrous 2022 crop, but still well short of the 2021 harvest.

To cover demand while maintaining stock levels, Post forecasts Morocco's wheat imports in MY 2023/24 at 7 MMT, while barley imports are forecast at 0.3 MMT.

Post projects rice harvested area for MY 2023/24 to remain stable at approximately 8,250 hectares, and production is anticipated to reach 45,000 MT, a 7.1 percent increase from the previous year, due to favorable weather conditions.

The Government of Morocco continues to subsidize common wheat imports based on a fixed flat-rate premium. This measure is valid until May 31, 2023, and is intended to maintain low bread prices and encourage stock building. ([link](#))

The government of Morocco has announced its intention to implement a 135 percent tariff on wheat starting May 31, 2023, instead of the usual April 30. Importers will have an extended period to import and build stocks.

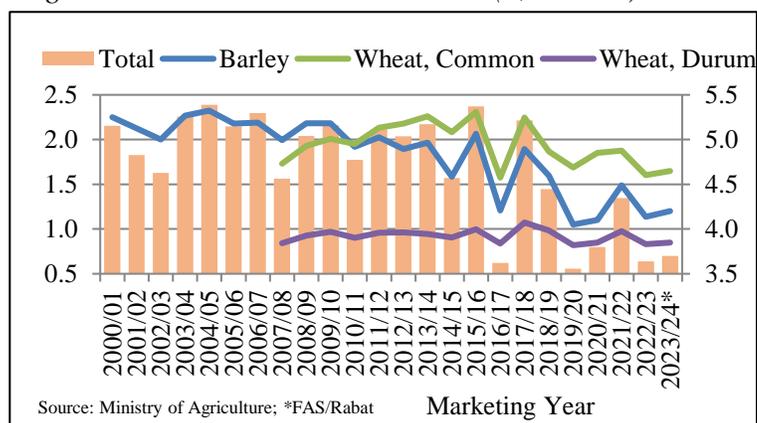
Commodities: Wheat and Barley

Area:

The 2023 season started very late due to rain delays and in some areas sowing did not finish until the end of December 2022. Farmers report that although rainfall is late and below average, it was sufficient to make a healthy crop. The MY 2023/24 total area planted to common wheat, durum and barley is projected to reach 3.8 million hectares (HA), reflecting an increase of approximately 8 percent compared to the previous MY 2022/23.

However, this figure remains roughly 9 percent lower than five-year average (4.2 million HA) due to the increasing cost of inputs and recurring drought which has decreased planting.

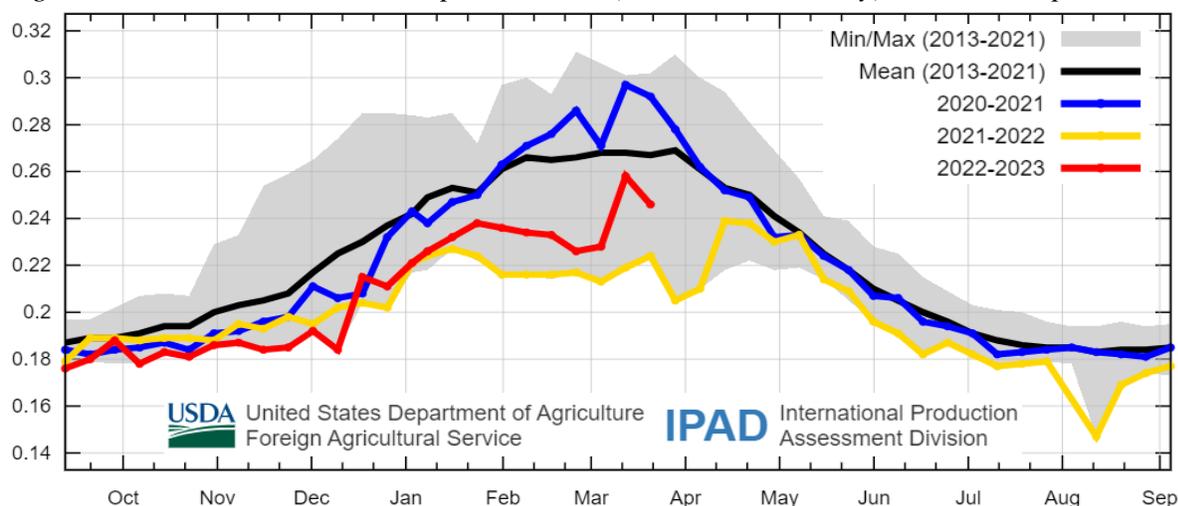
Figure 1: Moroccan Harvested Area (1,000 MT)



Production:

Following delayed seeding in late 2022/early 2023, wheat and barley production in Morocco progressed under below average weather conditions. Cumulative rainfall registered 270 mm from October 1, 2022, to March 17, 2023, compared to 186 mm in the previous time period. However, the crop is one month behind schedule as a result of late planting, and will likely face high temperatures during grain fill. Farmers report that crop success for this season requires favorable weather conditions (rainfall and temperature below 80,6 °F through March and April). The vegetative development index (see Figure 2) confirms that crop has developed under below average conditions.

Figure 2: Morocco – Relative Crop Conditions (Modis NDVI 8-Day), October- September



The vegetative index images in Figure 3 indicate that the MY 2023/24 growing conditions are an improvement over the previous growing season. The majority of wheat and barley production zones have rebounded in MY 2023/24, with the exception of the South (Marrakech and Souss-Massa regions). Post forecasts MY 2023/24 production at 2.45 MMT for common wheat, 1.35 MMT for durum wheat, and 1.75 MMT for barley, representing a strong recovery from a disastrous 2022 crop but still short of the 2021 harvest.

Figure 3: Moroccan Vegetative Index Comparison MY 2023/24 and MY 2022/23

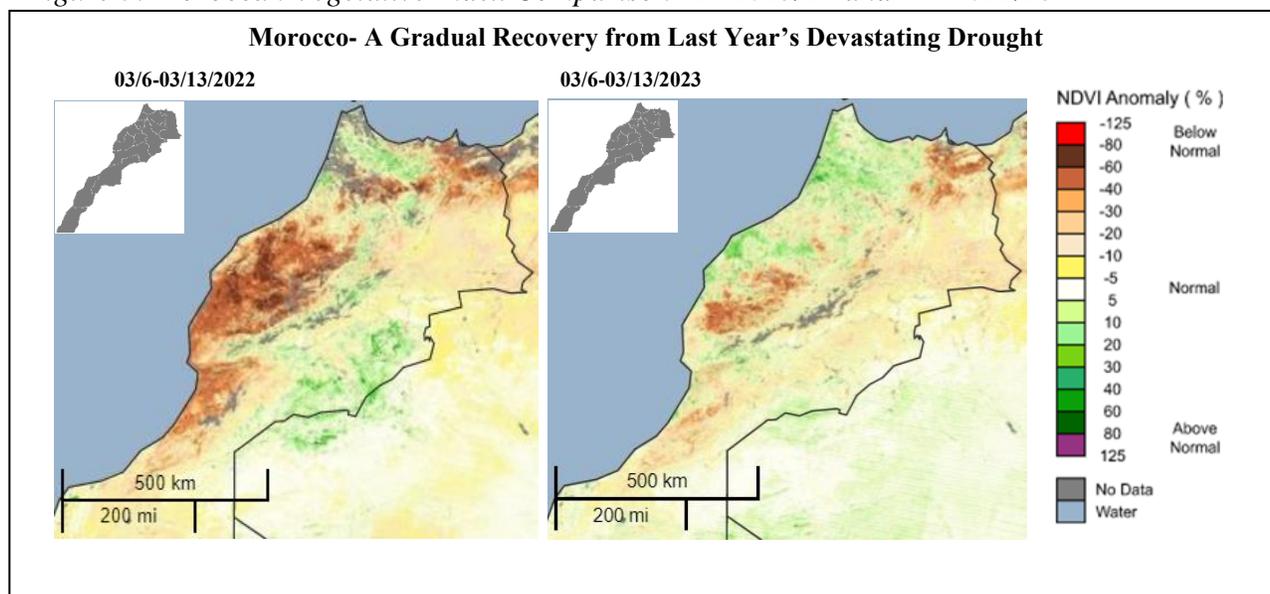


Table 1: Morocco Area, Yield, Production (Year of Harvest)

		2019	2020	2021	2022	2023	% Δ
Area (1,000 HA)	Wheat, Total	2,506	2,700	2,855	2,500	2,550	0.02
	- Durum	819	850	936	850	800	(0.06)
	- Common	1,687	1,850	1,916	1,650	1,750	0.06
	Barley	1,050	1,100	1,490	1,100	1,200	0.09
	TOTAL	3,556	3,800	4,345	3,600	3,750	0.04
Yield	Wheat, Total	1.60	1.06	2.64	1.08	1.49	0.38
	- Durum	1.64	0.96	2.65	0.95	1.69	0.77
	- Common	1.59	1.11	2.64	1.145	1.40	0.22
	Barley	1.10	0.86	1.86	0.64	1.46	1.29
Production (1,000 MT)	Wheat, Total	4,025	2,870	7,540	2,700	3,800	0.41
	- Durum	1,344	820	2,480	810	1,350	0.67
	- Common	2,681	2,050	5,060	1,890	2,450	0.30
	Barley	1,161	950	2,780	700	1,750	1.50
	TOTAL	5,200	3,820	10,320	3,400	5,550	0.63

Source: Ministry of Agriculture; *FAS/Rabat forecast

Consumption

Wheat

Post expects total domestic consumption to rise with population growth. Therefore, Post estimates MY 2023/24 consumption at 10.65 MMT, or 288 kg on a per capita basis, based on a population of 36.3 million. Common wheat represents nearly 70 percent of wheat consumption in urban areas and 66 percent in rural areas.

Barley

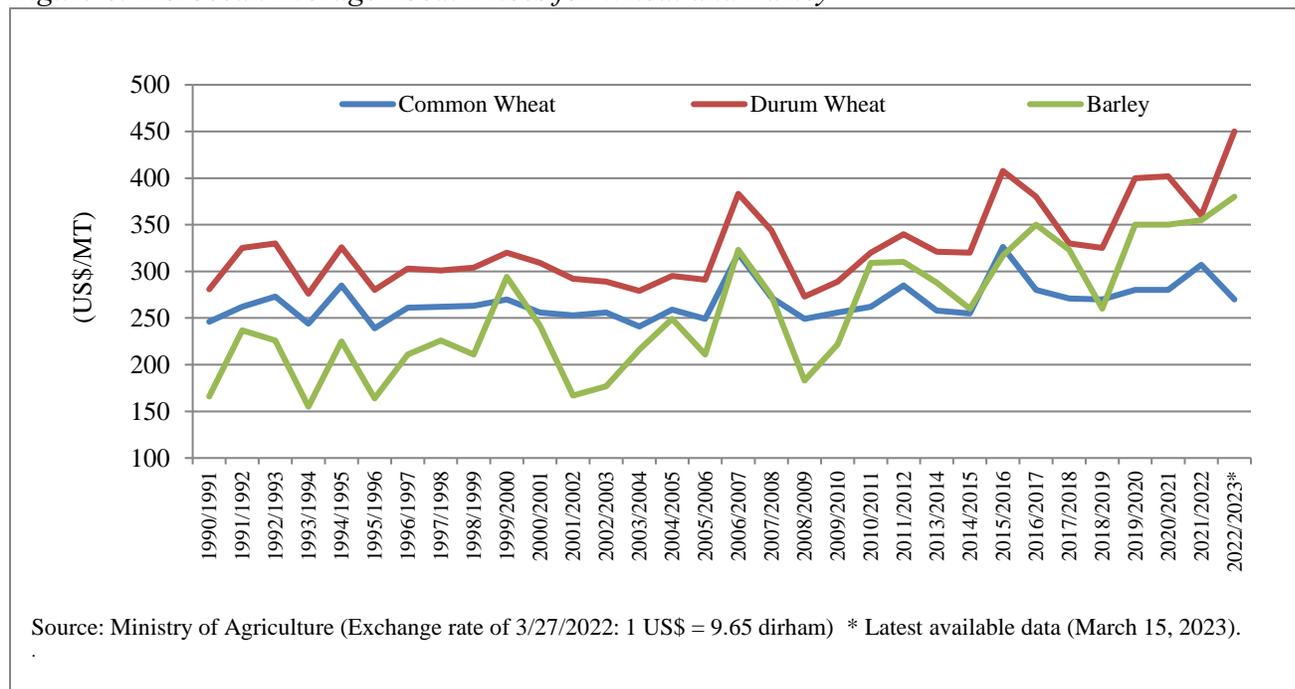
Barley is consumed mostly as animal feed and consumption rates vary depending on local availability and pasture conditions. For MY 2023/24, Post forecasts barley total consumption at 1.7 MMT. The Government of Morocco estimates cattle, sheep and goat populations will remain stable.

Prices

Moroccan wheat, flour, and bread prices are politically sensitive and are strictly managed.

- Morocco’s National Inter-Professional Office for Cereals and Legumes (ONICL) varies MFN tariff rates throughout the year in order to control Moroccan common wheat prices. ONICL aims to maintain bread wheat prices between \$260/MT and \$280/MT.
- ONICL subsidizes common wheat flour, known as “National Flour,” to support low-income consumers. In calendar year 2023, the quota was set at 600,000 MT, unchanged from 2022.
- Common wheat prices are falling and returning to levels from before the war in Ukraine.

Figure 4: Moroccan Average Local Prices for Wheat and Barley



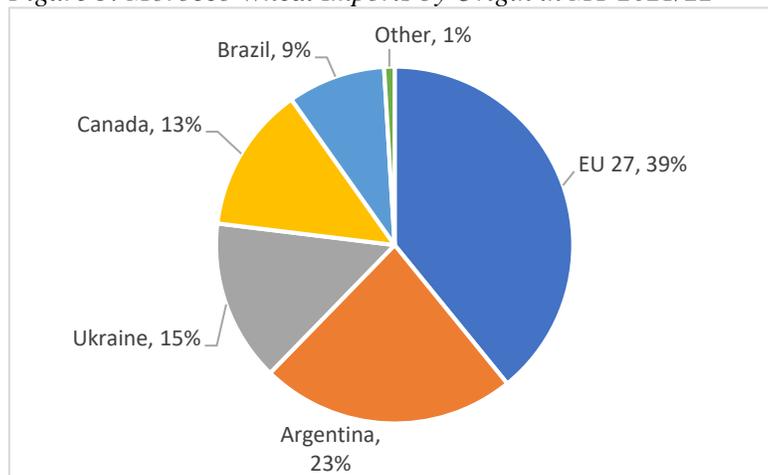
Source: Ministry of Agriculture (Exchange rate of 3/27/2022: 1 US\$ = 9.65 dirham) * Latest available data (March 15, 2023).

Trade:

Wheat

MY 2023/24 wheat imports are forecast at 7 MMT, 6.6 percent lower compared to MY 2022/23 as a result of anticipated production. Morocco is seeking to diversify wheat suppliers, especially due to instability from Black Sea suppliers. Post also expects increased competition from the European Union and Brazil in MY 2023/24.

Figure 5: Morocco Wheat Imports by Origin in MY 2021/22



Wheat Imports duties

The government of Morocco has announced its intention to implement a 135 percent tariff on wheat starting May 31, 2023, instead of the usual April 30, due to an expected late harvest. The tariff increase on May 31, 2023, is intended to support domestic wheat prices during the harvest period. The Government of Morocco took an unprecedented step in 2022 and did not implement a wheat tariff due to low production and rising prices.

Figure 6: MFN Tariff on Common Wheat Imports

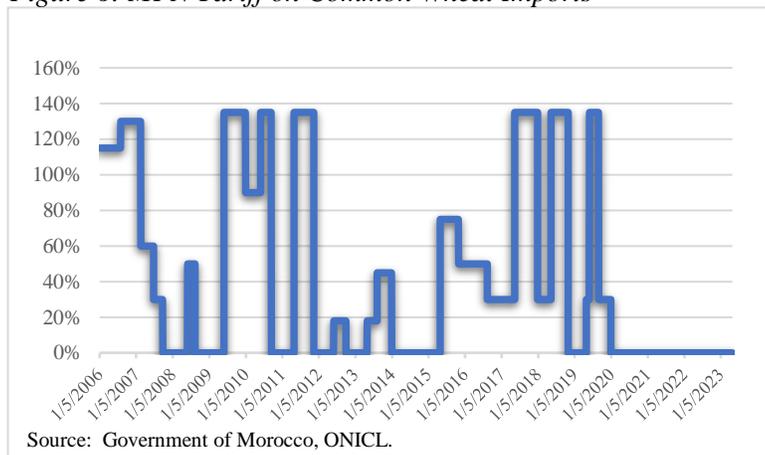


Table 2: Wheat Imports by Marketing Year (MT Wheat Equivalent)

HS	Description	Marketing Year			Year to Date		
		2019/20	2020/21	2021/22	06/21-01/22	06/22-01/23	%Δ
1001	Wheat and meslin	4,607,874	5,426,833	4,056,643	2,375,920	3,880,427	63.32
190219	Pasta, Uncooked, Not Stuffed	14,784	14,383	11,404	8,209	6,430	-21.67
190230	Pasta, prepared, nesoi	2,775	2,363	2,112	1,540	1,899	23.31
1101	Wheat or meslin flour	517	512	381	249	278	11.65
190240	Couscous	7	26	113	110	5	-95.45
190430	Bulgur wheat, pre-cooked	60	60	78	56	94	67.86
Total	PSD-wheat	4,626,017	5,444,178	4,070,732	2,386,085	3,889,133	62.99

Source: Morocco office de change, applied converting factor: 1.368, MY used for wheat June-May

Table 3: Wheat Imports by Trade Year (MT Wheat Equivalent)

HS	Description	Marketing Year			Year to Date		
		2019/20	2020/21	2021/22	07/21-01/22	07/22-01/23	%Δ
1001	Wheat and meslin	4,859,494	5,175,213	4,712,027	2,375,920	3,225,043	35.74
190219	Pasta, Uncooked, Not Stuffed	15,622	13,510	10,786	7,111	5,951	-16.31
190230	Pasta, prepared, nesoi	2,937	2,161	2,024	1,398	1,844	31.9
1101	Wheat or meslin flour	490	512	391	210	228	8.57
190240	Couscous	13	27	108	102	3	-97.06
190430	Bulgur wheat, pre-cooked	65	55	79	56	94	67.86
Total	PSD-wheat	4,878,620	5,191,479	4,725,414	2,384,797	3,233,163	35.57

Source: Morocco office de change, *applied converting factor: 1.368, TY used for wheat July-June

Table 4: Wheat Exports by Marketing Year (MT Wheat Equivalent)

HS	Description	Marketing Year			Year to Date		
		2019/20	2020/21	2021/22	06/21-01/22	06/22-01/23	%Δ
190240	Couscous	36,835	55,816	54,283	33,596	30,228	-10.03
190219	Pasta, Uncooked, Not Stuffed	17,788	13,069	20,373	12,022	15,935	32.55
190230	pasta, prepared, nesoi	4,722	5,670	7,444	4,248	5,599	31.8
1101	Wheat or meslin flour	3,427	1,956	1,263	859	1,323	54.02
190430	Bulgur wheat, pre-cooked	0	0	3	0	0	0
1001	Wheat and meslin	0	58	0	0	120	0
Total	PSD-wheat	62,772	76,570	83,366	50,725	53,207	4.89

Source: Morocco office de change, *applied converting factor: 1.368, MY used for wheat June-May

Barley

Moroccan barley imports are heavily influenced by weather conditions and feed consumption. During drought, Moroccan imports surge, while during periods of abundant rain imports fall as grazing opportunities increase. For MY 2023/24, Post forecasts barley imports to reach 0.3 MMT to accommodate domestic consumption due to good vegetative growth during this season for grazing and production. Post import estimate for MY 2022/23 is unchanged.

Figure 7: Barley Imports by Origin in MY 2021/22

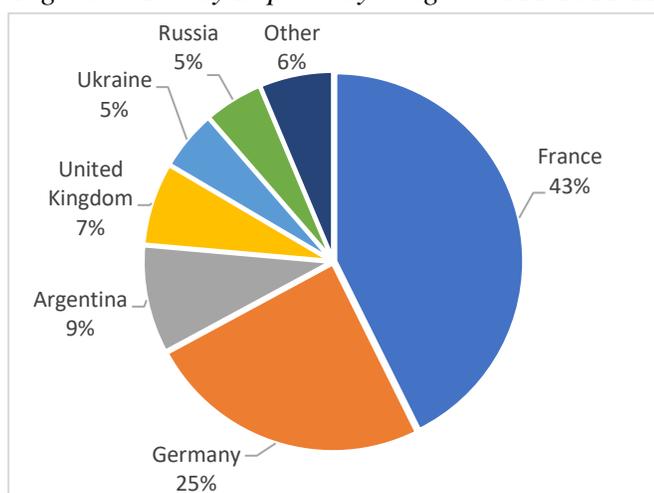


Table 5: Barley Imports by Marketing Year (MT)

Partner Country	Marketing Year			Year to Date		
	2019/20	2020/21	2021/22	07/21-01/22	07/22-01/23	%Δ
EU 27	943,971	440,994	786,171	198,082	27,821	-85.95
Argentina	0	0	90,600	0	0	0
Ukraine	131,649	12,099	50,238	50,238	0	-100
Russia	0	25,041	49,369	0	0	0
Syria	0	3,337	0	0	0	0
Total	1,075,620	481,472	976,378	248,320	27,821	-88.8

Source: Morocco office de change, MY used for barley July-June

Stocks

Although official statistics on wheat and barley stocks are not publicly available, industry sources indicate that as of March 15, 2023, Morocco's wheat reserves stand at 3.55 million MT, equivalent to four month's consumption. Stocks held by agents licensed by ONICL, including grain merchants, cooperatives, processors, and government managed port silos, are generally known. These agents are paid a storage premium based on wheat stored and declared to ONICL, which calculates the storage premium every 15 days at a rate of \$2/MT. Only a small portion of Moroccan barley passes through official collection channels, and data on barley stocks is inconclusive.

Policy

The Government of Morocco continues to subsidize common wheat imports based on a fixed flat-rate premium. This measure is valid until May 31, 2023, and is intended to maintain low bread prices and encourage stock building. ([link](#))

Table 6: Wheat Production, Supply, and Distribution

Wheat	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jun 2021		Jun 2022		Jun 2023	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	2855	2855	2500	2500	0	2550
Beginning Stocks (1000 MT)	1147	1147	2075	2075	0	1600
Production (1000 MT)	7540	7540	2700	2700	0	3800
MY Imports (1000 MT)	4071	4071	7500	7500	0	7000
TY Imports (1000 MT)	4726	4726	7500	7500	0	7000
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	12758	12758	12275	12275	0	12400
MY Exports (1000 MT)	83	83	75	75	0	0
TY Exports (1000 MT)	83	83	75	75	0	0
Feed and Residual (1000 MT)	400	400	300	300	0	300
FSI Consumption (1000 MT)	10200	10200	10300	10300	0	10350
Total Consumption (1000 MT)	10600	10600	10600	10600	0	10650
Ending Stocks (1000 MT)	2075	2075	1600	1600	0	1750
Total Distribution (1000 MT)	12758	12758	12275	12275	0	12400
Yield (MT/HA)	2.641	2.641	1.08	1.08	0	1.4902
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Wheat begins in July for all countries. TY 2023/2024 = July 2023 - June 2024						

Table 7: Barley Production, Supply, and Distribution

Barley	2021/2022		2022/2023		2023/2024	
Market Year Begins	Jul 2021		Jul 2022		Jul 2023	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	1490	1490	1100	1100	0	1200
Beginning Stocks (1000 MT)	34	34	659	659	0	39
Production (1000 MT)	2780	2780	700	700	0	1750
MY Imports (1000 MT)	965	965	400	400	0	300
TY Imports (1000 MT)	810	810	400	400	0	300
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	3779	3779	1759	1759	0	2089
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	2120	2120	820	820	0	800
FSI Consumption (1000 MT)	1000	1000	900	900	0	900
Total Consumption (1000 MT)	3120	3120	1720	1720	0	1700
Ending Stocks (1000 MT)	659	659	39	39	0	389
Total Distribution (1000 MT)	3779	3779	1759	1759	0	2089
Yield (MT/HA)	1.8658	1.8658	0.6364	0.6364	0	1.4583
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Barley begins in October for all countries. TY 2023/2024 = October 2023 - September 2024						

Commodities: Rice, Milled

In contrast to wheat and barley, rice cultivation in Morocco relies on irrigation. The majority of production is focused in the Gharb and Loukkos regions. These areas experienced favorable rainfall during the planting season. Post projects harvested area for MY 2023/24 to remain stable at approximately 8,250 hectares, and production is anticipated to reach 45,000 MT, a 7.1 percent increase from the previous year, due to favorable weather conditions.

Figure 8: Morocco's Rice Production and Yield

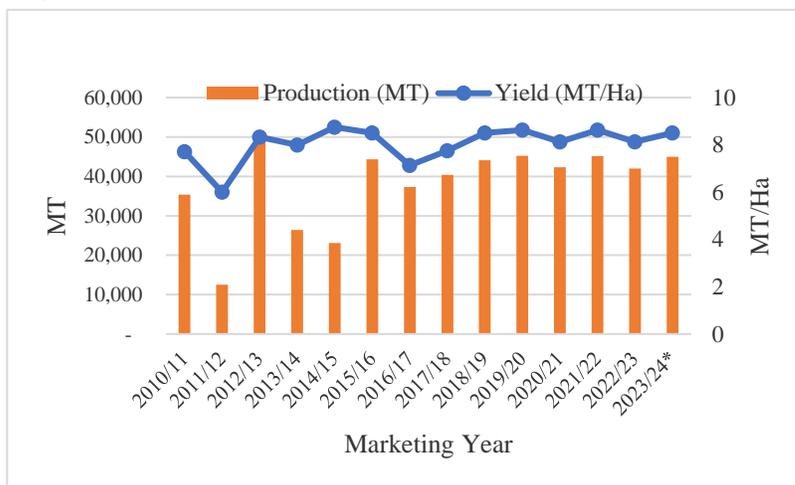
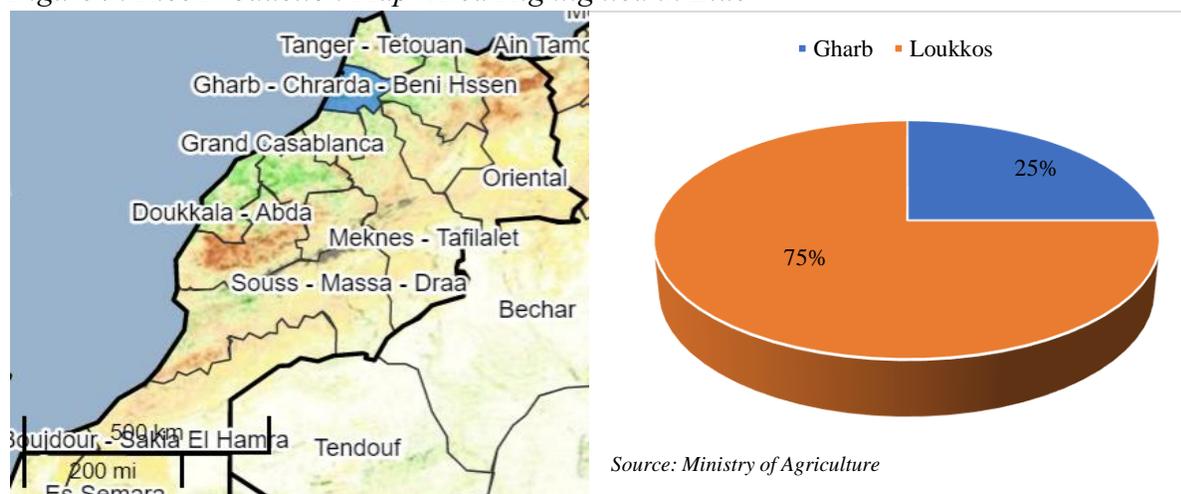


Figure 9: Rice Production Map- Area Highlighted in Blue



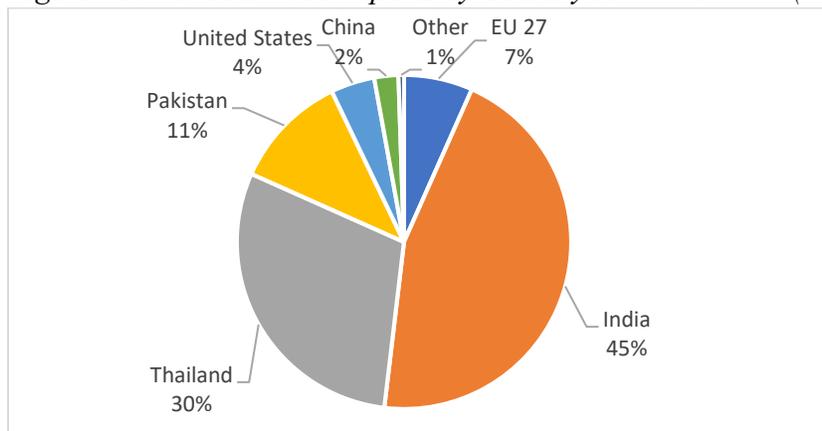
Consumption

Rice is not a staple food in Morocco and its consumption has not increased significantly as consumers continue to opt for bread wheat and couscous. For MY 2023/24, Post holds total domestic consumption steady at 105,000 MT.

Trade

India continued to dominate the Moroccan market in MY 2021/22 and exported 30,163MT of rice to Morocco, accounting for 45 percent of the Kingdom’s rice imports. Thailand exports increased by approximately 19,872MT, constituting a 30 percent market share. For MY 2023/24, wheat imports are forecast at 7 MMT.

Figure 10: Morocco Rice Imports by Country in MY 2021/22 (MT)



Source: Trade Data Monitor

Post estimates rice imports for MY2023/24 to reach 60,000 MT, based on growth in the tourism and food service industry. Post adjusts the MY 2021/22 trade figures to reflect up-to-date data.

Table 8: Imports by Marketing Year (MT) Conversion to Milled Eq

HS	Description	Marketing Year			Year to Date		
		2019/20	2020/21	2021/22	10/21-01/22	10/22-01/23	%Δ
100630	rice, semi-milled or wholly milled	70,586	37,971	65,153	26,584	14,211	-46.54
100610	rice in the husk (paddy or rough)	1,364	1,224	1,218	0	1	0
100620	rice, husked (brown)	27	91	188	55	10	-81.82
100640	rice, broken	490	124	129	24	102	325
Total	PSD-rice, milled	72,468	39,409	66,688	26,664	14,323	-46.28

Source: Morocco office de change, MY used for Rice October-September

Table 9: Barley Production, Supply, and Distribution

Rice, Milled	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	8	8	8	8	0	8
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Milled Production (1000 MT)	45	45	42	42	0	45
Rough Production (1000 MT)	69	69	65	65	0	69
Milling Rate (.9999) (1000 MT)	6500	6500	6500	6500	0	6500
MY Imports (1000 MT)	63	67	55	55	0	60
TY Imports (1000 MT)	55	55	55	55	0	60
TY Imp. from U.S. (1000 MT)	1	1	0	0	0	0
Total Supply (1000 MT)	108	112	97	97	0	105
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Consumption and Residual (1000 MT)	108	112	97	97	0	105
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	108	112	97	97	0	105
Yield (Rough) (MT/HA)	8.625	8.625	8.125	8.125	0	8.625
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2023/2024 = January 2024 - December 2024						

Attachments:

No Attachments