

**Required Report:** Required - Public Distribution

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## **Report Name:** Grain and Feed Update

**Country:** Morocco

**Post:** Rabat

**Report Category:** Grain and Feed

**Prepared By:** Mohamed Fardaoussi

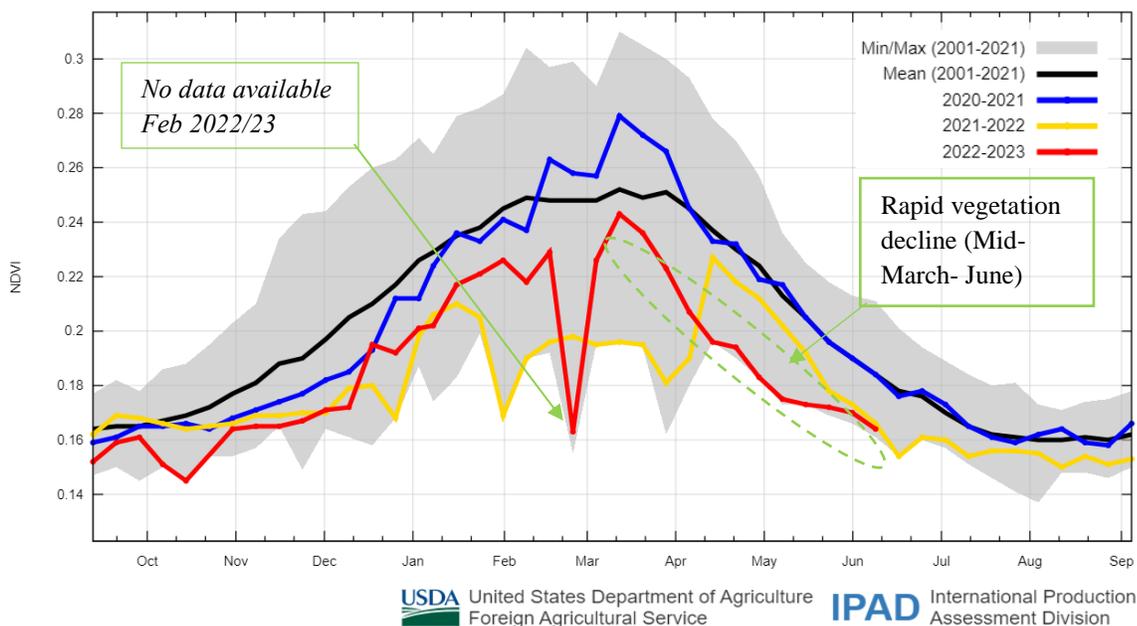
**Approved By:** Robert Wright

### **Report Highlights:**

The Government of Morocco has released its first wheat and barley production estimates for the 2023 crop, including 2.98 MMT of common wheat, 1.18 MMT of durum wheat, and 1.35 MMT of barley. Although the MY 2022/23 wheat and barley production estimates are up 62 percent compared to previous season, Morocco has experienced drought four of the last five seasons, and wheat production is well-below historic averages. On May 31, 2023, the government of Morocco stopped its common wheat import support program as global prices fell with the new world wheat crop (\$227-\$251 per MT) and other declining inflationary pressures. Additionally, the government of Morocco will keep wheat and barley import duties at zero until December 31, 2023, in order to encourage stock building.

**Production update:** Morocco’s MY 2023/24 wheat and barley crop experienced a late start with rains arriving approximately 6 weeks after Morocco’s historic planting date. Early season rains were light but sufficient, followed by drought conditions during the grain filling period. Insufficient rainfall and poor growing conditions drove down production. In anticipation of late rains and heat stress, farmers began harvesting early, near of the last week of April 2023.

**Figure 1: Morocco – Relative Crop Conditions (Modis NDVI 8-Day), October- September**



On April 28, 2023, the Ministry of Agriculture [released](#) its first production estimate for MY 2023/24 wheat and barley production – set at 5.51 MMT, about 62 percent above the previous year’s crop of 3.4 MMT (drought year). The harvest estimate includes 2.98 MMT of common wheat, 1.18 MMT of durum wheat, and 1.35 MMT of barley. The Ministry of Agriculture reports that the 2023/24 crop is below historic averages, and that it is a continuation of drought conditions that have occurred four out of the last five years. Post has revised its MY 2023/24 wheat and barley production forecasts to reflect Ministry of Agriculture estimates.

**Policy update:**

On May 12, 2023, the Minister of Agriculture and the Minister of Economy and Finance implemented a series of measures to support the marketing of the domestic wheat crop in MY2023/24 ([Link](#)). The measures are effective June 1 through July 31, 2023, and include:

- Maintaining the reference price (minimum price paid to producers) for common wheat at 3,000 Dh/MT (≈\$298/MT)<sup>1</sup>.

<sup>1</sup> The exchange rate applied 1 USD ≈ 0.099 MAD, June 15, 2023.

- A biweekly storage premium of 25 Dh/MT ( $\approx$ \$2.48/MT) for grain traders and Moroccan agricultural cooperatives to store their wheat at facilities licensed by the Moroccan Cereals Office (ONICL).

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On June 13, 2023, the government of Morocco launched a one billion dollar (USD) plan to mitigate drought impacts in the agricultural sector. This includes support for livestock, horticultural production, and strengthening agricultural financing systems. Half of the funds, (\$500 million), will be devoted to the subsidy program for imported barley and dairy cattle feed. \$400 million will be used to support the purchase and distribution of inputs, including seeds and fertilizers. The remaining \$100 million will be used to support the Credit Agricole and improve access to financing for farmers.

### Trade Update:

**Table 1: Morocco – Wheat Imports by Country (MT Wheat Equivalent)**

Partner Country	Marketing Year				Year to Date		
	2018/19	2019/20	2020/21	2021/22	06/21-03/22	06/22-03/23	%Δ
EU 27	1,295,589	2,631,974	2,353,907	1,593,372	1,039,789	4,103,852	295
Argentina	287,400	27,050	390,629	941,770	664,123	85,870	-87
Ukraine	1,167,428	631,303	1,101,408	596,634	596,634	2,500	-100
Canada	834,358	927,924	1,290,992	539,608	458,089	652,288	42
Brazil	0	0	45,342	360,662	197,980	0	-100
Russia	127,664	364,276	205,675	29,830	29,830	0	-100
Other	11,504	43,486	56,228	8,855	7,473	39,331	
<b>Total</b>	<b>3,723,947</b>	<b>4,626,017</b>	<b>5,444,178</b>	<b>4,070,732</b>	<b>2,993,920</b>	<b>4,883,840</b>	<b>63</b>

Source: Office des changes

**Table 2: Morocco – Wheat Exports by Marketing Year (MT Wheat Equivalent)**

HS	Description	Marketing Year			Year to Date		
		2019/20	2020/21	2021/22	06/21-03/22	06/22-03/23	%Δ
190240	Couscous	36,835	55,816	54,283	44,895	42,178	-6
190219	Pasta (spaghetti...)	17,788	13,069	20,373	15,488	23,182	50
190230	Pasta, prepared, nesoi	4,722	5,670	7,444	5,907	7,247	23
1101	Wheat or meslin flour	3,427	1,956	1,263	921	1,689	83
190430	Bulgur wheat, pre-cooked	0	0	3	3	3	0
1001	Wheat and meslin	0	58	0	0	120	0
<b>Total</b>	<b>PSD Wheat</b>	<b>62,772</b>	<b>76,570</b>	<b>83,366</b>	<b>67,213</b>	<b>74,419</b>	<b>11</b>

Source: Office des changes, applied converting factor: 1.368, MY used for wheat June-May

**Table 3: Barley Imports by Marketing Year (MT)**

Partner Country	Marketing Year				Year to Date		
	2018/19	2019/20	2020/21	2021/22	07/21-03/22	07/22-03/23	%Δ
EU 27	142,688	943,971	440,994	786,171	488,663	159,611	-67.34
Argentina	0	0	0	90,600	0	0	0
Ukraine	8,249	131,649	12,099	50,238	50,238	0	-100
Russia	0	0	25,041	49,369	19,369	0	-100
Syria	0	0	3,337	0	0	0	0
<b>Total</b>	<b>150,937</b>	<b>1,075,620</b>	<b>481,472</b>	<b>976,378</b>	<b>558,270</b>	<b>159,611</b>	<b>-71.41</b>

Source: Office des changes, MY used for barley July-June

Post maintains barley import numbers unchanged on insufficient data and expects late spring barley imports will increase. The latest ONICL tender for barley imports indicates Morocco will increase imports ([link](#)).

**Table 4: 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	2550	2550
Beginning Stocks (1000 MT)	1457	1457	2385	2385	1210	1210
Production (1000 MT)	7540	7540	2700	2700	3800	4160
MY Imports (1000 MT)	4071	4071	6500	6500	7500	7500
TY Imports (1000 MT)	4726	4726	6500	6500	7500	7500
TY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	13068	13068	11585	11585	12510	12370
MY Exports (1000 MT)	83	83	75	75	75	75
TY Exports (1000 MT)	83	83	75	75	75	75
Feed and Residual (1000 MT)	400	400	300	300	300	300
FSI Consumption (1000 MT)	10200	10200	10000	10000	10300	10300
Total Consumption (1000 MT)	10600	10600	10300	10300	10600	10600
Ending Stocks (1000 MT)	2385	2385	1210	1210	1835	2,195
Total Distribution (1000 MT)	13068	13068	11585	11585	12510	12370
Yield (MT/HA)	2.641	2.641	1.08	1.08	1.4902	1.6314

(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 5: Barley- Production, Supply, and Distribution**

<b>Barley</b>	<b>2021/2022</b>		<b>2022/2023</b>		<b>2023/2024</b>	
<b>Market Year Begins</b>	<b>Jul 2021</b>		<b>Jul 2022</b>		<b>Jul 2023</b>	
<b>Morocco</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>	<b>USDA Official</b>	<b>New Post</b>
<b>Area Harvested</b> (1000 HA)	1490	1490	1100	1100	1200	1200
<b>Beginning Stocks</b> (1000 MT)	34	34	609	609	34	34
<b>Production</b> (1000 MT)	2780	2780	700	700	1100	1350
<b>MY Imports</b> (1000 MT)	915	915	250	250	700	700
<b>TY Imports</b> (1000 MT)	760	760	300	300	700	700
<b>TY Imp. from U.S.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Supply</b> (1000 MT)	3729	3729	1559	1559	1834	2084
<b>MY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>TY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>Feed and Residual</b> (1000 MT)	2120	2120	825	825	1000	1000
<b>FSI Consumption</b> (1000 MT)	1000	1000	700	700	800	800
<b>Total Consumption</b> (1000 MT)	3120	3120	1525	1525	1800	1800
<b>Ending Stocks</b> (1000 MT)	609	609	34	34	34	284
<b>Total Distribution</b> (1000 MT)	3729	3729	1559	1559	1834	2084
<b>Yield</b> (MT/HA)	1.8658	1.8658	0.6364	0.6364	0.9167	1.125
(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						

**Attachments:**

No Attachments