AHDB cereal exports ***target market report***

Morocco

Harvest

The Moroccan harvest totalled 7.5 million tonnes for the 2021/22 marketing year – a significant increase on the previous year.

This harvest performance is mainly due to abundant rainfall at a critical point in the crop cycle, which boosted yields.

Barley production totalled 2.7 million tonnes – again a massive boost compared to the previous season.

The Moroccan government suspended soft wheat import customs duties from 1 November 2021, to ensure steady supply to the domestic market, and price stability amid high prices in international markets.

Import requirements

Given Morocco's higher domestic wheat and barley production, USDA estimates imports to reach a record low – approximately 5 million tonnes of wheat and 300,000 tonnes of barley for 2021/22.
Stiff competition between France and Black Sea countries continues for the supply of Morocco's common soft wheat, while the UK remains a traditional supplier of feed barley to Morocco.
Due to the excess milling capacity in Morocco, only limited quantities of wheat flour, couscous and pasta are exported to neighbouring countries.

Annual milling capacity

- Wheat – 10.5 million tonnes (154 mills)
- Durum – 1.16 million tonnes (34 mills)
- Barley – 0.3 million tonnes (12 mills)
- Total mills – 200

Source: ONICL

Animal feed market

- Total production for poultry feed in 2020 was 3 million tonnes*
- Poultry feed is cereal-based (barley, sorghum and maize)
- Technical assistance from AHDB Cereals & Oilseeds indicated that wheat inclusion in the ration would improve pellet quality and therefore feed conversion and growth rates in turkeys
- Poultry products, mainly turkey, are widely consumed as a cheap source of animal protein. Increased growth in the poultry sector indicates a corresponding growth in demand for feed grains

*Source: FISA (Moroccan poultry federation)

Top five animal feed producers

- Alf Sahel
- El Alf
- SNV
- Cicaclim
- Inaam

Prior to 2013, feed wheat was not permitted to be imported into Morocco.

With support from AHDB Cereals & Oilseeds, an agreement was reached with the authorities whereby feed wheat could enter Morocco in a denatured state, i.e. coloured with a green food dye. In 2013, it was estimated (by the Moroccan feed compounders association – AFAC) that demand for feed wheat could reach 60,000 tonnes per annum; however, uptake has been slow because compounders are unfamiliar with wheat in their rations. AHDB Cereals & Oilseeds has been supporting feed compounders by providing technical information, to help increase demand.

Government policy

Wheat imports are categorised by the Moroccan authorities as soft wheat (for bread making), feed wheat and ‘other’ (including biscuit wheat).

ONICL is the state-owned cereals office that ensures a **security stock of around one million tonnes** of soft wheat to produce subsidised flour for low-income consumers. However, the government has been trying to reduce the quantity of the subsidised flour going to the poorest areas. High import tariffs are used to **protect domestic production** until local supplies are used up. Stocks are then completed by reducing the import tariff and launching international tender calls through Moroccan importers.

ONICL bread wheat quality specifications (via international tender)
Spec. weight – 77 kg/hl; Hagberg – min 220 seconds; W – 160 min; Protein – 11.5%

Private-sector bread wheat quality specifications
Spec. weight – min 78 kg/hl; Hagberg – min 250 seconds; W – min 180; Protein – min 11%; P/L 0.8–1.2

Private-sector biscuit wheat quality specifications
Spec. weight – min 76 kg/hl; Hagberg – min 230 seconds; W – max 140; Protein – max 11%; P/L 0.4 max

Biscuit wheat

Morocco's soil type is unsuitable for biscuit wheat production, therefore demand for imports will always exist, irrespective of domestic wheat production levels.

Following technical support provided by AHDB Cereals & Oilseeds, ONICL and the Ministry of Foreign Trade have allowed reduced tariff imports of biscuit-grade wheat, based on the **uks** specification. Each year, the millers apply to the ministry of foreign trade to request permission to import their required volume. The ministry grants the quota, which is then overseen by ONICL.

Consumer trends

Bread

- 14,000 bakery-pastry outlets (source: lavieeco.com/)
- Increased use of bran as a healthy alternative in response to the increase in diabetes

Biscuits

- Steady increase in the biscuit sector, particularly in European-style biscuits as preferences become more westernised
- The younger generation are being targeted more – snacks for children and mixed with milk for babies

Barley

- The barley market for human consumption is small, consumption is higher in rural communities
- There is no government control of barley quotas – it is traded by private groups

Competitors in the market

Wheat

Units = tonnes	2020		2019
France	1,781,395	France	1,533,085
Ukraine	934,755	Ukraine	888,027
Russia	426,486	Argentina	287,400
Germany	386,281	Russia	65,191
Estonia	211,206	Germany	63,798
Latvia	190,918	Lithuania	33,000
Poland	121,871	Poland	32,999
Lithuania	88,474	USA	32,240
Romania	80,915	Canada	21,270
Finland	64,518	Bulgaria	15,005

Canada	29,142	**UK**	7,053

Source: IHS Maritime & Trade: Global Trade Atlas ® – Office des Changes
Further publication of the trade data is prohibited, unless expressly permitted by IHS Maritime & Trade.

Barley

Units = tonnes	2020		2019
France	479,580	**France**	317,321
Germany	134,440	**Ukraine**	38,408
UK	112,913	**UK**	26,335
Ukraine	105,340	**Spain**	25
Bulgaria	57,565		
Denmark	44,142		
Finland	34,500		
Romania	33,000		
Poland	29,290		

Source: IHS Maritime & Trade: Global Trade Atlas ® – Office des Changes
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Supply and demand

As at Feb 2022 Units = thousand tonnes	2020/21 Total Wheat	2020/21 Barley	2021/22 Wheat (forecast)	2021/22 Barley (forecast)
Beginning stocks	3,611	128	1,147	64
Production	2,560	640	7,540	2,780
Imports	5,444	456	5,000	300
Total supply	11,615	1,224	13,687	3,144
Exports	68	0	75	0
Feed domestic consumption	300	560	500	1,700
FSI consumption	10,100	600	10,400	1,000
Domestic consumption	10,400	1,160	10,900	2,700
Ending stocks	1,147	64	2,712	444

Source: USDA

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