

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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**Date:** 11/6/2015

**GAIN Report Number:** MO1508

## Morocco

### Grain and Feed Update

#### 2015 Grain and Feed Update Report

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**Report Highlights:**

The Moroccan Ministry of Agriculture announced final cereal production for MY2015/2016 at 11.5 million MT, which was 69 percent higher compared to the previous year. The 2016 season started under favorable weather conditions with timely and adequate rainfall throughout most of the grain producing regions with the dam fill rates currently reported at around 72 percent. On October 12, 2015, the Government of Morocco reduced the import duties for wheat from 75 percent to 50 percent effective from November 1, 2015. For MY 2015/2016, FAS Rabat reduced its forecast for barley imports from 0.3 million MT to 0.2 million MT. Post maintains its estimate for wheat imports at 2.8 million MT.

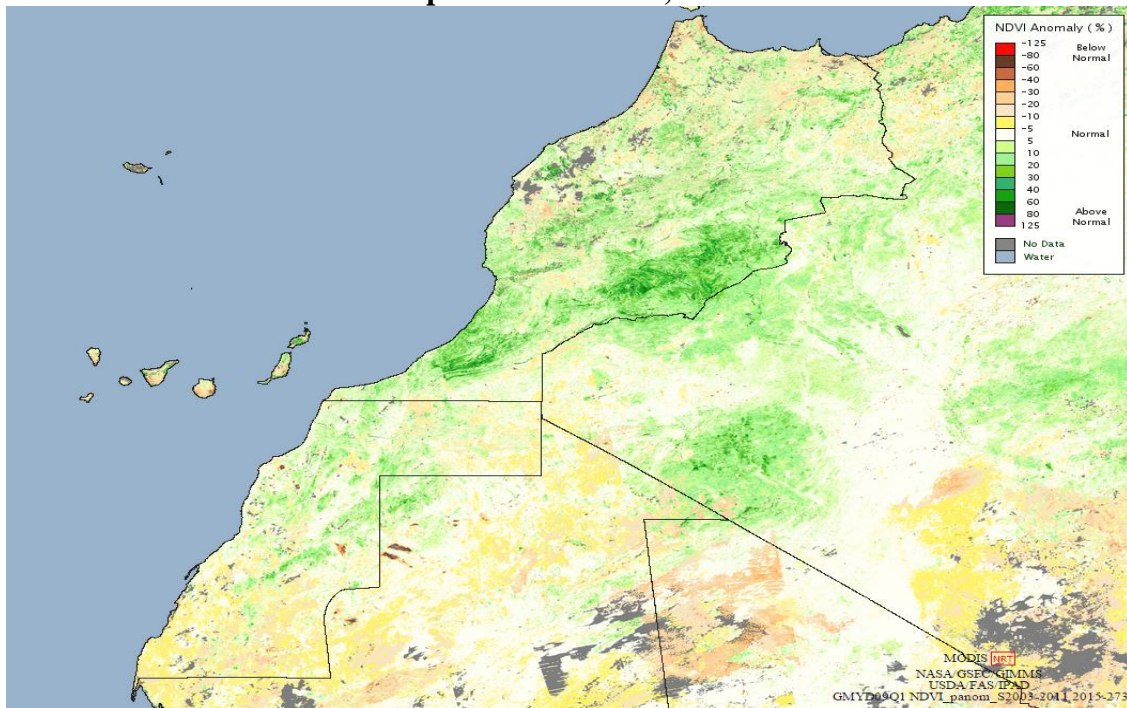
**Post:**  
Rabat

**Executive Summary:**  
**Production**

Morocco's 2016 season started under favorable weather conditions with timely and adequate rainfall throughout most of the grain production regions and with the dam fill rates currently reported at around 72 percent.

The below satellite imagery maps depicts the Normalized Difference Vegetation Index (NDVI) as of October 2015.

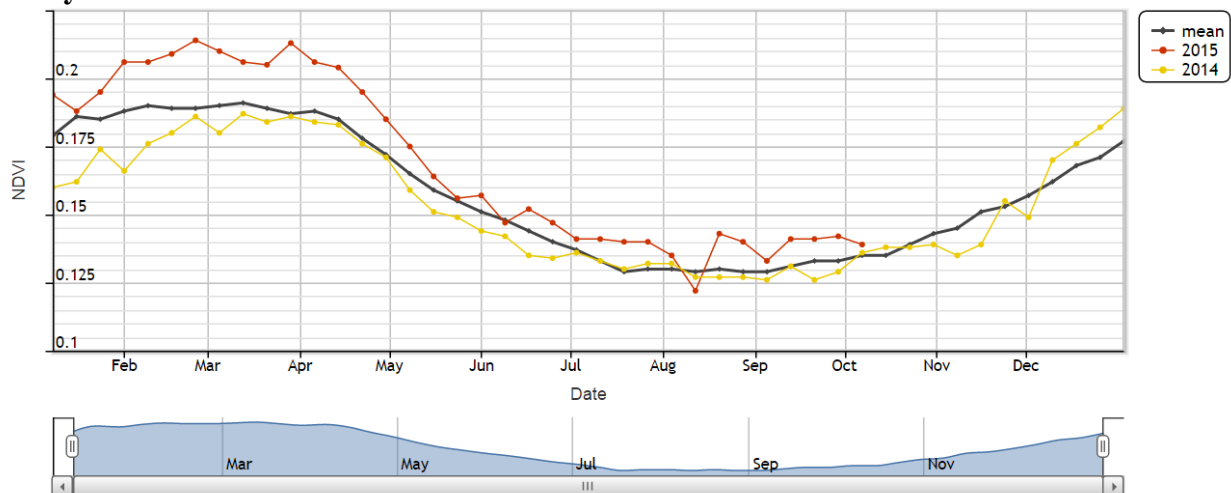
**Morocco: MODIS NDVI Anomaly Departure from Average  
September-October, 2015**



Source: NASA/GSFC/GIMMS – USDA/FAS/OGA



The graph shows the season NDVI values (from the MODIS Aqua satellite) compared to average and last year.



USDA United States Department of Agriculture  
Foreign Agricultural Service

\*Mean from 2003-2011

Source: NASA/GSFC/GIMMS – USDA/FAS/OGA

For MY2015/2016, Morocco’s official grain crop production was announced at 11.5 million MT, which was 69 percent higher compared to production in the previous season. It consisted of 5.6 million MT of soft wheat, 2.4 million MT of durum wheat, and 3.5 million MT of barley. The production was in line with the target set in the Green Morocco Plan (GMP).

The below table shows the breakdown of Morocco’s grain production by marketing year

Table 1: Morocco’s grain production in million MT

Marketing Year Crop	Durum Wheat	Common Wheat	Total Wheat	Barley	Total Production
2009/2010	2.1	4.3	6.4	3.8	10.2
2010/2011	1.6	3.2	4.8	2.5	7.4
2011/2012	1.8	4.1	6.0	2.3	8.3
2012/2013	1.1	2.7	3.8	1.2	5.0
2013/2014	1.9	5.1	7.0	2.7	9.7
2014/2015	1.4	3.7	5.1	1.7	6.8
2015/2016	2.4	5.6	8.0	3.5	11.5

Source: Ministry of Agriculture data

### Government Support for Cereal Production

The government of Morocco will continue implementing a series of measures to support cereal production as part of the GMP. These measures include establishing a reference price for local wheat purchases, paying farmers a premium to store their wheat and encouraging them to use certified seeds, and supporting agricultural insurance. Other measures to support grain production include subsidies for farm machinery and irrigation equipment that range from 30 to 70 percent of the purchase cost and

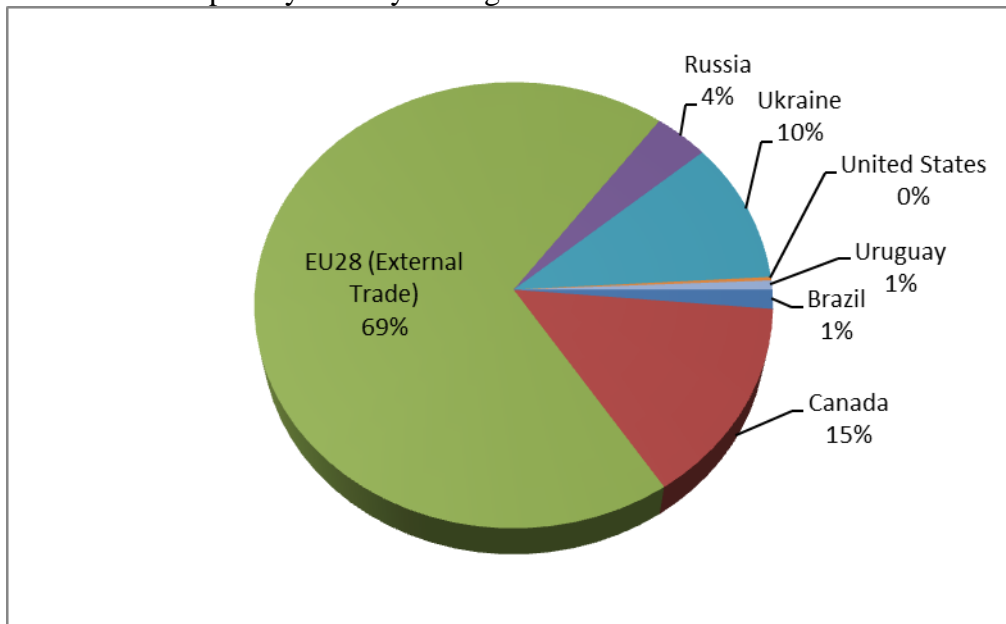
subsidizing soil testing to optimize fertilizer usage.

## Trade

For MY2015/2016, FAS Rabat reduced its forecast for barley imports to 0.2 million MT (versus 0.3 million MT), and post maintains its estimate for wheat imports at 2.8 million MT. This is 33 percent lower than the volume imported in MY2014/2015 and can be explained by a good production and higher local surplus stock.

Morocco's cereals imports in MY 2014/2015 totaled 3,912,000 MT, including 3,335,000 MT of wheat and 437,000 MT of barley, which is almost the same volume imported in MY2013/14. EU took the lead in Morocco's wheat market, with 69 percent market share, while Canada supplied 15 percent, Ukraine 10 percent and Russia 4 percent. US exports were limited in MY2014/15 to 10,000 MT. For barley, France and Argentina supplied 80% of Morocco imports with 5% market share for Canada.

Figure 1: Morocco wheat import by country of origin for the MY 2014/2015\*



Source: Customs office/ \* Latest available data.

## Price

Cereal farmers in Morocco have the option to sell their common wheat production to government licensed traders (grain merchants, cooperatives, and mills) at a preset price (2,600 dirham/MT) or sell it on the free market. Prices of other grains (including durum wheat and barley) are freely negotiated in the market place. During the period June 2012 to mid-October 2015, common wheat prices in the local markets averaged \$269/MT. For the same period, durum wheat prices averaged \$333/MT, while barley prices averaged \$295/MT.

**Table 7: Grain Average Prices in Local Markets (dollars/MT)**

Marketing Year	Common Wheat	Durum	Barley
2005/2006	264	301	254
2006/2007	254	297	215
2007/2008	326	391	330
2008/2009	278	351	280
2009/2010	250	281	179
2010/2011	261	295	227
2011/2012	267	327	315
2012/2013	291	347	316
2013/2014	263	328	294
2014/2015*	256	335	255

Source: Morocco's Cereal Office (ONICL) (Indicative exchange rate 2015 (1 USD = 9.80 dirham)/\* Current domestic prices in the local Market.

### Policy

On October 12, 2015, the Government of Morocco announced a reduction for the import duties on soft wheat from 75 percent to 50 percent (Circulaire ## 2-15-810) and maintained the duty on durum wheat at 2.5 percent.

### Production, Supply and Demand:

#### Wheat, Morocco (Areas in 1,000 HA and Quantities in 1,000 MT)

Wheat Market Begin Year	2013/2014		2014/2015		2015/2016	
	Jun 2013		Jun 2014		Jun 2015	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	3,280	3,280	3,060	3,060	3,200	3,200
Beginning Stocks	2,472	2,472	4,185	4,185	4,120	4,120
Production	7,000	7,000	5,100	5,100	8,000	8,000
MY Imports	3,928	3,928	4,073	4,073	2,800	2,800
TY Imports	3,892	3,892	4,073	4,073	2,800	2,800
TY Imp. from U.S.	0	0	10	10	0	0
Total Supply	13,400	13,400	13,358	13,358	14,920	14,920
MY Exports	215	215	238	238	250	250
TY Exports	220	220	222	222	250	250
Feed and Residual	600	600	400	400	800	800
FSI	8,400	8,400	8,600	8,600	9,000	9,000

Consumption						
Total Consumption	9,000	9,000	9,000	9,000	9,800	9,800
Ending Stocks	4,185	4,185	4,120	4,120	4,870	4,870
Total Distribution	13,400	13,400	13,358	13,358	14,920	14,920

**Production, Supply and Demand:**

**Barley, Morocco (Areas in 1,000 HA and Quantities in 1,000 MT)**

Barley Market Begin Year  Morocco	2013/2014		2014/2015		2015/2016	
	Jul 2013		Jul 2014		Jul 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1,690	1,690	1,440	1,440	1,600	1,600
Beginning Stocks	189	189	976	976	376	376
Production	2,700	2,700	1,700	1,700	3,500	3,500
MY Imports	387	387	400	400	200	200
TY Imports	471	471	300	300	200	200
TY Imp. from U.S.	27	27	0	0	0	0
Total Supply	3,276	3,276	3,076	3,076	4,076	4,076
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	1,500	1,500	1,700	1,700	2,000	2,000
FSI Consumption	800	800	1,000	1,000	1,000	1,000
Total Consumption	2,300	2,300	2,700	2,700	3,000	3,000
Ending Stocks	976	976	376	376	1,076	1,076
Total Distribution	3,276	3,276	3,076	3,076	4,076	4,076
(1000 HA) ,(1000 MT)						

