



GIEWS Country Brief Morocco

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FOOD SECURITY SNAPSHOT

- **Below-average cereal crop harvested in 2020**
- **Wheat imports expected to increase owing to below-average domestic production**
- **Economy contracts but food price inflation remains low**

Below-average cereal crop harvested in 2020

Land preparation for sowing of the 2021 grain crops is currently ongoing under favourable weather conditions. Seasonal rains started in September with above-average amounts in most cropping areas. Winter wheat and barley crops will be sown from early November after the rains adequately replenish soil moisture.

Harvesting of the 2020 winter grains finished in July. The season was characterized by poor rainfall, both in terms of amount and distribution, coupled with high temperatures. Rains in late March and April 2020 proved to be too late for a production recovery of the winter grains that were already at filling to maturing stages. Farmers in the most drought-affected areas decided to let their livestock graze the fields instead of harvesting.

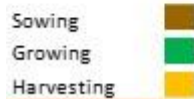
Overall, according to official estimates, about 2.56 million tonnes of wheat were harvested in 2020, a decrease of about 40 percent compared to the previous year's harvest and less than half of the five-year average. Barley output in 2020 amounted to 640 000 tonnes, almost 45 percent less in the previous year and less than one-third of the five-year average. At 3.32 million tonnes, the 2020 cereal production remained 60 percent short of the five-year average and 38 percent below the 2019 harvest. The 2020 harvest is the third lowest one on record in the last 20 years. The country's cereal production is highly variable, with local dams providing irrigation for only 15 percent of the agricultural land and rainfed agricultural production accounting for 85 percent of the aggregate output. The 2020 production estimates were based on a telephone survey of grain yields as travel restrictions imposed to contain the spread of the COVID-19 pandemic prevented the Ministry of Agriculture from carrying out field assessments.

The Government supports wheat production by establishing a reference price for purchasing local wheat (maintained at MAD 2 800 per tonne since 2017, equivalent to USD 280 per tonne) and by providing a storage premium to store wheat in licensed facilities.

Morocco

Crop Calendar

(*major foodcrop)



Source: FAO/GIEWS.

Morocco

Cereal Production

	2015-2019 average	2019	2020 estimate	change 2020/2019
	000 tonnes			percent
Wheat	5 868	4 100	2 560	-37.6
Barley	2 099	1 161	640	-44.9
Maize	101	41	50	22.0
Others	99	95	74	-22.4
Total	8 167	5 397	3 324	-38.4

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

Wheat imports to increase in 2020/21 owing to constrained domestic production

The country relies heavily on wheat imports to cover its consumption needs. A second consecutive year of drought increased the cereal import requirements in the 2020/21 marketing year (July/June) to 10.5 million tonnes, almost 20 percent more than in 2019/20 and about 30 percent above the average. The European Union and Black Sea countries supply most of the common “soft” wheat, while Canada is the traditional supplier of “durum” wheat.

The country traditionally applies tariffs on wheat imports to protect local producers from international competition and revises the duties on a periodic basis depending on the domestic supply and demand situation. Usually import duties are set at the highest levels at harvest time. In May 2020, the Government extended the exemption of the 35 percent import duty on soft wheat until 31 December 2020 with the aim to ensure regular flows of good quality wheat imports from the international market and prevent price hikes of non-subsidized wheat products.

Due to the excess milling capacity in the country, limited quantities of wheat flour, couscous and pasta are exported to neighbouring countries.

No major disruptions in production activities as well as national and export agricultural supply chains due to the measures introduced to contain the spread of the COVID-19 pandemic were reported.

Economy contracts and food price inflation remains low

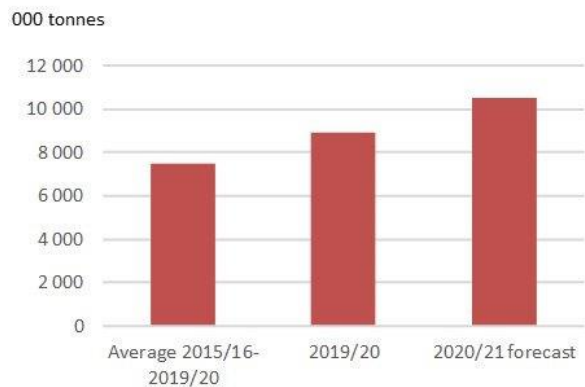
The economy contracted 14.9 percent year on year in the second quarter of 2020, compared to 0.1 percent in the first quarter, mostly due to the collapse of tourism and the seriously eroded transportation services, manufacturing and construction. A decrease in employment opportunities is likely to impact the purchasing power of informal sector workers in particular. Following the pandemic outbreak in March, the Government has been providing between USD 80 to USD 120 per month to the families in need. Special provisions were also introduced for formal employees who lost their jobs and are affiliated to the National Social Security Fund.

The food price inflation in August 2020 (last data available) recorded a 1.7 percent increase on a yearly basis. In the last five years, food inflation was very contained, ranging from a minus 3 to a positive 4 percent. In spite of the country’s high import dependency rate, the impact of the changes in international prices on domestic prices is mitigated by Government subsidies.

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Morocco

Cereals Imports



Note: Includes rice in milled terms. Split year refers to individual crop marketing years (for rice, calendar year of second year shown).

Source: FAO/GIEWS Country Cereal Balance Sheets.