GIEWS Country Brief
Morocco

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**FOOD SECURITY SNAPSHOT**

- Spring drought constrained 2019 production prospects
- Wheat imports expected to increase owing to below-average domestic production
- Food price inflation remains low

**Springs drought constrained 2019 production prospects**

Harvesting of the 2019 winter grains will start in the second half of May and production prospects are not favourable. Above-average precipitation across the main growing areas between September and December provided abundant moisture for early planting in October and consequent emergence of wheat crops under favourable moisture conditions. However, rainfall deficits between January and March affected growth and decreased yield potential, particularly in the western and northern part of the country. Rains in April proved to be too late for a production recovery.

The total area planted with winter cereals in 2018 was 4.7 million hectares, close to 4.6 million hectares planted in the previous year. The utilization of certified seeds remained unchanged at 300 000 tonnes compared to the previous season. Local reports indicate that, given the low rainfall amounts and the general expectations of low yields, farmers refrained from mid-season application of plant protection materials and fertilizers.

The Government’s preliminary forecasts from late April 2019 point to a cereal production of about 6.4 million tonnes, more than one-third lower than the previous year’s exceptional harvest of 10.5 million tonnes and about 25 percent below average. Wheat production is expected to decrease from 7.3 million tonnes gathered last year to 4.9 million tonnes, a decline of almost 20 percent compared to the average.

The Government supports wheat production by establishing a reference price for purchasing local wheat (MAD 2 800 per tonne in 2019, unchanged from 2018, equivalent to USD 290 per tonne) and by providing a storage premium to store wheat in licensed facilities.
Wheat imports to increase in 2019/20 owing to constrained domestic production

The country relies heavily on wheat imports to cover its consumption needs. Cereal import requirements in the 2019/20 marketing year (July/June) are forecast at 8.2 million tonnes, almost 30 percent more than in 2018/19 and about 15 percent above average. Wheat imports are expected to increase from 3.3 million tonnes in 2018/19 to about 4.7 million tonnes to cover the shortfall in domestic production. 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 uses tariffs on wheat imports to protect local producers from foreign competition and revises the duties on a periodic basis depending on the supply/demand situation in the country. Import tariffs for soft wheat were suspended from January to April 2019.

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

Food price inflation remains low

According to the last data available, the food price inflation in March 2019 recorded a 2.7 percent decrease on a yearly basis. In the last five years, food inflation was very contained ranging from a negative 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. In 2019, some 600 000 tonnes of common wheat flour were subsidized, down from 650 000 tonnes subsidized in 2018. The “durum” wheat market is not regulated.

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