



## GIEWS Country Brief Morocco

Reference Date: 21-July-2022

### FOOD SECURITY SNAPSHOT

- Well below-average cereal production harvested in 2022
- Wheat imports expected to increase in 2022/23 owing to constrained domestic production
- Food price inflation increases

### Well below-average cereal production harvested in 2022

Harvesting of the 2022 main winter grain crops concluded in mid-July. The country's cereal production is highly variable year on year depending on rainfall amounts and distribution. Local dams provide irrigation for only 15 percent of the agricultural land and rainfed agricultural production accounts for 85 percent of the aggregate output.

Following a good start of the rainy season, cumulative rainfall amounts between November 2021 and February 2022 were about half the average, causing widespread drought conditions across the country. Abundant rainfall amounts in March and April, up to 40 percent above the average in some areas, were too late to instigate a recovery in vegetation conditions as the cereal crops had already reached the grain filling stage.

As a result of the prolonged and widespread drought conditions, wheat production is estimated at about 2.5 million tonnes, over 55 percent below the five-year average and over 65 percent less than the exceptional production in 2021. Barley output in 2022 is estimated at 690 000 tonnes, one-third of the five-year average and about one-fourth of the 2021 harvest.

The government supports wheat production through the establishment of a reference price for purchasing local production, currently at MAD 3 000/tonne, up from MAD 2 800/tonne between 2017 and 2021. As of mid-June, the amount was equivalent to USD 300/tonne, down from USD 318/tonne in the previous season due to the weakening of the national currency. The government also provides a storage premium to farmers that decide to store wheat grain in licensed facilities.

To provide relief to livestock farmers, amidst high feed prices, the government announced an emergency distribution of 700 000 tonnes of subsidized barley in the regions most affected by the drought.

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Crop Calendar

(\*major foodcrop)



Source: FAO/GIEWS.

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Cereal Production

	2017-2021 average	2021	2022 forecast	change 2022/2021
	000 tonnes			percent
Wheat	5 712	7 540	2 500	-66.8
Barley	1 981	2 780	690	-75.2
Maize	82	100	30	-70.0
Others	102	93	98	4.8
<b>Total</b>	<b>7 877</b>	<b>10 513</b>	<b>3 318</b>	<b>-68.4</b>

Note: percentage change calculated from unrounded data.

Source: FAO/GIEWS Country Cereal Balance Sheet.

## Cereal imports to increase in 2022/23 owing to constrained domestic production

The country relies heavily on cereal imports to cover its consumption needs. The 2022/23 cereal import requirement is forecast at 10.4 million tonnes, about 35 percent more than the average import requirement in 2021/22. Wheat constitutes about 60 percent of the cereal imports. In the past, the European Union and Black Sea countries supplied most of the common “soft” wheat, although the share of Argentina and Brazil has been increasing. During the past four years, wheat imports from Ukraine and the Russian Federation were about 20 and 7 percent, respectively, of the total imports. Canada is the traditional supplier of “durum” wheat.

The country 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. Since November 2021, import duties on the “soft” (common) and “durum” wheat have been suspended.

In February 2022, the *Office National Interprofessionnel des Céréales et des Légumineuses* (National Inter-Professional Office for Cereals and Legumes) reinstated a restitution system intended to keep “soft” (common) wheat prices below USD 270/tonne. Wheat importers are reimbursed the difference between a baseline wheat price, calculated every two weeks based on prices from four origins, and the target price of USD 270/tonne. The system was extended until the end of 2022.

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

## Food price inflation increases, amidst high international prices

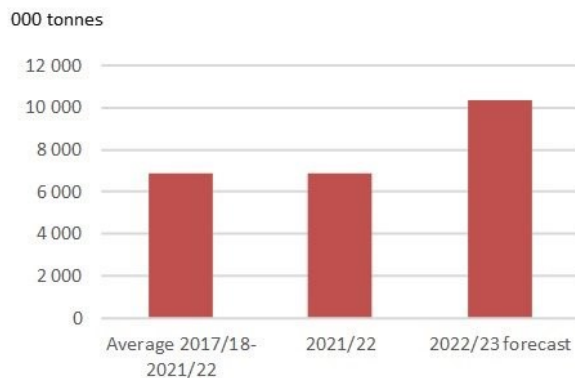
The country is dependent on grain and energy imports. As the world’s main exporter of phosphates, the value of its phosphate exports doubled in the first quarter 2022 compared to the same period in 2021, supported by high international fertilizer prices. However, increases in the net import bill for food and energy exceeded the gains from strong fertilizer prices, widening the trade balance.

In spite of the country’s high import dependency rate, the transmission of high international prices on domestic markets is mitigated by government subsidies. In May 2022, the annual food inflation rate was estimated at 8.6 percent, showing a slight decrease from the 9.4 percent recorded in the previous two months, but up from about 5 percent at the beginning of the year. Although relatively contained compared to other countries in the region, it is the highest level recorded since the beginning of the series in 2010. The general price inflation in May was estimated at 6 percent.

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## Morocco

### Cereals Imports



Notes: 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.