



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Scheduled Report - public distribution

Date: 8/4/1998

GAIN Report #MO8013

Morocco

Tree Nuts

Almonds Annual - 1998

1998

Prepared by:

Quintin GRAY

U.S. Embassy, Rabat, Morocco

Drafted by:

Aziz ABDELALI

Report Highlights:

Moroccan almond production is forecast to decrease slightly this year due to poor weather conditions during January-March period but still should be above average compared to previous years. Moroccan imports and exports of almonds should remain low and the US, if price competitive, is expected to continue to export small quantities to Morocco over the coming year.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Rabat [MO1], MO

Table of Contents

Production	1
Input	1
Policy	1
Future Prospects, Production	2
Local Price	2
Prospects for Imports	2

Production

In 1998, Morocco's almond production is expected to decrease moderately following last year's bumper crop. The drop in production has been attributed to poor weather conditions, especially lack of rainfall, during the February-March period which has negatively affected fruit settings. Production will continue to be limited by the heavy dependance on rainfall, generally poor management, and the lack of technical know how. Use of almond trees to prevent erosion accounts for a large part of the area planted each year. In these instances, almond trees are regarded as forest trees and receive virtually no inputs.

[Production figures released by the Ministry of Agriculture should be interpreted with caution since the methods used are not well developed and are not standardized.]

Morocco's almond production consists of both bitter and sweet almonds. Although there are no official estimates on the share of bitter almonds, Ag.Attache believes that one fourth of the crop is bitter and the remaining are sweet almonds suitable for human consumption.

Input

Irrigated area planted to almonds represents less than 10 percent of the total almond area but accounts for over half of the almonds produced in Morocco. Yields in these farms reach 0.6 MT/ha (shelled basis) compared to an average of 0.05 MT/ha in other areas.

Policy

The GOM has no clear policy to expand almond production to meet the increasing local demand. Currently, the only incentive is the subsidy of almond seedlings. The GOM subsidizes four-fifths of the value of almonds seedlings while farmers pay the remaining one fifth. In 1997, the GOM subsidized the purchase of about 300,000 almond plants. The impact of such a program will likely be dampened by poor management and limited inputs.

Future Prospects, Production

Over the next 3-5 years, almond production may increase occasionally in response to favorable weather

conditions, but is not expected to be consistently high because of its heavy dependence on rainfall and poor productivity of existing trees. Many almond trees are planted under the GOM Soil Conservation Program. Thus, they are considered as forest trees and are planted on the hill sides to prevent erosion and are not always harvested. Also, farmers often own a few trees scattered throughout fields. Inputs are minimal and consist mostly of water and manure. However, there are some farms in localized areas around Meknes, Fes and Marrakech that are market oriented, well managed, and where the yields are consistently high. There is no evidence that the number of such farms will significantly increase production in the long term.

Local Price

The local demand for dry nuts, and almonds in particular, is steadily increasing in Morocco. Almonds have been traditionally used to make pastries, festivity meals, and also as snack food (salt roasted). Demand peaks during the summer months when ceremonies and celebrations tend to be concentrated. Prices of almonds dropped significantly last year as a result of the large local crop. Thus, compared to the year before where almonds were sold at 100-130 dirhams per kilogram of shelled almonds, the retail price ran last year between 45-65 dirhams per kilogram (current exchange rate 1\$ = 9.6 dirhams)

Prospects for Imports

Morocco's imports of sweet almonds are still very small. In 1997/98 total imports are not expected to exceed 10 MT as a result of the bumper crop. Also, exports of sweet almonds are not expected to rise in the future as the local demand for almonds is growing. However, next year imports may increase slightly in response to the lower crop but are not expected to reach a high level.

U.S. almonds have developed a reputation for being of high and consistent quality but are thought to be relatively expensive especially when the local crop is abundant and the price of local almonds are low. Over the next three to five years, U.S. almond exports to Morocco may increase in response to the fluctuating local production and the steadily increasing demand.

Duties and taxes on imported almonds are high (currently at 80 percent ad valorem). This results in some almonds being smuggled through the Spanish administered cities in the north of Morocco: Ceuta and Melilia. Also, since a large part of almonds is used for pastries, and thus is processed, there is a potential for U.S. grade, blanched, diced and meal almonds.

End of Text

PSD Table						
Country:	Morocco					
Commodity:	Almonds, Shelled Basis					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		07/1996		07/1997		07/1998
Area Planted	94	94	94	94	0	94
Area Harvested	90	90	90	90	0	91
Bearing Trees	8860	8860	8863	8863	0	9000
Non-Bearing Trees	3760	3760	3763	3763	0	4000
Total Trees	12620	12620	12626	12626	0	13000
Beginning Stocks	957	957	97	100	147	310
Production	5100	5100	6000	11000	0	8000
Imports	40	43	50	10	0	30
TOTAL SUPPLY	6097	6100	6147	11110	147	8340
Exports	0	0	0	0	0	0
Domestic Consumption	6000	6000	6000	10800	0	8200
Ending Stocks	97	100	147	310	147	140
TOTAL DISTRIBUTION	6097	6100	6147	11110	147	8340

Import Trade Matrix			
Country:	Morocco	Units:	MT, Shelled
Commodity:	Almonds		
Time period:	Mkting Year (Jul/Jun)		
Imports for	1996		1997
U.S.	34	U.S.	
Others		Others	
France	9		
Total for Others	9		0
Others not listed			
Grand Total	43		0