

Required Report: Required - Public Distribution

Date: January 05,2021

Report Number: MO2020-0029

Report Name: Exporter Guide

Country: Morocco

Post: Rabat

Report Category: Exporter Guide

Prepared By: Mohamed Fardaoussi

Approved By: Robert Wright

Report Highlights:

In 2020, the United States and Morocco completed a health certificate for U.S. live cattle exports to Morocco. The top prospects for U.S. agricultural exports to Morocco include feed grains (corn, DDGS, soybeans and soybean meal), pulses, live animals, genetics, animal fats and some consumer-oriented products (bovine meat, poultry meat, dairy products, eggs & products, rice and tree nuts). Under the U.S.-Morocco Free Trade Agreement (FTA), a large number of tariffs for consumer-oriented products were phased out in 2020.

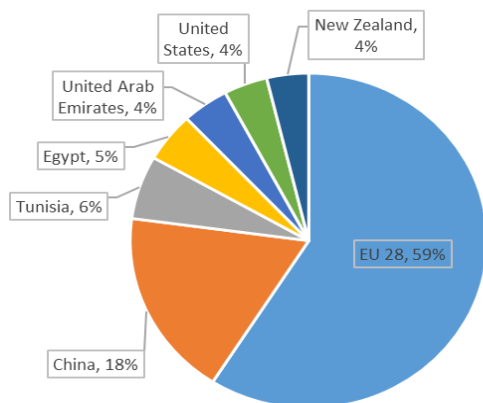
Market Fact Sheet: Morocco

Executive Summary

Morocco, a U.S. FTA partner, is primarily a bulk commodity market. In 2020, the United States and Morocco negotiated terms for U.S. live cattle exports to Morocco, which should be a new opportunity for U.S. exporters.

Imports of Consumer-Oriented Products (2017-2019 Average Imports)

Morocco imported \$1.7 billion worth of consumer-oriented agricultural products in 2019. The United States faces stiff competition from the European Union.



Sources: Office des Changes

Food Service Industry

Morocco's food service industry has been greatly affected by social distancing measures in the fight against coronavirus. Industry sources report that sector revenue fell by 50 percent during the second quarter of this calendar year and could lead to 65-80 percent decline in 2020 compared to the previous year. Morocco's food service industry is most developed in Casablanca (commercial center) and Marrakech (tourism).

Food Processing Industry

Morocco's food processing industry was valued at \$17.5 billion in 2019 (~16% of Morocco's GDP). Sales are divided approximately 70% to retail and 30% to food service.

Food Retail Industry

In 2019, U.S. exports of retail-related products to Morocco totaled \$57 million. The United States faces stiff competition from the European Union. The Casablanca-Rabat corridor accounts for about 50% of all modern retailers. Marjane Holding (Marjane and Acima) and Label'Vie (Carrefour, Carrefour Market, and Atacadao) are Morocco's leading modern food retailers with other notables including Ynna (Aswak Salam) and BIM.

Quick Facts CY 2019

Imports of Consumer-Oriented Food Products:

\$1.7 billion from the World
\$ 61 million from the United States

List of Top 10 Growth Products:

- Feed grains (corn and DDGS)
- Soybean and soybean meat
- Pulses
- Live animals and genetics
- Animal fats
- Poultry and beef meats
- Beer, Wine, & Spirits
- Dried fruit and nuts
- Dairy products
- Rice

Food Trade (U.S. billion) 2019

Food Exports	\$5.3
Food Imports	\$2
Food Service Sales	\$3.3

Top 6 QSR Chains in Morocco:

- McDonalds
- Pizza Hut
- Domino's Pizza
- KFC
- Burger King
- Pomme de Pain

Top Morocco's Retailers:

- Marjane Holding (Marjane and Acima)
- Label'Vie (Carrefour, Carrefour Market, and Atacadao)
- Ynna Holding (Aswak Salam)
- BIM Stores SARL (BIM)
- Akwa Group (Minibrahim)

GDP/Population 2019:

Population (millions): 36.4
GDP (billions USD): \$119
GDP per capita (USD): \$3,345

Sources: [World Bank](#), [Morocco Office des Changes](#), [Morocco Haut Commissariat au Plan](#), [Central Intelligence Agency \(CIA\)](#), [IMF World Economic Outlook](#), FAS Rabat office research.

Moroccan Market Advantages and Disadvantages

Strengths	Weaknesses
US-Morocco FTA	Distance and lack of shipping lines. Freight disadvantage.
Opportunities	Challenges
U.S. beef, poultry, almonds, prunes, and pulses fit well with traditional Moroccan dishes	Morocco lowered tariffs on goods from many origins, eroding preferences under the U.S.-Morocco FTA. This includes corn and soy.

Contact:

Agricultural Affairs Office
U.S. Embassy Rabat, Morocco
Tel: (212-53) 763-7505
Fax: (212-53) 763-7201
Email: AgRabat@fas.usda.gov
Web: <https://www.fas.usda.gov/regions/morocco>

Section 1: Market Overview

The World Bank’s Ease of Doing Business [2019 report](#) ranks Morocco second in the Middle East North Africa (MENA) region. Agriculture contributes almost 15 percent to Morocco’s GDP, and combined with the fishing and forestry sectors employs about 45 percent of Morocco’s workforce. It has an outsized impact on the economy due to highly variable rain-irrigation-based grain production, its role as an employer, and its role as a major export industry.

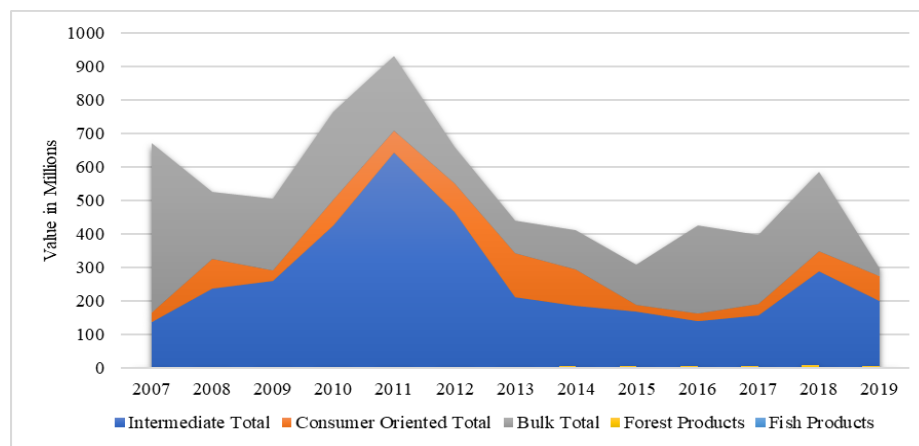
In February 2020, the Government of Morocco launched its second strategic plan for agriculture. The new plan, named “[Generation Green](#),” sets out an agricultural development strategy through 2030. It has two major pillars:

- 1- Develop a new agricultural middle class representing between 350,000 and 400,000 households by supporting young entrepreneurs through the mobilization of one million hectares of collective lands and the creation of 350,000 jobs with a focus on high-value agriculture.
- 2- Promote human and social development.

Morocco has positioned itself as a regional hub for international companies active in Africa, the Middle East, and Europe thanks in part to its economic and political stability, openness to trade and investment, and strategic location. Unlike its regional neighbors, Morocco’s economy and food sector are largely market driven. The COVID-19 pandemic slowed economic growth, which hit the food service industry and tourism sector hard, an economic rebound in 2021 is uncertain.

Morocco is the only U.S. Free Trade Agreement partner in Africa, with the vast majority of import duties on U.S. agricultural products having been eliminated either upon implementation on January 1, 2006, or phased out the 10 years following. Morocco is a net importer of agricultural and related products. Morocco typically imports bulk commodities and raw materials from the United States and exports high-value, consumer-oriented products to the United States. The European Union is Morocco’s primary trading partner, accounting for about 60 percent of Morocco’s agricultural exports. In 2020, the United States and Morocco completed a health certificate for U.S. live cattle exports to Morocco.

Figure 1: Morocco Imports of Ag, Fish, and Forestry Products from the United States (Million US\$)



Key Demographic Development

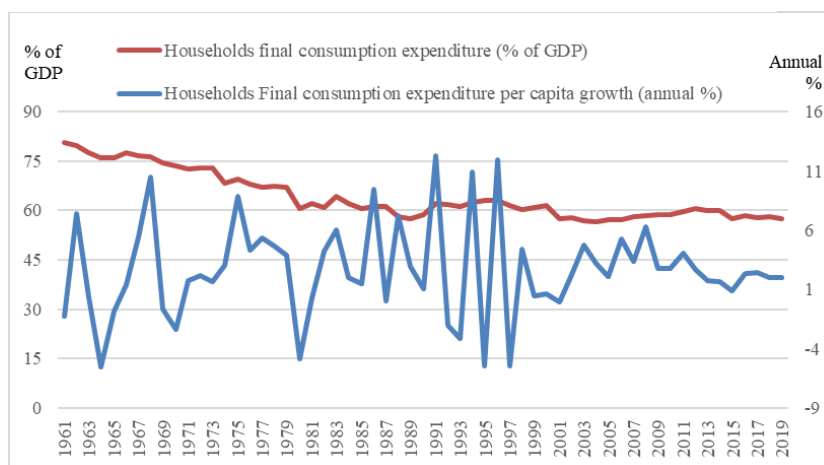
Morocco's population was estimated at 36.4 million in 2019, of which about 40 percent lives in rural areas. The population growth rate is currently about 1.23 percent per year with an estimated 62 percent of the population between 15 to 59 years old. The middle class is steadily increasing and family sizes are falling, with an average of 3-4 children. The illiteracy rate is about 32 percent, although much higher in rural areas. Islam is the prevailing religion (over 97 percent) and Arabic the dominant language. While Moroccans understand classical Arabic, they typically speak the local dialect (Darija) which classical Arabic speakers may find hard to understand. French is the language most widely used in business. English is not widely used.

Moroccan home cooking remains traditional, but change is coming, especially in large cities where there is a tendency for young families to adopt a western lifestyle. The number of women working outside the home is steadily increasing, leading to higher total family income. Families are turning to ready to eat or semi-processed products instead of traditional, time-consuming, homemade dishes. This is especially true in large cities like Casablanca, Rabat, Marrakech, Fes, Agadir, and Tangier, where distribution channels have significantly developed in recent years. Today, local producers and importers of consumer-oriented food products are able to deliver many new quality products to consumers in modern supermarkets.

Consumer Spending

Most demand for consumer-oriented food products comes from large cities with higher income populations and active lifestyles. The lower-middle remains the largest population segment. However, the highest and lowest income classes are growing the fastest. According to [Euromonitor](#), the COVID-19 crisis hit the lowest income classes the hardest.

Figure 2: Household Final Consumption Expenditure in %



Source: [World Bank](#)

Table 1: Advantages and Challenges

Advantages	Challenges
Mostly duty-free import regime for U.S. products.	Market Access: Morocco's FTAs with the EU, Turkey, and Arab states has greatly undermined U.S. preferences while Morocco is also increasingly harmonizing its regulations with the EU.
Modern society	Proximity: U.S. shipping lanes are limited, expensive, and infrequent compared to Europe with many US containers transshipping Europe.
Morocco is a regional leader and possible future hub to reach a larger, developing African marketplace.	Language: French (and to a lesser extent Arabic) is the predominant language of commerce. Moroccan importers traditionally do business through European brokers and traders.
	Market Size: 36.4 million people, 40% of which are urban and 10% of which can afford imported food products.
	Culture: Morocco follows the EU, especially France

Section 2: Exporter Business Tips

- Most importers are located in Casablanca and imports by container are mostly done through the port of Casablanca.
- In all major ports and airports, the Ministry of Agriculture has one stop shops for importers to clear all types of imported agricultural products. The entity in charge is the DCQ (Quality Control Division) which is a regional representative of the National Office for Food Safety (ONSSA). To clear Customs, importers must present a sanitary certificate for all fresh fruits, and animal or vegetable products they import. A local laboratory analysis done by official laboratories may also be required to clear customs, especially for new and unfamiliar imported products.
- Often Moroccan importers are not familiar with products that are common in the United States. Also, many importers are not used to U.S. grades, standards and appellations. Exporters are advised to provide pictures, brochures, or even samples to Moroccan importers. Many local importers require samples before making purchase commitments.
- Moroccans use only the metric system for measurement.
- French is still the predominant language of Moroccan commerce. Exporters with French capabilities or French promotional materials will have a strong advantage.
- Importation and distribution of food and beverage products in Morocco are handled by both regular importers and importers who operate on an opportunity basis. Regular importers market their products through their own sales force (typically to hotels, supermarkets, wholesalers) and independent well-established wholesalers (in the case of small shops, restaurants). U.S. exporters interested in selling consumer-ready food or beverages should find a local importer to access the retail market. Importers normally have in-depth knowledge of specific importing procedures.
- Exporters should avoid visits during Ramadan, but if travel is unavoidable during this period, exporters should hold their meetings in the morning. The holy month of Ramadan is not a holiday but business slows down significantly because Muslims fast during the day. Most restaurants close during this month; alcohol is not served and people are not allowed to smoke during the day. In 2021, Ramadan will begin on Monday, April 12 and last for 30 days until Tuesday, May 11.
- Goods transshipped through a third country port should be accompanied by:
 - A bill of lading showing Morocco as the final destination of the goods and the United States as a point of origin.
 - Invoices issued by the U.S. Company, addressed to the Moroccan importer.
 - A “certificate of non-manipulation” is also required by Moroccan customs and must be issued by customs officials of the transshipment port.
- Morocco is requiring a non-GMO attestation if the term GMO is on the label. It is best not to include GMO.
- Close working relationships are often critical to concluding deals in Morocco. As in many markets, Moroccans base business on trust and mutual respect built over time. U.S. exporters should strongly consider travel to the country to develop and strengthen relationships. In addition, working with a locally based agent or distributor typically

enables U.S. firms to sustain relationships, and to develop essential knowledge of key contacts, customs regulations, and niche opportunities. U.S. firms should also fully understand the regulatory environment and procedures before jumping into the market to avoid unexpected hurdles.

- Business practices in Morocco differ significantly from those in the United States. For example, bureaucratic procedures often require significantly more time to complete than in America and often require multiple copies of documents, stamped, and signed. Moroccans have rapidly adapted to cell phone technology and generally reply to text messages or phone calls more quickly than email communications. Email correspondence delays should not immediately be interpreted as lack of interest. If delays occur, U.S. firms should consider communicating by phone or texting.

Section 3: Import Food Standards & Regulations/Import Procedures

The U.S.-Morocco Free Trade Agreement went into effect on January 1, 2006. Under the agreement most United States goods enter the Moroccan duty free and virtually all will enter free by the time it is fully implemented on January 1, 2023. The Morocco FTA does NOT provide a merchandise processing fee (MPF) exemption. The Office of the US Trade Representative provides the final text of the [US-Morocco FTA](#).

On January 1, 2020, the Government of Morocco (GOM) published Circular #6002/222, announcing its market access commitments under the U.S.-Morocco Free Trade Agreement (FTA) for Calendar Year 2020 ([GAIN report](#)).

The Morocco [Food and Agricultural Import Regulations and Standards \(FAIRS\)](#) report provides an overview of the food laws and regulatory environment in Morocco as it relates to U.S. food and agricultural exports.

Section 4: Market Sector Structure and Trends

Morocco remains primarily a bulk commodity market for U.S. wheat, corn, and soybean products with limited opportunities for consumer-oriented goods. U.S. high-value consumer-oriented goods are disadvantaged by small market size, low consumer spending, and close proximity, cultural, and economic ties to Europe. Opportunities in this area will be limited overall but greatest in the food processing sector.

Retail Products Sector: See the [Morocco Retail Annual](#).

Food Processing Ingredients Sector: See the [Morocco Food Processing Ingredients Annual](#).

Hotels, Restaurants, and Institutional (HRI): See the [Morocco Food Service-Hotel, Restaurant Institutional Annual](#).

Section 5: Agricultural and Food Import

The USDA Foreign Agricultural Service's [Global Agricultural Trade System](#) includes international agricultural, fish, forest and textile products trade statistics dating from the inception of the Harmonized coding system in 1989 to present.

Best Product Prospects Categories

Products present in the market that have good sales potential:

- Feed grains (corn and DDGS)
- Poultry and beef meats
- Soybean and soybean meat
- Beer, Wine, & Spirits
- Pulses
- Dried fruit and nuts
- Live animals and genetics
- Dairy products
- Animal fats
- Rice

Products not present in significant quantities but which have good sales potential:

- [Food Service](#)
- [Retail Products](#)

Products not present because they face significant barriers:

- Seed Potatoes – no market access
- Goat and sheep – no market access
- Meat of swine (Pork), no market access

Section 6: Key Contacts and Further Information

Office of Agricultural Affairs

U.S. Embassy Rabat

Address: American Embassy, km 5.7 Avenue Mohamed VI, Souissi-Rabat 10170

Phone: (212) 537 668 024

Fax: (212) 537 765 493

Email: AgRabat@fas.usda.gov

Web: <https://www.fas.usda.gov/regions/morocco>

The Morocco [Country Commercial Guide](#) presents a comprehensive look at Morocco's commercial environment using economic, political and market analysis.

Table 2: Key Trade & Demographic Information for Morocco in 2019

Agricultural Imports From All Countries (million \$) / U.S. Market Share (%)	6,268	5
Consumer Food Imports From All Countries (million \$.) / US Market Share (%)	1,712	3.5
Edible Fishery Imports From All Countries (million \$) / US Market Share (%)	233	1
Total Population (Millions) / Annual Growth Rate (%)	36.4	1.23%
Urban Population (Millions) / Annual Growth Rate (%)	62%	1.24%
Number of Major Metropolitan Areas	12	
Per Capita Gross Domestic Products (\$U.S.)	\$3,345	
Unemployment Rate (%)	9.2%	
Per Capita Food Expenditures (\$U.S.)	\$1,176	
Percent of Female Population Employed (%)	27	
Indicative Exchange Rate (Average for Calendar Year 2019, US Dollar to Moroccan Dirham)	9.61 dirham's	

Source: GATS, Morocco office de change, and High planning commission office, World Bank, Knoema World Data

Table 3: Morocco Imports from World (in USD)

Description	2016	2017	2018	2019
Agricultural and Related Products	5,722,015,967	5,667,331,744	6,299,331,536	6,268,680,118
Wheat	1,287,639,929	830,711,600	972,054,742	953,844,325
Corn	387,051,966	440,290,133	483,873,692	534,330,606
Forest Products	452,534,781	464,314,640	528,115,614	517,380,508
Sugars & Sweeteners	477,412,260	512,950,702	386,570,235	421,087,456
Soybean Oil	351,405,197	398,926,414	401,501,626	380,109,957
Dairy Products	235,962,127	307,288,167	331,224,858	302,525,346
Fish Products	164,237,414	170,353,467	236,717,279	233,415,102
Tea	198,523,472	217,093,006	219,980,800	230,638,180
Feeds & Fodders NESOI	212,693,784	184,569,343	176,808,109	226,937,981
Soybean meal	193,015,454	183,460,197	241,060,062	212,616,553
Processed Fruit	111,944,932	129,375,900	195,321,416	195,799,581
Food Preps. & Misc. Bev	102,273,890	116,433,572	149,406,159	149,698,449
Vegetable Oils NESOI	136,350,535	161,999,753	168,965,653	132,173,184
Oilseed Meal/Cake (ex. soybean)	73,881,835	81,866,184	101,095,031	117,125,360
Other Intermediate Products	72,513,871	80,356,115	101,019,591	114,006,252
Planting Seeds	102,034,451	105,525,232	112,077,589	102,121,330
Live Animals	64,324,576	75,018,648	92,424,903	89,669,997
Nursery Products & Cut Flowers	53,465,492	75,106,823	95,337,846	88,028,262
Coffee, Unroasted	80,479,181	89,789,399	104,430,068	86,191,366
Fresh Fruit	47,662,946	63,885,753	81,781,850	81,256,484
Coarse Grains (ex. corn)	173,951,703	78,560,238	54,748,676	80,113,901
Chocolate & Cocoa Products	57,997,872	62,142,503	81,179,870	79,635,907
Meat Products NESOI	54,097,114	74,489,711	88,236,512	78,485,322
Tree Nuts	18,648,687	33,577,130	57,471,692	75,000,934
Spices	33,405,040	46,175,394	85,256,660	72,394,622
Snack Foods NESOI	30,150,360	40,749,419	64,247,270	67,563,021
Processed Vegetables	49,043,183	57,413,475	61,584,271	65,598,354
Distillers Grains	39,332,465	47,318,219	56,525,742	50,440,047
Essential Oils	50,698,027	54,577,188	46,843,171	48,560,904
Distilled Spirits	32,815,511	33,279,760	37,332,288	41,063,060
Pulses	41,337,960	75,006,485	87,365,281	39,973,506
Fresh Vegetables	48,651,508	54,666,203	50,164,746	39,927,844
Wine & Beer	19,002,565	30,898,004	36,377,940	36,885,975
Beef & Beef Products	35,256,665	27,631,115	35,335,817	36,813,276
Condiments & Sauces	16,187,843	19,621,024	26,675,933	34,916,115
Palm Oil	33,517,360	51,795,517	30,701,868	30,368,915
Oilseeds NESOI	19,844,643	27,489,379	24,628,462	27,809,826
Tobacco	21,297,109	18,300,295	29,004,632	26,007,021
Coffee, Roasted and Extracts	17,718,360	21,778,935	21,593,399	24,775,900
Rice	3,274,210	7,622,832	22,977,046	21,742,591
Poultry Meat & Prods. (ex. eggs)	7,828,842	9,521,656	12,245,777	17,968,672
Non-Alcoholic Bev. (ex. juices, coffee, tea)	9,147,550	11,815,889	18,128,420	15,879,898
Dog & Cat Food	6,860,644	9,282,849	11,942,070	14,001,162
Other Bulk Commodities	14,886,217	10,718,019	11,990,878	13,520,517
Cotton	15,228,560	17,483,043	17,195,512	11,643,426
Animal Fats	7,143,861	6,964,795	12,003,967	11,018,653
Fruit & Vegetable Juices	11,681,268	12,980,301	11,199,235	10,717,992
Soybeans	37,564,593	26,355,412	14,083,998	9,492,721
Peanuts	596,431	1,169,087	2,740,931	5,036,613
Ethanol	931,621	922,036	1,227,730	3,979,789
Rubber & Allied Gums	1,753,957	1,902,055	2,138,473	3,130,793
Eggs & Products	4,320,471	2,663,168	2,709,520	1,865,130
Pork & Pork Products	922,637	1,125,106	1,543,507	1,303,594
Hay	821,987	1,402,611	1,318,562	828,046
Hides & Skins	436,694	232,451	443,929	658,473
Rapeseed	233,752	351,116	347,266	577,080

Table 4: Morocco Imports from the United States (in USD)

HS	Description	2016	2017	2018	2019
	Agricultural and Related Products	440,223,356	429,587,492	671,722,766	287,392,395
230400	Soybean Oilcake And Other Solid Residues Resulting From The Extraction Of Soy Bean Oil, Whether Or Not Ground Or In The Form Of Pellets	52,906,984	64,571,298	222,253,103	108,969,822
230330	Brewing Or Distilling Dregs And Waste, Whether Or Not In The Form Of Pellets	38,272,053	47,318,219	56,525,742	48,911,157
080212	Almonds, Fresh Or Dried, Shelled	736,360	3,377,876	11,397,285	29,091,111
100590	Corn (Maize), Other Than Seed Corn	143,063,685	110,600,806	183,314,013	12,224,947
080231	Walnuts, Fresh Or Dried, In Shell	7,182,470	8,471,777	11,396,925	11,184,153
150210	Tallow Of Bovine Animals, Sheep Or Goats, Other Than Of Heading 1503	5,252,581	6,084,267	11,358,671	10,216,669
230310	Residues Of Starch Manufacture And Similar Residues, Whether Or Not In The Form Of Pellets	17,830,307	11,183,163	13,556,974	9,006,383
100199	Wheat And Meslin, Not Durum Wheat, Other Than Seed	106,427,899	85,553,232	70,960,831	7,501,067
210610	Protein Concentrates And Textured Protein Substances	437,350	4,464,575	5,023,881	6,132,962
440791	Oak Wood, Sawn Or Chipped Lengthwise, Sliced Or Peeled, Whether Or Not Planed Etc., Over 6 Mm (.236 In.) Thick	3,148,665	3,073,774	6,137,262	4,444,360
120991	Vegetable Seeds For Sowing	3,891,501	2,365,213	4,629,471	4,320,197
230990	Animal Feed Preparations (Mixed Feeds, Etc.), Other Than Dog Or Cat Food Put Up For Retail Sale	3,242,643	4,528,947	3,645,801	3,993,373
350510	Dextrins And Other Modified Starches	1,276,684	1,171,233	1,523,053	3,903,424
100630	Rice, Semi-Milled Or Wholly Milled, Whether Or Not Polished Or Glazed	61,700	467,302	3,424,693	3,195,238
040490	Products Consisting Of Natural Milk Constituents, Whether Or Not Sweetened, Nesoi	1,512,545	2,975,676	13,226,796	2,826,637
220830	Whiskies	2,432,229	1,795,258	2,570,855	2,683,704
210690	Food Preparations Nesoi	1,436,759	2,917,107	4,385,877	2,616,166
220300	Beer Made From Malt	1,210,925	1,773,483	2,293,038	2,405,956
080251	Pistachios, In Shell, Fresh Or Dried	826,421	1,377,231	1,516,137	2,131,011
040610	Cheese, (Unripened Or Uncured) Fresh (Including Whey Cheese), And Curd	1,142,634	1,495,401	1,490,445	2,039,078
010512	Turkeys, Live, Weighing Not More Than 185 G (6.53 Oz.) Each	2,098,404	1,778,489	1,916,782	1,896,673
120729	Cotton Seeds, Other Than Of A Kind Used For Sowing	109,706	1,203,559	1,774,411	1,880,632
040210	Milk And Cream, Concentrated, Whether Or Not Sweetened, In Powder, Granules Or Other Solid Forms, Of A Fat Content, By Weight, Not Exceeding 1.5%	0	2,424,321	2,790,623	1,618,223
060220	Edible Fruit Or Nut Trees, Shrubs And Bushes, Grafted Or Not	1,682,762	4,337,527	3,714,274	1,541,779
210390	Sauces And Preparations Therefor, Nesoi; Mixed Condiments And Mixed Seasonings	589,882	472,309	589,391	999,752
030325	Carp (Cyprinus Carpio, Carassius Carassius, Ctenopharyngodon Idellus, Hypophthalmichthys Spp., Cirrhinus Spp., Mylopharyngodon Piceus), Frozen	0	0	0	679,653
440799	Nonconiferous Wood Nesoi, Sawn Or Chipped Lengthwise, Sliced Or Peeled, Whether Or Not Planed, Etc., Over 6 Mm (.236 In.) Thick	451,496	161,010	771,207	380,212
120600	Sunflower Seeds, Whether Or Not Broken	704,258	1,426,088	833,922	280,019
040630	Cheese, Processed, Not Grated Or Powdered	93,661	0	68,135	189,801
180690	Cocoa Preparations, Not In Bulk Form, Nesoi	80,647	81,570	324,464	78,014
040410	Whey And Modified Whey, Whether Or Not Concentrated Or Containing Added Sweeteners	29,482	42,576	12,933	47,776
080211	Almonds, Fresh Or Dried, In Shell	0	3,226	185,982	2,446
040510	Butter	0	2,898,433	4,114,638	0
120190	Soybeans, Other Than Seed	28,147,122	23,271,403	13,584,077	0
150710	Soybean Oil And Its Fractions, Crude, Whether Or Not Degummed	13,943,542	24,703,973	8,606,518	0

Attachments:

No Attachments