

Required Report: Required - Public Distribution

Date: September 23,2019

Report Number: MO2019-0008

Report Name: Grain and Feed Update

Country: Morocco

Post: Rabat

Report Category: Grain and Feed

Prepared By: FAS Rabat Staff

Approved By: ROBERT WRIGHT

Report Highlights:

The Government of Morocco has released its official numbers for wheat and barley production for the 2019 crop, including 2.7 MMT of common wheat, 1.3 MMT of durum wheat, and 1.2 MMT of barley. On September 19, 2019, Morocco's state cereals office (ONICL) issued tenders for U.S. common and durum wheat with auction results to be announced in October 1-2, 2019. U.S. wheat deliveries must arrive no later than December 31, 2019.

General Information:

Production Update

On August 8, 2019, the Government of Morocco announced that 2019 wheat and barley production reached 5.2MMT (2.7 MMT of common wheat, 1.3 MMT of durum wheat, and 1.2 MMT of barley). Post adjusts its MY2019/20 production numbers for wheat and barley to reflect Morocco's revised official numbers.

Policy Update

On September 19, 2019, Morocco's state cereals office (ONICL) issued tenders for U.S. and EU common and durum wheat with auction results to be announced on October 1-2, 2019. U.S. wheat deliveries must arrive no later than December 31, 2019. This follows a tender issued on August 19, 2019, which received no bids. (See August tender [results](#)). Wheat industry contacts report that they declined to bid on the August tender as they anticipated that the Government of Morocco would lower its tariff on wheat. As expected, the common wheat tariff was lowered from 135 to 30 percent, resulting in the September tender. Exporters have expressed confidence that they will be able to fill quota under this tariff with expected deliveries taking place up to December 31. Post notes that the United States benefits from a preferential in-quota duty under the U.S.-Morocco Free Trade Agreement. At the current rate of 30 percent, the preferential rate for U.S. common wheat is 9.9 percent. Durum wheat is subject to a 2.5 percent tariff, with a U.S. preferential rate of zero. The EU receives the same preferential tariff rates.

Trade Update

Wheat:

Imports (MT Wheat Equivalent) by Marketing Year

HS	Description	Marketing Year				
		2015/16	2016/17	2017/18	2018/19	% Change
1001	Wheat And Meslin	4,383,586	5,462,855	3,660,438	3,705,893	1%
1101*	Wheat Or Meslin Flour	331	484	560	512	-9%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	13,374	12,859	13,727	13,859	1%
190230*	Pasta, Prepared Nesoi	3,034	2,632	1,721	3,607	110%
190240*	Couscous	4	3	8	5	-38%
Total		4,400,329	5,478,833	3,676,453	3,723,877	1%

Source: Morocco office de change, *Converted to wheat equivalent at a factor of 1.368. MY used for wheat June-May.

Imports (MT Wheat Equivalent) by Trade Year

HS	Description	Trade Year				
		2015/16	2016/17	2017/18	2018/19	% Change
1001	Wheat And Meslin	4,479,057	5,328,568	3,655,188	3,705,893	1%
1101*	Wheat Or Meslin Flour	337	475	549	564	3%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	13,038	12,259	14,506	13,717	-5%
190230*	Pasta, Prepared Nesoi	3,401	2,405	1,684	3,596	114%
190240*	Couscous	4	3	8	4	-50%
Total		4,495,837	5,343,709	3,671,935	3,723,774	1%

Source: Morocco office de change, *Converted to wheat equivalent at a factor of 1.368. MY used for wheat July-June.

Exports (MT Wheat Equivalent) by Marketing Year

HS	Description	Marketing Year				
		2015/16	2016/17	2017/18	2018/19	% Change
1001	Wheat And Meslin	40	415	20	50	150%
1101*	Wheat Or Meslin Flour	76,757	16,441	15,750	26,186	66%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	4,577	6,260	8,854	14,350	62%
190230*	Pasta, Prepared Nesoi	5,222	3,350	3,836	3,840	0%
190240*	Couscous	31,651	32,004	32,386	31,279	-3%
Total		118,248	58,470	60,845	75,706	24%

Source: Morocco office de change, *Converted to wheat equivalent at a factor of 1.368. MY used for wheat June-May.

Exports (MT Wheat Equivalent) by Trade Year

HS	Description	Trade Year				
		2015/16	2016/17	2017/18	2018/19	% Change
1001	Wheat And Meslin	40	415	20	50	150%
1101*	Wheat Or Meslin Flour	67,917	15,881	17,045	24,891	46%
190219*	Pasta, Uncooked, Not Stuffed Etc., Nesoi	5,625	5,725	8,908	14,824	66%
190230*	Pasta, Prepared Nesoi	5,260	3,501	3,595	3,971	10%
190240*	Couscous	31,854	31,271	32,279	31,417	-3%
Total		110,656	56,378	61,828	75,103	21%

Source: Morocco office de change, *Converted to wheat equivalent at a factor of 1.368. MY used for wheat July-June.

Barley:

Imports (MT) by Marketing Year

	Marketing Year				
	2015/16	2016/17	2017/18	2018/19	% Change
EU28	744,836	239,236	356,592	142,688	-60%
Ukraine	25,288	147,874	43,458	8,249	-81%
United States	13,820	0	0	0	0%
Uruguay	0	0	0	0	0%
Russia	16,390	36,748	19,658	0	-100%
Argentina	21,449	55,357	9,900	0	-100%
Total	821,784	479,216	429,609	150,937	-65%

Source: Morocco office de change, MY used for barley July-June.

Imports (MT) by Trade Year

	Trade Year			Year to Date		
	2015/16	2016/17	2017/18	10/17-06/18	10/18-06/19	% Change
EU	805,688	204,917	347,565	310,798	105,920	-66%
Ukraine	72,409	111,723	15,450	7,200	0	-100%
Russia	0	0	0	0	0	0%
Argentina	0	0	0	0	0	0%
United States	47,650	25,147	0	0	0	0%
Uruguay	13,750	65,257	0	0	0	0%
Total	939,497	407,045	363,015	317,998	105,920	-67%

Source: Morocco office de change, TY used for barley October-September.

Production, Supply, and Distribution

Wheat: Total imports and exports in MY 2018/19 are adjusted to reflect Morocco's official trade data.

Wheat	2017/2018		2018/2019		2019/2020	
Market Begin Year	Jun 2017		Jun 2018		Jun 2019	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	3321	3321	2850	2850	2750	2750
Beginning Stocks	4926	4926	5133	5133	5404	5420
Production	7091	7091	7340	7340	4400	4000
MY Imports	3676	3676	3706	3723	4800	4800
TY Imports	3672	3672	3724	3723	4800	4800
TY Imp. from U.S.	388	391	0	0	0	0
Total Supply	15693	15693	16179	16196	14604	14220
MY Exports	60	60	75	76	50	50
TY Exports	61	61	75	75	50	50
Feed and Residual	800	800	800	800	800	800
FSI Consumption	9700	9700	9900	9900	10000	10000
Total Consumption	10500	10500	10700	10700	10800	10800
Ending Stocks	5133	5133	5404	5420	3754	3370
Total Distribution	15693	15693	16179	16196	14604	14220
Yield	2.1352	2.1352	2.5754	2.5754	1.6	1.4545
(1000 HA) ,(1000 MT) ,(MT/HA)						

Barley: Imports in MY 2018/19 are adjusted to reflect Morocco's official trade data.

Barley	2017/2018		2018/2019		2019/2020	
Market Begin Year	Jul 2017		Jul 2018		Jul 2019	
Morocco	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	1893	1893	1597	1597	1450	1450
Beginning Stocks	89	89	184	184	374	445
Production	2466	2466	2910	2910	1000	1200
MY Imports	429	429	180	151	1200	1200
TY Imports	363	363	150	105	1200	1200
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	2984	2984	3274	3245	2574	2845
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	1800	1800	1900	1800	1600	1600
FSI Consumption	1000	1000	1000	1000	800	800
Total Consumption	2800	2800	2900	2800	2400	2400
Ending Stocks	184	184	374	445	174	445
Total Distribution	2984	2984	3274	3245	2574	2845
Yield	1.3027	1.3027	1.8222	1.8222	0.6897	0.8276
(1000 HA) ,(1000 MT) ,(MT/HA)						

Attachments:

No Attachments