Required Report: Required - Public Distribution **Date:** July 01, 2022

Report Number: MO2022-0017

Report Name: Retail Foods

Country: Morocco

Post: Rabat

Report Category: Retail Foods

Prepared By: Mohamed Fardaoussi

Approved By: Robert Wright

Report Highlights:

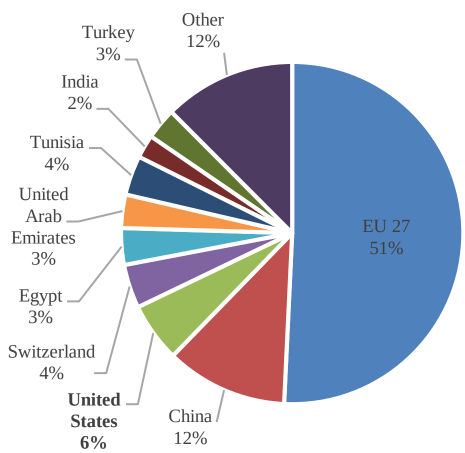
Morocco is a price-sensitive market that does not showcase significant quantities of U.S. food and beverages in the retail sector. In 2021, U.S. exports of consumer-oriented products to Morocco doubled, reaching $166 million. Post has identified limited volumes of U.S. seafood, chocolates, sauces, and spirits available on select Moroccan retail shelves. Best prospects include almonds, pistachios, protein concentrates, food preparations, cheese, rice, seafood, beer, spirits and liqueurs, sauces, and condiments. The U.S.-Morocco Free Trade Agreement is the only American free trade agreement on the African continent.

Market Fact Sheet: Morocco

Morocco, a U.S. Free Trade Agreement partner, is a price-sensitive market that does not showcase significant quantities of U.S. food and beverages in the retail sector. In 2021, U.S. exports of retail-related products to Morocco doubled, reaching $166 million. Morocco imports limited volumes of U.S. pre-packaged chocolates, seafood, sauces, and spirits. However, a surge in U.S. almond exports is leading growth in the retail-oriented trade.

Imports of Consumer-Oriented Products (2019-2021 Average Imports)

In 2021, U.S. exports of consumer-oriented products to Morocco totaled $166 million, a 32% increase from the previous year due to the phase out of tariffs for consumer-oriented products, especially tree nuts**.** The United States continues to face strong competition from the European Union.



Sources : Office des Changes, TDM

Food Service Industry

In 2021, 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 compared to the previous year. Morocco's food service industry is most developed in Casablanca (commercial center) and Marrakech (tourism).

Food Processing

Morocco's food processing industry is comprised of 2,050 registered companies and employs more than 159,500 people; approximately 85 percent of them are small size companies with less than 20 employees. Food processing sales are a major focus in the domestic market and generated about $6 billion in 2021.

Quick Facts CY 2021

Imports of Consumer-Oriented Food Products:
- $2.4 billion from the World
- $ 166 million from the United States

Top 10 Best Products:
- Tree Nuts
- Chocolate
- Dairy Products
- Food Preparations
- Beer, Spirits and Liqueurs
- Sweeteners & Confectionary
- Seafood
- Rice
- Sauces and Condiments

Food Trade (U.S. billion) 2021:

Food Exports- Agricultural and Related Products total (2021)	$7.4
Food Imports- Agricultural and Related Products total (2021)	$8.6
Retail Food Imports (2021)	$1.7

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)

Top 6 QSR Chains in Morocco:
- McDonalds
- Pizza Hut
- Domino's Pizza
- KFC
- Burger King
- Pomme de Pain

GDP/Population 2021:
Population *(millions)*: 36.3
GDP *(billions USD)*: $124
GDP per capita *(USD)*: $3,421

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 provides market access and opportunities to use Morocco as a platform to reach African market.	Distance and lack of shipping lines. Freight disadvantage.
Opportunities	**Challenges**
Morocco is one of the fastest growing economies in North Africa.	Erosion of U.S. preferences vis-à-vis Morocco's FTAs with the EU, Arab League,

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

SECTION 1. MARKET SUMMARY

In 2021, Morocco's food retail market represented 14 percent of GDP. The Casablanca-Rabat corridor accounts for about 50 percent of all modern retailers. Marjane Holding (Marjane and Marjane Market) and Label'Vie (Carrefour, Carrefour Market, and Atacadao) are Morocco's leading modern food retailers with other notables including Ynna Holdings (Aswak Salam) and the Turkish small format discounter BIM.

Recent Trends & Upcoming Events in Retail

- ✓ Online grocery shopping is growing in Morocco. In July 2020, Marjane Holding launched its e-Commerce platform which allows customers to shop from a selection of 6,000 items at store prices with stocks updated in real time.
- ✓ Marjane also signed a partnership with Glovo to ensure home delivery of food and consumer oriented products such as fruits and vegetables, dairy products, bakery, groceries, and hygiene products.
- ✓ U Express supermarkets opened in Casablanca. U Express is a cooperative of French retailers.
- ✓ Marjane Holding, Morocco's retail distribution leader, leads hypermarkets in Morocco with a 57 percent value share in 2021, followed by Label'Vie groupe,
- ✓ Marjane and Carrefour continue to invest in new outlets across the country. The increase of shopping malls in larger cities is contributing to the growth of hypermarkets in the country.
- ✓ The Turkish discount chain BIM announced the sale of a 35 percent minority share of its subsidiary in Morocco, BIM Stores SARL, to Blue Investment Holding, affiliated with British private equity fund Helios Investment Partners.
- ✓ Peak sales occur during Ramadan, which will take place on or about March 22-April 20, 2023.
- ✓ Food retail is a small but growing opportunity for U.S. exporters to take advantage of the U.S.-Morocco Free Trade Agreement (FTA).
- ✓ The 4rd International Exhibition of Food & Drinks "SIAB EXPO MAROC" is scheduled to take place from November 9-12, 2022 in Casablanca (Dates subject to confirmation). Note this event has not been held since the COVID pandemic and Post has not been able to confirm the quality of the show since 2019.
- ✓ U.S. almond exports have experienced significant growth, following the January 2020 removal of the tariff rate quota.

The Ministry of Industry estimates traditional channels account for 80 percent of grocery retailing. Industry sources anticipate modern, large-scale distribution will support 30 percent of national consumption by 2025. This estimate is supported by changing demographics, urbanization, and the evolution of the consumers' purchasing behaviors, which should create additional opportunities for imported food products.

Table 1: Moroccan Retail: Advantages and Challenges

Advantages	Challenges
Growing perception that supermarkets offer safer and cheaper products.	Supply chain: (1) Retailers have leveraged past and present foreign investment into Moroccan retail by U.S. competitors (Europe, Turkey) and (2) U.S. multi-national food companies have regional production.
The supermarket sector continues growing.	Market size: 35 million Moroccans, 10-15 percent of which can afford to buy imported products.
Increased acceptance of packaged food.	Entry fees for new products.

Hypermarkets are typically not within walking distances of residential areas and feature parking for up to 1,000 cars. They stock over 17,000 SKU in food items which account for 40-50 percent of total sales. As a result, retailers aggressively promote their products.

- Marjane is especially aggressive in advertising.
- Atacadao positions itself between a hypermarket and a discounter, targeting lower-income consumers, professionals, and small retailers, including through offering bulk purchase discounts.
- Aswak Assalam has reduced its number of stores.

Table 2: List of Hypermarkets Chains in Morocco

Retailer Name	Ownership	Est. Turnover, $Mill, 2021	Est. # of Outlets, 2021	Locations	Purchasing Agent type
Marjane	**Moroccan**: SNI Group	$1,200	Marjane**: 38** Marjane market: **52**	Casablanca, Rabat, Sale, Marrakech, Meknes, Taza, Tanger, Agadir, Kenitra, Mohamedia, Safi, Tetouan, Oujda, Saidia, Nador, Fes, Khouribga, Beni Mellal, Kelaat Es-Sraghna, Saleh, Al Hoceima, Fkih Ben	Imports direct and buys from importers
ATACADÃO	**Moroccan:** Label'Vie 95% **French:** Carrefour-5%	$300-350	**12**	Casablanca, Meknes, Fes, Marrakech, Mohammedia Rabat, Agadir, Oujda, Tanger	Imports direct via Label'Vie and buys from importers
Carrefour		$66-90	**12**	Casablanca, Fes, Rabat, Marrakech, Sale, Meknes, Tanger	
أسواق السلام aswak assalam	**Moroccan:** Ynna Holding	$150-200	**14**	Rabat, Marrakech, Agadir, Tanger, Casablanca Mohammedia, Kenitra, Emara, Oujda, Essaouira	Imports direct and buys from importers

Source: Industry websites

Supermarkets, Discounters, and Convenience Stores are located in or within walking distance of medium to high-income neighborhoods and compete for urban consumers with traditional mom-and-pop shops and open-air markets. They are much smaller than hypermarkets but have a minimum of 20,000 ft², 3 to 6 registers, and feature limited parking space.

- ACIMA stocks at least 5,000 items
- Carrefour Market stocks around 10,000 products, including 4,000-5,000 food items. Carrefour carries specialty products like pork and alcohol.
- Discount food outlets such as BIM, which opened in 2009, have grown in popularity, followed by relative new-comer Costcutter. Label'Vie addresses the deep-discount market segment through its Atacadao stores – see above.
- Morocco has only independent convenience stores.

Table 3: List of Supermarkets Chains in Morocco

Retailer Name	Ownership	Est. Turnover, $Mill, 2021	Est. # of Outlets, 2021	Locations	Purchasing Agent type
marjane market	**Moroccan:** SNI Group	N/A	52	Casablanca, Rabat, Tanger, Marrakech, Fes, Safi, Khouribga, Beni Mellal, Temara, El Jadida, Berrechid	Imports direct via Marjane and buys from importers
Carrefour market Label'Vie	**Moroccan:** Label'Vie-95% **French:** Carrefour-5%	$538	70	Casablanca, Mohamedia, Rabat, Meknes, Kenitra, Marrakech, Fes, Agadir, Sale, Khemissat, Settat, El Jadida, Temara, Safi	Imports direct via Label'Vie and buys from importers
BIM	**Turkish:** Groupe Birlesik Magazal A.S	$50-100	604	Casablanca, Rabat, Sale	Import direct
Costcutter	**British**	N/A	1	Marrakech	n/a
U express	**French**	N/A	2	Casablanca, Rabat	Imports direct
Other Small Supermarkets (≥ 3 registers, >25000 ft²)	Local – private	$50-100	37	Casablanca, Rabat, Agadir	Buys from importers
Other Large Grocery Stores (Self-service, ≥ 1 register, < 2000 ft²)	Local -private	$100-150	285	Casablanca, Marrakech, Rabat, Agadir	Buys from importers

Source: Industry website

Gas-marts are 500 to 3,300 ft², typically feature one electronic register, and typically supply convenience foods. They are often located along highway rest stops connecting Morocco's major cities. Stores are usually expensive and carry some imported convenience items, like snack foods, beverages, and confectionary.

Table 4: Major Gas-marts in Morocco

Retailer Name	Est. # of Outlets 2021*	Location	Purchasing Agent
Afriquia Mini-Brahim (Managed by Maroshop) ميني براهيم MINIBRAHIM	42	Casablanca, Marrakech, Agadir, Meknes, Fes, Settat	Buys from Importers
Shell Gas Stations (Select Shop)	27	Casablanca, Rabat, Marrakech	Buys from Importers
Total Energies (Service)			
Mobile Gas Stations on the Run developed by Exxon	16	Casablanca, Rabat, Marrakech	Buys from Importers

Source*:* Industry Websites, *No official data is available from the Moroccan Ministry of Commerce and Industry

Traditional Markets - "Mom & Pop" Small Independent Grocery Stores

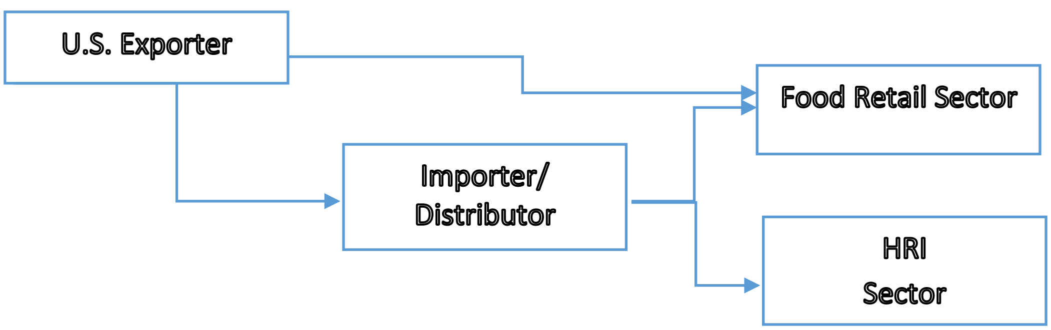
Imported products are not well positioned in this market segment. This category includes an estimated 45,000 grocery stores that are not in the above categories. Their size varies from less than 200 ft^2 to 1,000 ft^2. These shops have limited financial resources and are typically managed by one person. In cities, these stores may have a refrigerator. A very small number have ice cream freezers. Convenience, proximity, and consumer credit based on personal relationships with their customers are their strongest assets. Mom-and-pop stores are supplied via multiple distributors, wholesalers, and sometimes larger retailers.

Figure 1: Small independent grocery store

SECTION 2. ROAD MAP FOR MARKET ENTRY

In addition to working with the central purchasing platforms of large, modern retailers for high volume and/or private label orders, new products can also be introduced through the handful of established importers that directly supply modern retailers. Exporters may be able to meet Moroccan food retailers and their importers at SIAL (Paris), ANUGA (Germany), ALIMENTARIA (Spain), or Gulfood (Dubai). U.S. exporters are invited to contact AgRabat@fas.usda.gov to facilitate introductions.

Figure 2: Moroccan Retail Market Structure



SECTION 3. COMPETITION

Table 5: Agricultural Products and Main Suppliers to Morocco

Category	HS	Description	Avg Imports, 2019-21 World	USA	%	U.S. Duty	MFN Duty	Foreign Competitors
Meat & Poultry	0201/0202	Beef, Chilled/Frozen	$22,083,379	$31,162	0.1%	0%/200%[1]	200%	Aust, EU
	0207	Poultry, Chilled/Frozen	$2,299,064	$142,498	6.2%	0%100%[1]	100%	EU, Turk, Braz, **US**
Fishery Products	0302/0304	Fish, Chilled/Frozen	$22,502,999	$34,318	0.2%	0%	10%	EU, UK
	0306	Crustaceans	$89,410,638	$0	0.0%	0%	40%	EU, Cand, AR
	0307	Molluscs	$41,371,275	$424,064	1.0%	0%	10%	EU, Chin
Dairy	0406	Cheese	$116,495,969	$1,669,462	1.4%	0%	25%	**US,** EU, Egt
Vegetables	0710	Vegetables, Frozen	$769,634	$19,667	2.6%	0%	25%	EU, **US,** Egt
Fruits & Nuts	080211/ 080212	Almonds	$81,062,437	$78,993,880	97.4%	0%	40%	**US,** EU
	080250/ 080251	Pistachios	$7,194,639	$3,707,116	51.5%	0%	2.5%	**US,** Iran, EU
	080410	Dates	$173,604,841	$1,643	0.0%	0%	40%	UAE, Tuni
	080620	Raisins	$14,556,381	$7	0.0%	0%	30%	India, Turk, Uzb
	080810	Apples, Fresh	$5,067,014	$19,105	0.4%	0%	40%	EU, Aust, **US**
	080820/ 080830	Pears, Fresh	$31,367,139	$0	0.0%	0%	40%	EU, Arg, Chile
	081320	Prunes, Dried	$64,305	$0	0.0%	0%	30%	EU
Coffee, Tea, Spice	0902	Tea	$211,551,800	$86,025	0.0%	0%	32.5%	Chin, India
	0904/ 0910	Spices	$50,169,792	$9,246	0.0%	0%	2.5%	Braz, VT, EU
Cereals	1006	Rice	$29,947,533	$2,234,041	7.5%	0%	2.5%	Thai, India, **US**
Oils	150910	Olive Oil, Virgin	$7,171,465	$0	0.0%	0%	40%	EU, Tuni
Meat Products	1602	Meat & Poultry, Prep/Pres	$16,194,481	$44,433	0.3%	0%	40%	EU, Braz
	1604	Fish, Prep/Pres	$27,163,177	$10,872	0.0%	0%	40%	Sengl, EU
Confection	170490	Sugar Confection (not gum; no cocoa)	$15,226,246	$65,611	0.4%	0%	25%	EU, Turk, Chin
Chocolate	1806	Cocoa Food Prods (e.g., Chocolate)	$79,072,598	$240,920	0.3%	0%	17.5 %	EU, UAE, **US**
Cereal Products	190120	Mixes & Doughs	$3,121,779	$11,174	0.4%	0%	10%	EU, UAE, **US**
	1904	Cereal Food Preps-Swelling/Roasting	$18,229,806	$21,328	0.1%	0%	10%	EU, Tury, Chin
	1905	Bread, Pastry, Cakes, Wafers, etc.	$102,693,174	$2,335,932	2.3%	0%	40%	EU, Tury, Egt
Fruit, Nut & Veg Products	200190	Prep Veg/ (not pickles)	$466,259	$0	0.0%	0%	40%	EU, Chin
	2005	Prep Veg, Not Frzn	$18,309,109	$74,359	0.4%	0%	40%	EU, Chin
	2008	Prep/Pres Fruit/Nuts (not juice nor jams)	$15,531,214	$466,732	3.0%	0%	40%	EU, Egt, Thai
Food Products	2103	Sauces & Condiments	$44,458,303	$748,136	1.7%	0%	40%	EU, Egt, Chin
	210610	Protein Concentrates	$5,911,975	$4,456,280	75.4%	0%	10%	**US,** EU
	210690	Food Preparations	$94,799,667	$2,460,661	2.6%	0%	10%	EU, Tuni, **US**
Beverages, Vinegar	2202	Non-alcoholic bvg	$33,341,041	$50,092	0.2%	0%	40%	EU, UAE
	220300	Beer	$11,819,341	$3,197,998	27.1%	0%	49%	EU, Mex, Rus
	2204	Wine	$26,679,126	$97,309	0.4%	0%	49%	EU, **US,** Rus
	2208	Spirits & Liqueurs	$35,122,607	$3,785,764	10.8%	0%	49%	EU, **US,** Rus
Petfood	230910	Dog & Cat Food	$23,978,669	$46	0.0%	0%	2.5%	EU, Turk
Ess Oils	3301	Essential Oils	$1,654,025	$36,569	2.2%	0%	25%	EU, Chin

[1] *Subject to Tariff-Rate Quota, see 2022 GAIN Report*

SECTION 4: BEST PRODUCT PROSPECTS

Products present in the market that have good sales potential:

- Tree nuts, including almonds

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

- Prunes, Raisins, Cranberries
- Rice
- Pulses
- Apples
- Canned Fruit and Vegetables
- Dairy Products
- Frozen food, including Seafood
- Breakfast Cereals
- Food Preparations
- Confectionary
- Snack Foods, including Popcorn, Cookies, and Crackers
- Health and Diet Products
- Sauces and Condiments
- Dog and Cat Food
- Wine, Beer, Spirits
- U.S. poultry and beef, including beef livers and premium U.S. beef.

Products not present because they face significant barriers:

- Organics – labeling

SECTION 5. KEY CONTACTS AND FUTHER INFORMATION

Marjane Group
Route de Bouskoura (c.t.1029), commune de Aïn Chock - 20150 Casablanca
Phone : (+212) 529 02 1000
Website: http://www.marjane.co.ma/

Label Vie/Carrefour
Angle Av Mehdi Ben Barka et Av, Annakhil Espace
les Lauriers- Hay Riad Phone: (+212) 537 56 9595
Website: http://www.labelvie.ma/

Aswak Essalam - YNNA Holding
233, boulevard Mohamed V, Casablanca
Phone: (+212) 523 30 6600
Website: www.aswakassalam.com

BIM
Direction Centrale Parc LOGISTICA, Route 3000,
Bloc C9-C12, Quartier Industriel Ain Harrouda, Mohammedia.
Phone. : (+212) 522 67 9292
Website : http://www.bim.ma

AGRAD - Moroccan Retail Association
Adresse : 6, Rue El Mortada, Quartier Palmier, Casablanca
Phone: (+212) 522 25 1135
Fax: (+212) 5 2 25 6345

Minister of Industry, Investment, Trade
Quartier administratif, Rabat, Maroc.
Phone: +(212) 537 76 5227
Website: http://www.mcinet.gov.ma

Moroccan Customs
Avenue Annakhil, Rabat
Phone: (+212) 080 1007000
Website: http://www.douane.gov.ma

Agricultural Affairs Office
U.S. Embassy Rabat
Tel: (212-53) 763-7505
Fax: (212-53) 763-7201
Email: AgRabat@fas.usda.gov

Attachments:

No Attachments