2nd Moroccan participation at World Food Moscow. The Moroccan offer is exposed on the Russian market.

From 14 to 17 September, 2015

Press release

From 14 to 17 September, 2015, the Food Exports Control and Coordination Organization (EACCE) organizes, under the auspices of the Ministry of Agriculture and Maritime Fisheries, the 2nd Moroccan participation in the "World Food Moscow" that takes place in Moscow, Russia.

Considered as one of the largest international fairs dedicated to the food industry, agriculture and seafood, the World Food Moscow is the ultimate meeting place for food industry professionals in Russia. It gathers more than 1,600 exhibitors from 69 countries and attracts more than 60,000 visitors consist mainly of buyers, distributors and wholesalers. This makes this show undeniably a true platform for exchange and exploration of new business opportunities on an international level.

As part of the framework of the implementation of GREEN MOROCCO PLAN and "HALIEUTIS" strategies, the Moroccan participation in this event aims to consolidate and strengthen the presence of the Moroccan offer of agricultural and fisheries products on this market , while exploring new partnerships development opportunities in other segments, particularly, argan oil and local products.

Moreover, to ensure a significant presence in this exhibition, the EACCE has built two pavilions with a total area of 370 sqm hosting 26 exporting companies, so as to offer trade visitors a wide array of products ranging from citrus fruit and vegetables, to regional products and seafood.

Tasting sessions animated by a chef are also planned to allow the show’s visitors to appreciate the quality of Moroccan products. In addition, this exhibition will be an opportunity to hold a series of B to B meetings between Moroccan operators and major contractors in the Russian market, so as to explore new opportunities for economic partnerships and to communicate on Moroccan exportable offer, which could open up significant growth prospects in this market.

As a reminder, Russia is, with 146 million citizens, the tenth largest consumer market in the world. Russian households spend nearly 80% of their income in purchases, with 50% spent on food.
Moreover, the agricultural trade balance between Morocco and Russia is characterized by a permanent surplus for Morocco. The surplus recorded is around 88 million DH in 2014. As for Moroccan exports, Russia is the second destination market of agro-food products. In terms of structure, food products make up 92% of the total value of Moroccan exports to that country.

Press kit

1. Overview of the Russian economy

With a territory of 17 million square kilometers (24 times the Morocca territory), Russia is considered as the largest state of the world. The Federation of Russia has considerable hydrocarbon resources (World's largest producer of oil and gas in 2013).

The country is, with 146 million inhabitants, the 9th largest consumer market in the world. Within a difficult international situation, Russia has registered in 2013 a growth rate estimated at 8.9% by the IMF, up 3 points compared to 2012 (5.7%), while the economies of other regions of the world still face the global crisis.

2. Overview of the Food imports from Russia

The Russian market is characterized by a high consumption potential. Russian households spend nearly 80% of their income in purchases, with 50% of this budget being spent on food.

Russia is very dependent on international trade (10th largest world importer) to ensure its food needs: the country imports 30% of its meat, 20% of its dairy products and 70% of its fruit. Imports from this country show a growth potential that attracted the interest of exporting countries. Indeed, in 2014, the Russian agri-food imports totaled $ 38.1 billion (about nine times the total value of food export from Morocco), compared to $ 10.5 billion in 2003, thus registering an annual average growth rate of 12.4%.

3. Trade between Morocco and Russia

Trade between Morocco and Russia totaled $ 18.1 billion DH in 2014, which gives about 3% of Moroccan trade in 2014.
However, the Moroccan-Russian trade balance is characterized by a permanent deficit to the detriment of Morocco. The deficit increased from about 9.5 billion dirhams in 2010 to 14.6 billion dirhams in 2014.

In Millions DHS	2010	2011	2012	2013	2014
Agri-food Exports from Morocco to Russia	**1 590**	**1 923**	**1 836**	**2 178**	**1 604**
- Agricultural products	1 331	1 642	1 568	1 854	1 336
- Seafood products	258	281	267	323	268

Morocco AA Imports from Russia	**80**	**523**	**1 376**	**376**	**1 516**
- Agricultural products	80	523	1 376	376	1 516
- Seafood products	-	-	0,1	0,01	0,02
Food Balance / Morocco	**1 510**	**1 401**	**460**	**1 801**	**88**
- Agricultural products	**1 252**	**1 119**	**192**	**1 478**	**-180**
- Seafood products	**258**	**281**	**267**	**323**	**268**

4. The food balance between Morocco and Russia

Regarding the agri-food products, trade between Morocco and Russia in 2014 rised up to DH 3.1 billion, representing 17% of the total trade value between the two countries.
Moreover, the agricultural trade balance between Morocco and Russia is characterized by a permanent surplus for Morocco. The surplus in 2013 is in the order of 1.8 billion dirhams.
Concerning Moroccan exports, Russia has absorbed in 2014 a 4% share of the total value of the Moroccan agro-food exports. As for imports, Russia has a share of 3% of the total value of agrifood imports from Morocco.

Remarkable products	Shares in 2014 value
Citrus fruits	61%
Tomatos	15%
Other Agricultural products	7%
Fish meal	6%
Frozen fish	9%
Other seafood products	1%

In terms of structure, agricultural products account for 83% of the value of agri-food exports dedicated to Russia (citrus fruits (61%), tomatoes (15%) while fisheries products represent 17%.
Furthermore, Morocco's agri-food imports from this country mainly relate to agricultural products. In 2014 the main products imported were: cereals (55%), vegetable oil (29%) and beet pulp (14%).

5. Configuration and proportion of fruit and vegetables exports

The main fruits and vegetables dedicated to the Russian market are small citrus fruits, tomato and potato. These three products have grown considerably between the 2009/10 and 2014/15 cropping seasons.

Thus, exports of small citrus fruits increased by 13% during 2009-2014, to move from a 129 912 t volume in 2009/10 to 146 981 t in 2014/15, reaching a peak during the 2013/14 season (287,913 t). Hence, Russia is ranked as the first destination for Moroccan small citrus fruits with a 43% share in 2014/15.

Similarly, the tomato has strengthened its presence in the Russian market. The tonnage shipped to Russia has nearly quadrupled between 2009 and 2014 to reach 60 151 t. Moreover, this destination's share in the total exports of this product increased by 9 points. As for potato, the exported volume is 1761 t in 2014/15 and 19 709 t in 2013/14, while in 2009/10, the exported tonnage was limited to 72 tons.

6. Positioning of fruits and vegetables on the Russian market

Russia is a major importer of fruits and vegetables. Purchases of this country reached $ 8.3 billion in 2014, which equals 26% of the supply value of this country in agri-food products. Considering the size and dynamics of the country, several suppliers are engaged in a fierce competition to win additional market shares. Moreover, even if Morocco directs a significant share of its exports to that market, it covers, in value terms, a share of 4.4% of the needs of this market (7th supplier in 2014), which means that this market has a high potential for the Moroccan export sector.
It should be noted that Morocco witnessed a 50% increase of the value of these exports sold on this market during 2010-2014, rising up from $ 243 million in 2010 to $ 365 million in 2014 (+122 million $).

Fresh Fruits & Vegetables		2010	2011	2012	2013	2014
Total Import in Millions $		7 695	9 245	8 765	9 284	8 336
Share % of main exporters						
1	**Turkey**	16,8	14,8	14,8	16,0	16,9
2	**Ecuador**	8,5	9,5	9,5	10,3	10,8
3	**China**	6,9	7,1	7,2	7,5	9,1
4	**Egypt**	2,9	4,4	2,9	3,8	5,2
5	**Poland**	5,9	4,7	7,6	8,0	5,1
6	**Spain**	4,0	5,8	6,9	6,6	5,0
7	**Morocco**	3,2	3,5	3,8	3,7	4,4
8	**Israël**	2,5	3,4	3,6	3,6	4,3

9	**Netherlands**	4,9	4,8	3,7	3,6	3,3
10	**Azerbaïdjan**	2,5	2,7	3,4	2,6	3,0

Furthermore, Morocco has significant market shares in some segments of fruits and vegetables. This concerns especially small citrus fruit for which Morocco is the leading supplier in the Russian market in terms of volume (with the exception of 2014 during which Morocco has occupied the second position after Turkey) with a proportion varying between 25% and 27% depending on the year.

Small citrus fruits	**2010**	**2011**	**2012**	**2013**	**2014**
Total import in thousand T	**660**	**739**	**763**	**839**	**845**
1. Turkey	163	187	159	201	287
2. Morocco	168	199	192	222	223
3. China	67	66	87	87	80
4. Pakistan	83	77	91	80	74
5. Argentina	46	48	42	44	47

Likewise, Morocco is positioned as the third tomatoes supplier on the Russian market for. Thus, the Moroccan tomato covers 8% of supplies from this market where imports registered 836,000 tons in 2014 (which means a strong potential for Moroccan tomato). Turkey remains the main supplier of Russia. The country exported 365 000 t in 2014, which equals 44% of Russia's imports.

Fresh tomatoes	**2010**	**2011**	**2012**	**2013**	**2014**
Total import in thousand T	**698**	**730**	**799**	**856**	**836**
1. Turkey	349	373	361	335	365
2. China	67	67	79	81	91
3. Morocco	23	43	61	71	68
4. Belarus	-	-	17	47	67
5. Azerbaïdjan	42	43	36	46	55

The volumes of Moroccan exports in potato have improved during the period 2010-2014, rising from a 1000 tons volume in 2010 to 20,000 tons in 2014.
Egypt remains the leading supplier in this market with a share of 45%. However, Russian imports of this product are characterized by a high annual fluctuation (1.4 million t in 2011 versus 448,000 t in 2013).

Potatoes	**2010**	**2011**	**2012**	**2013**	**2014**
Total import in thousand T	**664**	**1466**	**461**	**448**	**686**
1. Egypt	76	263	81	128	308
2. China	35	59	52	58	97
3. Israël	8	49	27	10	81
4. Azerbaïdjan	63	90	59	54	49
5. Bangladesh	0,1	2,2	0,6	1,7	24
6. Morocco	1,0	1,7	3,6	4,6	20

7. The Green Morocco Plan Strategy

On April 2008, the Moroccan government adopted the "Green Morocco Plan" strategy to revive the agriculture as a key sector of the Moroccan economy. This new plan aims for the development of the whole agricultural potential of the Moroccan territory, to make agriculture the main growth engine of the national economy within the next 10 to 15 years.

The strategy is built around a comprehensive approach that covers all actors according to their own objectives. It is based on two major pillars:

Pillar I: A strong value-added agriculture

The Green Morocco Plan Pillar one's objective is the accelerated development of value-added agriculture along with high productivity. This involves the deliberate creation of agricultural and food development centers with high added value, fully complying with the market requirements.

Such a development could be achieved through the triggering of a new massive investment wave around new actors with high managerial capacities, along with industry structures rationalization and pooling resources within private economic interest groups and interprofessional groups.

The Pillar I should eventually concern 400,000 farmers, generating 150 billion dirhams of investments around 900 projects.

Pillar II: A sustainable agriculture

The Green Morocco Plan provides, through its Pillar II, a solidarity-based support of small-scale agriculture, with as main objectives:

The sustainable modernization of small-scale agriculture in order to fight poverty,

Integrating these axis in an integrated rural development strategy, along with the development of alternative sources of income.

600,000 to 800,000 farmers are involved in this strategy. The expected investments are estimated at over 15 billion Dirhams. The living conditions of three million rural people should eventually be improved.

8. The Halieutis Strategy:

With nearly 3500 km of coastline (including sixth located in the Mediterranean), Morocco has diversified fishery resources in a privileged area that is submit to the combined effect of the cold Canary stream and the Upwelling, along the Atlantic coastline. The maritime surface of Moroccan coast totals more than one million km ^{2}, which is an important competitive advantage in this sector.

As a real driving force of socio-economic development, the Moroccan fisheries sector counts as 2.5% of GDP. It is also an important source of income for a large segment of the population, since it generates 170,000 direct and 490,000 indirect jobs.

With 540,000 tons exported in 2013, generating an export turnover up to 1,7 billion USD, the seafood contributed by 8% of total exports of the Kingdom and nearly 40% of food products exports.

Moroccan exports of seafood products consist of frozen fish (44%), canned fish (30%), Derivatives (9%) and fresh fish (6%)

The Kingdom is also the world's leading exporter of sardines, including the internationally well-known Sardina pilchardus (Walbaum, 1792) species, recognized for its exceptional quality.

The Halieutis Plan: A Strategy for a competitive Moroccan offer

The HALIEUTIS strategy, which was adopted in 2009, is part of economic and social development policies. Based on the sustainable development of national halieutic resources, its objective is to bring the Moroccan fishery products exports up to 2.24 billion euros and triple the sector’s GDP by 2020, so as to turn the fisheries sector as a spearhead of the Moroccan Economy.

This strategic approach is based on three major aims:

• **Durability**: sustainably exploited resource for future generations; which involves:
- Ensuring the sustainability of the resource,
- Provide visibility to economic actors to invest,
- Make fishermen the primary actors of responsible fishing.

• **Performance**: A sector equipped and organized for optimum quality, from landing to marketing, in order to:
- Ensure optimal quality conditions in products processing
- Create more transparency throughout the value chain,
- Provide offer-for-sale mechanisms for efficient markets.

• **Competitiveness**: better valued and competitive products to maintain conquered markets, and also intended for high potential markets.
- Ensure the availability and consistency of high-quality raw materials,
- conquer market shares at national and global level.

The Institutional marketing strategy for seafood promotion
Morocco is ranked among seafood's world leading producers, especially sardines and octopus, considered as flagship products of the Kingdom.

The Moroccan offer is characterized by many advantages, including:
- sustainable fisheries;
- species with distinctive sensory values (taste, appearance, texture);
- a confirmed know-how;
- authentic species and and a living fishing tradition.

At the international level, a considerable effort was conducted under the Halieutis strategy to support the work of professionals-including seafood trade promotion - to establish their presence in international markets.

However, due to the low level of communication and promotion activities, the advantages of the Moroccan offer remain poorly known.

To act in this field, the Department of Maritime Fisheries has defined a strategy for corporate marketing to enhance brand awareness and brand image of Moroccan seafood products.

About the EACCE

As part of its new missions, including the promotion of agricultural and marine exports, the Food Export Control and Coordination Organization (EACCE) organizes a variety of events on the international level, makes several operational market surveys and launches important communication campaigns on high-potential markets to support the Green Morocco Plan and HALIEUTIS strategies, which aim to double, if not triple agricultural and marine exports.

As a reminder, The EACCE is a public agency in charge of promoting agro-food products intended for export. Its expertise covers the sectors of fresh fruits and vegetables, plant products and fishery products. Many tasks are assigned to the EACCE, including:

- The technical control of Moroccan agricultural and marine food products aimed for export.

- The Animation of sectoral specialized coordinating committees for exports of Moroccan agricultural and marine food products.

- The promotion of the image and quality of Moroccan agricultural and marine food products in foreign target markets.

- The organization, setting up and participation in events or actions aimed at the promotion and development of Moroccan agricultural and marine food products exports, in Morocco and abroad,

- Providing operational strategic watch on export markets for Moroccan agricultural and marine food.

- Supporting small enterprises exports for the qualification and development of products intended for export.

To conduct all of these missions, EACCE has 21 regional offices spread in different production and export areas, in order to ensure locally based service for food industry professionals. It also has four delegations in Europe.