

## Animal feeding in Morocco

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**SUMMARY** - The feed manufacturing industry started in 1949 with the creation of CICALIM. After a long period of difficulties, investment in the industry increased in the early eighties and nineties. The investment was and is always private and mostly poultry-oriented (95% of the tonnage is poultry feed). This industry has a lot of problems of ingredient supply due to the high protection of local agricultural products, despite their covering only a small part of the industry's needs.

**Key words:** Feed industry, Morocco.

**RESUME** - "Alimentation animale au Maroc". L'histoire de l'alimentation animale au Maroc démarre avec la création de la société CICALIM en 1949. Après un long parcours difficile on a assisté à une augmentation importante des investissements dans le début des années 80 et 90. Cette industrie a toujours été privée et orientée volailles. Elle souffre de problèmes d'approvisionnements dus à une protection souvent excessive des productions végétales locales alors qu'elles ne couvrent qu'une infime partie des besoins de l'industrie.

**Mots-clés :** Aliments composés, Maroc.

Morocco today has a population of around 30 million inhabitants covering a surface area of 446,550 km<sup>2</sup> (not counting the Sahara).

Chicken consumption is 8 kg/inhabitant/year and egg consumption is 85 eggs/inhabitant/year. The production units were set up with 150 million day-old chicks and 12 million layers.

The amount of compound feed produced over recent years is shown in Table 1.

Table 1. Compound feed produced during 1991-1996

	1991	1992	1993	1994	1995	1996
Chickens	194,880	225,000	230,000	321,000	425,000	500,611
Layers	125,000	135,000	155,000	158,000	200,000	225,000
Ruminants	98,000	251,000	246,000	211,000	302,000	80,000

It is noticeable that the amount of ruminant feed is not very high in relation to the large size of the population. In fact the fiscality of animal productions in Morocco is very discriminatory. If a breeder has 1,000 cows, then he is considered a farmer whereas if he has 1,000 chickens, then he is considered an industrialist. As farmers are exempt from paying tax, rather than pay 7% VAT on industrial feeds they prefer to continue making up their own feeds on-farm.

Our industry is made up of about thirty factories, 23 of which are already members of the AFAC, (Association of Feed Manufacturers) and the remainder are about to join.

By the end of 1998, the production capacity will increase from 2 million tonnes to 3.5 million tonnes for a 1 million tonne-market (800,000 tonnes produced by the industrial sector and 200,000 tonnes manufactured on-farm).

The market potential is still considerable, taking into account the consumption of poultry products and the growing use of extensive ranges as cropland.

The feed regulations in Morocco comply with the European regulations upon which they are largely inspired. Additives that have been banned or withdrawn in Europe receive the same treatment in Morocco.

As regards the administration, the sector has been suffering great difficulties for the past few years.

In 1987, the sector was obliged to pay a levy on imported corn as well as VAT on the only industrially manufactured feeds. Both measures obliged 45% of farm units to close, with the consequential effects on the rest of the channel.

Oil seed cakes, an essential source of protein for quality feed manufacture, were very heavily taxed on import. Moreover, customs duties were practically a ban on imports.

The feed manufacturers had no other choice; they were obliged to rely on local sources both for quantity and for quality.

VAT charged on inputs until July 1996 was of 20% whereas for feed it was 7%. The difference in VAT was an obstacle as it was often a higher amount than the social capital of the feed firms. From then onwards, VAT on certain inputs was reduced to 7% in an attempt to reduce the load, however it would take five years for the manufacturers to achieve this by not importing products taxed at 20% and therefore reduces their choice of purchase.

The national corn production is sufficient to cover 20 days requirements but the protection of corn is on average 22% all year round. Morocco produces sunflower cake from local cereal but this is not the only feed cake, nor is it the most important.

The minimum protection of most cakes is on average 27%. All products that partially substitute cereals are very heavily taxed although saving can be made on the egg and meat prices and on foreign currency for the country.

Certain products, which use local products (enzymes and fats in the case of barley), are also heavily taxed, in spite of the approval of the technical services from the Ministry of Agriculture.

The fish meal production has been in process since the 70s. With the increase in feed production, local consumption is substituting exports. Fishmeal is still the main source of proteins in Morocco and incorporation rate into feed remains very high because of the high price of soya cakes (between 5 and 10%). The fish meal market has always been shortage market in Morocco. The high demand means that manufacturers are not encouraged to make quality products, mainly by using anti-oxidants. The raw material is however of very good quality.

The seasonality of production forces manufacturers to stock the material for long periods and therefore hazard risk is greater.

The increase of production is not proportional to the level of consumption therefore there has also been a large rise in prices.

Wheat bran is abundant but high prices often exclude it from the feed ingredients (competition from ruminants).

In 1992, Morocco started to import manioc, an excellent substitute product for corn, unfortunately it was heavily taxed.

Corn gluten meal and corn gluten feeds are excellent products at affordable prices but their border taxes exclude them from the feed formulae. The same occurs with fats. They are not produced locally and therefore are subject to 17.5% tax.

Corn is still the main cereal used in animal feed and is the principle source of energy. Wheat is destined exclusively for human consumption.

As regards technology, factories have been greatly modernized and have integrated automation and pelleting. In fact, 80% of the feed is pelleted.