

# Project #205: Baby formula flour production unit



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## Project description



Production of baby formula or flour, mainly cereal-based, in a variety of possible preparations - e.g. uncooked, pre-cooked and cooked or "instant".

Codes SH : 190110



## Key facts

- High levels of imports (~430M MAD in 2020) of infant flours, with many strong brands present on the market (e.g. Cérélac, Blédina)
- Strong cereal production in Morocco, with industrial flour mills operating at a brisk pace
- Strong potential for import substitution, but also for export to Sub-Saharan Africa, where the population is growing fast
- Three distribution options: setting up a strong brand (in-house), selling under a 'white label' (e.g. for supermarkets) or subcontracting to established players.
- Key prerequisites: expertise, halal/kosher labelling of primary importance, choice (or manufacture) of quality packaging



## Product Complexity<sup>2</sup>

Complexity Index (PCI)<sup>1</sup>  
Harvard Economic Complexity



## Main Investment Benefits

### Grants

- ISTITMAR program for SMEs or VSEs, depending on sales

### Potential land

- Beni Mellal Agropole
- Meknès Agropole



## Main required inputs

- Flours
- Groats
- Wheat starch
- Starches

### Training support

- «IDMAJ» Program
- «TAEHIL» Program

### Funding

- Mezzanine SME
- Green Invest

## Branch

Food industry

## Sub-branch

Cereal processing



## Financial indicators (estimated<sup>3</sup>)

**potentiel investment**  
millions MAD

~10 - 20 millions MAD  
for a production of 80T per month

**Potential sales**  
millions MAD

~20 - 50 millions MAD

**Gross margin**

~20 - 30%

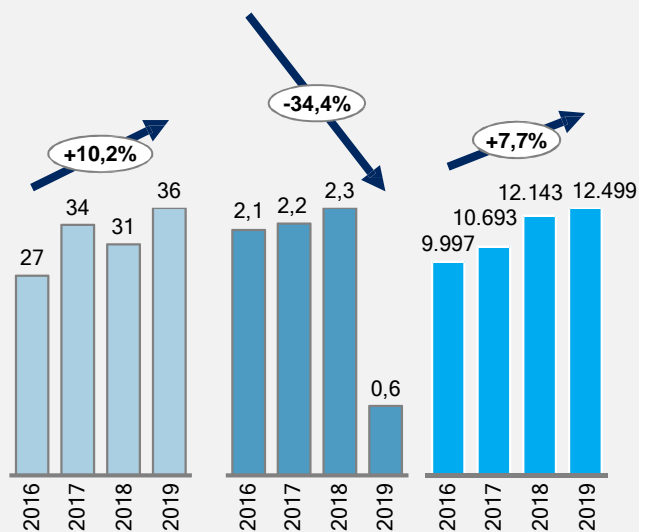


## Market growth and size<sup>2</sup>

**Morocco Imports**  
(USD, Mn)

**Morocco Exports**  
(USD, Mn)

**Global exchanges**  
(USD, Mn)



1. Product Complexity Index: Diversity and sophistication of the know-how required to produce a product. The PCI is calculated according to the number of countries producing the product and the economic complexity of these countries. The most complex products, those that only a few countries can produce, have the highest PCI (e.g. electronics, chemicals) vs. the least complex products (e.g. raw materials, agricultural products).

2. HS code: 'Economic complexity: 1901 / Trademap (World export values): 190110

3. Estimated figures based on the perspectives of Moroccan experts and manufacturers in these sectors. The financial indicators are provided for information purposes only and do not constitute any form of commitment or guarantee.