



Investment Opportunities

G20 Compact with Africa

COUNTRY CONTEXT

Political and Social Stability Supported by Strong Leadership—Morocco is a constitutional, democratic, parliamentary and social monarchy

Robust Macroeconomic Framework—Morocco has initiated a series of structural reforms and sector strategies in recent years to accelerate the structural transformation of its economy

Friendly Business Environment—a focused attention on improving the business environment is reflected in a Doing Business ranking of 68 in 2017 compared to 129 in 2009

Market Access to One Billion Consumers—free trade agreements with 55 countries, preferential agreements with 23 countries, 71 agreements on the Promotion of Investments, 50 agreements on non-double taxation and Protection of Investments

Supportive Infrastructure—including 13 international ports, 15 international airports, 1,773 kilometers of highways and 2,109 kilometers of railways

Integrated Industrial Platforms—including MIDPARK Casablanca Free Zone, Tanger Free Zone, Tanger Automotive City, Kenitra Atlantic Free Zone, City Mohammed VI Tanger Tech

Skilled and Educated Workforce—332 vocational training institutions providing sector specific training in areas including automotives, aeronautics, textiles and renewable energy

Economic Growth—4% on average from 2008–2016 ; 4.5% estimated in 2017

CREDIT RATING

	Rating	Outlook
Fitch Ratings	BBB-	Stable
Standard & Poor's	BBB-	Stable



KEY FACTS

Languages	Arabic (official) Amazigh (official) French (government, diplomacy, business)
Currency	Moroccan Dirham
Government	Parliamentary Constitutional Monarchy
Land area	710, 850 sq. km
Coastline	3,500 km
Major urban areas	Casablanca, Rabat, Fez, Marrackech, Tangier, Agadir, Oujda and Laayoune
Population	34.8 million
Literacy rate	68.5%
GDP (2016)	\$103.6 billion
GDP per capita (2016)	\$2,987
Natural resources	phosphates and derivatives, renewables, iron ore, lead, zince, cobalt, gold, coal, silver, copper, fish



COMPACT MEASURES

MACROECONOMIC FRAMEWORK

The recent macroeconomic stability will be further strengthened, with the objective of reducing public debt ratio to 60% of GDP by 2020, as a result of continued tax reforms and improved spending prioritization and efficiency. In addition, the reform agenda will be broadened to include implementation of the new fiscal framework, development of PPPs in infrastructure and transition to a more flexible exchange rate regime.

BUSINESS FRAMEWORK

Morocco has achieved remarkable performance in improving the business climate, reflected through the improved rankings in terms of doing business, competitiveness and economic freedom. Reforms will continue including through sectoral strategies and by strengthening corporate governance and transparency, modernizing the business legal framework, strengthening dematerialization and the creation of one-stop shops, simplification of the administrative procedures, Regulatory Convergence Program with the EU.

FINANCING FRAMEWORK

The Moroccan financial system has undergone continuous development in recent decades, with a significant increase in financial intermediation, diversification of financial instruments and relatively deep Treasury bills market. Efforts to modernize the financial sector continue to deepen capital markets, including hedging instruments; promote financial inclusion; strengthen and diversify financing instruments for SMEs; develop innovative instruments for infrastructure financing; and to promote financings for start-ups and innovative companies.



OPPORTUNITY

AUTOMOTIVE INDUSTRY

- About 177 automotive industry companies based in Morocco
- 1st Moroccan exporter sector since 2014
- 2nd manufacturer in the continent

Main groups

- RENAULT, SNOB, GMD, BAMESA, DELPHI, YAZAKI, SEWS, SAINT-GOBAIN, PSA Peugeot Citroën

Key objectives

- Increase the local integration rate at 80% through the development of ecosystems driven by FDI
- Production of 600,000 cars and 200,000 engines



OPPORTUNITY

AERONAUTICS

- About 115 aeronautic industry companies
- 4.5% of exports compared with 1% a decade ago
- 17% average annual growth since 2010

Main groups

- BOMBARDIER, EADS, BOEING, SAFRAN, LISI AEROSPACE, LE PISTON FRANÇAIS, DAHER, SOURIAU, RATIER FIGEAC, EATON, AEROLIA, LES ATELIERS DE LA HAUTE GARONNE, ALCOA

Key objectives

- Increase the local integration rate to 35% from 18% currently



OPPORTUNITY TEXTILES

- About 1,200 textile and leather industry companies
- 7% of industrial value added

Strategic activities

- Technical Textile, Fast Fashion, Denim, Home Textile & Knitting

Main groups

- FRUIT OF THE LOOM, DÉCATHLON...

Key objectives

- + \$500 million of export sales
- Attract +70 locomotive ecosystem investment projects



OPPORTUNITY RENEWABLE ENERGY

- **Masen Group**—dedicated actor in charge of developing a renewable energy ecosystem enabling socio-economic development relying on an attractive investment framework
- **Solar power**—About 1500 MW of installed capacity developed or under development in 2016
- **Wind power**—About 2000 MW of installed capacity developed or under development in 2016
- **Hydropower**—About 1800 MW of installed capacity developed or under development in 2016
- Overall target is to reach 52 % installed capacity (solar, wind, hydro) by 2030 involving a significant pipeline of projects of more than 10,000 MW to be implemented by public and private sectors



OPPORTUNITY

INFRASTRUCTURE & LOGISTICS

Objective is to improve infrastructure to accompany industrial acceleration through greater private sector participation under PPPs.



Road Plan 2035

- 2,000 km of expressway
- 45,000 km of rural roads
- 2,000 km of roads rehabilitated / year
- 1700km highways, double by 2035



Rail Plan 2040

- 2743 km of standard lines
- 1,563 Km of high-speed train lines
- 63 km rail link Mohammedia: Casablanca—Airport Med V



Port Strategy 2030

- 2 major port complexes currently under construction:
 - Kénitra Atlantic (\$800 million Phase I)
 - Nador West-Med (\$1bn Phase I)
- 6 new ports planned, of which Dakhla \$650 million
- 4 existing ports will be expanded



Airports Development 2030

- Increasing capacity from 28 to 90 million passengers a year
- Strengthening Casablanca Mohamed V Airport position as a regional hub
- Relocation project of Marrakech Menara Airport
- Extension of several airports



Logistics Competitiveness 2030

- Creation of 70 logistics zones in 28 cities on 3,300 ha of which 1,080 ha in the medium term.
- Four main logistics parks planned: Deroua / Oulad Saleh / Nouaceur / Lakhyayata (\$330 million)

PARTNER SUPPORT FOR THE REFORMS

Morocco is a member of most International Institutions and has developed strong multilateral and bilateral partnerships.

Partners are constantly supporting Moroccan projects and structural reforms programs through the mobilization of financing, technical assistance and the sharing of their expertise. Their support is specially expected in the following areas:

- Financial sector development
- Economy diversification and competitiveness
- Infrastructure projects and private sector participation
- Inclusive growth and sustainable development
- Governance
- Advanced regionalization
- Business climate
- Move to more flexible exchange rate regime

CONTACT INFORMATION FOR PRIVATE INVESTORS

Moroccan Investment Development Agency
Ministry of Industry, Trade, Investment and Digital Economy
Ministry of Economy and Finance

www.invest.gov.ma/?Id=1&lang=en
www.mcinet.gov.ma/~mcinetgov/en
<https://www.finances.gov.ma/en/SitePages/home.aspx/> (Institutional Investors Website)

OTHER USEFUL LINKS

Customs and Excise Office (ADII)
Tax department (DGI)
Moroccan public procurement portal
Moroccan Central Bank (Bank Al-Maghrib)
Maroc Export
Foreign Exchange Office
Central Guarantee Fund
High Commissioner for the Plan
Portal of Morocco
The public data of the Moroccan administration
Your help in administrative procedures
Tax information
MASEN
Casablanca Finance City

www.douane.gov.ma/
www.tax.gov.ma/
www.marchespublics.gov.ma/pmmp
www.bkam.ma
www.marocexport.ma/eng/
www.oc.gov.ma
www.ccg.ma
www.hcp.ma
www.maroc.ma/en
data.gov.ma
Service-Public.ma
tax.gov.ma
www.masen.ma/en/masen/
www.casablancafinancecity.com/?lang=en