



10 good reasons to invest in Morocco



1 - Stable political environment

A continuing drive for openness and democratisation

- **Sovereignty exercised by the nation**
⇒ *By referendum or through constitutional institutions*
- **Freedom of opinion, expression, association and membership to any political party or union labor organization**
⇒ *Guaranteed by the Constitution*
- **A bicameral parliamentary system**
- **Both chambers vote on all laws**
- **Constitutional Council**
⇒ *Reviews the conformity of all laws with the Constitution*
- **The judicial branch remains independent from the legislative and executive branches**
- **33 political parties and over 85 000 associations and NGO's**

In July 2011, a referendum established a new constitution, guaranteeing

- **The plurality of the Moroccan identity**
- **The legality of the state and its institutions**
- **The enlargement of the scope of individual as well collective freedoms**
- **The reinforcement of Human rights scheme**
- **The reinforcement of the status of the Prime Minister as the head of the government, directly responsible of the public administration**
- **The improvement of moral standards in public life**

1 ■ Morocco, **an exception** in the MENA region

International analysts highlight the Moroccan exception...

... and praise its democratic push.



"The European Council congratulates its cooperation with Morocco, the most advanced country in the Arab region in terms of democracy and respect for human rights".

Thorbjorn Jagland, **Secretary General at the European Council** - 10/08/2012



"Despite regional troubles, Morocco continues its progress... Various factors point to encouraging prospects for the Moroccan economy in 2011, namely an excellent harvest and a continuous diversification of the Moroccan economy"

International think-tank Oxford Business Group (OBG) - 29/07/2011



"The United States reiterates its "strong support "for the reform efforts in Morocco and other efforts on the economic level."

Victoria Nuland, **Spokesperson for the United States Department of State** - 05/01/2012



"The positive developments that Morocco was known in 2011 shows that the political transition took place in good conditions unlike other countries in the region face enormous difficulties in this regard. Morocco has distinguished by a rapid implementation and effective political and economic reforms. "

Arnaud Louis, **Associate Director of Fitch Ratings** - 11/09/2012

2 - Strong macroeconomic drivers



Morocco maintains
A4 grade - 2012



Affirms
Morocco's
Investment rating
2012



#1
Inflation control
2012-2013

* Net inflows of FDI

Sources: Haut Commissariat au Plan, Office des Changes

3 - Ambitious sectorial strategies

INDUSTRY: EMERGENCE PACT

Launched in 2009

Objective :



- 1.6 % in additional GDP growth
- 220 000 jobs created
- Key sectors: automobile; aeronautics; electronics; IT; fishing and agriculture; textile

TOURISM: VISION 2020

Launched in 2010

Objective :



- 20 million tourists in 2020
- 200 000 new beds
- Tourism GDP: from US\$6 billion in 2010 to US\$17 billion in 2020

ENERGY: MOROCCAN SOLAR PLAN

Launched in 2009 (Solar) and in 2010 (Wind) with a budget of US\$ 15 billion

Objective :



- Renewable energy >40% of national production by 2020
- Capacity: 2 000 MW of solar power + 2 000 MW of wind power

AGRICULTURE: GREEN MOROCCO PLAN

Launched in 2008

Objective :



- To modernise the agricultural sector
- US\$10 billion in additional GDP from agriculture
- US\$15 billion in public and private investments

LOGISTICS

Launched in 2010

Objective :



- To improve the country's logistical competitiveness
- To reduce logistical costs from 20% to 15% of GDP
- An integrated national network of 70 multi-flow logistical zones

→ Morocco has increased from the 90th to the 47th position in 2012 in terms of logistics competitiveness

FISHING: HALIEUTIS

Launched in 2009



- US\$1.5 billion in additional GDP
- The creation of 75 000 jobs by 2020

4 - Worldclass infrastructures



Airports

- 15 international airports
- Casablanca is #1 Europe-Africa hub



Tramways

- Rabat et Casablanca
- 1 milliard €



Highways (number of Km)

- 2000 - 2010: from 150 to 1 000 km
($\approx \times 7$)
- 2010 -2015: from 1 000 to 1 800 km
($\approx \times 2$)



Railway Network

- First high-speed train in Africa (Tangier-Casablanca) in 2015 – €1.8 billion



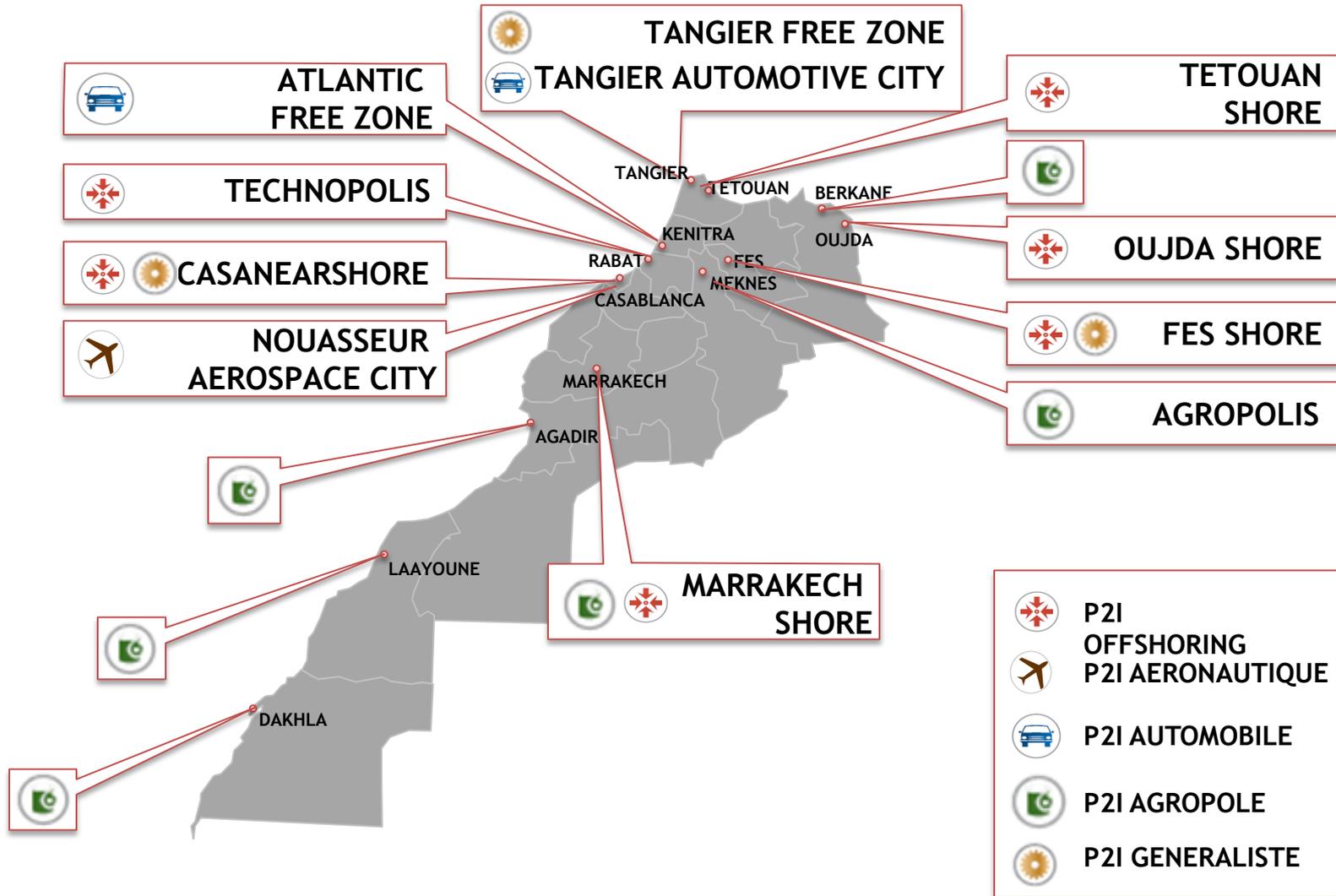
Tangier Med: world-class infrastructure in a strategic geographical location.

- Annual capacity of 3 million containers.
- Capacity of 8.5 million containers by 2017
- Objective: reach World Top-15.
- Integrated industrial, logistics, and commercial zones neighbouring the port.

Ideal maritime platform to serve Europe and Western Africa.

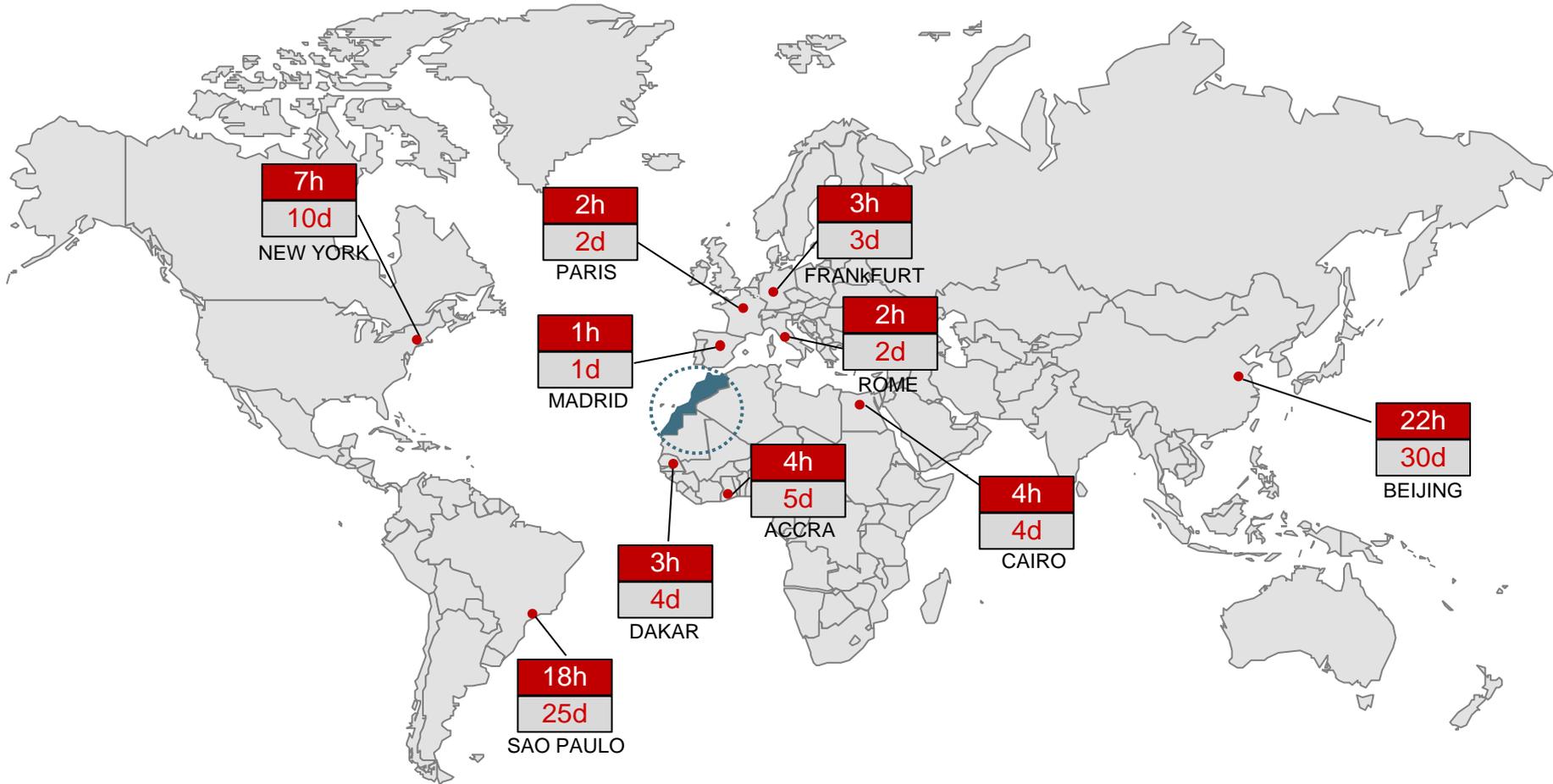
4. Worldclass infrastructures

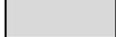
22 Integrated Industrial Parks



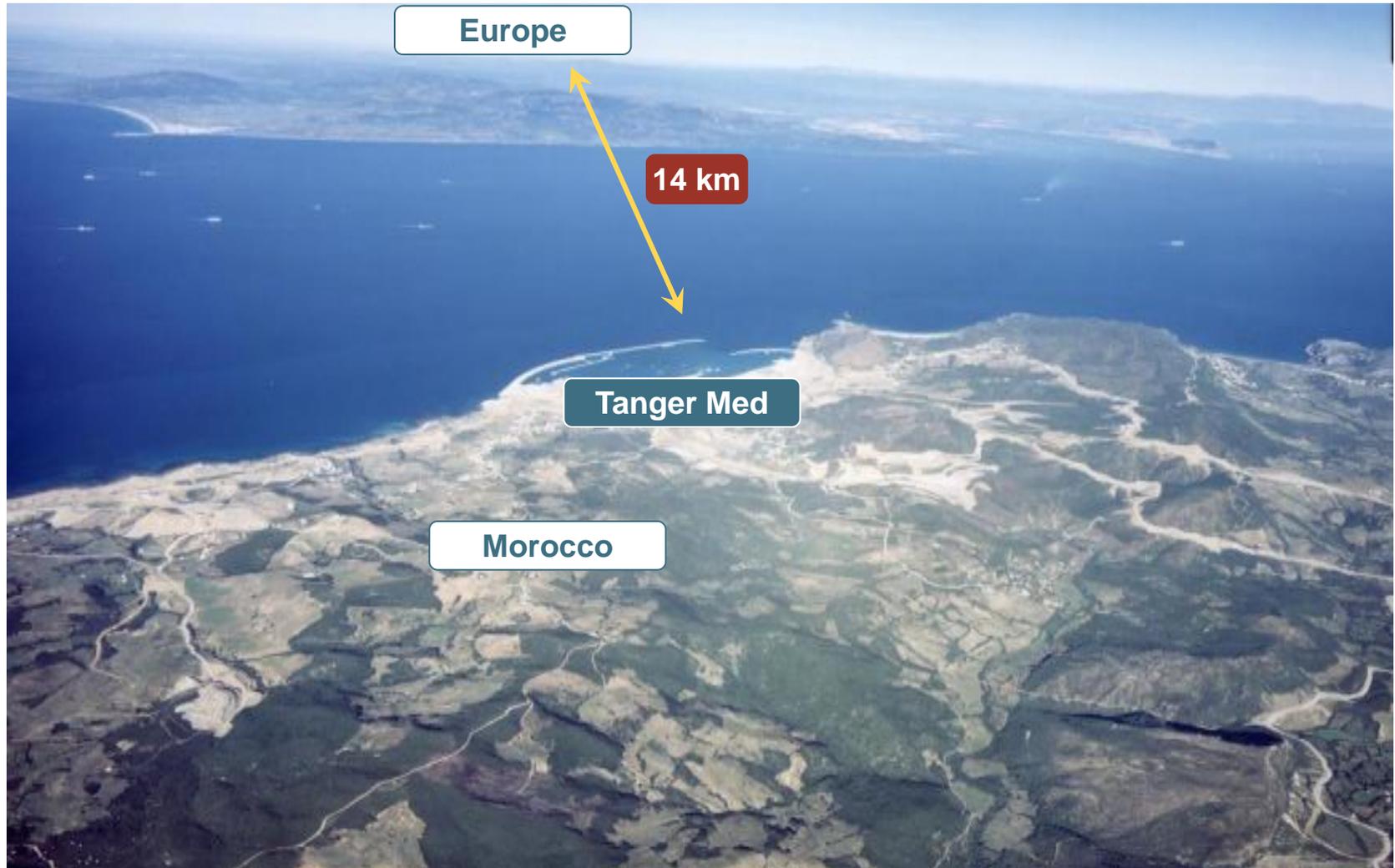
5. A unique geographical position

At the crossroad of continents



 Flight duration
 Sea/land route

5. A unique geographical position

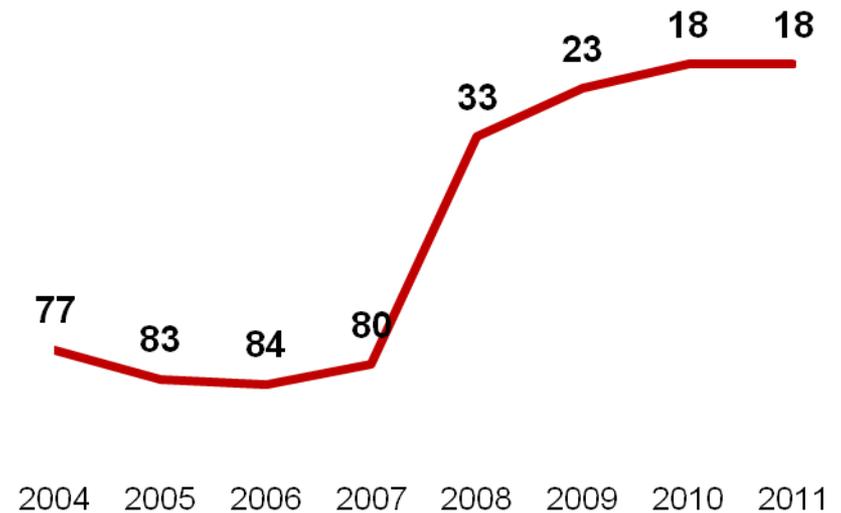


5- Tanger Med Port : Connection to 130 ports in 65 countries

A total traffic of **27 million tonnes** in 2011, a rise of **17% from 2010**



Ranking of Moroccan shipping routes



 MAERSK LINE

 Mitsui O.S.K. Lines

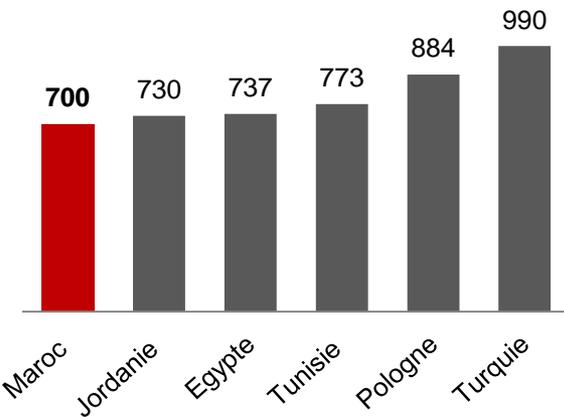
 Hapag-Lloyd

HAMBURG  SÜD



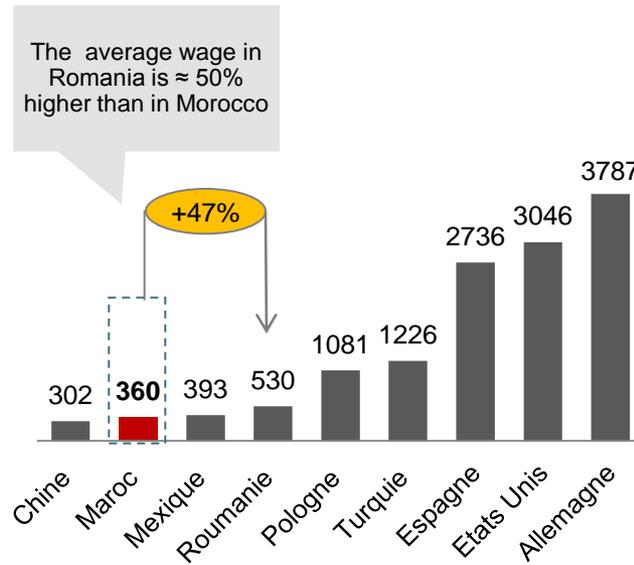
6- Competitive costs

Exportation Costs*



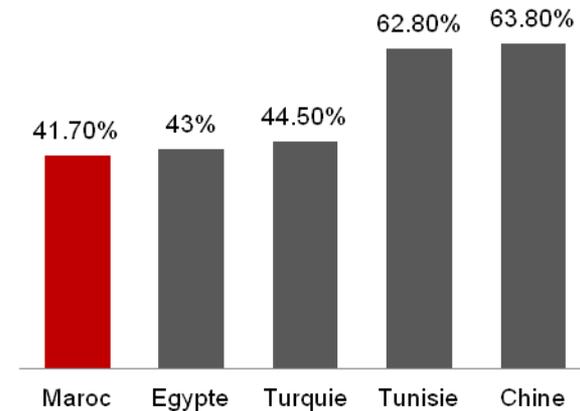
US\$ per container

Competitive wages (average)

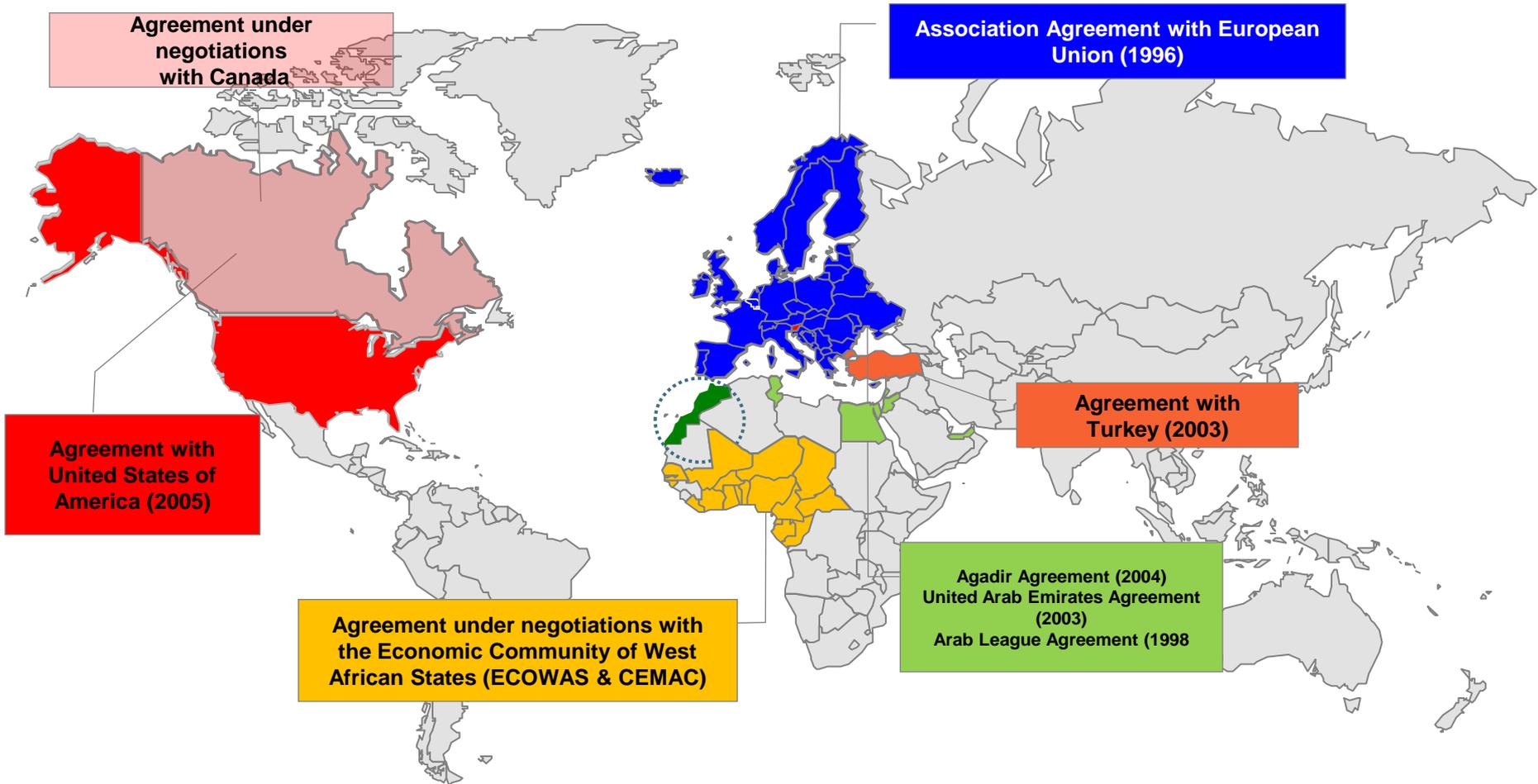


US\$ per month

Corporate tax rates



7 - Access to Custom duty exemptions to a market of **1 billion** consumers



8 - A Highly **qualified** Workforce



A young and educated population

- **64%** of Moroccans are aged under 34 years
- 6 million young people (between 18 and 35 years old)
- An active population of **12 million**
- **175 000** university students
- 10 000 engineering graduates per year
- **Over 100 public** universities and schools
- Over **200 private universities**

A youth open to the world

- **13 million** internet users
- **4,1 million** Facebook users (39th in the world), including 80% under 30 years old
- Steady growth of English, Spanish, and German **learning**
- Strong cultural and linguistic affinity with Europe



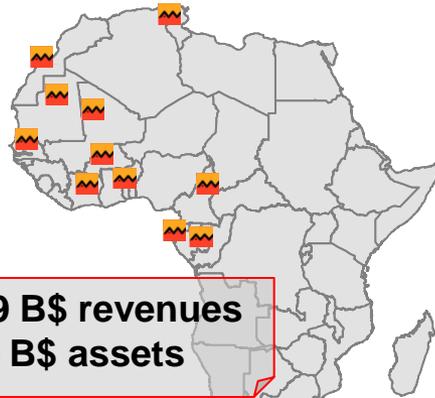
9 - A solid and competent **banking system**

Key Elements

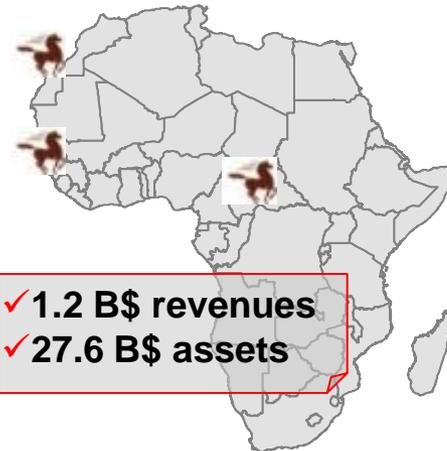
- ✓ **The highest penetration of banking services in Africa after South Africa.**
 - Bank assets reached 73% of GDP, as opposed to 69% in Egypt and 33% in Algeria.
- ✓ **3 national banks in African Top-10**
 - Attijariwafa Bank: #6
 - Groupe Banque Populaire: #8
 - BMCE Bank: #9
- ✓ **A strong presence in African countries to support Moroccan businesses.**



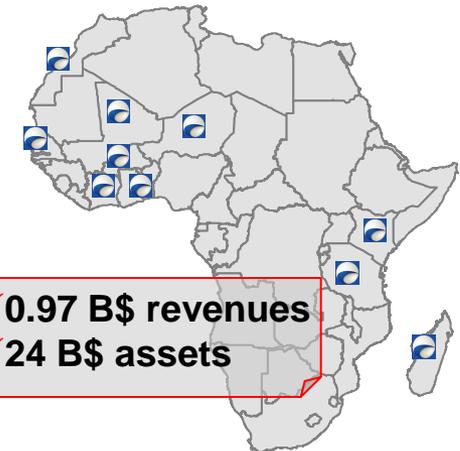
Attijariwafa Bank



Groupe Banque Populaire



BMCE Bank (& Bank of Africa)



2010 African bank of the year

Data : till the end of the year 2011

Source: Jeune Afrique, Bank al Maghrib, banks websites & annual reports

10. A business environment favourable to investment

Investor Protection

- **51** Double Tax Avoidance Agreements
- **62** Investment Protection Agreements
- Member of **OECD Investment Committee**
- Member of **International Centre for Settlement of Investment Disputes (ICSID)**
- Member of **MIGA** (Multilateral Investment Guarantee Agency)

Legal Reforms

- The creation of the **Business Environment National Committee (CNEA)** to facilitate procedures and access to information, and to carry out legal reforms
- The modernisation of business law
- **The strengthening of intellectual property protection**
- **A new law on arbitration and mediation**
- New banking regulations
- Administrative simplification

An Incentive Tax System

- Reduction of tax burden
- The creation of funds specifically for investment promotion

International Instruments

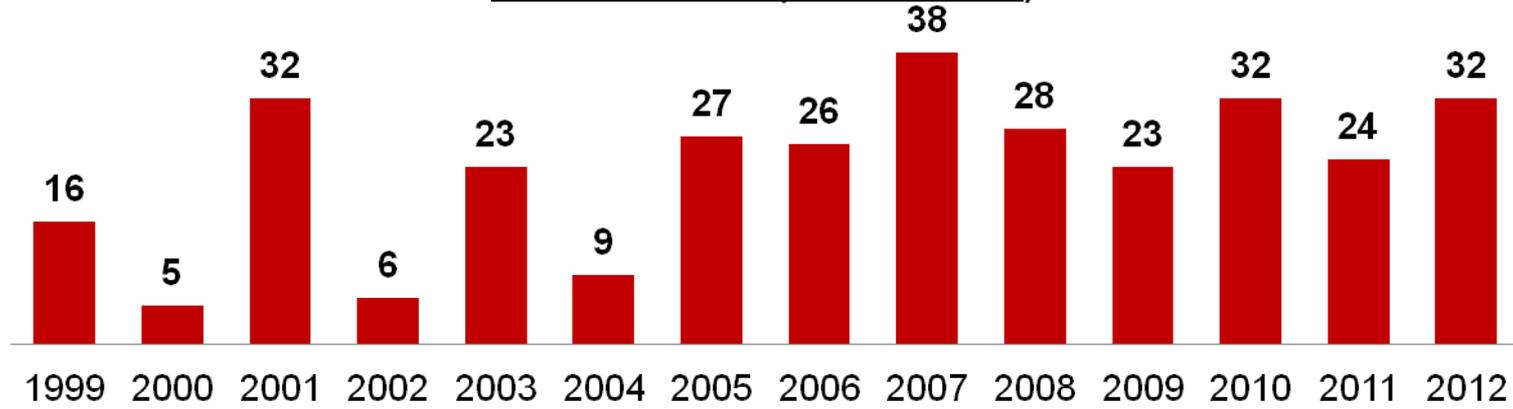
- **Morocco adhered to the OECD Declaration on Propriety, Integrity and Transparency in the Conduct of International Business and Finance and to the OECD Declaration on Green Growth**



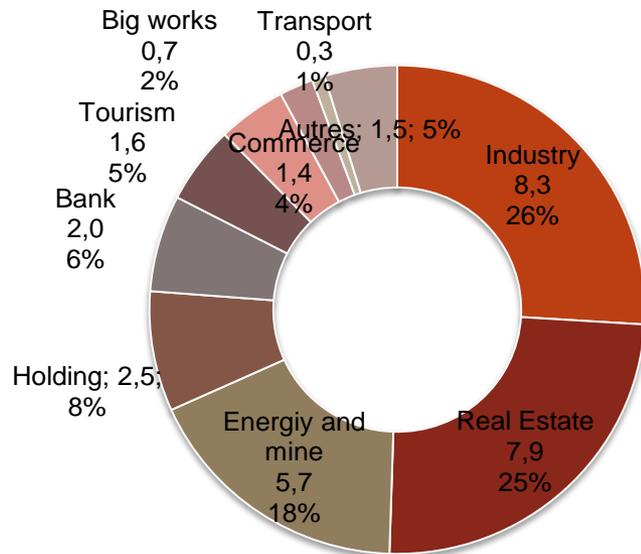
Morocco is "the most improved" country in business regulations in 2011
+21 positions in global ranking

FDI in Morocco

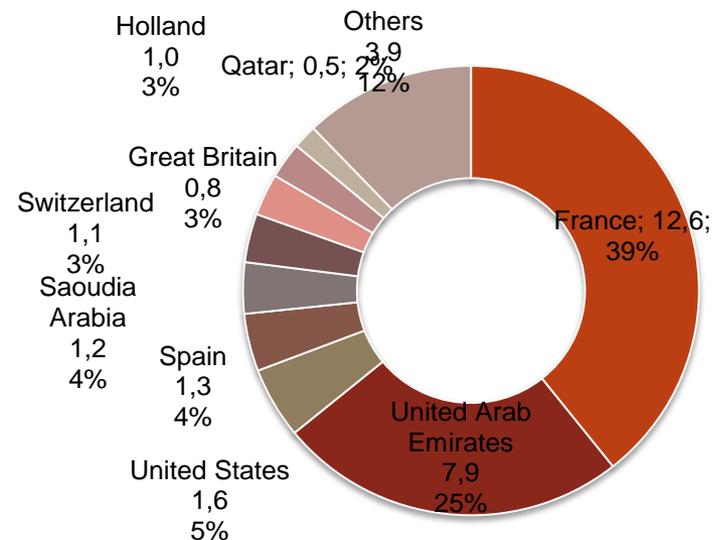
FDI evolution (billion MAD)



Per sector in 2012 (billion MAD and %)



Per country in 2012 (billion MAD and %)



An ideal destination to attract your **investments**



"Morocco is becoming an increasingly attractive market, where investors are turning their attention"
11/08/2012



"The Moroccan economy continues to be one of the best performers in the MENA (Middle East and North Africa) Region".
Nema Shafik, **Deputy Managing Director of the International Monetary Fund (IMF)** - 14/05/2012



"Morocco" has attracted the highest number of FDI in North Africa since the beginning of 2012, adding that the Kingdom has attracted 32 projects during the first 8 months of this year, capturing 34 % of total FDI in the region "
10/19/2012



"Thanks to the free trade agreement between Morocco and the US, the Kingdom will become a trade platform for American businesses wishing to gain a foothold in Africa, particularly in the MENA region."
José Fernandez, **U.S. Assistant Secretary for Economic and Business Affairs** - 06/05/2012

Thank you for your attention

www.invest.gov.ma

