

KIGALI

25-26 March 2019



CO-HOST

ORGANIZERS



MOROCCO

CONNECTING GLOBAL VALUE CHAINS

CO-HOST

ORGANIZERS



WHAT IS MOROCCO ?

- Institutions
- Geographic
- Macro-indicators
- Multicultural



WHY INVEST IN MOROCCO ?

- Stability, Continuous Growth and Robust Indicators
- Business Friendly Environment
- Connectivity Infrastructures for Intra-African Trade and Investments
- Linking To Global Value Chains



WHAT ARE THE INVESTMENT OPPORTUNITIES ?

- Sticking to Moroccan Industrial Acceleration Plan (IAP)
- Investing in the Emerging Plan Sectors
- Creating Regional and Continental Value Chains

WHAT IS MOROCCO?

COUNTRY PROFILE



INSTITUTIONS

Capital City

RABAT

Institutional System

Democratic and social Constitutional
Monarchy

GEOGRAPHICAL

710 850 Km²
of land area

3 500 Km
of coastline

14 km from Europe

MACRO-INDICATORS

Population

35,4 million

Average Growth

+3% (2018)

GDP Distribution

Primary Sector 14%

Secondary Sector 29,5%

Tertiary Sector 56,5%

MULTICULTURAL

Languages

Arabic and Amazigh (official),
French, Spanish, English

Cultural crossroad

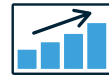
WHY INVEST IN MOROCCO? (1/3)

A BUSINESS-FRIENDLY
ENVIRONMENT



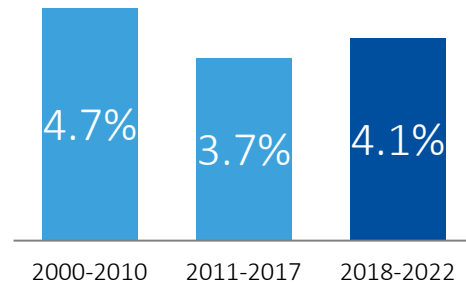
WHY INVEST IN MOROCCO? A BUSINESS-FRIENDLY ENVIRONMENT

STABILITY, CONTINUOUS GROWTH AND ROBUST INDICATORS



STEADY GDP GROWTH

Real GDP growth, IMF



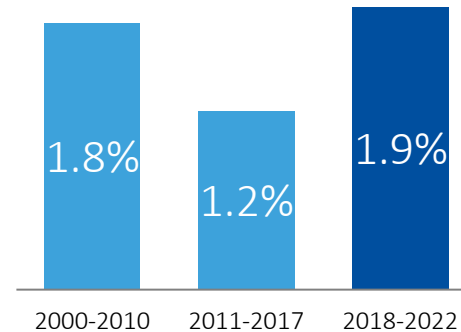
Medium-term macroeconomic prospects are stable

Fitch, March 2018



LOW INFLATION

Inflation rate, IMF

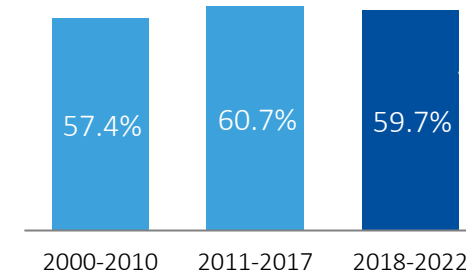


Inflation is low and well-anchored
IMF Article IV, November 2017



SUSTAINABLE PUBLIC DEBT

General government gross debt, IMF



Public debt is sustainable
IMF Article IV, November 2017

WHY INVEST IN MOROCCO?

A BUSINESS-FRIENDLY ENVIRONMENT



3TH TOP AFRICAN COUNTRY IN THE GLOBAL COMPETITIVENESS INDEX
75TH GLOBAL RANKING (WEF 2018)



MOROCCO MOVED UP BY **7** RANKS IN THE DOING BUSINESS 2020
(**53^H** GLOBAL RANKING, **3TH** IN AFRICA)



2ND MOST ATTRACTIVE AFRICAN COUNTRY FOR FDI
ERNST & YOUNG AFRICA ATTRACTIVENESS PROGRAM 2018



CASABLANCA FINANCE CITY, **1ST AFRICAN FINANCIAL CENTER**
(GLOBAL FINANCIAL CENTER INDEX 24 - 2018)

WHY INVEST IN MOROCCO?

A BUSINESS-FRIENDLY ENVIRONMENT



Government Subsidies

Investment: tailor-made participation to investment costs

Recruitment & Training: direct financial incentives to cover costs



Tax Free Zones

5 year tax exemption
...then 8.75% tax for the next 20 years

20% flat fee for individual tax
for employees



Special Economic Zones

Land, office space, and industrial plants in main cities

Exemption from export fees

Financial support for building and equipment



Government support

Meetings and direct line with Minister of Industry, Investment, Trade and Digital Economy

Support from AMDIE (Moroccan Investment and Export Development Agency) end-to-end assistance for investors

WHY INVEST IN MOROCCO?

A BUSINESS-FRIENDLY ENVIRONMENT

ABUNDANT AND HIGH-QUALIFIED WORK FORCE



A large and young workforce

64% of population
aged under 34
12 millions of active population



Qualified human resources

*Adequacy between training plans
and specific needs expressed by
private operators:*
16 public universities
170 private institutions
300 vocational training centers
10.000 engineers/year



A multicultural offer

A pool of
multicultural
Executives and talents
Multi-languages



A well gender-balanced approach

(ie) : Women represent 60% of
the Moroccan textile industry
work force

WHY INVEST IN MOROCCO? A BUSINESS-FRIENDLY ENVIRONMENT

INVESTMENT FACILITIES FOR FOREIGNERS 1/2



FREE CAPITAL

NO RESTRICTIONS
TO CAPITAL FOR
NON-RESIDENTS



FREE TRANSFER

FREE TRANSFER OF
INCOME, DIVIDENDS
AND LIQUIDATION
BENEFITS



DIVERSE TOOLS AND MECANISMS

- HASSAN II FUND
- INDUSTRIAL
DEVELOPMENT AND
INVESTMENT FUND



AGREEMENTS

+100

NO-DOUBLE IMPOSITIONS
AND INVESTMENT
PROTECTION AGREEMENTS

WHY INVEST IN MOROCCO?

A BUSINESS-FRIENDLY ENVIRONMENT

INVESTMENT INCENTIVES 2/2



TAX INCENTIVES & CUSTOMS DUTIES EXEMPTION

ELIGIBILITY CRITERIA:

Investment \geq 100 million MAD

INCENTIVES INCLUDE:

- **Exemption of VAT** on imports for capital goods, equipment and tools for a duration of 36 months from start of operations. This exemption is also given on parts, spare parts and accessories that are imported at the same time as capital goods, machinery and equipment for which they are intended.
- **Exemption of customs duties** on capital goods, equipment and tools for a duration of 36 months from the signature of an investment agreement.



FREE ZONE STATUS

ELIGIBILITY CRITERIA:

Export turnover \geq 85%

OFFERING INCLUDES:

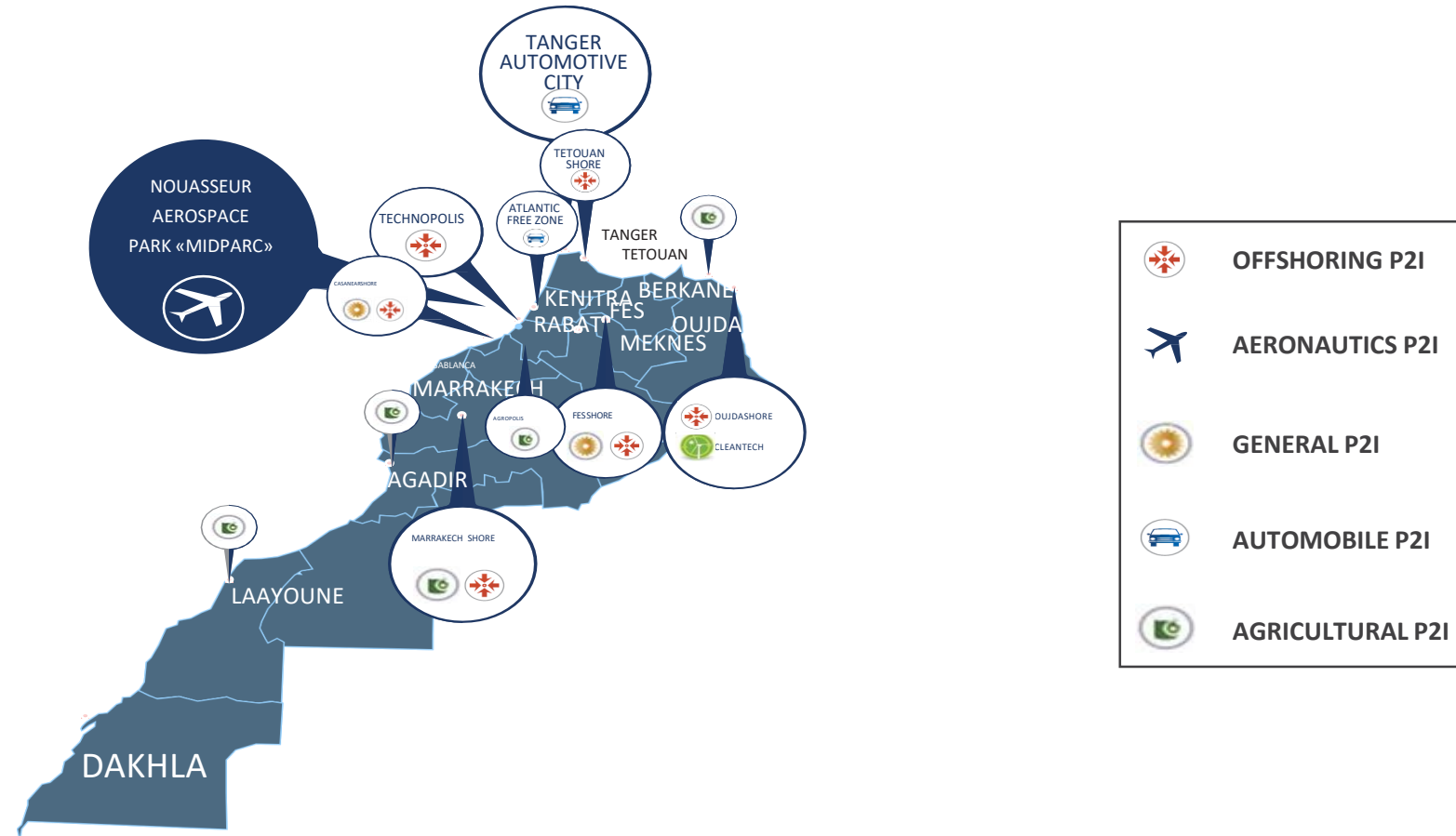
- Full exemption from corporate tax for the first 5 years, followed by a rate capped at 8.75% for the next 20 years
- Custom fee exemptions on imported goods and products
- VAT exemption on imported goods
- Exemption from license fees and urban tax during 15 years

+ Made to measure help for large scale projects

WHY INVEST IN MOROCCO?

A BUSINESS-FRIENDLY ENVIRONMENT

INDUSTRIAL DEDICATED ZONES TO MAXIMISE INVESTMENT IMPACTS



WHY INVEST IN MOROCCO? (2/3)

CONNECTIVITY FOR
INTRA-AFRICAN WIN-
WIN PARTNERSHIP



WHY INVEST IN MOROCCO ?

CONNECTIVITY FOR INTRA-AFRICAN WIN-WIN PARTNERSHIP

INSTITUTIONNAL : STRONG POLITICAL AND HISTORIC FRAMEWORK

under the vision of its His Majesty the King Mohammed the Sixth (May God Assist Him), the Kingdom of Morocco is keen to strengthen its foreign strategy based on balanced and mutually beneficial relationships.

This is marked by the various visits of His Majesty to different African countries, which resulted on multiple economic and business agreements with several countries from the continent.



H.M King Mohamed VI, meeting and Rwandese President, HE. M. Paul KAGAME, and Nigerian President, HE. M. Mohamed Bouhari.

LOGISTICS : EXCELLENT INFRASTRUTURAL FRAMEWORK

AIR CONNECTIVITY

DIRECT CONNECTIONS TO MORE
THAN 20 AFRICAN MAIN
AIRPORTS

LAND CONNECTIVITY

DIRECT ROAD NETWORKS ACROSS
THE CONTINENT FROM TANGIER
TO CAP

SEA CONNECTIVITY

DIRECT CONNECTIONS TO 37
AFRICAN MAIN PORTS

WHY INVEST IN MOROCCO?

CONNECTIVITY FOR INTRA-AFRICAN TRADE AND INVESTMENTS

LOGISTICS : MULTIMODAL AND WORLD-CLASS QUALITY



16 international airports



13 ports dedicated to global trade



Highway network of ~2,000 km in 2018 (x10 in 15 years) connecting all cities above 500k inhabitants



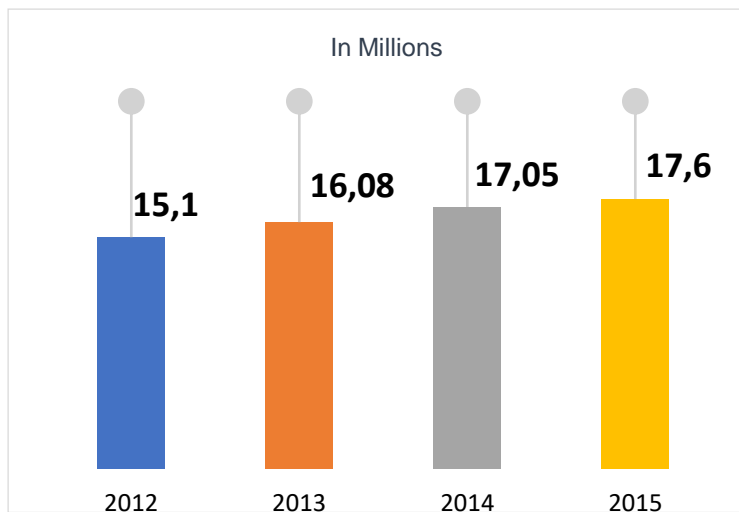
1st high-speed train in Africa between Casablanca and Tangier reaching 320km/h

WHY INVEST IN MOROCCO?

CONNECTIVITY FOR INTRA-AFRICAN TRADE AND INVESTMENTS

LOGISTICS : DIRECT AIR CONNECTION TO MORE THAN 20 AFRICAN CITIES (Both passengers and Cargo)

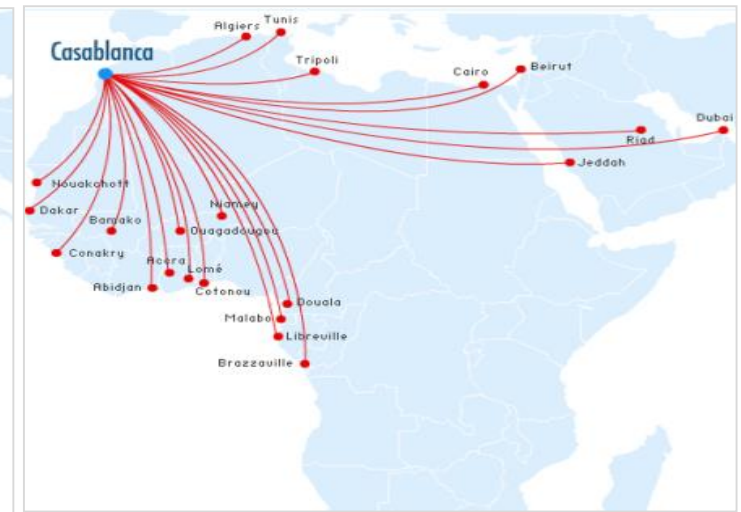
International Passenger numbers Growing Steadily



Direct Connections to 32 European Cities



Direct Connections to 24 Cities in Africa and Middle East



WHY INVEST IN MOROCCO?

CONNECTIVITY FOR INTRA-AFRICAN TRADE AND INVESTMENTS

**LOGISTICS : DIRECT SEA
CONNECTION TO 37 MAJOR
PORTS IN AFRICA**



TANGER MED
World-class
International platform

World Rank
55

Objective :
Reach world
TOP-20

Integrated Industrial,
Logistics and
Commercial Zones
Neighboring the Port

Capacity of
8,2 million
Containers
by 2017

Annual Capacity
of 3 Million
Containers

Ideal maritime
platform to
serve Europe
and Western
and Central
Africa

Connected to
140 Port
(37 in Africa)

WHY INVEST IN MOROCCO?

CONNECTIVITY FOR INTRA-AFRICAN TRADE AND INVESTMENTS

Support regional economic, social and industrial development in all productive sectors (fisheries, agriculture, mining, energy, tourism, etc.)

Promote the development

Valuing resources

Develop infrastructure

Provide the region developed and modern logistic tool, at the height of its development ambitions

DAKHLA ATLANTIC
Strategic Port for North Africa and Beyond

Promote the resource of small pelagics by setting up port infrastructures and industrial areas of proximity, offering the best conditions of competitiveness to the entire fishing industry.

WHY INVEST IN MOROCCO?

CONNECTIVITY for INTRA-AFRICAN TRADE and INVESTMENTS

BUSINESS CONNECTIVITY : A LARGE MOROCCAN FOOTPRINT ACROSS THE CONTINENT

Some big players :

ICT & MEDIA



MINES & ENERGY



BANKS



INSURANCE



TELECOMMUNICATIONS



AIRLINE COMPANY



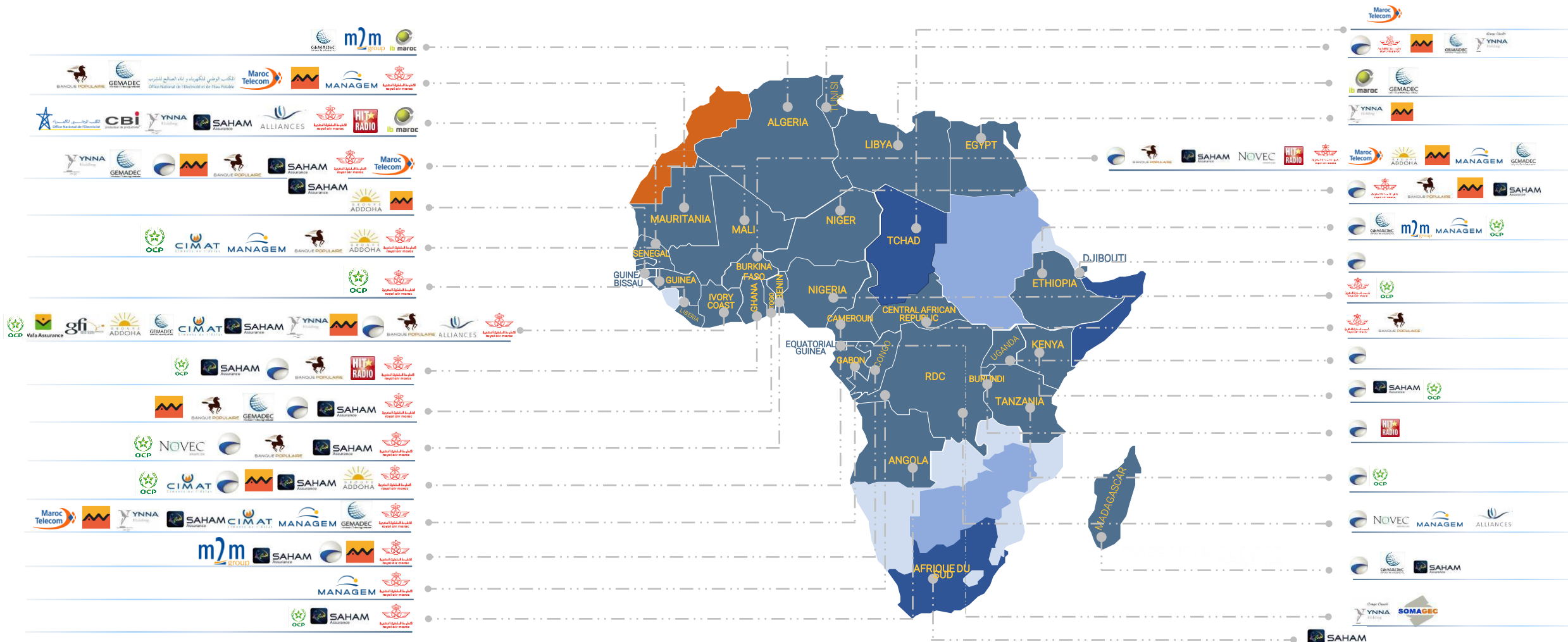
REAL STATE/CONSTRUCTIONS



PHARMACEUTICAL



Morocco Intra-African Investments represented 85% of its overall FDI stock in diverse strategic fields
Morocco is One of the main Investors in the Continent



WHY INVEST IN MOROCCO?

CONNECTIVITY for INTRA-AFRICAN TRADE and INVESTMENTS



BILATERAL AGREEMENTS

+ 5000

BILATERAL AGREEMENTS
CONCLUDED ON THE LAST
DECADE WITH 28 AFRICAN
COUNTRIES



IN A WIDE DIVERSITY OF COMPLEMENTARY FIELDS....

- EDUCATION
- HEALTH
- TRAINING
- INFRASTRUCTURE
- AGRICULTURE
- IT
- BANKING
- ENSURANCE



ECONOMIC GROUPS

AGREEMENT UNDER DICUSSIONS
WITH THE ECONOMIC COMMUNITY
OF WEST AFRICAN STATES
(ECOWAS)

AFRICAN CONTINENTAL FREE TRADE
AREA (Ratification in progress)

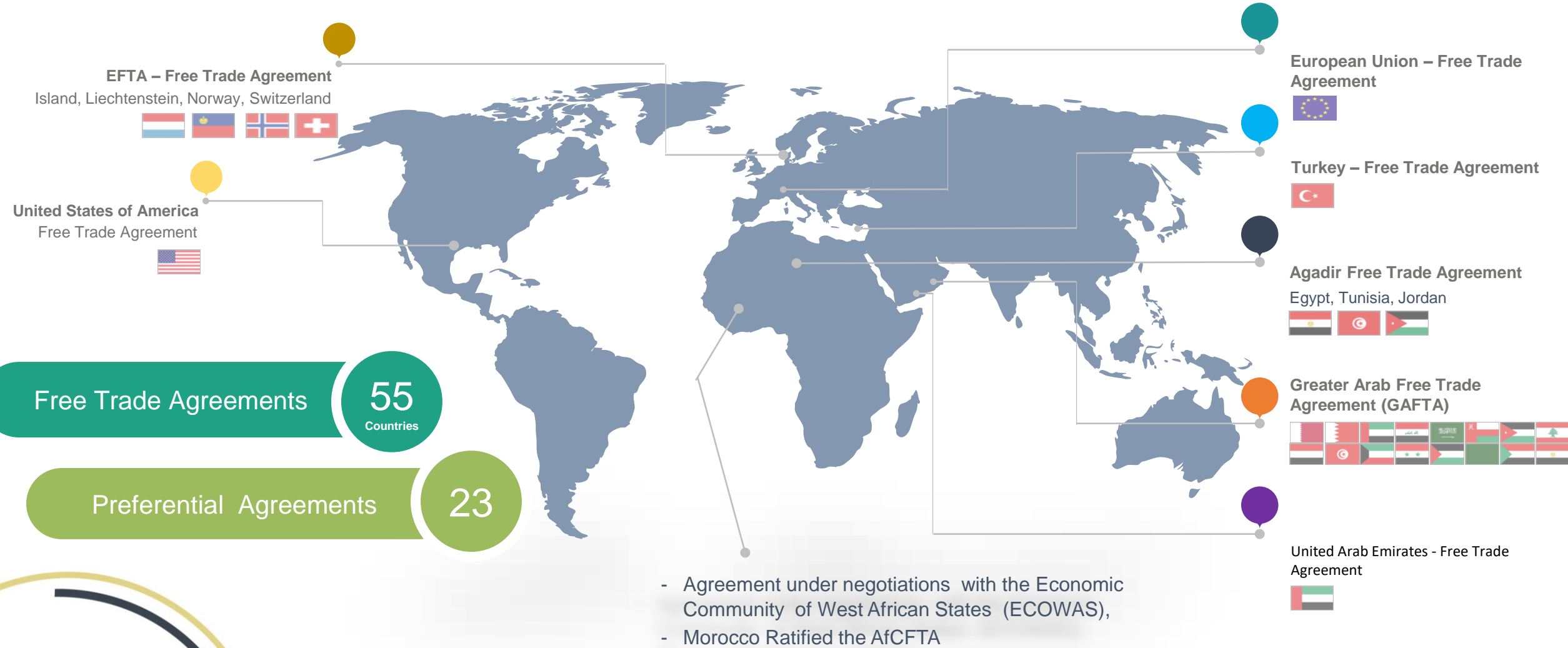
WHY INVEST IN MOROCCO? (3/3)

LINKING TO GLOBAL VALUE CHAINS



WHY INVEST IN MOROCCO?

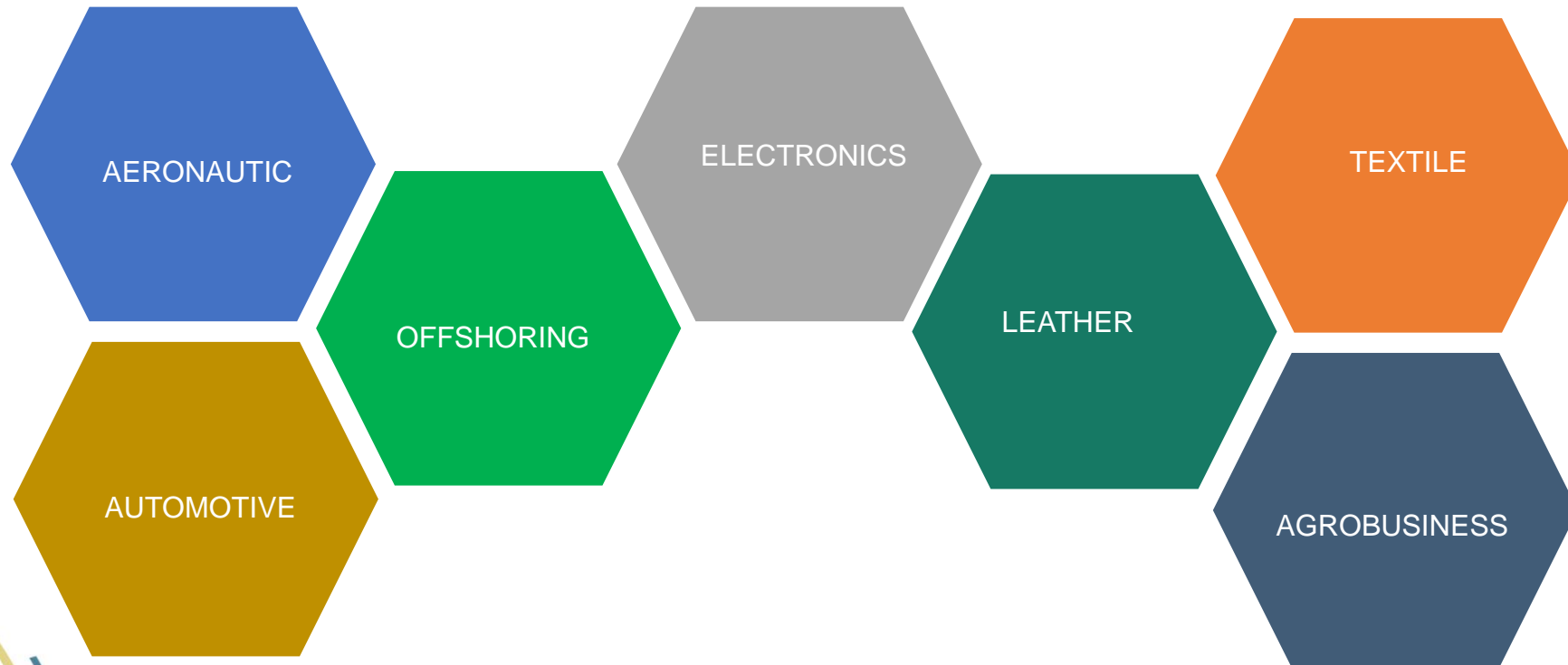
LINKING TO GLOBAL VALUE CHAINS



Free Trade Agreements opening markets accounting for 1 Billion customers

WHY INVEST IN MOROCCO? LINKING TO GLOBAL VALUE CHAINS

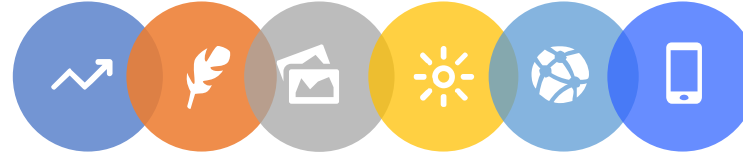
**Integration of International Value Chains
by the identification of Strategic Global Sectors (MMM)**



WHAT ARE THE
INVESTMENT
OPPORTUNITIES ?



WHAT ARE THE INVESTMENT OPPORTUNITIES ? INVESTING IN THE EMERGING SECTOR PLANS



GOVERNMENT PRIORITIES MATCHING WITH KEY BUSINESS OPPORTUNITIES !

INDUSTRY

Industrial Acceleration Plan

- Industrial PIB : 23% of global PIB in 2020
- Creation of 500.000 Jobs
- Creation of the Fund for Industrial Development 2,5 Bn \$
- Allocation of 1000 hectares in rent
- Balance of trade balance

OPPORTUNITIES

- 22 Industrial platforms & Free Trade Zones
- Government subsidies (Industrial Development Fund, training support,)
- Components manufacturing
- Cost-effective labor force.

TOURISM

2020 vision

- 20 million of tourists in 2020
- 200.000 new jobs
- Tourism PIB : 6 Billion \$ in 2010 to 10,78 billion \$ in 2015

OPPORTUNITIES

- Open-Sky with European air sector
- Major cities with high attractiveness (Marrakech, Agadir, Tangier...)
- MICE activities
- Hotels, food industry, transport...and other kind of diverse services

LOGISTIC

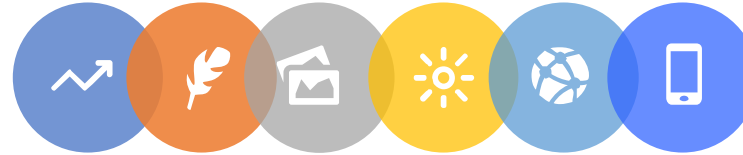
2030 strategy

- To improve the country's logistical competitiveness
- To reduce logistical costs from 20% to 15% of GDP, accelerate GDP growth by winning 5 p.
- An integrated national network of 70 multi-flow logistical zones

OPPORTUNITIES

- national network of logistics parks (3,300 hectares by 2030)
- Tax incentives
- Duty-free access to European markets
- Cost-effective labor force

WHAT ARE THE INVESTMENT OPPORTUNITIES ? INVESTING IN THE EMERGING SECTOR PLANS



GOVERNMENT PRIORITIES MATCHING WITH KEY BUSINESS OPPORTUNITIES !

AGRICULTURE

Morocco Green Plan 2020

- Modernize agriculture
- 10 billion \$ of additional PIB from Agriculture
- 15 billion \$ of public and private investment

OPPORTUNITIES

- Duty-free access to European markets
- Joining global leaders :DANONE, Nestle, Altadis, Unilever...
- Industrial scale farming
- Cost-effective labor force.

SOLAR

Morocco Solar Plan 2020

- Renewable energy >52% of national production by 2020
- Capacity: 2 000 MW of solar power + 2 000 MW of wind power

OPPORTUNITIES

- PPA agreements & market guarantees
- Global supplier investments
- Direct access to European et regional energy grids
- Business-friendly tax and advanced law regulations

DIGITAL

Plan 2020

- reduce significantly the digital divide
- Encourage IT use by SMEs
- Achieve 50 % of administrative procedures online

OPPORTUNITIES

- Exclusive offshoring and IT platform parks (P2I)
- Morocco's stock of IT professionals expected to 100.000 by 2020.
- Fiscal incentives
- Support International (Visa) and A considerably exceptional labor tax relief

WHAT ARE THE INVESTMENT OPPORTUNITIES?

CREATING REGIONAL AND AFRICAN VALUE CHAINS



TEXTILE

- UP-stream activities
- Manufacturing (confection, manufacturing)
- Cotton production



AUTOMOTIVE

- Constructors
- Rang 1 suppliers
- Rank 2 suppliers
- Sourcing : metal, plasturgy, textile...



CONSTRUCTION

- Real estate Promotion industry
- Cement, wood industry
- Raw materials



AGRIBUSINESS

- Final production
- 1st transformation industry
- Farming and poultry industries



WHAT ARE THE INVESTMENT OPPORTUNITIES?

BANK OF INVESTMENT PROJECTS

As part of its investment promotion policy, the Moroccan Agency for Investment and Export Development has established a Bank of investment projects with the aim of assisting the holders of investment projects (both public and private) operating in different activity sectors in their search for partnership to assist them in carrying out their projects in Morocco.

Therefore, the Bank of Projects is intended and presented to potential partners (local and international) wishing to seize the investment opportunities offered by Morocco and/or to enter into strategic partnerships.

PROJECTS BY SECTOR



WHY INVEST IN
MOROCCO ?

LIVING MOROCCO
BUSINESS
EXPERIENCE



WHY INVEST IN MOROCCO ?

LIVING MOROCCO BUSINESS EXPERIENCE



DELTA INTERNATIONAL
PROPERTY HOLDINGS
LIMITED



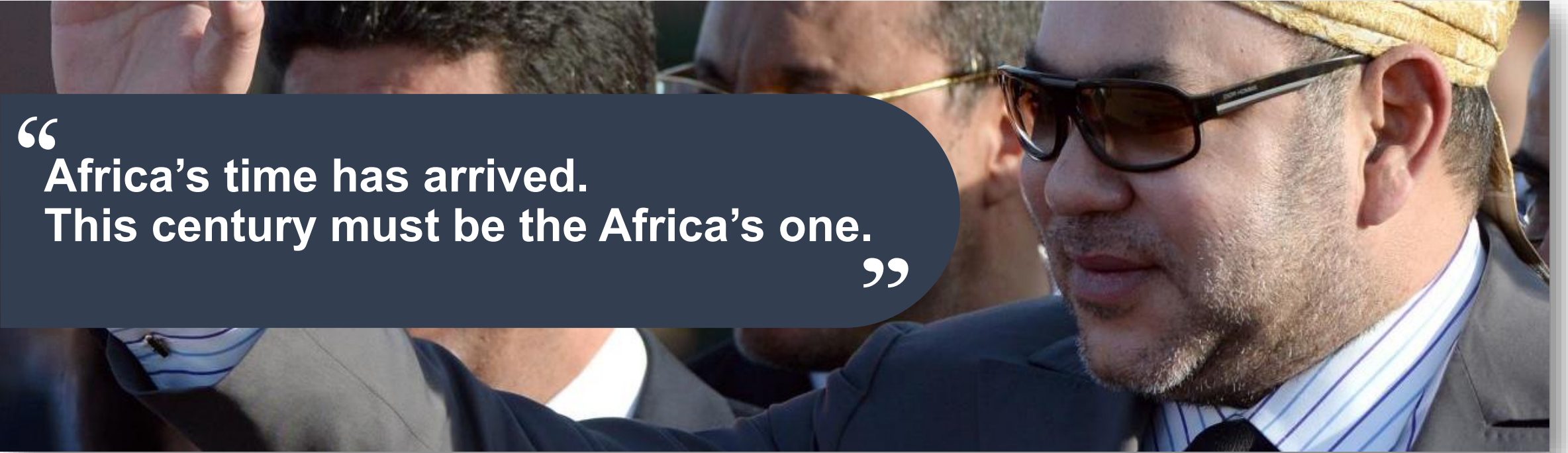
WHY INVEST IN MOROCCO ?

LIVING MOROCCO BUSINESS EXPERIENCE



WHY INVEST IN MOROCCO?

STRONG COMMITMENT TO WIN-WIN AFRICAN PARTNERSHIP



“
Africa’s time has arrived.
This century must be the Africa’s one.
”

*Extracted from His Majesty The King MOHAMMED VI’s speech,
Dakhla, 16th of March 2019*



THANK YOU FOR
YOUR ATTENTION

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