

#INNOVATIVE

- **Irrigation capacity extension** + 288% in 10 years
- **Digitalized agriculture** (Development of Agriculture 4.0, use of Internet of Things - IoT, sensors, etc.)



#GREEN

- National agriculture plan « **Green Generation** » 2020 - 2030 promotes sustainable agriculture practices :
 - Use of renewable energy
 - Use of soil conservation techniques
 - State incentives for organic agriculture



#STRUCTURED

- **Successful and well-organized aggregators** supported by government incentives
- **Aggregators' success stories** in dairy and sugar industries



THE AGRI-FOOD INDUSTRY: A GOOD OVERALL PERFORMANCE

THE AGRI-FOOD INDUSTRY IN 6 KEY FIGURES



> 161K
JOBS



697 Mn\$
Investments
2014-2020



> 2100
COMPANIES



3,5Bn\$
EXPORT
TURNOVER



4Bn\$
YEARLY ADDED
VALUE



17 Bn\$
ANNUAL
REVENUES

Source : Ministry of Industry, Trade, Digital and Green Economy(2019), CNSS(2019) , Exchange Office(2020)

“

Morocco is of particular interest for Danone as it is stable, booming and features an economic environment conducive to investment.

”



FRANCK RIBOUD
Ex-CEO Of the Danone Group

DANONE

THE AGRI-FOOD INDUSTRY: REAL INVESTMENT & EXPORT OPPORTUNITIES



PRIORITY SECTORS

INVESTMENT & EXPORT OPPORTUNITIES



Valorization of citrus and other fruits & vegetables

- Significant growth of Moroccan exports of **high quality and organic juices**



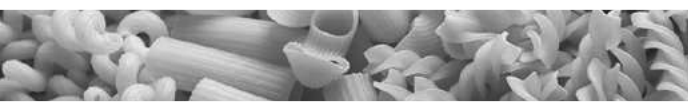
Fruit and vegetables processing

- Morocco **4th worldwide exporter** of canned vegetables and a mixture of vegetables
- Morocco **5th worldwide exporter** of frozen strawberry
- Morocco **7th worldwide exporter** of canned apricots



Dairy industry

- Morocco **1st supplier** of cheese to **Mauritania**, **2nd to Benin & Ivory coast**, **3rd to Burkina Faso**
- Morocco **Growth local consumption** at 5-7% annually



Pasta & couscous industry

- **Strong export potential:** Positive growth in exports to all continents



Biscuits, confectionery and chocolate industry

- World consumption growth of **8%**
- **Untapped export potential** in Middle-East and Africa



Olive Oil Industry

- **Input availability:** 140k tons of olive oil produced each year
- Morocco is a major **worldwide exporter** of olive oil



Processed meat industry

- **Local increasing market**
- **Strong potential export to halal market**

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COMPETITIVE PLATFORM : BEST COST OFFER

WELL-TRAINED HUMAN RESOURCES

+3,600 Specialist engineers & Technicians

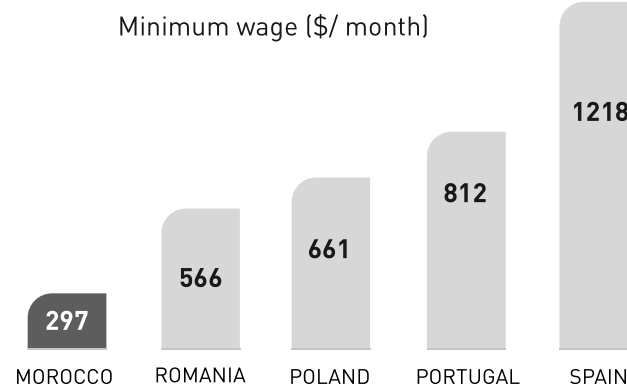


+15,000 Generalist engineers



COMPETITIVE LABOR COST

Minimum wage (\$/ month)

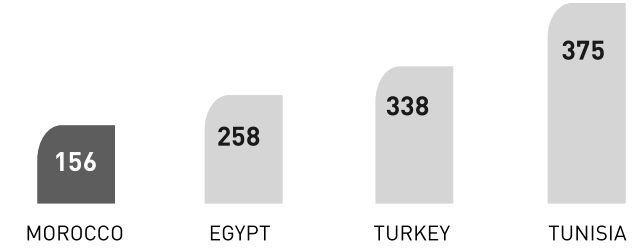


Source : Global Wage Report 2021/2020 / World Bank



COMPETITIVE COST TO EXPORT

Cost to export (\$ per shipment)



COMPETITIVE PLATFORM : BEST CONNECTIVITY

TANGIER MED PORT, THE 1ST TRANSHIPMENT PLATFORM IN AFRICA

186

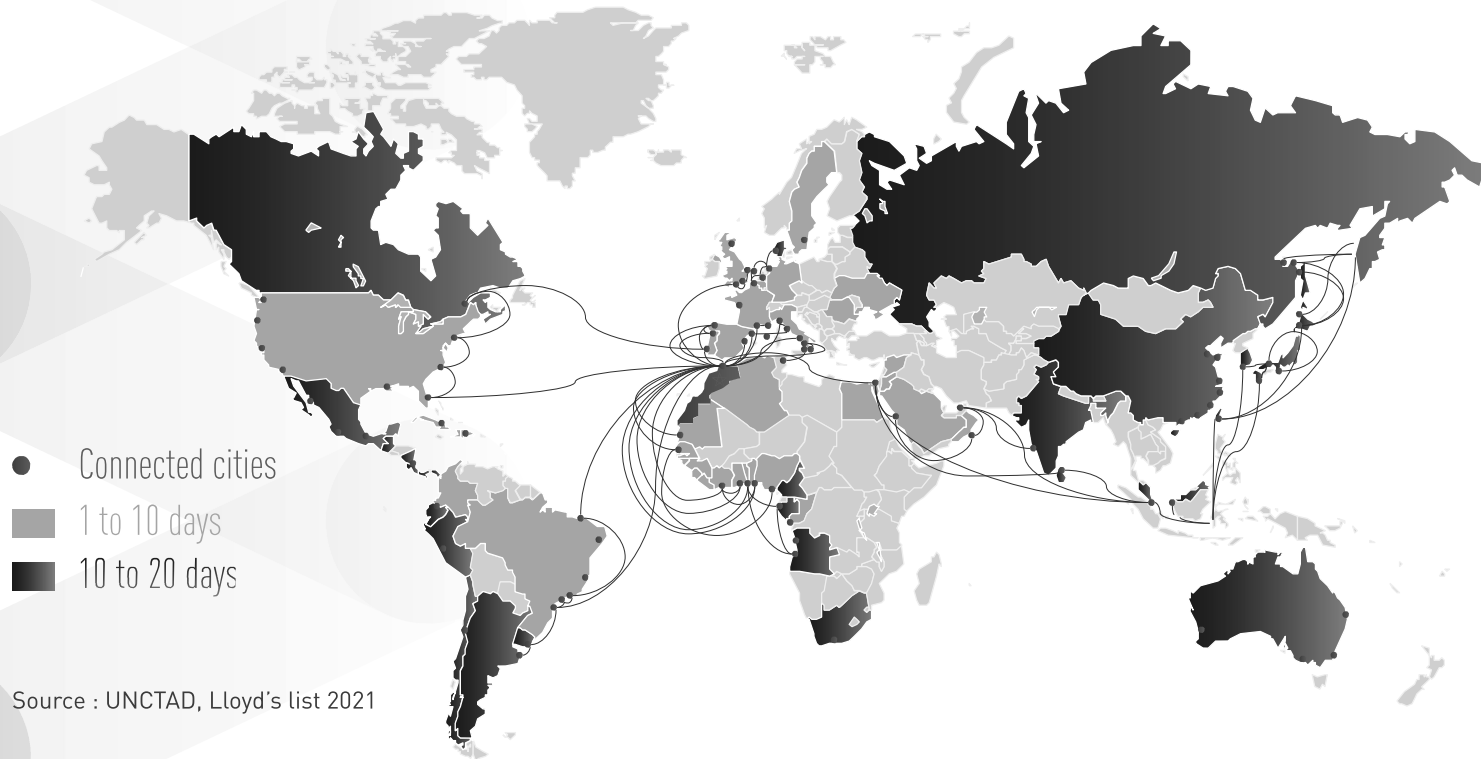
186 connections
with 77 countries

14 km

14 km from Europe

9M

Treatment capacity for
9 million of containers per year



Source : UNCTAD, Lloyd's list 2021



AGRI-FOOD INDUSTRY OCTOBER 2021

COMPETITIVE PLATFORM : WORLD-CLASS INFRASTRUCTURE

1ST IN AFRICA IN TERMS OF INFRASTRUCTURE & DIGITAL CONNECTIVITY

1st high speed train
in Africa
Tangier-Casablanca



18
airports

1st in Africa in terms of
accredited airports

1.808 km
of highways



AN ATTRACTIVE SET OF GOVERNMENT INCENTIVES



GOVERNMENT SUPPORT

- **Development of new valorization capacities**, new technologies and new products
- **exports development**
- **Technical assistance to reach international standards**
- **Training and R&D**

TAX FREE ZONES

- **Tax exemption**
- Unlimited **exemption on custom duties**

GOVERNMENT SUPPORT

- **Integrated offer of key services** : sanitary control, research labs, R&D, training, export control...
- Strong **connectivity** (air, road, rail)
- **Proximity** of raw material

SHORT LEAD TIMES & FTA'S FACILITATE ACCESS TO MAJOR FOOD MARKETS



- **1st** worldwide food market: **338 bn \$** imports in 2020
- **2 days** transportation by land
- **2012** - Free Trade Agreement Morocco-UE



- **3rd** worldwide food market: **100 bn \$** imports in 2020
- **10 days** transportation by sea
- **2005** - Free Trade Agreement Morocco-USA



- **4th** worldwide food market: **USD 48 bn \$** imports in 2020
- **6 to 10 days** transportation by sea
- **2018** - Africa Continental Free Trade Agreement (AfCFTA) signed by 44 countries



- **5th** worldwide food market: **42 bn\$** imports in 2020
- **2,5 days** transportation by sea
- **2019** Morocco-UK Post-Brexit Association Agreement



- **8th** worldwide food market: **26 bn \$** imports in 2020
- **6 to 7 days** transportation by sea
- **2003** - UAE Agreement
- **1998** - Arab League Agreement

Source: TRADEMAP

THEY HAVE ALREADY SUCCEEDED IN MOROCCO...

SUCCESS STORY 1#: MONDELEZ

Mondelez
International



- Established in the Moroccan market **since 2001**, the American **group has invested 11 million dollars in Morocco** in the largest Oreo biscuit factory in Africa
- Employ about **1000 people** and produces **900 million biscuits** per year.

SUCCESS STORY 2#: BEL



- Established in the Kingdom in **1972**, Bel has become the leader in spreadable cheeses in Morocco
- More than **1,200 employees** and three major sites, Fromagerie Bel Maroc produces more than **500 products**.

SUCCESS STORY 3#: MITSUI & CO

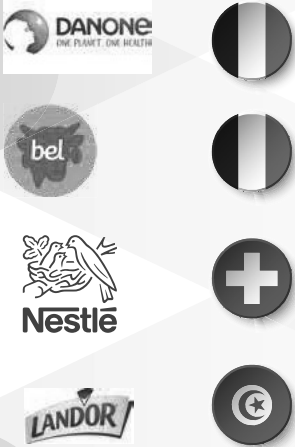


- **Japanese conglomerate "MITSUI & CO"** became, **in 2018**, a shareholder of the Moroccan company "ZALAGH Holding SA"
- Leader in the Moroccan poultry sector
- **Investment of 25 million dollars.**



LARGE INTERNATIONAL GROUPS OPTED FOR MOROCCO AS AN AGRO-INDUSTRIAL PLATFORM

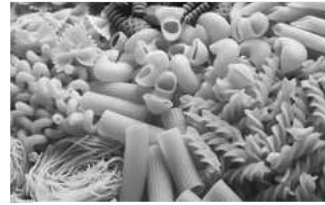
DAIRY INDUSTRY



BISCUITS, CONFECTIONERY AND CHOCOLATE INDUSTRY



PASTA AND COUSCOUS INDUSTRY



FRUITS AND VEGETABLES PROCESSING



OLIVE OIL INDUSTRY



PROCESSED MEAT INDUSTRY



BEVERAGES & INGREDIENTS



A STRONG SECTOR TO BE ONE OF THE LEVERS OF FUTURE DEVELOPMENT OF MOROCCO

- **Food autonomy** : new production capacities, R&D
- **Competitiveness** : technological integration, digitalization, Biodegradable food packaging, optimization of distribution channels
- **Decarbonization** of production



MOROCCO



INVEST AND EXPORT

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MOROCCO
NOW
INVEST AND EXPORT

TEXTILE INDUSTRY

OCTOBER 2021

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WHY MOROCCO ?

Large & rich textile industry...

- Large existing local market 157k jobs
- 1bn items annual production
- 7th largest supplier to Europe
- An anchored historic know-how

...to serve the world's largest markets...

- Competitive lead time
- Trade Agreements with more than 50 countries
- International recognition from leading textile players

...leveraging a unique combination of competitive advantages...

- Strategic position 14km to Europe
- 1st sea connectivity in Africa
- Highly qualified and well-trained workforce
- Attractive export costs

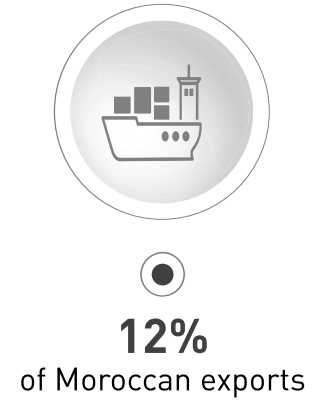
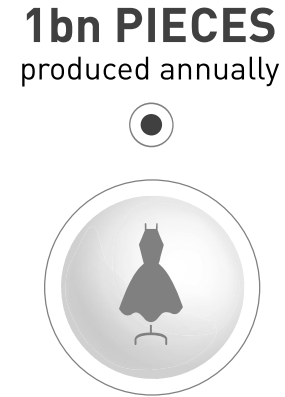
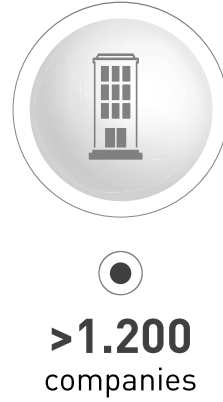
...in an overall attractive environment for investors

- Green production with access to renewable energies and new eco-friendly Industrial zones
- Development of the Upstream industries through the use of new local raw materials as hemp
- Markets diversification



TEXTILE INDUSTRY AT GLANCE












THE TEXTILE INDUSTRY IN 6 KEY FIGURES

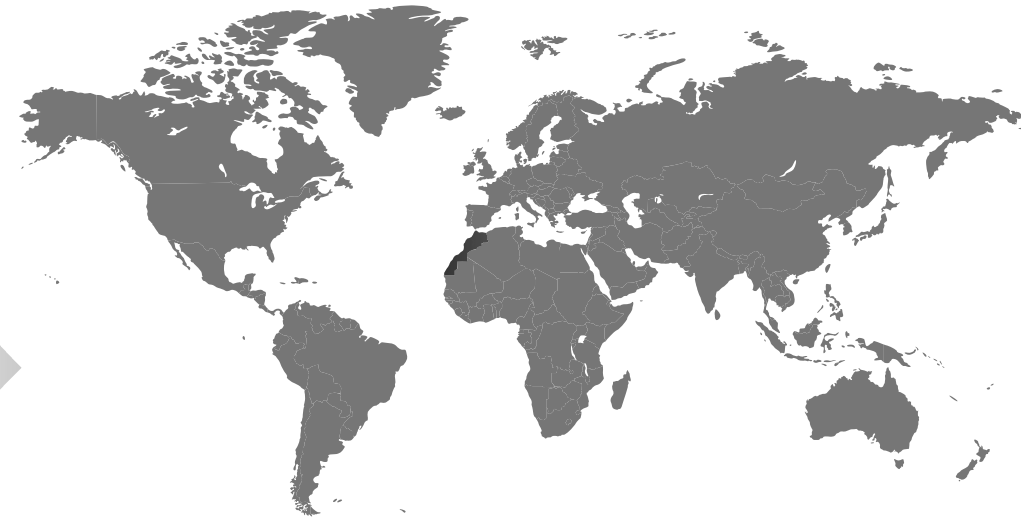


STRATEGIC POSITIONING WORLDWIDE

MOROCCO IS THE 7TH EXPORTER
OF APPAREL ITEMS TO THE EU...

...SHOWING A ROBUST PERFORMANCE
OVER H1 2021

MARKET SHARE IN EU IMPORTS (%) S1-2021			
1		CHINA	26,4%
2		BANGLADESH	20,7%
3		TURKEY	13,4%
4		INDIA	5,8%
5		VIET NAM	4,1%
6		PAKISTAN	3,7%
7		MOROCCO	3,6%
8		CAMBODIA	3,2%
9		TUNISIA	2,9%
10		MYANMAR	2,2%
11		OTHERS	14%

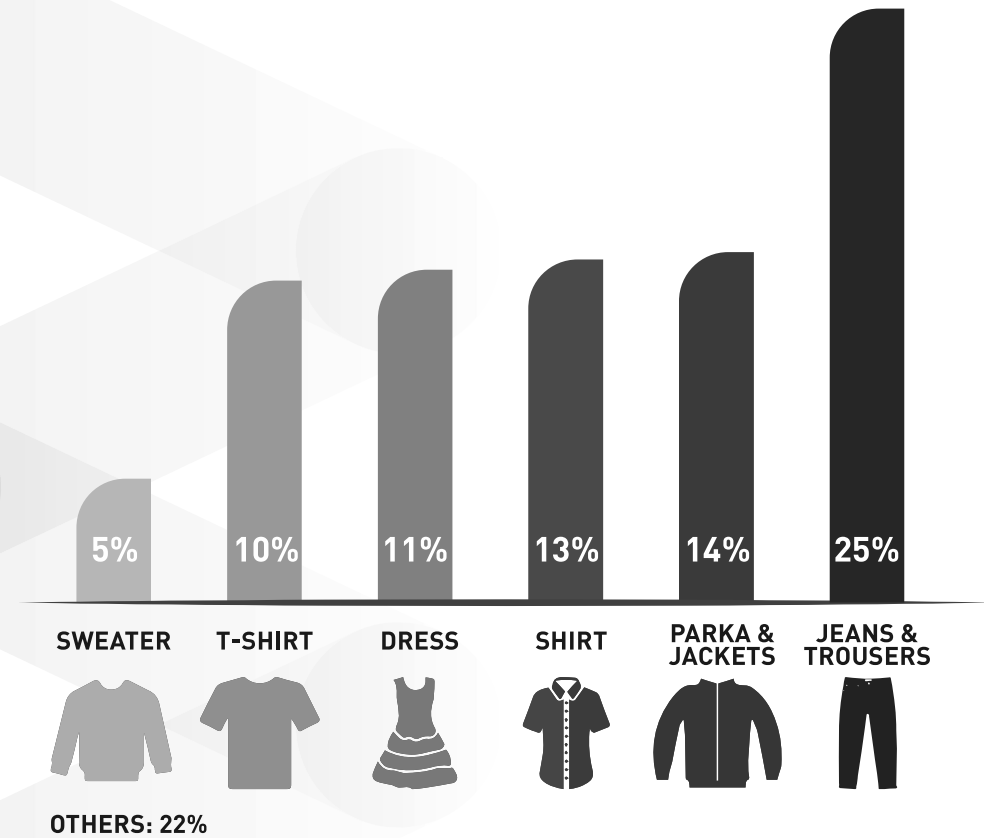


+23.2% growth in textile exportation compared
with the same period of 2020*

Source: HS codes 61 & 62 / Source: Trademap
*1st semester 2021

MULTIPLE SEGMENTS WITH EXTENSIVE PRODUCTION CAPABILITIES

A MULTI-SEGMENT POSITIONING *(by value)*



Source: Evalliance

EXTENSIVE CAPABILITIES



1bn ITEMS a year

Morocco's total installed textile production capacity

A UNIQUE COMBINATION OF COMPETITIVE ADVANTAGES

CAPACITY TO QUICKLY ADAPT TO CHALLENGES

- Swift reallocation of capacity towards health equipment during the pandemic (e.g. masks)

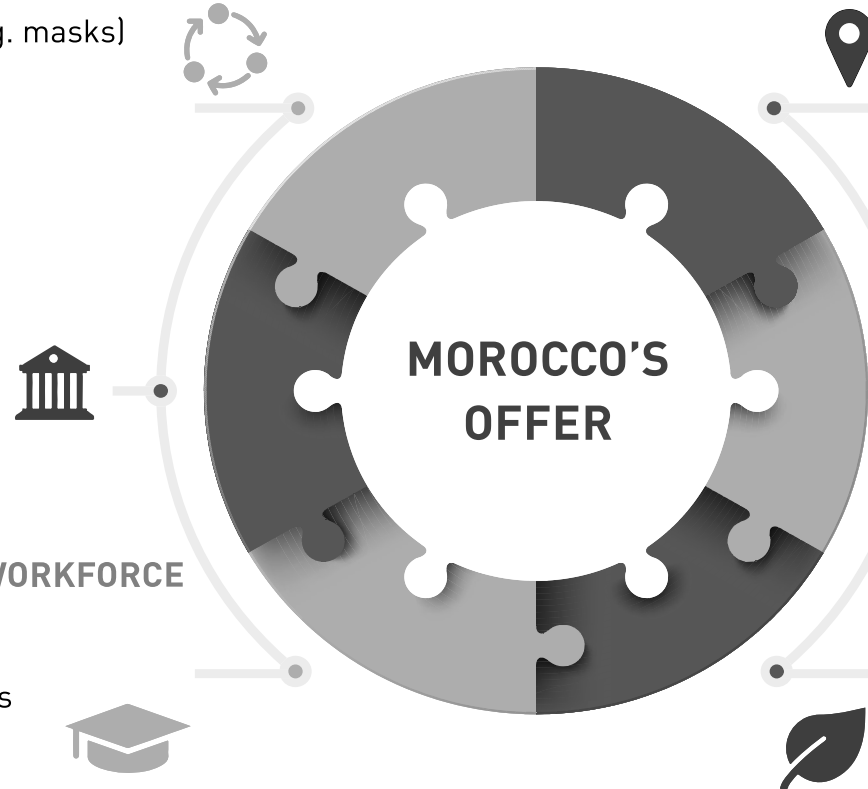
SET OF GOVERNMENT INCENTIVES

- Government Subsidies
- Tax Free Zones
- Special Economic Zones

ABUNDANT AND WELL-TRAINED WORKFORCE

- Large and young workforce
- Dedicated training centers & schools
- Predominantly feminine work force

Source: BCG Analysis



SHORT LEAD TIME

- 14km from Europe: Closest African country to the US and Europe
- High connectivity: The 1st transshipment platform in Africa

TRADE AGREEMENTS

- More than 50 free Trade Agreements worldwide among which the US & EU
- Only African country having an FTA with the US

SUSTAINABLE TEXTILE

- Morocco's proximity to the main retail markets is an opportunity to a lower carbon footprint textile

HIGHLY QUALIFIED AND WELL-TRAINED WORKFORCE



A LARGE AND YOUNG WORKFORCE

1/3 of total Moroccan population between 20 and 45 years old



A DEDICATED TRAINING ECOSYSTEM

Education offer from production engineering and manufacturing to fashion design



A PREDOMINANTLY FEMININE WORK FORCE

Women represent 60% of the Moroccan textile industry work force



STRONG TRADE TIES WITH US & EUROPE

FREE TRADE AGREEMENT MOROCCO – USA



SINCE **2005**

Free access to the **US Market:**

Triple transformation rule

- Products triply transformed on Moroccan soil can be exported in the US with 0% tariffs
- Steps: Thread, fabric & garment manufacturing

- Exception of the triple transformation for textile products manufactured with cotton produced in **sub-Saharan LDCs**

- **Morocco, the only African** country having an FTA with the USA

FREE TRADE ZONE EU28 - MOROCCO



SINCE **1996**

- Complete **dismantlement of tariffs** on textile products

- **Mandatory EUR1 certification**

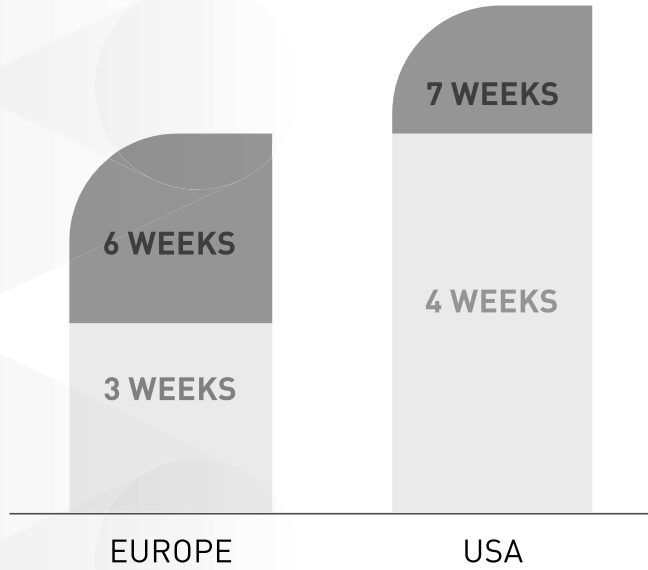
Pan-Euro-Mediterranean rules of origin

- Applied between Morocco & 42 countries, among which EU, EFTA or Turkey
- Enables the transformation of imported raw material

COMPETITIVE LEAD TIME AT A GLOBAL SCALE

AN EASY ACCESS TO EU AND US MARKETS

AVERAGE LEAD TIME TO PRODUCTION & SHIPPING



We have produced almost one million pieces since the beginning of this year. All these items are made in Morocco and we present them in our Moroccan stores as “Made in Morocco” items, and this is now a source of pride for us

DeFacto

Elif Cam
Director of Global Sourcing DeFacto Group

At the time when the health crisis reached its highest level, we signed a memorandum with the Ministry of Industry in July 2020, We chose to settle in Morocco for its political stability, its privileged location and its available and skilled workforce



Cai Jie
Country Manager Omega Groupe

Source: BCG Analysis

GOVERNMENT INCENTIVES

AN ATTRACTIVE INCENTIVE PACKAGE

GOVERNMENT SUBSIDIES

- Investment: tailor-made offer for investors.
- Recruitment & Training: financial incentives to cover costs

SPECIAL ECONOMIC ZONES

- Land, office space, and industrial plants in main economic zones
- Financial support for building and equipment

GOVERNMENT SUPPORT

- Support from Moroccan Investment & Export Development Agency (AMDIE): end-to-end assistance



A BRIGHT AND GREEN FUTURE

Green investment, today a strategic priority

GOVERNMENT SUPPORT

Access to competitive renewable energies

Availability of new eco-friendly industrial zones generation

UPSTREAM INDUSTRIES DEVELOPMENT

Development of alternative raw materials

New law of the valorization of **hemp**

MARKET DIVERSIFICATION

Access to new markets as scandinavian countries, Japan and United Kingdom



MOROCCO



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