



MOROCCO NOW

National Investment and Export
Brand Launch



THE RECENT GLOBAL CHALLENGES ARE GENERATING NEW REQUIREMENTS



- Growing pressure around climate change - consumers expectations and new regulations - require to move to **decarbonized production**
- Supply chain challenges during COVID crisis triggered **global value chains reorganization** towards less global dependency, more regional integration



MOROCCO UP TO NOW

STABILITY AND VISIONARY DECISIONS



His Majesty King Mohammed VI committed to national economic development and success of foreign investments.



Long lasting stability rooted in the monarchical pact

“

Centuries old country, Morocco is a united nation, shaped by a common history.

It draws its strength from national cohesion and from unanimous support around its sacred symbols.

”

His Majesty King Mohammed VI,
Throne Speech, 31st July 2021

MOROCCO UP TO NOW

20 YEARS OF DETERMINED TRANSFORMATION



Early Decision To Go For
Free Trade Agreements



Top Class Trade And Transports
Infrastructures



Massive Investment In Renewable
Energies Since 2009



... SHAPED A LEADING INDUSTRIAL AND EXPORTING PLATFORM



WORLD FASTEST GROWING AUTOMOTIVE CLUSTER

#1
producer in Africa

700 K
vehicles production capacity

27%
of total Moroccan exports in 2019, X 10 in 20 years



FAST EMERGING AEROSPACE INDUSTRY

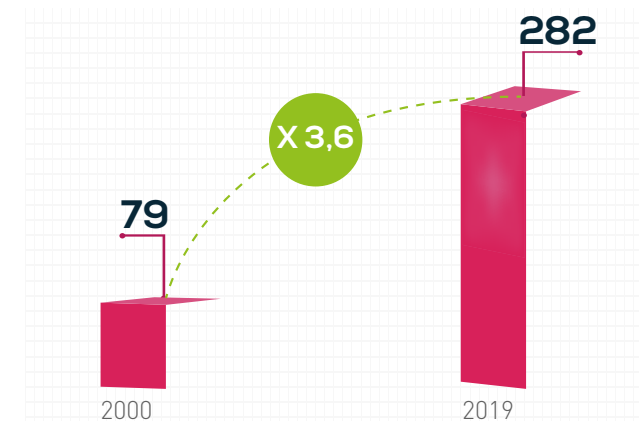
20%
average growth

#1
aerospace equipment exporter in Africa



INCREASING EXPORTATIONS

Morocco in MAD billion





Now Morocco

has the ambition to go a **step further** while
being the **most attractive destination**
to invest in the region.

This ambition will be supported by a new identity.

MOROCCO



INVEST AND EXPORT



MOROCCO

NOW

the future proof industrial platform to capture opportunities in a changing world

relying on a successful track record of business transformation execution that make the destination a reliable place to invest

 **NOW SUSTAINABLE**

 **NOW WELL-PROVEN**

 **NOW COMPETITIVE**

 **NOW AGILE**

NOW SUSTAINABLE



Renewable energies **represent 37%** of the energy mix in 2020

1st producer of renewable energies in Africa

Renewable energies **objective of 52%** by 2030

4GW of installed capacity in 2021, investment of \$ 6 billion

NOW COMPETITIVE



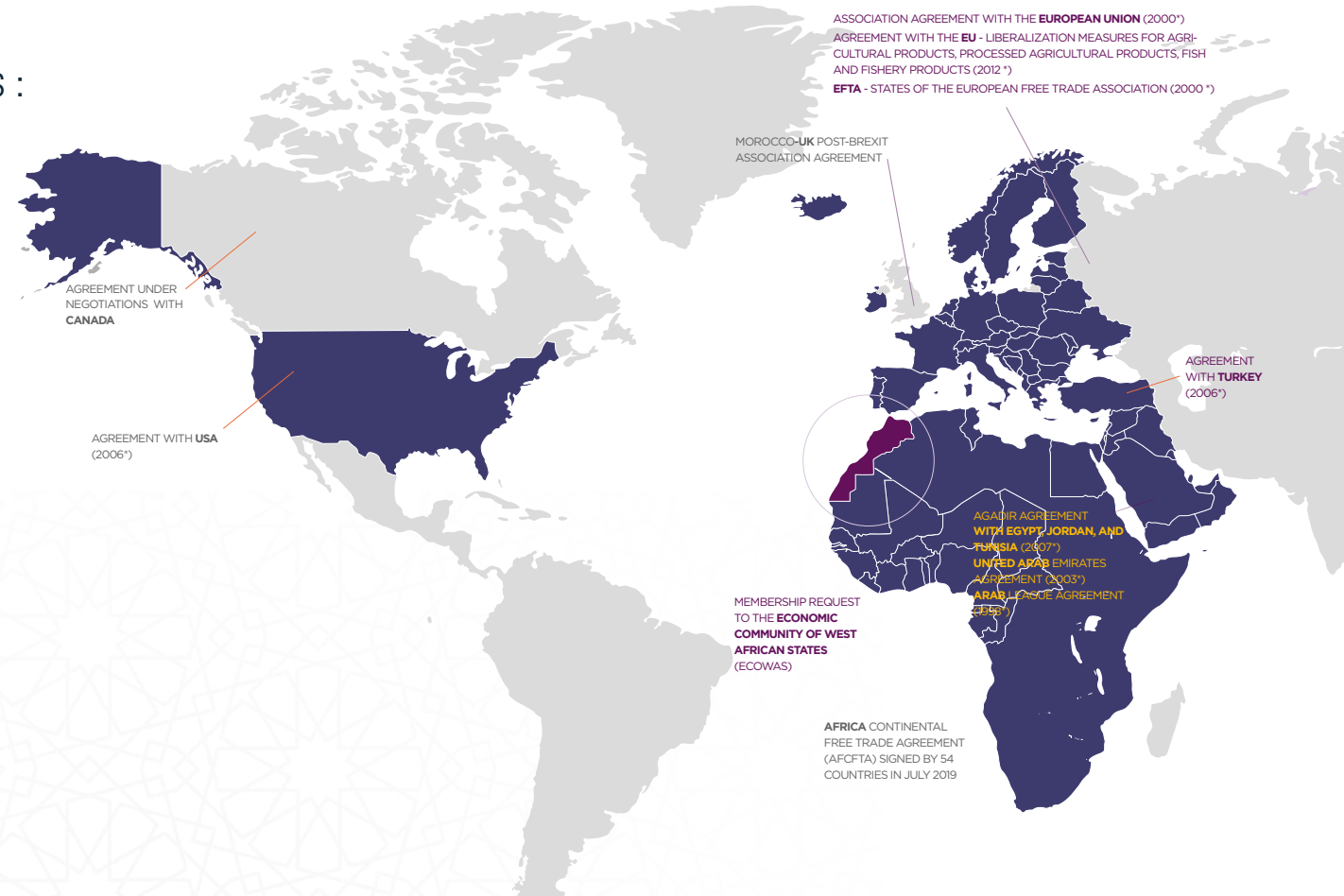
Best cost offer based on competitive production and export costs :

327 \$/month average labor cost

156 \$/container cost to export, the most competitive in the region

Privileged access to an international market of more than **1 billion consumers** thanks to **54 FTAs**

Gateway to be part of Africa's fast growth potential

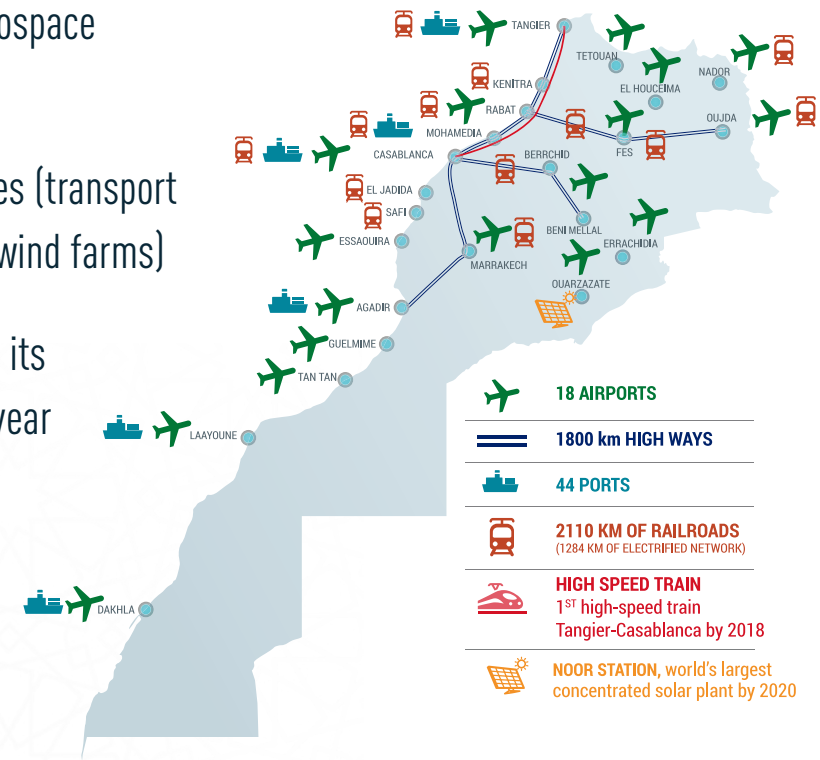




NOW WELL-PROVEN

Strong track record in:

- Foreign investment: automotive and aerospace ecosystems, textile and agro-industry...
- Delivering mega projects : infrastructures (transport & logistics), renewable energy (solar & wind farms)
- Made possible by investing in educating its young population - 152 000 graduates/year



NOW AGILE

Capacity to quickly adapt is part of Morocco DNA
as illustrated recently during COVID

- Swift reallocation of industrial production capacity towards health equipment (e.g. masks, respirators), best in class vaccination roll out paving the way to a quick path to recovery



MOROCCO



INVEST AND EXPORT

For further information





INVEST AND EXPORT

AEROSPACE INDUSTRY

OCTOBER 2021



WHY MOROCCO ?

World class aeronautics platform...

- Morocco emerged as a prime aeronautics platform with annual growth rates of 20% over the last years
- The country is ranked among the world's most dynamic aerospace ecosystems
- Diversified and highly integrated supply chain

...appealing to major international players...

- Top OEMs are using parts produced in Morocco and many key industry players have built successful long-term partnerships in the country



...attracted by a geostrategic location and a unique set of competitive advantages...

- A unique combination of competitive advantages
- Well-trained Human Resources and dedicated training institutes ensure access to a top qualified and competitive labor cost
- Closest African country to the US, Canada and Europe ensuring on time delivery, and easy access to the main aerospace industry markets







...long term vision to enhance the competitiveness of the Moroccan aerospace


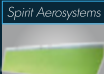
- Target to grow more complex capabilities
- New opportunities: Space industry, Composites, Interiors...
- Vision to support the decarbonization of the industry



HIGH VALUE-ADDED PARTS PRODUCED USING THE LOCAL SUPPLY CHAIN



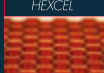









PARTS MADE IN MOROCCO HIGHLY INTEGRATED CAPABILITIES

 Fuselage Airbus A321	 upper fuselage panel Dassault Falcon	 Side Panel Airbus Family	 Em door Bombardier CRJ	 Pavillon Airbus A350	 Porthole fuselage panel Falcon 900-2000
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 Winglets Bombardier CRJ	 Flaps Bombardier CRJ
--	--






 Tail Cone Airbus A330	 Underbody Boxes ATR
--	---

 Slats Bombardier	 Depth ruler Falcon 900-2000	 Frame Airbus Family	 thrust reverser Bombardier & Gulfstream	 Inlet Bombardier CRJ	 Tubes & Pipes Airbus Family
 frames belly support doors Airbus A380	 Boxes Airbus A350	 Hatch A320	 Thrust reverser fan Bombardier & Gulfstream	 thrust reverser Airbus A320	 Blades Engines





 Side Stick unit Airbus Family	 Business Class Seats Airbus & Boeing Families	 Honey comb Various planes	 Overhead Compartment ATR	 helmet box A320	 equiped panels A320
 Air conditioning parts Airbus Family	 Door panel A320	 Cockpit Furnishings Airbus A320	 Protect panels A320	 Cockpit panel A320	 Crew seats A320



 3D natives parts Various planes	 Taper Cone CFM 56	 Other machined parts Airbus Bombardier Dassault
 Brake Piston A320	 Primary parts Airbus Family	 Command ring Engines
 fasteners Various planes	 Box and tablet pilot A320	 Other machined parts Airbus family

 Wirings & Harnesses Boeing family	 Wirings & Harnesses Airbus Family	 Wires Airbus Family	 Connectors Airbus Family & Bombardier	 Actuators - Calculators Airbus Family Bombardier Dassault
 Cockpits Control Panel Airbus A320	 Circuit Breaker MRJ90	 Electromechanical Circuit Breakers Airbus Family Boeing 737Max	 electronic board assembly Airbus Family	 power electronics Various planes

LEGEND

-  Subassembly aerostructure & engines parts
-  interior equipments & composite parts
-  Machined & sheet metal parts
-  Electrical harnesses, components & parts

THESE AIRCRAFT FLY WITH PARTS MADE IN MOROCCO



THEY TRUST MOROCCO



DIVERSIFIED SUPPLY CHAIN WITH ENHANCED CAPABILITIES (1/2)

AERONAUTIC EQUIPMENT

Equipment, final assembly & test (Actuators, Cockpit & Cabin Equipment)



AEROSTRUCTURE AND ENGINE PARTS

Assembly work packages (fuselage, nacelles...) Composite structural & non-structural



MACHINING

CNC machining /aluminum/ steel/titanium metal analysis/ mechanical testing



SPECIAL PROCESSES

Anodizing (OAC,OAD,OAS,OAT...) Plating, coating, phosphating, passivation



SHEET METAL WORKS

Cutting metals stamping, bending, shot peening, or welding processes



38% OF LOCAL INTEGRATION RATE



DIVERSIFIED SUPPLY CHAIN WITH ENHANCED CAPABILITIES (2/2)

ELECTRICAL WIRING

Wiring /technical harnesses
electronics systems testing



ENGINEERING

Mechanic, Electric, Electronic,
Hydraulic Study, design, FEA,
Simulations, 3D Printing



MRO

Heavy/line engine support services
interiors

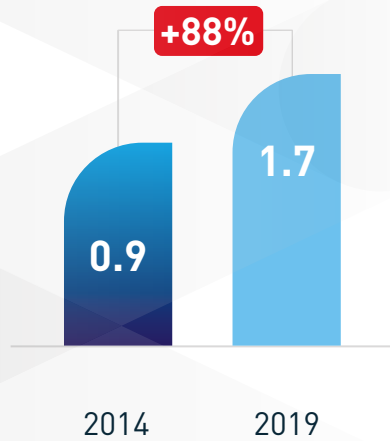


38% OF LOCAL INTEGRATION RATE

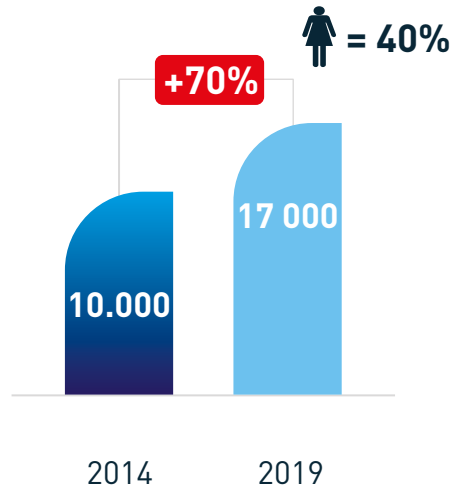
THE FUTURE OF AVIATION WILL BE MADE "WITH" MOROCCO

Key figures

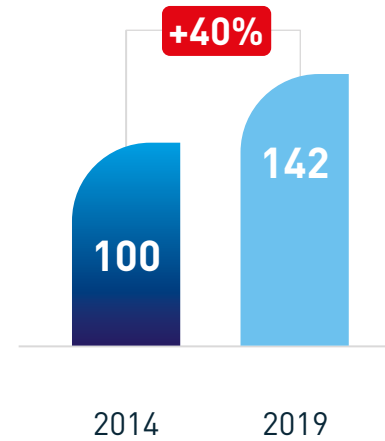
Revenue
(USD bn)
20% growth rate average



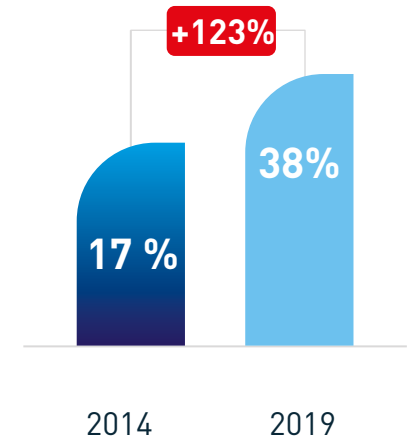
JOBS
(# employees)



COMPANIES
(# companies)



LOCAL INTEGRATION
(% local integration)



In 2020, like the rest of the aeronautics industry, we have been going through a period of economic turbulence for the past year, but at no time did we question this strategic choice.



Olivier Andriès, CEO, Safran

BOEING SUCCESSFUL SOURCING ECOSYSTEM IN MOROCCO



- Memorandum of Understanding signed 2016/27/9 by BCA former CEO Ray Conner and The Kingdom of Morocco (KoM).
- The Kingdom of Morocco, as part of the MoU, will provide a variety of critical parts to the Boeing production system with good quality and on-time delivery performance.

120
SUPPLIERS

\$1bn
ECONOMIC IMPACT¹

8,700
JOBS²

1. Yearly expected exports, in-country direct and indirect revenues 2. Expected number of direct jobs created
Sources: Institutional sites, AMDIE



“ This MoU has been a great success as we have been able to integrate 11 suppliers including 2 that supply Boeing directly. These early successes have demonstrated that the Kingdom of Morocco offers excellent value for money and sets it apart from many other countries. We believe that together we can meet the challenges of global aviation and support the long-term growth objectives of both Morocco and Boeing. Stan Deal, President & CEO Boeing Commercial Airplanes ”

PILATUS PC12- ASSEMBLY TO BE COMPLETED IN MOROCCO



- *Pilatus Aircraft and Sabca Maroc have signed a contract for the assembly of PC12- aerostructures in Casablanca.*
- *The first fuselage and wing structure assembled at the new Sabca facility will be ready for delivery by the end of 2022.*
- *The training required will be completed in collaboration with IMA.*



“ *Pilatus trusted us after an international competition, in which we were able to demonstrate that Sabca Maroc was the most competitive, the most qualified in terms of quality, work capacity but also confidence, motivation of the teams and their ability to achieve this goal.* ”

Thibauld Jongen, CEO, SABCA

TALENTED PEOPLE YOU CAN RELY ON

HIGHLY TRAINED WORKFORCE

SPECIALIST TECHNICIANS AND OPERATORS

- Ad hoc training programs jointly developed with investors to address industry specific needs (e.g. soft skills with, middle management training)
- Subsidized by the government



AERONAUTICS ENGINEERS TRAINED IN MOROCCO AND ABROAD

- **2,500 engineers** to be trained per year in Moroccan specialized engineering schools
- A growing number of partnerships with **leading international universities**



COMPETITIVE PRODUCTION COSTS

Cost, Morocco, \$/ months



ASSEMBLY/FABRICATION



MECHANICS



QUALITY CONTROL



TURNOVER RATE IS LESS THAN 5%

Our Spirit Casablanca site is strategically important to us. It provides a very competitive cost base, a highly skilled workforce, it gives us access to a very strong ecosystem and it is ideally located logistically for our customers in the UK and Europe and for other destinations around the world. Scott McLarty, SVP Spirit Aerosystems



PROXIMITY AND FREE OF DUTIES ACCESS TO MAJOR AEROSPACE MANUFACTURING HUBS

Easy access to a USD +60 bn market



SOURCE: TRADEMAP



FRANCE

- **1st** worldwide market: USD 15.1 bn imports in 2019
- **2 days** transportation by land
- Free Trade Agreement (EU)



UNITED STATES

- **2nd** worldwide market: USD 20.3 b imports in 2019
- **10 days** transportation by sea
- Free Trade Agreement



GERMANY

- **3rd** worldwide market: USD 8.2 b imports in 2019
- **3 days** transportation by land
- Free Trade Agreement (EU)



UNITED KINGDOM

- **5th** worldwide market: USD 5.6 b imports in 2019
- **3 days** transportation by sea
- Association Agreement, with free of duties access



CANADA

- **6th** worldwide market: USD 5.3 b imports in 2019
- **10 days** transportation by sea

YOUR WORLD-CLASS FACILITY READY IN LESS THAN 12 MONTHS

MIDPARC CASABLANCA FREE ZONE



NOUACEUR AEROPOLE



TFZ (Tanger Free Zone), MELLOUSSA



INDUSTRIAL PARKS: HAD SOUALEM, SAPINO, CFCIM



INDUSTRIAL PARK

AEROSPACE DEDICATED PARK

A COMPREHENSIVE INCENTIVE PACKAGE AVAILABLE

Direct Capital Expenditure Subsidies for investment in aeronautics

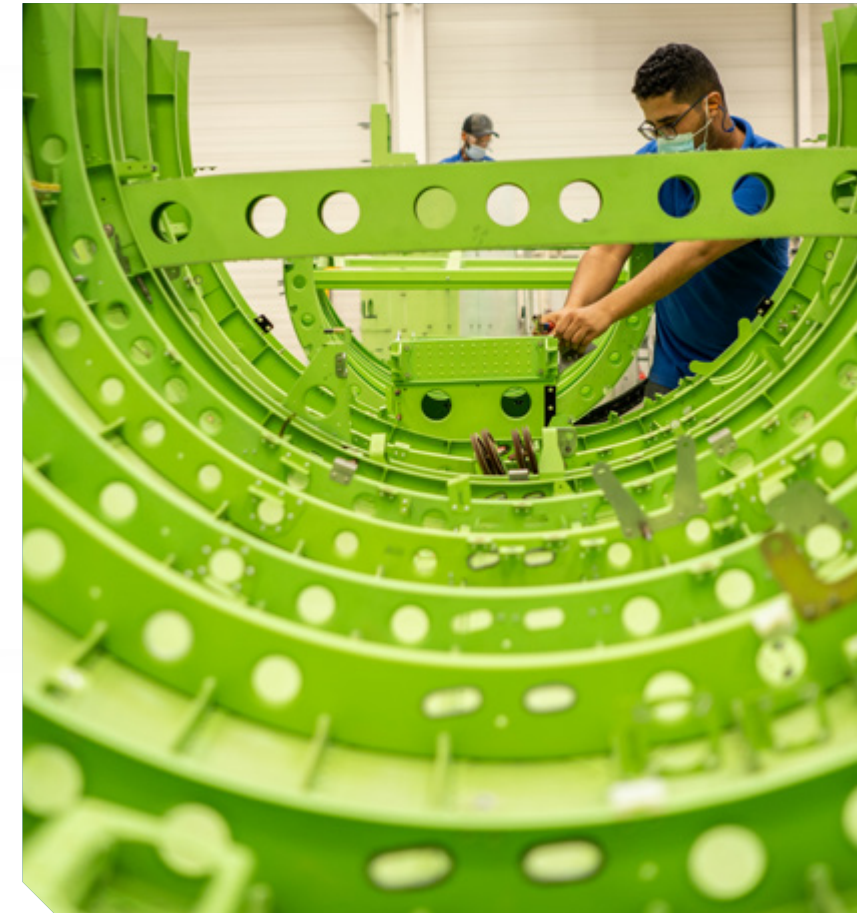
Direct Capital Expenditure Subsidies for aerospace activity, based on investment's level, added value and job creation.

Tax incentives & Industrial Acceleration Zones advantages

One stop shop services for customs and administration requirements.

Free on-demand training

On-demand and tailor-made training: Workers are trained in advance, to meet the start-of-production schedule.



THE FUTURE OF AVIATION WILL BE MADE “WITH” MOROCCO

2025 AMBITION

- Reinforce existing capabilities with a focus on : Engineering, MRO

- Develop new ecosystems: Space, Interiors, Engine, Composites

- Export revenue x2,5

- Decarbonization of operations



MOROCCO



INVEST AND EXPORT



INVEST AND EXPORT

AUTOMOTIVE INDUSTRY

OCTOBER 2021



WHY INVEST IN MOROCCO'S AUTOMOTIVE INDUSTRY ?

A THRIVING AUTOMOTIVE CLUSTER...

- **1st** passenger car producer in Africa
- **2nd** exporter to the EU of new vehicles
- **+250** international suppliers and **60%** integration rate
- **700,000 cars** Installed capacity in 2021



...THANKS TO DIFFERENTIATING COMPETITIVE ADVANTAGES

- **Morocco's** geostrategic location, provides an **easy access to main markets**
- **Free Trade Agreements** with more than 50 countries
- **14km from Europe** ; 1# sea connectivity in Africa
- **Well-trained and competitive workforce**
- **World-class industrial zones**



...WITH A VISION TO TACKLE THE INDUSTRY'S FUTURE CHALLENGES...

- Targeting **80% of integration rate by 2023**
- **1,5 million cars** production
- **Full decarbonization** of production
- This will result in a positioning as **most competitive** platform worldwide...
- ...and attract **new categories of players** in the already comprehensive ecosystem



AUTOMOTIVE INDUSTRY AT A GLANCE

60%

Integration rate

75

75 global destinations of exports

8,3B\$

8,3 billion \$ automotive exportations

700K

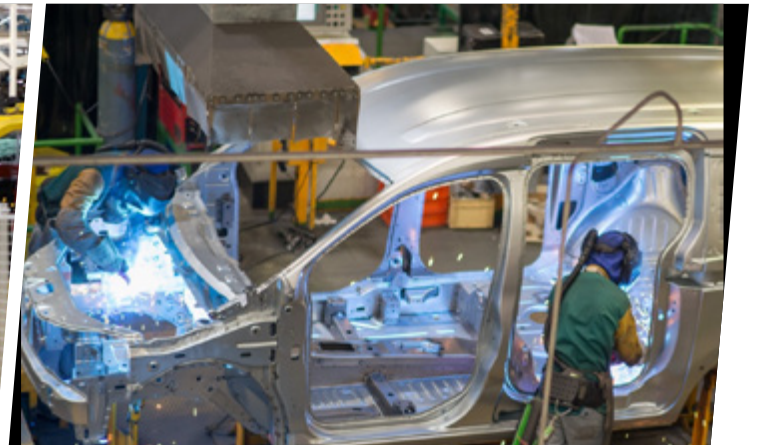
Installed capacity

250

More than 250 companies already installed

220K

More than 220k jobs in the sector



SUCCESS STORIES : RENAULT GROUP



Renault Group

2 sites

500K installed capacity

5 models manufactured

Zero emission factory

Already **1,02€ Bn** per year in sourcing from Morocco and a new agreement to raise it to **2,5€ Bn** per year



LODGY



SANDERO STEPWAY



SANDERO



DOKKER



LOGAN

SUCCESS STORIES : STELLANTIS

STELLANTIS

1 site

200K
installed capacity

3 models
manufactured

Already **1,2€ Bn**
per year in sourcing
from Morocco and a new
agreement to raise it to
3€ Bn per year

Africa Technical Center

- More than **4000 engineers** within the ecosystem
- Specialized team in **electronic architecture**
- Dedicated teams for **powertrain and chassis** with skills in perceived **quality and style**

Opel Rocks-E



Peugeot 208



Citroën Ami

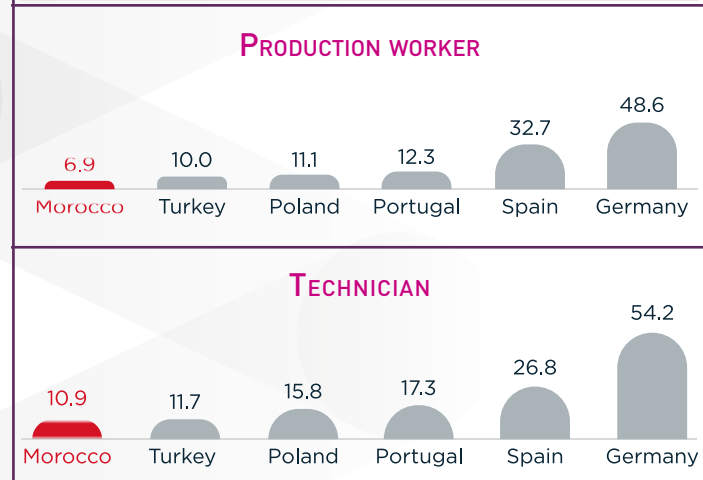


MULTIPLE ADVANTAGES OF THE MOROCCAN PLATFORM

HIGHLY TRAINED LABOR

- **15.000 engineers** graduating each year in Moroccan specialized engineering schools
- **Tailor-made training modules** co-developed with industrialists to address industry-specific needs

MEDIAN TOTAL ANNUAL COMPENSATION (PER EMPLOYEE IN USD K)



Source: Mercer - Labor costs benchmark - 2018

ACCESS TO MARKETS

Total market surpassing **40 million cars**

• European Union



- 18 400 new cars market
- Free trade agreement
- 1 day transportation

• NAFTA



- 20.300 new cars market
- Free trade agreement with the US
- 5 days transportation

• Middle East - North Africa



- FTAs with Turkey, UAE and Egypt
- 1-3 days transportation

• Western Africa



- market with high growth potential
- 1-3 days transportation

INFRASTRUCTURE

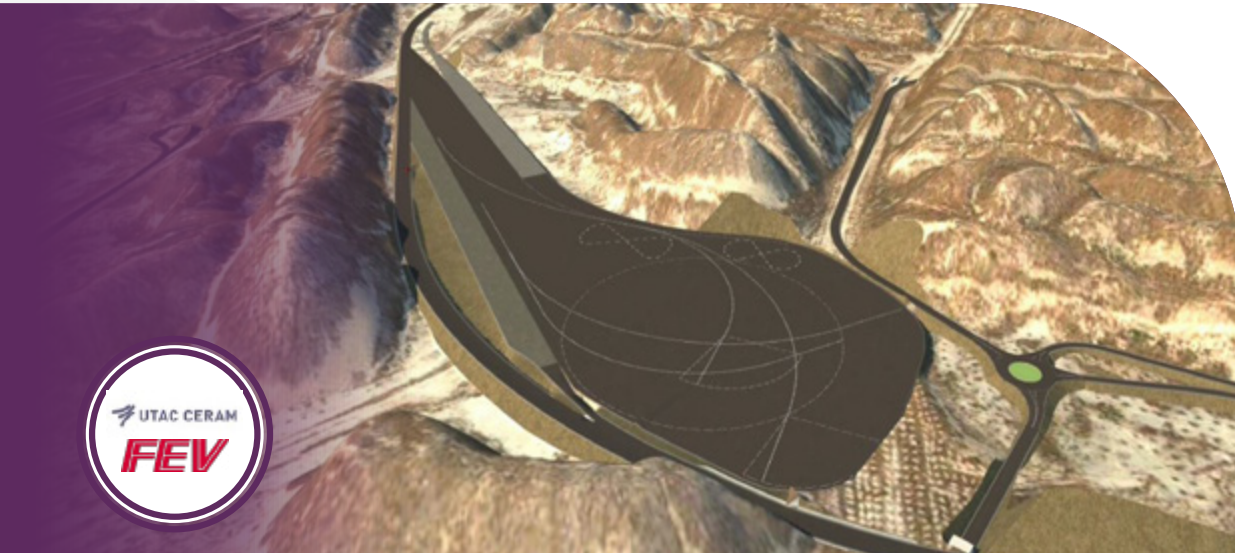


Tanger Med Port, 1st transshipment platform in Africa



Special economic zones dedicated to automotive industry

ENGINEERING AND R&D CAPACITIES, FROM DESIGN TO MANUFACTURING



The Automobile Test Center will allow Morocco to be autonomous in terms of validation and homologation of parts and vehicles.

- **1st** test center in Africa
- **A competitive** cost of services
- **4km test track** unique in Europe and in Africa

Cetiev 2.0

The Technical Center for Vehicle Equipment Industries is equipped with high technologies technical installations, to be able to carry out physical tests related to automotive development activities (electrical/electronic, mechatronic, acoustic and vibration tests, etc.)



Collaboration with universities to co-develop modules with industrialists to address industry-specific needs



MAKE MOROCCO THE MOST COMPETITIVE AUTOMOTIVE PRODUCTION HUB BY 2023

Known as one of the most competitive hubs in the world, Morocco is aiming to become the most attractive automotive platform worldwide by 2023



Low carbon production using local renewable energies



More **local integration** to reach out **80%**

Competitive production costs and **highly skilled** labor force



Attractive logistic costs at the crossroad of continents



MORE LOCAL INTEGRATION AS A COMPETITIVE LEVER FOR AUTOMOTIVE ECOSYSTEMS

> Raw material suppliers



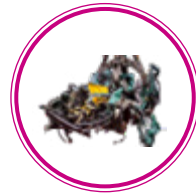
PLASTIC
Polypropylene



PLASTIC
Polyethylene



ALUMINIUM
(1st fusion)



SCRAPS
METAL



ALUMINIUM
(2nd fusion)



FLOAT

> Raw material processors



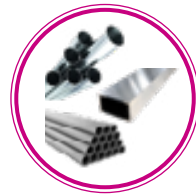
Flat Steel



Long Steel



Bar Turning



Pipes



Fondry



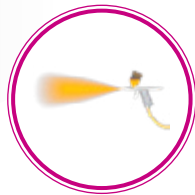
Stamping



Injection



Blow Molding



Technical
Painting



Chrome Plating



Fixings



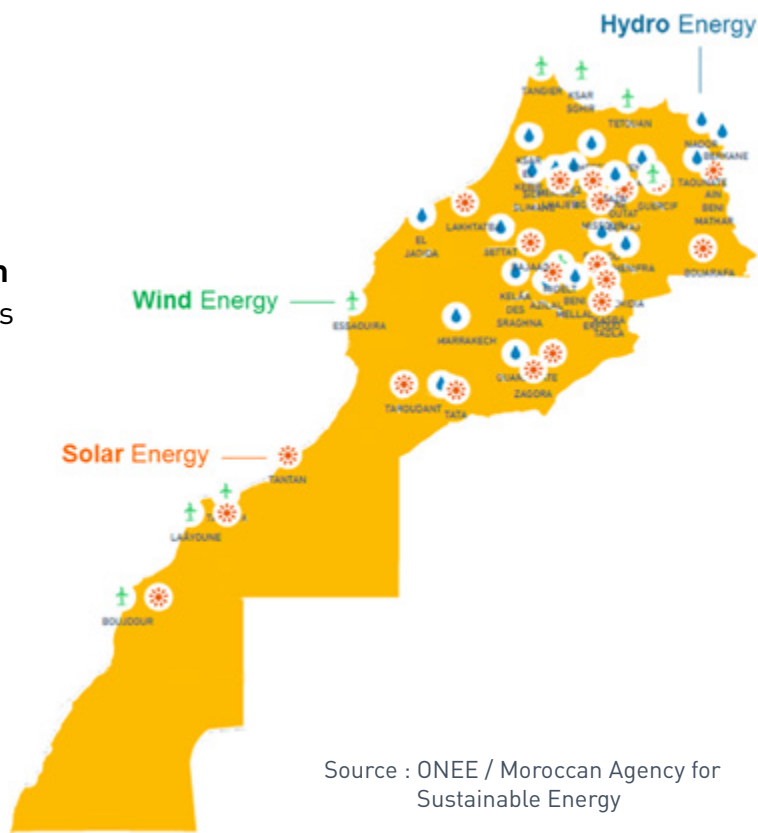
New commodities to be developed to improve the local integration rate from

60% to 80%



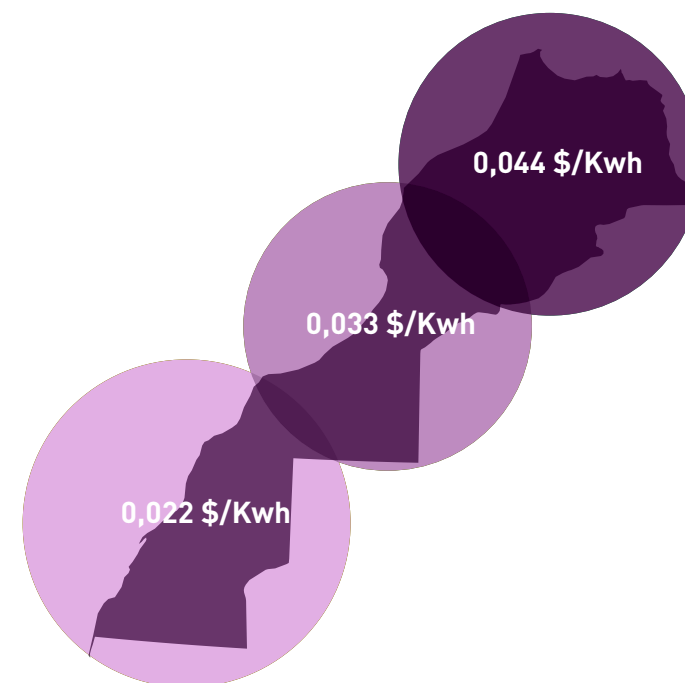
CARBON FREE ZONES AND HIGHLY COMPETITIVE RENEWABLE ENERGY

Morocco's Renewable Energy Projects Map



Source : ONEE / Moroccan Agency for Sustainable Energy

Morocco wind-PV mix production cost



52% energy mix by 2030

Morocco will get 52% of its electricity from renewable energy sources by 2030, thanks to an ambitious plan with a strong Royal vision to increase the share of renewable energies in the energy mix

MOROCCO



INVEST AND EXPORT



TEXTILE INDUSTRY

OCTOBER 2021



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...

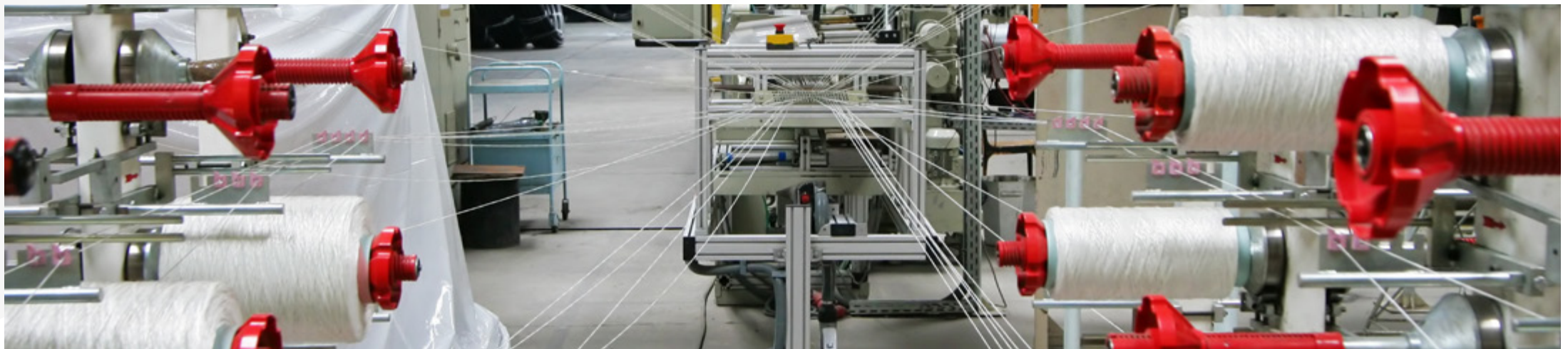
- Competitive lead time
- Trade Agreements with more than 50 countries
- International recognition from leading textile players

...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



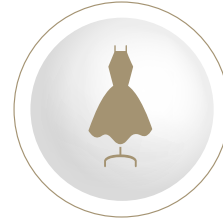
> 189K JOBS
Among the 1st industrial
employer in Morocco

27%
of industrial jobs



>1.200
companies

1bn PIECES
produced annually



12%
of Moroccan exports












USD 3.6bn
export turnover



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%

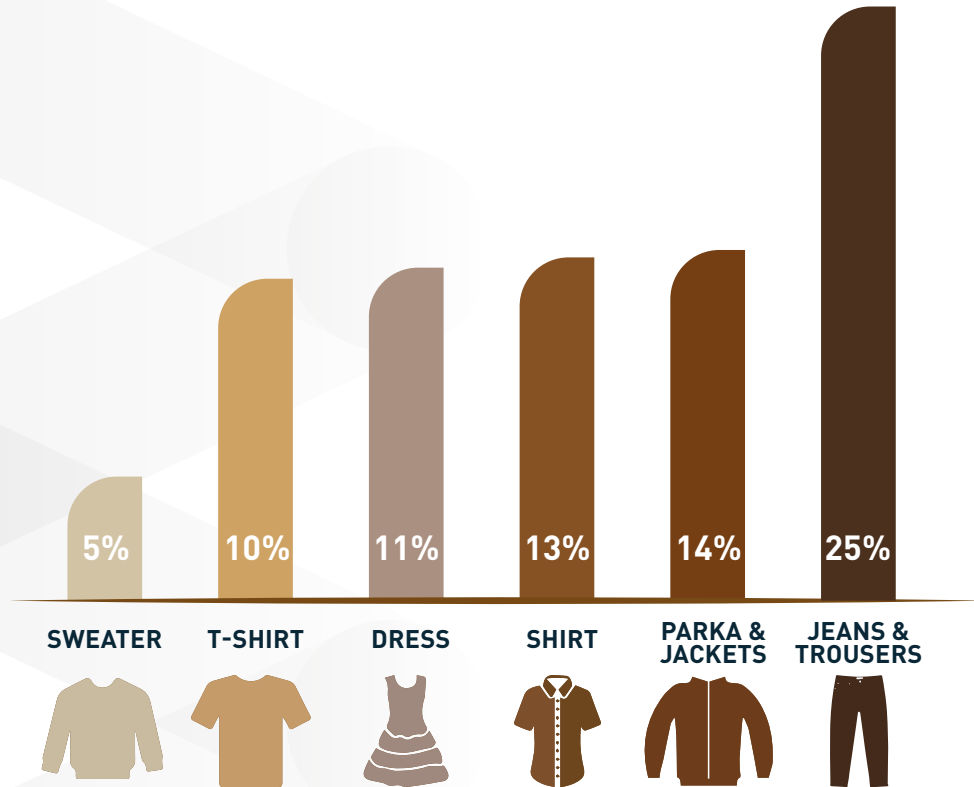


+23.2% growth in textile exportation compared
with the same period of 2020*

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

MULTIPLE SEGMENTS WITH EXTENSIVE PRODUCTION CAPABILITIES

A MULTI-SEGMENT POSITIONING *(by value)*



OTHERS: 22%

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)

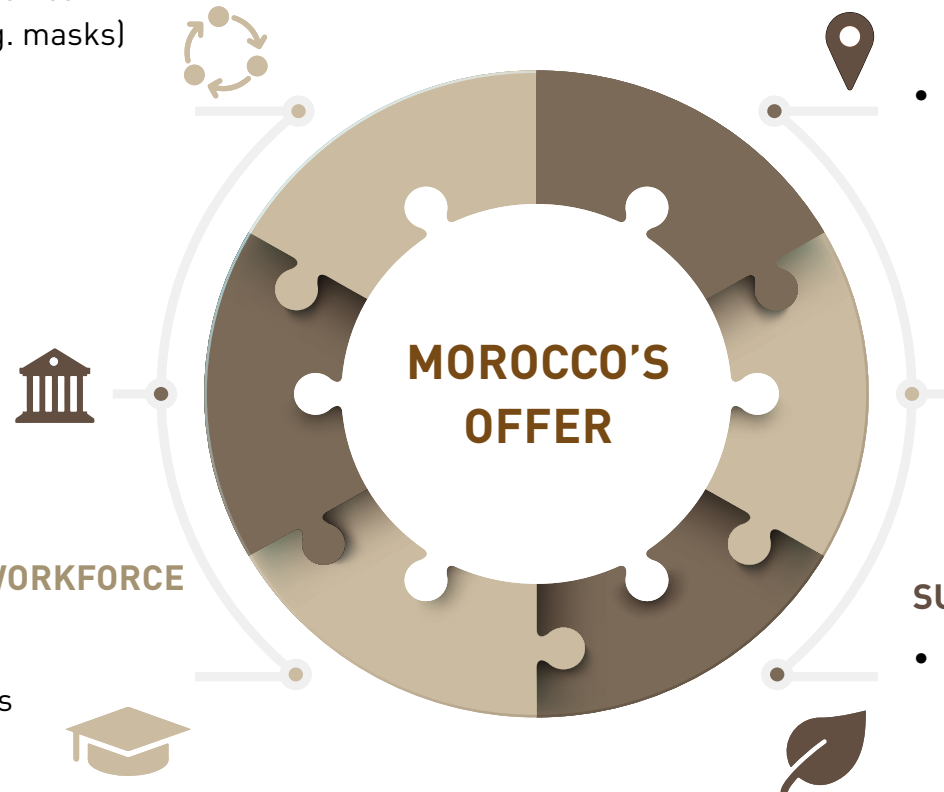
SET OF GOVERNMENT INCENTIVES

- 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

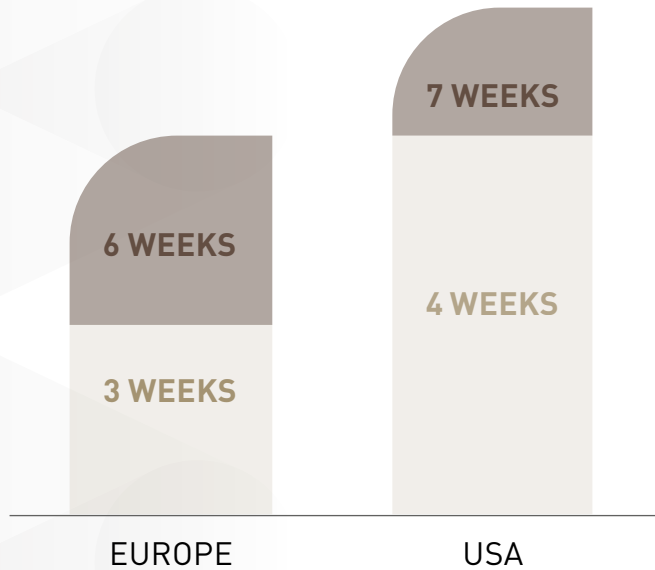
- Applied between Morocco & 42 countries, among which EU, EFTA or Turkey
- Enables the transformation of imported raw material

COMPETITIVE LEAD TIME AT A GLOBAL SCALE



AN EASY ACCESS TO EU AND US MARKETS

AVERAGE LEAD TIME TO PRODUCTION & SHIPPING



Source: BCG Analysis

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



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

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

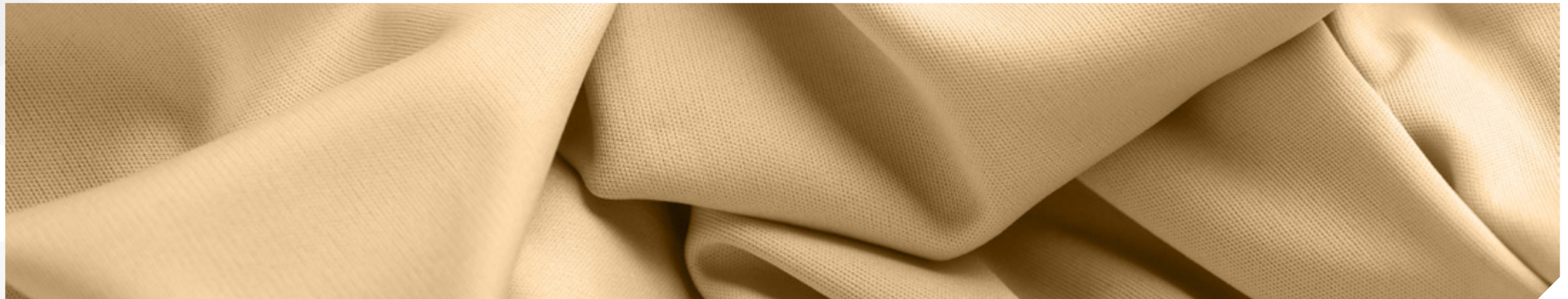
UPSTREAM INDUSTRIES DEVELOPMENT

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



INVEST AND EXPORT



INVEST AND EXPORT

AGRI-FOOD INDUSTRY

OCTOBER 2021



MOROCCO: A PLATFORM TO SOURCE, TRANSFORM & EXPORT



DYNAMIC AND DIVERSIFIED AGRICULTURAL UPSTREAM...

- **Easy access to local sourcing** thanks to a well developed **agricultural upstream** and **Additional raw materials** at reach with short lead times
- **Innovative , Green & structured** upstream

...A TRANSFORMATION PLATFORM WITH UNIQUE **COMPETITIVE ADVANTAGES**

- **Agri-food industry: good overall performance** (2100 companies, High Added value,...), with **real investment & export opportunities**
- **Competitive platform** : best cost offer, modern infrastructure & Connectivity,..
- **Attractive set of Government incentives:** tailored government support, Tax free zones & Agropoles









...ALLOWING TO ADDRESS **DYNAMIC LOCAL AND EXPORT MARKETS...**

- **Short Lead Times & FTA'S facilitate access to major food markets** : EU, UK , US , AU & GCC
- **Success stories:** MONDELZ, BEL, NESTLE



EASY ACCESS TO LOCAL SOURCING THANKS TO A WELL-DEVELOPED AGRICULTURE UPSTREAM

Annual prod. (2019-2020, tons)

	Cereals	Soft wheat	1 770k
		Barley	645k
		Durum wheat	790k
	Sugar	Sugar beet	3 630k
		Sugar cane	790
	Forage crops		14 460k
	Citrus	Orange, clementine...	1 780k
	Olives		1 400k
	Fruits & Vegetables		7 190k
	Meat	Poultry	710k
		Red meat	600k
	Milk		2,6bn litre

Source: Ministry of Agriculture, Fisheries, Rural Development, water and Forest



High **diversity** of soil and climates over the Moroccan territory



Over **650 varieties** of fruits & vegetables with remarkable organoleptic properties

Over **4.200 species** of aromatic & medicinal plants



Additional raw materials at reach with short lead times

INNOVATIVE, GREEN AND STRUCTURED UPSTREAM

#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



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**

COMPETITIVE PLATFORM : BEST COST OFFER

WELL-TRAINED HUMAN RESOURCES

+3,600 Specialist engineers & Technicians

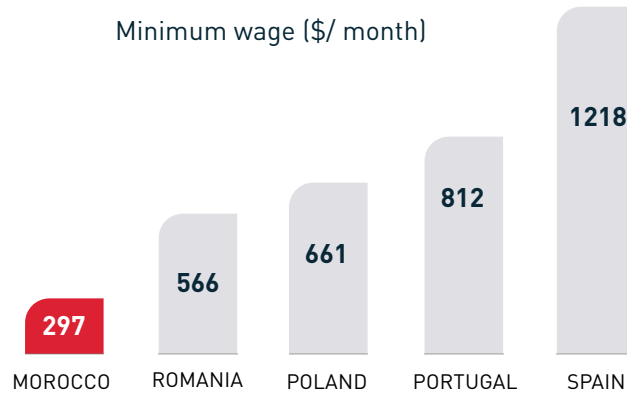


+15,000 Generalist engineers



COMPETITIVE LABOR COST

Minimum wage (\$/ month)

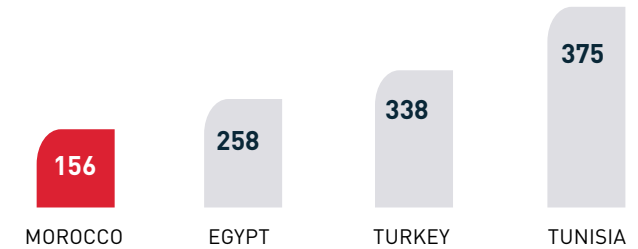


Source : Global Wage Report 2021/2020 / World Bank



COMPETITIVE COST TO EXPORT

Cost to export (\$ per shipment)



COMPETITIVE PLATFORM : BEST CONNECTIVITY

TANGIER MED PORT, THE 1ST TRANSHIPMENT PLATFORM IN AFRICA

186

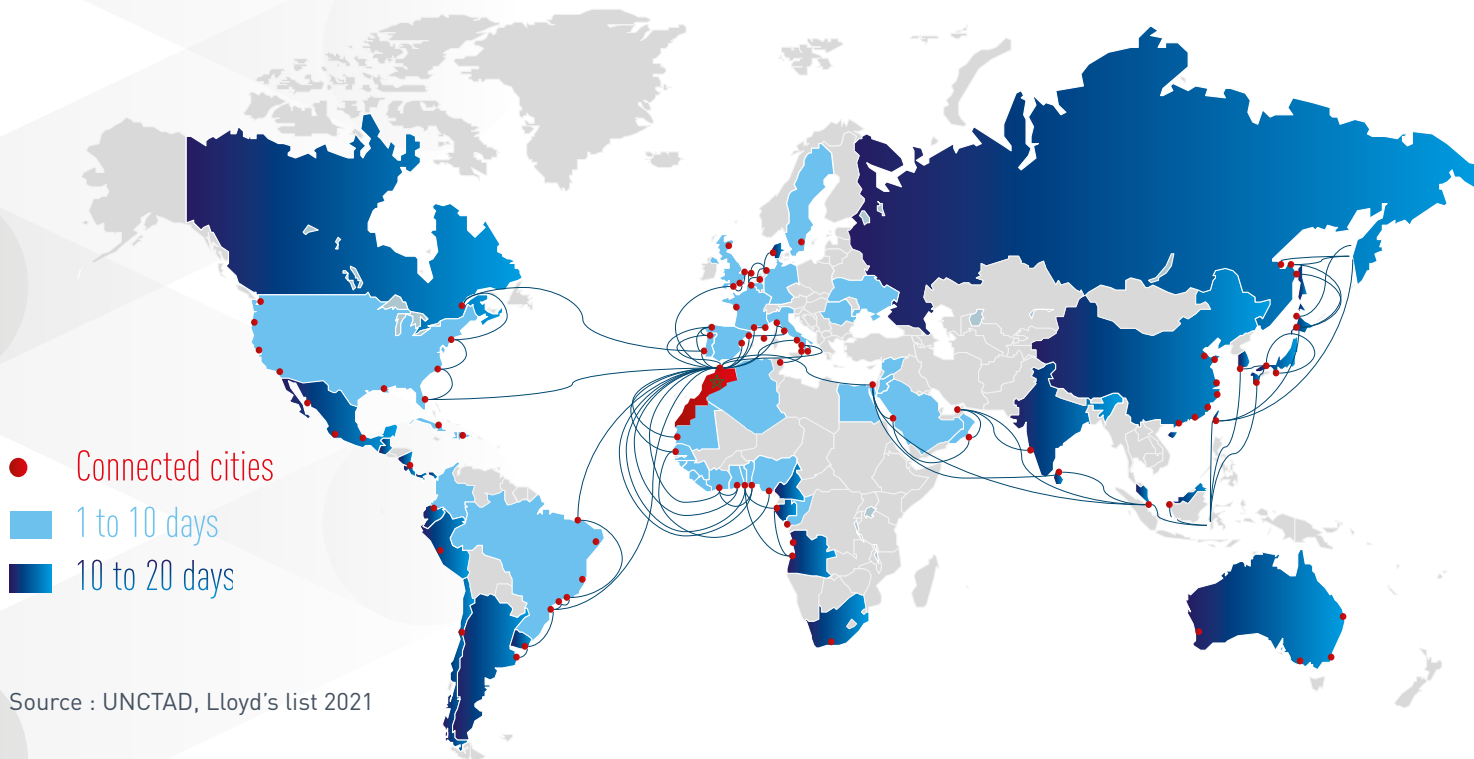
186 connections
with 77 countries

14 km

14 km from Europe

9M

Treatment capacity for
9 million of containers per year



Source : UNCTAD, Lloyd's list 2021



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



- 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.



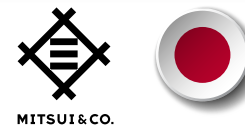
SUCCESS STORY 2#: BEL



- 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