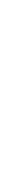




Business opportunities in Morocco

SWEDISH TRADE COUNCIL
2008





EXECUTIVE SUMMARY

- Morocco is a crossroads between Europe, Africa and the Middle East

The Kingdom of Morocco, which sits at a crossroads between Europe and Africa, has had to navigate many challenges since it became an independent country. But the ascension of King Mohammed VI in 1999 has brought a new era of both political and economic liberation to the country.

The government has been working hard over the past few years to develop a sustainable and healthy economy for all of its citizens, including major infrastructure improvements and housing schemes, while working closely with Europe and the US. As a result of Morocco's stability the country experienced the largest FDI stocks in the Maghreb region in 2005 with 23 billion dollars. Moreover Renault-Nissan alliance is to build the biggest car plant in Mediterranean in Tanger Free Zone to make 200 000 cars by 2010, with the possibility to raise this capacity to 400 000.

Moroccan economy has also been characterized by macroeconomic stability for the past several years; coupled with low inflation and economic growth. The real GDP growth rate reached 8% in 2006 and Morocco succeeded in attracting 7 millions tourists in 2007. The goal is to have 10m visitors annually by 2010 and the target looks increasingly within reach.

**Growing economy offers good opportunities
for Swedish businesses in various sectors**

AGENDA

- **Morocco'Mall**
 - Tangier port and Tangier Free Zone
 - Infrastructure: airports, highway and rails
 - Tourism, real estate
 - Textile and clothing industry
 - Appendix



MOROCCO MALL

- The largest shopping mall project in North Africa

- The overall budget for the project is 1.8 Billion SEK
- The project is seeking international subcontractors who are experienced and world leading in their sectors.
- The project concludes a total area of 100 000 m2.
- Financing actors are Aksal Group and Nesk investment. Two firms, with documented know-how in brands and retail trade.



The Morocco Mall project has strong financial backup

MOROCCO MALL

- Key figures for the mall

- Estimated to receive 15 million visitors a year.
- Expected annual sales of 500 million Euros.
- Parking for 5 000 vehicles.
- The Mall will offer over 200 stores and more than 30 restaurants.
- Other services the Mall will offer:
 - Child care center
 - Infirmary
 - Relaxation areas
 - Wifi Internet connection



The Morocco Mall offers every service a customer could desire

AGENDA

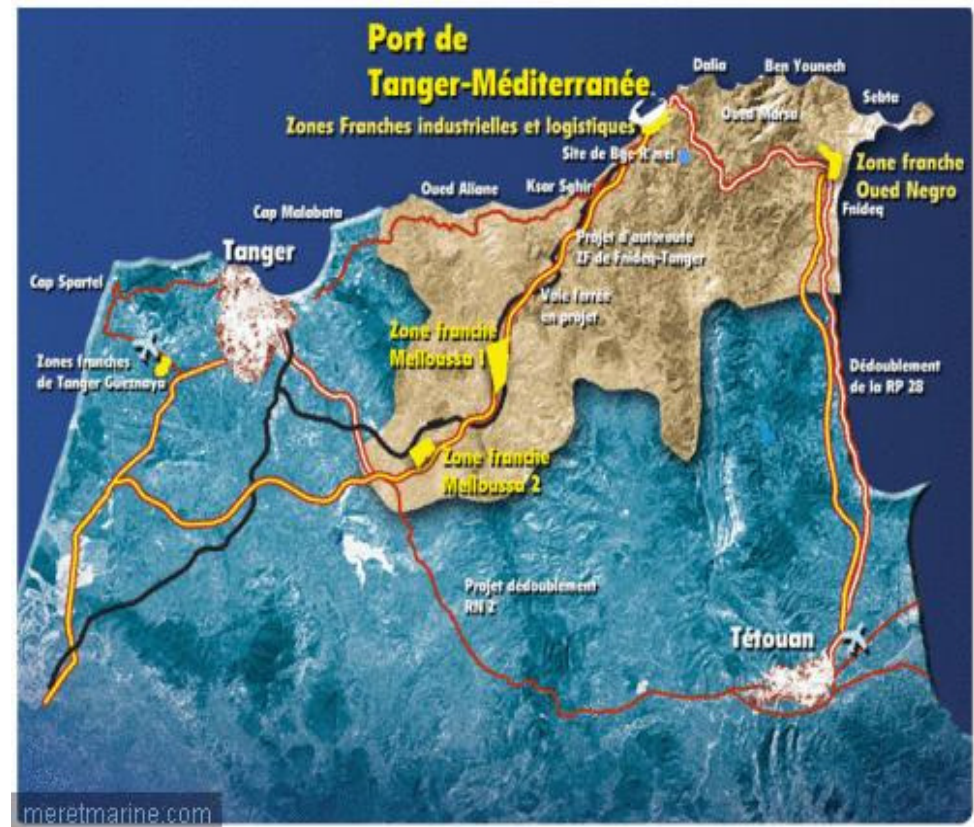
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TANGIER PORT AND TANGIER FREE ZONE

-Africa's biggest port

- Tanger Mediterranean Port, costed more than USD 2 billion to build, features an oil storage facility, a cereals terminal, a passenger's port and a container terminal with a capacity of three million containers.
- The government plans to spend up to USD 18 billion to improve the area's infrastructure putting it in a position to take advantage of Morocco's status as the only North African country with free trade agreements with the United States and the European Union.
- Located in the North of Morocco, lying 15 km South of Europe, the Tanger Free Trade Zone, extending over a total surface area of 345 hectares, enjoys a tax-sheltered plan, is served by a large port, borders on the Tanger International Airport and boasts a highly qualified yet cheap labor.



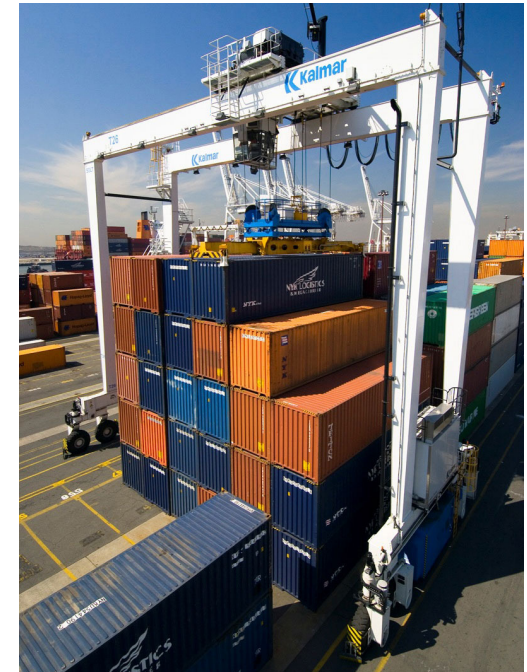
Tanger port offers a free trade access to both the European and American markets

Source: www.tmsa.ma, www.tangerfreezone.com, www.kalmarind.com

TANGIER PORT AND TANGIER FREE ZONE

-Large potential for Swedish companies

- International actors who are already established in Tangier: Renault-Nissan, Maersk, Wolswagen,Eurogate.
- Major opportunities for Swedish companies are to be found in the following sectors:
Shipping; Container; Gantry crane, Trucks.
- The Tangier Free Zone offers opportunities in the car industry, aeronotics and textile.
- Some Swedish companies are already aware of the opportunities offered. Kalmar Industries has for example already got an order for gantry cranes for the Tangier port. Moreover Kalmar Industries is about to open a subsidiary in Morocco.
















Tangier port offers a free trade access to both European and American markets

Source: www.tmsa.ma, www.tangerfreezone.com, www.kalmarind.com

TANGIER PORT AND TANGIER FREE ZONE

- World Class partners

 The French Line			RENAULT		NISSAN
					BOURBON Entre la mer et vous
 APM TERMINALS		 HORIZON TERMINALS LIMITED			
		 Independent Petroleum Group			
		 IPG			
Container Terminals		Others			



Tangier port is designed by the famous French architect Jean Nouvel

AGENDA

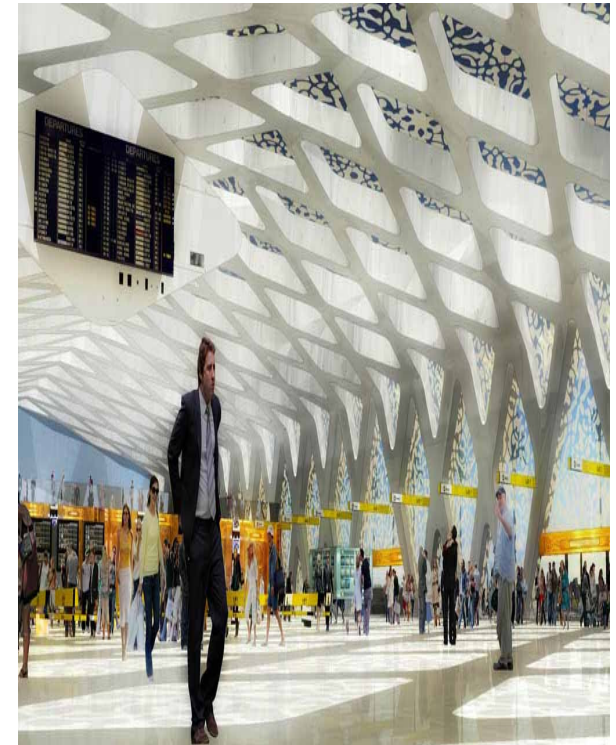
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INFRASTRUCTURES: AIRPORTS, HIGHWAY AND RAILS

-Strong commitment to improve the infrastructures

- Marrakech Menara International Airport expansion :
Extension of terminal 1 for an additional capacity of 1 million passengers a year. The construction of 45 000 square meter terminal which will increase capacity by 4 a year for a total cost of 80 million Euro.
- Casablanca Mohammed V Airport expansion:
Construction of a new terminal of 61 000 square meter in order to increase the airports capacity to 8 million passenger a year. Total cost of the project is 800 million SEK.
- Oujda Angad Airport expansion:
Construction of a new terminal and other commodities for an additional capacity of 2 million passengers a year. Total cost for the project 550 million SEK.



Attractive market with several billion Euros in contracts

INFRASTRUCTURES: AIRPORTS, HIGHWAY AND RAILS

-Morocco will have Africa's first high speed train

- The North African Kingdom of Morocco is set for radical additions to its rail infrastructure, following contract announcements in 2007. The country is to create its first modern light rail system and is to become the location of the continent's first high-speed line.
- The new rail developments are initially all along the Atlantic seaboard, which contains the country's main population centres. The high-speed line will cover the 308km distance from Tangier in the north to the country's largest city and commercial centre, Casablanca. It will eventually cut the journey time to 2hr 10min from the present 5hr.
- The \$2.61bn contract is on a design, build, operate and maintain basis. Projected loadings are for 8 million passengers per year following the projected opening in 2013.



The high speed train project is \$2.61bn contract

INFRASTRUCTURES: AIRPORTS, HIGHWAY AND RAILS

-Morocco is accelerating its highway network upgrading

- Currently in Morocco, there exists a highway network consisting of 784 km (2007) in total, centered around Rabat. The plan is to construct approximately 150 km annually from 2005 to 2010, to build a highway network that will total 1,419 km, including the preexisting portion. Moreover, highway construction was designated as an important component of Morocco's development plan.
- Current projects:
 - Rabat-Casablanca highway: upgrading of the 2x2 lane highway to a 2x3 lane highway in order to avoid traffic jam. Total cost of the project is 660 million SEK.
 - Highway between Fez and Oujda: construction of a 328 km long highway. Total cost of the project is 7 600 billion SEK.
 - Highway linking Morocco's two major tourist cities, Marrakech and Agadir: construction of a 233 km long highway. Total cost of the project is 6 550 billion SEK.



Morocco is constructing approximately 150 km of highways annually



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TOURISM AND REAL ESTATE

-7 million visitors in Morocco in 2007

- King Mohammed VI launched the “Plan Azur/Vision 2010” strategic tourist development program in January 2001, aiming to make Morocco one of the world’s premier tourist destinations with a target of 10 million visitors in 2010 . The target looks increasingly within reach as the total number of visitors increased with 14% in 2007 with a total of 7 million tourists.
- Since the launch of “Vision 2010,” more than 20,000 new hotel beds have already come on the market and thousands of others have been renovated. In 2010, Morocco will have more than 250,000 hotel beds, including 180,000 located in or around the cities. Under Plan Azur six new seaside resorts (5 on the Atlantic coast and 1 on the Med) will provide a total of more than 40,000 hotel beds.



Tourism is booming in Morocco. Country is expecting 10 M visitors 2010

Source: www.tourisme.gov.ma

TOURISM AND REAL ESTATE

- Major seaside resorts on construction

- **Mediterranean Saidia, Saidia**
The first of the Plan Azur developments to be launched and the only one on the Mediterranean coast. In total the development will cover 7.000.000 m² and faces directly onto a 6km long sandy beach. There will be three 18 hole golf courses and a variety of 4* & 5* hotels, a 750 berth marina as well as a commercial centre with branded/designer shops.
- **Port Lixus, Larache**
Located along the Atlantic coast near the town of Larache this development will feature two 18 hole golf courses designed by the Spaniard Enrique Saenger along with 4* & 5* hotels. The development will also benefit from beautiful residential villages and villas as well as a 120 berth marina.
- **Mogador, Essaouira**
Located on the Atlantic coast in the area of Diabat this development will measure in the region of 5,700.000 m². The hotels, riads, villas, golf academy and practice course are laid out along the two spectacular courses facing the sea.



Investment plan for Plan Azur estimated to 9 billion euros

TOURISM AND REAL ESTATE

- Morocco in Top places to invest overseas

- A leading estate agent, Knight Frank's, included Morocco in its top places to invest in European property in 2007. Knight Frank's forecast for 2007 predicted growth of 15 per cent next year.
- Examples of major real estate projects:
Mauritius based Beachcomber Hotels, is extending its portfolio into North Africa with the opening of a new million luxury resort in Marrakech, Royal Palm Marrakech. Total cost: 1,6 billion SEK.

Emaar Properties, the largest real estate developer in the world in terms of market capitalization. Invested 2 billion SEK to create large scale residential and golfing development projects throughout Morocco.



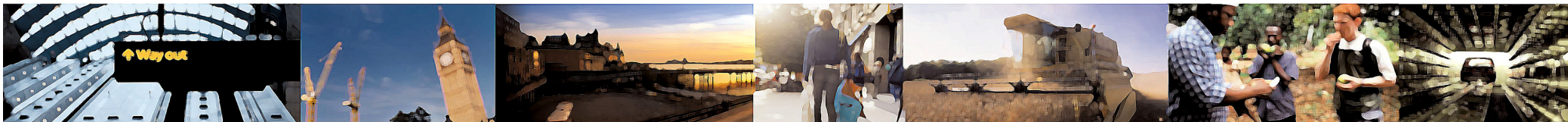
Open sky agreement signed with the EU allows low cost airlines to fly to Morocco

Source: www.emaar.com/International/morocco, www.beachcomber-hotels.com/downloads/new-projects/en/new-projects.pdf,
www.aboutproperty.co.uk



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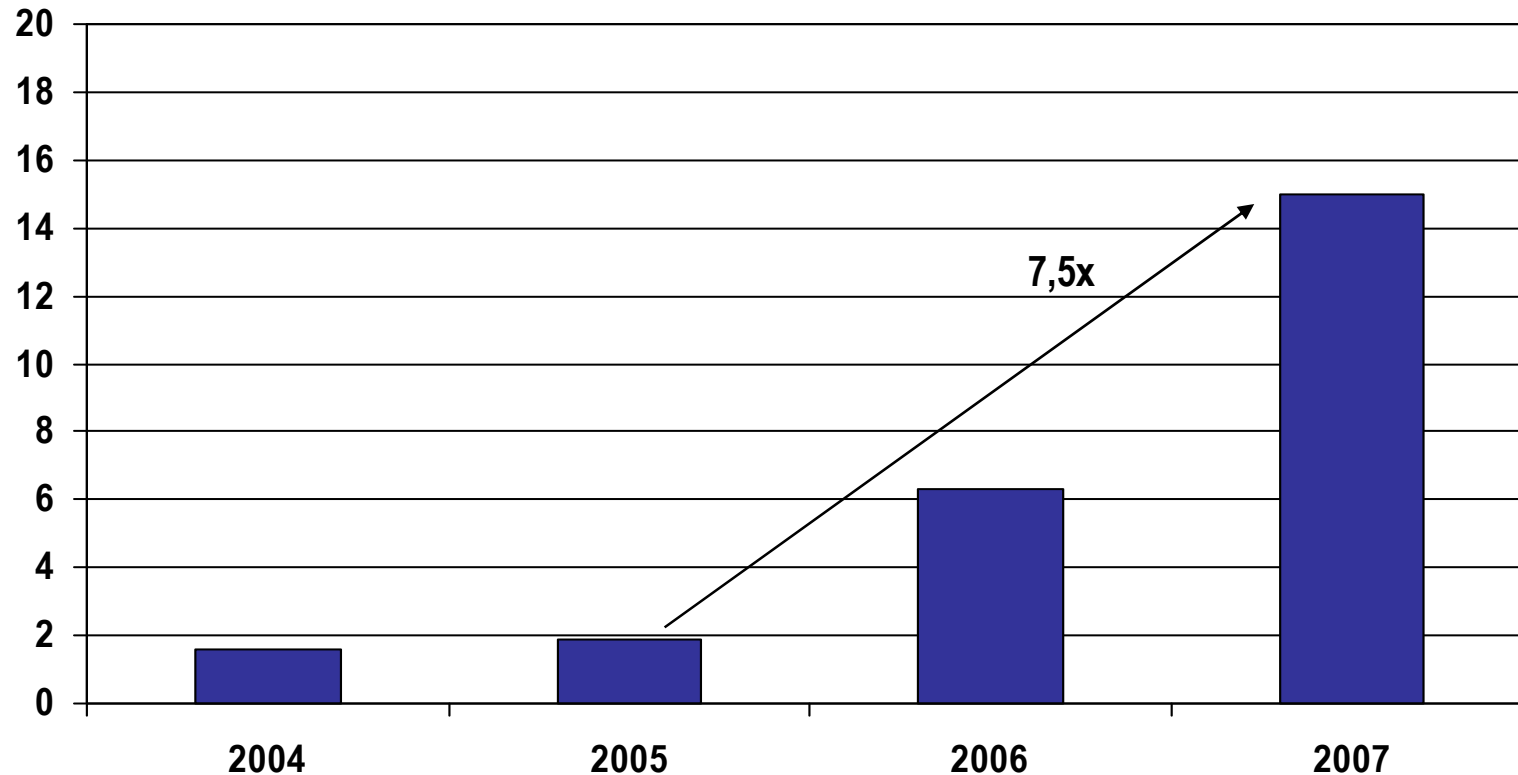




MOROCCO TEXTILE AND CLOTHING INDUSTRY

-Representing 1/3 of Morocco's total exports

Exports of clothing to
Sweden, Million SEK



Export of clothing to Sweden has strongly increased since 2005



MOROCCO TEXTILE AND CLOTHING INDUSTRY

- The industry's exports to the EU is about 25 billion Euros

Pro's

- The strong development of the "fast fashion concept" is comforting Morocco's geographical close proximity to Europe.
- Access to Africa's biggest container port, Tangier port, and to the Tangier Free Zone.
- Local know-how and experience in the textile and clothing industry.
- Free trade agreement to Europe, the US and Turkey

Con's

- Higher salaries than in China.
- Competition from other countries in the MENA region.

Rising production costs in Romania and Bulgaria make Morocco attractive



AGENDA

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ANNEX

- KALMAR INDUSTRIES TO DELIVER 11RTGs TO MOROCCO'S NEW TANGIER MEDITERRANEAN PORT
<http://www.kalmarind.com/show.php?id=1089381>
- Renault-Nissan alliance to build biggest car plant in Mediterranean in Morocco
<http://www.tangerfreezone.com/?Id=27&lang=en&RefCat=2&Ref=5>