Export Opportunities in Morocco

In 2017, Morocco ranked 56th among U.S. export destinations and 32nd among Virginia export destinations. Some of the top opportunities for U.S. exporters in Morocco include:

- Renewable Energy
- Telecommunications
- Agricultural Products
- Transportation
- Healthcare
- Safety & Security
- Plastics
- Clothing/Apparel
- Household Items

Top Virginia Exports to Morocco

<table>
<thead>
<tr>
<th>Export Category</th>
<th>2017 Value</th>
<th>Change 2017/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Commodity Chapters</td>
<td>$113.7</td>
<td>168%</td>
</tr>
<tr>
<td>Mineral Fuels and Oils</td>
<td>$51.8</td>
<td>801%</td>
</tr>
<tr>
<td>Food Residues</td>
<td>$29.7</td>
<td>273%</td>
</tr>
<tr>
<td>Fruits, Seeds, Grains</td>
<td>$15.1</td>
<td>691%</td>
</tr>
<tr>
<td>Fats &amp; Oils</td>
<td>$11.7</td>
<td>-12%</td>
</tr>
<tr>
<td>Industrial Machinery</td>
<td>$1.1</td>
<td>15%</td>
</tr>
<tr>
<td>Aircraft &amp; Spacecraft</td>
<td>$1.1</td>
<td>34%</td>
</tr>
<tr>
<td>Electrical Machinery</td>
<td>$0.8</td>
<td>124%</td>
</tr>
<tr>
<td>Wood Pulp</td>
<td>$0.5</td>
<td>-42%</td>
</tr>
<tr>
<td>Beverages</td>
<td>$0.4</td>
<td>25%</td>
</tr>
<tr>
<td>Medical Instruments</td>
<td>$0.3</td>
<td>-68%</td>
</tr>
</tbody>
</table>

(U.S. Exports to Morocco

In US$ Billions

2015: $1.6
2016: $1.9
2017: $2.2

(World Trade Atlas)
# FAST FACTS

## Opportunities in Morocco for Exporters

### Telecommunications

Morocco’s mobile phone user penetration rate is above 100% (due to frequent use of multiple sim cards). Market growth will be driven by large public projects, including e-government projects (smart cities, transportation upgrades, the “Maroc Numeric” national strategy, etc.).

The top prospects include:

- Data center/Host services
- Virtualization/Cloud technologies
- Very Small Aperture Terminals (VSAT)
- Big data
- Broadband Connection
- Software as a Service (SaaS)

### Renewable Energy

Morocco imports 89.4% of its energy needs. One third of energy consumption is devoted to electricity production (from coal, fuel and diesel, hydroelectricity, gas, and wind). Sun and wind, prevalent in the Kingdom, are being prioritized to reduce dependence on energy imports. Under the “National Energy Plan”, Morocco aims for renewables to account for 42% of electricity generation capacity in 2020 (up from 32% in 2015).

Top prospects include:

- Energy efficient construction
- Solar water heaters/CSP/Photovoltaics
- Generators/Electrical parts
- Technical training for maintenance

### Healthcare

Government is the primary healthcare provider. Accordingly, 70% of the population using public hospitals. 30 new hospitals are planned. A large private sector (360 clinics to date) is also emerging. A new law bans the purchase of second-hand/refurbished medical devices. Authorized entities must approve the import of pharmaceuticals.

- X-Ray/Imaging and scanning equipment
- Hospital infrastructure
- Cancer treatment
- Technical aids
- Emergency aid (equipment and services)
- Monitoring and electro-diagnosis equipment

### Safety and Security

The Moroccan military consists of approx. 200,000 active personnel and is currently receiving deliveries of US-made Abrams battle tanks. Other programs involve F-16 fighters, transport aircraft, air defense radars, helicopters, and command & control. Morocco is also establishing Special Operations Forces for border security and counter-terrorism. The Ministry of Interior and sea/airports have also announced security investments.

- Border surveillance & monitoring
- ASW & patrol ships
- Fighter aircraft and air defense radars
- Military gear

(US Commercial Service)
FAST FACTS

Morocco

Economic Overview

Morocco has capitalized on its proximity to Europe and relatively low labor costs to work towards a market-oriented economy. Investments in its port, transportation, and industrial infrastructure, especially the new port and free trade zone near Tangier, are improving Morocco’s competitiveness and position as a broker for business throughout Africa. Tourism and remittances are the main sources of foreign exchange.

Once a heavily indebted country, austerity measures and the gradual elimination of subsidies since the start of King Mohammed VI’s reign in 1999 have stabilized the economy, reduced unemployment, and limited inflation. Subsidies on butane gas and certain food products remain.

Morocco entered a bilateral Free Trade Agreement with the US in 2006 and an Advanced Status agreement with the EU in 2007. Morocco seeks to expand its renewable energy capacity so that renewables are 50% of installed electricity generation capacity by 2030.

Finally, Morocco continues to suffer from high unemployment, poverty, and illiteracy, particularly in rural areas.

(CIA World Factbook)

Cultural Guide

- When meeting someone for the first time, handshakes are customary although weaker than in the West. Women extend their hand first. If a woman does not, the man should bow his head in greeting. In social functions, say hello and goodbye to each person individually counterclockwise.
- Moroccans will take time to converse about their families, friends, and other general topics. Who you know is often more important than what you know. Moroccans are good negotiators but are non-confrontational.
- There are high levels of formality involved with doing business in Morocco. Appointments should be made as far in advance as possible and confirmed a day or two before. Companies are hierarchical and decisions are made slowly, often after several visits.

In business it is smart to verify anything that has been agreed to in front of others.

- Review dining etiquette (communal bowls, eating with right hand) and religious observances like Ramadan.
- French is often the language of business, although some companies use English.
- Business attire is formal and conservative with dark colored business suits recommended for men and elegant suits or dresses for women that cover appropriately. Avoid wearing expensive accessories.

(Commisceo Global)
Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: [ExportVirginia.org](http://ExportVirginia.org)

### Additional Resources

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<th>Morocco Country Commercial Guide</th>
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<td>U.S. Commercial Service</td>
</tr>
<tr>
<td>Morocco Taxation and Business Etiquette</td>
<td>Serbia Country Commercial Guide</td>
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<td>InterNations</td>
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<td>Morocco Country Profile</td>
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<td>BBC</td>
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