



CONSTRUCTION SECTOR IN MOROCCO

**Swedish Trade Council Maghreb
October 2009**

AGENDA

- **Key facts Morocco**
- Construction sector overview
- Major construction projects
- Ventilation system market
- Appendix



MOROCCO

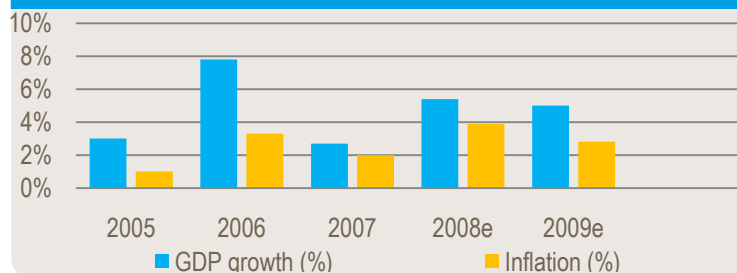
Basic facts

Government:	Monarchy
Chief of State:	King Mohammed VI
Population:	31,9 million (2009)
Area:	710,000 km2 (incl. WS)
Capital:	Rabat
GDP real growth:	5% (estimation 2009)
GDP/Capita PPP:	\$ 4,350 (2008)
Inflation:	3% (estimation 2009)
Currency:	1 SEK = 1,12 MAD (Oct 2009)
Religion:	Sunni Islam , Jewish minority
Languages:	Arabic (official), French
Export goods:	textile & leather , mechanical & electric products, agriculture
FDI 2007:	4, 7 Billion USD (3rd in Africa)

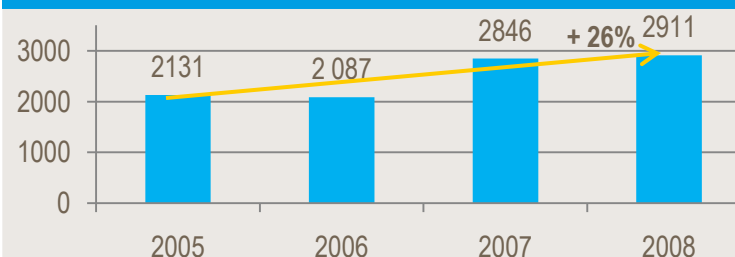
Morocco



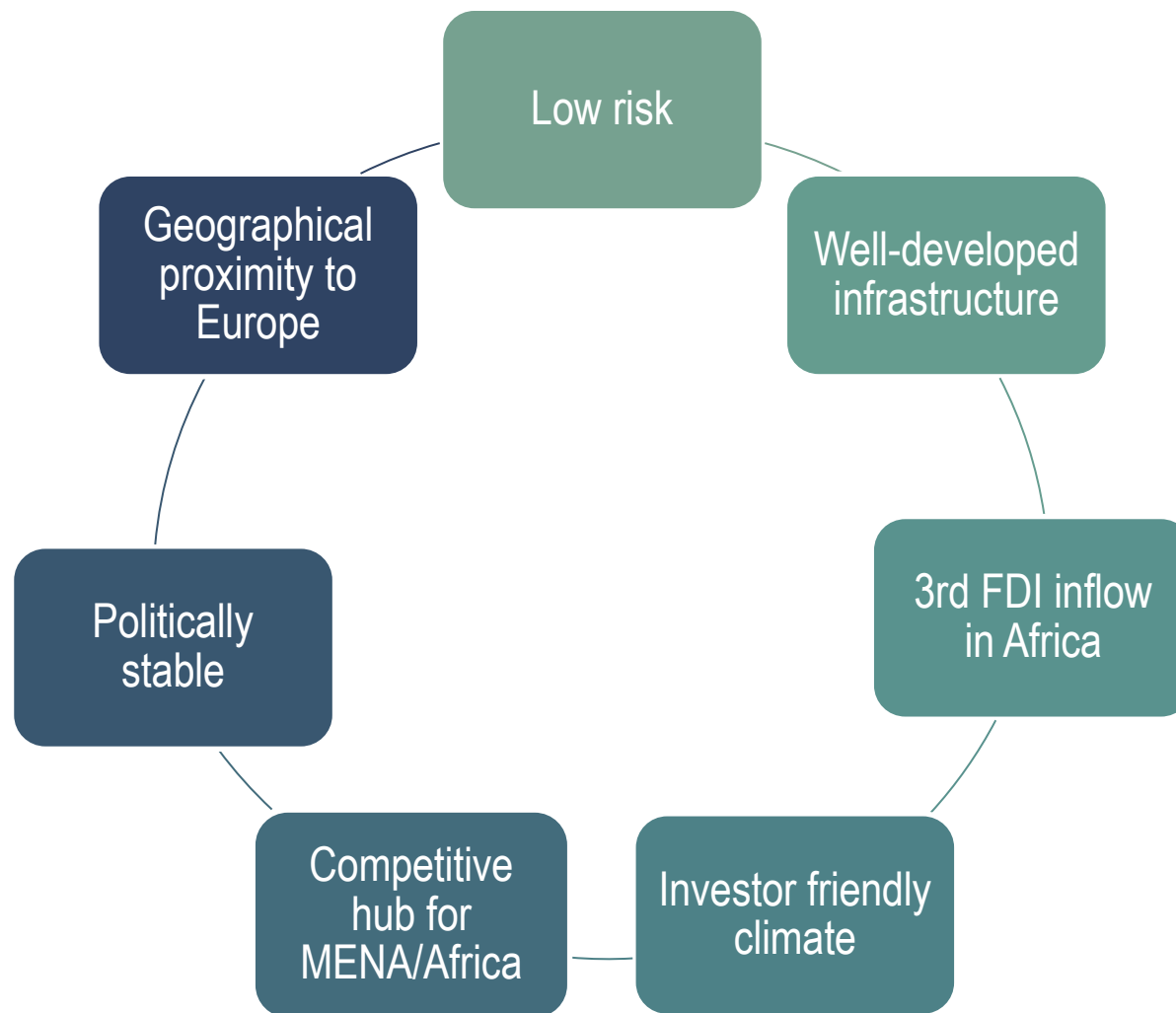
Real GDP/Inflation rate



Swedish Exports to Morocco in MSEK



WHY IS MOROCCO INTERESTING FOR SWEDISH COMPANIES?



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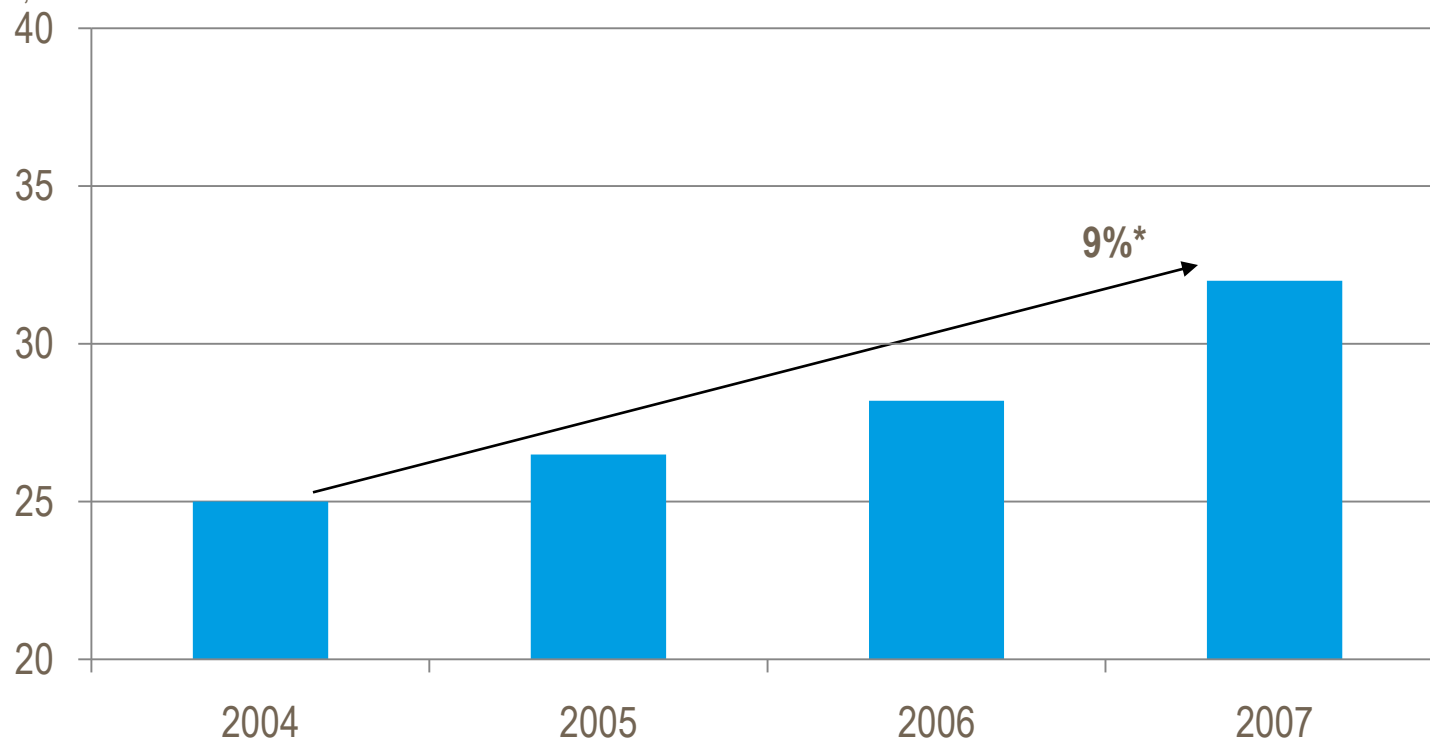
COMPARATIVE ADVANTAGE FOR SWEDISH COMPANIES: -CONSTRUCTION SECTOR IS RANKED 2ND IN MOROCCO

*Parameters and sectors for Morocco	Import	Export	Domestic Consumption	Domestic Production	Nr of Domestic Companies	Nr of Foreign Companies	Government Investment Incentives	R&D	Foreign and Swedish Companies	Privatization & protectionism	Swedish Industrial Strength & Export	Average Rating
Heavy Equipment	3	n/a	3	3	3	2	3	1	3	3	3	2,70
Construction	3	3	3	3	2	2	3	3	2	2	2	2,55
Telecom	3	3	2	2	2	2	3	3	2	2	3	2,45
Energy	3	3	3	3	2	2	1	2	3	2	2	2,36
Transport	2	3	3	3	2	2	3	2	2	2	2	2,36
Tourism	3	3	3	1	2	2	3	2	2	3	1	2,27
Environment	3	1	n/a	n/a	n/a	n/a	2	2		2	3	2,17
Chemicals/M	3	1	n/a	2	2	n/a	n/a	n/a	2	n/a	3	2,17
Fishing	1	2	3	1	2	2	3	3	2	2	2	2,09
Consumer goods	2	3	2	3	3	2	1	1	1	3	1	2,00
Textile	2	1	3	1	2	NA	2	2	1	2	1	1,70
Phosphates & Mining	1	1	1	1	1	2	2	2	2	1	3	1,55
Agriculture	2	1	2	1	1	2	2	1	1	2	1	1,45

THE MOROCCAN CONSTRUCTION SECTOR INCREASED RAPIDLY:

+ 9% growth* during the 2004-2007 period

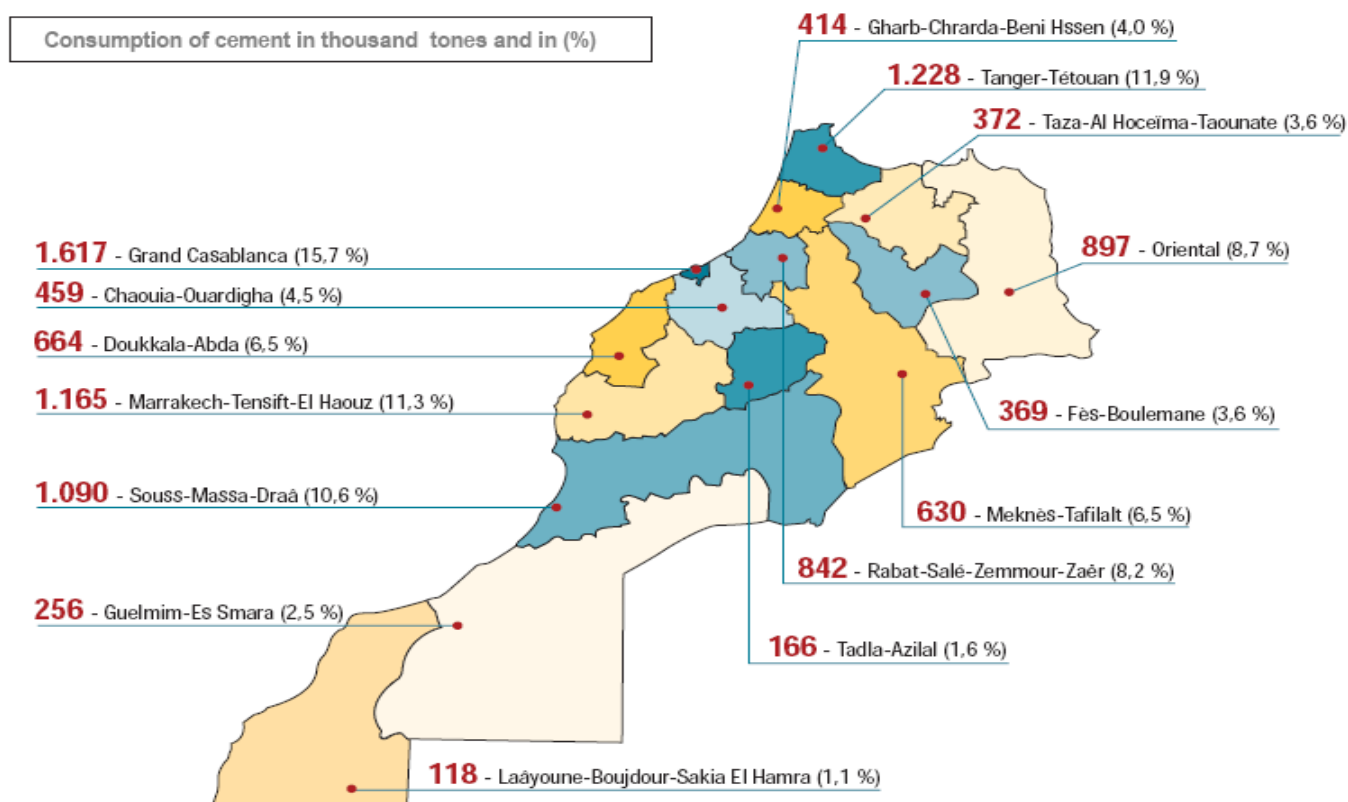
Turnover of the construction sector, Billion SEK



Construction sector 12% growth in 2007 fuelled Moroccan BNP increase

REPARTITION OF THE CEMENT CONSUMPTION IN 2005

- Casablanca and Rabat stands for around 25% of the consumption



Tanger-Tetouan region consumption of cement is ranked 2nd after Casablanca

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SHOPPING MALL/ RETAIL INFRASTRUCTURES: MOROCCO MALL

- The largest shopping mall project in North Africa

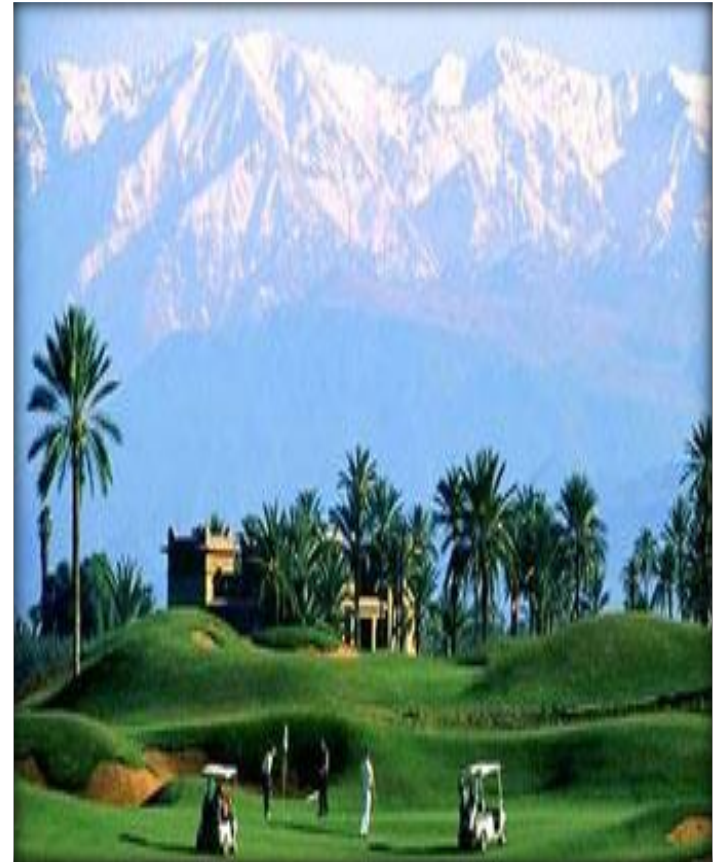
- The overall budget for the project is 1.8 Billion SEK
- The project is seeking international subcontractors who are experienced and world leading in their sectors
- The project concludes a total area of 100 000 m²
- Expected to receive 15 million visitors a year
- Expected annual sales of 500 million Euros
- The Mall will offer over 200 stores and more than 30 restaurants.



TOURISM AND REAL ESTATE:

- Morocco targets 10 million visitors in 2010

- King Mohammed VI has launched the “Plan Azur/Vision 2010”, aiming to make Morocco one of the world’s premier tourist destinations with a target of 10 million visitors in 2010.
- Morocco has attracted x M€ in the tourist sector, mainly from the Middle-East, France and Spain.
- Examples of major real estate projects:
 - 1-Accor, is extending in Morocco by doubling its hotel portfolio in the country by 2015 (70 hotels).
 - 2-Emaar Properties, the largest real estate developer in the world in terms of market capitalization, is investing 2 billion SEK to create large scale residential and golfing development projects throughout Morocco.



INFRASTRUCTURES:

-Morocco is accelerating its transport network upgrading

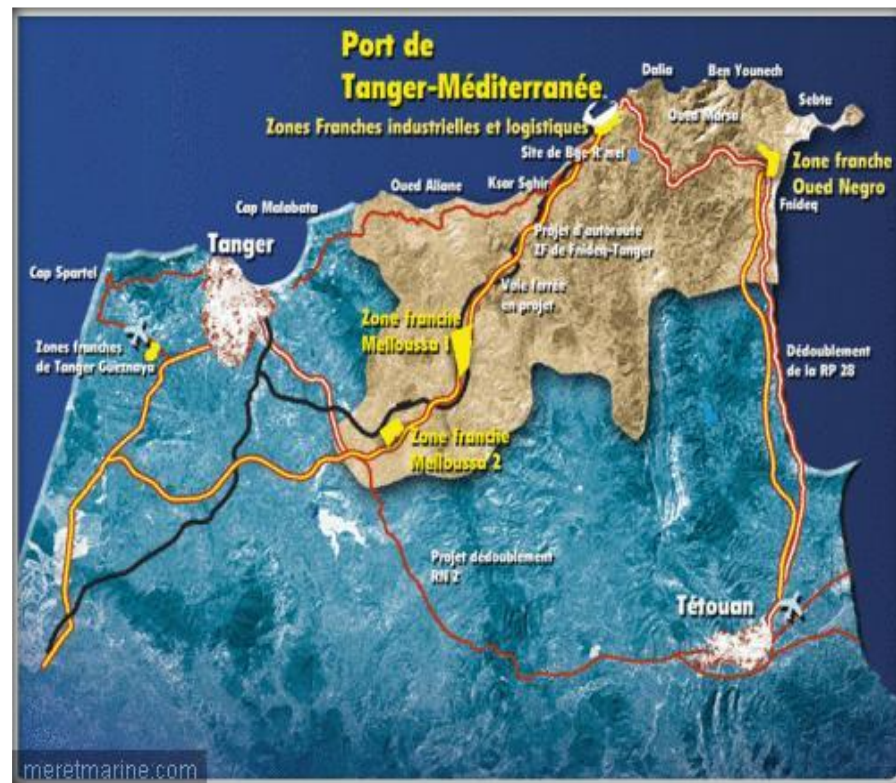
- The North African Kingdom of Morocco is to become the location of the continent's first high-speed line. The high-speed line will cover the 308km distance from Tangier in the north to the country's largest city and commercial centre, Casablanca.
- The \$2.61bn contract is on a design, build, operate and maintain basis. Projected loadings are for 8 million passengers per year following the projected opening in 2013.
- Currently in Morocco, the highway network consists of 1 000 km (2008) in total, centered around Rabat-Casablanca. The plan is to construct approximately 150 km annually in order to build a highway network that will total 1 500 km, including the preexisting portion.



TANGIER PORT AND TANGIER FREE ZONE

-Africa's largest container port

- Located in the North of Morocco, lying 15 km South of Europe, the extension of Tanger Mediterranean Port will cost 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 8 million containers.
- Moreover the Moroccan government plans to spend up to USD 18 billion to further 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.



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APPENDIX

Sources:

- ✓ International Monetary Fund (IMF)
- ✓ CIA fact book
- ✓ World Bank – Doing Business in Morocco
- ✓ The United Nations Development Programme (UNDP)

www.imf.org

www.cia.gov

www.doingbusiness.org

<http://hdrstats.undp.org/indicators>