

Investment:Morocco Exchange of Division

For 46% of 203 foreign companies surveyed, whose third party has no branch in Morocco, the attractiveness of the country has improved this year, against 40% in 2005. Morocco is also up front some countries like Spain and France whose development is considered less satisfactory. But competition is increasing with Central Europe and of South-East, which has over 60% of votes in favour.

The economic and financial criteria on which Morocco had previously built its attractiveness are declining. Meeting the entrepreneurs about the wage rises to 57 for 61% in 2005. Ditto for taxes (41 against 43%) and real estate prices (47 against 52%).

The declines were due to a change of profile of Morocco, considered less and less as a "low cost" country. Although it is still waiting on a stronger financial competitiveness, the country goes to another competitive division. It outstrips some traditional rivals (Tunisia) to confront Romania and Bulgaria. The search for quality is however synonymous with innovation obligation.

Appreciated Local environment

In this context, the development of training and learning of foreign languages are considered essential by investors surveyed (51% and 40 respectively). Almost half of southern European investors (47%) hold this measure as a priority. the strengthening of relations with universities, teaching management practices is also highlighted. The local environment is nevertheless increasingly appreciated.

The perception of aid from the government gains 9 points to a satisfactory rate of 33%.the same thing for the safety of people and properties (65%), social environment (67 against 62%) and the skilled workforce (50 against 43%). the quality of transport infrastructure and logistics is an other concern. It still collects 44% of votes in favour against 39% in 2005. Implementation intentions are slightly lower. It is increased of 44 to 39% in 2006. Nevertheless, Morocco maintains a level of intent higher than most European countries. The excitement surrounding Romania, Bulgaria and Turkey reflects the aggressiveness of the new competitive environment. "Without losing its positioning, Morocco must manage the new competition," says the study. To improve the quality of the bid, the country must improve the accessibility of key economic basins (53% of opinion). The included effort by the regions in terms of attractiveness is also rewarded in 2006 with an increase in awareness of emerging regions (Fez-Oujda, Nador, Laayoune and Meknes). The center of attraction remains Casablanca (63%). per sector, Morocco is improving its effort to get efficient production units. 23% of the investors surveyed cited as the most attractive location for planting, against 11% last year against 10% for the countries of Eastern Europe. The country has also acquired a good credit picture in the field of services and particularly on the activities of offshoring. But this performance is mainly due to the perception of investors already established. A perception that is of retaining and transposing on investors and other countries. This attractiveness is also limited to call centers (33%). The shared services centers, of design and engineering, of back-office and distance education remain very far. In the meantime, and for 48% of surveyed investors, the most attractive in the next three years remains the tourism and recreation. Infrastructure and telecommunications equipment are in the 2nd position (27%). The equipments of high-technology experienced an important growth. It starts from 8% of citation rate to 16% in 2006. The main weakness concerns the high-tech (stagnation to 7% of rate quote) and telecommunications (18 to 6%). The textile industry itself is experiencing a decline of 4 points and gets only 14% rate quotation in 2006.

In terms of positioning, the confidence on the value-added services settles in. Ditto for the regional R & D (+5 points). When choosing their regional headquarters, 27% of investors prefer Morocco to Tunisia and Egypt (7%).

One of the main conclusions that should be effected in investors to Northern Europe. The attractiveness of Euro-Mediterranean is saturated. For 46% of surveyed investors, the country's image also wins to be improved.

Methodology

The establishment barometer attractiveness Morocco is included to improve Morocco's image abroad. Commissioned by the Directorate of investment, the study was conducted by Ernst & Young.

The approach is innovative. Its interest is that the results emanate from investors themselves. Several location factors have been screened (proximity, labour costs, telecom infrastructure, taxes ...) with a focus on sectors such as offshoring. Morocco was the first South Mediterranean countries to introduce this barometer in 2005. The idea is positioning Morocco to be compared with the European Union, which has a barometer covering all the member countries

Source: The Economist

[See our PACKS](#)

[Order Now](#)