

## Economic Information on the Kingdom of Morocco

Officially known as the Kingdom of Morocco

### - Population:

According to 2004 census, the total population of Morocco amounts to 29,840,273, including 51.435 foreign, mostly French, Spanish who settle in Tangier.

### - Area

If the area of Western Sahara is added to that of Morocco, the whole area will be 800,000 square kilometers. But, excluding the area of Western Sahara, Morocco covers an area of 710,850 square kilometers.

### - Economy

Morocco is a developing country with free economy. The government has signed several free trade agreements with several countries like the United States and the European Union, Turkey, Egypt, Jordan, Tunisia, United Arab Emirates, which enables Morocco to bring in foreign investments worth billions of dollars. This is due to its strategic location. Since 1993, the Moroccan government pursued a policy of privatization of some public sectors to increase efficiency and eliminate some of the economic burden. Gross domestic product in Morocco is estimated at about 61.3 billion U.S Dollars, with an average of \$ 2000 per person. The GNP is estimated at about \$ 162 billion, a rate of \$ 5.249 per capita. Trade exchange with Europe, Asia, USA and Africa reaches 68.5%, 17.1%, 7.9%, 6.2% respectively, according to 2007 statistics

### Investment:

In addition to tax exemptions endorsed under public law, the Moroccan laws and regulations provide for privileges of a financial, tax and custom nature that are granted to investors in the framework of investment contracts or agreements entered into with the State, provided that these should meet the standards required.

The aforementioned privileges relate to the following:

- The contribution of the state in some of the expenses associated with investment: Investment Promotion Fund;
- The contribution of the state in some of the expenses for the development of investment in specific industrial sectors and the development of modern technologies: Hassan II Fund for Economic and Social Development;
- Exemption from customs duties under Article 7.I of the Finance Act No. 12-98;
- Exemption from VAT on imports under Article 123 - 22 (b) of the General tax law.

#### - Services sector

Tourism occupies a leading place in the service sector, as it yields a revenue of 59 billion dirham (8.16 billion dollars) in 2007 ; 7,407,617 tourists visited the country , an estimated rise of about 13% compared to the previous year, ie, an estimated 16,893,803 tourists per night.

#### - Industry

The industrial sector contributed about 28% of the gross domestic product. This sector has seen a remarkable growth thanks to a series of agreements signed by Morocco with many international companies. Moroccan industries are fairly advanced and diversified. There are of course food and chemical industries, and the latter being second only to that of South Africa in terms of quality ; pharmacological Industry is covering 90% of domestic demand, while the rest is exported to many African and European countries . Morocco is one of the leading exporters of textile to the EU. Automakers has also been existing in Morocco since after a recent agreement was signed by the Moroccan government with Runner Naisan automobile company. Morocco will become one of the leading exporters of cars. By 2011, the country would export more than 400,000 cars per year.

#### - Agriculture

The arable land in Morocco is estimated at about 95.000 square km, according to 2003 census . The most important crops are cereals, particularly wheat, barley, maize, lentils, beans and marketing citrus crops. The cultivation of fruit trees, olive trees is an important activity, as Morocco is the second largest source of citrus in the world and the seventh producer of olive oil. Morocco is one of the largest producers of fish in

the world; it produced about 593,966 tons of fish in 2004, to the tune of 700,368,246 Euros. Livestock farming occupies a significant place in the agricultural sector.