

Trends in the Maritime Industry in Morocco

*Presentation by
MEYS Emerging Markets Research*

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Company profile



- Established in 2010
- MEYS is an international consultancy and advisory firm
- Together with local partner Harvard Consulting an office in Casablanca (Morocco)
- Clients are SMEs and large enterprises searching for new business opportunities in Morocco
- Active in sectors: maritime industry, construction and real estate, agribusiness, industry, transport and logistics

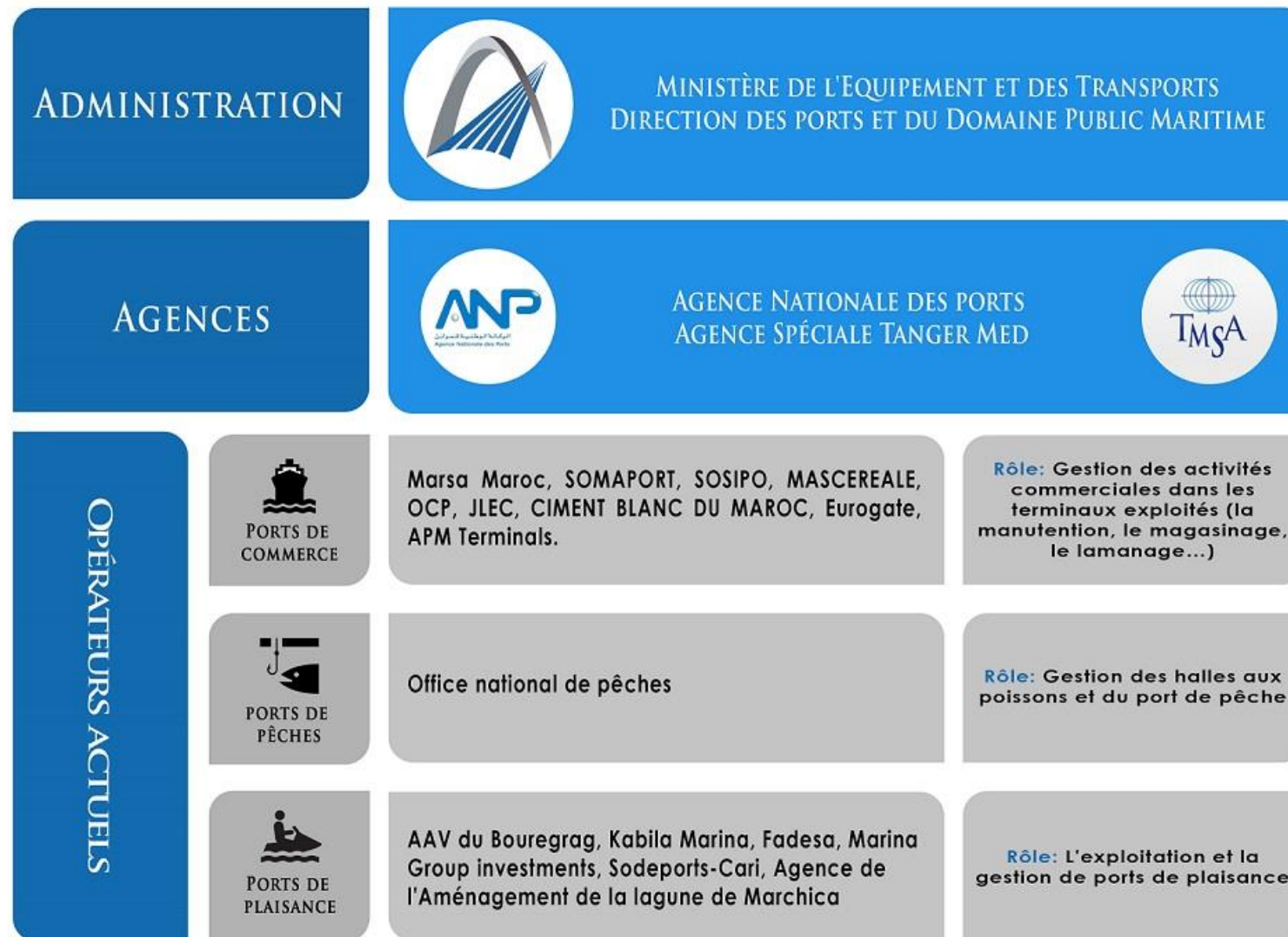


Transport modes in Morocco's foreign trade

Maritime transport is dominant transport mode

- Total volume in foreign trade going through ANP ports (excluding transshipments) is approximately 88 million tons in 2019 of which:
 - Exports 32 million tons
 - Imports 56 million tons
- 92% of Morocco's total foreign trade goes by ship
- Port of Tanger Med handles 97% of international road transport (TIR) flows
- International transport by air is less than 1%

Organisational structure Moroccan ports



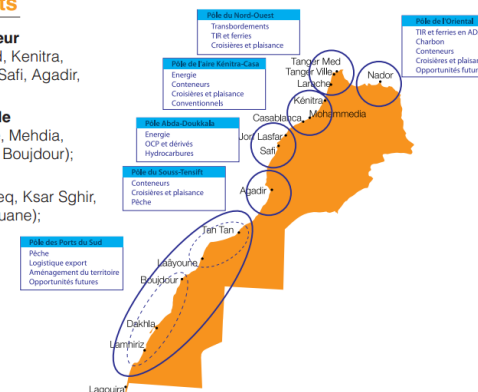
Port strategy 2030



Specialisation

Le Maroc dispose de 38 ports

- **13 ports ouverts au commerce extérieur**
(Nador, Al Hoceima, Tanger, Tanger-Med, Kenitra, Mohammedia, Casablanca, Jorf Lasfar, Safi, Agadir, Tantan, Laayoune et Dakhla);
- **10 ports de pêche à vocation régionale**
(Ras kebdana, El Jedha, M'diq, Larache, Mehdia, El Jadida, Essaouira, Sidi Ifni, Tarfaya et Boujdour);
- **9 ports de pêche à vocation locale**
(Cala Iris, Sidi Hssaïne, Chmaala, Fnideq, Ksar Sghir, Assilah, Salé, Souria Lakdima et Imesouane);
- **6 ports de plaisance**
(Saidia, Kabila, Marina Smir, Bouregreg, Sables d'or et Marina d'Agadir)



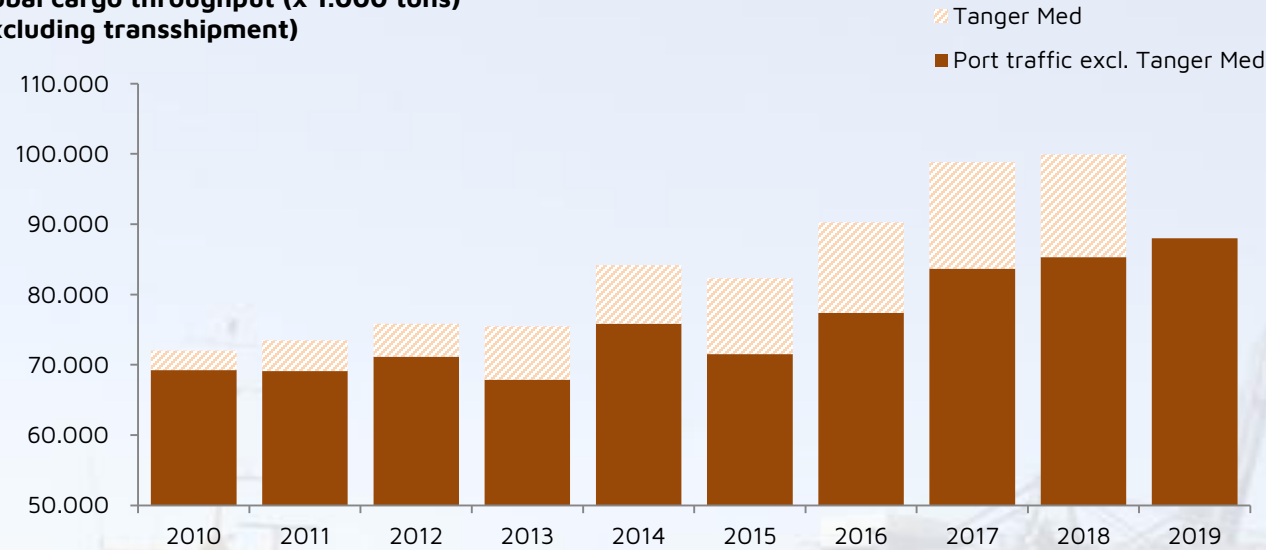
Connectivity



Maritime trade on the rise

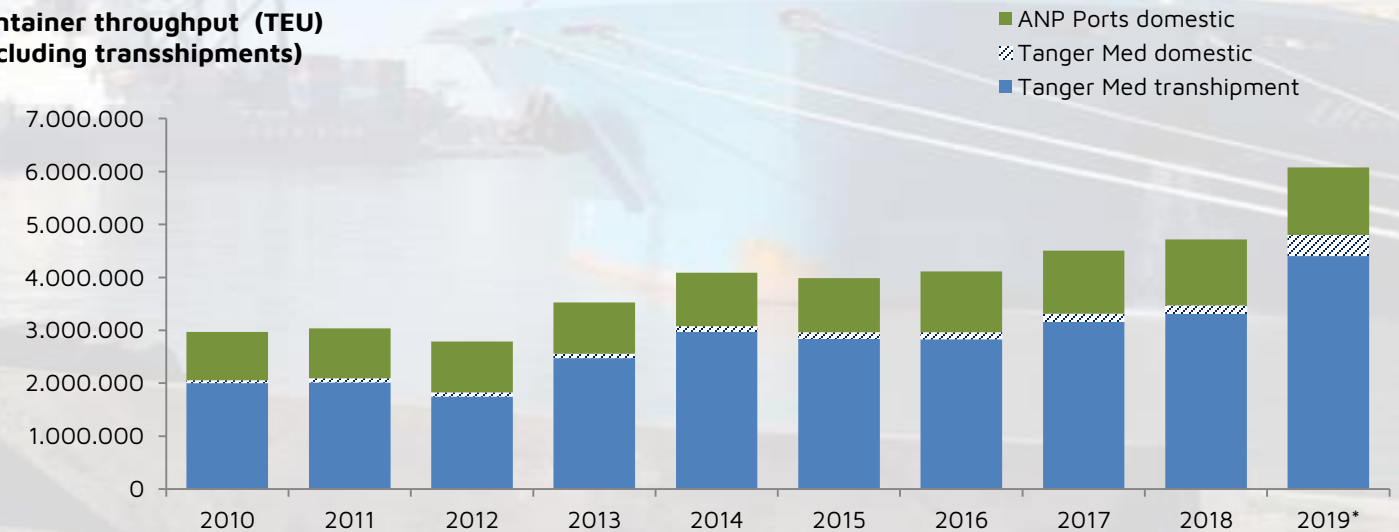
By 2030 volume is expected to be increased threefold

**Global cargo throughput (x 1.000 tons)
(excluding transshipment)**



Source ANP, METL, TMSA

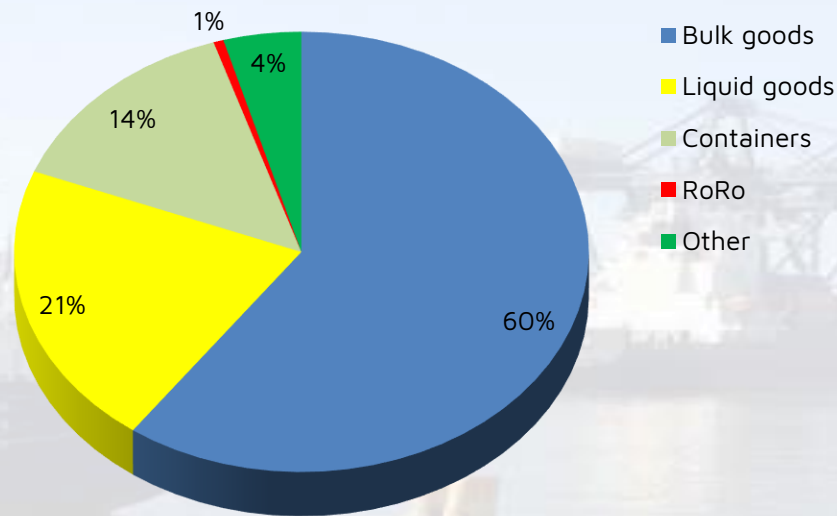
**Container throughput (TEU)
(including transshipments)**



Majority of products through Moroccan ports (excl. Tanger Med) are bulk goods

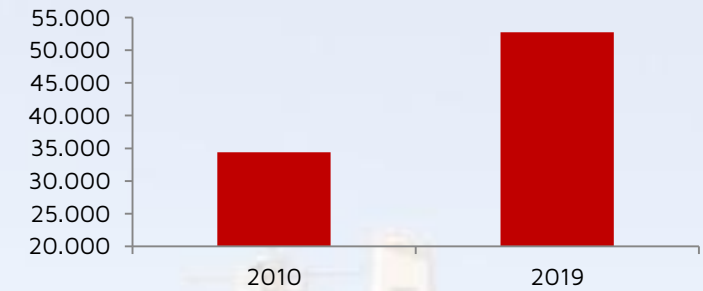
Largest increase in container trade

Maritime trade by type of product*
2019

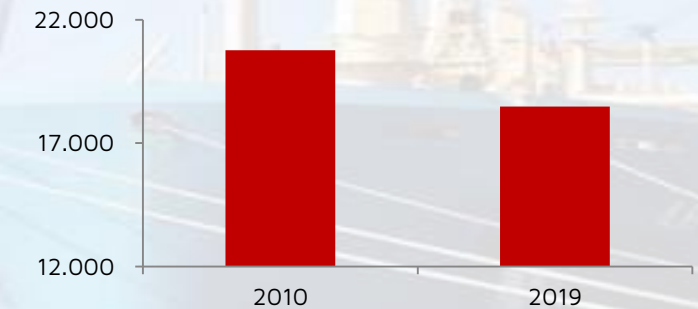


Note: (*) excluding transshipment, including cabotage
Source: ANP

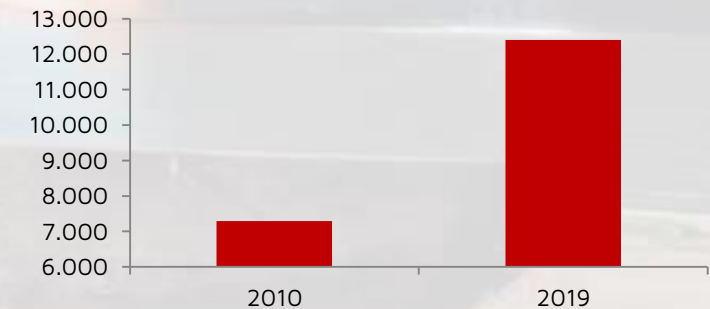
Total maritime trade bulk goods (1000 tons)



Total maritime trade liquid goods (1000 tons)



Total maritime trade containers* (1000 tons)

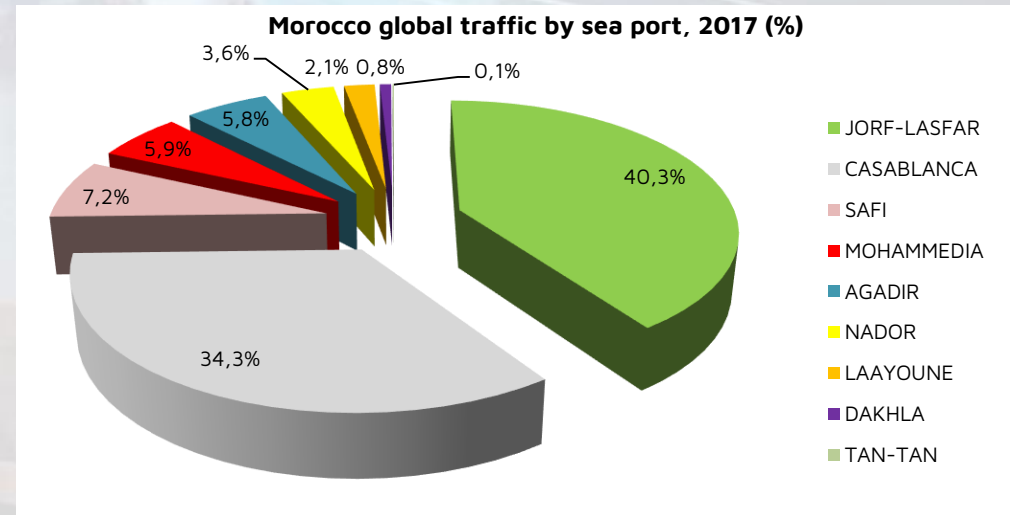


Global Traffic per Port, 2019 (in Tons)

(excluding Tanger Med)

SEA PORT	TOTAL		
	2019	2018	
JORF-LASFAR	35 488 211	32 024 143	+10,8%
CASABLANCA	30 155 088	30 100 184	+0,2%
SAFI	6 353 549	5 657 155	+12,3%
MOHAMMEDIA	5 163 163	5 288 940	-2,4%
AGADIR	5 075 678	5 257 435	-3,5%
NADOR	3 177 572	3 411 017	-6,8%
LAAYOUNE	1 845 694	2 849 879	-35,2%
DAKHLA	678 731	671 242	+1,1%
TAN-TAN	68 049	53 185	+27,9
TOTAL	88 005 735	85 313 180	+3,2%

Source: ANP



Jorf Lasfar largest port in Morocco

Morocco's main commercial ports

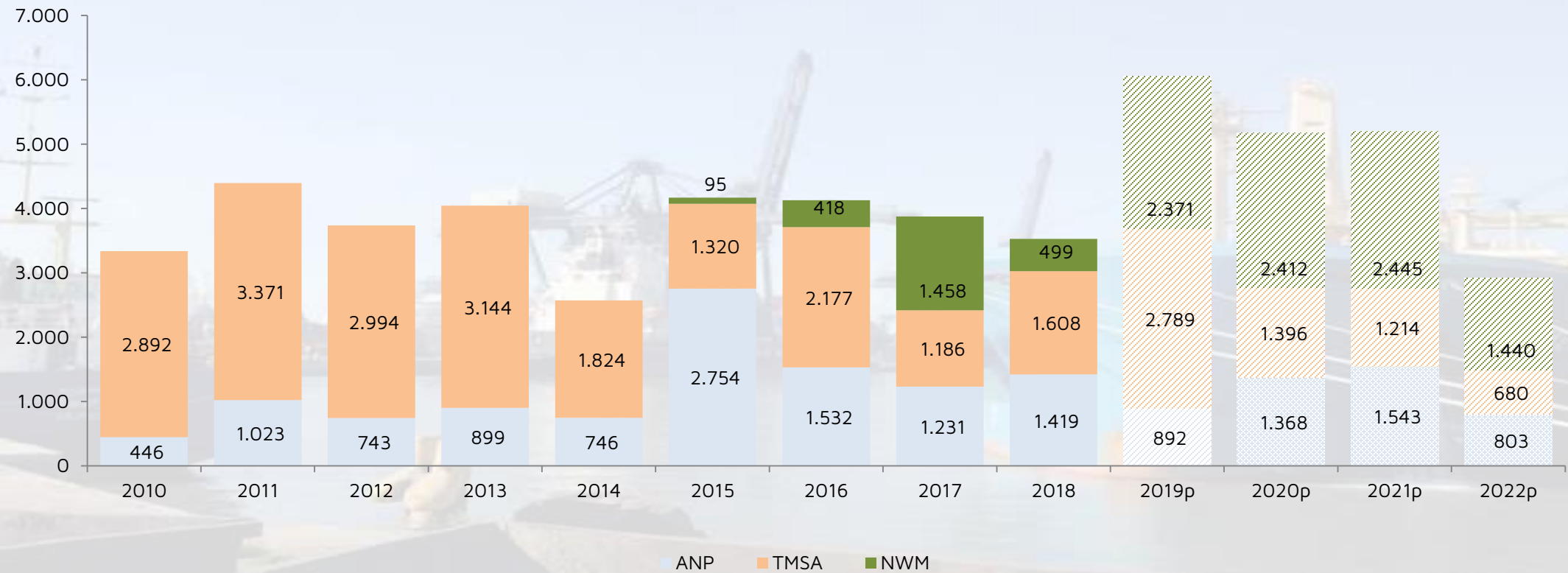
- Three main ports in Morocco for container traffic: Casablanca, Agadir, and Tanger Med.
- Other ports used mainly for break-bulk and conventional cargo, such as Safi, Jorf Lasfar, Dakhla, Laayoune, Nador.
- All ports are undergoing continuous development and upgrading in terms of both equipment and infrastructure.
- Period 2020 – 2022 **3.7 billion dirhams** (340 million euro) investments in upgrading, modernizing and expanding Morocco's port capacity (excluding Tanger Med and Nador West Med)
- Main investments in the ports of Casablanca and Mohammedia



Majority of public port investments for developing Tanger Med (TMSA)

In upcoming years this will be new port of Nador West Med (NWM)

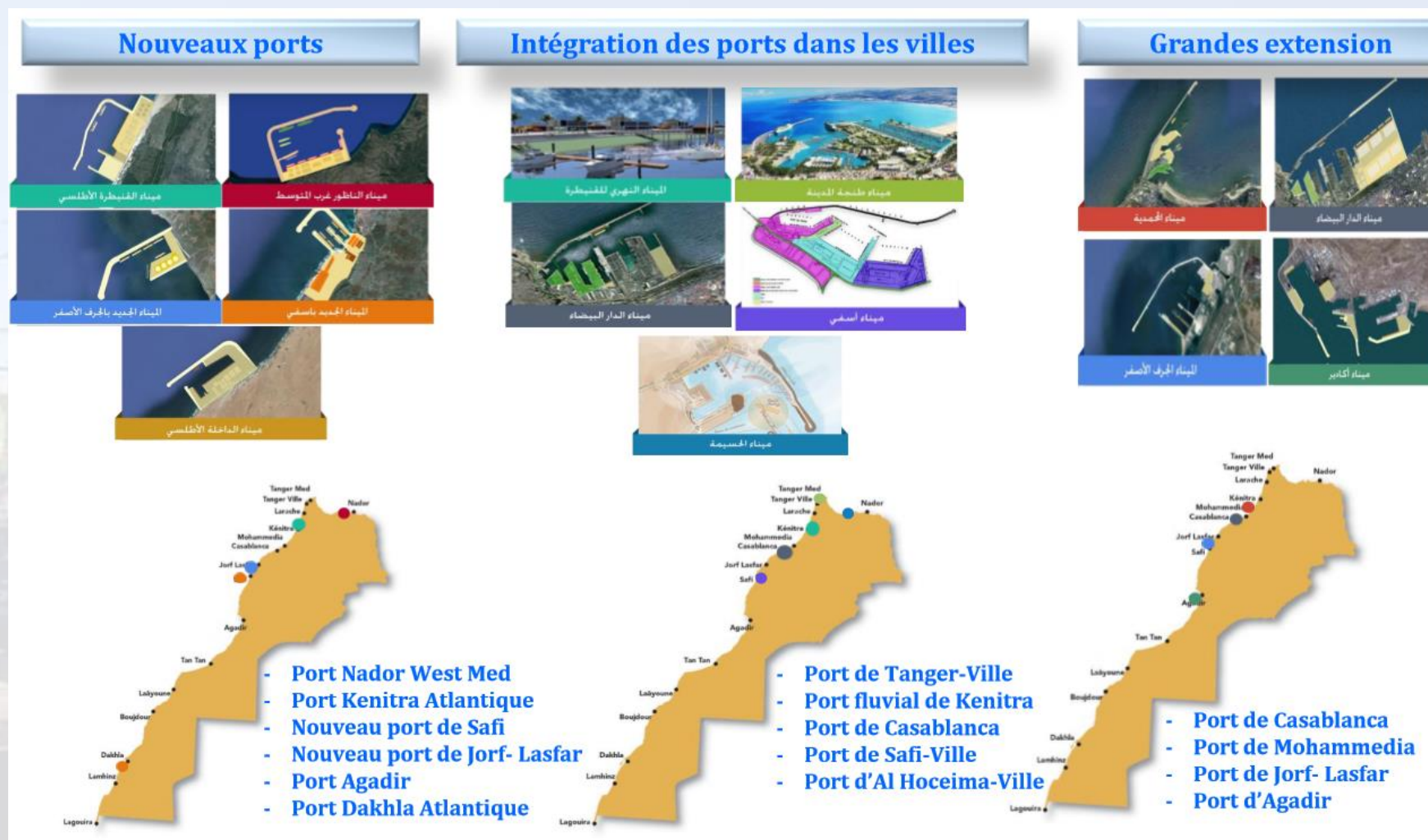
**Public investments in Moroccan ports
(million dirhams)**



Note: (p) provisional budget

Source: Ministry of Finance

Port investments divided between new ports, integration of ports with cities, and extension of existing ports



Construction of six new major ports between 2016 - 2020

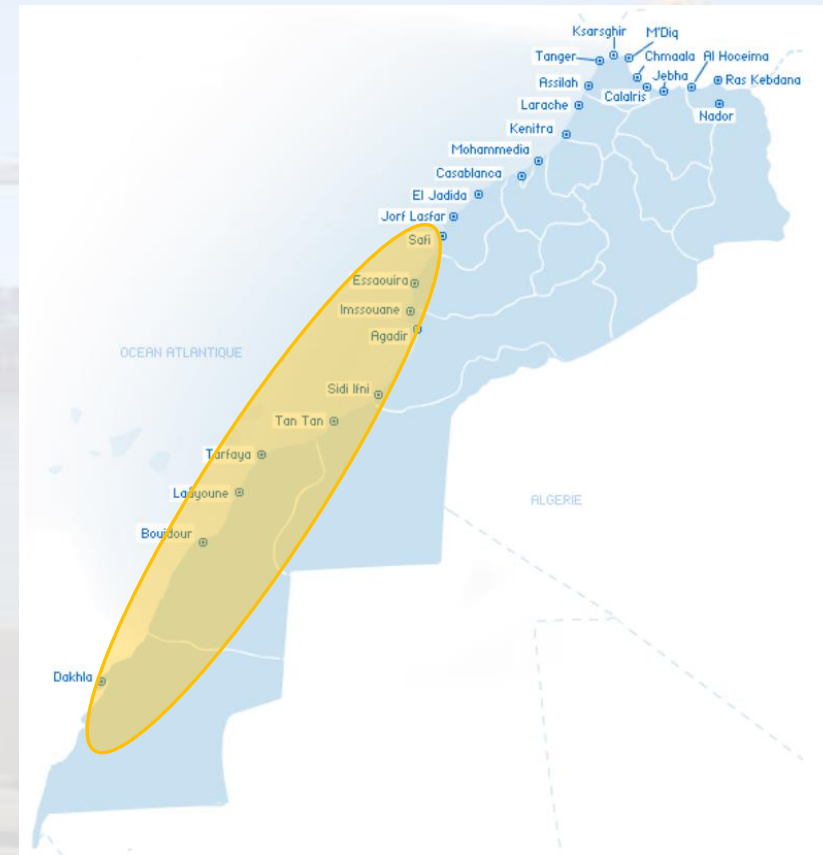
Total costs 40 billion dirhams (3.5 billion euro)

Tanger MED 2	Nador West MED	Kenitra Atlantique	Port de SAFI	Port de DAKHLA Atlantic	Port de JORF LASFAR
					
<p>Continuation des travaux 2ème tranche Coût : 11 MMDH</p>	<p>Lancé en 2012 par SM LE ROI Réalisation des études techniques Lancement des travaux : 2ème moitié de 2016 Coût : 8.8 MMDH</p>	<p>Etudes géotechniques réalisées en 2015 pour un coût de 45.6 MDH Lancement des appels d'offres de présélection de la tranche 1 : avril 2016 Ouverture des appels d'offres prévus en septembre 2016 Lancement travaux fin 2016</p>	<p>Avancement des travaux 1ère tranche : 38,5 % Coût : 4 MMDH</p>	<p>Lancement études géotechniques mai 2016 Coût : 40 MDH Lancement travaux été 2018 Coût : 6 MMDH</p>	<p>Port pour hydrocarbures Lancement études techniques en 2016 Coût : 13,8 MDH Lancement travaux début 2018 Coût : 8 MMDH</p>
<i>1 billion euro</i>	<i>800 million euro</i>	<i>1 billion euro</i>	<i>360 million euro</i>	<i>550 million euro</i>	<i>700 million euro</i>

Investments in port dredging

Improving competitiveness and connectivity

- Annually 2.0 – 2.5 million cubic metres, mainly sand
- 70% dredging activities in Southern ports (coastline between Safi and Dakhla)
- Annual budget ANP 137 million dirham (12.5 million euro)
- Largest local dredging company is Drapor (2018: turnover 158 million dirhams)



Current shipyards in Morocco

Main focus on building & repairing fishing vessels

- **Chantier Naval de l'Afrique (Tan Tan):**
 - Founded in 1984
 - Part of Groupe Ominum Marocain de Pêche (OMP)
 - Building primarily fishing vessels for OMP
- **Chantiers et Ateliers du Maroc (Casablanca):**
 - Founded in 1944
 - Surface shipyard 10.000 m² (7.000 m² workshops)
 - Yard capacity for vessels up to 20.000 tonnes
 - Primarily repair & maintenance (fishing) vessels
- **Chantier Naval Agadir Founty (Agadir):**
 - Founded in 2002
 - Building and repairing mainly fishing vessels



Total turnover Moroccan shipyards currently 300 – 500 million dirhams

New long term strategy for shipbuilding industry in Morocco

Total public and private investments necessary is 4.5 billion dirhams

L'industrie navale générerait jusqu'à 20 000 emplois directs et indirects et près de 2 milliards de dirhams de PIB à 2030

Industrie Navale

Millions de Dh

Chiffre d'Affaires

5 150 à 7 550

CA à l'export

1 500 à 2 600

PIB

1 550 à 2 270

Emplois

5 150 à 7 380 directs

5 150 à 14 760 indirects

Construction

1 000 – 1 400

Réparation

2 950 – 4 550

Démolition

750 – 1 200

Offshore

350 – 500

CA

1 000 – 1 400

2 950 – 4 550

750 – 1 200

350 – 500

Export

300 – 500

850 – 1 550

-

350 – 500

Emplois

1 600 – 2 300

2 400 – 3 400

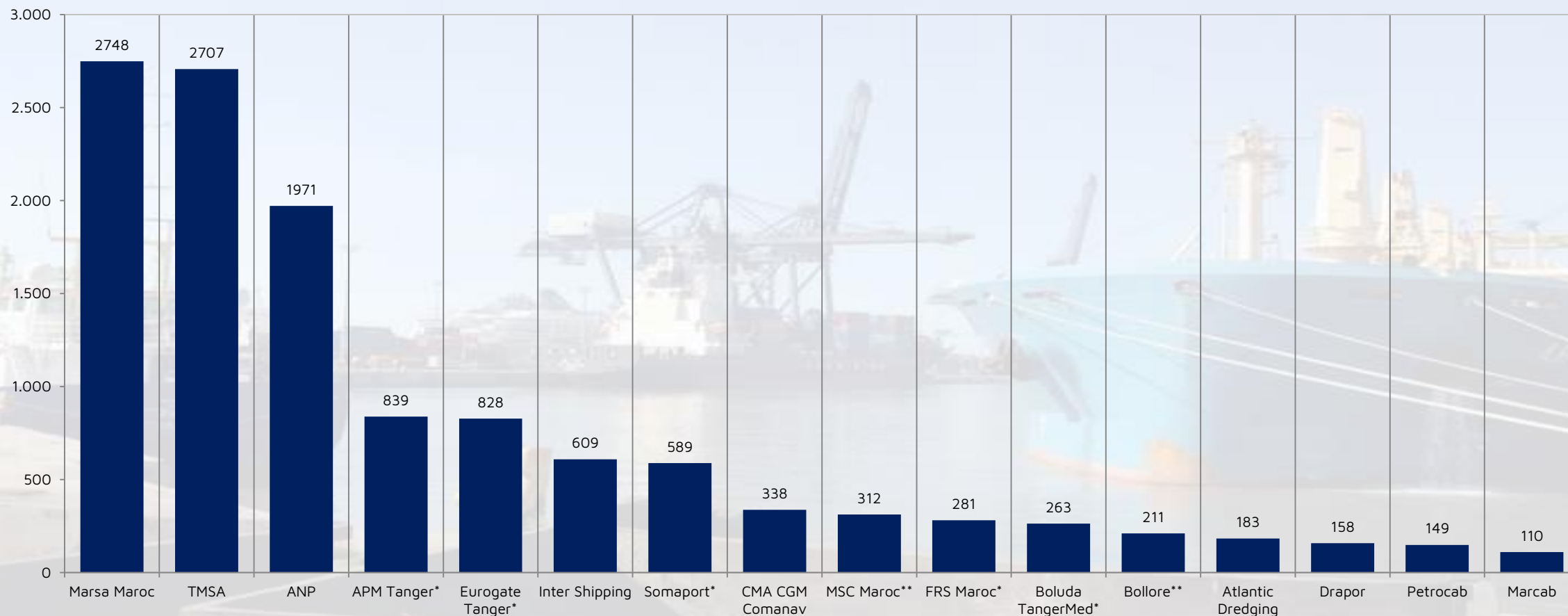
850 – 1 250

300 – 430

Three largest maritime companies are (semi-)public entities

Terminal operators have the largest turnover; foreign companies dominate Moroccan maritime industry

Turnover main maritime companies, 2018 (million dirham)



Note: () figure for 2017, (**) figure for 2016*

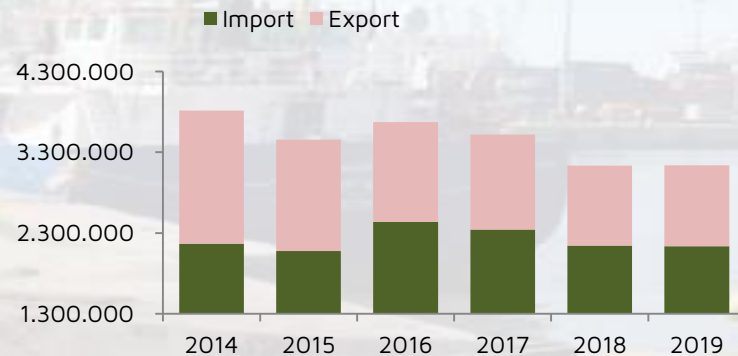
Source: Maroc1000.net, Ministry of Finance

With 4% of total maritime transport cabotage is relatively limited

A long coastline with dozens of ports provide strong opportunities for expansion

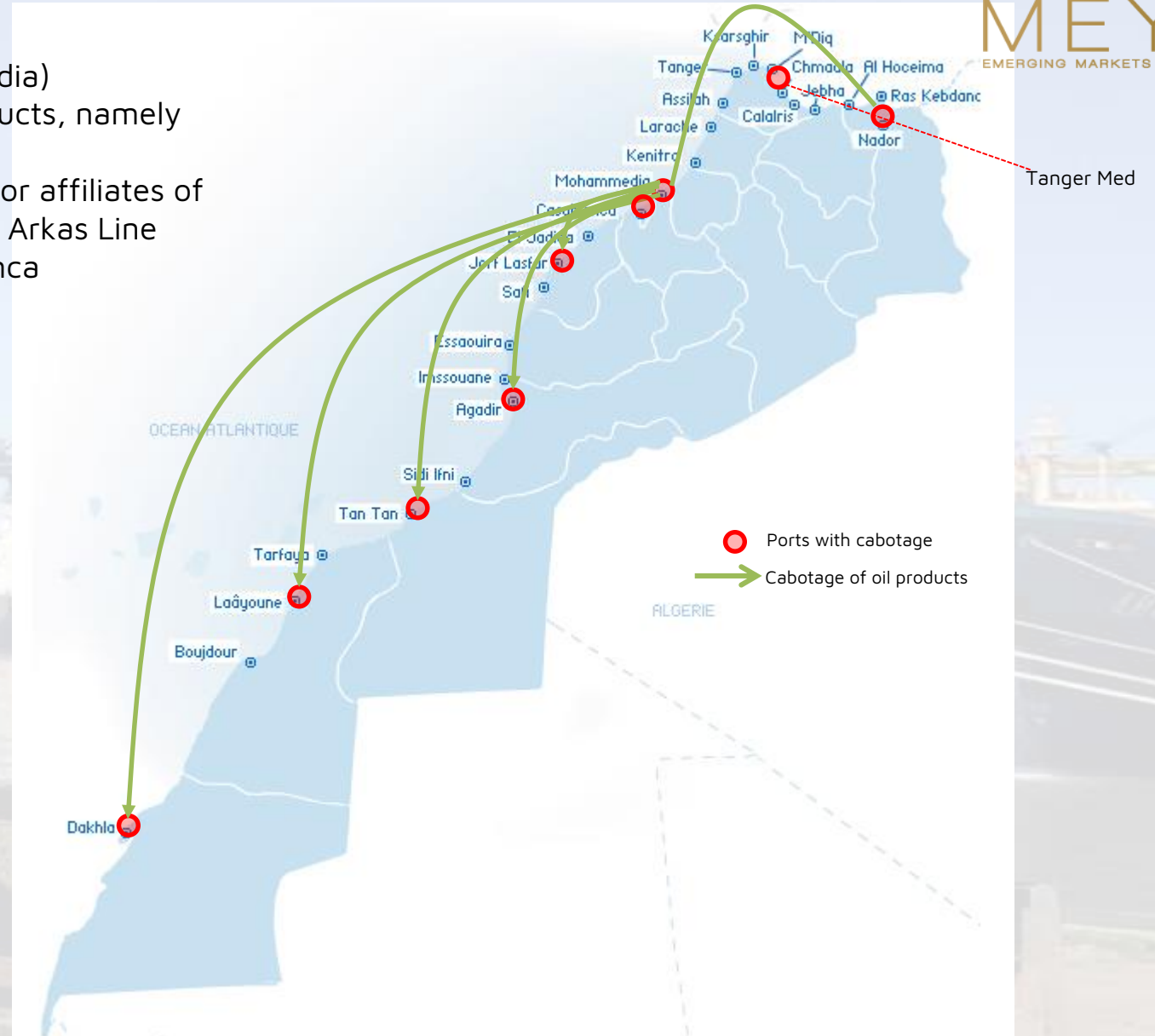
- 40 – 50% of cabotage are oil products (from Mohammedia)
- Moroccan companies only active in cabotage of oil products, namely companies Petrocab, Marcab
- Cabotage transport of containers by foreign companies or affiliates of foreign companies, e.g. CMA CGM, d'Amico Dry Maroc, Arkas Line
- 99% of cabotage of containers through Port of Casablanca

Cabotage Moroccan ports* (tons)



Note: (*) excluding Tanger Med

Source: ANP



Modal split container transport Port of Casablanca

Main focus on road transport

Import volume containers:
451 529 TEU (2019)

Cabotage import volume containers:
98 816 TEU (2019)

Rail

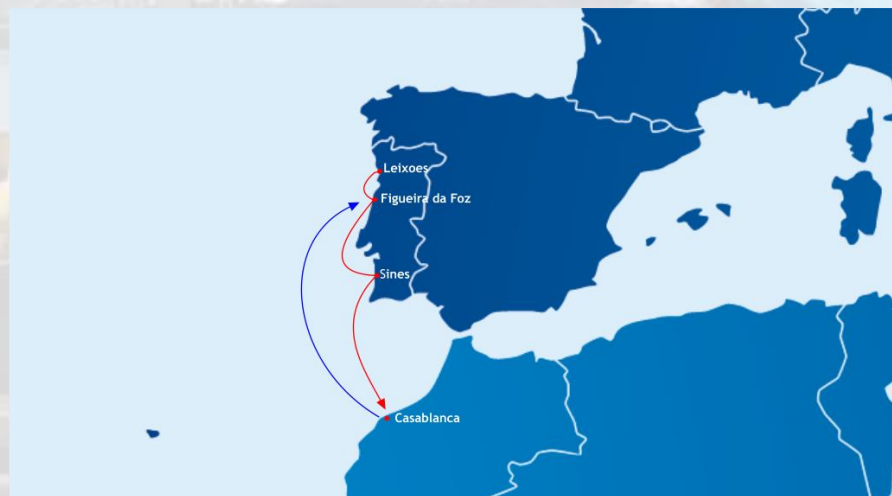
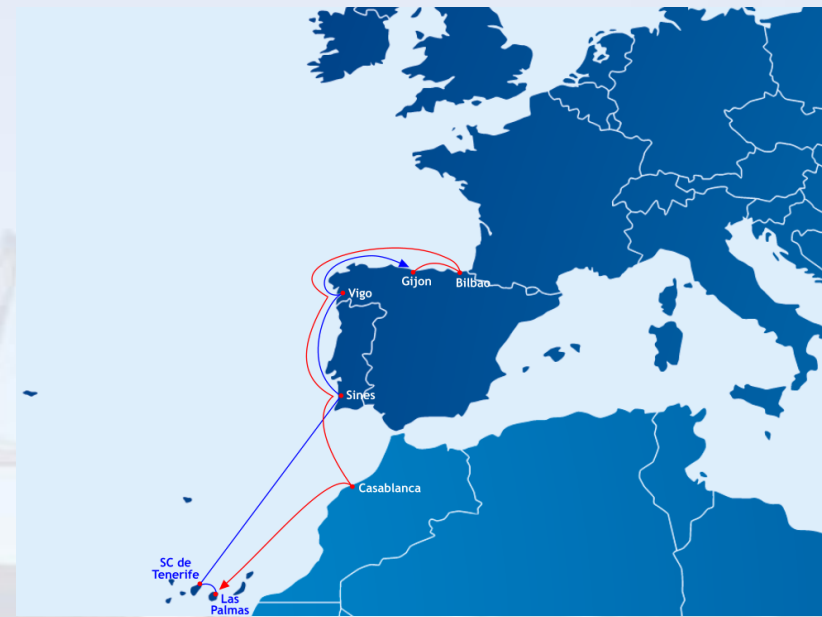
2%

Road

98%



WEC Lines operates feeder lines between Spain and Morocco (Casablanca), Portugal and Morocco (Casablanca)



Source: WEC Lines

CMA CGM operates liner services between Northern-Europe and Morocco, France and Morocco, Spain and Morocco

Important products transported from Morocco in refrigerated containers are citrus (oranges, clementines) and vegetables (tomatoes, zucchinis, peppers)



Source: CMA CGM

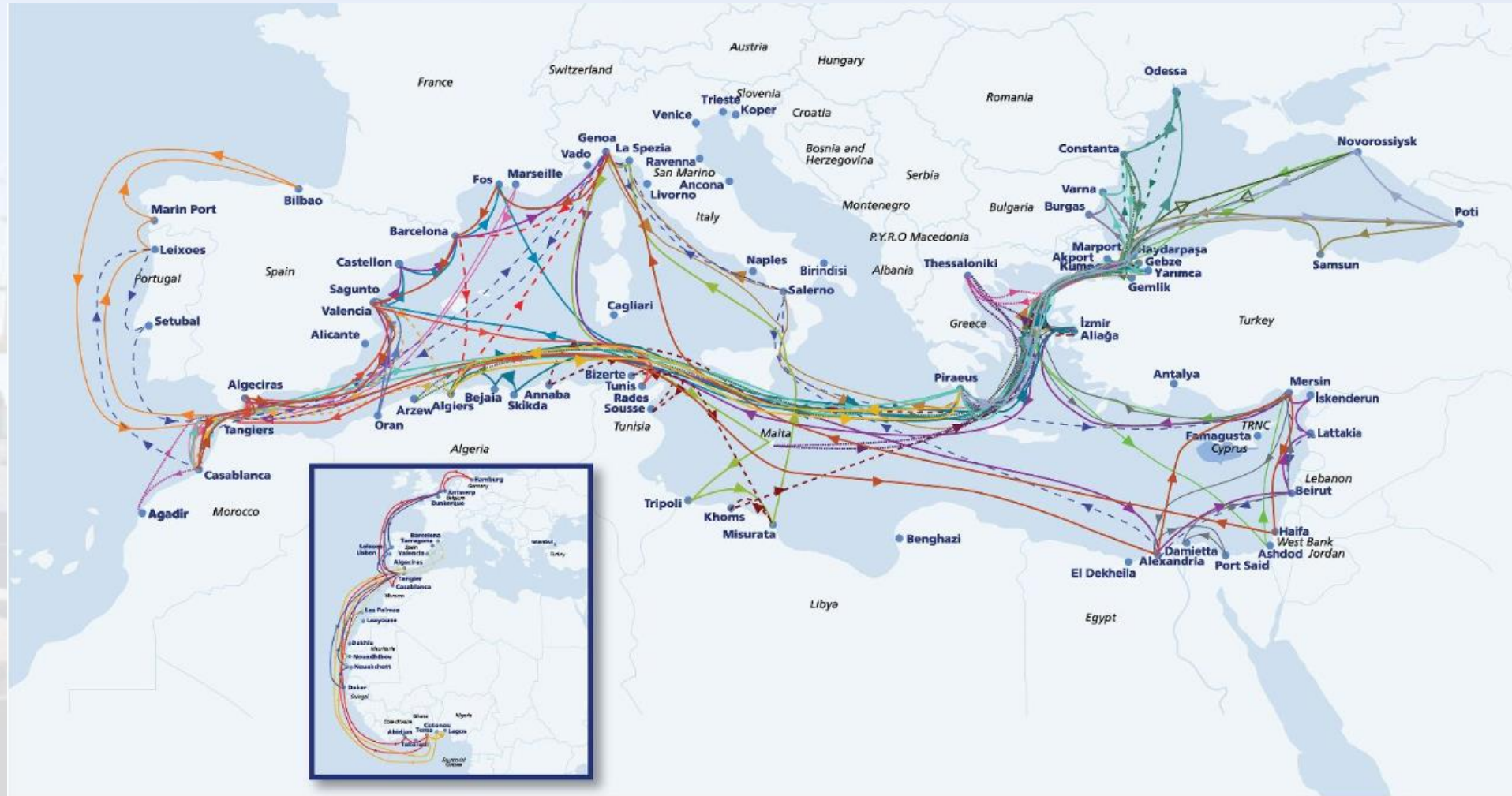
CMA CGM opened in 2013 a **cabotage container line**

Roundtrip Tanger Med – Casablanca – Agadir

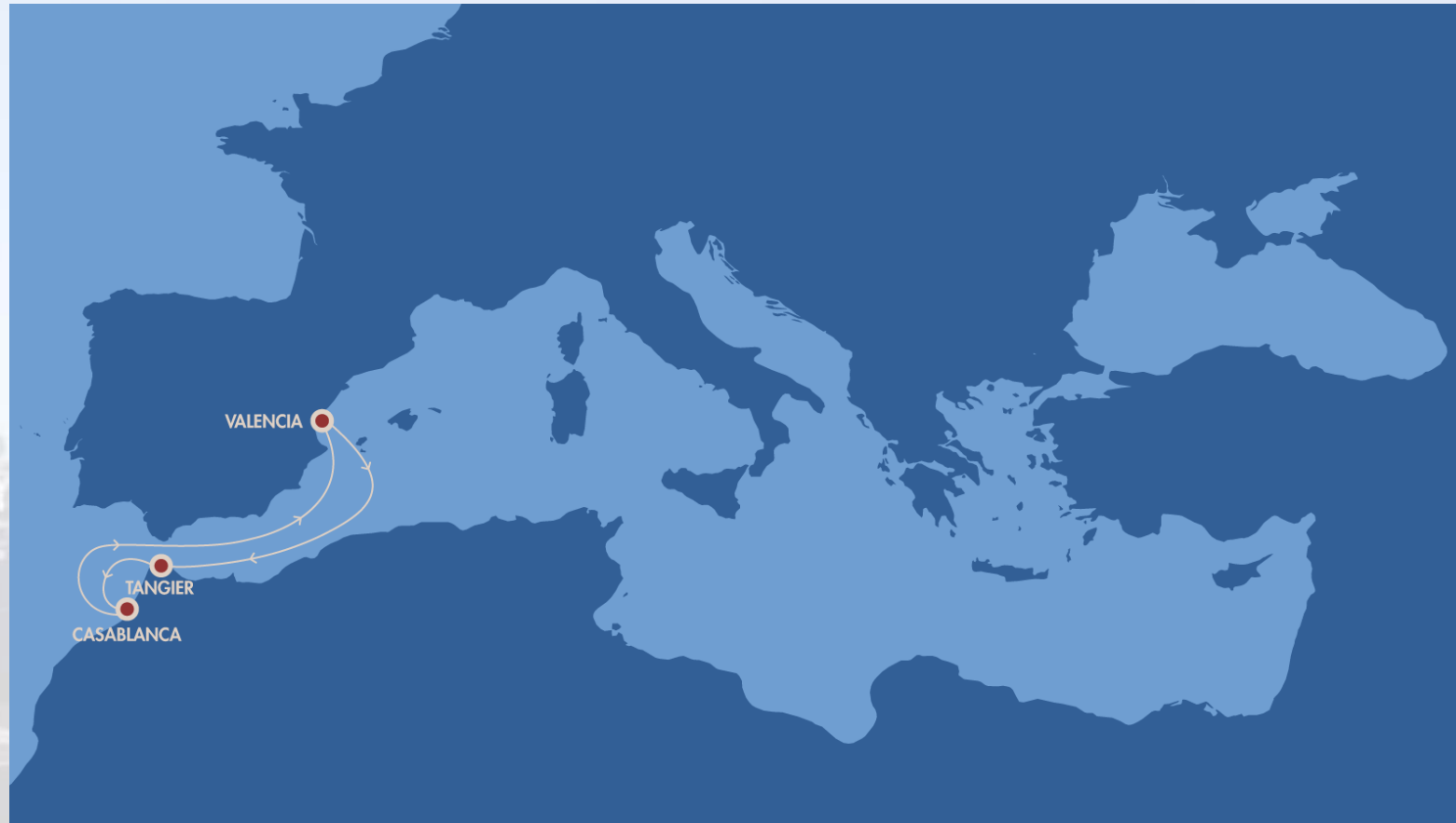


Source: CMA CGM

ARKAS Line operates liner services between Morocco and other MED-countries, and a cabotage line Tanger-Algeciras-Casablanca-Agadir-Tanger



Emes/Arkas Line cabotage line between Tanger and Casablanca



Source: Emes

Hamburg Sud has a feeder service between Spain and Morocco (Tanger Med), and a feeder service between Spain-Italy-Morocco (Tanger Med)




Source: Hamburg Sud



d'Amico Dry Maroc (subsidiary Italian company d'Amico Società di Navigazione) operates a cabotage line between ports Agadir-Casablanca-Tanger Med



Daughter company of CMA CGM **OPDR** expanded her short sea shipping route
May 2016 between Northern Europe and Morocco



OPDR
SHIPPING SINCE 1882

ARGAN EXPRESS SERVICE (AGAX)

Fast connection between the North Continent, South Europe and Morocco

Southbound ▼

POL/POD	ETA/ETD	T/T
Tilbury	WEDNESDAY	-
Rotterdam	THU / FRI	1
Rouen	SATURDAY	3
Casablanca	WEDNESDAY	7
Tanger Med	THURSDAY	8
Gibraltar*	FRIDAY	9
Seville	SATURDAY	10
Las Palmas	TUESDAY	13
Huelva	SATURDAY	17

*fortnightly

Northbound ▲

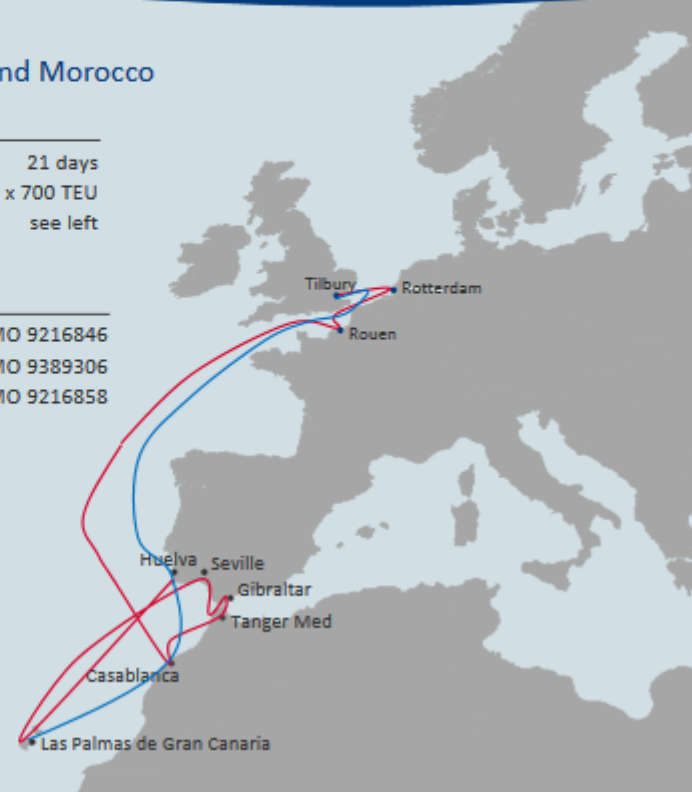
	ETA/ETD	T/T
Las Palmas	TUESDAY	-
Casablanca	THU / FRI	2
Huelva	SATURDAY	4
Tilbury	WEDNESDAY	8

SERVICE DETAILS

Turnaround: 21 days
Ships: 3 x 700 TEU
Transit: see left

DEPLOYED SHIPS

OPDR Tenerife IMO 9216846
OPDR Tanger IMO 9389306
OPDR Cádiz IMO 9216858



For further questions please contact your local OPDR representative.
For latest daily schedules and weekly updates
please refer to **OPDR Operational Schedule** www.opdr.com/en/schedules.html

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Use of feeders limited in Morocco

Only Maersk uses feeders between Casablanca – Tanger Med

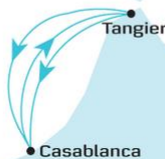


Source: ALG

Tangier Casablanca Service



MAERSK
LINE



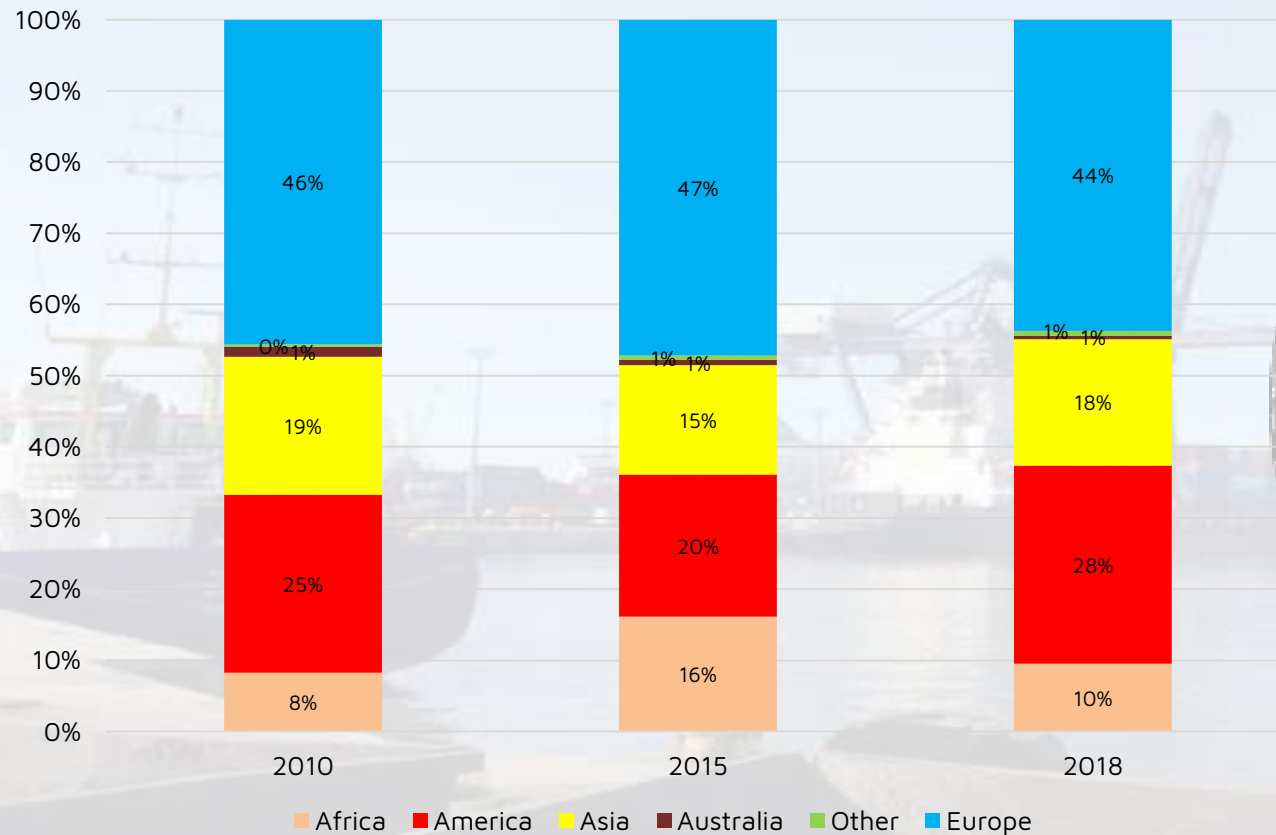
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Great potential as regional maritime hub

Expanding trade with America and Asia

Foreign trade by continent* (%)



Note: measured by volume (tons)

Source: Office des Changes



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info@meys.eu

www.meys.eu