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Paper Title: Foreign Direct Investment In Morocco

Abstract:

Foreign direct investment, defined as an investment in fixed assets located abroad for the purpose of operating distribution and/or production facilities, is important to all economies, but can be especially crucial to a developing country such as Morocco.

The main factors that draw companies to invest in Morocco are its prime location as a gateway to Europe and Africa, its stable political climate, and its relatively cheap labor force. In addition, the Moroccan government has created many initiatives to draw foreigners to invest in its country, such as tax breaks, and the building of techno-parks, that create a ready-made infrastructure for companies coming into Morocco. The government has also build Regional Investment Centers, which facilitate the process of opening a business in Morocco by combining several government offices into one building, essentially creating a “one-stop shop” for potential investors.

The Moroccan government has created initiatives in the areas where it has been lacking, such as a more qualified labor force and by addressing local government corruption. By actively seeking to improve its investment climate, the government has demonstrated its commitment to attract foreign investors.

From the research we have performed, we have noted that Morocco is a very favorable country for foreign investors, especially with all the initiatives and support from the government. One of its problems has been a lack of advertising, as many people of the world are not very familiar with Morocco as a country. With increased exposure, Morocco has the potential to reap great benefits from attracting foreign investment.