A special report by: Mercury Global Reports

MOROCCO

COOPER PHARMA

Researched and written by Marios Tsokkos

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American investment in Morocco continues to flourish



U.S. Ambassador to Morocco, Mr. David Fischer

"The relationship between the United States and Morocco is the strongest it has ever been, and we are making it stronger every day" said Mr. David Fischer, the United States' Ambassador to Morocco. The close relationship between the two countries extends at all levels from economic to social and cultural. USAID and the Millennium Challenge Corporation (MCC) have an instrumental role in the country's development as well. "USAID is planning to invest $100 million over the next five years in close collaboration with the Government of Morocco to support participatory local governance, enhanced economic growth, improved education outcomes, and community resilience" explained Fischer. "In addition, Morocco is the largest beneficiary of MCC funds to date. MCC and the Moroccan government are currently partnering to implement a $450 million compact to address two major constraints to economic growth in Morocco - employability and land productivity - which are also key concerns and priorities of Moroccan citizens" he added.

The United States government has partnered with the Kingdom of Morocco to invest more than $10 million in Morocco's Covid-19 response. "This assistance has helped prepare laboratory systems, improve Covid-19 case detection and surveillance, and support technical experts, among other areas" Fischer said.

While the government-to-government connections are important, Fischer believes it is the vitality of the people-to-people connections that sustain this enduring partnership. In 2021, "we look forward to a year-long cultural exchange program centered on celebrating the two-hundred-year anniversary of the American Legation in Tangier."

https://ma.usembassy.gov

Cooper Pharma, regional player in Africa & Middle-East strengthens ties with American pharmaceutical companies

Founded in 1933, Cooper Pharma is the oldest pharmaceutical company in Morocco and is ranked among regional leaders in manufacturing, distribution and export of pharmaceutical products.

The group employs 1500 people in Morocco. Cooper Pharma has eight manufacturing facilities fully owned or in JV located in Morocco, Africa and Middle-East. "We, as Cooper Pharma, aim to serve as a gateway of innovative international companies looking to bring their products in the ME&A region" explained Mr Ayman Cheikh-Lahlou, CEO of the company.

Mr Cheikh-Lahlou, a Stanford graduate with business networks in the American pharmaceutical industry, views the U.S. as one of the most important partners for Cooper Pharma and aims for more business both in Morocco and in Africa & Middle-East. "We already work with Pfizer, Abbott and other U.S. companies with whom we have excellent relationships" he said. "We are interested to develop



Mr. Ayman Cheikh-Lahlou, CEO of Cooper Pharma

more in-licensing activities in order to get more products from U.S. companies developed and delivered to the MENA region as well as to expand our own manufacturing of specific niche products and export to the American market".

Earlier in 2020, Cooper Pharma established an R&D platform and has managed to attract American researchers and students who visited Morocco for an exchange of views and knowledge on specialty pharmaceuticals. "We have also partnered with Harvard as well as Stanford and we have worked with groups of students from those two leading global institutions", Mr Cheikh-Lahlou said. Moreover, Cooper Pharma is investing in a transatlantic university led by academic consortia funders targeting international research excellence, in partnership with four American universities.

The strategy of his Majesty the King Mohammed VI, may God assist Him, to make Morocco the gateway to Africa is paying off and is benefiting all internationally oriented companies, such as Cooper Pharma. "Morocco is well positioned and benefits from its established Free Trade Agreements as well as the great telecommunication and transport infrastructure of the country." Mr Cheikh-Lahlou concluded.

http://cooperpharma.ma/en/

In case of any interest for Cooper Pharma, you can send an email to: a.berrada@cooperpharma.ma

Moroccan quality, English style, Global brand

Handcrafted, English-style, luxury business shoes. This is what defines the Moroccan-based Benson Shoes, an experience that started in 1963 and has since grown to 70 people and has evolved into a major niche business-shoe designer exporting all over the globe. "We are exporting around 85% of our production. We have a strong presence in Japan and Belgium and we have recently started expanding in the rest of Africa" said Mr. Mohamed Benamour, Founder and Managing Director of Benson Shoes.

Benson Shoes - with the motto quality over quantity - produce 40000 pairs per year making it the ideal footwear for the most demanding customers who appreciate uniqueness and handcrafted quality. "What makes our shoes special is the top quality European leather we use in our



Mr. Mohamed Benamour, CEO of Benson Shoes

production as well as that most parts of the shoe are finished entirely by hand" added Benamour.

Benamour expects business to increase in the near future as people, and especially the younger generation which is more environmentally conscious, prefer to buy less in quantity and more quality products.

The company, while affected by the pandemic, has a solid strategic plan in place for the rest of the year and the immediate future. "Our short-term plan is to adapt to the changes brought by the pandemic and continue in 2021 with more expansion in the US, a demanding market which values quality and style. We are looking for partners to scale up our business there and benefit from the Morocco-US Free Trade Agreement" explained Benamour.

www.benson-shoes.com

The kingdom holds the key to African expansion

The kingdom of Morocco offers numerous advantages to foreign investors and companies eyeing expansion in Africa, the Middle East as well as Europe. Political stability, robust infrastructure, and an unbeatable strategic location have contributed to its emergence as a regional manufacturing and export hub for international companies.

"Thanks to our extensive network of Free Trade Agreements (FTAs), Morocco can provide manufacturers access to 1.3 billion consumers in 56 countries" highlighted Mr Hicham Boudraa, Acting CEO of the Moroccan Investment and Export Development Agency (AMDIE). "The Tanger Med Industrial Platform which ranks the 2nd Special Economic Zone in the world, 19 international airports, the first fast railway train in Africa launched in 2018, and its several highly-specialized and fully-equipped industrial zones across the country, are giving us a competitive edge against other countries in attracting foreign investment" he explained.

The country's return to the African Union in 2017 and its participation to the establishment of the new African Free Trade Zone (AfFTZ) in 2019 are two major events that allowed the kingdom of Morocco to further strengthen its leadership position in the continent.

These advantages and the continued development of the nation, drew more attention from the United States, a traditional and close ally of Morocco. This great relationship between the two countries, which extends into all levels - economic, cultural and



Mr. Hicham Boudraa, Acting CEO of AMDIE

social - has been established in 1787 with the signing of the Treaty of Peace and Friendship which is until now the longest unbroken treaty in the history of the USA. Interestingly, Morocco also hosts the Tangier American Legation Institute, built in 1821, which was listed in the US National Register of Historic Places as the first and only US historical monument built in a foreign country.

On the economic level the US is one of the largest sources of Foreign Direct Investment (FDI) in Morocco. In fact, between 2014-2018 the US represented 8,4% of Morocco's inward FDI.

"Following the very successful Morocco-USA FTA which came into effect in 2006, bilateral trade between the two countries has more than tripled, raising from USD 1.17 billion in 2006 to USD 3.97 billion in 2017" said Boudraa. In particular, Moroccan exports to the USA increased from USD 230 million in 2006 to USD 980 million in 2017.

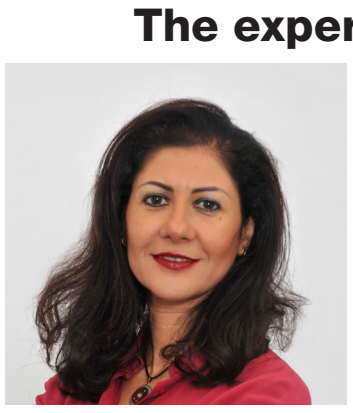
This bilateral agreement attracted more than 120 American companies - both MNCs and SMEs - to set-up bases or to establish their subsidiaries in Morocco. "These investments provide more than 100,000 direct and indirect jobs in Morocco and this reflects the Kingdom's great potential to attract companies in a wide array of sectors - from service providers to the most sophisticated manufacturers" Boudraa said.

"Our relationship is strong and will continue to grow as more companies are expected to follow the likes of Boeing, Delphi, Lear, IBM, Microsoft, Dell, Eaton Corporation, Citi Bank and many more US global corporations and innovative SMEs, to invest and enjoy all the advantages of doing business in the Kingdom of Morocco" Boudraa concluded.

http://www.amdie.gov.ma

AMDIE MOROCCAN INVESTMENT AND EXPORT DEVELOPMENT AGENCY

The experts of the Moroccan market



Ms. Salima Bakouchi, Partner at HB Law Firm

HB Law Firm is one of the leading law firms in Morocco and has a significant experience in Business Law in the local market, mixed with perfect knowledge in commercial litigation & disputes resolution. "We regularly advise investors operating in various sectors during all stages of their implementation project in Morocco, and assist large MNCs, SMEs and individuals in all aspects related to their projects" said Ms Salima Bakouchi, Partner at HB Law Firm.

In addition, HB Law Firm provides specialist legal advice to foreign clients acquiring, managing or divesting Moroccan investments, and have expert knowledge of Morocco's regulatory framework, and a wealth of experience with foreign investment proposals across a wide range of industry sectors, including Energy, Oil & Gas, Finance, Insurance, Manufacturing, Real Estate, Tourism, Retail etc.

"The firm maintains non-exclusive relationships with law firms throughout the world and independently represent referrer firms looking for high quality and dependable legal representation in Morocco, and work closely with major foreign law firms to meet the needs of MNCs operating in Morocco" added Mr Kamal Habachi, Executive Partner of the firm.

Bakouchi has significant experience in negotiating, drafting contracts, banking, finance projects and restructuring, capital markets, acquisitions operations, real estate and participated in many seminars both in Morocco, as well as in institutional missions on the reform of Business Law in collaboration with international firms.

Habachi advises international clients on mergers and



Mr. Kamal Habachi, Executive Partner of HB Law Firm

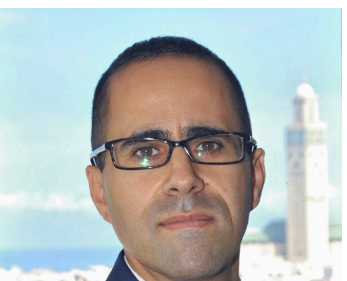
acquisitions, tax, stock market regulation, infrastructure contracts, privatizations, joint-ventures, real estate, structured finance, project finance and international arbitration. He also participated in the establishment of several national and international projects and contracts.

Both partners have been involved in some of the most large-scale, high-profile transactions and high-value financing mandates undertaken in Morocco over the last years.

www.hblaw.ma/en/index.php

HB Law Firm CABINET D'AVOCATS

Hilmi Law Firm invites more US companies to Morocco



Mr. Rachid Hilmi, Managing Partner of Hilmi Law Firm

"Morocco is viewed as safe and well-located destination to set-up African bases and is also seen as one of the most attractive countries in Africa" said Mr Rachid Hilmi, Managing Partner of Hilmi Law Firm.

"Indeed, generally speaking, the obstacles to foreign investment in Morocco have decreased considerably for almost twenty years, and an environment favorable to the expansion of foreign companies to Morocco has been set up. Almost, all the sectors are free and opened to US and foreign investors" added Rachid Hilmi (University of Paris Sorbonne, France and University of Aberdeen, Scotland).

"A regime of convertibility is guaranteed for foreign investments realized in currencies in Morocco. The regime of convertibility guarantees to foreign investors, without any prior authorization, the whole freedom for the realization of their operations of investment in Morocco, the realization of incomes produced by these investments and the retransfer of the product of liquidation or transfer of their investments," added Rachid Hilmi.

Rachid Hilmi, is a member of the Paris Bar since 2002, and is based in Casablanca since December 2005.

He specializes in every aspect of commercial law including international business, corporate and merger & acquisitions. He is actively involved in the private equity sector in Morocco and advises local or US investments funds.

He assisted a local lawyer in representing the US Government in 2007 in the negotiations with the Government of the Kingdom of Morocco within the framework of the US foreign aid program Millennium Challenge Account.

Hilmi Law Firm is dealing mostly with international clients, including many American and European, carrying out their enterprise or making an investment in or through Morocco. "We have a perfect knowledge of the Moroccan business environment. We regularly advise local and US private equity funds, multinationals and local and foreign SMEs" said Rachid Hilmi.

contact@hilmilawfirm.com