Introduction

Morocco is a country located in North Africa. It has a coast on the Atlantic Ocean that reaches past the Strait of Gibraltar into the Mediterranean Sea. It is bordered by Spain, Algeria, and Western Sahara. Much of Morocco is mountainous. The Atlas Mountain and Rif Mountains are located on the northern coast and interior. The government system is a parliamentary constitutional monarchy; the chief of state is the king, and the head of government is the prime minister. Morocco is a member of the League of Arab States (Arab League).

Key Economic Facts

- **Income Level (by per capita GNI):** Lower Middle Income
- **Level of Development:** Developing
- **GDP, PPP (current international $):** $314.24 billion (2018)
- **GDP growth (annual %):** 2.95% (2018)
- **GDP per capita, PPP (current international $):** $8,586.64 (2018)
- **External debt stocks, total (DOD, current US$):** $49,029,427,876.70 (2018)
- **Manufacturing, value added (% of GDP):** 15.74% (2017)
- **Current account balance (BoP, current US$):** -$6.44 billion (2018)
- **Inflation, consumer prices (annual %):** 1.91% (2018)
- **Labor force, total:** 11,894,168 (2018)
- **Unemployment, total (% of total labor force) (modeled ILO estimate):** 9.04% (2018)
- **Imports of goods and services (current US$):** $57.83 billion (2018)
- **Exports of goods and services (current US$):** $45.36 billion (2018)

GDP Composition %

- **Agriculture:** 12%
- **Services:** 50%
- **Industry:** 25%
- **Manufacturing:** 0%

*Risk Assessment (Provided by Coface)*

**Country rating:** A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behavior. Corporate default probability is still acceptable on average.

**Business Climate rating:** A4 - The business environment is acceptable. Corporate financial information is sometimes neither readily available nor sufficiently reliable. Debt collection is not always efficient and the institutional framework has shortcomings. Intercompany transactions may thus run into appreciable difficulties in the acceptable but occasionally unstable environments rated A4.

**Strengths**

- Favorable geographic position, close to the European market
- Strategy to move to high-end market and diversify industrial production
- Political stability and commitment to reforms
- Growing integration in African market

**Weaknesses**

- Economy very dependent on performances in the agricultural sector
- Significant social and regional disparities. Although falling, the poverty rate remains high
- Weak productivity and low competitiveness
- High unemployment rate and low female participation in the labor market
- Political tensions with regional neighbors

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