

The Regional Development Opportunities:

Tangiers as a model of new development dynamics

Through an ambitious policy aiming to explore all potentialities that could enhance the competitiveness of the country and attract both local and foreign investors, the government of Morocco has opted for a regional approach allowing each of the sixteen regions to plan, then to accelerate its own development.

In this regard, the North of Morocco is receiving particular attention from the government. The development of this region is a priority for the country, and much effort has been put into its promotion.

The construction of the Tanger-Med port is a clear symbol of this determination. The port is designed to cope with the world's largest ships. When it opens, in 2007, it will make Tangier a hub for world trade.

The region is also the recipient of large-scale investment in infrastructures, industry and tourism.

Today it has become one of Morocco's most attractive regions. Private sector operators from Morocco and abroad are flooding the region in their desire to profit from this economic boom.

A- The Tanger-Med port project *

The «Tanger-Med» project is a strategic priority for the economic and social development of the Northern region of Morocco.

It is part of the economic policy orienting Morocco towards exports, based on eight clearly identified export sectors, with particular emphasis on the free trade agreement with the European Union to be implemented between 2000 and 2012.

Completion of the «Tanger-Med» project will have important economic effects in terms of jobs, creation of added value and foreign investment.

Its particular position on the Straits of Gibraltar, at the crossing of two major maritime routes, and 15km from the European Union will enable it to serve a market of hundreds of millions of consumers through the industrial and commercial free zones which will be run by well-known private operators.

It will also win part of the strong growth market of container transshipment and become the leading hub for cereal transshipment, a facility which is non-existent in the north-west African region at present.

The project will be implemented, coordinated and managed by TMSA, a private company with public prerogatives, operating under an agreement with the State and interacting with the different ministries involved.

In addition to the economic effects of the operation of the port, there will be important effects resulting from its construction, particularly through foreign investments, and others from the operation of the free zones (direct and indirect added value, direct gains, jobs and foreign investment).

In order to link the port with the free zones and the Special Economic Zone with the rest of Morocco and its principal economic centers, the Moroccan Government has agreed to construct:

- A 61 km freeway connecting the North freeway (Rabat -Tangier) with the Special Economic Zone;
- A freeway linking the commercial zone to the port;

- A two-lane expressway linking the port to Fnideq (site chosen for the development of a commercial free zone);
- A 45 km rail link connecting the Special Economic Zone to the national rail network.

This entire connection infrastructure will be financed by the Moroccan government and should be operational on the date the port comes into service.

It is also planned to build new roads in the North region in order to open it up and link it to the major centers of the Kingdom:

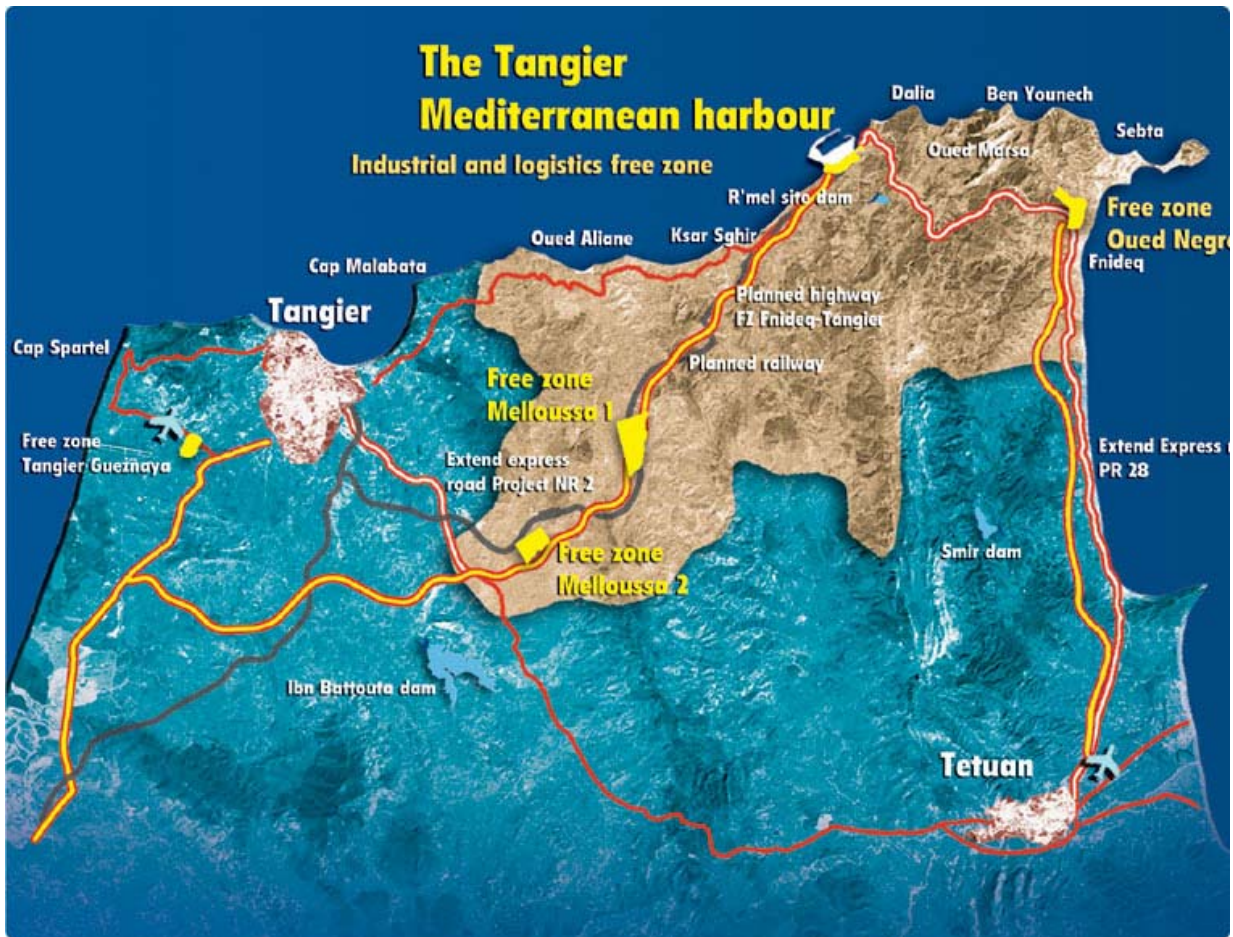
- Freeway linking Tangier and Asilah (35 km): already achieved;
- Upgrading of the Tangier - Tetouan road to an expressway;
- Expressway linking Tetouan and Fnideq (38 km).

The port is currently being constructed on a site 35-km east of Tangiers. When completed, it will cover an area of over 500 sq km and employ some 145,000 people. Within the facility, three duty free zones will also be built, with these including an industrial zone covering 600 ha, a commercial duty free zone of 200 ha and a logistics free zone of 90 ha.

In June 2006, Dubai's Jebel Ali Free Zone Authority International (JAFZA) had been awarded the 10-year logistics free zone management concession at the port. This was an important achievement for the company, which already has free zone management experience outside Dubai, in both Djibouti and at Malaysia's Port Klang Free Zone.

Both the port and the free zones at Tangier Med are due to open for business in September 2007.

The existing Tangiers free zone also recently demonstrated the potential value of Tanger Med. Since this zone had been established back in 1999, it had created some 22,000 jobs with the implementation of more than 200 foreign companies. Given this, the much larger Tangier-Med port facility is expected to also give a major boost to local employment.



* Main source: Tangier Mediterranean Special Agency: www.tmsa.ma

B-Tangier Free Zone (T.F.Z)

Located at the North of Morocco, at 15 KM from the South of Europe, Tangier Free Zone (TFZ) is an excellent destination for investors.

It is a protected free trade environment where companies from around the world can operate tax-free. It's literally a massive project covering 345 hectares of land.

It incorporates a vast container port at the junction of the biggest maritime routes in the world with the capacity to handle both cargo and passenger ships; the expansion and improvement of Tangiers international airport, road and rail networks; the complete renovation of Tangier's historic old port which will become a pleasure port for yachts and cruises liners; the development of six new world class holiday resorts with four and five star hotels, holiday villages, nature trails and cultural attraction sites including a Kasbah, restaurants and shopping centres in the coastal Ghandouri tourism area; plus of course the controlled construction of quality apartments, townhouses and villas to house the increase of both workers and tourists coming to the region.

This mammoth undertaking is estimated to create 145,000 jobs by the year 2020.

Since its launching on 1999, TFZ has created 22.000 jobs thanks to the implementation of 200 companies. Composed of two parts: industrial zone and logistic zone, Tangier Free Zone is providing investors with the advantageous following incentives:

Exchange system

-Tangier Free Zone is not subject to foreign trade or exchange control legislation

Customs System

-Commercial, industrial and services operations with foreign countries enjoy complete exoneration from all taxes relating to import, export, production and consumption;

-Simplified customs procedures

Fiscal system

- Exoneration from registration and fiscal stamp duties for all operations pertaining to capital's set up or increase and also to the land's acquisition;
- Exoneration from the Patent Tax for a period of 15 years;
- Exoneration from Urban Tax for a period of 15 years;
- Exoneration from Corporate Tax for a period of 5 years and application of a special rate of 8,75% after that period;
- Exoneration from the Tax on share's incomes and assimilated incomes for the non residents;
- Exoneration from VAT on goods.

C- Tangier Offshore Financial Market

In order to attract financial institutions that could contribute to the various projects relating to development planning of the Region of Tangier, a special Tangier Offshore Financial was established in 1993. Companies operating in this market are beneficiating from many advantages granted by Morocco's offshore financial system, as follows:

Exchange mechanisms

Offshore banks and holding corporations are not obliged to repatriate any income or foreign revenues and have total exchange freedom with regard to their transactions with non-resident entities.

All transactions in Morocco are undertaken through foreign currency accounts or convertible Moroccan Dirham foreign accounts opened in Moroccan banks.

In order to meet their operating expenses in Morocco, banks are entitled to run an account in Moroccan Dirham.

Moreover, offshore banks and holding corporations have free access to investment activities in Morocco and to capital participation operations in local corporations.

Fiscal and customs mechanisms

Offshore banks and corporations benefit from the following tax exonerations: Registration fees, VAT, patent tax and urban tax, import duties and taxes, TPA on distributed dividends.

Corporate tax is negotiable and all other tax for offshore companies is fixed at a nominal \$5,000 per year for 15 years. For offshore banks it is either \$25,000 U.S a year or 10% of profits.

Regulations for foreign staff

Freedom to recruit staff required for the activity; staffs are entitled to choose welfare schemes other than the Moroccan one.

Tax exemption for imported personal belongings and application of transit import system for imported vehicles.

Since its creation in 1993, many offshore financial institutions have been set up in Tangier Offshore Financial Market like:

- Banque Internationale de Tanger, which was set up by Crédit Lyonnais and Crédit du Maroc;

- Attijari Wafa Bank.

- La Financière Holding Offshore,

- Société Internationale des Participations,

- Investissement Marocain Holding Offshore,

- New Investment Holding Offshore,

- Euro Detroit International Holding Offshore,

- Hyphen Holding Offshore,

- Euromaroc Holding Offshore,

- J & J Holding Offshore,

- Investment Financement Overseas Holding Offshore,

- Energytech Offshore Holding Company,

- Estar Holding International Offshore.

D- Candidature of the City of Tangier for the 2012 Universal Exposition*

The candidature of the City of Tangier to host the 2012 Universal Exposition has been presented officially to the members of the Bureau International des Expositions (BIE) during the 140th session of their General Assembly held on December 18-19, 2006 in Paris.

The Government and State agencies are fully mobilized behind this project, and have provided all the guarantees needed for the success of the Exhibition.

The local authorities and elected representatives will also provide all the help required to prepare the application and make the organization of Expo Tangier 2012 a success.

Morocco's major businesses are conscious of the significant economic benefits that the country may derive from the Exhibition. They are committed to Tangier's application and are providing valuable support.

Last but not least, the people of Tangier are enthusiastic about hosting the Exhibition and are providing strong grassroots support for the application.

1-General Information on the City of Tangier

Number of inhabitants : 703 614

Altitude : 0 m

Transport infrastructures

Tangier port

More than a million passengers every year. Regular ferry services link Tangier with Algeciras, Tarifa, Barcelona (Spain), Sète, Port-Vendres (France) and Genoa (Italy)

Tanger Med port

This second port will be operational in 2007. With its transfer activities, it will make Tangier a hub of international maritime traffic.

Ibn Battouta International Airport

Situated 15 km outside the city, Ibn Battouta International Airport handles regular and charter flights from inside Morocco and a number of European cities

Connection to the national motorway network

A motorway which was opened in summer 2005 links Tangier to the other major Moroccan cities

Rail infrastructures

Railways link the city to the other major cities of Morocco

2- Advantages of the Tangier's Candidature

Situated at the crossroads where African, Arab, Muslim, Jewish and Western cultures meet, Morocco has always been bathed in an atmosphere of tolerance, dialogue and exchanges. The sense of hospitality is fundamental to Moroccan culture.

Firmly attached to their Moroccan identity, Moroccans are also determined to advance along the road to progress and modernity. Hospitality, tolerance, openness, dialogue, exchange, development and progress: the values of the international exhibitions are also the values of Morocco. Moroccans are thus unanimous in their enthusiasm about hosting a 2012 International Exhibition which will embody and celebrate the values to which they themselves are committed.

a- A dynamic region

The hosting of the 2012 International Exhibition will represent a decisive confirmation of Tangier's dynamic development.

Over the last few years, Tangier has embarked upon a process of profound renewal. It has begun a determined march towards progress and modernity.

Linked to the rest of Morocco by an efficient network of motorways, railways and flights, the city is attracting many investors who are setting up high-tech industries whose production is mainly for export.

The world's big tour operators are building impressive and luxurious tourist complexes, which are transforming the city into one of the Mediterranean's major up-market seaside resorts.

To accompany these trends, the local authorities have embarked on a restructuring programme for the city's infrastructures:

- The city possesses an efficient and modern public transport network.
- Ring roads and car parks are being constructed to reduce congestion in the city centre.
- The city's historical and architectural heritage is being renovated and enhanced.
- New public gardens are being created.

All the city's neighbourhoods, even the least advantaged, are being provided with social, cultural and sport facilities to improve the quality of life of their inhabitants.

Tangier is thus about to complete its transformation into a modern city, proud of its past yet contemplating its future with confidence.

The 2012 International Exhibition will thus be an opportunity to confirm and celebrate the rebirth of this mythical city.

b-A historic city

The dominant characteristic of Tangier's peninsula is its maritime nature. Its shores are washed by the Atlantic, the Straits of Gibraltar and the Mediterranean.

It was through its coastline that the region established relations with the rest of the world. From prehistoric times onwards, it was a destination for human migrations. It later became a key stopping place on the great trade routes, thanks to the setting up of trading posts and the development of anchorage points (Cotta, Tingis, Martil, Ksar Sghir), which were the bridgeheads for exchanges between Morocco and the rest of the world.

The North of Morocco is one of the richest areas for traces of ancient human settlements. Legends (of Ulysses, Calypso, Hercules and others), megalithic sites (the Msoura Cromlech, the Mries necropolis) and Punic remains attest to the importance of this region for ancient civilizations.

As the capital of Mauritania Tingitana, the region contained many villas scattered through the countryside, while Roman towns were built along the coast.

With the introduction of Islamic civilization, the region became the bridge which allowed Islam to gain access to Europe.

The period when Tangier was the diplomatic capital of Morocco and the time when it had the status of an international zone have also left behind an important historical and architectural heritage.

From this complex history, Tangier has inherited a long tradition of cultural openness.

c-A City of crossroads

Situated at the northernmost point of Africa, only 14 km away from the continent of Europe, Tangier forms a link between the Mediterranean and the Atlantic, between Europe and Africa.

Washed by a diversity of currents, Tangier has acquired a unique style which has always fascinated painters, writers and musicians. Many, like Matisse and Delacroix, were so inspired by this magical city that they chose to set up home here.

For their part, the inhabitants of Tangier, dwellers in a city where so many different cultures and religions exist side by side, have acquired a tradition of openness onto the world. They are curious about the Other and eager for new encounters.

The people of Tangier have welcomed with enthusiasm the prospect of hosting an International Exhibition which will bring together people from all over the world to reflect upon a world dominated by the spirit of tolerance and openness which characterizes their own city.

d-A lasting legacy

The organization of an International Exhibition in 2012 can offer Morocco a platform, a showcase, and a springboard which will help it to attain the goals and priorities it has set itself.

The experience of previous Exhibitions has demonstrated that they offer many social and economic benefits. These benefits go beyond the direct investments made in the event to include a greater visibility which stimulates tourism, job creation and exports.

There are also numerous advantages on the social level, which may include the acquisition of organizational skills, the training of young people, the strengthening

of local identity and the inculcation of a collective sense of pride in the community.

The hosting of the 2012 International Exhibition forms part of Morocco's long-term development strategies. It will speed up progress towards these ends and will represent the crowning achievement of a decade of work towards the construction of modern Morocco.

Hosting the 2012 International Exhibition will ensure that the region of Tangier continues to follow the dynamic development strategy it has embarked upon, and will confirm the economic and cultural rebirth of this mythical city.

3-The Site

The site chosen for the Exhibition is the '**Lakeside**', a prime seaside and tourism location. The land extends over more than 100 hectares.

The presence of water on the site offers many possibilities for adorning the landscape and enhancing the urban environment. It also evokes Tangier's links with the sea.

Overlooking the Bay of Tangier, and situated well within the city limits, not far from the city centre, the site has the advantage of being connected to three major transport links.

To the north, the Boulevard Mohammed VI runs along the Bay of Tangier and links the city centre to the main tourist accommodation areas. To the south, the site is bordered by the national road which links Tangier's railway station to the new Tanger-Med port.

In conformity with the regulations of The International Exhibitions Bureau (BIE), Expo Tangier 2012 will cover an area limited to 25 hectares.

The site will be designed as an innovative and futuristic space, with a plan for the circulation of visitors which is convenient and efficient, ergonomic and user-friendly. At the same time, it will preserve a typically Moroccan flavour which derives from the country's long architectural tradition.

The rich vegetation, which will be present everywhere in the numerous gardens and walkways, will reflect all the diversity of the world's flora.

The Exposition will be organized around five ‘dimensions’ or ‘routes’. Each route will lead to one of the themed areas of the site, ending at an exhibition pavilion, and will offer a choice of various itineraries. These itineraries will in turn offer a series of activities to be pursued in the open air or in partly covered areas.

- Routes and transport systems
- Trade routes
- Human routes
- Virtual routes
- Imaginary and dream routes

Each of these angles on the theme is, like any route, composed of four parts. Each starts at a departure point, passes through various stages which represent the key moments in its historical evolution, reaches crossroads which examine the problems posed by the route, and finally leads to a destination where possible future scenarios for the theme in question are presented and explored.

4-The Theme

a- A topical theme

“Routes of the World, Cultures Connecting. For a more United World”

The theme chosen for the Tangier 2012 International Exhibition concerns each one of us. It is at the centre of the world’s current preoccupations. It raises fundamental questions, at a moment when we have never been more dependent on routes and communication pathways, both physical and virtual.

b- A unifying theme

The theme of Expo Tangier 2012 raises questions which are crucial for the world and its future. Routes, both physical and virtual, are at the heart of the strategic reflections of all the countries of the world.

Whether it is a developing, emerging or industrialized country, each nation will find plenty of material for its pavilion in the Exhibition, and each will be able to share with the rest of the world its achievements, its difficulties, its projects and its innovations.

The theme of Expo Tangier 2012 does not exclude any country, but on the contrary will invite the involvement of a wide range of international organizations and prominent associations.

All the countries of the world, together with numerous scientists, supranational organizations and international associations, will have the opportunity to make useful contributions to a stimulating reflection upon the future of the planet.

c-For a united world

Whether they function on land, sea, air or in virtual reality, routes put an end to isolation, remove distances, facilitate exchanges and bring people closer together.

Routes link up not only geographical points but also human communities. They allow people to meet and exchange views. Thus people learn to know one another better and to live together in peace and harmony.

In a city with a cosmopolitan tradition like Tangier, the Exhibition will demonstrate that the clash of civilizations is not inevitable, but that it is possible to replace confrontation by peaceful encounter, fanaticism by tolerance, and conflict by dialogue.

With its rich and long-established tradition of tolerance and openness, Morocco wishes to make this Exhibition an opportunity to progress along the path towards peace and cohabitation between cultures and religions.

d- Variations on the theme

The theme of Expo Tangier 2012 is explored through five sub-themes which present complementary ways of looking at the idea of the Routes of the World.

Transport routes

Routes and means of transport have written the world's history. They have been the stimulus for many technological innovations, scientific discoveries and feats of engineering.

They are now also the focus of new challenges : the problems posed by the multitude of means of transport, congestion, environmental damage, the population explosion, the ever-increasing demand for energy, security problems, the management of urban areas, impact on living conditions, and still more.

The participants in Expo **Tangier 2012** will be looking for a better future for the world's land, sea, air and railway routes.

Trade routes

Trade routes have left their mark on the history of humankind. Some have now disappeared; others have taken their place, according to the changing needs for merchandise and raw materials. They have followed an endless range of itineraries depending on the nature of the goods and merchandise transported.

These routes encourage exchange and set down the conditions for it. From the silk and cotton routes, the salt and iron routes, to the routes of petrol and energy, the history of trade routes deserves to be remembered.

Human routes

Human routes are a commemoration of the movements of humankind through history. Human beings have always moved around, motivated by curiosity, the desire to know the world and explore distant countries, the urge to discover new lands and to meet other people. But they also move around in order to earn their daily bread, to fulfill their ambitions, to seek out a better life or to escape a danger. In their routes we can read the story of humankind's adventure.

Routes also establish links between people. They make possible dialogue between men and women of different cultures, in a spirit of tolerance and respect for diversity. It is in part thanks to the world's routes that we can aspire to a more united world, one which cultivates peace and development and which rejects all forms of segregation and fundamentalism.

Virtual routes

The Exhibition will examine the various networks of virtual highways which have been woven across the world, transforming relations between individuals, peoples and nations. Over the last few years, virtual routes have brought about extraordinary changes in the routes of information, mail services and human communications. What does the future hold for us? What new technological feats will transform people's everyday lives and revolutionize their existence?

Imaginary routes

Here we consider imaginary and Utopist routes. We will explore people's dreams of movement, exchanges, speed and communication. And we will also try to look into the future.

We will look back to the thirst for knowledge which is already to be found in the great mythological texts, and which continues in the quests of inventors and scientists who seek to go beyond what is known and accessible. Dream routes, imaginary routes, impossible routes, Utopist routes or fictional routes - all these have sometimes turned into realities. Followed by visionaries, poets, novelists, artists and inventors of all cultures and all countries, these routes have often made their contribution to scientific development and to the well-being of humankind. What will become of the dreams of our contemporaries?

5-The exposition:

-Title: Tangier 2102 International Exhibition, Morocco- abbreviated Tangier 2102

-Place: Tangier, Morocco

-Date and times: From June 16 to September 16, 2012. A dual Day and Night Expo is proposed, with the following opening hours: Pavilions: 10:30 am to 10:30 pm. Theme parks and shows: 9:30 am to 3 am

-Number of visitors expected: Approximately 6 millions

-Number of participants expected: Approximately 80 countries

*Main source: Tangier Expo 2012: www.expo2012.ma