

The ‘2010 Tourism Vision’*

Endowed with important natural assets as well as with a rich and varied cultural heritage, Morocco has opted for the promotion of the tourist sector, putting in place an ambitious strategy of tourism development which is likely to trigger a sustainable and integrated development dynamics.

With regard to Morocco’s tourism policy, the year 2001 witnessed a clear break away from the politics of the past. The speech pronounced by His Majesty King Mohamed VI, on January 10, 2001 in Marrakech during the National Meeting on Tourism, marked the launching by Morocco of a new tourism policy known as ‘2010 Vision’.

* Main source: Ministry of Tourism, Handicraft and Social Economy:
www.tourisme.gov.ma

A- Legal Framework with clear objectives

Morocco has set up tourism as a national economic priority since the signature, under the Presidency of His Majesty King Mohammed VI on January 10, 2001, of the Framework Agreement between the Government and the General Confederation of the Moroccan Enterprises (CGEM).

This initiative has been reinforced by the signature, on October 29, 2001, of the Implementation Agreement of the Framework Agreement, engaging the two parties to be contracted to implement "the 2010 Vision".

"The 2010 Vision" objectives are very ambitious both in terms of quantity and quality, and are as follows:

1-Tourist arrivals: 10 million of tourists, 7 million of whom are international tourists;

2-Hotel capacity: 160.000 (130.000 beds in sea tourist resorts and 30.000 beds in the cultural destinations of the country), putting the national capacity up to 230.000 beds;

3-Investments: their volume is expected to reach 8 to 9 billion Euros, (planning of the new sea tourist resorts, infrastructures, hotels, leisure and entertainment);

4-Revenues: They are expected to reach 48 billion Euros;

5-Jobs: 600.000 new jobs will be created;

6-Contribution of tourism to the GDP: this contribution should annually rise by 8.5% (on average), which would bring it to around 20% by the year 2010.

B-The six fundamental pillars of the 2010 Vision

In order to allow tourism to play fully its role as a driving force of socio economic development of the country, a great deal of measures and action plans has been envisaged, with an implementation plan, follow-up and assessment operations. The "2010 Vision "revolves around 6 fundamental pillars, which are real operational levers permitting to achieve its objectives: Product, Training, Air Transport, Marketing and Communication, Tourist Environment an Institutional Organization.

1- Product

The Tourism Department has launched an action plan relating to both seaside resort and "Cultural" products and aims at dealing with the expected increase of the hospitality's capacity of the country through the achievement of an additional 80.000 rooms by the year 2010.

This capacity which is likely to ensure the visibility of Morocco destination on international markets is shared out within the national territory: 65.000 rooms in seaside destinations and 15.000 rooms in cultural destinations. The approach adopted for the creation of this additional capacity, consists of:

- The creation of suitable tourist areas that could meet the new trends of tourist demand;
- The recourse/resort(ing), as regards the planning and the development of these areas, to private groups selected through a transparent procedure (invitation to tenders) on the basis of their professional and technical references in the field of planning and tourist industry and of their financial capacities for the realization of large scale projects.

a-"Azur Plan"

The creation of six new seaside resorts /stations on six priority sites, namely: Saidia (Berkane), Lixus (Larache), Mazagan (El Haouzia, El Jadida), Mogador (Essaouira), Taghazout (Agadir) and Plage Blanche (Guelmim).



b- New Tourist Areas

The opening of new tourist areas like the two planning projects of Aguedal (Marrakech) and Ghandouri (Tangier), whose development is ensured by Morocco Hotels and Villages (MHV), subsidiary of the Deposit and Management Office (CDG). These projects are at an advanced stage.

c- Cultural product

The combination of authentic products (imperial cities, ksours and kasbahs) and the diversity of immense potentials (architecture, gastronomy, costumes, handicraft, popular arts) should ensure the consolidation of this product on a worldwide scale and attract a clientele with a higher contribution.

d- Improvement of the traditional destinations

The creation of new resorts aiming at the improvement of existing destinations such as Marrakech, Fez, Casablanca, Agadir, Tangier, Tetouan.

e- Tourist Niches

Following the framework of the new strategy of ‘‘local tourist niches’’, the Tourism Department will focus on the identification of local tourist areas, the elaboration of the product with different prescribes, the participation of the population and local authorities to the implementation of promotional campaigns.

The niche products which have been adopted since 2004 are as follows:

- Cruising at the ports of Tangier, Casablanca, Safi and Agadir;
- Gliding sports (windsurf and kite surf) in Dakhla;
- Parachuting sport in Beni Mellal;
- Surfing in Safi and Mirleft(Province of Tiznit);
- Tourist hunting in Arbaoua(Province of Kenitra) ;
- The tourist train of the desert in Bouarfa (the Oriental region).
- Water sports in Laayoune;
- Tourist hunting in Bin El Ouidane-Azilal;
- Sea canoeing in Nador, Hoceima and Chefchaouen.

f- Rural product (PAT)

The concept of PAT consists of structuring the rural tourist demand around rural villages and areas with a specific product for each one, through the participation of local actors. In order to implement this strategy, an action plan was launched for the development of two types of welcome tourist countries:

- The new "PAT" concerning areas where rural tourist activities are long established and need to be improved, namely Chefchaouen, Ifrane and Immouzer Ida Outanane;

-The traditional PAT where tourist activities are old and need to be enhanced, namely the PAT of the Upper Atlas of the Desert of Errachidia , Ouarzazate and Zagora.

g- Local tourism

The new strategy for the promotion of local tourism, which is implemented in three stages, ambitious to increase the number of nights spent in classified national tourist establishments in order to reach 6 million of additional nights by the year 2010.

-Stage 1 (2003-2005): Limited promotional operations (actions) Kounouz Biladi;

-Stage 2 (2005-2006): Setting up of a distribution circuit for the existing product by the creation of national Tour Operators (T.O);

-Stage 3: Creation of products adapted to each population group by creating "integrated" areas.

2- Training

The implementation of the ‘‘2010 Vision’’ will generate a demand for direct employment of about 72000 jobs in the hotel sector. To take up such a challenge, the national system of training in hotel management and tourism is called upon to adopt an approach which is centred on synergy, optimization, flexibility and quality.

To this end, an Integrated Development Plan (PDI) has been elaborated in order to meet these requirements, involving all the partners concerned: the Professional Training Department, the Office of Professional Training and the Promotion of Employment (OFPPT) and the National Federation of Hotel Industry (FNIH).

3- Air transport: the open-sky policy

Since February 2004, Morocco has been engaged in a structured and clear policy concerning the liberalization of its sky.

-Entry of new airlines;

-Creation of the first Moroccan low-cost airlines intended for tourism: Atlas Blue followed by Jet 4 You;

-Setting up of partnerships with integrated TO of the major issuing markets designed for Morocco (France, Spain, Germany, United Kingdom, Belgium, Italy) with a view to enhance some priority lines and to put in place new ones (mainly point to point) linking the European cities with Moroccan destinations (Fez, Marrakech, Agadir,...etc)

Nowadays, this open sky policy is confirmed by the next coming into force of the open sky agreement between Morocco and the European Union (Signed in December 2006).

This agreement provides Morocco with new prospects, thanks to the entry into the Moroccan sky of some European low cost companies such as Ryanair or Easy Jet whose low price and the great marketing capacity, via Internet, (95% of sales) will permit Morocco to target new tourist segments.

The impact of this liberalization has been almost immediate on the air traffic which recorded satisfactory results:

+8.5 million international passengers in 2006 against 5.5million passengers in 2003;

International air traffic: +19% in 2006,+21% in 2005,+16% in 2004, against +3% in 2003;

355 “point to point” international frequencies/week in 2006;

+160 frequencies/week over 2003-2006 period, against+12% frequencies/week over 1999-2002 period.

4-Marketing: a new approach

-The restructuring of the Moroccan National Tourism Office (ONMT) in order to ensure the transition from an administrative structure to an efficiency-oriented organization;

-The strengthening of the new budget of the ONMT;

-The increase of the ONMT budget right from 2002;

-The emphasis should be put on priority markets of Morocco: France, United Kingdom, Italy, and Spain. In 2004, 80% of the budget was allocated to these 5 important markets;

-The strengthening of the co-marketing;

-The consolidation of the co-marketing with tour operators;

-The re-introduction of Moroccan product into the leading network of the distribution, through the signature of 8 strategic partnership's agreements with integrated T.O;

- The conquest of 4 main markets: Germany, United Kingdom, Italy and Spain;

5- Environment

Regarding the tourism environment, the Framework Agreement plans to achieve the following actions:

-The development of tourist entertainment at all regional levels;

-The improvement of the hospitality infrastructure at frontier posts;

-The control of tourist establishments;

-The adjustment of new texts relating to travel agencies, to couriers and tour guides;

-The conception of a legal framework governing the profession of tourist transport;

-The setting up of the necessary regulations governing the marketing of handicraft products;

-The setting up of a legal framework which aims at the control of rental property for tourist use;

-The harmonization of texts governing the licenses trade of hotels and restaurants;

-The setting up of a quality control mechanism;

-The setting up of a system that would motivate further the working staff and personnel.

6- Institutional reform

In order to ensure the success of the ‘‘2010 Vision’’ and to accompany its projects, the government has initiated with the collaboration of the relevant organizations and the representatives of the private sector involved in tourism industry an institutional reform targeting, inter-alia, the following sectors:

The reorganization of the ONMT, the public body in charge of the promotion of the Morocco’s tourism policy.

The creation of the ‘‘Tourism Observatory’’

The establishment of Regional Development Program (PDR) in the main cities and destinations (Marrakech, Agadir, Fes, Rabat, Casablanca, Ouarzazate, Meknes, Tetouan)

C- The achievements

1- The 2006 figures

The year 2006 showed a very satisfactory tourist activity. All the indicators are at this stage positive, and the occupancy of star-rated hotels increased by 17%.

All of these results are partially a result of the different following actions:

*Marketing and promotion: 49 marketing agreements have been signed with the Tour Operators and the leaders of the distribution in the field of tourism. Those agreements concern mainly the strategic markets (9 agreements have targeted the French market, 8 the United Kingdom, 6 Germany and 5 Spain).

* Air transport: the total number of weekly frequencies recorded an increase of +10% compared with 2005 and a growth of +10% for the point to point flight (outside the hub of Casablanca).

These different actions have had a positive impact on the evolution of tourist overnight stays, both per market and per destination.

As a result, the majority of the destinations showed positive results, compared with 2005: Agadir (+ 11%, that is +473000 overnight stays), Marrakech (+7% that is + 350000 overnight stays), Casablanca (+10% that is 115000 overnight stays), Rabat (+9% that is+47000 overnight stays) and Tangier (+3% that is + 25000 overnight stays).

The same is true of the potential markets: a two-figure increase for the British market (+40%), the Spanish market (+17%) and the Italian one (+11%) and one figure for both the German (+9%) and the French market (+3%).

On the whole, the volume of overnight stays stated by hotel owners in 2006 witnessed a 30% increase, compared with the former record of 2001.

The demand/offer balance has experienced some positive modifications, in parallel with the injection of about 10.000 additional beds on the market, and the average occupancy rate of rooms has risen by 2 points.

Annual progress of the main tourist indicators

	2001	2002	2003	2004	2005	2006	Var 06/05 (%)
Arrivals at frontier-post	4 379 990	4 453 260	4 761 271	5 476 713	5 843 377	6 558 333	12%
Nights in classified hotels	12 695 227	11 320 882	11 173 119	13 164 870	15 215 589	16 326 807	7%
Capacity (in beds)	97 001	102 097	109 615	119 248	124 270	133 230	7%
Rooms occupancy rate	48	42	39	43	47	49	+2 points
Trips receipts (in MDH) (*)	29 196	29 159	30 881	34 794	40 967	52 933	29%

Monthly progress of the main tourist indicators

	Dec. 05	Dec. 06	Var(%)	Jan- Dec. 05	Jan- Dec. 06	Var(%)
Arrivals at frontier-post	467 598	660 187	41	5 843 377	6 558 333	12
Nights in classified hotels	1 004 215	1 118 940	11	15 215 589	16 326 807	7
Rooms occupancy rate	38%	40%	+2 points	47%	49%	+2 points
Trips receipts (in MDH) (*)	3 259	5 103	57	40 967	52 933	29

2- The Azur Plan

a-Taghazout Resort (City of Agadir)

- Foreign investor: Colony Capital (United States of America)
- Area: 620 hectare
- Hotel capacity: 24 000 beds
- Investment amount: 2 billions USD
- Launching of works: January 2007
- Opening of the first hotel: August 2009

b-Saïdia Resort (City of Berkane)

- Foreign investor: Fadesa (Spain)
- Area: 613 hectare
- Hotel capacity : 17 000 beds
- Investment amount: 1.33 billion USD
- Opening of works: April 2004
- Opening of the first hotel: August 2007

c-Mazagan Resort (City of El-Jadida)

- Foreign investor: Kezner International (South Africa)
- Area: 504 hectare
- Hotel capacity: 3700 beds
- Investment amount: 700million USD
- Launching of works: 2007
- Opening of the first hotel : August 2009

d- Mogador Resort (City of Essaouira)

- Foreign investor: Thomas-Piron (Belgium) and Accor (France)
- Area: 580 hectare
- Hotel capacity: 6800 beds

- Investment amount: 750 million USD
- Opening of the resort: August 2009

e- Lixus Resort (City of Larache)

- Foreign investor: Thomas & Piron (Belgium)
- Area: 461 hectare
- Hotel capacity :12000 beds
- Investment amount: 660 millions USD
- Launching of works: February 2006
- Opening of the first hotel: August 2009

f- Plage Blanche Resort (City of Guelmim)

- Foreign investor: Fadesa (Spain)
- Area: 525 hectare
- Hotel Capacity: 19.500 beds
- Investment amount: 1.2 billion USD
- Launching of works: 2007
- Opening of the first hotel: July 2012

3-Other foreign investment projects

a- ‘Dubai International Properties’ projects (Dubai)

In March 2006, the government of Morocco has signed important agreements with Dubai Holding which will pave the way for Dubai International Properties (DIP), the international real estate investment arm of Dubai Holding, to develop a series of projects in major cities of Morocco over the next five years for a total amount of 12 billion USD, including the 2 billion USD Amwaj Project launched in 2005.

***The leading project: Amwaj**

The Amwaj project will cost US \$2 billion and will sprawl across 100 hectares of space along the banks of Bouregreg River, that separate the

capital Rabat from millennium-old Sale, aiming to create a unique waterfront development that would make the area a great attraction.

Already in progress and to be completed in two years, “Amwaj” will help transform the valley to a prestigious social centre, create 100,000 jobs, including about 40,000 direct ones, and boost economic development.

“Amwaj” will be a complete city that provides all the needs of a modern lifestyle. Set on the banks of the Bouregreg River, Amwaj offers an idyllic tourist, residential and commercial destination. It will feature a marina, hotels, convention centres, multiplexes, various residential units, shopping malls, commercial and residential towers and massive car parks,'

“Amwaj” is part of Oued Bouregreg project launched by His Majesty King Mohammed VI in 2004 in the historic valley of Bouregreg. The project covers over 4,000 hectares that will help turn the Bouregreg valley into one of the most important sites in the Arab States and Africa, and make of Rabat an important tourism destination.

***Some other projects included in the 12 billion USD package**

The Dubai Towers - Casablanca

The newly announced project will cover an area of 240,000 sq. m and will include two buildings - a hotel and an office tower. A mall anchored by prestigious brand names will add to the attractiveness of the development. The whole complex will offer office space, residential apartments, and retail and entertainment facilities.

Marina de Casablanca

The other new project will feature offices, retail and entertainment facilities, marina hotels, residential apartments, promenade and open landscape spaces, over a built-up area of 190,000 sq. m.'

b- ‘Emaar Properties’ projects (Emirates)

Emaar Properties, the world’s number one property developer, has further strengthened its position in the Moroccan market with the company’s investments reaching 7 billion USD covering six real estate projects across the country.

The Memorandum of Understanding already signed with the government of Morocco includes six unique developments stretching from the Atlas Mountains to the Atlantic coast and includes world class golf and ski communities, Riviera living and luxury spas and resorts. Construction works have been started in 2006.

The six distinct developments projects covered by the MOU are:

***Oukaimeden**

Located in the Atlas Mountains, Oukaimeden, the valley of four winds, is set to become the ultimate four season mountain destination for recreation, entertainment, relaxation and residence as well as being the Middle East and Africa's only golf and ski resort.

With 2,000 hotel rooms, more than 300 retail units and 25,000 sq. metres of business and conference facilities planned, Oukaimeden will be a year round hive of activity.

***Saphira**

Situated on the City's western side of the Capital Rabat, Saphira (Rabat Corniche) will become the leisure and tourism hub of Rabat City, one of the country's most famous historic and cultural centres. With a striking Atlantic coastal position, Mediterranean and Moorish architecture and an ancient commercial heart, Saphira will provide high quality residential communities, as well as a vast array hotel and leisure facilities.

Stretching along 11km of coastline, covering 330 hectares and comprising nine distinctive districts, Saphira will include a road network of tree-lined boulevards, an electric tram system, cycle-paths, parks and green spaces. At Saphira's core will be the pedestrian, "Le Grand Souk", which will connect the old Medina with the new Medina, Maris district – a world class marina development with vibrant Riviera lifestyle and a host of leisure and retail opportunities.

***Tinja**

Nestled between seafront and natural indigenous forest, Tinja is a haven of peace and tranquillity just 20 minutes from Tangiers. Offering a mix of high quality residential and commercial zones arranged around a vibrant marina,

Tinja is a world class development located on the impressive Atlantic Ocean coastline.

With more than 670 residential units and over 600 hotel rooms as well as leisure clubs and facilities, Tinja offers Riviera living at its best - eye catching coastal views combined with world class facilities. Located close to the main coastal route and the Ibn Battuta Airport, Tinja provides the perfect gateway from which to explore Tangier and Morocco as a whole.

***Bahia Bay**

Bahia Bay a 531 hectare development, located midway between Casablanca and Rabat and in close proximity to Bouznika Bay, will combine all the benefits of an Emaar golfing community along with the advantages of a coastal location.

The development will also feature a beach hotel, golf hotel, beach clubs, equestrian facilities, retail and entertainment and a community and recreation centre making Bahia Bay an ideal location for residents and visitors alike. With construction starting in the first quarter of 2006, the development is expected to be completed in five years.

***Amelkis I and Amelkis II**

Amelkis II is a luxury residential golfing complex in Marrakech which will allow individual buyers to purchase plots of land and design and build their ideal home.

Amelkis II is being developed by Emaar and Onapar, part of the Moroccan ONA Group and follows the highly successful Amelkis I project by Onapar. Work on the 1.25 million sq metres site started in 2005.

c- ‘Gulf Finance’ Projects (Bahrain)

In July 2006, two official agreements were signed between the Bahraini Gulf Finance House (GFH) and the Government of Morocco to develop the ‘Gateway to Morocco’ project. With a total project value estimated at US\$ 1.4 billion, the first phase of ‘Gateway to Morocco’ will comprise two distinctive but complementary elements – Marrakech Equestrian City in Marrakech, and Cap Malabata Resort in Tangiers.

d- Fadesa Projects (Spain)

In June 2006, the Spanish Fadesa Group announced the launching of a direct investment of 300 million Euro for the construction of a real estate and tourist complex of "high standing" in Marrakech.

The new project envisages the construction of 2,685 residences, 3 hotels, a golf and a commercial centre of 30,000 sq. The project, which is located 4 km away from the centre of Marrakech, will extend over a surface of 174 ha.

With the new project, Fadesa reinforces its presence in Morocco as one of the large tourism investor leaders. The Marrakech complex is part of a package of real estate and tourism projects carried out or under construction in various regions of the kingdom.

In April 2006, Fadesa had announced the launching of a tourism complex project dubbed "feet in water" in Kabila, near Tetouan. The complex will cost nearly Euros 150 million. It includes 2,189 residences of various types, a hotel and a zone of trade and entertainment.

The ambitious real estate project of Tangier City Centre (hotels, residences and office buildings) has also been attributed to a Spanish consortium made of Fadesa Maroc and Anjoka.

The total investment in this project is expected to 63 million euros and will considerably help the northern city increase by 20% the city's tourism capacity to 8,400 hotel beds.

Fadesa is already in charge of various real estate projects in Morocco including the Mediterranean resort of Saidia, a major component of the Azur Plan.

e- Qatari Diar Project (Qatar)

In July 2005, the Government of Morocco and the Qatari company "Diar Qatari" have signed an agreement for the "Al Houara" project to be build

near the City of Tangiers with a direct investment amount of 170 millions USD.

A 2.3000.000 square meter's, Al Houara project is set to be Tangier's new exclusive address and tourism hub with world-class facilities including a five-star hotel, over 1,200 villas and apartments, coastal chalets, exhibition centre, golf club, restaurants and a Kasbah, an ancient-style bazaar, offering traditional handicrafts.

“ Al Houara” is the first step of Qatari Diar investment plan in Morocco. It will be followed by additional projects of 350 million USD.

f- The latest agreed projects

*On 19 March 2007, the Government of Morocco has signed seven investment agreements with international companies, worth 230 millions USD. Among those agreements, five are relating to tourism:

- The Spanish company "Iberostar Hotels and Resorts" will build a 3,000-bed capacity residential complex in Marrakech;
- The Emirate's Real Estate Company "Emaar Morocco" will build a resort in the northern region of Tangier-Tetouan;
- The company "Gilmaroc Seaside" will establish a resort also in the region of Tangier-Tetouan in the province of Tangier-Tetouan;
- The company "Leonard De Vinci International" of Luxembourg will build a 585-bed capacity tourist resort in Marrakech;
- The Moroccan Group "Addoha" will build a resort in Plage des Nations (close to Rabat).

* On 1st April 2007, the founding convention of “Reem Maroc” was signed in Abu Dhabi. “Reem Maroc” is a branch of Emirati real estate group “ Reem Investment”. Following this convention, "Reem Maroc" is to build a 1 Billion USD residential and tourism project in Marrakech (321 km to the south of Rabat).

The 200hectare resort dubbed "Atlas Garden" includes an 18-hole golf course, 3 hotels with a 2,500-bed capacity, housing compounds in addition to economic and commercial infrastructure such as a crafts market and a mall centre. The project will be operational within five years.

