### Morocco

Capital: Rabat

Population: 33,757,175 (2007 estimate) GDP\*: \$152.5 billion (2006 estimate)

Currency: Moroccan dirham

Language: Arabic

# **Summary**

Morocco was generally not an attractive market for U.S. Automotive products. This is gradually changing with the arrival of Renault Nissan, which is building a large production plant in Tangiers.

#### **Current Market Trends**

The Renault-Nissan Alliance is continuing to spread its global tire tracks as it signs an agreement for manufacturing facilities in Morocco. The Franco-Japanese Alliance already has an assembly plant in Rosslyn, South Africa, among other places, and this new agreement signals its intention to increase sales and output dramatically in the next few years. Renault started building the complex earlier this year in Tangiers.

The manufacturing site is currently producing 30,000 vehicles per year and has the capacity to produce 400,000 vehicles per annum by 2010. A number of vehicle derivatives from Logan's B0 Platform and Nissan's LCVs will be manufactured through the facility.

#### **Current Demand**

Renault-Nissan requires 60% to be sourced in Morocco as part of the Alliance's local integration strategy. Local sourcing is targeted to increase to 80%. As it stands, current Moroccan suppliers are unable to deliver all the required vehicle part quality level. Therefore, Renault / Nissan is looking for Tier 1 and 2 suppliers to expand their presence to Morocco. Tier 3 suppliers are encouraged to explore JV or other types of business relationships with local suppliers. The first requests for quotations are expected to be released shortly.

The U.S. Department of Commerce's Global Automotive Team is opening doors at Renault-Nissan on behalf of the U.S. automotive industry. A webinar will be held on August 29 to help U.S. industry supply to the Alliance. For more information: http://www.buyusa.gov/auto/supply\_to\_renault\_nissan.html

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