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**COUNTRY PAPER MOROCCO**

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## A. INFORMATION ON THE COUNTRY'S EXPERIENCE

### A. 1 Country policy to promote exports and main indicators

Export promotion is a strategic element in Morocco's economic growth and a key element and an important development tool in Moroccan Government policies.

In this framework and in order to promote exports national policies are focusing on institutional promotion tools redefinition, on companies upgrade, as well as on administrative reform.

Apart from the financial aspects, fiscal issues, insurances and external market approach are the main concerns to be investigated in order to allow national companies to become competitive in a competitive environment.

#### Performance evaluation

Export performance, measured through the ratio between exports and GDP, has improved and has reached 20% over the period 1998-2004. This has been possible thanks to the increase in value added products export.

Evolution of exports compared to the GDP over the period 1998-2004

Value expressed in 1000 DH<sup>1</sup>

Year	1998	1999	2000	2001	2002	2003	2004
GDP (1)	344005	345594	354208	383185	397782	419986	443672
Exports (2)	68607	73617	78827	80440	86389	83887	86365
2/1 en %	19.9	21.3	22.2	20.9	21,7	19.9	19,4

Evolution of exports by sector over the period 1998 et 2004

Sectors	1998	1999	2000	2001	2002	2003	2004
Textile and leather	27481	27586	28884	30169	30602	30776	30269
Chemicals	10784	12099	12370	12598	13189	11992	14231
Electrical goods	5927	8115	8680	8251	10781	12069	11660
Agro-industry	4705	4998	5250	6226	6615	7416	7721
Mineral	6153	6171	6039	6484	5962	4783	5441
Méchanical et métallurgique	2045	1589	2284	2576	3331	3153	5010
Fishing	5092	5226	7662	6109	7083	5500	3882

Exports have increase to 86 billion in 2004 dirhams compared to 68.6 billion dirhams in 1998. They are characterized by few products predominance.

<sup>1</sup> 1 DH= 0,09 Euros (May 2007)

The 20 principal products constitutes 70% of the global export and 80% of these products are exported to 12 countries, out of which 8 are European Countries. The 5 principal clients are France, Spain, Germany, Italy and Great Britain, with 35%, 9%, 8%, 6% and 5% respectively.

Nevertheless, the export evolution analysis over the period 1998 – 2004 shows the following :

- An average annual growth of 6.7% ;
- The ratio export/GDP has been stable over this period with a little fluctuation in 2003 and 2004;
- Sectoral concentration;
- Geographical concentration;
- The exportable offer is not very elastic nor diversified

As for the sectoral analysis, textile and leather are the most exporting sectors with around 35% of the global exports. Chemical and para chemical products are the second exporters with 15% of the global exports, and electrical, agricultural and fishing products constitute the third export category with 6% of the global exports. The rest is subdivided among mine, agro-industrial and energy products.

### **Exports competitiveness**

Moroccan export companies suffer from a lack of competitiveness. The reasons for this situation are multiple and depend both on the company itself and on the socio-economic environment.

The factors that can block exports development are :

- The delay in the upgrading of production tools, sectoral restructuring, different sectors integration.
- The production high costs if compared with external competitors (energy, transportation, etc...)
- Little use of some promotional tools and incentives such as export credit and insurance
- The lack of international marketing training in SMEs
- The high costs to import products (custom duties)

### **Foreign Trade General Performances**

	1995	2005
Volume (billion dirhams)	144	274
Volume/GDP (%)	51	59
Imports (billion dirhams)	85	180
Exports (billion dirhams)	59	94
Exports/ GDP (%)	21	20
Deficit (billion dirhams)	26	86
Reserve ratio (%)	69	52

## « Plan emergence »

The “Plan Emergence” is a voluntary strategy targeting 7 export oriented sectors that can trigger the national economy and that will represent 70% of the industrial growth in 2015:

- Off shoring,
- Automotive,
- Aviation industry,
- Electronics,
- Agro industry,
- Seafood products and
- Textile.

The “Plan Emergence” should generate in the next 10 years :

- 9 billions Euros GDP increase,
- I.e. an increase of 1,6 growth point per year,
- 440.000 jobs,
- Half the commercial deficit

## A.2 Incentive framework

The Ministry of Foreign Trade (MCE) has set up in 2006 a specific support fund for export consortia for start-up, communication tools and promotional actions over the first 3 years (see Table 1).

The Ministry has signed an agreement with ASMEX (the Moroccan Exporters Association), which entrusts the Association with the management of the Fund and defines the mechanism of the support fund.

ASMEX has mainly two tasks:

1. it provides consortia with assistance in terms of providing information and receiving the applications and transfer them to the Management Board (which is chaired by the Ministry and is composed by a representative from AMSEX, a representative from CMPE – the Moroccan Export Promotion Centre – and one from ANPME – the National Agency for the Promotion of SME);
2. it is responsible for the approval of funds assignment.

The fund is covered through a tax on imports, and the amounts are transferred from the Ministry to AMSEX every year.

### *Morocco – export consortia subsidies according to MCE – ASMEX Agreement*

	<b>Eligible expenses</b>	<b>% of subvention</b>	<b>Maximum amounts</b>
<b>Start-up expenditures</b>	<ul style="list-style-type: none"> <li>- Computer and related equipment</li> <li>- Web site</li> <li>- Promotional material</li> </ul>	50%	100,000 DH <sup>2</sup>
<b>Promotional actions</b>	<ul style="list-style-type: none"> <li>- Participation in trade fairs and exhibitions</li> <li>- Export markets prospect</li> <li>- Market studies</li> </ul>	1st year 75%	200,000 DH
	<ul style="list-style-type: none"> <li>- Export marketing plans</li> <li>- Invitation of buyers</li> <li>- Promotional days</li> </ul>	2nd year 60%	200,000 DH
		3rd year 50%	200,000 DH

To be eligible consortia must: promote goods and services, have a stable structure and member firms must not belong to the same corporate (or family) group.

Besides MCE-ASMEX support, Moroccan export consortia benefit from a preferential treatment among other general export financial support schemes:

<sup>2</sup> 1 DH= 0,09 Euros (May 2007)

- The Moroccan Export Promotion Centre (CMPE – [www.cmpe.org.ma](http://www.cmpe.org.ma)), a public sector agency under the Ministry of Foreign Trade, now funds consortia up to 85% of their participation in its programmes (mainly trade fairs).
- The National Agency for the Promotion of SME (ANPME [www.anpme.ma](http://www.anpme.ma)) supports groups of firms, willing to create or develop an export consortium, by covering the expenses of advisory services, technical assistance and promotion.
- The Moroccan Export Insurance Company (SMAEX - [www.smaex.com](http://www.smaex.com)), a joint public-private investment company that manages the export insurance system: consortia are eligible to the services of this company as individual exporters (transactions insurance, risks of unsuccessful attempts to enter new markets, credit access facilities, etc.).

### **A.3 Role of support institutions**

In Morocco a number of institutions helps promoting exports. Six are the main players: the Ministry of Foreign Trade, the Moroccan Export Promotion Centre (CMPE), the House of Craftsmen, the Moroccan Export Insurance Company (SMAEX), the Autonomous Establishment for Export Control and Coordination (EACCE), the horizontal professional Association: the General Federation of Moroccan Enterprises (CGEM), the Moroccan Exporters Association (ASMEX). Besides this major players there are also the different sectoral professional Associations.

#### **Ministry of Foreign Trade**

The Ministry of Foreign Trade is among others in charge of:

- The coordination of foreign trade promotion by public organizations and the assistance to private companies.
- Taking part in the formulation of any measure or decision related to economic and foreign trade relations as well as economic competitiveness, in particular those measures that affect the composition of exports (goods and services);

#### **Moroccan Export Promotion Centre (CMPE)**

CMPE is a publicly-owned establishment under the supervision of the Ministry for the Foreign Trade and is in charge of:

- Implementing the programme for participation in trade events abroad (general fairs, specialized exhibitions, commercial missions) prepared annually by the trade fairs and exhibitions committee, on which the private sector is well represented.
- Export promotion and export development of industrial and agro alimentary products, services and all other products not under the responsibility of other public institutions.

The CPME's Board of Directors, the members of which are representatives of both the public sector and the trade associations, also prepares export development strategies. In addition to supporting firms in their participation in trade events, CPME also provides them with a promotional space on its website, which lists companies in an interactive database.

#### **House of Craftsmen (Maison de l'Artisan)**

The House of Craftsman, a publicly-owned establishment under the supervision of the Ministry of Tourism and Crafts, promotes craft products in the national as well as international markets. It does so through:

- Advice and assistance to craftsmen on the improvement of product quality and productivity;
- Supervision and guidance of exporters in developing markets;
- Exploring new markets for Moroccan products and building up commercial contacts;
- Evaluation of export products, in terms of their export potential, production cost and export price, to help create a competitive spectrum of export goods;
- Market research to adapt products to consumer requirements and tastes;
- Advertising crafts at specialized exhibitions both in Morocco and abroad;
- Represent the crafts sector in trade events.



### **Moroccan Export Insurance Company (SMAEX)**

SMAEX is a joint public-private investment company which manages the export insurance system. It plays an essential part in export promotion by insuring transactions, sharing the risks associated with unsuccessful attempts to enter new markets and making it easier for exporters to obtain financing by reducing financial risks. In particular, its activities include:

- Insuring, on behalf and under the control of the Government, political, catastrophic and non-transfer risks, extraordinary trade risks related to credit insurance as well as the risks associated with market exploration and trade fairs;
- Insuring for its own account, but under the control of the State, ordinary trade risks related to credit insurance.

### **Autonomous Establishment for Export Control and Coordination (EACCE)**

EACCE is mainly responsible for:

- Conformity of Moroccan food exports with legal requirements in international markets, in addition to their compliance with all mandatory health hazard provisions;
- Coordinating the export of products subject to its technical control by means of a concerted management and the enhancement of national exports.

### **National Foreign Trade Council (CNCE)**

The mission of CNCE is:

- Formulating consultative opinions on foreign trade issues;
- Deliver suggestions to strengthen the Moroccan products competitiveness and services on foreign markets.
- Prepare an annual report on foreign trade
- Award every year the most performing Moroccan companies on foreign markets.

### **National Agency for the Promotion of the Small and Medium Size Enterprise (ANPME)**

ANPME's tasks include:

- Development and implementation of financial support programmes aimed at the creation, promotion and upgrading of SMEs;
- Helping to improve the SME environment;
- Encouragement of and assistance to SME support networks and structures;
- Assistance to and promotion of local, regional, national and international partnerships between SMEs and large firms;
- Simplification of administrative, taxation and legal measures;
- Financial support for the creation of SME infrastructure (land and buildings);
- Collection, processing and diffusion of SME-related information.

### **General Federation of Moroccan Enterprises (CGEM)**

The Federation promotes enterprises development and investment, supervises and strengthens enterprise federations and associative structures, and represents and defends enterprise interests in various other ways. In this particular context, it aims to help Moroccan enterprises, particularly the SMEs, in their quest for quality and productivity partnerships.

### **Moroccan Exporters Association (ASMEX)**

ASMEX is a private organization whose mission is the promotion of Moroccan exports by:

- Promotion of Moroccan exports;
- Domestic and foreign lobbying;
- Encouraging Moroccan exporters to improve their competitiveness.

#### **A.4 Number and typology of operational export consortia**

##### **Registered Moroccan Export Consortia**

<b>N°</b>	<b>Consortium Name</b>	<b>Location</b>	<b>Number of firms</b>	<b>Sector</b>	<b>Main products</b>	<b>Main target markets</b>
1	Mosaic	Casablanca	6	Garment	Shirts, trousers, jackets, lingerie	France, Spain, Portugal
2	Fonoon	Casablanca	6	Home textile	Furniture fabrics	EU, Middle-East, Maghreb, USA
3	Travel Partners Morocco	Casablanca	7	Tourism	Travel packages, accommodation facilities, ticketing, organization of events	Eastern Europe, China
4	Look Avenue	Casablanca	5	Garment	Shirts, trousers, jackets, T-shirts, pullovers	Spain, UK, Italy, USA
5	Vitargan	Essaouira	4	Food	Argan oil	France, Germany, North America
6	Sawt Argan	Taroudant	6	Food	Argan oil	France
7	Odyssée	Casablanca	5	Building materials	PVC frames, windows, doors, kitchens, cupboards	West Africa, Algeria
8	Charm Consors	Casablanca	4	Garment	Jackets, dresses, trousers, t-shirts, polos	Spain

### Operational SME networks not yet legally formalized

N°	Group Name	Location	Number of firms	Sector	Main products	Main target markets
1	El Mazij	Casablanca	5	Mechanics and metallurgy	Mechanical and metallurgical parts	France, Spain
2	Dev'Auto	Casablanca/ Fès	6	Motor vehicle spare parts	Filters, batteries, exhaust tubes, shock absorbers	France, Germany, Spain
3	Fashion Pool	Fès	5	Garment	Dresses, trousers, skirts, blouses	France, Spain, UK
4	Everlast	Casablanca	5	Garment	Trousers, jackets, skirts, mesh	Spain, Italy

### Informal networks being assisted

It has to be noted that new groups are being developed in the following sectors:

- ICT (2 groups in Casablanca and Mohammedia)
- Leather (3 groups in Casablanca and Fès)
- Garment (1 group in Rabat)

### ***A.5 Main problems hampering the creation of export consortia and proposals for improvement***

- Interfirm strategic alliances, based on collaboration and information exchange are a brand new concept in Morocco. Of course the opening up of the country's economy to the international markets pushes the Moroccan companies to find new solution to be competitive in this new environment. Export consortia are more and more perceived by SME as one of the most strategic and appropriate tool towards this aim.
- The absence of a sharing culture that is translated in judicial terms in a contract of association, with defined responsibilities and obligations, between the members. This is a new concept in Morocco: SMEs are usually family businesses managed in an individualistic way. The consortium therefore constitutes a 'mini revolution' which requires support.
- The appropriate judicial structure for consortia in Morocco is the Economic Interest Grouping (GIE). However, although the law on the GIE has been in effect since 1999, it is hardly used by enterprises and consequently it is scarcely known by public administrations, trustees and lawyers. And while the GIE should be promoted as the judicial form for consortia, its shortcomings, particularly with regard to taxation, should be addressed at the same time.
- Identifying the consortia's members constitutes the crucial phase of the group constitution. SME willing to constitute an export consortium often prefer that the expert participate in the research of new partners. This is a big responsibility for the expert (though the members' criteria have been identified directly with the companies) and requires several time and a long investigation effort .
- Both the existing, legally recognized consortia and the ones being set up are mainly promotion consortia. Although there are clear opportunities for selling to foreign customers, the establishment of sales consortia is hampered by the fear that members might lose their exporter status under Moroccan law.
- Little support and involvement of sectoral professional organizations, not for lack of information or awareness, but rather because they lack staff and have little influence on their members. In this framework, the Moroccan Association for textile and garment (AMITH) constitutes a real exception and a model to be followed.

#### **Proposals for improvement:**

- Even though sectoral associations neither contribute to the constitution of groupings nor to the identification of members, the expert supporting the creation of a consortium must maintain relations with them by informing them about the project's progress. It's important for the expert to participate in their seminars and meetings in order to better understand the evolution of their respective sectors and markets, to disseminate information on the export consortia programme and trigger the interest of the companies attending the events.
- It is important that the national expert and the administrations involved in the project put in place the required conditions for the development of export consortia and their sustainability. This refers especially to the legal and fiscal framework and goes from custom procedures to financial institutions and credit access.
- Improve and increase the communication tools for promoting the export consortia concept through medias (national and regional newspapers and television)
- Organize and facilitate university or technical school seminars on strategic alliances' objectives and advantages, in order to disseminate the concept among students that might be interested in developing a thesis or a research paper on export consortia. This might be considered as a marginal activity but its strategic importance can be better analyzed if we consider that these students are tomorrow's managers.

### Main problems and proposals for improvement

Main problems	Proposals for improval
Non-recognition of the interfirm strategic alliance importance among SMEs	<ul style="list-style-type: none"> <li>- Organize information dissemination campaigns addressed to professional organizations and sectoral associations (both at the national and regional level)</li> <li>- Participate in their exhibitions and seminars to trigger companies' interest on the concept</li> <li>- Stimulate direct contact with interested or targeted companies, especially with those owned by young entrepreneurs who are usually more open-minded</li> <li>- Develop communication and disseminate through the national and regional media the results, experiences and success stories of existing consortia</li> </ul>
Non-recognition of the consortium concept and weak involvement of sectoral trade associations.	<ul style="list-style-type: none"> <li>- Maintain relations with sectoral trade associations by informing them of the project's progress;</li> <li>- Involve the sectoral trade associations' regional representations in the information dissemination and organize seminars at their level</li> <li>- Develop communication and diffuse information at economic and sectoral trade events.</li> </ul>
Problems related to identifying potential members	<p>Major role for an outside expert in:</p> <ul style="list-style-type: none"> <li>- To establish an homogeneous team with shared objectives;</li> <li>- To ensure that selection criteria for future members are established</li> <li>- To facilitate the group dynamic (especially during the start up phase): organize meetings, phase activities, follow up on the work plan, etc.</li> </ul>
<p>The GIE (Economic Benefit Grouping) law:</p> <ul style="list-style-type: none"> <li>- Members' are individually responsible for the consortium with their own assets</li> <li>- Fiscal issues</li> <li>- Accountability issues</li> </ul>	<ul style="list-style-type: none"> <li>- Adaptation of the law 13/97 on the GIE and start the development of a legal framework specific to Export Consortia</li> <li>- Clarify fiscal aspects with concerned administrations (e.g. VAT)</li> <li>- Obtain the indirect exporter status for sale consortium members with the same conditions applied to industrial platforms</li> <li>- Identify the accountability framework to be adopted by GIE</li> </ul>
Custom procedures	Grant to sale consortia the benefits of importing TVA exempted raw materials if these are used for the production of goods to be exported (Régimes Economiques en Douane)

Foreign currency allowances	Grant to consortia the same benefits and foreign currency allowances that are granted to individual exporters.
Problems related to identifying good service providers (selection can be time consuming)	Development of a service providers database for the services requested during the start up phase ( trustees, lawyers, training companies etc)
After the constitution and start up phase a consortium can feel isolated and might want to communicate and exchange experiences with other consortia, in order to improve its performance	<ul style="list-style-type: none"> <li>- Institutionalize regularly scheduled Inter-Consortia meetings with thematic agenda</li> <li>- Organize inter consortia visits</li> <li>- Develop, through a web-site, a forum for the different consortia's members</li> <li>- Support (when the number of consortia will be convenient) the development of the Export Consortia's Association. This Association could have an important role to play as interlocutor for the public and private sectors as well as becoming a think tank and animate export consortia's development initiatives</li> </ul>

## B CASE STUDIES OF EXPORT CONSORTIA

Consortium's name	FONOON	Travel Partners Morocco
Sector	Home textile	Tourism
Type	Promotion	Promotion
1) Legal form and capital 2) Capital 3) Number of firms and their size 4) Year of incorporation	<ul style="list-style-type: none"> <li>• GIE</li> <li>• 20.000 \$</li> <li>• 6 companies</li> <li>• 2006</li> </ul>	<ul style="list-style-type: none"> <li>• GIE</li> <li>• Without capital, but an entrance fee and annual contribution of USD 1.500 \$</li> <li>• 7 travel agents</li> <li>• 2007</li> </ul>
Organizational structure	<ul style="list-style-type: none"> <li>• One president and a vice-president elected for maximum two years;</li> <li>• All members are administrators;</li> <li>• A full-time director;</li> <li>• Office at the trustee's office;</li> </ul>	<ul style="list-style-type: none"> <li>• One secretary general elected for two years;</li> <li>• All members are administrators;</li> <li>• A part-time coordinator ;</li> <li>• The 4 main axes of the action plan are distributed among the members:               <ul style="list-style-type: none"> <li>- <b>Tourism</b> (hotels, transports, restaurants)</li> <li>- <b>Ticketing and other grouped/common purchases</b></li> <li>- <b>Communication and training</b></li> <li>- <b>Tourism export</b></li> </ul> </li> <li>• Office at one member's office;</li> </ul>
Main type of services provided	<ul style="list-style-type: none"> <li>• Development of communication and promotion tools</li> <li>• Participation in special exhibitions abroad and/or commercial missions ;</li> </ul>	<ul style="list-style-type: none"> <li>• Tourist services commun purchase</li> <li>• Establishment of a performing management system and of a staff training system</li> <li>• Improvement of the products offered</li> </ul>



	<ul style="list-style-type: none"> <li>• Development and realization of an exhibition stand for the consortium ;</li> <li>• Identification of external expertise for the upgrading of the consortium members ;</li> <li>• Search for sales agents;</li> <li>• Market research;</li> <li>• Information and experience exchange.</li> </ul>	<ul style="list-style-type: none"> <li>• Market research;</li> <li>• Preparing common offers for big bidding process ;</li> <li>• Organization of participation in special exhibitions abroad and/or commercial missions ;</li> <li>• Development of communication and promotion tools;</li> <li>• Establishment of a common human resource data base;</li> <li>• Common resources purchase ;</li> <li>• Development of a common clients and suppliers' database;</li> <li>• Information and experience exchange;</li> <li>• Organization of thematic seminars and meetings with common counterparts</li> </ul>
Main target markets	Europe, USA, Middle East, Maghreb Countries	All the countries that are not yet covered by the members: Russia, Poland, Portugal, South America, China
Yearly operational and promotional costs	<ul style="list-style-type: none"> <li>▪ Yearly operational costs: 12.000 \$</li> <li>▪ Yearly promotional costs: 250.000 \$</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yearly operational costs: 15.000 \$</li> <li>▪ Yearly promotional costs: 80.000 \$</li> </ul>
Funding of the consortium	<ul style="list-style-type: none"> <li>▪ Yearly contribution: 2.000 \$ per company</li> <li>▪ Contributions for specific activities</li> <li>▪ Assistance from institutions.</li> <li>- Support fund to the export consortia : 50% for</li> </ul>	<ul style="list-style-type: none"> <li>▪ Yearly contribution: 2.000 \$ per company</li> <li>▪ Contributions for specific activities</li> <li>▪ Assistance from institutions.</li> <li>- Support fund to the export consortia : 50% for</li> </ul>

	<p>communication tools for the first year and 75%, 60% and 50% respectively for the first three years for promotion activities</p> <ul style="list-style-type: none"> <li>- CMPE : 85% of the cost of the stand in international exhibitions</li> <li>- SMAEX : 50% of the expenditures incurred for scouting missions abroad and for the participation to international fairs and exhibitions</li> </ul>	<p>communication tools for the first year and 75%, 60% and 50% respectively for the first three years for promotion activities</p> <ul style="list-style-type: none"> <li>- ONMT : 50% of the cost of the stand in international exhibitions</li> <li>- SMAEX : 50% of the expenditures incurred for scouting missions abroad and for the participation to international fairs and exhibitions</li> </ul>
Cost of consortium incorporation	3.000 \$ including legal expenses, office furniture and computer equipment.	Legal expenditures: 1.500 \$
History of the consortium	<p>The internal market is more and more saturated and the situation will probably get worse with the opening up of the Moroccan economy to other countries through the establishment of free trade areas with several countries (UE, Turkey and the Agadir Agreement countries). In this context, FOONON members have understood the importance of orienting their production towards export markets, by adapting their offer to the potential customers' requests. In order to attend this objective, which also aims at valorising the Moroccan home textile image in the external markets, grouping the six most important companies in the home textile in an export consortium was the best solution.</p> <p>By putting together their capacities and skills, FOONON aims at presenting to potential buyers a creative, new and complementary offer.</p>	<p>In the framework of the Tourism Development Plan (Vision 2010) the travel agents who constitute the Travel Partners Morocco Consortium have decided to constitute a group to better answer to customers' needs and to take advantage of the positive opportunities offered by the Moroccan Tourist sector.</p> <p>The main reasons for the 7 travel agents to get together in a consortium are :</p> <ul style="list-style-type: none"> <li>➤ To be part of the new promotion of the Moroccan tourist sector</li> <li>➤ Take advantage of "Vision 2010"</li> <li>➤ The ambition to improve members image by developing the « ethical » concept</li> <li>➤ The destabilizing effect of the new flight ticket policy that establishes a new remuneration system</li> <li>➤ The threat of international competitors, the big tour operators that set up their offices locally either through new structures or by</li> </ul>

		<p>buying local travel agents</p> <p>➤ The concern of surviving in this new environment, by improving the quality of the services offered, by diversifying the products and the markets served, by developing an information and experience exchange culture among the member.</p>
Performances	<p><i>Main activities implemented:</i></p> <ul style="list-style-type: none"> <li>• Creating a brochure presenting the consortium;</li> <li>• Recruiting a full time coordinator;</li> <li>• Ongoing development of a web site ;</li> <li>• Market research on the Algerian market;</li> <li>• Participation at international specialized exhibitions and fairs: Index in Dubai, Heimtextil in Frankfurt, Moroccan Week in Libya;</li> <li>• Visit at exhibitions : Evtteks in Istanbul ;</li> <li>• Commercial missions: Russia and USA;</li> <li>• On going study on furniture producers market in France ;</li> <li>• Identification of external expertise to restructure members' creative units and to realize self made homogeneous collections;</li> <li>• On going research of sales agents in the target markets.</li> </ul>	<p><i>Main activities implemented:</i></p> <ul style="list-style-type: none"> <li>▪ As for the competitiveness improvement : <ul style="list-style-type: none"> <li>- Tourist services common purchase in order to get profitable rates: hotel, transports, insurance...</li> <li>- Establishment of a common promotion policy</li> <li>- Development of an efficient information system for : quotation elaboration, treasury, specifications, etc...</li> <li>- Study tour to AFAT, a French agency that groups 600 tour operators and establishment of a partnership agreement</li> <li>- Establishment of different training modules for managers and staff (standard and specific modules linked to the core activity of the consortium members)</li> </ul> </li> <li>▪ As for the offer improvement <ul style="list-style-type: none"> <li>- Access for all companies to each other services through experience exchange and lessons learnt ( example: the incentive)</li> <li>- Development of a common offer on certain products (incentive, incoming of foreign tourism ...) and development of specific products (global package for tourists or business men)</li> </ul> </li> <li>- Preparing common offers for big bidding</li> </ul>

		<p>process: festival, congress, etc....</p> <ul style="list-style-type: none"> <li>▪ As for the foreign demand The incoming of foreign tourism development will be focusing on new markets, such as East-European countries, (Russia, Poland, Ukraine), Scandinavian Countries, China. These markets will be targeted in 2007 through the following approaches : <ul style="list-style-type: none"> <li>- Participating to professional international fairs: ITB Berlin, BIT Milan</li> <li>- Participating to 2 commercial missions abroad: Barcelona, Scandinavian Countries</li> </ul> </li> </ul>
Main challenges ahead	<ul style="list-style-type: none"> <li>• Revision of the products offered according to the occidental market demand;</li> <li>• Development of self made collections</li> <li>• Create a label for the consortium</li> <li>• Establishment of a common commercial structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ Place the consortium as a reference for the tourist spots foreseen under the Plan Azur and for the foreign tour operators ;</li> <li>▪ Organise Workshops abroad;</li> <li>▪ Organise « éductours « (education tours) by inviting foreign tour operators to Morocco.</li> <li>▪ Create a label for the consortium</li> </ul>
Changes in membership	<p>The starting group was composed of 5 members. One of these members quit the consortium for personal reasons. The consortium has then decided to open up to other companies that had asked to be integrated into the group. Two candidates have been positively evaluated and have become members.</p> <p>FOONON has now 6 members.</p>	<p>The consortium seeks to integrate in the short run some other travel agencies that agree with the same principles and core values, from different Moroccan regions.</p>