Aerospace Sector Profile - Morocco[1]

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1. Economic Context

The Kingdom of Morocco is located northwest of the African continent only 15 km from Europe. It is considered an emerging country. Morocco maintained an average economic growth rate of 4% over the past five years. The recent international financial crisis and turbulence of the Arab Spring affected the country in a limited way. Morocco has an association agreement with the European Union (EU) and is now negotiating a Deep and Comprehensive Free Trade Agreement with its biggest trading partner. It already has Free Trade agreements (FTA) with the United States, Turkey and the United Arab Emirates (UAE). Morocco is a member of the Agadir group, an Arab free trade area which also includes Egypt, Jordan and Tunisia. Canada and Morocco have an established commercial relationship – bilateral trade amounted to $634 million[2] in 2013 – and are currently negotiating a FTA.

2. Industry Overview

Morocco's aerospace sector has experienced tremendous growth in the past decade. More than one hundred companies generate a total turnover of over $6 billion annually. In 2013, Moroccan aerospace exports increased by 20% over the previous year to reach $1.3 billion. Morocco is now successfully positioned within the aerospace global value chain. The country offers a number of benefits to investors in this sector including simplified administrative procedures, subsidies (especially for training) as well as attractive taxation. Specialized training institutes have also been set up.

The main areas of activity in Morocco are metalworking, electronics and avionics, composite manufacturing, boiler making, maintenance, repair, technical support, assembly of sub-structures and manufacturing of auxiliary parts. The industry is concentrated in three integrated platforms where large corporations such as Airbus, Bombardier Aerospace, Boeing, Safran, Snecma and UTC Aerospace as well as equipment manufacturers like Daher-Socata, Souriau, Zodiac Aerospace, ALCOA, Mecachrome, Eaton, SMES, L'Electrolyse, Segula Technologies and Ratier-Figeac are
The country hosts major international aerospace events such as the biennial Marrakech Air Show and Aerospace Meeting of Casablanca. The conference of the Middle East Business Aviation Association also took place in Morocco in 2013.

3. Civil Aviation

Commercial air traffic in Morocco is experiencing a steady growth since 2004 thanks to open skies agreements with the EU and the United States, a boom in tourism and a rapid expansion of Royal Air Maroc on the African continent. In 2013, the number of people who used Moroccan airports increased by 7.8% to reach 12.8 million passengers. Nearly half of them passed through Casablanca Mohammed V International Airport. Morocco has two airlines: Royal Air Maroc and Air Arabia Maroc.

**Royal Air Maroc (RAM)** is the national carrier in which the Moroccan government holds the majority of shares. It is one of the most important African airlines along with EgyptAir, Ethiopian Airlines and South African Airways. RAM transports nearly 7 million passengers annually over 80 destinations including 30 destinations in Africa. Its Casablanca hub allows connections with America, Europe and the Middle East. Including subsidiaries Atlas Cargo and RAM-Express, the RAM fleet consists of about 60 aircrafts mostly Boeing and ATR. The company recently introduced 100-seater aircrafts (Embraer 190 and Sukhoi SSJ100-95 Superjet) through "wet leasing ". RAM will be one of the first companies in Africa to fly the new Boeing 787 Dreamliner starting in late 2015.

**Air Arabia Maroc** is a low cost carrier that began operating in 2009. Based at Casablanca Mohammed V International Airport, Air Arabia Maroc operates from five Moroccan airports with a fleet of four Airbus A320-200. 6 other similar aircrafts are on order. Air Arabia Maroc is 49% owned by the Air Arabia Group from the UAE and 51%
by Holmarcom and Finance.com (BMCE Group) from Morocco.

4. Military Aviation

The protection of Moroccan air space is the responsibility of the Royal Air Forces and, to a lesser degree, the Royal Gendarmerie and the Royal Navy. Morocco spends about 15% of its annual budget on military. In 2014, this represents about $5.3 billion with an estimated $2 billion for air defense.

**Royal Air Forces** (Forces Royales Air - FRA) combat squadrons include Northrop F-5 Freedom Fighters and Dassault Mirage F1. In 2012, the FRA acquired 24 F-16 Block 52 fighter jets from Lockheed Martin. 22 Dassault Dornier Alpha Jets are used for training. In 2009, the FRA also acquired 24 T-6 Texan Raytheon aircrafts for training. The tactical transport fleet consists of 12 Hercules C-130-H, 7 CASA235, 4 Alenia C-27J Spartan and a one Boeing 707. The FRA uses 2 KC-130 Lockheed Martin in-flight refuelling aircrafts, one Boeing RC-130 surveillance aircraft and 2 Falcon 20 aircrafts equipped with Electronic Counter Measures. The FRA operates more than 130 helicopters: Gazelle (23) Puma (32), Bell 205 (47), Bell 206 (22), Bell 212 (5) and Chinook CH-47 (7). Fighting forest fires is also a responsibility of the FRA for which they rely on 5 Canadair CL-415 amphibious aircrafts. The FRA own a dozen aircrafts for VIP transport: 2 Dassault Falcon (50 and 100), 4 Cessna (414, 421, 560 and XLS), 5 Gulfstream (II, III, V and G550) and 1 Boeing 737 (BB Jet).

**Royal Gendarmerie** has police duties but is also responsible for the fight against drug trafficking, emergency assistance (ships in distress, car accidents), the fight against forest fires and locust control. As well, the Royal Gendarmerie does sea surveillance on behalf of the Department of Fisheries. Its helicopter fleet consists of Gazelle (4), Écureuil (2), Lama (4), Alouette III (1), Dauphin (3), Puma (5), Super Puma Cougar (1) and Sikorsky S-70 Black Hawk (2) aircrafts. Turbo Trush, ULM Tornado and BN-2T Islander aircrafts are used to fight forest fires, for search and rescue as well as sea surveillance.

**Royal Navy** has a small helicopter fleet of 4 Eurocopter AS565MB Panthers (military version of the Dauphin).

5. Business Aviation

Business aviation has boomed over the last decade in Morocco. Six companies are now involved in leasing executive aircrafts: Medi Business Jet, Alfa Air, Anfa Jet, Air Marrakech Service, Dalia Air and Palmair Aviation. They offer their services to European and African customers. Due to the growth of business aviation, the Moroccan Airports Authority (ONDA) provides VIP services at Casablanca, Marrakech and Tangier airports since 2008.

As far as helicopter leasing is concerned, Heliconia Aero Solutions based in Marrakech is the only company that offers this service in Morocco. It operates a fleet of 6 Eurocopter and one Robinson R44 for tourism, offshore transport, audio-visual and security purposes. Since 2013, Heliconia Aero Solutions also offers medical transport for the Ministry of Health. In 2014, they acquired two Augusta Westland AW139
equipped with Pratt & Whitney Canada engines PT6C-67C.

6. Airport Infrastructure

Morocco has 16 international airports and 10 domestic airports. Annual air traffic is about 12.8 million commercial passengers and over 158,000 aircraft movements. Three airports welcome more than one million passengers annually: Casablanca Mohammed V International Airport (7.6 million), Marrakech Menara Airport (3.8 million) and Agadir Al Massira Airport (1.5 million).

The Moroccan Airports Authority (ONDA) is the public institution responsible for the management of airports and air traffic control. It has an ambitious modernization program for Moroccan airports funded in part by the African Development Bank. Projects include enhancing radar coverage, improving air traffic control by acquiring aid navigation equipment (VOR, DME, ILS ...) and improving aviation safety by upgrading infrastructure required by the International Civil Aviation Organization. Calls for tenders are published on its website.

7. Maintenance, Repair and Overhaul

Due to its strategic location on the African continent and the availability of skilled workers, Morocco’s maintenance, repair and overhaul (MRO) sub-sector is expected to grow in the years to come. The most important MRO companies in Morocco are:

**AeroTechnic Industries**: The largest Moroccan company specializing in aircraft maintenance. It is a joint venture between Royal Air Maroc and Air France-KLM to maintain Airbus A320 and Boeing 737 aircrafts. AeroTechnic Industries is certified EASA Part 145.

**MDS Aviation**: The leader in maintenance of private and business aircrafts in North Africa. The company is licensed to serve Daher-Socata customers for TBM 700 and TBM850 aircrafts. It also has a service center approved by Pratt & Whitney Canada for PT6A and JT15D engines. MDS Aviation is certified EASA Part 145.

**Atlantic Air Industries Maroc**: It is a subsidiary of the French company Atlantic Air Industries that provides maintenance services for Royal Air Maroc's ATR aircrafts.

**EADS Maroc Aviation**: A subsidiary of Sogerma group that maintains military aircrafts of Morocco's Royal Air Forces, Royal Gendarmerie and Royal Navy.

**Snecma Morocco Engine Services**: Partly owned by Royal Air Maroc, this company specializes in the maintenance and repair of CFM56-3, CFM56-7B and CFM56-5B engines as well as certain auxiliary equipment and engines.

**L'Atelier Magasin Général**: It provides aircraft overhaul and repair of components and supplies spare parts for all units of the Royal Air Forces. New facilities are under construction in Ben Slimane, near Casablanca.

8. Training
Morocco aims to increase the number of jobs in the aerospace sector from 10,000 to 23,000 by 2020. While in the past specialized training was only offered by engineering schools and colleges of technology, several new institutions have emerged – some in the form of public-private partnerships – to respond to the needs of the growing aerospace industry.

- Mohammed VI International Academy of Civil Aviation
- Institut des Métiers de l'Aéronautique (IMA): inaugurated in 2011
- Institut spécialisé d'Aéronautique et de la Logistique aéroportuaire (ISMALA): launched in 2013
- Institut de l'Aviation civile et de l'Espace: opened in 2013
- International University of Rabat (School of Aerospace Engineering): launched in 2012
- École Supérieure de l'Aéronautique et de la Haute Technologie (SUPAERO): launched in 2013
- Casa Aero
- RAM Academy

9. Contacts in the Government of Canada

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10. Useful Links

- Ministry of Industry, Trade, Investment and Digital Economy
- Ministry of External Trade
- National Pact for Industrial Emergence
- Moroccan Investment Development Agency
- Moroccan Airports Authority
- Royal Air Maroc
- Midparc Casablanca
- Tangier Free Zone
- Moroccan Aerospace Industries Association
- Moroccan Airline Pilots Association
- Civil Aviation Electronic Technicians Association
- Institut des Métiers de l'Aéronautique
- Mohammed VI International Academy of Civil Aviation
- Marrakech Airshow
- Aerospace Meeting Casablanca
- Moroccan Aviation Portal
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