

Sino-Moroccan cooperation and the new silk road

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THE ROYAL VISION

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“Loyal to its traditions based on **dialogue and mutual understanding**, the Kingdom of Morocco is determined to fully contribute to the establishment of a **more open multilateral system and to work to achieve a predictable, transparent and equitable system**”.

*Excerpt from His Majesty's Message to the participants to the G77 9th reunion,
09/15/1999*

The Kingdom shall muster its resources in order to build “**the image of a democratic, modernist Morocco**” and “**consolidate Morocco's position as an avant-garde regional hub and as an element of stability and peace**”.

*Excerpt from His Majesty's Message on Moroccan Diplomacy National Day,
04/28/2000*

THE ROYAL VISION (2)

Moroccan diplomacy seeks to build a vibrant, sustainable economic partnership with Asia by encouraging large Asian firms' investments in Morocco and by developing cooperation targeting Africa.

“Beyond bilateral partnerships, Morocco will continue to share its experience and well-established know-how in order to **develop rich, diverse triangular cooperation with China, based on a genuine "win-win" partnership**”.

“A firm believer in the China-Africa partnership, My Country is ready to do whatever it takes to strengthen this process and **rise successfully to the challenge of building a stable, prosperous Africa together**”.

Excerpts from His Majesty's Address to the 2015 Forum on China-Africa cooperation

MOROCCO AND CHINA: FROM BILATERAL COOPERATION TO COMMUNITY OF SHARED INTERESTS

AN ENDURING FRIENDSHIP

Constant communication:

- 1958: The Kingdom of Morocco recognizes The People's Republic of China.
- 1963: Prime Minister Zhou Enlai visits Morocco.
- 1995: Prime Minister Li Peng visits Morocco.
- 1998: Prime Minister Abderrahmane Youssoufi visits China.
- 1999: President Jiang Zemin visits Morocco.
- 2002: His Majesty The King Mohammed VI visits China.
- 2002: Prime Minister Zhu Rongji visits Morocco.
- 2006: Prime Minister Hu Jintao visits the Kingdom.
- 2012: Prime Minister Wen Jiabao visits Morocco.
- 2016: His Majesty The King Mohammed VI visits China.

SHARED VISION

Politically, a shared acceptance of the primacy of territorial integrity unites Morocco and China.

- China has continually acknowledged the Kingdom's efforts to reach a political solution to the conflict of Moroccan Sahara.
- Morocco steadily advocates for the principle of a single China and respects Chinese position on Taiwan and Tibet.

DEEP MUTUAL UNDERSTANDING

- **Human cooperation:** since 1975, more than 1700 Chinese physicians have worked in Moroccan hospitals as volunteers, specifically in remote areas. The Kingdom one of the most important destinations for Chinese medical missions in Africa.
- **Town twinning** is an important trend in Sino-Moroccan relationships. Ten Moroccan cities have a Chinese twin sister, Casablanca and Shanghai being the most noticeable example.
- **Educational cooperation:** Steadily growing, educational exchange is fostered by the scholarships Beijing grants to Moroccan students to complete their postgraduate studies in Chinese universities.

DEEP MUTUAL UNDERSTANDING (2)

Culture: an important field of Sino-Moroccan, cooperation, the two partners are constantly working to improve mutual cultural understanding.

- The first Confucius Institute in Morocco opened in 2009 in Rabat, followed by similar institutes in Casablanca (2012) and Tétouan (2017).
- Morocco is the first Arab country to host three Confucius Institutes.

SHARED CONCERNS

Global issues: Both Morocco and China have in common an active commitment to global issues and a deep concern about the future of humankind.

- Deeply involved in climate change issues, Morocco hosted the **2016 United Nations Climate Change Conference** in Marrakesh, and is continuously advocating for sustainable development throughout the African continent and beyond.
- Besides implementing an ambitious domestic program regarding renewable energy, the Kingdom has launched, on the continental level, the **AAA initiative**, a project targeting the adaptation of African agriculture to the challenges of climate change. This initiative is now actively supported by 33 African countries, the UNFCCC and the FAO.

SHARED CONCERNS (2)

China is also very active in countering the effects of climate change:

- **The national pilot carbon trade system** was a successful program that cut China's carbon dioxide emissions per unit of GDP by 46 percent from the 2005 level, fulfilling its commitment to reduce CO2 emissions three years in advance.
- Like Morocco in Africa, China is now sharing its experience with developing countries as part of the **10-100-1000 initiative** that involves implementing **ten** low-carbon development demonstration projects, **one hundred** climate mitigation and adaptation projects, and climate training programs for **one thousand** representatives from developing countries in the global south.

BUILDING MUTUALLY BENEFIC COOPERATION

- **The strategic partnership:** an outcome of the 2016 Royal Visit to China, the strategic partnership is aimed at enhancing cooperation between the two countries. Its core is constituted of fifteen agreements, the most prominent regarding the following sectors:
 - **Industry:** the strategic partnership comprises two memorandums relating to industrial cooperation. The first of these is of economic and industrial partnership and intends to strengthen sectors with high job-creation potential such as automobiles, aeronautics, textiles, renewable energies. The second one is about the creation of an economic and industrial cooperation zone.
 - **Tourism:** Visa exemption for Chinese citizens was agreed on. This has proven successful in attracting Chinese tourists to Morocco. Their number doubled between 2016 and 2017 and the Kingdom hopes to attract 500,000 Chinese tourists by 2020.
 - **Transport:** A memorandum of understanding on cooperation between China Railways and the Moroccan National Railways Office.
 - **Infrastructure:** the two partners agreed to provide support to each party's companies in the infrastructure sector. This involves conception, construction, installation and commissioning and also building materials production, transformation and supply.

MOROCCO'S ASSETS: A STRATEGIC HUB FOR THE NEW SILK ROAD

Morocco signed The New Silk Road Memorandum of Understanding in November 2017, a step forward towards the intensification of cooperation and evidence of the willingness of the two partners to share benefits with their African counterparts.

Morocco's numerous **assets** make it a strategic hub in Africa and the Mediterranean, able to play a key-role in China's relationships with Africa, Europe and America:

- A strategic geographical location between Europe and Africa, the Mediterranean and the Atlantic.
- Lasting political and macroeconomic stability, with the best credit rating in the region.
- The Kingdom's cultural and religious influence, a valuable asset for cultural and educational aspects of the Belt and Road Initiative.

MOROCCO'S ASSETS: A STRATEGIC HUB FOR THE NEW SILK ROAD

➤ A solid financial sector :

- The financial system meets all Basel requirements for prudential regulation. It has shown resilience, in the face of the international economic crisis impacts.
- Morocco has recently launched a reform of the exchange rate regime (flexible exchange rate system). This reform is aimed at strengthening the resilience of the national economy to external shocks in order to support its competitiveness and to improve its level of growth, as well as to support the structural changes taking place in the Moroccan economy, particularly in terms of diversification, openness and integration into the global economy.

BEST INFRASTRUCTURES IN AFRICA

- **A modern comprehensive network of air, land and sea infrastructure:** according to the Global Competitiveness Index (World Economic Forum, 2016-2017), Morocco has the best infrastructure in Africa. And this includes:
 - 18 international airports;
 - 1590 km of highways built within 18 years;
 - Tanger Med Port and its free trade zone: the 5th largest port in the Mediterranean, the 46th in the world (Container Management);
 - A high speed lines network. The first line will start operating at the end of 2018. The total network length will reach 1500 km between 2030 and 2035.
 - a wide network of economic activity zones (industrial integrated platforms, free zones, agropoles, clusters...).
- An ongoing economic transformation toward skilled crafts

RICH AND DIVERSIFIED PARTNERSHIPS WITH EUROPEAN, AFRICAN AND AMERICAN COUNTRIES

- Morocco is an active member of the **Union for the Mediterranean**, which secretary general is Moroccan.
- The Kingdom is the first beneficiary of the European Neighborhood Policy and has benefited from an **advanced status with the EU** since 2008. The objectives of such a status are: to strengthen dialogue and cooperation in the areas of politics and security while progressively integrating Morocco into the EU internal market, and to extend the partnership to include new participants.
- Since 2013, Morocco has been negotiating a **Deep and Comprehensive Trade Agreement with the European Union** that will eventually give birth to a Deep and Comprehensive Free Trade Area.
- Morocco has a **free-trade agreement with the United States** that came into force in 2006 and has since tripled the trade volume between the two countries.
- Morocco is part of the **African continental free-trade area** in which 44 African countries are involved.

THE NEW SILK ROAD, MOROCCO, AND THE FUTURE OF AFRICA

AFRICA AND THE NEW SILK ROAD

Africa can play key roles in the New Silk Road:

- **Geographically:** Africa is an inevitable part of the logistic network of the Belt and Road, being at the crossroads between Asia and Europe, the Indian and the Atlantic Oceans, the Red and the Mediterranean Seas.
- **Economically:** Africa's need for infrastructures good roads, railways, dams and schools, matches with the priorities settled by the creators of the Belt and Road initiative.
- **Culturally:** Africa is an ideal partner in promoting cultural diversity and civilizational dialogue.

AFRICAN CHALLENGES

- In Africa, more than anywhere else, the Belt and Road will encounter challenges such as political and societal instability, lack of infrastructure and a skilled workforce, terrorism and organized crime...
- Chinese companies have suffered losses in the uprisings in Libya and the Sudan, and their investments are threatened by rebel groups and criminal organizations who repeatedly kidnap their employees for ransom or political benefit.
- Weak African infrastructure can also seriously hinder investments.

THE NEW SILK ROAD IS A SYMPHONY

As China's partner and a leading African country, **Morocco is willing to take an active part in implementing the Belt and Road Initiative and making sure it will benefit African people and the development of Africa.**

MOROCCO'S EFFORTS IN AFRICA

Morocco has continually dedicated tremendous efforts to African development. Focusing on human and sustainable development, His Majesty has, since the beginning of His Reign and through His numerous visits to African countries, promoted solidarity and launched a multitude of initiatives aimed at accelerating African development and relieving African peoples:

- Since 2000 Morocco has concluded over **1,000 agreements** with over 40 African countries.
- Morocco has canceled the **debt of the Least Advanced Countries** and removed custom barriers to trade with these countries.
- **10,000 African students** are currently enrolled in Moroccan universities. **80% of them receive scholarships from the Kingdom.**

MOROCCO'S EFFORTS IN AFRICA

- The Kingdom has launched several projects throughout Africa. This involves **vocational training centers** to tourism, construction industry, health, transportation and logistics fields as well as building **primary schools**.
- **Promoting income-generating activities:** Morocco has contributed to the construction of **landing spots for traditional fishers** in Ivory Coast, Guinea and Senegal. The Kingdom contributes also to **Cocody Bay development**, a high potential project that will boost tourism and employment in Ivory Coast.
- **Preservation and promotion of moderate Islam:** Morocco has kept, through centuries, close relationships with Africa's Muslim communities. Stemming from this are the **construction of mosques** in several African countries, the **donation of Qurans** and learning material as well as the **training of African Imams** in the Mohammed VI Institute for the Training of the Imams.

MOROCCO'S EFFORTS IN AFRICA

- Every year, 16.000 medical consultations and 800 ophthalmological operations are carried out in **medical facilities** built by Morocco in Africa. These include, inter alia, an ophthalmological clinic in Dakar, a perinatal clinic in Bamako and a “Mother and Child” hospital in Conakry. Furthermore, the Kingdom donates, on a regular basis, **medical equipment** to African countries such as Ivory Coast, Senegal, Gabon, Bissau-Guinea, Madagascar, South Sudan and Sierra Leone.
- Concerned about African populations’ distress, Morocco has deployed in recent years **field hospitals** in South Sudan, Mali and Niger. The Kingdom has also sent **humanitarian relief** to Mali, Guinea, Sierra Leone, Madagascar and participated to **peace keeping operations** in the DR Congo, the Congo Republic, Angola and the Central African Republic. Through the years Morocco was a **mediator** in several African crises, as in Mali, Ivory Coast, Guinea and Sierra Leone.

AFRICA'S AUTONOMOUS DEVELOPMENT

At the heart of Morocco's African policy, the Kingdom's **dedication to work for Africa's prosperity, to fulfill Africa's development on a win-win basis and promote African leadership not Morocco's.** His Majesty The King Mohammed VI has thus expressed a comprehensive vision for **Africa's autonomous development.**

- To overcome the challenges it is facing today, Africa must reach autonomy, and, to that end, take **leapfrog steps in terms of development.**
- Three game-changer projects could thus bring about major change: **Africa, a living laboratory of an ecological future, continental mutualisation and Blue Africa.**
- These projects carry the potential to create **synergies, a new model of urban design,** improve security and governance and to engage Africa in a transformative path that will eventually bestow upon the continent a global leadership in **energy, the economy and digital transition.**

TOWARDS AFRICAN LEADERSHIP

Morocco is actively working for African leadership and dedicated to bringing African voices on global issues onto the international stage:

- In 2016, His Majesty The King Mohammed VI invited thirty African leaders to the 1st **African Action Summit** that led to the creation of three commissions dedicated to counter the effects of climate change in the Sahel region, the Congo basin and island countries.
- The Kingdom has been designated **leader of the African Union on migration issue**, and has thus drafted the **African Agenda on Migration**. Moreover, United Nations' General Assembly has tasked Morocco with hosting the **International Conference on Migration** that will take place in December 2018.
- A major military power on the continent, the Kingdom is eager to take its responsibilities regarding African **security** and is currently serving as a member of the **Peace and Security Council of the African Union**.

ECONOMIC TIES WITH AFRICAN COUNTRIES

Morocco is the **biggest African investor**, in terms of **total capital investment in Africa**, and the third largest overall. In terms of the **number of projects**, Morocco is the **second biggest African investor**. Major Moroccan companies are expanding their activities throughout the continent:

- **OCP Group**, the Moroccan agribusiness leader, launched a **3.6-billion-dollar fertilizer plant in Ethiopia**. It also created a joint-venture with Dangote to reinforce their production capacity in **Nigeria's Lekki Free Zone** and to set up a **2.5-billion-dollar facility**.
- **Maroc Telecom**, the first Moroccan telecommunications company, has branches in **five African countries**.
- Three major Moroccan banks are massively present in African countries: **BMCE** is active in **seventeen countries**, **Attijari Wafabank** operates in **thirteen countries** and **Banque Populaire du Maroc** has offices in **seven countries**. All of these accompany African emerging economies both in **retail banking and in corporate investment banking**.
- **Managem**, Moroccan leader mining company, is now developing its activities in **nine African countries**. Its most important projects are located in Guinea, Sudan, Ethiopia and the DR Congo.

MOROCCO'S ACTIVE ROLE IN THE AFRICAN SILK ROAD

Combined with its African policy, Morocco's numerous **assets** have the potential to contribute efficiently to the success of the New Silk Road, for the benefice of an autonomous sustainable and responsible development in Africa:

- The extend and the sophistication of Moroccan **infrastructure** would undoubtedly broaden the Belt and Road's reach and enhance its chances of success.
- The New Silk Road's projects would profit from the important knowledge acquired and the solid relationships built with African political and economic actors and African peoples through longtime experience by Moroccan companies gathered.
- Morocco is an ideal candidate for transfer of skills thanks to its dynamic economy and skilled workforce.

MOROCCO'S PIVOTAL ROLE IN THE AFRICAN SILK ROAD (2)

- Finally, the New Silk Road would benefit from Morocco's assets, its reputation and the millennial cultural and spiritual bonds relying the Kingdoms to African peoples.

CONCLUSION

Relying on Morocco's dedication for African prosperity and for the future of humankind, the New Silk Road can be a historical opportunity for Africa to achieve autonomous, sustainable and rapid development. The Kingdom will ensure the New Silk and Road Project matches with African autonomous development goals and principles as well as with the African Union 2063 agenda.

