

AFRICA RISK CONSULTING

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Morocco Summary 21 August 2025

King Mohammed VI (1999-present) gives his annual speech on 29 July, urging the government to implement a new raft of reforms to ensure equal development across Morocco's regions. Haut Commissariat au Plan (HCP) (high commission of planning) indicates on 4 August that Morocco's unemployment rate eased marginally to 12.8% in the second quarter of 2025, down from 13.1% a year earlier. The HCP also notes on 19 August that the annual inflation rate increased marginally to 0.5% in July from June's 12-month low of 0.4%, mainly driven by a rise in food and non-alcoholic beverage prices. The Canadian think tank, Fraser Institute, ranks Morocco as the most attractive destination for mining investments in Africa in its Annual Survey of Mining Companies 2024 report.

King Mohammed VI gives annual speech, urges equal development

During his annual speech marking 26 years of his rule, King **Mohammed VI** (1999-present) on 29 July [urged](#) the government to implement a new raft of reforms to ensure equal development across Morocco's regions. King Mohammed, who has final say over Morocco's strategic policies, stressed that it is unacceptable for the country "*today or at any time in the future to be a two-speed country.*" While statistics from the **Haut Commissariat au Plan (HCP)** (high commission of planning) indicate that poverty levels in Morocco declined from 11.9% in 2014 to 6.8% in 2024, some inner regions in Morocco still show above-average poverty levels.

Morocco has attracted industrial investments in sectors such as aerospace and auto manufacturing, which now dominate exports, [generating](#) MAD 77 billion (\$8.5 billion) in 2024. However, most of Morocco's GDP - industry and critical infrastructure - are concentrated in its northwestern areas, leaving the rest of the country dependent on tourism, farming, and fisheries. King [Mohammed](#) stressed this:

"Some regions - particularly in rural areas - are still suffering from poverty and vulnerability, due to a lack of infrastructure and basic facilities".

He instructed the government to focus on new reforms on improving social services, education, health care and water management, as well as promoting employment. King Mohammed's call highlights Morocco's need to balance its rapid industrial growth with inclusive development, ensuring rural and disadvantaged regions benefit equally. His emphasis on social services, infrastructure and jobs underscores that sustainable progress depends on reducing these pressing regional disparities.

Unemployment decreases marginally to 12.8% from 13.1%

The HCP [confirmed](#) on 4 August that the unemployment rate eased marginally to 12.8% in the second quarter of 2025, down from 13.1% a year earlier. The modest improvement was largely driven by urban areas, with cities creating a net 114,000 jobs. Construction led the way with 74,000 new positions, followed by services (+35,000) and industry (+10,000). Formal employment also showed signs of strengthening, with 132,000 new salaried jobs nationwide. However, rural areas continue to struggle, shedding 107,000 jobs due to the prolonged drought and agricultural decline. Although rural unemployment dropped to 6.2%, this reflects exits from the workforce and rural-to-urban migration rather than genuine recovery.

HCP data [shows](#) that youth and women remain most affected by unemployment. Youth unemployment stands at 35.8% for those aged 15–24 and 21.9% for the 25–34 age group, while women’s unemployment climbed to 19.9% from 17.7%. Underemployment, a key indicator of job quality, also worsened to affect 1.15 million people compared to 1.04 million in 2024, pushing the underemployment rate to increase to 10.6%.

Emphasising King Mohammed’s argument for regional development (see above), regional disparities remain stark, with joblessness reaching 25.7% in the southern regions and 21.1% in the **Oriental Region**, contrasting sharply with **Drâa-Tafilalet Region** at 6.4% and **Marrakech-Safi Region** at 7.5%. Notably, **Casablanca-Settat Region**, despite possessing 22.2% of Morocco’s active workforce, reported 14.7% unemployment, which is well above the national average.

While the decline in joblessness in Morocco marks a break from recent upward trends, the headline figure masks persistent structural weaknesses in the labour market, particularly among youth, women, and rural communities. Morocco’s challenge lies not only in creating jobs, but in ensuring equitable access to stable and dignified work amid mounting social pressures.

Annual inflation increases marginally to 0.5% in July from 0.4% in June

The HCP also [noted](#) on 19 August that the annual inflation rate increased marginally to 0.5% in July from June’s 12-month low of 0.4%. This marks the highest rate since April, mainly driven by a rise in food and non-alcoholic beverage prices, which increased by 0.9% month-on-month compared to 0.8% in June, the sharpest increase in four months.

Inflation also quickened for furnishings (0.8% vs 0.4%), alcoholic beverages and tobacco (3.5% vs 3.4%) and miscellaneous goods and services (1.5% vs 1.4%). Inflation remained unchanged for housing and utilities (0.6%), clothing and footwear (0.7%), healthcare (0.2%), and education (2.3%). Inflation cooled for restaurants and hotels (3.4% vs 3.8%), while transport prices declined at a slower pace (-2.9% vs -3.4%). On a monthly basis, consumer prices increased by 0.1% in July, following a 0.4% increase in June. Core inflation, which excludes volatile items such as food and state-regulated tariffs, was recorded at 0.9% in July, edging down by 0.1% month-on-month.

At its last quarterly policy meeting on 24 June, **Bank Al-Maghrib’s (BAM) (central bank) Monetary Policy Committee (MPC)** paused its monetary-easing cycle, choosing caution even as a tentative **Iran-Israel** ceasefire appeared to ease immediate concerns over a potential rise in consumer prices (see *ARC Briefing Morocco Jun 2025*). Announcing the first hold since September, BAM elected to maintain its key interest rate at 2.25% citing an “*exceptional level of uncertainty*” around its medium-term macroeconomic outlook, citing factors including the Israel-Iran conflict and recent shifts in **United States (US)** trade policy.

While headline inflation ticked up slightly, price pressures remain muted overall. This suggests the MPC is likely to maintain its pause rather than move toward a rate hike, as current inflation dynamics do not point to an imminent threat, and neither events in the **Middle East** nor BAM’s cautious pause have triggered significant upward price pressures. BAM expects inflation in Morocco to hover around 1% by the end of 2025 before settling at 1.8% in 2026, and core inflation should follow a similar trajectory.

Morocco ranked the most attractive mining destination in Africa

The **Canadian** think tank, **Fraser Institute**, published its **Annual Survey of Mining Companies 2024** on 29 July, [ranking](#) Morocco as the most attractive destination for mining investments in Africa, and 18th globally out of 82 jurisdictions. The evaluation is based on geological potential and policy environments.

Morocco made a notable improvement from 2023, when it was ranked 27th, reflecting growing investor confidence and a sustained momentum in exploration and development activities. For its 2024 ranking, Morocco [attained](#) a score of 89.9 out of 100, ranking it ahead of established mining

economies such as **Brazil** (56th), **Ghana** (46th), the **Democratic Republic of the Congo (DRC)** (58th), **South Africa** (68th) and **Colombia** (66th).

Within Africa, Morocco was [followed](#) by **Botswana** (20th) - which had topped the continent's ranking in 2023 - **Zambia** (28th), **Namibia** (30th), **Tanzania** (37th), Ghana, **Senegal** (53rd), **Côte d'Ivoire** (55th), **Zimbabwe** (57th) and the DRC. The country is now ranked closer to traditionally high-performing regions like Canada's **Ontario Province** (15th) and **Australia's Western Australia State** (17th). Globally, **Finland** topped the ranking, followed by the US states' **Nevada** and **Alaska**.

Fraser listed several [factors](#) that underpin Morocco's ranking. Morocco enjoys rare political stability for the region, a regulatory framework that continues to evolve, and exceptional geological potential, ranking 11th worldwide and first in Africa. Its resources include phosphate and strategic metals critical for the energy transition. The country also benefits from strong infrastructure, including the **Tanger Med** port, which facilitates exports to **Europe** and Africa, and a national strategy, the **Morocco Mines Plan 2021–2030**, aimed at modernising the sector and promoting sustainable development. Investment dynamics are further [strengthened](#) by a favourable legislative and fiscal environment, tax incentives, and the digitisation of geological data by the **Office National des Hydrocarbures et des Mines (ONHYM)** (national office of hydrocarbons and mines), which simplifies prospecting for foreign investors.

The ranking indicates that international companies are increasingly viewing Morocco as a safe and promising destination, enhancing its competitiveness amid rising continental competition. This recognition underscores Morocco's growing influence and status as a credible hub for mineral investment and development. Despite Morocco's leading position, key [challenges](#) persist. The Fraser Institute notes that political and regulatory concerns persist, and Morocco must continue improving predictability, transparency, and governance efficiency in the mining sector to maintain its leadership. Sustaining its trajectory will require balancing investor confidence with robust regulation and long-term planning, ensuring the country not only attracts investment but also fully capitalises on its abundant mineral wealth.

Notably, Africa's most attractive mining destination, Morocco, and its least attractive, **Niger** (which also ranked last globally), are both located in the **Sahel**, underscoring the region's stark contrasts in governance, stability, and investment climate.

Planner

21 Dec 2025 – 18 Jan 2026 (**Morocco**) Morocco to host 2025 **Africa Cup of Nations (AFCON)**
 2025/2026 (**Morocco**) King **Mohammed VI** is expected to make a state visit to **France**;
 2026 (**Morocco**) General election

Chronology

19 Aug 2025 **Rabat (Morocco)** *Morocco World News*. Foreign affairs minister **Nasser Bourita** reveals that the **European Union (EU)** approved 606,000 **Schengen** visas for Moroccans in 2024, with a refusal rate of approximately 20%;

19 Aug 2025 **Rabat (Morocco)** *North Africa Post*. Upon instructions of King **Mohammed VI**, Morocco is sending an additional 100 tonnes of emergency humanitarian assistance to the inhabitants of **Gaza (Palestine)**;

18 Aug 2025 **Rabat (Morocco)** *Morocco World News*. Morocco appoints **Zachary Douglas KC** as its arbitrator for its ongoing \$2.2 billion dispute with **United Kingdom**-headquartered **Emmerson Plc** over the **Khemisset** potash project, being heard in the **International Centre for Settlement of Investment Disputes**;

16 Aug 2025 **Rabat (Morocco)** *Morocco World News*. **National Office of Maritime Fishing** reports the coastal industry faced mixed results through July, with total catch weight declining 16% to 523,765 tonnes and overall value dropping 3% to MAD 6.14 billion (\$682.5m);

15 Aug 2025 **Rabat (Morocco)** *North Africa Post*. Morocco is reportedly on the cusp of securing a \$17 billion deal to acquire 32 of the **United States' (US)** F-35 fifth-generation stealth combat aircraft, becoming the first **Arab** and **African** nation to operate the jet;

13 Aug 2025 **Rabat (Morocco)** *Morocco World News*. **National Office of Electricity and Drinking Water** launches a \$6.18m hybrid solar-diesel power plant project with battery storage in **El Guerguarat**, aimed at strengthening the border town's renewable energy capacity;

10 Aug 2025 **Casablanca (Morocco)** *Morocco World News*. Casablanca-headquartered **TGCC** is exploring infrastructure projects in **Gabon**, focusing on university hospitals, housing, and modern complexes as part of strengthening Gabon-Morocco cooperation;

8 Aug 2025 **Rabat (Morocco)** *North Africa Post*. **United Kingdom (UK)** department for business and trade data reveals the total trade between the UK and Morocco reached £4.4 billion (\$5.8 billion) in the first quarter of 2025, an increase of 16.4% compared to the same period of last year;

6 Aug 2025 **Rabat (Morocco)** *Morocco World News*. Moroccan trucks carrying medical and food aid arrive in **Gaza**, providing crucial relief amid a worsening humanitarian crisis caused by **Israel's** blockade and ongoing attacks;

6 Aug 2025 **Johannesburg (South Africa)** *Business Day*. Foreign ministry criticises former president **Jacob Zuma** for using the national flag during his visit to **Morocco** to seek support and funding for his **uMkhonto weSizwe (MK)** party;

5 Aug 2025 **Rabat (Morocco)** *Reuters*. **Islamic State**-affiliated militants release four Moroccan truck drivers kidnapped in January in Mali;

2 Aug 2025 **Rabat (Morocco)** *MAP News*. **United States (US)** president **Donald Trump** reaffirms support for Morocco's sovereignty over **Western Sahara**, saying a Moroccan autonomy plan for the territory was the sole solution to the disputed region;

2 Aug 2025 **Rabat (Morocco)** *North Africa Post*. The ambitious **Nigeria-Morocco Atlantic Gas Pipeline** project reaches a critical milestone following high-level meetings in Rabat, positioning the 6,000km infrastructure initiative for imminent implementation;

31 Jul 2025 **Rabat (Morocco)** *Morocco World News*. **African Union Commission** president **Mahmoud Ali Youssouf** praises Morocco for successfully establishing itself as a leading economic hub for Africa through strategic investments and active economic diplomacy;

29 Jul 2025 **Rabat (Morocco)** *Reuters*. Authorities say that Morocco's annual trade deficit widened by 18.4% to MAD 162 billion (\$17.8 billion) in the first six months of this year;

25 Jul 2025 **Rabat (Morocco)** *Morocco World News*. The exchange office says **European** countries account for 62% of Morocco's total trade in July;

24 Jul 2025 **Rabat (Morocco)** *Reuters*. Morocco says it will spend MAD 38 billion (\$4.2 billion) over the next five years to overhaul its main airports, ahead of the **FIFA World Cup** it will cohost with **Portugal** and **Spain**;

23 Jul 2025 **Rabat (Morocco)** *Morocco World News*. Morocco's passport improves to 67th place globally in the **Henley Passport Index**, its best ranking in a decade, providing visa-free access to 73 countries;

22 Jul 2025 **Rabat (Morocco)** *Morocco World News*. **House of Representatives'** committee on education, culture and communication approves a bill to reorganise the **National Press Council**, adopting 45 out of 249 proposed amendments including modifying election and appointment procedures;

About Africa Risk Consulting:

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