

## AFRICA RISK CONSULTING

### Morocco Briefing December 2025

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#### Morocco Summary 15 December 2025

*Morocco is accelerating its transformation into a regional energy and logistics hub by advancing plans to establish a nearly \$1 billion liquefied natural gas (LNG) terminal at the new deep-sea port of Nador West Med on the Mediterranean coast. The 2025 Africa Investment Forum (AIF) Market Days held in Rabat from 26-28 November end with a strong sign of investor confidence in African markets, attracting \$15.3 billion in interest across 39 viable projects. The United States (US) is supporting Moroccan company Sondiale SA, which plans to produce a highly purified form of silicon used in making semiconductors and solar panels, as Washington seeks to find alternatives to China for materials critical to modern technology.*

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#### Morocco gets closer to creating \$1 billion LNG import hub

Morocco is [accelerating](#) its transformation into a regional energy and logistics hub by advancing plans to establish a nearly \$1 billion liquefied natural gas (LNG) terminal at the new deep-sea port of **Nador West Med** on the **Mediterranean** coast. Authorities on 8 December issued a tender for a floating storage and regasification unit (FSRU), the centrepiece of a broader infrastructure push designed to sharply expand LNG imports and reduce the country's reliance on dirtier fuels such as fuel oil and coal. The FSRU, expected to cost around \$273m, will be complemented by some \$681m in new pipelines linking the port to Morocco's industrial heartlands – infrastructure that will eventually form the backbone of a national gas grid capable of carrying green hydrogen exports in the long term.

The LNG strategy is part of Morocco's plan to raise domestic gas consumption tenfold, from 1.2 billion cubic metres to 12 billion cubic metres by 2030, with the government allocating \$3.5 billion to gas infrastructure, import facilities and gas-fired power plants. These efforts also serve to cushion the loss of **Algerian** pipeline gas following the end of diplomatic relations between the two countries in 2021, while supporting manufacturing sectors that must meet tightening **European** decarbonisation standards. At the same time, Moroccan policymakers see natural gas as only a temporary or transitional solution. The country plans to invest about \$11 billion in renewable energy between 2025 and 2030, adding 12.5 gigawatts (GW) of new capacity. This means solar and wind will still provide most of Morocco's future electricity.

Parallel to its gas ambitions, Morocco is [undertaking](#) a sweeping expansion of its port infrastructure. The Nador West Med port is scheduled to become operational in the second half of 2026, offering 800 hectares of industrial space with plans to expand to 5,000 hectares – surpassing even the industrial footprint of **Tanger Med**, Africa's largest port. The port will not only host the FSRU but also position Morocco as a northern gateway for green hydrogen exports. Further south, the government is also constructing a \$1 billion deepwater port in **Dakhla (Western Sahara)**, slated for completion in 2028. With a draft depth of 23 metres, Dakhla will be Morocco's deepest port and is being marketed as a logistical hub for landlocked **Sahel** states. Surrounding industrial and agricultural zones, including 5,200 hectares of irrigated farmland supported by desalination, are designed to anchor broader economic activity.

Together, these projects signal Morocco's strategic push to consolidate its role as a continental energy, industrial and maritime hub, leveraging LNG as a short-term bridge while preparing for a long-term green-hydrogen economy.

### **Africa Investment Forum secures \$15.3 billion in investment interest**

The 2025 **Africa Investment Forum (AIF) Market Days** [held](#) in Morocco's capital city, **Rabat**, from 26-28 November ended with a strong sign of investor confidence in **African** markets, attracting \$15.3 billion in interest across 39 viable projects. Announcing the results, **African Development Bank (AfDB)** president **Sidi Ould Tah** described the outcome as a "new beginning" for the continent, reflecting growing optimism about Africa's economic future. Speaking at the event, Morocco's finance minister, **Nadia Fettah**, described the AIF as representative of a more confident and solutions-oriented Africa – one increasingly focused on mobilising domestic capital while collaborating with institutions aligned with African priorities.

Held under the theme "*Bridging the Gap: Mobilising Private Capital to Unlock Africa's Full Potential*", this year's edition showed notable momentum. Thirty-two global private-sector organisations participated, doubling the number from 2024, emphasising the AIF's growing importance as a key marketplace connecting African projects with international capital. Over 2,000 delegates attended, including financiers, multilateral development institutions, commercial banks, entrepreneurs, and government officials, all focused on structuring deals, mobilising capital and expanding women's access to finance. The event drew participants from nearly 80 countries, with **Japan** sending almost 100 delegates and acting as a major sponsor alongside the **European Investment Bank (EIB)**, the **African Guarantee Fund (AGF)**, the **Islamic Corporation for the Development of the Private Sector (ICD)**, and others.

A key [highlight](#) of the gathering was a high-level ministerial dialogue focused on improving the enabling environment for private investment, an area long recognised as essential for unlocking Africa's growth potential. Additional sessions explored sector-specific investment opportunities and mechanisms for accelerating project bankability. Investors demonstrated particularly strong interest in projects with detailed environmental and social impact assessments and robust financial modelling. Approximately two-thirds of the proposed transactions were in the energy and transport sectors, reflecting Africa's urgent need for power generation, transmission capacity, logistics and regional connectivity. To ensure that commitments result in real investments, the AIF will introduce an annual project-tracking dashboard, enhancing transparency and accountability around deal closure and implementation.

Established in 2018, the AIF has evolved into one of the continent's premier platforms for investment matchmaking. With founding partners such as the AfDB, Morocco-based **Africa50**, **African Export-Import Bank (AFREXIMBANK)** and the **Development Bank of Southern Africa (DBSA)**, the forum continues to play a pivotal role in narrowing Africa's financing gap by connecting ambitious projects with capital ready to move.

Notably, this is the fourth year that the AIF has called on **Africa Risk Consulting (ARC)** to carry out due diligence as part of its structured pre-vetting process. Commenting on the AIF's market days, ARC executive director **Tara O'Connor**, who attended along with managing editor **Talya Parker**, emphasised its significance in addressing Africa's major infrastructure development problems, "*namely a shortage of available projects in the pipeline and that 80% of projects were failing at feasibility stage*".

Beyond the headline figures, the AIF Market Days also delivered a strategic boost for Rabat. Morocco has increasingly positioned itself as a continental meetings hub, a trend reinforced by its successful hosting of major global gatherings such as the **International Monetary Fund (IMF)–World Bank Annual Meetings in Marrakech** in 2023. The AIF’s strong turnout emphasises Morocco’s rising profile as a stable and reputable destination for international investors and policy-makers. This mirrors deliberate strategies seen in other African cities, such as **Kigali (Rwanda)** and **Dar es Salaam (Tanzania)**, where governments have expanded conference-hosting capacity after recognising its direct contribution to GDP, tourism inflows and business confidence. For Rabat, the ability to repeatedly host high-level forums strengthens its reputation, deepens its economic diplomacy credentials and aligns with Morocco’s ambitions to become a leading African hub for finance, trade, tourism and infrastructure development.

### US backs \$870m polysilicon plant to ease dependence on China

The **United States (US)** is [supporting](#) Moroccan company **Sondiale SA**, which plans to produce a highly purified form of silicon used in making semiconductors and solar panels, as **Washington** seeks to find alternatives to **China** for materials critical to modern technology. Sondiale plans to develop an \$870m polysilicon plant in the southern city of **Tan-Tan**, with the US **International Development Finance Corporation (DFC)** providing an initial \$4.75m for early planning and project preparation. According to the DFC, a US contractor will lead development of the facility, underscoring the **Donald Trump** (2017-2021; 2025-present) administration’s intent to cultivate supply-chain alternatives to China, which currently dominates more than 90% of global polysilicon production.

The stakes are geopolitical as much as economic. China’s recent export restrictions on critical minerals, including rare earths, highlight its leverage over essential inputs for global technology manufacturing. Therefore, the US’s backing of the Moroccan project is part of a broader diversification effort aimed at reducing strategic dependence on China while strengthening ties with countries aligned with US and **European** supply-chain priorities. Sondiale expects to target major markets such as the **European Union (EU)**, **Japan**, **South Korea**, **Singapore** and **Malaysia**.

To realise the project, Sondiale is [seeking](#) about \$800m in total equity and debt financing from both domestic and international investors, with up to \$550m possibly coming from the DFC, although the agency has not confirmed any future commitments. Once operational, the facility aims to produce 30,000 tonnes of polysilicon annually by late 2029, roughly 1% of current global output. Although modest in scale, the project’s importance lies in establishing a non-Chinese production base powered mainly by renewable energy.

Sondiale also plans a power purchase agreement to ensure that 90% of the plant’s substantial electricity needs are supplied by a private renewable energy operator, with the remaining 10% from the national utility **Office National de l’Electricité et de l’Eau Potable (ONEE)**. This aligns the project not only with global clean-tech supply chains but also with Morocco’s broader ambition to anchor energy-intensive industries in its growing renewable-energy ecosystem.

Morocco, which already benefits from free trade agreements with the US and the EU, is positioning itself as an attractive low-carbon manufacturing hub capable of supporting **Western** industrial diversification. The government has also committed \$100m to the project as part of its efforts to convert strategic investment into job creation and technological capacity, areas of urgent importance given ongoing unrest over unemployment (see *ARC Briefing Morocco Oct 2025*). While Morocco is positioning itself as an appealing low-carbon manufacturing hub capable of supporting Western efforts to diversify supply chains away

from China, it is also simultaneously emerging as a significant centre for Chinese investment, especially in electric-vehicle battery manufacturing. In doing so, Morocco holds a strategically advantageous position, benefiting from both sides of an increasingly intense geopolitical rivalry.

### Key things to watch in 2026

As Morocco heads into 2026, several political, economic and geopolitical dynamics will shape the year ahead. Foremost is the impact of the **United Nations Security Council (UNSC)**'s endorsement of Morocco's autonomy plan for **Western Sahara**, which Morocco views as a historic diplomatic breakthrough. With 31 October now designated a national holiday, the government will seek to consolidate this momentum, even as the separatist **Polisario Front** signals intensified armed resistance and Algeria continues to reject the autonomy framework. How Morocco navigates this mix of international validation and renewed tension will be a central question.

Domestically, the **GenZ212** protests remain a key pressure point. Youth-led demonstrations demanding better services, jobs and accountability have already reshaped budget priorities, including a 16% increase in health and education spending. However, structural youth unemployment remains high and protesters continue to call for systemic reform. Their organisation through social media also raises the risk of external interference and rapid shifts in the political environment.

Economically, Morocco enters 2026 with inflation at its lowest level since 2021 at 0.1%, offering relief after prolonged cost-of-living pressures. Yet rising housing and utility prices will continue to weigh on households, shaping public sentiment in the months ahead.

At the same time, Morocco is pushing ahead with major energy and infrastructure projects – from LNG import capacity to new deepwater ports and rapid renewable-energy expansion – which will influence investment flows and economic performance throughout the year.

All of these dynamics will unfold against the backdrop of Morocco's 2026 general election, where socioeconomic grievances, shifting geopolitical alignments and heightened youth expectations are likely to play a decisive role in shaping the political landscape.

With elections approaching in 2026, the political outlook remains uncertain, particularly as the **GenZ212** protests place prime minister **Aziz Akhannouch** (2021-present) in a difficult position. He is widely seen as the monarch's preferred figure, which gives him protection but also makes him a focal point for public frustration. A leadership adjustment is possible if pressure intensifies, though the palace would carefully manage any change. For investors, the key point is that the monarchy sets Morocco's strategic direction, meaning the core economic agenda such as renewables, industrial expansion, ports, green hydrogen and foreign partnerships will remain intact. The main risk is not policy reversal but short-term instability driven by social pressures and the pace at which reforms are implemented.

## Planner

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

## Chronology

10 Dec 2025 **Rabat (Morocco)** *Morocco World News*. **International Bank for Reconstruction and Development (IBRD)** confirms it has provided Morocco \$1.77 billion in financing in the 2025 financial year, making it the eighth largest IBRD borrower globally and accounting for 34% of all IBRD approvals in the **Middle East and North Africa**;

10 Dec 2025 **Rabat (Morocco)** *Reuters*. At least 22 people were killed and 16 others injured overnight when two adjacent buildings collapsed in **Fez**, one of Morocco's oldest cities;

8 Dec 2025 **Rabat (Morocco)** *Morocco World News*. Energy transition and sustainable development ministry launches two international tenders to develop Morocco's first liquefied natural gas (LNG) infrastructure, including a floating storage and regasification unit (FSRU) at **Nador West Med Port** and a national gas pipeline network, with a total investment of approximately \$954m;

6 Dec 2025 **Rabat (Morocco)** *Morocco World News*. Morocco signs three major agreements to expand logistics and trade infrastructure in the **Dakhla-Oued Eddahab Region**, including new logistics zones in **Aargoub**, a road safety and transport centre in **Bir Gandouz** and a trade and distribution hub in **Guerguerat**;

4 Dec 2025 **Rabat (Morocco)** *Anadolu Agency*. Morocco and **Spain** hold a high-level meeting to discuss deepening bilateral ties;

4 Dec 2025 **Rabat (Morocco)** *Reuters*. Water minister **Nizar Baraka** says Morocco, which has endured seven years of drought, plans to supply 60% of its drinking water from treated seawater by 2030, up from 25%, as it accelerates investment in desalination plants powered by renewable energy;

2 Dec 2025 **Rabat (Morocco)** *Morocco World News*. Health and social protection minister **Amine Tahraoui** announces a marked 22% decrease in HIV/AIDS infections over the past ten years during a World AIDS Day event in Rabat;

27 Nov 2025 **Rabat (Morocco)** *Morocco World News*. **United States (US)** e-hailing company **Uber** resumes operations in Morocco seven years after shutting down its service, reopening first in **Casablanca** and **Marrakech** as part of a phased and tightly controlled relaunch;

25 Nov 2025 **Rabat (Morocco)** *Morocco World News*. Director-general of national security **Abdellatif Hammouchi** meets with **United Nations (UN)** police commissioner **Faisal Shahkar** in **Marrakech** during the 93rd **INTERPOL** General Assembly to discuss strengthening cooperation between Moroccan security forces and the **UN**;

24 Nov 2025 **Rabat (Morocco)** *Morocco World News*. Morocco is participating in the 34th Assembly of the **International Maritime Organisation (IMO)** in **London (United Kingdom)**, led by transport and logistics minister **Abdessamad Kayouh**, to engage in global discussions on the future of the maritime sector;

### About Africa Risk Consulting:

**Africa Risk Consulting (ARC)** is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

**ARC's** core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

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