

## AFRICA RISK CONSULTING

### Morocco Monthly Briefing March 2026

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#### Morocco Summary 25 March 2026

*Council of Government announces that parliamentary elections will take place on 23 September to elect the 395 members of the House of Representatives. A Haut-Commissariat au Plan (HCP) (high commission of planning) survey of business leaders shows notable increases in activity in manufacturing and construction. Since the beginning of the Iran conflict, diesel and petrol prices have risen but on the upside, the United States (US) has been in discussions with the Moroccan government over the use of Moroccan phosphate fertilisers, given that they do not depend so heavily on the Strait of Hormuz. Recovery plans for the February floods around Ksar El-Kebir are expected to cost MAD 3 billion (\$330m), but the heavy winter rains boost food and water security. State-owned utility, Office National de l'Electricité et de l'Eau Potable (ONEE), and the Moroccan Agency for Sustainable Energy (MASEN) sign electricity purchase agreements for the 305MW Noor Atlas Solar Programme.*

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#### Election announced for 23 September

Morocco's Council of Government [announced](#) on 5 March that parliamentary elections would take place on 23 September 2026. With the constitutionally mandated five-year term having passed since the previous elections, Moroccans will go to the polls to elect the 395 members of the **House of Representatives** in Rabat. The 2011 Constitution requires the King to appoint a prime minister, or head of government, from the party with the most representatives. While the prime minister will propose representatives to head the ministries, the king ultimately appoints and heads the **Council of Ministers**. Given the palace's role in ensuring continuity and stability, it seems unlikely that the election will produce large policy changes.

**Aziz Akhannouch** has headed the current government since the 2021 elections. Akhannouch's liberal pro-business **Rassemblement National des Indépendants (RNI)** entered a coalition with the conservative **Istiqlal Party** and the **Parti authenticité et modernité (PAM)**, a party closely aligned with the Palace. Following a decline in his popularity, Akhannouch has announced that he will neither lead the RNI into the upcoming elections nor will he stand as a candidate. Akhannouch's leadership has been marred by accusations of corruption many of which rest on the fact the Akhannouch is CEO of **Akwa Group**, one of Morocco's largest conglomerates that owns **Afriquia**, one of Morocco's largest hydrocarbon distributors. In 2024, an Akwa Group subsidiary won a government contract worth MAD 6.5 billion (\$640m) for the construction of a desalination plant near **Casablanca** which led critics to [accuse](#) Akhannouch of a conflict-of-interest, given that he is CEO and also chairs the **Commission Nationale des Investissements**, which awarded the contract. Besides accusations of conflicts-of-interest, there is a sense among many Moroccans that Akhannouch is out-of-touch with the ordinary Moroccan, unable to understand the effect of rising prices and more interested in serving businesses and business leaders.

**Mohamed Chaouki** will instead take up the leadership of the RNI. However, Akhannouch's various scandals have tainted the party's image. Meanwhile, PAM and Istiqlal's reputations have not been affected by these allegations and it seems likely that PAM's **Fatima Ezzahra El Mansouri**, the current mayor of **Marrakesh**, will head the so-called 'World Cup Government' formed of a new coalition of the PAM, Istiqlal and RNI. With former prime minister **Abdelilah Benkirane** (2011-17) back at the helm, the major opposition party, the **Parti de la justice et du développement (PJD)**, is set to make somewhat of a recovery from their near-wipeout in 2021 but is unlikely to be able to form a

government. It should be noted that polling is banned in Morocco so opinion forecasts of which constellation of parties will govern the country will be limited.

Following the **GenZ 212** protests at the end of 2025, each of these parties will hope to appeal to the youth vote and address their grievances. The movement protested the use of public funds to finance what they deemed to be vanity projects, such as the building of football stadiums, instead of public infrastructure projects in education and health. These protests resulted in a 16% increase in spending on health and education and led to an electoral reform aimed at promoting youth participation in politics. In particular, the new [reform](#) helps candidates under 35 years of age to run for office by covering 75% of their campaign expenses. However, it is unclear whether recent youth movements will be enough to encourage youth turnout - only 33.6% of 18-24 year olds even [registered](#) to vote in the 2021 elections.

### HCP report shows optimism in manufacturing and construction for Q1 2026

The **Haut-Commissariat au Plan (HCP)** (high commission of planning) [released](#) a survey on 11 March of business leaders in Morocco, indicating notable increases in activity in manufacturing (food, chemical and metal product) and construction (civil engineering works).

In Q4 2025, the manufacturing industry saw increases in production, particularly in car manufacturing, chemical manufacturing, non-metallic mineral product manufacturing and metallurgy. Decreases in production were noted in the food industry and electronic equipment manufacturing. Notably, 40% of leaders working in the pharmaceutical industry judged cash flow to be 'difficult'.

The first quarter of 2026 will bring increases in production in the manufacturing industry, in particular in the food industry, the chemical industry, and metal product manufacturing (except equipment and machinery). Decreases in production are expected in car manufacturing and in non-metallic mineral product manufacturing. Morocco's manufacturing industry will likely be boosted by the [creation](#) of 1,144 hectares of industrial zones in **Mohammedia** and **Benslimane (Casablanca-Settat Region)**, which will lead to 35,000 new jobs in the area.

Production in the extractives industry remained stable in Q4 2025 due to a stagnation in phosphate production. Businesses expect production in the sector to decrease in Q1 2026, while the number of employees is expected to grow. Overall, Morocco's state-owned **OCP Group**, in charge of phosphate extraction in the country, [reported](#) 17% revenue growth in 2025, reaching MAD 114 billion (\$12.33 billion).

Construction saw increased activity in Q4 2025 owing to increases in civil engineering, specialised construction work and a stabilisation in activity in the construction of buildings. Construction firms saw employment and order backlogs remain stable. However, 31% of business leaders stated that the cash flow situation was 'difficult'. Business leaders anticipate increases in activity in construction in Q1 2026 with notable increases in activity in building construction and civil engineering projects.

The HCP report noted a decrease in activity in the non-financial services industry in Q4 2025 according to 49% of business leaders. Meanwhile, 34% stated that business activity had increased. The HCP remarks that activity in telecommunications, aviation and rental activities had decreased while activity in accommodation and catering, logistics, and logistics services had increased.

Regarding Q1 2026, 50% of business leaders in the non-financial services industry expect activity to remain the same, 36% expect an increase and 14% a decrease. An increase in activity in this sector will be attributed to growth in the logistics and logistics services industries while activity in water transportation, rental and lease activities, and real estate sectors is expected to decline. The non-financial services sector, particularly the insurance industry, has seen significant changes in the past month. **Sanlam Maroc** [announced](#) the plan to absorb **Allianz Maroc** in a deal worth MAD 2.60 billion (\$274m). Similarly, France-headquartered **AXA** has established **AXA Afrique Atlantique** which aims to cover the Moroccan, **Ivorian**, **Senegalese**, **Cameroonian**, and **Gabonese** insurance markets, and will be headquartered in **Casablanca**.

Regarding the wholesale sector, Q4 2025 saw stability in activity in the sector according to 62% of wholesalers while 26% noted an increase. Increased sales were noted in the wholesale of ICT equipment, wholesale of industrial equipment, and other specialised wholesale, consisting largely of fuels, minerals and metals. Decreased levels of activity were noted in the wholesale of foodstuffs, drink and tobacco. A recent [report](#) supports the findings of this HCP paper regarding the ICT sector, noting that it will continue to grow at a rate 6.37% annually and will reach a value of \$10.08 billion by 2031.

Business leaders expect this stability to continue into Q1 2026 with 68% expecting the same volume of sales while 22% expect an increase. The HCP attributes an increase in sales to increases in activity in the wholesale of foodstuffs, drinks and tobacco, the wholesale of domestic goods and the wholesale of raw agricultural products and livestock. The agency expects decreases in activity in the wholesale of ICT equipment and other specialised wholesale, consisting largely of fuels, minerals and metals.

A [report](#) by the **Office des Changes** (Exchange Office) in January 2026 offers additional context to the HCP report outlined above. Automotive industry exports for January 2026 increased by 19.1% compared to January 2025 to MAD 12.24 billion (\$1.34 billion) and aviation industry exports grew by 8.7% to MAD 2.43 billion (\$266m). Meanwhile, phosphate and phosphate derivative exports dropped by 43.4% to MAD 3.15 billion (\$340m), food and agricultural product exports by 9.5% to MAD 8.57 billion (\$924m) and textile and leather products by 5.9% to MAD 3.34 billion (\$360m). Overall, Moroccan exports in January 2026 were 2.7% less than the previous year while imports increased by 0.4%. The Office des Changes publishes these reports with a 2-month lag and so March's statistics will not be available until May.

The HCP report indicates strong business leader confidence in the manufacturing sector (notably, food, chemical and metal product manufacturing) and in the construction sector for Q1 2026. Business leaders in most sectors expect their production to remain stable or grow with a minority expecting a decline in production.

The results of the HCP report were compiled before the **United States (US)** launched its attack on **Iran** on 28 February and so business leaders' will not have taken into account the aftermath of these attacks. The most immediate effect of these attacks has been a global increase in the price of Brent crude oil which [reached](#) \$119 per barrel on 19 March. Diesel prices have already [risen](#) by MAD 2 (\$0.21) in Morocco to 12.9 MAD (\$1.38) per litre while petrol prices stand at MAD 13.95 (\$1.47) per litre having risen by 1.44 MAD (\$0.15) since the beginning of the war. The Moroccan government has only just got inflation rates under control with inflation rates dropping to 0.8% in January 2026 and will be anxious to ensure that this spike in oil prices doesn't send inflation rates back up. Following their first quarterly meeting, **Bank Al-Maghrib** (central bank) decided on 17 March to keep [interest rates](#) at 2.25% in an effort to ensure stability in the country.

With around [70%](#) of the world's phosphate reserves, Morocco will be looking to gain out of the recent shocks in the prices of fertiliser. Nitrate fertilisers are especially prone to volatility, given that 30% of ammonia comes from the **Middle East** and between 35% and 40% of urea originates in the Middle East. This has led to [revised](#) estimate prices for ammonia (from \$300 to \$375 per tonne) and urea (from \$340 to \$420 per tonne). Phosphate fertilisers are less susceptible to price hikes following escalations in the Middle East given that they do not rely so heavily on the **Strait of Hormuz**. The estimated prices for phosphate rock have remained unchanged (\$150 per tonne).

While phosphate fertilisers cannot replace nitrate ones, OCP will be hoping to capitalise on an increased demand for non-nitrate-based fertilisers. Indeed, the US has already [stated](#) that it has been in discussions with the Moroccan government over the use of Moroccan phosphates. It is important to note that the Moroccan phosphate industry depends on sulphur and ammonia imported from the **Gulf** to create di-ammonium phosphate (DAP) fertiliser and is not entirely resilient to shocks in their global supply. Most notably, both the HCP report and the Office des Changes data suggest that phosphate production will decrease compared to last year. This restrained optimism reflects Morocco's moderate but sustainable growth rate, predicted by the IMF to be 4.4% in 2026.

## Flooding recovery plans underway

Following the devastating floods in the north of Morocco in February that displaced 188,000 people and flooded at least 110,000 hectares around **Ksar El-Kebir**, the government, under instruction from King **Mohammed VI** (1999-present), [confirmed](#) on 6 March that 15,000 families will receive MAD 6,000 (\$636) in aid and that any affected household will receive MAD 15,000 (\$1,590) to carry out necessary repairs to their house. For families whose houses have collapsed because of the flooding, the government is offering MAD 140,000 (\$14,850). The total fund set aside to handle the flood recovery plan totals at MAD 3 billion (\$330m) of which 1.7 billion MAD (\$180m) will go towards infrastructure while the remainder will be spent on the housing repairs outlined above, emergency interventions, and agricultural support.

Nonetheless, for many farmers in Morocco, the year's wet winter have come as a relief after seven years of drought — agriculture [makes](#) up 15% of Morocco's GDP. The national rainfall between December and February [averaged](#) 136 mm, nearly double the seasonal average of 71 mm. This winter was the third wettest in the country since 1981. Consequently, national cereal production is [set](#) to reach eight or nine million tonnes, almost double last year's 4.4 million tonnes. This larger yield will increase Morocco's resilience to external pressures which is especially important given that it is the [10<sup>th</sup>](#) largest wheat importer in the world. Total wheat [consumption](#) in Morocco is ten million tonnes and reliance on imports has left Morocco susceptible to global market fluctuations. Heavy winter rains have also improved Morocco's water security, with dams reaching 70.6% on average.

While flooding may have caused serious damage in the north of the country, the recovery programme has largely been seen as a success having learnt key lessons from the 2004 **Al Hoceima** earthquake and more recently the 2023 **Al Haouz** earthquake. Similarly, the rains have been largely beneficial to food and water security in the country.

## Launch of the Noor Atlas Solar Programme

State-owned utility, **Office National de l'Electricité et de l'Eau Potable (ONEE)**, and the **Moroccan Agency for Sustainable Energy (MASEN)** have [signed](#) electricity purchase agreements for the **Noor Atlas** solar programme and have agreed to begin construction works on the project. The project consists of six sites with four located in the interior and east of the country (**Aïn-Beni-Mathar**, **Boudnib**, **Bouanane**, and **Enjil**) and two located in the south of the country (**Tata** and **Tan-Tan**). The project is intended to start producing electricity by July 2027 and will eventually produce 305MW. The financing of the projects rests on a mixture of concessional loans from **German** development bank **KfW** and the **European Investment Bank**, and a commercial loan from the **Bank of Africa**.

This development follows the construction of the Noor I, II and III solar plants near **Ouarzazate**. This solar plant is the world's largest concentrated solar power plant and produces 510-580 MW annually. The Noor complex will cost a total of \$2.5 billion. The Noor I-III complex and the Noor Atlas Solar Programme aim to leverage the countries abundant solar energy as well as decrease its dependence on imported fossil fuels; currently, Morocco imports 90% of its energy. The Moroccan government intends to phase out coal use by 2040, which currently represents 59.3% of energy generation, and aims to continue growing its solar and wind power sectors, which have grown from 9% of energy generation in [2015](#) to 20.5% in [2025](#).

## Planner

7-9 Apr 2026 **Marrakesh (Morocco) GITEX Africa**, Africa's largest tech and start-up show

23 Sep 2026 **(Morocco)** Parliamentary elections

2026 **(Morocco)** King **Mohammed VI** expected to make a state visit to **France**;

## Chronology

24 Mar 2026 **Rabat (Morocco)** *Morocco World News*. Morocco will be the guest of honour at an economic forum in **France's Grand Est region** aimed at strengthening industrial partnerships, co-investment and shared value chains between the two countries toward 2030–2040;

15 Mar 2026 **Rabat (Morocco)** *Morocco World News*. **Arab Investment and Export Credit Guarantee Corporation** ranks the **Port of Tanger Med** and **Port of Casablanca** among the most connected maritime hubs in the Arab region, highlighting Morocco's strong integration into global shipping routes;

12 Mar 2026 **Rabat (Morocco)** *RFI*. The **Stockholm International Peace Research Institute (Sipri)** publishes its latest report on global arms transfer, noting that Morocco has become Africa's top arms importer, with imports of major weapons rising by 12% between 2021 and 2025 compared with the 2016-2020 period;

11 Mar 2026 **Rabat (Morocco)** *Morocco World News*. **United Nations** special rapporteur on torture, **Alice Jill Edwards**, will visit Morocco from 23 March to 2 April to assess the justice system, detention practices, and safeguards against other cruel, inhuman or degrading treatment in cities including **Rabat** and **Laayoune**;

10 Mar 2026 **Rabat (Morocco)** *Morocco World News*. Morocco and **France** reaffirm their commitment to strengthening bilateral relations during a meeting between foreign ministers **Nasser Bourita** and **Jean-Noël Barrot** at the **International Nuclear Energy Summit** in France;

2 Mar 2026 **Rabat (Morocco)** *Vision Guinee*. **Finland** expresses support for Morocco's autonomy plan for the **Moroccan Sahara**, describing it as a feasible and credible basis for a political solution;

27 Feb 2026 **Rabat (Morocco)** *Morocco World News*. Casablanca commercial court rejects a \$3.5 billion **United Arab Emirates (UAE)** bid to acquire Morocco's **Samir Refinery**, which has been idle since 2015, citing incomplete legal and financial documentation from the bidder;

26 Feb 2026 **Rabat (Morocco)** *Morocco World News*. **Ciments du Maroc** reports a 6.1% rise in revenue for 2025 to MAD 4.14 billion (\$451.3m), supported by strong construction activity, while Q4 revenue edged up to MAD 1.13 billion (\$123.2m);

24 Feb 2026 **Rabat (Morocco)** *Morocco World News*. Morocco's steel industry faces overcapacity as domestic demand remains weaker than installed production, forcing producers to rely increasingly on exports amid falling international prices and rising competition from **China**, **Turkey** and **Europe**;

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