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The National Report

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Abbreviations and Acronyms

Abbreviation	Full name
Acronym	Full name
EACEA	Education, Audiovisual and Culture Executive Agency
EC	European Commission
EU	European Union
GA	Grant Agreement
HEI	Higher Education Institution
ICT	Information and Communication Technologies
PC	Project Coordinator
WP	Work Package

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1. Moroccan textile and clothing sector: Statistics and economic overview

The Moroccan industrial sector is composed of 6070 units, of which 31% are textile and leather industries. The textile sector represents a strategic sector within the national industrial activity through its contribution to the entire sector's employment with nearly 27% of national industrial jobs. It contributes 7% to the industrial value added, 5% to the industrial production and 5% to the industrial turnover. Today, the textile sector is one of the major contributors to new sustainable jobs in urban areas as agriculture is in rural areas. It is the kingdom's leading industrial employer with more than 175,000 people (27% of industrial jobs), and it represents 15% of the industrial Gross Domestic Product (GDP). It is also a sector that plays a significant role in the trade balance as it contributes 25% of the country's merchandise exports.

The textile sector represents a major social safety net with an estimated 420,000 jobs (formal and informal) estimated in 2014, 60% of which are women and 56% young people and more than 62% without qualifications. In 2016, the sector achieved a record performance with exports of more than 34 billion MAD and an 8% growth rate compared to the previous year. This trend was mainly driven by a very strong increase on the 'Iberian Peninsula' and the end of the facility granted to non-originating inputs from the Morocco-United States Free Trade Area and according to AMITH (the Moroccan Textile and Clothing Industry Association), more than half of this turnover, or 18.49 billion, was generated in the Spanish market. National textile-clothing exports to the latter thus increased by 20.5% in 2016.

This shows that the textile sector represents an important part of Morocco's total industrial production and it is essential to report the strengths and performance keys of this industry as well as the strategies and visions adapted to make it a leader on a continental scale and in the Mediterranean region.

2. The strengths and advantages of the textile and clothing sector in Morocco

One of Morocco's greatest assets, concerning textiles, is its proximity to the main importing countries. It is an advantage that decreases transport costs and facilitates trade. This geographical proximity of the country to the European markets, particularly through the port of Tangier Med, allows the Moroccan textile sector to be more responsive, and this is the key of the success of the fast-fashion model, for example

Inditex group that produces mainly in Morocco, including nearly 50% of its trademark Zara.

The qualified and the inexpensive labour, with expertise in materials processing (denim, velour, etc.), and the increasingly modernized production techniques, are also an advantage for the kingdom. Not to mention the main advantage linked to the country's political stability, which is a major component of competitiveness in the current global context, but above all too fast-fashion, a segment in which the Kingdom has specialised and in which it has become very experienced. In the following, the main assets are described including:

2.1 The importance of the labour

Following the latest statistics published by the National Social Security Fund (CNSS) in 2018, the manufacturing sector, the textile and clothing industry is by far the most significant national employer with 210786 jobs. In this sector, female employees are strongly present and represent a number of more than 132589, or 63% of the sector's labour (Table 1).

In the textile industry, female labour mainly occupies the activities:

- Laboratory controls and sampling.
- Operation of production machines.
- Product marketing

As for the clothing industry, the female labour mainly holds positions:

- Machine-stitching.
- Finishing and packaging.
- Quality control.
- Supervisor and head of the channel.
- Product marketing

The following table shows the distribution of the labour for jobs in the textile and clothing sector:

Table 1: Breakdown of staff by gender: 2018.

Régions	Male sex	Female gender	Total	Female presence in (%)
Casablanca (settât-berrechid-casablanca-mohammedia axis)	28148	40108	68256	58.761
Tangier	34791	51462	86253	59.664
Tetouanlarachehouceima	5156	14378	19534	73.605
Rabat Salétemarakenitra	6793	19672	26465	74.332
Fés - TazaMeknès-guersif	1584	4489	6073	73.917
Marrakech eljadida	1725	2480	4205	58.977
Others	78197	132589	210786	62.902

Then, we note from Figure 1, the number of declaring textile and clothing units in the Casablanca region represents the strongest region for the textile and clothing sector in terms of companies. It is more than 1870 units with a number of declared employees of more than 68256 employees.

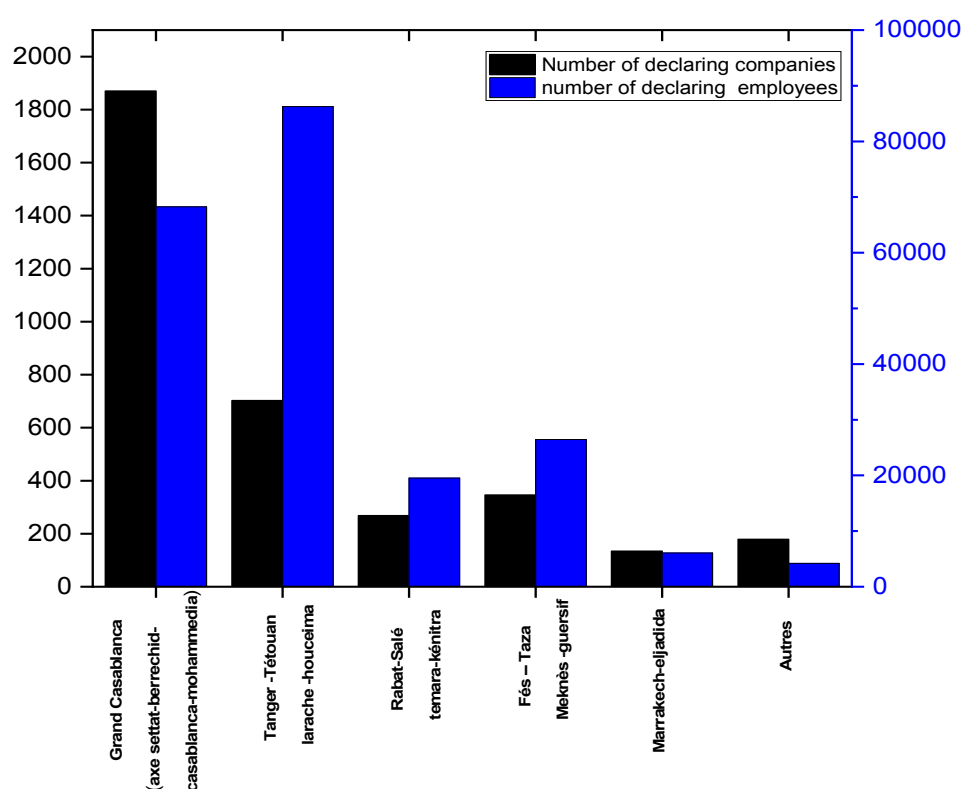


Figure 2: Distribution of units and staff by region: year 2018 (Source: CNSS Fiscal year 2018).

The geographical distribution of the labour in the textile and clothing sector shows the importance of this activity to the country's socio-economic balance. The first five zones in the textile and clothing sector are classified as follows: Casablanca, Tangier-Tetouan, Rabat-Salé, Fez-Taza and Marrakech-El Jadida, with 53%, 20%, 8%, 10% and 4%, respectively (*Figure 1*).

The Tangier-Tetouan region with 78071 employees. It is followed by the Central region (Casablanca) employs 60450 people. The Rabat-Salé region employs 19,514 people, while Fez-Taza and Marrakech-El-Jadida employ 5695 and 3413 people respectively. The regions where the textile and clothing population is the least dense (less than 1,000 people) are those of the East and South regions.

This industry is mostly composed of small or medium companies, because out of a total of 17,6179 employees, less than 10% work in companies with more than 1,000 employees, while companies with less than 200 employees represent almost half of the total labour in the textile and clothing industry in Morocco.

Table 2. Staffing distribution by activity: 2018.

Regions	Clothing industry	Manufacture of textiles	Total
Casablanca (settat-berrechid-casablanca-mohammedia axis)	38714	21736	60450
Tangier Tetouanlarachehouceima	55687	22384	78071
Rabat Salétemarakenitra	12960	6554	19514
Fés - TazaMeknèsguersif	21781	3210	24991
Marrakech eljadida	5048	647	5695
Others	2389	1024	3413
Total	136579	55555	192134

The basic textile sector employs 55555 operators, or 29% of the labour. The clothing sector employs 71% of the labour with its 136579 workers. It should be noted that, through the focus group bringing together professionals in the sector, the qualitative inadequacy between training and the needs of the sector does not spare any jobs and trades. However, the needs generated in terms of job creation by ecosystems require a quality of training for all trades in the sector in order to improve the sector's international competitiveness.

Besides, to meet the requirements of skilled labour in the Textile and Clothing sector, a demand that is currently not met by existing training programs. There is a project for the rehabilitation of a vocational training centre in the textile and clothing sector, under the governance of a new public-private partnership (PPP), composed of the Moroccan Textile and Clothing Association (AMITH) and OFPPT with the support of Management & Training Corporation (MTC), an international provider of technical assistance services in the field of professional training. The training centre concerned by this rehabilitation is the Casablanca Textile and Clothing Training Complex, located in Ben M'sick in the region of Casablanca. The centre will focus on the provision of educational programmes and training methods specifically designed to meet the skills needs expressed by the textile and clothing industry. This will result in a larger pool of qualified job-ready regional for candidates. The OFPPT and AMITH jointly will manage the Centre.

2.2 Quality training

The availability and the quality of human resources determine the attractiveness of Morocco as a destination and contribute to increasing the productivity of companies and improving their competitiveness.

Casa Moda Academy provides training in creative fashion professions with an international focus (CMA). CMA is Morocco's first public higher education institution for fashion design, in Sidi Maârouf (Casablanca).

- **Specificities of CMA:**
 - **Training methods:** initial and continuing training;
 - **Governance model:** public-private partnership (delegated management);
 - **Capacity:** 90 places;
 - **Starting date:** October 2010.

2.3 A comprehensive incentive framework

A concrete development plan for the Moroccan textile sector's supply an incentive system encompassing a set of fiscal, financial, legal and social investment incentives. It is also a large network of free trade agreements with the European Union, the United States of America and the Arab world, which gives access to a market of over a billion consumer.

2.4 A favourable international market context

Internationally, textile markets are undergoing major changes with the emergence of two business models that now dominate distribution: The Fast Fashion model, embodied in particular by actors such as Inditex and H&M, and the low-cost fashion product materialized by Primark.

The vast majority of Western distributors and brands, which had chosen to redirect their supply to Asia, and China in particular, following the dismantling of the multi-fibre agreement in 2005, found themselves caught between these two business models. The distance from Asia, as well as the higher cost of production, combined with the decline in textile consumption in Europe and the significant growth in online sales, do not make it possible to compensate for the drop in store sales, which jeopardizes the market shares and profitability of these brands.

This situation forces them to direct an ever-increasing part of their sourcing towards local supply platforms that provide them with the knowledge, price competitiveness and, above all, the flexibility, agility and reactivity imposed by Fast Fashion.

Among these alternative platforms, Morocco is now a reference in view of its historical and privileged relationship with the Inditex group.

2.5 An Investment platform

The Moroccan government provides investors with very advantageous industrial «P2I » investment platforms.

2.6 Production Reactivity

Thanks to local raw material producers and the future establishment of supply platforms, Morocco reduced the delivery time to Europe by two weeks (a cycle of between 2 and 4 weeks - 50% less time than the standard cycle).

2.7 Reactivity of delivery

The geographical proximity to European markets through "Tangier Med" port that allows the Moroccan textile sector to be more and more reactive. This is due to:

- Customs clearance in less than 1 hour;
- A corridor dedicated to textile actors;

- An increase in the rotation capacity of the ships operating in the port (6 to 8 connections per day);
- An opening to shipping companies dedicated solely to truck transport.

2.8 A large production capacity

A significant production capacity estimated at more than one billion parts per year. The sector has been operating for 50 years with the European and American markets. It also has training institutes ensuring the continuous improvement of skills, which enables companies to benefit from qualified labour and advanced profiles of designers, stylists and engineers. In addition, the development of skills that is at the heart of the sector's strategy also contributes to this large production capacity

2.9 An environmental and social ethic

Adoption of the "**Citizen Fibre**" social compliance program. This label distinguishes companies in the textile and clothing sector that comply with Moroccan regulations on human resources management and working conditions.

2.10 A good sector organisation

For more than 50 years, the textile sector in Morocco has been organized around a professional association "AMITH", which counts among its members more than 90% of exporting companies in the sector. A facility of communication and interaction with principals and international investors. AMITH is now taking a leading role in promoting and developing the textile and clothing industry. It initiates projects, revitalizes sectors and regions, negotiates programmes with the State, organizes trade fairs in the textile sector in Morocco, etc.

AMITH is an association rich with skills and experience. Indeed, AMITH is organised into Competence Poles, including the HR Competence Pole chaired by an industrialist appointed by the President of AMITH. The main mission of this cluster is to ensure that the training offer is in line with the needs of the sector and that continuous research is carried out to develop human capital in the Textile-Clothing sector. AMITH has carried out many projects related to training and professional intermediation such as:

- Cooperation Programmes (EU via Meda1 and Meda2), Canadian cooperation (implementation of the Competence Approach "APC",

development of the functional literacy programme), German cooperation (implementation of the CFA-IE "Centre de Formation par Apprentissage Inter-Entreprises" within TH companies, coaching of managers) and French cooperation (development of the functional literacy programme);

- Co-management with the OFPPT of 17 sectoral EFP/OFPPTs which is articulated by the mobilization of AMITH at the head of each EFP/OFPPT, 3 to 4 industrialists to co-manage, with the Director of the establishment;
- The governance body shall adopt guidelines which ensure that VET has greater visibility on the quantitative and qualitative needs of its sector of activity and enable it to offer appropriate and concerted training through The Development of FAC-IE;
- The implementation of the Program for the Valuation of Professional Experience Acquired;
- The integration of 20,000 young people to fill the 2010-2011 skills shortage;
- The development of continuing education programs;
- Development of training methods (residential, apprenticeship, work-study and evening courses);
- Creation of a sectoral GIAC to support companies in consulting and training engineering studies;
- Delegated Management of ESITH, CASAMODA ACADEMY, CTTTH...

2.11 Help and support

➤ Support for ecosystems in the textile sector

An integrated and innovative support system has been set up for the benefit of textile ecosystem companies:

- **An appropriate financing mechanism:**
 - Investment incentives;
 - Support bonuses to conquer export markets;
 - Support for innovation and the improvement of creativity.
- **An integrated and competitive banking offer: AMITH/Banque Populaire agreement concluded in June 2015 for the development of innovative financing solutions for textile operators.**
- **A targeted training strategy:**
 - Deployment of training programs adapted to the new needs of the sector.

- **An offer of rental land at attractive prices:**

- 95 ha of rental land is reserved for textiles.

- **Investment Promotion Fund (FPI)**

Under the Investment Charter, the FPI proposes that the government partially cover certain expenses related to the acquisition of land (up to 20% of the cost of the land), external infrastructure (up to 5% of the total amount of the investment programme or 10% in the case of an investment in the spinning, weaving or finishing sector) and professional training (up to 20% of the cost of this training).

These contributions may be cumulated; however, without the total state contribution exceeding 5% of the total amount of the investment programme; or 10% in the case of an investment in the spinning, weaving or textile finishing sector or where the investment project is planned in a suburban or rural area.

- **Eligibility criteria:**

The investment project must meet at least one of the following five criteria:

- Be for an amount greater than or equal to 200million MAD over 3 years
- Be carried out in one of the provinces or prefectures mentioned in Decree No. 2-98-520 of 5 Rabi I 1419 (30 June 1998)
- Allow the creation of a minimum of 250 stable jobs over 3 years
- Ensure technology transfer
- Contribute to the protection of the environment

- **Tax incentives**

Tax incentives are provided for by Article 123-22°-a of the General Tax Code and Article 7.1 of Finance Act No. 12-98 for the 1998-1999 financial year, as amended and supplemented, namely:

- Exemption from import duty on capital goods, machinery and equipment necessary for the implementation of an investment project exceeding 200 million MAD for 36 months from the signing of the investment agreement; this exemption is extended to parts, spare parts and accessories imported at the same time as the above-mentioned equipment;
- The exemption from the value added tax (TVA) on imports of capital goods, machinery and equipment necessary for the implementation of an investment project exceeding 200 million MAD, for 36 months from the start of the company's activity or the date of issue of the building permit

and may be extended for a further 6 months in the event of force majeure (renewable once); this exemption is extended to parts, spare parts and accessories imported at the same time as the above-mentioned equipment.

➤ **Support for Small or Medium Companies-SMC (PME)**

SMCs in the sector can benefit from specific support within the framework of the programmes developed by MOROCCO PME:

- IMTIAZ GROWTH
- ISTITMAR GROWTH
- AUTO-ENTREPRENEUR

➤ **Free zone status**

An export-processing zone (EPZ) is a specific area of the territory dedicated to industrial export activities and related service activities. Each free zone is created and delimited by a decree that determines the nature and activities of the companies that can be established there. The operational EPZs are located in Tangier (Tangier Free Zone - TFZ and Tangier Automotive City - TAC), Kenitra (Atlantic Free Zone - AFZ), Casablanca (Midparc), Rabat (Technopolis) and Oujda (Technopole d'Oujda).

To benefit from the status of the free zone under Law No. 19-94, companies must have obtained the authorization of the local commission on export free zones chaired by the Wali or the governor of the region and achieve at least 70% of their export turnover.

The status of free zone allows the exemption from foreign trade and exchange controls, as well as access to the following state subsidies:

- **A tax incentive resulting in:**

Total income tax (TIT) exemption for the first 5 years, followed by an 80% allowance on gross taxable professional income for the next 20 years

- Total exemption from corporate income tax (TIT) for the first 5 years, followed by the application of a rate of 8.75% for the following 20 years
- Total exemption from business tax for 15 years
- Exemption from urban tax for 15 years
- Exemption from participation in national solidarity

- Exemption from tax on income from shares, dividends and similar income for non-residents and reduction of this tax to 7.5% for residents
- **Customs advantages:**
 - Total exemption from import duties and simplified customs procedures;
 - Unlimited exemption from value added tax in respect of products supplied and services rendered to export processing zones from the taxable territory;
- **Administrative facilities:**
 - Exemption from registration and stamp duty on deeds of incorporation or capital increase of the company, as well as on land acquisitions;
 - The establishment of a one-stop shop for investors.

3. Visions and strategic plans for a leading Moroccan textile and clothing sector on a continental scale and in the Mediterranean region

The main objective of the visions and strategies adopted by Morocco concerning the textile and clothing sector is to position itself among the best on an international scale, more precisely around the Mediterranean.

Morocco is one of the most important Mediterranean Partner Countries (MPCs) of the European Union (EU) in the textile and clothing sector and one of the key partners for trade in products from the textile and clothing industries.

3.1 Variety of the sector

- Fabrics:

- Production of upholstery and clothing fabrics for eastern markets
- Good denim fabric potential based on subsidiaries of large foreign groups (Tavex, Legler, Icoma, etc.: spinning, indigo dyeing, weaving)

- Finishing:

- Weakness: a major obstacle to the construction of a complete sector
- Only integrated: there is practically no custom finishing production, which prevents the development of the *converting* activity.
- Know-how in jeans finishing and diving dyeing
- Little investment in the sector

- Manufacturing of knitwear

- Most companies with integrated knitting and manufacturing
- Know-how in T-shirts, sweaters, sweaters

- Warp and weft manufacturing:

- Production for all types of clothing (with a specialization for trousers)
- Excessive concentration of exports: more than 80% of exports are destined for three countries: France, Spain and the United Kingdom.
- No raw materials that correspond to industrial use

- Spinning:

- Productivity and upgrading to be improved
- Mainly oriented towards the use of the production of traditional Moroccan fabrics for furniture.

3.2 The positioning of the Moroccan textile and clothing (TH) sector towards the European Union (EU)

It is obvious that Morocco faces strong competition in the Mediterranean region (especially from countries such as Turkey and Tunisia) in terms of exports of textile and clothing products to the European Union.

➤ **In 2002 :**

The TH accounted for almost 40% of Tunisia's total trade with the EU, one third of EU/Morocco trade and about one quarter of EU/Turkey trade (Table 3).

Together, they accounted for almost 90% of the Mediterranean Partner Countries' (MPCs) textile trade with the EU in 2002. One of the important differences between the two Maghreb countries and Turkey is the EU's share of their TH trade. While the EU is the main and almost the only partner of Morocco and Tunisia, Turkey accounts for just over half of its TH trade with the EU. On the other hand, a common point between these countries is that their trade is concentrated in some EU Member States:

- Morocco with France, the United Kingdom and Spain;
- Tunisia with France and Italy;
- Turkey with Germany, the United Kingdom and Italy.

This explains why, on the EU side, Germany, France, the United Kingdom and Italy are the main partners of the MPCs (75% of EU/MPC trade in 2002).

Table 3: EU TH trade with Turkey, Morocco and Tunisia.

millions of euros						%		In 2002 (%)	
	1995		2002			Variation 95/02		country share	
	Imp	Exp	Impo	Expo	Balance	imp	exp	imp	exp
Turkey	4274	799	8964	1873	-7090	109.7	134.4	55	27
Tunisia	1841	1287	3115	2083	-1032	69.2	61.8	19	29
Morocco	1733	1060	2735	1764	-971	57.9	66.4	17	25

➤ **In 2004 :**

According to (EURATEX), Morocco has been classified as the 7th largest supplier to the European Union and has reserved 4.6% of its market for itself as shown in Table 4.

Table 4: Main suppliers to the European Union in 2004.

Countries	Amounts in millions of euros	%	Rank
China	10806	20.4	1
Turkey	7333	13.8	2
Romania	3657	6.8	3
Bangladesh	3054	5.7	4
Tunisia	2695	5.1	5
India	2622	5.0	6
Moroccan	2472	4.6	7
Hongkong	2062	4.0	8
Poland	1471	2.7	9
Indonesia	1337	2.5	10
Total	37509	70.6	

➤ **In 2016 :**

The Moroccan textile industry achieved the 2nd best growth in clothing exports on the European market after Vietnam.

Table 5: World's best performance in clothing exports to the EU in 2016.

Performances			
Countries suppliers	Value in millions of euros	Market share in %.	Variation 2015/2016 in %
China	27681967	34,20	-8
Bangladesh	14845814	18,40	8
Turkey	9506203	11,80	1
India	5120596	6,3	0
Cambodia	3367701	4,2	14
Vietnam	2993648	3,7	7
Moroccan	2528706	3,1	9
Pakistan	2454528	3	8
Tunisia	1957033	2,4	-2
Siri lanka	146979	1,8	-8
Others	8951451	11,10	4
Total	80864526	100	0

3.3 Strategies and visions adopted

The dynamism that the sector is currently experiencing is the result of the adoption of an ambitious development strategy favoured by a supportive international environment.

Morocco is pursuing an industrial strategy to encourage the transition from subcontracting to finished products. Such evolution requires, in particular, the development of new managerial and professional skills (fashion, logistics, management, etc.), as well as the financing of raw material stocks and risks related to collections. Morocco is working to improve the competitiveness factors of subcontracting (facilitation of administrative and customs procedures, reform of labour law).

Indeed, their cultural and geographical proximity constitutes a strong asset for short circuit manufacturing, replenishment and updating. In terms of trade policy, Morocco signed a free trade agreement with Turkey in 2004 to facilitate their supply of raw materials. Thanks to cumulation of origin, it will be possible to use Turkish fabrics to make clothing for the European market. Morocco also concluded a free trade

agreement with the United States in 2004, which should favour its clothing exports to this market. The rules of origin adopted require double processing (weaving and tailoring carried out in Morocco or the United States). This should encourage the development of textile units in Morocco (denim canvas weaving units). For its part, the European Commission has proposed replacing the current rules with a system based on an added value criterion.

After the difficulties the sector has faced in recent years due to the economic crisis, textile professionals have thought of a new vision to adapt to global needs and become more competitive. In 2013, they proposed to the government the "Textile Plan 2025", following in the footsteps of Turkey, which has adopted the "Textile Plan 2020" and has become one of Europe's most important suppliers.

This initiative coincided with the state's vision of an Industrial Acceleration Plan 2014-2020 encompassing both exports and the national market. As part of this plan, in February 2015, the textile and clothing sector acquired its first three ecosystems: denim, fast fashion and Moroccan industrial brand distributors. The objective is to make the most of its potential and to establish sustainable growth. As well as improving the competitiveness of Morocco's offer, developing the upstream sectors, innovating to better position itself on the local market and capture its growth, developing an integrated offer for locomotives, boosting investment in high value-added activities and integrating informal operators.

3.4 The great vision of textiles

It is an adapted and ambitious sectoral strategy for 2025, the result of a solid, effective and unprecedented public-private partnership, the textile development strategy, which is part of the Industrial Acceleration Pact 2015-2020, has been built around targeted, clear, assumed and aligned choices between the State and the profession.

- **Key points of the textile vision**
 - The strategy of the Moroccan textile sector, through the development of the 3 points: Clothing - Fashion, Home Textiles and textiles for technical applications around targeted bets reflecting Morocco's historical knowledge and market potential;
 - Identification of 6 high-potential ecosystems: Knit, Denim, Fast Fashion, Home Textile, Technical Textile and Industrial Distributors of Moroccan brands;

- Support for the emergence of a competitive and innovative industrial upstream around targeted betting, to improve the overall competitiveness of the Moroccan offer both for export and on the domestic market;
- The reorganisation of textile ecosystems around an approach combining the support for the emergence and strengthening of locomotives as well as the consolidation of existing actors;
- They are reconquering the domestic market through better market regulation, strengthening the competitiveness of transparent actors and integrating the informal sector;
- Deployment of a new support offer for the textile sector with objectives and commitments from the Public and Private Sectors.

3.5 Sector ecosystems

Ecosystems, the cornerstone of the 2014-2020 Industrial Acceleration Plan, is intended to promote the integrated development of industrial sectors. The aim is to integrate the industrial structure locally around leading companies by encouraging mutually beneficial partnerships with small or medium companies, the former acting as a driving force and giving perspective and visibility to the latter, which in turn brings creativity, innovation and dynamism.

Appropriate support and targeted assistance are provided to ecosystem companies in terms of financing, industrial land and training.

The Industrial Development Fund (IDF), operational as of 1 January 2015, allocates 3 billion dirhams per year over the period 2014-2020 to ecosystem companies to enable them to achieve their ambitions for upgrading, development and internationalisation.

In addition to this support from the State, there is also an integrated and competitive bank financing offer.

Ecosystem companies can also:

- Have access particularly to quality industrial land thanks to the innovative concept of industrial rental parks;
- Provide their employees with appropriate training courses.

The textile and clothing sector has six ecosystems under the 2014-2020 Industrial Accelerated Plan. The sectors concerned are "Denim", "Fast Fashion",

"Industrial distributors of national brands", "Knit", "Home textiles" and "Textile for technical use". The creation of ecosystems in these sectors will encourage the emergence of a competitive and innovative textile upstream, a first-rate prerequisite for better integration of the sector and to gain in reactivity and logistics costs in supplying customers.

These first 6 ecosystems will contribute, by 2020, to create 100,000 new jobs, generate additional turnover of 5 billion dirhams in the sector, and carry out 70 investment projects supported by locomotives.

❖ *Support for the establishment of priority textile ecosystems: DENIM - Fast Fashion - Distribution of national brands.*

This strategy is a shared desire to promote the textile sector's proactive contribution to the country's socio-economic indicators, and its objective is to:

- Create 100,000 stable jobs in ecosystems, including 54,000 generated by ecosystems and 46,000 generated by the cross-functional offer.
- Generate 5 billion DH of additional export turnover by 2020
- Structuring the fabric of actors into efficient and sustainable ecosystems.

It is also an industrial plan that includes two commitments: one by the state and the other by AMITH.

• **Commitment by the state:**

1. Create an incentive framework for the emergence of efficient ecosystems and the development of textile actors.
2. Ensure rental land for companies in the sector in areas with employment areas.
3. Strengthen the promotion of the Moroccan offer by AMDI and Morocco Export.
4. Integrate the informal through the promotion and support of very small, small and medium-sized Moroccan companies.
5. Support the training of the skills necessary for the development of the sector.

• **Commitment by AMITH:**

1. Create 100,000 stable jobs by 2020, including 54,000 generated by ecosystems
2. Promote the emergence of 70 high-performance ecosystem locomotives, including 57 for the first priority ecosystems
3. Reach an export turnover of 34 billion DH by 2020 (5 billion additional DH)
4. Identify areas with employment pools for the deployment of potential ZAI
5. Propose operational measures for the integration of the informal sector.

- Denim Ecosystem

The establishment of the "Denim" textile ecosystem is intended to achieve:

- + MAD2.6 billion in revenues
- + 14,800 jobs.

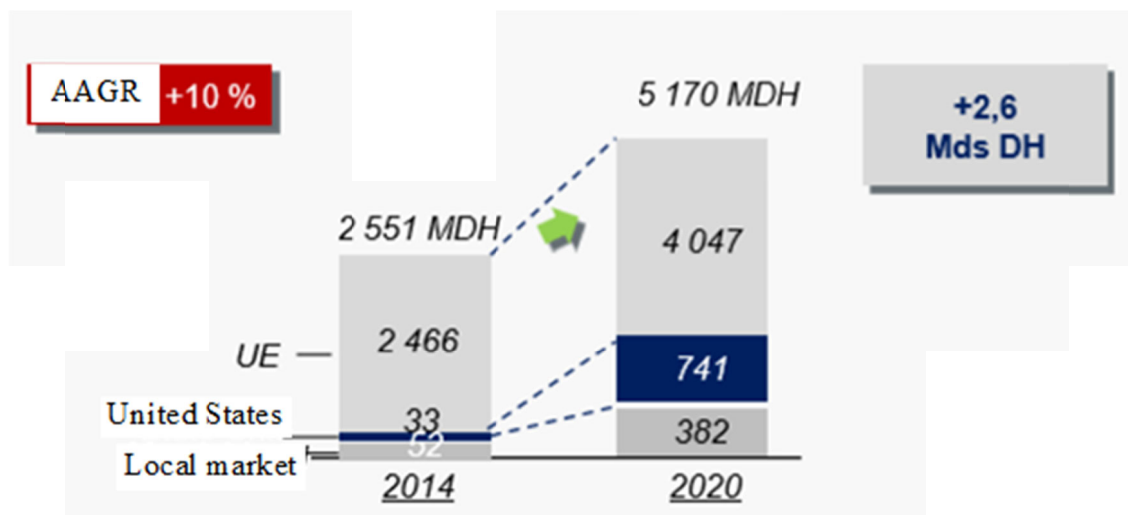


Figure 3: Evolution of the turnover of the Denim ecosystem (2020)

- Gross Domestic Product (GDP) 2020: 1,293 MDH (+655 MDH)
- Investment effort required: 1.2 billion dirhams

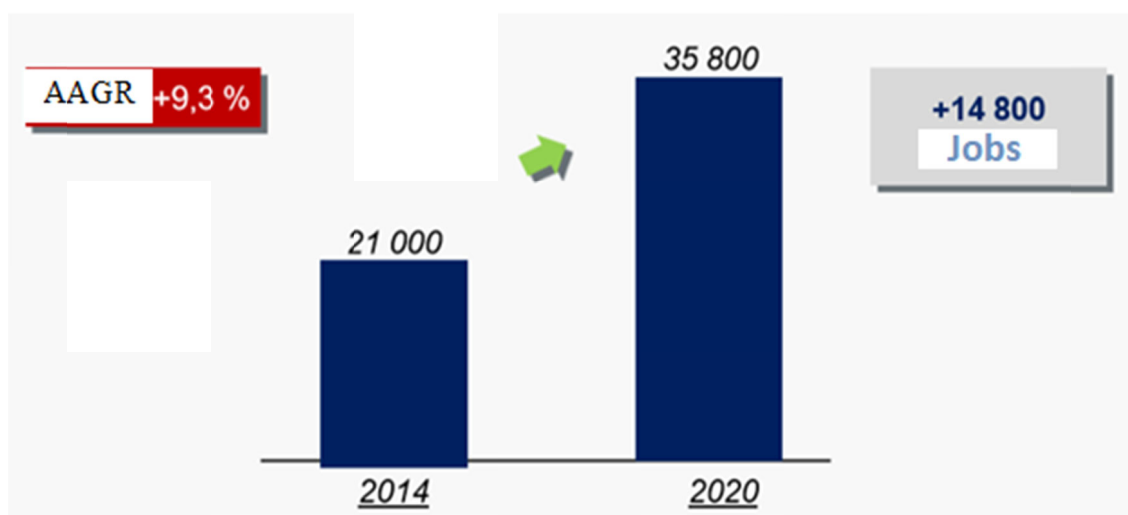


Figure 4: Evolution of employment in the Denim ecosystem (2020).

- Number of locomotives: 25
- Minimum objectives for 2020 per locomotive: increase in turnover: 75 MDH and creation of stable jobs: 450

- Fast Fashion Ecosystem

The establishment of the "Fast Fashion" textile ecosystem is intended to achieve:

- + MAD2.6 billion in revenues
- + 21,230 jobs.

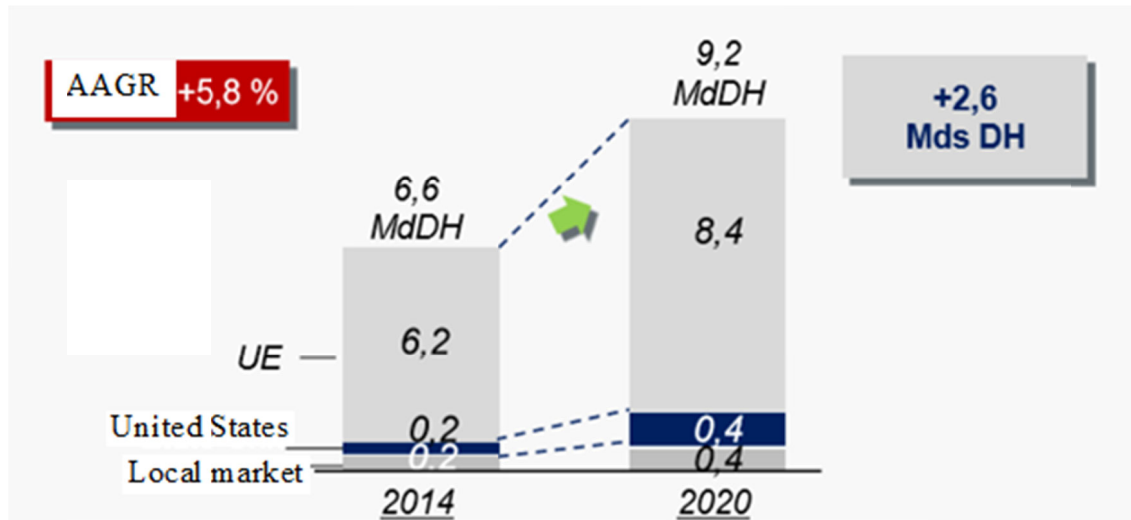


Figure 5: Evolution of the turnover of the Fast Fashion ecosystem (2020).

- GDP 2020: 2.3 billion dirhams (+0.65 billion dirhams)
- Investment effort required: 1.1 billion dirhams

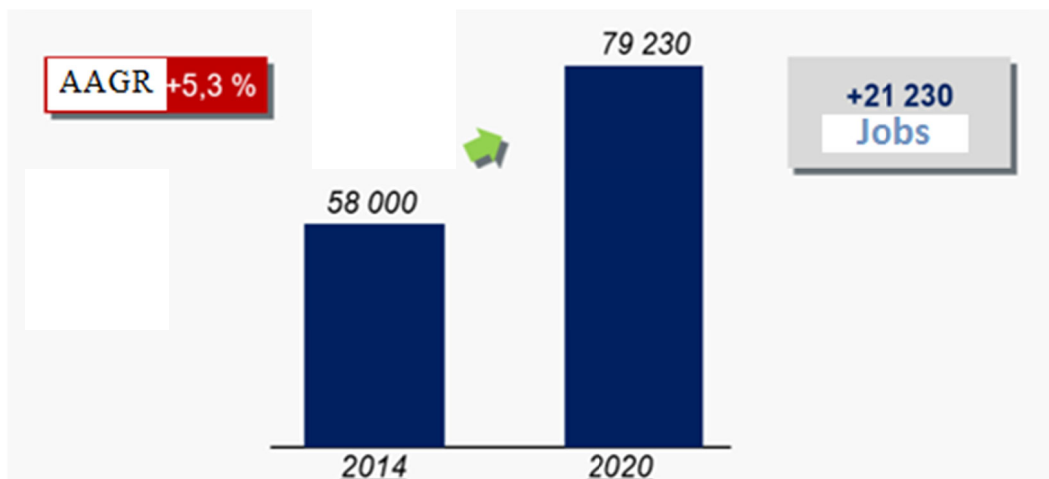


Figure 6: Evolution of employment in the Fast Fashion ecosystem (2020).

- Number of locomotives: 25
- Minimum objectives for 2020 per locomotive: increase in turnover: 75 MDH and creation of stable jobs: 600.

- Ecosystem Distributor of national brands

The establishment of the textile ecosystem "**Distributor of national brands**" is intended to achieve:

- 1.3 billion DH of turnover
- 8000 jobs

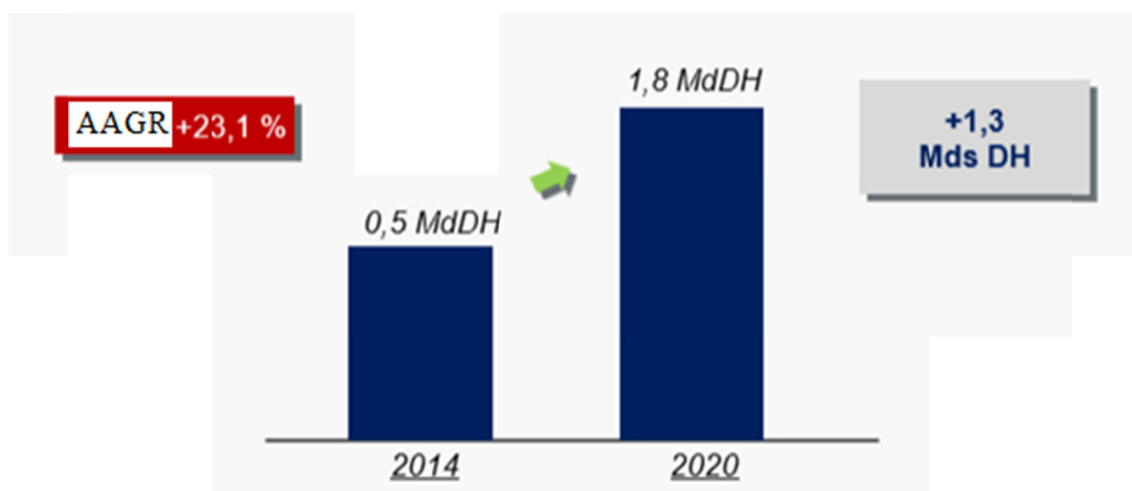


Figure 7: Evolution of the turnover of the national brand distributor ecosystem (2020).

- GDP 2020: 500 MDH (+350 MDH)
- Investment effort required: 870 million MDH



Figure 8: Evolution of jobs in the national brand distributor ecosystem (2020).

- Number of locomotives: 7

- Minimum objectives for 2020 per locomotive: the increase in turnover: 50 MDH and creation of stable jobs: 300.

➤ **Transversal accompanying measures**

Land requirements of the 3 priority ecosystems will be 945972m² by 2020. It's approximately 95 hectares for the three ecosystems Denim, Fast Fashion and Distributor.

The following figure shows the regional distribution of textile ecosystem needs.

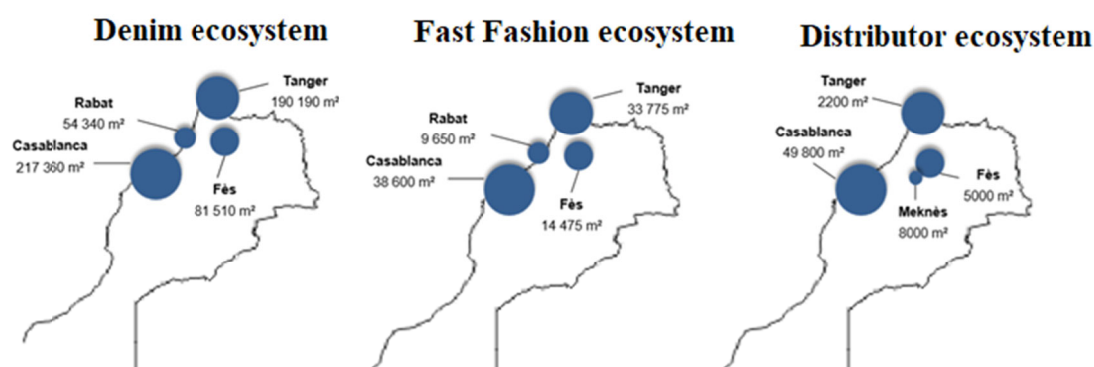


Figure 9: Geographical distribution of textile ecosystem needs in Morocco.

- **Prerequisites for the location of the additional land:**
- 10 minutes' walk from an employment area
 - Accessible to the road network
 - In rental mode
 - Competitive.
- **Action plan for fair and equitable competition in the internal market**
- Objectives of the project
 - Six major objectives:
 - Ensure fair and equitable competition within the Moroccan domestic market
 - Protecting Moroccan economic and social added value
 - Support the efforts of transparent industrial actors
 - Promote the economic projections of the 6 textile ecosystems: Denim, Fast Fashion, National Private Labels, Knit, Home Textiles, TUT
 - Promote market share gains in the informal sector (e. g.: capture 25% of Denim's market share compared to ~6% currently)

- Achieve the objectives of creating 100,000 stable jobs by 2020.

3.6 Human resources training

Human resources training is a strategic project of the 2014-2020(Industrial Acceleration Plan-IAP). The availability and quality of human resources determine the attractiveness of Morocco as a destination and contribute to strengthening the productivity of companies and improving their competitiveness.

In a context of local textile demand growth of 3-4% per year, textiles can make a significant contribution to the critical need to create 221,000 urban jobs annually over the period 2018-2025. One of the objectives of the strategy adopted is to meet the competence needs of the ecosystems set up.

Similarly, it is planned to set up a training offer to qualify targeted jobs to meet the needs of the 106,820 jobs expected in the various ecosystems. This training offer will be deployed, in particular, by the OFPPT, ESITH and CASA MODA ACADEMY.

A precise mapping of training needs - with quantification of human resource needs by sector, profile, region and year - has been put in place by the Minister of Industry to enable the development of a national training plan.

Among the major projects to address the training of human resources in the textile and clothing sector is the "Rehabilitation of the Textile and Clothing Centre of the OFPPT Ben M'sick in Casablanca" project.

➤ Purpose of the Centre's rehabilitation

The purpose of the centre to be rehabilitated will be to adapt the training in qualitative and quantitative terms to develop qualified labour that meets the needs of manufacturers in the textile and clothing sector. The overall objectives will be a response to the issues set out in section IV above. To this end, the rehabilitation project aims to respond to the various shortcomings and deficiencies observed in the centre of Casablanca. The specific objectives of the rehabilitation of the centre are to

- To increase the number of trainees enrolled in the centre from 391 to 1050 at the beginning of the 2019-2020 school year.
- To set up 5 new courses responding to the new professions.
- To reactivate the abandoned sectors in the centre of Casablanca.
- Improve existing equipment and acquire new equipment to meet the demands of all sectors, including new sectors.

- To rehabilitate and fit out training facilities (classrooms, specialised rooms, computer rooms, laboratories, workshops, workspaces, etc.)
- To build a boarding school with a capacity of 100 students for 70 girls and 30 boys
- To offer new services to professionals in the sector.

Currently, the number of trainees enrolled in the Casablanca centre is 391 and the objective for the 2019-2020 school year will be to reach 1050 trainees enrolled. Given the creation of new courses and the reactivation of some of the courses that have been put on hold, the number of trainers in the centre, which currently stands at 22, will have to be increased to 35 trainers.

➤ **The different functions of the centre**

In addition to initial training, which will be adapted to the needs of the profession, the project will set up new business services, which are a set of actions aimed at assisting businesses to improve their performance, particularly in terms of human resources, namely:

- Micro-services throughout the entire transformation process
- Continuing training
- The appropriate textile laboratory
- Technical and organizational audit of the company
- Tailor-made training
- Project incubation

It is credible that these services will generate income and can thus help the centre to achieve financial autonomy before the end of the project. To achieve this, the staff of the centre will be strengthened by including new directions and functions to help the centre achieve its qualitative, quantitative and, above all, financial objectives.

3.7 A plan for 2020....

In October 2016, in addition to the contract signed between the Ministry of Industry, Trade, Investment and the Digital Economy and AMITH concerning textile ecosystems, other investment contracts were signed, in particular with Decathlon, the sports goods distributor for the opening of 26 new stores in Morocco and a logistics platform in Tangier Med by 2020. This for an investment of 163 million MAD, the creation of 10,910 direct jobs and more than 2 billion MAD in sourcing in Morocco.

It should be noted that since their launch in February 2015, the 6 ecosystems of the textile sector have recorded 36 investment projects worth 1.14 billion MAD, generating 20,673 jobs.

The profession is committed to creating 100,000 new jobs, improving sectoral added value and generating additional revenues of 15 billion MAD by 2020, including 9 billion MAD in exports.

In addition, Morocco's textile industry: guaranteed minimum inter-occupational wage(SMIG) increased by 10% in two stages

Recently, an agreement was reached to increase the minimum inter-occupational wage in Morocco's textile and clothing industries by 10% in two steps:

- 1- On 1 July 2019, the sectoral minimum wage will be increased by 5% to 14.13 MAD per hour, which is equivalent to €1.30.
- 2- On July 1, 2020, the minimum wage will again be increased by 5% or 14.84 MAD.

4. Training

For the morrocan field, the training relating to the textile industry professions is organized according to several approaches which are co-organized by the Moroccan Association of Textile and Clothing Industries (AMITH) and the public authorities. There are two categories, namely vocational training and higher education in the Textile and Clothing sector.

4.1 Initial Training

Within this framework, 17 training establishments in textiles and clothing of the OFPPT (Office for Professional Training and Promotion of Work) are functional and open to their socio-professional environment. Under the aegis of a management mode aiming at an increased accountability of the management teams of PTE (Professional Training Establishment) and a close collaboration with the professionals and this, in accordance with the orientations of the National Charter of Education and Training which makes the decentralization of the management one of the major levers of its reform.

4.2 Higher Education:

There are two institutes specialized in the textile field:

a- Higher School of Textile and Clothing Industries (ESITH)



To create to ensure the training of spatialized engineers in the field of textile and clothing in order to accompany the development of the Moroccan textile industry, an important training device has been granted over the last twenty years, within a

Figure 10: Numbers of Education in Moroccan Textile.

contractual framework between the AMITH and the Public Authorities.

Since its creation, ESITH has trained 1,540 Engineers, including a hundred or so laureates with double diplomas from the French schools ENSAIT and ENSISA. ESITH has also trained 935 senior technicians, 529 graduates of the specialised master's programme and 1319 graduates of the professional bachelor's programme. However, the source of our satisfaction is obviously the rate of integration into the workforce, which is close to 100%.

b. Casa Moda Academy

Created within the framework of the National Pact for Industrial Emergence, the Casablanca School of Design and Fashion (ESCM) / Casa Moda Academy, is set up and managed by an agreement signed on October 31, 2008 between the Ministries in charge of Vocational Training, Industry, Higher Education and Finance and the Moroccan Association of Textile and Clothing Industries (AMITH).

The school's missions consist mainly of initial and continuing education in Fashion Design and Fashion Styling to meet the needs of the industry with the strategies adopted between AMITH and the Public Authorities,

Access to both institutions is based on passing a competition, after studying the file, among candidates who demonstrate creative and cultural maturity.

4.3 CONTINUING TRAINING:

Within the framework of the special training contracts, the public authority provides support to companies in order to promote this tool to textile and clothing companies with the aim of reconciling them with this upgrading tool, while observing certain prerequisites. All the mechanisms have been made possible by relaxing the management modalities in favour of transparent and organized enterprises (categorization of enterprises).

4.4. Research:

In addition to the academy of traditional arts in Casablanca, several institutions open for development and innovation in the field of textile materials. It should be noted that most of the published works concerning this sector are mainly related to environmental aspects and improvement of manufacturing processes. It is only during the last decade that work for the development and elaboration of textile materials with very high added value and technical textiles have been initiated. In this context, ESITH and Hassan II University play a very important role and have among their staff teams who have specialized in the field and who have to their credit a very large number of patents and publications in specialized journals.

The table below lists the teams and institutions, which are active in this sector of activity:

Table 6: Institutions active in Moroccan textile sector.

Laboratory	Establishment/University
Department of traditional weaving	Academy of Traditional Arts, Foundation of Hassan II Mosque, Casablanca
Faculty of Science Semlalia	University Cadi Ayyad Marrakech 40000
Materials and	Faculty of Sciences, Agdal Rabat Morocco

Archaeomaterials Spectrometry Laboratory (URAC 11)	Moulay Ismail, Faculty of Sciences, Zitoune
Faculty of Medicine and Pharmacy	Mohammed V University in Rabat
Faculty of Science Agdal Rabat	Mohammed V University in Rabat
Laboratory LIMAT	Ben M'Sik Faculty of Science –UH2C
Laboratory REMTEX	ESITH Casablanca Morocco
Laboratory of Applied Chemistry and Environment	Faculty of Sciences Ain Chok Casablanca Morocco-UH2C

5. Refugees Involvement in FOSTEX.

The substitution of refugees by sub-Saharan students pursuing higher education in Morocco is granted.

Proposed Training:

5.1 Target population

Since Morocco's higher education has more than 20,500 foreign students at the start of the 2019/20 academic year, the overwhelming majority of whom come from sub-Saharan Africa (more than 85%). So the target population will be some Sub Saharan students enrolled in materiel technology, chemistry, engineering ...

5.2 Training Programs

The primary aim of enabling learners is to acquire certain underlying skills and knowledge to facilitate their training / employment in the textile industries.

The training will be divided into theoretical and practical courses, covering different textile areas:

- Basics of textile technology,
- Best practice fabrication,
- Textile quality control

5.3 Methodology of Involvement

The theoretical courses will be taught via distance learning using a variety of online course materials and video.

Practical training will take place in the technical centres and researches laboratories and industrial partners companies ...

6. Trends on textile and clothing sector in Morocco

The dynamics of the sector have been reflected in a recovery in investments since the implementation of the Textile (Industrial Acceleration Plan-IAP). In 2015, more than 2.5 billion dirhams of investments had been committed through investment agreements concluded between the State and companies in the sector, investments that are currently resulting in nearly 40,000 contractual jobs by 2020.

The sector had a record year, with export revenues of 34 billion MAD, up 8.8% year-on-year. This trend was mainly driven by a very strong increase on the Iberian Peninsula and the end of the facility granted to non-originating inputs from the Morocco-United States Free Trade Area, according to AMITH, the Moroccan Textile and Clothing Industry Association.

More than half of this turnover, or 18.49 billion, was generated in the Spanish market.

National textile-clothing exports to the latter thus increased by 20.5% in 2016.

AMITH attributes these achievements to the rising costs in Asia, the country's political stability, which is a major component of competitiveness in the current global context, particularly, fast-fashion, a segment in which Morocco has specialized and where it has become very experienced.

Moroccan textile is a promising sector for the future, with a great human, industrial, technological and creative wealth. It can embark on a sustainable redeployment path by moving beyond the narrow concept of traditional clothing or furnishings and embracing a shift towards textiles for technical use and intelligent textiles.

7. The Situation of Textile Education in Morocco.

The Moroccan country consider the textile sector time ago, and prepared to enter this sector scientifically. More than one institution consider the textile education and many research are done in this purpose, the problem to pass and raise is the source of fundings.

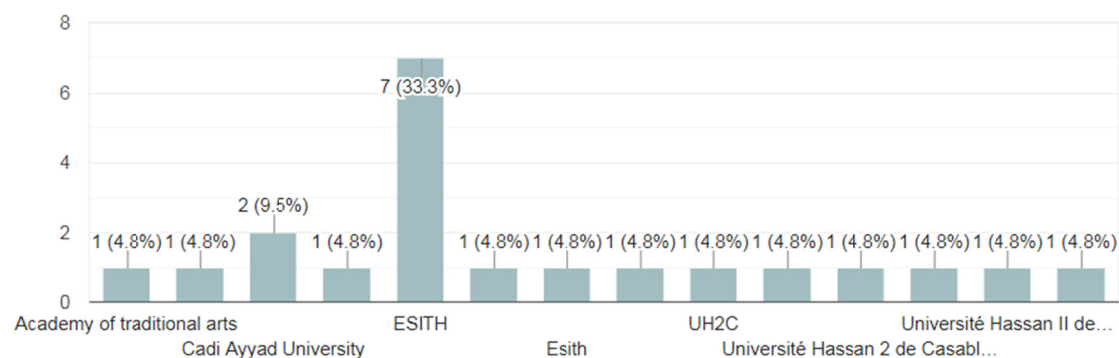
The survey prepared and sent using google forms, the responded academics were from different institutions and 70% of them provided academic programs in textile and clothing industry.

According to the responses, 9% agreed that the needed now is the research and knowledge of the advance textile and should be considered even by this project (by the training, documents, etc.), most of them know about the science of testing the textile and cloth. The survey results are detailed here:

General Informationsمعلومات عامة

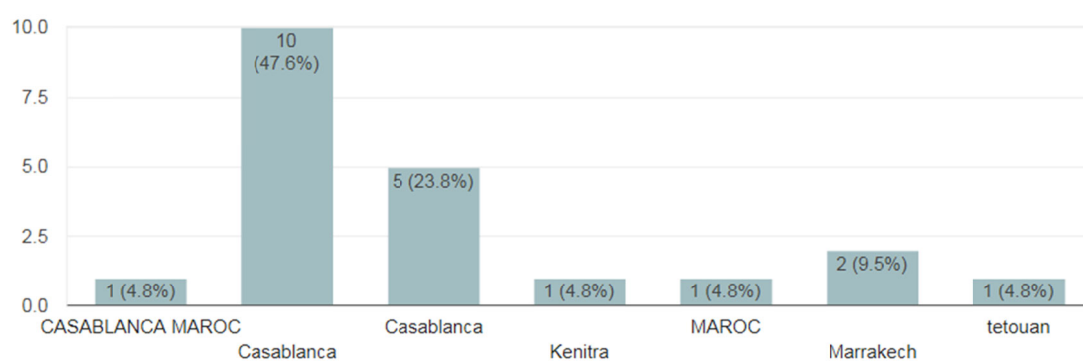
اسم المؤسسة أو الجامعة Organization Name

21 responses



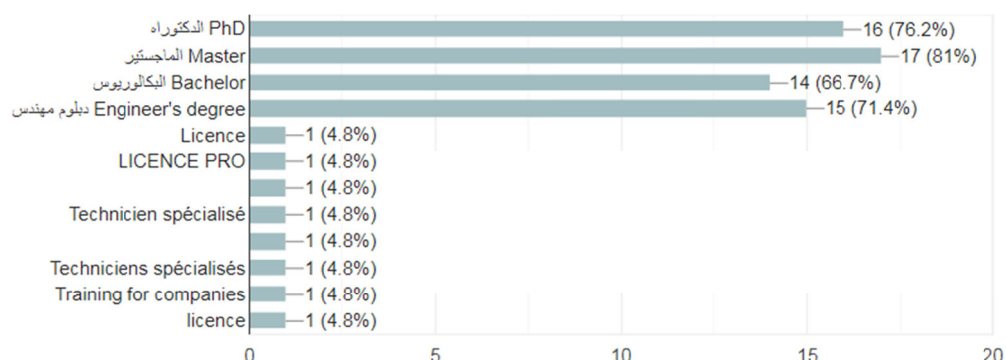
الموقع الجغرافي (المدينة) City

21 responses



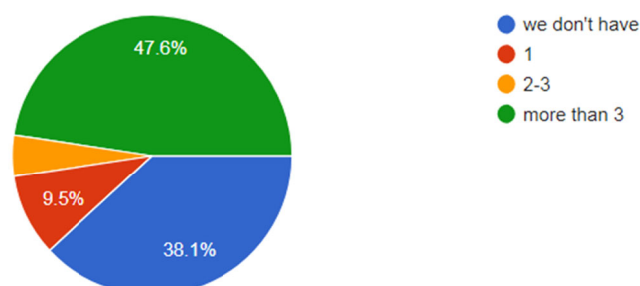
The University offers: الجامعة تقدم برامج

21 responses



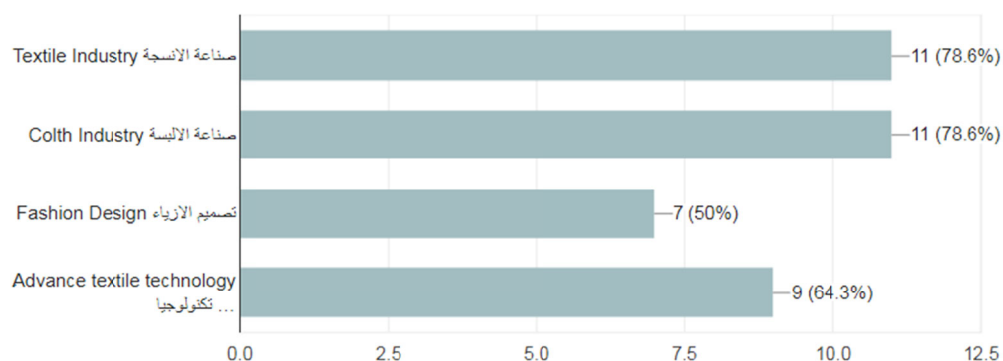
The number of programmes related to textile and cloth industry عدد البرامج التي تمنح درجات خاصة بالانسجة والقماش

21 responses



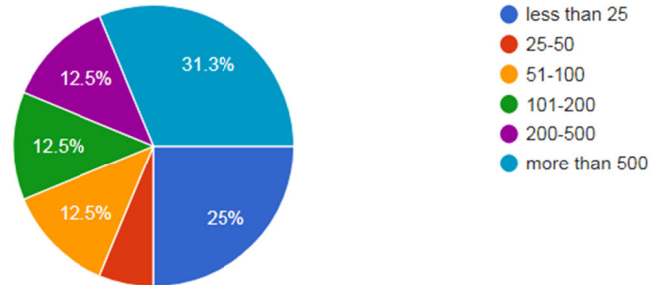
The degree is التي تمنح هي الدرجة

14 responses



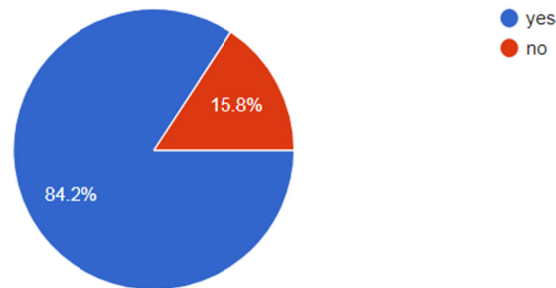
عدد الطلاب الموجودين على مقاعد الدرس للتخصص اعلاه
Specialization

16 responses



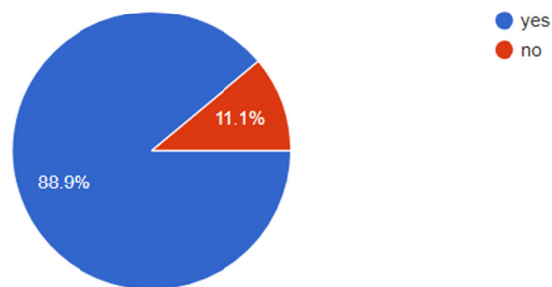
هل سبق وان عمل الطلاب على مشاريع ذات علاقة بالنسجة والقماش
Did your students work on textile and cloth industry

19 responses



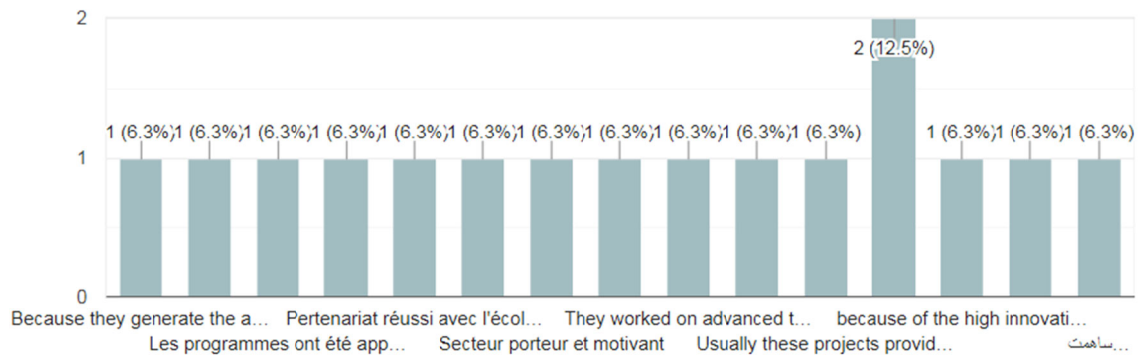
كانت تجربة ناجحة
it was succsesful

18 responses



لماذا why

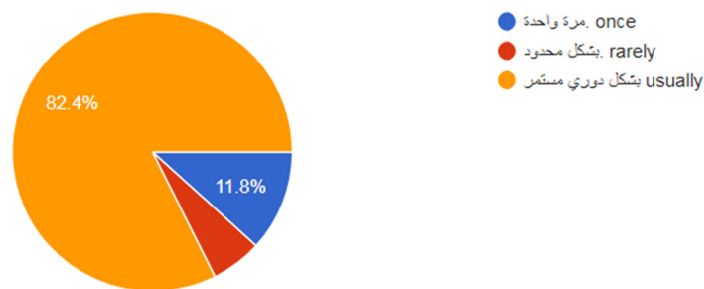
16 responses



التعاون في مشاريع مشتركة مع الصناعة أو تلقي خدمات من هذه الجهات the collaboration with industry

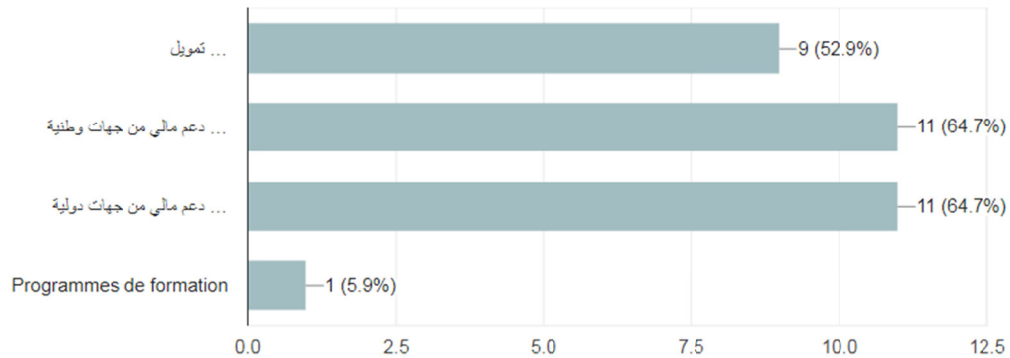
حدد عدد مرات تعاملكم مع الصناعة The number of collaborations with industry

17 responses



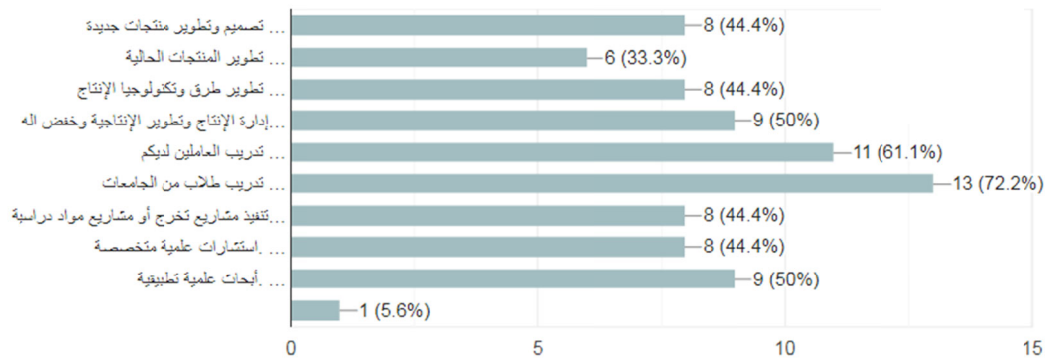
Funding source حدد مصدر التمويل للمشاريع المنفذة أو الخدمات التي حصلتم عليها من الصناعة: (يمكن اختيار أكثر من بند) .
was (you can choose more than one)

17 responses



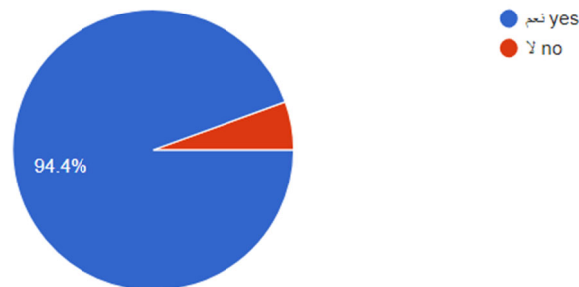
Determine the field of collaboration with industry حدد مجال التعامل الذي تم مع الصناعة (يمكن اختيار أكثر من بند)
(you can choose more than one)

18 responses



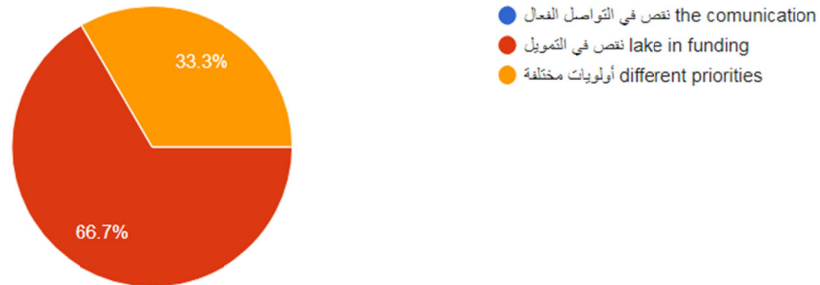
It was succesful حدد هل كانت تجربتكم ناجحة في التعامل الذي تم مع القطاع الصناعي

18 responses



If it was not, why (you can choose more than one)

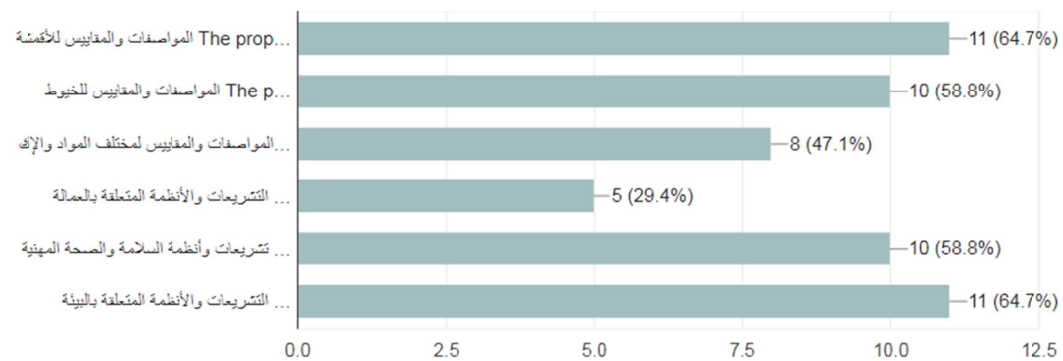
3 responses



Others

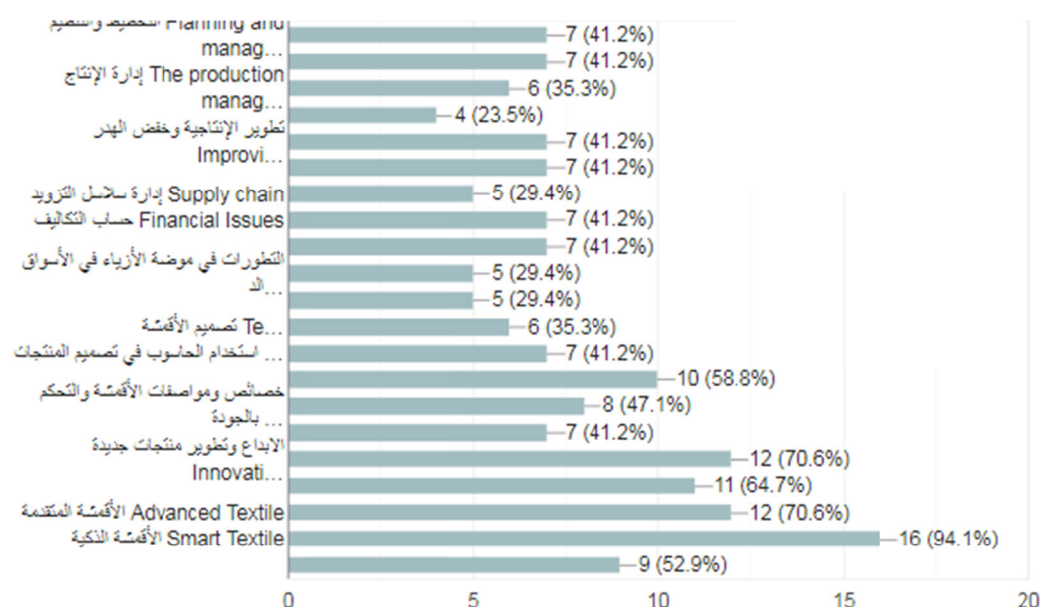
Which of the followings your know about (you can choose more than one)

17 responses



5 (حدد أي من المجالات التالية تحتاجون فيها إلى تدريب 5) What are the fields you need to be trained in (you can choose more than one)

17 responses



هل تعرف ماهي الفحوصات التي يجب ان تفحص الالبسة عليها؟؟ اذا نعم الرجاء ذكرها
Do you know what are the physical and chemical tests needed to classify the products and raw material quality and hazardous, if yes please add

9 responses

Fiber identification test, Coloration fastness proprieties (washing, rubbing, light...), Toxic residual derivatives test (AOX, aromatic amine, heavy metals...), Dimensional stability and others.

Stabilité dimensionnelle. PH. Composition. Métaux lourds. Degorgement.resistance fil. Boulochage...

No

Qualitative and quantitative fibre composition, mechanical properties, physical properties, UV-vis and IR stereoscopic analysis and rheological study of chemical fibres.

arylamines; formaldehyde, phtalate, Cr, métaux lourd; pH; les solidites des teinture, imperméabilité; résistance dynamometrique; stabilité dimensionnelle; composition fibreuse...

chemical composition, tesile properties, therman analysis, structural composition, ion release analysis

Physical, chemical and structural analysis ; Performance tests; Toxicity, degradation and biodegradation tests

Please add any additional comment, suggestions, etc هل عندك ملاحظات او اقتراحات

4 responses

NO

No

Recycling and reuse of textile fibres

Formation sur la maintenance industriel;
et moyens financé pour les investissements industriels.
Calcul des coûts de production.