

Development of Morocco's Tourism Sector: Economic Impact and Preparations for International Sporting Events

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Abstract

The purpose of this review article is to provide an analysis of the current state of the tourism industry in Morocco. In preparation for significant international events, such as the hosting of the African Cup of Nations and the World Cup in 2030, Morocco is focussing on a new tourism segment in order to capitalise opportunities. This gives rise to enquiries concerning the significance of tourism in the Moroccan economy as well as the measures that the government is putting into place to improve the sector in preparation for upcoming events. The purpose of this article is to investigate the economic significance of tourism in Morocco, as well as the most recent statistics pertaining to the tourism industry in Morocco and the strategies that have been adopted to increase the number of tourists visiting the nation.

Keywords: Morocco, Tourism, World cup, Hospitality industry, Economy

1 Introduction

In light of the selection to host the 2025 African Cup of Nations, Morocco is establishing itself as a significant contender in the realm of football. FIFA selected its joint candidacy with Spain and Portugal to host the 2030 World Cup. The football federations of Morocco, Spain, and Portugal have articulated their intention to host a tournament aimed at enhancing the legacy of the FIFA World Cup, advancing the sport of football, and exerting a substantial worldwide influence. The successful organisation of the 2023 Club World Cup, recognised for its exemplary management and fervour for football, with these two initiatives, reinforces the Kingdom's status as a preferred location for significant international sporting events. Morocco, distinguished for its proficiency in orchestrating large-scale events, has made substantial investments in enhancing its infrastructure, encompassing both human and material resources. This encompasses the commencement of building on the Benslimane stadium, one of the largest in Africa, along with the enhancement of its tourist accommodation offerings, the most broad and comprehensive on the continent. Moreover, Morocco's footballing legacy and fervour for the sport significantly contribute to the success of these worldwide initiatives. Qatar generated US\$1.56 billion, primarily from tourist and business travel associated with the 2022 World Cup it hosted. To prepare for such events, enterprises in the tourism sector, especially hotels, must enhance their offerings and refine their service skills. It is necessary to first comprehend the circumstances of the tourism sector in Morocco. This article is an analysis of the current state of the tourism sector in Morocco. We will begin by examining the status of the tourist sector in Morocco and its economic importance, followed by the presentation of latest statistics pertaining to this sector. Subsequently, we will examine the techniques employed to promote tourism in Morocco, specifically focusing on investment incentives.

2 The Economic Significance Of Tourism In Morocco

2.1 The sector's position in Morocco

The tourist sector holds a significant position in Morocco's economy. In 2023, tourism constituted approximately 7% of the nation's Gross Domestic Product (GDP), as per The Moroccan Ministry of Youth, Culture and Communication figures from 2023. The Moroccan government has implemented several initiatives to enhance this sector, including establishing public-private partnerships, marketing Morocco as a global destination, and upgrading tourism infrastructure (Observatory of Moroccan Tourism, 2024).

The tourism sector has facilitated the generation of employment possibilities in the hotel,

catering, transport, and craft industries. It is essential to ensure that expansion in the tourism sector is sustainable to avert negative consequences, including environmental degradation and the erosion of cultural traditions.

Notwithstanding its benefits, Morocco's tourism business encounters certain problems, including the seasonality of tourism, marked by a significant influx of visitors during the summer and year-end holiday seasons. Seasonal fluctuations provide difficulties with infrastructure management and workforce allocation.

In the realm of regional competitiveness, Morocco contends with other Mediterranean tourist destinations, including Spain, Turkey, and Egypt. Morocco must expand its tourism offers to sustain its competitiveness.

The COVID-19 epidemic had catastrophic effects on the global tourism sector, and Morocco was also affected (World Tourism Organization, 2020). Revitalising the tourism sector post-pandemic necessitates efficient coordination to re-establish travellers' confidence and ensure their safety.

The prognosis for tourism in Morocco is favourable. The advent of novel tourist modalities, including health and wellness tourism and ecotourism, may present unparalleled opportunities for attracting a diverse audience.

Morocco has become as a favoured destination for global tourists, attributed to its rich culture, diverse landscapes, and esteemed hospitality. Prominent tourist destinations include Marrakech, Fez, Casablanca, and Tangier, they continue to be sought-after locations, drawing millions of tourists each. The Moroccan government has implemented many measures to enhance the tourism sector, encompassing infrastructural development, worldwide marketing, and facilitation of private investment. Tourism sector revenues are vital to Morocco's economy, representing a substantial portion of Gross Domestic Product and fostering employment expansion (Moroccan Tourism Observatory, 2024; Moroccan Ministry of Tourism, 2024; World Tourism Organization, 2020).

Foreign investment in Morocco's tourist sector is consistently increasing, drawn by the prospects present in the country. The variety of the tourism portfolio, including mountain, beach, cultural, and business tourism, effectively addresses the requirements of a varied customer. Notwithstanding the obstacles posed by the COVID-19 pandemic, Morocco has successfully achieved a swift recovery, registering substantial growth in both tourist arrivals and produced income. The sector's resilience is highlighted by its capacity to adapt and innovate throughout crises.

In recent years, Morocco's tourism industry has experienced remarkable expansion. In 2023, the nation's visitor count reached 14.5 million, reflecting a 34% rise over the prior year. The quantity of overnight stays in categorised tourist accommodations increased to 25.6 million, reflecting a 35% rise compared to the prior year. Moreover, tourism receipts attained a historic 105 billion dirhams, reinforcing the tourism sector's status as a fundamental economic pillar of Morocco.

Morocco has been a prominent tourist destination due to its cultural variety and diverse scenery. In 2023, the nation documented the arrival of 14.5 million tourists, a notable rise that yielded earnings of almost 105 billion dirhams. These results demonstrate the sector's robust recovery from the adversities presented by the COVID-19 epidemic.

Morocco's economy, with a GDP of 1,400 billion dirhams in 2024, enjoys globally acknowledged political stability. This stability arises from wise administration and the nation's growing receptiveness to diverse elements. Morocco is often referenced by its international partners, especially in Europe, as a model of institutional stability.

The Moroccan economy is characterised by its variety. The primary sector, primarily agriculture, provides 12% to the gross domestic product, and the secondary sector, led by industry and construction, constitutes 25.8%. The service industry, encompassing tourism, financial services, and trade, is the foremost sector, accounting for 51.9% of Gross Domestic Product (GDP). In 2024, GDP per capita is projected to attain MAD 3,627, although an inflation rate of 6.1% for that year, posing a threat to economic stability according to Ministry of Tourism, Crafts and the Social Economy of Morocco 2024.

Morocco has established contemporary infrastructure to facilitate this expansion, with 18 international airports, a 2,000 km highway network, and 44 ports, including the Tangier Med international port, one of the largest in Africa. In 2018, the country inaugurated Africa's inaugural high-speed train, connecting Tangier and Casablanca. These advancements reinforce Morocco's status as an economic and logistical centre in Africa on the authority of Moroccan Tourism Engineering Agency.

Morocco's dedication to renewable energy is exemplified by the Noor solar power plant, the largest globally, which signifies the nation's energy shift. Morocco is making substantial investments in the renewable energy industry, in addition to other industries such as aeronautics, automotive, and chemicals, thereby aiding in the diversification of its economy.

Morocco is appealing to global investors due to its advantageous legislative framework. The government ensures total liberty for foreign individuals to acquire property and retain capital,

having ratified more than 100 bilateral treaties to avert double taxation and safeguard investments. These initiatives have garnered significant capital investments, especially in the tourism industry.

Morocco, characterized by its diversified economy, political stability, and modern infrastructure, is solidifying its status as a favoured tourist destination and vital economic centre in Africa. Tourism significantly contributes to the nation's economic growth and development, supported by effective economic policies and continuously enhancing infrastructure.

Morocco faces direct competition from three countries—Tunisia, Egypt, and Turkey—for tourism. Europe, the region's most popular tourist destination, is equally distant from each of these countries. Specifically, there are two main arguments in favour of Tunisia as a formidable rival to Morocco's tourism goods. The first is that Tunisia's coastal tourist infrastructure is comparable. The second point is that, according to Yasin et al. (2011), French tourists are the most demanding customers for Moroccan and Tunisian goods. In terms of pricing competitiveness, Morocco seems to be behind her main competitors. According to Yasin et al. (2011), this could put Morocco at a disadvantage in the competitive landscape.

According to Yasin et al. (2011), Morocco isn't doing enough to showcase its cultural assets at well-planned international expos.

There is no evidence that the Moroccan government is making a wise investment in the tourism industry, especially when compared to Tunisia and Egypt, both of which spend far more on the sector relative to their overall budgets (Yasin et al., 2011). The efficiency of the service sector and the tourist business are both affected by the standard of the educational system. Morocco is rated 57th in the tourism business, which might use some improvement. This system would help the industry acquire, enhance, and maintain a competitive advantage in such a dynamic field, according to Yasin et al. (2011) and Fares Mabrouk (2011).

2.2 Statistics on tourism sector for 2024

From January to August 2024, Morocco recorded 11.8 million border arrivals. This demonstrates a significant upward trend in tourism, particularly in comparison to the 9,997,039 arrivals documented from January to July 2024, indicating sustained momentum in tourist inflow over an additional month, as reported by the Moroccan Tourism Observatory 2024. The consistent rise in arrivals indicates Morocco's increasing attractiveness as a travel destination. According to the Moroccan Tourism Observatory 2024, Between January and July 2024, travel

revenues amounted to 59.4 billion MAD, reflecting a 3.5% increase compared to the same period in 2023. The gradual increase in revenue, although slight, is favorable. The consistent rise in expenditure indicates ongoing economic advantages derived from tourism, even though the growth in visitor numbers exceeded the increase in spending. This may indicate either a rise in budget-conscious travelers or economic factors affecting tourists' spending behaviors.

The number of foreign overnight tourists rose by 16%, increasing from 4,219,205 in 2023 to 4,892,823 in 2024, indicating Morocco's enhanced ability to attract international visitors. The data indicate a rise in long-haul visitors, who are expected to remain for longer durations, thereby enhancing their economic impact on the local community.

From January to July 2024, there were 15.3 million overnight stays, reflecting an 8% increase compared to the same period in 2023. National tourists' overnight stays experienced a minor decline of 3%, whereas international tourists' overnight stays increased by 13%, as reported by the Moroccan Tourism Observatory 2024. This contrast underscores an increasing reliance on foreign tourists and suggests that international marketing initiatives may have effectively enhanced Morocco's attractiveness overseas. The decline in domestic overnight stays indicates possible difficulties in promoting local tourism.

Morocco's tourism sector is experiencing significant growth, evidenced by increases in international arrivals and revenue. The data indicates a trend in which the sector is progressively dependent on international visitors, evidenced by the decline in domestic overnight stays. The success of the sector depends on maintaining foreign interest and potentially establishing incentives to rejuvenate local tourism. The balanced growth approach is essential for the resilience of the tourism sector and its sustained contribution to Morocco's economy.

3 Strategies for promoting tourism in morocco

Morocco is implementing strategic steps to promote its cultural, ecological, and historical legacy in order to boost its attractiveness as a premier tourism destination. Notable instances of this ambition encompass the initiation of the VisitMorocco website, the "Morocco, Kingdom of Light" campaign, and the execution of Vision 2030.

3.1 Promotion of tourism

The Moroccan National Tourist Office has inaugurated the VisitMorocco.com online platform to promote Morocco as a premier tourist destination, emphasising the nation's diversity and richness. This multilingual website, offered in many languages such as French, English, Spanish, Italian, Dutch, Portuguese, Polish, and Arabic, is meant to ensure a superior user experience, meeting all travellers' needs.

VisitMorocco is distinguished by its thorough and detailed methodology, covering all facets of tourism to Morocco. The site provides sections catering to adventure seekers, culture aficionados, and those in pursuit of relaxation. The journey traverses Morocco's varied landscapes, from the majestic Atlas Mountains to the sunlit Atlantic beaches, passing through royal cities like Marrakech and Fez, noted for their enchanting medinas and vibrant markets.

The site extends beyond merely offering practical information regarding admission procedures, accommodation, and transportation. It enables tourists to delve into the fundamental essence of Morocco via its traditions, crafts, gastronomy, and culture. Sections focused on the nation's history and geography offer valuable context, while comprehensive city guides enable visitors to discover the distinctive characteristics of each city, including its iconic landmarks and regional specialities.

Moreover, VisitMorocco offers an extensive trip guide encompassing climatic conditions, administrative protocols, linguistic details, health advisories, and a glossary of regional terminology. The manual is supplemented with pragmatic guidance on Local communication methods, currencies, and business hours equip visitors with sufficient preparation for their journey.

The site has a blog that presents a range of engaging posts, showcasing Morocco's unique attributes, from narratives of desert adventures to gastronomic discoveries in traditional marketplaces. Every publication serves as an invitation to delve into the distinctive experiences that Morocco presents, rendering VisitMorocco a valuable and motivational resource for tourists aiming to uncover the authenticity of this nation.

The international campaign "Morocco, Kingdom of Light" complements this internet site and is integral to Morocco's goal for enhancing its global image. The campaign seeks to showcase Morocco's vibrant culture and varied landscapes, aiming to engage a global audience by portraying the nation as a fusion of modernity and tradition.

Simultaneously, Vision 2030, an ambitious strategic initiative, directs Morocco's long-term endeavours to establish itself as one of the world's top twenty tourist destinations. This strategy is predicated on sustainable growth, diversification of tourism offerings, and the promotion of new tourism centres nationwide.

In summary, initiatives like VisitMorocco, the "Morocco, Kingdom of Light" campaign, and Vision 2030 demonstrate Morocco's dedication to enhancing its tourism attractiveness. Their collective endeavours not only draw international visitors but also enrich the nation's cultural and natural legacy, hence fostering sustainable development and the growth of Morocco's

tourism industry.

3.2 Investor incentives

Morocco has implemented several incentives to promote investment in its tourism development policy. These appealing and diverse approaches aim to invigorate the national tourist accommodation, leisure activities, and innovation sectors.

Nationally, initiatives like the Charte d'Investissement and Go Siyaha provide tax benefits and subsidies to facilitate projects of varying scales, from small to major enterprises. The Charte d'Investissement provides financial incentives of 30% for large-scale projects, significantly appealing to foreign investors. Go Siyaha concentrates on Minor initiatives, with expenditures between 1 and 10 million dirhams, receive significant subsidies that encompass many elements, including accommodation and entertainment, while prioritising sustainability.

The Cap Hospitality initiative, a fundamental element of this strategy, will continue until December 2025. This initiative is specifically designed to modernise ageing hotels by providing finance for improvements between MAD 3 million and MAD 100 million. This finance, featuring interest subsidised by the State and a 12-year payback term, seeks to modernise hotel infrastructure to maintain Morocco's competitiveness with foreign attractions.

The Moukawala Siyaha initiative at the regional level is distinguished by its support for Very Small and Medium-sized Enterprises (VSMMEs). This program offers subsidies of up to 50% of project expenses, limited to 6 million dirhams, effectively incentivising local investors to engage in accommodation and entertainment projects, thus fostering regional economic development.

Besides financial subsidies, Morocco provides significant technical assistance, enabled via Go Siyaha. This support encompasses up to 90% of the costs incurred by beneficiary enterprises, which is crucial for the sustainability and profitability of investment initiatives. This support encompasses access to incubators, particularly for projects in the video game and digital sectors, with a maximum subsidy of 400,000 dirhams, thereby fostering innovation and diversity in the tourism sector.

These measures, encompassing financial incentives, technical support, and innovation opportunities, demonstrate Morocco's dedication to enhancing and increasing its tourism sector. These investment prospects are not only exceptionally appealing but also serve to bolster Morocco's status as a favoured destination in the global tourism sector. These efforts have facilitated substantial investment in the country, fostering sustainable and equitable growth in the tourism sector, while addressing the demands of the contemporary global market.

4 Conclusion

In conclusion, Morocco's tourism industry is at a critical point, motivated by strategic objectives to capitalise on forthcoming global events, including the African Cup of Nations and the 2030 World Cup. This review emphasises the significant economic impact of tourism on Morocco's GDP, employment, and foreign exchange earnings, highlighting its role as a fundamental element of national economic development. The government's dedication to developing a robust and varied tourism sector is demonstrated by recent strategies, such as the focused promotion of Morocco as a leading destination and the implementation of appealing incentives for investors.

The analysed data and policies indicate that Morocco aims to increase not only the volume of tourists but also the quality and diversity of the tourism experience. The focus on investor incentives indicates a strategic objective to modernise infrastructure, diversify offerings, and enhance high-quality accommodations and services to align with international standards. This proactive strategy establishes Morocco as a competitive tourism centre in North Africa and an attractive option for sustained investment.

Achieving these ambitious goals necessitates a balanced approach that supports both international and domestic tourism. We recommend ongoing investment in marketing, infrastructure, and service quality is essential for improving Morocco's attractiveness. Furthermore, establishing collaborations with international tourism operators and adhering to global best practices can facilitate sustainable tourism growth in Morocco, positively impacting the wider economy. Morocco's strategic preparations for upcoming high-profile events have the potential to transform its tourism landscape and solidify its status as a prominent global destination.

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