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King Mohammed VI of Morocco Builds New Financial City for the World



King Mohammed VI

Ever since he ascended the throne in 1999, his Majesty Mohammed VI, King of Morocco, has nursed one persistent ambition: to transform Casablanca, the Kingdom's largest city and economic center, into Africa's leading financial hub.

To achieve this, in 2010 the King announced the creation of one of his most ambitious projects, the Casablanca Finance City (CFC), a regional financial center and a privileged entry point for Northern, Western, and Central Africa.

The Casablanca Finance City (CFC) is a custom-made village being developed for large national and international foreign institutions looking to operate in the region and gain access to French-speaking African markets. The city will cater primarily to institutions in 3 key sectors: financial services, professional services and regional and international headquarters activities, offering eligible companies operating in these sectors a marketplace to undertake their activities on a regional and international level.

“What CFC plans to do is sell market access to French speaking Africa and giving fiscal and financial incentives to financial institutions, professional services firms such as legal and consulting companies as well as large multinational firms with regional headquarters,” Abdelmalek Alaoui, Managing Partner of Global Intelligence Partners, an adviser on the project said in an email statement.

The Casablanca Finance City zone zone sits on 100 hectares and will be located at the central axis of Casablanca’s new city center (Casablanca-Anfa), an area situated at the heart of Casablanca and at the crossroads of important highways such as Rabat and El Jadida.

While the CFC is still undergoing construction, companies from around the world are already applying for operating licenses. At the moment, more than 25 companies have obtained CFC status. Already, the new financial center is attracting growing interest from investors. In June last year, Abu Dhabi-based Asset Manager Invest A.D obtained a license to operate in the new financial center. In July 2013, FinanceCom, an investment holding company controlled by Moroccan billionaire Othman Benjelloun, signed an agreement to construct its headquarter offices in CFC.

“We want to bring the giants here. Think of the biggest names in the world of finance and professional services – Goldman Sachs, Citigroup, JP Morgan, General Electric, Bowman Gilfillan, all of them. This is for them. There is a huge market in Francophone Africa which remains largely untapped. The CFC will provide a stable, reliable and relevant platform for international institutions to access these markets,” a senior executive at the Moroccan Investment Development Agency (AMDI) said via email.

An increasing number of international companies are setting up operations in Morocco considering the Kingdom to be a suitable platform for their investments in North, West and Central Africa because of its world class infrastructure, skilled labor force, cost competitiveness and business-friendly climate. At the moment, there are close to 3,000 international companies

already active in Morocco and using the Kingdom as a springboard to access opportunities in the wider region.

“With Casablanca Finance City, we will be providing a professional and pragmatic answer to their financial convergence issues in Africa,” Saïd Ibrahimi, the CEO of Casablanca Finance City Authority said in a recent [op-ed piece](#).

Ibrahimi feels there is a crucial need for a new African financial hub. According to him, the rationale behind the new city is straightforward. Africa recorded an average annual GDP growth of 5% during the last decade, thereby becoming the fastest-growing region in the world after East Asia. But in spite of this, Africa, particularly Francophone speaking parts, still lacks a major financial center. There are only 2 African countries listed on [the 2013 Global Financial Centers index](#)- Johannesburg, which comes in at 62, and Mauritius, which ranks in the 70th position.

“I believe that Morocco is in a strategic position to serve as a hub for the French-speaking part of Africa located in the North, West and Central parts of the continent,” Ibrahimi said in a press statement.

The CFC Head believes that Morocco stands out as the most logical option for a financial center because of socio-economic reasons including political stability within a regional context of agitation within the context of the Arab spring, as well as strong historical ties with Africa, sustainable macro-economic indicators and free trade agreements with the European Union, the United States and the Middle East. Morocco also has improved access to African markets through key agreements with African countries.

CFC-based businesses stand to enjoy some incentives specially designed to encourage and facilitate their setting up. For one, the government has put in place an attractive tax framework for companies with CFC status and the Casablanca Finance City Authority will offer fast-track procedures for company creation and people fluidity (visas, residence permits and work contracts). They will also offer training programs and financial qualifications to provide investors with all the necessary skills to develop their businesses.

The CFC will welcome its first tenants in 2016.

Read more about the Casablanca Finance City [here](#).