

Moroccan Investment Promotion Agency

Investment projects bank

Project Teaser

*Establishment of an Islamic
insurance company in Morocco*



AMDI 2013

Document History

Document identification and management

Document code

PT-02

Version

0.1

Sector

Financial Services Industries: Insurance

Update date

Update operation

Document manager

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Overview

In order to ensure an effective promotion of investments in Morocco initiated by both local and foreign institutions, Invest in Morocco (the Moroccan Investment Promotion Agency) has created a projects/opportunities bank to facilitate the contacts between projects sponsors and their future partners.

Projects teasers will be also made available via Invest In Morocco's website and will help the prospective partners to get a global overview of the investment opportunity while ensuring the confidentiality required by the sponsor at initial stages.

If the prospective partner decides to go further in the opportunity analysis, he can ask Invest In Morocco to arrange him a meeting with the project sponsor.

In order to maximize the added value of the projects bank, the matchmaking process is not limited to strategic and financial partnerships but covers virtually all possible opportunities like commercial agreements, mergers & acquisitions, joint ventures, representation agreements...

We hope that this projects bank will help investors to develop strong relationships and enhance the value creation in all economic sectors.

Project presentation

Summarized data

Opportunity/Project

Establishment of an Islamic Insurance company in Morocco

Industry/sector

Financial Services Industries: Insurance

Project size (in Million MAD)

500 million MAD (about 56 Million USD)

Project components

Headquarters, agency network, IT, staffing, product development

**Opportunity localization
(city/region)**

Morocco

**Project Target Return (IRR or
ROI)**

**Current project status
(study/appraisal phase, initiation,
operational)**

Study

Key project facts (perspectives, sector outlook...) :

- Like banking, Moroccan insurance sector is one of the most dynamic in North Africa with a steady expansion, an average ROE exceeding the global industry average (more than 30%), the presence of many international leaders and a diversified offer ;
- Nevertheless, the Moroccan insurance market potential is not fully invested with a big portion of the population not using insurance products. One of the most important reasons behind this low situation is linked to religious considerations as many individuals reject classic insurance perceived as not Charia-compliant ;
- Many studies have been carried out by national and international institutions and have concluded that Islamic finance has a huge market potential. Once granted access to market by the Central Bank, a well managed Islamic insurer could achieve performances at least equivalent to the existing classic insurance and finance companies.

Project initiator/sponsor

	Summarized data
Main businesses/activities	Investment group, subsidiary of a foreign sovereign fund and operating in several sectors (finance, services, tourism, real estate...)
Institution type (company, fund, holding...)	Holding
Size (average revenues in MAD)	
Origin of capital (Moroccan, Foreign, Mixed)	Foreign

Key project sponsor facts (performances, positioning, expertise...) :

- The sponsor is a diversified investment group operating in Morocco since the late 1970s and detaining a strategic asset portfolio covering virtually all the strategic economic sectors. During its presence, the group has developed many strategic partnerships and cultivated a recognized expertise in many businesses, especially real estate, tourism and finance ;
- During the last decade, the group has intensified its investment effort in Morocco by injecting several billion Dollars especially in huge projects and in new activities. The group has also initiated many foreign direct investment operations based on its large and strong partnerships ;
- Within its new strategic development vision, the group is seeking to reinforce its presence in the financial sector while looking for a more diversified portfolio. Via the Islamic insurance project, the group will ensure the leadership in this strategic and promising business

Seeked partnership

	Summarized data
Possible or sought partnership(s)	X Joint Venture
	X Sleeping Partner (minor share ownership without active management role)
	X Joint SPV controlled by the external partner
	Shares acquisition
	Company acquisition or diversiture
	Others:
Special conditions for the partnership	<ul style="list-style-type: none">• Qualified institutional investors• Expertise in Islamic banking and finance
Next steps	<ul style="list-style-type: none">• Discussing the partnership conditions (shareholders agreement...)• Launching the business plan studies

Expected partnership benefits:

- The partnership will allow both sides to accelerate the establishment process. Once started, this insurer will be able to secure a comfortable foothold in the highly promising Islamic finance sector in Morocco ;
- The future partner will bring its expertise in the Islamic insurance business management and its share of the insurer capital while the sponsor will inject new equity amounts and secure a successful launch based on its understanding of the Moroccan market and its partnerships that will secure an important flow of institutional clients.

**For next steps or more details about the current document,
please contact the Matchmaking Manager:**

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