MOROCCO AS A TEST FOR POLAND'S ECONOMIC DIPLOMACY

Morocco is one of the few stable and rapidly modernizing markets in the Global South, where Poland can realistically build its durable economic presence outside the European Union. While trade turnover is on the rise, without investments, long-term partnerships, and local infrastructure, Poland will remain merely a supplier — not a player with significant influence. Competitors operate in Morocco using a full spectrum of instruments: export credit agencies, economic representative offices, project financing, and consortia. Poland must do the same. It is necessary to strengthen financial instruments and establish a permanent economic mission in Morocco capable of supporting companies in tenders and negotiations. The highest opportunities where Polish competences meet Morocco's needs are: renewable energy sources integration, energy storage, ports and logistics, public administration digitalization, as well as the food industry and agritech. Morocco serves as a test of Poland's ability to conduct modern economic diplomacy. It also happens to be a window of strategic possibilities that will close if diplomatic efforts are not intensified immediately.

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Europe is now entering a period of structural deficit: of energy, critical raw materials, labor, investment lands, and stable political partners. As the geopolitical competition is intensifying and the energy transformation costs are rising, the European economies — which, so far, have been based mostly on transatlantic relationships and internal EU integration — are forced to seek new directions of economic cooperation more actively.

Poland is experiencing this pressure with profound intensity. Its previous growth model, based on the participation in EU supply chains, raw materials import from outside Europe, and relatively low labor costs, is encountering a growing number of constraints. The traditional focal points for Polish foreign policy, such as Brussels, Berlin, Washington, or Kyiv, remain central from security and international policy perspectives; however, they increasingly fail to serve as sources of new investment, technological, and market impulses. Thus, the need for conscious expansion of the geographical and sectoral scope of Polish economic diplomacy arises.

In this context, relations with countries offering simultaneous access to resources, markets, technologies, and a relatively high level of political stability take on particular significance. Barely 3,000 km from Warsaw lies a country that combines all of these features in a way rarely found in Europe's immediate surroundings: Morocco. It is a state with durable institutional foundations, a consistent modernizing strategy, and growing significance in the global supply chains.

Today, Morocco is one of the most undervalued yet most prospective partners for Poland. Moreover, Poland possesses an advantage that none of the other important political players have — it is a country without a colonial history in the region, perceived as technologically neutral and politically unburdened. At the same time, it happens to be the largest economy of Central Europe.

For Poland, opening for Morocco is not only a matter of individual business projects. It is rather a test of its ability to conduct a mature, geostrategically anchored economic diplomacy.

1. INSTITUTIONAL STABILITY AND THE STATE MODEL

Morocco maintains a level of political and regulatory stability that distinguishes it within North Africa and, more broadly, among most countries of the so-called Global South. Unlike Libya, Tunisia, or Algeria, the country does not experience structural power crises or chronic institutional instability. The constitutional monarchy, while retaining broad prerogatives, ensures predictability in decision-making processes, the capacity to formulate and implement multi-year strategies, and continuity in the main directions of public policy.

Since the mid-2000s, Morocco has been implementing a sequence of coherent modernization programs — ranging from Plan Maroc Vert and the Industrial Acceleration Plan to the latest National Sustainable Development Strategy for 2035. Common elements of these documents include economic diversification, human capital development, and intensive infrastructure modernization. Consistency in maintaining these priorities, regardless of changes in government, is one of the key factors distinguishing the country within the region.

At the same time, specialized institutions have been established to implement strategic projects and support investors. AMDIE serves as an agency integrating the system of industrial and export zones while facilitating foreign investment inflows, whereas Masen is responsible for the development of renewable energy, including the largest solar and wind projects. Industrial, free-trade, and logistics zones operate within relatively stable legal and tax frameworks, which encourage investment from Europe, North America, and Asia and support the development of regional supply chains in the automotive, aerospace, renewable energy, and agri-food processing sectors.

International institutions, including the World Bank, the EBRD, and credit rating agencies, consistently classify Morocco as one of the more predictable markets among middle-income countries. As a result, the country is becoming one of the few partners along the southern vector that combines relatively low political risk with a tangible capacity to sustain long-term economic relationships.

2. GEOSTRATEGIC LOCATION AND THE PORT SYSTEM

Morocco belongs to a narrow group of states whose geographic location directly translates into significance for the global economy. It controls the southern exit of the Strait of Gibraltar — one of the key chokepoints of global shipping, through which a substantial share of trade flows between the Atlantic Ocean, the Mediterranean Sea, and further on to the Indian Ocean. Geography alone, however, would not constitute a sufficient advantage if it were not consistently reinforced by investment in port and logistics infrastructure.

The port of Tanger Med exemplifies an effect of such policy. Within two decades, it has become one of the world's major container hubs and the largest container port in Africa and the Mediterranean basin (over 10 million TEU in 2024). Its role extends beyond the regional level. Tanger Med functions as a nodal point of systemic importance for global shipping networks, competing with Algeciras, Gioia Tauro, and Port Said in transshipment and intercontinental routing segments. Thanks to regular connections with more than 180 ports in 70 countries across five continents and short transit times — three days to Northern Europe, ten days to the Americas, and twenty days to East Asia — Tanger Med significantly enhances the efficiency and resilience of trade flows between major commercial regions.

What is more, Morocco is developing other ports, creating a coherent system supporting trade, energy, and industry. Nador West Med, scheduled to become operational in 2026, is being developed as a deep-water port capable of handling containerized, bulk, and fuel cargoes, strengthening the country's position in the raw materials and petrochemical sectors. Casablanca, the largest Atlantic port in North Africa, handles the bulk of traditional commercial and industrial cargo while undergoing modernization of its fishing and shipyard infrastructure. Agadir serves as a key hub for fisheries logistics and agri-food exports, while the developing port of Dakhla — a flagship project in the south of the country — is intended to support trade with West Africa and, in the future, facilitate exports linked to green hydrogen.

Thus, Morocco does not rely on building a single, isolated port, but rather an entire network of interconnected logistics centers. In practice, this translates into a growing capacity to service regional and intercontinental trade flows and the emergence of the most advanced port and logistics infrastructure in North Africa, designed in line with international operator standards. This structural advantage will gain importance as Atlantic corridors are increasingly used as alternatives to congested and geopolitically sensitive Mediterranean routes, and as West Africa's role as one of the fastest-growing regions in the world continues to expand.

3. MOROCCO'S RESOURCES AND ECONOMIC POTENTIAL

Morocco possesses resources that have a direct influence on the European Union's safety. At the forefront is the phosphate sector — the country controls approximately 65–70 percent of global reserves, placing it at the center of the global fertilizer production system. Amid growing pressure on food security and following phosphorus being added to the EU's list of critical raw materials, this concentration of resources gives Morocco a tangible geoeconomic advantage and the ability to influence the structure of dependencies between Europe and global markets.

The second vital area is renewable energy. Morocco has already reached over a 40 percent share of renewables in installed capacity, with a binding target of increasing this level to 52 percent by 2030. Projects such as Noor Ouarzazate, based on concentrated solar power (CSP) technology, implemented in stages and integrated into the national transmission system, demonstrate the state's capacity to deliver large-scale infrastructure investments with full regulatory, financial, and executional backing. At the same time, the country is rapidly strengthening its institutional capabilities. Subsequent renewable energy projects are being prepared and implemented in increasingly shorter cycles, with the growing share of domestic contractors. This reflects the state's ability to learn and transfer experience across sectors. On this basis, Morocco is establishing its position as one of the few countries in the region realistically prepared for the production and export of green hydrogen and green ammonia to the European market — driven by both access to resources and the ability to ensure continuity of supply.

In parallel, Moroccan industry is expanding, primarily in the automotive sector, which in 2023 surpassed the export value of the phosphate sector. Morocco has become the largest exporter of cars and components in Africa, with the sector's foreign sales value reaching nearly $14 billion that year. The presence of major manufacturers, such as Renault and Stellantis, has led to the emergence of an extensive supply chain encompassing the production of vehicles, electrical systems, batteries, and specialized components. The combination of competitive costs, a growing competence base, and a stable regulatory environment makes Morocco an attractive location for European firms seeking to diversify production and reduce reliance on Asian manufacturing hubs.

Agriculture and food processing complement this picture, reinforcing Morocco's position as a predictable food supplier to the European market.

As a result, the combination of raw material resources, energy potential, and industrial capabilities means that Morocco's importance for Europe's economic security will continue to grow as global competition for resources, energy, and resilient supply chains intensifies.

4. MODERNIZATION NEEDS – OPPORTUNITIES FOR COOPERATION WITH POLAND

Despite its solid economic foundations, Morocco faces a range of technical and institutional challenges whose resolution requires access to technology, regulatory experience, and know-how. This applies in particular to the energy sector, public services, and logistics — areas in which Poland has developed practical expertise through its own modernization processes. This creates space for cooperation.

The most demanding challenge is the integration of a growing share of renewable energy sources into the existing power system. Key issues include increasing the flexibility of the transmission grid, developing demand-side management tools (DSR, Demand Side Response), and ensuring the ability to connect generators located far from major load centers. At present, the Moroccan system remains largely centralized, with limited capacity for redirecting power flows and short-term balancing, which constitutes a barrier to further expansion of renewable energy sources. Poland, despite challenges in its own energy sector, has developed concrete operational solutions for integration of this sector: from the experience of the Polish Power Grid Company (PSE) in frequency stabilization amid large power fluctuations, through the management of dynamic grid congestion, to connection models applied by distribution system operators. These elements constitute a tangible asset that can be leveraged to support the modernization of Morocco's transmission and distribution networks.

A second area is the development of energy and heat storage — an essential condition for maintaining system stability amid the growing role of non-dispatchable sources. Morocco is only beginning to establish regulatory and business frameworks for energy storage, and domestic projects remain at the pilot stage. In contrast, Poland is developing a diversified portfolio of battery energy storage systems (BESS), thermal storage infrastructure, and hybrid systems combining battery and thermal technologies. Polish companies are already deploying commercial and system-scale installations, including storage units providing ancillary services and projects integrating storage with photovoltaic farms. This practical experience — particularly in optimizing storage operation and integrating storage with distribution networks — can be transferred to the Moroccan context.

Modernization challenges also extend to public services, especially the digitalization of public administration. Morocco is investing in digital registries, investor service systems, and services for citizens, but it is seeking partners capable of building integrated IT architectures. Polish IT firms have experience in developing highly complex systems — from state registries and tax systems to electronic service platforms. Particularly valuable may be their experience in designing systems that remain stable even where administrative capacity is limited. In such conditions, ease of integration between different solutions and the resilience of the overall infrastructure are critical.

The development of Morocco's port and logistics infrastructure — centered on facilities such as Tanger Med — generates demand not so much for port construction technologies as for solutions supporting their integration with the national logistics hinterland in line with European operational standards. Poland, drawing on its experience in modernizing the ports of Gdańsk and Gdynia and in developing systems linking terminals with rail and road networks, can contribute value in areas such as the digitalization of port processes, traffic and security management, terminal automation, and the planning of flows between ports and logistics centers. These forms of support complement Moroccan capabilities rather than duplicating areas in which the country has already achieved world-class standards.

Another important area of cooperation is agriculture and food processing. Morocco's food sector plays a growing role in exports to the UE. However, it needs modernization in quality control, process automation, and the processing of higher-value-added products. Polish companies offer different agritech solutions — ranging from crop monitoring systems and satellite analytics to irrigation systems, processing machinery, and equipment for food-processing plants. In many instances, Polish technologies are cost-competitive and adapted to operation in environments characterized by heightened climate variability, which makes them attractive for the Moroccan market.

5. POLAND'S EXISTING PRESENCE IN MOROCCO

In recent years, Poland and Morocco have recorded a marked increase in trade exchange, strengthening Morocco's position as Poland's most important partner in North Africa. Since 2019, bilateral trade turnover has nearly doubled, reaching a total value of approximately EUR 1.86 billion in 2023 (EUR 865 million in exports and EUR 996 million in imports). According to PAIH's newest data, current annual trade has reached about EUR 2.1 billion, with Polish exports to Morocco rising to approximately EUR 0.9 billion. The structure of the trade remains complementary: Poland exports mainly machinery, equipment, vehicles, and agri-food products, while importing clothing, fruits and vegetables, fertilizers, metal ores, and industrial goods. The sustained growth momentum suggests that by 2025, total trade turnover could approach as much as EUR 2.5 billion, further reinforcing Morocco's importance as a strategic non-EU market for Poland.

Despite growing trade volumes, the second pillar that determines the durability of an economic partnership remains underdeveloped. This pillar is the capital investment, participation in infrastructure projects, and the local presence of enterprises. In practice, this means that trade dynamics have outpaced the development of institutional and capital linkages between the two economies.

Existing examples of Polish presence — such as the CanPack plant near Casablanca, Polmlek's acquisition of Jibal, or Wielton's operations — confirm that the Moroccan market is accessible and operationally predictable. Cooperation between Grupa Azoty and OCP demonstrates that stable raw-material partnerships are also feasible. These cases, however, remain isolated. The majority of companies operate on the basis of exports or project-based contracts, without production facilities, service centers, or joint ventures that would ensure a durable business presence.

Recently, however, an increasingly well-coordinated institutional effort to bring the two economies closer together has become visible. The Embassy of the Republic of Poland in Rabat conducts and supports a range of activities for Polish companies — from trade missions and know-how exchange programs to the coordination of projects implemented in cooperation with PAIH. An important element of this strategy is the initiative to organize an annual Poland–Morocco Economic Forum — initially planned in Katowice and subsequently in Dakhla — which is intended to create a permanent platform for business and institutional contacts. These efforts strengthen the position of Polish companies on the Moroccan market and point toward further professionalization of economic relations, although fully unlocking the potential will require broader financial and operational support as well as a more consistent institutional presence on the Polish side.

Without such an approach, Polish companies will continue to compete from a structurally weaker position than other actors that benefit from extensive diplomatic and financial backing from their home states. The current scale of Poland's presence reflects neither the potential of the Moroccan economy nor the sectoral complementarity between the two countries. Nevertheless, strengthened institutional actions are creating the conditions for a gradual shift in this dynamic.

6. VECTORS OF DEEPENED COOPERATION

The matrix below presents areas in which Poland can build a lasting economic presence in Morocco — one of the few markets in Europe's vicinity that combines political stability, high investment dynamics, and a growing role in global supply chains. This is not a direction intended to replace the traditional vectors of Poland's economic policy, but rather a space offering conditions to test a new model of international expansion, based on investment, industrial cooperation, and infrastructure projects rather than trade alone.

Morocco is a market in which Polish companies can, in practice, test their capacity to operate outside the EU, in an environment shaped by competition from French, Spanish, American, Chinese, and Korean actors. It is also a setting in which Poland can build competitive advantages by combining its modernization experience with a politically neutral profile and a growing position in Central Europe. The purpose of the matrix is not to present comprehensive economic analyses, but to identify concrete entry points — where Morocco's modernization needs intersect with Polish sectoral competencies, tangible support instruments, and the possibility of establishing durable business footholds.

Area	Morocco's Needs	Polish Capabilities	Instruments	Strategic Effect
Integration of Renewable Energy Sources into the energy system	• Grid flexibility • Balancing, • DSR models, • Integration of generators distant from consumption centers	• PSE and DSO experience, • Balancing and forecasting tools • Renewable energy sources integration in networks	• Operator-to-operator programs • DSR pilots • Consortia in tenders • PSE–ONEE memorandum	Poland's technological presence in Morocco's power system modernization
Energy and heat storage	• Market for system storage • PV + storage • Industrial storage	• BESS storage, • thermal and hybrid technologies • Storage operation models	• Turn-key projects • Pilot programs • R&D consortia	Co-creation of Morocco's energy storage market with Poland
Administration digitalization	• Integration of registries • Digital services • Investor systems	• Experience of COI, KPRM, Polish IT integrators • System interoperability	• PL–MA digital partnership • Investor service pilots • Participation in EBRD tenders	Entry of Poland into a sector with less concentrated competition, open to new operators
Ports, logistics, automation	• Integration of ports with logistic infrastructure • Terminal automation	• Experience from Gdańsk and Gdynia • Traffic management systems • Port digitization	• Port-to-port partnerships • Participation in digitization projects • Terminal automation	Co-creation of operational standards for Moroccan ports by Poland
Scientific and analytical cooperation	• Flow modeling • Risk analyses • Logistics personnel	• Marine centers • Energy institutes • Foresight experience	• Joint research labs • EU grants • Expert forums	Development of permanent analytical and scientific capacities supporting Polish firms' expansion in Morocco
Agritech food processing	• Processing automation • Quality control • Higher added value	• Processing technologies • Quality systems • Satellite agritech	• Facility modernization • Technological JVs • Agritech pilots	Poland as a modernization partner in the food sector

*** The proposed directions for cooperation are preliminary and require further consultations with the administrations of both countries, business partners, and financial institutions. The matrix serves as a guiding document — it indicates realistic areas of engagement but does not determine the final structure of projects.

7. RISKS AND CONSTRAINTS OF COOPERATION

Despite the significant potential for cooperation, strengthening Poland's position in the Moroccan market requires a realistic assessment of risk factors. These will determine whether projects become a durable component of Poland's economic presence or remain incidental initiatives. The risks outlined below do not constitute barriers; rather, they define boundary conditions that must be taken into account when designing instruments and strategies.

A. Strong International Competition

Morocco is one of the most competitive markets in North Africa. Currently, capital from France, Spain, the United States, China, South Korea, and Japan is heavily present, supported by advanced export credit agencies, investment funds, and specialized economic diplomacy. For Poland, this means operating in an environment where competitive advantage is driven by operational speed, access to financing, and the ability to build local partnerships — rather than political declarations. Without strengthened support instruments, Poland will compete from a structurally weaker position.

B. Commodity Price Volatility and Sectoral Sensitivity

Sectors that naturally lend themselves to cooperation — phosphates, fertilizers, renewables, and energy technologies — are subject to significant price volatility and demand cycles. This affects project profitability, investment timelines, credit availability, and the predictability of cash flows. As a result, joint ventures must be based on multi-scenario market assumptions, and contracts should include safeguards protecting both parties against short-term volatility.

C. Environmental Requirements and EU Regulations

ESG results in a situation where projects realized with non-EU partners have to meet high environmental, technological, and reporting standards. For Morocco, it means the necessity to implement low-emission technologies and systems aligned with European norms. For Poland, it requires structuring projects fully compatible with EU regulations — rather than treating cooperation with Morocco as a way to circumvent them. Alignment with EU standards is not a burden, but a prerequisite for maintaining competitiveness in the European market.

D. Institutional Risks and Regulatory Differences

Despite the fact that Morocco represents high political stability, administrative processes — particularly those related to investment approvals, concessions, and land — can be more time-consuming than in Europe. The risk is moderate. However, it requires the active presence of local partners, a thorough understanding of procedures, and constant support from Polish economic institutions. Without this, projects may face delays, weakening the competitiveness of Polish firms.

E. Geopolitical and Local Risks

Morocco is one of the most stable countries in North Africa. Nevertheless, its surroundings remain uncertain. Key risk factors include:

- Instability in the Sahel and its impact on regional security.
- Algerian-Moroccan tensions.
- Evolving regulations concerning energy and raw materials trade between the EU and global producers.

These risks do not preclude potential cooperation. Rather, they require constant monitoring and flexibility in making projects, especially in the infrastructural and energy sectors.

F. Limited Presence of Polish Companies and Information Asymmetry

A significant barrier for Polish enterprises is still the limited knowledge of the Moroccan legal environment, business culture, local networks, and methods for assembling project financing.

This asymmetry does not stem from market difficulty but from the lack of a sustained Polish presence, such as trade offices, specialized economic representative missions, and regular sectoral missions. Without these, Polish companies will operate more slowly and conservatively, increasing the risk of losing competitive advantages to entities with a stronger foothold in Morocco.

8. CONCLUSIONS AND IMPLICATIONS FOR POLISH ECONOMIC DIPLOMACY

In order for Poland to build a durable economic presence in Morocco, it is necessary to move from a model based primarily on exports to one in which investments, technological cooperation, infrastructure projects, and permanent institutional support play the leading role. This is not merely a matter of trade — it is a test of Poland's ability to conduct foreign economic policy under conditions of intensifying global competition.

First - Permanent Institutional and Operational Presence

The Moroccan market is strongly occupied by countries pursuing active economic diplomacy: France, Spain, the United States, China, and South Korea. They support their firms through specialized economic attachés, investment agencies, export financing instruments, and permanent advisory presence.

To date, Poland does not have such a support base in Morocco. That is why it is essential to strengthen its institutional presence — not only through companies' activity, but also by establishing specialized business representation or economic agency. This entity should support Polish enterprises in tenders, negotiations, infrastructural projects, and building solid local partnerships. Without this, Poland will remain merely an exporter, while competitors establish long-term economic footholds in North and West Africa.

Second — Financial and Regulatory Instruments for Market Entry

Geoeconomics is based on the synergy between politics, business, and finance. States present in Morocco treat financial instruments as an extension of economic diplomacy. Poland has to strengthen the role of BGK (National Development Bank), KUKE (Export Credit Insurance Corporation), and PFR (Polish Development Fund) toward supporting infrastructure, technological, and industrial projects that create a permanent business presence rather than merely increasing export volumes.

Third – Sectoral Consortia as the Primary Mode of Cooperation.

Large-scale Moroccan projects — in energy, ports, and digitalization — are implemented by multi-sector consortia. Polish companies must operate in such a model:

manufacturer + integrator + financing + legal support + diplomatic backing.

This is the only way in which Poland can compete with countries that have decades of experience in complex economic expansion.

Fourth – Expert Support and Reduction of Information Asymmetry

The cooperation between academic centers, maritime institutes, energy centers, and think tanks in both countries is a prerequisite for Poland's lasting entry into the Moroccan ecosystem. It reduces the risk of errors, builds local knowledge, and enables participation in projects where other players have enjoyed an information advantage for years. Economic presence begins with knowledge — not with trade agreements.

Morocco is neither an exotic choice nor a peripheral direction. It is a country that combines stability, a strong modernization drive, and resources critical to Europe's economic transformation. For Poland, cooperation with Morocco is not about individual projects — it is a test of its ability to conduct a mature geo-economic policy beyond its traditional, safe directions.

For thirty years, Poland has concentrated its activity on the EU, the USA, and the Eastern European region. These areas remain the foundation of security, but they no longer provide sufficient space for growth in a world where economic dynamism is shifting toward the Global South. Morocco is one of the few markets where Poland can build a real presence at an acceptable level of risk, while directly confronting competition from the world's largest players.

This is precisely what makes Morocco a practical proving ground: whether Poland can translate its technological, institutional, and infrastructure competencies into a durable economic presence; whether it can act faster than others; whether it can support its companies with instruments that are standard in the economic policies of France, Spain, the United States, China, and South Korea.

If Poland seizes this opportunity — through investments, sectoral consortia, strengthened economic diplomacy, and institutional presence — the relationship with Morocco may become the first pillar of a new Polish geo-economic policy. If not, it will remain an example of a missed window of opportunity in one of the world's most dynamically developing markets.

In this sense, Morocco is not the test. The test is Poland — its ability to move beyond its existing horizon and act as a state that not only reacts to global processes, but is capable of leveraging them.

This text is the result of reflections following a meeting held on November 20 in Rabat, which provided an important impulse to organize our view of Polish-Moroccan cooperation. The seminar **Transition verte et sécurité énergétique : la Pologne et le Maroc face au défi climatique**, organized by the **Polish Embassy in Morocco** and the **Policy Center for the New South,** highlighted the need to think about relations between the two countries not only through the prism of energy, but also in the context of broader strategic conditions. In this context, I would like to thank Ambassador Tomasz Orłowski, whose insightful comments helped to better outline the main lines of reflection developed in this study.

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