

Project #324:

Expansion of production capacity for polyethylene milk pouches



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Project Description



Production unit of flexible PE bags for the dairy industry for the packaging of milk, Lben and drinking yoghurts distributed mainly in rural areas and in some urban areas

Main Clients:

- Dairy industry



Key facts

- Importation of ~50% of the national need (50 Mns MAD, included in chapter 3920100030) which can increase with the growth of the dairy industry (TCAM of 5%)
- Human expertise available in Morocco, nevertheless need to improve the quality of locally produced polyethylene bags to meet the quality requirements of the dairy industry operators



Product Complexity¹



Main required products

- ✓ Polyethylene



Main investment benefits

Grants

- ▶ Istitmar SME Program or VSE, subject to the turnover

Training assistance

- ▶ « IDMAJ » Program
- ▶ « TAEHIL » Program

Potential land

- ▶ Agropole of Meknès
- ▶ Souss Massa Industrial Zone
- ▶ Oujda Technopole

Financing

- ▶ SME Mezzanine
- ▶ Tamwilkom

Branch

Plasturgy

Sub-branch

Packaging



Financial indicators (indicative)

Potential investment

~10 – 20 Mns MAD

Potential turnover

~50 Mns MAD

EBITDA²
(in % of turnover)

~10% – 20%

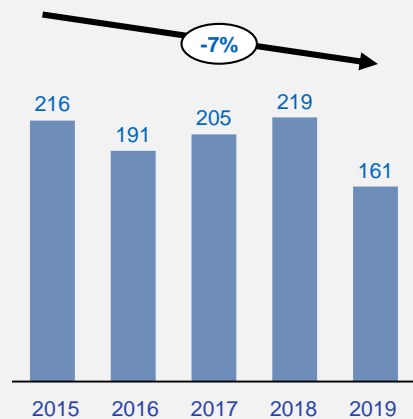
Jobs

20 – 30 direct jobs



Market growth and size

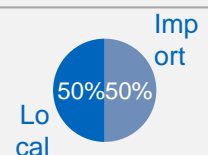
Morocco Imports (Mns MAD)



Morocco's main import countries



Local vs. Import



1. Product Complexity Index: the diversity and sophistication of the productive know-how required to produce a product. Products with high PCI value (the most complex products that only a few countries can produce) include electronics and chemicals. Products with a low PCI value (the least complex product that nearly all countries can produce) include raw materials and simple agricultural products.

2. Earnings before interest, taxes, depreciation and amortization

3. Source : Office des changes, TradeMap