

Project #111: Leather Handbags manufacturing High-End



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Description of the project



Manufacture of handbag with an important leather composition. Cutting, assembly of leather and derivatives for the production of high quality bags.

HS Codes: 420222 - 420221 - 420229



Highlights

- Growing local market, highly competitive with substitutable products but with the opportunity to develop a strong brand that meets the specific needs of the market.
- Export potential with higher margins



Complexity of the product²

Complexity Index (PCI)¹
 Harvard Economic Complexity

-3.33 2.56

-0,911



Main inputs required

- ✓ Leather (mainly)
- ✓ Metal accessories



Main investment advantages

Grant

- ▶ ISTITMAR SME or VSE program, depending on the Turnover

Training assistance

- ▶ IDMAJ" Program
- ▶ TAEHIL" Program

Funding

- ▶ Mezzanine SME
- ▶ Green Invest

Potential land

- ▶ PI Ain Cheggag
- ▶ PI Casa City Shoes
- ▶ ZI Chichaoua

Branch

Leather

Sub-sector

Leather goods



Financial indicators (estimated³)

Potential investment

~2 - 5 Mn MAD (excluding land)

Potential turnover

~30 - 60 Mn MAD

Potential IRR

~20% - 30%

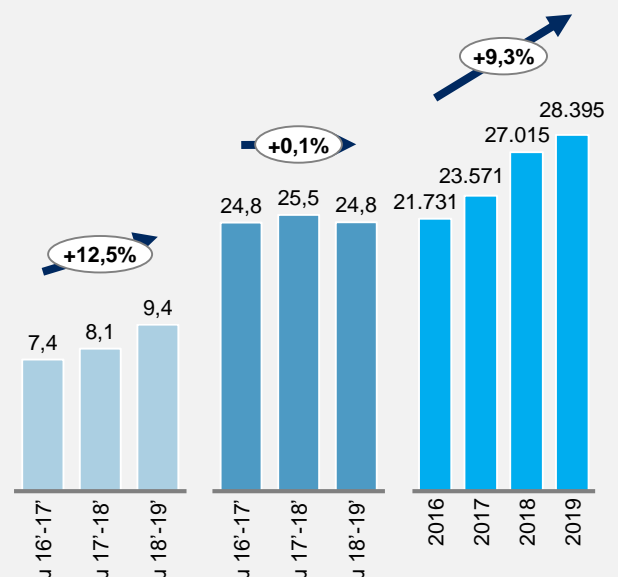


Market growth and size²

Morocco Imports
 (USD, Mn)

Morocco Exports
 (USD, Mn)

World trade
 (USD, Mn)



1. Product Complexity Index: Diversity and sophistication of the know-how required to produce a product. The ICP is calculated based on the number of countries producing the product and the economic complexity of those countries. The most complex products, those that only a few countries can produce, have the highest ICP (e.g. electronics, chemicals) vs. the least complex products (e.g. raw materials, agricultural products).

2. HS code: 'Economic complexity: 4202/ Office des Changes (Moroccan Imports & Exports) + Trademap (World export values): 420222 - 420221 - 420229

3. Estimated figures from the perspectives of Moroccan experts and industrialists in these sectors. The financial indicators are provided for purely directional and informational purposes and do not constitute a form of commitment or guarantee.