

Embassy of India
Rabat

Advisory for Indian Exporters for Doing Business in Morocco

While Morocco offers a lot of trade opportunities for Indian exporters in different segments, Embassy of India would like to draw attention of the perspective Indian exporters to take note of the following while dealing with importers/companies in the Kingdom of Morocco. The advisory below is indicative in nature and should not be taken as a generalised view but aimed at exercising general cautions and other trends, which came to the notice of the Embassy :

- Always insist on doing business with irrevocable at sight **Letter of Credit**. It is advised to take as much as, but not less than 30% advance from the Moroccan importer, then insist on getting the remaining payment by irrevocable at sight Letter of Credit. Do not trade with credit. There is a tendency to pay an advance of 10% to 30%, and after receiving goods, some unscrupulous elements may use different tactics to delay payment/not making payment at all. There is also tendency of some importers to not to release documents from the bank and asking for discounts and also spreading rumors that the goods/articles are of inferior quality. Exporters should ensure that they do not fall prey to such things in their transaction.
- There have been instances in the recent past, where importers have released the goods from the port on the basis of some fraudulent documentation (in cases where documents are to be released upon full payment by the importers through bank). Sometime imports shows a documents giving instruction to the bank to release the payment and tell the exporters that he has blocked the amount with the bank and insist and pressurize the exporter to send SWIFT message to the bank to release the documents. It should be ensured that documents are released only after SWIFT Confirmation message by the corresponding bank.
- It may also be ensured that corresponding bank in Morocco should be well recognized banks such as Bank of Africa BMCE, Attijariwafa Bank or Banque Populaire etc who have international remittance facility. If the importers mention unknown banks or money remittance agency, the same should be cross verified before sending documents, either through Embassy or some other reliable sources.
- It has also been brought to the notice of the Embassy that some companies in Morocco uses some local shipping or forwarders companies who are also involved in defrauding Indian companies. These companies give original documents to importers who clear the cargo without releasing documents from the bank or making any payment. It has also been noticed that the original documents were with the designated bank and the consignment was cleared in connivance with the local agents who submit these papers to the port authorities. It is advised to exercise to not to deal with such companies who give address of some local forwarding agency or some other doubtful names. Such cases are mostly found in marble, sanitaryware and spices/rice cases.
- Exporters are also advised against the aggressive marketing and sales without doing due diligence and without taking any advance.
- This is also brought to the notice of the exporters that if goods are not released from the customs/port within 45 days of arrival, they are liable to be confiscated by the

local authorities and auctioned thereafter. Hence all precautions to be taken to avoid any such situation.

- Exporters are also advised to be fully aware of quality control regulations as well as phyto-sanitary requirements for all shipments that they comply with Moroccan rules/regulations to avoid any issues at the time of quality inspection on arrival by the government authorities.
- It is advisable to not to rely upon online queries and replies to do business with Moroccan companies in general. While some are genuine, some of them are involved in routine defrauding of Indian exporters. Please get in touch with some local partners and whenever possible, write to Indian Embassy for guidance etc.
- If possible, visit the prospecting company for physical verification before doing businesses or drop an email to the Embassy of India at Rabat on coi.rabat@mea.gov.in
- Wherever possible, try to check with the Port authorities in India about the credibility of the Moroccan importers and also from the apex bodies.
- It is advisable to get the goods insured. Do not employ any short-cuts to save time.
- In some genuine cases, importer may ask for certification about the goods he is importing, which can be done by the exporter, providing an SGS Report (internationally recognized audit report) before shipment to the importer to certify that the goods are as ordered/specified.
- Also make sure that your importer is paying the right amount of duty to the Moroccan authorities by way of cross checking with Shipping Agency as well as other sources. There are instances of photo-shopping of the invoice to reduce the amount indicated in the invoice to pay lesser amount of import levy. This might lead to stringent action by the Customs authorities of Morocco and also may result into troubles for Indian exporters.
