

Houdret, Annabelle; Furness, Mark

Research Report

Time for a strategic partnership: The potential for deepening German-Moroccan cooperation

IDOS Policy Brief, No. 25/2025

Provided in Cooperation with:

German Institute of Development and Sustainability (IDOS), Bonn

Suggested Citation: Houdret, Annabelle; Furness, Mark (2025) : Time for a strategic partnership: The potential for deepening German-Moroccan cooperation, IDOS Policy Brief, No. 25/2025, German Institute of Development and Sustainability (IDOS), Bonn,
<https://doi.org/10.23661/ipb25.2025.v1.1>

This Version is available at:

<https://hdl.handle.net/10419/333599>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<https://creativecommons.org/licenses/by/4.0/>



Time for a Strategic Partnership: The Potential for Deepening German-Moroccan Cooperation

Annabelle Houdret & Mark Furness

Summary

Germany and Morocco have a long-standing history of development cooperation, which is now evolving amid a rapidly changing regional and international context. This partnership benefits both countries, and there is significant potential for it to deepen. Morocco has emerged as a key actor in North and West Africa, strengthening its economic, military and geopolitical influence. It benefits from German expertise, investment and strategic support. Germany, as a middle power in Europe, relies on Morocco's cooperation to advance its economic, technological and diplomatic interests in Africa and the Mediterranean.

Global dynamics are reshaping the nature of German–Moroccan cooperation. Traditional development cooperation models, in which Western countries provide aid to countries in the “Global South”, are becoming less relevant. Increasingly, cooperation is taking the form of transactional relationships aimed at realising mutual economic, commercial and political gains. This pragmatic approach nevertheless needs to remain embedded in cooperation norms that emphasise human rights, social inclusion and environmental sustainability. These principles underpin mutual long-term benefits for the societies of both countries.

Germany needs to position itself as a partner that defines its interests clearly, combining strategic and economic collaboration with support for inclusive and sustainable development. Where trade-offs exist, these must be identified, addressed, or, if necessary, lead to Germany refraining from cooperation in certain areas. Morocco, despite important progress in poverty reduction over the past two decades, continues to face significant socio-economic disparities, and inequalities are rising in the context of climate change, limited access to health and education, and opaque

governance. International partners can support Morocco in addressing these issues.

German Chancellor Friedrich Merz has articulated a foreign policy that pursues interests and upholds values via strong partnerships with key countries. Development cooperation is a core component of these relationships, both for addressing sustainable development needs and for opening doors for other relationships, in a comprehensive cooperation policy format. Moroccan government officials, researchers and civil society actors interviewed for this paper stressed that this is exactly the kind of relationship that their country is looking to build.

Looking ahead, four key strategic thematic areas are likely to define cooperation over the next decade:

1. **geostrategic interests** – particularly the status of Western Sahara and African relations;
2. **infrastructure and investment** – focusing on public and private sector investment in infrastructure, connectivity and energy;
3. **migration, labour markets and training** – emphasising legal migration, vocational training, and meeting both countries' labour market needs; and
4. **governance for the common good** – including climate action and transparent, accountable and inclusive governance both locally and internationally.

Over more than 50 years, Germany and Morocco have built significant trust through development cooperation, providing a strong foundation for a more strategic partnership. Realising this potential, however, requires clarity on each country's priorities, adaptability and red lines.

From development cooperation to cooperation policy

The international context for development cooperation is evolving rapidly, a trend widely discussed in the development effectiveness literature. Traditionally, development cooperation involved financial, economic, institutional and socio-cultural assistance provided by so-called “developed” countries and multilateral organisations in the “Global North” to countries and regions in the “Global South”. Over time, this model has faced moral and political challenges, prompting debate over its relevance and effectiveness.

The declining impact of traditional aid reflects shifts in the economic, technological and ethical influence of the Global North. Donor countries have increasingly aligned their development policy with national interests, while voices in the Global South have questioned whether aid merely perpetuates colonial exploitation (Taggart, 2025).

In response, scholars and practitioners have re-framed development as “cooperation policy”. Conceptually, this approach moves beyond donor–recipient dynamics, emphasising mutually beneficial partnerships. In practice, it requires clearly defined joint interests and red lines, supported by networks, instruments, expertise and mutual trust to foster strategic relationships (Klingebiel & Sumner, 2025).

Despite its promise, this approach is risky. As cooperation becomes more transactional, concerns about engagement with authoritarian governments and the extractive tendencies of private capital become more relevant. Upholding universal values, human rights and environmental sustainability is essential for effective, legitimate and durable partnerships.

German–Moroccan cooperation provides a timely case to explore the potential and limits of the cooperation policy model. Morocco is a vital partner for Germany in economic, migration and security matters across the Mediterranean and the African continent. The country offers investment opportunities in sectors such as automotive

and aeronautics, battery production and renewable energy, including hydrogen. It is also an important international partner on climate action. At the same time, Morocco faces deep inequalities and high unemployment, and has a centralised, rentier-based political system. Germany can play a crucial role in supporting Moroccan efforts to address these structural challenges while advancing mutual interests.

A new relationship can build on successful ties established through 50 years of development cooperation. In Morocco, Germany is perceived to be a trustworthy partner that has contributed to improved legal and policy frameworks for fiscal, energy, water and environmental issues, and as an “honest broker” that provides dialogue platforms within Morocco and internationally.

This policy brief draws on prior analyses of existing German–Moroccan cooperation and interviews with policymakers, researchers and civil society actors from both countries. It discusses the potential for a more strategic partnership based on cooperation in four areas:

- geopolitical interests in a changing context
- infrastructure and investment
- job creation, training and migration
- governance for the common good.

We outline mutual interests and offer recommendations for deepening cooperation in each of these areas. These are summarised in the table below. The paper concludes with five general recommendations for building strategic cooperation between Germany and Morocco.

Developing strategic cooperation

Morocco holds significant strategic importance for both Germany and the EU, while at the same time Germany and the EU offer substantial opportunities for the kingdom. A partnership grounded in a clear articulation of shared interests, as well as an understanding of trade-offs and red lines, can help define more targeted and effective cooperation in an evolving geopolitical landscape.

Morocco's relevance to Germany and the EU spans multiple dimensions. Economically, it is increasing in importance as a trading partner (Table 1), with growth potential across diverse sectors, including food, electronics/batteries, the automotive and aeronautics sectors, and pharmaceuticals and textiles. Strategically, it is a critical partner for migration governance and security policies. Politically, it is a relatively stable country in an unstable region. Morocco possesses the world's largest phosphate reserves for fertilizer production and holds significant cobalt, silver and copper resources, all of which are vital for Europe's digitalisation and energy transition. Over the past two decades, Morocco has leveraged its geographic position and political-cultural ties to Europe and Africa, while simultaneously deepening relations with others, including China, Israel, Russia, Saudi Arabia, Türkiye and the USA. Its economic growth and urban infrastructure development have created attractive opportunities for European investors and tourists. Persistent socio-economic disparities, climate change, centralised governance and elite-driven rent-seeking still generate political tensions that can have direct or indirect effects on Germany and the EU. Recurring political protests, including the recent GenZ 212 movement, illustrate this discontent.

Moroccan cooperation interests are embedded in the wider geostrategic context of North Africa and the Sahel. The country positions itself as a regional leader in the Global South and as a gateway to West African markets and governments. It navigates a careful balance between Northern and Southern priorities – as in its approach to the Ukraine war – while subordinating its foreign policy to the overarching objective of securing international recognition of its sovereignty over Western Sahara, which it regards as its “Southern provinces”.

Morocco is interested in deepening ties to the EU and Germany. The EU accounts for nearly half of Morocco's imports and roughly two-thirds of its exports, and European investors play a key role in the country's economic development. Large Moroccan diaspora communities in Europe

strengthen both socio-cultural and economic links through remittances, while EU institutions and member states influence multilateral fora – such as on climate change – where Morocco seeks to advance its international profile. Foreign support is also critical for addressing Morocco's employment and water challenges, thus helping to manage social discontent.

Table 1: Economic cooperation between Germany and Morocco (2022–2024)

	2022	2023	2024
German exports to Morocco	2,800	3,200	3,500
Annual growth (%)	30.0	14.1	8.0
German imports from Morocco	2,100	2,800	3,200
Annual growth (%)	34.4	33.2	14.9
German FDI in Morocco (stock)	1,423	1,489	n.a
Annual growth (%)	-2.5	4.6	n.a
German financial cooperation with Morocco	277	312	465.50
Total German ODA to Morocco	347.33	361.50	n.a

Sources: GTAI; German Federal Statistical Office; Deutsche Bundesbank; KfW, OECD-DAC. All figures in Euro (millions)

Strategic area 1: geopolitical interests

Bilateral relations between Germany and Morocco are embedded in the context of changing alliances on the African continent and with respect to established and emerging global powers. Security, trade, energy and supply chains, but also questions of national sovereignty and international governance, are core issues for both countries and thus for their bilateral relations.

For Morocco, sovereignty over Western Sahara remains the central and non-negotiable national interest. The government and virtually all of the population see control over the territory as integral to the kingdom's nationhood. In recent years

Rabat has expanded its support for this position: most African states, and major global players such as France, Spain, the UK and USA, have moved closer to Morocco's autonomy proposal.

Morocco pursues a multifaceted geostrategic agenda in Africa. It has expanded its soft power through bilateral cooperation in education, training, religious affairs and security, while deepening economic ties and reshaping regional politics. Initiatives such as the 2023 Atlantic Initiative, which has the "southern provinces" at its heart, link the Sahel to global supply chains through Moroccan maritime infrastructure and integrated energy systems. This illustrates Morocco's ambition to position itself as a hub. Morocco cooperates with the *Alliance des États du Sahel* created by Burkina Faso, Mali and Niger, which turned away from France and other European partners and towards China, Russia and Türkiye. Morocco's strategic aim is to consolidate its political and economic influence in Africa while strengthening its partnerships across the Mediterranean and Atlantic.

Germany has consistently aligned with the UN-led process on Western Sahara and declared in both 2022 and 2024 that Morocco's autonomy plan for the territory could be a basis for a solution negotiated under UN auspices. Berlin has not endorsed Moroccan sovereignty outright, unlike the USA in 2020 or France during President Macron's 2024 visit, when Paris signed investment agreements worth €10 billion. Germany seeks to maintain the credibility of international law and the UN process, while at the same time recognising Morocco's growing strategic importance.

The reshuffling of alliances on the African continent creates new opportunities for cooperation between Germany and Morocco. Morocco's Atlantic Initiative has both economic and political dimensions: it can facilitate investment in renewable energy, minerals, gas and transport infrastructure, while also supporting transatlantic collaboration with initiatives such as the US-led Partnership for Atlantic Cooperation. For Germany, Morocco's role in African diplomacy

offers a chance to advance shared goals in security, stability and economic integration. Trilateral cooperation involving Germany, Morocco and African states could combine complementary expertise and investment to support sustainable development in the Sahel and Sub-Saharan Africa. Fields such as decentralised governance, climate adaptation, water management and green infrastructure are especially promising.

A change in Germany's position on Western Sahara carries risks. Endorsing Moroccan sovereignty could damage Germany's reputation as a defender of international law and the rights of the Sahrawi population. Conversely, refraining from recognition may limit German access to Moroccan-led economic initiatives in Africa. In spite of the current temporary compromise, the European Court of Justice's 2024 ruling that EU–Morocco trade and fisheries agreements cannot be applied to Western Sahara adds another layer of uncertainty, particularly regarding access to natural resources. Any change in Germany's position would also affect its relations with Algeria, Morocco's main rival in Western Sahara and internationally. Algeria and Germany concluded an energy partnership in 2015, complemented by a joint hydrogen task force in 2024.

Germany should undertake a thorough, inter-ministerial assessment of the trade-offs between its current position on the Western Sahara and its strategic interest in more intense cooperation with Morocco, including exploring new opportunities within the current arrangement. Any future alignment with Morocco's position must be conditioned on the protection of Sahrawi rights.

Beyond the Western Sahara issue, Germany could expand trilateral cooperation with Morocco and African partners, focusing on socially inclusive and environmentally sustainable projects. Other trilateral partnerships with countries that share common interests with both Germany and Morocco, such as Türkiye (trade, textiles, migration) and China (battery production, automotive sector), could also be of interest. Berlin could also leverage Morocco's initiatives, such as the

Atlantic Initiative, to strengthen transatlantic and African cooperation. To maintain credibility, Germany must balance principled positions on international law with pragmatic engagement, ensuring that its policy is both strategic and values-based.

Strategic area 2: infrastructure and investment

During the past 20 years, Morocco has achieved strong economic growth, built public infrastructure and, in 2025, officially reached the UNDP's category of countries with "high human development". Nevertheless, persisting inequalities and new social and environmental priorities create demand and opportunities for foreign investment.

Morocco wants both public and private sector investment to support its socio-economic and industrial development ambitions. Priorities include expanding infrastructure, hosting high-profile international events such as the Africa Cup of Nations (2025/26) and the FIFA World Cup (2030), and building capacity in the health and water sectors. The government also wants to mobilise investment from its diaspora, as well as from global partners such as Saudi Arabia – which recently pledged €12 billion for water and energy – and China, whose investments are estimated at €8 billion and rising. Morocco's development strategy emphasises industrialisation in key sectors, including automotive, aeronautics, pharmaceuticals and defence, as well as its role as a trade hub through Tanger Med, Africa's largest shipyard in Casablanca, and new logistics centres in Nador and Dakhla. At the same time, Morocco aims to expand renewable energy production – already covering 45% of national electricity consumption – and to become a hydrogen exporter. Its mineral resources further enhance its appeal to investors. However, achieving growth in a way that helps to overcome the highly unequal distribution of income, education, job opportunities and access to health services will be crucial to prevent political instability (Dadoush & Saoudi, 2019).

Germany could benefit from opportunities in Morocco's economic rise. The kingdom is growing in importance as a vehicle producer and exporter to Europe, and its growing industrial base offers synergies with German companies, especially in automotive, aeronautics, electronics, batteries and renewables. German investors are also attracted to Morocco's expanding logistics hubs and free-trade zones, which connect Europe to Africa. In addition, Germany has a long track record in Moroccan energy and water infrastructure and governance, where its expertise is highly valued. Supporting Morocco's energy transition and industrial modernisation aligns with Germany's own priorities for low-carbon production and secure supply chains. The German government has acknowledged that investments should contribute to socially inclusive and environmentally sustainable development.

Morocco's industrial expansion and renewable energy ambitions offer fertile ground for German–Moroccan cooperation. Germany can build on existing trust, strong technical expertise, and successful collaboration in the water and energy sectors to deepen economic ties. Expanding joint research, education and training – such as the partnership between the Fraunhofer Society and Morocco's IRESEN – can strengthen innovation in renewable energy and green technology. Infrastructure development in water supply, wastewater reuse, and desalination represents another promising area, provided it serves the broader population at affordable prices. Related trilateral cooperation in Sub-Saharan Africa could also leverage joint interests and expertise.

Despite its growth, Morocco faces deep socio-economic inequalities and governance challenges. In some rural areas, many citizens lack basic public services and infrastructure, while investments concentrate on urban hotspots and mega-projects, widening disparities and increasingly marginalising the urban poor. Corruption and elite rent-seeking undermine inclusive development (Transparency Maroc, 2023). The reform of the social security system illustrates this tension:

while medical coverage is expanding, the system's financial base is weak due to tax evasion, and private actors reap disproportionate benefits from public funding (Ait Ouanna, 2024). Environmentally, Morocco is highly vulnerable to climate change, and water-intensive export agriculture risks further destabilising rural communities already suffering from declining soil fertility and ecological mismanagement. If German and EU investments fail to support Morocco in addressing these issues, they risk fuelling discontent, instability and migration.

Germany could increase support to Morocco's industrial and infrastructural development, including beyond the major cities, while ensuring that projects meet high social and environmental standards. Independent impact assessments must continue to guide investment decisions, and safeguards should prevent extractive practices. Cooperation could prioritise water management, renewable energy and climate-sensitive infrastructure, while avoiding projects that exacerbate inequalities. Urbanisation provides opportunities, not only for FDI but for innovative, climate-sensitive urban planning and construction which includes and serves citizens. Germany could promote regulatory reforms and transparent governance even more in sectors such as energy, water and urban planning, and support mechanisms such as taxes, levies and compensation funds that improve socioeconomic equity. Joint research and vocational training could be expanded to strengthen innovation and skills development in the interest of both countries.

Strategic area 3: migration, labour markets and training

Both Germany and Morocco suffer, in different ways, from a mismatch between the availability of qualified workforce and labour market needs, and face challenges linked to international flight and migration governance. Innovative approaches for dealing with these trends are becoming apparent, offering promising avenues for strategic bilateral cooperation that benefits both societies.

Morocco is grappling with a historic employment crisis, despite its growing economy. With one in four young people between 15 and 24 years old – about 1.5 million – not in education, employment, or training (CESE 2023), and with agriculture declining due to climate change and water over-use, job creation has become an urgent national priority. The government is keen to align vocational training with labour market needs, drawing inspiration from Germany's dual apprenticeship system. Many Moroccans want to emigrate, but most plan to return to establish homes and families, making circular migration an attractive model. Morocco has cooperated with France and Spain in this field and is beginning similar initiatives with Germany, such as training for hospitality workers, mechanics and IT professionals, co-ordinated with the national employment agency. At the same time, Morocco is reluctant to allow training for health professionals destined for Germany, given domestic shortages in the health sector. Beyond labour mobility, Morocco values remittances and diaspora investment.

Germany faces pressing labour shortages, particularly in the hospitality, IT, mechanics and health-care sectors, and Morocco could be a strategic partner to help fill these gaps. Present informal recruitment in the health sector provides little security to workers and employers and would benefit from a more formalised approach. German companies, such as Deutsche Bahn, have already expressed interest in employing trained Moroccans. Pilot projects are testing pathways for circular labour mobility.

Furthermore, Germany has a strong interest in framing migration as part of a values-based approach, ensuring that mobility is legal, humane and beneficial to both countries. Germany's co-financing of the EU's Centre for Migration and Development provides guidance and support for returnees. Expanding circular migration and joint training would also potentially reduce irregular migration pressures at Europe's borders, where Frontex operations focus narrowly on security and refoulement.

In January 2024, Germany and Morocco agreed on a comprehensive migration partnership aimed at reducing irregular migration and promoting legal labour migration. Regional agreements such as one between Tangier and Niedersachsen show that tailored approaches to local labour needs are viable. Such pilot legal migration programmes could be scaled up significantly through ANAPEC, the Moroccan National Agency for the Promotion of Employment and Competencies, which has expressed interest in expanding to thousands of trainees. Initiatives currently focus on hospitality, IT and mechanics, but could be extended to other sectors. German expertise in vocational training could also be leveraged to train workers for employment in other EU countries such as France and Belgium. Partnerships in higher education, in collaboration with German and Moroccan companies and research institutes, offer further opportunities for qualification while supporting knowledge creation.

Diaspora engagement offers another promising avenue. The Northern Fund for Investment and Development (NORDEV) looks to channel remittances into local development in Northern Morocco, and the government hopes to see more diversification of diaspora investments beyond private real estate.

Despite these opportunities, several challenges complicate cooperation. From Rabat's perspective, migration cooperation should be linked to German investment in Morocco's domestic economy, creating a quid pro quo dynamic that Germany has thus far approached cautiously.

The framework established by the January 2024 migration partnership should be used to scale up vocational training through ANAPEC. Morocco's enthusiasm for Germany's dual apprenticeship system provides a solid foundation for expanding cooperation. Circular migration programmes could be expanded, while integration facilities could be redesigned as common goods accessible to both migrants and host communities, strengthening social cohesion (Delespesse & Martin-Shields, 2025). Reintegration support

must move beyond financial incentives, combining business grants with psychosocial programmes and community engagement. Germany could increase investment in Morocco's employment sectors as part of its labour mobility strategy, recognising Moroccan sensitivities and focusing on mutual benefit, especially in the health and education sectors. A whole-of-government approach that links migration, job creation and complex technical aspects such as pensions would allow both countries to transform migration into a driver of inclusive growth.

Strategic area 4: governance for the common good

Persisting rural poverty, deficient public services and social and territorial inequalities are recurrent topics in King Mohamed VI's speeches (King Mohamed VI, 2025). National strategies, such as the New Development Model (CSMD, 2021) highlight the importance of more transparent, efficient and participatory governance to achieve these aims. Improving governance is essential for attracting foreign investment in the country's infrastructure, maritime, energy, tourism, rural development and social security priorities.

Moroccan institutions, including the Economic, Social and Environmental Council (CESE) and the Court of Auditors have pointed out how tax evasion, inefficient public services, lack of private sector competition and weaknesses in the education system limit development opportunities (CESE, 2019). In this context, economic growth and expanded public procurement provide new opportunities for the rentier economy, while the country's anti-corruption performance has regressed and regulatory institutions have limited scope of action (OCDE, 2024).

The interests of Moroccan state actors in governance reform are complex and often ambiguous, while citizen and civil society mobilisation regularly express the urgency to act. On one hand, public reports recognise that the rentier political economy hinders inclusive human development, while reforms of the family law, social

security, and decentralisation have been piecemeal. Interviewees in national and local state institutions highlighted the need for improving living conditions and easing the daily bureaucracy burden for the average citizen. On the other hand, meaningful change threatens entrenched interests, and reforms are carefully steered by the Ministry of Interior, stopping short of touching core power dynamics and thereby often limiting reform effectiveness.

Germany has a strong interest in supporting more inclusive, transparent and accountable governance in Morocco. This would strengthen the climate for German and European investors by reducing corruption, enhancing legal certainty, and increasing transparency in procurement. It would also mitigate the risk of scandals in export-oriented supply chains, such as the 2023 labour and environmental safeguards violations.

More broadly, accountable governance supports stability by reducing the social discontent that drives migration. For German policymakers, better governance means more reliable partners in climate action, renewable energy and vocational training, where efficiency and equity are crucial.

Despite Morocco's centralised political system, there are opportunities to advance governance reform. Intermediary institutions and a vibrant civil society provide potential entry points (Houdret & Furness, 2024). Supporting change agents at the regional, provincial and municipal levels is key to bringing reforms closer to citizens. Germany's longstanding cooperation with Morocco on local governance and environmental management provide the foundation for further collaboration.

At the domestic level, support could even go beyond that to central authorities to include civil society, academia, local governments and non-elite private-sector actors. This would foster inclusive reforms and strengthen accountability, building on existing cooperation at the municipal and regional levels. City-to-city cooperation, which has shown promise in the past, could be better linked to broader strategic objectives

across sectors. For example, transparent and inclusive urban governance provides opportunities to combine shared economic and ecological research and training with administrative expertise.

Internationally, Morocco and Germany share an interest in rules-based cooperation on global issues. At the continental level, opportunities to foster dialogue on governance and development exist through Morocco's active role in regional organisations such as the United Cities and Local Governments Africa (UCLGA) and the Union of Economic and Social Councils and Similar Institutions of Africa (UCESA), both headquartered in Rabat. Morocco's contributions to climate initiatives, the UN Global Compact for Safe, Orderly and Regular Migration, UN Peacebuilding Missions and its recent adoption of the UN Marine Biodiversity Treaty are important pillars that future joint initiatives can build on.

Germany should adopt a flexible, multi-level approach to governance cooperation with Morocco. At the strategic level, a comprehensive evaluation of past bi- and multilateral agreements supporting private sector investment and/or governance improvements could guide future collaboration. The evaluation of Germany's reform partnerships showed that democratic standards of good governance and the rule of law were a major success factor, but should go beyond sector governance (Roxin et al., 2022).

Internationally, Germany and Morocco could collaborate more in multilateral institutions such as the UN, the G20 and the African Development Bank on issues of climate governance, peace-building, and financing adaptation and climate-sensitive urbanisation. By combining engagement on transparency and inclusivity with pragmatic support for Morocco's priorities, Germany can strengthen governance in ways that align with both countries' long-term interests and reinforce multilateral institutions.

Table 2: Interests, opportunities and challenges for Moroccan–German cooperation

Category	Moroccan interests	German interests	Opportunities	Challenges
Geopolitical interests in a changing context	<ul style="list-style-type: none"> - Recognition of sovereignty over Western Sahara - Strengthened regional influence 	<ul style="list-style-type: none"> - Stability in Maghreb & West Africa - Strategic partnerships on security & migration 	<ul style="list-style-type: none"> - Collaboration on regional security and migration - Deeper engagement in Africa - Investment and connectivity projects 	<ul style="list-style-type: none"> - Protection of Sahrawi rights - Opposition from Algeria - Balancing UN-led processes with strategic alignment
Infrastructure & investment	<ul style="list-style-type: none"> - Mobilise FDI, concessional credits and diaspora investment - Industrialisation, energy and infrastructure development 	<ul style="list-style-type: none"> - Trade with and via Morocco - Access to raw materials - Renewable energy - Low-carbon production in different sectors 	<ul style="list-style-type: none"> - Joint investment and research in industry, energy, transport, water and urban infrastructure - Transatlantic and regional partnerships 	<ul style="list-style-type: none"> - Governance deficits, elite capture - Environmental and social risks - Rural needs vs urban megaprojects
Migration, labour markets & training	<ul style="list-style-type: none"> - Job creation for Moroccans - Leverage remittances - Address youth unemployment 	<ul style="list-style-type: none"> - Addressing labour shortages in key sectors - Cooperation on legal migration and return, and circular migration 	<ul style="list-style-type: none"> - Upscale vocational training - Expand circular migration - Integrate returnees and build skills base 	<ul style="list-style-type: none"> - Brain drain in critical sectors (e.g. health) - Irregular migration
Governance for the common good	<ul style="list-style-type: none"> - Strengthen legitimacy and efficiency of public services and the business climate - Position in multilateral institutions 	<ul style="list-style-type: none"> - Promote predictable and accountable, rules-based governance in all sectors - Ensure stability and secure investment environment 	<ul style="list-style-type: none"> - Reduced risk for investors - Inclusive and sustainable urban and rural development - Public sector capacity-building - Trilateral cooperation in Africa 	<ul style="list-style-type: none"> - Weak institutions and enforcement - Corruption and rent-seeking - Centralised decision-making

Conclusions: cooperation policy for a strategic partnership

Germany and Morocco stand at a pivotal moment in their bilateral relationship. The overlap of strategic interests creates opportunities for cooperation. At the same time, differences in priorities and approaches require clarity, transparency and well-defined limits from both sides (Table 2).

In conclusion, we suggest five elements for a more strategic partnership, drawn from the four thematic priorities discussed above:

- 1. Prioritising sustainability and equity as guiding principles in all cooperation projects.** Public and private investments should contribute to job creation, regional equity, protection of the environment, and avoidance of extractive practices. At the project level, joint social and environmental impact assessment and monitoring, including representation of science, public institutions, civil society and development cooperation, would better support socially inclusive and environmentally sustainable development.
- 2. Investing in governance reform as a strategic asset:** More efficient, transparent and accountable governance would not only attract foreign investment, but also reduce social discontent, strengthen Morocco's regional leadership, and stabilise long-term growth. This includes safe spaces and freedom of expression for civil society. Existing cooperation and trust between the two countries provides a good basis for further collaboration. Germany could improve its migration governance, easing visa processes and work permits for circular migration.

- 3. Focusing support for social protection on equity and accountability:** Targeted investment in poverty alleviation, education and healthcare needs to be based on transparent evaluation of existing initiatives and exclusion of private sector interests that do not benefit the common good. Financing of the system should primarily be based on Morocco's own fiscal capacity, but Germany could provide policy and technical advice.

- 4. Clarifying red lines and cooperative priorities:** Morocco has been clear about its sovereignty claims, but greater transparency on other priorities – such as acceptable terms for investment in sensitive sectors – would reduce friction and attract more reliable partners. Germany should maintain principled engagement with a partner that has a different political system, and recognise the risks of supporting growing disparities and marginalisation for the benefits of an elite. Germany must set clear limits, especially regarding human rights and governance standards, and be prepared to uphold them even when this complicates cooperation.

- 5. Implementing more diverse and innovative instruments for bilateral negotiation and collaboration.** Back-to-back with official negotiations, this could include targeted closed-door brainstorming on specific issues, sectoral workshops, bilateral think tank conferences, "private sector days" and meetings of regional or municipal delegates.

In 2026, both countries can look back on 70 years of diplomatic relations and start a new chapter of bilateral cooperation.

References

- Ait Ouanna, M. (2024). *Privatisation du secteur de la santé: "Ce déséquilibre entre le public et le privé creuse les inégalités d'accès aux soins"*. Finance News Hebdo.
- CESE (Conseil Economique Social et Environnemental. (2019). *Un système fiscal, pilier pour le Nouveau Modèle de Développement. Rapport du Conseil Economique, Social et Environnemental* (Auto-saisine, 39/2019). CESE 2019.
- CESE. (2023). *Les jeunes NEET: Quelles perspectives d'inclusion socio-économique?* CESE.
- CSMD (Commission Spéciale sur le le Modèle de Développement). (2021). *Le nouveau modele de developpement. Libérer les énergies et restaurer la confiance pour accélérer la marche vers le progrès et la prospérité pour tous. Rapport général*. CSMD. amdie.gov.ma/wp-content/uploads/2023/11/Rapport_General_NMD.pdf
- Delespesse, E., & Martin-Shields, C. (2025). *Fostering social cohesion in border contexts: Learning from the experience of host communities and migrants in Casablanca* (IDOS Policy Brief 12/2025). IDOS. <https://doi.org/10.23661/ipb12.2025>
- Dadoush, U. & Saoudi, H. (2019). *Inequality in Morocco: An international perspective* (Policy paper, August 2019). Policy Center for the New South.
- Houdret, A., & Furness, M. (2024). Intermediary organizations, international cooperation and the changing social contract: Morocco's new development model. *Mediterranean Politics*, 1–26. <https://doi.org/10.1080/13629395.2024.2379736>
- King Mohamed VI. (2025). *Discours à la nation à l'occasion de la fête du trône*. Royaume de Maroc. maroc.ma
- Klingebiel, S., & Sumner, A. (2025). *Four futures for a global development cooperation system in flux: Policy at the intersection of geopolitics, norm contestation and institutional shift* (IDOS Policy Brief 11/2025). <https://doi.org/10.23661/ipb11.2025>
- Roxin, H., Eppler, M., & Heinel, M.-S. (2022). *Evaluation of the cooperation model of reform partnerships. Executive summary*. German Institute for Development Evaluation (DEval).
- OCDE. (2024). *Examens de l'OCDE des politiques de l'investissement: Maroc 2024. Examens de l'OCDE des politiques de l'investissement*. Éditions OCDE. <https://doi.org/10.1787/e5752331-fr>
- Taggart, J. (2025). *The Second Cold War and demise of the Western foreign aid regime*. Second Cold War Observatory. <https://static1.squarespace.com/static/62ab7f2c81773d64db4e11b0/t/67a7edde75e0cc45d7ba06a8/1739058654723/2025.2+Jack+Taggart+Dispatch+Second+Cold+War+Observatory.pdf>
- Transparency Maroc. (2023). *Rapport Moral 2023: Adressé à l'Assemblée Générale Ordinaire Élective du 5 avril 2025 à Rabat*. <https://transparencymaroc.ma/wp-content/uploads/2025/04/TM-Rapport-moral-2023-frar.pdf>

Dr Annabelle Houdret is a Senior Researcher in the research department “Environmental Governance” at the German Institute of Development and Sustainability (IDOS) in Bonn.

Email: annabelle.houdret@idos-research.de

Dr Mark Furness is a Senior Researcher in the research department “International and Transnational Cooperation” at IDOS.

Email: mark.furness@idos-research.de

The German Institute of Development and Sustainability (IDOS) is institutionally financed by the Federal Ministry for Economic Cooperation and Development (BMZ), based on a resolution of the German Bundestag, and the state of North Rhine-Westphalia (NRW) as a member of the Johannes-Rau-Forschungsgemeinschaft (JRF).

Suggested citation:

Houdret, A., & Furness, M. (2025). *Time for a strategic partnership: The potential for deepening German-Moroccan cooperation* (IDOS Policy Brief 25/2025). IDOS. <https://doi.org/10.23661/ipb25.2025.v1.1>

Disclaimer:

The analyses expressed in this paper are those of the author(s) and do not necessarily reflect the views or policies of the German Institute of Development and Sustainability (IDOS).



Except otherwise noted, this publication is licensed under Creative Commons Attribution (CC BY 4.0). You are free to copy, communicate and adapt this work, as long as you attribute the German Institute of Development and Sustainability (IDOS) gGmbH and the author(s).

IDOS Policy Brief / German Institute of Development and Sustainability (IDOS) gGmbH

ISSN (Print) 2751-4455

ISSN (Online) 2751-4463

DOI: <https://doi.org/10.23661/ipb25.2025.v1.1>

© German Institute of Development and Sustainability (IDOS) gGmbH

Tulpenfeld 6, 53113 Bonn

Email: publications@idos-research.de

<https://www.idos-research.de>

Printed on eco-friendly, certified paper.

