

Weekly highlights by L'ECONOMISTE

30 ans de fidélité



CNSS mobilized for the generalization of social security

EDITORIAL

An era to forget about

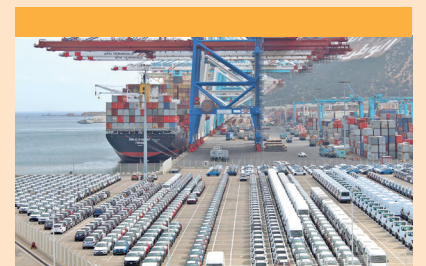
Meriem OUDGHIRI

“**R**ESOURCEFULNESS”, “*ingenuity*”, “*inventiveness*”, “*underground economy*”,... slowly but surely, the informal sector ended up becoming an economic and social model in its own right, and explaining the great weakness of Moroccan productivity. Today, this phenomenon represents, year after year, 30% of GDP and an alarming employment ratio with more than 80% of total employment. The pandemic has also (largely) compounded the situation. For years, inaction on this issue has had the effect of swelling the ranks of the informal sector, to such an extent that legal companies have switched to the underground economy, for lack of a targeted public policy. Today, this old scourge of the Moroccan economy poses major economic policy challenges. Fighting this scourge blindly will never lead to a way out. What to do, then? Track down what is wrong with governance, the business environment, tax policy and

the labor market...to increase interest and reduce the costs of entering the formal economy, as was highlighted by the Deputy Managing Director of the IMF in an interview with L’Economiste. The major social protection project is one of the answers to this phenomenon. This safety net will enable beneficiaries to ward off the most brutal aspects of precariousness, to earn a decent living, and to have more rights. One of the sectors that will also be the most scrutinized is that of the health system, which must confirm its ability to initiate a transformation shock equal to the challenge. It is a question of betting on goals, efficiency, and optimization of resources. This major project will be successful only if the main parties concerned play the game as fully as possible. It is therefore all this social engineering as a whole, which, if it is well carried out, will allow Morocco to close the parenthesis of an era that we would like to forget about. ... □

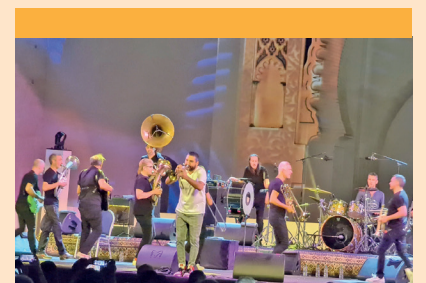


Fuel: The great impasse



Logistics:
No more autopilot!

Operation “Crossing the Strait”: First turning point before the July rush



World Sacred Music Festival
The magic still works



Weekly highlights

Fuel: The great impasse

THE price of oil continues to rise, each time driving up prices at the pump. As of this week, the price of oil at the pump will cross a new threshold: 18.3 Moroccan Dirhams on average per liter of gasoline and 15.5 Dirhams per liter of diesel. This is a new level of increases that consumers will have to face without government support. The latter refuses to subsidize the price of fuel and the financial abyss that this could cause, especially in a situation where uncertainty and the absence of visibility are the key words. Thus the platts of diesel is at 1,300 dollars per ton while that of gasoline is at 1,600 dollars for a dollar/dirham parity of 9.95 Dirhams (MAD). Without even taking port approach fees, taxation and margins into account, the price of petrol and diesel has changed dramatically. And even if the government has ruled out any intervention, many observers are still hoping for “a small gesture” on the tax side, because whether for diesel or for gasoline, the Government respectively applies a domestic consumption



tax (TIC) of 2.24 and 3.76 Dirhams per liter as well as 10% VAT. All eyes are set on the TIC, which provides nearly 30 billion in revenue per year, and whose reduction could relieve pressure on consumers, as was the case for the recent suspension of import duties

on oilseeds and crude sunflower oils to mitigate the impact of the rise in commodity prices on the selling price of edible oils. The whole question is whether the government would be able to give up part of the tax revenue generated by energy products, which is not

without risk. The most important thing to do is to stop or reduce the magnitude of strategic sites even when the room for maneuver is reduced. Until then, support measures have been granted in favor of targeted categories. At the end of May, expenditures related to subsidies of basic commodities reached 15.7 billion MAD (about 1.5 billion USD), up by 148.9%. The budget devoted by the Appropriations Bill to subsidies of basic commodities is now almost exhausted (17 billion MAD) and an extension of 16 billion MAD has just been granted. Moreover, the Government is late in paying oil tankers by nearly 4 months for the butane gas subsidy. This direct aid to carriers is granted and the price of electricity has not changed at all. For the National Office of Water and Electricity (ONEE), the energy bill would increase to 47.7 billion Dirhams, thus experiencing an increase of more than 25 billion dirhams! Soaring energy prices add to the difficulties of an atypical economic situation. □

Khadija MASMOUDI

Logistics: No more autopilot!

AFTER a two-year break, people from the logistics sector met again at the Logismed trade show. “We don’t know if the pandemic is behind us, but that doesn’t prevent us from planning and anticipating the future”, said Ali Berrada at the start of the International Transport and Logistics Exhibition on Tuesday, June 14, in Casablanca. “The health crisis has certainly complicated our lives, but it has also brought opportunities in its wake”, said the president of Logismed. This is one of the sectors that has been strongly impacted by the Covid crisis, geostrategic upheavals (war in Ukraine), disruptions in supply chains, or even the lack of visibility, and uncertainties of all kinds. “The growing complexity of new factors, uncertainty, or even environmental constraints do force us to adopt evolving strategies. Digital technologies are precisely a lever that makes it possible to adopt agile solutions”, said the minister in charge, Mohammed Abdeljalil. The new geostrategic crisis, the rise in energy products, and the disruption of supply chains have disrupted the mar-



Today, the challenge is to speed up the pace of achievements and multiply investments or even implement end-to-end digitalization

ket, added the minister. In its New Development Model (NMD), Morocco has chosen to rise up to many economic challenges. Precisely, logistics is one of the strategic levers of this new model, said Mohammed Abdeljalil. Today, 10 years after the roll out of the national logistics competitiveness strategy, “the goals have not yet all been achieved”, deplored the minister in

charge. The challenge is to speed up the pace of achievements and multiply investments, which notably involves digitalisation, innovative solutions, greater agility and efficiency, improvement of quality, or permanent adaptation to the new needs of a constantly changing market. To achieve this, “the Government must play a unifying role in the sense of strategic alignment.

A catalyst role to support innovative initiatives. The challenge is to move towards modern, competitive logistics with efficient players, as well as consolidated, adapted and massified value chains...”, insists Minister Mohammed Abdeljalil. The sector still has many challenges to meet, in particular, reliance on energy, additional fuel costs (more than 40% of costs for carriers), basic infrastructure (roads, ports, airports, platforms, etc.), adoption of technology, the vulnerability of businesses, the proliferation of the informal sector, the cost of land, the environmental footprint, and other challenges. There are also problems related to the perception of this ecosystem. Specialists recommend rethinking the economic model, constantly readjusting strategies towards greater agility, efficiency, responsiveness, and proximity. This can be summarized in two words: operational excellence. The trend is also towards the development and diversification of sources of supply or even end-to-end digitization. □

Amin RBOUB

CNSS mobilized for the generalization of social security

THE CNSS, the Social Security Agency, is mobilized for the success of the project to generalize social protection. The guest of the "Club de L'Economiste", Hassan Boubrik, Director General of this organization, focused on the various projects underway to promote efficient implementation of the generalization of health insurance. Especially since the framework law has set a precise timetable. The integration of new categories, in particular, non-salaried workers and beneficiaries of RAMED, the Medical Assistance Regime, must be finalized before the end of this year. "CNSS is strongly involved in this project, to welcome newcomers, particularly the self-employed, then in a second stage, the beneficiaries of RAMED", underlined Boubrik. For him, "this major project is progressing well". The timetable set by the framework law will be respected, he insisted.

■ **Registrations:** Technical and operational preparations have been launched since last year, according to the Director General of CNSS. "We have registered a bit more than 1.9 mil-



According to Hassan Boubrik, Director General of CNSS, the new modus operandi has made it possible to better manage case processing times, which currently average 9.6 days. As of June 07, 208,000 cases transited through local processing points (Ph. L'Economiste)

lion people. With the rightsholders and dependents, this population amounts to nearly 2.3 million people declared on our portal". Of the 1.9 million new members, farmers represent 850,000 people, craftsmen 300,000, in addition to auto-entrepreneurs, and members of the medical and legal professions... The implementation of this project is carried out in coordination with the liaison bodies, in particular the line ministries, which provide files containing information on each category of members. All this is done in full compliance and

with the necessary authorizations from the National Commission for Personal Data Protection (CNDP). According to the latest statistics, CNSS has already received the files of 2.8 million people, transmitted by the liaison bodies. Of this total, 400,000 people already benefit from AMO, the Compulsory Health Insurance (AMO).

■ **Organizational chart:** In this process, an important change also involved the organizational chart of CNSS. Hassan Boubrik insisted that

his teams got prepared on several levels. This involved in particular the extension of the network, in order to be able to welcome new members. Unlike salaried workers, who are generally grouped together in urban or peri-urban areas, self-employed workers, especially farmers, are often located in areas where there is no presence of CNSS branches. It is in this logic that fits the reinforcement of the mobile agencies, whose number will be doubled, but especially the launch of partnerships with the proximity points, like the money transfer and service agencies.

■ **Processing times:** This new modus operandi has made it possible to better manage file processing times, which currently average 9.6 days. Concerning the processing cost, it amounts to nearly 16 Dirhams per file. As of June 7, 208,000 files passed through local points. Even back-office processing has also been outsourced. With the gradual implementation of the new AMO information system and the electronic healthcare treatment sheet, processing times should decrease further. □

M.A.M.

Operation "Crossing the Strait" First turning point before the July rush

OPERATION "Crossing the Strait" begins to gain momentum. After a slow start on June 5, as usual during this operation, the flow of travelers is starting to accelerate. At the time of this issue of the paper going to press, the number of travelers having arrived at the port of Tangier Med reached 20,000 passengers, while the number of entries stood at just over 12,000, according to sources close to the port authorities. In total, some 9,000 vehicles passed through the quays of the port, most of them heading to Morocco. The number may seem rather small, but it is a source of comfort for shipping companies, businesses, but also for tourist operators, among the main economic players boosted by the presence of MRAs (Moroccans residing abroad). According to forecasts, it is expected that the total number of Moroccans in the diaspora



The volume of arrivals of MRAs (Moroccans Residing Abroad) will peak during the first week of July, in anticipation of Eid Al-Adha

traveling as part of Operation "Crossing the Strait" exceeded 2 million travelers during this edition. The volume of flows will experience, in all likelihood, a marked increase from the first days of July, in anticipation of Eid Al-Adha scheduled to take place around the 10th of this mon-

th. The volume stabilizes normally during the rest of July to accelerate again during the last weekend of the month when there is a telescope between the return of the July holiday goes to Europe and the arrival in Morocco of the August holiday goes. During the following month, the pace

of returns to Europe accelerated to end in a veritable avalanche during the last days of August, when most Moroccans in the diaspora had to return to their jobs in their countries. of reception. It is because this presence comes after a little over two years of cessation of Operation Crossing the Strait, a break imposed by the Covid pandemic but also by the frost which characterized relations between Morocco and Spain, the two countries most involved in this operation. One should remember the obligation, this year, of the need to have a confirmed boat ticket before accessing the ports, whether from Europe or from Morocco. The goal is to avoid unnecessary gatherings, a source of contamination, and to avoid the blockages that have marred past editions. □

Ali ABJIU

Weekly highlights



World Sacred Music Festival The magic still works

Princess Lalla Hasnaa chaired the launch of the 26th edition of the Fez Festival of Sacred Music. The theme of this edition is "Architecture and the Sacred" (Ph. MAP)

THE 26th edition of the Fez Festival of World Sacred Music (FFMSM) was short. Only four days (June 9 to 12) instead of the usual ten, but it was a success from start to finish.

■ Distinguished guests attended the Festival

After a majestic opening, Thursday, June 9, in the presence of Her Royal Highness Princess Lalla Hasnaa, the Minister of Culture, Mohamed Mehdi Bensaïd, the President of BMCE Bank Of Africa, Othmane Benjelloun, and the President of the Economic, Social and Environmental Council (CESE), Ahmed Réda Chami, among others, the Festival has invited distinguished guests from Morocco and elsewhere to its journey into "architecture and the sacred". Notably present were diplomats from France, Spain, Italy, and Israel, but also artists such as the couple of American actors Bart Johnson and Robyn Lively, in addition to Noureddine Bensouda, Treasurer General of the Kingdom, and big bosses such as Mohamed Karim Mounir, CEO of the BCP group, Dounia Taarji, president of the executive board of the Hassan II Fund, and Ali Ghannam, former president of the National Tourism Federation (FNT). The latter attended, on Saturday June 11, the show of trumpeter Ibrahim Maalouf and his very cosmopolitan friends of ten years, the Haïdouti Orkestar with its armada from Eastern Europe, North Africa, Northern Europe, Andalusia, the Middle East... It was a cocktail



of nomadic, soothing, and nostalgic music, coupled with oriental dance and Lebanese and Kurdish songs. At times, the artist invited festival-goers to stand up to accompany his rhythmic music. In any case, that was a hell of a party, this Saturday evening June 11, at Bab El Makina, for sacred music, carried by a hot wind coming from the steppes.

■ A still palpable enthusiasm

More than 26 years after its creation, the flagship event of the spiritual capital has not aged a bit. The enthusiasm for this cultural event is still palpable. Evidenced by the media coverage provided throughout the festival by the Moroccan and foreign press, by the support of the sponsors which remains unflinching, as well as by the multiple requests for tickets received by its organizers, which are difficult to satisfy.



■ Recitals, poetry, Indian Sufism...

The festival appeals to the audience won over by a rich and varied programme. Thus, at the Aben Danan synagogue, people were able to appreciate the magnificent recital by pianist Michaël Levinas and soprano Marion Grange, "Espanbaum": a cycle of melodies on texts by the Romanian poet Paul Celan. Festival-goers also savored, at Jnane Sbil, the mystical and philanthropic music of the Al Zawya Ensemble. The sublime "Roohani Sisters", Dr Jagriti Luthra Prasanna and Dr Neeta Pandey Negi, sketched out the traditions of Indian Sufism and classical Jugalbandi music. The two sisters pulled off a most fascinating and moving performance, drawing the audience into a powerful burst of spiritual elevation.

■ Bab Makina, Dar Adiyel, Aben Danan...

The program has honored an exceptional selection of artists and formations in unique and rare sites that celebrate the heritage of the spiritual capital of Morocco, namely Bab Makina, Dar Adiyel, the Aben Danan synagogue, and Jnan Sbil. The conference room of Les Mérinides hotel, for its part, hosted the Fez forum under the theme of "Architecture and the Sacred". Under the leadership of Driss Khrouz, Director of the forum, Souad Belakziz, Andrea Anastasio, Susana Calvo Capilla, and Danielle Cohen-Levinas, answered questions on the links between "Spaces and ways of life in relation to the sacred in architecture" then on "Symbols of the Sacred in Architecture". □

Youness SAAD ALAMI