

Weekly highlights by L'ECONOMISTE



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BUREAU VERITAS MAROC

Automotive

Everything you need to know about Neo and HUV



(Ph. DR)

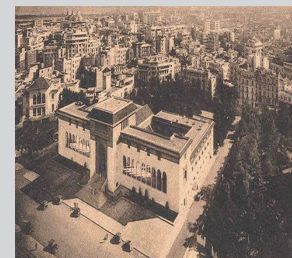


School dropout
Nothing works!

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EDITORIAL

Who will pay?

Ahlam NAZIH

ILHAM, Mohamed, Nada, Hamza, Abdelaziz, Sara... Let's give a name to all these children ejected each year from public school, because although the figures for school dropouts are impressive, they should not hide the fact that these are real people, children, and teenagers whose destiny is forever turned upside down, because public schools have not been able to retain them and offer them a chance to get by.

From 2000 to 2013, about 5 million pupils dropped out of school, according to the Higher Council for Education. Between 2014 and 2017, more than 1.3 million pupils dropped out of school. Since then, if one takes an average of 300,000 departures per year, one will have to add some 1.5 million to those figures. In total, therefore, over the past 22 years, school dropouts can be estimated at nearly 7.8 million. This is almost the equivalent of the annual enrollment of the three cycles (primary education, secondary, and high school), public and private. A real mess...

What fate could await most of these former students who left the system too soon, faced with rejection and failure? The youngest pupils or students will undoubtedly fall back into illiteracy. Most of them will be doomed to wandering on the job market without any qualifications. They will have no choice but to take one small precarious job after another. Others will swell the ranks of young NEETs (Not in Education, Employment, or Training) who do not do much with their lives.

The Higher Council for Education, the Court of Auditors, and recently the CNDH (National Council for Human Rights) have pointed the finger at the phenomenon which is one of the great misfortunes of Moroccan schools. But what to do? All the recommendations, strategies, and reforms and all the support programs have so far not worked so well. Meanwhile, millions continue to pay the price. Who will pay for them? All of us, because our destiny depends on the quality of our human capital. □

Weekly highlights

School dropout: Nothing works!

THOUGH the Moroccan school recorded an increase in the enrollment rate of 99.7% during the 2018-2019 school year for children between 6 and 11 years old, this figure hides a painful reality which results in school dropout", underlined the National Human Rights Council (CNDH) in its annual report, aimed at "redefining priorities to consolidate the effectiveness of rights". Worse still, this constitutional institution speaks of a hemorrhage which reached 331,558 students during the 2021-2022 school year, i.e. an increase of more than 27% compared to 2019-2020. The fact remains that last year saw the launch of a new education reform project according to a 2022-2026 roadmap, at a time when the education system is still suffering from structural problems diagnosed by several reference documents. The strategic vision of the 2015-2030 reform had already confirmed that the education system suffered from problems related to overstaffing, school dropouts, and endemic violence in and around schools. Added to this is a weak pedagogical support, in addition



to a scientific production which is becoming exceedingly rare in Moroccan universities. In addition, in primary education, statistics show a great disparity in terms of access according to gender and place of residence.

In its report, the Council stressed the importance of the success of the strategy consisting in generalizing primary education in order to improve the education and training system as a whole and to reduce the number of

school dropouts, except that for the time being, this strategy has not succeeded in overcoming the challenges of generalization, because of the basic infrastructure. The other challenge consists in overcoming all forms of disparities. For CNDH, enjoyment of the right to education suffers from the duality of the education system and from the imbalance between the public and private sectors. "The privatization of education has increased in the face of the difficulties encountered by public schools. Privatization is gradually changing the national education system towards the consecration of a dichotomy: private school for well-to-do families versus public school for the poor and vulnerable classes", underlines the document. This duality remains the dominant characteristic of many economic and social rights. It poses real challenges in terms of equity, quality, and equal opportunities for all students from different strata of society. This duality calls into question more than ever the role of the public school as a social ladder and as a mechanism for correcting inequalities, says the document. □

Mohamed CHAUI

Textile and apparel: The integration challenge

THE textile high mass ended last week on positive notes. For two days, this event, which hosted some 320 exhibitors from all sectors, received many visitors, according to the brands present who appreciated the visibility offered by this show which represented an undeniable advantage for the Moroccan brands, stars of this twentieth edition, and whose presence is beginning to intensify. These are young brands, some of which were born just before and even during the Covid period, and whose network extends to the entire country, which finally constitutes a logical continuation, since the installation of the Marwa brand, which has long gone it alone. Emulation is such that today new emerging competitors are joining the ranks of local distribution, some even seeking to imitate the pioneer brand. This breakthrough of the local distribution network is supported by Moroccan talents from the Casa Moda Academy or the Fine

Arts, or having studied abroad (especially in Turkey), and who contribute to the design of products for certain brands. However, most raw materials are still sourced abroad, which poses a challenge to the competitiveness of the textile sector. Developing the textile sector upstream in order to become more competitive is a handicap that the textile sector has clearly not yet succeeded in overcoming since the dismantling of the Multi-Fibre Arrangement and the deployment of the Asian giants, since this sector is struggling to provide the local market in terms of volume and quality products. This is evidenced by the strong presence of more than fifty Turkish exhibitors whose plethora of offering of clothing fabrics or fabrics intended for other sectors is breathtaking.

In Morocco, the orders of magnitude are different due to a positioning on fast fashion, but also due to contracting which requires proven know-how. While officials recognize



the shortcoming of a textile upstream that is still atrophied, because it requires highly capital-intensive investments, many projects are about to emerge to strengthen this sector. In Morocco, ecological awareness, and the requirement to produce « green » has also pushed both public authorities and industries to rethink their tools and production methods

to meet international demand, by acquiring certificates that are fit for this purpose. The «Dayem Morocco» vision for 2035 for the Moroccan textile sector perfectly illustrates all the major battles of the industry, both for its new sustainable positioning and for the strengthening of its upstream and downstream sections. □

Radia LAHLOU

Automotive

Weekly highlights

Everything you need to know about Neo and HUV

THIS week was a major turning point for the Moroccan automotive industry, which launches two promising new-berns, «NEO», the first consumer brand made in Morocco, as well as a prototype of a Moroccan-initiated hydrogen vehicle called “NamX”. The preview presentation ceremony (Reveal) of the two vehicles was chaired by King Mohammed VI, on Monday, May 15, at the Royal Palace in Rabat.

«These are two innovative projects that will strengthen the promotion of the Made in Morocco label and consolidate the country's place as a reference competitive platform in automotive production», explain sources at the Ministry of Industry. These two industrial initiatives are in line with the high royal instructions, which aim to include the private sector in a new momentum propelled by productive investment, added value, and job creation in cutting-edge sectors oriented towards the future...

The challenge consists in stimulating the emergence of a new generation of companies bringing added value and innovation. This vision also bets on the development of sectors and locomotive ecosystems in sustainable development, renewable energies,



The Sovereign chaired, on Monday, May 15, at the Royal Palace in Rabat, the presentation ceremony of Neo, the first car launched by Moroccan manufacturer Neo Motors (Ph. DR)

and green hydrogen, among others. The first Neo vehicle is developed by a 100% Moroccan manufacturer (Neo Motors SARL Company). This company is supported by Moroccan capital. Neo Motors has set up an automobile assembly plant in Aïn Aouda (Rabat region). The site is based in a plot of land known as “PENazzo” property. The authorization for this plant was granted in 2020, after the favorable opinion issued the same year by

the Commission of the Regional Investment Center (CRI of the Rabat-Salé area). After conclusive static and dynamic tests, the final approval of the Neo vehicle was issued by Narsa (National Road Safety Agency) in February 2023.

For the current phase, manufacturer Neo Motors has just launched pre-production vehicles. The marketing of the very first cars is scheduled for the beginning of next summer (June 2023).

According to our information, the public sale price will be in a range of 170,000 Dirhams (USD 17,000), all costs included. For the sourcing of components, the Neo project obtains its supplies mainly from equipment manufacturers based in Morocco constituting an ecosystem of some 250 renowned companies. It is a guarantee of confidence for the after-sales service (SAV), since most of the spare parts are produced in Morocco.

The manufacturer claims a local integration rate of around 65%. “It is a three-door vehicle developed 100% by Moroccan engineers”, explains one of the founders of Neo Motors. Equipped with a petrol engine (small displacement), the car was developed on the basis of a platform shared by several manufacturers and countries. According to the company's articles of incorporation, NEO Motors is an industrial unit specializing in the manufacture of motor vehicles for the local market and for export. The annual production capacity is 27,000 units per year. Ultimately, the production unit will create 580 direct jobs. The overall amount of the investment is 156 million dirhams (USD 15 million). □

Amin RBOUB

Tourism: Watch out for overnight stays!

A PARADOX must be highlighted. While overall tourist arrivals recorded an exceptional increase compared to 2019, the reference year in March, overnight stays do not experience the same momentum. This is what must be inferred from the statistics on tourism in Morocco since January 2023, statistics published by the Tourism Observatory. So, compared to the same period in 2019, the number of overnight stays fell by 10% in March. The overall volume of overnight stays did not exceed 1.9 million.

Per destination, with the exception of Marrakech and Essaouira, all the other cities posted declines compared to this period in 2019. Thus, the cities of Fez, Rabat, Casablanca, and Agadir recorded respective declines of 22%, 14%, 23 % and 14%. The cities of Ouarzazate and Tangiers were not spared either and posted declines of

22% and 7%. The explanations of the professionals include the lack of flight frequencies and the lack of diversity of hotel products. Marrakech, the only city that is doing well, shows a mere 2% increase for the month of March and 9% overall for the first quarter. In three months (January/March), the city received more than 690,000 tourists in 3-to-5-star tourist establishments which made more than 2 million overnight stays. The hotels have an average occupancy rate of over 65%. Comparing to 2019 as the reference year, the total overnight stays in classified



3-to-5-star accommodation establishments increased by 9%. Per market, the analysis is more telling. Several issuing countries have experienced a drop, including Germany (-39%), Holland (-34%), France (-5%), and Belgium (-28%). On the other hand, the United Kingdom is a hit with a positive evolution of 28%. Tourists coming from this market appreciate much more destinations like Marrakech or Al Haouz, and products such as guesthouses or homestays. Marrakech, for example, received during the first 3 months nearly 30,000 British tourists who made nearly 127,000 overnight stays,

namely an average of 4 overnight stays per tourist.

Another market which is a hit and which was predictable is the Israeli market with an increase of 138% compared to 2019. The normalization of diplomatic relations between Morocco and Israel has enabled the establishment of direct airlines between Morocco and the State of Israel, which resulted in direct flights between Tel Aviv on the one hand and Marrakech and Casablanca on the other.

It should also be noted that the second major Moroccan tourist destination, namely the Souss-Massa region, which experienced an excellent recovery in 2022, is starting 2023 with a 15% drop in overnight stays compared to the first quarter of 2019, according to the regional dashboard of the national observatory. It is undoubtedly in summer that the destination will catch up. □

B.B.

Weekly highlights

Casablanca has not yet revealed all its secrets

LOOKING at Casablanca differently, learning its history, discovering public or private places that are rarely accessible... This is the promise of the Heritage Days which are being held from May 22 to May 28, 2023. This twelfth edition offers a different angle of view: «Shedding light on all these invisible women who work to transmit beautiful things to us», according to the president of the Casamémoire association, Rabéa Ridaoui, hence the theme of this edition, «Journées du Matrimoine, Casablanca for women» in partnership with the city of Casablanca and the Ministry of Culture. Initiated as part of UNESCO's International Day for Monuments and Sites, this event has been held since 2009. In one decade, 13,000 children have been able to take advantage of the visits.

Private partners and sponsors, above all, do finance the event. Casamémoire still has a tight budget which has averaged 50,000 to 500,000 Dirhams (USD 50,000) since the launch of Heritage Days more than ten years ago. This did not discourage the association from moving forward. Its goal is to preserve the singularity of Casablanca and the collective memory, to enhance its architectural heritage, and



Mohammed V Square in 1940. In the center, the courthouse built during the Protectorate in 1925 based on the instructions of Marshal Lyautey (Photo by Casamémoire)

to encourage cultural tourism and research.

Administrations, villas, cinemas, hotels, places of worship... The white city opens the doors to its most iconic monuments in the city center, the old medina, the Habous district, as well as the avant-garde urban experience of housing for the greater number. An ancestor of the low-income housing of the 2000s, called «social» housing. For the time being, the administrative authorizations have not all been acquired. However, new circuits are emerging such as the Tit Mellil aerodrome which plunges us into the aeronautical

history of Morocco and familiarizes us with the story of first African and Arab female aviator, Touria Chaoui. Another site worth seeing is the archaeological site of Sidi Abderrahman and its prehistoric history. The private property near the central market, the Assayag building, is transformed into a cultural space. The transport museum and a new Casa West circuit are also on the program.

Beyond its richness, Casablanca's 20th century architectural heritage is under threat. «The inventory of historic buildings does not mean that they will be on the list of protected sites

and even less that there will be funding to save them», regrets Amina M'Hamdi Alaoui, founding member and first president of the Casamémoire association. «*The Urban Agency of Casablanca took over the inventory initiated by Casamémoire from 1995*», according to Rabéa Ridaoui, the current president. The association and its members are longing to see the result. In addition, 60 buildings have been awaiting registration for a long time. The Ministry of Culture manages this procedure, which is essential for the preservation of the buildings. □

Laura HUE & Mathieu OZANNE

Five circuits and a great history

More than 300 volunteer and passionate guides will introduce visitors to Casablanca. Five circuits are proposed from Friday, May 26, 2023 (See map). This first day will be reserved for schoolchildren and the weekend to the general public. As a veritable architectural laboratory, Casablanca is full of stories and testifies to a rich, ignored, and poorly valued past.

■ Downtown and Old Medina

In the heart of Casablanca, you can take a tour around the main places in the city center, starting from the Zévaco dome, located on the United Nations Square. The old medina testifies to a past which today seems very distant, with its high walls erected at the beginning of the 20th century, when the city had only 20,000 inhabitants.

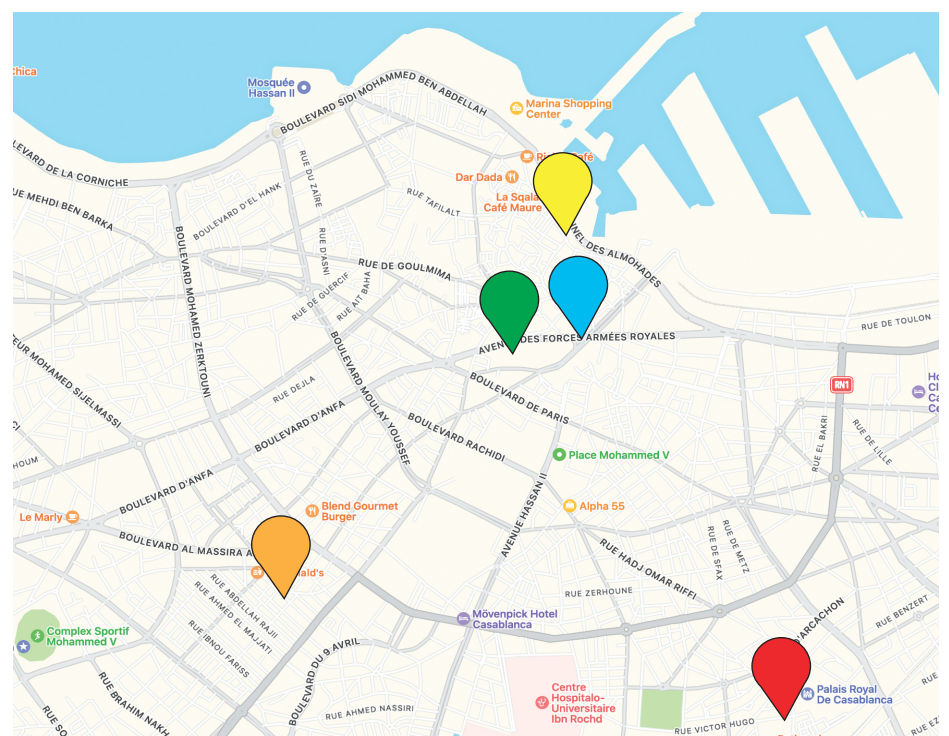
■ Habous district

There will also be a nice visit to the Habous district, crisscrossing its alleys filled with richly smelling foods, and shops filled with traditional outfits and beautiful handcrafted pieces. The start of this circuit is in front of this site.

■ West and East Casablanca

For the first time, the discovery of West Casa will be offered to visitors: the districts in question are Maarif, Riviera, CIL, Hay Hassani, and El Hank. Another circuit, East Casa plunges us into the industrial and working-class history of Casablanca. The departure point of the bus will be located at the United Nations Square.

This circuit notably includes the Roches Noires district built by the Frenchman Eugène Leudrat in the early 1910s. Heart of Casablanca industry in the 20th century, many historic companies reside in this district and its surroundings, such as Lafarge Cements or even the EEM factory. □



- Habous Circuit: departure from the headquarters of the Casablanca-Settat region.
- Old Medina Circuit: departure from the Public Garden towards the Boulevard des Almohades.
- City Center circuit: Zévaco Dome (Koura Ardiya) /
- East Casa circuit: departure from United Nations square./
- West Casa circuit: departure from the Maarif district