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EDITORIAL

Settling differences

Radia LAHLOU

APRIL 7 is far from being a trivial date for Moroccan-Spanish relations. It marks the common history of the two countries, and today puts an end to the past. In 1906, on April 7, the Final Act of the Algeciras conference was concluded. This prelude to the Protectorate offered France and Spain special rights over Moroccan affairs.

Half a century later, on April 7, 1956, Morocco's return to sovereignty was officially recognized by Spain, which immediately withdrew from the North, and two years later from part of the South of Morocco.

In the city of Rabat, on April 7, 2022, with the historic visit of Pedro Sánchez, President of the Government of Spain, the loop is hopefully closed once and for all! The two neighboring countries are finally settling their diplomatic disputes with intelligence and good will on both sides. Morocco and Spain have always been intimately linked, between cordial understandings and bickering, spats,

and coos like two inseparable lovers. The historical couple has survived many tidal waves since the arrival of Tariq Ibn Ziad on the bay of Algeciras, on April 30, 711. From Al Andalus to the Reconquista, in 1492. Then, the occupation of the "enclaves" of Melilla and Sebta ... The history of the two countries is a long one, but beyond what divided us yesterday, what unites us today is even stronger, namely respect for others, which is the basis of a healthy and lasting relationship. Whatever the reasons that led Spain to make the strategic choice to finally recognize the autonomy plan for the Sahara proposed by Morocco, this offered a second life to this age-old couple. Moreover, in the "Treaty of Rabat", a new amendment to the historic contract, the two countries clearly acknowledge the mutual need for each other in several economic and other areas, consisting for Morocco in asserting its position with the EU, and for Spain in asserting its position in Africa, with the two countries working hand in hand. □

Weekly highlights

Morocco-Spain on new tracks

■ Implementation of a sustainable and ambitious roadmap

PEDRO Sánchez returned to Madrid, with the sense of accomplishment. Indeed, the visit of the President of the Spanish government, at the invitation of the King of Morocco, sealed the reconciliation between the two countries, after a crisis that lasted almost one year. Today, the slate is cleared, and a new page opens. This trip was marked by the royal audience granted to the Spanish guest, which was crowned by the adoption of a joint declaration. During his press conference, Pedro Sánchez highlighted the King's decisive and constructive role in ending the crisis between the two countries. Indeed, in this case, it is the Sovereign who personally and directly followed the dialogue process and the progress of the discussions. The goal was not only to find a way out of this crisis but also to seize the opportunity to redefine the bases and the parameters which govern these relations. The goal has been reached: the two countries, linked by history, geography, and common interests, are embarking on a new stage, based on the principles of transparency, permanent dialogue, and mutual respect. This new momentum responds to the call of King Mohammed VI to "inaugurate an unprecedented stage in relations between the two countries", and to the wish of King Felipe VI to "walk together to materialize this new relationship". This new momentum also corresponds to Pedro Sánchez's desire to "build a relation-



The Sovereign offered an iftar in honor of Pedro Sánchez, President of the Spanish government. The two countries, linked by history, geography, and common interests, are entering a new stage, based on the principles of transparency, permanent dialogue, and mutual respect (Ph. MAP)

ship on more solid foundations". In this spirit, the two countries intend to establish a sustainable and ambitious roadmap.

• **A common will to move forward:** For Pedro Sánchez, Morocco and Spain not only share geographical proximity but they also have the common will to move forward. The goal is to promote economic recovery, modernize the productive fabric, and develop mutual investments. For the Spanish Prime Minister, Spain is a priority partner for Morocco both in terms of trade relations and investments and vice versa. "We have common goals, particularly in the areas of energy transition, green hydrogen, and renewable energies with a view to ensuring the progress of the

two countries, as well as the economic stability and prosperity of Africa and Europe", insisted Sánchez during his press conference. The two countries can play a decisive role in terms of political stability, socio-economic development, and energy transition in both Europe and Africa.

• **A committee responsible for implementing the content of the roadmap:** The royal audience was an opportunity to define the roadmap on a sustainable and ambitious basis. It is this vision that will guide the new upcoming phase between the two countries. Pedro Sánchez's visit is an important moment to consolidate this roadmap and define the priorities for the next high-level meeting, better known by the generic

term of the High Joint Commission which should meet before the end of this year. As a reminder, the High Joint Commission was supposed to meet in February 2021 but the political context at that time led to its postponement. The new roadmap includes 16 essential elements, one of which relates to the establishment of a committee responsible for implementing the provisions of the joint declaration. Such a committee will be designated by the King of Morocco and by the President of the Spanish Government.

• **The autonomy plan as a central element:** The essential element of the declaration lies in the fact that Spain recognizes the importance of the Sahara issue for Morocco as well as its serious and credible efforts within the framework of the United Nations to find a mutually acceptable solution. As such, Madrid considers the Moroccan autonomy initiative, presented in 2007, as the most serious, realistic, and credible basis for resolving this dispute. A conflict created from scratch by Algeria which continues to feed and finance it against the right of Morocco to complete its territorial integrity.

• **A place of choice given to the economic aspect:** The idea is to reactivate sectoral cooperation in the areas of trade, energy, and industry in particular. In the field of the facilitation of economic exchanges and links between the two countries, a meeting will be held soon. □

Mohamed CHAUI

Floods: Morocco has lost 8 billion Dirhams in 13 years

THE floods caused losses estimated at 8 billion Dirhams (MAD) (about 815 million USD). This important loss involves the period between 2008 and 2021. The announcement was made by Nizar Baraka, Minister of Equipment and Water, in response to a written question from a Member of Parliament from the Constitutional Union party concerning climate change. Like other countries, Morocco is not immune to this phenomenon, which has been aggravated in recent years by the harmful consequences of greenhouse gas emissions. The question from the M.P. was an opportunity for the Minister to recall that climate change over the last two decades has been punctuated by periods of drought and heavy snow-

falls which have affected approximately 5,000 kilometers of asphalted roads.

• **More damage to the road network:** It is the road network that suffers the consequences of bad weather, particularly during the winter seasons. Damage to basic road infrastructure can manifest itself in the collapse of old bridges, a more difficult or impossible access to certain water facilities, as well as flooded and damaged sidewalks. Added to this is the partial collapse of the hydraulic facilities. The Minister listed other damages such as the destruction of the systems supposed to protect certain structures, due to soil erosion, landslides and litter, loss of pillars, water drainage works, and the deterioration of roadsides.

• **A substantial budget for repairs:** The Ministry of Equipment is accustomed to activating its system in the event of a natural disaster. In addition to the mobilization of more than 913 machines and trucks, including 23 machines used to carry vehicles and 111 snowplows, the Ministry dedicates a budget of nearly 5.85 billion MAD to repair the damage caused by the floods during the 2008-2021 period.

• **230 million MAD in damage in 2021:** It should be recalled that the damage caused by floods has cost 230 million MAD charged to the Government last year. As far as maintenance activities are concerned, they required more than one billion MAD. This in-

volved the consolidation, enlargement, or upgrading of projects. According to statistical data from the ministry, 1,632 kilometers of roads have benefitted from maintenance.

• **Action plan against floods put in place:** Given its geographical location, Morocco is faced with a climatic trend characterized by short but intense rainy spells. Faced with this situation, and in order to mitigate the effects of flooding, an action plan based on an integrated vision including priorities and measures to be taken, in particular flood risk detection and warning systems, has been put in place. □

Mohamed CHAUI

Social dialogue: Things are getting serious

THE government's proposals to social partners are expected to be made over the next few days. The unions and the Moroccan employers' association CGEM have expressed their priorities during the meetings held last week. Expectations in relation to this social dialogue are high. The unions, as much as the employers, want concrete gains, assurances, and firm commitments. The balance to be struck between the demands of all parties is not easy to reach, especially in a situation marked by high inflation and soaring prices of energy products and raw materials. The impact of the Ukrainian crisis is significant even though Morocco, as is the case for several countries, still bears the scars of the economic consequences of the health crisis.

The CGEM insisted on two issues: the adoption and enactment of the law governing the right strike as well as the gradual revision of the Labor Code. Without this, the employers' association would not be ready to agree to an increase in the minimum wage, for example.

The first piece of legislation was promised by two successive governments, that of Abdelilah Benkirane and that of Saâdeddine El Othmani, without ma-



The company and the employees are today at the center of the major meetings of the social dialogue which should start soon. Expectations are important. The unions as much as the employers want concrete gains, assurances, and firm commitments (Ph. L'Economiste)

ning to come into being. Tabled in Parliament during the last legislature, the discussion of this draft law was sent to the second Chamber – the House of Councillors- under pressure from the unions. Made up of 49 articles, this bill, which is dear to the heart of employers, aims to put order in the exercise of the right to strike by putting an end to the occupation of workplaces or by making strikes a solution of last resort. As far as the second piece of legislation is concerned, its upgrading becomes urgent. The Labor Code dates from 2004 and does not take into account the changes that have taken place in the functioning of organizations, and more generally the economic and social

changes. The CGEM also wants responsible job flexibility to be introduced while combining competitiveness and employee safety.

For workers unions, improving incomes and purchasing power are top priorities. *"We insist on this component especially with inflation and soaring prices. Several avenues exist, including the overhaul of the income tax grid"*, underlines Miloudi Moukharik, General Secretary of the UMT workers union.

If an agreement concerning the income tax is reached, it will only be applied in 2023. The measure would be included in the next Appropriations Bill. In any case, the tax authorities (DGI) have car-

ried out simulations relating to this tax which has not been altered since 2010. On this date, the marginal rate rose in two stages from 42% to 38%. Reducing the tax burden on wages would be welcomed by employers. *"Morocco is still positioned among the African countries with the highest tax burden. The relative importance of compulsory levies including social security contributions even places Morocco ahead of several middle-income and/or emerging countries such as Turkey, Mexico, or Chile, where the tax burden ranges between 20 and 25%"*, notes the Centre Marocain de Conjoncture magazine in its latest issue.

Today, the whole question is to know how much of the tax will be reduced by the Government: will a new bracket be introduced? Will the executive branch of Government limit itself to increasing the tax threshold? In any case, in the private sector, the majority (58%) of taxable income is found below the exempted threshold of 30,000 Dirhams. The UMT, like other unions, is asking for a general increase in wages, an increase in the minimum wage, as well as the deduction of tuition fees from the taxable income. Indeed, some schools have announced an increase in tuition fees for the next academic year. □

Decarbonization: A decisive shift

MOROCCO wants to negotiate the decarbonization shift. The new requirements that will be applied from next year to exports to the European market, as well as environmental constraints, require companies to adapt themselves to this dynamic, despite fears that a low-carbon economy is synonymous with *"decrease"*. This is what emerges from the meeting organized last Tuesday, in partnership with the Morocco-France Business Leaders Club. This approach is also *"essential in the face of the soaring prices of energy products"*, indicated the president of the CGEM.

• **Driver of change:** For the president of the CGEM, *"by decarbonizing, we are winners in more ways than one"*. This momentum could constitute, according to him, a boon for Moroccan companies. Especially since the current transformations will accelerate green relocalizations, hence the importance of positioning Morocco as an attrac-



According to several speakers during the meeting organized by the CGEM, in partnership with the Morocco-France Business Leaders Club, Morocco can set itself up as a low-carbon production platform at the regional level, especially with the large deposits of renewable resources, and especially since access to the European market will soon be conditioned by a low-carbon production model

tive destination in this area. Chakib Alj could not have been clearer: *"We must not wait. We must be the driver of this change"*, he said. Some projects have been launched in this direction, as recalled by Leila Benali, Minister for Energy Transition, who emphasized the low-carbon strategy for 2050. *"The breakdown of this strategy into sectoral plans is under way. We are*

currently in the modeling phase", said the minister. For her, *"decarbonization is a priority subject for the reform of the energy sector, of great topicality in view of the soaring prices of raw materials and in view of the impact of direct and indirect inflation on the national economy"* The Minister for Energy Transition pleaded for the acceleration of the reforms undertaken by Morocco

in terms of decarbonization, with the effective involvement of the private sector. According to the Minister, this would *"improve transparency concerning the costs of service transactions and on investment opportunities"*.

• **Green growth:** For his part, Ryad Mezzour, Minister of Industry and Trade, highlighted the projects launched in terms of industrial decarbonization. This is particularly the case for the project targeting industrial SMEs, via the *"Tatwir green growth"* support programme. For the Minister, the success of the Moroccan model in the field of carbon-free industry depends on the strengthening of energy independence, *"the achievement of which depends on the development of new sectors and ecosystems, in particular wind and solar industries, green hydrogen, and the like"*. In this sense, Benali considered that one of the priority projects concerns the overall reform of the energy sector. □

M.A.M.

Weekly highlights

Oujda, the Oriental beauty



The city, where very diverse communities have lived, has inherited an exceptional cultural diversity (Ph. DR)



A legacy of the Merinid dynasty, the medersa of Oujda is five years younger than its famous sister in Fez, the medersa Bou Inania. (Ph. DR)

■ A millennial city with a tumultuous past

■ A medina with beautiful remains

BEARING the traces of a long history, the city of Oujda is a very old land of settlement and passage. Because of its strategic position, the city has always been coveted and has had a turbulent history. It was destroyed and then rebuilt several times due to the continual wars that ravaged the region. However, the city, where very diverse communities have lived, has also inherited an exceptional cultural diversity. A breathtaking historical density that does not however reflect its modest heritage which dates back to its foundation in 994, by Ziri Ibn Attia. The chief of the Maghrawa tribe established his court there, entrusted by the Umayyad caliphs of Cordoba with the command of the two Maghrebs. Ziri Ben Attia decided to settle in the center of the country he was to administer. He therefore made the choice to create a capital near the source of Sidi Yahia and the mountains of Beni-Snassen that could possibly serve as a refuge. The city remains for eighty years the seat of the Zenet dynasty. Little by little, it gained importance thanks to its status as a bridge on two major trade routes: the north-south route from the sea to Sijilmassa, and the west-east route from Fez to the Orient. The strategic



The exceptional historical density of the city is not sufficiently reflected in its modest heritage which dates back to its foundation in 994, by Ziri Ben Attiya (Ph. DR)

location of the city would expose it to several destructive invasions during its history. In the year 1068, in his “*Kitāb al-Masālik wa-al-Mamālik (Book of Roads and Kingdoms)*”, the Andalusian geographer and historian described the city as a city of particular importance, divided into two agglomerations, surrounded by high walls: “*Oujda is made up of two cities, surrounded by walls, one of which was built after the year 440 (1048-1049) by Yala, son of Bologguin and member of the Ourtaghnin tribe. The new town, containing several bazaars, is inhabited by merchants. The mosque, located outside the two cities, stands near a river in the middle of the gardens. Oujda is surrounded by fo-*

rests and orchards, the food there is of good quality and the climate is very healthy. The inhabitants are easily distinguished by the freshness of their complexion and the softness of their skin. Pastures are excellent and also enjoyed by solipeds and ruminants. Just one of their sheep can provide up to two hundred ounces of fat”. In 1081, Youssef Ibn Tachfine seized the city which later passed into the hands of the Almohads who erected a new fortification there. The Merinids and the Abd El Ouadit dynasties were violently fighting over the city. Because of the rivalry between these two powers, Oujda was destroyed in 1271 by the Merinid sultan Abou Yaacoub Elmarini. The city was rebuilt by his son Abou Yaacoub Yous-

sef in 1295 and surrounded by new ramparts, with a casbah, a palace, baths, and a mosque. In 1314, the city was under Zianid domination and resisted an attack led by the Merinid sultan Abû Saïd Uthmân ben Yaqub. From the fifteenth century onwards, Oujda was the subject of the rivalry between the Cherifians of Morocco and the Ottoman Empire; the city changed hands several times and was only definitively attached to Morocco at the end of the seventeenth century. Today, the medina of Oujda shelters some beautiful remains of this turbulent history. The city has several monuments including many palaces, “*the most remarkable being those of Dar Al Makhzen and Dar Al Bacha*”. Among the gates of the medina, the one that remains the most remarkable is that of Bab Sidi Abdelwahab with its ogival shape flanked by two bastions above which the makhzen had the severed heads of the rebels hung, hence its name “*The Heads Gate*”. By crossing this gate, which is 10 centuries old, one reaches hammam El Bali, the oldest public bath of the Kingdom, whose Andalusian architecture still remains preserved, then reaches the “*three fountains*” with colored earthenware decorated with a small green tiled roof, leaning against the outer wall of the Haddada Mosque. This is followed by a visit to the Merinid Medersa, a school considered a masterpiece of Merinid art, just five years younger than the famous Medersa Bou Inania in Fez □

A.Bo