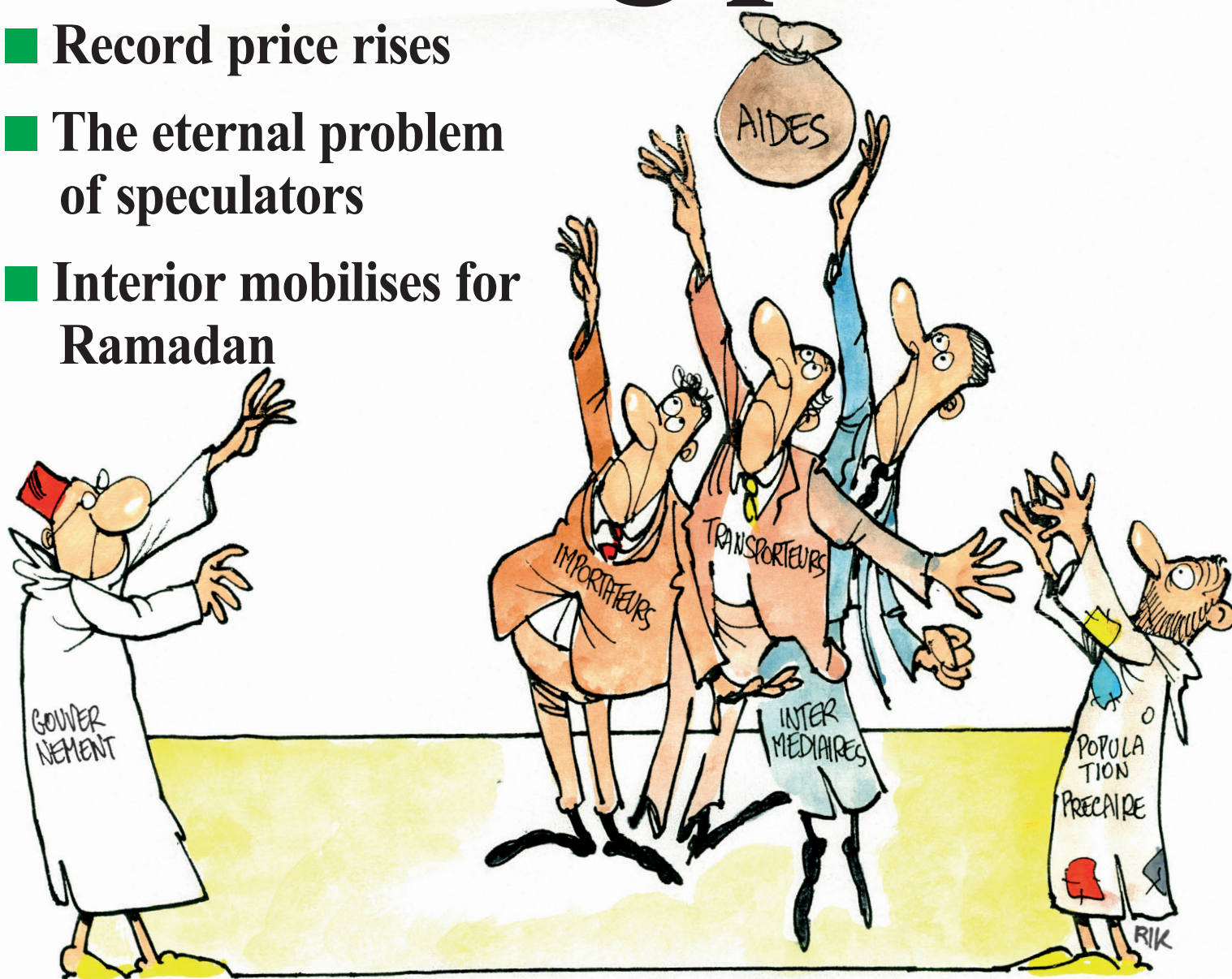


Weekly highlights by L'ECONOMISTE



Fuel, vegetables, meat... Bubbling prices!

- Record price rises
- The eternal problem of speculators
- Interior mobilises for Ramadan

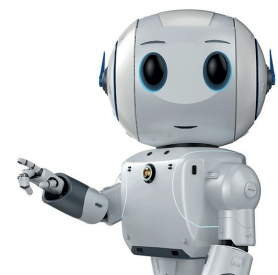


Samir Refinery: The conditions for recovery



ChatGPT, a major revolution in the world of AI

OpenAI ChatGPT



LGV: 92 billion Dirhams for extensions



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EDITORIAL

Sustainable economy

Meriem OUDGHIRI

FRUIT and vegetable prices have almost reached record highs. Many reasons are given. The first culprit is undoubtedly inflation, which never stops galloping. Then there is the drought or the great cold that freezes everything in its path. These reasons constitute pretexts for inflicting high prices on consumers, while the FAO has just published its indices of food products which have posted significant declines (except for cereals). So why aren't prices following the same trend in our country?

Suddenly, all these increases legitimately give rise to a debate on their origin, in particular with regard to the possible responsibility of intermediaries and other speculators who want to retain power over price formation and refuse any transparency. This is a problem that has dragged on for decades and to which no solution has been found. Where is this famous logic of supply and demand?

This situation also highlights a real paradox. On the one hand we have agri-food and distribution industries which are investing, upgrading, and modernizing, and on the other hand, wholesale markets with a multitude of players and a lot of informality. At the time of the subsidized system, it was enough to go to the souks (traditional markets) to see that the wheat was sold at the market price and that it was intermediaries who actually collected the production subsidies. The reorganizations of the circuits have been the subject of many promises, studies, and recommendations, without much effect. We have continued to use yesterday's legislation for tomorrow's issues and allow mafia-like practices to proliferate.

It is really time to target the failures to thwart these practices and reform the system, and to quickly install a sustainable market economy for the country. □

Weekly highlights

Samir Refinery: The conditions for recovery

BASED in the city of Mohammedia, the Samir refinery has been placed in compulsory liquidation with continuity of operations since March 2016. The company and the 540 employees who have remained in office to date have been waiting for almost seven years for a favorable outcome of the procedure. After the 2017 attempt, a second one was initiated at the Casablanca Commercial Court to sell the only refinery in the Kingdom of Morocco. The judicial trustee, Abdelkebir Safadi, announced at the end of January 2023 that the sale of the assets of the limited company of the refining industry (Samir) will be made on the basis of specifications. This sale is based on order no 14-2017 of January 30, 2017 of judge Abderrafia Bouhameri. This rather discreet magistrate supervises the judicial liquidation. "The sale has been set for a starting price of 21.46 billion Dirhams (US billion 2.15)", specifies one of the three controllers of the procedure, El Houssine El Yamani, himself an employee of Samir. Bids and guarantees must be filed with the Casablanca Commercial Court. "Investors are invited to



submit bids accompanied by the necessary guarantees while complying with Article 636 of the Commercial Code", indicates the announcement of the judicial transfer of the company. This provision provides, among other things, that "any bid must be communicated to the judicial trustee within the time limit that he has set". Bids must be submitted within 30 days from the date of

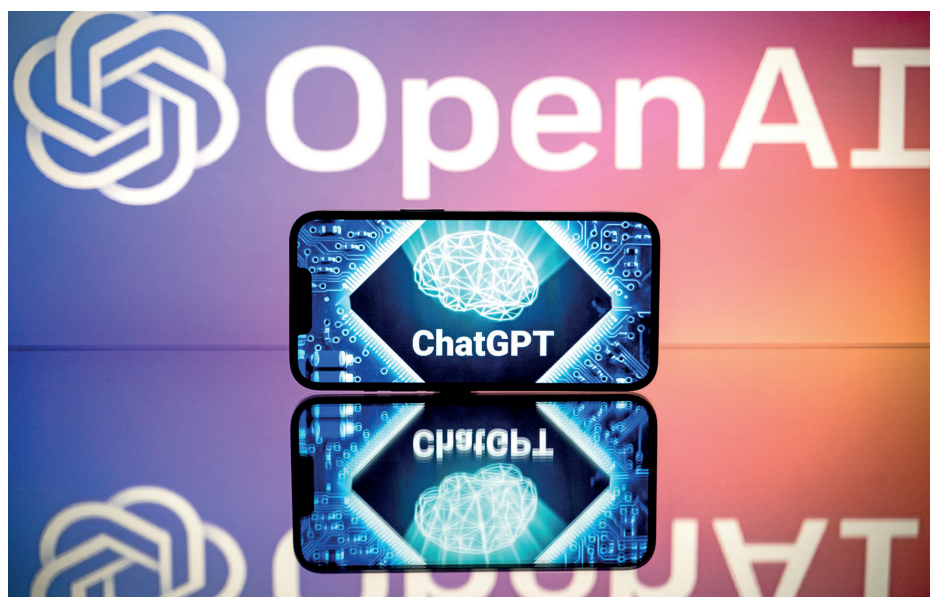
publication of the ad. Candidates for the purchase of the company therefore have until Thursday, March 2 to declare themselves to the judicial trustee. Abdelkebir Safadi works at the Casablanca Commercial Court in its Insolvency Section. All bids must contain activity and financing forecasts, the transfer price and the terms of payment, the date of completion of the transfer, as well as the

level and prospects of employment justified by the activity in question. Judges also require guarantees subscribed to ensure the execution of the bid. Another condition required is the provision of asset sales forecasts for the 2 years following the judicial sale. Bids must also include documents relating to the last three financial years when candidates are legally required to establish them, as is the case for a public limited company. Investors interested in buying Samir's assets are entitled to a visit to the refinery and to the consultation of the specifications. This document is available at the company's head office in Mohammedia. The company carries out several activities, namely the refining, storage, transport and distribution of petroleum products. Samir thus has other subsidiaries such as Salam Gaz or Somas. "The first holds one third of the gas bottling market. The second company specializes in the storage of butane gas, also with very large market shares in this activity", according to the president of the National Front for the rescue of the Samir refinery, mister El Houssine El Yamani. □

Faiçal FAQUIHI

ChatGPT, a major revolution in the world of AI

ARTIFICIAL intelligence is, without question, a major revolution in the world of digital engineering. This technological advance will bring radical changes in almost all sectors, because today it is increasingly rolled out within industrial companies in order to benefit from the advantages this advance provides in terms of saving time, collecting information, and automation of processes, but also is beginning to gain ground in the world of marketing, communication, and writing. Indeed, you have all recently heard about this app called ChatGPT, an artificial intelligence that has the ability to generate text as an answer to questions from Internet users. This chatbot is also able to produce text responses in several languages, which is quite surprising and a real revolution that will be further improved with the next release of a new version, "ChatGPT 4". ChatGPT makes it possible to



generate texts on a theme previously chosen and defined, but also to produce summaries of a document. It also has the capacity to help find and organize its ideas when producing textual content. Even further, it has the capacity to create fictional characters like in a novel.

■ **L'Economiste publishes a paper entirely generated by the conventional robot**

In order to bring you even closer to the content that ChatGPT can produce, we have lent ourselves to a content writing exercise in question/answer format with this AI application. Jamyl

Mamri, Digital Consultant-Expert, CEO and founder of the Synchronism agency and Founding member of the "BlackBelt.Expert" collective, has used this solution to generate answers on the following theme: "How can AI help Moroccan SMEs and VSMEs to increase their operational efficiency and profitability?"

Content is globally and exclusively produced by ChatGPT. We have also decided to publish it in its raw format, as originally generated, in order to have a better appreciation of the editorial and information gathering capabilities of this AI, but also of its limitations. The result obtained is breathtaking, which leads us to several questions about the future place of humans in an environment where AI will undoubtedly be brought to become more affordable, and even to place itself as a direct "competitor" of human beings in tomorrow's labor market. □

Badr CHAOU

Fuel, vegetables, meat... Bubbling prices!



FUEL prices at the pump resumed their surge at service stations. This increase did not leave MPs unmoved, who demanded explanations from the Minister of Energy Transition and Sustainable Development. Leila Benali's response was not to the liking of the elected members of the First Chamber. «Fuel prices do not fall within the prerogatives of my Ministry», replied the Minister, during last Monday's session in the House of Representatives. Leila Benali's statement aroused the anger of MPs. This Wednesday, the posted prices remained very high. Their domino effect on food products is remarkable. In Casablanca, the price of tomatoes varies from 10 to 12 Dirhams. Onions were not spared. They are sold at 10 or even 12 Dirhams per kilo. The price of potatoes, the most popular product, is also experiencing a meteoric rise. Red meats are no exception. The price per kilo in butcher shops is well over 100 Dirhams.

The situation is described as critical by the National Federation of Consumer Associations (FNAC). This organization does not hide its concern about a new surge in



prices as the month of Ramadan approaches.

For the president of FNAC, the Government must "find a solution to protect the purchasing power of consumers".

Faced with soaring prices, the Government brandishes the card of subsidies granted to transport professionals, the suspension of customs duties, as well as the exemption from VAT for the import of cattle, these measures being supposed to supply the local market but also to curb this uptrend. However, these measures remain vain, to date. Questions then arise: will these government decisions have a real

impact on the price of food products? Will the consumer benefit from these measures or will these measures only benefit the professionals?

"These measures will only benefit their beneficiaries who will get richer", replied the president of the National Federation of Consumer Associations. The impact on the consumer, he added, is not actually palpable.

So how to act? In this field, two options do emerge. First, ensuring control over the intermediaries. The latter are pointed out in particular by the Moroccan Interprofessional Federation for the Production and

Export of Fruits and Vegetables (FIFEL). "Tomatoes are sold at 3.50 Dirhams per kilo on the wholesale market. Consumers buy them at 12 Dirhams. It is speculation by intermediaries which is at the origin of this increase", specifies Ahmed Mouflih, Executive Director of the FIFEL, in a declaration granted to L'Economiste.

The situation is such that the Wali, Secretary General of the Interior Ministry, Mohamed Fawzy, held a meeting last Tuesday in Rabat with representatives of several departments. The watchword was clear: ensure price control and monitoring of the supply of the markets with essential food products, particularly those most consumed during the month of Ramadan. According to the authorities, "measures will be taken at the level of the regions, prefectures, and provinces, to intensify the quality control of food products and their prices, in order to deal with practices that harm citizens". Thus, joint local commissions will be set up to control food products, supervised by the walis or governors. □

Khadija SKALLI

Weekly highlights

LGV: 92 billion Dirhams for extensions

THE railway plan to cover the national territory requires the mobilization of 400 billion Dirhams (USD 40 billion). It also provides for the development of 10 logistics zones, located across the country, with a total area of 930 hectares. This is at least what emerged from the meeting of the Basic Infrastructure Commission of the House of Representatives which looked into the results and prospects of rail transport.

Mohamed Rabiï Khlie, CEO of the ONCF, provided the Members of Parliament with an overview of the transformative projects in progress and other projects at the stage of studies and financial arrangements. The CEO of ONCF mentioned the Beni Mellal rail link, the electrification of the Fez-Oujda line and of the Agadir-Laayoune and Tangiers-Tetouan lines, as well as the development of regional rail transport on the current network.

However, it was the extension of the high-speed line (LGV) to Marrakech that caught the attention of parliamentarians. The cost of the project is estimated at 42 billion Dirhams (USD 4.2 billion), without taking into account the Casablanca interchange.



Thus, it will be necessary to build a double railway, 390 km long, with an operating speed varying between 170 and 320 km/h. The estimated land base for this project amounts to 2,500 hectares. For the boss of the ONCF, the realization of this LGV will reduce the travel time between Casablanca and Marrakech that will stand at 1 hour and 15 minutes, Marrakech-Mohammed V Airport at one hour, and Tangiers-Marrakech at three hours. ONCF expects to welcome 12 million travelers in the first year, and to save 213,000 tons of carbon gas

per year. Two hundred thousand jobs will thus be created.

■ Tangiers - Agadir in 4 hours:

Mohamed Rabiï Khlie's dashboard features the construction of the LGV between Marrakech and Agadir. This project requires the mobilization of 50 billion Dirhams (USD 5 billion), not including the cost of mobile equipment. To do so, it will be necessary to build a double track over 139 km, with a mixed passenger and goods link. Added to this is the need to ac-

quire 1,300 hectares. Travel time will increase to four hours between Tangiers and Agadir, two hours and fifteen minutes between Casablanca and Agadir, and one hour between Marrakech and Agadir.

■ Civil engineering, topography, geology studies...

Preliminary studies, particularly concerning basic infrastructure, civil engineering, and topographic survey work on the Marrakech-Agadir line, have been carried out. ONCF is continuing studies on operating methods and preparing geological and geotechnical prospecting operations. The fact remains that the boss of the ONCF insisted on having all these studies appraised by the Chinese railway company, and this within the framework of the memorandum of understanding for cooperation in the railway field, signed in 2016, under the effective presidency of the King, during his visit to China. □

Mohamed CHAOUI

Wages: The public/private match

THE civil service generally pays better than the private sector. The gap between the two sectors is significant: the average monthly salary in the private sector stands at 5,292 Dirhams (USD 529) gross in 2021 versus 8,237 Dirhams (USD 824) net in the civil service. These averages hide great disparities in the two sectors. In any case, half of private sector employees earn less than 2,865 Dirhams (USD 286) (median salary). During this year, the economy grew by 7.9%, the strongest growth since 1997. In addition to the basic effect, this performance can be explained by several factors, including the launch of a stimulus program for a budget of 120 billion Dirhams (USD 12 billion). Activity exceeded its pre-crisis level in several sectors, notably construction and retail, while the recovery remained partial in certain branches such as manufacturing industries. In this context, "wages in the private sector fell by 1.2%, after an increase of 3.2% in 2020, in nominal terms and of 2.5% versus an

increase of 2.5% in real terms. In the public service, wages have maintained their growth rate at 1.8% in nominal terms and increased by 0.4% instead of 1.2% in real terms", according to the 2021 report of Bank Al-Maghrib, the Moroccan central bank. In other words, wages in the private sector have slowed down relative to the public sector.

The two sectors are at different levels in terms of minimum wage. The one in force in the public service greatly exceeds the minimum wage granted by private companies

That said, the comparison between the two sectors remains delicate, especially since they follow two different remuneration logics. The public sector is managed by a complex system of grades, scales, and ranks. In the private sector, everything depends on the line of business, the position, the size of the company, the education, the workload, and also the experience.

The two sectors are also at different levels in terms of minimum wage. The one in force in the public service greatly exceeds the minimum wage granted by private companies. In the public sector, the minimum wage has undergone significant changes under the pressure of negotiations carried out by the unions within the framework of social dialogue. The mini-

mum wage went from 2,800 Dirhams (USD 280) in 2011 to 3,000 Dirhams (USD 300) in 2014 before reaching 3,362 Dirhams in 2021. Last year the minimum wage in the civil service reached 3,500 dirhams. On the other hand, in the private sector the minimum wage stood at 14.81 Dirhams (USD 1.5) per hour in 2021, which represents 2,829 Dirhams per month. The minimum hourly wage has been

increased by 5% in 2022 to 15.55 DH and should increase to 16.3 Dirhams next September. However, the private sector cannot catch up with the public service. The distribution of the number of salaried employees and that of civil servants also differs according to the pay bracket. Thus 8.55% of civil servants received a net monthly salary of between 3,000 and 4,000 Dirhams in 2021, 23.83% between 4,000 and 6,000 and 31.63 between 6,000 and 8,000 Dirhams. In the private sector, the statistics of the National Social Security Fund (CNSS) reflect the low remuneration of a large segment of employees. More than 4 in 10 employees have average monthly wages that are lower than the minimum wage, i.e. 2,829 Dirhams, and 55% are at less than 3,000 DH. The 2021 demographic report also reveals that 85% of employees are declared by their employers as earning less than 6,000 Dirhams, i.e. the ceiling level on the basis of which CNSS contributions are calculated. □

Khadija MASMOUDI