Public-Private Dialogue

The National Committee for Business Environment in Morocco

By

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1. Background and Context

After a decade of various reforms aiming to promote investment and develop business climate, Morocco has decided to harmonize all the initiatives. Thus, under the National Pact for Industrial Emergence signed in 2009 between the Moroccan government and the private sector represented by the CGEM and GPBM, it was decided to create a public-private authority in charge of coordinating reforms related to the business environment.

To be assisted in this project, the Ministry of Economic and General Affairs requested the World Bank to analyze the inter-ministerial existing committees and provide a sheet of institutional and procedural route for the creation of that authority.

CNEA was then created and institutionalized by Decree No. 2-10-259 of 29 October 2010

2. Partnership, Structure and Processes

- Partnership

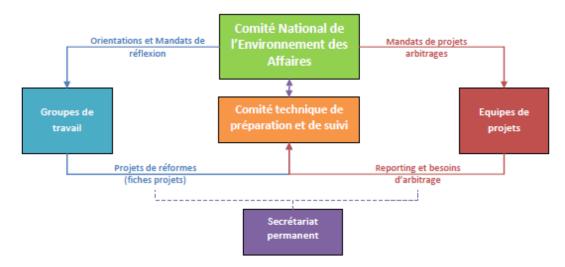
CNEA is institutionally aligned to the Head of Government and is composed of representatives of both the Public Administration and private actors, including:

- ✓ All the Ministries concerned by the promotion of business environment (Ministry of finance, Ministry of the Interior, Ministry of Industry and Trade, etc);
- ✓ The President of the General Confederation of Enterprises of Morocco "CGEM";

- ✓ The President of the Federation of Moroccan Chambers of Commerce, Industry and Services "FCMCIS";
- ✓ The « Haut Commissariat au Plan » "HCP";
- ✓ The Governor of Bank Al-Maghrib (Central Bank);
- ✓ The President of the Anti-Corruption Committee "ICPC";
- ✓ The President of the Professional Group of Banks in Morocco "GPBM";
- ✓ Etc.

- <u>Structure</u>

The CNEA is supported by the following bodies:



- <u>Mandate</u>

- To prepare the annual program with prioritized measures of improving the business environment;
- To coordinate the efforts of the Government to ensure effective implementation of the adopted measures;
- To institutionalize public-private dialogue and engage the private sector in identifying priority reforms;
- To develop a communication strategy to raise awareness of local and international investors to reforms initiated by Morocco;
- > To assess the impacts of reforms through quantitative indicators.

✓ Permanent secretariat depends on the Minister of General Affairs and Governance. It is responsible for leading and coordinating the reform process, ensuring the application of the standardized procedures and providing methodological and technical support to all actors of the reform.

3. <u>Results so far</u>

In addition of the fact that the reforms and measures adopted in Committee have had a direct and positive impact on the Moroccan private sector, they have also contributed to improve the country's attractiveness to foreign investments and Morocco's ranking in international reports dealing with the business environment, such as "Doing Business".

As an indication, since the implementation of the committee in 2010 Morocco has improved its ranking in Doing Business report by 41 places, from the 128th place in 2009 to the 87th in 2013. Among the most important reforms and measures that have been taken, we could quote the following:

- Facilitating the process of starting a business by reducing the time, cost and number of procedures (Deleting the minimum capital requirement, reducing costs by 40 %, reducing the time from 15 to 5 days);
- Simplifying procedures of registering property and paying taxes (Introduction of epayment / E- statement ...);
- > The approval of the General Regulation of Construction ;
- Implementation of an alert mechanism against administrative abuses involving all stakeholders (Ministry of Justice , Moroccan Instance Anti-corruption ...)
- Review of decree on payment delays in order to cope with the difficulties faced by the treasury of companies, and
- > Adoption of a legal framework for self-employed.

4. Expected Results

In the continuity of reforms established, the committee, chaired by the Head of Government, approved in December 2013 its action plan for 2014, which was developed with the private sector and by taking into consideration the recommendations and conclusions of a series of workshops

organized about various topics related to the business environment, in which more than 100 interveners and experts from various sectors and agencies involved in the public and private sectors.

Among the most important reforms and measures planned in the action plan for 2014, we could quote the following:

- > Implementation of the online starting business system;
- Implementation of an electronic payment of duties and customs taxes;
- Review of the Investment Charter to clarify the benefits granted to investors and existing investment opportunities;
- > Adoption of legal framework on the Public Private Partnership;
- Implementation of a Log-Common for Companies;
- > Implementation of a Single Window Operation of International Trade.

Moreover, a set of projects is started, including the diagnosis of the work of this committee in terms of the methods of functioning, structure and relations with partners, and the development of communication strategy, taking into account the requirements of the next stage of Commission's work.

Biographies of Authors:

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Mr Thami ELMAAROUFI is Advisor to the Head of Government, in charge of monitoring the government program and improving the business environment.

Previously Mr ELMAAROUFI was head of different services in charge of the financial sector for 16 years within the Ministry of Economy and Finance.

Mr Thami ELMAAROUFI holds an Engineer of State Degree in Software engineering from National School of Computer Science and Systems Analysis (ENSIAS) and a diploma of higher studies in management from a Higher Institute of Commerce and Business Administration. He has also a Diploma of Graduate Studies from the Technical Institute of Banking (Conservatoire National des Arts et Metiers in Paris).

Khalid BENABDALLAH

Mr Khalid BENABDALLAH is a project officer for the Head of Government. Previously, he was responsible of the financial analysis of banks and the monitoring of Morocco's image abroad in the Ministry of Economy and Finances.

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Hamid KHAIL

As a project officer for the Head of Government, Mr Hamid KHAIL is a member of the Permanent Secretariat of the National Committee for Business Climate. Previously, he worked on different missions in the private sector (internal audit, management control, taxes...).

Mr Hamid KHAIL is graduated from the higher institute of management (ISCAE). He also holds a master degree in finance.

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As a project officer for the Head of Government, Mr Lhoussaine WAHIB is a member of the Permanent Secretariat of the National Committee for Business Climate. Previously, he worked on different projects in the local trading for the National Company of Railways (ONCF).

Mr Lhoussaine WAHIB is graduated from the National School of management (ENCG).