

Weekly highlights by L'ECONOMISTE



Support and comfort



On Tuesday afternoon, the Sovereign visited the Mohammed VI University Hospital in Marrakech, where he checked on the health status of the injured victims of the earthquake. The King also donated blood



Special earthquake fund being set up



Who can collect donations



Earthquake/ Insurance the process gets off to a slow start

EDITORIAL

Words

Khalid BELYAZID

AFTER the earthquake, the quake of words. Even a natural disaster, with dramatic consequences, can be straddled by those who make a living from the buzz. Our authorities and troops are still mobilized to bury, rescue, and re-establish roads, while foreign television channels and newspapers, particularly French, have already set up courts to judge the « country's «incompetence». Under the guise of humanity, everyone flaunts their contempt for Morocco, a country that normally generates the interest of French investors or the sympathy of its population. The earthquake represents, at last, an opportunity to criticize, to extrapolate diplomatic quarrels, to settle scores with a political system, the only one holding out in the region, to film the worst and the best, to gather testimonies from the locals, and to denigrate life. It is their business model. In fact, the fault lies with the Moroccans, who only see themselves through these French media which

are distorting mirrors. The other earthquake of words concerns our own charlatans, on social media, whose algorithms favor negative and emotional ideas. An «influencer» crying in his or her living room about the fate of an «abandoned» village can shake thousands of sincere souls. An NGO leader can avail of the disaster victims' cause, with humanitarianism becoming a springboard for fame, worldliness, and international aid. Many people can exploit the emotions of Moroccans, their sincerity to help, and create a mess of foodstuffs, which can be collected, directed to still-blocked mountain roads, and left to rot. Fortunately, an official fund was quickly set up to collect donations. What remains to be done is to funnel aid and guide all the other spontaneous initiatives before they, too, are won over by doubt and slander. And when this happens, it will last for months on end. Because even earthquakes of words have their aftershocks. □

Weekly highlights

Special earthquake fund being set up

AFTER the emotion, it is time for action. The plan, announced following last Saturday's meeting chaired by the King, includes a number of measures. One of these is to collect voluntary contributions in support of the rebuilding of homes destroyed by the earthquake that devastated several regions of the country. The aim is also to mobilize the means and funding vectors for the many reconstruction operations that need to be undertaken as quickly as possible, so that normal life can resume. With this in mind, the Minister for the Budget presented this week the draft decree setting up the Special Fund to manage the effects of the earthquake in the Kingdom of Morocco.

The creation of this Fund falls within the framework of the Organic Law on Finance. The special account, which is to be opened with the TGR (General Treasury of the Kingdom) and the central bank (Bank Al-Maghrib), is intended to receive voluntary solidarity contributions from

**FAITES VOS DON'S AU FONDS SPÉCIAL
POUR LA GESTION DES EFFETS DU TREMBLEMENT
DE TERRE AYANT TOUCHÉ LE ROYAUME DU MAROC**

COMPTE OUVERT AUPRÈS DE BANK AL-MAGHRIB

A PARTIR DU MAROC

- Auprès des Succursales et Agences de Bank Al-Maghrib
- Auprès des agences de la Trésorerie Générale du Royaume et des perceptions
- Auprès des agences des banques commerciales

• Par virement bancaire ordinaire ou instantané • Par versement en espèces • Par chèque*

RIB : 001-810-0078000201106203-18

* Les chèques bancaires devront être libellés au nom du Fonds spécial pour la gestion des effets du tremblement de terre ayant touché le Royaume du Maroc

A PARTIR DE L'ÉTRANGER

- Par virement

IBAN : MA64001810007800020110620318
CODE SWIFT : BKAMMAMR

citizens and private and public organizations. The services of the Mi-

nistry in charge of the Budget have been working since Saturday to prepare the draft decree setting up this special account, which will be created from the date of publication of the decree in the Official Bulletin. The account has been named «Fonds spécial pour la gestion des effets du tremblement de terre survenus au Royaume du Maroc» (Special fund for managing the effects of the earthquake in the Kingdom of Morocco). In terms of appropriations, the Fund includes sums paid from the general budget, as well as contributions from local authorities, public establishments and compa-

nies and the private sector. In addition, there are contributions from

international organizations, refunds of expenditure booked to the account, donations and bequests, and miscellaneous resources.

Interested parties can make their contributions by credit card via the web portal of TGR (www.tgr.gov.ma). They can also make payments in cash or by bank cheque to public accountants working for the TGR at national level, i.e. ministerial treasurers, regional treasurers, prefectural, or provincial treasurers, and tax collectors. The same applies to the accounting officers of the Kingdom of Morocco's diplomatic and consular missions abroad. Bank cheques should be made out to the public accountant (ministerial treasurer, regional treasurer, prefectural or provincial treasurer, tax collector or accounting officer abroad). Bank cheques and cash payments will be accompanied by a declaration of payment or a receipt, as appropriate. Mohamed CHAOUI. □

Mohamed CHAOUI

Earthquake Fund Tax-deductible donations

«**O**NE of my institutional clients has just called me to ask about the tax and accounting treatment of the donation he plans to make to the special fund for managing the effects of the earthquake», confides a chartered accountant to L'Economiste, who claims that this question is symptomatic of the questions many companies are asking themselves at the moment. This chartered accountant is not the only professional to report such questions from potential donors. What is at issue is the surge of solidarity generated by the consequences of the earthquake on the populations of the affected regions, but which is hampered by ignorance of the tax treatment of donations.

Businesses, public institutions, and state-owned enterprises, as well as individuals keeping accounts, who wish to make donations, find themselves in a wait-and-see situation. It should be noted that the Amending Finance Law no. 35-20 for 2020 had instituted a provision designed to encourage donations to fight the negative impacts of the health crisis. This



is Article 247-bis-I which represents a permanent measure, even though it is included in Article III on miscellaneous provisions, which generally contain transitional provisions.

Article 247 bis-I treats sums paid in the form of contributions, gifts, or bequests on behalf of the Government by companies subject to the corporate tax or to the income tax on professional and/or agricultural income deter-

mined in accordance with the actual or simplified net income schemes as tax-deductible expenses. These amounts will be deductible over five financial years.

The same tax and accounting treatment will be applied to donations made by donors to the earthquake relief fund.

«Taking care of people left without shelter or resources, as well as rebuild-

ing and rehabilitating disaster areas, will require the mobilization of substantial resources. And the contribution of as many people as possible is required, in particular that of the business community who could, as was the case during the Covid-19 health crisis, benefit from the deductibility of donations from taxable income by spreading them over several financial years up to a limit of 5 years, as stated in the General Code of Accounting Standards (Code Général de Normalisation Comptable., CGNC), thus mitigating the impact on their results as well as on the country's tax revenues», emphasizes Salah Grine, chartered accountant, partner at the Al Moustachar firm. The spreading of the cost over several years is also explained by the fact that «the use of the donations and the positive impacts induced by their allocation was about to extend beyond 2020, the year of the Covid pandemic», explains the National Accounting Board (CNC) consulted by the Economic Watch Committee. □

Hassan ELARIF

Earthquake/Insurance

The process gets off to a slow start

WHILE waiting for the disaster zones to be specified in a decree from the Head of Government, the Moroccan Federation of Insurance Companies is inviting people insured under the compulsory catastrophic events coverage scheme to contact their brokers or insurance companies, as the number of contracts giving entitlement to compensation is large since the cover is included in several insurance policies (www.leconomiste.com). These include insurance contracts covering property damage and civil liability for bodily injury or material damage caused to third parties by a land motor vehicle. Added to this are insurance contracts covering civil liability for bodily injury caused to third parties, other than the insured's employees, on the premises of a company. In any case, the regions hardest hit by the earthquake are known to be heavy users of mopeds.

In principle, the procedure can take up to 131 days. The insured must



notify his or her insurer no later than 20 days after the occurrence of the event, unless it is absolutely impossible to do so. The victim will then have to express a claim to the insurer according to a pre-established model (Order of the Minister of Finance no. 2214-19 of December 27, 2019). A list of documents enabling the insurance company to identify the victims,

their insurance policies and assess compensation is required.

Subsequently, the insurer is required to notify the claimant, by registered letter, within 60 days of receipt of the claim, of the amount of compensation. The claimant must inform the insurer of his or her agreement or refusal within 30 days of receipt of the proposal. In the event of agreement, the indemnity

or advance is paid within 21 days. Coverage includes bodily injury suffered by the driver and any person carried in the insured vehicle, as well as damage suffered by their dependents as a result of their death, when the damage is the direct result of a catastrophic event affecting the insured vehicle.

Damage to the insured vehicle is also covered. Where the vehicle owner is a natural person, the cover also extends to bodily injury suffered by the vehicle owner, his or her spouse and dependent children, as well as damage suffered by their dependents as a result of their death. Dependent children must be self-employed and be no more than 21-year-old on the date of the catastrophic event. This age limit is extended to 26 in the case of duly justified studies. Disabled persons are also considered dependent children. Damage to the insured vehicle is also covered. □

Khadija MASMOUDI

Who can collect donations?

The Not everyone can organize the collection and distribution of charitable donations to the public. This action is strictly regulated by law no.18-18, published in the Official Gazette (no. 7159 of 09 Jan. 2023). According to the law, an appeal to public generosity concerns the collection of funds and products with the aim of financing or carrying out activities, programs, or projects of a social, humanitarian, charitable, cultural, or environmental nature. This also applies to donations and proceeds collected for the benefit of one or more individuals or persons in a situation of vulnerability or distress following a disaster or accident-causing damage, or for the benefit of a legally created non-profit organization located in Morocco or abroad.

Article 7 of the law states that an administrative authorization must be obtained within a maximum of 30 days. The application, based on model forms, must be submit-



ted at least 30 days before the start of collection, a period which may be reduced to 24 days in urgent cases. Certain entities are exempt from this formality by law, but must still notify the administration 15 days

before the start of the fund-raising campaign. The application must be accompanied by supporting documents such as the association's articles of association, a list of its executive members, the program to

be financed, and other documents. Article 13 of the law sets the maximum duration of each fund-raising operation at one year, unless a request for extension is made one month before the expiry of this period. Participants are required to hold an official nomination mandate issued by the association, which must include a certain amount of information, such as the organizing party, the collection start date, the purpose, the authorization number, and the bank account number. The funds collected must, of course, be paid into a bank account. The public must be informed of the amount collected. Organizers are also required to provide a detailed report on the progress of the operation and overall takings within a maximum of 30 days of its completion. Several fines are provided for by law in the event of infringement. These range from 5,000 dirhams (USD 5,000) to 500,000 dirhams (USD 50,000), depending on the seriousness of the case. □

Hassan ELARIF

Weekly highlights

Tinnel, the Almohad jewel almost destroyed

«**O**NLY the loss of human beings grieves me. The collapsed walls will be rebuilt». If the premonitory words of the Nass El Ghiwane musical band perfectly illustrate the tragedy Morocco has been living through since Friday, September 08, 2023. There are walls that carry within them the memory of an entire people, rare witnesses to a thousand-year-old culture and medieval Morocco, remnant of an empire stretching from Spain to the borders of Mali. Such is the case of the Tinnel Mosque, a masterpiece of 12th-century Almohad architecture, listed as a Unesco World Heritage Site. Ten centuries of history have been swept away by the powerful earthquake, whose epicenter was in the region. Ironically, the earthquake destroyed decades of conservation work. A program to restore the Mosque had been initiated by the Ministry of Habous and Islamic Affairs, in partnership with the Ministry of Culture. «The restoration project was well advanced and 90% complete. Today, it's all on the ground» laments Abderrahim Kassou, whom we were able to contact on site, is an architect and member of the Architecture and Development association and of Icomos Maroc, an international non-governmental organization working for the conservation of monuments and sites worldwide. Still in a state of shock, the architect says that «The roads are not yet clear, there are still landslides making it extremely difficult to get help through. ... For the moment, the most urgent need is to help the victims.

The first aid supplies are just starting to arrive, but there are still many needs: first-aid medicines, and tents for the homeless, especially as it will soon be cold in the region and people don't dare return to their homes, and rightly so, fearing that their houses will collapse. «For Kassou, a precise diagnosis of the damage to the Mosque will have to wait, especially as many of the surrounding historic villages have been destroyed, such as the Kasbah of Caïd El Goundafi. The architect is keen to point out, however, that «many buildings based on traditional architecture have stood up better than more recent concrete constructions, and there are lessons



A masterpiece of Almohad architecture, the building had benefited from a major restoration operation, 90% of which was completed.

to be learned about the importance of preserving vernacular housing techniques», explains Abderrahim Kassou. For the time being, it would be premature to speak of a project to rebuild or rehabilitate the monument, but the architects who worked on its restoration have done a remarkable job. The studies, analyses, plans, and other reports they have produced will undoubtedly facilitate a rehabilitation project that is already proving to be highly complex. □



A.BO *A masterpiece of Almohad architecture, the building had benefited from a major restoration operation, 90% of which was completed.*

Characteristics of a masterpiece

IT was to honor sultan Ibn Toumert, buried in Tinnel, that Sultan Abd-el-Moumen had the Tinnel Mosque built in 1153. The Tinnel Mosque covers an almost square area, 48.10 m long and 43.60 m deep. Access is via six side doors, four of which open onto the prayer room and two onto the courtyard. The prayer hall is divided into nine longitudinal aisles that open perpendicularly into a transept aisle.

This is the archetypal mosque of the Almohad dynasty, whose model would spread throughout the Maghreb over the following centuries. This mosque was built according to a Maghrebian Andalusian process that combines the refinement of architectural tradition with local construction techniques. The Tinnel mosque will serve as a benchmark for the majority of Moroccan mosques. Its structure, layout, proportions, and decoration make it a fundamental masterpiece of Almohad art.

The balance of volumes is mathematically calculated according to a modulus present down to the smallest details (decoration, aesthetic harmony), and proportions are perfect thanks to the rigorous arrangement of all elements (structures and decorations). Everything converges on the «mihrab», the central and most noble element of the building. □