

# L'ECONOMISTE

Le premier quotidien économique du Maroc

**Corporate  
insolvencies**

**Still too  
high**



Source: Inforisk



**Financial stability  
Climate risks  
come into play**



**Cereals and pulses  
Importers fill  
up in July**



**Mankind's  
ancestor still  
sleeps at Jbel  
Irhoud**

**Renewable energies  
Link between  
South and Center  
accelerates**

## EDITORIAL

## The Day After

Mohamed Ali MRABI

**A** WAVE of panic swept the world on July 19. Microsoft's worldwide blackout caused enormous alarm. This episode reflects the growing cyberdependence of today's economic system. In the age of big-data, fintechs, and blockchain, computer bugs, but above all cyberattacks, represent a genuine systemic risk.

Several reports had warned of the rise in cyber-attacks, particularly since the pandemic period. With the acceleration of the digital transition, coupled with the exacerbation of geopolitical tensions, enormous risks hang over the world's economies, with systemic repercussions. Of course, the financial sector is one of the most exposed. The large volumes of sensitive data processed by financial institutions make them a prime target. But the impact often extends to the entire economy. Beyond the direct losses suffered by these institutions, cyber-attacks

undermine confidence in the sector, and disrupt other activities, by sabotaging or holding hostage (for ransom) strategic services such as the payment systems. Against this backdrop, the central bank (Bank Al-Maghrib) has incorporated cyber-risks into its assessment of the resilience and solidity of Morocco's financial sector. This procedure will enable us to assess on a regular basis the cyber-security situation and detect any systemic risks. This model needs to be duplicated in other areas. Because, beyond technical measures (antivirus, firewalls, network segmentation...), it is essential to prepare for the day after. Everyone is convinced that cyber-attacks are inevitable and will become increasingly frequent. The challenge is therefore to be able to curb their effects and develop capabilities for resilience and, above all, for business continuity in the wake of an attack. □

## Weekly highlights

### Business failures Half-yearly record high



**O**NE year after the new law on payment terms came into force, business failures continue to rise. These are the findings of the latest study by data provider Inforisk.

In the first half of the year, the number of business failures reached 7,659, up 14% on the same period in 2023. This is the highest half-yearly figure ever recorded, according to the experts at Inforisk. However, this growth rate remained stable over the last four years. If one looks at the trend in terms of insolvency between the first half of 2021

and the first half of 2024, the average annual growth rate has still risen by 14%. But this shows that Morocco is still unable to solve the problems associated with payment delays.

#### ■ Sad record for Tangiers / but lowest rate for Casablanca

In terms of distribution, Tangiers stands out with the highest rate of insolvencies, with an annual increase of 35%, followed by Rabat at 30%, Agadir at 15%, and Marrakech at 13%. Casablanca and Fez had the lowest rates, with an annual variation of 7%. It is important to note that the

Casablanca-Rabat-Tangiers axis alone accounts for 43% of business failures.

#### ■ Retail, construction, and real estate hardest hit

Sector-wise, retail remains the hardest hit, with an insolvency rate of 33%. This is followed by real estate (20%) and construction (15%), as well as transport and manufacturing (9% and 7% respectively).

Furthermore, certain sectors saw a sharp increase in insolvencies between 2023 and 2024, led by the agricultural sector (+24%), mainly due to unfavo-

rable weather conditions and inflation. Insolvencies in the healthcare sector also rose by 24%, while those in the hotel and catering sector jumped by 22%.

#### ■ Very small businesses still the big losers

Today's findings are unequivocal: most business failures are linked to payment delays. In fact, according to the experts at Inforisk, 40% of business failures in Morocco are due to late payment. They are by far the leading cause of insolvency. In fact, late payments and/or unpaid invoices have a direct impact on a company's cash flow. This lack of cash flow is directly responsible for insolvency. « This is why legislators have introduced Law 69-21 on payment terms, which will have a positive impact in the medium term, particularly on long-term delays». According to the same study, small businesses are the most frequent defaulters, with a share of 99.3%, followed by SMEs (0.6%) and large companies (0.1%). However, this finding is not solely attributable to payment defaults, but also to the organization of VSEs, which often lack well-honed cash management processes. □

Badr CHAOU

## Financial stability: Climate risks come into play

**F**ACED with persistently high inflation, the central bank (Bank Al-Maghrib, BAM) continued to fine-tune its monetary policy. The latest report on financial stability, drawn up jointly by BAM, the Insurance and Social Security Supervisory Authority (ACAPS) and the Moroccan Capital Market Authority (AMMC), highlighted the new risks taken into account in assessing the resilience and solidity of the financial sector. « In a context marked by uncertainty, the Systemic Risk Coordination and Monitoring Committee has continued to closely monitor the evolution of risks to which the Moroccan financial sector is exposed ». This is coupled with continued implementation of the financial stability roadmap covering the 2022-2024 period. To this end, BAM has strengthened its monitoring system, integrating climate and cyber risks. BAM has also « improved the conduct of macro-resistance tests for the banking sector ». This is the reasoning behind the reinforcement of the monitoring sys-



*The risk of a water shortage looms over Morocco, with the succession of drought years potentially damaging economic and financial stability. With this in mind, BAM stresses the importance of assessing the impact of water stress on the soundness of the banking sector, by integrating this risk into the analytical framework of macroprudential policy*

tem, by integrating climate and cyber risks. BAM has also « improved the conduct of macroeconomic stress tests in the banking sector, in particular by refining the design of macroeconomic shock scenarios ». An initial survey on systemic risks was carried out among the main local banks, to ascertain their perceptions and degree of confidence

in the stability of the national financial system.

In detail, the climate dimension is taken into account because, at a time when Morocco is facing water stress, its development, based on industry and agriculture, relies heavily on abundant water resources, according to the document. This is all the more important as the

risk of a water shortage persists with the succession of drought years, and could ultimately damage economic and financial stability. With this in mind, BAM stresses the importance of assessing the impact of water stress on the soundness of the banking sector. The Central Bank has initiated a process to examine the appropriateness of integrating water/climate risk into the analytical framework of macroprudential policy.

According to BAM, preliminary analyses have been carried out and data has been collected from various partners. The idea is to adjust the methodology for designing macroeconomic scenarios for the macro-stress-test exercises. In particular, the goal is to take into account the impact of climate shocks on economic aggregates. This has also made it possible to examine the possibility of incorporating climate change-related risks into systemic risk mapping, by proposing indicators that should be analyzed and scored on a regular basis. □

M.A.M.

## Renewable energies

## Link between South and Center accelerates

**P**ROMOTING investment in renewable energies is high on the agenda of the Ministry of Energy Transition. This department has accelerated the implementation of a series of projects in the sector that are currently in operation. These projects represent a total capacity of around 4.6 gigawatts, with an investment of almost 60 billion Dirhams (USD 6 billion). As a reminder, midway through the Government's term in office, several projects with a capacity of 2,000 megawatts were confirmed. This is the largest capacity authorized by this ministry in the last two years.

What is important here is that the renewable energy projects currently in operation have helped to meet almost one fifth of the country's electricity demand. Not to mention the reduction in energy dependency from 97.5% in 2009 to around 90% today.

A number of measures have been taken to strengthen energy policy and accele-



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rate investment in renewable energies.

Firstly, an additional renewable energy capacity of over 7,500 megawatts is scheduled to be built between 2023 and 2027. This corresponds to around 78% of the total additional capacity planned

for this period, not including green hydrogen and seawater desalination.

Then, one measure involved speeding up the pace of projects, in particular the Noor Midelt solar complex, with completion scheduled for 2027. In addition,

permits have been granted for a series of industrial units to use renewable energies to cut the energy bill and reduce the carbon footprint.

Another measure was to consolidate and develop the power transmission grid. This was to be achieved by stepping up related investments. A master plan has been drawn up to strengthen and develop this network. The aim is also to improve our country's regional integration over the 2023-2027 period, at an estimated total cost of 23.4 billion dirhams (USD 2.3 billion).

The other measure involved a five-fold increase in investment in grids by 2030, including storage through batteries and pumped storage stations. As a result, average investment in the national power grid will rise to around 4.68 billion dirhams (USD 468 million) per year, after not exceeding one billion dirhams (USD 100 million) annually during the 2009-2022 period. □

Mohamed CHAUI

## Cereals and pulses: Importers fill up in July

**A** REMARKABLE upturn in cereals and pulses imports in July, the second month of the 2024-2025 import season. Taking advantage of a downward trend in world prices, domestic importers were quick to fill up. Orders placed at the end of June and unloaded in July broke records. Indeed, according to the latest statistics published by FNCL (National Federation of Cereals and Pulses Traders), imports of cereals and pulses of all kinds (soft wheat, barley, maize, soya cake, beet pulp, durum wheat, DDGS (Distiller's Dried Grains with Solubles), wheat bran, soya hulls, soft feed wheat, and sunflower meal) reached more than 15.18 million quintals, compared with 8.8 million quintals in June, almost doubling in the space of one month.

### 6.74 million quintals of soft wheat imported

In terms of products, soft wheat, Morocco's most popular cereal, accounted for the largest volume imported, with 6.74 million quintals, compared with 3.77 million quintals the previous month. France, which has been Morocco's main supplier since the outbreak of war



*The Casablanca harbor accounted for more than half of the 6.74 million quintals of soft wheat imported into Morocco in July, with 3.84 million quintals unloaded*

in Ukraine, was followed in July by Russia. France supplied just 1.50 million quintals of soft wheat last month, and Russia exported almost as much, precisely 1.49 million quintals of soft wheat to Morocco over the same period. These two «competitors» are distantly followed by Bulgaria (0.88 million quintals), Germany (0.87 million quin-

tals), Romania (0.85 million quintals), and Ukraine (0.68 million quintals).

In terms of unloading harbor, Casablanca accounted for more than half of this volume. In fact, 3.84 million quintals of soft wheat were unloaded there in July, compared with 0.93 million quintals in Nador, 0.92 million quintals in Jorf Lasfar, 0.78 million quintals in Agadir, and

0.25 million quintals in Safi.

That said, it should be noted that thanks to these massive imports, made possible by favorable market conditions, importers were able to build up provisions. Tool stocks, usually three months' worth, improved significantly. □

Aziz DIOUF

## Weekly highlights

# Mankind's ancestor still sleeps at Jbel Irhoud

**J**BEL Irhoud is now part of world history. The mountain, home to a barite quarry, became the cradle of mankind in June 2017. «*The remains of primitive Homo sapiens have been discovered here, along with stone tools and faunal remains. Dating back some 315,000 years, the human fossils represent the oldest traces of our species known to date. This scientific discovery of worldwide significance has revolutionized available knowledge...*», says a pale sign at the entrance to the site (see photo). The only official indication that we are indeed in the land where the history of paleontology has been turned upside down. The world's press relayed this major event in chorus. «*The men of Jebel Irhoud have dethroned Omo I and Omo II, discovered at Omo Kibish in Ethiopia and dated to around 195,000 years ago*», reported the magazine Sciences et Avenir in its January 11, 2018 edition.

Behind world history lies a family history. Going to the cradle of mankind with your children was an adventure. Why go? To «get to know» an ancestor; to escape the fatalism of «all-inclusive» vacations; to discover a Morocco that exists on the map but is not always omnipresent in the minds of decision-makers...

First hurdle: finding your way to the prehistoric site. Google Maps lists two localities named Ighroud. The first concerns the commune and its eponymous mountain, 66 km from the coastal town of Safi on the Atlantic coast. The second is also a mountain at an altitude of 1,900 meters (6,233 feet), located in the Middle Atlas Mountains.

Jbel Irhoud or Ighroud gives its name to this rural locality of around 23,000 inhabitants, according to the latest 2014 General Census of Population and Housing. There are no signs to guide you to the site. So you have to ask for directions. The easiest way is towards the junction of the roads leading to Safi and Marrakech. A track on the edge of the road leads to a quarry. This is where Jbel Irhoud and its site are located.

### Imagine what it would be like in the USA!

Barbary squirrels are on hand to welcome us! A heritage interpretation center is under construction six years after the discovery by paleontologists Abde-



Located in the province of Youssoufia, the prehistoric site of Jbel Irhoud has been inscribed on the national heritage list

louahed Ben-Ncer and Jean-Jacques Hublin.

In October 2018, an agreement had provided for an investment of 310 million Dirhams (USD 31 million) in particular for the improvement of the site which is currently closed to visitors, but visible, despite a swinging door blocking access.

«*The creation of this structure will provide a focal point for prehistoric research throughout Africa*», Azouz Boujamid, Regional Director of Culture for Marrakech-Safi, told the Maghreb

Arabe Presse (MAP) agency on July 21, 2020. Work was scheduled to start in August or September of the same year. Leaving the construction site, visitors can easily hike to the top of the 600-metre-high mountain. The caves that emerge from its heart are not prehistoric. «*They were dug by the locals in search of minerals. It's one of their rare sources of income after six years of drought. We still have to sell them to visitors who venture into our hamlet*», explained a young man from the Zâitrat hamlet, who spontaneously accompa-

nied us, probably to stave off boredom. Don't go down to the caves, as there is a risk of landslides.

At the top of the site, vast stony plateaus open up to view. These endless spaces are dotted with eucalyptus and acacia trees.

Quite an original relief for a lover of Moroccan geography. Apart from nature, there's nothing else. Imagine what it would be like if Jbel Irhoud were in the USA! Special mention goes to the three El Imami brothers, who keep the place lively with the means at their disposal. This is an ideal place for taking photos and saying: «*I was at the home of the Grandfather of Mankind*». «*Our brother Rachid has assembled the bones, in particular the large human skull*», explains one of the brothers.

So do not forget to tip or buy a mineral, «*décor*» as it is called in the region, to show solidarity and encourage initiative. The El Imami brothers are truly doing territorial marketing at their humble level. They do it with conviction and far from empty rhetoric! These modest entrepreneurs have also set up a cooperative in this desolate region of El Youssoufia province. A real lesson in courage and fighting spirit. The grandfather of Mankind can be proud of his offspring. □

Faïçal FAQUIHI



Moroccan paleontologist Abdelouahed Ben-Ncer and his French colleague, Jean-Jacques Hublin, in Paris in June 2017 following their discovery at Jbel Irhoud