

INTERNET USERS

SOURCE: DATAREPORTAL

	Users (mln)	Penetration	Mobile connections (mln)
Jan. 2017	20.21	58%	43.31
Jan. 2018	22.6	63%	-
Jan. 2019	22.57	62%	43.76
Jan. 2020	25.32	69%	43.35

MOBILE CONNECTIVITY INDEX SCORES, 2019

SOURCE: GSMA

Of a maximum
of 100

Overall country index score	59.9
Infrastructure	66.3
Affordability	56.3
Consumer readiness	55.6
Content and services	62

SHARE OF WEB TRAFFIC BY DEVICE (JAN. 2020)

SOURCE: DATAREPORTAL



- 47.8% Mobile phones
- 43.7% Laptops/desktops
- 8.6% Tablets
- 0.02% Other

4G towers
disguised as
palm trees



Image: Hamza Makhoune



ICT & Media

AT THE FOREFRONT

Digitalization has remained a key priority for the government since 2009, when the first strategic plan laid out key e-government objective to reach by 2013. Accordingly, Maroc Numeric 2013 was launched as part of a royal initiative to establish the country as a continental tech hub.

Progress in recent years has been noticeable. Today, applications for identity documents and passports are fully digitalized, and the payment of bills and processes for establishing a business can be done online. Morocco ranks among the top-10 countries in the world in the Universal Postal Union's ranking of countries that have succeeded in achieving true digitalization. Such achievements have significantly contributed to Morocco's recent leap to 53rd globally in the World Bank's Doing Business 2020 report.

Industry leaders we spoke to similarly concurred that Morocco leads the African continent and that the country is a prominent African leader in ICT and digitalization. With the latest strategic plan, Maroc Numeric 2020, coming to an end, stakeholders are evaluating the impact thus far and the current reality of digital transformation to more effectively draft the next plan. The conclusion is clear; Morocco has yet to achieve its ambitious objectives. There is also room for improvement in e-government services. Among the main challenges that hamper growth are a visible

lack of an integrated vision for digital transformation in the country. And as technological innovation accelerates, flexibility and agility remain critical.

Consequently, in January 2019, the head of government entrusted the Digital Development Agency (ADD) with the task of drafting the main guidelines for the 2020-2025 digital strategy. Upgrading public services, improving the productivity and competitiveness of the national economy, and reducing social inequalities are at the core of the new digital plan.

Decision makers in the sector agree on the need to create strong local ecosystems of developers and innovators that enable constant innovation. This will ensure that new technologies are tailored to the economic needs of every city's local ecosystem. Several of our interviewees discussed their increased focus on digitalization and innovation—an emphasis that materialized in the form of creating subsidiaries centered on innovation. Many of these subsidiaries are equally focused on building local capacities through supporting SMEs and addressing the ICT skills gap.

Within the communications sector specifically, traditional media remains powerful. Television channels such as 2M—which has a share of 35% on average per day—reach 10-15 million Moroccans daily, while the written press and radio stations also retain their importance. ✕

INTERVIEW



VISIONARY *growth*

APEBI's successful initiative, Hackcovid, resulted in dozens of technological solutions to help the country during the pandemic.

Amine Zarouk
PRESIDENT,
MOROCCAN FEDERATION OF
INFORMATION TECHNOLOGIES,
TELECOMMUNICATIONS, AND
OFFSHORING (APEBI)

Can you give us an overview of APEBI?

APEBI represents digital, telecommunications, and innovative companies. We connect this community to the largest players in the market, which together represent more than 80% of the turnover in the sector. Since the beginning, we defined five pillars for our mandate: digitally transforming all sectors of the economy; gathering data; nurturing a close relationship with neighboring countries; promoting digital ways of doing business; and sustainability.

How has the COVID-19 pandemic changed the way of doing business in Morocco?

Every revolution arises after a great crisis. Now is the time for the digital revolution. Before the pandemic, we realized that certain groups in the country were hesitant when it came to digital transformation, e-commerce, e-governance, and so on. Digitalization was rarely framed as a priority for the country. The pandemic has shaken the foundations of our system, forcing us to adopt approaches and ways of doing businesses previously unthinkable. For a long time, we have mainly been discussing how to digitalize, and now that we are forced to do it, we are discovering that digitalization represents not only a comfort, but also a tool to ensure the physical and psychological wellbeing of the world's population and the global economy.

From your experience at APEBI, what solutions can digitalization offer to the current situation?

During the outbreak of the pandemic, we sought ways to use technology as a means to inform the public and limit the spread of the virus. We turned to a start-up that works on AI and big data. In three days, we developed a prototype with abundant information based on trends in the worst-affected countries to help the Ministry of Interior anticipate the different phases and introduce the right measures. At that point, we realized Morocco was ripe with skills and potential to develop other similar initiatives. We launched a nationwide call for projects, Hackcovid, targeting any start-up, student, or individual with an idea to assist the country

during the outbreak. Within 48 hours, we received 150 digital projects, of which we selected about 30 in fields such as security, food safety, health, and economic competitiveness. Successful examples are the COVID-19 tracker, mobile payment solutions, chatbots that can answer questions about COVID-19 in Darija (a Moroccan dialect) or French, a solution that will connect all the grocery stores in the neighborhoods to transmit aid, and a social network for the healthcare industry that allows information to be conveyed in real time. Our role has been to mobilize a large number of computer specialists and coders to bring these ideas to life, and to create connections with private or public partners. We are now looking to launch Hackcovid Africa with about six Northern and Western African countries. Morocco is among the first countries to be affected by the pandemic on the continent, so it is important we share any progress we have made. Equally important, Hackcovid Africa will support our ongoing project for the creation of an African confederation of technology to mutualize our common problems and share our progress.

What is your vision for the Fez Smart Factory project, which you are launching as the director of Alten Maroc?

We launched competitions at several universities to find innovative start-ups that could nurture Moroccan competences and respond to the future needs of the market. In this context, we landed on Fes, which could be Morocco's Silicon Valley and also happens to be the birthplace of Alten Maroc. We wanted to create an Industry 4.0 pole to boost the digital and creative industries in Fes and bring the market closer. Within the framework of the CGEM, we brought together the digital commission, the digital economy commission, the start-ups commission, the employability commission, and the VSE-SME commission, to create a technology park. Besides being a space for the incubation of start-ups, this is primarily an integrated zone where suppliers and customers share the same space and where jobs and opportunities are created. ✖

BIO

The holder of a master's degree in distributed information systems from Paris-Est Créteil University, Amine Zarouk is also the co-founder and general manager of Alten Delivery Center Maroc, the Moroccan subsidiary of the world leader in engineering and consulting in technology.

digital DISRUPTOR

With a presence in more than eight countries in Africa and a portfolio of services that covers the entire value chain, HPS is revolutionizing the digital space one step at a time.

Abdeslam Alaoui Smaili
CEO,
HPS MOROCCO



How would you evaluate the fintech sector in Morocco?

In Morocco, we are fortunate to have financial regulations that have helped payments advance. Only after the payments industry developed did regulators step in. This allowed innovation to enter the market. The central bank and financial regulators in Morocco have been extremely forward thinking. For example, the PIN system for ATMs had no legal framework until a few years ago, which meant legal disputes were difficult to settle; however, the country chose to let legal structures develop naturally rather than forcing implementation in a way that might not have served the industry as a whole. This allowed the system to figure out the areas most in need of oversight in an organic way. In terms of fintech, the impact of the internet has only had a significant influence on Morocco in the last six to seven years. We have been lacking in terms of infrastructure, incubators, and other necessary aspects that are needed to support a fintech ecosystem. There is now a process for supporting public and private initiatives. The next question is how we can develop this space.

Who are your main partners in Morocco?

We partner with banks, though we also work with new actors, namely payment system providers (PSP). Today, PSPs are the real players in the payment landscape. At present, telecoms firms are the main competitors of banks. Our customers include banks, PSPs, and telecoms firms. We also have special customers such as the highway authority in Morocco. In total, we have around 15-20 clients.

What are the main sources of revenue for your company?

Our technology covers the entire value chain. Either we provide the software and train the company and they pay us for maintenance, or we cover every area of the process on our own. It is the same distinction between using Microsoft Word on your desktop or using Windows 365 on the cloud. We have also shifted to the cloud. This

is what we call the software-as-a-service (SAAS) model. We advise customers to move toward the SAAS model because it allows them to experience innovative solutions without large CAPEX expenditures.

Do you still allocate 10% of your revenue to R&D?

We are proud to say we allocate 16% of our revenue to R&D. We want to create a culture of innovation. This 16% goes into making our products better and improving every aspect of our business.

Can you tell us more about token payments?

We have been in the tokenization business for the past five or six years. We work with numerous partners across the world, including a major contactless player in Japan. Our work outside Japan has predominantly been on the Android platform. There is a huge market in Morocco for mobile payments, but less so for tokenization because fewer people own advanced phones. We are developing an e-wallet that is not registered to a physical card, but rather an account. This system will challenge the cash-based economy and promote financial inclusion. If we are able to increase the number of transactions on our platform, there will be tangible changes to our economy and society. Additionally, electronic payments ensure easier tax collection, which explains why the government has announced a three-year tax holiday for those who enroll in electronic payment systems.

Can you elaborate on the potential in Africa?

We provide payment services for eight nations in West Africa with the same central bank, the Central Bank of West African States. We are also heavily present in South Africa, so much so that we have an HPS South Africa subsidiary. Business-wise, Africa represents more than one-third of our global revenue. Africa is not in the midst of a digital transformation, but a digital birth. We are creating this environment from the ground up, and, therefore, we are not facing the same hurdles that we saw in other more advanced payments marketplaces. ✕

**16% of revenue
allocated to R&D**

**Tokenization
will reach the
unbanked**

**Africa represents
more than one-
third of global
revenue**

BIO

Abdeslam Alaoui Smaili is the CEO of HPS and has overall responsibility for all of HPS' activities. With more than 25 years of experience in the industry, he co-founded two IT services companies before becoming one of the founding members of HPS in 1995. He has been involved in countless implementations of payment systems in various countries and has helped clients design and launch new and innovative payment instruments and implement challenging transformation programs across multiple countries, currencies and languages.

monochrome, creative.
self-restraint of the
artist. Characteristic of
M. is the rejection
subjectivity,
representation,
illusionism. Rejecting
the classic receptions

INFLUENCE



DATA



CREATIVITY



GROWTH

0101110101101000111001110100



Notre ambition est de devenir le partenaire créatif indispensable à nos clients pour les accompagner dans leur propre transformation.

Nous souhaitons mettre à profit la puissance de feu créative de nos réseaux à travers des plateformes qui relient de bout en bout la vision du consommateur, la connaissance de la marque et les idées créatives, boostées par les données et la technologie.

PRMEDIA
D1SOCIAL 

**Vous souhaitez en savoir plus ?
Échangeons ensemble !**

+212 522 77 75 95
Info@prmediacom.com
Contact@d1-social.com

NECESSARY AND SUFFICIENT

Morocco's Digital Development Agency has unveiled an ambitious plan to accelerate the country's digitalization efforts over the next five years. But what does it consist of, and how can it be achieved?

THE DIFFERENCE BETWEEN A LUXURY KNOWLEDGE GOOD and a necessary innovation is narrowing by the day: those companies and, more importantly, countries that realize the paucity of this distinction will live to fight another day. Those that can't, or won't, will perish. Digital transformation, Morocco's leadership knows, is one such example, a fact that was heavily stressed at the December 2019 meeting of the Digital Development Agency (ADD).

Laying out the guidelines for the country's digital development through 2025, the agency, under the aegis of the Ministry of Industry, Investment, Commerce, and Digital Economy (MIICEN), will be in charge of directing Morocco's 4.0 industrial revolution, expanding and implementing digital education training programs, boosting digital research and development, encouraging social entrepreneurship, and ensuring that the country enjoys responsible and durable digital inclusion.

Including the public and private sectors and civil society groups in this participative approach, in December Prime Minister Saâd Dine El Otmani stressed how important this digital leap is to attract foreign investment, creating remunerative and sustainable employment and modernizing public services. It is also crucial, he said, to reducing public expenditure, bridging the digital divide that has come to mirror so many other social, economic, and geographical disparities in Morocco, boosting transparency, and fighting corruption.

How will ADD accomplish these widespread goals? First, by launching the country's first Digital Factory in Rabat as a digital incubator to not only spur the creation of smarter digital solutions, but give young start-ups a place to test their ideas and provide the broader digital market with a "digital crossroads" where they can improve their services, experiment with recent innovations, and run novel ideas by other industry players new and old.

In step with these initiatives, ADD is also launching a Digital Academy to help professionally retrain 3,000 young people with the skills needed to succeed in the digital economy, an initiative it is

hoping will create an avalanche effect in both innovation and jobs created.

In order to learn more about the progress of the kingdom's digitalization effects, TBY sat down with Zaidi Fouad, the General Director of Barid Media. Among other things, Fouad stressed the importance of having the right regulative infrastructure in place. Crucially, in 2008 Morocco passed legislation equating physical with digital information, a legal innovation that helped Barid become the first operator to use digital and electronic signatures, for example.

This legal precedent will also be crucial to creating a platform that enables citizens and companies to access digital government services. To be sure, he stresses, a cultural evolution of sorts is also needed to train individuals and companies to do so; many of the latter shy away from digitalization because of unfamiliarity, or worse, mistrust. Hence the two-fold importance of training and hiring young people in this process, who are by nature quicker learners and more culturally malleable, and launching programs to convince the public of the importance of digital, Fouad told TBY.

Yet, the country's hard work is already paying off. Ranked among the top-10 countries in the world by the Universal Postal Union for its digitalization rates, Morocco has also launched a successful electronic tender system and is working with local municipal authorities across the country to digitalize all its services. One such example is Watiqa, an online application that allows Moroccan citizens to access public services from anywhere in the world.

More than 115,000 entrepreneurs have also signed up for Barid's end-to-end digital platform for entrepreneurs, a collaborative database that can be accessed by banks, the tax department, the post office, and entrepreneurs and allows businesspeople of every stripe, especially in the informal sector, to access an "entrepreneur card" through which they can declare their taxes. As with so many other aspects of digitalization, Fouad rightly says, "This is a perfect example of how it accelerates a country's development." ✖

INTERVIEW

PARTNER *of choice*



Already present in 15 African countries, GFI is further expanding its footprint on the continent through acquisitions, with the end goal of helping Africa use the latest technologies and innovations to get ahead of the curve.

Saloua Karkri-Belkeziz
GENERAL DIRECTOR,
GFI

Founded in

1987

Initial capital of

EUR 5k

300

national customers

Can you give us a short introduction to GFI?

I founded a company in 1987 to sell software solutions in Morocco. Before, companies used to sell hardware and customers developed their own applications. I started the company with a small capital of EUR5,000 and developed it until 2003, when the GFI group became interested in the Moroccan market. Fast forward to January 2019, when I got involved in GFI's operations and was appointed president of GFI Africa. GFI is present in many countries, including 15 in Africa. We are growing through acquisitions. We recently bought companies in Ivory Coast, Tunisia, and Cameroon. At present, we are looking to acquire some companies in Senegal.

Who are the key partners for GFI in Morocco?

In Morocco, we serve more than 300 active customers with maintenance contracts. These include private customers, large industries, multinational firms, and public-sector entities. We help them evolve their IT systems.

What kind of digital opportunities does the company see in Africa?

Africa remains the least developed continent in the world unfortunately, but this trend can be reversed with new technologies. Thanks to digitalization, countries such as Rwanda have completely transformed themselves. Kenya is another such example. Africa is perfectly positioned to use the latest technologies and innovations and get ahead of the curve—we are not obliged to go step by step. Our ambitions reflect the desire of our African subsidiaries to remain in the top class of companies considered to be export champions. We give the best of ourselves to consolidate this position and to establish ourselves as a true partner of customer information systems in all

countries in Africa. The trust GFI has in its employees is a key element of its approach to the market, because the companies that trust us have to first deal with teams: men and women trained and certified in the latest technological advances. We are, therefore, able to advise our clients, who invest in a long-term relationship with GFI. We are consolidating our positions in Africa and developing our activity by helping companies benefit from our know-how.

What is your opinion of Moroccan human talent and gender equality?

I would say that there is a difference between what is possible and what is being done in Morocco. Women enjoy equal rights in Morocco. The labor law has been upgraded to ensure equal pay, equal treatment, and so on. Moreover, the nationality law was amended to give women the ability to pass citizenship to their children. Women in Morocco, unlike in other regional countries, do not need permission to work, open an account, or establish a business. In terms of access to education, a great effort has been made. As a result, the enrollment rate of girls is as high as that of boys. It is lower particularly in rural and underprivileged areas because there is a lack of infrastructure. Overall, there is a lack of implementation. Unfortunately, the difference becomes more tangible in the professional world because we have not yet created an environment that allows women to reconcile their personal and professional lives. A national strategy is needed to increase the female participation rate in the workforce. At present, it is around 21-22%, while for men it is between 70 and 75%. According to a World Bank study, higher female participation can help Morocco boost its growth rates by up to 2%. ✖

BIO

Saloua Karkri-Belkeziz has been the President of GFI Africa since 2019. Previously, she was CEO of GFI Morocco from 2003 until end-2018. She is the founding and honorary president of the Association of Women Entrepreneurs of Morocco, as well as president of the Federation of Information Technologies and Offshoring. As an entrepreneur with decades of invaluable experience, she is also member of the board of directors of the General Confederation of Enterprises in Morocco. In 2000, she was decorated with the Royal Wissam El Arch by the King.

do better, DO MORE

Fatime Zohra Outaghani
CEO,
PR MEDIA

A Moroccan influence consultancy firm with a North African geographic footprint, PR Media's reach covers the entire continent and beyond.

PR Media started its operations 16 years ago. What have been its main successes?

PR Media was established in 2004 and became a pioneer in the public relations sector in Morocco and more broadly North Africa. We quickly understood that we had to rely on experts and dedicated services to bring their voices to a variety of audiences such as the media, consumers, influencers, and so on. We have seen some great successes. The first was our expansion into Morocco, Algeria, and Tunisia. We have been affiliated with the American giant H+K Strategies since 2005, which gives us the benefit of a network of key expertise throughout Africa, both French and English-speaking. Our growth is also embodied in our human resources, namely the 50 or so consultants who make up the agency's strike force. Our third success concerns the diversity of our sectors of intervention. We cover a wide spectrum from energy to entertainment, food processing, cybersecurity, sports, luxury goods, real estate, wellness, transport, consumer goods, and more.

You are an established player in the communications field. How did PR Media reach this point?

This is the result of the recognition of our customers. We have been working with some companies since our creation, which is quite rare in our industry. Our ability to listen and adapt is fundamental. We have successfully taken every turn in the transformations that have affected markets since the early 2000s: the mobile revolution, the internet revolution, the digital revolution, and so on. We have evolved by being proactive, accompanying changes, and even showing pedagogy toward our customers, who are not always informed and aware of new uses. A few years ago, we created a subsidiary entirely dedicated to digital and the management of e-influencers and digital communities.

How do you differentiate yourselves from other agencies?

We are a leading agency because our expertise is recognized, and our clients' interests are our top priority. We develop relevant and effective strategies for them, often going beyond what they expect and with concrete, measurable results in line with their objectives. This is our corporate culture: always do better, always do more. Our support and our ability to guide are strong differentiators.



How do you make sure you remain up to date in such a fast-paced world?

PR Media has a strategic monitoring department that regularly updates its working standards, tools, and methods. This allows us to stay one step ahead of the transformations that will impact our activities. More broadly, we have reviewed our organizational model by abandoning the traditional silo-based operation and moving from a vertical to a horizontal structure.

What is your assessment of AI, big data, and automation?

We conduct regular research to better understand the expectations of journalists, influencers, consumers, and citizens in general. We rely on advanced analytical tools with which we can better identify the major themes of conversations on social networks as well as the tone. The predictive data offered by AI can be used to target content that will have the greatest impact. We also use platforms that help us monitor media and predict the impact of news on our clients' image.

Can you tell us about your international expansion?

PR Media is a Moroccan agency, with a North African geographic footprint and a reach that covers the entire continent and beyond. With our affiliation with H+K Strategies, we can operate in all territories, relying on teams that have a perfect understanding of the country where they are located. We are a local but also a global agency, with the conviction that digital technology is changing the notion of borders.

What is your target for 2020?

We have successfully evolved from a PR agency to an influence consultancy firm. In 2020, this trend will continue with the in-house development of new services and skills based on the possibilities offered by recent technological developments. ✖

***From pioneer
PR agency
to influence
consultancy firm***

BIO

After a successful career in sales and marketing, Fatime Zohra Outaghani founded PR Media in Casablanca in 2004. The agency is now a major consulting firm for companies and organizations in Morocco and across Africa. Multi-award-winning, PR MEDIA is ranked the most successful Moroccan agency in the SABER Awards Africa, the equivalent of the Oscars in the public relations sector.



Monique El Grichi
GENERAL MANAGER,
MOSAÏK COMMUNICATION



Zaidi Fouad
GENERAL DIRECTOR,
BARID MEDIA

MEDIA PLAYERS

On the back of close cooperation with public authorities, Mosaïk Communication and Barid Media have helped Morocco reach the top-10 list of countries that have succeeded in achieving true digitalization.

How do you evaluate the PR and communications sector in Morocco?

MONIQUE EL GRICHI Ours is a dynamic sector, and despite a recession linked to the global crisis, it remains dynamic and quite structured. Indeed, we are much closer to a Western European model. We have many national and international clients such as Bank of Africa, Salafin, and Orange. The sector is rapidly changing due to digital communication; our clients ask themselves many questions about how to do business in today's market, and we accompany them in their digital transformation. The future of the sector is digital, yes, but the traditional media remains powerful. For example, the TV channel 2M reaches 10 to 15 million Moroccans daily.

How is Morocco's digital transformation progressing?

ZAIDI FOUAD We cannot digitalize our processes without having the proper regulations in place. In 2008, Morocco introduced Law 53.05 to ensure the same legislations for both digital and physical information. We used this law to become the first operator for digital and electronic signatures. On the back of this, we can create a mini digital platform to enable

all citizens and companies to use digital government services. We need to train citizens and companies to go digital and also acquire their trust. The government has to launch programs and initiatives to explain to society how digitalization is a positive thing. We also need to hire young people because they have the ability to quickly adapt to digital systems.

Who are Mosaïk's key stakeholders?

MEG For 25 years now, we have been supporting all the major strategic sectors that are advancing Morocco and Africa in general. Today, we have the opportunity to accompany one of the leaders in terms of banking, Bank of Africa. In the transport sector, we accompany CTM, the Moroccan leader in land transport. We also accompany Royal Air Maroc, which has a true hub strategy. Today, Casablanca has become one of the most important African hubs and an African leader, and Royal Air Maroc has integrated with the One World association.

How do you make sure that your services are up to date?

ZF We are connected to many technology operators such as Big Blue, IBM, HP, Amazon, and Google. We use our part-

nerships with big players around the world to provide technology services to our customers in the public and private sectors.

Does Mosaïk Communication also collaborate with institutional bodies?

MEG The Mohammed VI Museum and Casa Tramway are two of many projects where we work hand in hand with the government. There is a real awareness among decision-makers that culture is an extremely important element today and a lever of development. In its broadest sense, culture is a tool for fostering open-mindedness and creative expression. The Rabat Biennale welcomes hundreds of thousands of visitors, and we help lay the foundations of the cultural industry.

How do you envision Morocco's digital future?

ZF Morocco ranks among the top-10 countries in the Universal Postal Union's ranking of countries that have succeeded in achieving true digitalization. Morocco has also managed to launch electronic tenders. We are working with the local authorities to digitalize all services. For example, the Watiqa application that we have developed allows any Moroccan to access public services from anywhere in the world. Moreover, we have an end-to-end digital platform for entrepreneurs. So far, 115,000 entrepreneurs have signed up. There are still things we need to do to accelerate the country's digital transformation because it all comes down to infrastructure. We have three telecoms operators and optical fiber connections in the majority of cities, but there are still many areas that are not well served. We need to overcome such challenges so that Morocco can progress faster.

What are your goals for 2020?

MEG Morocco today needs 5-6% growth in order to create jobs and wealth. His Majesty set up this commission, but beyond the commission, which mobilizes an entire country around a high-quality committee, we need to bring all the stakeholders on board. We need to make sure we have a new model for economic development.

ZF Our main goal in the next three years is to double our turnover. Our vision is to be the first company in the BPO sector to go fully digital. We also plan to expand into Africa, in particular French-speaking countries in West Africa. ✖

know-how FOR SALE

Noureddine Gnaou
GENERAL MANAGER,
SOREMAR HOLDING

Soremar Holding has overcome several hurdles in the recent past to arrive at a stage where it is better prepared than ever before to go public and fulfill its vision for the African continent.



You were part of London Stock Exchange's ELITE Program. Why did you participate in this program, and how do you evaluate your experience?

The ELITE program was introduced around the time we decided to enter the stock exchange. Morocco then signed an agreement with the London Stock Exchange to join the ELITE program, and we benefited from a one-year training at the Casablanca Stock Exchange. We have made significant progress, even if there has been a bit of delay recently because of the tax controls. We have passed all the controls and we have done the ELITE training; therefore, we are better prepared today than we were yesterday.

Where do you stand today in terms of your IPO?

Over the last two years, it has been slightly delayed because there have been a number of tax audits. The tax authorities needed money so it taxed companies, meaning 2020's results will not be as good as expected. When you want to go public, you have to look at the last three years; however, we will get there, in spite of our delay.

Your company has dominated the market of vessel monitoring systems (VMS). What has allowed Soremar to become a market leader?

It does not happen overnight. It is 36 years of hard work and seriousness. We are in a maritime niche so we shine because this sector is like a club. Being a part of this family is not only an honor, but something we must live up to.

Your services rely heavily on technology. How have digitalization and AI impacted your value proposition?

Today, any ship owner can know where his boat is—he can see it and he can communicate with it by satellite or message. This is a plus. When I

started, we sold our know-how: there were four or five components to change in a radar for which we would bring the parts and install them. Today, for the same broken radar, you look quickly and see if the card has to be changed. If you have the part, you put it in, and the commander signs off. If you don't have it, you pass it along. Previously, machines were indefinitely repairable; today, they are disposable. No one has a choice. We go with the flow, we adapt, and we work. There is an important human element that has disappeared as a consequence of technological advancements.

What is Soremar's vision in the medium and long term?

Our first objective is to go public. Second, we are planning a development in Morocco, whereby our 17th agency will open this year. We must always keep moving forward. There is also the African vision.

In financial terms, how do you evaluate 2019?

Our turnover in 2019 grew 6% YoY, but it was a difficult year financially. For the investors, it is a matter of trust. As soon as this trust is affected, everything stops. There has to be a plan, a vision, and a schedule and one can enact it by pushing the sector to go along with you. According to official figures, 8,400 companies shutdown in Morocco in 2018. In 2019, that number increased by 5%.

How have payment delays impacted operations in the sector?

Currently, everybody is cautious; before selling equipment to a customer, you must check if he is solvent or not. Even the banks have started using ratings. This means companies with bad ratings will have a hard time surviving. ✖

6%

turnover growth in 2019

Efforts to expand networks
mean mobile coverage
in even the most remote
locations





Mohamed Benboubker
MANAGING DIRECTOR
& CO-FOUNDER,
MOBIBLANC



Rabii Touhami
CEO,
GEMADEC

IT PLAYERS

Although present at different stages of the IT value chain, both Mobiblanc and GEMADEC are ready to play leading roles in Morocco's digital transformation journey.

What are the main needs of your clients today, and how does your company add value?

MOHAMED BENBOUBKER Every company is talking about digital transformation. Everyone wants to transform themselves, but they do not know where to start. Few companies are able to design, develop, produce, and launch something in the digital business, such as smart cities. But what do people think of smart digital services? Everyone talks about public services but are citizens aware that there are public services for his or her happiness? This is where we come in. We say let's stop talking about strategy and let's start acting. We are on the pragmatic side of things.

How would you evaluate the impact of the ELITE program on your business?

RABII TOUHAMI It was positive. We are a small business with institutional shareholders at the corporate level, which means that we have a corporate governance structure that far exceeds our size. The ELITE program made us operate as though we were listed on the stock exchange. We will also settle in Casablanca Finance City by the end of 2020. Today, there are no borders digitally speaking, so we also have to conform to international

standards. ELITE allowed us to reach these standards in terms of governance, management, and processes. Notably, we are among the few companies in Morocco that have a Capability Maturity Model Integration (CMMI) certification.

What is your evaluation of the efforts being made to digitalize Morocco?

MB The problem is that we want to import ready-made projects created by major international players. We have to be braver. What we have proposed is a local ecosystem. We need project managers at a client's site and continuous innovation. We need empiricism. We need to learn how to do things frugally. As we learn, we will figure out how to adapt things to our financial capacity. We need to develop an ecosystem of developers, innovators, local business models, mobile payment applications, and so on. From there, we will create innovations adapted to the economic needs of Morocco. As a result, we will be able to create our own innovations.

RT On the digitalization side, there has been much progress in recent years. Today, we can apply for an identity document or a passport through an online portal. Soon, people will be able to go

to the post office and ask for help in accessing government digital services or ordering a product online to be delivered by mail. This will help break down the barriers among the population that is unwilling to embrace digitalization. Overall, Morocco has made great progress. Now, we must guide people because there is always resistance to change.

What is the start-up ecosystem in Morocco like?

MB The market must identify and qualify good start-ups from bad ones. I am in a network called Réseau Maroc Entreprendre, where we mentor start-ups. Some 87% of our start-ups are successful because we manage them in a realistic and pragmatic way. Even though access to capital is difficult, it does not mean we will stop innovating. We need training, education, risk-taking, soft skills, financial market, and mentors. If we know the rules of the game, we know what to do to create Moroccan technology companies like Hightech Payment Systems (HPS).

How can one remain innovative in a market that is constantly evolving?

RT We have been in business for more than 40 years. Today, we still question ourselves every day, as we have to try to come up with new ideas and solutions. We have set up GEMADEC Innovation, an incubator for start-ups. It allows us to attract a certain number of start-ups with interesting positions, know-how, and skills. It is vital that we can take advantage of it, as this gives us more agility. I had an engineer who was going to leave because he wanted to start his own project; instead of increasing his salary to keep him, I invested in his idea and made it a part of our ecosystem. We have to change every day, or else we will be left behind.

What are your goals for 2020?

MB We have created a second company called Ackordéon. Its idea is to sell talent instead of services. 2020 will be about creating centers of competence for my major clients.

RT We have a project called Biometry to Africa, whose objective is to bring our biometric know-how to all countries in West and Central Africa. This will become a major activity for GEMADEC in the near future. ✖

FREIGHT TRAFFIC AT PORTS (MLN TONS)

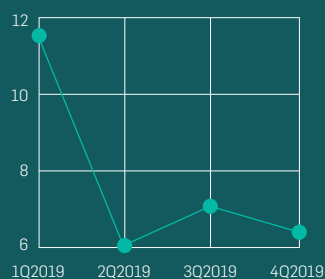
SOURCE: HIGHER PLANNING COMMISSION IN MOROCCO

Imports	2015	2016	2017
Casablanca	496	776	504
Jorf Lasfar	396	385	77
Safi	1,420	1,458	1,458
Tanger Med	265	365	417
Beni Ansar	436	369	102

Exports	2015	2016	2017
Casablanca	127	139	117
Jorf Lasfar	34	-	-
Safi	2,412	2,771	2,633
Tanger Med	234	280	331
Beni Ansar	45	33	69

COMMERCIAL AIR TRAFFIC (MLN)

SOURCE: MOROCCAN AIRPORTS AUTHORITY (ONDA)



VEHICLE REGISTRATION BY ORIGIN, 2017

SOURCE: HIGHER PLANNING COMMISSION IN MOROCCO

	Locally produced	Imported
Passenger cars	26,521	107,094
Motorcycles	28,937	29,452
Commercial vehicles	7,079	41,408



A plane on the tarmac at Fes Sais International Airport

Image: schusterbauer.com