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King Mohammed VI (1999-present) dismisses Parti de la Justice et du Démocratie (PJD) leader Abdelilah Benkirane (2011-2017) as prime minister and names fellow PJD member Saad Eddine El Othmani (2017-present) as his successor. The king gives El Othmani until 31 March to form a government. United Nations (UN) envoy to the contested Western Sahara region Christopher Ross tenders his resignation to new UN secretary general Antonio Guterres. Guterres and the king have a phone call that results in the withdrawal of Moroccan troops from the Guarguarat demilitarised zone. The World Bank approves a \$150m programme in Morocco to support entrepreneurship and a new national vulnerability identification programme.

Mohammed VI sacks Benkirane & appoints El Othmani as prime minister

King **Mohammed VI** (1999-present) dismissed **Parti de la Justice et du Démocratie (PJD)** leader **Abdelilah Benkirane** (2011-2017) as prime minister and named fellow PJD member **Saad Eddine El Othmani** (2017-present) as his successor on 16 and 17 March respectively.¹ Mohammed VI has demonstrated his ongoing executive power and taken action to end the five-month deadlock between the PJD and potential coalition partners following elections in October. When appointing El Othmani on 17 March, Mohammed VI made it clear that he has only until the end of the month – two weeks – to form a coalition government, or else the palace will take further action.² Mohammed VI released a statement saying that he had asked Benkirane to step down from his position:

*"... in the absence of signs that suggest an imminent formation [of a government]... [and because of] his concern about overcoming the current blockage ... I thank Abdelilah Benkirane for his effectiveness, competence and self-sacrifice."*³

Benkirane released a statement shortly after saying that he accepted Mohammed VI's decision, which is within the framework of Morocco's 2011 constitution, and would "continue working on the ground".⁴

Mohammed VI appointed El Othmani to the position of prime minister on 17 March.⁵ El Othmani served as foreign secretary from 2012 to 2013 and as the leader of the PJD in Morocco's parliament from 2013 to present.⁶ El Othmani is also a close supporter of Benkirane and commentators view the decision as an attempt by Mohammed VI to respect the spirit of the PJD winning the most seats (125), their best electoral result to date.⁷

*"This is a clever move by the king, I have heard through PJD people I know that he allowed Benkirane a say in choosing his successor...everyone within the senior ranks of the PJD was frustrated that Benkirane could not deliver a government, and those people are not complaining that much about El Othmani coming in."*⁸

¹ Le Matin, 21 Mar 2017.

² Le Matin, 17 Mar 2017.

³ Telquel, 16 Mar 2017.

⁴ Telquel, 16 Mar 2017.

⁵ Le Matin, 17 Mar 2017.

⁶ Le Matin, 17 Mar 2017.

⁷ Le Matin, 21 Mar 2017.

⁸ Source, senior political analyst, Rabat

The PJD is in deadlock with its potential coalition partner the **Rassemblement National des Indépendants (RNI)**, and there was particular animosity between Benkirane and RNI leader **Aziz Akhannouch**. The RNI wants to add three other left-wing parties to the coalition. The PJD and RNI agreed on the **Mouvement Populaire (MP)** and **Union Constitutionnelle (UC)**, but Benkirane's PJD objected to including the **Union Socialiste des Forces Populaires (USFP)** that performed poorly in the elections.⁹ Benkirane gave a defiant speech on 12 March saying that he would not make any further concessions over the role of the USFP, a key demand of the RNI.¹⁰ He said that if the USFP formally joins the government, the PJD will pull out.¹¹ It is not yet clear what stance El Othmani will take on this. Akhannouch is a close friend of Mohammed VI and the RNI is a royalist party close to the palace; some PJD supporters claim that Mohammed VI has used RNI to get Benkirane out of government.¹² However, the official line from the PJD is that it respects the king's decision and approves of El Othmani as the next leader.¹³ There is also a hope amongst local commentators that El Othmani, a clinical psychologist by training, may be able to overcome some of the personal animosity that developed between Akhannouch and Benkirane.¹⁴

"I think that Benkirane had had enough, he built the PJD from the fringe into the largest party in government, but he is not a man of compromise and it was getting very personal with Akhannouch."¹⁵

Othmani chaired an emergency session of the PJD council on 18 and 19 March, which decided that they would start fresh coalition negotiations.¹⁶ The PJD has invited all political parties to come to the table to discussion forming a coalition.¹⁷ The process started on the 20 March with discussions with the **Parti de l'Authenticité et de la Modernité (PAM)**, a royalist party that won 102 seats.¹⁸ However, the PAM is the PJD's primary electoral rival and the talks did not last the day.¹⁹ The PJD is reportedly now in talks with **Istiqlal**, which holds 46 seats and was a coalition partner to the PJD from 2011 to 2013.²⁰

"The ideal result for the PJD is that it manages to avoid the RNI altogether and form an alliance with Istiqlal, and the MP. However, it needs to bridge the rift between the two parties in order to make this happen."²¹

Both the PJD and its potential partners are rushing to claim the dominant position in the new coalition negotiations. The PJD hopes that its mandate combined with the king's time limit will force the other parties to drop some of their more onerous demands. The party would also benefit from cutting the RNI out of the coalition – it would allow their voter base to see the last five months and the firing of Benkirane as something of a victory. However, the RNI will see the time limit as leverage to force the PJD into a corner and accept a coalition with the MP, UC and USFP. The king has yet to declare what will happen if El Othmani does not form a government by 31 March. It is likely that the king would appoint PAM leader **Ilyas El Omari** prime minister and invite him to form a government instead. The PAM would then need to form a coalition with either the RNI or Istiqlal and at least three other parties to gain the 198 seats needed for a majority.

⁹ Telquel, 16 Mar 2017.

¹⁰ Telquel, 12 Mar 2017.

¹¹ Le 360, 15 Mar 2017.

¹² L'Economiste, 17 Mar 2017.

¹³ L'Economiste, 17 Mar 2017.

¹⁴ Le Matin, 21 Mar 2017.

¹⁵ Source, senior political analyst, Rabat

¹⁶ Quartz, 21 Mar 2017.

¹⁷ Quartz, 21 Mar 2017.

¹⁸ Quartz, 21 Mar 2017.

¹⁹ Quartz, 21 Mar 2017.

²⁰ Quartz, 21 Mar 2017.

²¹ Source, senior political analyst, Rabat

UN Western Sahara special envoy resigns

United Nations (UN) envoy to the contested **Western Sahara** region **Christopher Ross** tendered his resignation to UN secretary general **Antonio Guterres** on 3 March.²² The appointment of a new special envoy by the UN increases the chance of movement in the stalled peace process over the region. Ross has presided over a stalled peace process for eight years and it is highly likely that Guterres asked him to resign in order to attempt to move the process forward.²³ The UN has yet to announce a replacement, or comment how long the process of finding one will take. Morocco and the **Polisario Front (PF)**, which claims Western Sahara on behalf of the **Sahwari Arab Democratic Republic (SADR)**, have been in UN-moderated talks on and off since a ceasefire agreement in 1991. Ross took over the brief in 2009 as head of the **Mission des Nations Unies pour l'Organisation d'un Référendum au Sahara Occidental (MINURSO)** and attempted to restart talks to organise a referendum on the sovereignty of the region.²⁴ However, Morocco pulled out of the talks in 2012, claiming that Ross was biased in favour of the PF and SADR.²⁵ The claims revolved around Ross not accepting the so-called autonomy proposal, which would give the option to create an autonomous region within the Moroccan state, not under the government of the PF.²⁶ Talks have stalled for the past five years. UN political affairs director general **Jeffrey Feltman** told the media that Ross:

*"... has worked for eight years...[but] has been unable to bring the parties back to negotiations. He [Ross] has offered his resignation for the secretary-general to act upon when he sees fit."*²⁷

The Moroccan media covered the resignation positively, and believe that Guterres will appoint an envoy more sympathetic to their case.²⁸

*"Ross became nothing more than a mouthpiece for Polisario and Algeria, he should have gone years ago."*²⁹

Their optimism is bolstered by a phone call between King Mohammed VI and Guterres on 26 February that resulted in Morocco pulling troops out of the **Guarguarat** demilitarised zone.³⁰ The foreign ministry made a statement announcing the withdrawal of troops on 27 February.³¹ Guarguarat forms part of a UN-enforced 2.5km wide buffer region between Morocco-controlled and PF-controlled Western Sahara, along the border with **Mauritania**.³² The Morocco government began a programme of tarmacking roads through the region, to allow for a better flow of trade into **sub-Saharan Africa** and to combat smuggling.³³ The PF argues that this breaches the terms of the 1991 ceasefire with Morocco, and has built a forward attack base in the buffer zone to interrupt the works in response.³⁴

MINURSO forces visited the PF's base in **Tindouf** (Algeria), on 4 March to attempt to persuade them to withdraw their forces from the area too.³⁵ The PF released a statement on 3 March blaming Morocco for Ross' resignation, and also attacked the **UN Security Council** for their "*indifference*"³⁶ to the problem.³⁷ At time of writing they have yet to withdraw from the zone.

²² AFP, 3 Mar 2017.

²³ AFP, 3 Mar 2017.

²⁴ AFP, 3 Mar 2017.

²⁵ Morocco World News, 5 Mar 2017.

²⁶ Morocco World News, 5 Mar 2017.

²⁷ AFP, 3 Mar 2017.

²⁸ Morocco World News, 5 Mar 2017.

²⁹ Source, journalist, Casablanca

³⁰ North Africa Post 4 Mar 2017.

³¹ AFP, 28 Feb 2017.

³² Morocco World News 27 Feb 2017.

³³ AFP, 28 Feb 2017.

³⁴ AFP, 28 Feb 2017.

³⁵ North Africa Post 4 Mar 2017.

³⁶ Sahara News Service 3, Mar 2017.

³⁷ Sahara News Service 3, Mar 2017.

Morocco appears to have the upper hand in the current public relations war over Western Sahara. It has successfully rejoined the **African Union (AU)**, and has recouped its international favour by cooperating with the new UN chief. It remains to be seen if Guterres will be able to bring Morocco back to the negotiating table over a referendum on Western Sahara. Much will depend on his choice of special envoy and the political influence that they are able to bring to bear on Morocco.

World Bank approves \$150m to support entrepreneurs

The **World Bank** approved a \$150m programme in Morocco to support entrepreneurship and a new national vulnerability identification programme on 11 March.³⁸ Morocco is continuing to draw on international financial institutions to support its successful economic diversification and inclusion programmes, designed to tackle unemployment which remains high. **Marie Françoise Marie-Nelly**, the World Bank **Maghreb** director, told the media that:

“Both operations support the government’s commitment to reduce social exclusion and promote private sector growth...improving targeting of social programmes, strengthening social services and facilitating access to opportunities for entrepreneurs is the path to an inclusive growth that is beneficial to all Moroccans.”³⁹

The majority of the funding, \$100m will go towards the **Identity and Targeting for Social Protection** project.⁴⁰ This project will develop systems to identify the most vulnerable people in Moroccan society, then develop social safety nets to ensure their quality of life.⁴¹ The project will also include the development of pathways to help these vulnerable people get into work.⁴²

“There is no bigger issue for the government to tackle than unemployment, people do not believe that they have done enough to help.”⁴³

The remaining \$50m will go towards the **Financing Innovative Startups and Small and Medium Enterprises (SMEs)** project.⁴⁴ This project will facilitate an increase in private equity and quasi-equity (i.e. debt instrument) funding for startups and SMEs.⁴⁵ The project will create a co-investment fund, which will invest alongside private funders in these companies.⁴⁶ The World Bank has identified startups and SMEs as the highest net contributor to job creation in Morocco.⁴⁷ However, sources do not believe that the SME sector always benefits Moroccans:

“Morocco has all of these startups coming here for the tax breaks and the business, they mostly seem to come from elsewhere and only employ people who could get jobs anyway...what about the lack of jobs for the lesser qualified?”⁴⁸

Morocco excels at persuading the international institutions that it will be able to benefit from mid-scale programmes such as these, which develop soft infrastructure and foster expertise. Morocco is becoming a hub for startups in **North Africa**, attracted by favourable tax breaks for small enterprises and political stability. However, the government will need to translate the growth in business into employment for Moroccans. This will take not only reform of social security and investment regulation but also wide scale reform of the education system to produce more employable graduates from secondary and tertiary education.

³⁸ Morocco World News, 11 Mar 2017.

³⁹ Morocco World News, 11 Mar 2017.

⁴⁰ Morocco World News, 11 Mar 2017.

⁴¹ Morocco World News, 11 Mar 2017.

⁴² Morocco World News, 11 Mar 2017.

⁴³ Source, journalist, Casablanca

⁴⁴ Morocco World News, 11 Mar 2017.

⁴⁵ Morocco World News, 11 Mar 2017.

⁴⁶ Morocco World News, 11 Mar 2017.

⁴⁷ Morocco World News, 11 Mar 2017.

⁴⁸ Source, journalist, Casablanca

About Africa Risk Consulting:

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