
SUMMARY OF FINANCIAL MARKETS IN MOROCCO: SECONDARY SOURCE SURVEY

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NOTE

This document was prepared by Arthur Young and summarizes existing literature describing the country. Secondary sources were obtained from the International Monetary Fund, the World Bank, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank, the United Nations, and other relevant commercial sources.

MOROCCO

SUMMARY OF FINANCIAL MARKETS SURVEY

A. ENVIRONMENT

1. Stable political climate

The government of Morocco is a constitutional monarchy. King Hassan II, Head of State since 1961, appoints a Prime Minister who is head of Government. Members of the Parliament are elected to four-year terms.

Since 1973, when Spain relinquished its hold on the territory of Western Sahara, Morocco has engaged in military confrontations in its attempt to claim sovereignty over the area. The conflict and criticism of its action has led Morocco to withdraw from the Organization of African Unity and the alliance of King Hassan and General Omar Qaddafi of Libya.

2. Unstable economic climate

Morocco is facing major economic problems. The world market for country's most valuable export, phosphates, has been soft since 1981. The economy's reliance on agricultural and fisheries resources makes it highly vulnerable to climatic fluctuations. The country has suffered from increasing external debt and large budget and trade deficits.

GOM has arranged with the IMF for a Stand-by Agreement and rescheduling of its external debt. In exchange, GOM is committed to reduce its budget deficit, improve its domestic investment allocation, liberalize its trade policy, devalue its currency (Dirhams) and institute tax reform. The recent drop in oil prices should alleviate Morocco's financial crisis.

3. Stable social climate

Morocco is an Islamic nation, 99% of its population being Berber-Arabs. Koranic jurisdiction is limited to matters affecting the personal status of Moslems. Other legal questions are handled by a modern judicial court based on the French system. Morocco has a youthful population; half of it being under the age of twenty.

The official language is Arabic. French is the second most popular language, commonly used in business, government and in post-primary education. Berber dialects are spoken in some isolated areas, and Spanish is common in some Northern regions.

4. Multilateral and Bilateral Donors

- * IMF
- * IFC
- * IDA
- * IDRB
- * African Development Bank
- * Islamic Development Bank
- * Arab Bank for Economic Development in Africa
- * Arab Fund for Economic and Social Development
- * France
- * Saudi Arabia

B. ECONOMY

Morocco has a mixed economy, with government controlling most heavy industrial activities (phosphate mining and processing, energy distribution, cement and sugar production), and playing a major part in transportation, finance and trade management.

GOM, as agreed with IMF, has reduced its current account deficit to under a US\$ 1 billion. Its austerity program includes restrictions on credit expansion, the reduction of treasury spending and the adoption of flexible exchange rates. Ceilings have been set for medium and short-term external borrowing.

1. Public sector

GOM wholly owns 220 enterprises, has controlling interests in 274 companies and is a minority shareholder in another 123 businesses. In 1982, the public sector companies accounted for 21% of the national investment but financed only 11% of the investment, the rest coming from domestic and external sources. Supplier credit contracted to finance imports of capital goods has been essential to public sector industrial investment. Overall, the government is responsible for most large individual programs. Although public projects have more favorable term financing available to them they all tend to be inadequately capitalized.

List of major parastatals

- * Office Cherifien des Phosphates
- * Bureau Regional De Production Miniere (mining)
- * Societe National de Siderurgie (steel)
- * Regie de Tabacs (tobacco)
- * Societe Charifien du Petrol/Samir (refinery)
- * Charbonnages du Maroc (coal)
- * Office National des Chemins de Fer (railroads)
- * Office National de Peche (fisheries)

2. Economic sectors

a) Agriculture

The agricultural sector, which hires approximately 50% of the population is controlled by the private sector. The sector accounts for 40% of the total gross investment. Farmers provide half of the necessary finance while other funds are secured through the informal market. The government provides institutional credit through "la Caisse Nationale de Credit Agricole " (CNCA, see section E.)

b) Industry

The investment failure in Morocco averages 25%. Principal industries include industrial and consumer chemicals, and agro-businesses (mostly sugar processing). Although the textile industry has been decreasing its investment it is still the major industry of the informal private sector. The craft industry is also very important accounting for 8% of GDP. Engineering and electrical industries which are government dominated experience the lowest level of completion (under 50%).

c) Housing sector

The housing sector accounts for 15 to 20% of gross fixed capital formation, yet, real estate loans represent only 8% of the economy's total credit. Commercial banks provide virtually no funds to the sector with the exception of the "Banque Centrale Populaire" (BCP). The parastatals which provide credit to housing are the "Credit Immobiliere et Hotelier" (CIH) and the "Caisse de Depot et de Gestion" (CDG).

3. Labor force analysis

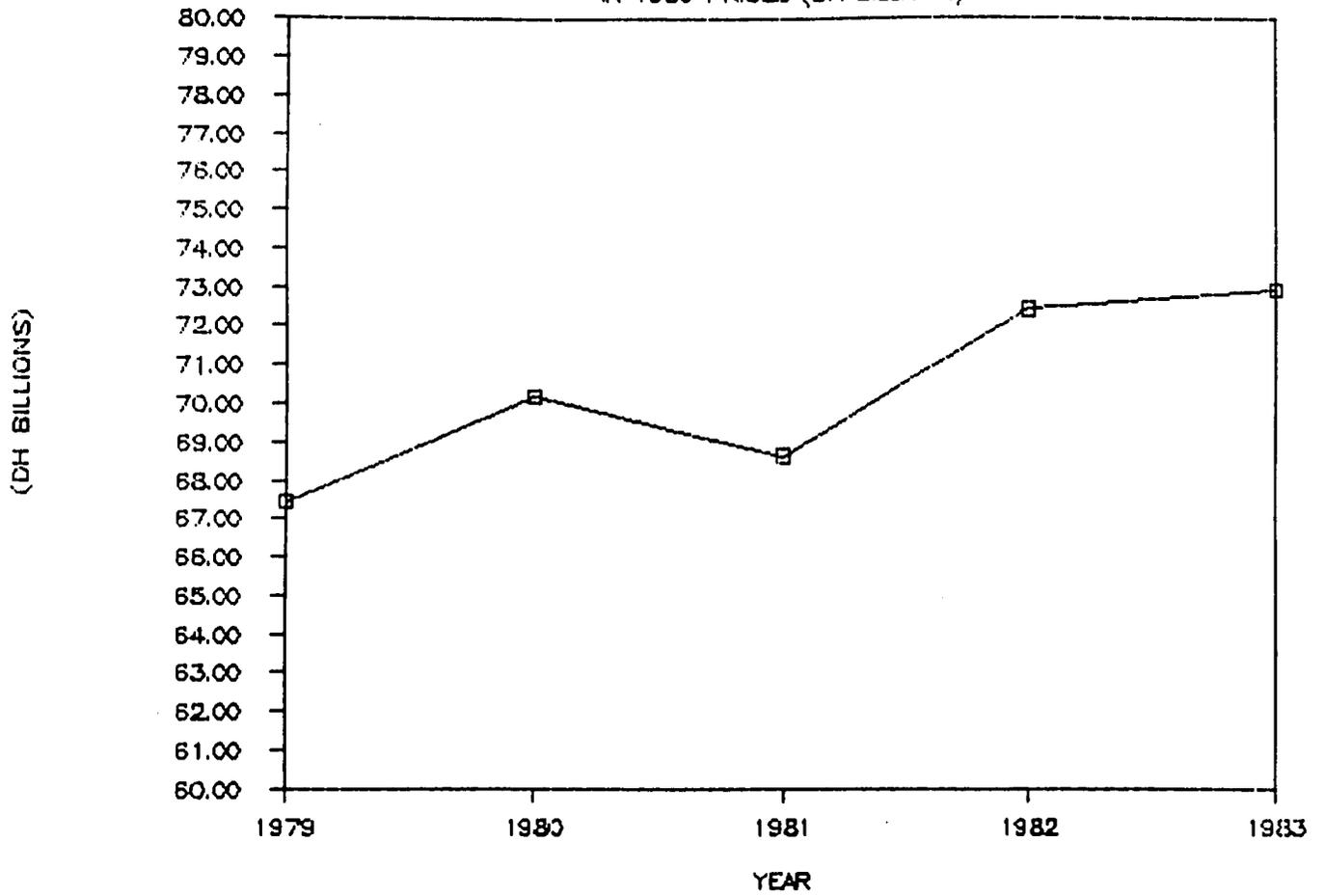
population size	22.85 millions
labor population	6.5 millions
literacy rate	20%
unemployment rate	11-20%

sector analysis

sector	% employed
Agriculture, forestry and fisheries	48
Industry	24
Commerce, transport and services	21
Government	07

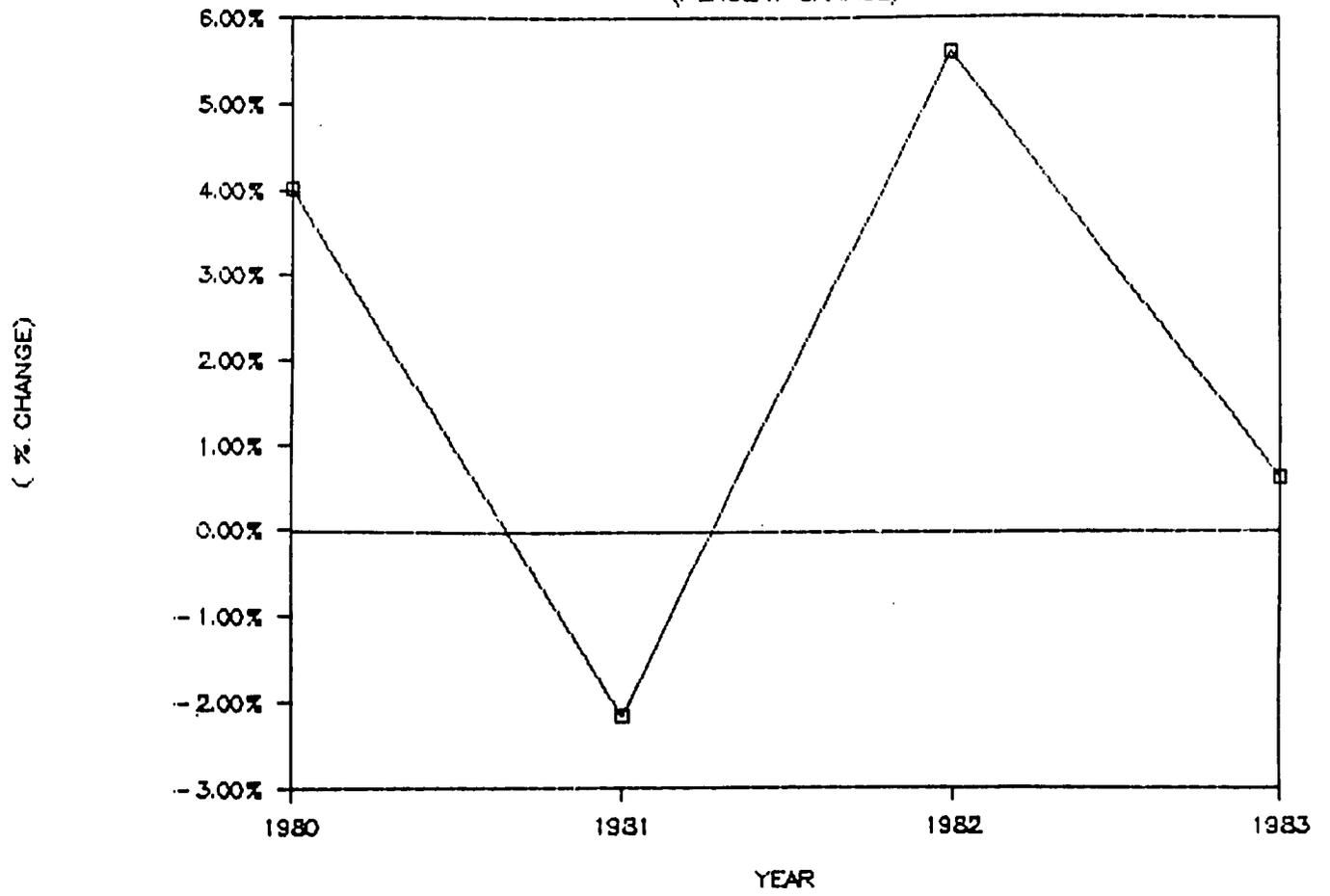
GROSS DOMESTIC PRODUCT

IN 1980 PRICES (DH BILLIONS)



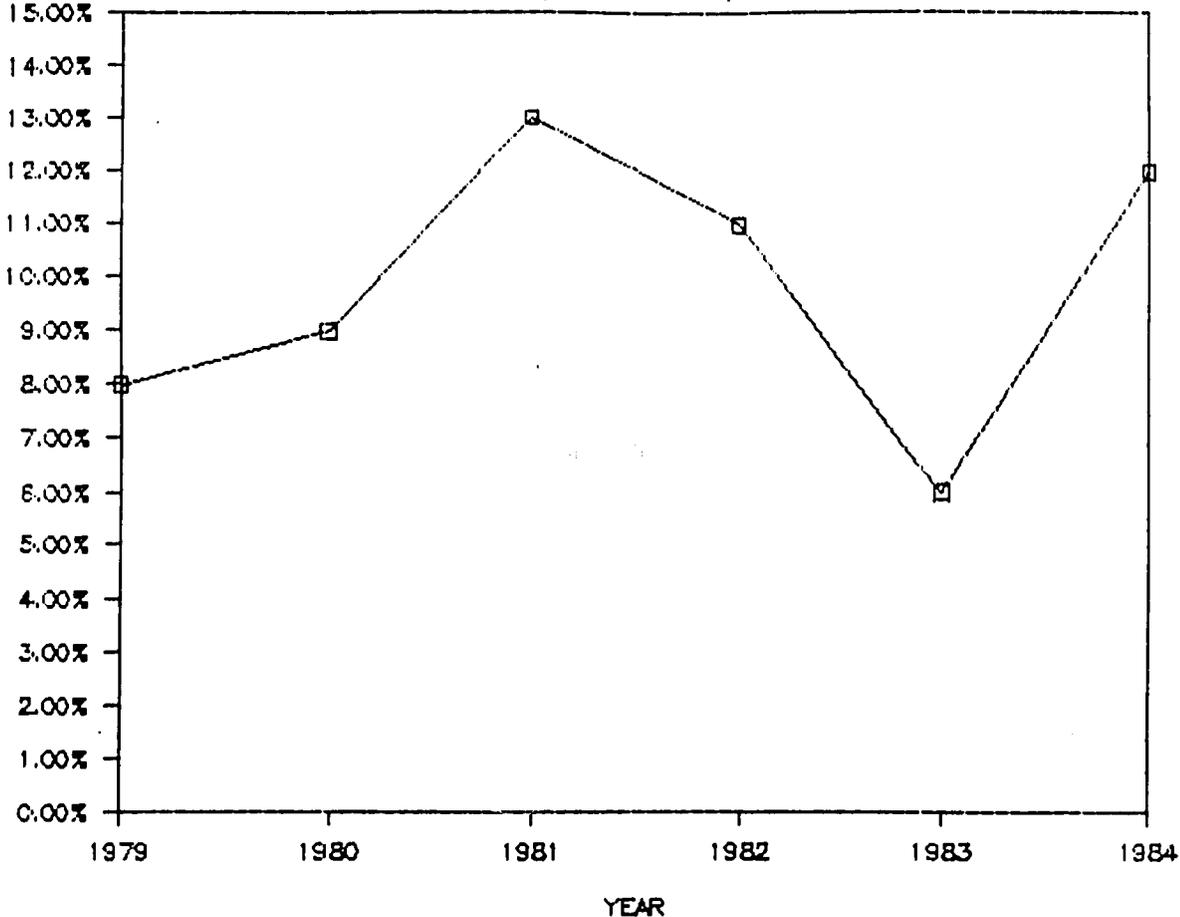
GDP GROWTH RATE

(PERCENT CHANGE)



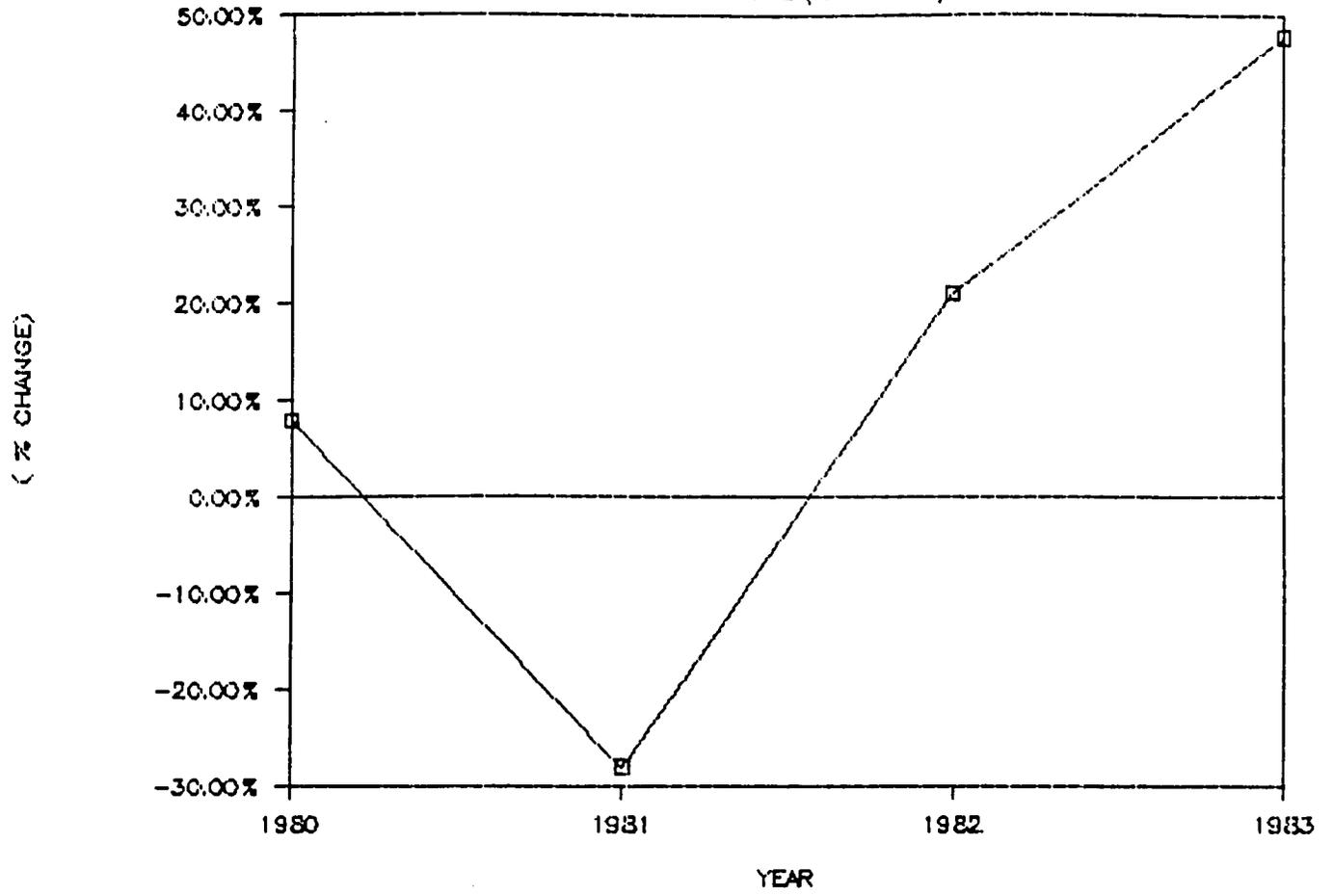
INFLATION RATE

(BASED ON CPI)



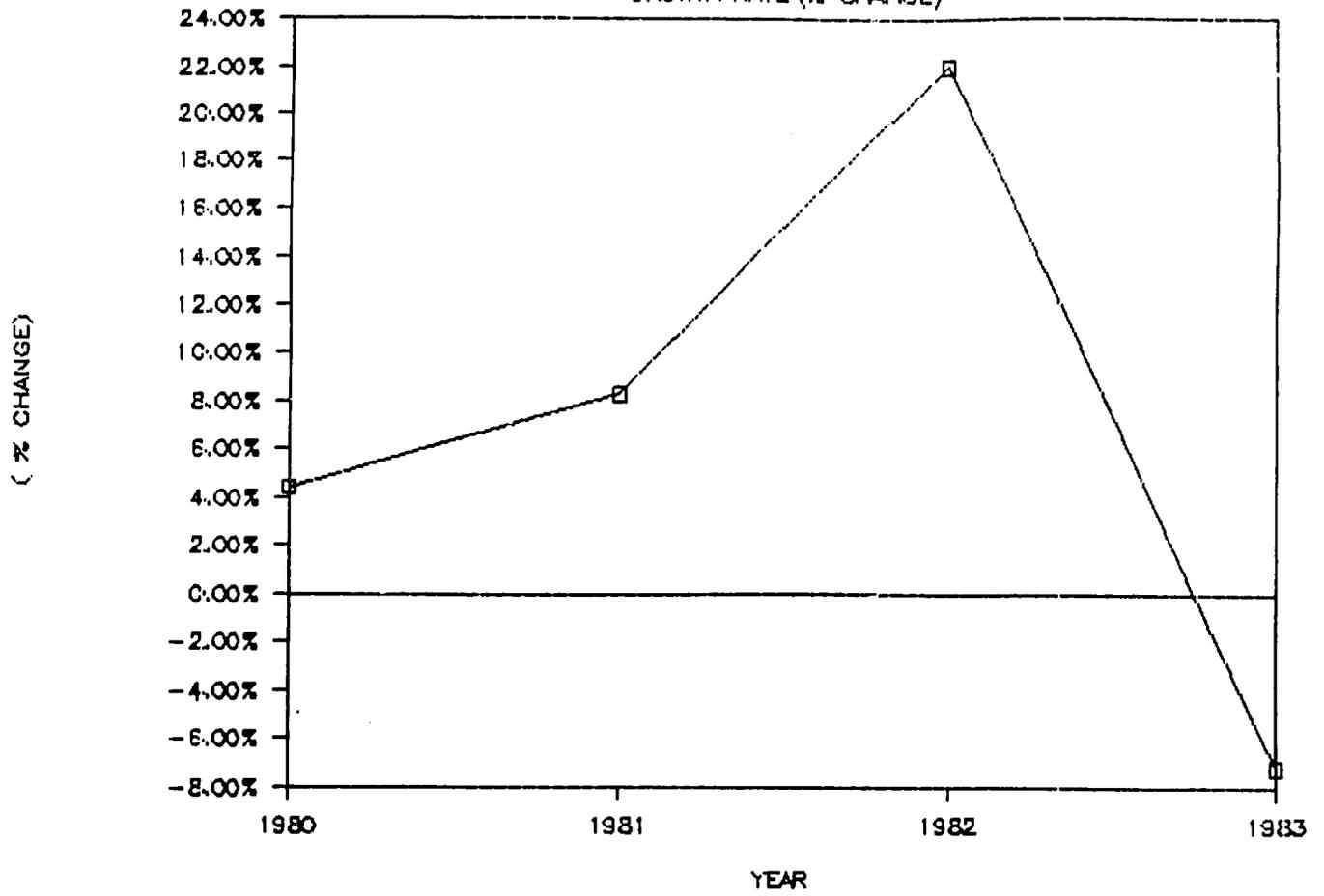
GROSS DOMESTIC SAVINGS

GROWTH RATE (% CHANGE)



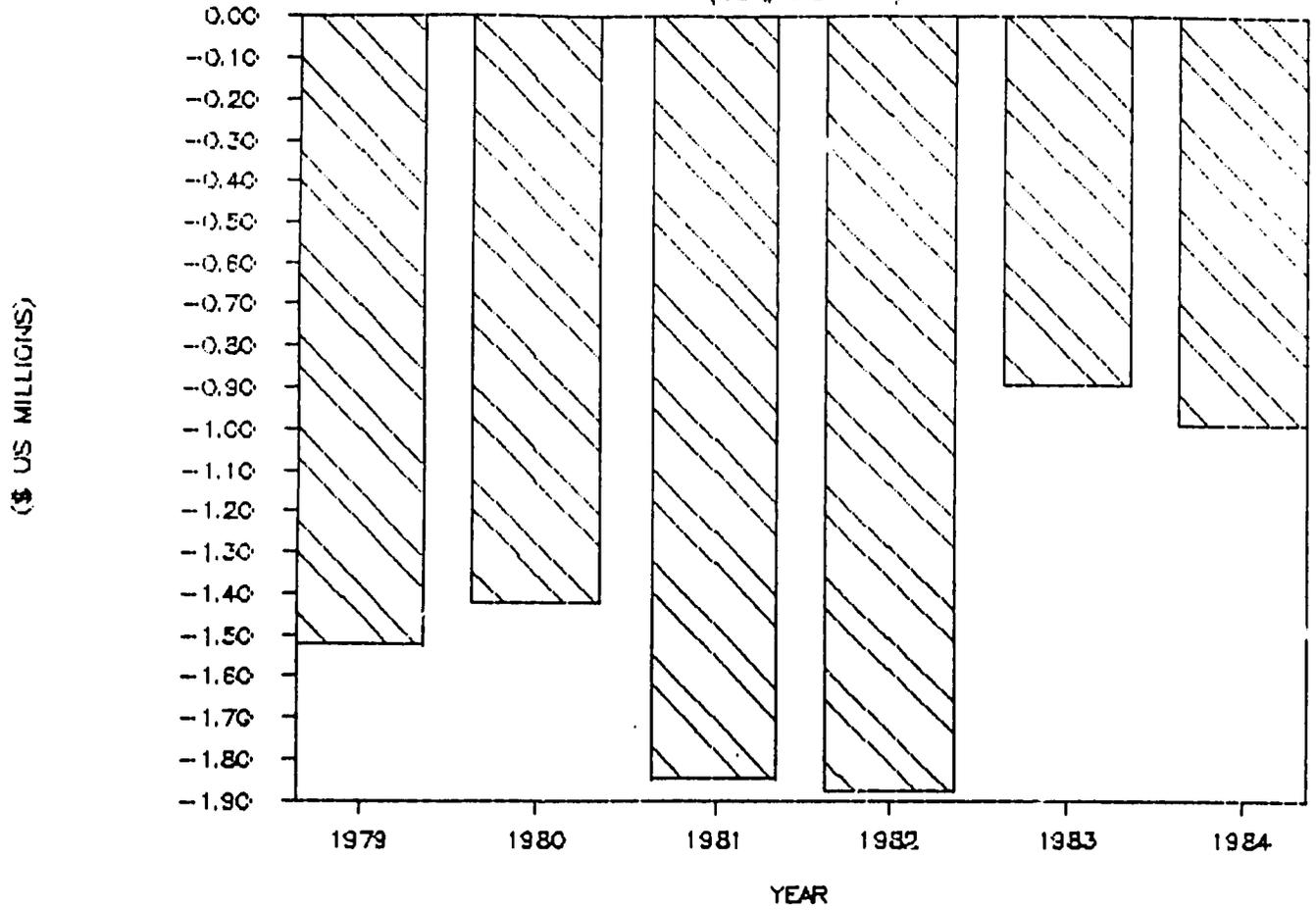
GROSS DOMESTIC INVESTMENT

GROWTH RATE (% CHANGE)



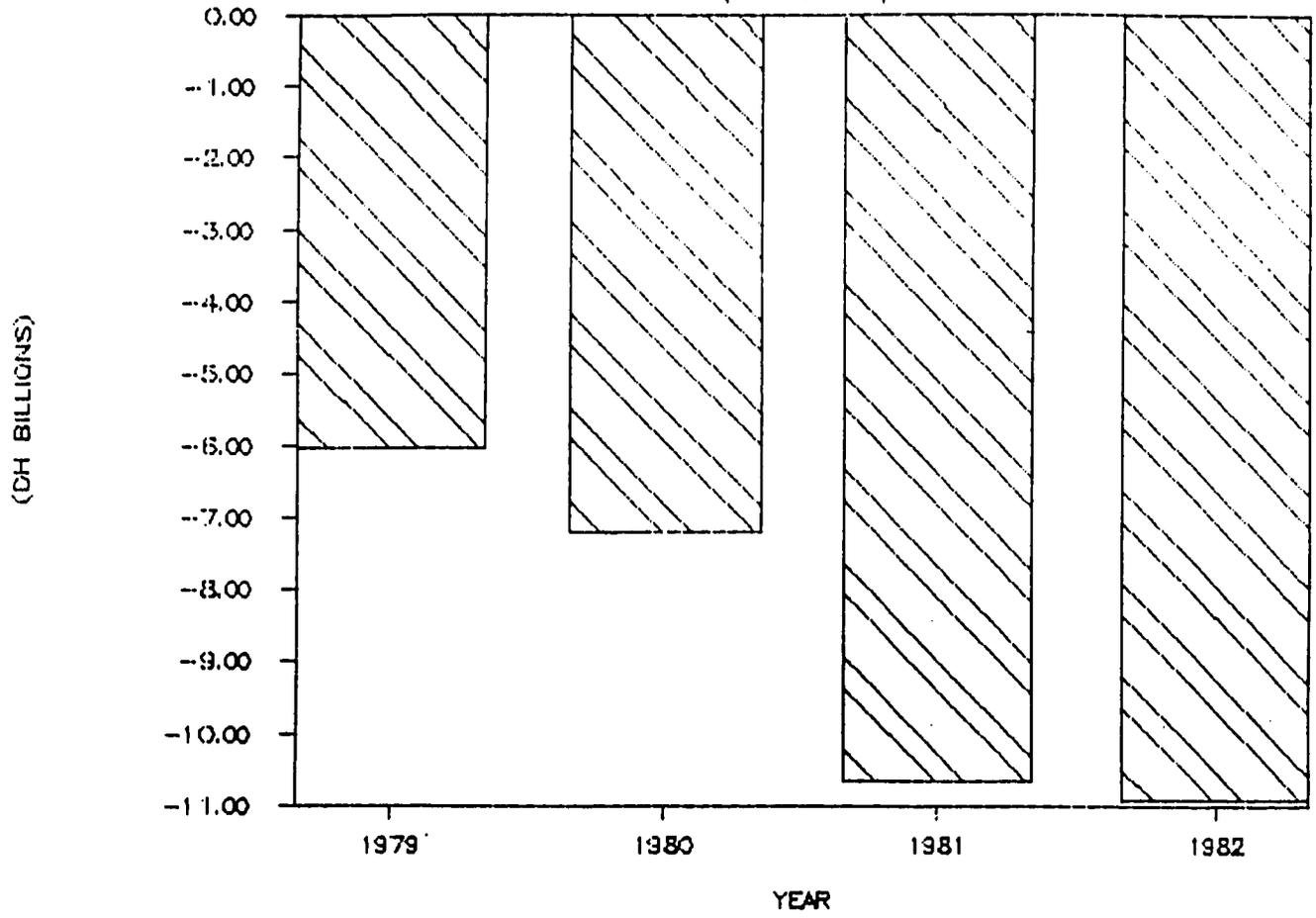
CURRENT ACCOUNT DEFICIT

(US \$ MILLIONS)



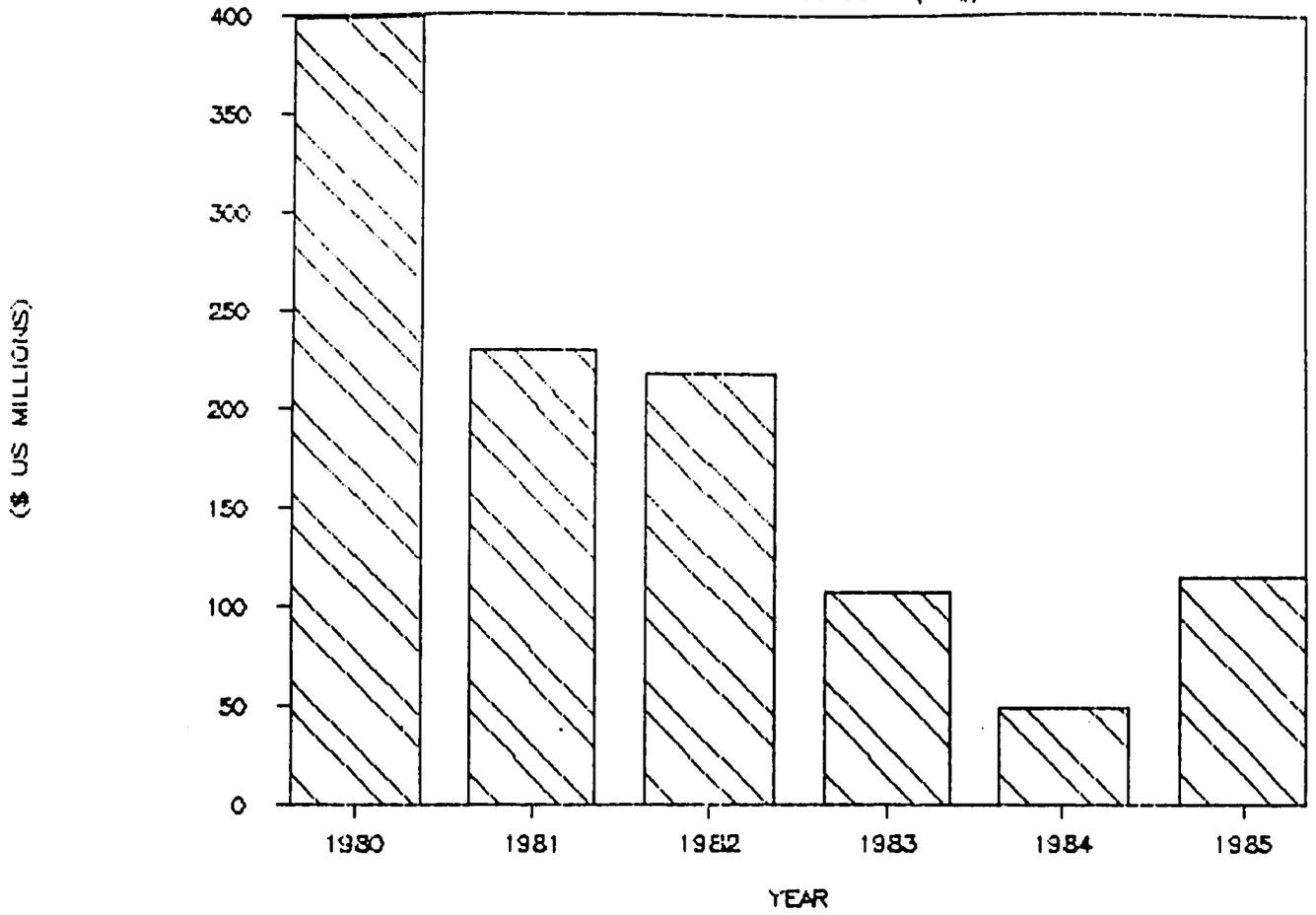
GOVERNMENT DEFICIT

(DH BILLIONS)



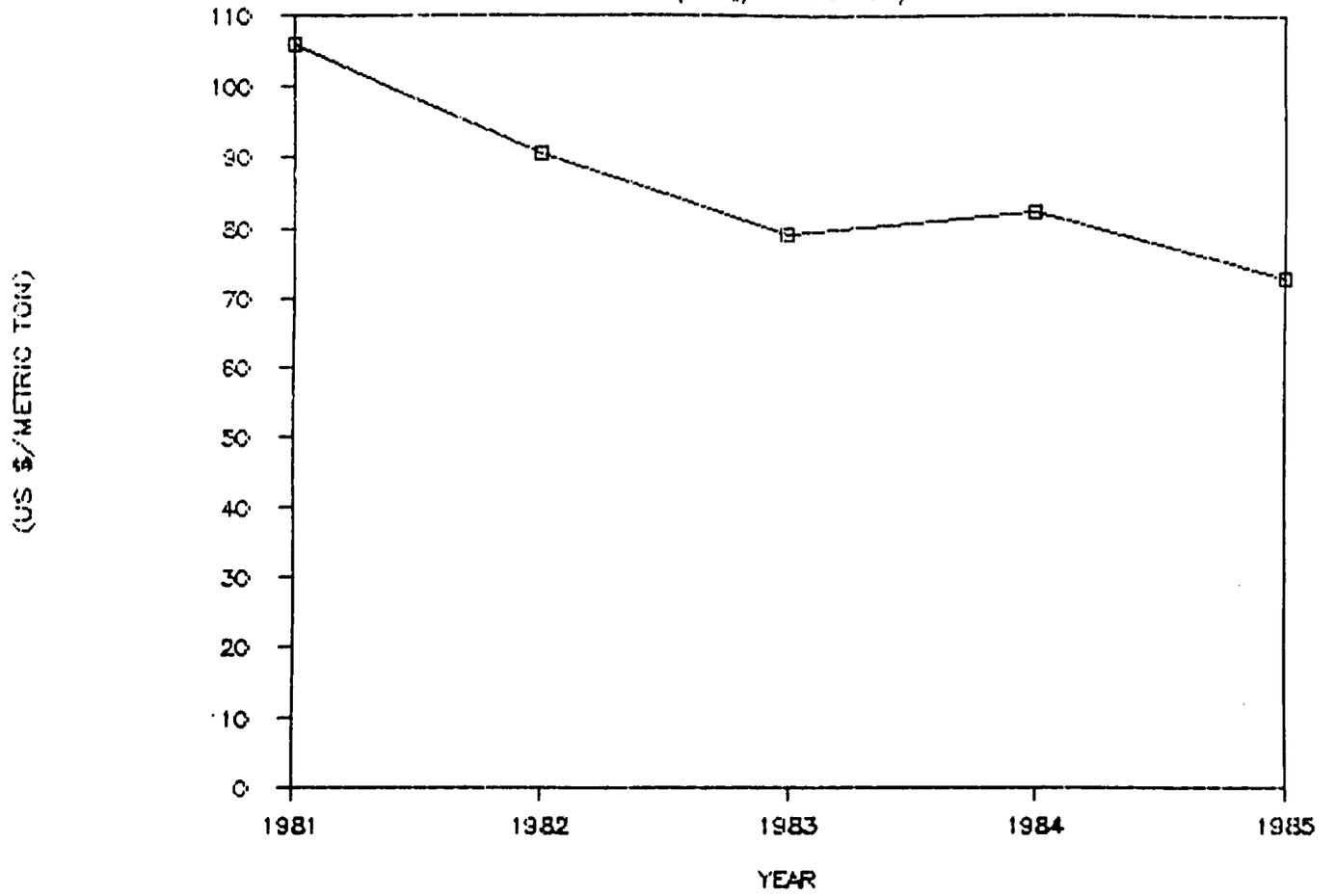
INTERNATIONAL LIQUIDITY

RESERVES MINUS GOLD (US\$)



PHOSPHATE MARKET PRICE

(US \$/METRIC TON)



C. GOVERNMENT ATTITUDES

1. Policy dialogue
GOM has been cooperative with the IMF and its other creditors in managing its recent debt crisis. It has initiated various regulatory reforms aimed at reducing government intervention in the private sector.
2. Private sector participation in policy dialogue
There is no formal arrangement for the private sector to engage in discussions with government in developing policy for the country's financial system. No information was located on other private sector participation in economic policy making.
3. Profit treatment
Although the tax treatment of profits is comparable to other countries (see Section G) the government requires that companies invest 5-8% of their after-tax profits in an investment reserve account. The reserve cannot be distributed to equity holders except on dissolution. Under certain circumstances the reserve may be capitalized. In addition, an amount proportionate to the reserve must be invested in government fixed-interest bonds with ten year maturities. These bonds are non-transferable.
4. Investment codes
GOM has instituted various investment codes for the following sectors: industry, mining, agriculture, tourism, maritime and export businesses. Incentives are available for both domestic and foreign investors. The system offers substantial advantages to private enterprise, and the government has retreated from "Moroccanization" requirements for local equity participation.

A summary of the of the major incentives are:

- * 50% exemption from corporate income tax for ten years if companies locate in specified locations
- * total exemption from import duties on equipment if companies are located in designated areas
- * discounted loans for new investment from the National Development Bank (BNDE)
- * exemption from patent, registration and stamp taxes for new ventures
- * government subsidies equalling 60% of the land cost for industrial investments in designated areas

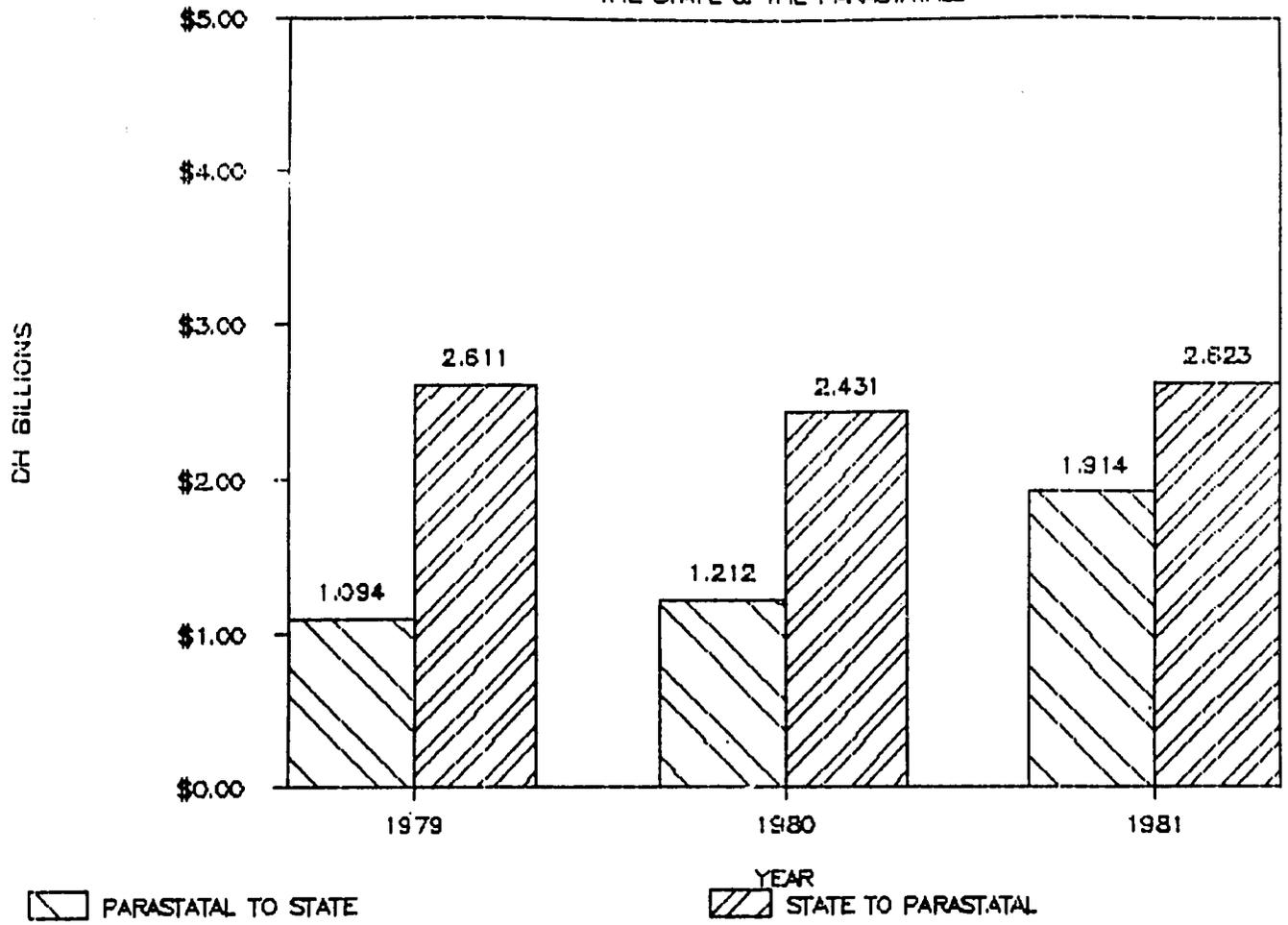
- * a bonus for each new job created
- * 100% foreign ownership is allowed
- * guaranteed repatriation of profits and dividends
- * guaranteed repatriation of value and initial investment if assets are sold

5. Government interest rebate system for various sectors

<u>sector</u>	<u>interest rate rebate</u>
tourism	2%
industry	2%
fishing fleet	4-6%
commercial fleet	4-6%
real estate	2-4%
other	5-7%

FINANCIAL FLOWS BETWEEN

THE STATE & THE PARASTATALS



D. REGULATORY CLIMATE

1. Foreign exchange control
Morocco's currency, the Dirham, is inconvertible. All foreign currency brought into the country must be exchanged into Dirhams through the National Exchange Office at the central bank. No Dirhams can be taken in or out of Morocco. For nationals traveling abroad officials authorize foreign exchange on a case by case basis. Expatriates can exchange and remit part of their dirham income to banks in the country they are currently residing in. As previously mentioned foreign investors can remit their profit and their investment with no problem.

There is usually little difference between the official exchange rate and the black market rate. The largest difference noted as of January, 1985 was an 8% spread.

2. Price controls
GOM subsidizes basic foodstuff such as flour, sugar, vegetable oil and tea. The government also subsidizes butane gas for cooking although it has ended its subsidy on other petroleum products. Non-basic foodstuff prices are regulated by the Ministry of the Interior.

Floor prices exist for agricultural commodities although they have increased considerably in the last two years. GOM has set maximum prices for different manufactured goods, especially for those produced by monopolies.

Prices charged by parastatals are highly regulated. Prices which are affected include those for exports, minerals, public utilities, and transport and freight.

3. Restrictive labor laws
Employers must pay overtime for hours worked over the 40 hour week. The rate varies from 25 to 50% depending on the time of the day. Minimum pay raises are required by law starting after two years of employment with the same employer.

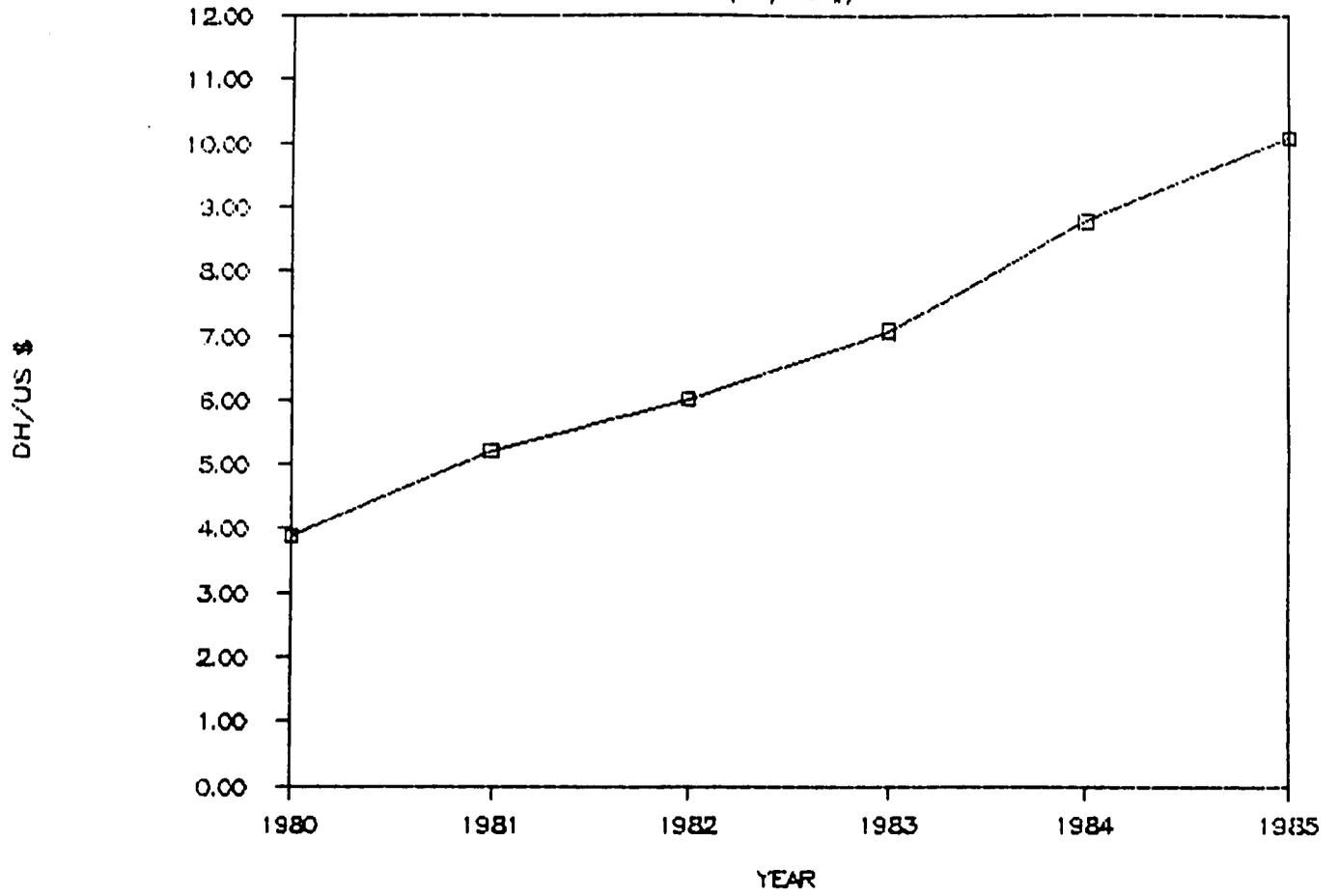
After a period of three months, an employer is required to provide a minimum period of notice before dismissal and a specified amount of severance pay. In the case where the employee has committed a serious breach of his contract the above requirements are waived.

4. Foreign ownership restrictions
The "Moroccanization" Law of 1973 prevents foreigners from investing in certain businesses. The restricted areas are as follow:

- * wholesale and retail distribution
- * food and drink production and storage
- * assembly and production of bicycles, motorcycles, automobiles, tractors, refrigerators, sewing machines, radios and television sets
- * construction and related activities
- * road transport and car hire
- * maritime activities
- * agencies specializing in advertising, travel, import/export and real estate
- * Forestry, cereals and tobacco production
- * livestock breeding
- * production and processing of salt, fertilizers, vegetable oils, soap and detergents, and leather
- * leasing operations
- * cinema and film import/distribution
- * banking, insurance and gold dealing

FOREIGN EXCHANGE RATE

(DH/US \$)



D. FINANCIAL SYSTEM

1. Financial intermediation system

a) Public financial institutions

- The Bank of Morocco is the Central Bank. Its responsibilities include the issuing of currency, regulating the money supply and supervising the banking system.
- The Ministry of Finance sets the minimum reserve requirement which all banks must keep. It is also responsible for determining maximum interest rates payable on savings and time deposits, and loans.
- The National Development Bank (BNDE)
BNDE finances industrial investments, mostly on a medium-term basis. It sometimes invests directly in ventures (10-25% equity participation) and acts as a consultant on managerial, contract and technical matters.
- Central Guaranteed Fund (CCG)
CCG guarantees domestic and external loans to public and private enterprises which promote Morocco's economic and social development. Total guarantees furnished by CCG for 1982 were:

public sector : DH 6,151,000,000
private sector : DH 3,442,000,000

CCG is facing serious financial problems. They are:

- * insolvency and lack of separate budget
 - * poorly defined responsibilities and evaluation criteria
 - * inadequate staffing
- National Agricultural Fund (CNCA)
CNCA is the main source of institutional credit to the agricultural sector providing approximately 65% of all short-term institutional credit and approximately 95% of the medium and long-term credit. CNCA has rediscounting facilities provided by the Bank of Morocco. CNCA's growth rate has been low due to its limited access to the capital markets, its restrictive borrowing ceilings on loans to non-land owning farmers, and the inadequate number of CNCA outlets.

- National savings Fund (CEN)
CEN, part of the Ministry of Posts and Telecommunications, collects small private savings (green book savings) through the local post offices.
- Building and Hotel Credit (CIH)
CIH is the only specialized institution set up to finance real estate and hotel construction.
- National Deposit and Savings Fund (CDG)
CDG collects deposits from the postal savings system, the social security system and the savings banks. CDG is a major source of long-term credit.
- Moroccan Market Fund (CMM)

b) Commercial banks

There are fifteen commercial banks in Morocco (see Appendix). Although foreign banks are not allowed to establish offices in Morocco, some have established close ties with domestic banks (see Appendix).

Commercial banks are a major part of Morocco's financial system, however, various problems prevent the banks from playing a more important role in mobilizing domestic savings. Problems identified by a recent World Bank report (see Appendix) include:

- Hoarding

For 1982, the World Bank report estimated that at least 20% of money (M2) in circulation was being hoarded. Unwillingness of banks to accept deposits less than DH 3,000 and bank regulations making marginal returns negative on deposits longer than 18 months are two principal reasons for this behavior. A third reason cited is savers' unfamiliarity with financial institutions.

- Lack of competition among banks

Concentration among the deposits banks is very high. The two largest banks account for 44% of the total transactions, and the top seven banks shared 87% of the business. Lack of competition is caused mostly by government regulations. In addition to fixed interest rates and the bias against long-term deposits, banks must have prior authorization before opening new branches. Their use of funds is also regulated according to the following schedule:

- * 30.0% in treasury bills

- * 3.5% in reserves and CNCA bonds
- * 9.0% in medium and long-term loans
- * ~5.0% in short-term consortium loans

Intermediation costs of commercial banks (in % of assets) or 1982

<u>personnel cost</u>	<u>other overhead</u>	<u>depreciation and provisions</u>	<u>profit</u>	<u>spread</u>
2.2	0.8	0.8	1.1	4.8

Other relevant statistics

<u>Net worth/total assets (1982)</u>	<u>profit/net worth (1982)</u>
4.4	25

Liquidity ratio (1983)

48.5%

- c) leasing companies
There are currently four leasing companies concentrating mostly on heavy construction equipment (50%). These companies have financed their operations with their own capital and with BNDE loans.
- d) Investment and finance companies
There are four investment companies and eleven finance companies. No information was found describing their activities.

2. Capital market

- a) Institutional investors
The major institutional investors are commercial banks, insurance companies and the National Social Security Fund (CNSS).

- Insurance companies have faced financial difficulties due to premium policies which are inadequately indexed against inflation. The insurance companies practice capitalization mostly and have considerable technical reserves. Currently, they

must hold a minimum of 60% of these reserves as government bonds.

- The Social Security Fund is the compulsory national social security plan for workers in industry, commerce and the professions. CNSS deposits its surpluses at CDG where it earns 6% interest for the first DH 500 million and 7% on excess amounts.

b) Primary capital market

The primary capital market is underdeveloped. The market is restricted to the public placement of government and state agencies issues and the private placement of private companies issues. Only nine private sector companies offer stock through the stock exchange. As previously mentioned, institutional investors are required to invest certain percentages of their reserves and capital in government bonds. The major subscribers of corporate shares are insurance companies, the National Investment Company (SNI) and existing shareholders. There is minimal general public participation.

c) Secondary capital market

There is no real secondary market for bonds. The activities of the secondary shares market center around the Casablanca Stock Exchange. The two major activities associated with the Exchange are:

- direct transfers
(these are transactions negotiated and concluded outside the Exchange but registered in the Exchange according to law.)
- floor transfers

Floor transfers have been declining (28% drop in volume in 1980-1982) as a consequence of:

- * difficult economic climate
- * shortages in the supply of securities
- * higher rates of return obtained from bank deposits (8.32% vs. 10.0-10.5% for 1982)
- * restrictive credit policy for purchasing shares
- * 25% withholding tax on dividends

Listing on the Casablanca stock Exchange

*	13 banks and finance companies-----	- 56% of turnover of total shares
*	4 investment companies	
*	2 realty companies	
*	14 holding companies-----	
*	3 oil and mining companies-----	- 30% of turnover
*	10 agro-industrial companies	
*	3 textile companies-----	
*	9 commercial firms	

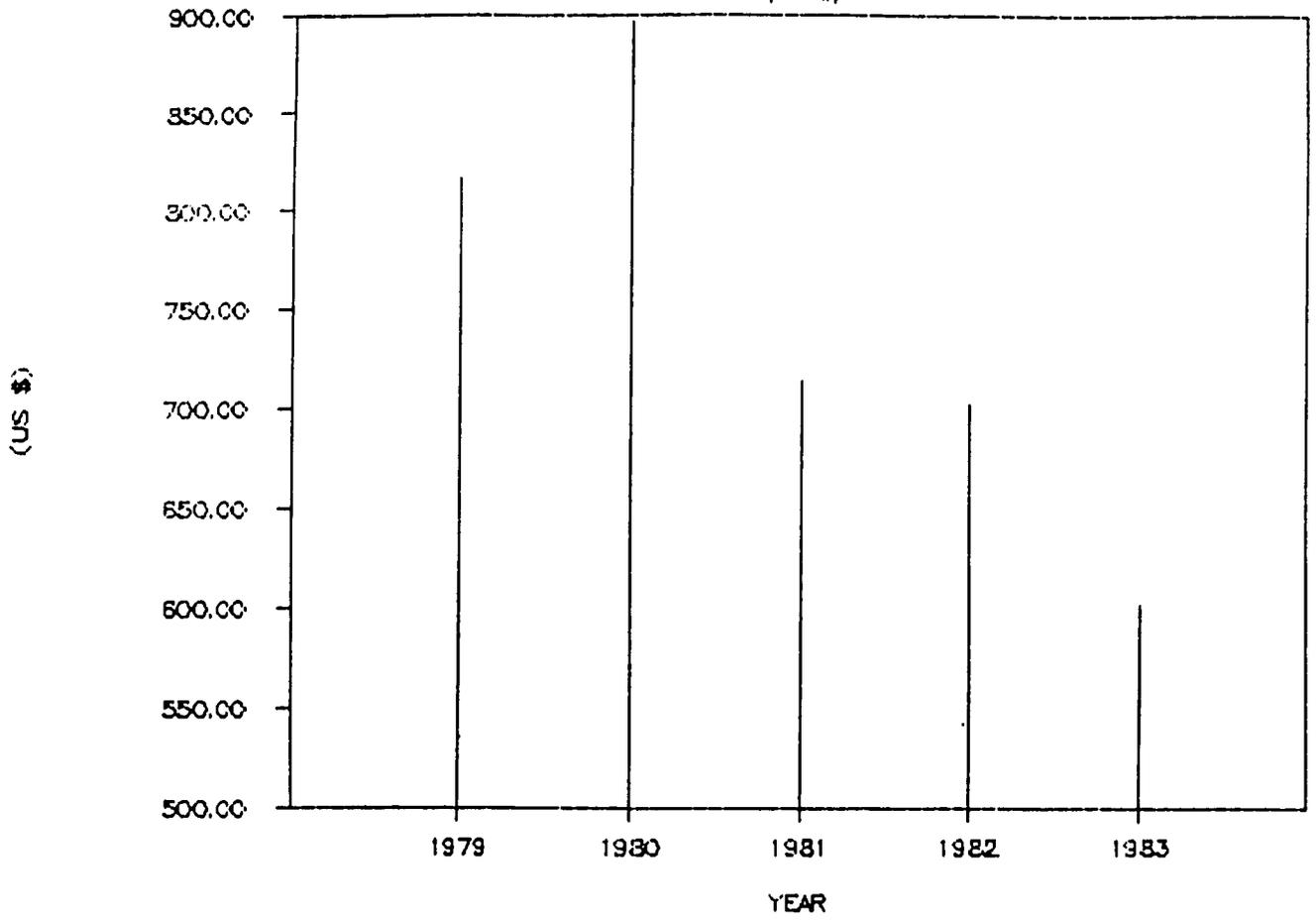
The Technical Committee of the Stock Exchange sets the introduction price for new shares. Usually, the Committee fixes the opening price at a level below the real value so as to encourage small savers to subscribe.

The registration fee is 1.55% of share value for capital increases for listed companies and 3% for other companies.

- d) Intermediaries
There is one large brokerage firm (SOMACOVAM). Eleven banks also act as securities brokers. The level of securities dealing has been limited by the same regulations which limit the banks' other activities and by the fact that most private companies are closely held.
- e) Market regulation
Currently, there are no disclosure laws and no regulatory commission.

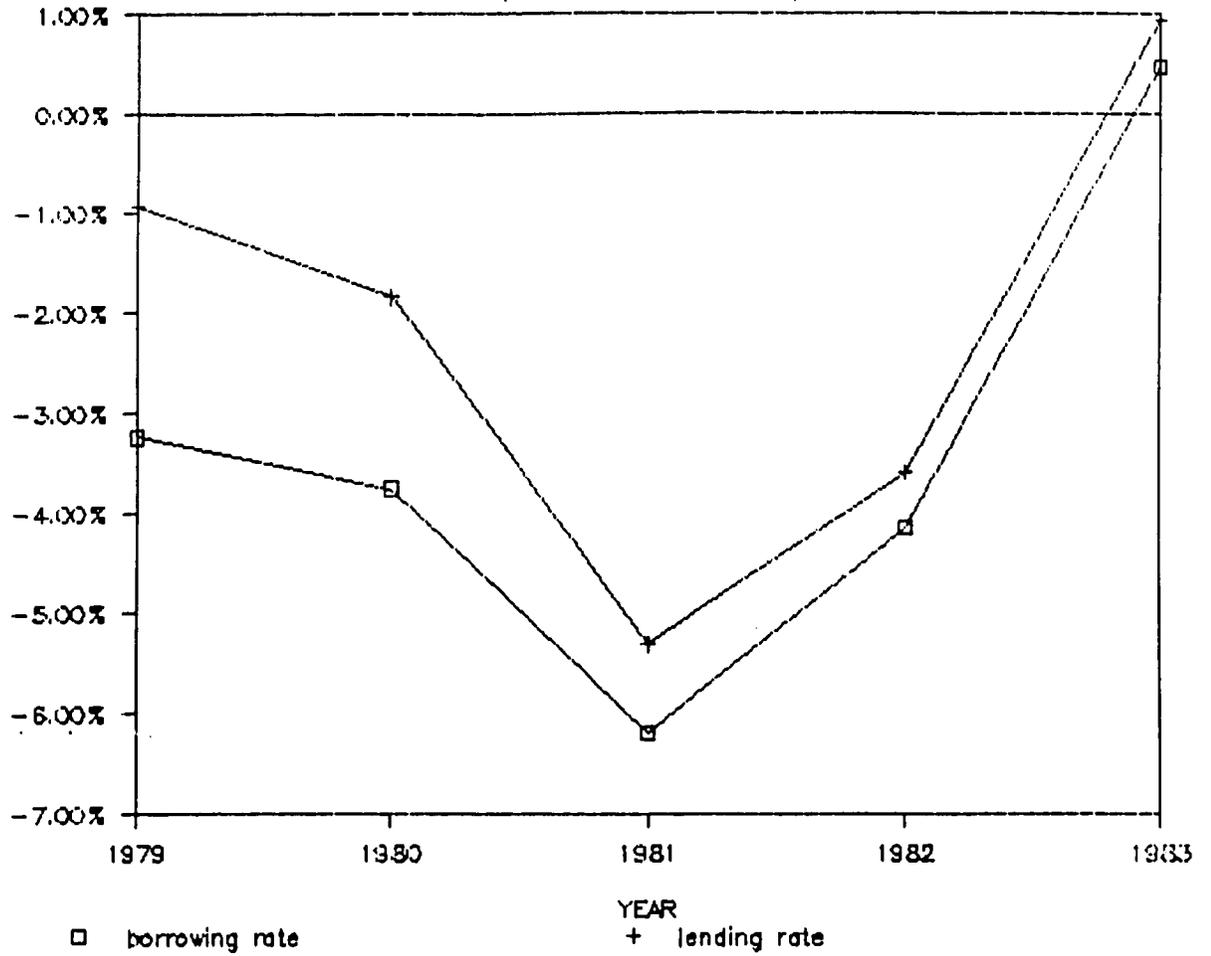
NOMINAL GDP PER CAPITA

(US \$)



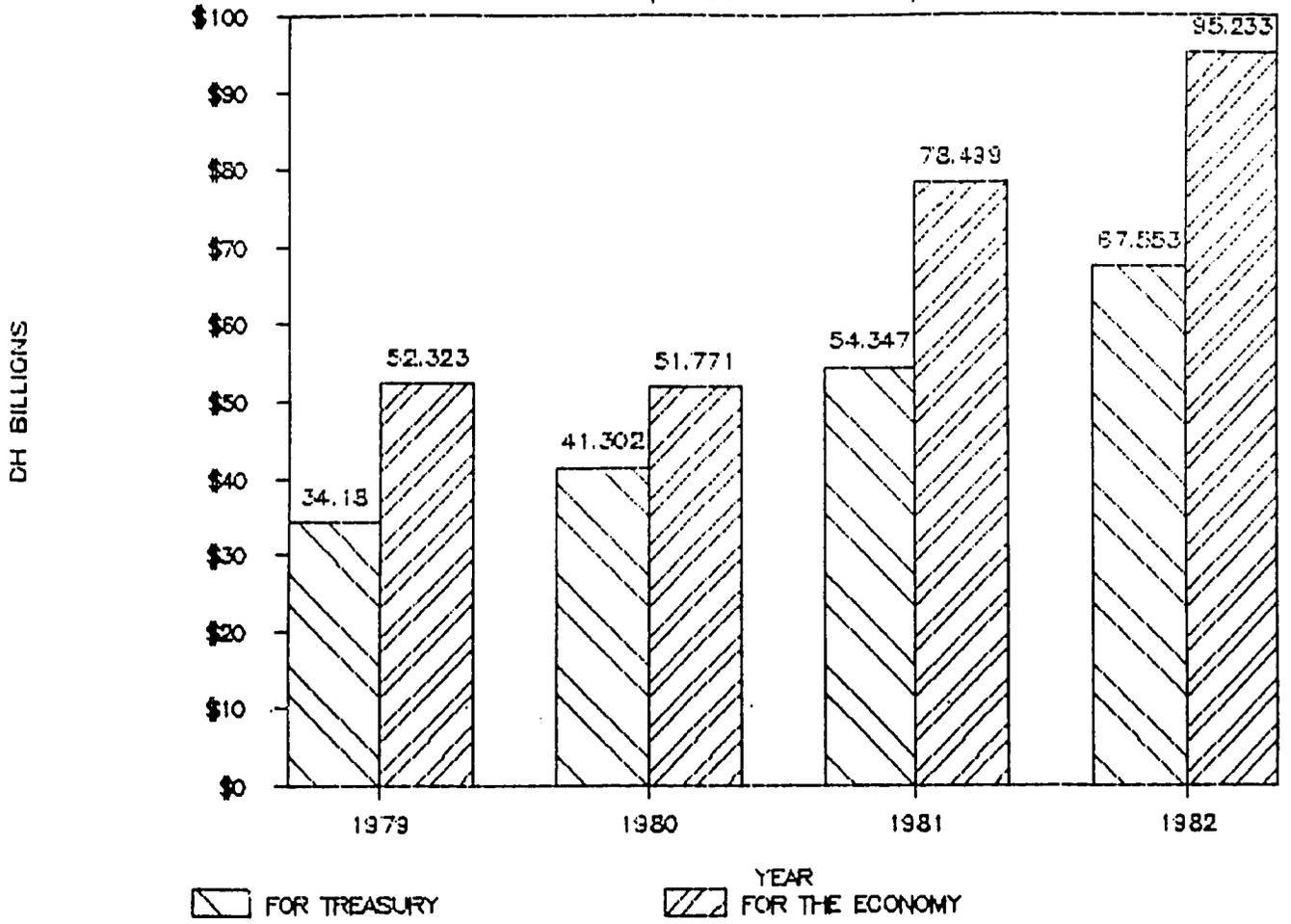
REAL INTEREST RATES

(DISCOUNTED USING CPI)

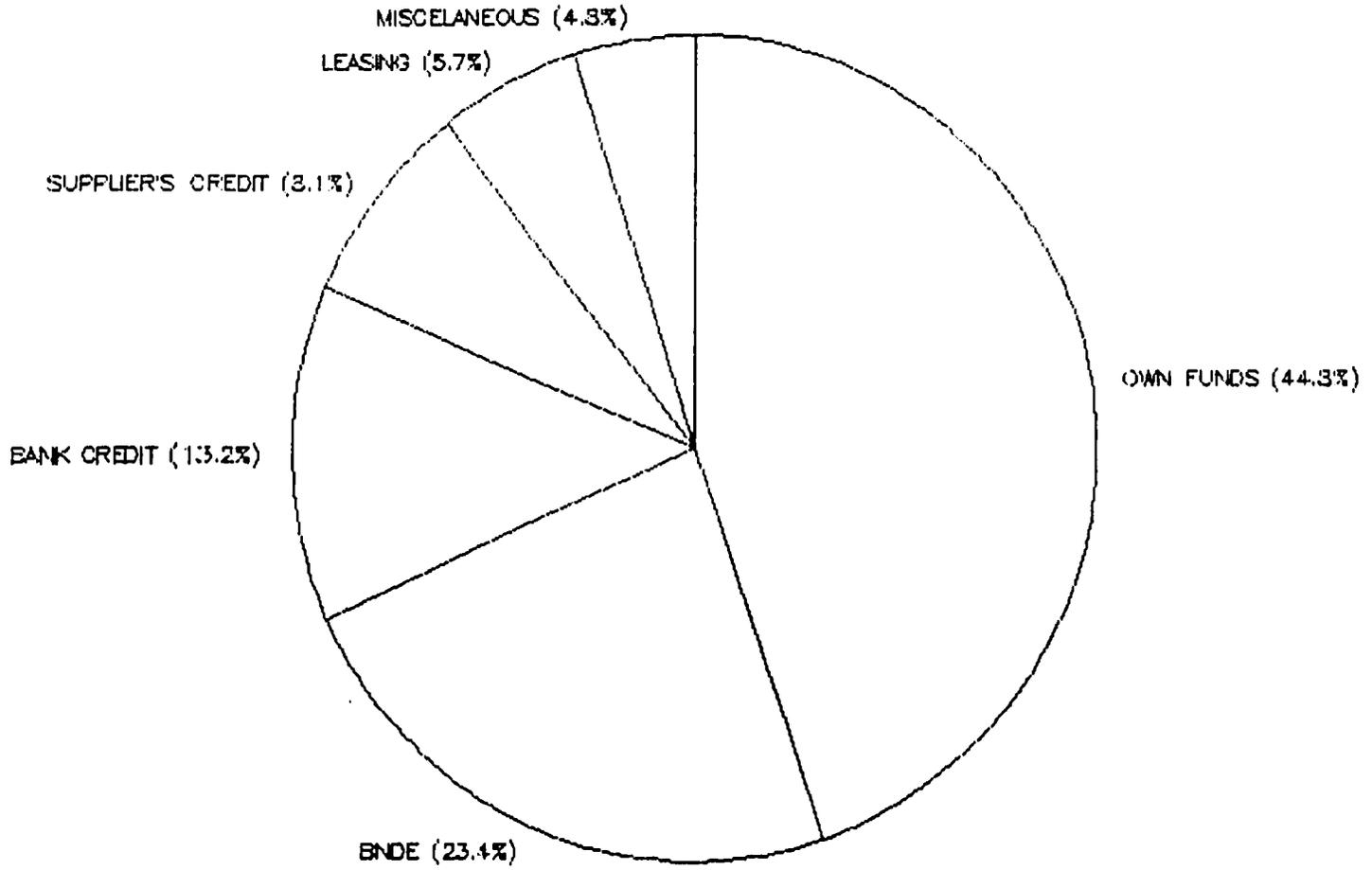


DISTRIBUTION OF CREDIT

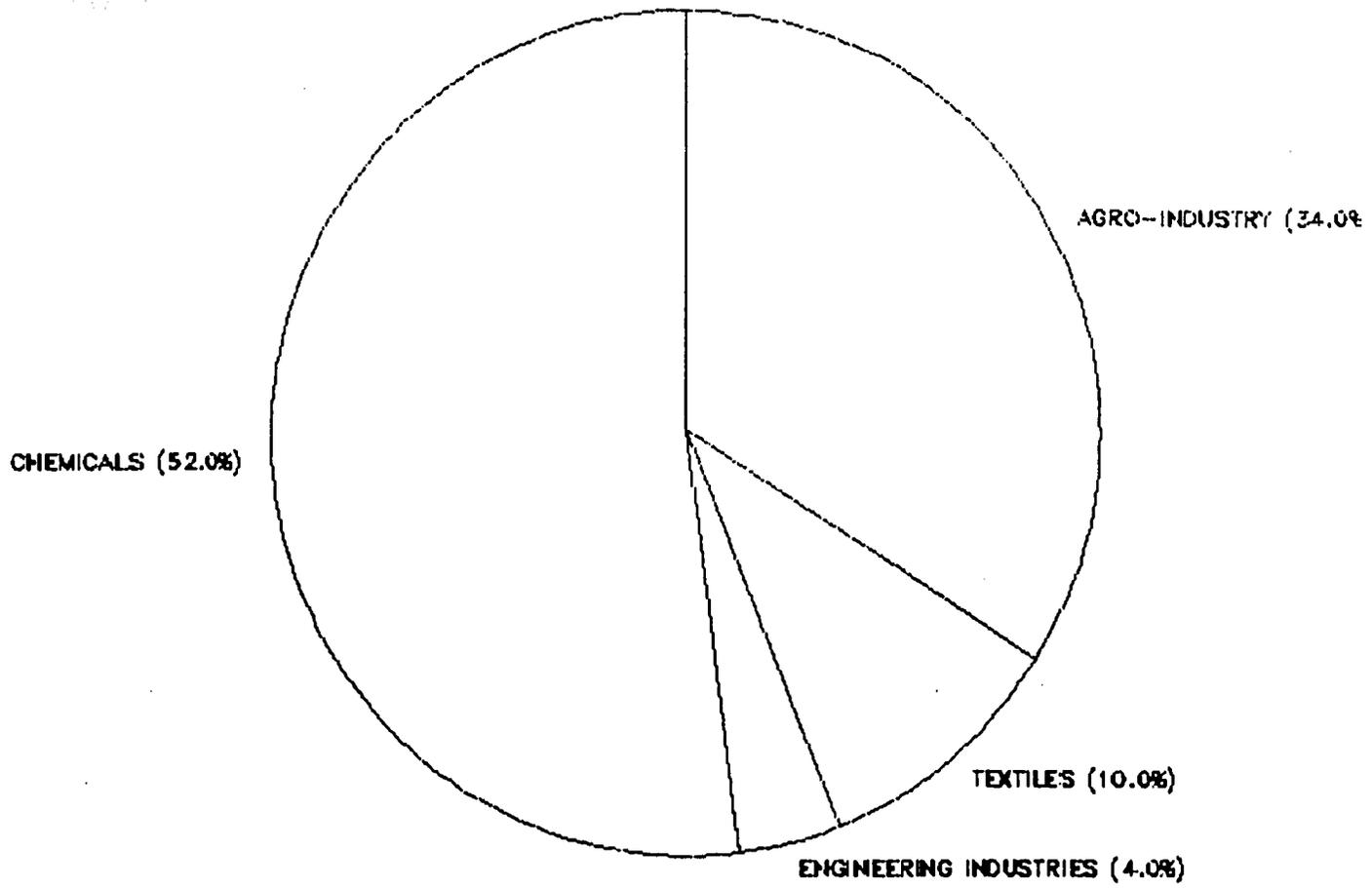
(DOMESTIC & FOREIGN)



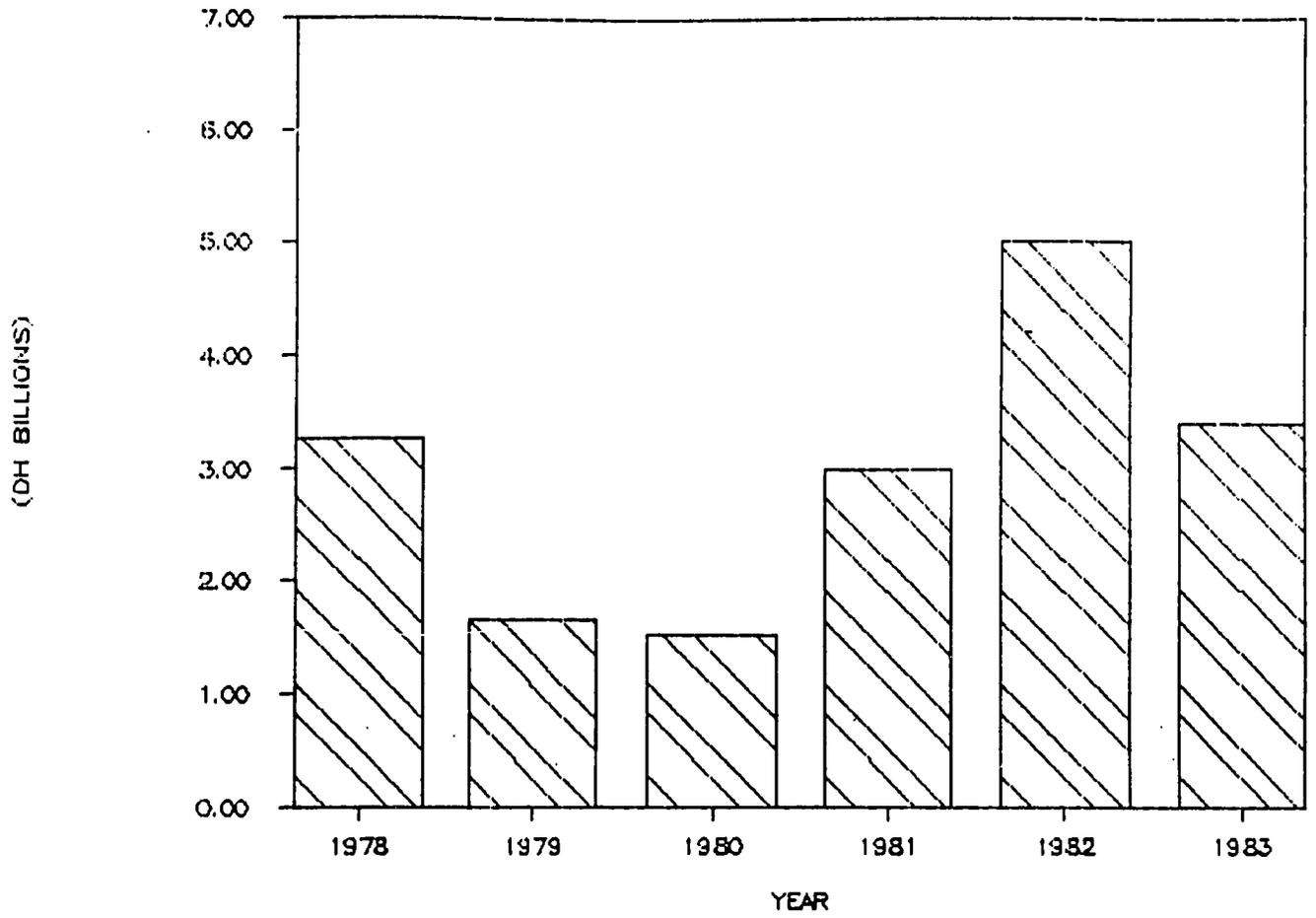
INDUSTRY FINANCING (TEXTILES, CHEMICALS, ECT.)



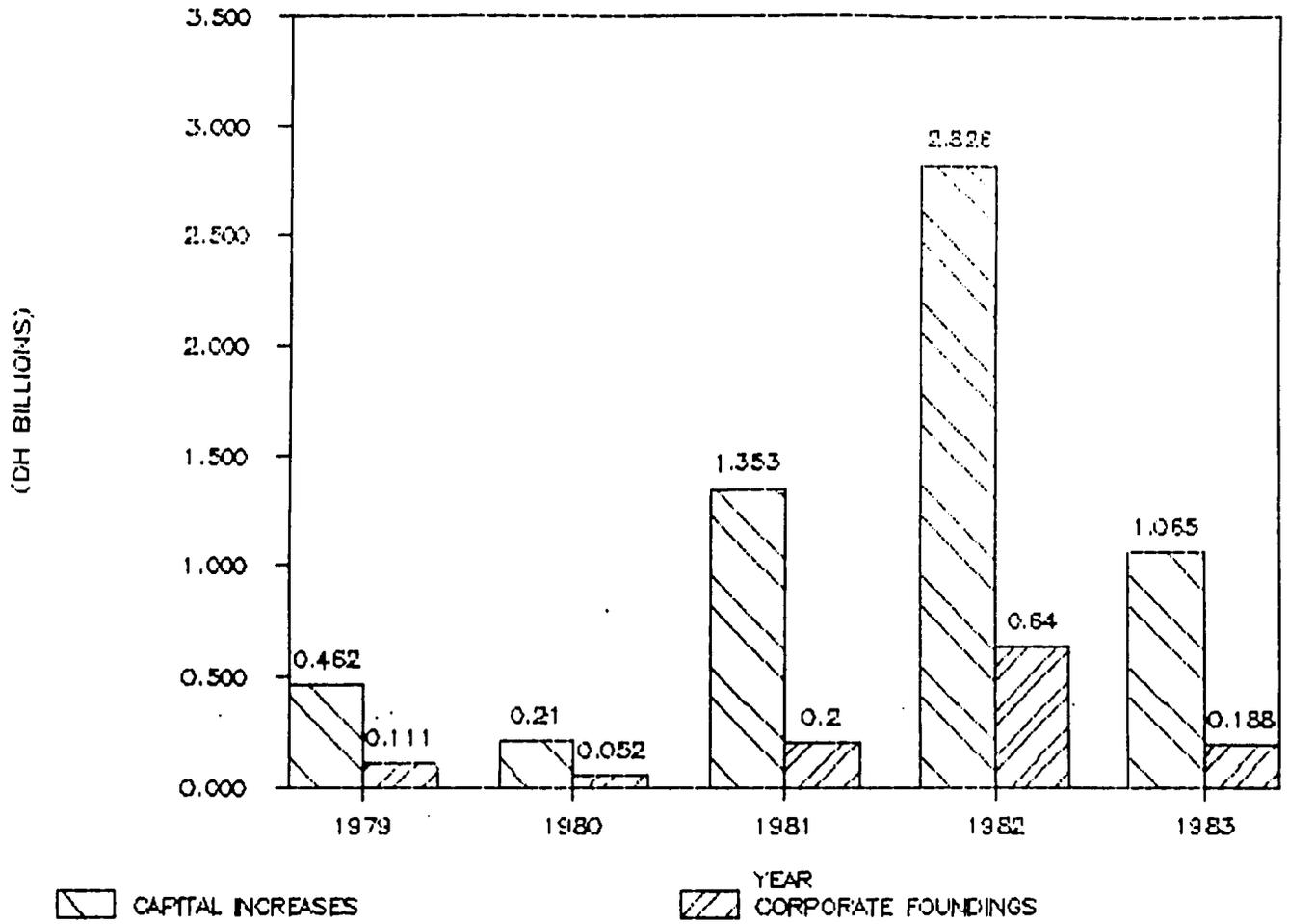
BNDE FUNDS DISTRIBUTION



TOTAL BONDS & SHARES ISSUES



NEW SHARE ISSUES



E. ACCOUNTING

There are no rigorous requirements relative to accounting principles or practices, however, most enterprises have adopted the 1957 French official accounting guide. A balance sheet and income statement must be filed with the authorities by all Moroccan enterprises within three months of their annual closing date. Corporations are the only businesses required to appoint an auditor. The auditor is appointed by the shareholders. He is not required to be professionally qualified, although commonly he is. There are no strict rules regarding independence. Corporations are not required to submit an auditor's report along with their submitted reports.

F. TAX SYSTEM

GOM, in accordance with its IMF agreement, is committed to instituting major tax reforms. The replacement of the present tax system is expected sometime during this year (1986).

The current tax system consists of a variety of taxes. The main taxes are the corporate income tax (maximum rate of 48%), turnover tax (on both services and products), the business licence tax, and individual income tax (maximum rate of 60%). Other taxes are: property tax, complementary contribution (tax on foreign income), national solidarity levy, dividend withholding tax, stamp tax, transfer and registration tax, and other duties and fees.

The Ministry of Finance administers the tax laws. Regional tax inspectors are responsible for issuing and reviewing all taxes. It is quite difficult to obtain a ruling from the Ministry on any proposed transaction which is not clearly defined in the tax laws. It is possible, however, to resolve ambiguities by negotiating with the tax inspector in charge of the case.

APPENDIX

A. MOROCCO'S COMMERCIAL BANKS

Algemene Bank Marokko
Banque Centrale Populaire
Banque Commerciale du Maroc
Banque Marocaine du Commerce Exterieur,
Banque Marocaine pour l'Afrique et l'Orient
Banque Marocaine pour le Commerce et l'Industrie
Banque Ottomane Maroc
Compagnie Marocaine de Credit et de Banque
Credit du Maroc
Credit Populaire du Maroc
Societe de Banque et de Credit
Societe Generale Marocaine de Banques
societe Generale de Depot et de Credit
Union Bancaria Hispano Maroqui
Union Marocaine de Banques

B. FOREIGN BANKS AFFILIATED WITH DOMESTIC INSTITUTIONS

Algemene Bank Nederland
Arab Bank
Banco de Brazil
Banco Exterior de Espana
Banco Hispano Americano
Banque Nationale de Paris
Banque de l'Indochine et de Suez
Compagnie Francaise de Credit et de Banque
Citibank
Credit Commercial de France
Credit Industrial et Commercial
Credit Lyonnaise
Deutsche Bank
Swiss Bank Corporation
Societe Generale
Societe Marseillaise de Credit

**C. RECOMMENDATIONS ISSUED BY THE WORLD BANK IN REPORT
NO.4957-MOR, MOROCCO FINANCIAL SECTOR STUDY (12/12/84)**

1. INTEREST RATE POLICY

a) Short-term measures

- Introduction of a reference interest rate for setting maximum lending rates and minimum borrowing rates.
- Deregulation of rates payable on deposits for more than one year and later on deposits for more than 6 months.
- Definition of usurious interest and deregulation, on a trial basis, of interest rates on non-rediscountable loans with a maturity of more than two years.
- Positive real interest rate for short-term maturities and at least three percent real interest rate for longer maturities.
- Periodic review of the general level of lending and borrowing interest rates in order to raise them if rates of inflation and changes in the relationship between credit supply and demand justify this.
- Introduction of clauses in loan agreements for more than five years allowing interest rates to be changed.
- Replacement of the turnover tax on interest payments by a VAT system.

b) Medium-term measures

- Adjustment of certain bank commissions and deregulation, on a trial basis, of a limited number of these commissions.

c) Other recommendations

- Clearer differentiation of lending and borrowing interest rates depending on the maturities to which they relate.
- Increase in the proportion of Central Bank lending at floating rates through the money market.

2. REGULATORY AND INSTITUTIONAL MEASURES

a) Short-term measures

- Adjustment of the placement requirements imposed on deposit banks, including financial reserve, depending on the type of deposit.
- Adjustment of credit ceilings to reflect the efforts made by each bank to attract funds.
- Increase in the reserve requirement for demand deposits.
- Reorganization of the CCG.

b) Medium-term measures

- Increased criminal penalties for writing checks without funds.
- Study on the introduction of a system of guaranteed payment of small checks.
- Gradual reduction in the costs imposed by the requirement to hold 30 percent of deposits in low-interest Treasury securities.

c) Other recommendations

- Incentives for banks to open offices in rural areas.
- Changes to tax regulations governing banks provisions.
- Securing the use of the required ratio of net worth to deposits to encourage the banks to retain a higher proportion of their profits as reserves.

3. FINANCING OF THE TREASURY AND PUBLIC ENTERPRISES

a) Short-term measures

- Financing of a growing proportion of the budget deficit by issuing short-term instruments on the money market and selling medium-term instruments to the public on competitive terms.
- Study of a system to solve the problem of the Government's payment arrears and those of the

public enterprises, gradual elimination of these arrears, and implementation of measures to prevent the build-up of new arrears.

b) Medium-term measures

- Gradual elimination of capital grants and operating subsidies to certain public enterprises.

c) Other recommendations

- Continuation of present efforts to curb the growth of personnel costs in government.
- Gradually phase-out subsidies to certain public enterprises.
- Holding expenditure for goods and service constant through 1987.
- Broadening of the tax base.
- Application of legislation on VAT.
- Application of the general income tax to the personal incomes in the agricultural sector.
- improving the efficacy of the tax collection system.
- Restructuring the equity position of public enterprises, notably through association with domestic or foreign capital and the sale of government holdings in certain enterprises.
- Improvements in procedures for appraising the investment projects of public enterprises.

4. SELECTIVE CREDIT POLICIES AND SECTORAL FINANCING POLICIES

a) Short-term measures

- Continued gradual reduction in the differences between interest rates on preferential and non-preferential credits, other than export credits.
- Elimination or reduction of interest rebates and interest-free advances provided by the Treasury, except for certain categories of investments.

- Gradual increase in the interest rate on CNCA notes and the interest rates for agriculture credits.
- Changes in the exchange risk coverage system.
- Change in the system under which rediscountable medium-term loans must always be countersigned by BNDE, by making it possible for commercial banks authorized by the Bank of Morocco to countersign such loans as well.
- Development of home savings plans.

b) Medium-term measures

- Mobilization of resources for BNDE and CIH through the issuance of bonds placed with private savers on competitive terms.
- Authorization for CIH to accept home savings deposits together with other deposits associated with housing finance.
- Establishment in existing institutions of units specializing in loans to the fisheries and shipping sectors, to preclude the establishment of new credit institutions for those sectors.
- Introduction of housing finance systems with repayment in the form of increasing yearly installments and partial capitalization of interest.

c) Other recommendations

- Combination of obligatory placement requirements for medium-term loans, housing loans and CNCA notes in single required percentages.
- Establishment of adequate intermediation spreads and other terms and conditions designed to encourage commercial banks to lend more to agriculture and to small to medium-sized enterprises (SMEs).
- Improvements in the organization of CNCA.
- Enhancement of BNDE's capacity to appraise projects and monitor the use of medium-term credit.

- Development of the capacity of commercial banks to appraise and monitor medium-term lending operations, export credits, loans to SMEs and housing loans.
- Relaxation of the guarantees required of borrowers by lending institutions.
- Improvement of export credit facilities.
- Easing of procedures of making loans to SMEs.
- Review of the system of subsidies and guarantees applicable to loans to the craft sector.
- Introduction of measures that will exempt the revaluation surplus from taxation, in the case of certain fixed assets.
- Reconsideration of policy on building sites.

5. CAPITAL MARKET

a) Short-term measures

- Issuance of bonds by the Government and major parastatals on terms and conditions that are competitive with the market.
- Introduction of floating-rate bonds, tied to the base rate or to the interest rate on time deposits.
- Reduction of withholding tax on dividends for listed shares and, at a later date, imposition of a similar levy on interest earned on certificates of deposit and time deposits.
- Reduction in the registration fees charged on capital increases for listed companies.

b) Medium-term measures

- Incentives for the establishment of new specialized brokerage companies.
- Adoption of measures to protect investors in listed securities.

- Increased tax incentives for savings in the form of life insurance.

c) Other recommendations

- Increased role for CDG in the bond market and the stock market.
- Revitalization of insurance companies and expansion of their involvement in the capital market.
- Incentives for the establishment of an investment bank.