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Improving the Business
Climate in Morocco

Final Report: Volume III

For activities relating to e-invest, Common Business Identifier, Supporting the Moroccan Standards Agency, Promoting Sustainable Investment in Meknès-Tafilalet, and Promoting Alternative Dispute Resolution for Business Disputes in Morocco.

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Improving the Business Climate in Morocco

Amélioration du Climat des Affaires au Maroc

IBCM Report

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LIST OF ACRONYMS

ADR	Alternative Dispute Resolution
CBI	Common Business Identifier
CCIS	International Chamber of Commerce and Services (<i>Chambre de Commerce Internationale et des Services</i>)
CDER	Center for the Development of Renewable Energies (<i>Centre de Développement des Energies Renouvelables</i>)
CDM	Clean Development Mechanism
CGEM	General Alliance of Businesses in Morocco (<i>Confédération Générale des Entreprises du Maroc</i>)
CIMAR	Rabat International Center for Mediation and Arbitration (<i>Centre International de Médiation et d'Arbitrage de Rabat</i>)
CNPI	Committee for National Investment Procedures (<i>Comité National des Procédures liées à l'Investissement</i>)
CNSS	Social Security Agency (<i>Caisse Nationale de Sécurité Sociale</i>)
DAI	Development Alternatives Inc.
DCAE	Directorate of Cooperation and Economic Affairs (<i>Direction de la Coopération des Affaires Economiques</i>)
FOGEER	Fund for the Protection of Renewable and Efficient Energy (<i>Fonds de Garantie des Efficacités et Energies Renouvelables</i>)
FOMAP	Fund for the Modernization of the Public sector (<i>Fonds de Modernisation de l'Administration Publique</i>)
GTZ	German International Cooperation Agency (<i>Agence allemande de Coopération</i>)
GPBM	Professional Group of Moroccan Banks (<i>Groupement Professionnel des Banques du Maroc</i>)
IBCM	Improving the Business Climate in Morocco
ICC	International Chamber of Commerce and Industry
IFC	International Finance Corporation
ISM	Higher Judiciary Institute (<i>Institut Supérieur de la Magistrature</i>)
IT	Information Technology
MAEG	Ministry of Economic and General Affairs (<i>Ministère des Affaires Economiques et Générales</i>)
MICNT	Ministry of Industry, Commerce and New Technology (<i>Ministère de l'Industrie, du Commerce et des Nouvelles Technologies</i>)

LIST OF ACRONYMS

MOU	Memorandum of Understanding
OFPPT	Office of Profession Training and Job Promotion (<i>Office de la Formation Professionnelle et de la Promotion du Travail</i>)
OMPIC	Moroccan Industrial Property Office (<i>Office Marocain de la Propriété Industrielle et Commerciale</i>)
RADEM	Electric Company of Meknès (<i>Régie Autonome d'Electricité de Meknès</i>)
RFP	Request for Proposal
RIC	Regional Investment Center (<i>Centre Régional d'Investissement</i>)
SME	Small and Medium Enterprises
SNIMA	Moroccan Standard Agency (<i>Service de Normalisation Industrielle Marocaine</i>)
UNCTAD	United Nations Conference on Trade and Development
WTO	World Trade Organization
USAID	United States Agency for International Development

INTRODUCTION

This is the third volume of the Improving the Business Climate in Morocco (IBCM) Program’s final report. It includes final reports for the activity groups: e-invest, work with the Moroccan Standards Agency (SNIMA), the Common Business Identifier (CBI), Promoting “green” investment in Meknès-Tafilalet region, and promoting Alternative Dispute Resolution (ADR) for business disputes in Morocco.

For information regarding IBCM’s other projects, including activities related to Doing Business, Support to Bankruptcy Reform, Intellectual Property, and the Modernizing Commercial Registry, please consult volumes I and II of the Program’s final report.

COMPONENT I REGULATORY REFORM AND INVESTMENT PROMOTION

CORE TECHNICAL AREA 2: IT STREAMLINING

E-Invest

E-invest is a Web-based software intended for investors, the Regional Investment Center (RIC), and all government agencies that manage investment applications. Its primary function is to expedite the flow of project information by allowing involved parties to share all information in real-time. The system provides the investor with all relevant application forms and details what documentation is needed to get the required approvals. With e-invest, investors can follow their projects through every stage of the administrative process. This software enhances communication between all involved actors during the review process, sparing the investor several trips to various offices and a lot of red tape.

Electronic investment pilot projects. In the spring of 2007, IBCM installed and began testing an electronic investment information management system in two regional investment centers: Kénitra and Settat. At the request of the Ministry of the Interior, the system was adapted to manage the *first contact with an investor* procedure. At the time, the Ministry planned to fast-track use of the software—beginning with the treatment of the first contact—to all sixteen regional investment centers (rather than waiting for the whole procedures (all 28 procedures) to be incorporated into the system). Trainings for RIC staff began at this time, which taught them how to navigate the system.

Initial e-invest software workshops

featured participation from more or less five RICs each: one in Agadir in mid-October, another one in Kénitra or Settat in early November. The third one will be in Oujda in mid-January.

Outcome: Implementation of the e-invest application continued; by November the RICs in Settat, Kenitra, Oujda and Casablanca were all using the software for the procedure “handling the first contact with an investor.”

During the summer of 2007, continued progress was made in implementing e-invest in the two pilot regional investment centers, Kénitra and Settat, and the first of the 28 procedures (that are included in the procedures manual, a product of the National Committee on Investment Procedures) of the software, entitled “handling the first contact with an investor,” was successfully set up. The Program and the Ministry of the Interior offered training on its use to RIC staff.

The Ministry of the Interior expressed its desire to extend the use of the software to the fourteen other regional investment centers in Morocco. Training for RIC personnel was offered in the fall. Meanwhile, IBCM continued to move forward with installing the full set of procedures in the system.

These efforts were complemented by the implementation of the e-regulations application in the pilot region of Oujda (see below). E-regulations is a user-friendly “front-office” tool developed by the United Nations Conference on Trade and Development (UNCTAD). The system provides potential investors and entrepreneurs with all necessary step-by-step information on administrative procedures. Using detailed and clear description of procedures, the applicant can, at any stage, with the help of e-regulations, know where to go, who to call, what documentary evidence to gather, what processing times he should expect, etc.

e-invest, on the other-hand, is a tool target the back-office. UNCTAD's e-regulation application could easily be coupled with e-invest to form one comprehensive package that would be available to investors and regional investment centers across Morocco.

Oujda fully connected. The idea behind the “Oujda fully connected” pilot program was to make one of the most remote regions in Morocco—the Oriental region—the best-connected region in the country, thanks to the relatively low-cost implementation of new information and communication technologies. The use of information technology can reduce red tape by facilitating administrative simplification and regulatory transparency for the benefit of investors.

Activity on the pilot in Oujda focused on providing RIC staff with access to the e-invest system as well as customizing UNCTAD's e-regulations. In addition, the director of the RIC in Oujda requested a policy note to pass on to the *Wali* outlining a proposal for a shared broadband connection among the region's government offices.

The first step in this initiative was to configure e-regulations, developed by the United Nations Conference on Trade and Development (UNCTAD). This “front office” application will complement the functions of the e-invest system already in use in Kénitra's and Settat's RIC and which will be used throughout the sixteen RICs by the end of 2010 according to the Ministry of Interior's plan. Important progress was made towards adapting the e-regulations gateway for the Oriental region, beginning with the formalization of a tripartite partnership between UNCTAD, IBCM and the *Agence de l'Orientale*. UNCTAD and the *Agence de l'Orientale* provided the financial resources while IBCM contributed with technical oversight and expertise, based on its experience in developing the *e-invest* information system.

During the fall of 2007, IBCM and the Oriental Development Agency hired two local consultants to begin work in early October. The consultants met with local government agencies to 1) agree on the parameters for each procedure, 2) compile the necessary information for the website and 3) develop mechanisms to make sure that the information is kept up to date. A demo version of the *e-regulations* site was released at the *Integrales de l'Investissement* Conference held in early December of 2007.

In 2009, following the yearly UNCTAD conference held in Geneva and which features presentations of both e-regulations and e-invest systems, the Oriental Agency decided to transfer e-regulation's user license to the Ministry of the Interior (DCAE) so that other Moroccan regions can benefit from this portal. This transfer will take effect after the signing of a memorandum of understanding between the two organizations.

Ensuring access to and utilization of the e-invest system

After a meeting in October 2007 with Mr. Smahi at the Ministry of the Interior, it was decided that most of the work would focus on completing full implementation of the system and all procedures in Settat as a first priority, before implementing the system in all 16 Regional Investment Centers (RICs). It was agreed with Mr. Smahi that monthly meetings were to be set up between the Ministry and the *Wali* in Settat to monitor progress, and to make sure the regional government agencies work together and with the RIC.

Institutionalize the Committee on Investment Procedures

After a long hiatus, the National Committee on Investment Procedures (CNPI) was revived during 2008. The first meeting of the year took place March 5, hosted by the Investment Directorate (DI). The new phase of meetings was scheduled to continue through June. Meetings were held weekly and aim to continue the process of harmonization and simplification of procedures relating to investment.

The Committee is made up of key representatives from various ministries, banks and regional investment centers, and according to a decree issued by the Prime Minister, has the authority to approve the simplification of investment procedures. In addition, procedures which are approved by the CNPI were be integrated into the 'e-invest' software implemented in pilot sites.

The RICs of Casablanca, Kénitra and Settat were the main focus of activity for testing the system and training staff. The Program continued to respond positively to requests from regional investment centers for a password and login, to encourage users' exploration of the system themselves. By November the RICs, in Settat, Kenitra, and Casablanca were using the e-invest system for handling the first contact with an investor. In the meantime, the Regional Investment Centers in Oujda, Rabat and Meknes requested access to the e-invest system as soon as possible. At meeting in Agadir in mid-November between the Program and the RIC to discuss the Agadir EZ Business pilot, the Agadir RIC was provided with a log-in and

password and participants discussed the implementation of e-invest there, and by the end of the year the Regional Investment Centers in Agadir, Oujda, Rabat, Safi, El Jadida, Casablanca, Settat and Kenitra all had access to the e-invest system.

Implementation of the e-invest software accelerated during the winter and fall of 2008, fuelled by the commitment of the *Wali* of Settat, as well as Mr. Smahi and his team at the Ministry of Interior. Throughout the winter IBCM conducted field visits to all three pilot sites and took comments, continuing to modify and improve the system. Additionally, work continued in the other RICs (Oujda, Agadir, Rabat, Safi & El Jadida) who all could access the system and provide valuable comment on its' architecture.

An e-invest steering committee met every six weeks or so, presided by the *Wali* of the region. The first two meetings included only RIC staff, Ministry of the Interior representatives, and the e-invest project team. At the third meeting, the *Wali* invited the representatives of the regional government involved in processing and approving investor applications, i.e. regional investment commission members. The meetings provided an opportunity to strategize, present demonstrations, and air concerns.

The Program worked with RIC staff, providing training, troubleshooting, and agreeing on necessary modifications to the application. Following the larger meeting with regional government representatives, a training schedule was established.

The training sessions followed two different models:

1. *Direct* -- Program staff and Ministry of Interior representatives traveled to the RIC of Settat to train members of the regional investment commission. Three sessions were held under this model in Settat.
2. *RIC-led* -- In order to encourage sustainable use of the e-invest software throughout the region; the training effort was led and hosted by the RIC of Settat itself. RIC representatives, with the support of the Program, the DCAE and DSIC, implemented the remaining 11 trainings at the Wilaya of Chaouia-Ouadigha.

Training. Following the last e-invest steering committee on June 11, 2008, the Program organized training sessions with the regional investment commission members, as encouraged by the *Wali* of Settat.

These trainings included a review of e-invest principles and objectives, an explanation and interactive demonstration of how the system works, distribution of the user guide, and question and answer sessions in which problems were addressed. As of the end of September 2008, approximately 50 persons were trained across 30 service areas from regional public agencies and administrations.

Launch of e-invest in Settat. Throughout 2008, significant progress was made towards the implementation of the e-invest software in Settat. Monthly steering committee meetings were held at the regional investment center, which featured demonstrations of real cases from the region. Participants included the *Wali*, RIC staff, Ministry of the Interior representatives, as well as regional government involved in processing and approving investor applications, i.e. regional investment commission members.

On September 1, 2008, e-invest was put to use in the RIC of Settat. All investment projects received at the Settat RIC were digitally uploaded into the system by the RIC agents, the regional investment committee meeting was convened with the help of the planning module, and regional state authorities were invited to view projects in the system instead of receiving a paper portfolio.

e-invest was officially launched in Settat with a press conference held by the RIC on October 30, 2008. The *Wali* of the region presided over the conference, which was attended by representatives of several RICs, as well as representatives from major regional private companies, the CGEM, the Chambers of Commerce, the President of the Chaouia-Ouardigha regional council and the Mayor of the Settat municipality, the President of Settat University, and the Governor of Benslimane.

The official launch of e-invest marked the beginning of a transition phase during which the RIC began to abandon its former database and migrate to e-invest. The RIC also launched their new website, which features links to e-invest and the procedures manual.

The period between September and December was a transition phase during which the RIC began its migration away from its former database and towards e-invest. During this time, the Program provided technical support to new users and monitoring the system and its use.

In 2009, the RIC managed all upcoming projects using the application. Mr. Mellal, e-invest Project Lead at the RIC of Settat continued outreach to architects to encourage online submission of projects. Previous projects have been integrated into the new system, and all incoming projects are currently being managed by the application.

Using e-invest in Settat. The first Regional Investment Committee meeting of 2009, held on January 21st, was organized using e-invest. During the meeting, the RIC Director presented the thirteen Settat investment projects up for review with the aid of e-invest's information (including architectural plans) simultaneously displayed on two large screens.

The year's second Regional Investment Committee meeting, held February 12th, also made use of e-invest; twenty-one projects were handled smoothly by the application. Thanks to the success of the initial uses, the Settat RIC planned to organize all future committee meetings using e-invest.

The RIC in Settat continued to successfully use e-invest to organize committee meetings.

Deployment of e-invest at additional RICS

In the summer of 2008, the Program initiated support to the RIC of Casablanca by offering to help implement e-invest in response to repeated requests from the Ministry of the Interior and the CRI. On August 7, the first training session on e-invest was offered to the Casablanca center's investment promotion staff. Participants identified as the main obstacle the generalization of the use of e-invest to the other regional authorities. To tackle this issue, the program decided it would be best to create a core group of users that will encourage, bit by bit, its use in other organizations.

In order to expand the use of e-invest to remaining regional investment centers in a transparent manner, the program wrote to the 15 remaining RICS in mid-September. The Program coordinated with the Ministry of Interior to finalize a selection process whereby the Program would work intensively with at least one other RIC, while including staff from other centers in training sessions. To be selected, a key requirement was to agree to host at least one monitoring committee to supervise implementation per month (as was the case in Settat). The selection process was being managed on a "first come, first served" basis.

Several other RICS contacted the Program and requested e-invest implementation in response to the e-mail. Since the team, in consultation with the Ministry of Interior, had already committed to aiding implementation in Casablanca and then Rabat, one suggestion made was that other regional investment centers might want to explore the "e-regulation" application.

Implementing e-invest in Rabat. Although the Rabat RIC was eager to begin e-invest implementation, the DCAE emphasized the importance of sequential implementation;

Trainings in Rabat.

Goal: to familiarize regional, provincial and municipal agencies with e-invest.

Participants: The participants represented the following organizations: the Regional Territorial Inspectorate; the Regional Commerce and Industry delegation; the Rabat Urban Planning Agency; the Rabat Regional Public Land Agency; the Regional Energy and Mining Department; the Municipality of Rommani; the Sidi Allal El Bahraoui administration; the Khemmiset Urban Agency; the Khemmiset Agriculture Department; and the Khemmiset Public Works Department.

Results: 26 participants were trained by the RIC's IT manager and an RIC project manager and architect. The trainings continued throughout the spring and will be offered on a regular basis by the RIC.

they wanted to see significant progress in Casablanca before initiating the process and convening all regional actors in Rabat. It was agreed that, if the implementation in Casablanca had not made any progress by mid-January, the Program would turn its efforts to the Rabat RIC.

When no significant progress was made in implementing e-invest in Casablanca's RIC, the Program shifted gears and began assisting the implementation process in Rabat's RIC. Implementation proceeded quickly. The RIC sent out sixty-three customized letters signed by the *Wali* and the Program's e-invest brochure to all Regional and Provincial agencies, Governors, Mayors and Presidents of City councils, asking that each recipient appoint two contacts to be trained on e-invest during March, April and June at the RIC. These trainees would then act as e-invest focal points within their respective organizations. The *Wali* favored this approach over convening a regional meeting as originally planned.

Working with a finalized and more easy to use version of e-invest in Rabat allowed for a more efficient and

smoother introduction of the system into the region. Furthermore, the Rabat RIC took the lead in managing the training of its agents and regional agency representatives while being assisted by the Program. Two Regional Investment Committee meetings were successfully held with e-invest at the Rabat RIC.

e-invest officially launched on April 23rd, 2009. Follow-up continued on the training of Rabat's RIC and new government agencies. Training sessions continued for the Rabat-Sale provinces, municipalities, and the *Wilaya*. Among other improvements and corrections, a new module was deployed allowing investors to compile projects and to alert RIC staff of incoming projects that require their attention. The Program also introduced a new user profile with restricted access to regional project archives to projects that only concern these users. Even though this modification affects all participating regions, this feature is particularly important for the Rabat region since committee memberships tend to vary significantly according to the project's characteristics.

Implementing e-invest in Tangiers. The Ministry of Interior decided on the Tangiers-Tetouan region as the next e-invest beneficiary, instead of Agadir as was initially planned. After a preparatory meeting in May 2009, initial training sessions took place in Tangiers with the RIC. First, The Tangiers RIC director organized a presentation of the system to all involved RIC staff. Then, 8 staff from the CRI were trained on using the system.

After the initial training, the RIC started using e-invest for all incoming projects in the region, which are reflected in the database. Necessary future steps were identified, including the training of regional actors.

National expansion of e-invest. Beginning 2009, the Ministry of Interior decided to extend the use of e-invest to all regions of Moroccan and applied for funding from the Ministry of Modernization's fund for the Modernization of the Public Sector, to help finance the implementation.. The Program held several meetings with Mr. Bennouri, Mr. Sadki, both from a developer, the service provider in charge of e-invest technical development, and Mr. Bouzoubaa and Mr. Boudali from DCAE to prepare the application.

The FOMAP selection committee presided by the Ministry of Modernization agreed to finance e-invest's nationwide implementation.

The project will be financed in part by FOMAP with a counterpart contribution of 50% from the Ministry of Interior. Funds would be allocated to service providers supervised by the Ministry of Interior and selected on the basis of a competitive bidding process.

Developing e-invest online. In the summer of 2009, the web design team produced several models for landing pages to choose from. The pages contain important information for investors and administrators. Topics on these pages include the procedures manual and the digital processing of investment applications in Morocco. The latest models of the website and modifications were presented and discussed. Revisions of the website continued throughout July and August, with feedback from the Ministry of Interior.

Involved Parties: Mr. Bennouri, and Mr. Sadki, representatives from developer working with e-invest, Mr. Boudali from DCAE.

Landing Page Functionality: Investors receive a project ID number that provides access to their project information, allowing them to better track progress. Resources also include contact information for e-invest representatives at the RICs to help facilitate the login and online application process.

Outcome: A final model of the public website was completed at the beginning of August after final input from the Ministry of Interior and the Program. The developer began building the website architecture following the finalization of the design. The website (www.einvest.ma) was launched in September.

The Program and representatives from the Ministry of Interior decided that two RFPs would be submitted: one dealing with technical aspects of e-invest (technical support, maintenance, revisions) and one to implement communication and training initiatives in all regions. A developer assisted in the development of the technical aspect of the RFP while the Program focused on aspects relating to training and communication needs.

A first draft was sent to DCAE at the Ministry of Interior for feedback and a meeting was held in August to discuss the draft. The Program and the developer made revisions to their respective RFPs and these new drafts were reviewed in September.

Sustainability of e-Invest.

One of the main successes of the e-invest project is that the RICs have incorporated the use of the information system into their daily work processes. Not only is staff familiar with the functioning of the system, but also its database has been updated to include past and current projects reflecting correct data on investment. This ensures that investors can truly use RICs as “one-stop shops” contributing to the longevity of the project.

Moreover, other Moroccan government institutions have shown an interest in applying the e-invest technology to their respective work areas. The Program received a request from the Ministry of Housing to adapt the e-invest software to Urban Agencies. The idea is that e-invest could be adapted to include a more detailed treatment of the procedure for delivering a construction license. Like its fellow system, e-build, the temporary name given to system, should enhance transparency and reduce delays in procedures handling.

The Ministry of Habitat and Urbanism and the Urban Agency of Meknes would like to deal with the entire flow of procedures necessary to obtaining construction licenses—those that are linked, in fact, to the ‘Doing Business’ indicator “dealing with licenses.” It was decided, in consultation with the Ministry, that e-build should be based on a harmonized and simplified construction license procedure. It was therefore decided that as a first step, the Program produce a mapping of the procedure and worked with stakeholders.

In 2008, the Program met with Mr. Maelainin, Director of the Education and Social Responsibility for North Africa at Microsoft Corporation. Mr. Maelainin expressed his enthusiasm about the initiative, recognizing its potential to benefit both the administration and investors. The Program also met with M. Bennani, Public Sector Lead, and a solutions specialist from Microsoft to discuss concrete propositions for the Ministry of Interior. Microsoft would like to offer the Ministry the option of using Microsoft’s Digital Literacy Curriculum which could be accessed to e-invest users within the system and an e-content tool, which could be customized for the e-invest application.

At the beginning of 2009 year, the *Wali* of Settat, a strong supporter of e-invest, was made Secretary General of the Ministry of Interior. He is very enthusiastic about spreading e-invest throughout the country and asked that all RICs be equipped with e-invest by the end of 2010. The DCAE and the Program are setting up an e-invest management task force whose responsibilities will include supervising regional implementations, making sure that technical support is provided to regional users, deciding upon technical improvements and managing access rights. As part of its commitment, the DCAE signed a contract to fund the hosting of e-invest for the next three years.

DCAE and the Program have also discussed possible action plans for the extension of e-invest to all regions. One possibility was to strengthen the e-invest project team within the DCAE to supervise regional deployments. Trainings could also be outsourced to a private contractor, using Fund for the Modernization of the Public sector (FOMAP) funds. The latter option was preferred and the DCAE asked for the help of the Program in drafting the terms of reference documents outlining the development, hosting and training specifications needed to generalize e-invest. These documents are needed to start the bidding process associated with the FOMAP.

Following a meeting of the Committee for the Modernization of the Public Administration, the Ministry of Modernization agreed to contribute to the national deployment of e-invest, and will give one million Dirhams (MAD) toward the deployment provided that the Ministry of the Interior matches the one million Dirham pledge. This grant will finance the implementation of e-invest in additional regions, in addition to improving the hosting and functionality of the program.

At the international level, the Program took steps to coordinate with GTZ's "Migration and Economic Development of the Oriental Region" Program. Mr. Striepke, the Program's director, agreed to translate the procedures manual into German and encourage its use among the Moroccans living abroad who are interested in investing in Morocco. He would also like to allow investors in Germany, perhaps via Moroccan consulates, to use e-invest to launch investment projects by obtaining the necessary authorizations.

Additionally, during the annual meeting of the United Nations Conference on Trade and Development (UNCTAD) held in Geneva in May 2009, Morocco was convened to present e-invest and their e-regulations activity considered by UNCTAD as best practices to be shared with the other participating countries. At the conference, the DCAE director and the Settat RIC director presented e-invest and the improvements to the business climate achieved in Morocco over the past few years. Following the UNCTAD conference, the Minister of Commerce and Industry of Mali sent a letter to the Ministry of Interior of Morocco proposing that Mali send a delegation to determine whether Mali could benefit from e-invest through a partnership with Morocco. The minister had heard of the project at the conference during which e-invest was highlighted as an example of best practice to facilitate business. This indicates the positive effect e-invest has had in Morocco and its potential for international replication.

Supporting Moroccan Standard Agency (SNIMA) in the conception and production of its upgraded website

Since 2006, IBCM has been supporting the *Service de Normalisation Industrielle Marocaine* (SNIMA) in its transition to becoming an independent agency, when it will be then renamed the *Institut Marocain de Normalisation* (IMANOR). The Program has worked to make sure SNIMA's transition will be executed in a way that will bring Morocco closer to full compliance with the US-Morocco Free Trade Agreement and the Technical Trade Barriers agreement of the World Trade Organization (WTO).

Throughout the Program's work with SNIMA, a key area of focus was increasing the transparency of technical norms formulation and promulgation through the web. Specifically, the Program assisted SNIMA in developing a standards portal with functions

that will enable it to streamline two important functions related to regulatory transparency: a public consultation process for the development of new standards, and the dissemination of information, including the sale of standards via an on-line boutique.

Building the portal

The first step in the process was transferring SNIMA's existing website from the Ministry of Industry and Commerce so that SNIMA staff could keep the site updated. The existing site was transferred quickly, after which point the Program assisted SNIMA with developing specifications for an upgraded website. Compliance with international standards was critical, given that SNIMA is the standards agency of Morocco. Program web specialist, Charles Parent, oversaw the production phase which when completed, allowed for a more advanced interactive platform.

During 2007, SNIMA issued a request for the Program to assist them in sourcing several sets of American standards from private associations. The Program honored SNIMA's request, because it provided a valuable opportunity to accomplish two goals: firstly, to encourage SNIMA to use and disseminate American standards in general; and secondly, better informing SNIMA about how they can continuously access standards from a variety of American sources.

Following the completion of the design phase, the Ministry of Industry and Commerce approved the website specifications, which meant that the Program move forward by issuing a request for proposals and ultimately choosing a service provider to develop the site.

Throughout 2008, the developer worked on the technical architecture and software interfaces for this complex website, which allows users to download standards from a huge set of internal databases at the standards agency. SNIMA, concomitantly with this work, developed documentation to describe and guide users through the database. SNIMA also translated some, though not all, of their content into all three languages of the site (French, Arabic, and English) and explored online payment options. SNIMA also adopted an Electronic Document Management solution.

In the spring of 2009, the Program finalized the website, working to make both the French and English versions operational, as well as the online boutique. The site was functional by the end of June, and a public launch will be organized by SNIMA during a conference on standards scheduled for October. The design of the website conforms to international regulations, and includes state-of-the-art functionality, comparable with the best standards websites in the world. The new portal allows both Moroccan and international businesses to access current standards and norms, promoting SNIMA's role as the Moroccan standard agency, and facilitating its communication with the private sector.

CORE TECHNICAL AREA 3 COMMON BUSINESS IDENTIFIER

Implementing the Common Business Identifier (CBI)

Conceptualizing the Common Business Identifier (CBI). The Common Business Identifier (CBI) project was born out of the Program's work on the Commercial Registry.

Like the reform of the secured transactions framework, the CBI is a prerequisite to modernizing the commercial registry.

In 2007, the Program conducted a survey of six government institutions necessary to the Common Business Identifier (CBI) initiative: *Haut Commissariat au Plan* (HCP), Bank Al-Maghreb, *Direction Générale des Impôts* (DGI), the *Caisse Nationale de Sécurité Sociale* (CNSS), Ministry of Justice, and OMPIC in its role as the central *Registre de Commerce* (RC). This exercise, completed in 2008, served as a pre-feasibility study that outlined the current workings of the Commercial Registry and was conducted in parallel with a consensus-building exercise that led to one significant advance: the Moroccan government agencies who interact with enterprises all agreed on the need for a common business identifier (CBI) – in the form of a number (such as the tax identifier or social security number) that is associated with an enterprise’s name and correct address. Simple as it sounds, earlier attempts to reach such an agreement had failed because of an over-ambitious design for the template (i.e., sixty data fields instead of four). This information on enterprises would be useful for the statistical agency and for researchers, but holds the potential to create a great deal of extra work for other agencies. The new CBI initiative has recast the effort in a minimalist light and thus encountered less resistance.

Following the study, the Program assisted with the creation and management of an inter-ministerial commission, for the purpose of creating an implementation plan for the CBI. Periodic meetings were held, chaired by Minister Baraka of the Ministry of Economic and General Affairs.

The commission called for the execution of a pilot project in Casablanca before the widespread implementation of the CBI. Meanwhile, OMPIC developed an interface for the CBI to increase transparency and facilitate business registration in real time.

CBI Inter-Ministerial Commission Plenary Meetings

Dates : December 12, 2008; February 13, 2009; March 13, 2009; May 20, 2009

Attendees of the plenary meetings included representatives of the following ministries : Ministère de l’Intérieur, La Secrétaire d’Etat (Intérieur), Ministère de la Justice (MOJ), Ministère des Finances, Ministère des Affaires Economiques et Générale (MAEG), Ministère de l’Industrie, du Commerce et des Nouvelles Technologies (MICNT), Ministère du Commerce, Ministère de l’Emploi et Formation Professionnelle, Ministère du Commerce Extérieur (MCE), Ministère de la Modernisation des Secteurs Publics.

And other organizations : Corps des Comptables Agréés par L’état du Maroc (ACAM), Agence Nationale pour la promotion de petite et moyenne entreprises (ANPME), Bank al Maghrib (BAM), Conseil National du Commerce Extérieur (CNCE) Caisse Nationale de Sécurité Sociale (CNSS), CRI of Casablanca, Direction général des impôts (DGI), Haut Commissariat du Plan (HCP), Office Marocain de la Propriété Industrielle et Commerciale (OMPIC), Office du développement de la coopération ODCO, Secrétariat Générale du Gouvernement (SGG), United States Agency for International Development (USAID).

The Common Business Identifier (CBI). The Common Business Identifier (CBI) is a number that is associated with a business’ name and address. There is a consensus among Moroccan government agencies that interact with enterprises on the need for a common business identifier (CBI). The CBI will allow government agencies to exchange, process, and analyze reliable information about Moroccan enterprises. Over time (though not immediately) the existence of the CBI should make it simpler for Moroccan businesses to interact with the government. Initially, the CBI will be associated only with an enterprise’s name and correct address. AT a later stage, it may become the key to building a more comprehensive database containing statistical information about enterprises in Morocco.

Although the CBI is linked to other topics, such as the simplification of business registration process, the inter-ministerial commission formed to develop the implementation of the CBI decided to stick with a “minimalist” approach in order to continue making rapid progress toward a broad inter-agency agreement on the implementation of the CBI.

The inter-ministerial commission. An inter-ministerial commission, presided by Minister Baraka of the Ministry of General and Economic Affairs (MAEG), was formed and met during the following year to discuss how the common identifier can be implemented. The Program provided support to the commission’s primary mandate: to develop and propose a CBI implementation scenario. The commission, which met three times during spring 2009, is composed of the tax authorities (DGI), the social security agency (CNSS), the commercial registry (RC), the Moroccan industrial property office (OMPIC) and the department of statistics (HCP). Participation has been active on the part of concerned government agencies.

Following each plenary meeting of the inter-ministerial commission, the Program organized several subcommittee meetings: a technical sub-committee handled the IT questions while a legal subcommittee discussed legal issues related to the CBI. These subcommittee meetings led to important outcomes: a technical platform has been developed from which a demonstration of the CBI can be generated; a circular that will give a legal basis to the CBI was drafted, and an exercise was conducted to reconcile past data from the central registry with the new system.

The CBI database and pilot test in Mohammedia. At a meeting of the inter-ministerial commission on December 12th, 2008, OMPIC, manager of the central commercial registry, demonstrated the customized interface they had developed to interact with the CBI database. The Program’s consultant demonstrated a generic interface which can be made available to any administration, especially those which are not computerized (such as the commercial registries at the courts of first instance). After deliberation, OMPIC and the tax authorities agreed to set up a mirroring system for the necessary databases so that they can be simultaneously modified by each agency.

One key decision taken during the first CBI plenary meeting was the generation of the common business identifier would be associated with the registering a business procedure, which represents a company’s first contact with the government. In 2009, OMPIC completed development of the interface between the negative name search procedure and the common business identifier, which allows OMPIC to exchange information with the CBI database and to receive the CBI – even before approaching the commercial registry. Note that some CBIs will be discarded, since not every name search results in the creation of an enterprise. Given OMPIC’s more advanced information technology systems, however, it seemed to make sense –and was easy - to include the CBI at this stage. The CBI will then be included in the printout delivered by OMPIC with the “*certificat négatif*.” This web application is expected to facilitate real-time business registration and increase the transparency of the procedure.

In spring, 2009, three main government agencies, (the tax authorities; the Ministry of Justice which manages the local Commercial Registry (RC), and the Moroccan Industrial Property Office (OMPIC) which manages the national commercial registry) completed the development of an electronic connection between the Common Business Identifier

(CBI) database and their internal systems. This allowed the Program to conduct a test of the CBI pilot platform at the commercial registry of the first instance court in Mohammedia.

Legal reforms to institute the CBI. The Program finished the Arabic translation of the CBI decree, and circulated the finalized draft decree, which will institute the Common Business Identifier (CBI), requiring all government agencies managing and storing data on enterprises to participate in the initiative.

In summer 2009, the Program met with Mme Benjelloun of the Ministry of Economic and General Affairs (MAEG) to discuss advancement of the project. The *Haut Commissariat du Plan* (HCP) expressed its desire to play a larger role in the implementation of the Common Business Identifier (CBI). To accommodate this request, the Program worked with MAEG to edit the decree to more clearly specify the role of each involved agency.

At the end of July, the Program met with Mr. Lamrani of Coface Maroc (www.coface.com) to discuss the Common Business Identifier (CBI). Coface, which analyzes enterprise credit risk, is very interested to know when the CBI initiative will be open to private sector participation.

In September, the Program learned that the CBI initiative would be presented to the King, along with a proposal for national deployment.

The Program held a final closing event with MAEG on September 25.

Sustainability. Work with CBI accomplished a major feat of building consensus among separate government bodies. Not only did the inter-ministerial commission achieve consensus on the need for the CBI, but it also elicited the active participation of concerned government agencies. Because the CBI aims to simplify communication with the government, each agency's dedication is crucial. The development of the CBI interface will allow for business registration to be processed in real time online, while increasing the transparency of the process. Increased interest in the CBI shown by the HCP and private sector, signals the utility of the Common Business Identifier (CBI) beyond the core group of government agencies which work with enterprise data daily (tax authorities, social security agency, OMPIC, local commercial registries). The fact that this initiative has been selected to be included in a presentation to the King bodes well for its continuity, and for the allocation of financial resources to deploy the identifier at the national level.

CORE TECHNICAL AREA 4 SUSTAINABLE INVESTMENT IN MEKNÈS-TAFILALET

Meknès Vert

“Meknès Vert” began as a pilot project in 2007 following the completion of a regional study identifying opportunities and constraints to private investment in the region. Today, the region's abundant natural resources are also associated with alarming degradation as a result of pollution and desertification. Such desertification compromises the possibility of sustainable development. With this in mind, and in an effort to make use of internationally available green funds, the Regional Center for Investment (RIC) of Meknès-Tafilalet asked IBCM for assistance in attracting sustainable investment in 2007.

A few sectors emerged as offering the most promising potentials: organic agriculture; sustainable tourism and renewable energy (including Clean Development Mechanisms, CDM).

Throughout the project, the Program acted as an unbiased facilitator, bringing relevant actors to the table to come up with solutions and take ownership of green development in the region. The Program facilitated and assisted with a number of events throughout the life of the Project, and these events helped raise awareness, invite dialogue, and allowed regional actors to become more involved and responsible for the projects.

Getting started. The Program worked with South Pole Carbon (SPC), a carbon asset management company that identifies and assesses the viability of sustainable programs. SPC investigated the potential for renewable energies and other sustainable investment opportunities in Meknès-Tafilalet, and identified major untapped potential for renewable energy and Clean Development Mechanism (CDM) projects in the region.

Specifically, SPC identified two CDM opportunities in the region: a landfill rehabilitation project, and a waste water treatment project. The report recommended creating a “regional center of excellence” in the region, to bring together relevant regional actors, including: Center for the Development of Renewable Energies (CDER), German International Cooperation Agency (GTZ), local entrepreneurs & technicians, importers in Morocco and exporters of renewable energy technology.

As part of the conference on the Regional “Doing Business” study held in Meknes on October 31st, 2007, the Program organized a session on how to promote sustainable development in the region. This conference was an opportunity to present the preliminary results of SPC’s investigation, as well as serving as a platform for discussing a sustainable investment strategy in the region.

Four Strategic Areas for Sustainable Investment in Meknès-Tafilalet:

1. *Energy self-production:* exploiting the region’s main renewable energy sources (biomass, wind-based and biogas), encouraging energy self-promotion by large energy consumers and the Meknès municipality, and identifying opportunities for Clean Development Mechanism (CDM) financing.
2. *Renewable energy sector development:* identifying markets for renewable energy, building partnerships between international producers and local service providers.
3. *Energy Efficiency:* attracting new technological solutions and know-how related to energy efficiency, and improving the competitiveness of existing enterprises.
4. *Policy and Regional Promotion:* developing a unique brand to position the Meknès-Tafilalet Region as a preferred choice for foreign direct investment, particularly in the field of renewable energy, and decentralizing the evaluation of environmental impact studies.

The Meknès Conference: October 31st 2007

Attendees: The conference included about 150 participants, including the *Wali* of Meknès, all five governors of the region, Jim May, Director of Economic Growth at USAID and Mr. Smahi of the Ministry of the Interior.

Outcomes: Two workshops were held during the conference, which provided an opportunity for future partnerships to be built. Dialogue between regional actors increased, and the Municipality became more involved in developing Meknès’ landfill towards offsetting its carbon emissions.

CDM-finance for renewable energy self-production

Morocco, having ratified the Kyoto Protocol, is eligible to attract Clean Development Mechanism (CDM) funding for projects that reduce greenhouse gas emissions. Moreover, large electricity consumers in the private sector have an opportunity—which can be financed partially or fully via carbon credits—to invest in wind power and biomass, as well as other sources of alternative energy.

In 2008, SPC identified two self-production projects that could benefit from CDM financing: the Meknès public landfill and the city's waste water treatment plant. Following the completion of this report, the Program met with Mr. Belkoura, the President of the Meknès Municipality, and Mr. Lahlou, the Director of *Régie Autonome d'Electricité de Meknès* (RADEM) in Meknès, to discuss the next steps for these CDM demonstration projects. As part of this process, the Program sponsored two pre-feasibility studies in order to determine projects' viability, and accompanied both the Municipality and the RADEM in evaluating the business options available to obtain a CDM accreditation for their project. The results of the studies were presented to both the Municipality and the RADEM at the end of 2008, at which time project management options were evaluated. These studies showed that both projects are economically viable.

Landfill Project: This project aimed to contribute to the rehabilitation of a landfill in Meknès which currently poses an environmental hazard due to the toxic nature of its emissions. The Municipality would relocate and expand the landfill area, and control the toxic waste. The CDM project consists of capturing the biogas in order to produce electricity, while generating carbon credits that can be traded on the carbon market. The revenues from prospective CDM accreditation would contribute to the rehabilitation of the landfill.

After a change in leadership, the Program met on March 31st, 2009 with the new President of the Municipality, who decided to combine its RFP for controlled landfill rehabilitation management with CDM certification, and to contract with one developer for the full certification process. While there were some issues regarding the land extension that needed resolution—the owner of the land in question was expropriated, as per the Council's decision of April 6th—CDM development went hand in hand with the rehabilitation. At that time GTZ offered to follow-up with the landfill project, specifically with regard to the possibility of incorporating garbage separation and recycling mechanisms into the landfill rehabilitation project. Over the summer, Meknès elected a new Mayor, the third that Meknès has seen during this project. The Program met with GTZ in September to complete the final handover of the project, and GTZ offered to finance a parallel study on garbage separation in order to evaluate the possibility of including this option in the whole project.

Meknès-Tafilalet: Day of Reflection on a Regional Strategy for Mobilizing Investment for Sustainable Development and Promoting Renewable Energy: 20 February, 2008

Attendees: Representatives of donor agencies, the Wali, Mr. Aourid, USAID Country Director Monica Stein-Olson and Ms. Haddouche, Executive Director (CDER). The morning's agenda featured a number of dynamic presentations by stakeholders.

Outcomes: Formal launch of green investment initiative in the region. Facilitated dialogue between potential donors and the Municipality, RIC, and CDER. Donors made commitments to the region. Agencies began to consider Meknès-Tafilalet as a target region for sustainable investment.

Water Treatment Project: The Meknès water treatment station also presented an opportunity for a CDM project. In 2008, a Water Treatment Station was being constructed on one of Meknès' lagoons. The project would cover the lagoon, pending the completion of construction on the Water Treatment Station. The biogas captured from covering the lagoon would then be converted into electricity. This electricity would be used to generate the Water Treatment Station itself, in effect constituting "energy self-production."

During 2008 and 2009, the *Régie Autonome d'Electricité de Meknès* (RADEM) collaborated with the Program to pursue CDM certification for the waste water treatment plant. As with the landfill project, the Program acted as a facilitator between RADEM and other local administrations concerned, and assisted RADEM in choosing the most beneficial proposal for CDM certification of the wastewater treatment plant. The Director decided to hand over the first step of the CDM certification to a developer, and submitted a Request for Proposal (RFP) in May 2009. Following the opening of offers on July 3rd 2009, the Program, in collaboration with GTZ, put a consultant at RADEM's disposal, Mr. Rolf-Peter Owsianowski, to assist RADEM in assessing the technical and financial offers. Because RADEM's Director changed over the summer, the selection of the developer is currently pending.

The GTZ will take over this project.

The Solar Technology Value Chain Study

In 2008, the Program conducted a value chain analysis of the solar energy sector, in collaboration with the founders of the Energy Houses program (a UNDP/CDER sponsored program providing assistance to distributors, installers, and maintainers of solar energy generating technology). Program consultant Hélène Kirémidjian led the study, which assesses the current and potential markets for solar technologies in the Meknès-Tafilalet region. A volunteer group of students from Columbia University's Business School contributed to the study by identifying potential foreign investors, and developing business models for selected sectors (ecotourism, housing and education/health). The group came to Morocco at the beginning of January 2009 for ten days in order to present their preliminary findings to the Program and regional partners.

The study's goal was to map out linkages in the photovoltaic and solar water heater chains and identify private investment opportunities in the region in order to transform potential demand into real market opportunities and attract investors. The study also examines the value chain organization of solar industries (thermal and photovoltaic) with the intention of fostering commercial linkages between local and international chain actors and attracting sustainable investment in the region.

The study's results highlighted service providers (such as installers, wholesalers, and Energy Houses) as one of the weakest links of the chains, due to their scarcity and poor quality of service. The study found that service providers are not sufficiently integrated into the value chain, either vertically (with other network actors, such as importers) or horizontally (with each other). Regarding investment opportunities, the tourism sector appeared to hold the most immediately viable investment opportunities. The Program followed up on these two main findings at the beginning of 2009.

A preliminary presentation of the study was given at the end of 2008 at the Meknès RIC, in the presence of the key regional actors—the CDER, the *Office National d'Electricité* (ONE), and the Chamber of Commerce and Industry (CCIS). Following the presentation, an action plan was developed by the partners, which included collaboration between the CDER and the Program to create a network of installers in the region, the RESOVERT, in order to improve their efficiency (economies of scale), competencies and access to market. Also, the Program, in collaboration with Meknes RIC and the CDER, organized an awareness-raising event targeting the tourism sector, which is viable for the investor.

“Solar water heaters in Meknès-Tafilalet’s hotel sector” March 13th, 2009 Event.

Attendees: representatives from the private sector (hotel and small guest house owners), banks and financial institutions, technical experts and technology suppliers

Outcomes: Four hotel owners signed letters of intention. Based on those letters, the CDER selected two hotels to conduct feasibility studies. The event provided for the demonstration of economic benefits of solar water heaters, the formation of business relationships, and education about the proposed technology.

In June 2009, the Program published the solar technology value chain study (photovoltaic and solar water heaters), which was translated into English and published in September 2009. Both the French and English versions were finalized and published on the Program website. The study was distributed at workshops in an attempt to facilitate further local and international commercial connections, and to attract sustainable investment in the region.

The formalization of RESOVERT, an installer network.

The Meknès-Tafilalet solar energy installer network was formalized and named RESOVERT, and saw significant developments during spring 2009. During this year, RESOVERT evolved from a nameless network to a chartered group with multiple prospects for collaboration with solar heating companies. RESOVERT was a huge accomplishment, because it brought formerly disparate installers into dialogue with one another, promoting communication, cooperation, and market competition. RESOVERT also helped to ensure the quality of the products on the market, which improved the public perception of the technology.

“Formalizing a Meknès-Tafilalet installer network” March 19th Workshop. The Program and CDER collaborated to organize a working group session of the Meknès-Tafilalet renewable energy installer network, held at the RIC on March 19th, 2009.

Outcomes: Formalization of the network created in February; selection of Mr. Amrani as the facilitator, next steps identified.

The Program hired a facilitator for the network, Mr. Amrani, to oversee the coordination between members, lead workshops, develop communication and commercial tools, and provide trainings session.

RESOVERT workshops. Following preliminary surveys, RESOVERT’s members decided to hold bi-weekly working groups, along with the Program and Mr. Amrani, focusing on increasing their businesses’ professionalism. The main accomplishments were the development of templates for commercial contracts with suppliers, sample maintenance contracts with clients, bills and communication tools (business cards, a RESOVERT logo, etc.). A quality charter was developed, requiring each member to commit to only marketing certified products, to hold at least one installation certificate and to offer free maintenance services for a year. Lastly, the Program organized a number of training sessions on business finance, fiscal management, and marketing. RESOVERT’s members continued to convene for workshops on specific technical

trainings, working to meet the needs of RESOVERT members, and to develop commercial tools and strategies.

On July 16th, 2009, the Program, with the help of Mr. Amrani, held its last RESOVERT workshop at the CCIS. The workshop provided an opportunity to (i) hold private meetings with each member to assess their future needs (regarding training, support, and future negotiations) and their current commercial approaches and plan of action; (ii) identify interested suppliers and discuss the best methods of engaging them; and (iii) to provide each member with business cards and RESOVERT's commercial brochures. Mr. Amrani took over as the facilitator for meetings between RESOVERT and selected suppliers.

Building commercial partnerships. The Program identified and coordinated with a number of large solar energy providing firms to strengthen RESOVERT. In June 2009, the Program, CDER and the International Chamber of Commerce and Services (CCIS), met with leading solar water heating companies Energy Poles, Sococharbo, and Isofoton. These companies presented their products and services, in anticipation of their collaboration with RESOVERT members. These firms will offer the network preferential treatment in terms of pricing and delayed payments, and will provide training sessions on collective installations for solar technologies.

During summer 2009, a technology supplier offered to provide ten solar water heaters to a member following the publication of an article about RESOVERT in the "Challenge Hebdo." At the beginning of July, the Program met with the representative of GTZ's agency for capacity building and professional training, InWent. The CDER recommended that members of RESOVERT should be the first beneficiaries of InWent's technical, needs-based training cycle.

Identifying training partners. RESOVERT elicited interest from Al Akhawayn University and Office of Profession Training and Job Promotion (OFPPT). These two organizations were willing to provide trainings to RESOVERT's members on both technical and entrepreneurial aspects. During spring 2009, GTZ opened a center for environmental knowledge transfer in Mohammedia. GTZ agreed to provide RESOVERT with regulatory monitoring and updates regarding environmental issues as needed. Following the signature of an agreement between the region and the CDER to promote energy efficiency and renewable energy, the CDER organized a one day conference in Errachidia on July 1st. This was an opportunity for the Program to officially present the RESOVERT and for the members to network.

On July 1st the CDER held a one day conference, where it presented the finalized version of the Solar Value Chain Study and RESOVERT. This event functioned as a launching event for the regional strategy promoting renewable energy and energy efficiency in the region. It involved all local and public administration.

Outcome: Informed the region about current and incoming projects, formation of a collective regional vision and action plan for promoting renewable energy and energy efficiency in Meknès-Tafilalet.

RESOVERT strengthened its capacity to negotiate with suppliers, identified by the Solar Technology Value Chain Study as an area for improvement. With its industrial partnerships, RESOVERT can now choose from different offers outlined by suppliers, which in turn increases competition and quality. On July 17th, the Program signed an agreement with CDER, formalizing CDER's takeover of RESOVERT at the end of the

Program. The agreement stipulates that CDER will sustain RESOVERT and facilitate the network for the next year.

Solar water heaters in Meknès-Tafilalet's hotel sector. In spring 2009, the Program organized a half day awareness rising event on solar thermal energy for the tourism sector. Some hotel owners made a public commitment to equip their businesses with solar water heaters following the “Solar water heaters in Meknès-Tafilalet's hotel sector” event organized by the Program at the Meknès RIC. Four hotel owners committed to equip themselves with solar thermal technologies, and required technical assistance from the CDER.

In July, progress continued when Mr. Bennouna, owner of the Dhalia and Bab Mansour hotels in Meknès, signed an agreement with CDER to require its technical assistance with the Fund for the Protection of Renewable and Efficient Energy (FOGEER), a fund that promotes renewable energy and energy efficiency. FOGEER guarantees that it will cover up to 70% of investment costs for renewable energy projects that promote solar water heater usage in Morocco. CDER finalized a feasibility study in July for Dhalia Hotel and a financial study is underway. Following the March 13th event, the Program and CDER also visited a bed and breakfast in Meknès. Since the bed and breakfast's infrastructure is small, the CDER offered a condensed feasibility study, including cost estimation so owners can decide whether or not they want to move forward.

After a CDER representative presented the FOGEER to hotel owners in Arfoud and Merzouga (Errachidia province), a dozen small hotel owners expressed their interest in equipping themselves with solar thermal technologies. Because the FOGEER works only for investments with a minimum of 300,000 MAD, the CDER offered to finance a feasibility study for all interested small entities as a package.

Regional branding

As a way to catalyze investment opportunities, the Program developed a communication strategy focused on sustainable development, with the RIC as the initiator and facilitator of the project. The marketing objective was to position the Meknès-Tafilalet region as a privileged choice for domestic and foreign direct investors who are concerned about the environment, especially those with a particular interest in renewable energy. This strategy included the development of a unique brand and the design of a set of communication tools (logo, website) for efficient territorial marketing.

Mr. Lecler presented the sustainable investment communication strategy at a **conference on the Region's new tourism strategy organized by the RIC.**

Attendees: main political leaders of the region: the *Wali*; the President of the Regional Council; several governors; municipal presidents; and other government representatives, private sector actors, academics and civil society associations.

Outcomes: participants voted to select a logo for the region. Increased local ownership of the strategy to position Meknès-Tafilalet as a preferred choice for green investors.

The Program recruited Consultant Laurent Lecler to lead this effort. In November 2008, Mr. Lecler presented its preliminary findings to the Director of the Meknès' RIC and spent three weeks in the field meeting with regional actors (regional delegations of concerned Ministries, private companies, etc.). On March 12th, 2009, Consultant Laurent Lecler presented the sustainable investment communication strategy by invitation of the new *Wali* of Meknès. After deliberation, the *Wali* decided to adopt the idea

of a regional sustainable development strategy with a proposed vision and logo to help the region position itself as a unified whole. Lecler's strategy helped to create a unified regional identity by linking it to a single regional logo, which had never before existed.

The *Wali* asked the Program to contribute to the strategy by helping with the selection of additional sectors for development, and the identification of priority actions. The new communications strategy will also aim to raise awareness of the concept of "sustainable development" among regional political leaders and the public. Consultant Lecler finalized the sustainable development logo and worked on a new template for the RIC's website, highlighting their commitment to promote sustainable development in the region. Mr. The new RIC website's logo allowed for the formation of a new "corporate identity" to appear on all official documents.

In summer 2009, *Meknès Serie* was established as a way to publish communications and update the website. The website highlights the region's commitment to sustainable development, and will aid in promoting interest and investment in sustainable projects. On June 23rd, the Program presented the communication plan to the Meknès RIC, which aimed to raise awareness among regional political leaders and the public on this concept. This presentation intended to show that pre-existing and similar initiatives in the region could be used to explain and promote the concept of sustainable development.

The regional branding strategy for the Meknès-Tafilalet region was a great success. Not only did the new logo function as a marketing tool for green investment, it also allowed the region to coalesce around a shared identity and a unified vision of sustainable investment.

Sustainability. Throughout its work in the Meknès-Tafilalet region, the Program has worked as a neutral facilitator between government agencies and private investors, funding pre-feasibility studies, providing assistance with selection of partners, and bringing relevant actors into dialogue with one another. As a result, throughout the life of the project local ownership of the project increased, as local agencies began organizing conferences and holding meetings. Now, Meknès-Tafilalet has a clearer vision for sustainable investment, a shared regional identity, and the necessary tools to continue green projects.

COMPONENT II JUDICIAL REFORM AND STRENGTHENING COMMERCIAL DISPUTE RESOLUTION

CORE TECHNICAL AREA 3 PROMOTING ADR FOR BUSINESS DISPUTES IN MOROCCO

USAID's Improving the Business Climate in Morocco Program (IBCM) worked since late 2006 to support the development of alternative dispute resolution (ADR) in Morocco. This activity was not originally in the IBCM work plan, but following numerous requests from the business and professional community, it was decided to design and implement a number of activities focused primarily on the development of mediation for business disputes. A limited number of activities relating to arbitration, another form of ADR, were also implemented. The rapid development of a number of successful activities is a testament to the interest and energy of numerous individuals and institutions in Morocco, as well as the flexibility of USAID/Morocco, DAI, and DAI's primary subcontractor, DPK Consulting.

Activity began in September 2006, when Program consultant Remy Kormos conducted an initial assessment of the state of ADR in Morocco and prepared a report entitled "Alternative Dispute Resolution in Morocco (ADR): Assessment and options for technical assistance." Following discussions with USAID/Morocco, the Ministry of Justice (MOJ) and other potential stakeholders, a revised Program scope of work and annual work plan was developed. The report, which provides background information on ADR and its development as well as specific programming recommendations, was made available for counterparts and stakeholders in Morocco.

Following the assessment, IBCM began building partnerships with interested institutions and individuals to start developing a core of mediation professionals, to identify key stakeholders, and to build on earlier initiatives undertaken in the field of ADR in Morocco. Close collaboration with Search for Common Ground was established from the outset and continued through the end of the Program in 2009.

IBCM's support to the development of mediation focused on three key aspects, each of which is described in more detail: (1) Work to increase the **supply** of ADR services, such as training mediators and supporting ADR service providers, (2) Fostering **demand** for ADR, namely outreach efforts to the business and legal communities to encourage the use of mediation and arbitration, and (3) and support to national level-policy making relating to mediation.

Increasing the Supply of ADR Services.

The starting point for developing ADR services is of course to train potential mediators in basic mediation skills and principles. IBCM offered the **first private mediation training for business disputes ever held in Morocco** on June 14-16, 2007, organized in collaboration with (CIMAR) and the local non-governmental organization Search for Common Ground. The trainings were given by a leading US mediator and trainer, Mr. Ron Kelly, and a mediator and trainer affiliated with Search for Common Ground, Mr. Oussama Safa. The course was a sixteen-hour introductory training course which included theory and practice of mediation, using a video and role play exercises. The Program and its partners continued to offer quality introductory and advanced trainings through 2009. Table 1 below sets out a list of these trainings.

Table I. IBCM Training in Basic Mediation Skills

Training	Type	Dates	No. of Trainees
1st training on commercial mediation (IBCM/ SFCG) (3 days)	Intro.	June 2007	40
2 nd training on commercial mediation (IBCM/ SFCG) (4 days)	Advanced	5 to 8 Dec. 2007	20
2 nd training on commercial mediation (IBCM/ SFCG) (4 days)	Advanced	23 to 26 Jan. 2008	22
Seminar on: « Introduction to commercial arbitration in Morocco »		14 March 2008	19
Training on mediation in Morocco organized by CIMAR, CIMAT et IMAM (Instance Marocaine de la Médiation) & IFC	Intro.	3 to 5 June 2008	
“Caravane” on commercial mediation organized by CIMAR & CCI in Tangier, Meknès & Casablanca	Intro.	3 to 6 March 2009	75

Assistance to CIMAR. Over the last two years, the Program helped CIMAR develop its capacity to offer mediation services to the business community, gain visibility and increase its volume of activities. Over the summer of 2007, the Program held a business planning exercise with Center on Arbitration and Mediation (CIMAR) to help the institution prioritize activities and implement a financially sustainable growth strategy.

The Program hired a local consultant to work with CIMAR to update its business plan, prioritize upcoming activities, and outline a detailed financial sustainability and investment strategy. In addition, Program staff met with Rafael Bernal, who successfully built the largest and most respected ADR center in Colombia. He shared a model of its business plan to help orient CIMAR in the preparation of its document, helping the CIMAR to incorporate international best practices into its business plan.

On January 6th, 2009, the CIMAR business plan was presented to members of the CIMAR supervisory board and affiliated senior mediators. The presentation was followed by a productive question and answer session, during which several institutional and strategic issues were discussed.

The goal of these activities was to help CIMAR to develop its own vision and strategy, establish firm relationships with other partners in addition to IBCM, and to contribute its own resources to the activities carried out with IBCM. In September a consultant presented the business plan to an audience made up of the President of the Rabat Chamber of Commerce, a selected CIMAR board members and advisors, IBCM and USAID.

Centre International de Médiation et d'Arbitrage de Rabat (CIMAR). Organized in 2001 as a semi-independent entity within the Rabat Chamber of Commerce and Industry, CIMAR already existed as an ADR institution with basic staff and physical resources, and has hosted a small but rapidly growing number of mediations over the past eight years. IBCM committed to support CIMAR's development, as part of a sustainable strategy to stimulate the growth of ADR in Morocco.

CIMAR's website (www.cimar.org.ma) was launched on February 3, 2009. The site includes information on services offered, mediator and arbitrator lists, outreach activities and an ADR library; it functions both as a marketing tool for CIMAR and as a general resource for ADR information. A logo was developed for CIMAR's general branding, and a new graphic design was applied to CIMAR's website. Since its launch, the site has had approximately 400 visitors each month.

“Commercial Mediation Caravane” The Program and CIMAR collaborated with the Paris-based International Chamber of Commerce (ICC) to organize a **mediation mini-training and outreach program** in three cities: **Tangiers, Meknès and Casablanca** on March 3rd, 5th, 6th 2009, respectively. The training was conducted by CIMAR trainers as well as two mediators from Switzerland, Ms. Birgit Glasner and Mr. Jeremy Lack, both from the Altenburger law firm in Geneva. This event was an important achievement for CIMAR as the ICC is a leading international mediation and arbitration center and because a number of professionals and business people in several cities were reached.

CIMAR produced articles for their second ADR journal in August 2009. Articles in the journal include two produced by the Program. The design for the journal was finalized and printing began at the end of August.

Training of Trainers. The Program worked with CIMAR to develop a **nine day training session** for mediator trainers. **Training and coaching sessions** were held between mid-April and June, 2009. The two trainings were given primarily by local, CIMAR-affiliated mediators. The first session was facilitated with the participation of international experts, and **the second was facilitated entirely by local mediators.** Two **communication skills workshops** were held on June 23rd and 30th, 2009 and the **first public speaking module** took place July 2-4th.

CIMAR is now the best known and most active ADR center in Morocco, with the highest volume of cases reported anywhere in the country (still only a few per month). Since June 2007, several cases have been concluded. Cases include but are not limited to the following sectors: insurance, real estate, and foreign investment in manufacturing. Others involve banks, insurance and transportation companies. IBCM incorporated a clear exit strategy in its approach to supporting CIMAR. Events programmed for 2008-2009 were be aimed at preparing local trainers to offer high-quality training, followed by the organization and delivery of training using a fee-for-service approach.

Fostering Demand for ADR Services

The other part of the equation for the development of ADR, and in particular mediation, is finding the “clients”—businesses and businesspeople with disputes—who are willing to attempt to resolve their dispute through mediation or arbitration. Matching up this demand with trained mediators and effective ADR service providers is always a challenge, and it can take years before a balance is achieved and mediation becomes established. Recognizing this, the Program has worked hard to reach the business community and has organized a number of outreach events and other forums on mediation and arbitration.

Outreach events were co-organized with a number of different partners, including CIMAR. Some of the activities were local, others were on an national level.

Outreach with the National Commission on Mediation. In 2009, the Program and the IFC collaborated on a number of outreach activities with the National Commission on Mediation (please see below for the background on

Roundtable on July 8, 2008. This event gathered about 75 mediators, lawyers, accountants and other professionals and government officials interested in ADR, to listen to presentations on best practices and practical experience from three countries: Colombia, Pakistan and Italy. The presentations focused on the real-world challenges faced by mediation centers and provided a comparative perspective. The sophistication of the questions coming from the Moroccan participants demonstrated the progress that the local ADR community has made over the last couple of years. Senior Moroccan business lawyers and arbitrators also participated.

the commission and the collaboration with the IFC). A communications plan was developed and implemented. The Program and a communication firm collaborated on a branding campaign for ADR centers throughout Morocco. A logo was created and the website (www.marc.org.ma) was reserved.

The aim of the communication and branding campaign was to inform professionals and lawmakers about ADR as a form of conflict resolution for businesses in Morocco and abroad. It targeted major business sectors in Morocco, and introduced ADR as an alternative to litigation.

The **communications campaign** during spring and summer 2009 featured several articles and public announcements in several magazines, including *L'économiste*, *Assabah*, *Challenge Hebdo*, and *Essor*.

The communications strategy began by informing decision makers on the existence of ADR as alternatives to judicial or litigation remedies, and to communicate the interests and efficiency they can offer to motivate and convince these decision makers to use mediation for any dispute. The plan also targeted professionals, namely lawyers, notaries, and accountants, who could use mediation as an alternative to the traditional method of conflict resolution.

Efforts in the communications campaign included the creation of a Public-Private committee website, and the facilitation of three round-table debates about the use of ADR in businesses as a way to resolve conflict. The purpose of the round-table discussions was to encourage businesses to pursue mediation before seeking judicial action. The round tables were attended by professionals from a variety of backgrounds, including engineering, consultancy, and law, and participants expressed interest in using mediation for conflicts in their sectors and businesses.

National Policy-Making Level

On February 22, 2007 the Program organized a roundtable in Casablanca to discuss the development of an ethics code and professional standards for the field. The event was well-attended by a variety of private sector legal professionals and discussions were held relating to the draft law on mediation and arbitration.

Comments on Draft Law. Mr. Kormos, along with other IBCM experts, provided informal input to the draft law on arbitration and mediation before it was passed by Parliament in July 2007. In particular, the Program provided an analysis of the confidentiality protections and urged a number of changes. While not all recommendations were ultimately accepted, a number of changes were made following urging from a number of IBCM's partners. The law, which covers only private mediation and arbitration and not court-connected ADR is a positive step for the development of Morocco and reflects considerable expertise and debate.

Local Outreach Events in 2008.

March 13, 2008: the Program supported a regional forum entitled "Mediation - arbitration, lever of development for SMEs," **organized in Settat by CGEM's commission on small and medium enterprise.**

March 14, 2008: a seminar on commercial arbitration was held in Rabat, **organized by CIMAR** in collaboration with the Program. National and international experts discussed the new legal framework for arbitration in Morocco and shared their expertise in the field of arbitration.

June 3, 2008: the Program supported an awareness event, "Mediation Day," **organized by CIMAR** in collaboration with the Moroccan national mediators association (IMAM). Key local players participated, such as CMAT (the mediation and arbitration center in Tangier), the IFC, the Ministry of Justice, and CIMAR's other institutional partners.

The National Public-Private Commission on Mediation and Collaboraiton with the International Finance Corporation (IFC). USAID/IBCM entered into a Memorandum of Understanding (MOU) with the IFC on October 30, 2007, involving a commitment for parallel financing of specific tasks as part of an integrated strategy to promote commercial mediation by means of a three-pronged strategy: public awareness, pilot mediation center support, and mediator training and certification.

This partnership, if formalized, was strategic for IBCM; allowing the Program to shape the IFC's intervention and consolidating USAID/Morocco's position as a first-mover and key player in developing the practice of commercial mediation in Morocco.

In 2008, the Program and the IFC obtained a common agreement from partners on a **national public-private commission** to promote mediation, made up of the Ministry of Industry and Commerce, the Ministry of Justice, the Ministry of General and Economic Affairs, the national Moroccan business association (CGEM), the national Moroccan banking association (GPBM). Both IFC and USAID are members with observer status. The commission met for the first time on September 18, 2008.

The **National Public-Private Commission** oversees four main activities:

1. Providing an overall framework for public-private discussion on ADR related policy issues and donor coordination;
2. Providing institutional support to mediation centers, including incentives and mechanisms for quality control;
3. Offering mediation training (both continuing education for professionals and introducing mediation into the curriculum of law and business universities);
4. Promoting mediation by sponsoring and organizing awareness raising events.

Work with the committee. The public-private commission has fostered productive dialogue and initiatives, as well as increasing transparency and sharing of resources between the various bodies involved. Participation in the creation and work of the commission has allowed IBCM to become involved at the national "macro" level, complementing the "micro" level work of CIMAR assistance. The committee, after being active for six months, was formalized by the February 2009 "*Pacte National pour L'émergence Industrielle.*"

Throughout the spring and summer of 2009, the committee debated appropriate regulatory approaches to mediation center accreditation (*labellisation*). The Committee considered whether this task should be delegated to an association sponsored by CGEM. The Program's judicial component coordinator, Remy Kormos, argued that accreditation

National Conference on December 18, 2008. In conjunction with the IFC and the public-private commission, the Program organized an ADR conference in December 2008. The conference, entitled "*La Médiation Conventionnelle: Une Opportunité pour les entreprises,*" was attended by over 150 businesspeople, mediators, lawyers, government officials and judges. A significant number of senior businesspeople attended.

Opening addresses were given by the Minister of Economic and General Affairs, the President of the CGEM, USAID and the IFC. Speaking at the conference were Moroccan judges, officials, and professors, as well as international experts from Columbia, Pakistan, and the United States (the Program's Remy Kormos), thus providing both local and global insights into the mediation process.

Ms. Boucetta of the Ministry of Commerce and Industry presented the Public-Private Commission's work and future development plans. The event was covered by the print media, and radio and TV interviews were also given.

should be either implemented by the Committee or self-regulated by the mediator community and not by a private sector association. Sponsorship by CGEM would contradict the basic principles of professional self-regulation and state regulation. Thus, as of summer 2009, the Committee worked based on the principle that the accreditation will be implemented (when there is

sufficient experience and activity by ADR centers to warrant it) by the Committee itself instead of the association. The Committee also agreed to stop reviewing the documents relating to the association (e.g. the bylaws, the accreditation mechanisms).

The IFC identified a law firm interested in doing *pro bono* work to support ADR centers in Morocco. Two lawyers (international arbitration and mediation specialists) from Latham & Watkins visited in early January 2009 to conduct a needs assessment of several Moroccan mediation centers. In March the lawyers from Latham & Watkins presented the results of their mediation center evaluation to the public-private commission. Two centers (CGEM's Euro-Mediterranean Center and the International Mediation and Arbitration Center of Tangiers) were chosen to be supported by the committee.

At the June 16th meeting of the Private-Public Committee, the Program responded to the draft documents on ADR center accreditation prepared by the Latham & Watkins lawyers for the CGEM and the Public-Private Committee on ADR. The committee asked Latham & Watkins to rewrite these documents to respond to the Committee's comments, and to provide more benchmarking and research background to help the Committee and mediators better understand the issues.

The MOU between the Program and the IFC expired on March 31, 2009. The Program continued to support the committee, and coordinated as necessary with IFC.

Sustainability. The Program's activities with CIMAR always focused on sustainability and a viable exit strategy. The Program's continued worked with CIMAR on a series of trainings and outreach programs laid the foundation of greater expertise and local ownership of ADR programs in Morocco. Training and coaching sessions targeted local mediators as well as international experts. Mediators demonstrated increased capacities and skills, as well as greater knowledge of content. The success of CIMAR's trainings will help local mediators to become experts and contributors to the training of future mediators and invested parties.

Moreover, CIMAR revised its business plan, reflecting greater autonomy and a better vision for the future. Changes to the business plan include a more realistic scope, greater focus and vision for the future. Moreover, CIMAR's taking initiative to revise its business plan indicates an investment in its success and resources. The updated business plan is an important step as CIMAR become less political and more autonomous. CIMAR, through managing their website and reviewing their business plan, is taking the necessary actions to continue to thrive as an independent entity.

The Program assembled a biographical and resource binder containing international and practical materials on ADR, which were circulated to CIMAR, Public Private Commission and other stakeholders. The binder contains information on topics pertinent to the activities of the Public Private Committee, such as mediation techniques, accreditation and training of mediators and arbitrators, and ethics standards. This provides committee members with easily accessible and current information on international best practices and to help them evaluate the various proposals that will likely be debated on these topics.

The Program's support to the Public Private Commission has focused on the long term. The expertise level of the various participants in the Commission's work has steadily increased over the course of the last two years, as was the level of awareness among participants in the various events organized during that time.