

Working Paper
on
Modalities and Challenges of
Public-Private Collaboration on
Talent Partnerships in Morocco

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Preface

The scoping paper on *Modalities and Challenges of Public-Private Collaboration on Talent Partnerships in Morocco* is prepared by the Economic and Commercial Office of the Spanish Embassy in Casablanca, ICEX in Morocco, within the framework of the Migration Partnership Facility (MPF).

ICEX (Spanish Institute for Foreign Trade) is a public entity of the Spanish Ministry of Industry and Trade. ICEX aims to promote and assist Spanish companies in their international development, improve their competitiveness and add value to the Spanish economy as a whole. ICEX's international activity is carried out from the Commercial and Economic Offices of the Spanish Embassy around the world.

This paper has been prepared by David Casanella (Market Analyst), Marina Hartmann (Trade Advisor), Ane Esnal (Trade Consultant & Analyst) and Adam Cid (Trade Advisor), under the direction of David Casanella and the supervision of Manuel Vicente Rodríguez (Economic and Commercial Counsellor).

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List of abbreviations

ADA	Agency for Agricultural Development of Morocco
ADD	Digital Development Agency of Morocco
AGORIA	Belgian Federation for the Technology Industry
AMEE	Moroccan Agency for Energy Efficiency
AMISOLE	Moroccan Solar and Wind Industry Association
ANAPEC	Moroccan National Agency for the Promotion of Employment
ANCFCC	National Agency for Land Conservation, Cadastre and Cartography
ANDZOA	National Agency for the Development of Oasis and Argan Zones
APEBI	Moroccan Federation of Information Technology, Telecom and Offshoring
CDG	Deposit and Management Fund of Morocco
CGEM	General Confederation of Moroccan Companies
CNCP	National Commission on Public Procurement of Morocco
CoD, CoO	Country of Destination, Country of Origin
COMADER	Moroccan Confederation of Agriculture and Rural Development
CQA	Agricultural Qualification Centres
DEHOGA	German Association of Hotels and Catering
DPA	Provincial Directorates of Agriculture
DRA	Regional Directorates of Agriculture
ENABEL	Belgian development agency
ENAM	National School of Agriculture of Meknes
EU	European Union
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IAV	Hassan II Agronomic and Veterinary Institute
ICEX	Spanish Institute for Foreign Trade
ICMPD	International Centre for Migration Policy Development
IEA	International Energy Agency
INRA	National Institute of Agronomic Research
IPSM	Prince Sidi Mohammed Institute of Specialised Technicians in Management and Agricultural Trade of Mohammedia
IRENA	International Renewable Energy Agency
IRESEN	Institute for Research in Solar Energy and New Energies
ICT	Information and communications technology
ITA	Institutes of Agricultural Technicians
ITSA	Institutes of Specialised Technicians in Agriculture

LA	Agricultural High Schools
MAPMDREF	Ministry of Agriculture, Maritime Fisheries, Rural Development, and Water and Forests
MASEN	Moroccan Agency for Solar Energy
MENA	Middle East and North Africa
MPF	Migration Partnership Facility
OECD	Organisation for Economic Cooperation and Development
OFPPT	The National Office for Vocational Training and Work Promotion
ONCA	National Agricultural Council
ONEE	National Office of Electricity and Drinking Water
ONHYM	National Office of Hydrocarbons and Mines
ONICL	National Interprofessional Office for Cereals and Legumes
ONSSA	National Office for Sanitary Safety of Food Products
ORMVA	Regional Offices for Agricultural Development
PNEEI	Moroccan Economic Plan on Irrigation
PPP	Public-Private Partnerships
SDGs	Sustainable Development Goals
SME	Small and medium-sized enterprises
SNI	National Investment Company of Morocco
SOE	State-Owned Enterprise
STEM	Science, technology, engineering, and mathematics
(T)VET	(Technical and) Vocational Education and Training
UNCTAD	UN Conference on Trade and Development
VDAB	Flemish employment and vocational training service
VOKA	Flemish employers federations
WEF	World Economic Forum

Definitions

For the purpose of this scoping paper, the following definitions have been used:

Agribusiness refers to economic activities derived from or connected to farm products: production, processing, transportation, and distribution. Agriculture and all its economic, social and demographic derivatives are sectors that impact practically all the Sustainable Development Goals (SDGs)¹.

Digital economy incorporates all economic activity reliant on or significantly enhanced by digital inputs, including digital technologies, digital infrastructure, digital services and data. It refers to all producers and consumers, including government, utilising these digital inputs in their economic activities².

European company refers to all companies totally or partially funded by a capital of EU origin (minimum 50%). Capital in this sense is one raised by a legal person and excludes that emanating from a natural person.

European SMEs - In accordance with the European Commission's classification (see below), a company's turnover is the main factor considered in determining whether or not an enterprise is an SME.

Company category	Turnover
Medium-sized	≤ € 50 m
Small	≤ € 10 m
Micro	≤ € 2 m

FDI refers to investments made in various ways, including the opening of a subsidiary or associate company in a foreign country, acquiring a controlling interest in an existing foreign company, or by means of a merger or joint venture with a foreign company. The threshold for a foreign direct investment that establishes a controlling interest, as per guidelines established by the OECD, is a minimum 10% ownership stake in a foreign-based company. It should be mentioned here that there is a difference between FDI and portfolio investment when an investor merely purchases equities of foreign-based companies³.

Non-cognitive skills refer to critical thinking skills, problem-solving skills, social skills, work ethic, teamwork, organisational skills, creativity, and communication skills.

Renewable energy refers to sources of energy such as wind, solar, hydroelectric, oceanic, geothermal, biomass and biofuels that are alternatives to fossil fuels, can be used to reduce greenhouse gas emissions, diversify energy supply and reduce dependency on the volatile and unreliable markets for fossil fuels (especially oil and gas)⁴.

¹ BBVA, 2021.

² OECD, 2021.

³ <https://www.investopedia.com/terms/f/fdi.asp>

⁴ European Parliament, 2021.

Skills gap is a term used to denote the difference between workers' skills set and the skills required by the employer.⁵

Skills shortage refers to the short supply of job seekers with skills needed to perform a job.⁶

⁵ https://www.etf.europa.eu/sites/default/files/2019-05/Skills%20mismatch%20measurement_ETF%20partner%20countries.pdf
⁶ibid

1. INTRODUCTION AND BACKGROUND

The Talent Partnerships announced by the European Commission in the New Pact on Migration and Asylum will provide a comprehensive EU policy framework and financial support for cooperation with third countries to better meet the EU's labour and skills needs. They are the EU's new legal migration and mobility instrument, which will allow EU and non-EU countries to collaborate with the business community on building their skills in demand through transnational skills partnerships involving vocational training, mobility, migration and professional exchange schemes.

Developing the skills that partner countries need through instruments such as the Talent Partnerships can contribute to energising their labour market, private sector and attractiveness to foreign direct investment. As investors, employers, and major contributors to skills development, European private sector actors in Europe and overseas constitute a critical stakeholder in the Talent Partnerships. Unleashing these actors' full potential in the Talent Partnerships requires extending the outreach to European businesses present in the target partner countries as well as those wishing to invest or expand their operations in those countries.

Against this background, MPF proposed a targeted outreach and engagement with European business actors active and/or interested in investing in Morocco to identify priority areas related to skills matching, skills mobility, demand for skilled labour and resources, as well as partnership opportunities in three of Morocco's strategic sectors, namely the **agribusiness, the digital and the renewable energy industries**.

To lay the groundwork for such engagement, a scoping study was commissioned to ICEX Morocco aimed at specifically assessing:

- The corporate (including greenfield⁷) investment environment and opportunities for the European Small and Medium-sized Enterprises (SMEs) in Morocco in three sectors: agribusiness, digital and renewable energy;
- Skills needs in the target sectors as one of the key drivers for optimising investment potential for European SMEs;
- Ways for addressing the skills needs by the public and private sectors, including by way of upskilling and reskilling through mobility.

1.1 Scope and methodology

This paper is intended to guide MPF's consultation with Morocco-based European SMEs on challenges, modalities and opportunities for public-private collaboration on skills development through approaches including mobility and migration. It provides an initial analysis of the investment climate, skills, and labour market functioning, specifically in Morocco's three strategic sectors: agribusiness, digital and renewable energy industries. The paper also highlights mobility-based skills development initiatives piloted in Morocco and promising approaches for how European SMEs can cooperate with Moroccan and European public stakeholders on skills building to strengthen SME competitiveness and unlock further investments in the country. The findings from this consultation are expected to inform

⁷ A "greenfield" investment is a type of FDI in which a parent company creates a subsidiary in a different country, building its operations from the ground up.

public stakeholders from Morocco and interested EU Member States on upskilling/reskilling priority areas as well as the models of practice, which could be leveraged through the Talent Partnerships.

The document is an outcome of a scoping study conducted throughout September-October 2021, using a mixed-method approach that involved literature review and SME interviews. The first part of the study analysed the nature of skills, skills gaps and examples of public-private collaboration in sectoral skills development. The reference literature included documents from the Ministry of Education of Morocco, other ministries and agencies of the Moroccan government, Office de la Formation Professionnelle et de la Promotion du Travail (OFPPT), Confédération Générale des Entreprises du Maroc (CGEM), Chambers of Commerce in Morocco from European countries, local or international sectoral organisations, international organisations/agencies, research centres and media. The second part of the study mapped and surveyed European SMEs active in the three sectors in Morocco.

In general, business relations in Morocco are maintained through telephone calls and personal interaction. Since surveys and mass mailings tend to be less effective under such circumstances, the research team took the following steps when contacting the identified SMEs: (1) survey invitation emails presenting the objective of the study; (2) follow-up calls to identify suitable interlocutors and conduct telephone interview; and where possible (3) face-to-face interviews.

In total, 72 European SMEs from the three sectors were surveyed on their skills needs and interest in public-private skills partnerships. Responses were obtained only from 10 companies. A full list of these companies is provided in Annex. The names of individuals interviewed are kept confidential for data privacy reasons.

Similarly, another group of surveys was conducted with European business representatives (e.g. chambers and crafts associations) based in Europe, and through the Eurochambers and SMEsUnited, to gauge their members' experience of skills availability and their impact prospects for business expansion or investment in Morocco. Due to a low response rate, the result of such surveys was excluded from further analysis.

The scoping study has two major limitations that need to be acknowledged:

- The information gathered from the European SMEs should be regarded as indicative rather than comprehensive as only a small number of companies participated in the study. An in-depth analysis of European employers' skills needs in Morocco requires surveying a more representative selection of companies, which tends to be costly and resource-intensive.
- The investment climate analysis is limited to two dimensions, namely labour and the business regulatory frameworks. A fully balanced picture of such an environment will need to analyse other factors that strongly condition companies' ability or willingness to invest, expand or recruit trainees or workers, such as stability and security, finance and infrastructure.

Despite some sampling limitations (e.g. coverage, representativeness and applicability), the scoping exercise provides evidence of how the lack or surplus of skills availability impacts European SMEs' operations and prospects for growth.

Finally, the low response rate observed in this scoping exercise confirms the challenge of engaging private sector actors in skills development and skills mobility partnerships. Time and significant efforts

(e.g. targeted communication events, focused consultations through business intermediaries or associations) should be invested in reaching out to these actors.

1.2 Economic overview

Morocco enjoys significant macroeconomic credibility and political stability, which are invaluable assets in a volatile region. Economic growth has been relatively strong, averaging 3.1% between 2015 and 2019, although it falls short of Morocco's development needs. One of the country's main challenges in its development path is achieving -and maintaining- economic and investment growth rates that can reduce unemployment and poverty while improving its citizens' quality of life in a sustainable manner.

Morocco's broad-based economic growth⁸ is vulnerable to several internal and external shocks. For instance, the agriculture sector, which employs about 40% of the labour force and is an important driver of domestic demand, is largely rain-fed and remains dependent on the vagaries of the weather. Morocco's trade, tourism and FDI are also highly exposed to European economies. For example, 35% of the labour force are employed in trade and tourism, which are sectors that are highly dependent on European demand. Similarly, phosphates and derivatives are other key export sectors vulnerable to changes in world commodity prices.

At the structural level, Morocco's reliance on domestic demand to drive economic growth, stimulated by credit and public spending, has led to fiscal and external imbalances, which risk being unsustainable over the long term. Thus, **Morocco is seeking a new growth model driven by the private sector.** To reduce these vulnerabilities and foster productivity, competitiveness, and export-led growth, the government has stepped up its efforts to attract FDI into economic sectors that diversify the export base and create jobs by launching, among other measures, sectoral plans to:

- (1) Foster the development of a stable commercial network in the distribution sector;
- (2) Modernise the industrial sector;
- (3) Develop a high value-added agro-industrial sector;
- (4) Ensure the supply of drinking and irrigation water by 2020-2027.

The government is also taking steps to improve the business environment for the private sector through measures including less costly taxes, eased administrative procedures for permits (e.g. for construction) and custom burdens for imports/exports⁹. Besides advancing certain sector-specific reforms (see below), Morocco has directed significant resources and investments towards strategic sectors with growth potential such as the:

- **Agribusiness:** Agriculture is one of the key sectors of the Moroccan economy, accounting for 13.7% of GDP in 2020, and with agribusiness providing 25% of the industrial jobs in the country.¹⁰
- **Renewable energy:** At present, Morocco is highly dependent on imports of primary energy sources such as coal, natural gas, and refined oil products. To counter risks of rising

⁸ Growth based on the industrial, agriculture and service sectors.

⁹ <https://www.doingbusiness.org/en/reports/global-reports/doing-business-2020>

¹⁰ <https://www.agrimaroc.ma/lindustrie-alimentaire-et-secteur-agroalimentaire-au-maroc/>

international energy prices, and in an effort to decarbonise and green its economy, Morocco has embarked upon an energy transition path, which prioritises renewable energy (in particular, solar, hydraulic and wind energy) and opens the energy market to private investors¹¹.

- **Digital:** Morocco's digital sector generates between 5% and 6% of GDP and 2% of jobs. The Digital Morocco Plan for 2020 seeks to increase this contribution, which will position Morocco as a commercial and financial hub for sub-Saharan Africa. Digital platforms are expected to accelerate this ambition by supporting private sector development and expanding market opportunities in Morocco.

When it comes to human capital, labour's contribution to the recent growth has been modest despite favourable demographic trends. Low labour utilisation in the country is due to diverse causes such as¹²:

- Low labour participation, particularly of women and youth. Only 17% of the working-age population have a formal job, and less than 10% have formal employment in the private sector;
- High weight of the informal economy;
- Low qualification as, according to the High Commission for Planning, 54.3% of workers are not educationally qualified, 30.5% have intermediate education.

The Moroccan labour market outcomes show an unusual relationship between the qualification level and unemployment: the risk of unemployment increases at higher levels of qualification. For example, the unemployment rate among workers with tertiary education exceeds 23.9%, well above the unemployment rate of workers with secondary education, which even after the COVID-19 crisis does not exceed 16%. This situation is typical of an educational/vocational system that fails to produce the level or type of skills needed by employers. Skills mismatches in Morocco are not only a symptom of a flawed VET system reported to lack attractiveness and have low levels of participation but is also connected to the entire education system, which has high levels of school dropouts, particularly at the secondary education (11%).

Moreover, the inability of the labour market to absorb a growing workforce results in significant levels of inactivity and unemployment. According to the World Bank, the growth of non-agricultural employment is slow, and employment in the services sector is concentrated in low-skilled jobs¹³, which for the large part remain informal.

These labour market gaps and challenges call for an **increased investment in human capital, which is critical to address Morocco's skills mismatch, extend the pool of potential entrepreneurs, energise the private sector, and ultimately attract FDI projects in the country.** The country's education and vocational training (VET) systems are poorly adapted to the needs of an economy that seeks productivity growth. The strengthening of tertiary education and vocational training¹⁴ could improve outcomes in terms of closing the skills mismatch and contributing to employment growth.

¹¹ Ministère de l'Énergie, des Mines et du Développement Durable. (2019). 2eme Rapport Biennal Actualisé.

¹² Haut-Commissariat au Plan, 2021

¹³ World Bank, 2018.

¹⁴ These levels are not covered by the public educational services.

1.3 The state of the private sector in Morocco

Over the past decade, **private sector investment in Morocco has stagnated at around 16% of GDP** - just over half of the total investment - and has not been generally successful in generating jobs or exports. Older firms and State-Owned Enterprises (SOEs), rather than new firms, drive economic activity in a few non-tradable sectors. These sectors often have little potential to create quality jobs or generate value. New firms struggle to compete with established firms or generate significant employment, while exports are in the hands of few companies.

Employment has declined in the agriculture and low value-added manufacturing sectors such as the textile industry. Although more dynamic and higher value-added sectors have emerged and compensated for these losses, **job creation remains weak** due to several barriers. According to the 2013 Enterprise Survey of 407 firms of different sizes from Morocco's five most dynamic regions, some of the barriers to business activity include lack of a level playing field in terms of competition; low human capital and skills mismatches; restricted access to finance in some sectors; competition from the informal sector; and limited technology, innovation and entrepreneurship.

A more dynamic private sector operating under more competitive market conditions is important for creating, attracting and retaining talent that can, in turn, contribute to business growth and job creation. However, high salaries presently encourage many skilled individuals to accept prestigious jobs in the public sector rather than venture into a private sector where a competitively skewed playing field undermines initiative and risk-taking¹⁵.

Improving free market access and competition would help create the conditions for the emergence of a dynamic and broad-based private sector that can create the jobs that Morocco urgently needs. A strong competition policy is needed to create a regulatory environment that allows businesses to enter markets and grow, limit the privileges of certain public and private market players, and sanction anti-competitive practices. Moroccan markets would benefit from incorporating competition principles in key sectors such as energy and telecommunications, removing barriers to entry that protect incumbents and strengthening the role of sector regulators. Ensuring competition neutrality is also crucial, as SOEs are involved in several key economic sectors and tend to have few restrictions on the scope of their activities.

1.4 Foreign direct investment (FDI) in the country

Morocco is in the process of modernising its economic growth model. The government's efforts have successfully attracted large foreign investors and created dynamic activities in several sectors such as the automotive industry, agriculture, aeronautics, technology and renewable energies. Thanks to its sustained reforms over several years, Morocco has also made progress in its Doing Business environment, moving up nine places in the 2019 rankings to 60th out of 190 economies compared to the previous year.

Morocco has been particularly successful in attracting large-scale export-oriented FDI. The share of FDI stock in GDP increased from an average of 18% from 1990 to 2003 to 45% during the period 2004-16, comparable to the levels of Costa Rica and Vietnam. FDI has supported the rapid growth of some

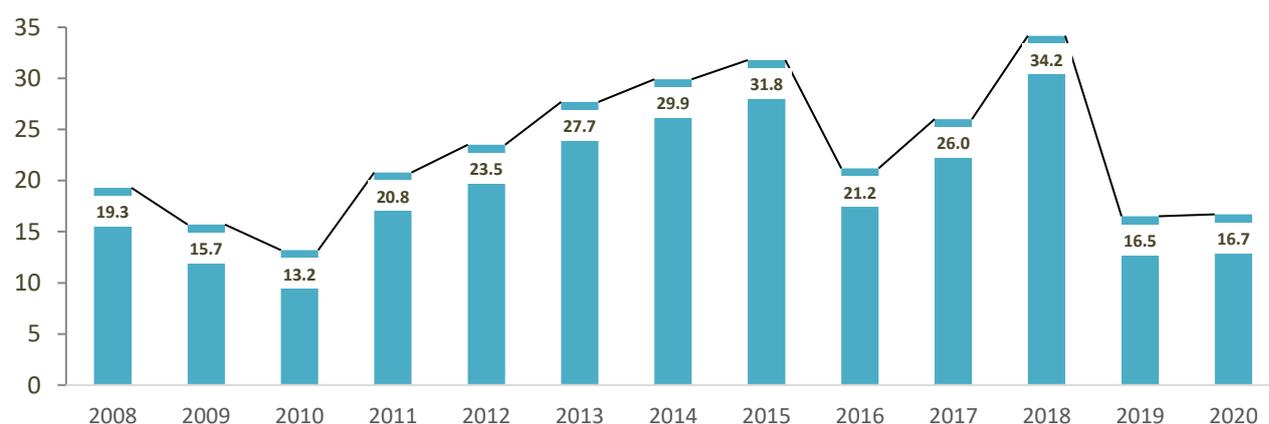
¹⁵ World Bank, 2021.

of Morocco's most dynamic exports, such as the automotive and aerospace industries and electronics, chemicals, textiles, and business services. According to data from the Office des Changes, FDI in Morocco has followed a positive trend in the last decade, starting a decline in 2019 and continuing in 2020 due to the impact of the COVID-19 crisis, although the net flow of FDI remains almost stable in 2020 compared to the previous year.

As for the source, France emerged as the leading investor in Morocco with 36% of total FDI in 2020. It is followed by Spain and the United Arab Emirates. These three countries accounted for 50.2% of the total net flow of FDI in Morocco in 2020.

FOREIGN DIRECT INVESTMENT IN MOROCCO (2008-2020)

Net flows in MAD billions



Source: Office des Changes, 2021

1.5 The enabling environment for European private investment

Morocco stands out as a country that seized the COVID-19 crisis as an opportunity to launch an ambitious programme of transformative reforms to redress long-standing inequalities and overcome some of the structural bottlenecks that constrained the national economy's performance in the recent past. This reform agenda, which is based on the following three priorities, is particularly favourable for European SMEs operating in Morocco and those wishing to invest in the country for several reasons:

1. **Revision of the social protection framework to boost human capital.** The overhaul of the social framework will focus on universalising the compulsory health insurance system and increasing access to existing cash transfer programmes (family allowances). The reform will also concentrate on the old-age pension scheme and extending unemployment benefits to a larger proportion of the formal labour force. They represent a huge step forward in correcting structural flaws in the development of human capital.
2. **Restructuring of Morocco's vast network of state-owned enterprises and a new model of human development and gender equity.** The reorganisation of the network of Moroccan state-owned enterprises is essential to improve competition and facilitate the possibility for European companies to have free access to the Moroccan market. The Government's newly formulated development model, which emphasises human development, improving the

quality of education, health, and gender equity, will encourage private entrepreneurship and boost competitiveness.

3. **The creation of a Strategic Investment Fund (the Mohammed VI Fund) to support the private sector.** The Mohammed VI Fund aims to provide financing to distressed SMEs in need of financial restructuring and inject capital directly into private companies considered to have high growth potential. In this way, the country promotes the strengthening and competitiveness of the local private sector, which has benefits that extend to locally-based foreign companies.

2. SECTOR OVERVIEW

2.1 Agribusiness

Morocco has a heterogeneous agricultural economy based on the production of a wide variety of rain-fed and irrigated crops ranging from cereals to pulses, fruits and vegetables. The fish industry contributes 55% to food exports, next to livestock, which represents 1/3 of agricultural income.

In 2020, agriculture contributed 13,7% to Morocco's GDP. About 38% of the local population lives in rural areas, where agriculture and fisheries provide 80% of income. However, this critical sector is severely affected by water scarcity¹⁶, which is expected to exacerbate due to climate change.

The agricultural sector has a dual farm structure: on one side, large and modern export-oriented farms, and on the other, smallholder farms producing for local markets and subsistence. In such a scenario, agribusiness emerges as the second-largest industrial subsector, dominated by micro, small and medium-sized enterprises.

As a labour-intensive industry, agribusiness, and especially the agri-food subsector, is highly valued by the Moroccan government for its potential to create jobs and encourage economic inclusion, particularly for women and rural youth. It is also a sector where the government seeks to accelerate digitisation, technological upgrading and adoption of climate-smart practices in order to improve agricultural productivity and sustainability. These technological changes will affect low to high-skilled agricultural occupations, specifically requiring the upgrade as well as the creation of new skills¹⁷.

¹⁶ The country has mainly arid or semi-arid lands. More than 93% of its land area receives an average rainfall of less than 400 mm.

¹⁷ European Training Foundation (2021). The future of skills: A case study of the agri-food sector in Morocco. <https://www.etf.europa.eu/en/publications-and-resources/publications/future-skills-case-study-agri-food-sector-morocco>

Box 1. Expected skills needs in the agribusiness sector

- Agronomists
- Environmental economist
- Food scientists
- Culinary occupations: pastry gastronomy, cheese
- Supply chain managers
- Manufacturing and packaging managers
- Storage and distribution managers and logistics related profiles
- Managers, marketing and sales personnel
- Biochemical engineers
- Sensor engineering technicians
- Bioengineers
- Water engineers, water plant technicians
- Fluid power engineers
- Wastewater engineers and technicians
- Soil and plant scientists
- Solar energy system engineer
- Geospatial information scientist and technologist
- Geographic information system technician
- Combustion of waste products

Source: European Training Foundation (2021)¹⁸.

European SMEs in the sector are mainly involved in the production and sales of food products, industrial material for irrigation, sustainable biological solutions, and agro-textiles. These companies have growth potential in the country and fall within key sectors where the government is keen on attracting FDI. This is the case for the agri-food subsector as well as industries providing irrigation systems. For instance, this study has found that **European SMEs and investors can play a key role in the diverse irrigation projects discussed below.**

2.1.1. Institutional framework of the agribusiness sector and national priorities

The **Green Morocco Plan (2008-2018)** is the national agricultural development strategy promoted by the Agricultural Development Agency (ADA) under the supervision of the Moroccan Ministry of Agriculture and Fisheries. Launched in 2008, the plan sought to alleviate poverty and inequality affecting rural areas and develop the agriculture sector by increasing public intervention in support of upstream activities.

Between 2008 and 2018, the agricultural sector saw 9,9 billion euros in investments – of which 40% public and 60% private - fostering and improving the performance of the agricultural sector, both in economic and social terms. Agricultural GDP has increased annually by 5.25% compared to 3.8% for the other sectors, thus creating an additional value added of 4.5 billion euros. Progress under the plan included the expansion of cultivated areas, crop diversification, and improved production, which has

¹⁸ The future of skills: A case study of the agri-food sector in Morocco. <https://www.etf.europa.eu/en/publications-and-resources/publications/future-skills-case-study-agri-food-sector-morocco>

increased the number of working days per year and per worker¹⁹. On the social level, the plan has helped to create 342,000 additional employment opportunities. Similarly,

Despite these positive developments, the agricultural industry is underperforming due to several challenges (see below), including the dual agricultural structure with traditional farms accounting for the vast majority and only a few modern agricultural enterprises. To address this dualism, the plan adopted two implementation strategies or “pillars” aimed at (1) creating internationally competitive agricultural “poles” by developing high-performance agriculture and attracting intensive FDI; and (2) improving livelihoods in the rural areas solidary projects, which increase the income of the most vulnerable farmers²⁰.

The first pillar has prioritised increasing domestic and foreign private investment, allowing investors to carry out agricultural or agro-industrial projects through participation in international tenders. Although foreigners are not allowed to purchase agricultural land²¹, after an assessment of economic viability and technical adaptation to the agricultural potential of the area, the ADA started to offer investors long-term leases of state-owned land at a reduced and fixed annual price.

In addition, within the framework of public-private partnerships, 720 projects have supported small farmers and agro-entrepreneurs and expanded drip irrigation systems in the country from 128,000 hectares in 2008 to 542,000 in 2018²².

Under the new national plan **Green Generation 2020-2030**, the Ministry of Agriculture prioritises the development of human capital and skills within the sector and the sustainability of agribusiness. These priorities are aligned with other structuring projects, such as the national programme for drinking water supply and irrigation, the integrated programme for business support and financing, or the roadmap for the development of vocational training.

The plan aims to contribute to the modernisation of the agro-food sector, the emergence of an agricultural middle class, energising rural youth, developing human capital and structuring farmers around effective agricultural organisations. It seeks to advance technological innovations, preserve natural resources, and strengthen the sector’s resilience.

2.1.2. Investment challenges, limitations and opportunities

Investments in the agribusiness sector can foster job creation, productivity and sustainable growth through participation in global and regional value chains. In Morocco, FDI inflows are less important than what they could potentially be. Between January 2010 and April 2021, the country attracted \$38 billion of FDI, of which 49% came from EU multinationals, and only 2.3% went to the agri-food sector²³. Agribusiness investment is highly concentrated in the coastal and urban areas, with more than half benefiting the Casablanca-Settat region.

¹⁹ From 110 days/year to 140 days/year.

²⁰ Olivié, I. & Pérez, A., 2018, p. 38.

²¹ Under Dahir No. 1.59.171 of 12 May 1959 on the acquisition of real estate by foreigners.

²² Moroccan Agency for Agricultural Development, n.d.

²³ OECD, 2021

FDI in the Moroccan agribusiness sector is constrained by a number of challenges, which include, but are not limited to:

a) **Legal and business environment.** Morocco's relatively open agribusiness environment is also marked by obstacles such as:

- **Trade barriers** such as import tariffs persist through a protected internal market, particularly for consumer goods but also for intermediate goods, which are passed on to the final product. Import tariffs can be as high as 50% and often affect agri-food products such as beverages, yoghurt, couscous, ice cream, ketchup and ketchup.
- **Land fragmentation** constrains innovation, energy, water management and human resources. The law prohibits foreign investors from owning agricultural land in Morocco, although they are allowed to lease it for up to 99 years. This ownership limitation may prevent long-term investment. However, as mentioned above, the government has extended the use of public-private partnership agreements, whereby large plots of land are allocated to investors to cultivate specific crops after a feasibility analysis.

b) **Research & Development and climate change.** Morocco is facing increasing pressure on water and land resources, which could negatively affect agricultural production and lead to food security problems. Currently, agriculture relies heavily on irrigation, which is only practised on 16% of the Kingdom's cultivated land but generates half of the agricultural GDP. Investment in water-saving technologies (e.g. drip irrigation) is needed to increase drought and water scarcity resilience. **Such technology requires a minimum level of training and software and data management skills, which are not easily accessible to SMEs.**

At present, companies face challenges to boost innovation due to a lack of skilled labour. Large companies have access to technology and finance, which are essential elements for investing in better skills. However, SMEs also need to become more competitive by improving their employees' skills in order for the sector to achieve adequate growth, higher productivity and attract foreign investment.

In general, there is a need to equip the workforce with the right skills to further develop the agribusiness sector and make it more competitive. **The promotion of research in climate change to overcome current problems – particularly the lack of water – must go hand in hand with training and upgrading of labour skills.**

c) **Infrastructure and connectivity.** Despite Morocco's recent and significant investments in basic infrastructure, the quality and quantity of infrastructure remain uneven between rural and urban regions. In some medium-sized and small towns, access to infrastructure remains limited, creating transport difficulties for agri-food products. The quality of transport infrastructure interferes with the growth of the agribusiness sector, whether domestic or foreign, and the development of labour skills that can boost productivity.

As regards investment opportunities, European SMEs and investors can play a key role in local irrigation projects. Irrigated agriculture accounts for approximately 75% of the country's agricultural exports and approximately 45% of agricultural value added. Morocco seeks to convert the irrigation

parameters from traditional irrigation to drip irrigation technology, making more efficient and intelligent water use.

The government has launched the **National Economic Plan on Irrigation (PNEEI)**, aimed at modernising hydro-agricultural equipment and converting irrigated systems to localised irrigation. The National Programme for Saving Water in Agriculture and Irrigation Water Supply 2020-2027 also aims to convert traditional irrigation systems into water-saving drip irrigation systems. The goal is to increase the area equipped with drip irrigation to almost 940,000 hectares by 2027.

Finally, the **Public-Private Partnership Promotion Programme** launched by the Ministry of Agriculture works to improve the technical, economic and financial conditions for managing the irrigation water service through public-private partnerships. The programme is structured around a feasibility study in the first phase analysing water and investment needs, and launching the tender in the second phase to which the private sector can participate. Some of these irrigation projects have already been completed (Guerdane, Chtouka, Azemmour and Dakhla), while others are still being planned (Kaddoussa and Gharb).

European SMEs can access this market in two ways: through international bidding for large irrigation projects involving infrastructures and water distribution; by means of a direct export through a distributor importer or an own commercial establishment, contacting the resellers of the different regions of the country to cover all the projects²⁴. In relation to small and medium irrigation as well as private irrigation, there are subsidies for the acquisition of irrigation material.

2.1.3. European SMEs in Morocco and their specific skills needs

Morocco is home to an agribusiness environment capable of attracting European SMEs' investment. These companies are present in the country because of the possibilities and opportunities that exist in the sector. However, SMEs also consider that reforms are necessary to tackle the above-mentioned constraints and upskilling schemes needed for their workforce.

In-depth interviews with 4 out of the 27 European companies present in the country have confirmed that European SMEs in the sector have few employees, sometimes less than 10. In most cases, men are the majority of the workforce and hold more responsibilities in different technical and managerial positions than women hold.

Concerning the occupational fields, the surveyed **companies reported difficulties finding technicians qualified in the management and maintenance of machinery**. Respondents 1 and 4 reported such skills shortages, while respondent 2 identified gaps linked to management, administrative and technical skills. Respondents 1 and 2 also reported shortages of high talented-skilled workers, including managers and directors. However, all 4 respondents agree that Morocco is able to train and produce good local professionals in these fields.

European SMEs face challenges recruiting professionals with requisite skills and work experience. Sometimes, candidates have inadequate or no professional experience. Some of these candidates have low levels of education and lack technical skills. Respondent 3 highlights this shortfall for farmers, while respondent 4 indicates shortages of language competences. When it comes to employee skills development, it was found that SMEs generally prefer to train their employees within the company as

²⁴ ICEX (2021). Irrigation market in Morocco

such, either locally or internationally. This method guarantees a workforce specifically trained and aligned with their interests.

According to the interviewees, **there is almost no cooperation on skills development between European SMEs and Technical and Vocational Education and Training (TVET) institutions or competent Moroccan authorities.** As stated by the interviewed European SMEs, more and better collaboration with training institutions specialised in machinery management should be strengthened, as this represents a major constraint on the country's ability to attract FDI.

Regarding their in-house human resources and upskilling needs, competencies are generally adequate in hard skills, but sometimes more training and experience are needed to strengthen soft skills. Organisational skills, communication and interpersonal skills, such as teamwork or accountability, emerge as the competencies that need further development. **Enhancing these skills would attract more investment linked to the sector – including from the companies interviewed – to the country, fostering higher productivity and competitiveness.**

Box 2. Skills gaps, shortages and mismatches

- Machine operators and maintainers
- Management, administrative and technical skills
- Professional experience
- Soft skills

2.1.4. European SME-public sector collaboration on skills development

According to interviewees, cooperation between European SMEs and the Moroccan TVET or competent Moroccan authorities on local skills acquisition and development is minimal or non-existent. Indeed, companies believe that they have to make important investments without support from public institutions, particularly in training related to the use and maintenance of machinery, which is crucial within the sector.

2.2 Renewable energies

The renewable energy sector is critical for Morocco, which imports almost 90% of its energy and has an increasing domestic demand due to economic and population growth. The country is dependent on fossil fuels, with petroleum products in 2017 accounting for 41% of primary energy supply, crude oil 31%, coal, peat 17% and gas 4% ²⁵. This is despite Morocco's favourable geographical conditions that can allow the country to lead in the production and export of green energy solutions such as wind and solar.

As part of the country's efforts to reduce its CO2 emissions and fossil fuel dependence, the Kingdom has since 2009 embarked upon policy reforms, private sector incentive schemes and ambitious public-

²⁵ Choukri et al., 2017

private programmes²⁶ designed to harness Morocco's renewable energy sources. In doing so, the country seeks to position itself as a regional leader capable of supplying clean energy to Europe and technology to the rest of Africa. Indeed, **Morocco is at present the only African country with which Europe has electricity interconnection via Spain.** Portugal is among neighbouring European countries that continue to explore electricity exchange opportunities with Morocco, while Germany has an energy partnership. At the EU level, the European Commission has been supporting Morocco's green ambitions through several initiatives, including the construction of the Ouarzazate and Midelt solar power complexes.

In Morocco, as in every other country, the transition to renewable and energy-efficient technologies offers significant potential for creating jobs not just in the energy production industry but also in other sectors such as agriculture, construction, etc. This opportunity also comes with the urgent need for investment in the training of required skills. Skills forecast for the sector identify Morocco's need for technicians, skilled workers and engineers, including²⁷:

Box 3. Current and future skills needs

- Solar and renewable energy engineers
- Thermal engineers
- Energy systems engineers
- Energy assessors and experts in energy efficiency
- Renewable energy consultants
- Renewable energy sales representative

European SMEs in the sector are mainly involved in the installation and maintenance of energy solutions – mostly solar – as well as the distribution of water and electricity.

2.2.1. Institutional framework of the energy sector and national priorities

Morocco's environmental legal framework is underpinned by Law 11-03 on the protection and improvement of the environment, Law 12-03 on research and development of the impact of the environment, Law 13-03 on air pollution, or the strengthening of environmental action. The institutionalisation of sustainable development in Morocco picked off in 2011 with the adoption of the **National Charter for Sustainable Development**, the publication of the Framework Law 99-12 and the adoption of the new Constitution of Morocco.

In 2009, the Moroccan government launched a comprehensive plan to increase the share of renewable energy in the energy mix and substantially increase energy efficiency. Specifically, the 2009 National Energy Strategy set targets to improve the security of supply (42% of total installed energy capacity to come from renewable energy by 2020), limit the volume of energy imports and increase energy consumption and production.

²⁶ Such as the Moroccan Solar Plan (Noor) and the Moroccan Integrated Wind Programme. For more details on these programmes and policy/legislative reforms, please refer to <https://archive.unescwa.org/sites/www.unescwa.org/files/publications/files/policy-reforms-promote-renewable-energy-morocco-english.pdf>

²⁷ European Training Foundation, 2021

Morocco's National Strategy for Sustainable Development²⁸ aims to achieve the transition to a green and inclusive economy by 2030 through:

- Consolidation of sustainable development governance;
- Successful transition to a green economy;
- Improvement of management;
- Enhancement of natural resources and biodiversity conservation;
- Acceleration of the implementation of the national policy to combat climate change;
- Particular vigilance to sensitive territories;
- Promotion of human development and the reduction of social and territorial inequalities;
- Consolidation of the culture of sustainable development.

Morocco currently lacks effective multi-stakeholder policy dialogue and the inter-ministerial collaboration needed to achieve its renewable energy goals. A committee of researchers, scientists and legislators could be set up to build capacity for 100% renewable energy and improve dialogue between the various groups.

2.2.2. Investment challenges, limitations and opportunities

Renewable energies in Morocco are in full expansion. Today they represent almost 10% of the Moroccan electricity mix, which makes the intermittency of a renewable generation more pressing. So far, there have been no demand-side management measures to mitigate the intermittency of renewables, which is a challenge. Their potential contribution to the flexibility of the electricity system needs to be studied.

The country is dedicated to mobilising all stakeholders and creating advanced public-private partnerships (PPPs) for environmentally-friendly investments to create value and add sustainable jobs. Morocco has the necessary assets to achieve these objectives, particularly developing renewable energies and making its integration into Euro-Mediterranean markets a reality²⁹. However, the country often **lacks the necessary know-how** to carry out these missions. This is where the role of European companies, with years of experience in developing this technology and projects, comes into play.

In addition, Morocco has adopted a **renewable energy development model based on a public-private partnership** in which the private sector provides technical expertise to complete projects and make them operational. Although the sector is restricted to foreign capital, as the major companies and agencies are public (which gives the State a quasi-monopolistic character), **these public-private partnerships open the door to European companies that can obtain licences or concessions for prospecting, exploitation or distribution.**

The power generation industry in Morocco faces the challenges of sustained growth in demand coupled with environmental protection requirements, whereby energy security and mitigation of

²⁸ The Strategy is intended to be an operational instrument that establishes the political and strategic framework within which policies, reforms, plans and programmes will be integrated. It is a strategic framework that allows for coherence and synergy between sectoral programmes, plans and policies in a perspective of sustainability.

²⁹ Choukri et al., 2017.

emissions and environmental pollution are identified as the main motivating forces for the transformation of the existing power supply system to a sustainable form of electricity.

In order to achieve the ambitious 2030 targets, **the Moroccan government needs to diversify the financing models for renewable energy projects and stimulate private sector investment in renewable energy.** In addition, it also needs to harness the high potential of renewable energy through concrete projects and immediate investments³⁰.

The presence of large public companies is considered as one of the key limitations to European investment in the renewable energy sector as such players can limit free-market competition, both for local and foreign companies.

Thus, a strong competition policy is needed for a regulatory environment that allows companies to enter markets and grow, limits the privileges of market operators, both public and private, and sanctions anti-competitive practices. This legal reform would particularly benefit key sectors, such as energy and telecommunications, by removing entry barriers that protect incumbents and strengthen the role of sector regulators.

In 2020, the government proposed restructuring **Morocco's network of state-owned enterprises as part of the transformative reform programme.** This programme represents a great opportunity for European SMEs interested in the renewable energy sector, as it paves the way for market competition and establishes transparent and competitive operating rules. It will also improve the availability and transparency of financial and performance information in sectors where private investment is needed. Overall, the programme seeks to encourage greater private sector participation in infrastructure to support greater efficiency and impact of investments, innovative technology and skills, and strengthen fiscal sustainability.

2.2.3. European SMEs in Morocco and their specific skills needs

As mentioned above, the renewable energy sector is one of the most attractive sectors for investment by European SMEs in Morocco, despite the strong presence of large public actors and the difficulty for European SMEs to enter this market segment.

Two out of the 20 European companies active in the renewable energy sector in Morocco responded as having staff with training and development needs. The companies have 10-20 employees, with technical positions dominated by men and administrative roles by women.

Interviewees reported skills gaps, especially in the technical field, highlighting the inadequacy of technical and vocational training as impediments to the establishment of more European companies in Morocco. Companies pointed out that even if workers have a “degree”, they still lacked practical experience, comprehensive and transversal training and, in general, training that is adapted to the reality and needs of the field and of energy projects; all of which signals **weak linkage between the VET system and firms.**

In general, companies in the sector prefer to opt for local recruitment. However, it is worth mentioning that it usually implies an extra effort on the part of the European company itself, as they usually have to provide training programmes for employees on the necessary technical skills. Therefore,

³⁰ Boulakhbar et al., 2020

sometimes, the lack of qualified employees forces SMEs to opt for the recruitment of qualified European professionals.

Furthermore, respondents recounted having **little collaboration with TVET institutions or relevant local authorities**. They stressed the relevance of strengthening private sectors' collaboration with specialised training institutions to improve the skills of Moroccan workers and increasing European investment in the renewable energy sector in Morocco, as **lack of collaboration is one of the major constraints that interviewees identify on the country's ability to attract FDI**. At the same time, the 2 European SMEs interviewed mention the existence of student internship transfer agreements with the Mohammed VI Polytechnic University and the Institute for Research in Solar Energy and New Energies (IRESEN).

In terms of in-house human resources, competencies are generally adequate in hard skills, but further training and experience are needed to strengthen soft skills. Organisational skills, communication and interpersonal skills, such as teamwork or responsibility, emerge as the competencies that need to be addressed. Enhancing these skills would attract more investment linked to the sector – including from the companies interviewed – to the country, fostering higher productivity and competitiveness.

2.2.4. European SME-public sector collaboration on skills development

The European companies interviewed mentioned the collaboration agreements with the Mohammed VI Polytechnic University and IRESEN to provide interns to companies and collaborate with the Green Energy Park, a platform for testing, research and training in solar energy. Internships are an interesting contribution to the better preparation of these professionals. Hence, this type of collaboration should be strengthened and extended to more centres and universities in order to tackle skills gaps that companies identify as one of the major impediments to European investment in the country. At the same time, such cooperation could also take place between private actors, such as training institutions. As mentioned above, SMEs perceive that more collaborative effort is needed.

The general view of interviewed companies is that the public sector initiatives aimed at improving the vocational training of the population are slow, vague and ineffective. **This is why companies prefer to invest in their in-house employee training programmes adapted to their specific needs.**

These SMEs suggest a more concrete and realistic involvement of the public sector, through receiving **public subsidies on a training exemption**, offering **contracts to private companies to develop training services**, or **allowing the private sector to influence the general content of education** to adapt it to the needs of the market.

In general, there is a need for greater cooperation in reaching agreements between training institutions and businesses that encourage the acquisition of professional experience and the acquisition of hard and, above all, soft skills, which are largely absent in the whole process of education and training of the professional workforce. This is also necessary to train high-level professionals equipped with the right skills.

2.3 Digital sector

Morocco's digitisation process, which started with the telecommunications sector and gradually spread to other subsectors, has positively impacted the country, accelerating its industrial, economic, and social development in recent years. However, digitisation has occurred too quickly, going from an almost non-existent digital population to a penetration rate of 70% by 2020. This speed highlights the need for solid legislation that regulates possible risks linked to the digital economy and provides security to all the agents involved.

In addition, digital development is also dependent on a modern telecommunications infrastructure network. For this reason, the Digital Development Agency (ADD) has set its objectives to improve the quality of online public services, optimising the quality of the network and extending 4G and fibre optics to the entire territory³¹.

The digital transformation of the economy offers the opportunity to create quality jobs in the country. Such an opportunity can be harnessed only as long as skills are adapted to the evolving nature of work brought by digital technologies. However, Morocco's ranking at the 77th position on the Enabling Digitalization Index³² (in 2018) highlights **gaps in digital skills**. According to the OECD, this lack of technological skills and low digital dividend are related to the **quality of education and the mismatch between training courses and labour market needs**. The education and VET systems will need to be modernised for Morocco to be able to reap the rewards of the digital economy. Such improvements in the education programmes are required **beyond STEM disciplines (technical skills) to include business skills, entrepreneurship, cognitive and non-cognitive capabilities**³³. Overall, Morocco needs to make efforts to increase the level of technical skills of all the agents involved in the economy in order to promote the greater development of newer business modalities such as e-commerce. This will lead to further strengthening and modernisation of the business fabric.

One of the major lucrative opportunities linked to digitalisation is m-commerce (i.e. e-commerce via mobile phone, through either a browser or an application as a means of purchase). Morocco's position in the use of smartphones makes the country a very interesting market to delve into m-commerce as a method of purchase that best suits the habits of consumers.

This study has found that European SMEs in the sector are mainly involved in programming and installing networks and advice, software and sales of IT solutions, maintenance and security and telecommunications.

2.3.1. Institutional framework of the digital economy and national priorities

The Moroccan administration is the main controller of the IT sector in the country, mainly through funding channels such as taxes, incentives or other lines of technical support. The government has amended Law 55-19 on simplifying the administration procedure to implement the project of digitisation of public services.

³¹ ICEX, 2021. E-Country Report: E-Commerce in Morocco 2021

³²

https://www.eulerhermes.com/content/dam/onemarketing/ehndbx/eulerhermes_com/en_gl/erd/insightsimport/pdf/measuring-digitality-the-enabling-digitalization-index-report-mar18.pdf

³³ <https://www.oecd-ilibrary.org/sites/1ad32878-en/index.html?itemId=/content/component/1ad32878-en#sect-97> , page

The **Morocco Digital 2020 Plan**, launched in 2013 by the Ministry of Industry, Trade, Investment and Digital Economy, aimed at improving the digitisation of the public services³⁴ and SMEs, reducing the digital divide and increasing Wi-Fi access in public and outdoor establishments. ADD has taken similar efforts with some of its projects focused on smart government, digital ecosystem and innovation, social inclusion and human development, as well as the environment and digital trust.

However, the efforts made to deploy the 2020 strategy have not been sufficient to achieve the expected levels of development, and the country is still not fully digitally developed. Hence, a new Plan has been launched, the **2020-25 Plan**, which aims to avoid shortcomings such as the lack of an integrated vision of digital transformation, regulatory obstacles and the shortage of specialised profiles in the digital sector.

At present, the private sector lacks access to digital services. To achieve the government's objectives and support Moroccan companies in their digitisation process, the National Agency for the Promotion of SMEs (Maroc PME) devotes part of its budget to support the digitisation of Moroccan small and medium-sized enterprises. The agency gives 80% financial support to SMEs and 90% to micro-enterprises in the industrial sector that need to digitise, thus enabling SMEs to acquire IT solutions, cloud services, and websites and define a digital strategy.

2.3.2. Investment challenges, limitations and opportunities

Although Morocco's telecommunications connectivity is relatively good compared to other middle-income countries in Africa and Asia, broadband penetration is low. Morocco has one of the lowest broadband penetrations in the MENA region and lags far behind other emerging countries. Infrastructure coverage is significantly lower in secondary cities than in larger cities³⁵.

The presence of the public sector in the ICT sector is high, with stakes in two of the three operators in the sector. The government owns 22 % of Maroc Télécom and the Caisse de dépôt et de gestion (CDG) owns 25.5 % of Orange. The third operator, Inwi, is 69 % owned by the Société Nationale d'Investissement (SNI), the royal holding company. According to World Bank, the sector suffers from a lack of competition, effective regulation and underinvestment in fixed infrastructure and there remains a need to optimise the use of existing digital infrastructure owned by SOEs through infrastructure sharing³⁶.

The numerous reforms that the country is undertaking provide opportunities for European companies interested in investing in the Moroccan digital sector. Among them are those that seek to increase the participation of SMEs in public procurement, such as the enactment of a public procurement decree which, among other provisions, requires the allocation of 20% of public contracts to SMEs. This decree also includes special provisions to encourage the participation of national companies so that foreign companies bidding for work and study contracts have a 15% higher price. It also highlights the creation of a public procurement regulatory body³⁷, which became fully operational in January 2018 and represented a significant step forward in the progress of a modern public procurement regulatory

³⁴ Including the consolidation of transparency towards citizens.

³⁵ World Bank, 2019.

³⁶ Ibid

³⁷ The National Commission on Public Procurement of Morocco (CNCP)

framework and promotes confidence and credibility among domestic and foreign investors by providing guarantees to protect companies from excesses or unfairness.

In 2020, the government proposed restructuring **Morocco's network of state-owned enterprises** as part of the transformative reform programme. This programme represents a great opportunity for European SMEs interested in the digital and telecommunications sector, as it paves the way for market competition and establishes transparent and competitive operating rules. It will also improve the availability and transparency of financial and performance information in sectors where private investment is needed. Overall, it seeks to encourage greater private sector participation in infrastructure to support greater efficiency and impact of investments, innovative technology and skills, and strengthen fiscal sustainability.

A modern digital economy would benefit young, small and medium-sized enterprises, for example, by expanding business opportunities and enabling producers, retailers and service providers to reach and interact seamlessly with customers in remote markets. A key element in supporting the growth of the digital economy in the country is mobile payment. The new banking law is expected to finally help the take-off of mobile payments. Morocco has lagged in mobile and electronic payments due to an inadequate regulatory framework and a lack of innovation and competition among banks and non-banks (Morocco's central bank and telecoms regulator launched M-wallet at the end of November 2018). On the demand side, the development of e-payments is hampered by an entrenched preference for cash, partly reflecting a large informal sector³⁸.

According to several industry sources, the areas with the greatest growth potential in software solutions are **digital security, social networks, big data or cloud systems, electronic payment systems or financial technology and digitisation services for companies in general**.

2.3.3. European SMEs in Morocco and their specific skills needs

This scoping exercise found that there are 25 European companies operating in the IT sector in Morocco, four of which were interviewed. The digital sector is in full expansion and with a high demand for a qualified labour force.

According to the information obtained from the interviews, companies in the sector find relatively easily qualified employees and graduates, such as engineers or computer technicians, as there are many schools and specific training programmes in Morocco. However, the companies face challenges finding, for instance, engineer with the necessary technical skills and experience. These skills shortages increase in some more specific sub-sectors such as broadcasting (network antenna installations) or the hospital IT sector. One of the explanations provided by the companies in the survey is that Moroccan workers have good theoretical training but lack practical experience. For example, one of the respondents mentioned its necessity to train locally recruited employees for up to 3 to 6 months, before the later could work under optimal conditions.

The interviewed companies also highlight the difficulty of finding qualified personnel in soft skills, such as teamwork, time management, professionalism, reactivity and communication. Finally, the firms interviewed highlight the lack of responsibility towards the company as one of the major obstacles to business development in Morocco, which is an important element that slows down their expansion.

³⁸ World Bank, 2021

The respondents perceive that good profiles are scarce and often already employed. Although most companies **prefer to recruit locally and train their staff, European SMEs resort to international recruitment when they cannot find qualified personnel for their projects.**

This highlights the need for training programmes focused on soft skills, for example, through seminars or specific courses for workers focused on the needs of companies.

Most of the companies interviewed have little collaboration on human resource trainings with the public or other private actors, but they indicate that **better collaboration between the two sectors would allow them to increase their presence in Morocco.**

Finally, when it comes to the gender representation of their workforce, respondents stated that men generally occupied most engineering, technical and managerial positions while women held administrative or accounting positions.

2.3.4. European SME-public sector collaboration on skills development

The scoping study found that there exists **some cooperation between European companies and local training organisations, such as the OFPPT and Moroccan universities (Mohammed 6 University).** According to the companies interviewed, the most common model is in-house training provided by the IT solution providers themselves or by the European headquarters. They also make use of training organisations that hold occasional in-company training sessions.

Some companies have signed partnership agreements with universities or the **OFPPT** to train their staff and recruit young graduates. However, all the companies interviewed think that public-private partnerships could be improved, for example, by holding seminars in Morocco, and not only abroad, and extending partnerships between universities and companies to encourage apprenticeships. This type of partnership should be reinforced between public bodies and companies through agreements with the Moroccan state or with the OFPPT, which is the public training body. Training focused on the development of soft skills such as communication, teamwork, and time management could also be developed using existing training centres or by creating centres dedicated to developing these skills.

3. SKILLS DEVELOPMENT: AN ENGINE OF INCREASED SME PRODUCTIVITY AND FDI FLOWS

This scoping study confirmed that skills development in partnership with the public sector matters for European SMEs active in Morocco, particularly for companies working in sectors with high potential for growth and job creation such as agribusiness, renewable energies and the digital industry. All interviews held with SMEs substantiate this study's hypothesis that skills gaps and skills shortages influence SMEs' productivity as well as their growth potential. The quality and market-responsiveness of formal education and training is yet another skills-related challenge where the interviewed SMEs see the need for improvement and the possibility for collaboration with the public sector. This implies that **any intervention steered to developing the current and future skills required by the European SMEs will undoubtedly help to boost these companies' productivity and competitiveness.**

Building strong skills or knowledge base, especially in cooperation with employers involved in transnational businesses, will equally benefit the entire private sector in the country, and most importantly, enhance the attractiveness of the investment climate to foreign investors. On the link between skills and foreign investment, there is indeed significant evidence across the world demonstrating that **one of the pre-conditions for attracting FDI is the availability of human capital formation**. Southern Asian countries such as Singapore and Malaysia are examples of nations that succeeded to mobilise large inward FDI thanks to their considerable investment in skills development and skills upgrading³⁹ of their labour force. Recent reports from the UN Conference on Trade and Development's (UNCTAD) and the World Economic Forum (WEF) equally find that the availability of market-driven skills in certain countries enabled them to “attract more greenfield FDI projects.”⁴⁰ FDI has complementary effects on skills development, as it can impact growth and productivity while encouraging the transfer of new knowledge and technology to Morocco.

Given their presence in the country and their commercial interests, European SMEs can be solid partners to the Moroccan government in its efforts to upgrade the workforce's skill level in these three promising sectors. These SMEs can also be the right intermediaries and partners to European countries – especially their countries of origin – that are keen on strengthening ties with Morocco in several domains and for various reasons. For instance, such companies can pave the way for:

- European countries to meet their green ambitions by building “environment, energy, and climate partnerships” with Morocco. Such partnerships could facilitate (1) the import of green energy to Europe and (2) open gate to further investment in renewable energies in Morocco, which can create local employment opportunities, contributing to the local socio-economic development and ultimately reducing drivers of irregular migration to Europe⁴¹. Needless to say, increased investment in agribusiness and the digital sector will have a similar developmental impact in Morocco.
- Further internationalisation⁴² of commercially successful European SMEs.
- Skills partnerships enable to match the labour market needs of European countries with those of Morocco, based on mutually beneficial terms and using legal migration channels.

Moreover, European SMEs with an establishment in Morocco have greater market intelligence and extensive business networks than their local counterparts (from Europe and Morocco), as they venture across local and international markets and administrations. For instance, they are able to understand differences **in the labour market needs of their host and country of origin or identify quality discrepancies in the training and education systems of such countries**. Hence, they could meaningfully contribute to efforts aimed at **harmonising Morocco's qualification standards with partnering European countries**. Most importantly, with the right support measures and incentives, these companies are also in the position to participate in workforce training programmes both in their host and in the country of origin. Their transnational flexibility allows them to engage in agile solutions such as dual-track upskilling/reskilling programmes with components that can be delivered in the host country and their headquarters in the EU, through the mobility of their trainees.

³⁹ <https://www.oecd.org/dev/1949901.pdf>

⁴⁰ <https://www.investmentmonitor.ai/analysis/fdi-drivers-and-the-quest-for-talent>

⁴¹ <https://ecfr.eu/publication/power-surge-how-the-european-green-deal-can-succeed-in-morocco-and-tunisia/>

⁴² That is exports, imports, FDI, international subcontracting/technical cooperation.

3.1. Mobility-based skills development

Morocco is one of the main Southern Mediterranean countries that has tested several models of transnational skills partnerships involving European and local public and private actors, with the support of international organisations. These public-private initiatives differed in their overall goals, targeted sectors, level of skills, modalities, cost-sharing, governance, location of training etc. The majority of such partnerships involved the mobility/migration of trainees to Europe for work-based learning through apprenticeship and internship programmes, sometimes with the possibility for permanent employment in the destination country. Other partnerships included curricula reform, a collaboration between training and educational institutions and skills recognitions.

The following section gives a synopsis of past and ongoing mobility and migration-based skills development projects between Morocco and EU Member States, with a particular focus on promising practices with the possibility of scale-up. This non-exhaustive overview of pilot initiatives helps understand possible ways and areas of private sector involvement, skills partnerships' applicability to diverse sectors and skills levels, and the possible scope of cooperation. For example, some initiatives combine development interventions with skills training programmes, employment and entrepreneurship promotion and legal labour migration.

Pilot Program Addressing Labour Shortages through Innovative Labour Migration Models (PALIM)		
Aim The project was developed to fill the shortage of ICT professionals in the Flanders region of Belgium while supporting Morocco's emerging ICT training centres.	Country of destination Belgium	Country of Origin <input checked="" type="checkbox"/> Bilateral - Morocco <input type="checkbox"/> Multilateral
Approach⁴³ <ul style="list-style-type: none"> • "Home track" training to cater to Moroccan labour market needs by placing 80 young Moroccans on an ICT training programme, also encompassing soft skills and language courses. 	Duration March 2019 - April 2021	Skills level & Sector High skills in Information and Communication Technology (ICT)
	Migration scheme Open-ended labour migration, with the possibility for permanent employment	Donor European Union, through the Migration Partnership Facility (MPF), managed by ICMPD

⁴³ The intervention approach of the majority of the pilot projects often include several components such as capacity building of relevant authorities in the country of origin and destination (e.g. services for youth mobility, training and employment) or awareness raising campaigns on legal pathways, etc. Here, the approach is analysed from the skills development and employment perspectives only.

<ul style="list-style-type: none"> ● “Away track” involving the recruitment of 30 candidates for jobs in Belgium along with a pre-departure training aimed at facilitating candidates’ integration in Belgium. ● Post-return support to facilitate workers’ professional reintegration in Morocco. ● Technical exchange between ANAPEC and Belgian public services aimed at strengthening ANAPEC’s capacities on international job placements. 	<p>Implementing agencies</p> <p>Belgian development agency -ENABEL</p>	<p>Partners</p> <ul style="list-style-type: none"> ● Moroccan National Agency for the Promotion of Employment - ANAPEC ● Flemish employment and vocational training service - VDAB ● Flemish employers federations -VOKA ● General Confederation of Enterprises of Morocco - CGEM ● Belgian Federation for the Technology Industry - AGORIA ● Moroccan Federation of Information Technology, Telecom and Offshoring – APEBI
<p>What worked</p> <ul style="list-style-type: none"> ● Tailor-made instruments: Technical training adapted to the needs of participating companies, including language and intercultural courses. Development of online matching platforms for employers from both Belgium and Morocco, giving them access to the profile of preselected talents for direct contact and selection. ● CoD-CoO coordination: The multitude of actors involved and effective coordination between Moroccan and Belgian public authorities at different levels of power. ● Public-private partnership: The involvement of Moroccan and Belgian employers in the overall process, from curricula development to matching, selection, recruitment, placement, and the integration phase. ● Replicability: ENABEL is testing the transferability of PALIM’s successful approaches/lessons learnt to other sectors under the regional initiative, THAMM. 	<p>Main challenges</p> <ul style="list-style-type: none"> ● Tight timeframe for implementation ● COVID-19 health crisis: Interruption of participants’ job placement during the COVID-19 pandemic. 	

High Opportunity for Mediterranean Executives Recruitment (HOMERe)

<p>Aim</p> <p>The project linked universities and businesses on the North and South sides of the Mediterranean to enable young graduates to acquire professional skills through internships and support the development of the private sector in the region.</p> <p>The initiative offered 6-months internships programmes based on “true work assignments” to students and recent graduates at companies operating in France or those with development prospects in Morocco, Tunisia and Egypt.</p>	<p>Country of destination</p> <p>France</p>	<p>Country of Origin</p> <p><input type="checkbox"/> Bilateral <input checked="" type="checkbox"/> Multilateral - Morocco, Tunisia, Egypt</p>
<p>Approach</p> <ul style="list-style-type: none"> Professionalisation of graduate training: Public-private cooperation to ensure better linkages between the academic and business world, and alliances defining skills and competences needed at the workplace. Graduates’ international exposure to match transnational business needs: The international mobility aimed at giving graduates first-hand knowledge of transnational business activities for the region's economic development. Internship with employment prospects in the country of origin: the internship programmes served as a matching mechanism, enabling employers to mentor interns based on their real recruitment needs. Upon completing their internship in France, graduates were considered for employment in the local branch or subsidiary of the mentor company in the country of origin. 	<p>Duration</p> <p>May 2019 - September 2020</p>	<p>Skills level & Sector</p> <p>High skills in ICT, engineering, tourism and hospitality</p>
	<p>Migration scheme</p> <p>Circular migration</p>	<p>Donor</p> <p>European Union, through the Migration Partnership Facility (MPF), managed by ICMPD</p>
	<p>Implementing agencies</p> <p>University of West Bretagne in cooperation with HOMERe France Association</p>	<p>Partners</p> <p>Network of 34 higher education institutions (major universities, engineering schools and management schools), business and professional associations present in France, Italy, Spain, Algeria, Egypt, Morocco and Tunisia, including civil society organisations.</p>

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What worked

- **Training adapted to the needs of the concerned industrial groups:** Participating private companies identified young talents, trained them in the framework of an international internship to recruit them in their country of origin, avoiding brain drain. It enabled these companies to export their corporate culture to subsidiaries, joint ventures, suppliers, customers, subcontractors in the partner countries.
- **Equal opportunity:** it extended training opportunities to 24 female and 26 male students/graduates.
- **Support measures across the entire mobility cycle⁴⁴:** The project facilitated legal formalities in close cooperation with national authorities, provided logistical support, including individual social and financial support as well as health monitoring during the COVID-19 outbreak. At the end of the internship, half of the graduates were recruited either by the same company/subsidiary or by other local employers in their country of origin.

Main challenges

- **Institutional challenges in some country contexts:** Despite efforts, internships for Egyptian students could not materialise due to logistical and institutional challenges.

Mediterranean Network for Training Orientation to Regular Migration (MENTOR I)

Aim

This city-led initiative sought to improve young Moroccans and Tunisians' access to the labour market in their home country by developing their professional and entrepreneurial

Country of destination

Italy

Country of Origin

- Bilateral
 Multilateral – Morocco and Tunisia

⁴⁴ That is across the pre, during and post-migration phases.

skills through 3-months internship schemes in Italy (Milan and Turin).		
<p>Approach</p> <ul style="list-style-type: none"> • Personalised training, coaching, mentoring: Trainees received tailored training and coaching before their departure, during the traineeship, and after returning to their home countries. The training programmes covered technical and soft skills (intercultural and language). • Comprehensive post-internship support: The project provided job placement and entrepreneurial support, including financial aid. 	<p>Duration July 2017 - October 2018</p>	<p>Skills level & Sector Mid-High - Architecture, logistics, administration, business counselling, catering, telecommunications, design, and renewable energy.</p>
	<p>Migration scheme Temporary and circular migration</p>	<p>Donor European Union, through the Migration Partnership Facility (MPF), managed by ICMPD</p>
	<p>Implementing agencies Municipality of Milan, Turin, Beni Mellal (Morocco), and Tunis.</p>	<p>Partners Universities, Chambers of Commerce, Ministries of labour, youth and foreign affairs, national employment agencies, local communication and media companies etc.</p>
<p>What worked</p> <ul style="list-style-type: none"> • Private sector engagement: Participating companies saw how their active engagement represented a real advantage in terms of cultural exchange that is critical to create opportunities for internationalisation in a new context, to establish a relationship of trust with a person trained with them and who knows the company, etc. • Engagement incentives: The project covered costs usually paid by host companies such as food, accommodation and trainee allowances. Such an incentive has proved essential, especially for small participating companies and those approaching this experience for the first time. • Network of actors in the CoD and CoO: The creation of a local network of actors in the CoD and CoOs, open to public-private sector relations, has facilitated the successful implementation of the project and helped to create synergy between territories. 	<p>Main challenges</p> <ul style="list-style-type: none"> • Tight timeframes: Inadequate time in the preliminary investigation phase had sometimes prevailed to the detriment of the quality of the selection of profiles, e.g. when it was a question of matching the skills of young people with available companies. • Similarly, the duration of the traineeships and follow-up were considered too short. 	

Accessing Overseas Employment Opportunities for Moroccan Youth Project

<p>Aim</p> <p>The project is designed to tackle unemployment in Morocco while filling skills shortages in Germany's construction and hospitality sectors. It offers Moroccan school-leavers 3-years dual apprenticeships (school and work) in Germany with the possibility of employment in the host country or back in the country of origin.</p>	<p>Country of destination</p> <p>Germany</p>	<p>Country of Origin</p> <p><input checked="" type="checkbox"/> Bilateral <input type="checkbox"/> Multilateral</p>
<p>Approach</p> <ul style="list-style-type: none"> • Pre-departure orientation and training: The selected overseas job candidates/ trainees were placed in a 6-months language and intercultural training in Morocco. • Dual apprenticeship in the CoD: Once in Germany, trainees followed a 3 years on-the-job training programme in a particular company next to vocational education and training. Upon completing their apprenticeship, trainees were given the opportunity to continue working with a German company in the host country or take their acquired skills to their home country. 	<p>Duration</p> <p>August 2016 - March 2025 Implemented into two phases</p>	<p>Skills level & Sector</p> <p>Mid-level in hospitality and construction</p>
	<p>Migration scheme</p> <p>Open-ended labour migration with possibility for permanent employment</p>	<p>Donor</p> <p>World Bank</p>
	<p>Implementing agencies</p> <p>GIZ in cooperation with the Moroccan employment agency ANAPEC</p>	<p>Partners</p> <p>Branch of German Association of Hotels and Catering (DEHOGA) in Thüringen and Bavaria</p>
<p>What worked</p> <ul style="list-style-type: none"> • A sustainable public-private collaboration mechanism: The partnership established between German employers' associations and relevant Moroccan and German institutions is functioning in practice and offers the opportunity to replicate the pilot experience to other sectors. • Linkage between sector-specific vocational institutes: The second phase of the project is working towards fostering the linkage between Moroccan and German sector- 	<p>Main challenges</p> <ul style="list-style-type: none"> • Delays in implementation due to political, administrative, and COVID-19 contexts. 	

specific vocational training centres in order to improve the quality of training in Morocco to global labour market standards and possibly institutionalise agreements for future collaborations.	
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4. CONCLUSIONS AND RECOMMENDATIONS

Morocco is a politically stable country and a benchmark for the economies of the region. Today, the country's economic development occurs across all sectors while offering great investment opportunities in certain niche industries.

The study has found that the agribusiness, renewable energy and digital sectors are attractive sources of opportunities for European SMEs. For the agribusiness sector, the main opportunities lay in the irrigation industries, particularly drip irrigation, and water management and saving. In renewable energies, the industries of strategic importance for European SMEs focus on solar, wind and hydro energy, where Morocco has competitive advantages given its investments and geographical position. Thirdly, the areas with the greatest growth potential in software solutions are digital security, social networks, big data or cloud systems, electronic payment systems or financial technology and digitisation services for companies in general.

Morocco's demography is an underutilised economic opportunity due to labour market challenges, including skills gaps and skill mismatches. Almost all European SMEs contacted consider that the skills developed in the country will lead towards a virtuous cycle of investment and human capital formation. Given a conducive business environment, an increase in skills is expected to trigger a better-off situation for European companies, which can translate into further investment for Morocco. This process has to be triggered from both the public and private sectors, as individual efforts will not be able to unchain this investment-training cycle. Interviews with European SMEs in Morocco have identified a **systematic lack of sectoral collaboration between the public and private sectors in skills development**. Public-private cooperation on skills development, which can be supported through the **Talent Partnerships**, can play a pivotal role in improving the educational/vocational system and the economic ecosystem that will help to optimise investment in the medium to long run.

4.1. Modalities of skill development partnerships between the public sector and European SMEs to strengthen SME competitiveness and unlock investments

As the above-listed projects and the evidence from other countries show⁴⁵, there are many forms and modalities of public-private cooperation on skills development, involving employers and administrations from countries of origin and destinations and often piloting mobility or migration schemes. Some of these modalities have great potential to directly or indirectly contribute to strengthening the competitiveness of European SMEs active in Morocco, boost local business, and

⁴⁵ For an exhaustive list of mobility-based skills partnership refer to <https://gsp.cgdev.org/start-a-gsp/>

further or unlock investments in the studied sectors. The most relevant practices that can be leveraged through the Talent Partnerships include:

- Engaging European SMEs in sectoral **curricula development processes** to better match Morocco's educational/vocational training with future labour market needs. For instance, labour market outcomes can be improved over the long term by enabling these private actors to participate in the design of TVET programmes. Similarly, the companies can be invited to take part in regular dialogues and consultations with relevant public stakeholders, industry groups and training institutions on improving qualification standards based on European countries' models or in the ongoing skills recognitions processes.
- Promoting the SME representatives' **participation in skills planning** at the national level could become vital to ensure the alignment of the TVET programmes and the general education to the labour market needs. High-level associations such as IRESEN or the Moroccan Agency for Solar Energy (MASEN) can also establish systems for accreditation of training providers and certification of learners' skills.
- Enabling SMEs to offer **lifelong learning opportunities** to their staff through in-house or outsourced upskilling programmes. The public sector stakeholders can support SMEs' endeavours through financial incentives (e.g. subsidies and tax levies) as well as by facilitating collaboration agreements with training centres.
- Encouraging the scale-up of **university-enterprise collaboration models** such as those used by the Mohammed VI Polytechnic University and IRESEN. In this collaboration format, the company offers employment-training contracts to students from these universities, thus benefiting from a trainee-employee who learns to work in this company simultaneously as he or she is being trained. It is a win-win collaboration as the company can find qualified workers with a minimum of useful experience for their company, and the students can be more prepared for the job market.
- Encouraging subsidised **dual training programmes** that combine an apprenticeship scheme with vocational training in Morocco to increase job seekers' skills relevance and experience.
- Setting up a public-private training fund similar to Singapore's **Skills Development Fund**. This levy-grant funding scheme can be raised through European SMEs' payroll contributions, the EU and the Moroccan government, and be designed with the following properties:
 - i. levy-grant scheme, where payroll levies are later used by fund administrators to give grants to employers for approved training;
 - ii. levy-rebate schemes, where payroll levies are later partially reimbursed for approved training; subsidies up to 80% for the staff trained;
 - iii. levy-exemption schemes, where payroll levies are exempt for employers that spend a given percentage of their payroll on training; and
 - iv. tax-incentive schemes, where firms can deduct training expenditures to calculate their profit before tax;
 - v. Funding suppliers' training;
 - vi. Funding overseas training.

Such a financing mechanism will give good visibility and leverage to the private sector actors wanting to invest or expand their operations.

- Based on the Global Skills Partnership⁴⁶ model, supporting European SMEs to engage in **dual-track workforce development programmes** intended to cater for the labour market needs of both Morocco and its European partner country. The SMEs can provide internship or apprenticeship opportunities to selected graduates in their headquarters in Europe. Upon completing the programme, trainees can be offered an employment opportunity at the headquarters or other companies in the destination country, therefore enabling the latter to meet its skills shortages. For Morocco to meet its local skills needs and in order to counter the risk of brain drain, the country of destination will support vocational training schemes for non-migrant populations in Morocco.

⁴⁶ For an in-depth description of the approach, refer to <https://gsp.cgdev.org/start-a-gsp/>

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6. ANNEXES

Annex I. List of European SMEs contacted

Summary data on the proportion of companies contacted and responding is given below.

Total No. companies	Nationality	% of Total	No. companies responding	Nationality	% of Total
72	Belgian	7%	10	Belgian	0%
	French	38%		French	10%
	German	21%		German	30%
	Spanish	35%		Spanish	60%

The following table offers basic information about the European SMEs identified and contacted in the 3 sectors of interest.

SECTOR	COMPANY	NATIONALITY
AGRIBUSINESS	AGRI-BAT-TAJHIZ S.A.R.L.	GERMAN
	AGRIN MAROC	FRENCH
	ALTINCO MAROC SARL	SPANISH
	ARGAND'OR MAROC GROUPE S.A.	GERMAN
	ATHISA MAROC SARL	SPANISH
	BECO HYDRAULICS & PNEUMATICS SARLAU	SPANISH
	BIOCONTROL MAROC SARL	SPANISH
	CAPITAL GENETIC MAROC SARL	SPANISH
	COTRAFOOD SARL	SPANISH
	CRiado Y LÓPEZ MAROC	SPANISH
	DELFEK	SPANISH
	DULCESOL MAROC SARL	SPANISH
	EZZOUHOUR S.A.	GERMAN
	FLIEGL MAROC S.A.R.L. AU	GERMAN
	ING DOPEC SARL	SPANISH
	INTERCEREALES EX FRANCE EXPORT CEREALES	FRENCH
	LES CAFÉS DUBOIS	FRENCH
	LESAFFRE MAROC	FRENCH

	MOGADOR PRODUITS NATURELS MAROC S.A.R.L.	GERMAN
	NATURPLAS INDUSTRIAL	SPANISH
	PROMOSEEDS S.A.R.L.	GERMAN
	ROLLAND IRRIGATION ÉQUIPEMENT	FRENCH
	ROYAL AGRI MAROC	SPANISH
	SILVER FOOD S.A.	GERMAN
	SOLDIVE MAROC	FRENCH
	SOPRIMEX	FRENCH
	UNIVERS RIEGOS S.A.R.L.	GERMAN
RENEWABLE ENERGIES	AE PHOTONICS MAROC S.A.R.L.	GERMAN
	AMENDIS (VEOLIA)	FRENCH
	AS SOLAR MAROC S.A.R.L.	GERMAN
	BAU-KO SOLAR MAROC S.A.R.L.	GERMAN
	CA2E MAROC	FRENCH
	CLEMESSY MAROC	FRENCH
	COFELY MAROC	FRENCH
	GAMESA TANGER	SPANISH
	H2 ENERGY MAROC SA	GERMAN
	LA COMPAGNIE EOLIENE DU DETROIT (THEOLIA)	FRENCH
	MOYANO MAROC SARLAU	SPANISH
	NOVEC	BELGIUM
	PRECIMA S.A.R.L.	GERMAN
	REDAL (VEOLIA)	FRENCH
	SCHIELE MAROC	FRENCH
	SENER MAROC SARL	SPANISH
	SOCIÉTÉ INDUSTRIELLE DE CONSTRUCTION ÉLECTRIQUE SARLAU	SPANISH
	SOLARWORLD S.A.S.	GERMAN
	SUNQ S.A.R.L.	GERMAN
	VOITH TURBO SA	SPANISH
DIGITAL ECONOMY	A-BER-DEEN SERVICES MOROCCO	BELGIAN
	ACRELEC MAROC	FRENCH
	ALTERSIS	FRENCH
	ATOS ITS NEARSHORE CENTER MAROC	FRENCH
	AXEMBLE MAROC	FRENCH
	AXIOM CONCEPT	FRENCH
	CONSORT NT	FRENCH

EJL CONSEILS	FRENCH
EPSILON MAROC	FRENCH
FEEDER INFORMATIQUE	FRENCH
HARDWARE & PARTS MOROCCO	SPANISH
INFORMATIC DONNEES	FRENCH
INGENIERIE DES TELECOMMUNICATIONS (INTELCOM)	SPANISH
INGEPRO SARL	SPANISH
IT SELEXION	BELGIAN
MARCO DE COMUNICACION CASABLANCA	SPANISH
NORSYS SAS	FRENCH
NORTIS	SPANISH
SEIDOR MAROC SARL	SPANISH
SIVSA	SPANISH
SOLUTIONDATA	FRENCH
SOLUTYS MAROC	FRENCH
TOP SYSTEM MAGHREB	BELGIAN
VOZTELECOM MAROC SARL	SPANISH
WINBOOKS MAROC	BELGIAN

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