The Regional Investment Centre, incarnation of regionalisation

From de-concentration to decentralisation

The principle of decentralisation was written into the Constitution as early as 1962 but was not applied until 1976, and was bolstered in 2002 with the adoption of the Municipal Charter. Whilst the latter may have strengthened the powers of local councillors, in practice the process would appear to be a de-concentration. Morocco to date has 16 regions, 74 prefectures (urban constituencies) and provinces (rural constituencies) and more than 1,500 municipalities. Even if their competence varies considerably, these local authorities vote a budget, approve the accounts, define an economic and social plan, introduce public services and facilities, make partnerships and may create local development companies. Inter-authority cooperation is also promoted by law.

The region, leading contact in economic matters

Granted the rank of territorial authority in 1992 after having been a mere constituency for planning purposes, the region has gradually become the reference level of government in economic terms. Beyond the general competence of the local authorities, the Regional Council is responsible for promoting all action likely to encourage the economic development of the region. The State has moreover transferred to it the creation and maintenance of regional infrastructures and facilities (schools, universities, hospitals, business parks). Finally, it is consulted on public services, development policies and promotional actions to be implemented in the region. In 2002, each region was moreover granted a Regional Investment Centre (CRI) to facilitate the administrative procedures of those wishing to create businesses and investors and participate in local development.

State public administration
Created in 2002

Operational territory: Souss Massa Drâa Region (SMD)
Grand Agadir Urban Centre (Agadir and Inezgane-Ait Melloul) & local areas:
Agricultural plains and intermediate towns of the Drâa (Ouarzazate-Zagora)

Missions

Facilitation & entrepreneurship
One-stop shop for creators of businesses and domestic and foreign investors, promotion of entrepreneurial culture, settlement of disputes

Promotion of the region & counsel
Pro-active force with national and regional authorities, support for development projects (sectoral funds, business parks, clusters).

Resources

Annual operating & intervention budget (excluding salaries): 9.5 M Dirhams (800 k€), SEGMA budget (Autonomously Controlled State Services)

19 people (68% with civil servant status/32% under private contracts, the latter all senior executives), split between the HQ in Agadir and the branch office in Ouarzazate

Governance

External Department of the Ministry of the Interior
Under supervision of the Wali of the region (Governor representing the State), who signs all the CRI documents

Executive Director
The Director of the CRI has the rank of Managing Director. He is appointed (for 4 to 6 years) directly by Royal Dahir (decrees)

Learn more

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Email contact@cri-agadir.ma
Tel +212.528.21.92.30

CRI SMD - Agadir, Cité Founty
BP 31 333
Agadir, MOROCCO
The SMD Region, spirit of enterprise champion in Morocco

Despite its status of public organisation, human relations management (HRM) within the CRI is highly performance-oriented. Interregional emulation brought about by the fine benchmarking of the Subnational Doing Business report (effective lead time to create a business, granting of licences, transfer of property rights, performance of a contract, etc.) would seem to play an even more important role in the mobilisation of the CRI teams than HRM. The SMD Region, a traditional space for entrepreneurs, has in 3 consecutive years, been considered by the World Bank as the No. 1 region in Morocco in terms of the improvement in the business climate. A real consecration for the CRI.

A team tightly knit around 3 operational departments

The CRI relies upon senior executives with private contracts, whose performance is recompensed by individual bonuses. The position of Director of the CRI, usually reserved for a senior State civil servant, from the Ministry of Trade and Industry, or the Interior Ministry, is often a stepping stone towards a position of Governor or Wali. The CRI team covers the whole of the regional territory thanks to its HQ in Agadir, its office in Ouarzazate, and its provincial branches, run by executives from the provincial governments and regional prefectures. Other than administrative functions, the CRI team is split into 3 departments corresponding to its main missions:

- Aid for the creation of business (5 people + 1 at Ouarzazate)
- Aid for investors (3 people + 1 at Ouarzazate)
- Promotion and Cooperation (3 people)

Doing Business: Agadir is doing better than the OECD countries

According to the World Bank Subnational Doing Business report (criteria involving local decision-making power), Agadir is the region of Morocco where it is easiest to settle a trade dispute. It takes less time in Agadir than in Paris or Istanbul.

Furthermore, it takes only 93 days on average to obtain a building permit there compared with 157 for the OECD countries.

You can count a mere 9 days to start a new activity against around 13 within the OECD.

As far as the transfer of property rights is concerned the SMD region also does better than the OECD average, with 22 days against 25.
A one-stop for all business projects in the region

The first mission of the CRI is to inform, orient and support business creators and investors gratuitously. The CRIs are thus charged with the implementation of the Very Small Enterprise (VSE) support programme Moukalawati. Using this one-stop service is highly recommended for it enables a project to be started in a very short time. Especially since it is obligatory to use the CRI to obtain certain land-related authorisations (see Investors space on the CRI site: derogation for zoning plans, etc.). Finally, the CRI coordinates its network of partners to put together or support important projects (cf. Agadirshore project below), and promote an improvement in the local business climate with the Wali and local authorities.

A kingpin in regional economic development

To support the entrepreneur, the CRI is in contact with:
- the Regional Wilaya and the Ministry of the Interior (supervision);
- the Office of Industrial Property, and Social Security (creation);
- the ministerial delegations, the Regional Inspection of the Habitat, Town and Country Planning, local authorities and urban agencies (land & development schemes);
- the SMD Regional Council, with which it develops both the regional strategy and a number of operational tools (see box below);
- The ANPME (SMEs), the ANAPEC (employment), the professional chambers - CCI (support for entrepreneurship—the project SMD Initiative cf. France Initiative—and training);
- Invest in Morocco (strategic projects), the SMIT (stations of the Plan Azur), and MedZ (development of business parks such as Haliopolis).

The CRI, a facilitator at the heart of the regional and national investment commissions

The CRI provides the secretariat of the regional investment commission which studies requests for authorisation for certain investment projects, so as to enable the regional Wali to sign the appropriate administrative paperwork. This commission comprises permanent members (Urban Agency, Regional Water and Forestry Departments, and Town and Country Planning) and non-permanent members, concerned by the application being studied: local authorities, ministerial delegations and other involved players.

The CRI can on request assist investors eligible for national aid from the Investment Promotion Fund (amount > MAD 200 M/permanent jobs > 250/priority territories/technology transfer/protection of the environment) in the preparation and defence of their application.

Finally, the CRI is responsible for controlling the compliance of the project with the commitments made by its promoter in the investment agreement signed with the State. This function is provided by a local project progress monitoring committee.
Souss Massa Draa among the country’s main driving forces

According to the Ministry of Economy and Finance, the region is the 2nd largest contributor to national GDP (12.2% against 19% for Greater Casablanca), while only covering 10% of national territory, and housing 10% of its population (3 million). According to data from the Plan High Commission, however, it is only 5th. The SMD is a crossroads area: country’s 2nd commercial port and 3rd airport hub.

A strategic plan initiated by the Regional Council

- **Timing**: Strategy => 5 yrs (2010-2015 plan validated 12/2010) Operational plan => 1 year (defined in coordination with the partners, Regional Council - RC in the lead)
- **Content**: Strategic orientations (consistent with national priorities) + set out in pilot actions
- **Process**: Consultation workshops (per sector and per Prefecture/Province) run by Regional Council (with the participation of the CRI) => Diagnosis entrusted to a well-known strategy consultancy following call for tenders from Regional Council => Approved by the RC
- **Sectors**: Agro, Tourism, Seafoods, Offshoring, Cinema
- **Tools**: Sectoral funds, industrial areas and Science Parks such as Haliopolis, AgadirShore & Agropole

2005-2010 sectoral dynamics and priorities cf McKinsey

Portfolio analysis and regional hierarchisation of the main sectors

<table>
<thead>
<tr>
<th>Sector</th>
<th>GDP per sector (million MAD)</th>
<th>INTEREST</th>
<th>COMPETITIVENESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMEs &amp; logistics</td>
<td>High</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Agriculture &amp; Agribusiness</td>
<td>Low</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Mining</td>
<td>Low</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Cinema</td>
<td>High</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Handicrafts</td>
<td>Low</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Agriculture &amp; Agribusiness</td>
<td>Low</td>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>Fishing (incl. Industry)</td>
<td>High</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Tourism</td>
<td>High</td>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Other industry</td>
<td>Low</td>
<td>Low</td>
<td></td>
</tr>
</tbody>
</table>
Inflections of the 2010-2015 plan: diversify

- Confirmation of the main orientations of the 2005-10 strategy: fishing, agriculture, tourism
- Exploration of growth niches (offshoring, renewal of craft industries, green economy). In 2015, Ouarzazate will host the 1st element of the Moroccan Solar Plan (500 MW thermodynamic solar plant, PPP launched end 2010).
- The development of services and distribution-logistics

SWOT analysis for the Souss Massa Draa

**Strengths**
- Traditional entrepreneurial dynamism
- Solid network of determined partners
- Consolidation of the key sectors (Leading agricultural producing-exporting region, downstream reinforcement of fishing sub-sector, 1st beach resort destination in Morocco, growing tourist income)
- Wealth of the terroir (casbahs, argan, palm groves, saffron, handicrafts...)

**Weaknesses**
- Lack of qualified labour
- Strong dependence on 3 sectors (tourism, intensive agriculture and fishing)
- Terrestrially landlocked
- Low added-value in products and services

**Threats**
- Access to water for agriculture
- Traditional sectors under pressure, especially mining, craft fishing industry...
- Destruction of shoreline (concretisation)
- Reduced investment flows: increased inter-regional competition (Casablanca Marrakesh, Tangiers, the Oriental Region) as well as international (Eastern Europe, Med, Asia)

**Opportunities**
- Infrastructure investments: transport, (Marrakesh motorway, regional roads), tourism, business/logistics parks
- Cinema, agrotech, offshoring, clean energy, Tourist diversification
- Valorisation through IP of regional assets (PDO for saffron/argan)

**Tools consistent with national and local planning**

A number of regional schemes are promoted by the CRI with target businesses. They are often the fruit of regional consultation and provide financing tools, including from the private sector.

<table>
<thead>
<tr>
<th>Sector</th>
<th>Morocco</th>
<th>SMD Objectives</th>
<th>Regional projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agro</td>
<td>Morocco</td>
<td>Green Plan</td>
<td>Regional Agricultural Plan - PAR</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Creation Agrotech hub/ Agropole Project (study positioning and programming in progress in 2010)/Creation Protected Designation of Origin “Saffron from Talouine”/ Fund for the Development and Promotion of Local Products/ TARGA investment Fund (MAD 30 M) with Crédit Agricole Morocco</td>
</tr>
<tr>
<td>Seafoods</td>
<td>Halieutis</td>
<td>Fix activities downstream (v. move to South)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Launch of Parc Haliopolis (investment of MAD 6.6 billion), 8% stake held by the Regional Council SMD</td>
</tr>
<tr>
<td>Tourism- Cinema</td>
<td>Vision 2020 for Tourism</td>
<td>PDRT: consolidate the beach resort offer, exploit micro tourism in hinterland/ Cinema: make Ouarzazate the African leader of film shoots</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‘’Pays d’Accueil Touristique’’ (PAT): Imouzzer, Ouarzazate/Zagora, Chouka Ait Baha, Taroudant and Tiznit/Station Taghazout Eco-Resort (Plan Azur)/ Restoration of Ksours and Casbahs as authentic accommodation (national fund of MAD 300 billion)/ Station Immouadar (Plan Biladi internal tourism)/microtourism fund (up to 30% subsidy)/ IGRANE Investment Fund/ Fund for Cinematographic Development of Ouarzazate (MAD 3 M)</td>
</tr>
<tr>
<td>Offshoring</td>
<td>Emergence</td>
<td>Build up high added-value tertiary activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Announcement in May 2010 of the creation of a new offshore park at Agadir by MedZ, subsidiary of CDG and promoter of Casai Nearshore and Rabat Technopolis, Fez and Marrakesh Shore</td>
</tr>
<tr>
<td>Renew. energy</td>
<td>Solar Plan/ PDE + WB Clean Tech Fund</td>
<td>Regional plan for renewable energy and energy efficiency</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Launch of a 500 MW solar project at Ouarzazate between now and 2015/Creation of a Centre for Industrial Competence and Services/Atlas regional wind turbine/biomass master plan/ financing of feasibility studies for windfarms, solar and biogas plants</td>
</tr>
</tbody>
</table>

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The CRI obtains an AgadirShore for the Souss

The National Pact for Industrial Emergence is based upon 6 “World Professions”, including offshoring, a term which refers to all externalisable support activities (Business Process Outsourcing - BPO), from book-keeping, customer relation management (call centres), to third party distance application maintenance (TMA). To attract new operators, an Integrated Industrial Hub Development Programme (Plateformes Industrielles Intégrées - P2I) has been initiated and today comprises 2 operational sites at Casa and Rabat, while projects are underway in Fez, Oujda, Tetouan and Marrakesh.

Thanks to determined lobbying from the CRI SMD, an extendable 10 ha plot of land has been identified in Agadir, and an AgadirShore project submitted to the Ministry of Innovation and New Technologies as well as to MedZ. An official announcement was planned for 2011.

CRI SMD at the heart of the Haliopolis project

The CRI is a permanent member of the commissions which allocate land within the regional industrial areas. In the context of the Halieutis national plan, Agadir is the 1st of 3 towns (with Tangiers and Laâyoune-Dakhla) to host a seafood cluster. The Souss Massa Draa Région (8%), the Igrane fund (15%), Crédit Agricole (22%) and MedZ (55%), are the Haliopolis project stockholders and have nominated MedZ as prime contractor. Commercialisation of the first phase on 99 ha started in May 2010. Haliopolis should mobilise total investments of 6.6 billion dirhams. To promote the subsector in general and this project in particular, the local council, Regional Council and the CRI have obtained the creation of the Halieutis annual trade show under royal patronage, an event with international ramifications, on the model of the SIAM fair at Meknes.

Facilitate the development of tourist infrastructures

The Moroccan Tourist Engineering Company (SMIT) has taken in charge the dynamic inspired by the 2010 Vision of Morocco for tourism. It deals with site-preparation for the plan Azur international resorts, including Tamazhout in the SMD region (agreement protocol on 14/09/2010, start of work in 2011). The builder-developer chosen by call for tender is handling his own promotion while the CRI provides the monitoring. The SMIT is also running the national tourism Plan Biladi (one of the projects is near Agadir), as well as the regional tourism development plan. The CRI may propose to an investor a plot managed by the SMIT and monitor the projects. Finally, CRI contributes to the micro-tourism promotion programme (rural holiday accommodation).
A constrained corporate identity

Unlike the SMD Regional Council, which puts its graphic house-style, built around the colours of its logo, on all media (opposite, sea blue and typical ocres), the CRI is constrained to melt into the standards imposed on all the CRI's in Morocco (red and green logo above left). Given the lack of international knowledge of the term “Souss Massa Drâa”, the CRI has chosen to promote the regional capital, Agadir for its main communication media. The domain name which has been chosen for web communication is thus www.cri-agadir.ma.

A web audience which extends beyond national boundaries

The CRI communication efforts are aimed mainly at a Moroccan public. The web site receives on average 5,000 visitors each month, a significant proportion of which are foreigners, with the French in the lead.

Pre-investment services: the choice of accessibility

The CRI has chosen to put on line, available to entrepreneurs, a great deal of information which is accessible with just a few clicks:
- Costs of production factors (very comprehensive 40 page PDF file updated regularly by the team);
- Sectoral market data (covering 11 sectors) and territorial profiles for each of the provinces of the region;
- Guides to assist in the creation of a business and for investment.

The CRI does not provide feasibility studies nor pre-location services. Nevertheless, it makes available to local business creators sets of profession-data sheets, mini market studies financed by the CRI and carried out by an outside firm (coordination and tourist transport, etc.). For some strategic projects, CRI carries out customised assignments (e.g. for example organising a recruitment simulation open day for a large offshoring group with a local university).

A balanced mix of paper and web media

By only keeping the editorial work and entrusting the conception to local advertising agencies, the CRI has managed to harmonise and stabilise the graphics of its web site and its half-yearly information bulletin CRI-Agadir News, even if the colour range changes with each issue. With a print run of 5,000 copies on luxury coated paper, the bulletin is 100% financed by highly targeted advertising. It is sent by mail regionally (businesses & administration departments, professional networks, training institutes), nationally (ministries, foreign embassies and bilateral chambers of commerce, professional associations, large corporations and Moroccan CCIs), and abroad via the embassies.

The web site, financed exclusively out of the CRI budget, satisfies its dual vocation: facilitating investment (“Creator” and “Investor” Spaces providing certain electronic forms) and promoting the region. It is published theoretically in 4 languages (AR, FR, EN, SP), but only French speakers may access the whole of the content (forms included).
Promoting foreign investment in a network

Short of sufficient means to prospect directly abroad, the CRI has chosen to capitalise on its networks: Moroccan residents abroad (MRE), EuroMediterranean cooperation networks, business networks. Thanks to its membership of the ANIMA network and its participation in the Invest in Med programme, the CRI has managed to develop international promotion action in France, in Jordan, etc. at a very low cost. The CRI contributes to the MovieMed initiative for the constitution and promotion of a Mediterranean catalogue of film shooting sites. In phase with the regional promotion strategy, MovieMed is counting upon cross fertilisation. The film shoots in Ouarzazate should also enhance craft industries (costumes, etc.) and generate tourism (natural & architectural heritage). A special promotion office, the Ouarzazate Film Commission, was set up with support from the CRI with a one-million euro budget.

A surge in promotional activities

In recent years, the small CRI team has participated in around 45 events per annum (70% locally, 20% nationally and 10% internationally: Gull Invest, France-Maghreb conventions, Maroc Hexagone road shows, MarocPlus in the Netherlands). In the first half-year of 2011, there were already 40 events on the calendar while the number of foreign delegations received (fifty or so in 3 years) had exploded, despite a coordination with the Invest in Morocco agency which is still in its infancy. European predominance was maintained, although in 2010 the region played host to delegations from North America, Asia as well as the Maghreb. According to the 2009 Report from the National Investment Commission, the SMD region is in 2nd position among the most attractive Moroccan regions, just behind Greater Casablanca.

Sales pitch: 10 reasons for investing in the region

1- 360 days of warm weather p.a. (between 15 and 27°C)
2- Logistics hub between Africa, Europe and the Atlantic (2nd port, country’s 3rd airport)
3- Interconnection links between S. and N. Morocco
4- Rich cultural and architectural heritage: Casbahs & ksours, igoudars, etc.
5- Competitiveness: 1st in primary sector, 3rd in tertiary
6- Development vision: 1st region in Morocco with an economic development strategy, 1st region in terms of improvement in business climate according to the World Bank
7- Land of charm: cultural dynamics, terroir, sea water therapy
8- Telecoms infrastructure: 16 point fibre optics Internet backbone, with 12 Gps international bandwidth
8- Attractive land offer: Sidi Bibi industrial areas (322 ha), Tiznit (75ha), Oued Teima (21ha), Sidi Ifni (34ha), Ouarzazate (34ha), Parc Haliopolis (150 ha), tourist projects
10- Renowned operators

Programme cofinanced by :

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