







الهيئة المغربية لسوق الرساميل

ⵜⴰⵎⴰⵔⴷⴰⵢⵜ ⵜⴰⵎⴳⴷⴰⵢⵜ ⵜⴰⵎⴰⵔⴷⴰⵢⵜ | ⵎⴰⵔⴷⴰⵢⵜ ⵜⴰⵎⴰⵔⴷⴰⵢⵜ

AUTORITÉ MAROCAINE DU MARCHÉ DES CAPITAUX





HIS MAJESTY KING MOHAMMED VI, MAY GOD ASSIST HIM

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# MESSAGE FROM THE CHAIRPERSON & CEO



**NEZHA HAYAT**  
Chairperson and CEO

In 2023, the capital market faced a challenging environment, marked by ongoing international geopolitical tensions and persistent inflationary pressure. Nevertheless, the various market segments proved their resilience, with an overall performance increase compared to 2022.

### **Positive dynamic and sustained capital market growth in 2023...**

Capital market activity gained momentum in 2023. A total of 70 securities offerings were carried out, with an aggregate volume of MAD 87.3 billion, representing a 36% increase compared to 2022.

In 2023, UCITS net assets increased by 11.8%, crossing the MAD 600 billion mark, similarly to the stock market capitalization, which reached MAD 626 billion, also up 11.8%.

Alternative financing solutions have also progressed significantly. Assets under management in securitization funds, capital funds and real estate funds increased by 26.5%, 9.6% and 48% respectively.

This positive performance reflects a growing attractiveness of the capital market, driven by the emergence of new financing and investment solutions. It noteworthy that market financing continues to be predominantly raised through debt securities. In 2023, they accounted for over 99% of total market issues, while equity offerings amounted to MAD 656 million. A similar trend has been observed over the past three years, with yearly equity offerings averaging nearly MAD 1.9 billion, and one to two IPOs per year.

These figures fall short of the equity financing potential available on the capital market. It is therefore crucial to sustain and build on the current efforts to enhance the attractiveness of the capital market and promote its use, from both the supply and demand perspectives, to attract more companies and widen the investor base.

### **Structural measures to foster market development ...**

In line with its 2021-2023 strategic plan, the Moroccan Capital Market Authority has intensified its regulatory activities in Morocco and internationally. Adopted in the context of the Covid-19 pandemic, this strategic plan is driven by a vision of harnessing the capital market to finance economic recovery. Indeed, the capital market's contribution in

mobilizing additional sources of funding is becoming a key strategic lever to address the crucial issue of financing.

Accordingly, the AMMC launched several initiatives to enhance the capital market's contribution in mobilizing savings and financing the economy. For example, the AMMC, partnered with the Casablanca Stock Exchange, the Professional Association of Brokerage Firms and Maroclear, to jointly launch the "SME offering" aiming to ease companies' access to market financing. In addition, access to the debt market has been extended to new players, such as municipalities. Significant efforts were dedicated to legal and regulatory development projects carried-out in close collaboration with the Ministry of Economy and Finance and market participants to further diversify the range of available financial instruments. Main achievements include widening Sukuk certificate issuance possibilities, the modernizing the UCITS legal framework , and the adoption of Crowdfunding implementing rules.

Similarly, the regulatory framework for financial investment advisors came into force in 2023, following the publication of AMMC circular no. 01/20. In this regard, the authority published a handbook to guide professionals in completing their registration with the AMMC. The Moroccan Capital Market Authority registered 9 financial investment advisors in 2023 and received declarations from 2 banks offering financial investment advisory services.

With regard to financial literacy, AMMC's strategy in this area entails various investor focused initiatives, such as the dissemination of educational handbooks, digital materials and training courses. We have also launched a series of initiatives, including a large radio campaign, as part of AMMC's "general public" communication strategy, adopted in 2022.

Sustainable finance is another priority of the Moroccan Capital Market Authority. Accordingly, several initiatives were undertaken by the authority in this area, in addition to maintaining an active presence in the various forums dedicated to sustainability, particularly within IOSCO. A few examples of these initiatives include the introduction of sustainability rules for issuers in the companies law, the publication of guidelines on gender bonds, as well as the development of a quality and compliance assessment tool for ESG reports.

In terms of cooperation, the AMMC maintained its engagement and consolidated its presence at the regional and international levels. Building on its involvement in several committees of international regulatory bodies, including IOSCO, the AMMC takes part in addressing the main issues on the global regulatory agenda, and voices the perspective of member countries on the Africa and Middle East Regional Committee (AMERC) that I chair since 2020.

#### **Enhanced market supervision using state-of-the-art tools...**

In fulfilling our investor protection mission, we focused on two priority and complementary areas. First, the risk-based supervision approach was strengthened by new analytical tools, enabling better resource allocation and more effective monitoring of market participants. Second, a more comprehensive coverage of market participants was achieved through the intensification of controls and inspections. The Authority carried out 26 inspections, 60% higher than 2022, with a wider scope to include new activities. As part of this year's program, five specific missions covered private equity, securitization and real estate fund management companies. These supervisory activities were complemented by monitoring and control of disclosures, surveillance of stock market transactions,

investigative missions and handling of complaints. A comprehensive stocktake of these activities is presented in this report.

Furthermore, the 70 securities offerings authorized by AMMC consisted of 61 public offerings and nine private placements. In the area of collective investment management, the AMMC granted 82 authorizations to collective investment schemes (UCITS, FPCTs, OPCCs and OPCIs) and approved 143 prospectuses.

These efforts, in combination with a reinforced framework to combat money laundering and the financing of terrorism, enhanced the resilience and integrity of the market.

### **A renewed strategic vision, enshrined in an ambitious strategic plan ...**

In an endeavor to achieve well-functioning market and investor protection, regulatory and supervisory actions are complemented by efforts to further align our market with the highest standards, support participants capacity-building and strengthen financial literacy.

The mobilization of all market participants, operators and public authorities is required to carry-out projects that enhance our markets' attractiveness and security.

In a collaborative approach involving market stakeholders, the AMMC is resolutely implementing a new, ambitious action plan, which stems from a renewed strategic vision aiming at an efficient, innovative capital market that supports the development of savings and the financing of an inclusive, sustainable economy. In fulfillment of this vision, the AMMC will engage with the market ecosystem to address crucial issues and challenges.

to conclude, I would like to highlight three priority topics :

**Widening the range of financing solutions available on the market.** To this end, the AMMC will continue carrying-out initiatives to further diversify investment products and financing solutions. These include modernizing the framework governing UCITS, easing SMEs access to the stock market through the development of tailored solutions, as well as launching the derivatives market.

**Supporting innovation and sustainability, two key components of our market development action.** In this context, the AMMC enhanced its outreach to actors of financial innovation with the launch of a fintech portal to guide project holders, which preliminary results are very promising. In this momentum, we are engaged in close collaboration with the Ministry of Economy and Finance, Bank Al-Maghrib and the Supervisory Authority of Insurance and Social Welfare, to establish a legislative and regulatory framework for fintechs, starting with cryptoassets. Moreover, we continue paying attention to needs of other stakeholders in the Fintech sector (universities, incubators, etc.) to support innovation and meet the expectations of different actors.

At the same time, we will continue promoting the development of sustainable finance through active participation in various projects of the financial sector, such as the development of a climate finance strategy and the adoption of a green financial taxonomy. The authority will thus play a key role in aligning the Moroccan financial sector with the Kingdom's environmental and social objectives.

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**Strengthening market supervision and support to participants, with sustained investment in processes digitalization and data management.** A more effective supervision, supported by modern data management, in addition to AMMC's broadened involvement in financial literacy and ecosystem capacity-building, will contribute in enhancing investor confidence and the attractiveness of our market.

Fully committed to this development vision, the Moroccan Capital Market Authority will continue reinforcing its regulatory capabilities and will adapt its organizational structure to efficiently carry-out its missions in a continuously-changing environment.



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CHAPTER I.  
**THE AMMC IN 2023**

# 1. THE AMMC IN BRIEF

The Moroccan Capital Market Authority (AMMC) is the regulatory body of the Moroccan capital market by virtue of the provisions of Law No. 43-12 establishing the Authority.

## 1.1 Missions

The main missions of the AMMC are:

- Ensuring the protection of savings invested in financial instruments;
- Ensuring equal treatment of investors, transparency and integrity of the capital market, and providing information to investors;
- Ensuring the sound functioning of the capital market and overseeing the enforcement of laws and regulations;
- Ensuring compliance with the legislation and regulations in force relating to anti-money laundering by the persons and organizations under its supervision;
- Contributing to the financial literacy of investors.

## 1.2 Scope of interventions and participants under the AMMC's supervision

The AMMC exercises the powers assigned to it by the legislator with regard to the bodies and persons subject to its supervision. In this context, the Authority ensures that they comply with the applicable laws and regulations, particularly those relating to:

- Recorded transactions in financial instruments, including repurchase and securities lending transactions, public offering transactions, and transactions in marketable debt securities;
- Financial intermediaries (brokerage firms, portfolio management companies, UCI management companies, securitization vehicle management companies, and financial investment advisors);
- Market undertakings (the Stock Exchange management company, the futures market management company, the Central Depository, and the futures market clearing house);
- Securities account keepers;
- Issuers making public offerings;
- Persons authorized to perform roles subject to the AMMC's accreditation, as well as those who, by virtue of their activities, assist in transactions involving financial instruments.

## 1.3 Prerogatives and powers

To fulfill its missions, the AMMC is vested with broad prerogatives, and in this capacity, it:

- Controls information and approves disclosure documents;
- Carries out documentary controls and on-site inspections;
- Approves and authorizes market participants and certain financial instruments;
- Imposes disciplinary sanctions and financial penalties in the event of violations;
- Refers matters likely to constitute an offense to the relevant judicial authority;
- Issues rules of professional and ethical practice via circulars;
- Assists the government in regulating the capital market.

## 1.4 The AMMC bodies

The AMMC is a collegial institution with several bodies and committees vested with specific prerogatives. Its two governance bodies are the Board of Directors and the Enforcement Committee.

## 1.4.1 The Board of Directors

In addition to its Chairperson and CEO, the AMMC's Board of Directors consists of an equal number of representatives from the Administration and independent members, chosen for their integrity and expertise in the financial and legal fields. Its powers and mode of operation are defined by Law No. 43-12.

### Composition of the AMMC board of directors



**Ms. Nezha HAYAT**

*The AMMC's Chairperson and CEO*



**Mr. Abderrahim CHAFFAI**

*Chairman of the Supervisory Authority of Insurance and Social Welfare (ACAPS) (representing the Government)<sup>1</sup>*



**Ms. Faouzia ZAABOUL**

*Director of Treasury and External Finance (representing the Government)*



**Ms. Hiba ZAHOU**

*Director of Banking Supervision (representing Bank Al-Maghrib)*



**Mr. Abdelaziz TALBI**

*Designated intuitu personae*



**Mr. Abdelaziz TAZI**

*Designated intuitu personae*



**Mr. Soulaymane KACHANII**

*Designated intuitu personae*

### Government commissioner

**Mr. Hicham EL MDAGHRI**

*Appointed by the Administration from among the high-ranking officials of the Ministry of Finance.*

(1) Mr Abderrahim CHAFFAI was appointed to replace Mr Hassan BOUBRIK as a member of the Board of Directors on 19 October 2023.

Considering the powers of the Chairperson and CEO and the Enforcement Committee, the Board of Directors is vested with the necessary powers and responsibilities for managing the AMMC and fulfilling its duties.

In this context, the Board:

- Approves the AMMC's annual budget and any changes made to it during the year;
- Establishes the rules and procedures applicable to the Board of Directors and all the AMMC's staff;
- Reviews the AMMC General Regulations before their approval by the Administration;
- Examines the statutory auditor's report and makes the final decision on their observations;
- Defines the AMMC's organization chart and the powers of the various departments on the proposal of the Chairperson and CEO;
- May request the Chairperson and CEO of the AMMC to conduct investigations within the framework of the AMMC's missions;
- Designates the external auditor responsible for the annual audit of the AMMC accounts;
- Approves the AMMC's annual report;
- Adopts the articles of association and the general system of remuneration and allowances, as well as the pension and welfare schemes for the AMMC's staff;
- Selects the AMMC's Directors after completing the appointment procedure for high-ranking positions in accordance with current regulations;
- Approves the regulations setting out the rules and procedures for procurement in compliance with the legislative and regulatory provisions applicable to government procurement;
- Deliberates on all matters relating to the organization and general policy of the AMMC.

The law governing the AMMC outlines the supervisory duties of the Government Commissioner. Among other responsibilities, the Commissioner ensures the AMMC's compliance with the legislative provisions governing its activities. The Commissioner also attends the Board of Directors' meetings in an advisory capacity.

## BOX 1. ACTIVITIES OF THE BOARD OF DIRECTORS

The AMMC's Board of Directors held five meetings in 2023, with the following agenda items:

### 15 March 2023

- Review of the report from the AMMC Audit Committee dated 13 March 2023;
- Approval of the financial statements for the financial year 2022;
- Allocation of net income for the financial year 2022.

### 5 July 2023

- Review of the highlights of the AMMC's activities during the second quarter of 2023;
- Presentation of the AMMC Digital Transformation Plan 2023-2026;
- Update on the progress of the AMMC's public communication strategy.

### 13 July 2023

- Approval of the AMMC Annual Report for the year 2022.

### 22 September 2023

- Approval of the AMMC's Anti-Corruption Policy and Prevention of Corruption Charter;
- Presentation of the framework governing crowdfunding activities and their operational modalities;
- Presentation of the futures market and its operational modalities;
- Assessment of the 2021-2023 strategic plan.

## 20 December 2023

- Examination of the AMMC Audit Committee report dated 7 December 2023;
- Approval of the AMMC budget for the financial year 2024;
- Examination of the report from the AMMC Appointments and Remuneration Committee;
- Update on the progress of the digital transformation plan for the period 2023-2026.

### 1.4.1.1 The Audit Committee

The Audit Committee is a body created by the Board of Directors. Its mission is to ensure the:

- Monitoring of the process of preparing accounting information;
- Independence of the Statutory Auditor and the External Auditor;
- Effectiveness of the internal control and risk management systems and the statutory audit of the financial statements.

At the request of the Board of Directors, the Audit Committee may also review any issue relating to the Committee's powers, in particular, the draft budget and the report on its implementation. More generally, its areas of intervention include:

- The approval of the AMMC annual financial statements;
- The procedures for selecting the External Auditor and the budget to cover their fees;
- The internal audit programs;
- The implementation of recommendations issued by the External Auditor and the internal audit department.

The Audit Committee consists of at least two members chosen from among the members of the Board of Directors. The Committee Chairperson is selected among the members appointed *intuitu personae*. These members are chosen based on their qualifications and expertise in the financial and accounting fields.

The AMMC Audit Committee is chaired by **Mr. Abdelaziz TALBI**.

## BOX 2. ACTIVITIES OF THE AUDIT COMMITTEE

### 13 March 2023

- Review of the Audit Committee decisions;
- Review of the draft order for the AMMC's financial statements for the financial year 2022;
- Review of the external auditor's report on the financial statements for the financial year 2022;
- Review of the external auditor's report on AMMC's internal audit system for 2022;
- Approval of the annual internal audit report for the financial year 2023.

### 23 June 2023

- Presentation of the AMMC proposal to establish a capital market support and financing system;
- Implementation of the Court of Accounts' recommendations on governance;
- Presentation of the components of the Authority's internal audit system;
- Presentation of the AMMC's digital transformation plan for the period 2023-2026.

### 7 December 2023

- Review of the Audit Committee decisions;
- Examination of the draft budget for the financial year 2024;
- Advice on financial and accounting matters.

### 1.4.1.2 The Appointments and Remuneration Committee

The AMMC's Board of Directors has also established an Appointments and Remuneration Committee, composed of:

- **Mr. Abdelaziz TAZI, Director, Committee Chair**
- **Mr. Abdelaziz TALBI, Director, Member**

The Appointments and Remuneration Committee assists the AMMC's Board of Directors in matters related to the selection of directors and the remuneration of the AMMC's selected committee members and staff.

In particular, the Committee is responsible for:

- Examining applications for the selection and/or renewal of the terms of office of the Enforcement Committee members appointed *intuitu personae*, and proposing their remuneration;
- Determining the remuneration and compensation of members of select committees established by the Board, as well as the terms and conditions of their payment;
- Providing opinions on the articles of association and the general system of remuneration and allowances, as well as the pension and welfare schemes for the AMMC staff;
- Examining any proposed changes to the remuneration scale;
- Reviewing applications of the Authority's directors once the recruitment procedure has been completed in accordance with regulatory and statutory provisions;
- Proposing the appointment of selected directors and the level of their remuneration;
- Formulating, at the Board's request, opinions on issues related to appointments, compensation, and benefits.

## 1.4.2 The Enforcement Committee

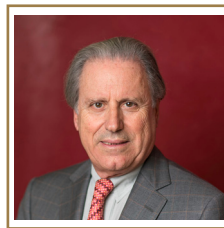
The role of the Enforcement Committee is to investigate facts likely to give rise to a sanction imposed by the AMMC's Chairperson and CEO, and to propose the corresponding disciplinary sanction once the case has been investigated. Prior to any referral to the competent legal authorities, it may also give its opinion to the Chairperson and CEO on any facts that could be classified as an offence.

Independent of the Board of Directors, the Enforcement Committee has three permanent members. Its Chairperson is a magistrate who, since the entry into force of Law No. 100-13 relating to the Supreme Council of the Judicial Power, has been appointed by the Minister of Economy and Finance on the recommendation of the Chairperson of the Supreme Council of the Judicial Power. Two other members are appointed *intuitu personae* by the Board of Directors, after the examination of their curriculum vitae, on the basis of their integrity and competence in the legal and financial fields.

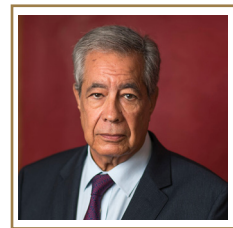
The AMMC Enforcement Committee is composed of:



**Mr. Hassan EL AFOUI**  
*Chairperson;*



**Mr. Azzedine KETTANI**  
*member appointed intuitu personae;*



**Mr. Abdeljalil CHRAIBI**  
*member appointed intuitu personae.*

## BOX 3. ACTIVITIES OF THE ENFORCEMENT COMMITTEE

In 2023, the Enforcement Committee examined seven cases involving five management companies and two investors who were natural persons.

In this context, the Enforcement Committee issued seven opinions to the AMMC Chairperson and CEO, as follows:

- an assent recommending disciplinary sanctions and financial penalties against a UCITS management company;
- an assent recommending disciplinary action against a UCITS management company;
- three assents recommending financial penalties against three UCITS management companies;
- two opinions recommending referral to the competent judicial authority of facts likely to be classified as criminal offences and attributed to natural persons.

The Enforcement Committee held three hearings with parties complained against as part of their right of defense.

The opinions issued by the Enforcement Committee in respect of both breaches and offences in 2023 were all issued within the three-month investigation period stipulated by Law no. 43-12.

### 1.4.3 The Consultative Accreditation Committee

As part of the ongoing implementation of the accreditation process for capital market professionals, and in accordance with the provisions of Article 69 of the AMMC's General Regulations, The Consultative Accreditation Committee is primarily responsible for issuing opinions and/or recommendations to The AMMC's Chairperson and CEO on all matters relating to the accreditation of professionals, including:

- the required training program;
- examination content;
- the rules governing the organization of examinations, such as dates, examination procedures, assessment methods and conditions for passing.

In 2023, the Committee held two meetings at which a number of topics were discussed, including:

- the operational deployment of the CISI (Chartered Institute for Securities and Investments) international "Investment Management" certification, chosen for the accreditation of portfolio managers of financial instruments;
- the definition of procedures for renewing accreditation by examination and continuing education for regulated professionals.

### 1.4.4 The Scientific Committee

#### I Missions

Established to strengthen the Authority's contribution to the development of the Moroccan financial market, the Scientific Committee reflects further on the market and the regulatory issues, and supports academic research in the fields under the AMMC scope of action.

The main missions of the Scientific Committee are:

- inform the Authority on the state of academic research in the fields of financial markets and regulations;
- strengthen its strategic intelligence;
- elaborate or supervise studies on topics related to these fields;
- discuss on market and regulatory issues at symposiums, seminars and the Authority's scientific journals;
- support any initiative by the Authority to encourage scientific research in Morocco in the field of capital markets.

#### I Composition

The AMMC's Scientific Committee is co-chaired by:

- **Ms. Nezha HAYAT**, Chairperson and CEO of the Moroccan Capital Market Authority;
- **Mr. Soulaymane KACHANI**, Member of the Board of Directors of the Moroccan Capital Market Authority, Senior Vice-Provost and Professor at Columbia University (New York), expert in financial engineering, big data, corporate finance and industrial economics.

Its other members are:

- **Ms. Rajae ABOULAICH**, Professor at the Mohammadia School of Engineering, Mohamed V University-Rabat, expert in applied mathematics, risk management, financial engineering and participative finance;
- **Ms. Najat EL MEKKAOUI DE FREITAS**, Lecturer-researcher at Paris Dauphine PSL University and Research Fellow at the Economic Research Forum (ERF), expert in risk management, financial accumulation behaviors and investment policies of institutional investors;
- **Ms. Hélyette GEMAN**, Professor of Financial Mathematics at Birkbeck University (London) and Johns Hopkins University (Washington), an associate of OCP Group and several oil companies since 2008, expert in the field of futures, options and commodities;

- **Mr. Christian DE BOISSIEU**, Emeritus Professor at the University of Paris 1 (Panthéon-Sorbonne), former Chairman of the Council of Economic Analysis (France), former member of the Board of AMF-France, expert in monetary issues, banking and financial regulation as well as European integration;
- **Mr. Karim EL AYNAOUI**, Economist, Chairman of the Policy Center for the New South think tank, Dean of the Faculty of Governance, Economic and Social Sciences at Mohammed VI Polytechnic University and Advisor to the CEO of the OCP Group;
- **Mr. Issouf SOUMARÉ**, Professor and Director of the Financial Engineering Laboratory at Laval University (Quebec), expert in finance, financial engineering, risk management and international finance.

In March 2023, the Moroccan Capital Market Authority (AMMC), with the support of its Scientific Committee, launched the second edition of its Research Award.

## BOX 4. ACTIVITIES OF THE SCIENTIFIC COMMITTEE

Created in 2021, the Research Award honors scientific research on economic and financial themes focusing on the Moroccan economy and the capital market, which are relevant to the AMMC, with the aim of consolidating its links with the academic world and encouraging scientific research.

For this 2<sup>nd</sup> edition, 32 applications were received from PhD holders or PhD students affiliated to ten Moroccan universities and one business and management school, for a total of twelve doctoral theses and twenty scientific articles.

Following a pre-selection phase for the most relevant work, twelve applications, including six doctoral theses and six scientific articles, were evaluated by members of the Scientific Committee, according to rigorous evaluation procedures and criteria. Candidates with the highest marks were invited to give an oral presentation of their work.

After deliberation by the members of its Scientific Committee, the AMMC rewarded two doctoral theses and two scientific articles. The first thesis deals with behavioral biases and anomalies in financial markets, and the second with forecasting stock prices using technical analysis indicators.

As for the scientific articles, the first deals with the selection of socially responsible portfolios, while the second provides a bibliometric review of the literature on dividend policy.

In recognition of their contribution to the development of research, the winners were presented with their prizes at a ceremony attended by members of the Scientific Committee and leading figures from the academic world and the capital market ecosystem.

## 2. 2023 HIGHLIGHTS

### FEBRUARY

- The AMMC publishes its priority actions for the year 2023.
- The AMMC organizes, in partnership with the National Authority for Probity, Prevention and the Fight against Corruption (INPPLC), an awareness-raising seminar on preventing and combating corruption in the capital market.
- The Moroccan Capital Market Authority's circular n°01/20 on financial investment advisors is published in the Official Gazette.
- The AMMC takes part in the third annual follow-up meeting of the Anti-Corruption Agreement in the Financial Sector.

### MARCH

- The AMMC publishes a report on the profile of stock market investors for the fourth quarter of 2022.
- The AMMC organizes a conference dedicated to the presentation of the regulations governing the activity of Financial Investment Advisor (CIFs) and publishes a handbook on the topic.
- The AMMC takes part in the 11th edition of Global Money Week alongside the Moroccan Foundation for Financial Education.
- Her Majesty Queen Máxima of the Netherlands is received, in her capacity as the United Nations Secretary-General's Special Advocate for Inclusive Finance for Development, by Ms. Nezha HAYAT, Chairperson and CEO of the Moroccan Capital Market Authority.
- The AMMC launches the 2nd AMMC Research Award.
- The AMMC holds its first Board of Directors meeting of the year.

### APRIL

- The AMMC publishes a new handbook entitled "Understanding public offerings" as part of its "Investor's Handbook" series.

### MAY

- The AMMC publishes the 2nd edition of "The capital market in figures" report.
- The AMMC publishes an educational video on UCITS.

### JUNE

- The AMMC publishes the "Half-yearly indicators for real estate investment schemes (OPCI)" report for the second semester 2022.
- The AMMC publishes the report on the profile of stock market investors for the first quarter of 2023.
- The AMMC organizes an exchange meeting bringing together magistrates from the Public Prosecutor's Office, the Casablanca Stock Exchange and Maroclear.

### JULY

- The AMMC takes part in the seventeenth meeting of the Coordination and Systemic Risk Monitoring Committee ("CCSRs").
- The AMMC organizes an exchange meeting between its Enforcement Committee and capital market professionals.
- The AMMC publishes a handbook on proceedings before the Enforcement Committee.
- The AMMC and CMC Angola sign a cooperation and mutual assistance agreement.
- The AMMC launches a technical training program on derivatives with the assistance of the Commodity Futures Trading Commission (CFTC).
- The AMMC holds two Board of Directors meetings, including one to approve the Authority's 2022 Annual Report.

## AUGUST

- The AMMC publishes, jointly with Bank Al-Maghrib (BAM) and ACAPS, the tenth Financial Stability Report for the year 2022.
- The AMMC publishes the 8<sup>th</sup> issue of the Capital Market Magazine.
- The AMMC publishes the report on foreign investment in financial instruments for the year 2022.

## SEPTEMBER

- The AMMC contributes to the special fund for the management of the effects of the earthquake that hit the province of Al Haouz.
- The AMMC launches a crowdfunding portal on its website.
- The AMMC publishes the "Half-yearly indicators for real estate investment schemes (OPCI)" report for the first half of 2023.
- The AMMC holds its fourth Board of Directors meeting of the year.

## OCTOBER

- The AMMC takes part in the 7<sup>th</sup> World Investor Week (WIW) to promote financial literacy among investors.
- The AMMC launches a comic strip competition for Moroccan residents aged 12 to 24.
- The AMMC publishes the report on the profile of stock market investors for the second quarter of 2023.
- The AMMC launches the international certification of financial instrument portfolio managers.

## NOVEMBER

- The AMMC publishes a new edition of the investor's handbook dedicated to general meetings.
- The AMMC organizes, in collaboration with the National Financial Intelligence Authority (ANRF) and the UN Security Council sanctions related to terrorism and arms proliferation and their financing (CNASNU), an AML/FT training and awareness-raising workshop for capital market participants.
- With the support of the AMMC, the CGEM and the Casablanca Stock Exchange join forces around a new roadmap for the development of the stock market.

## DECEMBER

- The AMMC publishes its annual report for 2022.
- The AMMC organizes, in partnership with the National Press Council, a series of training courses for Moroccan journalists.
- The AMMC publishes a report on the profile of stock market investors for the third quarter of 2023.
- The AMMC publishes a guide on Socially Responsible Investment in UCITS Management.
- The AMMC takes part in the eighteenth meeting of the Coordination and Systemic Risk Monitoring Committee (CCSRs).
- The AMMC publishes the 9<sup>th</sup> issue of the Capital Market Magazine.
- The AMMC holds its fifth Board of Directors meeting of the year.

# 3. INSTITUTIONAL DEVELOPMENT

## 3.1 The AMMC Digital Transformation Plan

The AMMC has launched its new digital transformation plan for the period 2023-2026, in line with the 4<sup>th</sup> pillar of its 2021-2023 strategic plan, which aims to accelerate the AMMC's modernization and its inclusion in a digital transformation process.

### BOX 5. PROGRESS IN ROLLING OUT THE 2023-2026 DIGITAL TRANSFORMATION PLAN

2023 marks the first year of the AMMC's digital transformation plan. The plan, which covers the period 2023-2026 and follows on from the IS Strategic Plan 2019-2022, aims to improve its operational efficiency and reduce its environmental footprint.

The Authority's 2023-2026 Digital Transformation Plan is the result of in-depth work including an assessment of the AMMC's digital maturity as well as a benchmarking survey of national and international regulators, market participants and undertakings and capital market professional associations.

The roadmap for the Authority's digital strategy comprises around forty key projects in five areas: 1) data analytics, 2) digitalization and dematerialization of processes, 3) digital collaboration and user experience, 4) IS architecture and urbanization, and 5) IS security and cyber-resilience.

This first year has seen progress on the deployment of several key projects, including:

#### Data Analytics

- Implementation of Business Intelligence and Analytics for an initial scope covering stock market surveillance and the Authority's statistics;
- Development of a data governance and management roadmap.

#### Digitalization of processes

- Digitalization of inspection missions' management;
- Deployment of an Electronic Document Management solution with an embedded workflow engine;
- Benchmarking of capital market supervision solutions.

#### Digital collaboration and user experience

- Implementation of a Human Resources Information System;
- On-line collaborative portal dedicated to the AMMC's management system and document repository (processes and procedures).

## **| Architecture and urbanization SI**

- Launch of a data exchange channel between the two digital solutions SESAM (market Authority Exchange and supervision System) and GRC (risk Management and Compliance Application).

## **| IS security and cyber resilience**

- Deployment of digital IS supervision and protection solutions;
- Launch of an information security management system (SMSI) in accordance with ISO 27001 ;
- Hosting and outsourcing of the Authority's sovereign IT backup site.

## **3.2 Data governance and management**

### **| Draft data governance and management roadmap**

In 2023, the AMMC undertook the development of its data governance and management roadmap for the period 2024-2028 in perfect synergy with its strategic vision and digital transformation plan, in its quest for governed data. This roadmap, based on international standards and norms for data management and governance, addresses all aspects of governed data, such as security, compliance and quality, by integrating the most relevant systems and tools.

This Data-Driven approach reaffirms the AMMC's commitment to excellence, with a roadmap that builds on existing achievements, and looks to the future by aligning with emerging trends and best practices in this field.

### **| Business Intelligence (BI) and Analytics project**

Initially launched in 2022, the project aims to provide an advanced Business Intelligence and Analytics solution for processing market data. The work carried out in 2023 made it possible to reach major development milestones in two strategic areas: market surveillance and statistics.

Stock market data and participants' declarations are now collected in an almost real-time mode, and automatically processed to control, transform, load and reconcile data prior to the production of reports and indicators.

The further expansion of the BI platform continues to provide all users with advanced analytical tools for better decision-making.

### **| Financial sector nomenclature project**

This project, carried out jointly with Bank Al-Maghrib and the Supervisory Authority of Insurance and Social Welfare (ACAPS), seeks to provide the financial market with a unified semantic repository. The feasibility study was completed in 2023, with the development of a roadmap whose future deployment will ultimately have a major positive impact on the national financial ecosystem.

### **3.3 Functional improvement of the market Authority's exchange and supervision system (SESAM)**

The SESAM platform is an exchange and supervision solution for the capital market, enabling participants and market undertakings to communicate with the AMMC in a structured and automatic way, both for authorization requests and reporting purposes.

The SESAM platform underwent functional enhancements in 2023. These include a review of regulatory reporting processes, with the aim of structuring and automating the consistency analysis of The data received, and thus boosting the control and tracking of information.

### **3.4 Digitalization of inspection management**

In its commitment to operational excellence and the continuous improvement of its Information System, the AMMC has continued its efforts to digitalize the on-site control system. The objectives are to optimize the management of inspection missions, facilitate exchanges with various market participants, and improve tracking.

The digitalization project for the management of inspections is nearing completion, with implementation scheduled for the second quarter of 2024.

### **3.5 Functional improvement of the Authority's institutional portal**

In 2023, the AMMC continued to enrich its institutional portal, serving both the ecosystem and the general public. This was achieved by introducing two new sections dedicated to financial investment advisors' activities and crowdfunding.

The section on Financial Investment Advisors (CIF) outlines the main components of the framework related to financial investment advisory and provides a list of CIFs registered with the AMMC.

The section dedicated to crowdfunding serves as an informational tool for future crowdfunding participants. It offers a collection of documents and information on how this new mode of financing operates and the approval process for "investment" category crowdfunding companies.

Additionally, this section provides a communication channel through which anyone interested in crowdfunding can contact the AMMC for information on this framework.

### **3.6 Digitalization of the approval management of Crowdfunding companies**

In parallel with the finalization of the regulatory framework necessary for the effective launch of the crowdfunding activity, the AMMC initiated a digitalization project in 2023 for managing the approvals of Crowdfunding Companies (SFC) conducting "Investment" category operations.

This project is also aligned with the objectives of modernizing administrative and regulatory practices. It aims to increase efficiency in processing approval requests and improve the tracking of exchanges with crowdfunding companies at various stages of the approval process.

### **3.7 Implementation of an integrated human resources management information system**

The AMMC demonstrates its ambition to enhance its overall human capital management policy through the implementation of a new integrated Human Resources Management Information System.

The solution currently being deployed will provide the Authority with a modern, digital, integrated, modular, and scalable environment tailored to organizational, regulatory, and operational specificities. This will enable the coverage of all human resource management needs (recruitment, administrative management, payroll, career development, training, etc.). It will also automate and optimize HR processes and improve the efficiency of communications between the Human Resources Department and internal and external entities.

### **3.8 Strengthening Cyber resilience and Cybersecurity**

In 2023, the AMMC enhanced its level of cyber resilience and continued the implementation of its cybersecurity action plans, in line with its strategic directions, notably through:

1. The regular convening of the Information Security Committee to ensure better governance of its cyber resilience;
2. The organization of the fourth cybersecurity and cyber resilience awareness campaign for the AMMC employees (2023 Edition);
3. The completion of its 2023 information security audit mission;
4. The strengthening of its cybersecurity framework to secure its IT infrastructure by implementing several digital solutions to mitigate cyber risks;
5. The launch of the project to implement its Information Security Management System (ISMS) in accordance with the ISO 27001 standard;
6. The review of the classification of the Authority's information assets.

The year 2023 also saw the effective start of the project related to the hosting and outsourcing of the AMMC's sovereign IT backup site, in accordance with its roadmap for improving the continuity of its activities.

### **3.9 Implementation of the anti-corruption management system**

Wishing to build on its achievements in ethics, deontology, and control, and to strengthen its internal framework in this area, the AMMC has adopted a structured anti-corruption approach in compliance with the ISO 37001 international standard.

In 2023, the AMMC completed the design, building, implementation, and evaluation of its anti-corruption management system in accordance with the ISO 37001 standard. This system primarily aims to manage corruption risks that could hinder the effective and efficient fulfillment of the AMMC's missions and to continuously improve internal anti-corruption measures.

The initial certification audit of the anti-corruption management system according to the ISO 37001:2016 standard is scheduled for March 2024.

### **3.10 Work of the Risk and Internal Control Committee**

The Risk and Internal Control Committee is responsible for defining the AMMC's risk management policy and ensuring its implementation. In 2023, the Committee held two meetings that primarily focused on:

- Reviewing the results of the internal risk mapping update;
- Monitoring the progress of actions decided by the Risk and Internal Control Committee, as well as the projects undertaken by the AMMC within the framework of the financial stability roadmap;
- Approving the semi-annual reports on systemic risk assessments and the financial stability report for the year 2022.

### 3.11 Risk management of internal processes

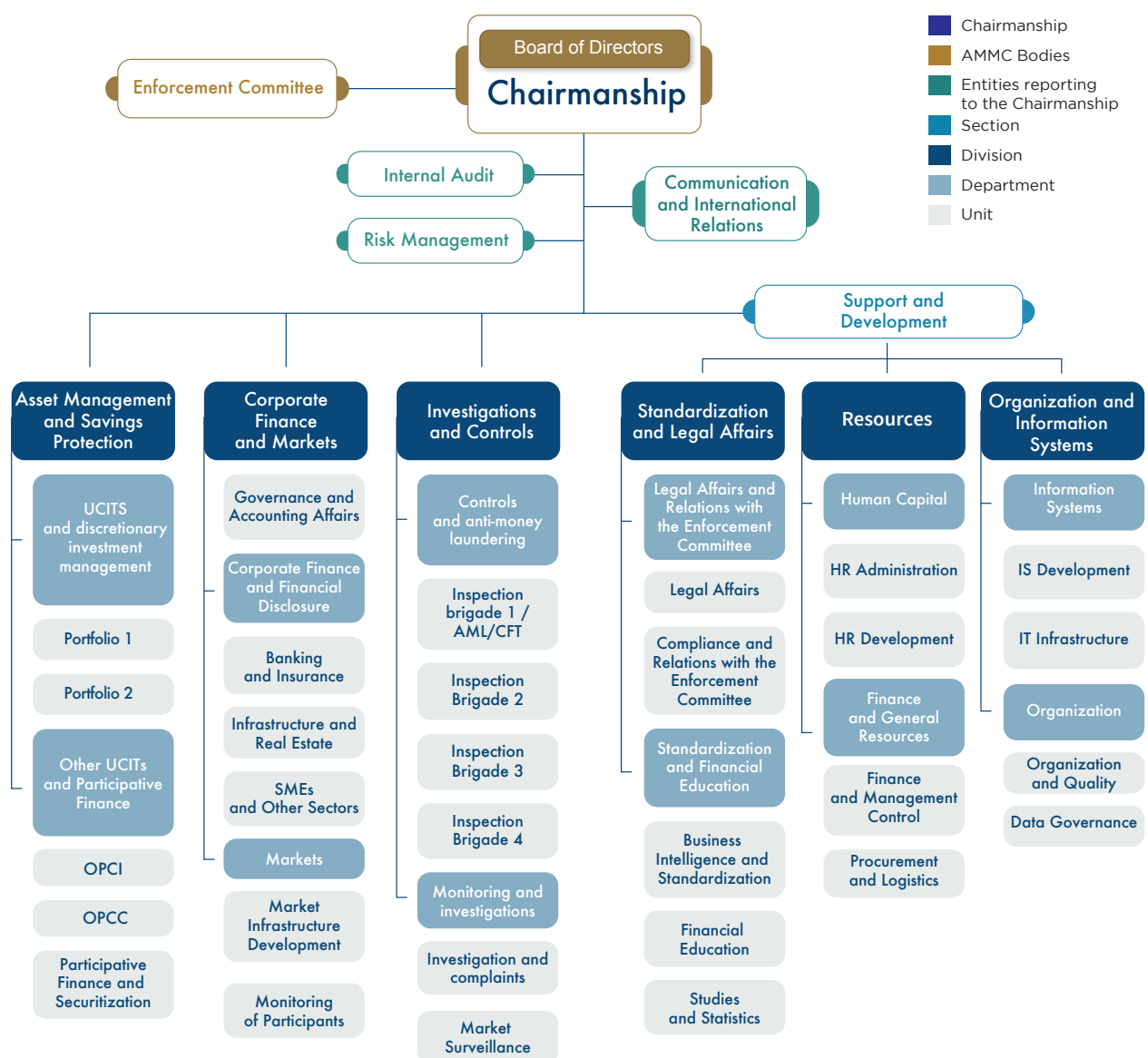
In 2023, the internal risk mapping was updated through risk management actions undertaken with various departments of the AMMC. This update led to an improved risk profile for the institution, thanks to strengthened risk control measures following the completion of several priority risk management projects. These projects focused on information system security, the activity continuity plan, and the formalization of several controls through procedures.

# 4. ORGANIZATIONAL CHART AND HUMAN RESOURCES

As of the end of 2023, the AMMC has a workforce of 182 employees, 49% of whom are women. The average age is 37 years, with an average tenure of seven years.

In 2023, the AMMC hired 21 new employees, strengthening the expertise and capabilities of its teams in several key areas, including market supervision, regulation, financial operations, international relations, and support activities.

## 4.1 Organizational chart



## 4.2 Staff

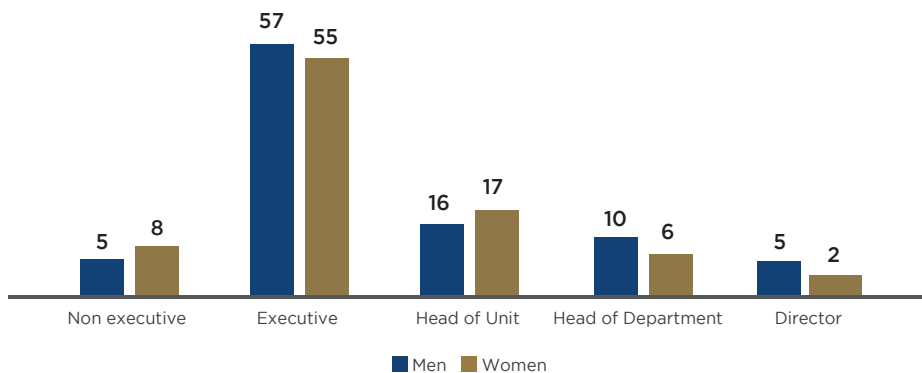
Table 1. Staff headcount from 2019 to 2023

2019	2020	2021	2022	2023
131	151	164	174	182

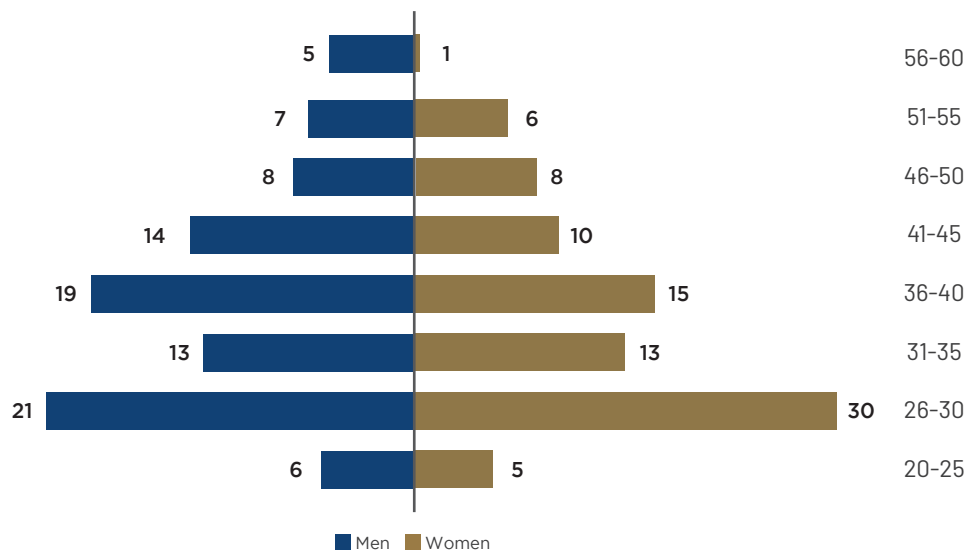
Table 2. Overall breakdown of staff members as at 31 December 2023

	Staff headcount	%
Men	93	51%
Women	89	49%
<b>Total</b>	<b>182</b>	<b>100%</b>

Graph 1. Breakdown of positions by gender



Graph 2. Age pyramid



### 4.3 Training plan review

In 2023, the AMMC continued to invest in the development of its employees both technical and managerial skills, with 96% of the workforce benefiting from at least one training session. A total of 103 training sessions were conducted, with over 850 participations recorded and an average of four training days per participant.

The AMMC also participated in training programs and experience-sharing initiatives with its foreign counterparts and international organizations. Twenty-one training sessions were organized in partnership with international bodies, involving 70 participations. These sessions allowed the AMMC employees to share their knowledge and acquire new skills on key topics such as operational risk management, financial market regulation, cybersecurity, anti-money laundering, participative finance, and sustainable finance.

In addition to these efforts, the AMMC strengthened its commitment to internal training through the AMMC University, which hosted seven training sessions in 2023 for its employees. These training cycles provide significant opportunities for sharing best practices, expertise, and know-how within the Authority, fostering the emergence of collective intelligence and creating organizational synergy.

### 4.4 Contribution to the training and employability of young people

In 2023, the AMMC welcomed 51 interns, compared to 34 in 2022. This increase in the number of interns demonstrates the AMMC's commitment to developing the skills of the younger generation and aiding their professional integration.

Supervised and mentored by experienced professionals, the interns, who came from top universities and schools in Morocco and abroad, benefited from enriching experiences within the various entities of the AMMC. Their internships focused on the application and deepening of their knowledge as well as on research, analysis, and support tasks related to the Authority's activities.

Additionally, the AMMC actively participated in several recruitment forums organized in Morocco in 2023. These events provided an opportunity to meet talents from prestigious educational backgrounds, discuss career opportunities within the AMMC, and promote the values and missions of the Authority among the new generation of professionals.

## BOX 6. THE AMMC, A RESPONSIBLE AND COMMITTED AUTHORITY

The AMMC is committed to the development and promotion of good governance, sustainable finance, and socially responsible practices. These are essential pillars that form part of a strategic vision and lead to concrete actions and innovative initiatives.

### Commitment to Promoting Sustainable Development

Sustainable finance is a strategic priority for the AMMC. The Authority works to improve practices that encourage issuers to consider sustainability issues and contributes to developing a framework conducive to mobilizing capital for more sustainable activities. It supports the promotion of sustainable finance through a series of actions and initiatives at both national and international levels, including:

- Participation in several international bodies: IOSCO's Sustainable Task Force, United Nations Sustainable Stock Exchanges Initiative, Sustainable Banking and Finance Network, and the Glasgow Financial Alliance for Net Zero (GFANZ);
- Launching the "Marrakech Pledge" initiative, which brings together stock exchanges and African regulators from 35 countries to collectively and individually work towards building an African partnership aimed at fostering green capital markets in Africa;
- Issuing educational and guidance materials (e.g., Socially Responsible Investment in UCITS Management, Gender Bonds, Green, Social and Sustainable Bonds, Corporate Social Responsibility, and ESG Reporting);
- Developing a tool to evaluate the quality of ESG reports published by issuers;
- Conducting capacity-building actions for the AMMC teams and the broader ecosystem;
- Promoting sustainable finance among other regulators to enhance international mobilization: bilateral agreements including a focus on sustainable development, administration of the Marrakech Pledge platform, co-publishing a white paper with Toronto Centre on establishing green capital markets in Africa;
- Supporting the first green, social, and sustainable bond issuances.

### The AMMC: A Socially Responsible Employer

Regarding employee career development, the AMMC adopts a sustainable approach centered on key areas:

- Developing skills and supporting career growth through the Career Committee;
- Ensuring professional equality and meritocracy through the implementation of modern, objective-oriented management systems;
- Encouraging actions that promote social cohesion (e.g., executive conventions, sports or leisure activities, personal development trainings);
- Ensuring gender parity (51% men / 49% women as of December 31, 2023).

### Commitment to Best Governance Practices

In terms of governance, the AMMC advocates a collegial approach and relies on several internal committees focused on specific themes within its organization, including:

- The Management Committee;
- The Control Follow-up Committee;
- The Authorizations, Products, Participants, and Operations Committee;
- The Risk and Internal Control Committee;
- The Human Resources and Organization Committee;
- The Doctrine and Regulation Committee.

# 5. ACCOUNTING AND FINANCIAL SITUATION

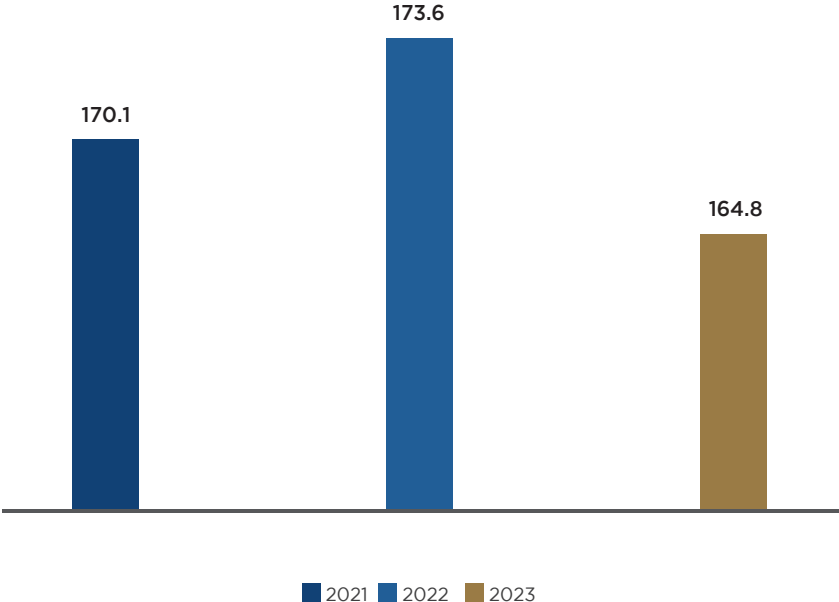
The AMMC's financial statements are prepared in compliance with the provisions of the General Code of Accounting Standards (CGNC) according to the standard model and are certified by independent external auditors appointed by the AMMC's Board of Directors upon the recommendation of the Audit Committee.

## 5.1 Operating revenues

Operating revenues decreased by 5% in 2023 to MAD 164.8 million, down from MAD 173.6 million in 2022.

This change is primarily attributed to the decrease in commissions on net assets of UCITS (MAD -8 million), commissions on financial transactions (MAD -3.7 million), and commissions related to the processing of approval applications for UCITS, FPCTs, and OPCCs (MAD -845,000). However, 2023 saw a notable 208% increase (MAD +3.6 million) in commissions on OPCI net assets.

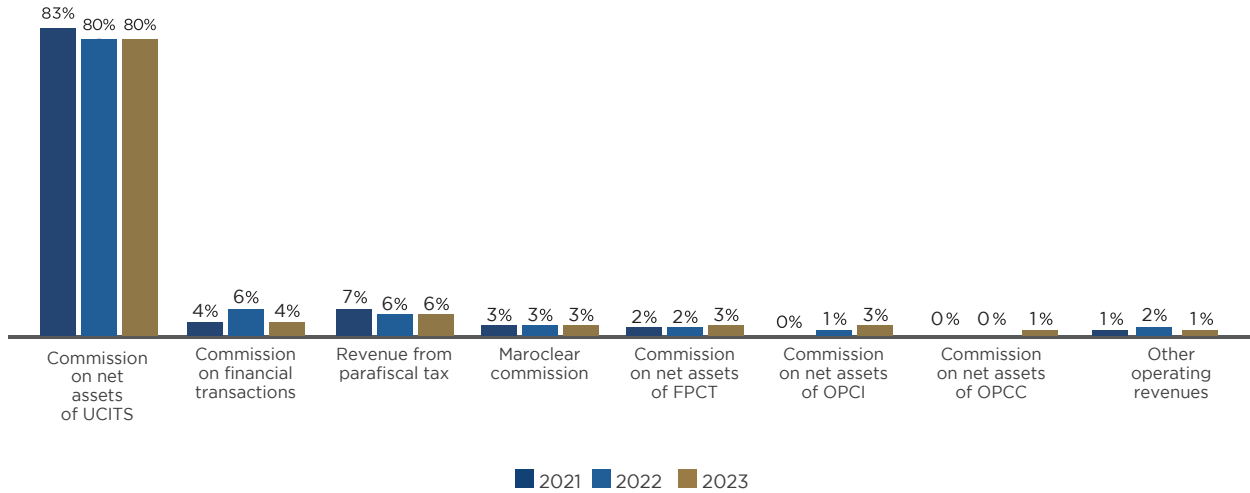
**Graph 3. Evolution of operating revenues**  
(in MAD million)



In 2023, commissions on net assets of UCITS, which are the Authority’s main source of revenue, stabilized at 80%, while the share of commissions on financial transactions decreased by 2 percentage points compared to the previous year.

Conversely, commissions on OPCI net assets increased by 2 percentage points.

**Graph 4. Breakdown of operating revenue**



## 5.2 Financial income

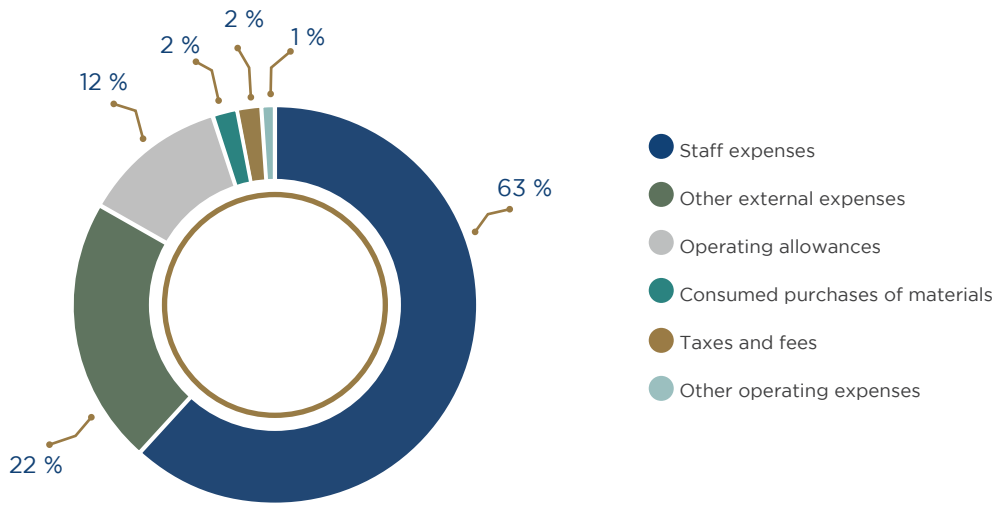
Financial income is derived from the investment of the Authority’s cash surplus in term deposits with the General Treasury of the Kingdom. In 2023, this income amounted to MAD 4.2 million, compared to MAD 3 million in 2022. This increase is mainly due to the rise in interest rates in 2023.

## 5.3 Operating expenses

For the financial year 2023, operating expenses amounted to MAD 160.2 million, compared to MAD 158.4 million in 2022, representing an increase of 1%. This increase is mainly due to the rise in depreciation allowances (+18%) and staff expenses (+12%). Conversely, other external expenses decreased by 25% to MAD 34.5 million.

Operating expenses are mainly composed of staff expenses (63%), other external expenses (22%), and depreciation allowances for fixed assets (12%).

Graph 5. Breakdown of operating expenses



#### 5.4 Net income and shareholder's equity

For the financial year 2023, the Authority's accounts show operating and net profitable results amounting to MAD 4.6 million and MAD 4.2 million, respectively.

In 2023, the Authority allocated the entirety of the previous year's net income to the State's general budget, amounting to MAD 12.7 million. Shareholders' equity and related items amounted to MAD 239.3 million

## BOX 7. SUMMARY OF THE AMMC 2021-2023 STRATEGIC PLAN

The AMMC's second Strategic Plan was completed in 2023 with the strategic vision: **A capital market dedicated to financing economic recovery**. This vision is based on four strategic pillars:

1. Facilitating Access to Capital Market Financing;
2. Promoting Innovation-Friendly Regulation;
3. Strengthening Savings Protection with a New Supervision Approach;
4. Accelerating the AMMC Modernization and Digital Transformation.

These pillars are broken down into strategic levers and then into projects or actions. The AMMC Strategic Plan includes 110 actions tracked continuously through a digital tool for project progress monitoring.

### Facilitating business access to financing

Over the past three years, the AMMC has introduced several measures to help businesses access financing through the capital market. This includes the launch of the SME offer in partnership with the Casablanca Stock Exchange, Maroclear, and the APSB (Professional Association of Moroccan Securities Brokers), and opening the private debt market to new participants, including local authorities.

### Strengthening the regulatory framework for alternative financing

The AMMC has helped establish a modern, flexible, and evolving legislative and regulatory framework for: 1) alternative financing methods (including decrees for investment and financing Sukuk certificates and the law for private equity investment vehicles (OPCC) to enhance the attractiveness of Moroccan private equity), and 2) financial investment advisors activity.

### Supporting market participants and the public

The AMMC has increased its efforts and initiatives in financial literacy. Today, the accreditation system covers four roles with a total of 300 accredited individuals since 2019, including 82 accredited between 2021 and 2023. For financial literacy, the AMMC has published six educational handbooks, a games booklet, and digital content about the Moroccan capital market, and launched two financial literacy radio campaigns on nine stations.

### Consolidating savings for sustainable and innovative finance

The AMMC is dedicated to fostering regulation that encourages the development of innovative and sustainable products. It has supported Fintech development, with the launch of the Fintech Portal processing over 80 requests, and operationalized Crowdfunding with a dedicated portal on the AMMC website. The AMMC has also promoted sustainable finance, including participating in adding sustainability rules to corporate law, publishing a handbook on Gender bonds, and developing a systematic ESG reporting assessment tool with the International Finance Corporation (IFC). The AMMC has actively monitored international trends by participating in various global working groups and bodies. This commitment led to the re-election of the AMMC Chairperson and CEO for a second term at AMERC, where she leads the sustainability working group, and the successful organization of The IOSCO's 47<sup>th</sup> Annual Meeting in Morocco.

### Strengthening the protection of savings

The AMMC has enhanced the protection of savings by consolidating its new supervision approach. It doubled the number of missions from 18 in 2019-2020 to 35 in 2021-2022, aiming for 50 missions in 2023-2024, and increased the number of controlled entities by 81% from 42 in 2021 to 76 in 2022, achieving a 96% coverage rate. The AMMC has also expanded control to OPCC management companies and strengthened AML/CFT actions, contributing to Morocco's removal from the FATF's grey list.

## **| Continuing the digital transformation**

To optimize operations and improve efficiency, the AMMC has embarked on a modernization and digital transformation journey. It has accelerated its digital transformation roadmap, digitizing several internal processes for greater efficiency and focusing on cybersecurity. The Authority has also sought to optimize operations and enhance skills through key projects, such as establishing continuous training and career management systems



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CHAPTER II.  
**THE AMMC AND ITS  
ENVIRONMENT IN  
FIGURES**

## BOX 8. CAPITAL MARKET INDICATORS

	2023
<b>STOCK MARKET</b>	
Number of listed companies	77
Market capitalization (in MAD billion)	626.1
Market capitalization to GDP ratio * (%)	43.8
Share of capitalization held by foreigners and Moroccans residing abroad (%)	26.9
MASI (annual change in %)	12.8
Total volume (in MAD billion)	65.0
Number of transactions (central and block markets)	316,799
Number of orders (central stock market)	767,193
Stock market liquidity ratio (%)	8.9
<b>SECURITIES LENDING</b>	
Volume of securities lending transactions (in MAD billion)	315.2
<b>AUTHORIZED FINANCIAL TRANSACTIONS</b>	
Initial public offering (number   authorized amount in MAD million)	1   600
Public offering for sale (number   authorized amount in MAD billion)	3   2.7
Takeover bids (number   authorized amount in MAD million)	1   55.5
Bond issues (number   target amount in billions of dirhams)	20   15.9
Issues of marketable debt securities (Number of programs   authorized amounts issued in MAD billion)	26   70.8
Repurchase programs (Number of programs processed   authorized amount in MAD billion)	4   3.6
<b>COLLECTIVE MANAGEMENT</b>	
UCITS Net assets (in MAD billion)	559.8
OPCC Net assets (in MAD billion)	2.5
FPCT amount outstanding under management (in MAD billion)	17.8
OPCI net assets (in MAD billion)	85.5
UCI's net assets/GDP ratio* (%)	46.5
Number of UCITS	577
Number of OPCCs	13
Number of FPCTs (Funds   Sub-Funds)	19   26
Number of OPCIs (accredited   legally constituted)	58   49
<b>MARKET PARTICIPANTS</b>	
Brokerage firms	16
Securities account keepers	24
Asset management companies	46
Financial investment advisors	11
<b>INVESTORS</b>	
Number of securities accounts	193,942
- Residents	180,486
- Non-residents	13,456
Number of holders of UCITS units or shares	23,186
- Residents	21,760
- Non-residents	1,426

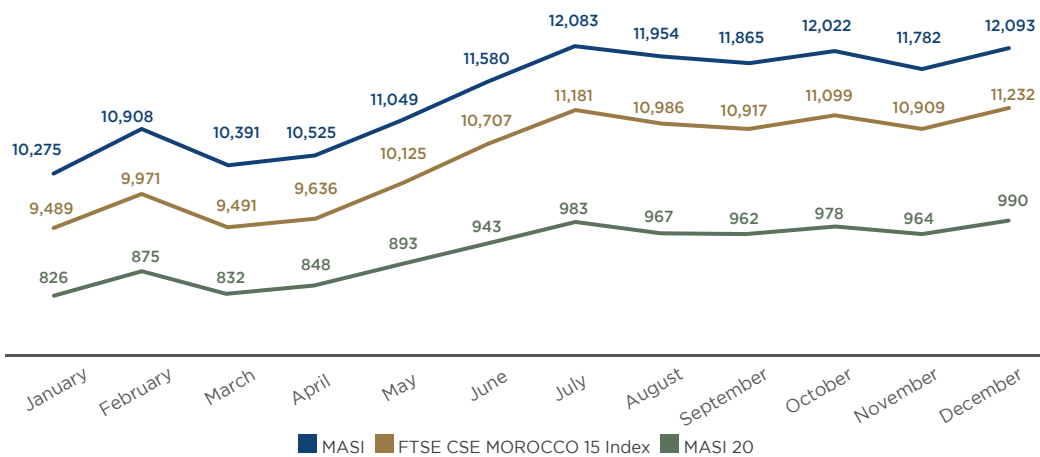
(\* Source: High Commissioner for Planning -GDP in value of MAD 1,429.8 billion in 2023.

# 1. STOCK MARKET

## 1.1 Index trends

The Moroccan stock market indices MASI, FTSE CSE Morocco 15 and MASI 20 recorded upward trends over the year 2023. At the end of the year, they reached 12,093, 11,232 and 990 points respectively. There were a few downward fluctuations during the year, but the overall trend remained positive, ending the year with a positive performance of 12.80% for the MASI, 14.30% for the FTSE CSE Morocco 15 and 15.44% for the MASI 20.

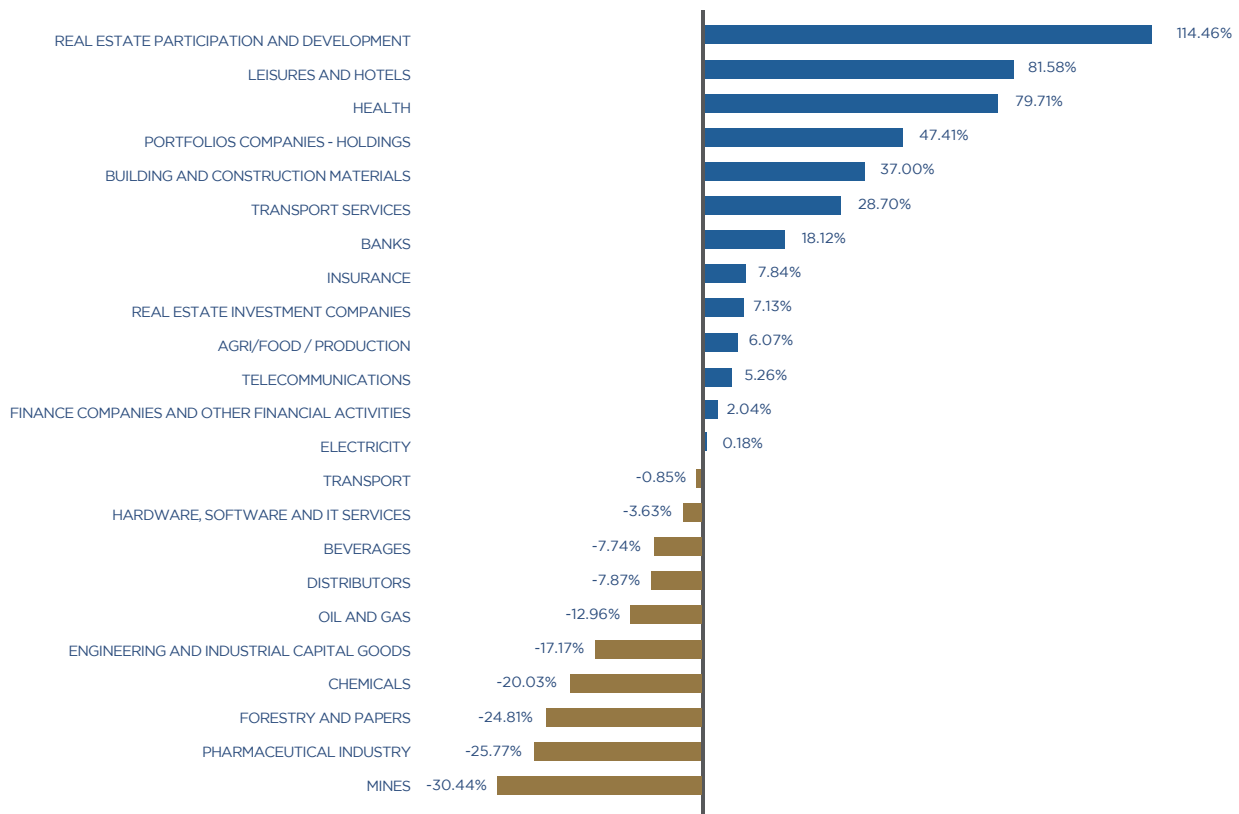
**Graph 6. Change in the MASI, MASI 20 and FTSE CSE Morocco 15 indices in 2023**



Source: Casablanca Stock Exchange

In 2023, the MSCI Frontier Markets index, in which the Moroccan market is represented, achieved a lower positive performance (MSCI FM USD: +7.34%) than the Casablanca Stock Exchange's benchmark index expressed in dollars (MASI USD: +19.13%). It is worth recalling that the MSCI Frontier Markets is composed of stock markets that are similar to the Moroccan market. Meanwhile, the emerging markets index (MSCI EM USD) posted an annual performance of +7.04%, while the developed markets index (MSCI DM World USD) gained +21.77%.

**Graph 7. Change of sector indices in 2023**

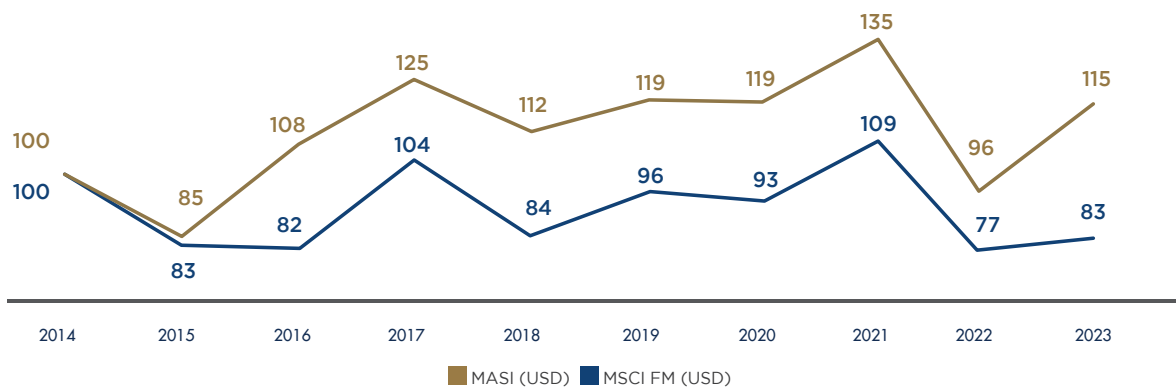


Source : Casablanca Stock Exchange

In 2023, MASI recorded a positive performance of 12.80%. This performance is similar to that of the MSCI Frontier Markets Index, which recorded an increase of 12.17%. It is important to highlight that the MSCI Frontier Markets index includes the Moroccan market alongside similar stock exchanges.

Meanwhile, the emerging Markets Index (MSCI EM USD) posted a positive gain of 9.83% and the developed Markets Index (MSCI DM World USD) rose by 24.42%.

**Graph 8. Change in the MASI USD and MSCI FM USD indices**  
(Baseline 100 = 2014)



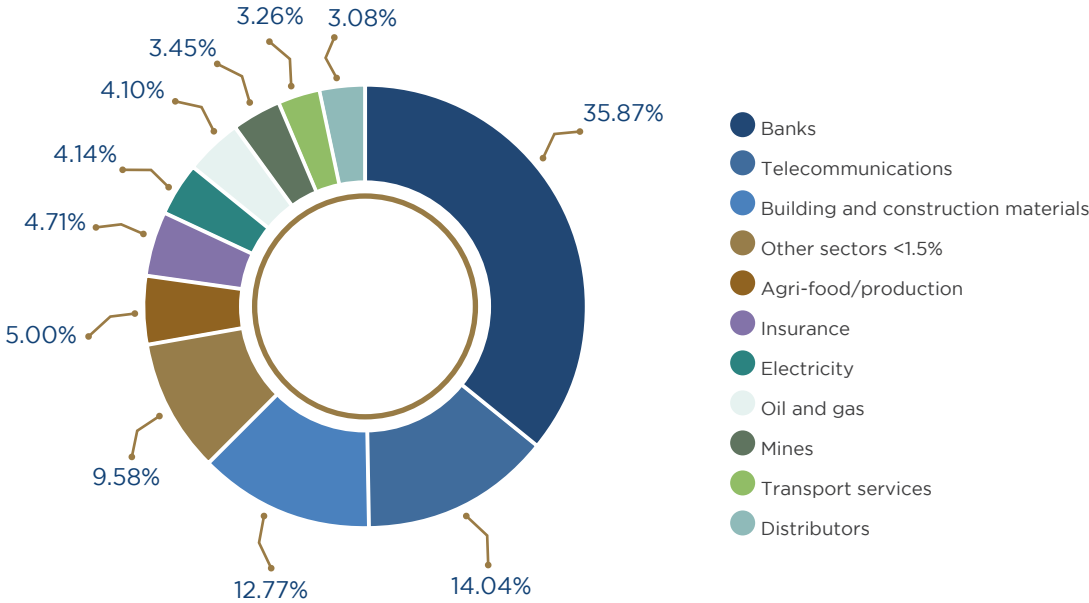
Source : Casablanca Stock Exchange and MSCI Inc

## 1.2 Evolution of market capitalization

At the end of 2023, market capitalization reached MAD 626.08 billion up from MAD 561.10 billion at the end of 2022, marking an annual increase of 11.58%.

The breakdown of capitalization by sector remains broadly the same as last year. The banking sector remained the dominant sector accounting for 36% of the total capitalization, which is an increase of 9% from last year. The telecommunications sector's share dropped from 15% to 14%, whereas the building and construction materials sector increased from 10% to 13%.

**Graph 9. Breakdown of market capitalization by business sector in 2023**



Source: Casablanca Stock Exchange

### 1.3 Change in transaction and liquidity volumes

In 2023, the overall transactional volume reached about MAD 65 billion, marking a 12.77% from 2022. This change is largely due to a 13.11% rise in the volume of shares, mainly driven by securities contributions, which increased from MAD 64 million to MAD 10,322 million.

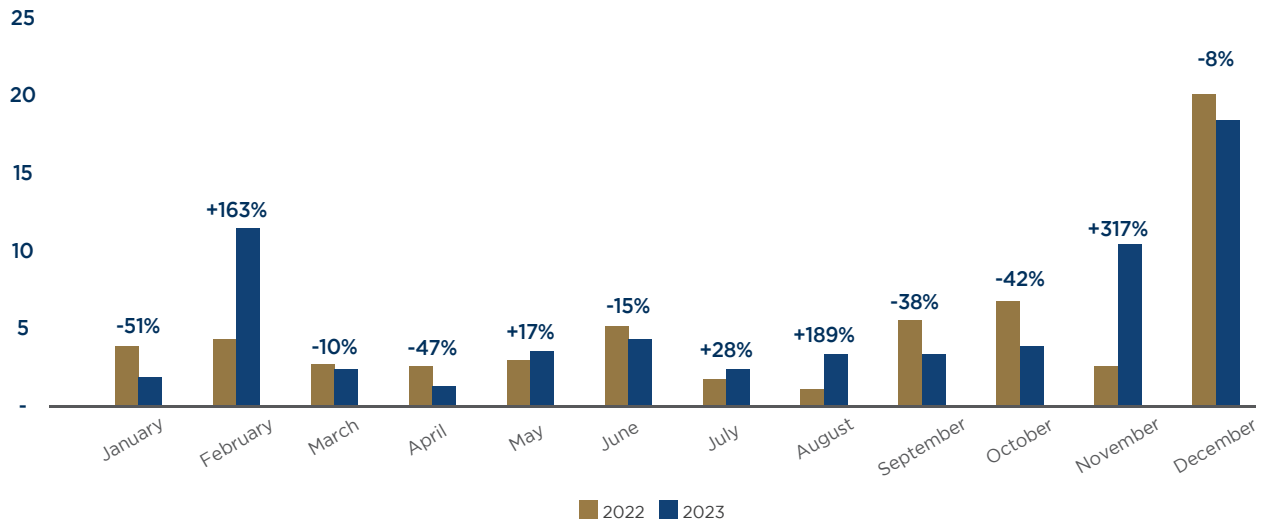
It is worth mentioning that the volume of the central market accounted for approximately 51.39% of the total transactional volume.

**Table 3. Change in transaction volumes by category**  
(in MAD million)

	2019	2020	2021	2022	2023
<b>Equities volume</b>					
1. Central market	31,200	33,001	40,781	32,275	33,372
2. Block market	26,676	15,837	23,474	20,821	20,092
<b>Total A = (1+2)</b>	<b>57,876</b>	<b>48,838</b>	<b>64,255</b>	<b>53,096</b>	<b>53,464</b>
3. IPOs	-	600	600	1,372	600
4. Securities contributions	4,135	2,096	6,778	64	10,322
5. Public offerings	2,383	0	28	1,056	2
6. Transfers	622	1,368	503	391	430
7. Capital increases	9,848	2,406	2,393	1,376	56
<b>Total B = (3+4+5+6+7)</b>	<b>16,988</b>	<b>6,470</b>	<b>10,302</b>	<b>4,259</b>	<b>11,410</b>
<b>I. Total equities volume (A+B)</b>	<b>74,864</b>	<b>55,309</b>	<b>74,557</b>	<b>57,355</b>	<b>64,874</b>
<b>Bonds volume</b>					
8. Central market	3	-	36	149	58
9. Block market	527	187	130	175	114
<b>Total C (8+9)</b>	<b>531</b>	<b>187</b>	<b>166</b>	<b>324</b>	<b>172</b>
10. Issues	-	-	20	-	-
11. Securities contributions	-	281	-	-	-
<b>Total D = (10+11)</b>	<b>-</b>	<b>281</b>	<b>20</b>	<b>-</b>	<b>-</b>
<b>II. Total bonds volume (C+D)</b>	<b>531</b>	<b>468</b>	<b>186</b>	<b>324</b>	<b>172</b>
<b>III. Grand total</b>	<b>75,395</b>	<b>55,777</b>	<b>74,743</b>	<b>57,679</b>	<b>65,046</b>

Source: Casablanca Stock Exchange

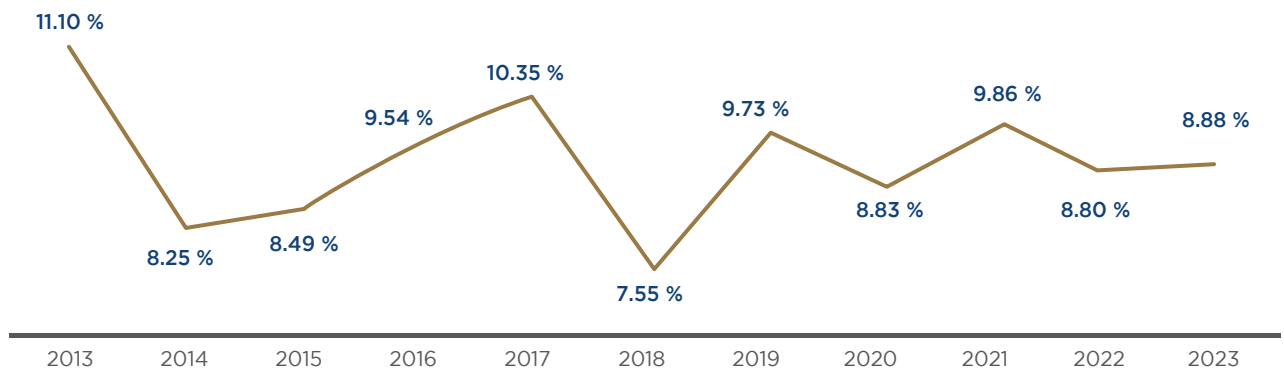
**Graph 10. Monthly trading volumes**  
(in MAD billion)



Source : Casablanca Stock Exchange

The liquidity indicator stood at 8.88% in 2023, remaining at a level comparable to that of 2022.

**Graph 11. Change in the stock market liquidity ratio**



Source : Casablanca Stock Exchange

## 1.4 Types of investors

### 1.4.1 On the central market of the Casablanca Stock Exchange

In 2023, the transactional volume in the central market of the Casablanca Stock Exchange reached MAD 33.4 billion, representing a 3.1% increase from 2022.

When analyzed by investor type, Moroccan legal entities and UCITS together made up 72% of the traded volume, slightly down from 78% in 2022. Moroccan natural persons accounted for 14%, up by 2 percentage points from the previous year. Foreign investors contributed 10%, which represents an increase of 3 percentage points compared to 2022.

**Table 4. Breakdown of central market trading volume by investor category**

	UCITS	Moroccan legal persons	Moroccan natural persons	Foreign legal persons	Foreign natural persons	Banking network	Total
<b>2021</b>	32%	42%	14%	9%	NS	3%	<b>100%</b>
<b>2022</b>	36%	42%	12%	7%	NS	3%	<b>100%</b>
<b>2023</b>	30%	42%	14%	10%	NS	4%	<b>100%</b>

(Excluding capital contributions, IPOs, public offerings and capital increases in cash).

NS: Not significant

Source: Brokerage firms

**Table 5. Breakdown of trading volume by investor category on the central market \***  
(in MAD million)

Category	Purchase			Sale		
	2022	2023	Change	2022	2023	Change
UCITS	10,702.5	12,100.7	13.1%	12,350.0	8,027.1	-35.0%
Moroccan legal persons	14,646.3	13,121.5	-10.4%	12,771.2	14,802.3	15.9%
Moroccan natural persons	4,250.8	4,609.4	8.4%	3,816.2	5,006.7	31.2%
Foreign legal persons	2,204.9	2,915.7	32.2%	2,322.8	3,488.5	50.2%
Foreign natural persons	33.8	54.5	61.2%	26.6	58.9	121.9%
Banking network	585.5	628.2	7.3%	1,137.0	2,046.5	80.0%
<b>Total</b>	<b>32,423.8</b>	<b>33,430.0</b>	<b>3.1%</b>	<b>32,423.8</b>	<b>33,430.0</b>	<b>3.1%</b>

(\* ) Excluding capital contributions, IPOs, public offerings and capital increases in cash.

Source: Brokerage firms

## 1.4.2 Foreign investors on the Casablanca Stock Exchange

At the end of 2023, the total value of shares held by foreigners amounted to MAD 168 billion, up 7.9% from 2022. This growth is attributed to the rising prices of listed shares in foreign investors' portfolios, with the benchmark index of the Casablanca Stock Exchange having increased by +12.8 % in 2023.

Foreign investment's share of total market capitalization amounted to 26.9%. Strategic holdings accounted for the majority of foreign investment in listed equities. The share of these in the overall amount was 92.2%. Moreover, the minority share of foreign capital invested on the Casablanca Stock Exchange represented 2.1% of the total market capitalization and 8% of the floating capitalization.

**Table 6. Types of investments by foreigners and Moroccans residing abroad in listed Moroccan equities**  
(in MAD million)

	31/12/2022		31/12/2023	
	Value	%	Value	%
Investments by foreigners and Moroccans residing abroad held in Morocco, including:	<b>156,030</b>	<b>100.0%</b>	<b>168,395</b>	<b>100.0%</b>
- Strategic shareholding (>= 4% of capital)	143,227	91.8%	155,201	92.2%
- Minority shareholding (< 4% of the capital)	12,803	8.2%	13,194	7.8%
<b>Market capitalization</b>	<b>561,104</b>		<b>626,078</b>	
<b>Floating market capitalization</b>	<b>142,715</b>		<b>164,049</b>	
Foreign investment and Moroccans residing abroad/market capitalization (%)	27.8		26.9	
Strategic shareholding/ market capitalization (%)	25.5		24.8	
Minority shareholding/market capitalization (%)	2.3		2.1	
Minority shareholding/Floating market Capitalization (%)	9.0		8.0	

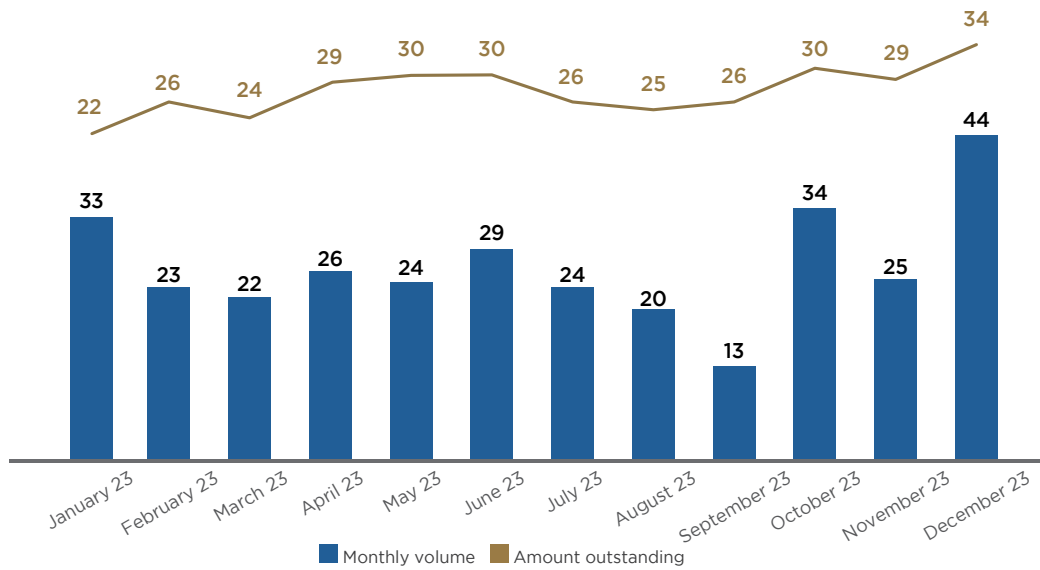
Sources: Account keepers, Casablanca Stock Exchange, AMMC calculations

(2) By definition, a shareholding is considered strategic if the investor holds 4% or more of the capital of a listed company.

## 2. SECURITIES LENDING

In 2023, the volume of securities lending transactions reached MAD 315.16 billion, reflecting an increase of 4.62% compared to 2022. At the end of December 2023, the amount outstanding of securities lending transactions amounted to MAD 34.53 billion.

**Graph 12. Change in volume and amount outstanding of securities lending transactions**  
(in MAD billion)

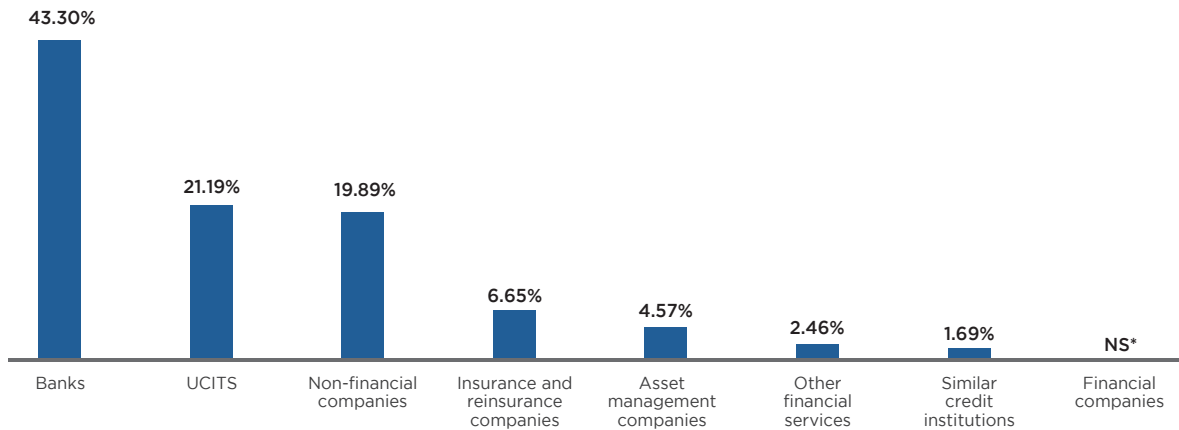


Sources: Banks, AMMC calculations

In 2023, the breakdown of volumes processed by type of borrower client category remained consistent with previous years.

Banks maintained a leading position with 43.30% of the total volume, followed by UCITS at 21.19%. The ranking of lenders remained identical to that observed in 2022, with UCITS, being the predominant category, handling 82.23% of the total volumes.

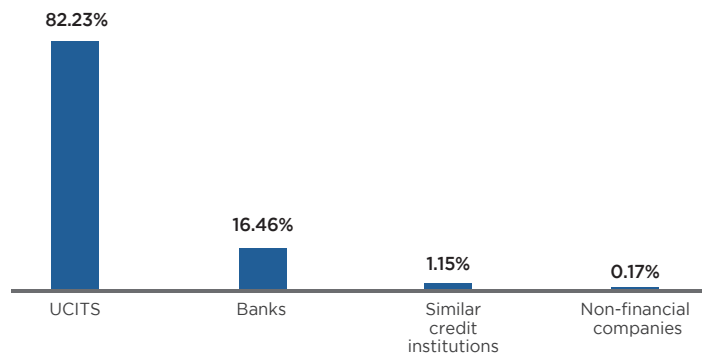
**Graph 13. Share of handled volume by client category (borrowing)**



(\*) NS: Not significant.

Sources: Banks, AMMC calculations

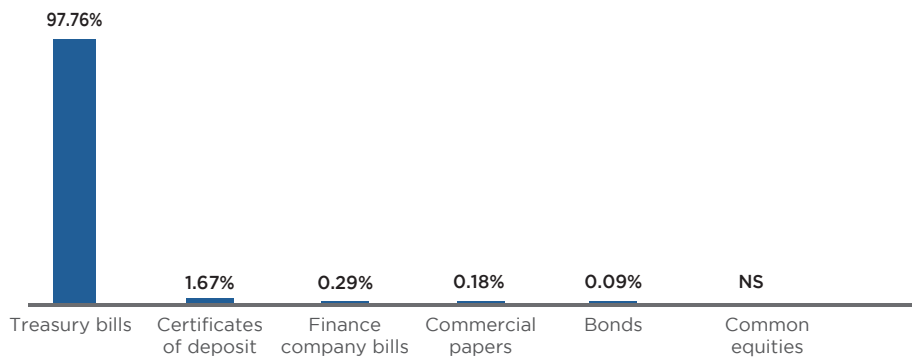
**Graph 14. Share of handled volume by client category (lending)**



Sources: Banks, AMMC calculations

In 2023, securities lending transactions mainly concerned treasury bills, accounting for 97.76% of the total volume, an increase from 96.13% in 2022. Certificates of and other marketable debt securities (finance company bills, commercial papers) were the subject of lending transactions holding shares of 1.67% and 0.47% respectively.

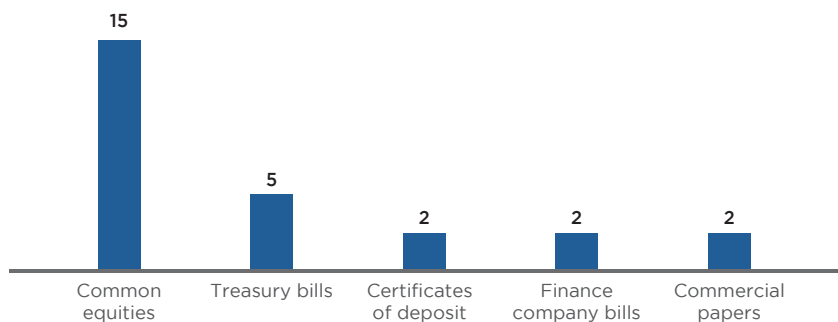
**Graph 15. Share of handled volume by securities category<sup>3</sup>**



Sources: Banks, AMMC calculations

The average duration of completed securities lending transactions varied between 2 and 15 weeks depending on the financial instrument type. In addition, the longest durations recorded were 52 weeks for treasury bills and 18 weeks for certificates of deposit.

**Graph 16. Average lending duration by securities category (in weeks)**



Sources : Banks, AMMC calculations

## 3. PUBLIC OFFERINGS

In 2023, the AMMC processed a total of 70 financial transactions, with 61 being public offerings and 9 private placements. The processed volume of equity securities transactions decreased by 32%, while the volume of debt securities issues increased by 40% compared to the previous year.

### 3.1 Equity securities transactions

The overall volume of transactions in equity securities reached MAD 3.35 billion in 2023, down from MAD 4.91 billion a year earlier, reflecting a decrease of 32%.

The year 2023 was marked by:

- An initial public offering (IPO) conducted by CFG Bank totaling MAD 600 million, representing a decrease of 56% compared to 2022, which saw two IPOs;
- A capital increase of MAD 56 million as part of an incentive plan, representing a 96% decrease compared to 2022, which recorded five capital increase transactions totaling MAD 1.33 billion;
- A 25% increase in the volume of public offerings, resulting from the launch of three mandatory takeover bids for a total amount of MAD 2.70 billion.

Table 7. Equity securities transactions

Transactions subject to AMMC approval	Number of handled transactions		Transaction values (in MAD million)	
	2022	2023	2022	2023
IPOs	2	1	1,372	600
Capital increases in cash	5	1	1,330	56
Public offerings	3	3	2,210	2,699
<i>Takeover bids</i>	1	3	2,160	2,699
<i>Public offer of withdrawal</i>	2	-	50	-
<b>Total equity securities transactions</b>	<b>10</b>	<b>5</b>	<b>4,912</b>	<b>3,354</b>

Source: AMMC

### 3.2 Issues of debt securities

In 2023, the overall volume of debt securities issues was around MAD 87 billion, reflecting an increase of 40% driven mainly by the sharp increase in marketable debt securities issues.

Specifically, the volume of marketable debt securities issues increased by 64%, driven mainly by the significant increase in commercial paper (+269%) and certificates of deposit (+44%) issues.

On the other hand, the total volume of bond issues dropped by 15%, due to a 63% decrease in private placement issues, which was partially offset by a 94% increase in public offering issues, totaling MAD 11 billion.

**Table 8. Debt securities transactions**

	Number of handled transactions		Transaction values (in MAD million)	
	2022	2023	2022	2023
Bond issues	27	20	18,758	15,890
<i>By public offering</i>	9	11	5,700	11,100
<i>By private placement</i>	18	9	13,058	4,790
Issues of marketable debt securities*	24	27	43,298	70,792
<i>Commercial papers</i>	6	7	3,955	14,609
<i>Certificates of deposit</i>	11	10	34,200	49,263
<i>Finance company bills</i>	7	10	5,143	6,920
<b>Total issues of debt securities</b>	<b>51</b>	<b>47</b>	<b>62,056</b>	<b>86,682</b>

(\*) The number of transactions handled corresponds to the number of disclosure documents processed by the AMMC, while the transactions values correspond to the values issued

### 3.3 Other financial transactions

The total amount of the authorized repurchase programs fell by 7% during 2023 compared to 2022, largely because of the narrowing of the price intervention range in repurchase programs for BCP and Maroc Telecom.

Public offering transactions reserved for employees of foreign groups and carried out on a secondary basis in Morocco totaled MAD 499 million, up 19% year-on-year.

**Table 9. Other financial transactions**

	Number of handled transactions		Transaction values (in MAD million)	
	2022	2023	2022	2023
Repurchase programs	2	4	3,846	3,562
Public offerings by foreign groups	14	14	418*	499*
<b>Total of other financial transactions</b>	<b>16</b>	<b>18</b>	<b>4,264</b>	<b>4,062</b>

(\*) Sum of the maximum amounts authorized under the General Foreign Exchange Statement.  
Source: The AMMC

# 4. COLLECTIVE INVESTMENT PRODUCTS

## 4.1 Undertakings for collective Investment in transferable Securities (UCITS)

### 4.1.1 UCITS in the Moroccan economy

At the end of 2023, UCITS increased their share in the Moroccan economy, with a rise of 0.61 percentage points after a decline of 8.87 percentage points in 2022.

With MAD 559.85 billion of net assets under management at the end of 2023, UCITS now account for 38.26% of GDP compared to 37.65% in 2022. This increase is due to an annual growth of UCITS net assets (+11.77%), which is more pronounced than that of the GDP in current prices (+10%)\*.

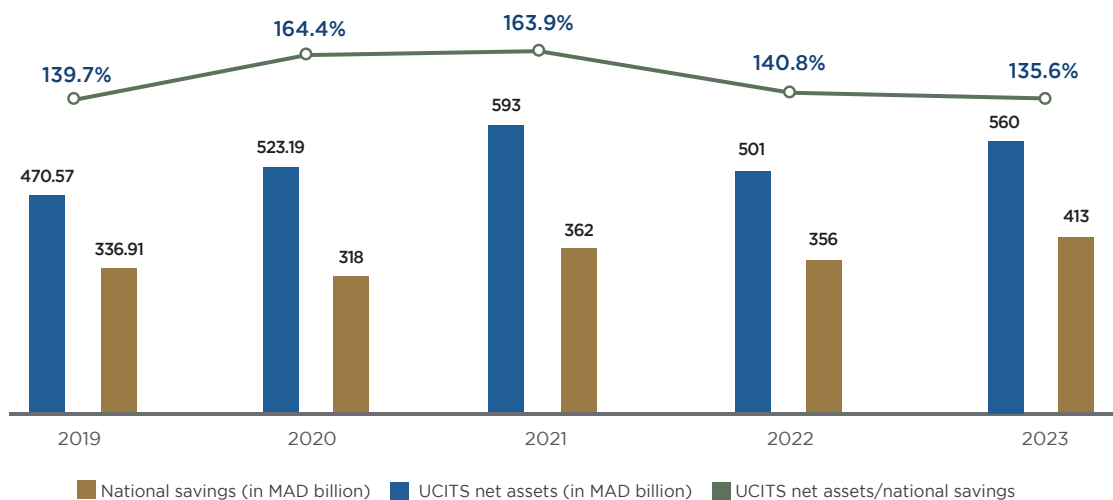
**Table 10. change in the GDP, UCITS net assets and the [UCITS net assets/GDP]**

	2021	2022	2023
GDP (in MAD billion) (*)	1,274.56	1,330.56	1,463.4
UCITS net assets (in MAD billion)	592.91	500.9	559.85
UCITS net assets/GDP ratio (%) (*)	46.52%	37.65%	38.26%

Sources: UCITS management companies/High Commission for Planning  
(\*) revised figures based on provisional National Accounts -June 2024.

The ratio of UCITS net assets to national savings decreased by 5.12 percentage points to 135.6%. This decline is explained by a lower growth in the total UCITS net assets (11.77%) combined with a significant increase in national savings (+16%).

**Graph 17. Change in the [UCITS net assets/national savings (\*)]ratio**



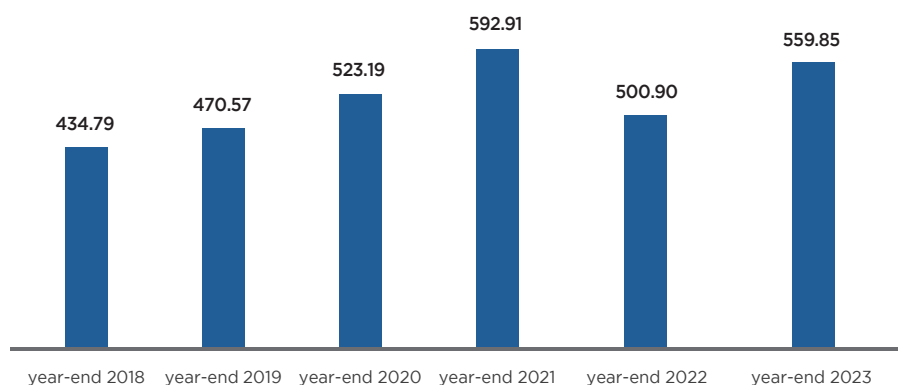
Sources: UCITS management companies/High Commission for Planning  
(\*) revised figures based on provisional National Accounts -June 2024

## 4.1.2 Change in UCITS net assets over the 2018-2023 period

Over the last five years, UCITS net assets grew by 28.76%, from MAD 434.79 billion in 2018 to MAD 559.85 billion in 2023. This followed a peak of MAD 592.91 billion at the end of 2021 and a subsequent decline in 2022. In fact, in 2023, UCITS net assets resumed their growth trajectory, increasing by 11.77%, consistent with the average annual growth rate of 10.91% recorded between 2018 and 2021.

Regarding volumes, the increase in net assets observed during the 2018-2023 period (MAD +125.06 billion) was mainly due to the increase in net assets of the "MLTB" (MAD +34.18 billion), "Diversified" (MAD +32.95 billion) and "Money Market" (MAD +22.50 billion) categories, which together contributed 71.66% of the observed growth. Other UCITS categories also registered a positive total growth of MAD 35.43 billion (+MAD 18.24 billion for the "STB" category, +MAD 11.52 billion for the "Equity" category and +MAD 5.68 billion for the "Contractual" category).

**Graph 18. Change in UCITS net assets over the 2018-2023 period**  
(in MAD billion)

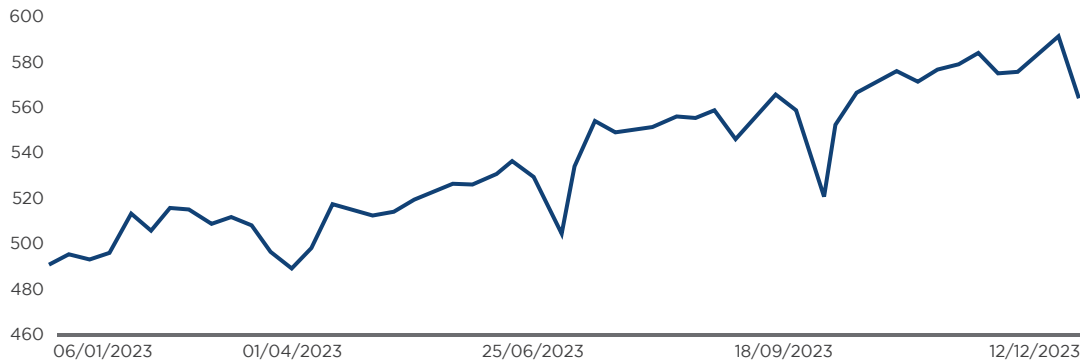


Source: UCITS management companies

## 4.1.3 Change in UCITS net assets in 2023

UCITS net assets grew from MAD 500.9 billion to MAD 559.85 billion, marking an 11.77% increase at the end of 2023, following a substantial drop in 2022 (-15.52%). This growth fits within the overall improvement in the economic environment, particularly marked by a slowdown in inflation. This favorable context, coupled with the stable key interest rate over the last three quarters of 2023, led to a total positive net inflow of MAD 43.58 billion, predominantly in the "STB" UCITS category (MAD +36.42 billion) and the "MLTB" UCITS (MAD +17.82 billion). Conversely, the "Money Market" and "Contractual" categories saw net repurchases of MAD 8.95 billion and MAD 3.6 billion, respectively.

**Graph 19. Change in UCITS net assets in 2023**  
(in MAD billion)



Source: UCITS management companies

#### 4.1.4 Breakdown of UCITS by category

As in previous years, the structure of UCITS net assets at the end of 2023 remained dominated by the "Medium and Long Term Bonds" (MLTB) category, which concentrated 49.71% of net assets under management.

However, after a year marked by uncertainty in 2022, which led to a reorientation of flows towards "Money Market" funds, investments in UCITS during 2023 increasingly focused on the "Short Term Bonds" (STB) category, whose net assets grew by 83.12%, reaching MAD 85.7 billion, to the detriment of "Money Market" UCITS, the second-largest UCITS category at the end of 2022. By the end of 2023, the "STB" and "Money Market" UCITS categories represented 15.31% and 14.90% of total UCITS assets, respectively, compared to 9.35% and 17.81% the previous year, indicating better clarity in investors' short and medium-term projections.

The year 2023 was characterized by the creation of 18 new UCITS, bringing the total number of active UCITS to 577, up from 559 the previous year. These new funds included six "Diversified" UCITS, five each in the "Equity" and "Medium and Long Term Bonds" categories, and one UCITS each in the "Contractual" and "STB" categories.

UCITS remained the predominant legal structure, as in previous years, with 531 funds out of a total of 577 UCITS. The number of open-end investment companies(SICAVs) remained stable at 46 funds.

Throughout 2023, the various UCITS categories evolved as follows:

##### I Equity UCITS

In 2023, the Equity UCITS category recorded positive growth, unlike in 2022. This category saw the creation of five new funds and the addition of two former MLTB funds, increasing the number of UCITS in this category to 111, up from 104 funds in 2022. The net assets under management reached MAD 43.19 billion, an increase of 13.88% compared to the previous year. This notable growth is attributed, on the one hand, to the positive performance of the equity market, which positively impacted the annual performance of the category at

+11.28%, and on the other hand, to a positive net inflow of MAD 1.42 billion.

### **I Diversified UCITS**

In 2023, the Diversified UCITS category benefited from both the positive performance of equities, which represented 26.47% of its assets, and the positive performance of the debt market during the same period, with debt securities comprising more than 61% of the category's assets. This positive performance, combined with a net inflow of MAD 473.04 million during the year, explains the 4.72% increase in net assets under management, which amounted to MAD 60.76 billion at the end of 2023.

The number of UCITS in the Diversified category reached 125 funds at the end of 2023, compared to 118 the previous year. This growth is due to the creation of six new vehicles, the transformation of two MLTB and Contractual funds into Diversified funds, and the conversion of one Diversified fund into an STB UCITS.

### **I Money Market UCITS**

The year 2023 was characterized by significant net outflows of MAD 8.95 billion in the Money Market UCITS category. Despite a positive fund performance of 3.13% over the year, the net assets in this category decreased by MAD 5.76 billion, representing a 6.46% year-on-year decline. With total net assets of MAD 83.42 billion at the end of 2023, Money Market UCITS accounted for 14.90% of total net assets under management, compared to 17.81% at the end of 2022. This category did not see any new fund creations in 2023.

### **I Short Term Bonds UCITS**

At the end of 2023, the net assets of the Short Term Bonds (STB) UCITS category increased by 83.12% to reach MAD 85.72 billion, the most significant growth across all categories, driven by a net inflow of MAD 36.42 billion during the year and a positive annual performance of +3.53%. The number of UCITS in this category rose to 67 from 65 at the end of 2022, following the creation of one fund and the conversion of one Diversified UCITS into an STB UCITS.

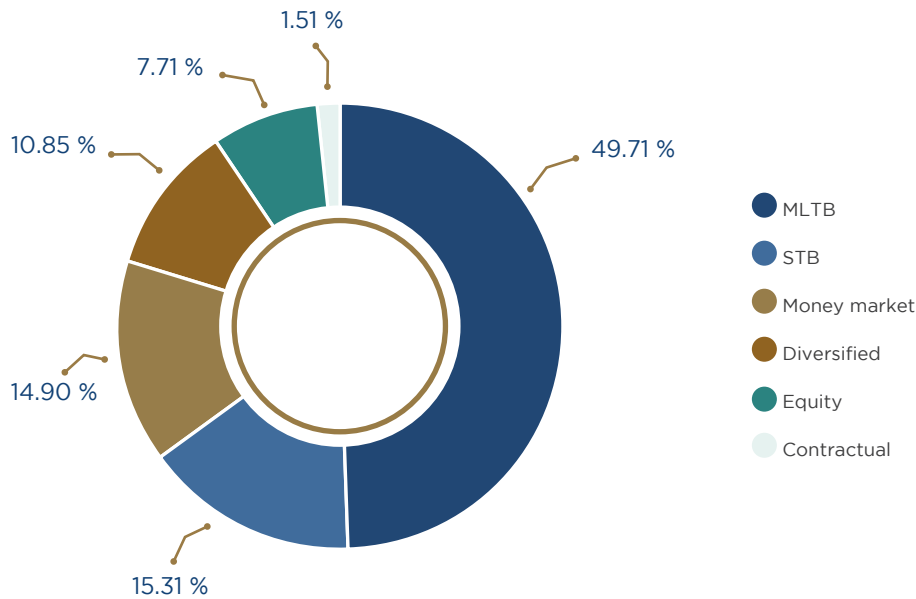
### **I MLTB UCITS**

At the end of 2023, the MLTB UCITS category included 202 UCITS, up from 200 at the end of 2022, despite the creation of five new funds. This was due to the transformation of three former MLTB funds into Equity and Diversified categories. The net subscriptions of MAD 17.82 billion collected by this category, combined with a positive annual performance of 1.62%, explain the increase in its net assets in 2023 to MAD 278.31 billion, up from MAD 257.17 billion the previous year, a growth of MAD 21.13 billion.

### **I Contractual UCITS**

Due to net repurchases of MAD 3.6 billion recorded by this category in 2023, the total net assets under management for Contractual UCITS decreased by MAD 3.33 billion, a 28.30% decline over one year, reaching MAD 8.45 billion. The category was marked in 2023 by the creation of one new Contractual fund and the transformation of one Contractual fund into a Diversified fund following the expiration of the contractual commitment it carried.

**Graph 20. UCITS net asset structure by category at year-end 2023**



Source: UCITS management companies

#### 4.1.5 UCITS' annual performance

After a generally bearish performance by UCITS in 2022, 2023 marked a recovery year that benefited all categories.

The performance of the Equity UCITS category, after a decline of 16.23% in 2022, rebounded in 2023 to reach 11.28%, in line with the performance of the equity market, where the MASI index posted an annual performance of +12.80%.

In a context marked by a significant rise in interest rates at the beginning of 2023 followed by a relaxation in the second half, MLTB, STB, and Money Market UCITS achieved positive performances of +1.62%, +3.53%, and +3.13%, respectively.

As for the Diversified UCITS category, it benefited from the positive performance of both the equity and bond markets, recording an annual performance of 4.52% compared to -7.74% the previous year.

Regarding the Contractual UCITS category, with the exception of one newly created fund at the end of 2023, all UCITS in this category achieved positive annual performances ranging from 2.59% to 8.19%. At the end of 2023, this category consisted of UCITS with a monetary strategy accompanied by a capital guarantee and index strategy funds.

#### 4.1.6 UCITS' portfolio composition

On a comparative basis, the asset structure under management remained fairly stable at the end of 2023 compared to 2022, with unlisted securities dominating, comprising 78% of total invested assets. This was followed by other asset elements and listed securities, accounting for 12.18% and 9.82% of total assets under management, respectively.

In terms of value, the amounts of unlisted securities and other asset elements stood at MAD 474.43 billion and MAD 74.1 billion, respectively, reflecting a decrease in their share by 0.25 and 0.53 percentage points compared to 2022. This slight reduction in the overall weight of these two categories was offset by a 0.78 percentage point increase in the listed securities category.

**Table 11. Breakdown of total UCITS assets by investment category at the end of 2023**

	Year-end 2021	Year-end 2022	Year-end 2023
<b>Investment category</b>		<b>Structure</b>	
Listed securities	9.79%	9.04%	9.82%
Equities	9.65%	8.86%	9.64%
Corporate bonds	0.14%	0.18%	0.18%
Bonds issued or guaranteed by the State	-	-	-
Unlisted securities	77.18%	78.25%	78.00%
Bonds issued or guaranteed by the State	46.92%	48.09%	45.34%
Corporate bonds	15.04%	17.86%	17.48%
Marketable debt securities	9.61%	9.73%	10.16%
UCITS securities	5.55%	2.43%	4.90%
Others	0.07%	0.13%	0.12%
Other assets	13.03%	12.71%	12.18%
<b>Total assets</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: UCITS management companies

### ■ Unlisted securities

At the end of 2023, the share of unlisted securities decreased by 0.25% to 78% of the total assets of UCITS. This decline was mainly due to a reduction in the weight of state-issued or guaranteed bonds and corporate bonds, which fell by 2.75 and 0.38 percentage points, respectively.

### ■ Listed securities

The share of listed securities held by UCITS increased from 9.04% at the end of 2022 to 9.82% at the end of 2023, a positive change of 0.78 percentage points. This appreciation, mainly in listed stocks, was largely due to the positive performance of the MASI index, which recorded a 12.80% gain in 2023.

### ■ Other assets

This category, consisting mainly of money market investments in the form of receivables representing repurchase agreements carried out by UCITS as transferees, saw its share of total assets fall by 0.53%, from 12.71% at the end of 2022 to 12.18% at the end of 2023, despite the increase in outstandings in this category from MAD 70.04 billion to MAD 74.1 billion in 2023.

### 4.1.7 UCITS investments abroad

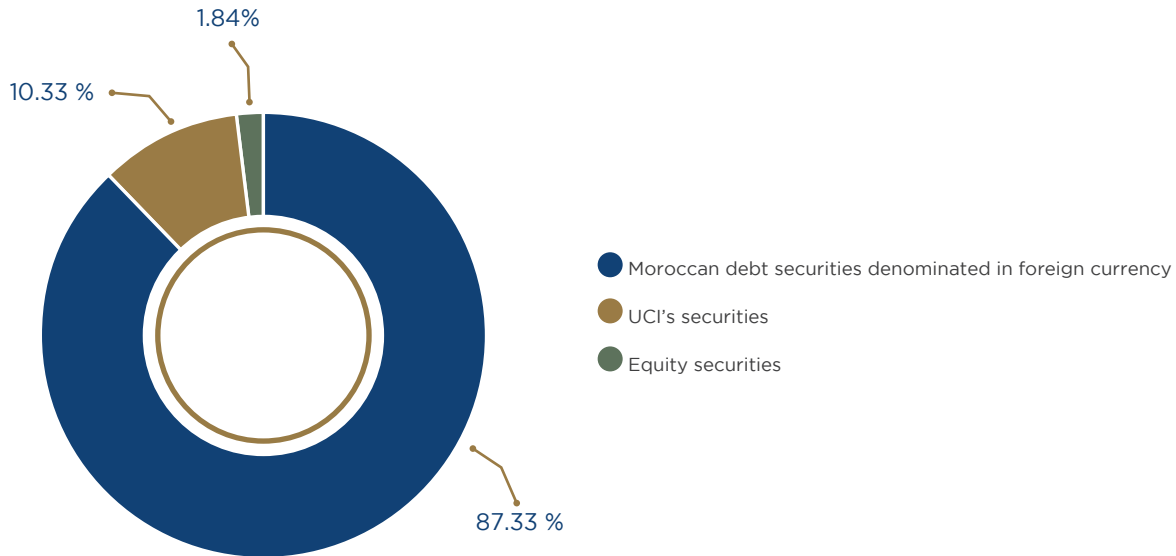
The national currency equivalent of the foreign currency investments held by UCITS amounted to MAD 5.65 billion at the end of 2023, representing an increase of 3.29% compared to the previous year.

Foreign currency investments are primarily allocated to debt securities issued by Moroccan issuers, accounting for 87.83% of the total amount invested. This includes Eurobonds issued by the Moroccan State (46.41% of debt security investments) and bonds issued by a Moroccan public institution (53.59% of debt security investments).

UCI securities totaled MAD 584.33 million, or 10.33% of the total at the end of 2023, compared to 10.79% at the end of 2022. These primarily consist of ETF securities.

The value of foreign currency-denominated equity securities remained steady at MAD 104 million, making up 1.84% of the foreign currency investments.

**Graph 21. Structure of foreign currency investments by UCITS at the end of 2023**



Source: UCITS management companies

### 4.1.8 Investors in UCITS

At the end of 2023, the number of investors in UCITS securities rose to 23,186, showing an increase of 1,270 investors from the previous year.

This growth was primarily driven by resident natural persons and resident legal persons, with the number of investors rising from 15,857 to 16,618 and from 4,619 to 5,142, respectively, compared to 2022.

**Table 12. Breakdown of net assets by investor type at the end of 2023**  
(in MAD million)

	Equity and diversified UCITS	Bond UCITS	Money market UCITS	Contractual UCITS	TOTAL UCITS	Share (%)
Financial companies including:	87,473.50	282,078.80	34,749.25	885.37	405,186.92	72.4%
Insurance companies and pension funds and provident institutions	61,872.04	159,802.62	17,194.40	239.20	239,108.26	42.7%
Banks	8,684.49	70,125.11	4,673.10	92.75	83,575.44	14.9%
UCITS	7,478.75	18,028.00	5,884.06	-	31,390.80	5.6%
Caisse de dépôt et de gestion (CDG)	7,151.22	8,959.77	783.56	-	16,894.55	3.0%
Other financial institutions	1,687.35	15,364.90	4,614.41	350.22	22,016.89	3.9%
Finance companies	466.64	6,691.83	285.77	82.87	7,527.10	1.3%
Other holding companies	109.21	2,662.55	928.12	112.13	3,812.01	0.7%
Brokerage firms	23.80	444.02	385.83	8.20	861.85	0.2%
Non-financial companies	5,077.49	65,766.71	35,017.84	6,935.00	112,797.04	20.1%
Resident natural persons	11,172.10	14,719.60	12,858.77	598.37	39,348.84	7.0%
Non-resident natural and legal persons	225.64	1,462.20	797.71	30.01	2,515.57	0.4%
<b>Total</b>	<b>103,948.73</b>	<b>364,027.31</b>	<b>83,423.57</b>	<b>8,448.75</b>	<b>559,848.36</b>	<b>100.0%</b>

Source: UCITS depositories

As in previous years, UCITS net assets continue to be largely held by financial companies. They account for 72.37% of total net assets under management, with 70% invested in bond UCITS. Within this investor category, insurance companies and pension funds account for 59.01% of net assets, followed by banks with 20.63%.

Other investor categories make up 27.63% of the managed net assets, including non-financial companies (20.15%), resident natural persons (7.03%), and non-resident natural and legal persons (0.45%).

## BOX 9. SOCIALLY RESPONSIBLE INVESTMENT (SRI) IN UCITS MANAGEMENT

In 2023, the AMMC released a handbook on Socially Responsible Investment (SRI) in UCITS management, as part of the Authority's commitment to sustainable finance in addition to other initiatives in this area.

This handbook, presented to capital market stakeholders (including management companies, brokerage firms, financial investment advisors, the Casablanca Stock Exchange, and Maroclear), aims to introduce SRI and provide recommendations for investors and management companies interested in establishing SRI- UCITS.

These funds could diversify existing investment options and channel untapped savings into the capital market while also targeting sustainable development goals.

Socially Responsible Investment, applying the concept of sustainable development to asset management, involves any investment decision aimed at reconciling, on the one hand, an objective of financial profitability common to all types of investment and, on the other, a desire to finance only those entities seeking to highlight their social responsibility by improving their performance in terms of respect for the environment, social progress and good governance.

An SRI UCITS, allocating capital primarily on the basis of extra-financial analysis of issuers and projects to be financed, in addition to traditional financial analysis, seeks to:

- Contribute to solving sustainable development challenges by prioritizing issuers with exemplary ESG practices;
- Foster ethical values and moral principles in the financial sector.

Various approaches to Socially Responsible Investment exist and can be used in combination. All UCITS categories can adopt an SRI investment policy, with selection filters applicable to both equities and government and corporate bonds. The main approaches include:

### A. Positive Screening Approaches:

- **Best-in-class:** Selecting issuers with leading ESG practices within each sector of the portfolio.
- **Best-in-universe:** Selecting issuers with the top ESG practices across all sectors.
- **Best-effort:** Selecting issuers based on their ESG improvements or commitment to improving over time.
- **Thematic Investment:** Selecting issuers based on specific sustainability themes, ensuring they also perform well on other ESG criteria.
- **Impact Investment:** Selecting issuers with a goal to achieve a specific environmental, social, or governance impact.

### B. Negative Screening Approaches:

- **Sectoral Exclusion:** Excluding issuers based on their involvement in certain industries.
- **ESG Exclusion:** Excluding issuers based on ESG criteria.

### C. Other Approaches:

- **ESG Integration:** Incorporating ESG criteria systematically into financial analysis and issuer selection.
- **Commitment and Shareholder Dialogue:** Actively engaging with issuers to enhance their ESG practices.

At the end of 2023, the Moroccan capital market had four SRI UCITS funds. These funds, which are aimed at the general public, belong to the "Equities" and "Diversified" categories and apply a "Best-in-class" approach based on an extra-financial rating from a specialized agency, or build their portfolios around the stocks making up the Masi ESG index on the Casablanca Stock Exchange.

## 4.2 Securitization vehicles (FPCTs)

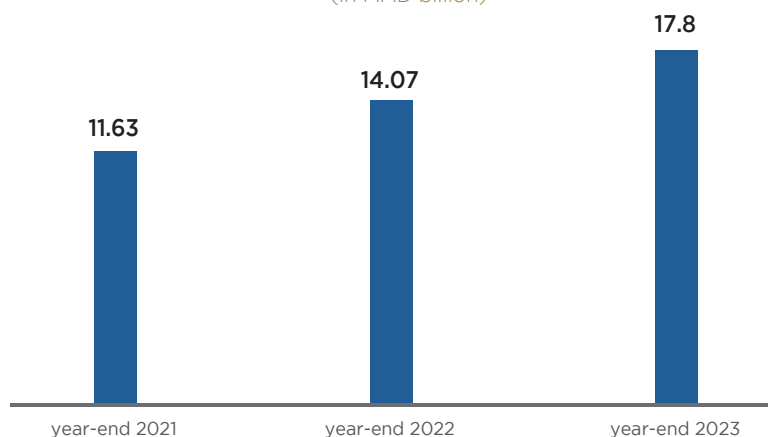
Following the approval of four securitization operations in 2023, the number of FPCTs in operation at the end of 2023 reached nineteen, including seven with sub-funds. It should be noted that 2023 saw the liquidation of three funds and two sub-funds in accordance with their respective management regulations, for the following reasons:

- The reduction of the outstanding principal balance of securitized receivables to less than 10% of the initial value recorded at the establishment; and
- The reaching of the final maturity date of the fund and the exhaustion of its assets.

Investors received payments due at the final maturity dates in accordance with the provisions of the management regulations of the liquidated funds.

The assets under management<sup>3</sup> of active FPCTs reached MAD 17.80 billion at the end of 2023, showing an increase of 26.51% compared to the end of 2022.

**Graph 22. Change in FPCT assets under management**  
(in MAD billion)



Sources : FPCT management companies, AMMC calculations

The four new securitization operations approved in 2023 were financed by the issuance of MAD 4.34 billion in shares and debt securities by FPCTs, with the aim of (i) acquiring commercial receivables, receivables from leasing and loan contracts, as well as non-performing receivables, and (ii) guaranteeing financing risk linked to a portfolio of financial instruments.

The securitization operations approved by the end of 2023 involved:

### i. The acquisition of various classes of assets by FCPTs:

- Mortgage loan receivables;
- Receivables from consumer credit contracts;
- Commercial lending receivables;
- Receivables from leasing contracts;
- Non-performing receivables;
- Debt securities denominated in foreign currencies;
- Real estate assets;
- Usufruct rights on real estate assets.

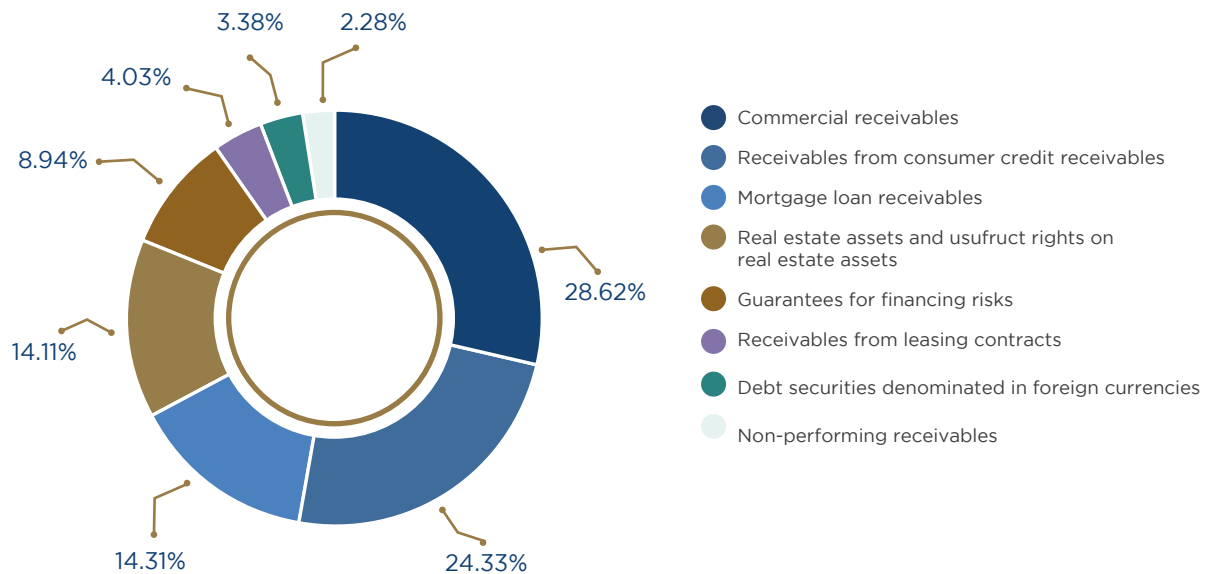
(3) Total assets under management, including securitized assets, amounts outstanding, amounts forfeited, liquid assets and invested liquid assets.

## ii. Providing guarantees for financing risks through FPCTs (synthetic securitization).

The breakdown of assets under management by FPCTs by type of securitization operation at the end of 2023 is as follows:

- 28.62% of the assets consist of commercial receivables, distributed across two funds;
- Receivables from consumer credit contracts account for 24.33% of the assets, spread across four funds, including one with a sub-fund;
- Mortgage loan receivables account for 14.31% of the assets under management, spread across three funds, including one with three sub-funds;
- Real estate assets total 14.11% of the assets under management, spread across four funds, including two with sub-funds;
- Financing risk guarantee operations represent 8.94% of the total assets under management, spread across two funds, including one with a sub-fund;
- Receivables from leasing and loan contracts represent 4.03% of the total assets under management, held by two funds;
- Debt securities denominated in foreign currencies account for 3.38% of the assets under management, held by a fund with a single sub-fund;
- Non-performing receivables account for 2.28% of the assets under management, held by a fund with a single sub-fund.

**Graph 23. Breakdown of FPCT assets under management by operation type**



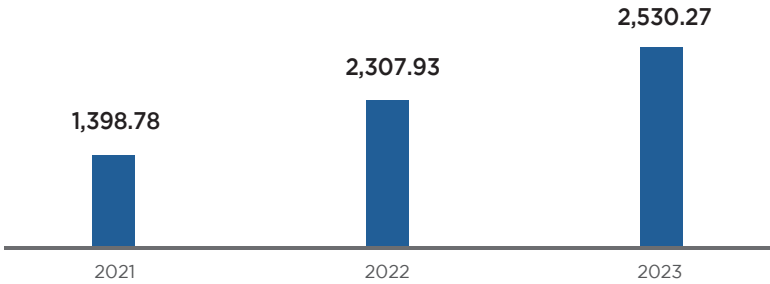
Sources : FPCT management companies, AMMC calculations

### 4.3 Private equity investment vehicles (OPCCs)

In 2023, two new Private Equity Investment Vehicles (OPCCs) were established, including one as a Private Equity Investment Company (SPCC) and another as a Private Equity Investment Fund (FPCC), increasing the total number of active OPCCs to thirteen, up from eleven the previous year.

At the end of 2023, these thirteen active OPCCs were managing total net assets amounting to MAD 2,530.27 million, reflecting a 9.63% increase from the end of 2022.

**Graph 24. Change in OPCCs net assets**  
(in MAD million)



Sources : OPCC management companies, AMMC calculations

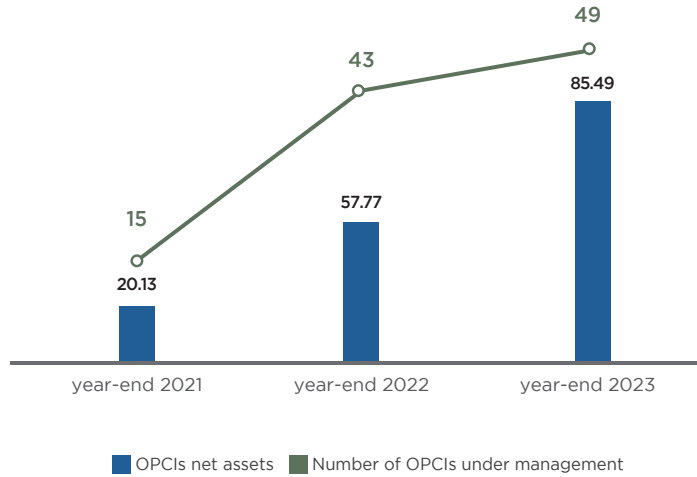
Active Private Equity Investment Vehicles (OPCCs) employ investment strategies that target various stages of company development. Among these OPCCs, 62% specialize in or prioritize specific sectors, such as:

- energy, transport, and urban infrastructure;
- self-produced electricity and energy transition;
- services;
- agro-industry;
- manufacturing industries;
- Morocco’s global industries (automotive, aerospace, electronics, etc.);
- real estate;
- fintech.

## 4.4 Real Estate Investment Schemes (OPCI)

In 2023, the number of Real Estate Investment Schemes (OPCIs) increased to forty-nine (49)<sup>4</sup>, up from forty-three (43) in 2022. Among these, thirty-nine (39) were established as real estate investment trusts with streamlined operating rules (SPI-RFA), and ten (10) were set up as real estate investment companies (SPI).

**Graph 25. Change in OPCIs net assets**  
(in MAD billion)



Sources : OPCI management companies, AMMC calculations

At the end of 2023, the total net assets of operational Real Estate Investment Schemes (OPCIs) reached MAD 85.49 billion, up from MAD 57.77 billion in 2022.

OPCIs with streamlined operating rules accounted for 93% of the total net assets, amounting to MAD 79.5 billion.

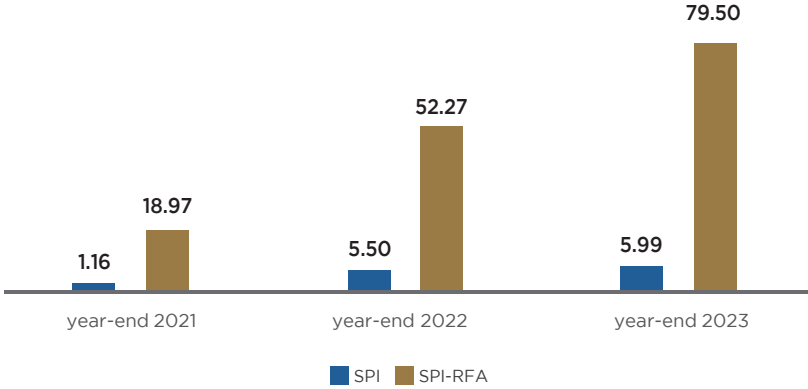
The investment strategies of these active OPCIs targeted the following asset classes:

- head offices, branches, and bank agencies;
- educational and training facilities;
- healthcare facilities;
- administrative buildings;
- office spaces;
- commercial premises;
- tourist facilities and leisure centers;
- logistics warehouses;
- industrial units;
- residential assets.

(4) Out of a total of 58 OPCIs approved in 2023

**Graph 26. Change in OPCIs net assets by category**

(in MAD billion)



Sources : OPCi management companies, AMMC calculations

# 5. MARKET PARTICIPANTS

## 5.1 Brokerage firms

### 5.1.1 Legal and corporate aspects

At the end of 2023, the number of brokerage firms remained stable at 16.

The legal and corporate life of brokerage firms in 2023 was characterized by changes in governance and staffing.

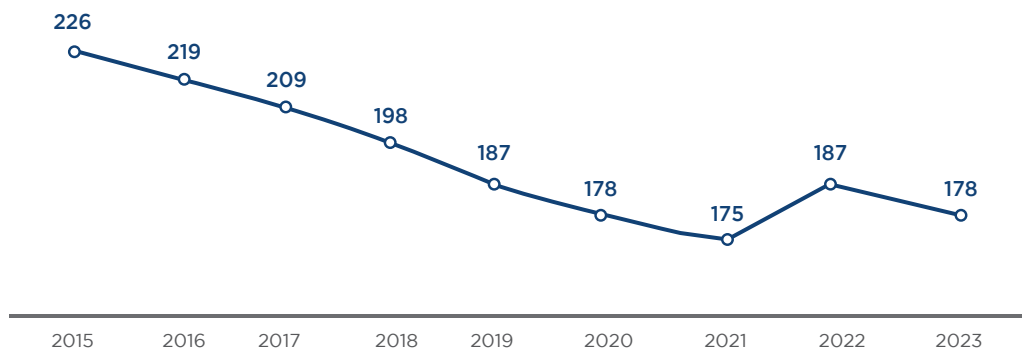
**Table 13. Changes in brokerage firms governance**

Nature of change	Brokerage firms
Change in shareholding	BMCI Bourse
	CDG Capital Bourse
	Maroc Service Intermédiation (M.S.IN)
	Sogecapital Bourse
Appointment of new executives	Red Med Securities
Appointment of new members to the Board of Directors/Supervisory Board	BMCI Bourse
	CDG Capital Bourse
	Maroc Service Intermédiation (M.S.IN)
	Sogecapital Bourse

Source: Brokerage firms

The year 2023 was marked by team rotation at most brokerage firms (13), with 13 new hires and 22 departures. At the end of 2023, the total number of brokerage firm headcount stood at 178, compared with 187 in 2022.

**Graph 27. Change in the total brokerage firms headcount**



Sources: Brokerage firms, AMMC calculations

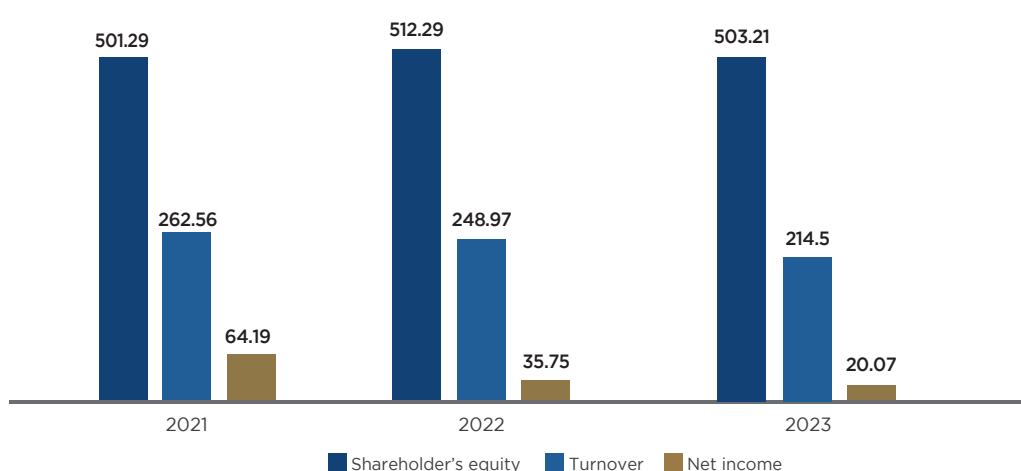
## 5.1.2 Business indicators

### I Financial indicators

Brokerage firms reported total turnover of MAD 221.41 million in 2023, reflecting an 11.07% decrease compared to 2022. Furthermore, 9 out of the 16 brokerage firms posted negative operating income in 2023, up from 6 firms in the previous year.

However, the brokerage sector managed to maintain an overall positive net income of MAD 19.31 million, although this represents a 46% decline from the MAD 35.75 million recorded in 2022.

**Graph 28. Change in the financial indicators of brokerage firm**  
(in MAD million)



Source: Brokerage firms, AMMC calculations

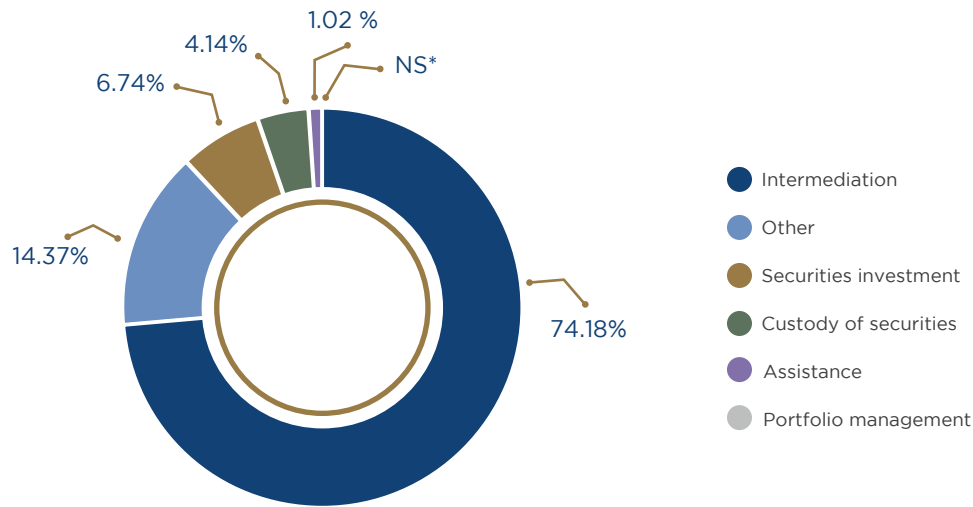
The breakdown of turnover shows the preponderance of intermediation activity, which alone generated 74.18% of total revenues.

**Table 14. Key figures of brokerage firms**  
(in MAD million)

	2021	2022	2023
<b>Number of brokerage firms</b>	<b>17</b>	<b>16</b>	<b>16</b>
<b>Overall turnover</b>	<b>262.56</b>	<b>248.97</b>	<b>221.41</b>
<i>Intermediation</i>	210.42	191.98	164.24
<i>Custody of securities</i>	7.85	14.79	9.16
<i>Financial transactions advisory services</i>	0.10	0.00	0.14
<i>Securities investment</i>	18.07	20.73	14.93
<i>Portfolio management</i>	0.73	0.72	1.12
<i>Other</i>	25.36	20.75	31.81
<b>Overall net income</b>	<b>64.19</b>	<b>35.75</b>	<b>19.31</b>
<b>Guarantee fund</b>	<b>54.62</b>	<b>56.85</b>	<b>59.69</b>

Source: Brokerage firms, AMMC calculations

**Graph 29. Breakdown of brokerage firms' turnover by type of activity**



Sources: brokerage firms, AMMC calculations

(\*) NS : Not significant

In 2023, 10 brokerage firms, all bank subsidiaries, accumulated a market share of 77.98%, with the top 5 accounting for 62.56%.

### I The brokerage firm guarantee fund

The guarantee fund is intended to compensate the clients of brokerage firms that are being liquidated, in cases where the liquidated firm has failed to segregate client assets from its own assets. This fund is financed by contributions, the amount of which is determined as a percentage of the volume of securities and cash held by each brokerage firm.

The guarantee fund reached MAD 59.7 million in 2023. Contributions increased by 5% compared to 2022, primarily due to a 5.49% increase in the value of assets held by account-keeping brokerage firms, which averaged MAD 8.15 billion in 2023.

### 5.1.3 Client structure

In 2023, the number of active clients of brokerage firms in the stock market increased by 50.62% compared to 2022. This growth was primarily driven by a 58.22% increase in the number of clients in the Moroccan natural persons category.

Regarding the client structure, there is a predominant presence of Moroccan natural persons (PPM), representing 82% of the total clients, followed by UCITS at 10%. The remaining clients are distributed among other categories.

**Table 15. Client structure of brokerage firms**

	MNP		UCITS		MLE		FLE		FNP		Total
	Number	%	Number	%	Number	%	Number	%	Number	%	
<b>2019</b>	6,512	78	1,027	12	511	6	174	2	132	2	<b>8,356</b>
<b>2020</b>	6,755	79	1,031	12	453	5	144	2	118	1	<b>8,501</b>
<b>2021</b>	6,228	75	1,311	16	500	6	127	2	95	1	<b>8,261</b>
<b>2022</b>	5,991	78	1,067	14	426	6	117	2	81	1	<b>7,682</b>
<b>2023</b>	9,479	82	1,204	10	554	5	118	1	216	2	<b>11,571</b>

Sources: Brokerage firms, AMMC calculations

## 5.2 Securities account keepers

With a total of 193,942 accounts, the number of securities accounts increased by 12% compared to 2022. This growth was mainly due to the rise in the number of securities accounts held by resident natural persons. Specifically, this category increased from 148,810 accounts in 2022 to 167,181 accounts in 2023, representing 86.20% of the total number of securities accounts.

The share of assets held by banks remains predominant, accounting for approximately 92.93% of the total assets in custody.

**Table 16. Key figures of account keepers**

	<b>2022</b>	<b>2023</b>
Number of account keepers	24	24
Number of securities accounts	173,152	193,942
<i>Resident natural persons</i>	148,810	167,181
<i>Resident legal entities</i>	12,425	13,305
<i>Non-resident natural persons</i>	11,355	12,128
<i>Non-resident legal entities</i>	562	1,328
Assets managed A = (1)+(2)+(3)+(4) (in MAD million)	2,047,659	2,240,274
<i>By banks (1)</i>	2,003,521	2,081,882
<i>By account-keeping brokerage firms (2)</i>	7,043	8,821
<i>By issuers (3)</i>	191	441
<i>By other organizations (4)</i>	36,904	149,130
Balance of assets managed in technical accounts (in MAD million) (B)	-	-
<b>Total assets C=A+B.</b>	<b>2,047,659</b>	<b>2,240,274</b>

Sources: Account keepers and Maroclear

## 5.3 The Central Depository

The global amount outstanding of assets held by the Central Depository, Maroclear, rose by 9.41%, from MAD 2,047.65 billion at the end of 2022 to MAD 2,240.27 billion at the end of 2023. This increase was mainly driven by the 11.09% and 11.05% rise in equity and UCITS outstandings respectively.

**Table 17. Key figures of the Central Depository activity**

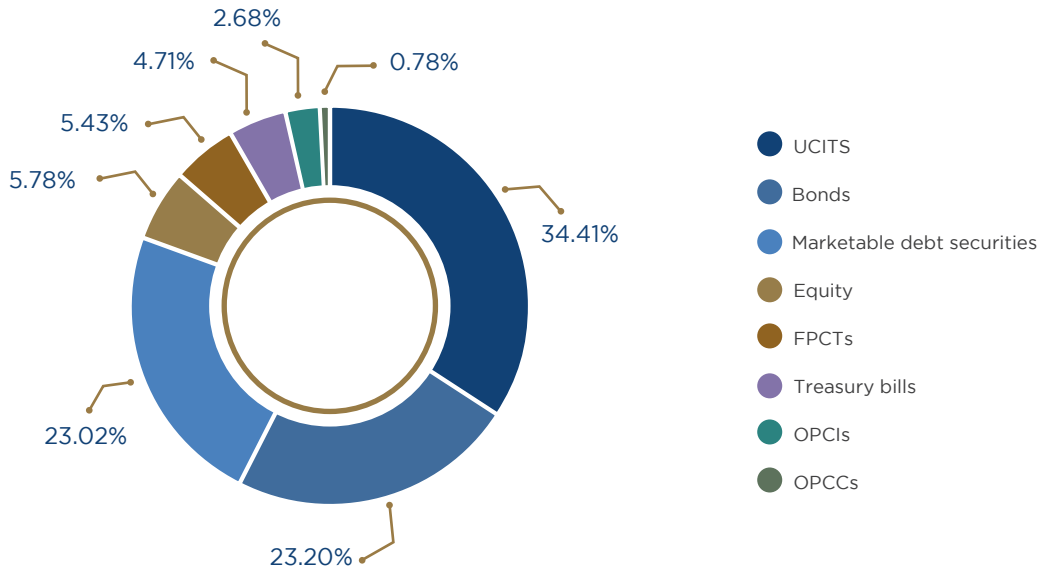
	2022	2023
<b>Number of assets in custody</b>	<b>1,611</b>	<b>1,677</b>
<i>Equity</i>	98	97
<i>Bonds</i>	377	389
<i>Marketable debt securities</i>	340	386
<i>FPCTs</i>	86	91
<i>Treasury Bills</i>	106	79
<i>UCITS</i>	559	577
<i>OPCIs</i>	38	45
<i>OPCCs</i>	7	13
<b>Total assets (in MAD billion)</b>	<b>2,047.65</b>	<b>2,240.27</b>
<i>Equity</i>	580.62	644.98
<i>Bonds</i>	170.70	174.83
<i>Marketable debt securities</i>	77.59	80.48
<i>FPCTs</i>	11.40	14.28
<i>Treasury bills</i>	664.51	699.38
<i>UCITS</i>	488.04	541.95
<i>OPCIs</i>	53.97	82.23
<i>OPCCs</i>	0.82	2.14
<b>Daily average settled transactions (in MAD million)</b>	<b>68,588.27</b>	<b>84,579.07</b>
<i>Over-the-counter</i>	67,872.27	83,945.72
<i>Stock exchange</i>	716	633.35
<i>Free of payment</i>	-	-
<b>Number of securities administration transactions</b>	<b>1,169</b>	<b>1,290</b>
<i>Number of dividend distribution transaction managed</i>	127	166
<i>Number of securities transactions managed</i>	1,042	1,124

Source: Central Depository Maroclear

The number of securities kept by the Central Depository Maroclear rose by 4.10%, from 1,611 at end-2022 to 1,677 at end-2023. This increase is mainly attributable to the 13.53% rise in the number of marketable debt securities.

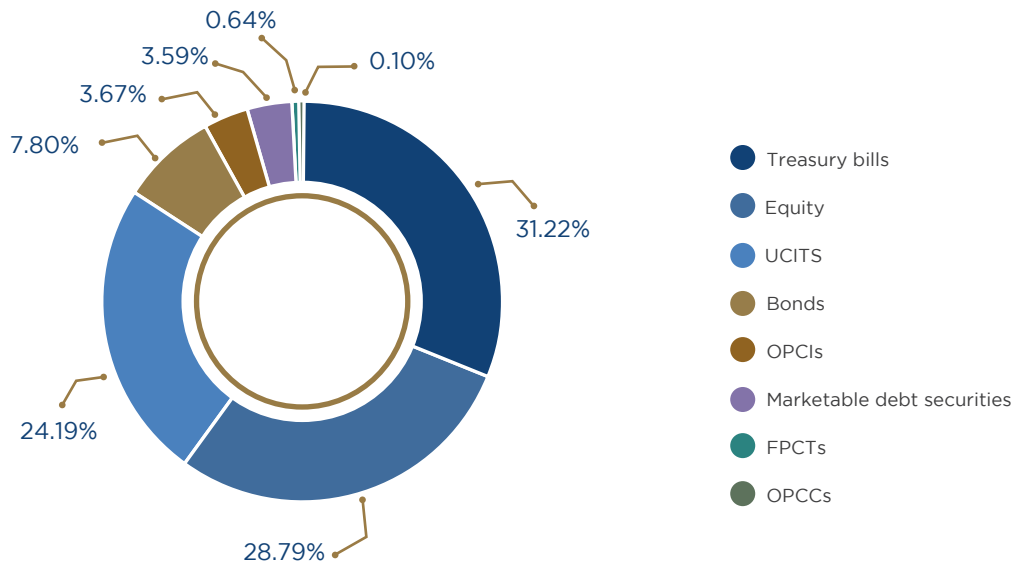
The average settled transactions rose by 23.31% between 2022 and 2023.

**Graph 30. Breakdown of admitted securities by category at year-end 2023**



Source: Central Depository Maroclear

**Graph 31. Breakdown of total assets of admitted securities by category at year-end 2023**



Source: Central Depository Maroclear

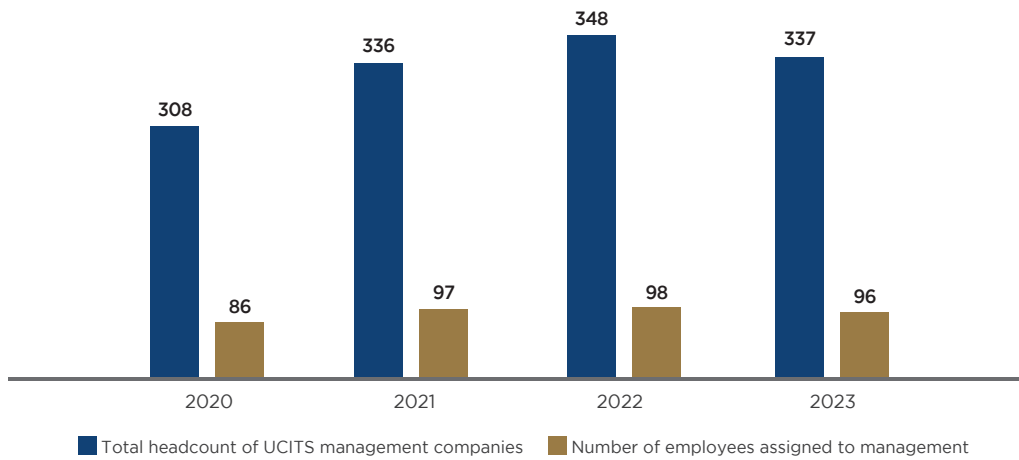
## 5.4 Asset management companies

### 5.4.1 UCITS management companies

At the end of 2023 and as in the previous year, the number of UCITS management companies remained at 19.

In terms of headcount, UCITS management companies employed 337 people at the end of 2023, including 96 employees assigned to management, compared with a total of 348 employees and 98 people assigned to management one year earlier. These differences are mainly due to resignations that have not yet been replaced, and to the outsourcing of certain support functions.

**Graph 32. Change in the headcount of UCITS management companies**



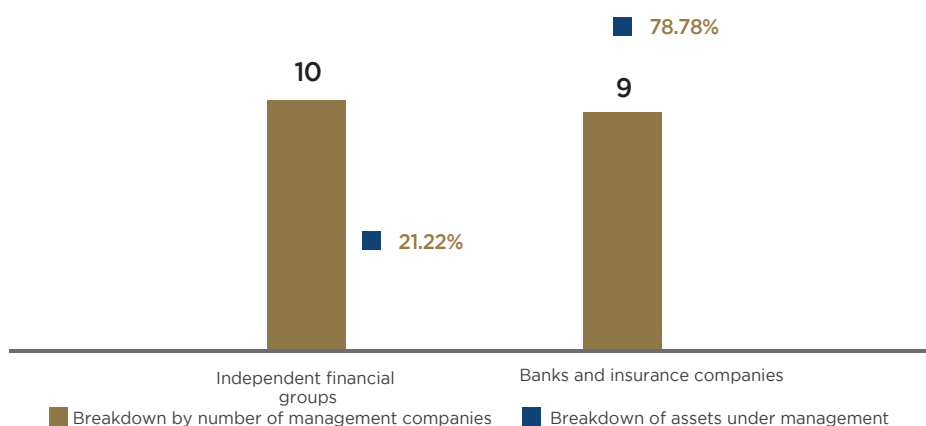
Source: UCITS management companies

### I Business indicators

Despite a positive increase in total net assets at the end of 2023 (+11.77%), average net assets for this year remain lower than those recorded for the financial year 2022, down from 567.6 to MAD 535.35 billion.

The breakdown of UCITS management companies by type remained unchanged from the previous year, with 9 subsidiaries of banking groups or insurance companies and 10 independent management companies. However, the breakdown of market share between the two categories during 2023 has shifted in favor of independent management companies. These companies now manage 21.22% of total assets under management, compared with 15.84% in 2022, representing a volume of MAD 118.79 billion. The share of assets under management by subsidiaries of banking groups or insurance companies stands at 78.78%, down 5.37 percentage points despite the increase in volume under management to MAD 441.05 billion, compared with MAD 421.55 billion a year earlier.

**Graph 33. Breakdown of market shares of UCITS management companies by type of shareholding**

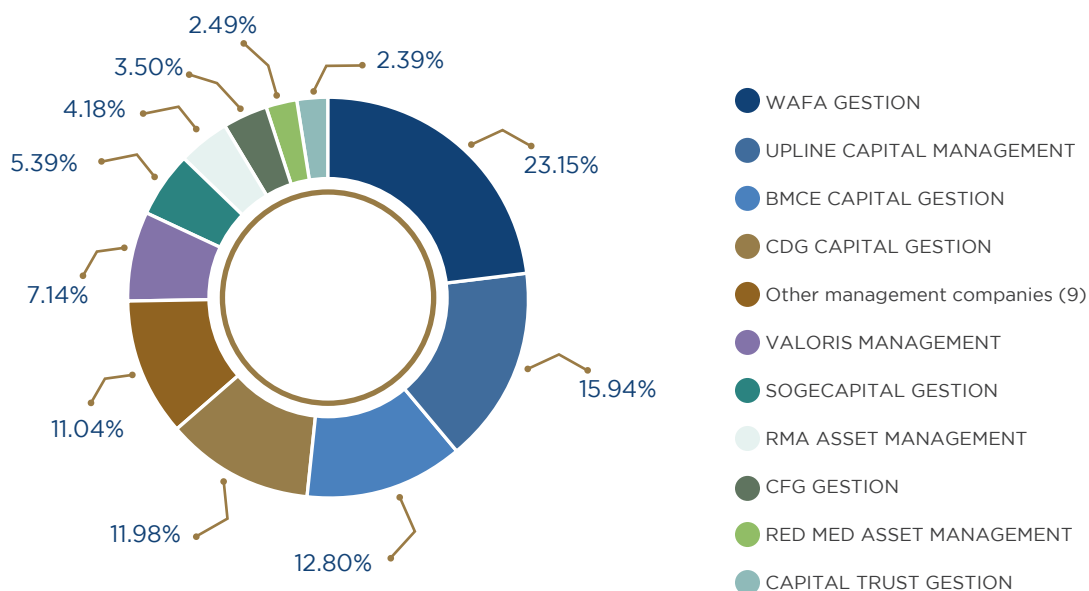


Source: UCITS management companies

As regards the breakdown of net assets by management company, most of the growth was concentrated in the four UCITS management companies affiliated to banks, which together managed around two-thirds of total net assets under management (63.86%) at the end of 2023, representing total assets under management of MAD 357.54 billion.

Nine out of ten independent asset management companies saw their net assets increase significantly. These increases ranged from 22.36% to 127.10%.

**Graph 34. Breakdown of net assets by UCITS management company**



Source: UCITS management companies

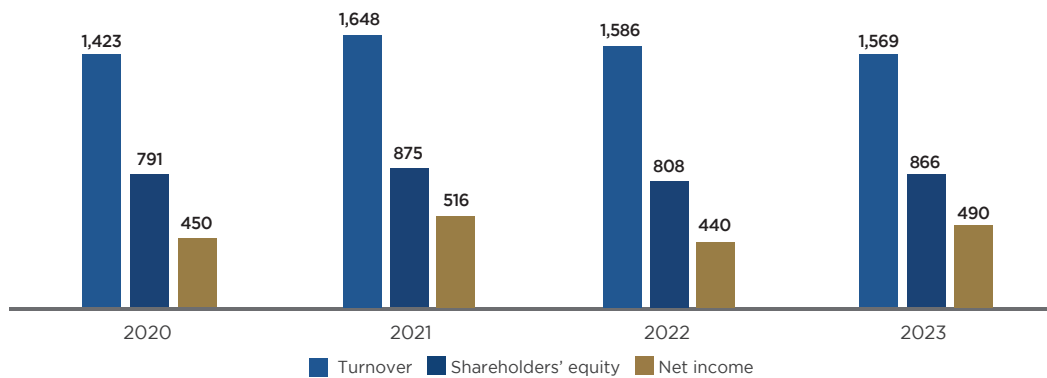
## I Financial indicators

At the end of 2023, consolidated revenues generated by UCITS management companies fell by 1.08% to MAD 1.57 billion, compared with MAD 1.59 billion at the end of 2022. This decline is directly correlated with the 5.68% fall in average net assets for the sector in 2023 compared with the previous year.

The sector's aggregate net income came to MAD 490.38 million in 2023, up 11.57% on the year-earlier figure. As a result, and also due to the aforementioned decline in overall revenues compared with 2022, the aggregate net margin rose by 3.5 percentage points year-on-year to 31.25% at the end of 2023.

Shareholders' equity raised by all UCITS management companies was also up, rising from MAD 808.25 million in 2022 to MAD 865.51 million in 2023, an increase of 7.09%. The overall return on equity at the end of 2023 is 56.66%, reflecting a greater increase in the aggregate net income of management companies than in their equity funds.

**Graph 35. Change in the financial indicators of UCITS management companies**  
(in MAD million)



Sources: UCITS management companies, AMMC calculations

### 5.4.2 FPCT management companies

There were four approved FPCT management companies at the end of 2023:

- Maghreb Titrisation ;
- Attijari Titrisation ;
- BMCE Capital Titrisation ;
- SOFAC STRUCTURED FINANCE.

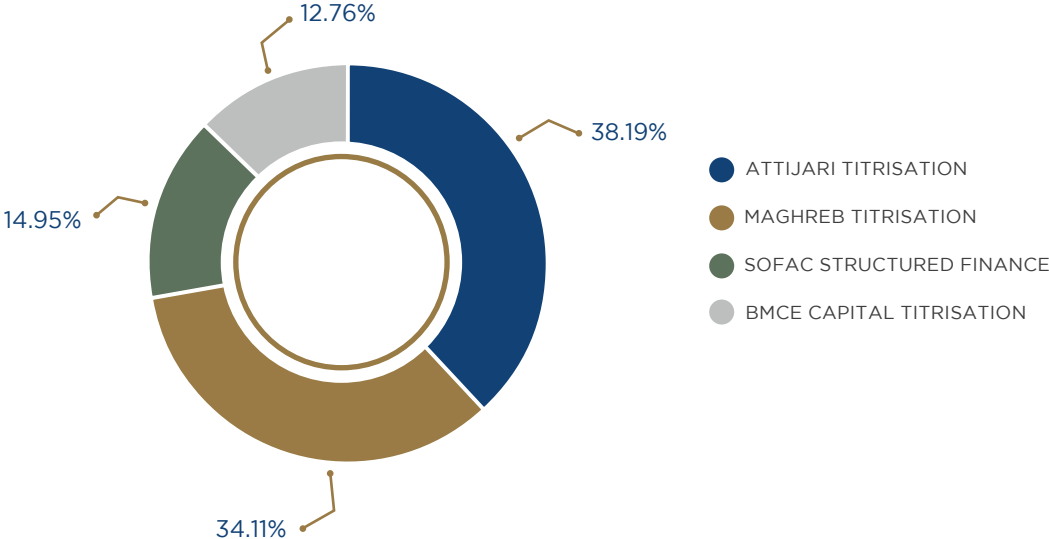
In terms of headcount, the four FPCT management companies had 23 employees at the end of 2023, including 11 in charge of managing and structuring securitization funds.

#### I Business indicators

At the end of 2023, FPCTs total assets under management amounted to MAD 17.80 billion, distributed among FPCT management companies as follows:

- **Attijari Titrisation** manages four funds, including one with three sub-funds and a second with one sub-fund, totaling MAD 6.80 billion in assets under management, or 38.19% of the market share;
- **Maghreb Titrisation** manages seven funds, including three single-fund funds, totaling MAD 6.07 billion in assets under management, or 34.11% of the market share;
- **SOFAC structured Finance** manages four funds totaling MAD 2.66 billion in assets under management, or 14.95% market share;
- **BMCE Capital Titrisation** manages four funds, including one with eighteen sub-funds and another with one sub-fund, totaling MAD 2.27 billion in assets under management, or 12.75% of the market share.

**Graph 36. Breakdown of the amount outstanding under management by FPCT management company**



Sources : FPCT management companies, AMMC calculations

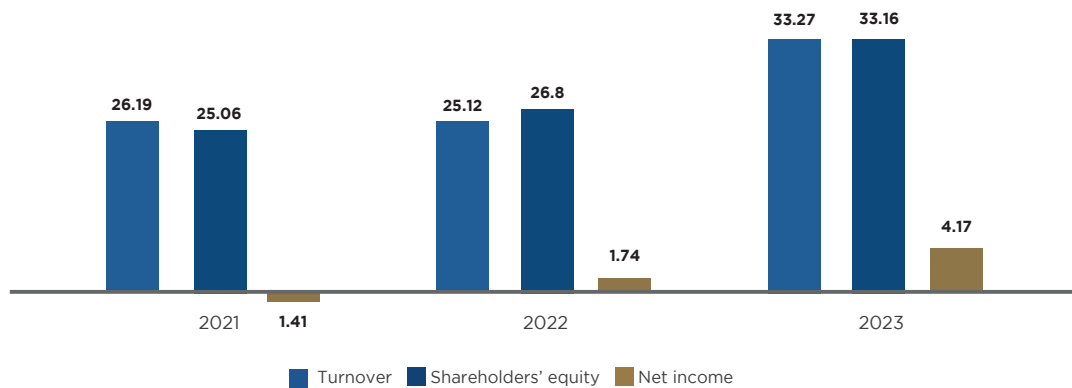
## Financial indicators

The consolidated revenues of the four FPCT management companies amounted to MAD 33.27 million in 2023, up from MAD 25.12 million in 2022, representing a 32.44% rise.

The consolidated net income of FPCTs increased by 140% reaching MAD 4.17 million in 2023, compared with MAD 1.74 million in 2022.

The shareholders' equity of all FPCTs increased from MAD 26.80 million in 2022 to MAD 33.16 million in 2023, an increase of almost 23.73%. This rise in shareholders' equity includes a capital increase carried out by one of the FPCTs.

**Graph 37. Change in the financial indicators of FPCT management companies**  
(in MAD million)



Sources : FPCT management companies, AMMC calculations

### 5.4.3 OPCC management companies

In 2023, the Minister of Economy and Finance, further to an opinion of the AMMC, granted two new approvals to manage OPCCs, following amendments to the articles of association of two OPCR management companies. These companies are Upline Investments and CDG Invest Infrastructures.

Furthermore, the management company EmergingTech Ventures (formerly known as Seaf Morocco Capital Partners) has obtained a new approval from the Minister of Economy and Finance, after consultation with the AMMC, following a change in its shareholder structure.

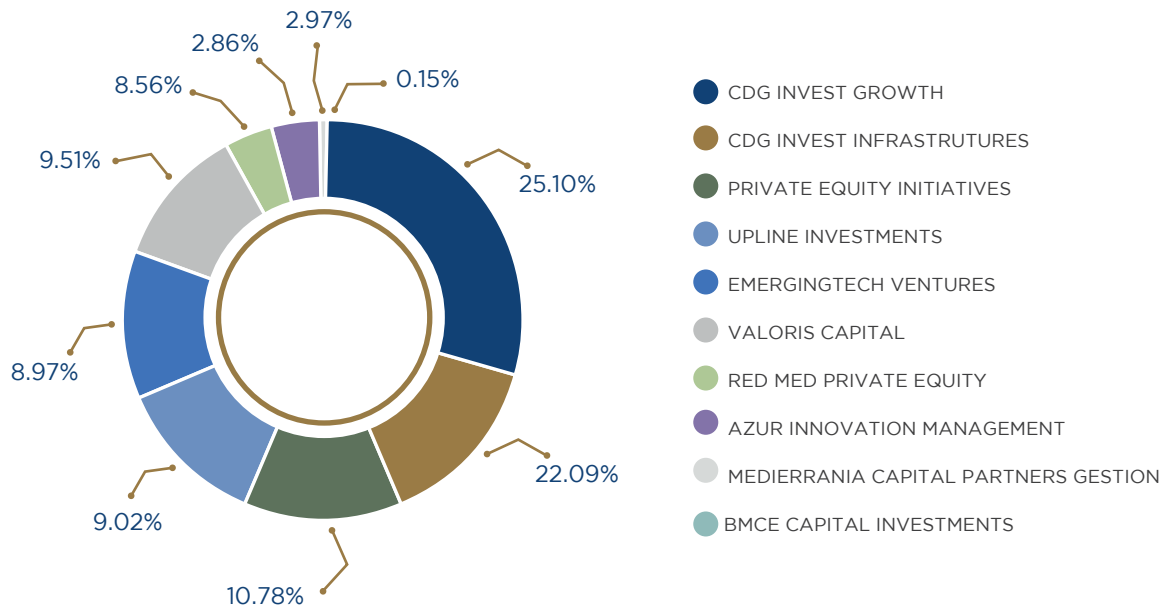
In terms of headcount, at the end of 2023, OPCC management companies had a total of 76 employees as at December 31, including 31 directors and investment officers.

## Activity indicators

At the end of 2023, total net assets under management by OPCC management companies reached MAD 2,530.27 million, compared with MAD 2,307.93 million in 2022, representing an increase of 9.63%.

In terms of business concentration, the top three OPCC management companies had a combined market share of 58%, with net assets under management of MAD 1,466.7 million.

**Graph 38. Breakdown of net assets by OPCC management company**



Sources : OPCC management companies, AMMC calculations

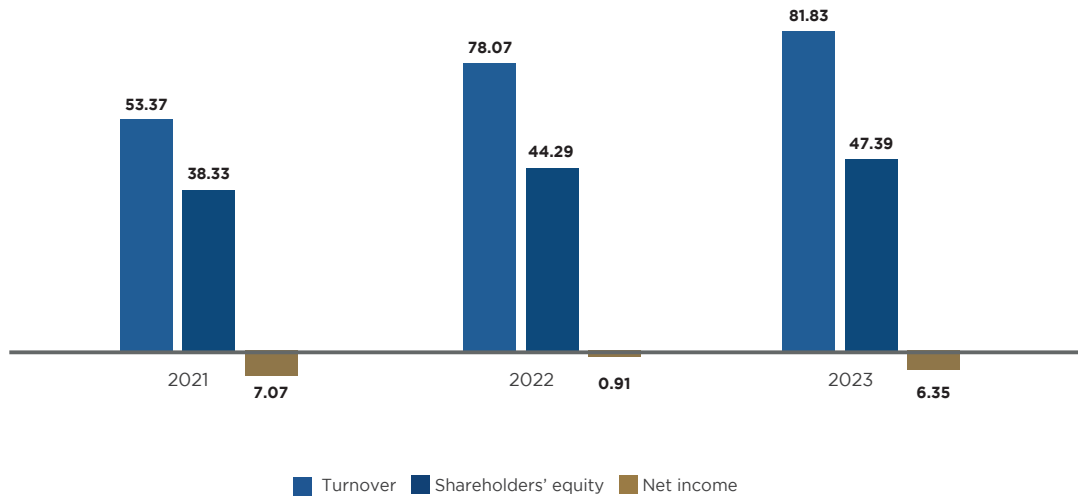
## Financial indicators

The consolidated revenues of OPCC management companies rose by 4.81% in 2023 to MAD 81.83 million, compared with MAD 78.07 million in 2022. This was mainly due to the start-up in 2023 of two new OPCCs managed by two management companies.

The consolidated net income of the OPCC management companies showed a loss of MAD 6.35 million, compared with a loss of MAD 0.91 million a year earlier. This was mainly due to losses recorded by four management companies, two of which did not start managing OPCCs.

Shareholders' equity raised by all OPCC managing institutions was up 7% in 2023 to MAD 47.39 million, compared with MAD 44.29 million a year earlier. This increase was due in part to capital increases carried out by four management companies, and in part to higher profits recorded by three management companies.

**Graph 39. Change in OPCC management companies' financial indicators**  
(in MAD million)



Sources : OPCC management companies, AMMC calculations

#### 5.4.4 OPCI management companies

At the end of 2023, there were nine OPCI management companies.

OPCI management companies are growing in terms of headcount, with a total of 96 employees at December 31<sup>st</sup>, 2023, 34 of whom hold fund manager or asset manager positions.

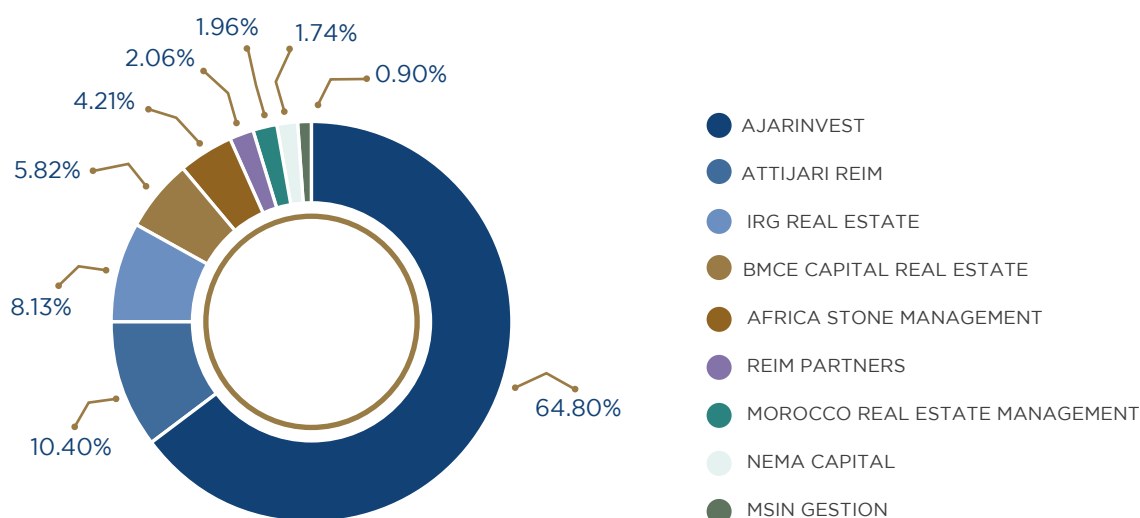
##### I Activity indicators

The total net assets of the 49 active OPCIs reached MAD 85.49 billion at the end of 2023, held by 39 OPCIs in the form of SPI-RFAs reserved for qualified investors and 10 OPCIs in the form of SPIs managed by 9 OPCI management companies.

In terms of business concentration, the two leading management companies on the market, Ajarinvest and Attijari REIM, had a combined market share of 75.20%, with net assets under management totaling MAD 64.28 billion at the end of 2023.

In terms of assets under management, the two leading OPCIs account for 42% of total net assets under management.

**Graph 40. Breakdown of net assets by OPCI management company at year-end 2023**



Sources : OPCI management companies, AMMC calculations

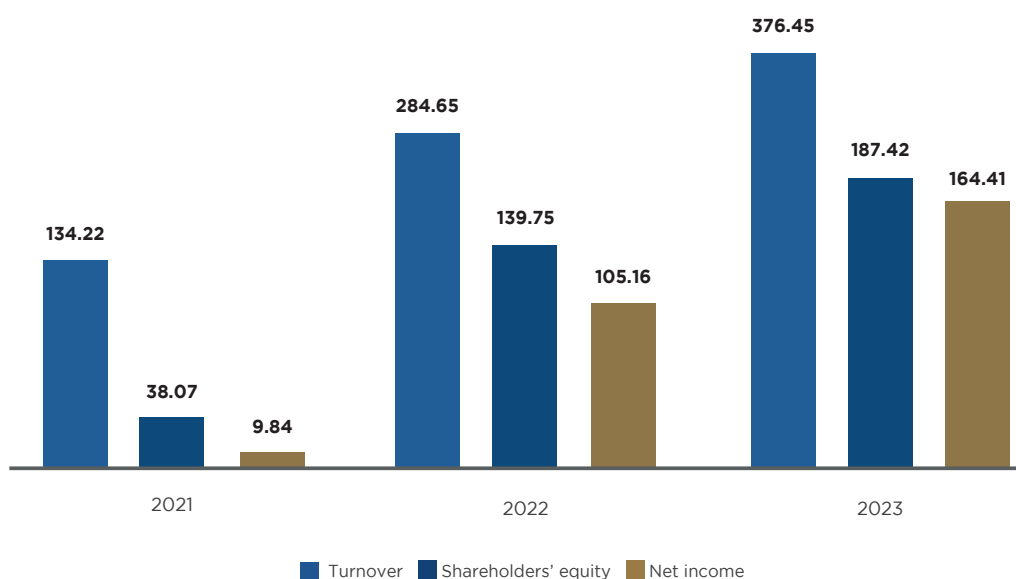
### Financial indicators

The consolidated revenues of OPCI management companies increased by 32% to MAD 376.45 million in 2023, up from MAD 284.65 million in 2022. This increase was mainly due to a 48% rise in assets under management.

The consolidated net income of OPCI management companies continued its upward trend, rising by 56% to MAD 164.41 million, up from MAD 105.16 million in 2022.


Shareholders' equity raised by OPCI management companies increased by 34% to MAD 187.42 million in 2023, up from MAD 139.75 million a year earlier.

**Graph 41. Change in OPCI management companies' financial indicators**  
(in MAD million)



Source : OPCI management companies, AMMC calculations



The background features a white surface with faint, light-colored geometric shapes including triangles and circles. Two horizontal lines, one dark blue and one brown, are positioned above and below the main text.

CHAPTER III.  
**THE AMMC AND  
CAPITAL MARKET  
SUPERVISION**

# 1. AUTHORIZATIONS AND APPROVALS

## 1.1 Approval of market participants

In 2023, the AMMC processed three OPCC approval applications, including two changes to the corporate purpose of two venture capital investment schemes (OPCR) management companies and one change of control of an OPCC management company.

In addition, the AMMC granted approval to a real estate investment schemes (OPCI) management company to relocate its headquarters and the effective location of its operations.

**Table 18. List of applications processed by the AMMC in 2023**

Entity	Action taken
CDG Invest Infrastructures - OPCR Management Company	The three companies were approved by the Minister of Economy and Finance after a consultation with the AMMC.
Upline investments - OPCR Management Company	
EmergingTech Ventures - OPCC Management Company	
IRG Real Estate - OPCI Management Company	The company has obtained the approval of the AMMC for the relocation of its headquarters and effective location of its operations.

Source: The AMMC

### 1.1.1 Participants' registrations and declarations

In 2023, the AMMC's circular n°01/20 on financial investment advisors came into force, following its publication in the Official Gazette n°7168 of February 9, 2023. During the course of the year, the AMMC registered 9 financial investment advisors and received declarations from 2 banks operating in the financial investment advisory activity.

## 1.2 Authorization of financial operations

### 1.2.1 Equity securities transactions

The AMMC authorized 5 equity securities transactions during the financial year 2023, as shown in the table below:

**Table 19. Authorized equity transactions in 2023**  
(in MAD million)

Transaction type	Issuer	Authorization date	Authorized value	Transaction date	Achieved value	Transaction description
<b>Initial Public offering (IPO)</b>	<b>CFG Bank</b>	22/11/2023	600	18/12/2023	600	IPO by capital increase.
<b>Capital increase</b>	<b>HPS</b>	05/06/2023	56	25/07/2023	56	Capital increase per exercise of subscription options, reserved for eligible employees and consultants of HPS S.A. and the group's subsidiaries.
	<b>Crédit du Maroc</b>	31/01/2023	577	01/03/2023	0.41	Mandatory takeover bid following the acquisition of Crédit du Maroc's control at the initiative of the Holmarcom group.
<b>Public offer</b>	<b>TIMAR</b>	01/06/2023	42	10/07/2023	2	Mandatory takeover bid following the acquisition of control of Timar by the Clasquin group.
	<b>Sanlam Morocco</b>	20/12/2023	2,080	23/01/2024	1,297	Mandatory takeover bid following the change of control of Sanlam Maroc induced by the merger of the Sanlam and Allianz groups' activities in Africa.

(\*) Represents the date of registration of the transaction on the Casablanca Stock Exchange.

Sources: The AMMC and Casablanca Stock Exchange

## 1.2.2 Bond issues

During the 2023 financial year, the AMMC authorized 11 bond issues by public offering, as shown in the following table:

**Table 20. Authorized debt securities**  
(in MAD million)

Issuer	Authorization date	Value	Description of the transaction
<b>BMCI</b>	03/02/2023	750	Issue of perpetual subordinated bonds with a loss absorption and coupon cancellation mechanism.
<b>Bank of Africa</b>	16/06/2023	500	Issue of perpetual subordinated bonds with a loss absorption and coupon cancellation mechanism.
<b>Bank of Africa</b>	28/11/2023	500	Issue of perpetual subordinated bonds with a loss absorption and coupon cancellation mechanism.
<b>Crédit du Maroc</b>	05/07/2023	500	Issue of perpetual subordinated bonds with a loss absorption and coupon cancellation mechanism.
<b>OCP SA</b>	30/11/2023	5,000	Issue of perpetual subordinated bonds with early redemption and deferred interest options.
<b>RCI Finance Maroc</b>	11/12/2023	200	Issue of ordinary bullet bonds, with a variable rate every 13 weeks.
<b>RCI Finance Maroc</b>	11/12/2023	100	Issue of 10-year subordinated bonds at an annually variable rate.
<b>Attijariwafa Bank</b>	15/12/2023	2,000	Issue of perpetual subordinated bonds with a loss absorption and coupon cancellation mechanism.
<b>Wafasalaf</b>	15/12/2023	250	Issue of 7-year subordinated ordinary bullet bonds.
<b>Banque Centrale Populaire</b>	18/12/2023	1,000	Issue of 10-year subordinated bonds.
<b>Banque Centrale Populaire</b>	18/12/2023	300	Issue of perpetual subordinated bonds with a loss absorption and coupon cancellation mechanism.

Source: The AMMC

Furthermore, nine private placement bond issues were authorized by the AMMC, for a total amount of MAD 4.8 billion.

## 1.2.3 Other granted approvals

### I Marketable debt securities issuance programs

During the 2023 financial year, the AMMC granted seven approvals relating to commercial paper issuance programs, one of which related to the introduction of a new program by TGCC.

The AMMC also reviewed 20 disclosure documents relating to certificates of deposit and finance companies bills programs, including one relating to the introduction of a finance company bill program by Jaida.

The marketable debt securities programs processed in 2023 are presented in the table below:

**Table 21. Marketable debt securities issuance programs**  
(in MAD million)

Instrument type	Issuer	Program ceiling
Commercial papers	MANAGEM	1,000
	TGCC	500
	Aradei Capital	500
	Immorente Invest	300
	Label Vie	800
	Jet Contractors	200
	OCP SA	7,500
Certificates of deposit	BANK OF AFRICA - GROUPE BMCE	15,000
	CRÉDIT DU MAROC	9,000
	FONDS D'ÉQUIPEMENT COMMUNAL	7,000
	BMCI	12,000
	CIH BANK	15,000
	SGMB	15,000
	ATTIJARIWAFABANK	25,000
	CFG Bank	8,000
	CIH Bank	15,000
BCP	12,000	
Finance company bills	WAFABAIL	5,000
	Maghrebail	5,950
	SOGLEASE	4,000
	RCI Finance Maroc	3,500
	EQDOM	7,000
	SOFAC (2 updates)	6,000
	JAIDA	400
	Wafasalaf	6,500
	Salafin	2,213

Source: The AMMC

## I Share repurchase programs

Companies whose securities are listed on the Stock Exchange may buy back their own shares on the stock market, with a view to promoting liquidity in the market for said shares, or to selling them, whether in return for payment or free of charge, to the company's employees or managers.

In 2023, the AMMC approved the following four share repurchase programs:

**Table 22. Approved share repurchase programs**  
(in MAD million)

Issuer	Authorization date	Description	Maximum amount to be committed
TGCC	27/01/2023	Program covering 5% of the capital, with an intervention range of MAD 110-200, and including a liquidity contract covering 20% of the program. The program runs from February 23, 2023 to August 23, 2024.	316
STOKVIS NORD AFRIQUE	09/03/2023	Program covering 5% of the capital, with an intervention range of MAD 10-23, and including a liquidity contract covering 20% of the program. The program runs from April 6, 2023 to October 5, 2024.	11
ITISSALAT AL-MAGHRIB	15/03/2023	Program covering 0.17% of the capital, with an intervention range of MAD 70-151, and including a liquidity contract covering 20% of the program. The program runs from April 10, 2023 to October 9, 2024.	227
BCP	12/06/2023	Program covering 5% of the capital, with an intervention range of MAD 159-296, and including a liquidity contract covering 20% of the program. The program runs from July 10, 2023 to January 9, 2025.	3,009

Source : The AMMC

## I Public offerings carried out accessorially in Morocco by foreign groups

During the 2023 financial year, the AMMC authorized fourteen public offerings carried out accessorially in Morocco. These were exclusively made by foreign groups for the benefit of their employees around the world, including those of their Moroccan subsidiaries.

**Table 23. Public offerings carried out accessorially in Morocco**

(in MAD)

Issuer	Authorization date	Security type	Total value of the offering in Morocco	Subsidiaries benefiting from the transaction in Morocco
<b>NGE</b>	01/02/2023	Company mutual funds shares	9,012,767	NGE Contracting Morocco
<b>Airbus SE</b>	24/02/2023	Equity securities	8,073,281	STELIA Aerospace Maroc SA, Aerolia construction Aéronautique du Maroc SA and Airbus Defence and Space Maroc
<b>Danone</b>	09/03/2023	Equity securities	44,683,102	Centrale Danone
<b>TotalEnergies SE</b>	02/05/2023	Company mutual funds shares	18,113,307	TotalEnergies Marketing Maroc, Emplissage de GAZ d'Ouarzazate, Société d'Emplissage de GAZ de Berrechid, MAHATTA, Composite Industrie Maroc and HUTCH Maroc
<b>Vinci</b>	02/05/2023 23/05/2023	Equity securities	26,029,074	Freyssima maroc, Cegelec Maroc, Dumez Maroc, Sogea Maroc, Solsif Maroc, Exprom Facilities, Vigiprom, Sixense Maroc and branches Sixense Soldata Maroc and terre Armée Maroc
<b>Société Générale</b>	05/06/2023	Equity securities	97,872,936	Athena Courtage, Eqdom, La Marocaine Vie, La Marocaine Vie Immobilier, Société Générale Marocaine de Banques, Sogelease Maroc, SG ATS, SG ABS, Cedrus Assurances services, Al Maghribia Takaful
<b>Sanofi</b>	06/06/2023	Company mutual funds shares	5,872,494	SANOFI-AVENTIS Maroc
<b>Décathlon (DISP)</b>	09/06/2023	Company mutual funds shares	6,016,292	Decapro Maroc, Décathlon Maroc, Proxyline and Decathlon régional support
<b>AXA</b>	29/08/2023 12/10/2023	Company mutual funds shares	50,018,942	Axa Assurance Maroc, Carré Assurance Maroc, AXA Assistance Maroc Services S.A Branches or groupings : AXA Services Maroc GIE, Axa France IARD Branch, AXA France Vie Succursale, AVANSSUR Branch and AXA Group Operations Morocco Succursale.
<b>Renault</b>	07/09/2023 25/09/2023	Company mutual funds shares	93,291,989	Renault Tanger exploitation, Renault Commerce Maroc, Somaca, RCI finance Maroc and Renault Maroc Services.
<b>Veolia</b>	12/09/2023 09/11/2023	Company mutual funds shares	65,519,858	Veolia services à l'environnement Maroc, Veolia environnement industries Maroc, Amendis, Redal, Amanor, VEOS déchets dangereux and Compagnie de Travaux Hydrauliques du Maghreb
<b>Capgemini</b>	15/09/2023 14/11/2023	Company mutual funds shares	70,298,071	Capgemini technology services Maroc S.A., Altran Maroc and mg2 engineering
<b>Air Liquide</b>	06/10/2023 03/11/2023	Equity securities	2,550,913	Air Liquide Maroc
<b>EssilorLuxottica</b>	26/10/2023	Company mutual funds shares	2,043,093	Essilor Management North and West Africa, Compagnie Industrielle d'Optique du Maroc SA, Movisia SA, and Essilor Technologie and Services

Source : The AMMC

## I The annual information form

The annual information form (AIF) contains information about the issuer. It is examined and registered by the AMMC under the same conditions as a prospectus, then published after its registration. The AIF then remains valid until the closing of the issuer's new financial statements, for a maximum period of 12 months.

During the validity period of the AIF, the latter can be used for the issuer's various financial transactions. The form can be supplemented by a transaction information form, which only contains information relating to the planned transaction, in order to constitute a multi-document prospectus. The adoption of this scheme allows the issuer to benefit from exit opportunities on the market given the reduced time required to review the transaction information form. The market is also better prepared for the issuer's transactions since it will have access to all the informations about the issuer prior to the launch of such transactions.

It should be noted that since the entry into force of Circular No. 03/19, the disclosure documents relating to marketable debt securities issuance programs must be composed of an annual information form (to be updated each year) and a transaction information form relating to the marketable debt securities program (to be updated in case there are any changes in the program's characteristics).

As such, in 2023 the AMMC registered the following 28 annual information forms:

**Table 24. Registered information forms**

Issuer	Registration date	Period covered
<b>Managem</b>	04/01/2023	Financial year 2021 and first half of 2022
<b>WAFABAIL</b>	06/02/2023	Financial year 2021 and first half of 2022
<b>Maghrebail</b>	14/02/2023	Financial year 2021 and first half of 2022
<b>SOFAC</b>	16/02/2023	Financial year 2021 and first half of 2022
<b>TGCC SA</b>	21/02/2023	Financial year 2021 and first half of 2022
<b>HPS</b>	05/06/2023	Financial year 2022
<b>Bank Of Africa</b>	16/06/2023	Financial year 2022
<b>CDM</b>	26/06/2023	Financial year 2022
<b>Aradei Capital S.A</b>	11/07/2023	Financial year 2022
<b>FEC</b>	17/07/2023	Financial year 2022
<b>Immorente Invest</b>	03/08/2023	Financial year 2022
<b>BMCI</b>	03/08/2023	Financial year 2022
<b>Label'Vie</b>	12/09/2023	Financial year 2022
<b>SOGELEASE</b>	13/09/2023	Financial year 2022
<b>CIH BANK</b>	13/09/2023	Financial year 2022
<b>Akdital</b>	19/09/2023	Financial year 2022
<b>RCI Finance Maroc</b>	21/09/2023	Financial year 2022
<b>SGMB</b>	21/09/2023	Financial year 2022
<b>EQDOM</b>	26/09/2023	Financial year 2022
<b>Attijariwafa Bank</b>	26/09/2023	Financial year 2022
<b>SOFAC</b>	27/09/2023	Financial year 2022
<b>JAIDA</b>	27/09/2023	Financial year 2022
<b>JET CONTRACTORS</b>	02/11/2023	Financial year 2022 and first half of 2023
<b>CFG Bank</b>	22/11/2023	Financial year 2022 and first half of 2023
<b>OCP SA</b>	30/11/2023	Financial year 2022 and first half of 2023
<b>Wafasalaf</b>	15/12/2023	Financial year 2022 and first half of 2023
<b>BCP</b>	18/12/2023	Financial year 2022 and first half of 2023
<b>Salafin</b>	22/12/2023	Financial year 2022 and first half of 2023

Source: The AMMC

When the issuer publishes its half-yearly financial statements, or when significant developments occur in its organization, business, risks, financial situation, results or prospects, the annual information form must be updated before it can be included in a prospectus used for a financial transaction. As such, the AMMC granted its approval for the updating of three AIFs, detailed as follows:

**Table 25. Updated annual information forms**

Issuer	Registration date	Period covered
Bank of Africa	28/11/2023	First half of 2023
RCI Finance Maroc	11/12/2023	First half of 2023
Attijariwafa Bank	15/12/2023	First half of 2023

Source: The AMMC

## 1.3 The authorization of collective investment schemes

### 1.3.1 UCITS

The AMMC had granted UCITS management companies 191 approvals by the end of the 2023 financial year, against 197 approvals a year earlier. These approvals included 58 for draft management regulations and articles of association, and 133 for prospectuses.

The 58 approvals granted were related to 19 new fund creations and 39 renewals, while 133 prospectuses were approved, and were related to new UCITS creations and update requests.

**Table 26. Summary of approved UCITS in 2023**

	Authorizations			Approvals of prospectuses		
	Creation	Renewal	Total	Creation	Update	Total
Equity	4	7	11	5	23	28
Diversified	5	12	17	6	28	34
Money Market	0	2	2	0	11	11
Short term bonds	1	2	3	1	14	15
Medium and long-term bonds	7	15	22	4	39	43
Contractual	2	1	3	1	1	2
<b>Total</b>	<b>19</b>	<b>39</b>	<b>58</b>	<b>17</b>	<b>116</b>	<b>133</b>

Source: The AMMC

With the exception of the money market UCITS category, the new fund authorizations granted by the AMMC in 2023 demonstrate the desire of UCITS management companies to diversify their offer and meet the needs of their institutional and individual investors in a context of economic recovery. While most of these authorizations were granted to funds with traditional investment strategies, some were granted to Contractual UCITS with investment strategies backed by a capital guarantee, as well as to equity funds focusing on specific investment themes.

### 1.3.2 Securitization Vehicle (FPCTs)

In 2023, the AMMC authorized the creation of four new Securitization vehicles, including one with sub-funds. Three authorizations involved "classic" securitization transactions involving assets of various kinds (trade receivables, receivables from leasing contracts (LOA) and loan contracts, and non-performing receivables), while one authorization was granted to guarantee the financing risk associated with a portfolio of financial instruments.

Authorized transactions were as follows:

- **FT UTILITIES:** a fund set up by the management company Attijari Titrisation to acquire existing and future trade receivables held by ONEE on its key account clients. This transaction was the subject of a public offering reserved for qualified investors under Moroccan law;
- **FT AUTO MOBILITY:** a fund set up at the initiative of the management company SOFAC Structured Finance for a securitization program involving receivables arising from leasing contracts with a purchase option for motor vehicles and loan contracts to finance the purchase of motor vehicles entered between SOFAC and clients of Auto Hall or one of its subsidiaries. The bonds issued under the first transaction of the program were the subject of a public offering reserved for qualified investors under Moroccan law;
- **FT ATLAS - sub-fund "FT ATLAS sub-fund I":** A sub-fund set up by the management company BMCE Capital Titrisation, to acquire non-performing receivables resulting from loan contracts granted by a local bank to legal persons. To this end, the sub-fund issued ordinary shares through a private placement with a foreign qualified investor;
- **FT SYNTHESIUM:** A fund set up by the management company SOFAC Structured Finance to hedge the financing risk associated with a portfolio of financial instruments held by a local bank. The funds issued three classes of bonds in a private placement reserved for qualified investors under Moroccan law.

### 1.3.3 Private equity investment vehicles (OPCCs)

During 2023, the AMMC granted seven approvals to private equity investment vehicles (OPCCs), divided between two approvals of the draft management regulations of two OPCCs, two renewals of approvals of the draft management regulations of two OPCCs and three renewals of opinions on the legal documents of two OPCCs.

With regard to the approval of the draft management regulations, the two OPCCs in question, issuing securities via private placement, are as follows:

- **"Capital Croissance"** is managed by the management company BMCE Capital Investments. This general-interest OPCC focuses on investing in enterprises with high value-creation potential;
- **"Valoris Alternative Investments Fund"**, managed by the management company Valoris Capital. This specialized OPCC targets investments in energy transition projects.

As for the renewal of approval for the draft management regulations, they relate to two OPCCs, set up in the form of Venture Capital Investment Companies (SPCC), whose management regulations have been amended. The SPCCs in question are as follows:

- **"Colombus 1"** managed by the management company Red Med private Equity management;
- **"Impetus Capital"** managed by the management company Upline investments.

The renewed AMMC opinions concerned two OPCRs, set up as venture capital companies (Sociétés de Capital Risque - SCR), whose articles of association were amended following a reduction in their share capital. These are the following SCRs:

- **"PME Croissance"** managed by the management company Private Equity Initiatives;
- **CAP MEZZANINE II** managed by the management company CDG Invest Growth.

### 1.3.4 Real estate investment schemes (OPCIs)

In 2023, the AMMC approved the draft management regulations of 13 OPCIs, 10 of which are OPCIs with streamlined operating rules. These are:

- Horizon Real Estate, Yield Stone, CLI Plus, AS Patrimoine, CIMR Patrimoine RE managed by Ajarinvest;
- CIMR Immo Premium managed by Attijari REIM;
- Soprirent Fund managed by BMCE Capital Real Estate;
- Syhati Immo managed by Reim Partners;
- Valorimmo managed by Morocco Real Estate Management;
- CIMR invest Immo managed by Africa Stone Management;
- IIF Rendement managed by IRG real Estate.

In addition, during 2023, the AMMC approved the disclosure document of ten OPCIs.

## 2. CONTROL OF FINANCIAL INFORMATION

### 2.1 Periodic disclosure

The periodic disclosures required from issuers are intended to keep investors informed about the issuers' performance and financial situation.

Issuers published the following periodic disclosures during 2023:

- annual financial reports for the financial year 2022;
- half-yearly financial reports for the first half of 2023;
- quarterly indicators for the 4<sup>th</sup> quarter of 2022 and the 1<sup>st</sup>, 2<sup>th</sup> and 3<sup>th</sup> quarters of 2023.

This information is subject to regular checks by the AMMC, in particular on:

- compliance with publication deadlines and media;
- comprehensiveness of the content required by the regulations;
- clarity, consistency and relevance of the information published.

**Table 27. The control's result**

Nature of the observations	Q4 2022	2022	Q1 2023	Q2 2023	H1 2023	Q3 2023
Non-compliance with financial publication deadlines	0	1	0	0	2	0
Non-publication	2	1	2	2	1	2

Source: The AMMC

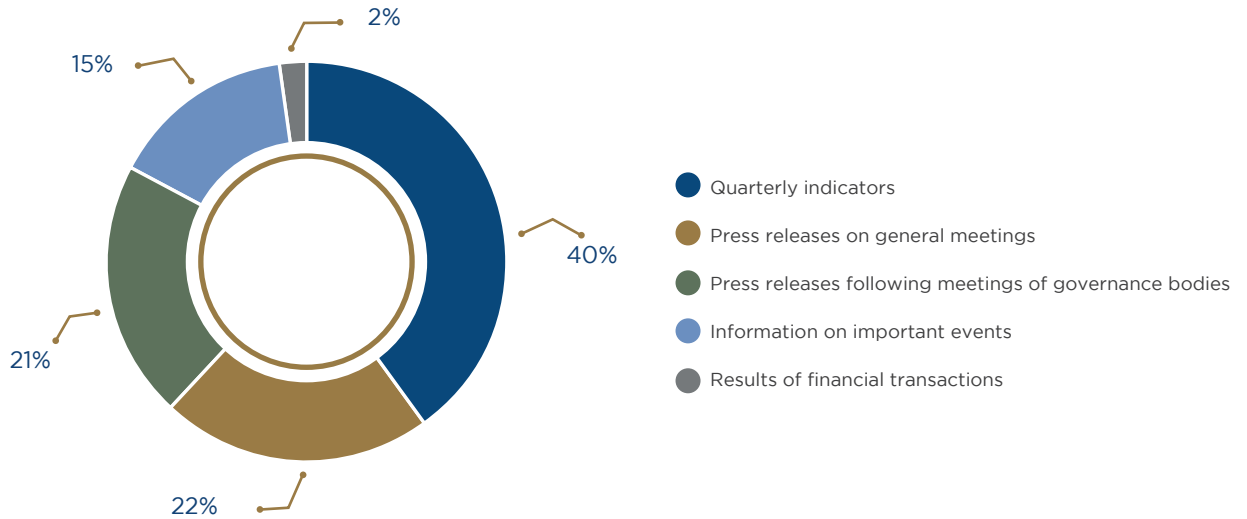
It should be noted that the cases of non-compliance with the publication deadlines and non-publication are mainly caused by companies facing structural financial difficulties.

### 2.2 Other disclosure requirements

Legal entities making public offerings are required to publish all information relating to their organization, their commercial, technical or financial situation that may have a significant impact on the stock market price of their securities or the assets of security holders, as soon as they become aware of it.

## a. Nature of publications

**Graph 42. Breakdown of publications by press release topic in 2023**



Source: The AMMC

Issuers published 859 press releases<sup>5</sup> in 2023, representing roughly the same number as in 2022. Nearly 40% of the press releases issued related to quarterly indicators, 22% to general meetings<sup>6</sup>, 21% to meetings of governance bodies, and 15% to important events.

## b. Suspension requests in 2023

In some cases, and to ensure equal access to information, the AMMC steps in and requests that the Casablanca Stock Exchange temporarily suspend the listing of some securities, pending the publication of important information or as part of the filing of a draft public offering.

Thus, three securities were subject to suspension requests in 2023. Two of these were related to the filing of a draft IPO and one awaiting the publication of important informations.

## 2.3 Threshold crossing disclosures

Threshold crossing disclosures are a disclosure requirement incumbent on shareholders who have crossed the thresholds of ownership in listed companies, either upwards or downwards. These thresholds of 5%, 10%, 20%, 33.33%, 50% and 66.66% are set by articles 97 and 98 of Law No. 19-14 on the Stock Exchange, brokerage firms and financial investment advisors. The AMMC controls and processes threshold crossing disclosures and makes them public on its website in order to report on changes in the shareholding structure of listed companies.

(5) Excluding publication of financial statements and related press releases.

(6) Notice of meeting, corrective notice, post GM press release, etc.

**Table 28. Breakdown of disclosures by investor category**

<b>Investor category</b>	<b>2023</b>
<b>Threshold crossing disclosure (upward)</b>	<b>15</b>
<i>Legal entities established under foreign law</i>	4
<i>Legal entities established under Moroccan law</i>	9
<i>Natural persons</i>	2
<b>Threshold crossing disclosures (downward)</b>	<b>14</b>
<i>Legal entities established under foreign law</i>	5
<i>Legal entities established under Moroccan law</i>	2
<i>Natural persons</i>	7
<b>TOTAL threshold crossing disclosures</b>	<b>29</b>

Source: The AMMC

## 2.4 Repurchase programs for listed companies

Listed companies that have an ongoing repurchase program are required to submit a monthly statement to the AMMC, disclosing all transfers and acquisitions made either directly or through their subsidiaries during the previous month.

**Table 29. Repurchase programs in 2023**

<b>3 repurchase programs as at 31/12/2022</b>	Stokvis Nord Afrique, BCP and IAM
<b>2 programs expiring during 2023</b>	Stokvis Nord Afrique and IAM
<b>3 repurchase programs renewed (or updated) in 2023</b>	Stokvis Nord Afrique, BCP and IAM
<b>New repurchase program approved in 2023</b>	TGCC
<b>4 repurchase programs as at 31/12/2023</b>	TGCC, Stokvis Nord Afrique, BCP and IAM

Source: The AMMC

**Table 30. Status of pending repurchase programs as at 31/12/2023**

Companies	BCP	Maroc Telecom		Stokvis Nord Afrique	TGCC
		Casablanca	Paris		
<b>Characteristics of the repurchase Program/liquidity Contract</b>					
<b>Program start date</b>	10/07/2023	10/04/2023		06/04/2023	23/02/2023
<b>Program end date</b>	09/01/2025	09/10/2024		05/10/2024	23/08/2024
<b>Maximum number of shares authorized for purchase</b>	10,165,623	1,500,000		459,758	1,581,992
<b>Capital share</b>	5%	0.17%		5%	5%
<b>Maximum purchase price</b>	MAD 296	MAD 151		MAD 23	MAD 200
<b>Minimum selling price</b>	MAD 159	MAD 70		MAD 10	MAD 110
<b>Performance of the repurchase program / liquidity contract</b>					
<b>Number of shares held at the beginning of 2023</b>	358,026	215,000	82,210	393,963	0
<b>Total number of shares purchased under the repurchase program</b>	428,423	457,732	65,328	616	3,636
<b>Total number of shares purchased under the liquidity contract</b>	2,402,282	707,484	–	–	82,023
<b>Weighted average purchase price</b>	254.90	95.29	8.79	12.11	149.35
<b>Total number of shares sold under the repurchase program</b>	308,192	534,732	46,438	–	0
<b>Total number of shares sold under the liquidity contract</b>	2,082,015	812,484	–	–	61,571
<b>Weighted average sale price</b>	250.06	97.26	8.60	–	156.02
<b>Number of shares held at the end of 2023</b>	798,524	33,000	101,100	394,579	24,088
<b>Equity share</b>	0.393%	0.015%		4.291%	0.076%

Source : The AMMC

## 2.5 Ethics of listed companies

The use of inside information by listed companies is governed by a code of ethics which sets out the requirements to be met by insiders, the appointment of a compliance officer and the drafting of a half-yearly ethics report.

As such, listed companies are required to submit a half-yearly ethics report to the AMMC. This report includes, in particular, the assessments of the listed company's compliance officer regarding compliance with ethical rules governing the use of information by insiders, as well as any difficulties encountered in applying these rules.

A list of permanent and occasional insiders, updated at the end of each half-year, is also attached to this report.

In 2023, more than 75% of these listed companies submitted their reports via SESAM both for the first half of 2023 and for the second half of the same year.

Monitoring compliance with the deadline for submissions showed that:

- 22 reports were transmitted late for the first half of 2023 and 18 for the second half;
- 3 companies failed to submit their ethics reports for the first and second semesters of 2023. These are mainly companies going insolvency proceedings.

As for the comprehensiveness of the reports, the controls carried out revealed:

- the compliance of all reports received with appendix III.2.W of AMMC circular no. 03/19 on financial transactions and disclosures;
- the failure to update two lists of insiders for the first and second halves of 2023. The companies involved in this irregularity have made the necessary adjustments at the request of the AMMC.

**Table 31. Results of the control of listed companies' ethics reports**

	H1 2023	H2 2023
No submission	3	3
Non-compliance with the submission deadline	22	18
Non-compliance with regard to the comprehensiveness of the report	0	0
Failure to update insider lists	2	2

In addition, an analysis of the content of the 2023 ethics reports revealed the following key findings:

### I Features of the code

- 6 companies updated their code of ethics in the course of 2023;
- 38 chose discretionary management;
- 58 companies required occasional insiders to sign a confidentiality undertaking;
- 55 companies had rules for drawing up financial statements designed to ensure the confidentiality of information prior to publication.

## I Ethical activity

- 25 compliance officers declared that they record insider transactions in a dedicated register;
- 1 compliance officer was consulted by insiders prior to the completion of the transactions on the shares of the listed company.

## I Information on compliance officers

In accordance with the provisions of article 2.50 of the AMMC circular no. 03/19, the position of compliance officer is permanent within the listed company.

In this respect, the compliance officers of listed companies at the end of 2023 were mainly administrative and financial directors (28%), compliance directors (23%) or legal directors (18%).

In 2023, 6 listed companies changed their compliance officer, against 5 a year earlier.

## 2.6 Monitoring of issuers' compliance with corporate governance rules

For 2023, the monitoring of issuers' compliance with the new good governance rules reveals the following main findings:

### I Independence of boards

Law no. 17-95 on public limited companies requires issuers to appoint independent directors to their governance bodies, meeting independence criteria set by the said law.

In this respect, at the end of 2023, the governance bodies of issuers included 885 directors or members of Supervisory Boards, 181 of whom are independent.

Of the independent directors and supervisory board members, 39% are women.

It should be noted that 5 issuers had no independent directors, compared with 12 at the end of 2022.

### I Compliance with the composition of audit committees

Article 106 bis of law no. 17-95 on public limited companies stipulates that audit committees of listed companies must comprise at least 3 members, all of whom must be non-executive directors or Supervisory Board members exercising no management functions, and at least two of whom must be independent for companies listed on the main market. The committee must be chaired by one of the independent members.

In this respect, monitoring issuers' compliance with corporate governance rules revealed that, of the 74 listed companies reporting that they have an audit committee, 74% are compliant in terms of composition (compared to 59% a year earlier).

This positive development is mainly due to the awareness-raising actions carried out by the AMMC during 2023, requesting issuers with audit committees that are not compliant in terms of composition to implement

the necessary measures to comply with the texts in force.

## I Monitoring of gender parity

The latest amendments to law No. 17-95 have introduced the principle of balanced representation of men and women on the governing bodies of publicly-traded companies.

The principle of balanced representation states that by 2024, the proportion of Board of Directors and Supervisory Board members of each gender must be at least 30%, rising to 40% by 2027.

Similarly, the composition of board committees must include at least one representative of each gender by 2024. As part of the preparations for the implementation of these new rules, it was noted that at the end of 2023, there were 885 directors or members of supervisory boards, 196 of whom were women, i.e. 22%. This compares with 20% a year earlier.

In listed companies, women represented 23% of directors or board members.

It should be noted that during 2023, 87 directors or members of supervisory boards were appointed, 31 of whom, i.e 36 %, were women, and 75 directors left their posts, 17 of whom were women.

**Table 32. Distribution of women's quotas in the governance bodies of publicly traded companies**

Quotas	Issuers			
	0 - 15%	16 - 25%	26 - 29%	30% and above
Number of issuers	31	25	7	30

Furthermore, as the 30% quota requirement is set to come into force in 2024, monitoring of the gender parity of issuers' Boards reveals that 30 issuers are already compliant, of which 26 are listed on the stock exchange.

On the other hand, 14 issuers have no women on their Board of Directors or Supervisory Board, and 6 issuers have a Board of Directors or Supervisory Board chaired by a woman.

## 2.7 Management of relations with statutory auditors

Monitoring the AMMC's disclosure requirements of issuers and their statutory auditors highlights the following main developments:

### I Proposals for the appointment or reappointment of statutory auditors

Proposals for the appointment or reappointment of statutory auditors must be submitted to the AMMC at least 15 days prior to publication of the notice of the general meeting at which they are to be approved.

For the year 2023, the AMMC examined 85 proposals for the appointment/renewal of statutory auditor mandates, broken down into 54 new appointments, 30 proposals for the renewal of mandates and one resignation.

In accordance with article 163 of law no. 17-95, a total of 31 of the 54 new appointments were proposed to the Annual General Meeting (AGM).

Furthermore, four matters gave rise to observations by the AMMC, mainly concerning non-compliance with the rotation principle, insufficient audit experience on the part of the issuers, and two concerning the independence of the proposed statutory auditors. Following the AMMC's observations, the four issuers have regularized their situation and have scheduled the appointment of new statutory auditors.

## I Statutory auditors' disclosure requirements

The statutory auditors' disclosure duty, governed by the provisions of law no. 43-12 relating to the AMMC, consists of informing the AMMC of any fact or decision likely to affect the issuer's financial position, jeopardize its ability to continue as a going concern, or result in a reservation or refusal of certification. Similarly, the statutory auditors are required to inform the AMMC of any discrepancies or inaccuracies they may have detected in the performance of their duties.

In the course of 2023, the AMMC was informed of seven intended reservations, two of which related to new reservations regarding under-provisioning and deterioration of net worth for a listed company, and insufficient documentation for a management company.

## I Accounting Standards

In 2023, the AMMC took part in the work of the National Accounting Council's (CNC) standing committee responsible for drafting opinion no. 26, supplementing opinion no. 5 on consolidated financial statements.

This opinion stipulates that a regulatory authority may, where justified by exceptional circumstances, grant special authorization in the form of additional time to prepare for the introduction of a new standard or interpretation, to legal persons who have already opted for IFRS for their consolidated financial statements.

During this transitional period, the consolidation accounting framework authorized by the CNC must correspond to IFRS, as adopted by the European Union and applied by the entity during the previous financial year. At the end of the transitional period, set by the regulatory authority, it is mandatory to revert to full application of IFRS.

## I Chartered Accountants' Association/ AMMC commission

To strengthen collaboration with the Chartered Accountants' Association ("Ordre des Experts Comptables" - OEC), several joint working groups have been set up, with the aim of addressing topics of common interest, notably those relating to improving the quality of financial and extra-financial information published by issuers, and sustainable finance.

## 2.8 Reporting on corporate social responsibility

### 2.8.1 ESG reporting (environmental, social and governance)

Almost all issuers published their ESG reports for the financial year 2022 on time.

The assessment of the quality of ESG reports published in 2023 and relating to the financial year 2022 highlighted the following key points:

#### I General information

- **Profile Description:** 87% of issuers described their profile, with 42% providing information on products and brands marketed, markets served and geographical locations, as well as key figures (capital, revenues, headcount, etc.).
- **CSR Strategy:** 83% of issuers published their CSR strategy, and only 48% provided a statement from the most senior decision-maker, concerning the relevance of sustainability to the organization, the strategic priorities and key themes identified by the company in this area, and the targets it has set itself.
- **Reporting framework:** 60% of issuers relied on benchmarks or reporting frameworks. The main frameworks mentioned were the Global Reporting Initiative (GRI), ISO 26000 and the Sustainable Development Goals (SDGs).

- **Scope of the report:** 52% of issuers indicated the scope taken into account in the preparation of the report, of which 62% included the entire scope of consolidation and did not exclude any subsidiary.
- **Materiality of ESG issues:** 52% of issuers have published a materiality analysis, on a par with last year, compared with 34% in financial year 2020 and 24% in financial year 2019.

The quality of the materiality analysis provided by several issuers has also improved significantly.

In fact, the approach to identifying issues is increasingly well described, with materiality thresholds being placed on each issue identified, and the reference frameworks used specified.

The identity of the stakeholders involved is increasingly specified. The same applies to consultation methods (questionnaires, surveys, interviews, etc.) and data processing methods, leading to the selection and prioritization of issues.

21% of issuers carried out their materiality studies with the assistance of an expert firm.

One issuer reported having carried out a dual materiality analysis for the financial year 2022, which, as a reminder, consolidates two types of analysis:

- Financial materiality ("Outside-in" vision) - or simple materiality - which studies the impact of social and environmental issues on the company's economic performance;
- Impact materiality ("Inside-Out" vision), which looks at the impact of the company's activities or value chain on the environment and society.
- **Information collecting method:** 41% of issuers mentioned their collection method, 39% of which were exhaustive and described the process of identifying, collecting, processing and compiling extra-financial information.

## I Specific information

**The "environmental" dimension** addresses the issuer's environmental policy and covers the impacts related to the use of natural resources and waste treatment, highlighting the company's participation in the preservation of these resources and the efforts made to reduce their consumption.

An analysis of the ESG reports published for the financial year 2022 reveals the following:

- activities with an impact on the environment were mentioned by 51% of issuers, twelve of whom claimed to have a low or limited impact on the environment, mainly linked to the running of their buildings and work tools, travel and administrative processing;
- 87% of issuers reported an environmental policy, and only 1 reported it was involved in an environmental dispute;
- 76% of issuers disclose the actions they have taken to assess and minimize the environmental impact of their activities. The various measures deployed include an energy audit, a life-cycle analysis of the main products, an environmental impact assessment (EIA) and a carbon footprint for 12 issuers, covering all the significant SCOPE 1, 2 and 3 items;
- 64% of issuers reported on waste management, including nine companies that mentioned the circular economy concept;
- 66% of issuers use key indicators to measure their consumption of resources, mainly water, electricity and raw materials. Some companies also indicate their use of fuel oil, gas, chilled water for air conditioning, superheated water, CO2 emissions, etc., as well as the measures put in place to optimize consumption of these resources. These include the widespread use of LED lighting, the installation of photovoltaic panels and employee awareness-raising campaigns.

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**The “social” dimension** describes the broad lines of the issuer’s human resources management policy. On this dimension, most of the indicators required by Circular No. 03/19 have been provided, including recruitment, dismissal, strike days and information on staff.

An analysis of the ESG reports published for fiscal year 2022 highlights the following key findings:

- Inclusion of people with disabilities: 48% of issuers reported on measures taken for the inclusion of people with disabilities. The measures taken are varied and mainly concern the following aspects: awareness raising, accessibility, mapping of positions that can be filled by people with disabilities, participation in the Morocco Handicap Forum, etc;
- Gender equality: the analysis of the reports revealed that 64% of issuers adopted measures promoting gender equality, in all HR-related processes (recruitment, integration, compensation, career, training, etc.);
- Workforce distribution: the most frequently reported aspect of workforce distribution is gender, with 85% of companies reporting on this aspect;
- Breakdown of the workforce by sector of activity: companies provided the least information on this aspect. Only half of issuers provided this information.

## BOX 10. SUSTAINABLE FINANCE DEVELOPMENTS

For several years now, the AMMC has been committed to promoting sustainable finance at both national and international levels. Bringing the capital market into line with sustainable development is a lever for enhancing market attractiveness, and for mobilizing the financing required to achieve national sustainable development objectives.

On a national level, the AMMC has deployed a number of measures using a progressive approach, combining ecosystem awareness of sustainability issues with the introduction of practical frameworks and appropriate regulations, with a view to promoting the integration of sustainability considerations into capital market financing and investment activities.

To this end, a reference framework consisting of practical guides and mandatory rules has been progressively developed to introduce financing solutions suited to projects and companies that contribute to sustainable development objectives, and to improve issuer transparency in terms of sustainability.

Various types of sustainable bonds (Green Bonds, Social Bonds, Sustainability Bonds, Gender Bonds) have been introduced to the market, raising over 5 billion to finance projects with positive environmental and/or social impacts. In addition, ESG reporting has been made compulsory for publicly traded companies as of 2020, thereby enabling investors to make a more accurate assessment of investment opportunities by integrating sustainability-related risks and opportunities.

Alongside these initiatives, the AMMC has maintained an active involvement in various international networks and bodies dedicated to the promotion of sustainable finance and the development of standards and best practices for its regulation. Indeed, the AMMC actively participates in the work of the IOSCO Sustainability Task Force and, as Chair of the Africa and Middle East Regional Committee (AMERC), initiated a working group dedicated to sustainable finance within the said committee. It is also co-chair of the measurement working group of the Sustainable Banking and Finance Network (SBFN), which is responsible for developing the evaluation framework used to assess the progress of member countries of the network in sustainable finance.

These initiatives continued in 2023, with a number of significant developments. On a local level, the reference framework for sustainable finance was supplemented by the release of a handbook on Socially Responsible Investment (SRI) in UCITS management. This handbook sets out the various practical approaches to integrating ESG factors into investment practices, specifies the requirements applicable to funds labelled as sustainable, and provides recommendations for fund managers and investors to ensure the development of these instruments while controlling the risks of greenwashing.

In addition, the AMMC has joined forces with other key players in the financial sector (Ministry of Finance, Bank Al Maghrib, ACAPS) to set up working groups in charge of developing a sustainable finance strategy for the financial sector and a green financial taxonomy. The aim of these two structuring projects is to coordinate the efforts of the various stakeholders in order to facilitate the financing of national sustainable development objectives, by putting in place a clear, incentive-based national framework and appropriate financial solutions.

Sustainable finance has also been integrated into the cooperation between the AMMC and the Chartered Accountants Association (OEC). To this end, a "governance and sustainable finance" working group has been set up by the AMMC-OEC commission to address issues relating to strengthening the role of statutory auditors in monitoring governance rules and ensuring the reliability of sustainability-related information.

Internationally, the AMMC has stepped up its involvement in the leading bodies for the development and supervision of sustainable finance. In particular, the AMMC joined the Advisory Board of the Glasgow Financial Alliance for Net Zero (GFANZ) African network, and took part in the creation of a working group dedicated to the development of tools to strengthen the capacity of financial institutions to draw up and implement carbon transition plans. The AMMC has also joined the technical committee set up by the Global Reporting Initiative (GRI) for the development of GRI standards specific to enterprises in the financial sector.

# 3. CONTROL OF PARTICIPANTS

The AMMC supervises the activities, organization and resources of market participants to ensure that they operate under secure conditions, in compliance with the legal and regulatory provisions that govern them.

This control takes two complementary forms: on-site inspections at the participants' premises, and documentary audits through the analysis of the regulatory reports submitted to the AMMC via the "Market Authority Exchange and Supervision System" (SESAM) platform.

## 3.1 On-site inspections

In keeping with its policy of stepping up controls, the AMMC carried out 30 control missions in 2023, representing an increase of almost 60% compared with 2022. Also, in line with the orientations set out in its strategic plan, the AMMC has continued its efforts to extend the scope of its on-site inspections to new activities.

Five SCAN missions were launched with OPCC management companies, FPCT management companies and OPCI management companies.

**Table 33. Inspection missions launched in 2023**

Mission type	Brokerage firms	UCITS management companies	Alternative Funds management companies	Banks-account keepers	Market undertakings	Total
SCAN	5	4	5	-	-	14
SCRIN	1	2	-	11	1	15
<b>Total</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>11</b>	<b>1</b>	<b>29</b>

In 2023 the following highlights were achieved:

- the completion of six missions launched in 2022;
- the launch of twenty-nine SCAN and SCRIN missions;
- the completion of the SCOP mission to assess the system for valuating the assets and liabilities of funds under management by UCITS management companies;
- the completion of two SCOP missions with all participants relating to anti-money laundering and combating the financing of terrorism.

## BOX 11. REMINDER OF THE TYPOLOGY OF INSPECTIONS

- Post-inspections (SCAN) are planned on an annual or multi-year basis and cover all of a market participant's business areas and processes.
- Thematic inspections (SCRIN) are initiated on the basis of feedback related to the occurrence of a new risk or conducted on the basis of a risk management-oriented reference framework.
- Periodic inspections (SCOP) consist of short thematic audits, targeted on a specific topic, carried out on several market participants at the same time. The main objective is to compare some practices of market players in a specific area with a view to identifying good and bad practices based on a reference framework (national regulations, international standards, etc.).

SCAN: Annual scheduled supervision and control of a player

SCRIN: Supervision and control restricted to identified or reported risks

SCOP: Supervision and control of operations on certain market practices

### 3.1.1 SCAN missions

#### I Control of brokerage firms and management companies

SCAN missions were carried out at:

- brokerage firms Attijari intermédiation, Wafa Bourse, Upline Securities, CFG Marchés and Capital Trust Securities;
- UCITS management companies Africapital Management, Capital Trust Gestion, Sogécapital Gestion and Winéo Gestion;
- OPCC management companies CDG Invest Infrastructures, CDG Invest Growth and Private Equity Initiative;
- OPCI management company Ajarinvest;
- FPCT management company Maghreb Titrisation.

In addition to complying with legal and regulatory provisions, these missions focused on the assessment of:

- governance;
- financial, human, organizational and technical resources;
- transaction processing;
- customer relationship management arrangements;
- internal control and risk management framework;
- measures to combat money laundering and the financing of terrorism.

Other specific areas were covered by these missions, namely:

- the processing of stock market orders and transactions, and compliance with prudential rules by brokerage firms;
- fund management, processing of fund assets and liabilities, calculation of prudential ratios, portfolio valuation and calculation of net asset value by management companies.

## 3.1.2 SCRIN missions

### I Post-inspection missions

The AMMC has carried out four SCRIN inspections of the brokerage firm Redmed Securities, the account keeper Al Barid Bank and the UCITS management companies CFG Gestion and AD Capital, in order to verify the fulfillment and deployment of their commitments following previous SCAN missions.

### I Missions to UCI depositories

Six SCRIN missions were carried out with the depositories Attijariwafa Bank, Bank of Africa, BMCI, CIH, CFG Bank, BCP2S and CDG Capital, with a view to assessing the terms and conditions governing the exercise of the UCITS depository institution function.

Four SCRIN missions were also carried out with CDG Capital, BCP Securities services and CIH in their capacity as OPCC, OPCI and FPCT depository institutions.

## BOX 12. ON-SITE INSPECTION ACTIVITY REVIEW 2020-2023

Since the implementation of the AMMC's new organization, on-site control activities have been reviewed, with the introduction of a new approach, new procedures and new tools. In addition, the anti-money laundering and control department was reinforced by the creation of four inspection brigades, with a total of 17 people dedicated to inspection.

Within this framework, a new type of inspection missions was introduced to ensure a regular presence with market participants and infrastructures, alternating between general missions (SCAN<sup>7</sup>), thematic missions to identify good vs. bad practices (SCOP<sup>8</sup>) and one-off missions following the detection of a new risk (SCRIN<sup>9</sup>).

The period 2020-2023 was marked by an increase in the number of inspections, from 26 between 2020-2021 to 47 between 2022-2023, with an average annual coverage rate of 50%<sup>10</sup>. This increase in the number of inspection missions was accompanied by the extension of the scope of control to new market activities, namely private equity investment vehicles in capital (OPCC) and real estate investment schemes (OPCI).

### I Focus on SCOP missions

Based on a benchmark of international best practices, the AMMC has carried out missions involving nearly 200 participants from all sectors of the capital market. These missions focused on the following themes, and led to the drafting of guides or the sharing of income with local operators:

- the methods used by syndicate members to collect subscriptions for public offerings for sales, in particular the technical resources deployed and the control plans put in place to ensure compliance with subscription procedures;
- The assessment of the anti-money laundering and combating the financing of terrorism system, in particular aspects relating to the identification of clients and their beneficial owners, the assessment of risks of CB/CFT<sup>11</sup>, the monitoring and control of operations as well as the mechanism for reporting suspicions to the ANRF<sup>12</sup> and the relationship with the CNASNU<sup>13</sup>;
- The internal control system within UCITS management companies regarding the identification, control and management of risks, the drawing up of control plans and the reporting of control results to management and governance bodies;

(7) Annual scheduled supervision and control of a player

(8) Supervision and control restricted to identified or reported risks

(9) Supervision and control of operations on certain market practices

(10) Coverage rate (excluding SCOP mission) = number of participants checked / total number of participants.

(11) Money laundering and the financing of terrorism.

(12) National Financial Intelligence Authority

(13) National Commission for the implementation of sanctions provided for in the United Nations Security Council resolutions on terrorism, proliferation of weapons and their financing.

- The assessment of the conditions under which the UCI depository business is carried out, as well as the organization of the entity in charge of securities account-keeping. This led to the drawing up of a map of good and bad practices, the identification of development levers in terms of resources to be put in place, and the reporting of difficulties relating to the carrying out of the UCI depository activity;
- The assessment of the valuation scheme for the assets and liabilities of funds under management within UCITS management companies through the organization of the valuation scheme, the analysis of the valuation process and its control and valuation policies and procedures.

## 3.2 Documentary audit

### 3.2.1 Control of brokerage firms and account keepers

#### I Monitoring incidents

In 2023, the AMMC received 92 incident notifications from brokerage firms and banks (for securities account keeping), compared to 97 notifications in 2022.

**Table 34. Number and typology of incidents reported to the AMMC in 2023**

	Activity-related incidents	Technical Incidents	Other incidents
<b>Brokerage firms</b>	9	44	6
<b>Banks - account keepers</b>	22	4	7

Sources : Market participants, AMMC calculations

**Table 35. Typology of incidents reported by brokerage firms**

	Technical incidents	Activity-related Incidents	Other incidents
	Incident involving telecommunication links	17	Incidents relating to the execution of stock market orders (excluding regularization and suspension) 3
	System bugs (abnormal operation)	11	Incident relating to the constitution of PONA 2
	Incident relating to the trading/listing platform	9	Exceeding prudential rules 2
<b>Brokerage firms</b>	Telephone recorder incident	2	Incident relating to repurchase activity 1
	Incident relating to time synchronization between systems	2	Other incidents 6
	Incident relating to the Maroclear platform	2	Incident relating to the processing of public offerings 1
	Incident relating to data loss (physical or digital)	1	

Sources: Brokerage firms, AMMC calculations

**Table 36. Typology of incidents reported by account keepers-banks**

	Activity-related incidents	Technical incidents	Other incidents
Account keepers - banks	Incident relating to securities transactions	18	System bugs (abnormal operation) 3
	Incident relating to the management of the issuer's accounts	1	
	Incident relating to the settlement of transactions	1	Incident relating to telecommunication links 1
	Incident relating to transaction accounting	1	Other incidents 7
	Incident relating to the constitution of PONA	1	

Sources: Account keepers - banks, AMMC calculations

A large proportion of the incidents reported were classified as of low to moderate criticality, and related to technical problems such as system bugs causing temporary business interruptions, telecommunication links breakdowns and problems with securities transactions.

Furthermore, all the reported incidents were closely monitored by the AMMC. These included:

- technical incidents involving information systems;
- customer-related incidents.

### 3.2.2 Control of collective investment undertakings and their management companies

#### I Control of UCITS and their management companies

UCITS are required to comply at all times with all the legal and regulatory provisions to which they are subject, once they have been in operation for three months and their prospectus has been approved by the AMMC.

The aforementioned legislative and regulatory provisions, which are subject to ongoing monitoring by the AMMC, mainly relate to UCITS compliance with the following requirements:

- prudential rules governing the composition of their assets (these define the proportions of securities, repurchase agreements, securities lending transactions and liquid assets in the portfolio, as well as the maximum level of debt they are authorized to incur. Their purpose is to control the main risks to which UCITS are exposed (market risk, counterparty risk, liquid asset risk and leverage risk);
- their classification and investment strategy, as specified in their prospectuses;
- the exclusive interest of their unitholders or shareholders in all transactions they initiate;
- their disclosure requirements to investors.

Over the course of 2023, in addition to the usual and regular controls to which it subjects UCITS, the AMMC has once again required management companies to carry out two stress-testing campaigns for managed UCITS. The main purpose of these stress tests is to enable management companies to assess the ability of the UCITS under their management to honor requests for massive repurchases under both normal market conditions and conditions of illiquidity in the assets held in their portfolios. The results of the stress tests carried out in 2023 showed a reduction in the liquid asset risk of UCITS compared with 2022, which, combined with the upturn in both yields and inflows, reflects the strength and resilience of the sector.

## I Control of UCIs

UCIs are required to comply with the legislative and regulatory provisions to which they are subject:

- prudential rules relating to the composition of their assets, which define the proportions of securities, repurchase agreements, securities lending transactions and liquid assets making up their portfolios, as well as the maximum level of debt they are authorized to contract. The rules approve the main risks to which UCIs are exposed: market risk, counterparty risk, liquidity risk and leverage risk;
- their investment strategy and classification, as specified in their prospectuses;
- the management and operating rules set out in their management regulations;
- the exclusive interest of their unitholders or shareholders in all transactions they initiate;
- the principle of fair treatment of unitholders and shareholders;
- disclosure requirements to investors.

## I Control of UCI's management companies

Documentary audits of UCI management companies focus mainly on:

- the compliance with all legal and regulatory provisions governing their activities;
- the adequacy between the resources deployed by management companies (financial, human, technical and organizational resources) and the activities carried out by said companies;
- prioritizing the interests of the investors whose assets they manage;
- the compliance with their disclosure requirements;
- assessing and monitoring the risks borne by management companies;
- validating advertising communications concerning management companies or the UCIs they manage;
- checking the documents and information provided by management companies, with respect to the legal and regulatory provisions in force.

# 4. SUPERVISION OF MARKET UNDERTAKINGS AND INFRASTRUCTURES

Market undertakings are an essential component of capital market structure, given the services they offer participants and their systemic dimension. They manage technical infrastructures operating regulated activities, notably quotation, clearing and settlement/delivery systems, carried out by companies created by specific laws and subject to strict supervision.

## I Overview of the legal basis for the supervision of market undertakings and infrastructures

Pursuant to the provisions of Law No. 43-12 on the Moroccan Capital Market Authority, Law No. 19-14 on the Casablanca Stock Exchange, brokerage firms and financial investment advisors, and Law No. 35-96 on the creation of a central depository and the establishment of a general system for the book-entry of certain securities, the Moroccan Capital Market Authority controls and supervises capital market undertakings and infrastructures.

It should be noted that the activities of market undertakings and infrastructures cover on a main and regular basis one or more of the following activities:

- trading of financial instruments;
- clearing of financial instruments;
- settling financial instrument transactions;
- custody of financial instruments.

The AMMC controls and supervises the Stock Exchange Management Company and the infrastructures it manages. These infrastructures cover, on the one hand, the securities listing and trading system and, on the other hand, the guarantee system for the proper completion of listed securities transactions.

Furthermore, Article 33 of Law No. 19-14 relating to the Casablanca Stock Exchange, brokerage firms and financial investment advisors empowers the AMMC to ascertain that Stock Exchange management company complies with the specifications of the concession, as approved by the Minister in charge of finance.

The AMMC also controls and supervises Maroclear as well as the infrastructures it manages. These infrastructures concern, on the one hand, the custody of financial instruments admitted to Maroclear's transactions and, on the other hand, the settlement of transactions on financial instruments in custody.

In addition, the AMMC is in charge, individually and jointly with Bank Al-Maghrib, as part of the Futures Market Coordination Authority, of the functioning and supervision of the futures market, of the clearinghouse and of the trading and clearing members, empowered to carry out the trading and clearing activities of transactions on listed financial instruments.

## I Overview of the powers of the AMMC to supervise market undertakings and infrastructures

With a view to ensure the resilience and proper functioning of the managed market infrastructures, the AMMC monitors the compliance of market undertakings with the operating rules governing them provided for by the

various legal and regulatory provisions.

Furthermore, and in accordance with the regulatory framework provided for, in particular, by the circulars of the AMMC, the latter ensures the adequacy of the resources rolled out by market undertakings, mainly in terms of governance, compliance, organizational, human, financial, IT and technical resources, and business continuity.

To this end, these market undertakings are required to send to the AMMC, at defined intervals, all documents and information necessary for the accomplishment of its missions. Thus, the list, content and models of the above-mentioned documents and information, as well as the media and deadlines for their transmission, are set by a circular of the AMMC.

Aside from the control of the above-mentioned means, the AMMC closely monitors the following aspects: internal control, internal and external audits, risk management system, and decisions of governance bodies.

In this respect, various controls are carried out to verify all the submitted reports, particularly with regard to their completeness, consistency and timeliness. In addition to checking the rolled-out resources, the checks also concern the activities managed. These controls are mainly based on an analysis of market and post trade indicators, in particular transaction volumes, confirmation slips, assets under custody, flows settled and pending items.

Moreover, and for the purpose of investigating and ascertaining violations of legal and regulatory provisions, the AMMC is empowered to have sworn agents, specially commissioned for this purpose, carry out documentary and on-site inspections of market undertakings.

## 4.1 Supervising the Casablanca Stock Exchange

The Casablanca Stock Exchange's control activities for 2023 ensured the adequacy of the resources deployed and the resilience of the infrastructures under management.

### 4.1.1 Assessment of the supervision of the Casablanca Stock Exchange Management Company

#### I Availability rate

In 2023, the availability rate of the Casablanca Stock Exchange's trading platform was 100% for the 7th consecutive year.

#### I Incident review

The year 2023 saw the occurrence of 6 incidents of low to moderate criticality, involving in particular the clearing system, indices and statistics. The incidents reported had no major impact on the activity of market participants. They were handled by the Casablanca Stock Exchange's management company and were the subject of a diagnosis which led to a series of corrective and preventive actions.

#### I Audits carried out by the Casablanca Stock Exchange management company

The governance bodies of the Casablanca Stock Exchange management company have put in place an annual audit plan covering several areas of activity. In this regard, 3 internal audit missions, 7 monitoring missions and 3 external audit missions were conducted in 2023.

These missions covered various themes, including monitoring, incident management, cyber resilience, intrusion testing, internal control and asset management.

#### 4.1.2 Focus on the clearing and settlement guarantee system

The transactions performance guarantee system makes it possible to streamline the settlement of transactions by ensuring to the brokerage firms the delivery of securities against cash settlement.

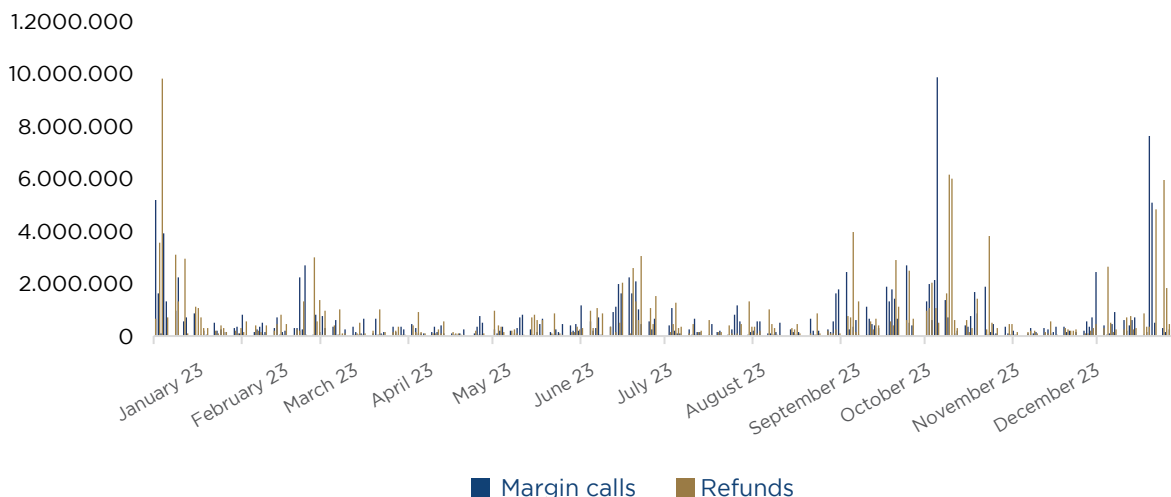
Pursuant to Article 28 of Law No. 19-14, the management company implements mechanisms allowing the efficient and secure settlement of transactions on financial instruments listed on the Stock Exchange in order to guarantee their successful completion.

The analysis of the activity of the performance guarantee system covers its two main components:

- risk management, based on the margin call system and the security deposit paid by brokerage firms to cover the risks associated with their transactions;
- the management company's system for managing pending transactions and unwinding positions.

Compared with 2022, the volume of pending transactions fell by 3.74% in 2023.

**Graph 43. Status of margin calls in 2023 (in MAD)**



Source: Casablanca Stock Exchange

#### 4.1.3 Monitoring Committee of the Casablanca Stock Exchange concession

The Monitoring Committee of the Stock Exchange concession was created by Law No.19-14, and is in charge of monitoring that the Casablanca Stock Exchange management company carries out the main missions entrusted to it by the law and the specifications of the concession. It should be pointed out that the management company holds a concession to run the Stock Exchange market, by virtue of specifications, approved in 2015 by the Minister of Finance.

This committee, which is composed of the Ministry in charge of Finance, the Moroccan Capital Market Authority and the Casablanca Stock Exchange management company, has met several times since its creation, in order to inquire particularly about the progress of the various roadmap projects, emanating from the aforementioned specifications.

Moreover, the Moroccan Capital Market Authority has been mandated by Law No.19-14 to ensure the monitoring of the management company's compliance with the terms of the said specifications. In this respect, several meetings and regular exchanges have been set up with the Casablanca Stock Exchange Management Company in order to ensure this monitoring.

## 4.2 Supervision of the Central Depository

### I Legal status and powers of the Central Depository

Maroclear is a public limited company under private law, created on July 1<sup>st</sup>, 1997, pursuant to the provisions of Dahir No. 1-96-246 of January 9, 1997 promulgating Law No. 35-96 relating to the creation of a Central Depository and the establishment of a general system of the book-entry of certain securities, as amended and supplemented by Law No. 43-02.

As part of the legal prerogatives at its disposal, Maroclear is in charge of ensuring, on behalf of its affiliates, the custody of financial instruments, the management of the Settlement-Delivery system that allows the settlement of transactions as well as the administration of all the events related to the life of a security. Maroclear is involved in the post-trading phase for both stock exchange trading and over the counter trading.

### I Missions of Maroclear

Maroclear carries out the matching and the settlement, according to the principle of Settlement against Delivery, of any transaction on the instruments admitted to its operations. This results, on the one hand, in securities flows charged directly to the accounts that Maroclear keeps and, on the other hand, in corresponding cash flows, processed concomitantly via Bank Al-Maghrib's Moroccan Gross Settlement System (SRBM).

Furthermore, Maroclear follows international standards of coding of financial instruments, by generalizing the use of the ISIN (International Securities Identification Number) codification. Such codification is compulsorily used by all the affiliates. In fact, Maroclear has the quality of "Moroccan Agency of Codification" and consequently assigns codes to the instruments admitted to its operations.

The main missions of Maroclear can be summarized as follows:

- custody of financial instruments admitted to its operations, facilitating their circulation and simplifying their administration on behalf of its affiliates;
- managing the Settlement-Delivery System;
- managing the current accounts of financial instruments opened in the name of its affiliates;
- carrying out transfers between current accounts upon instructions from its affiliates;
- Implementing all procedures in order to assist its members in exercising the rights linked to the financial instruments and in collecting the income generated by them;
- codifying the financial instruments admitted to its operations.

### 4.2.1 Assessment of the supervision

#### I Availability rate

In 2023, the availability rate of Maroclear's settlement platform was 99.9%. This rate is calculated on the basis of a single interruption of less than 2 hours over the entire year 2023, excluding maintenance shutdowns outside operating hours.

#### I Incident review

In 2023, 3 incidents were recorded, ranging in criticality from moderate to critical, and mainly involving the settlement platform and reporting. The incidents reported were handled by Maroclear's teams and diagnosed, prompting a series of corrective and preventive actions.

#### I Audits carried out by Maroclear

2023 was a pivotal year for Maroclear and saw several strategic and organizational changes. The risk management and internal audit framework is being redesigned to maximize its efficiency.

Thus, an external audit mission on the security of the information system was carried out. This engagement covered six main components, namely: external intrusion testing, internal intrusion testing, configuration audit, architecture audit, physical security audit and social engineering.

## BOX 13. MAROCLEAR'S OVER-THE-COUNTER CHANNEL

Maroclear's OTC channel is a real-time settlement system for transactions involving some of the financial instruments kept by the central depository. These transactions, negotiated over-the-counter by bilateral agreement between two parties, are settled through the delivery of securities in exchange for cash payment, via Bank Al Maghrib's SRBM, at the same time.

OTC transactions are as follows:

- primary securities market transactions;
- outright transactions on the secondary securities market;
- repurchase agreements (repo);
- securities lending transactions;
- UCITS subscriptions and repurchases;
- triangular transactions.

### Management policies

OTC transactions can be initiated from 9.45 a.m. to 3 p.m. by any affiliate. Each transaction is initiated upon instructions from both parties, i.e. the seller and the buyer.

Affiliates can either enter instructions for OTC transactions, via a file, the structure of which is provided by Maroclear, or input them into the relevant interfaces on Maroclear's IS platform.

The instructions entered via files are regarded as approved by default by their initiating affiliate. On the other hand, instructions entered via input may be modified or cancelled before being expressly approved by the initiating member. In case of non-approval, the transaction is deleted from Maroclear's systems at the end of its theoretical settlement date.

Once approved, instructions for OTC transactions are automatically matched by Maroclear's platform, based on a comparison of the characteristics of the transaction in question.

However, affiliates have the option of entering instructions with "Hold" status. In this case, the transaction in question can only be matched once the status has been changed to "Release».

### Settlement

OTC transactions are available for settlement in real time as soon as they are matched. Real-time mode is based on same-day settlement (day D) using the Gross/Gross model. This involves line-by-line accounting of securities and corresponding cash without any netting, unlike the Gross/Net model.

Transactions initiated with a settlement date greater than D are submitted for settlement on the specified date.

In the event of a securities or cash provision shortfall, the transaction in question is rejected. Unsettled OTC transactions are not recycled and are deleted from Maroclear's IS platform.

## 4.3 Market undertakings and infrastructure development projects

### 4.3.1 Roadmap of the Stock Exchange Management Company

The Casablanca Stock Exchange Company, has continued the implementation of its roadmap relating to the development of the market and the diversification of the products and market offers.

As such, several meetings were held with both the concession monitoring committee and the Casablanca Stock Exchange, and regular exchanges were set up with the management company in order to ensure the follow-up of the roll out of the said roadmap.

### 4.3.2 Establishing the futures market for financial instruments and the clearing house

The year 2023 saw significant progress in the roll-out of the futures market and the clearing house, particularly in terms of legal, prudential and operational aspects.

Two important implementing texts for Law 42-12 on the futures market were published in the Official Gazette, namely the general regulations governing the futures market management company and also the regulations governing the clearing house. These two texts set out the rules and operating procedures for listing/trading and clearing transactions in futures market instruments. In addition, the two texts lay down the rules and procedures for membership of futures market trading members and clearing members of the clearing house.

The year 2023 was also marked by the publication in the Official Gazette of implementing texts setting the minimum capital for the futures market management company, the clearing house and the futures market trading and clearing members. These thresholds were assessed and set on the basis of forecast data and in the light of international standards, in order to enable these players to meet the requirements of the activities they manage, particularly as regards the adequacy of the resources employed.

As regards the prudential aspect, the rules applicable to the clearing house and futures market members have been drawn up on the basis of international standards and are currently in the process of being approved, following several workshops and exchanges held with the relevant stakeholders.

Moreover, to prepare for the launch of the market, the AMMC has teamed up with the U.S. Commodity Futures Trading Commission (CFTC) to provide assistance and support to Moroccan market players.

An initial technical assistance mission on derivatives was carried out by a CFTC expert. The mission took place from July 24 to 28, 2023 at AMMC headquarters, and was attended by AMMC staff and a number of participants in the Moroccan capital market ecosystem. The mission focused on the fundamental aspects of derivatives markets, such as the legal and regulatory framework, the regulatory dimension and investor protection, market supervision and monitoring, derivatives risk management and control, as well as the mechanisms for contract design and transaction clearing.

As part of this ongoing collaboration, a series of distance learning and exchange workshops, delivered by experts from the CFTC, was organized for the various stakeholders involved in the roll-out and running of the futures market, including the Ministry of Finance, Bank Al-Maghrib, the Casablanca Stock Exchange and Moroccan banks and brokerage firms. The training cycle covered advanced aspects of derivatives markets, including the role of clearing houses in risk management, investor protection, increased compliance requirements (KYC/AML), managing conflicts of interest, increased supervision by market infrastructures and authorities, and improving product liquidity.

### 4.3.3 Activities of the Futures Market Coordination Authority

The Futures Market Coordination Authority is a body set up by law No. 42-12 on the futures market of financial instruments, comprising Bank Al-Maghrib and the AMMC. It is responsible for coordinating the joint role of both authorities in overseeing and supervising the futures market. Its main prerogatives include:

- assessment of futures market operating rules;
- assessment of clearing house operating rules;
- proposal for the size of the clearing house's financial resources;
- proposal for the prudential regulations applicable to the clearing house;
- assessment of the financial resources of trading and/or clearing members;
- assessment of the prudential regulations applicable to trading and/or clearing members;
- assessment and review of member approval applications;
- monitoring the operational aspects of clearing members.

In this context, the Futures Market Coordination Authority continued its activities in 2023, with a number of accomplishments recorded, including:

- drafting and implementing the memorandum of understanding governing the relationship between the two Authorities in terms of joint intervention on the futures market, particularly in terms of the deployment of resources. This protocol was signed by the legal representatives of Bank Al-Maghrib and the AMMC in January 2023;
- assessing, reviewing, approving and supporting of the various stakeholders involved in the adoption of draft general regulations for the futures market and the clearing house, as well as standard templates for ancillary agreements. As mentioned above, the ministerial orders concerning the general regulations of the clearing house and the futures market management company were published in the Official Gazette;
- proposing the scale of the financial resources required of the clearing house. As previously mentioned, the ministerial order setting the minimum capital for the clearing house has been published in the Official Gazette;
- drafting of the proposed prudential framework applicable to the clearing house. This proposal was sent by the Futures Market Coordination Authority to the Ministry of Finance on December 22<sup>nd</sup>, 2023;
- assessing, reviewing and approving proposals relating to the financial resources required of trading, clearing and trading/clearing members. As mentioned above, the ministerial order setting the minimum capital requirements for members has been published in the Official Gazette;
- assessing, reviewing and approving proposals for prudential rules applicable to trading members, clearing members and trading/clearing members. These proposals were put forward for adoption in the course of 2023;
- definition of requirements relating to the resources applicable to futures market members. To this end, specifications have been drawn up by the Futures Market Coordination Authority, along with procedures for processing approval applications.
- assessing, reviewing and approving proposals for prudential rules applicable to trading members, clearing members and trading/clearing members. These proposals were put forward for adoption in the course of 2023;
- definition of requirements relating to the resources applicable to futures market members. To this end, specifications have been drawn up by the Futures Market Coordination Authority, along with procedures for processing approval applications.

# 5. MARKET DISCIPLINE

## 5.1 Monitoring stock market transactions

The purpose of market surveillance is to detect any event or behavior that may constitute a stock market violation or any other breach or infringement of the regulations that apply to market participants or any behavior likely to disrupt the smooth operation of the market. It provides real-time and delayed monitoring of stock market orders sent by brokerage firms and helps monitor information disseminated by issuers.

The monitoring system is based on an integrated monitoring solution as well as on database management tools that generate alerts.

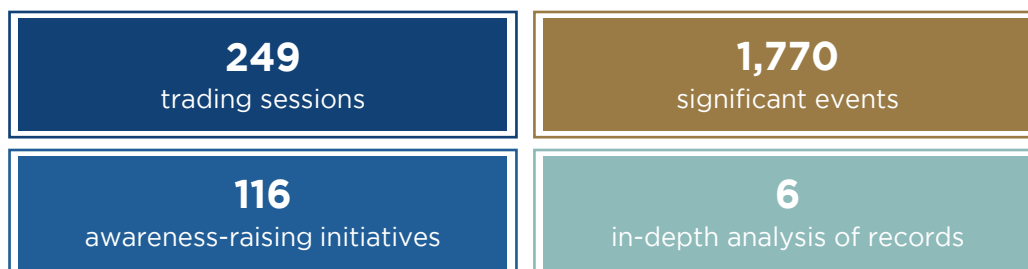
**Table 37. Surveillance data**

	2022	2023
<b>Securities under surveillance<sup>14</sup></b>	<b>107</b>	<b>103</b>
Listed stocks	76	77
Listed bonds	31	26
<b>Number of orders introduced<sup>15</sup></b>	<b>683,604</b>	<b>767,193</b>
Daily average	2,691	3,081
<b>Number of recorded transactions<sup>16</sup></b>	<b>270,035</b>	<b>316,799</b>
Daily average	1,063	1,272

Source: Casablanca Stock Exchange

The 2023 results show 1,770 significant events<sup>17</sup>, including six cases of suspected breach of regulations, which were thoroughly analyzed. In addition, 116 awareness-raising initiatives were carried out with for market participants and investors, and two cases led to the opening of an investigation.

Significant events are detected in real time based on the monitoring of trading sessions and market events. They are reviewed in particular with regard to information collected from intermediaries on investors and their profiles, in order to identify suspicious behavior that gives rise to further analysis.



(14) As at 31/12/2023.

(15) On the central stock market.

(16) Central and block markets.

(17) A significant event may be a statistical abnormality (exceptional volume, price volatility, etc.) or a case requiring further investigation (intervention at the end of the day, order cancellations, etc.).

## 5.2 Investigations

Investigations conducted by the AMMC are initiated by the President of the AMMC and may be initiated following a complaint, an inspection of a market participant or issuer, or following suspicion of an infringement or breach of the legislation in force.

Two investigations opened in 2021 were finalized in 2023, and two new investigations were opened into behavior likely to undermine the proper functioning of the capital market. The handling of two investigations led to referral to the competent judicial authorities, while one investigation was referred to the Enforcement Committee for investigation and the other was ended without further action.

The two investigations opened in 2023 were initiated following the detection of anomalies by the AMMC's market surveillance departments. They related to behavior likely to be classified as attempted price manipulation, linked to the transmission of orders and the execution of transactions carried out, in one case, by a natural person and the other by market participants.

Furthermore, the AMMC provides assistance to national authorities in the processing of requisitions issued by the Kingdom's various judicial authorities. In 2023, the Authority received 700 requisitions, an increase of almost 22% on 2022. The requisitions were issued by the Regional Criminal Investigation Brigades (44%), the National Criminal Investigation Brigade (34%), the Royal Gendarmerie (19%), the Prefectural Criminal Investigation Departments (3%) and the Central Criminal Investigation office (0.3%). These requisitions mainly related to the identification of securities accounts opened in the name of persons under judicial investigations.

## 5.3 Complaints handling

In 2023, the AMMC received 67 complaints, up to 68% compared with 2022. In order to be admissible, a complaint must fall within the AMMC's scope of competence in terms of its subject matter, and comply with the following requirements:

- having made a prior complaint to the person concerned, having remained unsuccessful for more than a month from the date of its submission or having been rejected in whole or in part;
- not be the subject of legal proceedings pending before any court, or not have been the subject of a judicial decision which has the force of *res judicata*.

Also, with reference to the aforementioned admissibility criteria, 53 complaints received did not fall within the AMMC's area of competence, but were nevertheless the subject of information to the competent authorities, where appropriate.

In 2023, the average processing time for admissible complaints was 40 days. The majority of admissible complaints processed in 2023 concerned disagreements between investors and market participants, such as the non-transmission of identifiers and passwords for online stock market applications, delays in the introduction of stock market orders through the banking network, the lack of information regarding the filing of a compulsory withdrawal public offering for a listed company, and a dispute over the calculation method used by an account keeper concerning the capital gain applied when liquidating an estate.

In addition, the AMMC has filed a complaint with the judicial authorities for identity theft, in connection with the processing of the case of a natural person who was the victim of a financial scam.

## 6. COERCITIVE POWER

### 6.1 Organization of the AMMC's enforcement power

The entry into force of law n°43-12 relating to the AMMC marked the establishment of the Authority's Enforcement Committee, an independent body tasked primarily with investigating facts likely to give rise to an administrative penalty. The creation of this collegial body establishes an essential principle of regulation, namely the separation between, on the one hand, the power to investigate facts and, on the other, the power to establish breaches and impose the corresponding disciplinary and/or financial penalties.

When the AMMC's control teams identify facts or actions likely to constitute breaches or offences against the regulations, the AMMC Presidency refers the matter to the Enforcement Committee for investigation and examination. At the end of the Enforcement Committee's investigation, the AMMC Presidency is sent a notice recommending an administrative sanction or dismissal in the case of breaches. In the case of offences, the case is referred to the courts.

The AMMC's sanctioning procedure follows four stages, which are essential to ensure the separation of powers and safeguard the rights of defense of the parties involved. Firstly, the AMMC chairperson and CEO refers to the Enforcement Committee any facts identified by the inspection teams which may constitute an administrative breach or an offence. The Enforcement Committee then investigates the facts referred to it. Next, the Enforcement Committee will send its opinion to the AMMC's Chair person and CEO, recommending, as appropriate, that an administrative sanction be imposed, that the case be closed, or that the case be referred to the courts. Finally, following the opinion of the Enforcement Committee, the Chairperson and CEO issues a sanction in the case of a breach, or refers the matter to the courts in the case of offences liable to criminal sanctions.

### 6.2 Exercising the AMMC's enforcement power

The Enforcement Committee's assents in 2023 led to the issuance of one disciplinary and financial penalty and one disciplinary sanction against two UCITS management companies.

Furthermore, on the basis of the opinion of the Enforcement Committee, the AMMC chairperson and CEO referred to the competent Public Prosecutor facts likely to constitute an offence of stock price manipulation.

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# 7. ANTI-MONEY LAUNDERING AND COMBATING THE FINANCING OF TERRORISM (AML/CFT)

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## 7.1 Awareness-raising and support

### I Raising awareness among capital market participants

In November 2023, the AMMC organized a training and awareness-raising workshop dedicated to anti-money laundering and combating the financing of terrorism (AML/CFT), in collaboration with The National Financial Intelligence Authority (ANRF) and the National Commission for the Application of Sanctions provided for by United Nations Security Council Resolutions on terrorism, arms proliferation and their financing (CNASNU).

The workshop was aimed at capital market professionals, and included presentations by managers and internal auditors, providing an opportunity to discuss and exchange views on the following topics:

- operational assessment with the ANRF: Statements of suspicion and response times;
- the CNASNU system and indicators of subject person responsiveness;
- the contributions of AMMC circular n°02/2022 on the due diligence and internal monitoring;
- the results of AMMC's sectoral analysis of ML/FT risks.

### I Sharing AML system control results

As part of the disclosure and promotion of a good understanding of the obligations of subject persons in relation to AML/CFT, the AMMC provided feedback to the controlled entities, sharing the results of the on-site inspections aimed at the assessment of their AML/CFT system.

In addition, the AMMC maintained, during 2023, a permanent exchange with all capital market participants and their professional associations to respond to the various requests relating to the deployment of the AML/CFT system.

## 7.2 Control of capital market participants

As in previous years, the AMMC received responses to the AML/FT questionnaire it drew up from the various participants in the capital market, with a view to assessing the compliance and efficiency of their AML/FT systems.

By analyzing the responses received, it was possible to assess each participant's level of risk, and to define corrective measures likely to remedy any observed shortcomings. The results of this analysis were shared with all participants during the awareness-raising workshops.

The results were also used to update the AML/CFT capital market risk map and identify priority risk areas to be covered during on-site inspections.

## 7.3 National ML/FT risk Assessment

Following the ANRF's launch of the second update of the national risk assessment, the AMMC played an active part in the process by analyzing and consolidating the data and statistics collected from the various capital market players. This allowed us to assess the sector's AML/CFT risk and identify the priority actions to be deployed, in particular the strengthening of risk-based supervision, the organization of awareness-raising sessions and the release of handbooks, as well as the stepping-up of AML/CFT controls.

## 7.4 National cooperation

### I Cooperation with the ANRF

Coordination with The ANRF was stepped up in the course of 2023, particularly with the FATF experts' visit in the beginning of the year. Several joint meetings and workshops were organized with the relevant national stakeholders and subject persons to prepare for the meetings with the FATF experts.

As a member of ANRF, the AMMC took part in the Board meeting held in 2023. Similarly, as an extension of joint AML/FT coordination activities, the technical committee set up under the AMMC/ANRF memorandum of understanding held a consultation meeting on subjects of common interest during 2023.

### I Relations with CNASNU

As a permanent member of CNASNU, the AMMC took part in its plenary sessions in 2023. In addition, the AMMC took part in several training workshops organized by CNASNU.

## 7.5 Enhanced monitoring process

### I Enhanced monitoring by the FATF

In 2023, Morocco successfully completed the action plan proposed by the FATF approving the shortcomings of its national anti-money laundering and terrorism financing (AML/CFT) system, leading to its exit from the enhanced monitoring process. To achieve this objective, the AMMC has implemented an action plan comprising a number of measures, including:

- the establishment of a documentary repository summarizing all the actions undertaken since the adoption of the FATF action plan;
- active participation in direct dialogue sessions with FATF experts;
- organization of awareness-raising and simulation workshops for reporting entities;
- participation in coordination meetings with other relevant authorities.

### I Enhanced monitoring by MENAFATF

The AMMC played a significant role in drafting the 5<sup>th</sup> report for the MENAFATF, detailing how the Authority's regulatory framework aligns with certain FATF recommendations that underwent a rating review.

## 8. FIGHTING CORRUPTION WITHIN THE CAPITAL MARKET

In February 2023, the three financial sector authorities (AMMC, BAM and ACAPS), in partnership with the National Authority for Probity, Prevention and the Fight against Corruption (INPPLC), held the third annual high-level meeting to follow-up the anti-money laundering convention in the financial sector.

This meeting was devoted to reviewing the implementation of the said convention for the year 2022, and approving the roadmap for the year 2023, which set three areas of cooperation, namely:

- training and awareness-raising ;
- support and experience sharing ;
- studies and sectoral analyses.

In 2023, the AMMC continued to implement the actions set out in the anti-money laundering roadmap for the financial sector, in collaboration with the INPPLC. These actions focused mainly on raising awareness and sharing experiences.

### I Raising awareness of capital market participants

In 2023, the AMMC, in collaboration with INPPLC and other financial sector regulators, conducted two awareness initiatives for capital market participants. The first session, held in February, highlighted the key components of the national anti-corruption framework and provided a review of international trends. The second session, organized in December, centered on the management of conflicts of interest.

### I Participation in events

In 2023, the AMMC employees took part in several workshops and conferences organized by INPPLC in collaboration with international bodies focused on combating corruption. Participants engaged in the following events:

- training on investigative techniques for corruption-related cases;
- regional forum on whistleblower protection;
- International Conference in Rabat on the theme: "Twelve Years After the Marrakech Pledge: Africa Mobilizes to Strengthen the Role of Corruption Prevention."

## 9. SYSTEMIC RISK MONITORING

Systemic risk assessments are conducted on a semi-annual basis in preparation for the meetings of the Coordination and Systemic Risk Monitoring Committee (CCSRS). These assessments aim to analyze the stability of the capital market and identify, through market trends, the various risks that could potentially undermine this stability.

The analysis is based on a range of indicators, including those related to asset prices, liquidity, interconnectedness, indebtedness, and the macroeconomic environment. Risks are evaluated on a five-tier scale: very low, low, moderate, high, and critical. The outcomes of these assessments are published in the Financial Stability Report.



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CHAPTER IV.  
**THE AMMC AND  
CAPITAL MARKET  
DEVELOPMENT**

# 1. REGULATORY DEVELOPMENT

Financial year 2023 saw the publication of a series of legislative and regulatory texts in the Official Gazette, as well as the completion of a number of ongoing projects to which the AMMC contributed actively.

## 1.1 Legislative and regulatory texts published in the Official Gazette

### 1.1.1 Legislative texts

#### I Law n° 58-22 amending and supplementing Law n° 41-05 relating to private equity investment vehicles (OPCCs)

The purpose of Law n°58-22 is to establish an appropriate legislative framework for raising and orienting savings towards project financing, strengthening the role of private equity in economic recovery, and supporting the roll-out of the Mohammed VI Fund for Investment.

The main contributions of Law n°58-22 are:

- the introduction of OPCCs with streamlined operating rules, referred to as “OPCC-RFA”;
- the introduction of a new category of investors referred to as professional investors;
- the introduction of the possibility for an OPCC-RFA to grant loans;
- the establishment of conditions and procedures for approving the disclosure document of an OPCC whose securities are issued to the public;
- the introduction of new disclosure requirements for holders of OPCC securities;
- changes to the procedures for granting and refusing approval to OPCC management companies;
- the introduction of provisions relating to the dissolution and liquidation of OPCCs;
- the enhancement of the reporting requirements of OPCC management companies.

### 1.1.2 Regulatory texts

#### I Order n°1508-23 of the Minister of Economy and Finance setting the minimum capital of the futures market management company.

Pursuant to the provisions of Article 8 of Law No. 42-12 on the futures market of financial instruments, Order No. 1508-23 set the minimum capital for the futures market management company at MAD 25 million.

#### I Order No. 1509-23 of the Minister of Economy and Finance setting the capital for the clearinghouse

In accordance with the provisions of Article 27 of Law No. 42-12 on the futures market of financial instruments, Order No. 1509-23 fixed the minimum capital of the clearing house at MAD 100 million.

#### I Order n°1254-23 of the Minister of the Economy and Finance, setting the minimum capital requirements for trading and/or clearing activities

In accordance with the provisions of article 59 of Law no. 42-12 relating to the futures market of financial instruments, Order no. 1254-23 sets:

- the minimum capital of trading members executing transactions on behalf of their clients at MAD 3,000,000;
- the minimum capital for trading members executing transactions on behalf of their clients and for their own account at MAD 5,000,000.

The minimum capital for clearing members varies according to the number of trading members on behalf of whom they clear, and ranges from MAD 20 million to MAD 40 million.

The minimum capital for trading and clearing members is the sum of the trading member's minimum capital and the clearing member's minimum capital corresponding to its activity.

### **I Order n°1259-23 of the Minister of the Economy and Finance amending and supplementing order n°1705-17 establishing the composition and operating methods of the “Capital Market Committee”**

The main contributions of Order n°1259-23 are as follows:

- the appointment of new members to the Capital Market Committee, including the chairperson of the Association of Securitization Fund Managers and the chairperson of the Association of Private Equity Investment Vehicle (OPCCs) Management Companies;
- a change in the frequency of Capital Market Committee meetings;
- the introduction of the possibility of holding committee meetings by videoconference or similar means which allow members to be identified;
- the creation of a sub-committee in charge of drawing up proposals on issues concerning the development of the capital market and the evolution of market undertakings, its composition and the rules governing its meetings.

## **1.2 Draft legislative and regulatory texts**

### **1.2.1 Draft legislative texts**

#### **I Draft amendment to the Dahir establishing Law n° 1-93-213 on UCITS**

The aim of the draft amendment is to set up a range of investment vehicles that are both diversified and complementary, while harmonizing as far as possible the rules governing the creation, authorization, issuance, operation and investment of said vehicles. With this in mind, the draft law provides for:

- a new classification of UCITS;
- the introduction of an asset segmentation mechanism;
- the possibility of listing ETFs on the stock exchange;
- extension of the geographical scope for issuing and investing securities;
- approval of management companies by the AMMC.

A draft text was drawn up by the joint working group (AMMC, Directorate of Treasury and External Finance and the Moroccan Investment Management Companies' Association ) set up for this purpose, and sent to the General Secretariat of the Government.

#### **I Draft law on crypto-assets**

The establishment of a framework governing crypto-assets in Morocco is mainly motivated by the following three objectives:

- compliance with international requirements in this area, in particular:
  - IOSCO recommendations on the supervision of crypto-asset service providers;
  - the recommendations of the Financial Stability Board (FSB) on the crypto-assets market, in particular the AML/CFT risks associated with their use;
- support in innovation and the development of a Fintech ecosystem;
- alignment of the target framework with European standards in this area, particularly the MICA regulation, in order to comply with European regulations.

The draft law is being drawn up as part of the National Working Group on Crypto-Assets, GTNCA, with the support of the World Bank in the form of a technical assistance mission.

The draft law seeks to regulate:

- crypto-asset markets, i.e. primary markets, secondary markets (through services offered by crypto-asset service providers), trading platforms, regulated crypto-assets;
- players in the crypto-asset market, i.e. crypto-asset service providers and token issuers (issuers, bidders, applicants for admission to trading of crypto-assets on a trading platform);
- crypto-asset services provided by CASPs and the terms and conditions of their provision;
- protection of CASPs clients and crypto-asset holders;
- the introduction of a system to prevent and sanction abuse of the crypto-asset markets.

## 1.2.2 Draft regulatory text

### I Draft Circular on Securities lending

Within the process of implementing the new legislative provisions governing securities lending introduced by Law No. 83-20, the AMMC drew up a draft circular on securities lending in 2023. This text should be made available for public consultation in early 2024, before being submitted for approval.

It is worth recalling that this draft circular sets out a regulatory framework designed to:

- draw up specifications for securities lending transactions;
- establish the rules for granting and withdrawing approval for managers of multilateral securities lending platforms, as well as the requirements to be met by them;
- set out the procedures for reporting and notifying securities lending transactions;
- introduce measures to ensure the smooth operation of the market and maintain financial stability.

## 1.3 General Regulations

### I Clearing House General Regulations

In accordance with article 29 of Law no. 42-12 on the futures market of financial instruments, the general regulations of the Clearing House lay down the rules governing the following elements of the clearing activity:

- clearing members' affiliation to the clearing house;
- clearing transactions in financial futures instruments;
- registration of cleared transactions on behalf of the clearing member by the Clearing House;
- relations between trading members and clearing members;
- risk monitoring;
- terms and conditions governing the implementation and execution of the guarantee, as well as the terms and conditions governing the establishment, management and use of guarantee deposits;
- procedures for the compulsory liquidation of clearing members' positions;
- delivery guarantee deposit execution terms and conditions;
- settlement/delivery procedures;
- asset delivery terms and conditions;
- percentage of the last quoted price applicable to the quantity of the underlying asset for which delivery is suspended;
- control of clearing members by the Clearing House;
- documents and information that clearing members are required to send to the Clearing House;
- exchange of information and cooperation with the futures market management company;
- measures applicable in the event of breach of the clearing rules;
- measures to be taken in the event of default by a clearing member;
- terms and conditions governing the suspension and resumption of clearing member activity;

- operating terms and conditions of the guarantee funds;
- methods for calculating and paying contributions to the guarantee funds.

A standard form of clearing house membership agreement and a standard form of clearing agreement between the clearing member and the trading member are appended to the clearing house's general regulations.

### **I Futures market management company's general regulations**

In accordance with the provisions of article 9 of Law n°42-12 relating to the futures market of financial instruments, the futures market management company's General Regulations set out the following:

- rules and procedures governing trading members' membership of the futures market management company;
- rules governing the requirements to be met by trading members;
- characteristics of futures financial instrument categories;
- rules and procedures relating to the creation and admission of futures financial instruments to the futures market;
- rules and procedures for the operation of the futures market of financial instruments;
- rules governing trading in financial futures instruments;
- procedures and conditions for executing and cancelling transactions in financial futures instruments;
- procedures for suspending trading in financial futures instruments;
- rules and procedures for delisting futures market instruments;
- information and control of trading members' activities;
- measures applicable to trading members in the event of breaches of the futures market operating rules.

A standard form for futures market trading membership agreement is attached to the futures market management company's general regulations.

## **1.4 AMMC circulars**

### **I Circular n°01/20 on Financial Investment Advisors (CIFs)**

Pursuant to the provisions of Law no. 19-14 on the Stock Exchange, brokerage firms and financial investment advisors, Circular no. 01/20 on financial investment advisors ("CIFs") sets out in particular:

- scope of activities covered by the new system;
- conditions governing the exercise of financial investment advisor activities;
- procedures for registering financial investment advisors with the AMMC;
- rules governing the relationship between financial investment advisors and their clients;
- requirements applicable to financial intermediaries with regard to the disclosure of information to the AMMC;
- rules of ethics and good conduct to be observed by financial investment advisors;
- conditions governing the deregistration of financial investment advisors.

### **I Circular No. 01/23 on crowdfunding companies carrying out "investment" category transactions.**

Circular No. 01/23 was issued to implement the provisions of Articles 9, 26, 33, 34, 45, 47 and 57 of Law No. 15-18 on crowdfunding. This circular sets out:

- the list of documents and information that must be included in the approval file for crowdfunding companies (SFCs);
- the terms and conditions governing the provision of information by crowdfunding companies to contributors on the financing of a project, as well as its state of progress after financing;
- the form and content of the annual report published by the crowdfunding company for each platform it manages;

- the conditions under which the crowdfunding company implements a system of internal audit;
- the minimum clauses of the crowdfunding contract to be concluded between the project holder and the contributor;
- the list, content, model, media, frequency and deadlines for transmitting the documents and information required by the AMMC to monitor crowdfunding companies.

## BOX 14. THE OPERATIONAL FRAMEWORK FOR CROWDFUNDING

Crowdfunding is an alternative form of financing that connects project owners and contributors through a web platform, created and managed by a dedicated, pre-approved company. It can take the form of a loan, donation, or investment. Depending on the type of crowdfunding selected, approval as a Crowdfunding Company (SFC) is granted by the AMMC for "investment" type crowdfunding, and by Bank Al-Maghrib for "donation" or "loan" type crowdfunding.

To ensure the secure development of crowdfunding in Morocco, a dedicated legal framework has been established for this activity. Law No. 15-18 sets out the main principles underlying the operational model of crowdfunding platforms and establishes a comprehensive regulatory framework. In addition, several regulatory texts have been adopted to clarify and supplement the legislative framework, particularly the AMMC Circular No. 01/23, which outlines the approval procedures for SFCs engaging in "investment" type activities, transparency rules for managing SFCs, and rules for financial communication and reporting with the AMMC.

Any natural person or legal entity can use crowdfunding to finance a project. However, Law No. 15-18 and other regulations provide for certain exclusions.

In accordance with Article 18 of Law No. 15-18, the following entities are excluded from crowdfunding operations:

- companies and organizations making public offerings under Law no. 44-12 and Law no. 17-95 on public limited companies;
- companies in reorganization or liquidation proceedings;
- any other legal person appearing on a list established by regulation.

Pursuant to Article 22 of Decree No. 2-21-158, the list of legal persons excluded from crowdfunding operations is set as follows:

- political parties;
- credit institutions and similar bodies;
- insurance companies;
- companies whose capital is not fully paid up.

In addition, any natural person or legal entity, resident or non-resident, may contribute to the financing of a given project via a platform. The contributor may also be an angel investor.

Besides its main activity, which is creating and managing one or more crowdfunding platforms of different categories, the crowdfunding company may carry out the following related activities:

- advising project owners prior to placing their projects on the crowdfunding platform;
- advertising projects presented on crowdfunding platforms on media other than the platform itself;
- advising and managing products on behalf of contributors.

This list may be extended to other activities defined by law.

Crowdfunding operations may involve any lawful activity, with the exception of political or religious activities and real estate development.

To carry out these activities, the crowdfunding company must be set up as a public limited company or a limited liability partnership, and must comply with a number of conditions. In particular it must offer sufficient guarantees regarding its organization, its human and technical resources and the performance of its information system, and its managers must have the professional skills required for the planned activities.

The crowdfunding company must establish a code of ethics, setting out rules for preventing conflicts of interest and ensuring compliance with the principles of fairness, transparency, market integrity and the primacy of the client's interests. The crowdfunding company is also bound by rules of good conduct.

Furthermore, the crowdfunding company is subject to commitments and obligations, notably in terms of public information, advertising and reporting, and must comply with rules governing due diligence on projects to be financed, securing transfers and protecting contributors.

Lastly, the crowdfunding company must appoint a statutory auditor, responsible for auditing and monitoring the accounts of its crowdfunding activities. In addition, Law n°15-18 gives the AMMC and Bank Al-Maghrib all the prerogatives they need to carry out their controls.

The amounts that can be raised as part of a fundraising campaign are set by regulation, depending on the financing method chosen, up to a limit of MAD 10 million for a single year and MAD 20 million for the total amount.

Under article 24 of Decree no. 2-21-158, the amount raised for a single project on a crowdfunding platform may not exceed:

- five million (5,000,000) dirhams for projects placed on crowdfunding platforms in the “Investment” category;
- three million (3,000,000) dirhams for projects placed on crowdfunding platforms in the “Loan” category;
- four hundred and fifty thousand (450,000) dirhams for projects placed on crowdfunding platforms in the “Donation” category.

Terms and conditions apply to contributors regarding registration on the platform and the provision of funds. In addition, there is a ceiling on contributions to a crowdfunding project for natural person contributors. Thus, the cumulative total of the various contributions made by the same natural person for each project presented on a crowdfunding platform may not exceed:

- five hundred thousand (500,000) dirhams for projects placed on an “Investment” category crowdfunding platform;
- three hundred thousand (300,000) dirhams for projects placed on a “Loan” category crowdfunding platform;
- two hundred and fifty thousand (250,000) dirhams for projects placed on a “Donation” category crowdfunding platform.

The total amount of different contributions made by the same natural person to several crowdfunding operations during the same calendar year may not exceed one million (1,000,000) dirhams.

Contributions from natural persons with angel investor status are not subject to these limits.

For project management purposes, the crowdfunding company is required to enter into a service contract with a credit institution where the funds collected are deposited. On behalf of the crowdfunding company, the latter allocates the funds to project holders via specially created accounts.

The credit institution manages the funds on behalf of the crowdfunding company (e.g., earmarking, transfers, etc.) and keeps records of crowdfunding transactions. The minimum clauses of the contract are set out in a Bank Al-Maghrib circular.

## 2. CAPACITY BUILDING OF PLAYERS AND INVESTORS

### 2.1 Financial literacy

In keeping with its mission to protect savings invested in financial instruments, the Moroccan Capital Market Authority (AMMC) is actively committed to promoting financial literacy among investors. The AMMC strengthens investors' understanding of key capital market concepts to enhance their ability to make informed investment decisions, by providing educational tools adapted to all levels of financial knowledge.

In 2023, the AMMC reiterated its commitment to two international financial literacy campaigns, namely World Investor Week (WIW) and Global Money Week (GMW). These initiatives represent an opportunity for the AMMC to interact with a wide audience. They aim to deepen investors' knowledge of the capital market and encourage them to play an active role in developing their financial literacy, thereby strengthening their ability to ensure the efficient protection of their investments.

#### 2.1.1 Participation in the 2023 edition of Global Money Week (GMW)

Global Money Week is an international initiative launched in 2012 by Child & Youth Finance International (CYFI), the organisation of which has been entrusted to the OECD International Network on Financial Education (OECD/INFE) since 2019.

GMW aims to ensure that children and young people become fully aware of their financial situation, and gradually develop the knowledge, skills, attitudes and behaviors needed to make informed financial decisions.

The AMMC's participation in the eleventh edition of the GMW consisted of a diverse program aligned with the campaign's objectives. The program developed by the AMMC focused on various actions and contents, including the following:

- organizing information sessions and conferences for over 300 students from seven leading schools and universities;
- launching the third edition of the "Finance Quiz" competition, benefiting more than 270 high school students from different regions across the Kingdom. Following this competition, 24 winners were awarded prizes;
- organizing workshops aimed at enhancing financial literacy for teachers from schools participating in the "Finance Quiz" competition;
- making educational resources accessible to the public:
  - a new handbook in the "Investor's Handbook" series focused on public offerings;
  - video content addressing topics related to the capital market;
  - various digital resources available on the Authority's social media platforms and website.

## 2.1.2 Participation in the 2023 edition of World Investor Week (WIW)

World Investor Week is a global campaign focused on enhancing the financial literacy of the general public and safeguarding investors. Launched in 2017 by the International Organization of Securities Commissions (IOSCO), this initiative actively engages financial regulatory authorities worldwide in organizing diverse financial literacy activities. The primary objective of these efforts is to elevate the financial literacy of investors.

The AMMC participated in this global campaign for the seventh consecutive year by disseminating a variety of financial literacy content targeting investors, industry professionals, and the general public, including:

- a new edition of the Investor's Handbook dedicated to general meetings, aimed at presenting the various aspects of holding these meetings and informing investors about the practical modalities of their participation;
- a series of awareness messages broadcast on the AMMC's two social media platforms (LinkedIn and Twitter);
- a comic strip competition focused on the capital markets, open to young people aged 12 to 24;
- an animated video clip providing a clear and concise explanation of the concept of an initial public offering (IPO);
- a new thematic quiz published on the "Quiz Finance» mobile application.

The year 2023 was also marked by the AMMC's participation in World Savings Day. Celebrated on October 31 each year, this initiative aims to raise public awareness about the importance of saving and to promote good practices in financial management. On this occasion, the AMMC published a brochure detailing the main investment options available on the Moroccan capital market, their characteristics, and the associated risks.

Furthermore, as part of the implementation of the agreement between the AMMC and the GPBM, aimed at promoting financial literacy and strengthening the capacities of market participants in the capital markets, two training workshops were organized in 2023.

These workshops primarily targeted customer advisors, both for individuals and businesses, as well as sales managers. The first session was dedicated to exploring the overall architecture and functioning of the capital markets, while the second focused on the financing opportunities offered by these markets. These training sessions brought together over 80 participants from 9 different banks.

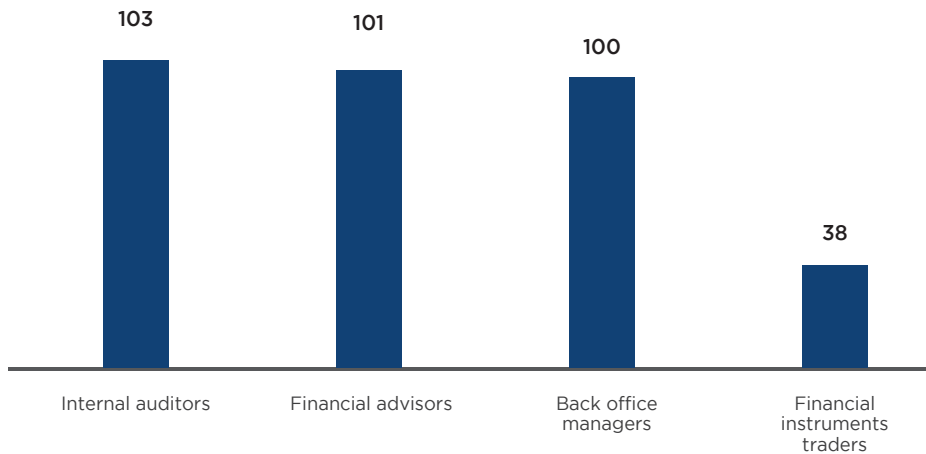
## 2.2 Accreditation of market professionals by the AMMC

The accreditation of market professionals is a compulsory system whose objective is to ensure that professionals, who perform specific roles within the market participants subject to the AMMC's supervision, have the required knowledge to perform these roles in compliance with the regulations and ethics governing their profession.

In 2023, two accreditation examination sessions were held, leading to the accreditation of 47 new professionals, including 29 internal auditors, 12 financial advisors, 4 back-office managers, and 2 financial instrument traders. Since the introduction of the accreditation system in 2019, a total of 342 market professionals have been accredited.

Additionally, an accreditation renewal session was conducted in December 2023, during which 13 professionals successfully renewed their accreditations.

**Graph 44. Accredited professionals as at December 31<sup>st</sup>, 2023**



Source: The AMMC

The year 2023 was also marked by the signing of a partnership agreement between the AMMC and the Chartered Institute for Securities and Investments (CISI) to establish an international certification program for portfolio managers. The selected CISI certification, titled "Investment Management," is structured into two distinct modules: the first, a technical module focused on investment management, and the second, covering the rules and regulations of Morocco's capital market.

Work to draft both modules began in November 2023. The resources needed to prepare candidates for the certification exams will be made available in 2024.

## BOX 15. THE ACCREDITATION RENEWAL SYSTEM

Accreditation renewal is the process through which a professional authorized to perform a regulated role renews their accreditation upon its expiration. This renewal ensures the professional can continue to perform the specified role. In accordance with Article 71 of the AMMC General Regulations, accreditation is granted for a period of three (3) years and must be renewed for an equivalent period upon expiration.

For professionals with less than ten years of experience in the financial sector, accreditation renewal requires passing a multiple-choice questionnaire (MCQ). This exam, which reflects the latest developments and trends in the capital markets, is designed to ensure that professionals maintain a sufficient level of knowledge to carry out their responsibilities in compliance with regulations and professional ethics. For professionals with more than ten years of experience, renewal is achieved through continuing education. This process mandates the completion of at least fifty hours of training between the date of initial accreditation or the last renewal and the expiry date.

Continuing training programs are tailored to update the knowledge and skills of professionals, ensuring that:

- They master the ethical rules and principles governing their respective roles;
- They keep abreast of the latest legal and regulatory developments in the capital markets, both generally and within their specific areas of expertise

Training can be provided in a variety of forms, including:

- internal training provided by the player himself;
- training offered by professional associations;
- courses provided by external training organizations;
- e-learning modules on topics related to the professional's field of expertise.

In 2023, the AMMC outlined the requirements for continuing education programs that organizations must establish for their regulated personnel.

# 3. INSTITUTIONAL COOPERATION AND PROXIMITY TO MARKET PLAYERS

## 3.1 Activities of the Systemic Risk Coordination and Monitoring Committee

The Coordination and Systemic Risk Monitoring Committee (CCSRS), comprising the AMMC, ACAPS, and Bank Al-Maghrib, held two biannual meetings in 2023. The Committee is supported in its work by a task force made up of representatives from various financial sector authorities and the Directorate of Treasury and External Finance. The CCSRS's activities primarily focused on the following areas:

- monitoring the financial sector's situation;
- conducting a biannual assessment of risks to financial stability;
- preparing the 2022 Financial Stability Report;
- monitoring the progress of the financial stability roadmap for the 2022-2024 period;
- overseeing the inter-authority AML/CFT roadmap for the financial sector.

In this context, regular monitoring of risk indicators across the three components of the financial sector indicates that the national financial sector has generally maintained its resilience, despite a challenging and highly uncertain environment. This regular monitoring of risk indicators for the three components of the financial sector will continue throughout 2024.

As part of the financial stability roadmap for the 2022-2024 period, the AMMC is leading twelve initiatives covering various aspects, including the supervision of the secondary market of debt securities and discretionary asset management, the nomenclature of financial sector data, cybersecurity, climate risks, and the launch of the Fintech support framework. Additionally, the AMMC is involved in six other projects under the same roadmap, led by other financial sector authorities.

## 3.2 Market attentiveness

As part of the "market attentiveness" process established by the AMMC, regular meetings are held with market undertakings and the key professional associations in the financial sector. This serves as a privileged channel for the AMMC to discuss issues of interest to the profession, keep stakeholders informed of institutional and regulatory developments, and coordinate efforts to develop the market and implement structuring projects.

### **3.2.1 The Moroccan Investment Management Companies' Association (ASFIM)**

Over the course of 2023, five meetings were organized with the Moroccan Investment Management Companies' Association (ASFIM), the professional association for UCITS management companies.

The main topics discussed during these meetings included:

- the ongoing draft amendments to the law governing UCITS;
- the yield curve and the new methodology for its calculation;
- the outlook for the UCITS management sector;
- ensuring compliance by UCITS management companies with all regulatory provisions applicable to them and the UCITS under their management;
- regulatory and stability issues related to UCITS investments in other UCITS.

### **3.2.2. The Association of Securitization Vehicles Managers (AGFT)**

In 2023, the AMMC discussed the following key topics with members of the Association of Securitization Vehicles Managers (AGFT):

- the handbook on asset securitization intended for stakeholders involved in a securitization operation;
- streamlining the authorization process for securitization funds;
- accreditation by the AMMC of internal auditors at the management companies of securitization vehicles (FPCTs).

### **3.2.3 The Professional Association of Stock Exchange Companies (APSB) and the Professional Association of Moroccan Banks (GPBM)**

In 2023, the AMMC maintained close communication with market participants and held several meetings with professional associations. These meetings provided an opportunity to discuss various topics, including:

- the AMMC's priorities for 2023;
- the evolution of regulatory texts governing market activities;
- the status of ongoing market projects;
- the AML/CFT framework;
- measures taken to adapt to market developments (adoption of the new reference yield curve calculation methodology, extension of random fixing periods);
- the accreditation framework for professionals.

### **3.2.4 The Moroccan Private Equity Association (AMIC)**

In 2023, the AMMC held several working meetings with AMIC as part of the market attentiveness process. These meetings facilitated discussions on:

- the amendment to Law No. 41-05 relating to OPCCs;
- the operationalization of the Mohammed VI Investment Fund;
- the project to establish model management regulations for SPCCs and FPCCs;
- the project to implement the AMMC circular on OPCC management activities;
- the development of guides on OPCCs, including an educational guide and a guide for professionals;
- the accreditation system for market professionals;
- the project to reform Law No. 17-95 relating to public limited companies.

### 3.2.5 OPCI management companies

In 2023, the AMMC discussed the following key topics with OPCI management companies:

- the progress in establishing the professional association of OPCI management companies;
- the accreditation framework for market professionals;
- the launch of OPCI listing on the stock exchange.

## 3.3 Exchange with Fintech players

The AMMC maintained its commitment to supporting the development of the Fintech ecosystem in Morocco throughout 2023. In this regard, the Authority consolidated its achievements from the previous year, both in terms of supporting project holders, regulatory monitoring, contributing to international initiatives in the field, and the work carried out at the national level in close collaboration with other stakeholders, particularly other financial sector authorities.

### I Support for project holders

Through its dedicated platform, the AMMC optimized the management of fintech requests by providing tailored support. The AMMC's assistance can take various forms:

- offering regulatory guidance;
- assessing feasibility and helping with the Proof of Concept required by certain fintechs;
- redirecting project holders, where appropriate, to the AMMC's crowdfunding portal or to other players in the fintech ecosystem (regulators, incubators, etc.).

### I Regulatory monitoring and participation in international initiatives

The AMMC has maintained its active participation in the work of international bodies such as IOSCO. As a member of the IOSCO Fintech Task Force and the AMERC Fintech Working Group, the AMMC contributes to the development of standards, principles, and recommendations in this area, as well as to the formulation of the 2024-2027 roadmap for the international supervision of fintechs.

Ongoing regulatory monitoring has been maintained, particularly with regard to crypto-assets. Efforts have been undertaken to identify and manage the risks associated with these new technologies, with investor protection and financial stability as key considerations.

### I Actions taken at national level

The AMMC has fully contributed to work carried out at the national level in partnership with other Financial Sector Authorities such as BAM and ACAPS, as well as other relevant stakeholders.

For example, the draft law on crypto-assets, developed with the assistance of the World Bank, was meticulously aligned with IOSCO and FSB recommendations.

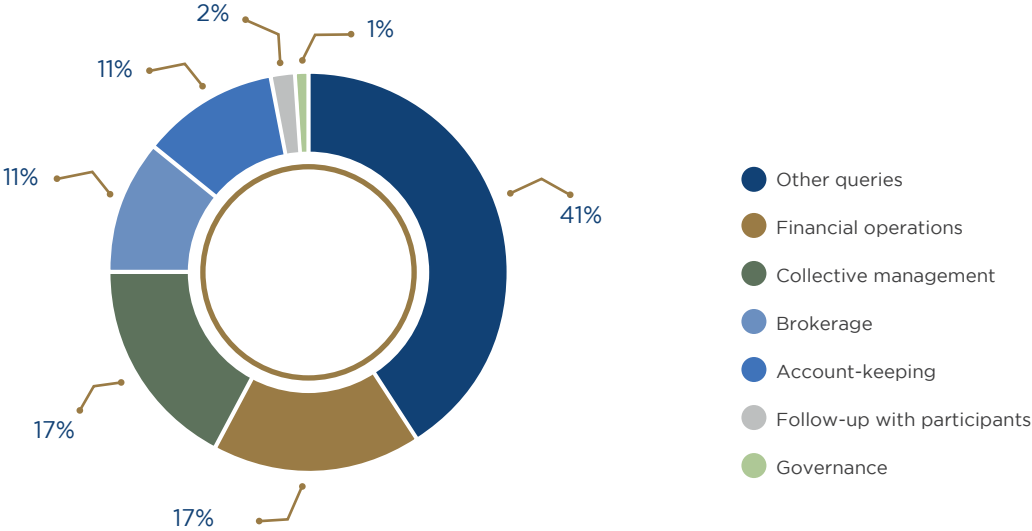
Similarly, a diagnostic study on fintech in Morocco was conducted with the contribution of an external firm. This study will serve as the foundation for a national strategy to support and develop fintech in Morocco.

Finally, it is worth noting that the AMMC has placed fintech and innovation at the heart of its strategy, giving them a prominent place in its 2024-2028 strategic plan.

### 3.4 Handling of legal queries

The AMMC regularly receives legal queries from market professionals and the public. A channel is provided for this purpose on the Authority’s website under the heading “file a legal query.” In 2023, the AMMC received 45 external legal queries from law firms, capital market professionals, and publicly traded companies. These queries covered several topics.

Graph 45. Breakdown by theme of queries processed in 2023



Source : The AMMC

Table 38. Breakdown of queries processed in 2023 by requester profile

Profiles	Number of queries
Individuals	20
Lawyers & legal advice	6
Investors	6
Account keepers	4
Students	4
Brokerage firms	2
Statutory auditors	1
Press	1
Institutions	1
<b>Total</b>	<b>45</b>

Source : The AMMC

# 4. INTERNATIONAL COOPERATION

## 4.1 Multilateral cooperation

This form of cooperation is carried out within the framework of international and regional bodies, namely:

### 4.1.1 International Organization of Securities Commissions (IOSCO)

The AMMC is a member of the International Organization of Securities Commissions (IOSCO). IOSCO is the leading body for inter-regulatory cooperation and the development of standards and norms for the regulation of capital markets.

## BOX 16. INTERNATIONAL STANDARDS FOR FINANCIAL MARKET REGULATION AND THE AMMC'S COMMITMENT TO ALIGNING NATIONAL REGULATORY FRAMEWORKS

The development of a global framework for the regulation of financial markets is the cornerstone of the standard-setting activities undertaken by the International Organization of Securities Commissions (IOSCO). Founded in 1983, IOSCO is recognized as the leading global standard-setter for financial markets. Today, it unites over 130 jurisdictions, which collectively regulate more than 95% of the world's financial markets. The AMMC has been a member of IOSCO since 1997, and became an ordinary member in 2007.

IOSCO is committed to developing, implementing, and promoting adherence to internationally recognized standards for financial market regulation. Its thirty-eight principles, organized into ten categories<sup>18</sup>, are endorsed by the G20 and the Financial Stability Board. These principles serve as the fundamental guidelines for IOSCO in establishing and enforcing consistent regulatory, supervisory, and enforcement standards. They also provide the foundation for assessing the securities sector within the framework of the International Monetary Fund and World Bank's financial sector assessment programs.

Through its technical assistance, educational programs, and training initiatives, IOSCO supports its members in collectively achieving the following three core objectives:

- **Strengthen investor protection** and promote confidence in the integrity of financial markets by enhancing information exchange and cooperation in law enforcement against misconduct, and by improving the supervision of markets and market intermediaries.
- **Ensure market fairness and efficiency** by preventing market structures from unduly favoring certain users over others, and by guaranteeing that investors have fair and transparent access to market infrastructures and real-time price information.

(18) The ten categories include principals relating to: (1) regulators; (2) self-regulatory organizations; (3) enforcement of the rules of financial markets; (4) cooperation in regulation; (5) issuers; (6) auditors, credit rating agencies and other information service providers; (7) collective investment schemes; (8) market intermediaries; (9) secondary and other markets; and (10) clearing and settlement.

- **Promote financial stability by mitigating systemic risk**, by facilitating effective risk management, ensuring that capital requirements are adequate to support appropriate risk-taking and absorb potential losses, and enabling the rapid and accurate exchange of information between jurisdictions during periods of instability to prevent failures or reduce their international impact.

The AMMC is also a member of the IOSCO Board of Directors and actively participates in the IOSCO's annual meetings, as well as in those of the Growing and Emerging Markets Committee (GEMC), the Africa and Middle East Committee (AMERC), and the technical committees on the regulation of market intermediaries (C3) and investment management (C5). Additionally, the AMMC contributes to the work of the Sustainable Finance Task Force, the Fintech Task Force, and the AMERC Capital Markets Development Working Group, all of which are focused on promoting robust and coherent regulatory frameworks.

## I Participation in IOSCO's annual meeting

As part of the work of the IOSCO's 48<sup>th</sup> annual meeting, which took place from June 13 to 15, 2023 in Bangkok, the AMMC's Chairperson and CEO chaired the Africa and Middle East Regional Committee (AMERC) and took part in the IOSCO Board. Discussions focused in particular on financial regulation issues relating to Fintech, sustainable finance and financial stability. On the sidelines of this event, the AMMC Chairperson and CEO met several regulators for bilateral exchanges, including SEC Ghana, SEC Nigeria, CNMV Spain and QFMA Qatar.

## I Africa Middle East Regional Committee (AMERC)

As the Chairperson of AMERC, Ms. Nezha HAYAT chaired the committee's three meetings, held respectively on May 10, 2023, June 13, 2023 in Bangkok and November 20, 2023 in Egypt.

Several topics were discussed at those meetings. At the May 10, 2023 meeting, discussions focused on updates to IOSCO's work program for the period 2023-2024, in addition to IOSCO's work on crypto assets and sustainability reporting standards for issuers of financial instruments.

The June 13, 2023 meeting highlighted AMERC's activities, in particular the work of the Financial Technology (Fintech) and Sustainable Finance working groups, as well as developments in markets and regulatory news in the AMERC region.

At the November 20, 2023 meeting, discussions focused on AMERC's capacity-building needs, the activities of the Fintech and Sustainable Finance working groups, and market developments and regulatory initiatives in the region. In addition, the meeting was marked by the creation of a new AMERC Committee Working Group at the initiative of the Chairperson.

The Committee aims to promote the efficiency of financial markets by encouraging transparent trade and investment, strengthening regulatory frameworks to ensure market integrity and protect investor interests, facilitating access to capital for enterprises, especially start-ups and SMEs, as well as promoting investor education and protection.

Furthermore, the Committee aims to foster cross-border investment and cooperation, strengthen collaboration with relevant stakeholders such as financial institutions and industry associations, monitor market trends and developments, advocate reforms that foster financial market growth and stability, and promote financial inclusion for a more inclusive economy.

One of the AMERC Committee's priorities is to build the capacity of its members. The Committee organized a webinar on Fintech, focusing on recent trends in the AMERC region. In particular, a session on Crowdfunding in the region was held, having explored recent developments and experiences in regulation and supervision. These initiatives aim to enhance AMERC members' knowledge and skills in key areas related to the modernization and efficiency of financial markets.

## I Regional representation within the IOSCO Board

As Chairperson of the Africa and Middle East Regional Committee (AMERC), the AMMC Chairperson and CEO is also a member of the IOSCO Board.

The IOSCO Board, made up of 35 securities regulators, is IOSCO's governing and standard-setting body.

During 2023, the AMMC took an active part in the IOSCO Board meetings held on March 21, May 3, September 6, June 14 in Bangkok and October 26 in Madrid. These meetings provided an opportunity for in-depth discussions on a number of important topics.

The main topics discussed included the review of International Financial Reporting standards (IFRS), the assessment of financial risks for IOSCO and their impact on the priorities of technical committees, and the role of IOSCO in the financial stability of capital markets.

Among the main topics discussed were the review of International Financial Reporting (IFRS), the assessment of financial risks for IOSCO and their impact on the priorities of the technical committees, and IOSCO's role in the financial stability of capital markets.

Participants also looked at the challenges that technological advances such as artificial intelligence and machine learning pose for capital markets regulators.

Discussions focused on the assessment of member countries' implementation of international principles on liquid asset risk, as well as on the next steps planned by the Follow-up Group on Market fragmentation with a view to strengthening cooperation between regulatory authorities. Other topics covered included sustainable finance, the relevance of environmental, social and governance (ESG) information for investment decisions, and issues relating to asset management and leverage in investment funds.

## I Appointment and involvement in IOSCO'sMMoU Monitoring Group and the MG Steering Committee (MG-SC)

As AMERC's Chairperson, the AMMC was reappointed by the members as its Regional Committee representative at the Steering Committee of the Monitoring Group of the IOSCO Multilateral Memorandum of Understanding on Consultation, Cooperation and Exchange of Information (MMoU).

The Committee elected the Qatar Financial Markets Authority (QFMA) as its representative among the major MMoU users in the region on the MG-SC for the 2023-2024 term.

Within IOSCO, 129 members are signatories to the IOSCO Multilateral Memorandum of Understanding on Consultation, Cooperation and Exchange of Information (MMoU). This agreement enables its signatories to consult, cooperate and exchange information for the purposes of enforcing capital market regulations.

IOSCO's MMoU Monitoring Group-Steering Committee (MG-SC) guides and assists the MMoU Monitoring Group in overseeing the running and use of this essential mechanism for member regulators in carrying out their prerogatives.

Members of the Steering Committee of the IOSCO MMoU Monitoring Group are appointed on a bi-annual basis, and the Committee is composed of:

- a representative chosen from among the chairpersons, vice-chairpersons and representatives of the regional committees;
- and a representative elected from among the MMoU's main users

## I Participation in IOSCO's technical and standardization activities

In its capacity as a member of Committee 3 on the regulation of market intermediaries, the AMMC took part in the working meetings held by videoconference on March 14, May 10 and October 3, 2023, and in the face-to-face meeting held on December 4 of the same year in Madrid. The meetings covered key topics including:

- conflicts of interest at intermediaries level;
- fractional asset trading
- digital commitment practices; and
- improving the information-sharing system for investor alerts.

As a member of IOSCO's Committee 5 on Investment Management, the AMMC took part in the working meetings held on July 13 in Dublin and November 7 in Hong Kong. Members discussed a number of topics, including:

- anti-dilution orientation, a liquid asset management tool (LMT);
- update on work on index providers;
- IOSCO-CPMI-BCBS work on margins;
- private finance; and
- leveraged loans.

IOSCO's standardization work is carried out by eight technical committees. The AMMC is a member of two of these committees: Committee 3 on the regulation of market intermediaries and Committee 5 on investment management.

## I Promoting sustainable finance within IOSCO

In April 2020, the IOSCO Board established the Sustainability Task Force (STF), which aims to continue the work and proposals of the Sustainable Finance Network (SFN) report. The STF is chaired by Mr. Rodrigo BUENAVENTURA - President of the Spanish National Securities Market Commission (CNMV).

As a member of the STF, the AMMC took part in the videoconference meetings held on February 7, March 29, May 23, September 26 and November 29, 2023.

In 2023, the Sustainable Finance Task Force (STF) continued its activities launched in 2022, with a broadening of its scope to include a new stream on transition plans. The STF was involved in several important areas, including the assessment and approval of International Sustainability Standards Board (ISSB), particularly those relating to issuer reporting.

This has involved an in-depth review of the projects presented by the ISSB, and subsequent approval of the finalized standards by the IOSCO Board. The AMMC, as an active member of the STF, participated in the evaluation of these standards before their approval by the Board at the end of 2023.

In addition, meetings and roundtables were organized as part of the STF's work, to gather regulators' opinions and encourage the adoption of IOSCO's best practice recommendations, particularly those relating to market supervision.

## **I Promoting Fintech within IOSCO**

The IOSCO Board agreed at its meeting on March 9, 2022 to dissolve the Fintech Network and create the Fintech Task Force (FTF) on the Board level. This initiative aims to evolve IOSCO's work in the fintech field from a simple exchange of information to a more elaborate policy engagement. The FTF currently has 28 members from the Board's member jurisdictions, and is chaired by the Monetary Authority of Singapore (MAS).

As part of its mandate, the FTF is responsible for developing, overseeing, implementing and enforcing IOSCO's regulatory program for fintech and crypto-assets. It is also responsible for coordinating IOSCO's engagement with the FSB and other standard-setting bodies on fintech and crypto-asset issues.

As a member of the FTF, the AMMC actively participated in the virtual meetings on January 20, February 24, March 1, March 27, April 24, August 2 and September 27, 2023.

In November 2023, following the FTF's work, IOSCO published the report on recommendations for the crypto-asset and digital asset markets with the aim of ensuring consistency in member jurisdictions' regulatory and supervisory frameworks to address market integrity and investor protection concerns arising from crypto-asset and digital asset activities.

These recommendations cover the following six areas:

1. conflicts of interest arising from the vertical integration of activities and positions;
2. market manipulation, insider trading and fraud;
3. custody and protection of clients' assets;
4. cross-border risks and regulatory cooperation;
5. operational and technological risk; and
6. retail distribution.

### **4.1.2 Participation of the AMMC in the IOSCO European Regional Committee meeting**

The Chairperson and CEO of AMMC and the IOSCO Africa and Middle East Regional Committee was invited to attend the IOSCO European Regional Committee meeting held on February 10, 2023 in Athens, where she presented AMERC's activities and action plan.

## **BOX 17. INTERNATIONAL REGULATORY AGENDA: KEY TRENDS IN 2023**

The global trends in financial market regulation observed for 2023, and reflected through IOSCO's normative publications, covered a wide range of topics including mainly:

### **Review of principles relating to the regulation and supervision of commodity derivatives markets**

In January 2023, IOSCO reviewed its 2011 Principles for the Regulation and Supervision of Commodity Derivatives Markets to ensure that these principles continue to provide a robust framework for the regulation and supervision of said markets, reflecting the changes and trends observed over the past decade.

These changes include, by way of example: the emergence of new types of trading venues, such as swap execution systems and organized trading systems; direct end-user access to commodity derivatives trading; reliance on accurate, reliable and real-time data; the potential impact of new and unexpected disruptions, such as those associated with the Covid-19 pandemic. In revising its principles, IOSCO has focused primarily on market surveillance, transparency, the price formation process, correlation with physical markets, dealing with disorderly markets and responding to market abuse.

### **Measures to reduce misconduct in the retail market**

Published in March 2023, the IOSCO Retail Market Conduct Task Force report provides an overview of the evolving retail market landscape, and identifies a series of potential measures for regulators to consider in developing or enhancing their respective regulatory approaches to mitigating retail investor misconduct issues. The measures are consolidated around the following five broad categories:

- strengthening regulators' digital presence and online strategy to proactively address retail investor harm;
- refining approaches to better identify and mitigate misconduct;
- consolidate cross-border and national frameworks for supervisory and enforcement cooperation, both bilaterally and multilaterally;
- address the harm caused to retail investors by crypto-assets; and
- implement new regulatory approaches against misconduct in the retail market.

### **Good practices in implementing the IOSCO principles for exchange traded funds**

In 2013, IOSCO published a report on the Principles for the Regulation of Exchange Traded Funds (ETFs), covering a wide range of topics including disclosure, portfolio transparency, costs, risks, strategies, structuring issues on counterparties and conflicts of interest.

Since the publication of these Principles, ETF markets have continued to evolve, with sustained growth in assets under management worldwide. Developments in the ETF industry include new products offering exposure to less liquid and more innovative asset classes, as well as more complex investment strategies. The IOSCO Board concluded that the ETF Principles would benefit from more operational support and implementation through a set of best practices.

### **Approval of sustainability disclosure standards developed by the ISSB**

Significant progress has been made in standardizing the disclosure of sustainability-related financial information, with the publication on June 26, 2023, by the International Sustainability Standards Board (ISSB) of IFRS S1, which outlines general requirements for sustainability-related financial disclosures, and IFRS S2, which focuses on climate-related disclosures. The ISSB developed these two standards in response to calls from the G20, the Financial Stability Board, and IOSCO, as well as from business and investment leaders.

IFRS S1 and IFRS S2 provide a new global framework aimed at enhancing trust in the sustainability information provided by companies, thereby informing investment decisions. These standards were approved on July 26, 2023, by the IOSCO Board, which encouraged member countries to explore ways to adopt them.

### **I Recommendations for Regulating Crypto and Digital Asset Markets and Decentralized Finance**

In November 2023, IOSCO issued eighteen recommendations for regulating crypto and digital asset markets, followed in December 2023 by nine additional recommendations focused on decentralized finance (DeFi). DeFi encompasses financial products, services, activities, and mechanisms that leverage distributed ledger technology or blockchain. These recommendations establish a global regulatory framework to ensure that crypto-asset service providers adhere to the same conduct standards applicable to traditional financial markets. They also highlight significant risks posed by DeFi to investors, primarily due to the fact that DeFi participants often operate outside existing regulatory frameworks for investor protection. At the same time, the report acknowledges that these technologies have the potential to foster financial innovation, enhance efficiency, and improve access to financial products and services.

## **4.1.3 Other international bodies**

### **I The AMMC, member of the Islamic Financial Services Board (IFSB)**

During its participation in the 21<sup>st</sup> Annual Meeting of the Islamic Financial Services Board (IFSB) held from August 14 to 16, 2023, the AMMC engaged in strategic discussions on emerging challenges and opportunities in Islamic financial services, contributing its expertise and insights to help shape the future direction of the IFSB.

In October 2023, the AMMC also participated in the IFSB's Prudential and Structural Islamic Financial Indicators (PSIFIs) project. This initiative aims to aggregate data from institutions offering Islamic financial services, thereby creating a global database of prudential indicators for Islamic financial services. This database will enable the monitoring and analysis of the soundness, stability, and size of the industry in participating countries.

The IFSB is the international standard-setting body dedicated to ensuring the soundness and stability of the Islamic financial services industry. This organization brings together central banks, capital market regulators, and insurance regulators.

### **I Ongoing Support for the West African Securities Regulators Association (WASRA)**

The AMMC actively participated in the 3<sup>rd</sup> West African Capital Market Conference (WACMaC), held in Lagos on October 25-26, 2023. Additionally, the AMMC continues to engage in the association's virtual technical meetings on an ongoing basis.

It is important to note that WACMaC is a regional conference organized biennially by AMFAO-WASRA, with the support of the Economic Community of West African States (ECOWAS) Commission.

The West African Securities Regulators Association (WASRA) is dedicated to implementing the directives of ECOWAS regarding regional integration and regulatory convergence. The AMMC, which became an observer member in 2019, actively participates in WASRA's technical committees. These committees are focused on developing a harmonized framework to facilitate and safeguard cross-border investment flows within the region.

### **I The AMMC's commitment to the work of the Union of Arab Securities authorities (UASA)**

The AMMC participated in the 17<sup>th</sup> Annual Meeting of the Union of Arab Securities Authorities (UASA), held on May 1, 2023, in Riyadh.

During this meeting, the UASA Board signed a memorandum of understanding with the AMMC aimed at enhancing cooperation to improve the efficiency of Arab capital markets, support their development, and promote sustainable finance and responsible investment in the financial sector.

The memorandum also seeks to collaborate in strengthening the skills of UASA members in areas such as sustainability, financial instruments for the green economy, and governance.

It is worth noting that the UASA is a pan-Arab cooperation organization established in 2007, with its General Secretariat located in Abu Dhabi. The Union brings together twenty regulators from the leading Arab capital markets.

It serves as a platform for the exchange of information and expertise, aiming to strengthen the development of Arab capital markets and harmonize their legislative and regulatory frameworks. The AMMC has been a member of the Union since January 2011.

## I The AMMC's contribution to the work of the Francophone Institute for Financial Regulation (IFREFI)

In 2023, the 21<sup>st</sup> session of the Francophone Institute of Financial Regulation (IFREFI) was held from May 31 to June 2 in Tunis. During this session, the AMMC shared insights on institutional and regulatory developments within the Moroccan capital market, while also staying informed about major developments in the capital markets of member countries.

A seminar was also organized to present the regulatory framework for crowdfunding, with the AMMC participating alongside the AMF (France), FSMA (Belgium), AMF (Quebec), and CMF (Tunisia).

The Francophone Institute of Financial Regulation (IFREFI) was created in Rabat on June 24, 2002, on the initiative of the financial market regulatory authorities of the French-speaking countries. Its aim is to promote training, coordination and technical cooperation between its members, as well as the analysis of all issues relating to financial regulation. At the time of its establishment, the AMMC was elected Vice-Chair.

## I Reactivation of the Mediterranean Partnership of Securities Regulators (PMRVM)

As part of the reactivation of the post-pandemic activities of the Mediterranean Partnership of Securities Regulators (PMRVM), the AMMC Chairperson and CEO has been elected Vice-Chairperson of the partnership, currently chaired by CNMV Spain, in 2023.

### 4.2 Cooperation on investigations

This form of cooperation mainly takes place as part of IOSCO's multilateral cooperation agreement, the "MMoU." In 2023, the AMMC issued five requests and was called upon for one request within this context.

### 4.3 Cooperation for exchange of experience, mutual assistance and capacity building

#### 4.3.1 The AMMC's assistance to foreign counterparts

##### I Technical assistance to "The West African Monetary Union's Financial Markets Authority (AMF-UMOA)"

As part of the cooperation agreement between the AMMC and the AMF-UMOA, an immersion course was organized for AMF-UMOA staff and as well as an exchange meeting with its Chairperson on specific topics.

## **I Signature of a cooperation and technical assistance agreement with Angola's financial market regulator (CMC)**

On July 13, 2023, the AMMC and the Comissão do Mercado de Capitais (CMC Angola) signed a mutual assistance and cooperation agreement relating to capital markets at the AMMC's headquarters in Rabat.

The agreement aims to strengthen investor protection, the stability, efficiency and integrity of the capital markets in both Angola and Morocco. It also aims to improve mutual understanding of the regulations and techniques applied in each country. The protocol provides for ongoing consultation on issues of common interest, as well as technical assistance and capacity-building programs in areas such as investor literacy, sustainable finance, financial technologies and market-based financing for small and medium-sized enterprises.

The AMMC and CMC Angola are members of IOSCO and its Africa and Middle East Regional Committee (AMERC). Through this agreement, the two authorities emphasize their mutual desire to strengthen cooperation between the Kingdom of Morocco and the Republic of Angola in all matters relating to the development of the capital market.

## **I Technical assistance to the Ethiopian capital market regulator (ECMA)**

In July 2023, the AMMC hosted a high-level delegation of eight members from the Ethiopian Capital Market Authority (ECMA) during a benchmarking visit aimed at gaining insights into the Moroccan capital market. This visit provided an opportunity to exchange best practices and experiences in the regulation and development of capital markets.

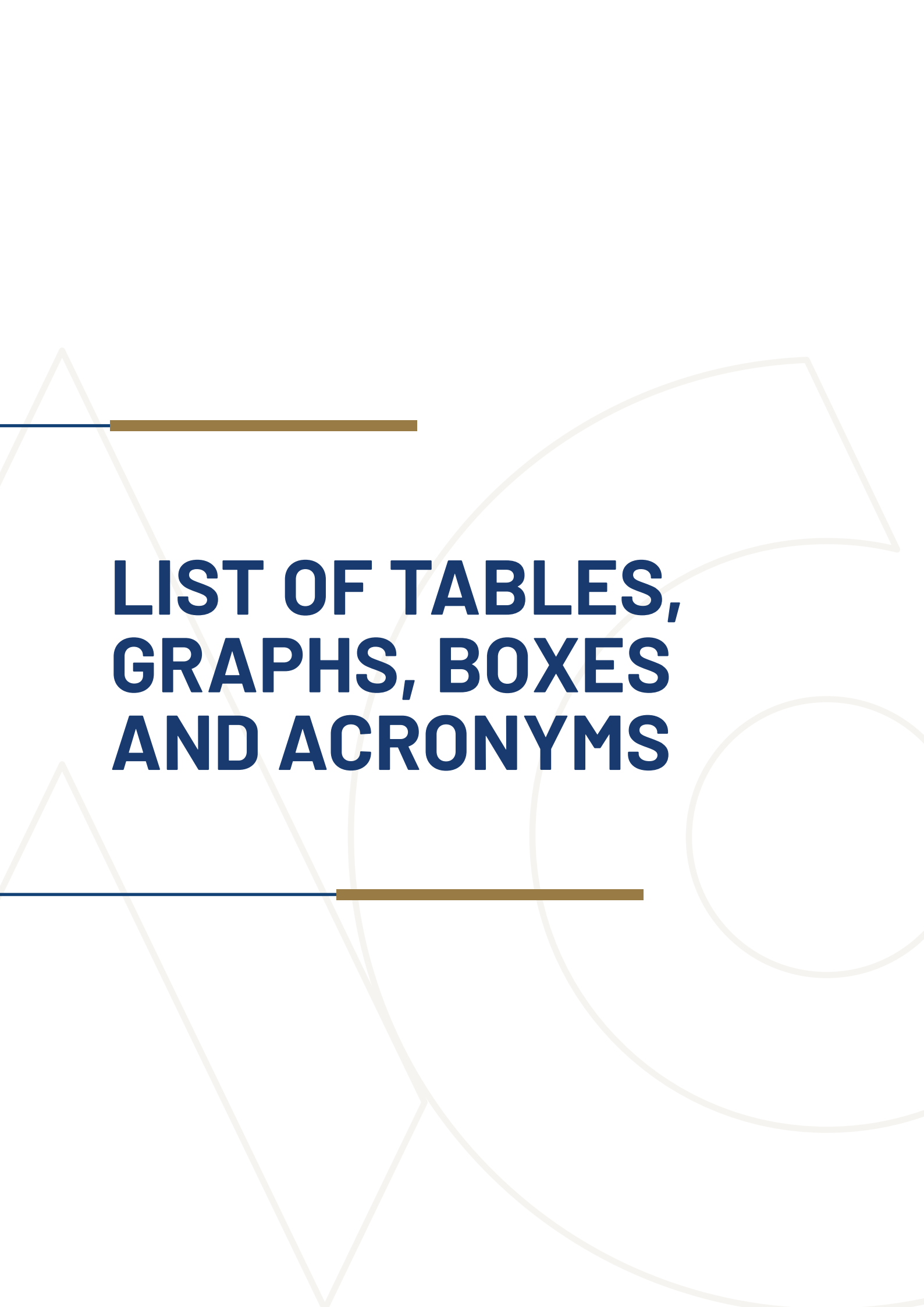
In October 2023, a videoconference was held between the AMMC and ECMA investigation teams to provide support to ECMA in establishing a robust anti-money laundering framework, thereby enhancing their market ecosystem.

## **I Technical assistance to other regulators (various requests)**

In 2023, the AMMC assisted:

- SEC Nigeria by sharing with the Investment Management Department (IMD) the protective measures implemented for assets held in custody with banks in Morocco;
- SEC Ghana by responding to a questionnaire on the AMMC's complaint management procedures;
- SCA UAE by sharing its experience in responding to MMoU requests.





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ACAPS	Insurance and Social Welfare Control Authority
AMERC	Africa/Middle East Regional Committee
AMF	Financial Markets Authority
ANRF	National Financial Intelligence Authority
APSB	Professional Association of Brokerage firms
ASFIM	Association of Moroccan Management companies and Investment Funds
CCSRS	Systemic risk coordination and Monitoring Committee
CGNC	General Code of Accounting Standards
DFSP	Major holding notifications and declarations of intent
DTFE	Directorate of Treasury and External Finance
CNASNU	National Committee in charge of the implementation of UN Security Council sanctions related to terrorism and arms proliferation and their financing
FCPE	Company mutual fund
FCPT	Securitization vehicle
FATF	Financial Action Task Force
MENAFATF	Middle East and North Africa Financial Action Task Force
GMW	Global money Week
INPPLC	National Instance for Probity, Prevention and Fight against Corruption
GPBM	Professional Association of Moroccan Banks
IOSCO	International Organization of Securities Commissions
LBC/FT	Anti-Money Laundering/Combating the Financing of Terrorism
STB	Short-term bond
MLTB	Medium and long-term bond
SESAM	Market Authority Exchange and Supervision System
IFC	International Finance Corporation
TCN	Marketable debt securities
UASA	Arab Union of regulatory authorities
WASRA	Association of West African Regulators
WIW	World Investor Week





# APPENDIX

# APPENDIX 1:

## FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

### BALANCE SHEET (assets)

(STANDARD TEMPLATE)

FISCAL YEAR FROM 01/01/23 TO 31/12/2023

	ACTIVE	FISCAL YEAR		PREVIOUS FISCAL YEAR	
		Gross	Depreciation and provisions	Net	Net
	<b>NIL VALUE ASSETS (A)</b>	<b>40,842,000.47</b>	<b>22,859,405.39</b>	<b>17,982,595.08</b>	<b>14,440,512.26</b>
	. Preliminary expenses	-	-	-	-
	. Deferred charges	40,842,000.47	22,859,405.39	17,982,595.08	14,440,512.26
	. Bond redemption premiums	-	-	-	-
	<b>INTANGIBLE ASSETS (B)</b>	<b>25,086,393.30</b>	<b>21,654,685.23</b>	<b>3,431,708.07</b>	<b>3,903,065.59</b>
	. Research and development fixed assets	-	-	-	-
	. Patents, trademarks, rights, and similar rights	23,743,351.90	20,361,763.83	3,381,588.07	3,903,065.59
	. Goodwill	-	-	-	-
	. Other intangible assets	1,343,041.40	1,292,921.40	50,120.00	-
	<b>PROPERTY, PLANT AND EQUIPMENT (C)</b>	<b>54,449,884.55</b>	<b>45,914,739.71</b>	<b>8,535,144.84</b>	<b>15,592,985.08</b>
FIXED ASSETS	. Land	-	-	-	-
	. Buildings	-	-	-	-
	. Technical installations, equipment and fixtures	-	-	-	-
	. Transport equipment	-	-	-	-
	. Furniture, fixtures and equipment	54,449,884.55	45,914,739.71	8,535,144.84	15,592,985.08
	. Other intangible fixed assets	-	-	-	-
	. Tangible fixed assets in progress	-	-	-	-
	<b>FINANCIAL FIXED ASSETS (D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	. Long-term loans	-	-	-	-
	. Other financial debts	-	-	-	-
	. Equity securities	-	-	-	-
	. Other financial fixed assets	-	-	-	-
	<b>TRANSLATION ADJUSTMENTS - ASSETS (E)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	. Decrease in fixed assets	-	-	-	-
	. Increase in financing debts	-	-	-	-
	<b>TOTAL I (A+B+C+D+E)</b>	<b>120,378,278.32</b>	<b>90,428,830.33</b>	<b>29,949,447.99</b>	<b>33,936,562.93</b>
	<b>INVENTORY (F)</b>	<b>593,716.25</b>	<b>-</b>	<b>593,716.25</b>	<b>778,222.13</b>
	. Goods	-	-	-	-
	. Consumable materials and supplies	593,716.25	-	593,716.25	778,222.13
	. Goods in progress	-	-	-	-
	. Intermediate and residual products	-	-	-	-
	. Finished products	-	-	-	-
	<b>CLAIMS ON CURRENT ASSETS (G)</b>	<b>62,525,240.14</b>	<b>-</b>	<b>62,525,240.14</b>	<b>59,893,124.52</b>
	. Prepayments, payments on account	-	-	-	-
	. Accounts receivable	52,875,707.98	-	52,875,707.98	48,253,812.96
	. Payroll	1,058,086.10	-	1,058,086.10	667,009.34
	. Government	6,224,690.21	-	6,224,690.21	10,118,246.87
	. Partners' accounts	-	-	-	-
	. Other accounts receivable	291,000.00	-	291,000.00	21,209.42
	. Adjustment accounts, Assets	2,075,755.85	-	2,075,755.85	832,845.93
	<b>INVESTMENT SECURITIES (H)</b>	<b>160,000,000.00</b>	<b>-</b>	<b>160,000,000.00</b>	<b>175,000,000.00</b>
	<b>TRANSLATION ADJUSTMENTS - ASSETS (I)</b>	<b>718.67</b>	<b>-</b>	<b>718.67</b>	<b>-</b>
	(Current items)	-	-	-	-
	<b>TOTAL II (F+G+H+I)</b>	<b>223,119,675.06</b>	<b>-</b>	<b>223,119,675.06</b>	<b>235,671,346.65</b>
	<b>CASH - ASSETS</b>	<b>11,755,534.76</b>	<b>-</b>	<b>11,755,534.76</b>	<b>6,477,219.40</b>
	. Cheques and cash values	-	-	-	-
	. Bank, treasury and post office account	11,745,717.05	-	11,745,717.05	6,473,186.90
	. Cash, petty cash and credit lines	9,817.71	-	9,817.71	4,032.50
	<b>TOTAL III.</b>	<b>11,755,534.76</b>	<b>-</b>	<b>11,755,534.76</b>	<b>6,477,219.40</b>
	<b>GRAND TOTAL I + II + III.</b>	<b>355,253,488.14</b>	<b>90,428,830.33</b>	<b>264,824,657.81</b>	<b>276,085,128.98</b>

## BALANCE SHEET (liabilities)

(STANDARD TEMPLATE)

FISCAL YEAR FROM 01/01/23 TO 31/12/2023

	LIABILITIES	FISCAL YEAR	PREVIOUS FISCAL YEAR
<b>PERMANENT FINANCING</b>	<b>SHAREHOLDERS' EQUITY</b>		
	. Corporate or personal capital (1)	235,133,808.52	235,133,808.52
	. less: shareholders, subscribed uncalled capital,	-	-
	Called capital,	-	-
	Including paid-in	-	-
	. Issue, merger, contribution premiums	-	-
	. Revaluation reserve	-	-
	. Legal reserve	-	-
	. Other reserves	-	-
	. Retained earnings (2)	-	-
	. Net income pending appropriation (2)	-	-
	. Net income of the fiscal year (2)	4,214,559.89	12,713,652.63
	<b>Total shareholders' equity (A)</b>	<b>239,348,368.41</b>	<b>247,847,461.15</b>
	<b>QUASI EQUITY (B)</b>	-	-
	. Investment grants	-	-
	. Regulated provisions	-	-
	<b>FINANCING DEBTS (C)</b>	-	-
	. Bonded debt	-	-
. Other financing debt	-	-	
<b>LONG-TERM PROVISIONS FOR LIABILITIES AND CHARGES (D)</b>	-	-	
. Provisions for liabilities	-	-	
. Provisions for charges	-	-	
<b>TRANSLATION ADJUSTMENTS - LIABILITIES (E)</b>	-	-	
. Increase in fixed debts	-	-	
. Decrease in financing debts	-	-	
	<b>TOTAL I (A+B+C+D+E)</b>	<b>239,348,368.41</b>	<b>247,847,461.15</b>
<b>CURRENT LIABILITIES</b>	<b>CURRENT LIABILITIES DEBTS (F)</b>	<b>25,475,518.71</b>	<b>28,237,667.83</b>
	. Trade and other accounts payable	3,483,118.95	7,807,211.43
	. Trade receivables, prepayments and advances	18,000.00	38,400.00
	. Payroll	5,290,611.74	4,458,188.91
	. Social organizations	414,932.13	393,017.39
	. Government	16,228,122.89	14,292,854.90
	. Partners' accounts	-	-
	. Other creditors	40,733.00	1,247,995.20
	. Adjustments accounts - liabilities	-	-
	<b>OTHER PROVISIONS FOR RISKS AND CHARGES (G)</b>	<b>718.67</b>	-
<b>CONVERSION DEVIATIONS - PASSIVE (circulating) (H)</b>	<b>52.02</b>	-	
	<b>TOTAL II (F+G+H)</b>	<b>25,476,289.40</b>	<b>28,237,667.83</b>
<b>CASH</b>	<b>CASH - LIABILITIES</b>		
	. Discount credit facilities	-	-
	. Cash loans	-	-
	. Banks, (credit balance)	-	-
	<b>TOTAL III.</b>	-	-
	<b>GRAND TOTAL I + II + III.</b>	<b>264,824,657.81</b>	<b>276,085,128.98</b>
	(1) Negative personal capital	-	-
	(2) Profit (+). Loss (-)	-	-

# INCOME AND EXPENSE STATEMENT (excluding taxes)

(STANDARD TEMPLATE)

FISCAL YEAR FROM 01/01/23 TO 31/12/2023

		TRANSACTIONS				
		Particular to fiscal year	For the previous fiscal years	TOTAL OF THE FISCAL YEAR	TOTAL OF THE PREVIOUS YEAR	
		1	2	3 = 1 + 2	4	
EXPLOITATION	<b>I OPERATING INCOME</b>					
	. Merchandise sales (as is)	-	-	-	-	
	. Sales of goods and services products	164,834,044.49		164,834,044.49	173,587,546.41	
	Turnover	164,834,044.49		164,834,044.49	173,587,546.41	
	. Change in inventories of products (+ -) (1)	-		-	-	
	. Fixed assets produced by the company itself	-		-	-	
	. Operating grants	-		-	-	
	. Other operating income	-		-	-	
	. Resumption of operations, expense transfers	-		-	-	
		<b>TOTAL I.</b>	<b>164,834,044.49</b>	<b>-</b>	<b>164,834,044.49</b>	<b>173,587,546.41</b>
EXPLOITATION	<b>II OPERATING EXPENSES</b>					
	. Cost of goods sold (2)	-		-	-	
	. Cost of materials and (2) supplies consumed	2,811,694.90		2,811,694.90	3,114,941.34	
	. Other external charges	34,464,998.48		34,464,998.48	45,885,944.33	
	. Taxes and duties	2,997,668.00		2,997,668.00	2,997,668.00	
	. Payroll	100,231,461.68		100,231,461.68	89,750,473.21	
	. Other operating changes	875,000.06		875,000.06	697,857.19	
	. Operating allowances	18,851,099.32		18,851,099.32	15,993,106.05	
		<b>TOTAL II.</b>	<b>160,231,922.44</b>	<b>-</b>	<b>160,231,922.44</b>	<b>158,439,990.12</b>
		<b>III OPERATING INCOME (I-II)</b>	<b>4,602,122.05</b>	<b>-</b>	<b>4,602,122.05</b>	<b>15,147,556.29</b>
FINANCIAL	<b>IV FINANCIAL INCOME</b>					
	. Income from equity holdings and other fixed assets	-		-	-	
	. Currency gains	13,240.77		13,240.77	26,180.73	
	. Interest and other financial income	4,231,364.50		4,231,364.50	2,884,076.18	
	. Financial writebacks; expense transfers	-		-	-	
		<b>TOTAL IV.</b>	<b>4,244,605.27</b>	<b>-</b>	<b>4,244,605.27</b>	<b>2,910,256.91</b>
	<b>V FINANCIAL EXPENSES</b>					
	. Interest expenses	-		-	-	
	. Currency losses	31,493.10		31,493.10	105,593.02	
	. Other financial expenses	-		-	-	
. Financial allowances	718.67		718.67	-		
	<b>TOTAL V.</b>	<b>32,211.77</b>	<b>-</b>	<b>32,211.77</b>	<b>105,593.02</b>	
	<b>VI FINANCIAL INCOME (IV - V)</b>	<b>4,212,393.50</b>	<b>-</b>	<b>4,212,393.50</b>	<b>2,804,663.89</b>	
	<b>VII CURRENT INCOME (III + VI)</b>	<b>8,814,515.55</b>	<b>-</b>	<b>8,814,515.55</b>	<b>17,952,220.18</b>	

(1) Changes in inventory: opening inventory - opening inventory; increase (+); decrease (-)

(2) Purchases resold or consumed: Purchases - changes in inventories

## INCOME AND EXPENSE STATEMENT (excluding taxes) (CONTINUED)

FISCAL YEAR FROM 01/01/23 TO 31/12/2023

		TRANSACTIONS			
		Particular to fiscal year	For the previous fiscal years	TOTAL OF THE FISCAL YEAR	TOTAL OF THE PREVIOUS YEAR
		1	2	3 = 1 + 2	4
VII	CURRENT INCOME (Report)	8,814,515.55	-	8,814,515.55	17,952,220.18
VIII	<b>NON-CURRENT PRODUCTS</b>				
	. Proceeds from disposals of fixed assets	-		-	-
	. Equalization subsidies	-		-	-
	. Reversals of investment grants	-		-	-
	. Other non-current income	338,254.58		338,254.58	5,495,122.45
	. Non-current reversals, expense transfers	10,000,000.00		10,000,000.00	-
	<b>TOTAL VIII.</b>	<b>10,338,254.58</b>	<b>-</b>	<b>10,338,254.58</b>	<b>5,495,122.45</b>
IX	<b>NON-CURRENT EXPENSES</b>				
	. Net depreciation values disposed assets	-		-	-
	. Subsidies granted	-		-	-
	. Other non-current expenses	11,576,290.24		11,576,290.24	2,832,034.00
	. Non-current allowances to depreciation and prov.	-		-	-
	<b>TOTAL IX.</b>	<b>11,576,290.24</b>	<b>-</b>	<b>11,576,290.24</b>	<b>2,832,034.00</b>
X	<b>NON-CURRENT INCOME (VIII-IX)</b>	<b>-1,238,035.66</b>	<b>-</b>	<b>-1,238,035.66</b>	<b>2,663,088.45</b>
XI	<b>PRE-TAX INCOME (VII+ X)</b>	<b>7,576,479.89</b>	<b>-</b>	<b>7,576,479.89</b>	<b>20,615,308.63</b>
XII	<b>CORPORATE INCOME TAX</b>	<b>3,361,920.00</b>		<b>3,361,920.00</b>	<b>7,901,656.00</b>
XIII	<b>NET INCOME (XI-XII)</b>	<b>4,214,559.89</b>	<b>-</b>	<b>4,214,559.89</b>	<b>12,713,652.63</b>
XIV	TOTAL INCOME (I + IV + VIII)	179,416,904.34		179,416,904.34	181,992,925.77
XV	TOTAL EXPENSES (II + V + IX + XII)	175,202,344.45		175,202,344.45	169,279,273.14
XVI	<b>NET INCOME (Total income - Total expenses)</b>	<b>4,214,559.89</b>	<b>-</b>	<b>4,214,559.89</b>	<b>12,713,652.63</b>

## **RAPPORT DE L'AUDITEUR EXTERNE**

### **EXERCICE DU 1<sup>ER</sup> JANVIER AU 31 DECEMBRE 2023**

#### ***Aux membres du Conseil d'Administration***

#### **Autorité Marocaine du Marché des Capitaux (AMMC)**

Avenue Annakhil, Hay Riad – Rabat

#### **Audit des états de synthèse**

##### **Opinion**

Conformément à la mission qui nous a été confiée par votre Conseil d'Administration du 21 mars 2022, nous avons effectué l'audit des états de synthèse ci-joints de l'Autorité Marocaine du Marché des Capitaux (AMMC), qui comprennent le bilan au 31 décembre 2023, le compte de produits et charges, l'état des soldes de gestion, le tableau de financement pour l'exercice clos à cette date, ainsi que l'état des informations complémentaires (ETIC). Ces états de synthèse font ressortir un montant de capitaux propres et assimilés de 239 348 368,41 MAD dont un bénéfice net de 4 214 559,89 MAD.

A notre avis, les états de synthèse cités au premier paragraphe ci-dessus donnent, dans tous leurs aspects significatifs, une image fidèle du patrimoine et de la situation financière de l'Autorité Marocaine du Marché des Capitaux (AMMC) au 31 décembre 2023, ainsi que du résultat de ses opérations pour l'exercice clos à cette date, conformément au référentiel comptable en vigueur au Maroc.

##### **Fondement de l'opinion**

Nous avons effectué notre audit selon les Normes de la Profession au Maroc. Les responsabilités qui nous incombent en vertu de ces normes sont plus amplement décrites dans la section « Responsabilités de l'auditeur à l'égard de l'audit des états de synthèse » du présent rapport. Nous sommes indépendants de la société conformément aux règles de déontologie qui s'appliquent à l'audit des états de synthèse au Maroc et nous nous sommes acquittés des autres responsabilités déontologiques qui nous incombent selon ces règles. Nous estimons que les éléments probants que nous avons obtenus sont suffisants et appropriés pour fonder notre opinion d'audit.

##### ***Responsabilités de la direction et des responsables de la gouvernance à l'égard des états de synthèse***

La direction est responsable de la préparation et de la présentation fidèle des états de synthèse, conformément au référentiel comptable en vigueur au Maroc, ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états de synthèse exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs.

Lors de la préparation des états de synthèse, c'est à la direction qu'il incombe d'évaluer la capacité de la société à poursuivre son exploitation, de communiquer, le cas échéant, les questions se rapportant à la continuité de l'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si la direction a l'intention de liquider la société ou de cesser son activité ou si aucune autre solution réaliste ne s'offre à elle.

Il incombe aux responsables de la gouvernance de surveiller le processus d'information financière de la société.

### **Responsabilités de l'auditeur à l'égard de l'audit des états de synthèse**

Nos objectifs sont d'obtenir l'assurance raisonnable que les états de synthèse pris dans leur ensemble sont exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs et de délivrer un rapport de l'auditeur contenant notre opinion. L'assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément aux normes de la profession au Maroc permettra toujours de détecter toute anomalie significative qui pourrait exister. Les anomalies peuvent résulter de fraudes ou d'erreurs et elles sont considérées comme significatives lorsqu'il est raisonnable de s'attendre à ce que, individuellement ou collectivement, elles puissent influencer sur les décisions économiques que les utilisateurs des états de synthèse prennent en se fondant sur ceux-ci.

Dans le cadre d'un audit réalisé conformément aux normes de la profession au Maroc, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique tout au long de cet audit. En outre :

- nous identifions et évaluons les risques que les états de synthèse comportent des anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs, concevons et mettons en œuvre des procédures d'audit en réponse à ces risques, et réunissons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative résultant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- nous acquérons une compréhension des éléments du contrôle interne pertinents pour l'audit afin de concevoir des procédures d'audit appropriées aux circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de la société ;
- nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, de même que des informations y afférentes fournies par cette dernière ;
- nous tirons une conclusion quant au caractère approprié de l'utilisation par la direction du principe comptable de continuité d'exploitation et, selon les éléments probants obtenus, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité de la société à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport sur les informations fournies dans les états de synthèse au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants obtenus jusqu'à la date de notre rapport. Des événements ou situations futurs pourraient par ailleurs amener la société à cesser son exploitation ;

## Deloitte.

- nous évaluons la présentation d'ensemble, la structure et le contenu des états de synthèse, y compris les informations fournies dans l'ETIC, et apprécions si les états de synthèse représentent les opérations et événements sous-jacents d'une manière propre à donner une image fidèle.

Nous communiquons aux responsables de la gouvernance notamment l'étendue et le calendrier prévus des travaux d'audit et nos constatations importantes, y compris toute déficience importante du contrôle interne que nous aurions relevée au cours de notre audit.

**Casablanca, le 27 mars 2024**

**L'auditeur externe**

**Deloitte Audit**



Deloitte Audit  
Bd Sidi Mohammed Benabdellah  
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Casablanca  
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**Sakina Bensouda Korachi**  
**Associée**

## APPENDIX 2 : SUMMARY OF PENALTIES

Party involved	Alleged violations	The date of the penalty	Penalty
BMCE Capital Gestion	<ul style="list-style-type: none"> <li>- Insufficiency of certain procedures and technical resources required to carry out activities;</li> <li>- Irregularities in the processing of certain transactions;</li> <li>- Insufficient internal vigilance to prevent money laundering and the financing of terrorism;</li> <li>- Insufficient internal audit system.</li> </ul>	March 22, 2023	<ul style="list-style-type: none"> <li>- Warning.</li> <li>- Financial penalty of MAD 50,000.</li> </ul>
IRG Asset Management	<ul style="list-style-type: none"> <li>- Incomplete procedures manual;</li> <li>- Irregularities in the processing of certain transactions;</li> <li>- Insufficient 1<sup>st</sup> and 2<sup>nd</sup> level audits.</li> </ul>	March 22, 2023	- Warning.







الهيئة المغربية لسوق الرساميل  
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AUTORITÉ MAROCAINE DU MARCHÉ DES CAPITAUX

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