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KENYA-MOROCCO
Two lions on the move

EVENT REPORT

March 24th, 2017 Radisson Blu Nairobi

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TWO LIONS ON THE MOVE

«This conference has been defined as "Two Lions on the move". I think it is a very appropriate title, one lion in the North and one lion in the East, moving together to make sure the rest of the continent moves along with us, so that nobody is left behind.»

«We need to continue nurturing and watering the relationship between our two countries, so that there is something to show for. Business is a key part of our relationship.»

«Morocco applying to enter ECOWAS is very good news, and hopefully it will consider entering COMESA to come on board a continental free trade area that is being developed now.»

«Kenya has welcomed Morocco's return to the African Union and we are looking forward to working together.»

On the fringe of the conference, Amina Mohamed Jibriil, Minister of Foreign Affairs of Kenya has made the above declarations.

TWO LIONS ON THE MOVE

«Kenya and Morocco need to come together in many respects. Our two parliaments who are elected by the people, represented by the two speakers have been able to raise the issues that are pertinent to the two countries in order to promote our relationship to a new level. But we need to do more.»

«As a country the President of Kenya has been at the forefront of championing inter African trading, and we appreciate and share the vision of Morocco in this regard.»

«I would like to congratulate morocco for putting its case in front of the African Union in order to be reintegrated.»

Ekwee David Ethuro, Speaker of the Senate.

This report is a synopsis of deliberations and opinions expressed at the **Morocco-Kenya** Conference tagged "Morocco-Kenya: Two lions on the move" held at the Radisson Blue Hotel, Nairobi on Friday March 24, 2017. The objectives of this event as stated by the organizer EconomieEntreprises LIVE, in partnership with Institute of Economic Affaits, are:

- To bridge existing communication gap between Morocco and Kenya;
- To foster a South-South partnership in trade, cultural exchange, capacity development and reinforcing relationships; and
- To create a platform where think-tanks in Kenya and Morocco can collaborate.

Hassan M. Alaoui
Economie Entreprises

Owino Kwame
Institute of Economic Affairs

Nicholas Nesbitt
KEPSA

Maria Ouazzani
AMDI

Abdelaaziz Ait Ali
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Abdou Diop
CGEM

Carole Kariuki
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Allen Dennis
World Bank

Limamoulaye Cisse
OCP Africa

Moses Ikiara
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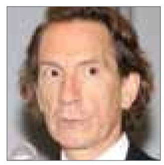

Patrick Larrivé
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Lucy Muchoki
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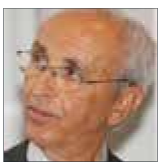

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General Council for Agriculture Development

Youssef Imghi
Tanger Med Engineering

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Executive Summary

This report is a summary of deliberations and opinions expressed at the Morocco-Kenya Conference 'Kenya - Morocco: Two Lions on the Move' held at the Radisson Blue Hotel, Nairobi, Kenya, on Friday March 24, 2017. The event was an opportunity to encourage South-South cooperation in order to facilitate quality knowledge sharing between solution providers and seekers, and enhance policy dialog on the human and social development front, agriculture, ICT, finance, and infrastructure development among others.

The program of this event revolved around a cross analysis of both countries' operating experience in various sector reforms and strategies as well as an intersecting view on growth strategies going forward.

Opening Remarks

Hassan M. Alaoui, Publisher - Economie Enteprises

Mr. Alaoui welcomed participants to the conference and briefly gave a run-down of the investment climate in Morocco, and what makes the North African stand out and be different from some of her neighbours. He emphasized the country's approach to investment while noting the proximity of the country to Europe, and her endowment with infrastructure development, access to markets and the policy environment suitable for would be investors from far and wide, Kenya in this case being case in point.

Mr. Alaoui further underscored the need for enhanced cooperation between Kenya especially in areas where each has comparative advantages. Other areas proposed for further cooperation include agriculture – learning experiences, Capacity development in ICT, as well as trade and commerce.

Abdelaaziz Ait Ali, Senior Economist – OCP Policy Centre, Morocco

In his presentation and as an introduction, Mr. Abdelaaziz gave an overview of the Kingdoms' economic performance in the last 10 years, noting growth against employment, as well as the macro-economic framework that he detailed through a view of fiscal and monetary policies. Noting growth in the economy, however, it was noted that the economy is mostly service driven. The service sector leads in terms of employment creation with 40 percent, followed by agriculture at 39 percent.

In terms of markets for her produce, it was noted that although sub-Saharan Africa is the new frontier and destination for such, Europe still remains the largest recipient - accounting for 60 percent of exports. Exports

are majorly in phosphates and derivatives, automobiles, textile and leather, as well as agriculture and agri-food among others.

He also gave the challenges the kingdom would expect to meet in the near future which includes upgrading the education quality, embracing a more flexible exchange regime, and on the trading front, pushing towards cumulative rules of origin within Africa is also a challenge that the regime is dealing with.

Kwame Owino, Chief Executive officer – Institute of Economic Affairs

Mr. Owino on his part also welcomed the participants to the country firstly, and to Nairobi, the country's capital city. He emphasized the hospitality of the Kenyan people in welcoming visitors noting that his invitation for them to take time off their busy schedule to indulge in conference tourism, and also visit the game parks and historical sites in the country.

Mr. Owino intimated that Kenya is the leading economy in the East African region, and being part of the East African Community (EAC), it offers the perfect gateway for entry and access to the large market.

This notwithstanding, Mr. Owino emphasized the limited socio-economic relations between Kenya and Morocco while noting that at the end of the conference, areas for strategic partnerships should be mapped out for further action. He wished all a successful conference and fruitful deliberations.

SESSION I: DOING BUSINESS

Conducive operational environment is key to thriving businesses and business community for both countries. Important aspects that come to the fore in this aspect include regulatory issues, legal frameworks, taxation measures, among other issues and policies.

KENYA ECONOMIC UPDATE EDITION 15

Allen Dennis, World Bank.

Allen Dennis made a presentation on the Kenya Economic Update, which delved into the performance of the Kenyan economy, the expectations in the medium term, as well as policy implications going forward.

The performance of Kenya's economy has been robust, supported by a steady macro-environment. Kenya has experienced positive changes in terms of the doing business index; in 2010, it was ranked position 95, which improved to position 92 in 2017.

Economists foresee strong prospects in growth of the economy in the medium term, noting the strengthening of the global economy. However, this is affected by the fluctuating global oil prices, the ongoing drought in the country, and the depressed rains which will have negative implications at large. Allen Dennis also noted that one of the most notable and key growth imperatives is the level and changes as pertains to the exchange rate – especially to the US Dollar, which has maintained over the period 2016 January to 2017 January at between Ksh. 95 to Ksh. 100. Other positive factors that come into play include the massive investments in the infrastructure sector and easing of bottlenecks in the sector, the discovery and subsequent onset of oil drilling in the country, various reforms ongoing in various sectors – more specifically in the agricultural sector, as well as changes and benefits being realized in the tourism sector. With these reforms, Kenya sees itself attaining its economic goals as outlined in Vision 2030.

Carole Kariuki, Chief Executive Officer – Kenya Private Sector Alliance

In her rejoinder, Ms. Kariuki started by noting that different regimes often have different agenda as relates to the business environment, and in line with its agenda for the country's growth and development. She rued the high cost of business and noted the fact that this is so as a result of high energy costs. This cost is passed on to the final consumer in terms of pricing of the final product/outputs that reach purchase or consume.

She noted that a shift to renewable energy is the way to go for the business community, if they are to stay competitive and also pass on the benefit of cheap and affordable energy to consumers. The era of using diesel powered engines needs to be phased out with environmentally friendly, affordable and renewable energy sources. On the implications of the banking Act, Ms. Karuiki noted that there are mixed reactions to its implementation, noting that a 6-month period had lapsed since its adoption as a law in August 2016. On one hand, industry players such as the national and multinational banks operating in the country have decried the negative impacts it has had on their operations on the overall while on the other hand, micro and small enterprises have hailed it as being progressive as they are enabled to access affordable credit facilities.

On this note, she mentioned that KEPSA was undertaking a survey on the Impact of the Banking Act from which policy influence and recommendations will be derived. She also noted that not many individuals and companies/organizations have fully grasped the policy making processes. Further to this, she mentioned that an understanding of public policy requires a political wing and participation both horizontally and vertically.

The technical aspects were noted to come in to strengthen the policy itself.

DOING BUSINESS; WHERE DOES MOROCCO STAND?

Abdou Diop, Africa Mission, CGEM Morocco

Mr. Diop begun his presentation by delving into the stable political environment. On this note, he further on the same point noted that the Kingdom has a bicameral parliamentary system but both chambers vote on all laws. The country has 33 political parties and well over 85,000 associations and NGO's.

Amongst the issues that Mr. Diop considers key pointers in doing business in the country have to do with requirements for Starting a Business, Dealing with construction permits, Getting electricity, Property Registration, Credit acquisition, Cross-Border trading, as well as taxation issues among others. The doing business index has the average regional score for Middle East and North Africa at 56.36. Morocco has a score of 67.5 and is ranked number 68 within the region. This notwithstanding, other macro-economic drivers include a low inflation rates that has averaged 1.9% in the period 2001 – 2014, and average growth of 4.8% in the same period. The unemployment rate is at 9.5%.

Mr. Diop further noted that the incentives for investors include offer of lands for business integrated industrial parks; hosts an Aerospace City, a Technopolis, an Atlantic Free Zone, and the massive Tanger Med Free Zone. In addition, Morocco offers an unparalleled connection point between Europe, the Middle East, and Africa.

In conclusion, Mr. Diop noted that Morocco is a gateway for French speaking Africa, but also to the rest of Africa into European markets. This is made possible by the country being a connection point to 34 African countries through the Casablanca Hub, a road network from Tangier to Dakar – Senegal, and to Niamey – Chad, among others. He also underscored the various initiatives and incentives that the Kingdom offers for investors.

SESSION II: INVESTMENTS

One of the key areas that can enhance partnership and the business climate for both countries is in investments in diverse areas that lead to economic growth and development. However, noting the various differences even if only geographically, it means that each country could bear some advantages that the other does not, or offer more options as opposed to the partner/competitor. It is therefore important to note the aspects that each brings to the table, and the synergies that can be gained from cross-investments. The presentations made focused on Morocco as the gateway to Europe, and on Kenya as the gateway to East Africa.

MOROCCO, THE GATEWAY TO EUROPE

Ouazzani Chahdi Maria, Business Development Manager, Invest In Morocco

Mrs. Ouazzani made a presentation showcasing Morocco as 'The Gateway to Europe.' She started off by giving a brief overview of Morocco stating that the country has a population of 33.8 million people, with the official languages being Arabic and Amazigh. Other languages spoken are French, Spanish (noting the proximity to Spain), and English. Again, she noted that more than half the population is below age 30.

The country has had long periods of peace and quiet and as such, is political stable. This has seen rapid developments in the areas of infrastructure which has propelled the country towards becoming a hub for manufacturing as well as for exports for international organizations. Some of the key and important infrastructure developments in the country includes; 17 International Airports – with Casablanca being the number hub between Europe and Africa; High speed trains – expected to be operational in 2018; Good Urban Infrastructure that allows connectivity across the country; and a port that has 38 ports – one of the largest in Africa.

On the trading front, Mrs. Ouazzani brought to the fore the fact that the country has a unique set of FTAs; Bilateral Agreements such as the one United Arab Emirates (UAE) – Jordan – Turkey; Multilateral Agreements; and membership to various economic groupings. One to point out is the Agreement with the United States of America that was made in 2005. However, these agreements were made possible through initiatives of the government which instituted several key changes not only in its administrative ranks, but also by issuing incentives to investors, especially to real estate development investors and trade counterparts.

Mrs. Ouazzani further mentioned that Morocco as a country has put in place an industrial acceleration plan which runs from 2014 – 2020. The aim is to create and maintain impetus for Morocco's industrialization by 2020. One of the key outcomes is to raise the share of Industry contribution to Gross Domestic Product (GDP) by 9 points (to 23%). In the same vein, there is also need to create jobs – 500,000 – noting that half of these will be buoyed by foreign direct investments, and creation of an Industrial Development fund to the tune of 2.5 Billion US Dollars by 2020.

Other than these, there are various sectoral strategies which among others include in tourism (Vision 2010), Energy (Moroccan Solar Plan 2020), Green Morocco Plan 2020 under Agriculture, and various other initiatives in Mining, Information Technology, and the Extractives sectors. Moving forward, Mrs. Ouazzani also underscored the need to sign performance contracts, and also informed participants that the country already signed a number of these in Automotives, Chemicals, Textiles, Building Materials and Aerospace Industries.

Mrs. Ouazzani also mentioned that the Moroccan government gave investors some financial boost depending on the nature of the investment, number of people it will benefit in terms of employment creation, and the financial outlay. Some of the incentives offered include 5% support towards total investment, and a 20% towards land acquisition for the investor.

In concluding his presentation, Mrs. Ouazzani noted that the African continent was fast growing and with it, a rise in the number of consumers which in turn increases demand for goods and services. As a final point, she noted that Invest in Morocco is the one stop shop for Kenyan and any other investor for information pertaining to living, working and investing in Morocco.

KENYA, THE GATEWAY TO EAST AFRICA

Moses Ikiara, Managing Director, Kenya Investment Authority

Mr. Ikiara made a presentation titled 'Kenya, The Gateway to East

Africa', that begun by showcasing and placing Kenya on the global stage, noting that the country is known worldwide for various positive reasons. He stated that the country has a population of 44.2 million and with a GDP at US$ 63.4 Billion, translated to a per capita GDP of US$ 1,436 as at 2015. The official languages are Swahili and English. He also mentioned that the country has overtaken South Africa as the best location for doing business on the continent, and it is a Hub that serves as a connection point to the larger East African region, and also for financial services.

Again, noting the growing population, Mr. Ikiara mentioned that Kenya offers readily available and wide market to a variety of investors in the country, and into the region as well. This is propelled by the fact that Kenya is a member of various trading blocks and has signed various trade agreements – East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA), Free Trade Agreements (FTAs), and Africa Growth and Opportunity Act (AGOA). On the same note, Kenya hosts the Largest Regional Economic Community (RECs), and is ongoing with negotiations to conclude and sign a Tripartite Agreement. Going forward, Mr. Ikiara noted that Kenya and Morocco have enjoyed cordial trade relations with statistics showing the former having a negative trade balance with Morocco since 2010 – exception being in 2014. Among the products Kenya exports include Vegetable textile fibres, Petroleum oils and oils obtained from bituminous minerals, Crude vegetable materials, and Furniture and parts among others. Imports include Fertilizers, Petroleum oils, Medicaments; Soap, cleansing and polishing preparations, Synthetic fibres suitable for spinning; Perfumery, and cosmetics among others.

While noting that Kenya has developed and is implementing its economic blueprint; Vision 2030, Mr. Ikiara highlighted the various investment opportunities available in Trade, Agriculture, Tourism, manufacturing, Financial Services, and Business Process Outsourcing (BPO). These opportunities are spread all over the country, noting the actualization of county governments since the promulgation of the Kenyan Constitution in August 2010.

In his closing remarks, he implored upon both countries to identify the areas where Kenya and Morocco can partner in and more specifically, where each has competitive advantage. He concluded the presentation by stating 'Investor is King, Investor is Queen.

THE NEED TO HARMONIZE THE LEGAL FRAMEWORK

Patrick Larrive, Partner, Dentons Law Firm – Morocco

Mr. Larrive noted in the beginning of his presentation the shared and common characteristics that the two countries have, including a robust private sector, a skilled workforce, political stability, as well as the long-term economic relationship that has existed between them. He underscored the fact that each of these countries individually play an important role as entry routes to their respective regions. There was need therefore, he noted, to take an in depth analysis at the legal framework as pertains to the business climate and how these govern the bilateral and multilateral relations for each individually, and together.

Mr. Larrive painted the current situation as pertains to the legal framework for either countries. For Kenya, he informed participants that Kenya adopted Foreign Investment Protection Act of 11 December 1964 (FIPA) and the Investment Promotion Act of 31 December 2004 (IPA). FIPA and IPA seek to establish among others; a legal foundation to encourage Foreign Direct Investment (FDI) into the country, while also allowing foreigners to invest on one hand, and also repatriate of profits back to their home countries on the other. Both FIPA and IPA are supported by among others the Private Public Partnership Act of 2013 (to govern the relationships between private sector and the government) and the Special Economic Zones Act of 2015.

For Morocco, Mr. Larrive noted that the government had taken steps to liberalize its economy. This has been achieved through introduction of laws that are aimed at improving the investment climate in the country. Among these are advantages in financial, tax, and customs reprieves in law. Also, the Moroccan government is a signatory to the international convention on investment protection. With the foregoing in mind, Mr. Larrive also made it clear that both countries have signed, and /or ratified various internationally recognized conventions among which include General Agreement on Tariffs and Trade (GATT) of 1947, General Agreements on Trade in Services (GATS), and Trade Related Intellectual Property Rights (TRIPs). Furthermore, Kenya signed a bilateral agreement with Morocco in June 2013 – a Memorandum of Understanding (MOU) on cooperation in diverse economic sectors. Again, what makes Morocco also a new frontier is its admission to the African Union in January 2017.

Mr. Larrive noted that further discussions between the two countries will be important in the following areas; signing of a binding bilateral agreement; agreement on promotion and protection of investments; tax treaty, and a mutual assistance agreement. He gave each country examples of bilateral initiatives and / or treaties signed. For Kenya, examples of Kenya and United Kingdom, and Kenya and China were discussed, while for the Moroccan case, examples included Morocco and Senegal, and Morocco and Turkey relations.

In his concluding remarks, Mr. Larrive gave some guidance notes on the way forward noting the following key pointers among others; the need to have a binding bilateral trade agreement between Kenya and Morocco; agree and conclude a tax treaty for a favourable investment climate to investors; and institute legal frameworks that guides this relationship.

SESSION III: AGRICULTURE

One of the core issues that should be noted as regards the agricultural sector is the fact that both Kenya and Morocco rely on the sector for growth of their economies. However, the sector has realized tremendous growth in morocco, supported by investments and technological developments. OCP, an agriculturally based firm in the Morocco shares the experiences towards growth and sustenance of the sector.

LESSONS LEARNT FROM AGRICULTURE PLANS

BUSINESS CASE: OCP, A WORLD LEADER WITH AFRICAN AMBITIONS

Limamoulaye Cisse, Vice President for Agronomy, OCP Africa

Mr. Cisse made a presentation that focused on sharing the Moroccan experience in agricultural development on one hand, and the experience and achievements that OCP has had in Kenya. As a background, he noted that OCP is one of the leading producers of phosphoric-acid based fertilizers in Africa and in the world with 47% share of the Global trade market. This has been made possible due to the organizations' long period of existence, and a strong regional and global presence – found in 5 continents with more than 20,000 employees.

The mission for OCP Africa, as stated by Mr. Cisse is to provide farmers in the African continent with products and services to enhance their agricultural production capacity and capabilities. He also noted that OCP has and possesses the know-how in designing, building and operating integrated industrial platforms for customized & innovative agricultural products. Furthermore, he points out to the fact that OCP has embraced Public Private Partnership and also operates in 6 regions in the country.

Amongst the key issues that OCP seeks to streamline include reduction of the distance from production of fertilizer to reach the farmer, availability of fertilizer when required, assisting farmers to apply and use the right technologies and products in their farms, elimination of counterfeit and adulterated fertilizers and products, as well as ensuring products are of the right price and quantity.

In terms of experience in Kenya, OCP notes that about 80% of Kenyan soils suitable for agricultural practices are Phosphorus deficient, while 82% of the same contains less than 2% of Calcium; all important components to a healthy yield.

Moving forward, he noted that there are opportunities for agricultural and allied companies based in Kenya to partner with OCP in order to learn from best practices in a bid to improve agricultural yield and thus uplifting people's livelihoods. Furthermore, it is also an avenue to that can be explored to boost trade ties.

SESSION IV: INFRASTRUCTURE AND COMPETITIVENESS

One of the key imperatives for the growth and development of a country lies in investing in its infrastructure. A robust one ensures ease of movement and access of both manufacturers and consumers to raw materials and finished goods/products respectively. Consequently, both Morocco and Kenya have undertaken significant investments in this sector in a bid not only to improve competitiveness, but also ensure that this yields to economic growth which is advantageous to the population at large.

CASE STUDY OF PORT STRATEGIESTANGER MED, A STRATEGIC INDUSTRIAL AND TRANSSHIPMENT HUB

Youssef Imghi, General Manager, Tanger Med Engineering

Mr. Youssef Imghi noted that Tanger Med Special Agency (TMSA) is 100% state owned company, but is managed as a private company. Moreover, it is a port authority/industrial zone with diverse services, located at the port which is only 14 kilometers from Spain. Noteworthy, it has 3 ports and 6 industrial zones. It has the capacity to take in over 100,000 ships every year, accounting for 20% of world trade exchange.

Other important aspects to note about TMSA includes the facts that it has a vehicles terminal which can manage over 700,000 vehicles per year, availability of 8 Docks for passengers and trucks, and an industrial zone that spans 5,000 Hectares.

On the business side, the port is as a connection point for 167 ports spread across 66 countries in 5 continents. The port is ranked 46th in the world but as espoused by Mr. Youssef, the aim is to propel it towards top 20 in the next few years.

Tanger Med also boasts of a diverse array of qualified human resource capital in the different disciplines; automotive engineering, aerospace engineering, textile industry, as well as logistics and management among others. It also provides, buoyed by government backing, business incentives for investors, while also noting the infrastructure that has been put in place, and the location of the port that allows, and is an avenue to worldwide market access (through Spain into Europe).

KENYA; CASE FOR INFRASTRUCTURE AND INVESTMENT

Moses Ikiara, Managing Director, Kenya Investment Authority

In his presentation, Mr. Ikiara noted that among the major Infrastructure projects being carried out in the country include the Lamu Port-South Sudan-Ethiopia-Transport (LAPSSET) Corridor, Standard Gauge Railway (SGR), and the Northern Corridor Road Project aimed at connecting the port of Mombasa to other countries within the region and beyond. These projects seek to improve the business environment and encourage more investments and investors to the country.

Further to these, Mr Ikiara also outlined the various avenues through which Kenya as a country uses to incentivize and attract investments. Among these include zero-rating of capital goods and raw materials, exemption of Plant, machinery and equipment from duty, Investment allowance, an Export Processing Zone (EPZ) Scheme, and a Special Economic Zone (SEZ) Scheme.

GLOBAL SYNTHESIS

The World Banks' Global Economic Prospects Report of 2017 notes a stagnant global trade, subdued investment, and increased uncertainty in various policies and political environments across the globe marks the year 2017 as a difficult year for the world's economy. However, recovery is expected within the year, albeit modest, pegged on emerging export markets and developing economies. Furthermore, global growth for 2017 is projected at 2.7 percent and expected to pick up modestly and reach 2.9 percent in 2018.

The above notwithstanding, Africa has taken its position on the global stage as one of the fastest growing economies in the world. This has been made possible by the numerous investments in diverse areas which include making heavy investments in the infrastructure and making changes in the policy environment aimed at making the business and investment environment friendly to investors. Consequently, growth has been realized across many countries in the continent.

More precisely, emerging markets and developing economies, specifically in the Middle East and North African region as is forecasted by the World Bank, is set to accelerate through 2018. This will be catapulted by the evening out of oil prices as was expected in 2016. On the other hand, growth in Sub-Saharan Africa is said to have decelerated to 1.5 percent in 2016 as a result of effects from low prices experienced by exporters of various commodities. However, the institution forecasts a growth in the region of about 2.9 percent in 2017 and to over 3.5 percent in 2018.

Morocco is a kingdom, which then sets it apart from many African states/countries which are independent countries operated as republics. It has a well developed and expanding manufacturing sector which has led to an increase in urban population over the past 2 to 3 decades. The kingdom has taken steps to sustain foreign investments inflows albeit a slowdown in global growth. Amongst the changes that the administration has rolled out include legislative framework which has helped to incentivize foreign direct investment into the kingdom, and the adoption of anti-corruption laws. On this note, it is important to note that FDI has increased by 11% between 2011 and 2015, and was noted as being the second largest recipient in terms of increased FDI projects in Africa.

Kenya on the other hand is a sovereign state which continues to be a leader in the East African region not only economically, but also as pertains to democratic achievements. In the recent past, it has noted changes to its constitutional dispensation which has been brought about by people's clamor for better service delivery, as well as equitable resource allocation across the country; both rural and urban areas should benefit in equal measure.

Both countries are seen to take lead in their respective geographic locations. Massive financial outlay in infrastructure developments in both countries has seen them emerge as centre points and hubs for access to other countries within their respective proximities; For Kenya – the gateway to East Africa, and for Morocco – the gateway to Europe.

HOW TO DEVELOP BILATERAL RELATIONSHIP BETWEEN MOROCCO AND KENYA

The conference covered diverse areas and sectors ranging from Agriculture, Manufacturing, to Infrastructure, among others. Issues were raised from both the Kenyan viewpoint and the Moroccan perspective as concerns doing business, issues that hinge on legal and regulatory environments for each country, and more so, on the points of convergence and those that may require discussions going forward on various aspects. Among the key issues that came to the fore from the one day conference, and which both Kenya and the Kingdom of Morocco should look forward to and for which recommendations were brought forth include the following;

Easing the business environment
Although there are positive strides in terms of relaxing the requirements for one (Individual or Corporate) to start a business in either country, more still needs to be done in order to attract more investors as well as FDI.

Encourage investments in areas in which each has comparative advantage
Morocco is the leading country in terms of fertilizer production and distribution in Africa as noted during the conference. Kenya should undertake to learn from morocco on this, while on the other hand, allowing herself to concentrate of adding value and making exports in products such as Tea and Coffee to Morocco.

Enhance Public Private Partnerships
It was noted that a law to this effect was formulated and guides the linkage and relationship between the public and private sectors in Kenya. However, Morocco's PPP is based on international standards and benchmarks. There is need for application and usage of international Chamber of Commerce (ICC) Rules to guide bilateral agreements on this aspect, and is highly recommended to both countries.

Engagement of both Governments in policy making processes
Engaging the government in making policy decisions to enable the business environment is key and important. Democratization of policy making process should be embraced going forward – this should also be applicable to decision making processes as far as investments are concerned.

Undertake review of requisite Legal and Regulatory requirements with a view to harmonize them
There are legal issues that also affect the relationship between the two countries. It is in the best interest of both Kenya and Morocco to conclude a bilateral investment agreement and a tax treaty in order to provide a favourable investment environment for investors. This should be done within the confines of the regulatory environments in both countries.

Showcase each country opportunities through tourism
One of the ways through which each country can become aware of the others' opportunities is through tourism. Making investments in the sector and encouraging tourism is one way through which each can help to develop their relationship, which may also lead to identification and investment in various opportunities.

CONCLUSION

We note that there exists numerous opportunities for both countries in moving forward their relations and ensuring that they partner in diverse economic opportunities that will yield mutual benefits. Key among these areas is in Infrastructure and Agriculture – where each can learn from the other depending on their relative strengths in either.

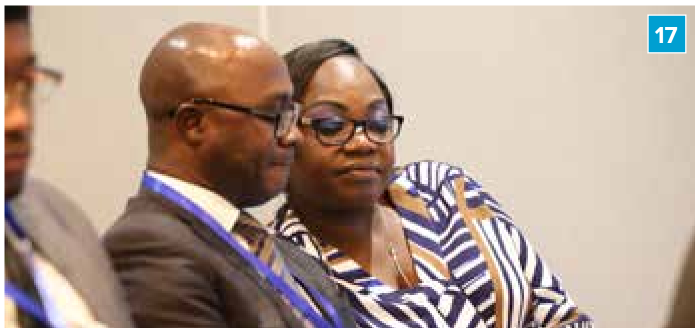
Going forward, application of the recommendations made herein will be key to ensuring the existence of mutual bilateral trade agreements between Kenya and Morocco aimed at fostering standardized legal standards, rules and regulations for doing business, thereby attracting more trade and investments.

Consequently, both countries will be able to reap from the enhanced and wider markets, which will in turn benefit the people in both countries. Within this harmonised and stable legal framework, these two African economic lions will move faster, grow and prosper, together.

MOROCCO-KENYA

TWO LIONS ON THE MOVE

1. Majid Yacoubi, Akwa Africa, Hassan M. Alaoui, Economie Entreprises, et Nicholas Nesbitt, Kepsa.
2. Nicholas Nesbitt, Kepsa.
3. Allen Dennis, World Bank
4. Kwame Owino, Institute of Economic Affairs Kenya
5. Lamia Kendili, Holmarcom
6. Dr. Bernard Mbui Wagacha, Senior Economic Advisor, Executive Office of the President
7. Carole Kariuki, Kepsa
8. Ali Bajaber, Honorary Consul of Kenya in Morocco, Dr. Bernard Mbui Wagacha
9. Abdelaaziz Ait Ali, OCP Policy Center
10. Abdelhafyd Bekaoui, General Manager Credit & Control Bank of Africa, Groupe BMCE Bank
11. Maria Ouazzani, AMDI



12. Dr. Moses Ikiara, KenInvest, Maria Ouazzani, AMDI, Patrick Larrivé, Denton's
13. Abdelaaziz Ait Ali OCP Policy Center, Kwame Owino, Institute of Economic Affairs Kenya, Hassan M. Alaoui, Economie Entreprises,
14. Ali Bajaber, Honorary Consul of Kenya in Morocco
15. Mohamed Ait Kadi, General Council for Agriculture Development
16. Dr. Moses Ikiara, KenInvest
17. Kouassi Kwah Luther et Yacine Diokhane, Ansut
18. Derek Bbanga, Public Image
19. Limamoulaye Cisse, OCP Africa
20. Noziphe Mdawe, PMAESA
21. Abdou Diop, CGEM
22. Youssef Imghi, Tanger Med Engineering

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INSTITUTE OF ECONOMIC AFFAIRS, KENYA

The Institute of Economic Affairs (IEA Kenya) was formally launched in 1994 as a civic forum that sought to promote public policy debates and promote alternative policy options. It grew out of the 1992 Post Elections Action Programme (PEAP), a joint effort by Kenyan professionals and academics, at the wake of Multi-Party Democracy when debates on democracy and alternative policy options were vibrant. IEA served as a forum for professionals who until then lacked a forum through which to conduct organized debates and influence policy. ***www.ieakenya.or.ke***

OCP GROUP

OCP is proud to play an important role in feeding a growing global population, by providing essential elements for soil fertility and plants growth. With almost a century of experience, OCP Group is a leader in the phosphate rock and derivate markets. OCP provides a wide range of well-adapted fertilizer products to enhance soil, increase agricultural yields, and help feeding the planet in a sustainable and affordable way. Headquartered in Morocco, OCP works in a close partnership with more than 160 customers over 5 continents. ***www.ocpgroup.ma***

OCP Africa,a subsidiary of OCP, is fully dedicated to contributing to the development of sustainable agricultural ecosystems in Africa. This everlasting commitment to the continent's agricultural transformation embodies OCP's resolve to address the challenges of setting up a structured, efficient and resilient agriculture. To fulfill this ambition, OCP AFRICA provides farmers with all the tools for success: customized and affordable products, support services and logistical solutions. As a world leader in the phosphate industry, OCP Group leverages all possible means in order to contribute to addressing the food security challenge and to meet the needs of present and future generations. ***www.ocpafrica.com***

HOLMARCOM

Holmarcom is uniquely structured as a family-run holding, multi-industry group and holds a leading position at the forefront of the Moroccan business community. The Group operates in five major sectors and its main subsidiaries are leaders in their respective fields. It has leading positions in finance and insurance, agro industry, distribution and logistics, air transport as well as real estate. Over 50 years the Group has consistently consolidated its leadership by pursuing a policy of investing in the most promising industries which offer solid prospects for long-term growth. Holmarcom is also one of the most active groups on the social and human development fronts. ***www.holmarcom.com***

AKWA GROUP

It is a major player in the energy sector in Morocco. For the last fifteen years, the group has diversified into sectors with strong value added such as the media, hotels and real estate bringing innovative solutions to businesses and individuals. Akwa Group is a responsible Group engaged on a daily basis through its women, men and businesses to support the developmental of the Kingdom. With a turnover of 3.2 billion dollars in 2015, Akwa operates more than 500 service stations fuel distribution network and a fuel storage capacity of 980,000 m3 in Morocco and manages more than 23 million gas cylinders in circulation.The group employs 10,000 people (direct and indirect) through 70 companies and 20 leading national brands. Two of its companies, Afriquia Gaz and Maghreb Oxygene are listed on the Casablanca stock market. ***www.akwagroup.com***

GROUPE CRÉDIT AGRICOLE

For decades, Groupe Crédit Agricole du Maroc has been a partner of the agriculture sector and the rural environment. It works hands in hands with the government in order to bring value to the agriculture sector and agribusiness industry and to reinforce the stability of rural populations. Like all financial institutions, Crédit Agricole du Maroc has a strategic financial mission, which is to improve the penetration of banking services throughout the country, and especially in rural areas. To do so it offers an array of financial services to answer the growing needs of populations. ***www.creditagricole.ma***