



CASABLANCA FINANCE CITY
القطب المالي للدار البيضاء

Newsletter

February 2015

Casablanca Finance City

Your Gateway to Africa

In This Issue

- P 1 Editorial
- P 2 GNWA News
- P 3 Under the Radar : Ghana
- P 5 CFC News
- P 6 4 Questions to... Judge Delissa

About CFC Authority

CFCA, formerly Moroccan Financial Board, is a public-private partnership dedicated to positioning Casablanca as a regional financial center and a premier gateway into African markets for multinationals, financial institutions and professional services firms. CFCA is empowered by law with the overall management and promotion of Casablanca Finance City.

Contact

For general inquiries call :
+212 (0) 5 20 30 03 80/81
Email: contact@cfca.com

Editorial

If I had to choose one word to qualify 2015, it would be Expansion.

Placing Casablanca on the map of international financial hubs was once an ambitious project, attracting only a few visionaries. It is now a reality, with CFC stepping into a new phase of its development both locally and globally.

We aim at growing our community to reach 100 members by the end of this year. We went from 12 entities in 2012 to 62 now holding the CFC status.

We have ensured that the advantages and laws would best serve our investors.

Our members especially benefit from our unbeatable fast track for their administrative procedures. We participated in numerous law improvements, including securitization and securities lending and borrowing. We are also fully committed to the best practices in arbitration laws.

We had the honor to host the Casablanca Arbitration Days with 50 speakers and 200 participants from the 5 continents. During this event, we launched CIMAC, the Casablanca International Mediation and Arbitration Center.

Regarding this initiative, US Court of International Trade Judge Delissa A. Ridgeway said: "*Casablanca Finance City is designed to capitalize on Morocco's security, political and economic stability, and strategic location, and to position Casa as a financial hub for Francophone Africa.*"

Through these efforts, CFC's ecosystem is now deeply rooted in Africa, with a large majority of its companies operating in the North and West African regions.

We are very proud to announce a partnership with two financial hubs, Mauritius and Montreal. We have the strong conviction that these partnerships will allow us to share the best practices and further our common values of openness and progress. We will reinforce our existing partnerships with Paris, London, Luxembourg and Singapore.

Thus, in a very short time we have managed to bring CFC to maturity. Now is a great time to join our community. Please feel free to reach out for any queries.

I wish you a good read.

Said Ibrahimi,
Chief Executive Officer of CFCA



King Mohammed VI and President of the Republic of Côte d'Ivoire chaired the signing ceremony of several cooperation agreements

King Mohammed VI and President of the Republic of Côte d'Ivoire, His Excellency Alassane Ouattara, chaired, at Marrakech, the signing ceremony of several bilateral cooperation agreements in various fields. The agreements cover the areas of Islamic affairs and management, security and justice, environment and agriculture, customs, health and education.

Source: [iianews](#)

Maroc Telecom acquires Etisalat's assets in six African countries for \$537m

Morocco's leading telecommunication company, Maroc Telecom, has finalized a deal to acquire six telco assets in Africa from Etisalat, the largest mobile phone company in United Arab Emirates. This acquisition was carried via its subsidiaries, Atlantique Telecom SA and Etisalat International Benin Limited. The assets acquired include Etisalat's subsidiaries in Ivory Coast, Gabon, Niger, Togo, Benin and Central Africa Republic. These assets provide both voice and data services under the Moov brand.

Source: [Ventures Africa](#)

Saham Finances acquires 40% stake in Nigerian insurance firm

Saham Finances has acquired a 40% stake in Nigerian non-life insurance company, Unitrust Insurance. Saham's acquisition marks its entrance into Nigeria's insurance market, one of the most promising emerging insurance markets. This acquisition will allow Saham to consolidate its growing presence in West Africa, particularly in the largest economy on the continent. Saham Finances now has presence in 22 countries.

<http://urlz.fr/1rqu>

Source: [Ventures Africa](#)

Attijariwafa Bank starts trading in Chinese yuan

Attijariwafa Bank, one of Morocco's biggest lenders, has begun trading in the Chinese yuan to help local and African businesses in their growing commercial partnership with China. This decision follows an agreement signed with Bank of China on the margins of the Economic Forum Morocco-China.

Attijariwafa Bank has the largest branch network in Morocco and Africa with 3,265 branches, up from 3,197 in 2013. It has subsidiaries in many African, European and Middle East countries.

<http://urlz.fr/1rqE>

Source: [China.org](#)

BMCE Bank to create new subsidiary specializing in Islamic Finance

Morocco's BMCE Bank will embark on a joint venture with Saudi Arabia's Al Baraka Banking Group to create a new subsidiary specializing in Islamic finance. The Saudi group Al Baraka Banking Group, a world leader in the field of Islamic finance, will hold 51% of the new subsidiary while the Moroccan bank BMCE will hold the remaining 49%. The step follows the adoption of the law authorizing the creation of participatory banking by the parliament.

<http://urlz.fr/1rqL>

Source: [Morocco World News](#)

Danone pays 278 million euros to raise Centrale Laitiere stake

Danone, the world's largest yoghurt maker, will spend 278 million euros to further tighten its control over Morocco's main dairy company, Centrale Laitiere, as it reduces its dependence on slow-growth Europe. Danone will buy an additional 21.75 percent of Centrale Laitiere, which has a domestic market share of nearly 60%, taking its stake to 90.86%

<http://urlz.fr/1rre>

Source: [Reuters](#)

The Moroccan group "Alliances" will build eight hospitals and eight hundred social houses in Cameroon

Alliances Group signed an agreement with the Republic of Cameroon and Bank Atlantic of Cameroon. The contract will cover the design, the construction and the purchase of the equipment of 8 hospitals and 800 social housing units in eight districts in Cameroon. The total amount of the project is DH 3.2 billion fully funded by the Cameroon Atlantic Bank Group on behalf of the republic of Cameroon.

<http://urlz.fr/1rrt>

Source: [Medafrica Times](#)

The Carlyle Group invests in Diamond Bank Plc, a Nigerian commercial bank

Carlyle Group LP, global alternative asset manager, invested \$147 million in Lagos-based Diamond Bank PLC as it seeks to expand in Africa's largest economy. Carlyle bought the stake through its sub-Saharan Africa Fund as the Nigerian lender held a rights offer. The investment, the first by Carlyle in Africa's biggest oil producer, will give it a stake of about 18 percent in Diamond Bank if the transaction is approved by regulators.

The Carlyle fund has invested almost \$300 million in sub-Saharan countries including Mozambique, Zambia, Tanzania and the Democratic Republic of the Congo since 2011.

<http://urlz.fr/1rrO>

Source: [Bloomberg](#)

Abraaj buys into Algeria's largest logistics firm

The Abraaj Group, a leading investor operating in global growth markets, has announced the acquisition, through one of its Funds, of a stake in La Flèche Bleue Algérienne SPA (FBA), a leading Algerian company specializing in transportation and logistics services.

The move marks Abraaj's first foray into Algeria and will enable the expansion of FBA's footprint into other verticals of the logistics business, providing the company with ample resources and funds to further grow its market share amongst full-service third-party logistics providers in Algeria.

<http://urlz.fr/1rsg>

Source: [Ventures Africa](#)

FMO and Proparco invest in Access Bank in Ghana

Access Bank (Ghana) Limited has secured a USD 40 million credit facility from PROPARCO (the French Development Bank) and FMO (the Netherlands Development Finance Company), to support its lending activities to the private sector in the Ghanaian economy. The transaction was signed in Rotterdam in the Netherlands on Monday September 29, 2014 and is in line with Access Bank Ghana's strategy to expand its lending portfolio to key sectors of the Ghanaian economy by advancing competitively priced loans.

<http://urlz.fr/1rsv>

Source: [FMO website](#)





Overview

Ghana is a republic with a democratic government, located along the Gulf of Guinea and Atlantic Ocean, in the West Africa region. It covers 238 535 km², with 2093 kilometers of international land borders. As of 2013, the population was estimated at 25.9 million with 52% urban. Natural resources include gold (2nd largest producer in Africa), timber, diamonds, bauxite and manganese, while agricultural products include cocoa, rubber, coconuts, coffee and other food crops. Ghana is an active member of key regional integration arrangements in West Africa and the continent, including the African Union, the Economic Community of West African States (ECOWAS), and the West African Monetary Zone.

The country is seen as one of West Africa's most resilient democracies, holding peaceful, free and fair elections since 1992. In a difficult region, Ghana's political stability has been a major asset to foreign investors. John Dramani Mahama is the current President of Ghana since July 2012.

Ghana's economy has maintained a substantial growth trajectory with an average annual growth rate of about 6% over the five years up to 2010, reaching a record high of 15% in 2011. Due to poor performance in the agricultural and industrial sectors, growth declined to 7.9% and less than 5% in 2013. In particular, the mining sector decelerated because of the downturn in gold prices, while oil production was below targets. Growth has however been driven largely by the service-oriented sectors, which account for around 50% of GDP overall. Industry, including mining, manufacturing and construction, ranks second at 27% of GDP. Although agriculture accounts for around 20% of GDP, it remains the pillar of the economy in terms of crop production and employment. The petroleum sector is expected to be among the main drivers of economic growth for the years to come. Oil reserves are estimated at around 660 million barrels and oil production reached nearly 100 000 b/d in 2013. Besides oil, gold production remains the largest source of income to the country, with Ghana ranking 2nd in gold production in Africa. Ghana's economy is expected to remain strong with an average growth of 8% over the medium term, supported by an improved oil and gas production and public infrastructure development. A sustained political stability and increased private-sector investment serve as growth engines.

Ghana has been a key location for Foreign Direct Investment (FDI) in West Africa. FDI inflows amount to USD 3.2 billion in 2013, accounting for around 20% of total FDI inflows to the ECOWAS region. Most of the FDIs target telecommunications, transport and logistics, financial services and food and beverages subsectors. Government is committed to attract foreign investors and to boost the competitiveness and development of the nation's most leading firms by providing many incentives such as the creation of free zones offering significant tax advantages.

General Information

Capital city	Accra
Official languages	English
Area	238 535 km ²
Population	25.90 million
Currency	Cédi
Time zone	UTC

Macroeconomic Indicators

GDP (Current USD)	\$ 48.14 billion
GDP (Current PPP)	\$ 103.41 billion
GDP per capita (Current USD)	\$ 1858
GDP composition by sector	
Agriculture	22.7%
Industry	26.8%
Services	50.5%
FDI- Net inflows	\$ 3.23 billion
GDP growth rate	7.1%
Inflation	11.6%
Unemployment rate	3.6%
Labor force	12.07 million
Corruption Perceptions Index 2014	61 out of 175
Country risk assesment	B
S&P credit ratings	B-
Human Development Index	0.57 (138 out of 186)

Monetary data

Reserves of foreign exchange and gold	\$ 6.02 billion
Central bank lending rate	21% (Nov 2014)
Market cap	\$ 4.59 billion (Jul 2014)
Currency conversion rate	0.31 \$
Bank account penetration	39%

Natural Resources

Crude oil	97,91 barrels per day
Oil (proved reserves)	660 million barrels
Gas (proved reserves)	0.8 trillion cubic feet

Trade/ FDI

Imports	\$ 18.49 billion
Exports	\$ 13.37 billion
Stock FDI	\$19.85 billion

Infrastructure

Total road length	109,51 Km (2009)
Paved road length	13,78 Km (2009)
Railways	947 Km
Airports	10

National Account

Budget balance (%GDP)	-10.1%
Current account balance (% GDP)	-12.2%
Public debt (% GDP)	51.4%





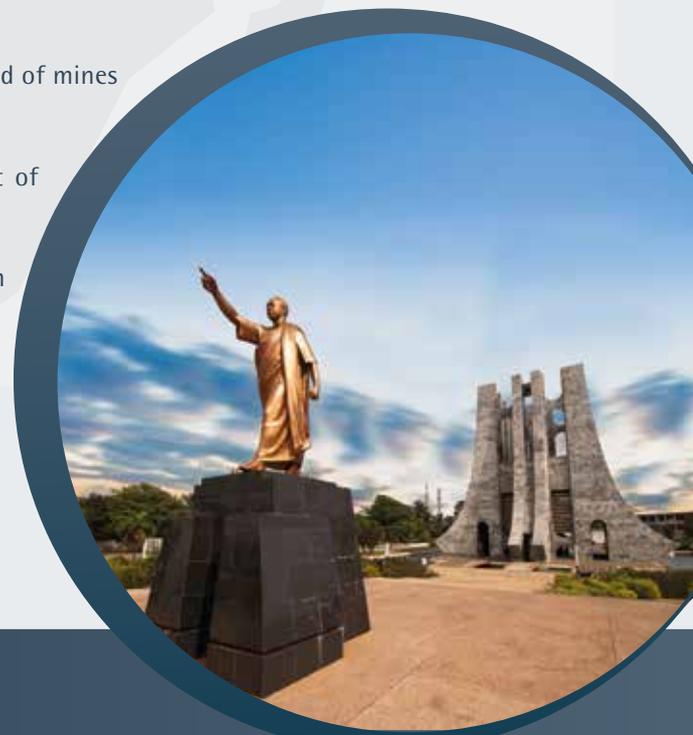
Focus: Agricultural and mineral resources

Ghana is endowed with abundant natural wealth, including vast agricultural and mining resources. Along with its growing manufacturing sector, agriculture remains a key sector of the economy. The agrarian sector represents 60% of the total employment. Primary commodities, mainly oil, gold and cocoa, account for over 80% of total exports. Cocoa is the second-largest export, and new exports such as wood products, pineapples, tuna fish and cotton are rapidly diversifying Ghana's agricultural export profile. The country has over 4.8 million hectares of arable land suitable for crops or livestock, and a significant potential regarding the production of fisheries products.

In addition to agricultural wealth, Ghana has abundant mineral resources such as gold, oil, bauxite, manganese and diamonds accounting for 38% of the country's exports. The mining industry represents 8% of the country's GDP. Ghana is Africa 2nd largest gold producer, producing 3.4 million ounces in 2013. Oil reserves are estimated at around 2 billion barrels and there have been 23 new oil and gas discoveries since the Jubilee discovery in 2007. Oil production increased gradually from between 70-80 thousand barrels per day (b/d) in 2012 to 110 000 b/d in September 2013. In 2014 oil production is estimated at around 120 000 b/d. The government of Ghana has given high priority to improved environmental management in its development programs, including in mining operations. Indeed, the challenge remains to ensure greater transparency in delivering mining development agreements and minimize the environmental impacts.

Bilateral relations between Morocco and Ghana

- **February 1961:** Signature of an agreement on air transport
- **April 2001:** Signature of a memorandum of understanding for a cooperation between the foreign ministries of both countries
- **May 2001:** Agreement to establish a joint commission for a mutual cooperation
- **June 2003:** Signature of a memorandum of understanding related to aeronautical consultations
- **October 2003:** Signature of an agreement on marine fisheries
- **January 2004:** Agreement on the tourism sector
- **July 2004:** Signature of a memorandum of understanding in the field of mines and geology
- **September 2004:** Agreement on the promotion and development of handcraft
- **February 2005:** Initialing of an investment promotion and protection agreement





Morocco-Ivory Coast Economic Forum

Casablanca Finance City took part in the Morocco-Ivory Coast Economic Forum held in Marrakech on January 21st and 22nd. CFC contributed to the panel "Morocco, gateway to Africa". During the forum, the debates addressed the strategic sectorial partnership opportunities between the two countries.



Franco-African Forum

Casablanca Finance City attended the Franco-African Forum for inclusive growth organized by the French-African foundation and Europlace on February 6th in Paris. CFC engaged in the financial cluster aiming at strengthening the economic partnership.



Partnership with Finance Montreal

Finance Montreal and Casablanca Finance City Authority signed, January 26, 2015 in Casablanca, a Memorandum of Understanding to develop their cooperation. This partnership aims to promote the exchange of experiences, organizing events and facilitating relationships between institutional bodies governing the financial sector in both places.



Casablanca Arbitration's Days

Under the High Patronage of His Majesty and sponsored by the largest arbitrage institutions, Casablanca Arbitration's Day launched the Casablanca International Mediation and Arbitration Center. The event gathered 34 panelists from 5 continents as well as 200 participants.



GES Marrakech 2014 : 5th Global Entrepreneurship Summit

2014 brought together over 3000 entrepreneurs, together with heads of state, high level government officials, global entrepreneurs, small medium enterprises (SMEs), corporate leaders, and young entrepreneurs. In the "Innovation Village", entrepreneurs and innovators from Africa and around the world could promote their projects and share new ideas on numerous topics including ICT, water management, and alternative energy.



Super Return PE Africa

CFC participated to the SuperReturn Africa conference, which took place from 2nd December to the 4th December 2014 in Cape Town, South Africa. The conference was designed to bring together the continent's fund managers and Limited Partners including, Development Finance Institutions (DFIs), pension funds, sovereign wealth funds, insurance firms, foundations and endowments among others.



CIAN

Casablanca Finance City participated to the 4th Edition of forum Afrique organized by "CIAN", French organization that brings together industrial and service companies, large groups or SMEs, invested in Africa, with an influential network and a recognized African expertise.

Some of the upcoming events...

CFC Community Breakfast



To be held on Wednesday 25th February. Presentation of key insights and takeaways from a study conducted on CFC members

Institute of International Finance



Doha
To be held in Doha, March 15th

Africa CEO Forum



To be held in Geneva, March 16th - 17th

City Week



To be held in London, March 24-25th. Casablanca Finance City will participate to the plenary session on financial centers competitiveness and present Morocco during a country breakout session

For further information about the above events, please contact us.



4 Questions to...

Judge Delissa



Appointed by President Clinton in 1998, Judge Delissa A. Ridgway sits on the nine member U.S. Court of International Trade, which is based in New York and has exclusive nationwide jurisdiction over the resolution of disputes involving the customs and international trade laws of the U.S. From 1994 to 1998, she served in the Clinton Administration as Chairman of the Foreign Claims Settlement Commission of the US. Before that, she was a member of the International Practice Group at one of Washington, D.C.'s largest law firms, where she served as an arbitrator and practiced international commercial arbitration, representing exclusively foreign sovereigns, principally from the developing world. Over the past 15 years, Judge Ridgway has traveled extensively in the MENA region, conducting workshops for judges there on international commercial arbitration, and international commercial law generally. Her many awards include her recognition as "Woman Lawyer of the Year" (2001) and her recognition as one of four "Distinguished Women in International Law" (1997) – an honor she shared with then-First Lady Hillary Clinton and U.S. Secretary of State Madeleine Albright.

1/ Why is arbitration so important for business and investors?

One of my favorite quotes is from former U.S. Secretary of State Colin Powell, who liked to say that "Capital [in other words, investment funding] is fundamentally a coward." Whenever a company is considering whether to do business in a country where it has never done business before, one of the company's greatest concerns is how contract disputes will be resolved, and whether they will be resolved fairly. Of course, when a contract is purely domestic, both parties are from the same country and disputes can be resolved in the national courts. But, in international transactions, the parties typically are from two or more different countries. The party from Country A wants the party from Country B to agree that all disputes will be resolved in the courts of Country A; but the party from Country B naturally fears that it would be at a disadvantage in Country A's courts. Similarly, the party from Country B wants the party from Country A to agree to the courts of Country B; but the party from Country A fears that it would be at a disadvantage. For this reason, more than 90% of international contracts include a clause in which the parties agree that all contract-related disputes will be resolved by international commercial arbitration. Instead of national court judges, disputes are decided by one or more non-governmental decision makers, who are either chosen by the parties themselves or are chosen through an agreed-upon process. In short, to the extent that capital is a coward, international arbitration is what gives international traders and investors courage. International arbitration is a key means of managing risk in international transactions and affording equal protection to the contracting parties, by ensuring that contract-related disputes will be resolved in an a-national, "neutral" forum. In addition to this "neutrality," there are a number of other advantages of international arbitration, compared to national court systems. Instead of having a judge assigned to the case, the contract parties can choose their arbitrator (or arbitrators), who may have special expertise in the subject matter of the dispute. The contract parties may choose the location (seat) of arbitration, as well as the language of the arbitration and the procedural rules. In addition, international arbitration

is typically confidential, in contrast to court proceedings (which are generally public). And, at least in some cases, international arbitration can be faster and less expensive overall than proceedings in national courts. But "neutrality" is the real reason that international commercial arbitration dominates in international transactions. A second major factor behind the popularity of arbitration in international contracts is the relative ease of enforcing the decision ("award") rendered by an arbitral tribunal. As of this date, 154 countries around the world, including Morocco, are parties to the U.N. Convention on the Recognition and Enforcement of Foreign Arbitral Awards ("the New York Convention"), which requires that the courts in those countries enforce both arbitration agreements and arbitral awards, subject to only a very few narrow exceptions. As a result, an arbitral award generally can be enforced much more easily than a judgment of a foreign court. We often refer to domestic arbitration as "alternative dispute resolution" or "ADR." But, to the international business community, arbitration is not the "alternative"; it is the standard form of dispute resolution. Everything else (including proceedings in national courts) is the "alternative."

2/ In your opinion, what role can Morocco play in the field of arbitration on the African continent?

Casablanca Finance City is designed to capitalize on Morocco's security, political and economic stability, and strategic location, and to position Casa as a financial hub for Francophone Africa. These same factors weigh heavily in favor of a prominent role for Morocco as an international center for arbitration – for Francophone Africa, as well as Africa in general, and even beyond. Regionalization is one of the current trends in international arbitration; and already there are numerous regional arbitration centers in other African countries. But Morocco's security and stability set it apart from a number of those countries. And Morocco's location – on the African continent, but with relative proximity to Europe, the Middle East, and the U.S. – is another major comparative advantage, particularly where disputes involve parties from those places. Moreover, the data indicate that, despite their proliferation, regional ■■■



4 Questions to...

Judge Delissa

arbitration institutions based in Africa are generally under-utilized by African parties. Africa-based contracts still often refer to the traditional international arbitral institutions (such as the London Court of International Arbitration ("LCIA"), and the International Chamber of Commerce ("ICC") International Court of Arbitration, headquartered in Paris), even though those institutions are criticized in some quarters (rightly or wrongly) as too "western," too Euro-centric, and/or too expensive. And, in recent years, parties to Africa-based contracts have begun to resort to arbitration under the auspices of the DIFC-LCIA Arbitration Centre, a joint venture between the LCIA and the Dubai International Financial Center. All of these indicators suggest that, as international traders and investors from around the globe plow more and more money into Africa, with the attendant increase in international commercial disputes, there is still a need for sophisticated, cost-effective international arbitration services based on the continent – and Morocco is perfectly positioned to fill that need. Making such arbitration services available will, in turn, help to attract even more international trade and investment to Africa.

3/ What are the key factors that would allow Casablanca to emerge as an international center for arbitration?

Morocco already is a party to the New York Convention, the major treaty on international commercial arbitration. And Morocco also has a modern international arbitration law, enacted in 2007, which is based generally on the Model Law developed by UNCITRAL (the U.N. Commission on International Trade Law). Of course, good laws on paper alone are not sufficient. Judges must be prepared to enforce them. It was therefore impressive to see the Moroccan judiciary so well-represented, and so engaged, in the first Casablanca Arbitration Days held in November. Ultimately, every country's reputation in the international business community rests on the shoulders of the country's judges, because they are the ones who must enforce arbitration agreements and arbitral awards if the contract parties do not do so voluntarily. Language capacity is also important. While arbitration in Casa (or under the rules of the newly-launched Casablanca International Mediation & Arbitration Centre ("CIMAC")) will have obvious appeal to parties from Francophone countries, Moroccans' fluency in Arabic should make Casa attractive to parties from the Middle East as well. The fact that Morocco is one of just a small handful of countries that are parties to both the Riyadh Convention and the New York Convention is also critical. In the end, the test for every arbitration center is the enforceability of the arbitral awards that are rendered

“Casablanca Finance City is designed to capitalize on Morocco's security, political and economic stability, and strategic location, and to position Casablanca as a financial hub for Francophone Africa”

under its auspices. CIMAC's arbitration rules will play a big role in its success. And, needless to say, it will be important for CIMAC to have a welcoming, professional, knowledgeable staff, and to develop and to be able to draw upon a pool of experienced, highly-respected arbitrators from across the continent and elsewhere around the world. In addition to the quality of its services, the costs and fees associated with CIMAC arbitration also could help distinguish it from competing arbitration institutions, both in Africa and abroad. Other key factors that will contribute to the success of CIMAC include ease of international travel; the ability to obtain necessary visas for arbitrators, parties, counsel, experts, and witnesses; the availability of office space and conference rooms equipped with state-of-the-art technology; the accessibility of high-quality interpretation and translation services; and the availability of top-rated hotels and restaurants. Last but not least, there is Morocco's legendary hospitality – always the country's secret weapon.

4/ What insights did you take away from your participation in the first edition of Casablanca Arbitration Days?

It was an extraordinary debut for CIMAC on the world stage, by any measure. The presence of Prime Minister Abdelilah Benkirane and CFC's CEO, Said Ibrahim, spoke volumes about the importance of international arbitration and CIMAC to His Majesty King Mohamed VI's vision for the future of the country. It is no surprise that the conference attracted the support of a number of the world's leading international arbitration institutions. Like other conference attendees, I was struck by the ambitious scope of the agenda for the event, which explored many provocative, cutting-edge topics. The caliber of the presentations was matched only by the distinguished reputations of the participants. The conference drew many of the "lions" of international arbitration. The geographic representation was remarkable as well, with virtually every continent represented. As I noted earlier, I was also very impressed by the participation of the Moroccan judiciary. Finally, it says much about CFC and CIMAC and the future of arbitration in Morocco that there were so many young people and so many local business leaders in attendance. The theme of the conference was "Casablanca, a Rising Arbitration Venue in Africa and for South-South Disputes." By the end of the event, there was no room for doubt that it is an accurate characterization of the city. I'm already looking forward to the second edition of Casablanca Arbitration Days. Casa and CIMAC have already established themselves as leaders in the field, and, clearly, there is much more to come.

