Case of Morocco

CORPORATE SOCIAL RESPONSIBILITY IN MOROCCO:
PRACTICES & PERSPECTIVES

REPORT BY:
Abdesselam Aboudrar and Anas El Hasnaoui

January 2006
SUMMARY

Within an economic situation marked by genuine development stakes, the private sector is determinately featuring a leading role in the sustainable development process.

As a matter of fact, due to the fragile experiences acquired economically and politically on one hand, along with the increasingly vulnerable populations, and due to the hastened changes on the international scene on the other hand, namely through its involvement in integration strategies in the world economy, failing to meet such goal may mortgage Morocco’s present and future, just like the whole region of origin.

Such conclusion derives both from the drive established within the private sector itself and through the questions from its environment and its stakeholders, or from the own drive of other civil society and political players.

In order to outline such role, several approaches have been developed at various levels. Some date back to the beginning of the previous century, while others are an extension or a mere formalization drawn from the historical and scientific progress. They all definitely consider the concept of “Rights” as the nucleus of their way of thinking.

Whether it is a corporation that is ethical, citizen, respectful of proper governance principles, socially involved or responsible, there is one underlying concept of rights to abide by and obligations to fulfill behind such various meanings.

The evolution of such developments has pursued the globalization trend by exporting or importing concepts and have also found a place in developing economies, namely in Morocco.

Without claiming it to be exhaustive or absolutely scientific, the enclosed report attempts at locating the CSR “movement” by reminding of the most striking facts over the last fifteen years.

By building on:

Files of some firms, findings of a first survey on CSR perception, corporate reports and data collected according to their availability on the CSR practices, on the scarce CSR-related studies, namely “corporate governance in Morocco”, the report introduces a general status of CSR.

Such collection and analysis exercise has led to a conclusion about:

- The existence of an actual development potential of CSR culture and practice in Morocco;
- The existence of an expectation and demands within and without the company;
- The lack of communication on the actual situation and a concentration of practices at the level of elite companies;
- The necessity for structuring and standardization of the practice, while adjusting to local and regional special characteristics;
- The need to entrench a CSR approach based on universal concepts of rights and obligations rather than on ethics and charity.
As to perspectives, the report puts forward three main operational lines of growth, observation and practical actions and two main development lines, regulation on one hand, and institutionalization and professionalization of CSR on the other hand.
Table of Contents

INTRODUCTION .......................................................................................................... 5
I.  STUDY BACKGROUND............................................................................................. 8
   1.1. Political transition .................................................................................................................. 8
   1.2. Economic opening.................................................................................................................. 9
   1.3. Limitations of economic policies and social impacts.......................................................... 10
   1.4. National Initiative for Human Development (NIHD): acknowledgment of a disastrous reality and an invitation for mobilization ............................................................ 13
   1.5. Private Sector: features and presence............................................................................. 14
II. CSR IN MOROCCO: DEFINITIONS AND HISTORICAL BACKGROUND ............ 17
   2.1. Premises of a CSR movement in Morocco: Historical benchmarks ............................. 18
   2.2. How to define CSR in Morocco? ..................................................................................... 22
III. CSR PRACTICES OR CSR-RELATED PRACTICES IN MOROCCO .................. 23
   3.1. Document Analysis .......................................................................................................... 23
       3.1.1. CSR areas ..................................................................................................................... 23
       3.1.2. Evolution of CSR commitments over time ............................................................... 24
       3.1.3. Circumstances and conditions of commitment undertaking ..................................... 25
       3.1.4. Officials responsible for commitments .................................................................... 27
       3.1.5. Means of commitment expression ........................................................................... 27
       3.1.6. Impact of CSR actions on stakeholders and the company ....................................... 29
       3.2. Leading-edge References and Practices ..................................................................... 29
           3.2.1. Human Resources’ Use and Management .............................................................. 29
           3.2.2. The environment: Basic component of human development ................................ 31
           3.2.3. Corporate Governance .......................................................................................... 33
           3.2.4. The NM 00.5.600 2005 standard on the system of social aspect management within the company: Requirements ................................................................................................. 34
           3.2.5. The Corporate and Social Proximity Committee ..................................................... 35
           3.2.6. Reporting .................................................................................................................. 37
           3.2.7. Social rating: a recent and limited practice .............................................................. 38
               a. LYDEC ....................................................................................................................... 39
               b. BMCE ....................................................................................................................... 40
               c. National Office of Fisheries (ONP): first public institution to receive social rating 41
           3.2.8. Socially responsible investment fund ...................................................................... 41
               a. Community funds .................................................................................................... 41
               b. Social Solidarity Fund (under development) ............................................................ 41
           3.2.9. AmCham Corporate Citizenship Award .................................................................. 41
IV. CSR PERCEPTION IN MOROCCO: SURVEY FINDINGS ................................. 44
CONCLUSION: LESSONS AND PERSPECTIVES ...................................................... 46
“When a company improves its governing system for more transparency, efficiency and reliability, it improves its collective efficiency, gaining in competitiveness. This is also true for sustainable development; because a company chooses to better consider the social and community environment of its activities, it averts by doing so all hazards likely to jeopardize its future or profitability. It also enhances the value of its repute. Investing in corporate governance implies raising the economic performance level to be met in the future, for a better risk mastering, a more economical management of resources, a better value-enhancement of human capital, a better corporate perception by its clients and shareholders. Sustainable development is an investment; true, it involves costs, but the investment in return will be positive for the company over time”.

Daniel Lebègue, Former General Manager of Caisse des dépôts et consignations in France. Now he is the head of the Sustainable Development and International Relations Institute, in an interview for the "Journal du Management"

INTRODUCTION

As of the 2nd half of the nineties and within an economic recovery prospect, in the aftermath of Structural Adjustment Plan (SAP) fallout on one hand, and under the pressure of reengineering the world economic order on the other hand, Morocco has started a process of so-called “reform” actions. Mainly economic, such actions have emphasized and focused on the position and decisive part of the private sector in any Moroccan economy revival venture.

If the bases and ultimate purposes of this plan are perceived differently by the concerned operators, they have however stirred expectations, namely at the productive structure level and broadly among the society.

Nevertheless, the recent National Initiative for Human Development, initiated in a royal speech, introduces both an acknowledgment of failure of the social policy, and a warning towards all the parties concerned. In other words, it is an opportunity for the various participants to reconsider their input to building the Moroccan society and State, based on the principles of justice, democracy and modernity.

According to such vision, growth conditions have to be set up in a country with limited resources and potentials that have not been rationally utilized so far.

If growth is assumed to lead to social prosperity, as it gives way to wealth, employment, quality of life, access to resources, in short, thanks to its ability to trigger the prosperity cycle, it fully depends on its main generator: that is investment.
But investment is neither economically nor politically impartial. It conveys values, stands up for interests and creates conditions of their influence and blossoming. It is also an implicit compromise of several participants, while unmistakably remaining the work of the private sector, within a so-called “liberal” economy. This should not however release the State or citizens from their respective roles. In other words, just like the growth outcome is designed for the whole society, the responsibility for generating it pertains to all its elements.

However, as it has proved difficult to set up a continuing and growing investment pace, and therefore a regular growth of an admissible standard, social deficits have piled up, generating unknown phenomena in our society, which magnitude was not so clear only a few years ago.

In order to handle the situation, relying on a traditional solidarity culture, operators from institutions, civil society and private sector have shaped up actions designed for people, to meet their needs and create opportunities to give them access to resources in various forms. But they are overall drawn from charity and patronage visions.

The impact of such initiatives has proved to be restricted, as long as the available means and proposed solutions, given the needs’ nature and extent, are not outlined within a global and integrated vision, defining the roles and identifying the ultimate purposes. The absence of such a method raises the issue of the optimum adequacy between the two; the one that provides a structuring and sustainable solution to:

- Low and irregular growth;
- Moderate investments and urgency to upgrade the economic fabric;
- Increase of social needs and exclusion of populations.

To express the various elements of such answer, three assets should be taken into account:

1. Morocco’s positive image capital, owing to its participation in a large proportion of international instruments in terms of sustainable human development;
2. Investment in reforms, despite their limitations and their implementation pace, as a basis for political, economic, and social upgrading;
3. Willpower to integrate into the world economy, along with its requirements in terms of upgrade plans of the national productive structure and the adoption of proper governance rules, both within institutions and companies.

Such three factors are reinforced by the emergence of a civil society, focusing its action on human development areas and supporting the respect of the values governing them.

The combination of these various items, wherever it may be, is now the groundwork of the reconstitution of economic acts. These seek both the financial opportunity to develop and grow, but they also satisfy social responsibility principles.

However, although SR is shareable and shared, the company, as an outstanding economic participant, occupies a first-class position. This is proved by experiences all over the world, mainly in developed countries.

Starting from the increasing interest characterizing the CSR issue, as shown by evolutions worldwide, and considering Morocco’s willingness to pursue its integration in the world economy, establishing an overall strategy in CSR may be an opportunity to conciliate between the so-important economic interests and the populations social rights, both for Morocco and all MENA countries.
This applies so much to the region that for over a century, it has been the target of various initiatives, all deemed as options or conditions to overcome economic and social deficits. The trendiest approach is governance, citizenship, fight against poverty, ethics and social responsibility.

Take governance for instance, there has been so many initiatives in Morocco. Several plans and projects have gone up to the strategy level and were concerned with all state organizations, private sector and civil society. But as regards the social responsibility topic, Morocco is still at an embryonic stage, although the interest is quite intense.

Without claiming to be exhaustive, the present document aims at introducing cases. Although these are limited but significant, they highlight an emergent interest while awaiting a broader CSR movement in Morocco.

This presentation builds on the assumption that CSR in Morocco asserts itself as the crossroads of various solutions to the economic and social development issue. It deems that Moroccan development depends on the union of two factors: external markets within a general economic liberalization background, namely for an economy with limited resources, and a better governance of existing resources in terms of utilization and distribution of such utilization returns. In this regard, CSR is a multi-interest opportunity:

- Make sure that the economic development will not widen social gaps and will not deteriorate the national natural wealth;
- Take into account Moroccan partners and economic operators, that will be increasingly involved in international trade, and therefore be concerned about their rating as to respect of CSR values and standards;
- Shape up a competitive asset built on the respect of Social Responsibility principles and values in an increasingly restricted and unstable international investment market;
- Be used as a lighthouse for economic players, while keeping the human factor at the heart of corporate action, via production and consumption investment actions.

At present, all MENA countries need such a pragmatic and proactive initiative. It is closely related to the combination of two conditions: democracy and economic wealth. Both are however basically linked with the responsible behavior of political, economic and social operators.
I. STUDY BACKGROUND

Over the last fifteen years, Morocco has undergone some events implying a transformation in the making. Differently described according to where we stand, such transformations are deemed as changes towards a society and a democratic state or of democratic nature, or mere adjustments prescribed both by socioeconomic constraints and globalization pressures. ¹

1.1. Political transition

Politically, the last century was highly marked by two significant events at a short gap: The first-time participation of the left wing in the government, within the changeover of political powers (1997), followed by the new King Mohammed VI enthronement (July) 1999. Both events have stirred a glimmer of hope among all operators and have fostered aspirations. This was because several priority projects were launched, essentially Human Rights and Women issue, fight against poverty and the social issue position, justice and raising of public life moral standards, investment as an economic priority and the private sector as a key element for its expansion.

Following the brief changeover experience, mainly characterized by the appointment of the Prime Minister belonging to parliamentary majority, there was a redirection by appointing a nonpartisan Prime Minister. In 2002, elections took place and for the first time, there was no interference by the administration during the vote.

The political sphere is now about to experience second elections, scheduled in 2007, under the King Mohammed VI reign. For the first time, they will be managed by a new political party law and a reshuffling of the partisan map by eventually decreasing the number of parties, in the aftermath of “merger” or “takeover” strategies.

Talks are still underway before adopting the new law, but the most significant project that seemingly is of concern to political circles is the constitutional reform expressed by several parties. The revisions are either related to prerogatives and powers of the King or the Government or both Houses.

¹ For more information about such perceptions and political evolutions reflecting them, refer to:
Espace Associatif
Développement démocratique et action associative au Maroc: éléments d’analyse et axes d’intervention, 2004
1.2. Economic opening

Among all the economic reforms undertaken\(^2\), whose objective is to open up the Moroccan economy while abiding by international standards, preserving the macroeconomic stability over the last years draws a particular attention. Considerable economic and financial advances have occurred, such as inflation control as a basic element. Indeed, owing to a vigilant monetary policy, the inflation rate was controlled at admissible levels. It was brought down from 5.1% in 1996 to 1.2% in 2003. The cost of living index achieved an annual average 1.7% between 1996 and 2003 against 5.3% between 1989 and 1995. Such inflation control has improved the national economy competitiveness, by keeping the Dirham value stability compared to major currencies.

Figure 1

Croissance du Produit Intérieur Brut
aux prix constants

![Graph showing low and irregular growth](image)

**Source:** High Commission for the National Plan

* Projections: according to the same source to the first half of 2005, growth rate will be 1.2% in 2005

\[ \text{Fig. 1 Low and irregular growth} \]

---

\(^2\) Various economic reforms directly related to the action of companies and its environment have been carried out over the last 10 years, revealing Morocco’s anchoring to the world economy, namely through:

- Adoption of a new commercial Code,
- New law on limited companies,
- Free price and competitiveness law,
- Customs code,
- Industrial property law,
- Insurance new law,
- Simplification of administrative formalities for investors,
- Reform of compulsory sickness insurance scheme,
- New labor code.
Similarly, within a determined opening spirit, free trade agreements have been entered into with several parties, including the European Union. As a partnership agreement, just like many Mediterranean countries, it should create a free trade zone between both parties. Later on, the Agadir agreement was concluded between four Arab countries: Jordan, Egypt, Tunisia and Morocco. Within the same endeavor, less than two years ago, another agreement was signed with Turkey and in January 2006 a free trade agreement with the United States. All such conventions are included within multilateral trade with the WTO, of which Morocco is a member since its inception in 1994.

This opening along with the privatization plan will be an expectation source for various participants, namely by modernizing the productive sector, thanks to introducing new skills and pumping privatization revenues into relevant sectors, to increased efficiency and to the adjustment to international standards quality and governance wise.

However, it has many times been a source of concern due to:

- Factories’ closure, namely in the textile sector;
- Difficulties to upgrade Moroccan companies, whether for financial motives, or structural and cultural concerns of the companies themselves and their environment;
- Dismissals and problems of staff redeployment;
- Strong foreign competition asserted by China’s joining the WTO and the end of the multi-fiber arrangement effect in the textile sector.

1.3. Limitations of economic policies and social impacts

Should the ultimate purpose of economic policies be setting up social prosperity conditions, we have to recognize that their impact remains below expectations.

With a total population of thirty million, Morocco’s urbanization degree is 55.1% (i.e. 16,463,634 city dwellers) against 51.4% in 1994, and a concentration of third the population in three areas: Grand-Casablanca (12.6%), Souss-Massa-Daraa (10.4%) and Marrakesh-Tensift-Al Haouz (10.4%). Therefore, Morocco has reached an annual demographic average of 1.4% between 1994 and 2004, against 2.1% between 1982 and 1994.

Despite controlling its quantitative progress, the Moroccan population suffers from huge deficits at the socioeconomic level. In the last world report on human development, Morocco was at the 124th position in a total list of 177 countries. This ranking shows a regression compared to 1997, when Morocco was ranked 117th before relapsing to the 123rd rank in 2004.

---

3 “The American-Moroccan free trade agreement, the second free trade agreement of the United States into effect with an Arab country and the first in Africa, is an acknowledgment of Morocco’s commitment in the reform process and its long-standing friend and ally status with the United States (…). The decision to negotiate a free trade agreement was announced by President George W. Bush and His Majesty King Mohammed VI in April 2002”, was reported in a press release - United States Embassy – Rabat on December 23rd, 2005

Link: [www.usembassy.ma](http://www.usembassy.ma)

4 According to the last large-scale census of population carried out in 2004, the legal Moroccan population has reached 29,891,708 of which 29,840,273 Moroccans and 51,435 foreigners.

5 High Commission for the National Plan

Findings of the legal population resulted from the large-scale census of population and habitat (RGPH) 2004.

[WWW.recensement.hcp.ma/rubrique.php?id_rubrique=33](http://WWW.recensement.hcp.ma/rubrique.php?id_rubrique=33)
2002, 126\textsuperscript{th} in 2003 and 125\textsuperscript{th} in 2004. According to the same indicator, it is 66\textsuperscript{th} on a list of 88 countries belonging to the medium development range of countries. Such ranking is confirmed by the poverty rate reaching 70\% in rural areas. According to the High Commission for the National Plan, about 6 million people live in total poverty, with less than MAD3,923 a year in cities and less than MAD3,037 in the countryside. A large part of the Moroccan population (43\% of the total population) lives on an average income valued at less than MAD4,500.

In Morocco, illiteracy is actually the major hurdle to human development. Despite the various policies involving participants from the public, private and associative sectors, using different spaces including mosques, the illiteracy problem cannot be mollified and even less eradicated. The situation grows worse with the increasing number of children at a schooling age that cannot be enrolled or due to school dropouts. Just like other MENA countries, the problem is highly present in rural areas and mainly regards women.

Illiteracy creates fewer employment opportunities. But even those lucky enough to follow their studies and reach higher educational levels have joined the thousands of jobless degree-holders multiplying over the years. As featured in the table hereafter (Tab1), the urban unemployment rate highlights this condition. The phenomenon can at least be explained by three basic reasons: Inadequacy between the training and the labor market, drift of many young people from the rural areas to the towns seeking better living standards, in the face of successive drought years and finally the waning competitiveness of Moroccan companies, following market opening along with factories’ closure and massive staff dismissals.

<table>
<thead>
<tr>
<th>Year</th>
<th>Unemployment rate of urban population (in %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982</td>
<td>12.7</td>
</tr>
<tr>
<td>1992</td>
<td>16</td>
</tr>
<tr>
<td>1993</td>
<td>15.9</td>
</tr>
<tr>
<td>1994</td>
<td>20.7</td>
</tr>
<tr>
<td>1995</td>
<td>22.9</td>
</tr>
<tr>
<td>1996</td>
<td>18.1</td>
</tr>
<tr>
<td>1997</td>
<td>16.9</td>
</tr>
<tr>
<td>1998</td>
<td>9.1</td>
</tr>
<tr>
<td>1999</td>
<td>22</td>
</tr>
<tr>
<td>2000</td>
<td>21.4</td>
</tr>
<tr>
<td>2001</td>
<td>19.5</td>
</tr>
<tr>
<td>2002</td>
<td>18.3</td>
</tr>
<tr>
<td>2003</td>
<td>19.3</td>
</tr>
<tr>
<td>2004</td>
<td>18.4</td>
</tr>
</tbody>
</table>

Source: General economic policy Directorate – selection of economic and social indicators from 1990 through 2004\textsuperscript{6}

Corruption remains one of the worsening problems. Morocco moved from the 45\textsuperscript{th} position in 1999 to the 37\textsuperscript{th} in 2000, 70\textsuperscript{th} in 2003 and 77\textsuperscript{th} in 2004. In 2005, it has “reinforced” its 78\textsuperscript{th} position\textsuperscript{7}. To Transparency Morocco, authorities should urgently ratify the United Nations Convention to fight corruption – entered in December 2003 – and concertedly implement all of its provisions. More particularly the provision to set up an agency for fighting corruption endowed with clear missions and sound legal basis, independency as to human, financial and material means. It proposes a 15-measure plan to fight corruption. (Refer to appendix 1)


\textsuperscript{7}Report by Transparency International related to index of corruption perception in the world – 2005 edition
Another national survey\(^8\) follows the same direction as the aforementioned findings. 64% of the interviewed have not observed any progress for three years. Impunity, low wages and greed are among the reasons referred to (over 70% of questioned people).

Human Rights wise, the reports issued by Human Rights international organizations (Human Rights Watch and Amnesty International) reinforce the positions formulated by Moroccan human rights associations about the resumption of former practices during “lead” years (kidnapping, torture, non observance of legal rules).

Despite this alarming decline, there are great hopes that human right achievements, quite important, have been materialized by the inception of the Equity and Reconciliation Commission (IER) that accomplished its mission in November 2005. The report drafted by this commission\(^9\), covering the period from 1958 through 1999, highlights several types of transgressions: compulsory disappearance, arbitrary detention with or without trial or death penalty, death, wounding and arbitrary detention during city riots, compulsory exile and sexual assaults. In other respects, it puts forward an action plan including constitutional reforms, reforms of laws namely in the justice sector and the Moroccan school reform. The report did not denounce the persons directly responsible for the various transgressions. But it did emphasize the responsibility of the State that failed to meet its obligations in managing various situations, by having recourse to violence against populations. It also mentioned the services taking part in such acts, without indicating the parties primarily responsible because of the overlapping actions and the complex decision-making process. Last, the report recommends the establishment of a research institution to write about this period of time, calling on every input to shed light on truth. Various archives that the commission received will be made available to interested people.\(^{10}\)

Similarly, Morocco adopted a new “Family Code” in 2003 for women issue. This code enabled a tremendous step forward in justice between men and women. It was also a huge qualitative leap to shape up the conditions to integrate women in the development process.

---

\(^8\) Survey carried out by the Arab-speaking daily paper « Al Ahdath Al Maghribiya » on the perception of corruption by Moroccan people. They believe that corruption blights the whole administrative machinery: from justice to public health, along with the police. Despite the serious situation, victims are not inclined to lodge a complaint due to the high impunity feeling. It can even be reversed against the plaintiff (77% of the interviewed). According to the same survey, concessions and calls for tender of public contracts are a fertile ground for such wrongful practices. Findings published in March 2005.

\(^9\) Declaration by Mr. Driss Benzekri, Chairman of the Equity and Reconciliation Commission, during a meeting held on the same day as the Royal cabinet’s announcement of the decision to publish the Report. The activity was jointly organized by Abderrahim Bouabdil Foundation and Frederic Ebert Foundation, within the political Club under the topic “IER and transition in Morocco” on December 16\(^{th}\), 2005. Visit IER final report in: \[http://www.ier.ma/_fr_article.php?id_article=1432\]

\(^{10}\) Among the most important achievements of this commission during this process, there are three activities:
- 4 hearings, the first one being broadcast live. Testimonies were presented by some victims of violations.
- 4 theme round-table conferences, one of which about economic and social breaches. Operators and various participants emphasized the various aberrations and injustices suffered by the economic sector and recommended to urgently found a governance system both at the State level and within companies.
- A national forum on community compensation where 170 associations took part locally and nationally, various institutional operators, private sector and sponsors. Participants agreed on priority compensation areas, due to the exclusion suffered by populations. Among the four forum goals: rallying of most participants around this policy: ministerial departments, political and associative players, NGOs for human rights and development, women associations, national and international private sponsors, etc. (refer for this subject to: Instance Equité et Réconciliation. Rapport du Forum National sur la réparation – 30 septembre, 1 et 2 octobre 2005- Rapporteur: Mohammed Tozy. Also visit the commission website \[http://www.ier.ma/_fr_sommaire.php\])
Such great achievement went along with the adoption of the quota system, a sort of positive discrimination in favor of women in general elections\textsuperscript{11}. Now, women in parliament represent 6\% of all candidates elected in both houses.

Another claim by women associations and human rights is the legislation’s recognition of children citizenship granted by their mother, in case of marriage to a non-Moroccan man.

As much as such achievements are commended by different players, as much as the latter in different ways believe they are insufficient to meet the democratic and sustainable development requirements in Morocco and to ensure its future advancement.

Therefore, they claim more guarantees against abuses of security and judicial systems, by separating powers constitutionally. Providing areas of freedom, expression and private initiative by abiding by regulations away from unethical and inequitable practices, confronting all fundamentalism expressions by giving the populations hope through an equitable wealth distribution, opening up rural areas and fighting poverty, according to structuring and sustainable approaches.

1.4. National Initiative for Human Development (NIHD): acknowledgment of a disastrous reality and an invitation for mobilization

Announced in a royal speech, the NIHD is focused on three main lines:

- The reduction of social deficits, particularly in the neediest rural communes and urban districts, through access to equipments and basic welfare services such as health, education, drinking water, electricity, healthful residential environment, transportation network, etc.;
- Development of activities generating stable incomes and jobs;
- Assistance to persons that are vulnerable or with specific needs.\textsuperscript{12}

The NIHD builds on geographic targeting and the poorest social classes, as well as on people’s participation for more suitable projects and interventions from beneficiaries, thus strengthening relevancy and viability.

It favors a contractual approach and partnership with the associative circle and local development operators. In a first stage, the Initiative will touch:

- 360 communes among the poorest in rural areas;
- 250 poor neighborhoods, in urban and suburban areas, old Medinas and shantytowns.

The initiative established a priority 5-year plan over 2006-2010 globally valued at MAD10 billion. (Refer to appendix 2 : INDH).

The plan was positively welcomed by companies that manifested their will to include their endeavors within it.

\textsuperscript{11} In 2002, the law governing the elections provided for a quota to ensure women participation within both houses: parliament members and Counsellors.

\textsuperscript{12} Royal speech of May 18, 2005
This represents an opportunity for various operators to develop their culture and social responsibility plans.

1.5. Private Sector: features and presence

A micro-unit economic fabric with clearly important service and trade sectors, a concentration on the Casablanca-Tangiers main line and Souss-Massa-Daraa area, a strong presence in the new medina, 2/3 of which were established between 1993 and 2002.

The economic fabric is also blighted by the informal sector. In opposition, quite interesting developments are achieved in the micro-credit sector.

750,916 is the number of economic institutions in Morocco\textsuperscript{13}, 83.8\% of which in urban areas with an employment potential of 2.98 persons per unit and a first-class position occupied by the Grand-Casablanca area, solely including 17.1\% of institutions and 29.5\% of jobs.\textsuperscript{14}

In 2002, there was one economic institution per 39.5 inhabitants, with a variation from one institution per 26.6 inhabitants in urban areas to one institution per 105.5 inhabitants in rural areas.

The Moroccan economic fabric is dominated by trade, where 54.8\% of institutions are concentrated, offering 34\% of jobs. In the second position is the services sector including 23.4\% of institutions and 26.9\% of labor. Thanks to its 36.7\% of permanent jobs, the industrial sector with only 20.5\% of institutions is deemed the first employment provider in the private sector.

As regards structure and just like most MENA countries, the Moroccan economic fabric is dominated by micro-units. 97\% of institutions have less than 10 employees but jointly have a total of 64.7\%, 48\% of which have more than 3 employees for a total number of 48.4 of labor.

Settlement wise, the “new medina” is the concentration crossroads that houses 61.4\% of institutions and 57.7\% of jobs. The “old medina” includes 12.2\% of institutions and 8.2\% of labor, whereas industrial areas only represent 1.6\% but employ 14.1\%. Last, handicraft complexes only include 0.3\% of institutions.

The quantitative structure of economic institutions (refer to Tab2) highlights their young age. Indeed, two thirds of institutions emerged between 1993 and 2002.

\textbf{Tab2. Distribution of institutions recorded in 2002 per inception period}

\textsuperscript{13} Findings of the economic survey carried out during 2001-2002 and to be used as a basis for Moroccan business register.

\textsuperscript{14} High Commission for the National Plan
Release by the High Commission for the National Plan related to the economic map of the Kingdom of Morocco.
On line on January 13\textsuperscript{th}, 2005-\url{www.recensement-eco.hcp.ma/breve.php3?id_brece=2}
A significant part of economy is borne by the informal sector. It is developing over the years to the disadvantage of the legal sector, thus weakening its competitiveness. According to CGEM\textsuperscript{15}, the informal sector includes around 45,000 people, 75% of which are women. The sector operates in external trade, through smuggling practices, under-invoicing, fraudulent use of customs procedures, etc.

According to an investigation\textsuperscript{16} carried out in the sector, the number of informal production units in non-agricultural sectors is valued at 1,233,240 units. The majority is in urban areas. Over a half (52.8%) of such units are directed towards repair and trade activities, 20.9% in industry, including handicraft, 20.1% in services and 6.2% in building industry. The informal sector is characterized by the prevalence of micro units of one person (70.5%).

Only 12.8% of all units have employees, 40.9% of such units have offices and 11.1% work at home. Owners of 87.6% of such units are men. The recorded units have achieved a turnover of MAD166.35 billion.

Micro credit is one of the solutions developed to somehow soothe the informal sector burden. Its major purpose is to increase chances of marginalized populations seeking a job. It provides access to finance sources within a system conventionally oriented towards structured operators with guarantees to prove their solvency.

The sector is basically run by associations\textsuperscript{17}, all members of the National Federation of Micro Credit Associations. Over a billion MAD as credits have been granted to nearly 600,000 receivers to September 30\textsuperscript{th}, 2005. The ambition is to reach 400,000 more by 2010, with funds up to MAD6 billion. Micro credit is also an employment source, both for beneficiaries and associations (2,545 permanent jobs in 2005 against 1,456 at the end of 2004).

Considering its current performances and the interest it benefits from at all levels of the country, micro finance in Morocco is an interesting case in MENA area, in the face of growing needs of populations and escalating poverty rates.

However, opinions diverge as to deeming micro finance as an activity to be developed within CSR. To some financial operators, micro finance is a 100% financial activity aiming at return on investments and the guarantee of refunds among customers, whose solvency is often non-guaranteed, sparing the banking system the additional management charges.


\textsuperscript{17} The sector’s current state shows that the activity is supported by three major associations: Al Amana, Zakoura and Banque Populaire Foundation, respectively with MAD3.45; 1.83 and 1.7 billion and outstanding amounts of nearly MAD1.18 billion. FONDEP (44.5 million), AMSSF (20 million), Crédit Agricole Foundation (17.4 million), Inmaa (11.2 million), Ismaïlia (7.5 million), Al Karama (7.1 million) and Atil (5.5 million). Visit the website: http://www.microfinanceaumaroc.com/news.php?id_article=519
II. CSR IN MOROCCO: DEFINITIONS AND HISTORICAL BACKGROUND

“There have been talks for so long about the corporate social responsibility, without actually influencing Morocco. This concept has suddenly become important”

Mohammed Tamer, President of AMITH ethics commission (Moroccan Association of Textile Industries and Clothing)

It is too early to talk about CSR historical background in Morocco, as recognized nowadays. It is a behavior that is hardly starting to shape up in the Moroccan corporate environment. Its practices are still inadequately entrenched and bearing a local hallmark.

Upon a recent round-table conference organized by the Investment Department in association with CDG (Caisse de Dépôt et de Gestion), convening operators have corroborated such assertion. As a matter of fact, considering the “socially responsible investment” topic, the question is to know to what extent a company performing in a country as developed as Morocco, can take advantage of the socially responsible status.

Participants are almost unanimous about two points at least:

1. The premature interest devoted to an issue which, despite its current advancement level, remains at a building phase in developed countries and basically inexistent in developing countries,
2. The manifold opportunity provided by such reflection, especially if it is followed by a genuine action plan.

In this regard, participants concluded that the main start of this plan “would be the day after the Conference”. It has therefore been planned that the conference conclusions would be taken on by a “Follow-up Committee” that would ensure their implementation.

Can we after all be confined to such conclusion to deduce the lack of any sign revealing that the concern about social responsibility among Moroccan companies does really exist?

The answer is definitely negative. For a few years, there is a movement partially or fully based on CSR principles and values. It takes various forms, although they are all focused on CSR concept, such as transparency, participation, proper governance, sustainable

---

18 The Investment Department playing the part of an Investment Development Agency in Morocco, has organized since 2003 the International conference “The Fundamentals of Investment”™. The 3rd edition topic in December 2005 was “socially responsible investment”. In order to study the feasibility of such event and elaborate its content, a limited round table gathering various operators from the public and private sectors, civil society, press, universities and specialists was held on November 11th, 2005. It is the first meeting of the kind in Morocco about the issues, although basic but putting the bases of any strategic reflection about the Corporate Social Responsibility in Morocco.
development, fighting corruption, women’s rights, right to work and labor legislation, human rights, etc.

2.1. Premises of a CSR movement in Morocco: Historical benchmarks

- **SAP termination and restructuring employers organization**

  The year 1993 marked the end of the Structural Adjustment Plan, recommended by international financial institutions and conducted by Morocco. Whereas the various parties involved were highly praised for its positive macroeconomic and financial fallout, its social impacts were catastrophic. The plan consequences have encouraged the implementation of a set of social programs, leading to new ministerial departments of social nature, even by category of populations (rural, women, children, disabled, shantytown dwellers, etc.). The various finance laws adopted would take into account the social dimension by increasing the budgets assigned to social sectors.

  In parallel, a genuine reform project was undertaken to modernize the private sector and launch entrepreneurship, deemed as the keystone to economic and social development and requiring an upgrade to handle both the country’s opening stakes and internal deficits. Morocco’s commitment as of 1995 in European Union negotiations or the signature of the Uruguay Round agreements and WTO integration have all been rallying factors to strengthen a highly powerful private sector. At that time, one of the major decisions was reorganizing the institution that represents the private sector in Morocco, namely the General Confederation of Moroccan Enterprises (CGEM).

  Founded in 1947, CGEM has gone through several progress stages. The most striking events were when it became Moroccan (transfer of power from French to Moroccan leaders) as of 1969 and the significant statute reform in 1995, by increasing the number of sector federations, establishing regional sections and raising the number of commissions, four of which are responsible for corporate social responsibility, namely:

  1. The Corporate and Human Resource Development Committee, whose function is to be the administration contact, as to vocational training, play a part in raising awareness, federation, orientation, lobbying and regulation. The literacy project ALIF 2010 (refer to appendix 3) and the company-university partnership are some of its interesting actions;

  2. The Corporate and Social Proximity Committee;

  3. The Corporate and Sustainable Development Committee. It “aims at setting up a managerial culture based on eco-efficiency in Moroccan companies, in order to intensify their competitiveness” (refer to action plan 2005 in appendix 4);

  4. Ethics and Proper Governance Committee.
AMITH\textsuperscript{19}, one of the major association members of CGEM, was among the organizations to grow aware of the strategic stake of taking on a socially responsible approach. For such purpose, it has developed a structured and gradual plan\textsuperscript{20}. This interest grew higher owing to the special background where the sector evolves internally, but also thanks to foreign partners’ input, as described by AMITH Ethical Committee chairman: “When British companies settled in Morocco, they introduced the social responsibility concept. For a couple of years, French and Spanish prime manufacturers started to be aware of their own social responsibility and that of their providers. Given their exporting industry, companies from the sector felt compelled to increasingly meet the growing international standards and requirements as to social management...Social upgrade will also enable companies to present competitiveness factors other than costs”\textsuperscript{21}.

Two years later, within a wide associative democratic development movement, the associative structure to fight corruption was created as a major component of Transparency Morocco section. That was the starting point of a struggle still raging up until now. The primary purpose is to bring the problem to light and lift up the taboo to talk about it. And then to determine the necessary measures likely to contain it.

Such initiative stirred the interest of authorities (namely at the time of changeover government and the creation of a follow-up Committee for fighting corruption), as well as among the business community that, under its new configuration, created in 1998 an ethics committee that became later “the ethics and proper governance committee” as a framework for reflection and action for ethics and transparency values. A part of its action plan is managed in association with Transparency Morocco. The committee also operates in OECD activities by adopting its Policies or by taking part in MENA initiative on investment and proper governance. According to CGEM approach, corruption practices “are a strong hurdle to companies’ competitiveness and free competition, in favor of the informal sector or even foreign companies”.\textsuperscript{22}

Within the same post-SAP context and under the pressure worldwide, a rehabilitation campaign, conducted by former Minister of the Interior, Driss Basri, was in principle to fight against smuggling, drug dealing and political corruption. Then followed a series of arrests against businessmen, who were all granted pardon two years later in 1997. Given its arbitrary and disproportionate nature, this campaign was highly criticized, and mainly by CGEM.

\textsuperscript{19} The Moroccan textile and clothing industry, with over 200,000 employees, is the first industrial employer (40%), its export revenues (39%). AMITH was established in 1960 as a defender and representative. Owing to its 700 member companies, it constitutes a tremendous economic power. Among its members are the most structured and best performing companies in such area. (Refer to \url{http://www.amith.org.ma/Amith/Presentation.asp}).

\textsuperscript{20} The Moroccan Association of Textile Industry and Clothing (AMITH) has developed a “charter of corporate values” based on the observance of Moroccan and international regulations. This charter is enclosed with a “citizen fiber” label that was awarded in June 2004 to 7 companies out of the 10 having abided by the industry ethics charter and having accepted to submit their corporate performances to an audit. AMITH, determined to extend such initiative, has planned to accompany 50 to 80 companies every year in their social and environmental upgrade.


\textsuperscript{22} Meftah, Mostafa (Member of the Ethics Committee, CGEM) The private sector role in fighting corruption, Case of Morocco: proceedings of the 9\textsuperscript{th} international conference for fighting corruption held from October 9\textsuperscript{th} through 15\textsuperscript{th}, 1999 at Durban, South Africa (Source \url{http://ww1.transparency.org/aicc/9th_iacc/papers/day1/ws5/d1w5_mmeftah.html})
In 1996, along with the aforementioned campaign, and in order to create social peace conditions, a Gentleman’s agreement and a tripartite convention (Government - Employers - Trade unions) were entered as a basis for a long-term social policy, setting up dialog and collective bargaining procedures.

The willingness to grant priority to the economic and social issue was materialized during the two Constitution revisions in 1992 and 1996. The latter introduced the inception of the Economic and Social Council as an advisory body for all economic or social matters. However, the Council has not started its activity so far.

A dynamic and vanguard associative movement

In the various aforementioned issues, Moroccan NGOs have always been present, often thinking ahead about economic, social and democratic matters. From the mid-nineties, taking advantage of the new world order and requirements of the civil society participation to internally meet social development shortcomings, Moroccan NGOs would occupy an important position on the scene of welfare local action. They would do so either via delegation of public authorities or upon their own initiative.

Within such movement, a core of associative sectors stood out. It is involved in human rights, gender equality, economic and social rights, sustainable and equitable development and local development. All these issues match up with the Social Responsibility principles and values.

Restructuring professional associations and the emergence of other associations for young developers and women entrepreneurs have also set up a new approach in the business sphere, mainly by requiring proper governance and participation rules.  

Such special predisposition would later make “strategic” partnerships easier between the associative and private sectors. At a first stage, they resulted in scattered actions. But as they grew more mature, such partnerships have managed, as much as possible, to fit in long term perspectives, in accordance with less fragmented approaches.

The associative movement has established partnerships regionally and internationally within new drives, concerned with environment, equitable trade, peace, and globalization alternatives.

In order to extend their drive within the World Social Forum, Moroccan associative operators have founded the Moroccan Social Forum held in two editions, 2002 and 2004. It set up exchange spaces between different participants involved in social development issues in Morocco.

Other benchmarks…

Several initiatives were undertaken at the same time or at limited gaps. But they all agreed on prioritizing the social issue and rallying around all concerned operators:

23 In this regard, it is worth noting the young developers associations (several local associations were created to help young people with a project as to information and training, namely following the special law enacted in 1988 to assist young graduates materialize their projects), Association of Women Entrepreneurs of Morocco (AFEM) a CGEM member, Centre des jeunes Dirigeants (CJD), Fédération des petites et moyenne entreprises etc.

24 About this subject, visit: http://www.forumalternatives.org/fsmaroc/
Establishment of the Social Development Agency “SDA”: A public institution set up by the State to fight poverty and promote sustainable development in Morocco. SDA aims at contributing in the fight against poverty and vulnerability, by supporting sustainable development projects according to a participative, partner and close method.

SDA mission is further strengthened by taking on a territorial approach and action, in association with local authorities, NGOs and the private sector.

Proper governance: Becoming a condition in relations internationally, proper governance was subject to a national plan supported by UNDP and other institutions: World Bank, CIDA, and Development Agencies of foreign countries. The same method has been adopted by business circles and associations. Discussions and activities convening different parties were organized and are still underway. The issue has become so acute that universities, local authorities and the press all established an action plan in this regard. It aims at raising awareness, consolidating capabilities, study and diagnosis of practices.

In this respect, it is worth noting CGEM action, mainly the study on corporate governance in Morocco. Some of its findings are introduced in the following section (groundbreaking practices).

- **Social assessment**: The first social assessments took place as of 2003. They have all been carried out by foreign agencies, as no company is locally settled. In parallel, social audits were internally performed, aiming at informing more about social aspects of internal management than showing an external image as with the rating system.

- **Reporting**: Publishing CSR reports is a new practice that is still restricted. The first report was elaborated by CDG (Caisse de Dépôt et de Gestion) in 2003. In 2004, other companies published their own reports: HOLCIM Maroc, Attijariwafa Bank, Banque Marocaine du Commerce Extérieur, besides CDG that published its second CSR report in 2004.

- **Socially Responsible Company Award**: The first acknowledgment for responsible companies under the socially responsible company concept was the organization of the AmCham Award, in association with CGEM. It is designed to reward companies that observe some values found in CSR, mainly social commitment.

- **Holding the first international conference in Morocco on “socially responsible investment” on December 1st and 2nd, 2005(refer to appendix 5, report on the plenary conference about SRI in Morocco: What national pact?” 25**

- **Social responsibility award**: For the first time in Morocco, a Social Responsibility Award was organized on December 1st, 2005 26.

Gradually, these advancements have gained ground. Concepts have multiplied in all directions, without necessarily fitting in clearly defined strategies. The ambiguous

---

25 In the same year, two other meetings about social responsibility were held.

26 The award was organized on the occasion of the international conference on The Fundamentals of Investment under the topic: Socially Responsible Investment. The award was conferred to 12 companies, each one for a commitment type. Visit www.lesintégrales.com
understanding has had repercussions usage wise, more particularly on the integration plan in overall corporate strategies.

2.2. How to define CSR in Morocco?

Every single document about CSR starts by emphasizing the absence of a unique definition and multiplicity of close concepts meaning the same content. This applies to the Moroccan experience. The snowballing practices have in no way helped shape up a reflection or a rich analytical production leading to a definition or definitions particular to the Moroccan case. In all checked documents, this definition is either drawn from foreign literature or introduced because of foreign experiences brought by multinationals in most cases.

During the survey carried out among operators, two definitions stood out with quite different scores:

For the minority group (8.8%), it is “a set of moral behaviors freely answerable to operators’ ethics”.

For the second (86.4%), its definition is “a set of concrete commitments on specific objectives so as to combine economic performance and prevention of social, societal risks, governance risks and/or environmental risks”.

We can already assert that most Moroccan operators deem CSR as a productive, pragmatic and universal initiative.
III. CSR PRACTICES OR CSR-RELATED PRACTICES IN MOROCCO

CSR in Morocco can be in various forms, featuring its own characteristics. Because no census of all practices is available, it is recommended in this part to provide some elements in two stages. Even though they entail similarities with others developed in other countries, they stand out by a representative local touch of a performance need. First of all, a document analysis of some cases of companies will be presented. Then, specific and sometimes unique practices in Morocco will be tackled.

3.1. Document Analysis

After going through the various files of companies, self-considered as socially responsible, the elements hereafter are presented for informational purposes. This is because no survey that meets all methodological standards is available to highlight findings that can be both representative and extrapolated.

3.1.1. CSR areas

The 31 checked files reveal that companies are nearly present, according to their declarations, in various CSR areas. However, their commitments diverge in kind and size according to their activity segment and commitment burden of their mission. According to these companies, we can differentiate their commitment to six areas split in sub-areas or commitment themes.

<table>
<thead>
<tr>
<th>Commitment areas</th>
<th>Number of expressed commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responsible management of human resources</td>
<td>25</td>
</tr>
<tr>
<td>Community commitment</td>
<td>16</td>
</tr>
<tr>
<td>Corporate governance</td>
<td>11</td>
</tr>
<tr>
<td>Observance of market rules</td>
<td>7</td>
</tr>
<tr>
<td>Commitment for the environment</td>
<td>5</td>
</tr>
<tr>
<td>Respect and development of individual freedoms</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>67</td>
</tr>
</tbody>
</table>

Concerned companies applied to the Social Responsibility award, organized for the first time in Morocco on December 1st, 2005. Applicants are distributed over Moroccan companies, public institutions, subsidiaries of foreign companies or organizations with an association status. Twenty-five (25) applicants manage a capital of MAD5,324,623,680 and have 30,851 employees.

Declarations in question are extracted from applications, without modifying them. In some cases, companies reminded of some practices they have developed to meet a commitment category, whereas according to the suggested ranking, such practices rather match another category.
According to the table above (Tab.3), it seems that companies firstly undertake commitments internally, i.e. towards their human resources. Therefore, 25 commitments are related to a responsible human resources management. They are materialized by action for employment enhancement, then by working condition improvement and finally by professional relation improvement.

In the second position, companies are operational in the community area. This is partly the extension of the interest granted to human resources internally, since a part of societal commitments are concerned with employees’ families or the company close environment. In such category, six companies participate in literacy programs and education dissemination. Four companies are involved in public health improvement; four others strive for cultural action or the Natural Heritage safeguard.

The 3\textsuperscript{rd} category regards commitments related to corporate governance. Totally or partially, there are practices such as codes of conduct, commitments to shareholders, transparency rules, efficiency of board of directors, effectiveness of monitoring instruments, etc.

The two other commitment groups are related to observance of market rules and environmental protection respectively.

Last, one commitment was stated regarding respect and development of individual freedoms.

The distribution of commitments per activity segment of companies (refer to Tab.4) shows a presence of the same extent in activities of secondary sectors (30 commitments) and tertiary (29 commitments) and a weak presence in the primary sector (only 6 commitments), where agriculture is totally inexistent. Among the selected companies, no company from the tourist sector is present, despite its high contribution to national economy.

### Tab.4 Distribution of commitments per activity sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agribusiness</td>
<td>6</td>
</tr>
<tr>
<td>Cement industry</td>
<td>7</td>
</tr>
<tr>
<td>Pharmaceutical industry</td>
<td>8</td>
</tr>
<tr>
<td>Textile industry</td>
<td>9</td>
</tr>
<tr>
<td>NTIC and Telecommunications</td>
<td>10</td>
</tr>
<tr>
<td>Services and trade</td>
<td>13</td>
</tr>
<tr>
<td>Finance</td>
<td>6</td>
</tr>
<tr>
<td>Mining and fisheries</td>
<td>6</td>
</tr>
<tr>
<td>Multi-sector</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>67</td>
</tr>
</tbody>
</table>

3.1.2. Evolution of CSR commitments over time

The greatest number of commitments dates back to the first half of the ongoing century between 2001 and 2005. As to its progress, these figures show the growing interest in CSR.

Over the first two periods (1979-1990) and (1991-2000), most commitments were related to community (9), human resources (6) and the same number to environment (6) (refer to Graph.2).
As of 2000, new areas drew noticeable attention, mainly corporate governance and observance of market rules, and moderately respect and development of individual freedoms. The interest in community commitment and human resources management is still vivid.

3.1.3. Circumstances and conditions of commitment undertaking

While progressing over time, the undertaken commitments have been the reflection of circumstances or conditions. The figure below (Figure.3) shows – for companies that clearly stated it (only 47 commitments are concerned by this analysis) – the motivations and conditions of their actions. Assembling various assertions enabled differentiating between 6 types of variably important circumstances.

First of all, there are decisions that express the belief and culture from the top management. Whether they are individual (president, general manager, manager) or collective and concerted (management committee, board of directors, audit committee, etc.),

---

29 The low number of commitments in “respect of individual freedoms” does not necessarily imply a loss of interest. We can suggest that it is a culture issue, since by individual freedom, companies should mean that of human resources within the company (right to trade union expression, security, hygiene, etc.), present in commitments related to “Human resources responsible management”. For so long, individual freedoms meant among various operators civil and political rights. It is one of the comments addressed to the human rights movement in Morocco that has for a long time focused on political rights due to the absence of liberties and breaches of human rights for political opinions or positions; this undoubtedly influences other operators’ perceptions. This gap is also present at the Equity and Reconciliation Commission, which has not tackled economic breaches within its mission.
such decisions reflect adherence, but also the will ‘to do’ and ‘to be’ of individuals with decision-making powers. Such decisions were basically related to commitments to the societal, governance and responsible management of human resources.

The 2nd category includes the motives behind the changes occurred or introduced within the company. These changes are various, here are some examples:

- Activity change (from subcontracting to finished products);
- New management after the integration of a new group;
- Status modification (a public utility foundation);
- Introduction of technical, economic or social innovations.

Such category led to commitments of societal nature or in line with the observance of market rules.

The third category is related to the parent company policy. This obviously regards subsidiaries that abide by practices and orientations of their original Group. The decision is definitely non-unilateral, but a group’s momentum and repute rule the choice of local companies: Companies such as Microsoft, Veolia, Motorola, Holcim, Lafarge etc. have their own policy frameworks in terms of social responsibility, translated into programs where they operate throughout the world. Hence, it is unthinkable to belong to such groups while not sticking to their ideas.

The parent company policy was behind actions for a responsible management of human resources, followed by community actions.

Commitments undertaken by the company in Morocco are also answers to the environment where they evolve. In this category, there are:
- Needs directly expressed by classes of populations through associations or institutions, materialized by public/private or public/civil society partnerships.
- The immediate environment of company sites and the duty to consider pollution and insecurity hazards incurred by the activities operated in those sites;
- The political environment where companies, namely public ones, are submitted to government guidelines and priorities.
- The social environment, such as the case of DHL for instance, which in the aftermath of the May 16th, 2003 events, took part in a communication campaign to develop Morocco as a secure tourist destination.
- Regulation requirements, namely as to respect of rights of workers, environment, health, proper governance.

In order to meet the environment expectations and requirements, responsible community commitments to the company human resources were established.

The two last groups of motives behind the commitments undertaken are on one hand related to the company strategy and on the other to its culture and nature of business. These two sides are complementary and show that the company evolves according to a vision, a strategy and objectives. The CSR is fully part of its management system. Also in this case, concerned companies were first committed to community operations, while others were in favor of a responsible management of human resources.

3.1.4. Officials responsible for commitments

Out of 48 commitments, 23 are assigned to one unit or person; the other 25 are managed by more than one unit. Most often, there are more than 3 officials (structure or individual).

Positions or structures of the company responsible for over 28 commitments are at the government or the company management level (CEO, president, general manager, executive committee, steering committee).

Besides, commitments’ responsibility is ensured by 3 other categories of missions, most often a managing position. They are:

1. Technical, operational and production structures,
2. Trade, purchase and finance structures,
3. Communication, human resources management, marketing, quality and security structures.

Out of the 67 commitments, two cases are carried out by two managers whose task matches CSR issues: Ethics and Sustainable Development Manager of Attijariwafa Bank and Sustainable development Manager at Veolia Water Morocco.

3.1.5. Means of commitment expression

Studying the available documents on the companies in question has revealed the existence of several means to express commitment. Multiplicity and diversity are triggered by three factors at least:
Commitment nature, target population and the geographic area of their implementation
Nature of partners and the extent of their involvement in commitment
Corporate traditions as to communication and CSR practice.

For each company, it is not simple to monitor the relationship between these factors on one hand, and the choice of the used expression means on the other. One of the reasons is information inadequacy. The following table (Tab5) only features the typology of the means used in relatively consistent blocks.

<table>
<thead>
<tr>
<th>Tab.5 Expression means of CSR commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Types of means</td>
</tr>
<tr>
<td>Agreements and conventions</td>
</tr>
<tr>
<td>Bill-boarding, advertising, launching, public signature</td>
</tr>
<tr>
<td>Communication or press ad and media campaign</td>
</tr>
<tr>
<td>Documentation, communication, presentation, exhibition, meetings, seminars, training</td>
</tr>
<tr>
<td>Internet / Intranet/ electronic messaging</td>
</tr>
<tr>
<td>Plan, program, policy, strategy, vision</td>
</tr>
<tr>
<td>Regulation, commitment, letter, charter, and codes of: values, ethics, conduct, environment, administrator, management, structures</td>
</tr>
<tr>
<td>Reporting, reports, report on CSR</td>
</tr>
</tbody>
</table>

\(a\) typology set up by authors of the present document based on perusal of files
\(b\) usage is induced from the relation between commitment and the used means
\(c\) figure before each type shows the number of commitments for which one or several means were used.

Therefore, it rather discloses a practice by the company in the use than an indication on the good or bad means to express the commitment itself. An observation and impact analysis effort may provide more information about this issue.

Based on the aforementioned data, follow a few comments:

- There is a huge communication concern in both directions of raising awareness and image for undertaken commitments
- Materializing the commitment to incorporate it into the company culture requires some tools that are used as a reference to assess its compliance extent.
- Reporting as an expression means remains the weakest practice. Out of the 32 companies, only one publishes its CSR report.
- Distinction between the means used cannot be always carried out for communication marketing purposes within the company activities and those particularly designed for the needs of undertaken commitments, except in case of information or training campaign assigned to the commitment or conventions related to the latter. Integrating the two is commendable, provided that they serve each other, without the one prejudicing the other.
3.1.6. Impact of CSR actions on stakeholders and the company

According to companies’ declarations, impacts are often qualitatively expressed. At times, they are mixed up with achievements of actions, and at others with objectives of such actions. No impact assessment has been performed, except within customers’ satisfaction study.

Considering a content analysis of such declarations, two illustrations as appendixes can demonstrate the impacts within and without the companies.

After briefly going through both illustrations, a particular attention is granted to image improvement, trust development internally and among stakeholders, acknowledgment and support of environment.

3.2. Leading-edge References and Practices

By CSR-related references and practices, we mean all strategic components or initiatives taken at the institutional or regulatory levels or through practical actions, likely to motivate, develop and entrench CSR culture in Morocco. These components are on one hand related to CSR, namely human resources, environmental protection, social commitment and proper governance; on the other hand, examples of observation and development practices via social assessment and rewarding socially responsible companies.

3.2.1. Human Resources’ Use and Management

“We Moroccans are rather lazy people. There will be progress at work only if I walk around by giving warnings and alerts. They [female workers] should be aware how lucky they are to have a stable job; they just have to take up their duties”.

Testimony by a supervisor in a ready-made clothing workshop and reported by Brahim Labari in an article published in the magazine Esprit Critique in October 2002.


Nineteen months after this testimony was published, a new labor code\(^\text{30}\) was born. Its new inputs imply supervising individual working relations in total transparency, through clear measures in terms of work contract, reshuffling dismissals’ system to ensure interests of both the company and staff, modification of dismissals’ compensation scale and reinforcement of negotiation rights by implementing new mechanisms. One of the issues provided for by the new code is the improvement of women’s protection at work, readjustment and relaxing of working hours and the institutionalization of regulation procedure of collective work conflicts. The implementation scope of the new law extends to all persons bound by a work

\(^{30}\) It is the new law no 65-99 coming into effect in May 2003 after being object to 6 years of negotiations between various parties before its adoption in November 2004.

The full text is downloadable on the website: [http://www.emploi.gov.ma/code/code%20de%20travail.pdf](http://www.emploi.gov.ma/code/code%20de%20travail.pdf)
contract, except for some special categories that will benefit from guarantees at least equivalent to that provided for in the labor code.

As to the preamble\textsuperscript{31}, the law specifies the references and foundations of the new law. Therefore, the new law can be characterized by “its compliance with basic principles determined by the Constitution and international standards as provided for in the United Nations conventions and its specialized organizations in connection with labor”.

It reminds that “Work is not a merchandise and the worker is not a production tool. Therefore, in no case may the work be performed under conditions prejudicing the worker’s dignity”.

The law specifies that “collective bargaining is one of the fundamental labor rights. Exercising such right will not hinder the State from playing its role to protect and improve working conditions and preserve worker’s rights via legislative and regulatory provisions. Bargaining occurs regularly and compulsorily at all levels and in all sectors and companies” that are subject to this law. (Refer to appendix 6 List of conventions submitted to the Labour Department on the date of this document drafting).

About trade union freedom, the law provides that it is “one of the major labor rights… More particularly, it generates the need to ensure the protection of trade union representatives and conditions likely to make them accomplish their functions within the company, to take part in the economic and social development process, and to build up healthy professional relations, both for workers and employers”.

The law guarantees that “each person at the age of admission to work and wishing to obtain an employment he/she is able to perform, is entitled to benefit for free from public services during the search for a decent employment, a re-qualification or training for a potential promotion”.

The new code provisions define the company as “an economic and social cell enjoying the private property right. It is bound to respect the dignity of persons working in it and guarantee their individual and collective rights. It works towards the achievement of social development of its employees, namely as to their material security and protection of their health”.

The rights guaranteed by the law include the rights contained in international labor conventions ratified on one hand, and the rights provided for in the main conventions of the International Labor Organization, namely including:

- “trade union freedom and effective adoption of organization and collective bargaining right;
- prohibition of all forms of work under constraint;
- effective eradication of child labor;
- prohibition of discrimination in employment and professions;
- equal pay”

The law prohibits “any measure aiming at prejudicing staff stability at work for one of the following reasons:

- participation in a collective conflict;
- exercising the right to collective bargaining;
- pregnancy or maternity;
- final substitution of a worker suffering an industrial injury or disease before the expiration of his recovery period”

The law requires keeping employees informed about the following:

- corporate structural and technological changes before they are introduced;
- management of the company’s human resources;
- the company’s social report;
- the company’s production strategy”

The settlement of individual or collective work conflicts is carried out while observing the order of the following texts:

- “Provisions of the present law, international conventions and charters ratified in this regard;
- work contract;
- arbitration and jurisprudence decisions;
- customs and practices if they are not opposed to provisions of the present law and above mentioned principles;
- general law rules;
- equity principles and rules”.

3.2.2. The environment: Basic component of human development

Environment is the nucleus of the sustainable development issue in many countries, but it grows even more critical in developing ones. Today, and for over ten years, Morocco has had an institutional system and an abundant legal arsenal in this regard.

From the Earth Summit held in Rio de Janeiro in 1992, the Johannesburg world summit in 2002 to the last meeting on Kyoto protocol held in Marrakesh in 2005, Morocco has proved a drive that indicates its interest in safeguarding environmental resources and fighting their

In Morocco, beside the Ministry of Environment, Urbanism and Land Planning, there are:
- National Environment Council,
- Regional Environment councils,
- National Environment Observatory,
- Industrial Pollution-Control Fund, FODEP - National Laboratory in charge of Studies and Supervision of Pollution and Nuisances.

impaired. This is a “development choice that Morocco has taken on in the same way the international Community has done. Such choice was guided nationally, not only by the required rationalization of resources management, the guarantee for the country’s future socioeconomic development, but also and above all because of a concern to continuously improve Moroccan citizens’ quality of life. The right to a healthy environment is a fundamental principle of the national policy in terms of environment management”.  

According to each operator’s interest, Moroccan companies and associations have also been involved in actions in association with the State or international organizations. The performed achievements in relation to expectations and sensitiveness of this issue are insufficient. In the face of “economic and social consequences of the environment defacement - of an estimated cost- representing MAD20 billion a year, i.e. about 8% of GDP, - many endeavors have taken place, but– there are still several challenges to take up. The environment issue in Morocco is rooting further and should continue in the prospect of a collective and shared handling of the problems at hand. There has been unanimous agreement in denouncing all factors that contribute to the environment impairment. This consensus should be actually reflected in clearer stakes and responsibilities”.

Some of the actions for improving environmental aspects, for illustrative purposes, are related to the industrial sector. The latter has taken advantage of a national plan for ecologically sustainable development launched by the Ministry responsible for the sector, in association with UNIDO. It aims at ensuring a rational and sustainable utilization of natural resources, by building namely on efficient, profitable and low-pollution prevention technologies.

Incentive measures were also applied to manufacturers, such as decreases in customs duties for importation of environment-friendly equipments. Bonuses were also granted to those who contribute to water consumption saving or gas emission and dust reduction. Moreover, Hassan II Fund for Social Development derived from privatization operations, grants advantages to investments, which ensure an interesting number of jobs and integrate the environmental dimension.

In order to motivate companies, the Industrial Pollution-Control Fund (FODEP) was founded in 1997. Companies with eligible applications can benefit from a loan to finance their project at 80%.

Another program (DELTA program) was endorsed by a convention between CGEM and the Environment Department, on adopting the eco-efficiency principle in favor of small and medium sized businesses.

Similarly, the Moroccan Center for Clean Production emerged. Established within the cooperation between Morocco and UNIDO, the Center provides manufacturers with a tool for clean production - related services and activities.

These types of industrial-related actions are also present in other activities. They are combined with massive communication, awareness-raising and education campaigns, launched by associations, authorities or the private sector. The latter has variably shown its interest in these issues. Among the companies that developed environmentally responsible strategies are cement manufacturers, pharmaceutical industries and sewage disposal and water distribution companies.


34 Idem p3
3.2.3. Corporate Governance

Corporate governance is quite particular in relation to other practices. Although it is an element of CSR, the scope and nature of the areas it tackles often make it confused with CSR.

In Morocco, CG has stirred a particular attention within the private sector. It has basically benefited from the same considerations and developments behind the interest in CSR. However, unlike the latter, it is richer in projects and implemented plans.

In this regard, CGEM carried out a specific study on CG in Morocco. First of all, the study highlights the scarcity of companies listed on a stock exchange, with small and medium-sized firms prevailing in the economic base, and a strong banking power.

As to the support and regulation system, while emphasizing the significance of the existing legislative and repressive arsenal and supervisory bodies, the report mentions the lack of independent rating companies and criticizes the Competition Council idleness.

The survey carried out among 40 companies, most of which listed on the stock exchange, and discussions within the focus group made up of 17 people held in January 2005 have revealed:

► Concerning governance culture, the business world is not familiar with the provisions organizing corporate governance and main international recommendations;

► With regard to corporate governance practices:

  o Information and vote rights of shareholders are observed. However, there is a strong influence from majority shareholders as to decision-making and a lack of information about ultimate shareholders, and mainly the absence of investment activism in the mutual fund (OPCVM).

  o Shareholders’ due process: 77.8% declared not having several types of shares and 50% asserted the existence of transactions within regulated conventions.

  o Stakeholders’ role: Findings have revealed the compliance with the new labor code, absence of a proper governance charter, lack of formal commitment to environment protection and consumer’s respect and non-receipt of staff requests by the Board of Directors.

  o Transparency and information dissemination: 61.1% of companies with a group structure publish their consolidated accounts and 72.2% hold press conferences to announce their annual results, objectives and strategies. On the other hand, there is a lack of disseminated information about the board of directors (qualifications, pay, autonomy), besides leaders’ remuneration and scarce companies communicating about the risks they are exposed to.

---

35 All information related to this study were drawn from:
- CGEM (Confédération Générale des entreprises du Maroc). Corporate Governance in Morocco: Final Report. 2005. 80p (Report by Mr. Mustapha El Baze, Manager of FOCS and Mr. Abdelghani Bendriouch, corporate governance specialist)
- Belkahya, Farid (Chairman of Ethics and Proper Governance Committee within CGEM). Corporate Governance in Morocco: State of the art and Perspectives (Intervention at a MENA-OECD meeting on Corporate Governance, Rabat, September 14th and 15th, 2005)

36 The essence of this arsenal has been implemented in the aftermath of the great financial market reform as of 1993 (check out main references to provisions in appendix 11)
Board of Directors responsibility: Half of boards of directors have a decision support body hired by the executive directors and a third of them have a system to assess decisions’ consequences. Only a few companies have an executive director’s charter and remuneration committees. In 77.8% of cases, disseminated information integrity is ensured by the internal audit.

Based on such results, briefly presented, the study authors have recommended a set of actions to develop a proper governance culture, such as: adopting a good practice guide, establishing the Proper Governance award, drafting the executive director’s charter and setting up a Moroccan Executive Director Institute, developing the audit committees’ role, fostering shareholding activism, setting up the exercise and justifying the voting right of institutional investors, standardization of general assembly reports, and last, unifying public governance with private governance.

First of the kind, this study stressed the aspects that overlap with other CSR-related practices in Morocco. Its recommendations can be inputs for any plan to be implemented. The committee responsible at CGEM is a key player for potential partnerships.

3.2.4. The NM 00.5.600 2005 standard on the system of social aspect management within the company: Requirements

Morocco is a party to various conventions provided for by international organizations of social right to work. Such tools, besides the Moroccan labor code (law 65-99) are also the reference basis of the NM 00.5.600 standard.

This standard “provides guidance about the management system of social aspects, so as to help organizations set up objectives and policies declared in the social sphere and the means to integrate social matters into the global management system”.

Therefore, it defines social responsibility requirements that help the company:

- Develop its management system of social aspects;
- Show to the various parties that policies, procedures and practices are in compliance with the standard requirements;
- Voluntarily carry out self-assessment in relation to the standard requirements.

The standard specifies a threefold goal:

37 The NM 00.5.600 standard was approved in September 2001. Currently it is being reviewed. It will be adopted after the public survey is completed in September 2005. As normative references, it uses Moroccan standards: NM ISO 9001 (quality management systems – requirements); NM ISO 14001 (environmental management system – specifications and guidelines for its use); NM 00.5.610 5 (social audit – generalities) and NM 00.5.800 (health and work security management system – Requirements).

38 ILO Convention: n° 29 and 105 (forced and compulsory work); n° 87 (Trade Union Freedom); n° 98 (Right to collective bargaining); n° 100 and 101 (equal wages for men and women for an equal value work; discrimination); n° 135 (on workers representatives) - Conventions n° 138 and 182 and recommendation n° 146 of ILO (minimum age and worst forms of work); Convention n° 177 (home work); Universal declaration of human rights and covenant protocols; United Nations Convention on Children Rights (CDE); United Nations Convention to eradicate all forms of discrimination against women.

39 Ministry of Industry, Trade and economy upgrade – Department of Quality and standardization “NM 00.5.600” standard –proposal for amendment - Management system of social aspects at the company: requirements 2005-p3
• The first is related to meeting the needs of interested parties, market constraints, compliance with regulation, competition and competitiveness and company repute.
• The second implies building a socially responsible, educative and protective company.
• The last one has to do with the company image.

The standard is being reviewed further to the update of some elements after the new labor code has been adopted.

3.2.5. The Corporate and Social Proximity Committee

Within less than 4 months after Casablanca\textsuperscript{40} was struck by terrorist acts, CGEM decided to set up a new “Corporate and Social Proximity” committee\textsuperscript{41}. This decision was not made haphazardly; it was rather the outcome of the willpower to face this scourge, which according to subsequent arrests, had unexpectedly huge dimensions.

As a matter of fact, Morocco has long been considered to be safe from the world terrorist movement operating in neighboring regions; the May 16\textsuperscript{th} events proved this wrong. These events also revealed the social deficit magnitude. Beyond political and ideological explanations, the assaults were interpreted by the absence of a social link between citizens and their institutional and socioeconomic environment. According to another source, the protagonists were likened to “illegal immigrants sacrificing their lives for the European dream, away from stagnation prevailing in their country, whereas suicide bombers sacrifice themselves to reach Heaven\textsuperscript{42}, a final act of despair.

Hemmed-in populations remain a fertile recruiting ground for terrorism. This calls into question the relationship of various political, economic and associative operators with their environment and the nature of their action. Therefore, various actions were undertaken, ranging from repression to search of sustainable solutions.\textsuperscript{43}

Through this Committee, CGEM led one of the most inventive actions. As the name indicates, the committee intends to develop social responsibility, based on the “proximity” concept. It is actually a conciliation step between the economic institution and its immediate environment, i.e. coming as close as possible to hemmed-in areas.

The reflection triggered by the committee creation for the implementation of its strategy followed two directions\textsuperscript{44}:

- Definition of the Social Proximity mission within the company
- Identification of norms of the association likely to act locally.

\textsuperscript{40} On May 16th, 2003, Casablanca was struck by four simultaneous assaults committed by fundamentalist groups from “Salafya Al Jihadya”, ally of Al Qaida movement, according to investigations by judiciary authorities. Perpetrators were from poor neighborhoods in suburban areas in Casablanca.
\textsuperscript{41} Organizationally, CGEM has 9 committees, 4 of which are responsible for corporate responsibility issues.
\textsuperscript{42} Reviews of events respectively carried out by professors Mohamed Janjar Seghir et Mohammed Tozy (see seminar Espace Associatif : Pour un mouvement civil anti-terroriste, March 2004)
\textsuperscript{43} National denouncement march under the slogan “Don’t touch my country”, associative actions of awareness raising and citizenship education, creation of a terrorism observatory, inception of an organization against intolerance, colloquia and essays, reconstitution of religious sphere, enactment of terrorism laws, creation of close police patrols, increase of number of beneficiaries of summer holiday camps moving from 40,000 children before 2003 to 1000,000 (2003), 150,000 (2004) and 200,000 (2005), etc.
\textsuperscript{44} Confédération Générale des Entreprises du Maroc CGEM / Corporate and Social Proximity Committee. Minutes of the meeting held on Tuesday, April 6\textsuperscript{th}, 2004.
The committee deems the close environment to be an economic and social competitiveness factor for the company. However, in the Moroccan case, such environment is characterized by situations and behaviors to the disadvantage of the company. Moreover, given the problems caused by populations, the State and communes are unable to come up with appropriate solutions.

Based on such assertion, the committee emphasizes 4 reasons justifying the company adherence to its philosophy:

1. Improving the company competitiveness by being active in the social environment
2. Attracting foreign investors thanks to the improved corporate environment
3. Ensuring its security and social stability and that of the country
4. Lobbying and improving the company image.

The Committee determined a threefold mission:

5. “Stimulating social responsibility initiatives
6. Opening the company onto its immediate social and geographic environment
7. Enhancing the corporate image in dealing with local associations and citizens”.

As of its inception, the committee opted for local and neighborhood associations as a privileged partner in its close actions. It has defined two types of objectives:

- First: towards associations, by structuring and formalizing their action, their mobilization on the sites where they operate, and consolidation of their skills in accordance with a modern method.
- Second: towards companies, by taking part in their close actions, providing them with basic structures to open up to associations, and improving their image in their relation with the latter.

Last, the final goal would be to upgrade the social situation of some poor areas via associative action.

Within one year, the committee managed to provide training to 80 associative managers, organize the Company-Association Forum in June 2004, whose second edition was held in September 2005. It has also supported the network projects at Al Hoceima.

The Company-Association Forum concept does not entail granting funds to an association. It rather “goes hand in hand with it in the project implementation and helps it professionalize its work. It is up to each company according to its will, means and sympathy for a given project. It is a joint initiative against marginalization and exclusion. It aims at meeting the needs, namely that of young people in socio-cultural, sports, education and training equipments”.

The first Forum edition enabled sponsoring 40 projects, all submitted by neighborhood associations in Casablanca, by companies affiliated to CGEM.
At the second edition, 197 projects were submitted, covering other regions (Fez, Azilal and Al Hoceima) and opening onto other associative partners. 104 projects were taken in charge by companies. (Refer to appendix 7: list of projects, 2005 edition)

The theme breakdown (Figure 4) of such projects highlights the emphasis on education in its broad meaning, i.e. teaching (17%), learning computer skills (13%), training (12%), awareness raising (7%), school support (5%). Cultural and sports activities (18%) come next, then the environment (12%). Rural-oriented activities are practically absent.

The estimated budget for all projects submitted by associations is valued at MAD15,815,844.4 (1,581,584.44 Euros) (Refer to Figure 5 on breakdown of amounts per theme).

The Committee intends to initiate a reflection on opening onto micro-business projects by the year 2006, involving micro credit companies.

3.2.6. Reporting

Generally, reporting is commonplace among Moroccan companies. This is mainly true for companies listed on a stock exchange that, by virtue of the law, have to submit public information to stakeholders and the public. The published reports aim at describing the company’s operating activities and financial results.

In terms of CSR, reporting is quite restricted, since its start dates back to 2003 with the first CSR report by CDG. Other companies followed in 2004, but to our knowledge, only two 2004 reports are available and two other reports include chapters devoted to CSR.

To CDG, the report is a sign of maturity of the Social Responsibility integration process.

Founded in 1959, CDG is a public financial institution. Its function is to “receive, preserve and manage saving resources that, given their nature or origin, require a special protection”.

48 - Caisse de Dépôt et de Gestion. Our Social Responsibility. 2003
 - Holcim. Holcim Morocco and Corporate Social Responsibility (CSR)
According to its mission, CDG is a first-class operator in the economic and social development in Morocco “drawing on a large reserve of resources channeled through its circuits, experience and renown”.

Therefore, it is an institution carrying the burden of social responsibility legally, but not only as the individual will of decision-makers.

The core of CSR policy of CDG is scrupulously introduced in its first 2003 report. The objective assigned by the authors to this document is “to explain plainly our practices, while developing progress drives which our company takes part in”.

According to CDG, the report aims at:

- Raising awareness of the importance granted by CDG to CSR
- Re-transcribing CDG community’s perception and action
- Bringing answers to non-financial issues
- Completing the figured annual report

Although the definition selected in the present report and adopted by CDG is extracted from another source, one gets the impression that the meaning and extension it was given have a local nature, namely through the developed community vision: “Working together for Morocco’s future”. This vision comes in two categories of commitments: corporate commitments and community commitments.

The various reports have the following common presentation:

- A reminder of the company commitment considerations, as a message from the company leader
- A reminder of main actions undertaken within a year introduced per area
- Image and picture support
- Quantitative results, but mainly qualitative, of performances
- No mention of the actions’ impact
- No decision-making process related to the selected actions (selection criteria, entities, etc.)

### 3.2.7. Social rating: a recent and limited practice

Over the last three years, there has been a growing interest in social rating in Morocco. It is hard to determine its instigator, whether the company or the rating Agency, since the latter has monopolized the various assessment exercises. It is positive however that if the decision has been made in this direction, it implies a clear willpower of concerned companies to embark on this adventure.

To illustrate social rating in Morocco, three examples of companies will be tackled. They were all rated by the European agency Vigeo. The latter has its proper system, drawn from various references and corroborated by several organizations and operators involved in this

---

49 The 2004 edition includes two parts, one part in figures and another one devoted to CSR activities.
field. The agency came up with a new name to refer to its solicited rating product: Overnance\textsuperscript{50}.

Vigeo rating system is built on six commitment areas:

- Respect of human rights in the society and at the workplace;
- Development of human resources and continuing improvement of social relations;
- Environment protection;
- Enhancement of clients’ and suppliers’ interests;
- Proper corporate governance;
- Community commitment.

Each area is divided into several criteria that constitute an assessment battery, whose number differs from a rated company to another. In the case of Lydec, 38 criteria were used; whereas for ONP, the agency used only 29. Here are three examples of companies having solicited the rating.

a. LYDEC

Findings have revealed that Lydec comes in “committed” levels as to “corporate government” and “community” areas. According to Vigeo auditors, not only is Lydec active, but the company is characterized by highly transparent and efficient corporate government and community commitment.

Regarding “human resources”, “environment” and “clients-suppliers” areas, Lydec is rated as an “active” company. To Vigeo, Lydec is active in considering social responsibility objectives combined with other areas.

As to “human rights” area, Lydec is at the “careful” level. To Vigeo auditors, Lydec does indeed respect human rights at the workplace and its environment, without however setting up their development as a formal goal.

Such performances progressing on five areas show that the social, community and environment dimensions are clearly integrated into Lydec global strategy.

Expectations of the four stakeholders (delegating authority, shareholders, clients and staff) have drawn particular attention.

Lydec features an open and proactive model of responsibility of a private concessionary company of public service utility.

\textsuperscript{50} According to Vigeo, “Overnance” is used to “suggest that social responsibility, more than a mere communication matter, refers to strategic steering of companies... It’s an offer adjusted to directions of companies seeking:
- to control their social responsibility risks and create opportunities
- to bet on social responsibility as a factor for successful changes
- to enhance social responsibility assets
- to strengthen credibility of their communication
- to optimize their relations with stakeholders”

Source: www.vigeo.fr Press release: Vigeo baptizes its solicited social rating product OVERNANCE.

Bagnolet, May 12\textsuperscript{th}, 2005
Socially responsible, Lydec plays a groundbreaking and acknowledged part in the social responsibility development of companies in Morocco.

b. BMCE

The Moroccan bank BMCE did solicit the social rating. Two areas were targeted: basic human rights and social commitment.

As regards the first concept, BMCE practices as to respect of freedom of association, fundamental rights and abolition of proscribed working forms (child labor and forced labor) were assessed. BMCE was rated “careful” as to the abolition of proscribed working forms, insofar as it does not take into consideration such deficit among its partners. On the other hand, it was assessed as “active” in terms of non-discrimination, due to development endeavors towards gender equality, often stated in the Chairman’s declarations. BMCE was deemed very active as to trade union right and collective bargaining right. It is also assessed as active regarding respect of private life of its employees and clients, as well as their security.

Concerning social commitment, owing to its several social projects, BMCE was rated “active” and “committed”. Its action sphere is quite diverse, including one of the most important: Medersat.com. This rating is also due to other areas, such as:

- Commitment to the territory economic and social development, by developing small and medium sized businesses.
- Commitment to transfer of know-how and skills in technology, through its settlement in the Sub-Saharan region.
- Commitment through the community impact of its products and services: access to social housing and support to young entrepreneurs.

As far as I’m concerned, I would like to remind of the fact that a banking institution – BMCE Bank– has endeavored for five years to include its community action within a spirit and a scheme similar to that promoted now by the National Initiative for Human Development. Indeed, upon the Chairman Othman Benjelloun’s initiative, the BMCE Bank Foundation managed by Dr. Leila Mezian Benjelloun is quite active in rural areas, mainly in a priority field for the Nation: education; and more specifically, preschool and primary education in the most isolated regions of the Kingdom. Performances achieved under this program “Medersat.com” are telling: about 60 schools were opened and managed by the Foundation, 6,500 children were schooled and trained by 300 teachers, supervised by 20 inspectors from the Ministry of National Education, 5,000 adults followed a literacy program. Water, electricity and means of access are combined with the creation of schools…

These are so many human development concrete actions that BMCE Bank has chosen to undertake, in the name of its corporate social responsibility, by devoting, by the willpower of its Chairman and by decision of the shareholders’ Assembly, 4% of its gross operating result. Such actions are “sanctioned” by a European social rating agency, VIGEO, which awarded an honorable score according to its international evaluation standards, to the Medersat.Com program and the many other initiatives undertaken by BMCE Bank to develop respect of human rights, quality human capital, equality of chances between women and men and quality social dialog …

Interview by Mr. Brahim Benjelloun-Touimi, BMCE General Manager given to Finance News Hebdo, June 2nd, 2005

Data utilized from the Moroccan press
c. National Office of Fisheries (ONP): first public institution to receive social rating

ONP was the first public institution to undergo an assessment of its social policy, carried out by the European agency Vigeo.52

Among the missions entrusted to ONP is assisting coastal and small-scale fishing operators and collaborating with the various stakeholders to protect fishery resources. While focusing on the enhancement of the fishing sector competitiveness, ONP strives to integrate the social, ethical and environmental dimension in its managerial policy. Such approach is a kind of awareness-raising policy internally and with partners aiming at sharing the same values. To assess its policies, ONP called on Vigeo services. Twenty-nine criteria were used.

Overall, five out of the six assessed areas were equal to or higher than 3, i.e. the level at which the company is “active” to “committed”.

3.2.8. Socially responsible investment fund

a. Community funds

WafaBank, the second largest Moroccan bank, has launched "Cap Générosité" and "Cap Solidarité", the first two community funds in Morocco. Meanwhile subscribers to these funds invest in the Casablanca Stock Exchange; the profits generated by their investment will be dedicated to the four most critical issues in Morocco today: social development, environment, culture and health. In addition to the creation of the two funds, an association to promote and develop humanitarian funds in Morocco, a management committee in charge of appraising the congruency of the funds orientations, investment strategy and performance, as well as a scientific committee defining action programs and admissibility criteria, have been established.

b. Social Solidarity Fund (under development)

The implementation of a social solidarity Fund is planned, but no official information is yet available. Its designers intend to involve NGOs as beneficiaries of results of the investments that will be assigned to them.

3.2.9. AmCham Corporate Citizenship Award

Initiated in 2002, “the AmCham Corporate Citizenship Award was created to honor companies that distinguish themselves by actions within their community. To be selected, a

52 Vigeo: European rating agency, specialized in the assessment of social responsibility performances of organizations:
- Analyzes relevancy and evaluates efficiency of social responsibility policies
- Identifies the topography of risks and opportunities
- Assists the strategic steering of organizations and investment choices
company must demonstrate a high level of **transparency, ethics and fairness**, together with a **strong commitment** to its partners and to the community\(^{53}\). (Refer to appendix 8: list of the selection criteria).

Between 2002 and 2004, 58 organizations took part in the 3\(^{\text{rd}}\) edition of this award. The organizer set up three company categories: large, small and medium businesses and public companies. The three previous editions awarded three large companies, two small and medium sized firms, three public institutions, besides a special award granted to a natural person (in 2002) as a citizen manager. Special awards were also conferred to seven participating companies.

The fifteen prizewinners carry out socially responsible corporate actions in four areas. As illustrated in the figure, societal actions come in the first position. Then the responsible management of human resources comes next. Finally, environmental protection activities occupy the last position. (Refer to appendix 9: List of winning companies and areas of their socially responsible action).

Last, two operations related to integrated commitment in terms of social responsibility. Selected for this award in 2004, CDG was the only case, mainly because of its strategic vision and its first report on social responsibility, as aforementioned.

The award nature requires that community actions represent two thirds, since it emphasizes corporate citizenship as a priority. Besides, this concept emerged chronologically before the corporate social responsibility. Ahead of time, CGEM had developed it into a project for awareness raising and action; therefore, the concept has been sufficiently overworked and assimilated according to a corporate external-environment oriented approach.

As a conclusion to this chapter on CSR practices in Morocco, whose purpose is to illustrate the social responsibility state of mind and culture in Morocco, can we assert, in light of these examples of various social responsibility areas with various depth and structuring degrees and levels, that CSR system does exist in Morocco?

\(^{53}\) Visit: www.amcham-morocco.com
If the components of such a system (company, permanent parties, community, observation and rating, rewarding, laws and regulations, CSR development…) are present, we cannot, given the current progress of these practices, assert that this system exists. Some issues will still be raised:

According to what extent of CSR concept and practices assimilation and appropriation do companies act?

Can we actually consider these actions undertaken in diverse areas as first signs of a community movement in favor of CSR emergence?

What genuine link between these practices and proper corporate development strategies can we underscore? Can we deem CSR now as a management tool within Moroccan companies?

The momentous presence of international companies, large and public companies with strong CSR endeavors in Morocco, isn’t it that we cannot see the wood for the trees and we lose sight of a totally different reality: an economic base essentially made up of small and micro units, bullied by a rapidly growing informal sector and suffering a competitiveness and viability crisis, so intense that any responsibility, no matter how regulated it is, seems as a threatening burden?

Bringing answers to these questions does not pertain to this study. It is worth noting however that no denial on principle has so far been confirmed. The frequently asked questions have often to do with the definition of responsibility-related roles, ranking its levels and considering it as a collective responsibility leaving no room for proxy or substitution. Other elements in line with these conclusions are contained in survey findings described in the following part.
IV. CSR PERCEPTION IN MOROCCO: SURVEY FINDINGS

For the first time in Morocco, a CSR perception survey was carried out in November 2005 among over 1,000 companies. With the participation of 125 respondents, some findings have been highlighted and introduced in the present document. This is the first disclosure of opinions of economic operators based in Morocco.

A journalist’s opinion

“Investment and social responsibility: This is quite meaningful a headline. Investment is a business plan developed for a five-to-ten-year period at least. By reading this business plan, we can draw social responsibility elements: wages structure, job description, carrier plans, training plan and its charges…In short, the well being of both staff and business. If banks, also socially responsible, join this plan, a wages haven will come to light. What are the odds for this fiction to come true? Personally, I would not bet on that. (…) Better yet, I wish social responsibility were a compensation for incentives and grants to investments. But a country short of employment cannot impose social responsibility; it can only bring it down to a reward.

Source Khalid Tritki. Telquel Magazine

Link: http://www.telquel-online.com/201/economie_201.shtml

Therefore, 73.6% of respondents deem CSR as a serious and promising issue for Moroccan companies, against 19.2% who believe it is a serious but irrelevant matter for Moroccan companies and emerging countries. 2.4% think it is just a passing and rather artificial fad.

On a scale of six priority levels, participants were interviewed about the operator they believe is most concerned with CSR. According to the answers, 47% of respondents think that CSR pertains first of all to the government and public institutions, 24% give priority to political parties, 1% to civil society, less than 1/5 of respondents assign it to top managers, and in the last position come investors and banks by 8% of respondents. On the priority scale for the same category, ¼ of respondents ranked it in the second position.

As an area regarding the whole community, i.e. all aforementioned operators, 33% deemed it as such.

---

54 Survey carried out between November 19th and 23rd, 2005 among over 1,000 companies of all nationalities, but all based in Morocco. It was carried out by the European rating Agency Vigeo, the Investment Department and CDG. The text of findings was thoroughly drafted by the authors of the present document. Data were collected through a mailing company and the Investment Department that gave answers back after perusing the questionnaire, which was developed by Mr. Fouad Bensaddiq from Vigeo agency.
About CSR areas deemed as priorities by respondents, proper governance was first selected by over half (64 respondents), followed by corruption eradication and respect of social legislation in the third position. In a second group, there are management of human resources, tax payment and safeguarding the natural environment, respectively with 39.2%, 36.8% and 29.6%. Last, reporting and communication were selected by 2.4%.

Other areas, considered as connected or underlying fields to the previous ones, were also mentioned. (Refer to appendix 10).

In seeking motivations of companies to undertake a CSR initiative, the survey distinguished between direct fallout on the company then on shareholders and the community.

When asked about what can CSR bring to a committed operator, respondents mentioned in a priority order two categories of motivations: CSR can ensure management transparency, image improvement and reinforcement of the operator’s cohesiveness expressed respectively by 32%, 24.8% and 19.2% of respondents.

The 2nd category emphasizes the possibility offered by CSR to strengthen efficiency (17.2%), to secure supplies and relations with clients (14.4%) and to ensure legal security (12%).

About SRI profitability, 104 respondents (83.2%) stated that a socially responsible investment can be profitable to shareholders and to the community only in the long run. 12% deem it profitable to shareholders in the first place, then to the community, and only 3 respondents think it is unprofitable but useful for the local community.

According to respondents, the most appropriate operators in Morocco to stimulate SRI are in a priority order, the government (44.8%), then local authorities and the international cooperation with respectively 24% and 16.8%. In the last position come banks (12.8%) and pension funds (10.4%).

As to showing interest in CSR and perspectives of its integration by respondents, nearly half of them believe that CSR will be of concern as of the following year (46.4%) and 48 respondents (38.4%) over the five coming years and only 10.4% believe that there can be some interest only in a 15 or 20 years’ time.

55 Justice independence; development of citizen participation; effective support to sectors with large numbers of employees; respect of national institutions; equality for all before the justice; adoption of laws in line with the Moroccan environment and drawn from Anglo-Saxon models that create more employment opportunities than Latin ones (…); education and its adequacy for employment; civic spirit to teach all social operators and from the government (…); civic spirit of all; equal education for all.
**CONCLUSION: LESSONS AND PERSPECTIVES**

“It is within this kind of agreement, when roles of all players are understood and respected, that CSR initiatives can be successful and that the State role can be consolidated, as a long-term provider of public goods and policymaker in sustainable development that meets the needs of all”.

*International Organization of Employers (IOE)*

As above mentioned, the present study does not claim tackling the CSR issue in Morocco. Its ultimate purpose is to cover most developed practices, in order to pave the way that can lead to the outline of a CSR culture in Morocco.

In light of the various presented elements, we can easily conclude by asserting that interest in CSR and in its development potential is present.

All items supporting this conclusion are introduced in the following tables. Major weak and strong points inherent to Moroccan companies, besides opportunities and threats related to CSR development in Morocco are also presented.

<table>
<thead>
<tr>
<th>Strong points</th>
<th>Weak points</th>
</tr>
</thead>
<tbody>
<tr>
<td>▶ Presence of significant representative structures (CGEM, federations, CJD, young developers associations, federation of chambers of commerce and industry)</td>
<td>▶ Structure of the productive base of small and medium-sized businesses more concerned about its financial durability and competitiveness</td>
</tr>
<tr>
<td>▶ Awareness among employers’ organizations of the importance of CSR areas within the company (governance, sustainable development, respect of workers’ rights)</td>
<td>▶ In most cases, practices are not integrated in corporate strategies</td>
</tr>
<tr>
<td>▶ Involvement of companies in various CSR-related actions</td>
<td>▶ Reluctance to accept CSR as an opportunity first advantageous to the company, then to the community</td>
</tr>
<tr>
<td>▶ Existence of a groundbreaking hard core involved in CSR in the public and private sectors</td>
<td></td>
</tr>
<tr>
<td>▶ Will of companies to carry out CSR actions and be qualified as such</td>
<td></td>
</tr>
<tr>
<td>▶ Presence “at least in theory” and sometimes in practice of CSR integration in the strategy as a management tool</td>
<td></td>
</tr>
<tr>
<td>Area</td>
<td>Opportunities</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Politics</td>
<td>✴ Shared commitment to face social deficits</td>
</tr>
<tr>
<td></td>
<td>✴ Transition characterized by huge projects showing interest in governance, democracy and human rights issues</td>
</tr>
<tr>
<td></td>
<td>✴ Morocco’s commitment internationally by entering main conventions with values based on CSR areas</td>
</tr>
<tr>
<td></td>
<td>✴ Legislative and regulatory arsenal based on international commitments and derived from consensus of various parties in Morocco (for e.g. labor code, environment laws, family code, freedom to undertake, position of private sector in economic development strategies)</td>
</tr>
<tr>
<td></td>
<td>✴ Development of a proper governance concern within institutions</td>
</tr>
<tr>
<td>Economy</td>
<td>✴ The environment is in favor of private initiative development</td>
</tr>
<tr>
<td></td>
<td>✴ Productive base mainly made up of small and medium-sized businesses aspiring to growth and durability</td>
</tr>
<tr>
<td></td>
<td>✴ Economic opening to competition and modern practices of foreign companies (quality, governance, social responsibility, etc.)</td>
</tr>
<tr>
<td></td>
<td>✴ Development of partnerships between the Public sector and private sector and between the private sector and civil society</td>
</tr>
<tr>
<td></td>
<td>✴ Social dialog / program contracts for sector development / Emergence strategy for the industrial sector / development strategy of the tourist sector</td>
</tr>
<tr>
<td></td>
<td>✴ Launching constructive projects in infrastructures, tourism and industrial areas…</td>
</tr>
<tr>
<td></td>
<td>✴ Increasing accountability of private operators as to sustainable development stakes</td>
</tr>
<tr>
<td></td>
<td>✴ Structures of stock exchange market regulations</td>
</tr>
<tr>
<td></td>
<td>✴ Plan to upgrade Moroccan companies</td>
</tr>
<tr>
<td></td>
<td>✴ New development strategy of the industrial sector (Emergence program)</td>
</tr>
</tbody>
</table>
| Associative and social | • Shared belief regarding the social development stakes and challenges  
  • Dynamic civil society: various areas of associative action in different environments contributing to social, economic and political life  
  • Associative players are more open to operators from economic and political worlds | • Divergence in interpreting the social situation and the appropriate method to correct it (choice of development strategies)  
  • Poor investment activism  
  • Low interest in economic and social rights  
  • Absence of consumers’ drive |
|---|---|---|
| CSR | • Regulation and institutional system in favor of CSR culture  
  • Existence of interesting practices that are worth conveying and reproducing (reporting, promotion, company / association partnership)  
  • Increase of interest in CSR over the last few years (sustainable development, proper governance, citizen company)  
  • Huge needs to be met within and without the company (report to stakeholders, human resources management, image, environment and customer report, search for competitive assets…) | • Practices still restricted, mainly borne by large companies, multinationals and the public sector  
  • Practices related to the manager’s philosophy, more inclined to sponsoring and charity actions than to responsibility  
  • No appropriate knowledge of CSR references, stakes and impact  
  • Absence of social rating agencies or specialized autonomous audit structures  
  • Poor integration of CSR-related practices in general as a management tool  
  • No structures for CSR observation and development |
By going again through these two tables, we can assert the presence of three key elements, helping define priority development main lines for a consistent and eventually “concerted” strategy in favor of CSR culture in Morocco:

1. The company itself, now at the center to make relevant choices likely to ensure its development and durability;
2. The society and the environment, two components whose protection, preservation and blossoming have become vital issues that can no longer be procrastinated;
3. An emerging community’s drive from various sources and calling on innovative skills, intelligence and responsibility of the company.

Along with these findings, other questions persist in connection with the CSR concept itself, its extensions and effectiveness.

While there is unanimous agreement about the Responsibility principle between players of various statuses and positions, such responsibility is not similarly perceived nor reflected in reality along the same ultimate purposes.

Out of context, when the responsibility concept implies a moral and material commitment, managed and monitored in accordance with a regulatory and legal system that provides for rights and obligations of responsible subjects, the “social” nature of this responsibility is hard to define. On one hand, this constraint derives from the hugeness and diversity of the social scope, and on the other from the multiplicity of responsible players and social subjects. Now, according to what approach is responsibility assigned and for which community model?

Reminding the company of its social responsibility puts forward two cases:

The assumption that the company is antisocial and that its action is basically prejudicial to the community and its development. It destroys the environment, exploits human beings, shows no respect or consideration for the rules; it is hegemonic with no human values. In that case, the company would be a player that needs to be freshly reborn.

The other case would deem CSR approach as an illegitimate claim against the company. According to this viewpoint, the company fulfills by definition social functions: it produces goods and services, creates employment opportunities, develops consumption capacities, innovates and develops scientific research, sets up conditions for human wellbeing while providing more leisure areas and facilities and offering a safer space. It is by authority at the heart of the social sphere.

In a position statement paper, the International Organization of Employers (IOE) defines CSR as “Initiatives by companies voluntarily integrating social and environmental concerns into their business operations and in their interaction with their stakeholders”\(^ {56}\)

According to IOE, corporate responsibility is defined from laws into effect in various countries and drawn from internationally recognized principles. Often the problem lies in the inappropriate implementation of such systems. The company on its part cannot replace the State, which provides social services. So, if the company can go beyond CSR in its action, it is also to achieve economic purposes and partly to help meet social needs. This means that

---

\(^ {56}\) International Organization of Employers. “the role of business within society: position paper” adopted by the General Council in May 2005. Foreword
“companies are not an alternative to government and CSR is not an alternative to appropriate legislation”

As to the questions deriving from this thought, it is not enough to discuss them. More importantly, awareness to the essence of eventual answers should be raised, without fuelling ambitions among operators or claiming a right: Players’ obligations should be rigorously observed and proactive initiatives should be commended. Ultimately, CSR is inversely proportional to responsibility: the less a company is responsible by virtue of laws governing its existence, activity and relations, the more other operators will call on corporate morals through its social responsibility.

These conceptual and practical concerns will not be tackled immediately or definitively. It is an energy-consuming exercise that needs assistance from operators, to identify the potentials for building jointly a sustainable development in line with a collectively responsible commitment.

In this regard, there are three action leads and two development main lines:

1. Knowledge;
2. Observation;
3. Capitalization of practices;
4. Harmonized regulations;
5. CSR institutionalization and professionalization.

Knowledge
The various elaborated experiences have shown that CSR knowledge remains a luxury confined to the privileged, both within the private sector and among other operators. There is also CSR knowledge reduced to one of its areas to the disadvantage of others, or according to an ethical approach, although essential, remains inadequate.

Knowledge in that case should be submitted to a qualification and follow-up plan. Each acquired skill should lead to assessable implementations.

First of all, involvement of universities besides the various stakeholders is vital. This can help create a constructive drive to revive a culture and ensure the supervision.

CSR observation
To ensure a genuine and ongoing development, it is important to estimate the appropriation progress of CSR culture. Currently, some practices do not necessarily meet CSR definition. But they have all the features to be deemed as such. A communication endeavor around these practices would integrate operators evolving in the shadow. Finally, observation is primarily a means to develop the best practices and stir the interest from their impacts on the company and its environment.

Three tools can cause or supplement observation:
- Publication of CSR annual report tackling all practices itemized throughout the year;
- Development of a rating system to reach CSR index in Morocco;

57 Idem. P2
- CSR prize based on existing practices, but according to new procedures.

In order to have an objective and fair observation, it should be carried out by an autonomous body, representing community components.

**Capitalization of practices**

Owing to the commitment of a cell of companies, there is nowadays a CSR practice in Morocco. To capitalize the existing achievements, it would be relevant to develop plans of:

- Transfer of know-how: information, raising awareness and training;
- Leading joint actions between groundbreakers and companies wishing to be involved, namely small and medium-sized companies;
- Taking on new actions: be used as a lab to innovate in CSR areas. It is also about creating a CSR identity that will not be submerged in standards while neglecting local characteristics: developing CSR within micro businesses and SR within associations,

These operational main lines will be better served if a renewal is simultaneously performed at the CSR regulation and institutionalization levels.

**Harmonized regulation**

Currently in Morocco, there are no clear provisions defining CSR or provisions on obligations related to its practice.

At a first stage, it would be interesting to carry out a diagnosis study of the current system and perform a comparative analysis between legislations in the region. Similarly, an analysis based on international devices would enable identifying areas requiring harmonization, in relation to Morocco’s commitments internationally and nationally.

Second, it would be wise to put forward a legal framework to assemble scattered provisions in various texts into one tool that would become the official reference for action and assessment.

**Institutionalization and professionalization**

Ensuring an efficient development of CSR culture would imply providing users with skills and means to act. Regardless of the perception being developed towards CSR, the growing interest in this form of input to community development is increasingly gaining ground. It has become an investment vehicle and an acute reflection topic within universities, large companies and civil society.

The institutionalization process implies integrating it into the corporate strategy, extending it over time and making it an obligatory result commitment. Within this initiative, CSR is a strategic objective, which human and material resources are defined beforehand. It should gradually shift from volunteerism and sponsoring to legal liability that would foster updating legislations to catch up with the evolutions operated within the company. Therefore, it should become within the reach of all companies of all sizes and from all sectors.

Hence, its professionalization means performance and profitability. One social sensibility is not the purpose, but rather a social machinery likely to meet the strategy requirements in CSR area.

These proposals emanate from the analysis contained in the present document. They are not exclusive, but we believe they are central to which other proposals can be added to shape up CSR projects or plans.