



Summary of the 2018 Economic and Financial Report

Morocco's openness to its international and regional environment has been translated into a deepening of competitive modernization reforms, a consolidation of partnerships with key players of the globalized system, and the progressive diversification of partnerships with emerging and developing countries within the framework of the South-South dimension of Morocco's foreign policy.

As the foundation stone of its system of alliances and partnerships, the Kingdom's regional foothold had a turning point with the return of Morocco to its African institutional family, which would enable it to play a more structuring role in favor of the development of our continent, based on win-win cooperation schemes.

At the domestic level, Morocco has made of human development a national priority and has undertaken major reforms aimed at accelerating the structural transformation of its productive system, as evidenced by ambitious sectoral strategies covering key sectors of the national economy. The objective is to reinforce the coherence of its development model and make it more inclusive, especially at the territorial level by empowering the regions of the Kingdom to turn into development actors, a space for wealth creation and emergence of competitive specialization profiles.

The promising progress made by Morocco should not lose sight of the existence of some challenges that need to be tackled, in order to secure the economic and social development trajectory of the country, and enable it to better benefit from its integration in the world economy. In addition to raising factors global productivity and improving the content of jobs growth, optimizing public investment and strengthening the coherence of sectoral strategies would be essential ingredients for Morocco to enter the era of emergence.

It was on the basis of such considerations that the 2018 Economic and Financial Report (2018 EFR) was drawn up. This report also attempts to explore the choices and trade-offs to be made in terms of budget and tax to support the action of public authorities in implementing the Government's economic and social policy.

Thus, the first part of the 2018 EFR deals with recent developments in the international economic situation and analyzes their direct and indirect repercussions on Morocco in terms of risks to be anticipated and opportunities to be seized.

The second part of the Report is devoted to examining the process of structural transformation of the national economy, in the light of the effects of the sectoral policies in force and the imperatives of a more inclusive human development.

The third part of the Report outlines the recent trends in public finances and the main measure adopted in the context of the 2018 Finance Bill, and highlights the priorities, substance and balance as they were proposed by the Government.