THE WATCH LETTER

from the Islamic Center for the Development of Trade

www.icdt-cidc.org

JUNE 01, 2024 | ISSUE 05

Summary

NEWS ANALYSIS

GITEX AFRICA MOROCCO
MOROCCO AS A DIGITAL LOCOMOTIVE IN AFRICA

The 2nd edition of Gitex Africa Morocco, under the High Patronage of His Majesty King Mohammed VI, will be held from May 29 to 31, 2024, in Marrakech, under the aegis of the Ministry of Digital Transition and Administrative Reform and in partnership with the Digital Development Agency…

The 2nd edition of Gitex Africa Morocco, under the High Patronage of His Majesty King Mohammed VI, will be held from May 29 to 31, 2024, in Marrakech, under the aegis of the Ministry of Digital Transition and Administrative Reform and in partnership with the Digital Development Agency, embodying Morocco's leadership in the digital and technological innovation field. After more than four decades of organizing Gitex within the walls of Dubai in the United Arab Emirates, Morocco is honored by the trust placed in it to organize the first (2023) and the second edition of Gitex Africa this year, reflecting the will to support rapidly evolving technological innovation ecosystems in the Kingdom.

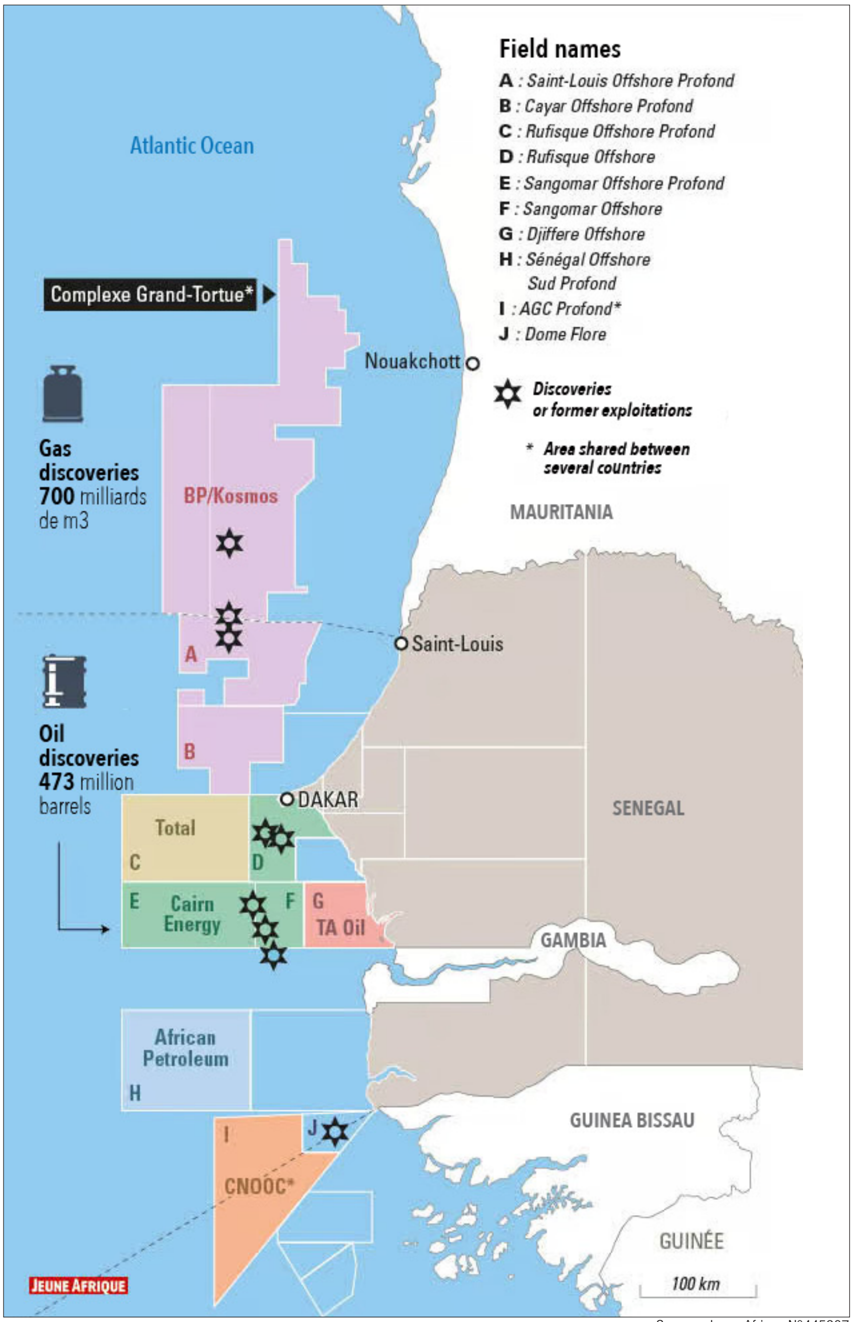
«We are honored this year to double the beneficiaries to reach 200 Moroccan startups instead of the 100 startups present during the 2023 edition of Gitex Africa Morocco, whose participation fees were mobilized by the Ministry of Digital Transition and Administrative Reform,» said the Minister Delegate for Digital Transition and Administrative Reform, Ghita Mezzour, in a speech at a roadshow in Casablanca for Moroccan startups, as part of the organization of the 2nd Gitex Africa Morocco, read on her behalf by Abdeslam Hassar, Mission Manager at the Ministry. The «Morocco 200» is an initiative sponsored by the Ministry to cover 95% of the participation fees of these 200 Moroccan startups to ensure the best conditions of access to this major event. ■

HOW SENEGAL IS PREPARING TO BECOME A PETROLEUM-GAS TRAINING HUB

Since the discovery of the famous black gold, a whole new training sector has been booming among students. The race for talent to meet the challenges of this project is a real issue.

Today, in the new chapter of post-Macky Sall governance, Dakar is resolutely placing its hopes on the launch of two major offshore fields. First, Grand-Tortue Ahmeyim, shared with Mauritania and under the direction of BP and Kosmos groups, dedicated to gas production. Its commissioning, scheduled for the third quarter of 2024, aims to produce approximately 2.5 million tonnes of liquefied natural gas (LNG) annually, primarily intended for Europe. The second phase aims to increase this production to 5 million tonnes. At this turning point in energy with enormous economic stakes, the question of human resources arises acutely. For some time now, the institute created by outgoing President Macky Sall has made training in petroleum and gas engineering its main focus. Initiated during the establishment in December 2016 of the Senegalese Petroleum and Gas Strategic Orientation Committee (Cos-Petrogaz), the National Institute of Petroleum and Gas (INPG), aims to train technicians, engineers, and members of the administration who will be involved in petroleum operations.

In detail, the Institute offers a specialized master's degree in petroleum and gas engineering; certification for offshore technicians and operators; specialized training for state agents and economic actors; and training in Health, Safety, and Environment (HSE). In a communication to the press, the Director-General of the INPG revealed that they have trained nearly 400 members of the Senegalese administration in the fundamentals of the sector. One of the young DG's goals is to become the leading provider of petroleum and gas training in the sub-region. ■



Source : Jeune Afrique N°445907

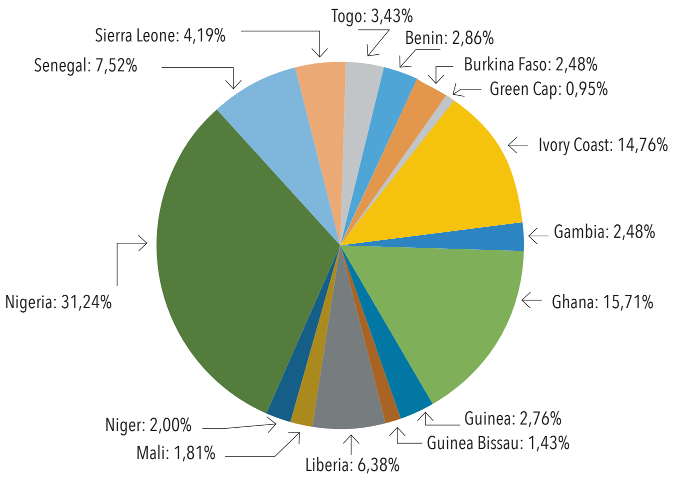
Senegalese Fields in Figures

- The SNE field has oil resources estimated at approximately 1746 million barrels, while gas resources are about 862 billion cubic meters;
- The Grand Tortue/Ahmyin (GTA) field, shared between Senegal and Mauritania following the cooperation agreement signed between the two countries in 2018, has a potential of 566 billion cubic meters, with Senegal's share amounting to 283 billion cubic meters;
- The Teranga and Yaakar fields have 560 billion cubic meters of natural gas reserves;
- The Sangomar field has reserves estimated at 630 million barrels of oil and 2.4 TCF of natural gas.

THE CHALLENGES OF EBID

The New Challenges of EBID Amputated by nearly a quarter of its portfolio since the departure of the Alliance of Sahel States, the ECOWAS Bank for Investment and Development (EBID) remains between balance and growth challenges.

Some time ago, Burkina Faso, Mali, and Niger announced their decision to leave ECOWAS. It should be noted that the three countries represent just under a quarter (23%) of EBID's portfolio. Although new investments are frozen, the EBID management assures that the three countries continue to repay their loans. The institution, chaired by George Agyekum Donkor, has, for example, invested in the electric interconnection between Mali and Côte d'Ivoire, in the road between Kaya and Dori in Burkina Faso, but also in several local commercial banks «to support SME development». In short, development banks are downplaying the consequences of the divorce between the AES (Alliance of Sahel States) and ECOWAS. Only EBID would see its shareholding disrupted, as the three countries hold about 6% of the capital. It should be recalled that the ECOWAS Bank for Investment and Development (EBID) has achieved unexpected results. Last year, it approved 18 projects for a total amount of more than 566 million euros. This brings its total commitments to 1.8 billion euros, an increase of 18.3%. ■



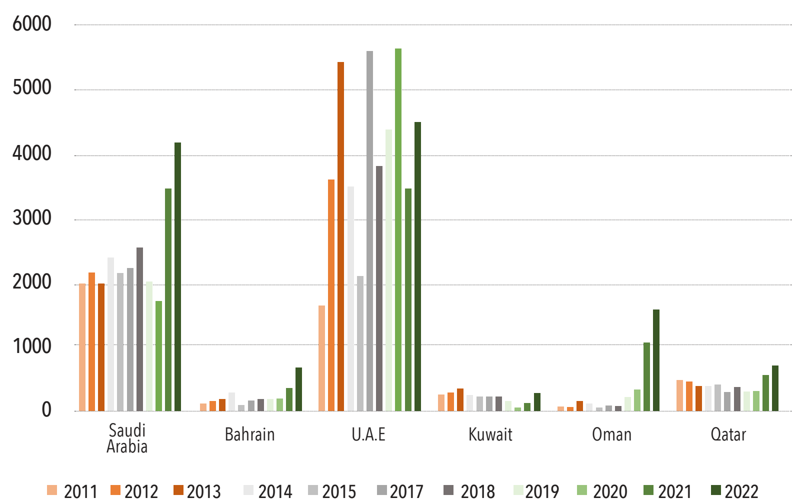
Source: www.bidc-ebid.org

WHEN TURKEY BETS ON INVESTMENTS FROM GULF COUNTRIES

Ankara has signed an exclusivity contract with Abu Dhabi on the supply of renewable energies.

In the middle of an offensive against inflation, the Central Bank of Turkey raised its key rate by 250 basis points, bringing it to 45%. «This level will be maintained as long as necessary,» says the institution, which announced, after eight consecutive months of increases, a pause. Less than a year ago, interest rates were only 8.5%.

Thanks to its cooperation with Qatar, the United Arab Emirates (UAE), and Saudi Arabia, the country has managed to control the balance of payments crisis. Last summer, President Erdogan returned from his Gulf tour with promises of bilateral agreements worth $100 billion. For the UAE alone, exchanges estimated at $50 billion were concluded in the fields of energy, construction, defense, and technology. The objective: to increase the trade volume from the current $10 billion to $40 billion. ■



Source: www.bidc-ebid.org

DUBAI SQUARE A REVOLUTION IN SHOPPING AND ENTERTAINMENT

Emaar Properties, the leading real estate developer, has unveiled its ambitious project, Dubai Square, marking a major milestone in transforming Dubai Creek Harbor into a global shopping and leisure destination.

Featuring a contemporary and innovative design, Dubai Square will become the second-largest shopping and entertainment center in Dubai Creek Harbor. Integrating cutting-edge technologies and innovative concepts, this project pushes the boundaries of traditional commercial experiences, promising an unparalleled immersion in the world of retail, dining, and entertainment.

Mohamed Alabbar, founder of Emaar Properties, highlighted the importance of the project for developing local skills, emphasizing the company's commitment to Emirati expertise and support for national development. Dubai Square represents not only an advancement in shopping and entertainment but also offers a valuable opportunity for the development of Emirati talents. With a budget of two billion dollars for new space, it aligns with the country's strategy to equip itself with a true next-generation shopping gallery.

Dubai's malls are often major tourist attractions, combining luxury, space, and leisure such as spas or ski slopes. However, the financial crisis burst the real estate bubble, and the emirate now relies on commercial tourism to recover. Within the United Arab Emirates, Dubai is not the only one seeing its number of shopping galleries increase faster each year. A Colliers International study notes that Abu Dhabi is also expected to see a growth in its shopping galleries, with an additional 874,500 square meters by 2013 and over a million by 2015. ■

LE SURINAME THE NEW OIL ELDORADO

TotalEnergies will launch development studies for a major oil project worth $9 billion and producing 200,000 barrels per day off the coast of Suriname. The French giant has set an «objective» to make a final investment decision «by the end of 2024.»

TotalEnergies has been present in Suriname since 2019 on Block 58, where five discoveries have been made. «The appraisal of the two main oil discoveries, Sapakara South and Krabdagu, was successfully completed last August with the drilling and production testing of three wells, confirming recoverable cumulative resources of nearly 700 million barrels for the two fields,» the group said in a statement.

«These reserves, located between 100 meters and 1,000 meters deep, will be produced by a system of subsea wells connected to an FPSO (Floating Production, Storage, and Offloading unit) located 150 km off the coast of Suriname, with a capacity of 200,000 barrels per day,» the TotalEnergies statement highlights.

Currently, global oil demand is at a record level of 101.8 million barrels per day. It is expected to increase in 2024 to reach 102.8 million barrels per day. However, the growth rate is slowing due to the expected low global economic growth and the stagnating fuel needs for road transport «in most major markets,» according to the IEA.

The investment for this project in Suriname represents a total of «about $9 billion» (€8.3 billion), according to the TotalEnergies statement. The French oil company is «the operator of Block 58, with a 50% stake alongside the American 'APA Corporation'.»

Suriname's President, Chandrikapersad Santokhi, stated that the state-owned company Staatsolie would exercise its right to a 20% participation. ■

TOURISM ONMT PROMOTES MOROCCO AS A DESTINATION IN SHANGHAI

This year's event had the theme «Thriving in Transformation, Reaching New Heights Together,» reflecting the importance of adaptability and innovation in the travel industry, as well as the enormous untapped potential of the Chinese tourism market, according to a statement from the office.

The ONMT and the tourism operators accompanying it understood this well and quickly established their presence at this fair, where the Office, like a dozen other countries, is participating for the first time. This explains why Morocco went all out for these three days to appeal to all.

The Office took advantage of this fair to renew partnerships with its main partners, notably the Chinese travel giant CTrip, and also formed ties with two of the largest tour operators in the Guangzhou & Shenzhen region: JZL and NiceTour.

Several other partnerships are in negotiations with major travel agents in the Beijing region, including CYTS, CTG, and HCG.

Supported by the ONMT, Moroccan operators, travel agents, and hoteliers have started contacts with their Chinese counterparts to lay the groundwork for a fruitful commercial cooperation.

It is worth noting that the Chinese market is experiencing rapid growth and offers exceptional development prospects. Therefore, it is important for the Office to approach the biggest Chinese travel prescribers to support its «Light In Action» strategy aimed at boosting the Moroccan tourism sector. The goal, in the long run, is to welcome around 500,000 Chinese tourists per year. This clientele is particularly interesting because each Chinese tourist spends on average almost twice as much during their stay as an American tourist.

Promotional campaigns, marketing, and familiarization trips are also part of the ONMT's actions to strengthen the enthusiasm of Chinese tourists for Morocco. With a population of 1.4 billion, 150 million of whom travel the world each year, China, the world's largest source of tourists, represents a high-potential market for Moroccan tourism and is therefore a key target in the ONMT's «Light In Action» strategy. ■

135 BILLION SAUDI RIYALS

Saudi Arabia recorded a total spending record by visitors from abroad in 2023, reaching 135 billion Saudi riyals ($36 billion), the Saudi Ministry of Tourism announced on Saturday.

Saudi Arabia recorded a total spending record by visitors from abroad in 2023, reaching 135 billion Saudi riyals ($36 billion), the Saudi Ministry of Tourism announced on Saturday.

This represents a notable increase of 42.8% compared to 2022, the year when incoming visitors spent 94.5 billion Saudi riyals, the ministry specified on its X account.

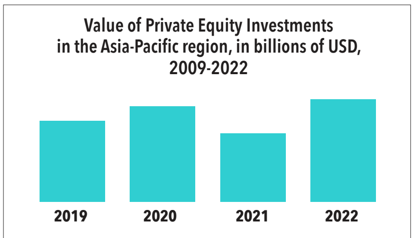
At the same time, the spending of outbound visitors from the country reached 86.9 billion Saudi riyals in 2023, compared to 59.7 billion Saudi riyals in 2022, according to the same source, which reports a tourism balance surplus of about 48 billion Saudi riyals for 2023, surpassing the 34.8 billion Saudi riyals recorded in 2022.

The Saudi Ministry of Tourism had announced new facilities allowing residents holding residence visas in the United Kingdom, the United States, and the Schengen area to enter the Kingdom of Saudi Arabia with a tourist visa that does not, however, permit the performance of Hajj or Umrah during the pilgrimage period. ■

CENTRAL ASIA COURTED ON ALL SIDES

We recall French President Emmanuel Macron's visit to Astana for a two-day visit to Kazakhstan, followed by Uzbekistan. This visit highlights the strategic return of this area to the international scene. Analysis.

Central Asia is ardently courted by the great powers. In this game of influences, Emmanuel Macron's visit to Kazakhstan and then Uzbekistan has strong strategic significance. Kazakhstan (45.2%) is the world's leading producer of natural uranium according to the Euratom Supply Agency (ESA) and, along with Uzbekistan, is among the main suppliers of uranium to France, accounting for 40% of its imports, and to the European Union. Kazakhstan is one of the few producers of high-quality titanium sponge and semi-products, behind Japan and Russia. Bilateral trade amounted to €5.3 billion in 2022, mainly in hydrocarbons. France is thus the fifth foreign investor in Kazakhstan, ahead of China, due to the presence of the oil group TotalEnergies, which jointly exploits the important Kashagan field in the Caspian Sea. Buoyed by this enthusiasm, Kazakhstan and Uzbekistan are betting on economic openness and balanced diplomacy to assert themselves, even though Moscow remains an indispensable partner. ■



Source: www.bidc-ebid.org

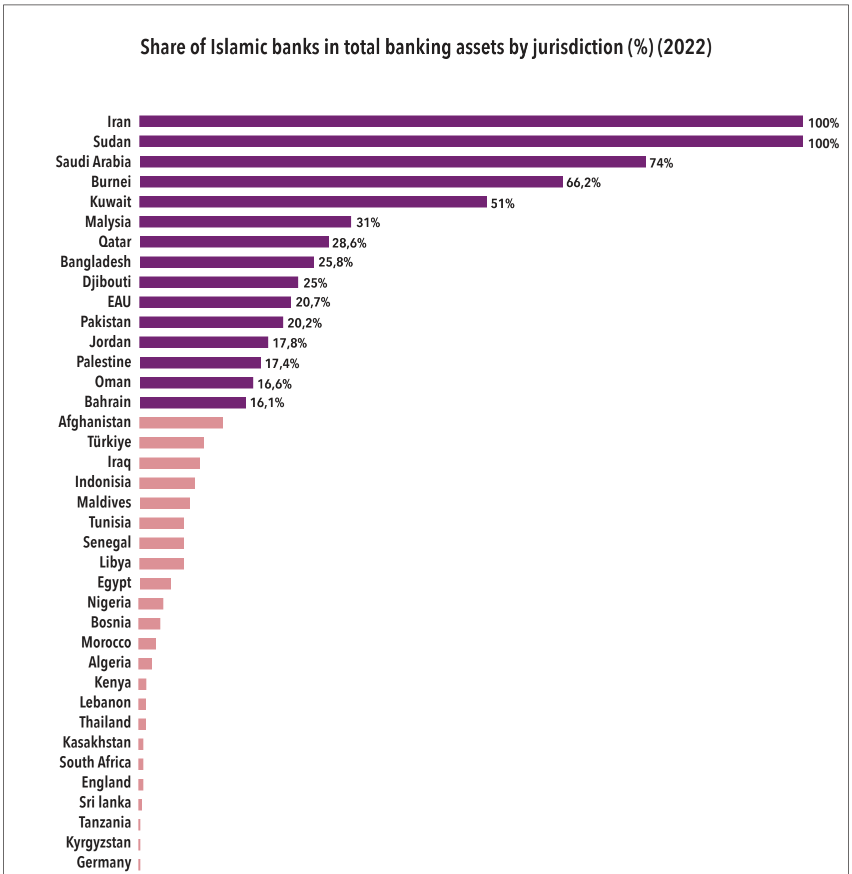
GROWTH AND PROSPECTS OF ISLAMIC FINANCE

In a global financial environment facing many challenges, Islamic finance stands out for its commitment to certain moral principles and its continuous growth, increasing from $462 billion in assets in 2006 to over $3.25 trillion. Analysis!

The young Islamic finance industry, which began in the early 1960s, continues to grow, although the effects of learning and awareness among the population take time. No one had anticipated this growth of more than 603% in 16 years, with assets increasing from $462 billion in 2006 to over $3.25 trillion in 2022. Today, 47 countries have developed specific regulations on Islamic finance aimed at fostering the development of the 1,679 Islamic financial institutions in this globalized sector. In this context, the Islamic Financial Services Board (IFSB) based in Kuala Lumpur has just published its annual report on the financial stability of the Islamic financial sector.

A $3.25 Trillion Sector Dominated by Islamic Banking

The report reveals that the total value of the Islamic finance industry sector increased again to reach $3.25 trillion in 2022. The Islamic banking sector, with $2,249.2



Source: Mordor Intelligence

billion in assets, represents 69.3% of the sector, while the sukuk market segment represents 25.6% of the sector with $829.7 billion in outstanding amounts.
In detail, the International Islamic Financial Market (IIFM) indicated in its 2023 annual report that in 2022, the sukuk market remained strong with a total of $182.7 billion in issuances worldwide, whether issued by states or companies. The sukuk market is still quite concentrated in a handful of key markets such as Malaysia, Indonesia, the Gulf Cooperation Council countries, and Turkey. It is worth noting that this trend is gradually evolving towards new emerging or Western economies such as the United Kingdom, which issued its second sovereign sukuk in 2021 amounting to £500 million.

The Rise of Islamic Insurance (Takaful)

There are an estimated 335 takaful institutions, including retakaful (Islamic reinsurance) windows and conventional operators offering their takaful products in at least 47 countries, mainly in the Gulf, the Middle East, North Africa, and Southeast Asia. In these regions, the majority of governments have developed specific regulations for takaful. Total contributions have increased on average by 17%, estimated at $73 billion in 2021.■

BRIEF

▶ Moulay Hafid Elalamy Completes Acquisition of SGM

After more than a month of negotiations, Moulay Hafid Elalamy is about to acquire Société Générale Maroc. The head of the Saham holding concludes the transaction with the French group, thus marking its departure from the kingdom by selling the 57.66% it holds in the capital of its Moroccan subsidiary.

▶ BCEAO Achieves a Profit of 315 Billion CFA Francs in 2023

The financial statements of the Central Bank of West African States (BCEAO) for the fiscal year 2023 show a net profit of 315 billion CFA francs, an increase of 152% year-on-year. The total balance sheet stands at 27,141 billion CFA francs, an increase of 6%.

▶ Petrofac Secures a $350 Million Contract in Equatorial Guinea

The British company Petrofac has announced securing a $350 million contract with the National Petroleum Company of Equatorial Guinea (GEPetrol). The contract spans five years and involves the provision of technical services.

▶ Ivory Coast: Cocoa Price Set at 1500 CFA Francs per Kilogram

Despite forward sales to ensure a CIF price of at least 50%, Ivory Coast has decided to align with the global upward trend in cocoa prices, with the ton now priced at $10,000, or 6,087 CFA francs/kg, on the New York Stock Exchange.

▶ Senegal: Blaise Diagne Airport Secures €300 Million in Financing

Senegal has secured €300 million in financing to continue the development of the country's main airport, Blaise Diagne International Airport (AIBD), which was commissioned in 2017. The facility announced by asset manager Ninety One was led in collaboration with Standard Chartered Bank, acting as the lead arranger.

▶ Tunisia, 5th Most Vulnerable Country to Increased Drought Risk

In its document, the Tunisian Institute of Competitiveness and Quantitative Studies, under the ministry, lists a series of factors making the country more vulnerable, citing notably a high rate of freshwater resource extraction, low dam capacity, and low adaptability of the agriculture sector to climate change. «These vulnerability factors could hinder Tunisia's economic and social development,» warns the public institute, which called for considering the reality of climate change in medium and long-term economic planning.

▶ The Emirates to Invest $35 Billion in Egypt

Abu Dhabi's sovereign wealth fund, ADQ, has confirmed investments of $35 billion, the majority of which will be directed towards the development of Ras el-Hikma, a city on the Mediterranean coast. Investments for this city are part of the national urban development plan «Egypt 2052» aiming notably to develop the north coast and make this city a global tourist destination.

▶ The Mohammed VI Mosque in Abidjan Operational

The Mohammed VI Mosque in Abidjan has opened its doors. The mosque complex spans an area of 25,000 m2 and includes a prayer hall with a capacity of 7,000 worshippers, a conference room, a library, a commercial complex, green spaces, an administrative pavilion, housing for the imam, and a parking lot. With a cost of $13 million, this jewel brought joy to many during the celebration of Laylat al-Qadr during the last Ramadan.

calendar

■ **16th BIENNIAL UN-OIC COOPERATION MEETING INVEST DAYS À YAOUNDÉ**
July 22-24, 2024 • Astana, Kazakhstan

■ **WEBINAR ON «ENHANCING THE COMPETITIVENESS OF HALAL TOURISM IN THE OIC MEMBER COUNTRIES»**
July 29, 2024 • Virtual

■ **WORKSHOP ON ISLAMIC DIGITAL ECONOMY IN OIC MEMBER STATES**
August 05-06, 2024 • Virtual

■ **22nd MEETING OF THE WORKING GROUP ON COMCEC TRADE**
September 19-20, 2024 • Ankara, Türkiye

■ **INVEST DAYS À YAOUNDÉ**
September 24-25, 2024 • Yaoundé, Cameroon

■ **10th OIC MEMBER STATES HALAL PRODUCTS EXHIBITION**
October 08-12, 2024 • Tunis, Tunisia

■ **WOMEN'S TRAINING IN CHAD**
October 21-25, 2024 • Ndjamena, Chad

■ **41st COMCEC SESSION**
02-05 November 2024 • Istanbul, Türkiye

■ **4th CONSULTATIVE FORUM OF REGIONAL COOPERATION ORGANIZATIONS (RCOS) OPERATING IN THE OIC AREA**
November 18-19, 2024 • Marrakech, Morocco

■ **COP 29 (TRAINNING WORKSHOP OF ASIAN COUNTRIES)**
11-22 November 2024 • Baku, Azerbaijan

■ **18th OIC TRADE FAIR**
Nov. 29 - Dec.1, 2024 • Lahore, Pakistan

■ **8th ACMOI**
04-05 Dec., 2024 • Jeddah, Saudi Arabia

Islamic Center
for the Development of Trade

SUBSIDIARY ORGAN OF THE ORGANIZATION OF ISLAMIC COOPERATION

Tour des Habous 11/12 ème étage 20000 Casablanca-Maroc

+212 522 314 974 | icdt@icdt-oic.org

www.icdt-cidc.org