

Introductory Note

relative to Bill No. 88.11 amending and supplementing Law 17-95 on Public Limited Companies

In recent years, Morocco has undertaken several reforms aimed at modernizing the legal environment of companies. The enactment of the Commercial Code, the Law on Free Pricing and Competition, the Law on Industrial Property, the law on Public Limited Company and the law on other types of companies is a fundamental step in improving business climate in Morocco.

Not only did these reforms have a concrete impact on the competitiveness of Moroccan companies, but they also led to the revival of investment and job creation.

Nevertheless, the business environment, both globally and locally is changing and evolving rapidly, thus requiring ongoing update of the legal framework of Moroccan business to address concerns related to the growth of national economy and enable Morocco to remain attractive in a context of fierce competition at regional and global levels.

This bill confirms the government's resolve to further facilitate and simplify the procedures for the establishment and operation of Public Limited Companies. This change in regulations, developed as part of the National Business Environment committee (CNEA), should improve the ranking of Morocco as a favorable destination for investments, particularly in the World Bank Doing Business ranking report.

The main amendments under this bill revolve around:

1. Simplification of procedures relating to Public Limited Companies;
2. Overhauling of the system of Related party agreements;
3. Improving governance framework for the management of Public Limited Companies;
4. Strengthening the rights of shareholders;
5. Ensuring transparency in cases of mergers and divisions;
6. Supervision of the buyback program of a listed company purchasing of its own shares.