

## Memorandum introducing the bill pertaining to “Casablanca Finance City”, which repeals and replaces Law No. 44-10 relating to the status of “Casablanca Finance City” as subsequently amended and supplemented, and Law No. 58-90 relating to offshore financial centres

Within the framework of Morocco wishing to promote Casablanca as a financial centre of regional and international scale in line with international standards, a reform has been launched, which will render Moroccan financial centres more efficient by integrating Tangier’s offshore financial centre into Casablanca Finance City.

This reform will also help improve the visibility of Casablanca’s financial centre to foreign investors, and enhance transparency and the monitoring of offshore activities.

Thus, a bill repealing and replacing the laws governing both Casablanca Finance City and offshore financial centres has been prepared, consolidating the legal framework of the two centres.

The main provisions of this bill aim to:

- Define Casablanca Finance City - CFC - as a financial centre in Casablanca, open to financial and non-financial companies, with an extension in the municipality of Tangiers, open to financial companies operating as offshore banks and offshore holding companies;
- Extend the CFC status to offshore banks and offshore holding companies and have their activities monitored by the Casablanca Finance City Authority, in accordance with the procedures set up by the CFC commission;
- Widen the categories of companies that qualify for CFC status to include the following:
  - Financial companies including (i) lending institutions, insurance and reinsurance companies, insurance and reinsurance brokers, financial institutions that work in asset management, investment companies, investment service providers and holding companies; (ii) offshore banks and offshore holding companies;
  - Professional service providers that supply, amongst others, audit and consultancy services;
  - Regional and international headquarters that: (i) monitor and coordinate the activities of the group’s entities, (ii) invoice for goods and services on behalf of the group’s entities or third parties;
  - Trading companies whose main purpose is to buy and sell goods to third parties.
- Set offshore operating conditions for offshore holding companies and banks;
- Determine the conditions to qualify for CFC status, including criteria that must be met and documents that must be submitted along with the request for CFC status;
- Establish a procedure for granting or withdrawing CFC status that respects the rights and obligations of each party;

- Set up transitional provisions for companies with CFC status and existing offshore holding companies and banks, in order to ensure they benefit from the advantages they are entitled to from the date this bill comes into force;
- Set up transitional provisions for companies with CFC status and existing offshore holding companies and banks, in order to comply with the provisions of this bill.

Such is the purpose of this bill.