Standard & Poor's for credit rating suggested that the business cycle in the Gulf countries would take at least several quarters to fully recover from the dual shocks of the Coronavirus epidemic and the drop in oil prices.

According to the agency, Gulf economies will achieve moderate growth in GDP this year, reaching an average of 2 percent after the big shocks that occurred in 2020 in light of the Covid-19 pandemic and low oil prices. Indicating that pressures will continue in the corporate sectors, especially companies operating in the tourism, aviation, real estate and non-food retail trade sectors, while the food retail sector will be one of the strongest sectors.

It also expected that most companies would maintain conservative strategies, with the main focus on controlling expenses, proactively managing liquidity, and maintaining liquidity flows, while new investments would remain limited in most sectors.

The agency revealed that the average GDP growth of the Gulf economies combined will be 2.5 percent during the period between 2021 & 2023. The report expects that the average price of a barrel of Brent crude will reach $50 in 2021 and 2022 and $55 in the year 2023 and onward. It is expected that large-scale vaccination operations, which could be carried out by some countries by the middle of the year, will help pave the way for the return of social life and economic activity to normal levels.

Source (Al-Arabiya.net website, Edited)
كشف سعد الدين العثماني، رئيس الحكومة المغربية، عن سعي الحكومة جاهدة لرفع القيمة المضافة للمنتج الوطني، عبر استبدال المنتجات المحلية بالوارادات، مiliar دولار) في السنة إلى 18.3 (مليار درهم حالياً، ما يعني استبدال منتجات صناعية (14.9 (مليار درهم سنوياً (149 مليار دولار) من الواردات. مشيراً إلى أن هذا التوجه يأتي في سياق مسعى الحكومة لمواجهة التداعيات الاقتصادية لجائحة "كورونا".

وأوضح العثماني خلال جلسة ممارلة شهرية في مجلس النواب (الغرفة الأولى في البرلمان) أنه تم وضع مجموعة من الإجراءات لتشجيع استبدال منتجات محليا بالوارادات، أهمها تشجيع المشاريع الموجهة للتصدير، وتحديد فترة الدعم العامية في 3 سنوات من أجل رفع وتيرة الإنتاج.

المغرب يقر استراتيجية لخفض الواردات ودعم المنتجات المحلية

Morocco Approves a Strategy to Reduce Imports & Support Domestic Products

Saad Eddine El Othmani, PM of the Moroccan government, revealed that the government is striving to raise the added value of the national product, by replacing local products with imports, to reduce imports from the current 183 billion dirhams ($18.3 billion) per year to 149 billion dirhams annually ($14.9 billion), which means replacing local industrial products by the end of 2023 with 34 billion dirhams (3.4 billion dollars) of imports. He pointed out that this approach comes in the context of the government's endeavor to confront the economic repercussions of the Corona pandemic.

Al-Othmani explained during a monthly accountability session in the House of Representatives (the first chamber in Parliament) that a set of measures have been put in place to encourage the replacement of locally manufactured products with imports, the most important of which is encouraging export-oriented projects, and setting the period of public support in 3 years in order to raise the pace of production.

He also pointed out that the Ministry of Trade, Industry and Green Economy has launched a publicly available "enterprise bank" as one of the axes of the "industrial revival plan" for the post-Covid-19 phase, which includes 9 sectors: food industry, electrical, , mobility and transportation industries, and the textile sector, leather sector, chemical and quasi-chemical industry, plastic industry sector, mechanical and metallurgical industries sector, investment advantages and industrial real estate. This project aims to keep pace with about 500 productive projects to achieve the goal of compensating 34 billion dirhams from exports at the end of 2023. The ministry has so far reached 634 projects, of which it has retained 259 projects, representing an opportunity to compensate imports of 17.4 billion dirhams (1.74 billion dollars), which is about 51 percent of the specified goal.

Source (Asharq Al-Awsat Newspaper, Edited)
كشفت وزارة العمل والتشغيل الجزائرية، عن أن إجراءات الحجر الصحي وإغلاق المجالات الجوية والبحرية والبرية، التي أقرتها الحكومة الجزائرية بهدف كبح انتشار فيروس كورونا، أدت إلى تقلص عدد طلبات تجديد رخص العمال الأجانب في البلاد. جاء ذلك أيضاً بالتزامن مع توقف المشاريع الكبرى بسبب سياسة التقشف التي انتهجتها الحكومة.

وبينت الوزارة أن طلبات تجديد تصاريح العمل للعمال الأجانب بالمؤسسات المائية مقارنة مع 55 الأجنبية الناشطة فوق التراب الجزائري، قد تراجعت بحوالي نفس الفترة من السنة الماضية. وذلك نتيجة عزوف بعض الشركات عن تجديد فترة بقائهم في الجزائر، خاصة من الصين وآسيا، خوفا من نقل الفيروس في ظل الحديث عن سلالات جديدة منها ظهرت الصين وأوروبا. بالإذن من بعض أصحاب العمل،非常适合 العمال.

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المصدر (صحيفة العربي الجديد، بتصرف)

Algeria: Coronavirus Measures Reduce the Number of Foreign Workers

The Algerian Ministry of Labor and Employment revealed that the quarantine measures and the closure of the air, sea and land spaces, which were approved by the Algerian government in order to curb the spread of the Coronavirus, have led to a decrease in the number of applications to renew licenses for foreign workers in the country. This also came in conjunction with the suspension of major projects due to the austerity policy adopted by the government.

The ministry indicated that applications for renewing work permits for foreign workers in foreign institutions operating on Algerian soil decreased by 55 percent compared to the same period last year. This is as a result of the reluctance of some companies to renew their stay in Algeria, according to the echoes issued by some employers, to the closure of the Algerian borders since March 2020, as workers, especially from China and Europe preferred not to return due to the absence of flights to Algeria, after they were able to leave to their countries as part of the evacuation trips approved by their countries.

The government refused to grant exceptional licenses to foreign workers, especially those coming from China, for fear of transmitting the virus, in light of talk of new strains of it that appeared there.

Since the first cases of coronavirus infection appeared in early March 2020, the government decided to close all land and sea border ports, and their airspace to international flights, except for evacuation trips to and from Algeria, which disrupted the arrival of many foreign workers, especially Chinese workers in the construction sector, and workers Oil companies in southern Algeria.

Source (Al-Araby Al-Jadeed Newspaper, Edited)
Moody’s Grants Lebanon the Lowest Credit Rating at C

A report issued by "Moody’s" agency showed that the "C" rating reflects the agency's assessment of the losses incurred by bondholders due to the current default in Lebanon, which may exceed 65 percent.

"Moody’s" revealed in its new report that the downgrade of Lebanon's credit rating to its lowest rating came as a result of the country plunging into a deepening economic, financial, and social crisis, which it seems that very weak institutions and the power of governance are unable to address. Indicating that all this is taking place amid the collapse of the currency in the parallel market, and the accompanying inflation that feeds an unstable environment, and in the absence of major steps towards a reasonable reform of the economic and financial policy, official external financing support to accompany the restructuring of government debt remains elusive, according to the report.

The agency did not announce the appointment of new expectations for the classification of Lebanon, and this decision is based on the extremely high probability of significant losses to private sector creditors and the fact that "C" is the lowest rating in the "Moody’s" rating scale. According to the agency, if there were any upward movements in Lebanon's sovereign rating after debt restructuring, it would likely be limited for a long period of time. It is unlikely that Lebanon's rating will move from its current position before the restructuring, given the size of the macroeconomic, financial and social challenges, and the agency expectations of very large losses.

However, the rating given by Moody's is based on recorded results on several levels. Lebanon scored a score (b3) in creditworthiness in the measure of economic strength due to its small size, weak economic outlook, and limited competitiveness. But the final score will be less than (b1), to reflect the very large costs of economic adjustment, to move towards a new and more sustainable growth model. The agency considered that Lebanon’s caa3 score in terms of the effectiveness of institutions and governance reflects the weakness of the governance framework, which balances between the effectiveness of the extremely weak fiscal policy and the effectiveness of the severely restricted monetary and fiscal policy, in light of the increasing economic and external frictions.

Source (Economic Bulletin website, Edited)
The Chairman of the BOD of Jordan Chamber of Commerce, Nael Al-Kabariti, and the Mexican Ambassador to the Kingdom, Roberto Rodriguez Hernandez, discussed ways and mechanisms to develop and support trade and investment relations between the two countries.

Al-Kabariti welcomed during the meeting, any joint cooperation with Mexico to increase trade exchange, build partnerships and investment projects between the two countries, and facilitate entry to the region’s markets, especially Iraq. He stressed the necessity of establishing partnerships based on exchanging experiences and knowledge in the fields of information technology and industries with advanced technology and enhancing mutual investments. The Chamber's Chairman suggested establishing joint factories in Jordan to produce complementary industries bearing Jordanian certificates of origin to facilitate the entry of these goods into the markets of neighboring countries and to benefit from trade agreements that link the Kingdom with various global economic blocs.

Al-Kabariti called for organizing a meeting between private sector stakeholders in the two countries through visual communication to exchange information regarding economic and investment opportunities and promising sectors, in addition to establishing a digital platform that includes companies and institutions that want to promote their products and services. For his part, Ambassador Hernandez indicated his country’s keenness to build effective economic relations with Jordan as a gateway to enter the markets of the countries of the region, stressing the need for joint action to increase the volume of trade and stimulate the private sector to establish investment projects and take advantage of the available opportunities.

Source (Ad-Dustour Newspaper-Jordan, Edited)