



PRESS RELEASE

Presentation of the 20th edition of the annual report on banking supervision 2023

Casablanca, July 25th, 2024

In the 20th edition of its annual report on banking supervision for the year 2023, Bank Al-Maghrib presents the result of its regulatory and supervisory practices and the activities of the credit institutions and similar entities.

On the international front, despite monetary tightening, geopolitical tensions and armed conflicts in Ukraine and the Middle East, the global economy showed an overall good level of resilience, while inflation declined. At the national level, economic growth improved, driven by growth in non-agricultural activities.

Following a peak in February 2023, inflation has been on a downward trend, leading Bank Al-Maghrib to keep its key rate unchanged between March and December 2023.

In this context, bank lending grew by 4.8 percent, driven mainly by equipment loans. The rate of non-performing loans remained at 8.5 percent of the portfolio of loans granted by banks.

After a contraction in banking results in 2022, they recovered in 2023 as a result of the easing of interest rate conditions on the markets.

The banking sector remained solid, with an average solvency ratio of 15.5 percent and an average Tier 1 capital ratio of 12.9 percent, above the regulatory minimums of 12 percent and 9 percent respectively. The average short-term liquidity ratio also remained at a comfortable level.

On the regulatory level, in 2023 Bank Al-Maghrib continued to work on transposing international banking standards in order to consolidate the sector's resilience.

The year 2023 was also marked by the finalisation, in coordination with the World Bank, of a first exercise to assess banks' exposure to the financial risks related by climate change.

In the field of financial integrity, Bank Al-Maghrib's efforts to strengthen the national system for combating money laundering and the financing of terrorism, alongside other public and private stakeholders, were rewarded by Morocco's removal from the grey lists of the Financial Action Task Force and the European Union.

In 2023, we continued our initiatives to support the digitalisation of banking services. Following the adoption of the regulatory framework governing crowdfunding platforms, Bank Al-Maghrib examined the first applications for authorisation to carry out collaborative funding activities such as loans and donations. Bank Al-Maghrib also continued to coordinate work on the supervision of cryptoassets, the use of digital authentication, the security of digital banking services and the cyber-resilience of banking operators.



In addition, Bank Al-Maghrib has continued to make improving the quality of the bank-customer relationship as one of its priorities. In this regard, 2023 saw the launch of a comparator of bank fees and value dates and the adoption of an interbank charter in favour of people with disabilities.

Bank Al-Maghrib has also worked with market operators to set up a range of banking and payment services tailored to families benefiting from the government's social assistance programmes, which has had a positive impact on bank penetration and financial inclusion.

You can download the full report here: [Report link](#)