Impact of the Modal Choice of Users Supply Chain Primers on Export Competitiveness in the Souss Massa Draa (SMD) Morocco: Case of International Road Transport (IRT)

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I. Introduction

The early product cultures constitute one of the pillars of agriculture in Morocco and occupy one of the first places in Moroccan exports. The area Under Massa Draâ is the first producing and exporting area early products in Morocco with an average production estimated at 881,891 tons, of which 320,662 tons are intended for export.

To improve the competitive position of this sector, the Moroccan exporters of early products must at least respect the lawful requirements imposed by the consumers and the distributors. Indeed, the exporters are obliged to guarantee to their customers the traceability of the products by the follow-up of the information system. Besides lawful blockings, the exporters are faced with increased requirements of the customers in term of cost, quality, flexibility, and time as with other requirements, which are in perpetual evolution. These exporters are thus found obliged to conceive a powerful organization able to take the entirety of physical circulation, information and financial flows to offer to the consumers the right level of service, it is logistic transport. The production of early products in Morocco in general and in the area Under Massa Draâ in particular is ensured by artisanal producers who concentrate mainly on their basic trade and under treat more and more logistic operations with intermediate companies providing logistic (inter alia International road transport (IRT)).

The IRT remains the means more used in the routing of early products towards the exterior markets. The Moroccan participation in traffic IRT was confined for a long time in the traction of the foreign semitrailers, gainful activity not requiring any knowledge to make particular neither structures, not commercial competences proven. Consequently, the international road transport of goods remains dominated by a strong presence of the especially Spanish and French foreign flags.

Admittedly, Morocco chose lawful reforms in goods transports by road. However an upgrade of the Moroccan companies of international road transport is necessary and urgent to improve competitiveness of exports in particular the early products.

This paper is articulated around the following points:

- The supply chain of early products in the area Under Souss Massa Draâ;
- The IRT is an essential link of the competitiveness of exports for early products in the area Under Souss Massa Draâ.

II. The Supply Chain of Early Products of the Area Souss Massa Draâ

On the basis of diagnosis carried out near the speakers of the supply chain of early products of the area Under Souss Massa Draâ, we described outline principal speakers in this chain. The circuit of the stages constituting this chain is represented as follows:

![Fig.1 : The circuit of the supply chain of early products of the area Under Massa Draâ](image-url)
The supply chain of early products was the object of a study carried out by the World Bank. This study made it possible to arise the following reports:

- Morocco is classified 64th behind Egypt and the countries of Asia, according to the index which reflects the opinion of the international operators;
- The logistic costs which are defined as: “the sum of the loads pulled by the succession of the operations of movement of the goods” constitute 25% of the added-value of Morocco; the logistic transport costs only constitute with him 60% of these logistic costs total, this situation, a diagnosis of this link proves to be necessary to be able to answer the following questions: How to improve the service of transport to ensure a control of the supply chain of early products? How to improve competitiveness of the supply chain of early products?

### III. The IRT as an essential link of the competitiveness of exports of early products of area Souss Massa Daraa

To ensure the routing of early products to the recipients, the exporting groupings of the area call upon road carriers, maritime or air. The principal advantage of road transport is without any doubt related to the nature of the service carries to door, factor of flexibility and security (suppression of the damages related to the transshipments). One can as add as road transport as regards times of routing has for true competitor only air transport. However, this last is not competing any more since one considers the report “cost/speed” of routing. In the same order of idea, when the exterior market especially offers great opportunities on the price on the market of the European Union, it is the road transport which proceeds owing to the fact that with the truck one gains two days of times compared to the normal ship and a day compared to a regular line. The distribution of exports between these various modes is the following one:

The IRT is the most prevalent mode for the routing of early products in the area Under Massa Drâa is 98% of exported total tonnage. It is carried out by freezer wagons with 95.02% of the road traffic (see table Ci below) meeting the standards prescribed by the law, forwards mainly by the wearing of Tangier which ensures him only the passage of 99% of the total traffic; The maritime transport represents a negligible share of the traffic (4.95% of exported volume). The early products in majority are containerized and mainly forwards by the airport of Agadir (55% of the total of the air traffic); The area does not have railway infrastructure, which justifies the absence of this mode in the transport of the early products.

### Tab.1 Export of early products by type of transport in area SMD

<table>
<thead>
<tr>
<th>Type of transport Early products variety</th>
<th>International road transport (Quantity in Ton)</th>
<th>Maritime transport (Quantity in Ton)</th>
<th>Air transport (Quantity in Ton)</th>
<th>Total (Quantity in Ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various vegetables</td>
<td>48263.23</td>
<td>2449.29</td>
<td>7.8</td>
<td>50720.32</td>
</tr>
<tr>
<td>%</td>
<td>95.2%</td>
<td>4.87%</td>
<td>0.02%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The public authorities supported the development of the TIR thanks to the implementation of a set of measurements such as:

- The liberalization of road transport;
- Authorization of the Moroccan international road carriers to offer their services to the inland transport;
- Tax facilities for the importation of affected equipment with the IRT (tractors, semi trailers, refrigerating…);
- Recuperation of the TAV on the gas oil;
- Delocalization of the customs formalities to the terminal of some companies;
- The establishment of contract programs 2003-2006 between the Ministry in charge and the FNTR to cleanse the market and to make it contestable without the implication of the public power like regulator.

In addition, international road transport (IRT) is the “poor relation” of the development policy of the sector of international transport in Morocco. Indeed, except for some small firms of refrigerating transport and companies of traction of trailers, the Moroccan private sector is almost absent. The foreign carriers lead strategies of control of the market by the installation of subsidiaries profiting from the advantages booked to the Moroccan carriers, within the framework of bilateral conventions.

The Morrocans invest only in the field of refrigerating transport; in this field, the conditions of acquisition of the equipment are a little more favorable and imbalances in the exchanges are less penalizing. With these brakes two other types of obstacles to development of this sector are added.

Until publication of a law 16.99 and decree of its application in 2003 the regulation of national transport reduced the possibilities of damping the equipment intended for international transport by prohibiting the coastal traffic.

It prevented the emergence of groups of transport able to develop into international and this, by standardizing the product using approvals and of the monopoly of freighting of the National office of transport. Lastly, it protected the carriers approved from competition and reduces their efficiency. In addition, the cost of the equipment remains very appreciably higher than the costs supported by competition; because of policy of protection of the local assembly of the vehicles (the difference between the interior and international prices borders 80%). In addition, impossibility of recovering the TAV for the operators of the IRT also increased their operational costs to the detriment of their competitiveness. Admittedly the things have not been any more the same ones for these two last years. But, the dysfunction of the market of road...
transport was accentuated with the lack of a new framework of regulation by the market. The TAV is now recoverable for the operators of IRT. They have the right to take part to the inland transport; etc, the international road transport of goods remains dominated by a strong presence of the especially Spanish and French foreign flags. Indeed, with export, the Spanish house carried out more than 39% of the full number of the travel, French 20%, 24, 28% is divided between the other houses of which in particular the United Kingdom, Germany, Holland, Belgium and Portugal.

The Moroccan companies which ensure the international road transport are very few, almost a hundred companies gathered within the Moroccan Association of International Road transport (MAIRT), having nearly 200 vehicles, and ensuring the transport of 820,000 tons goods including 727,000 tons with export made up in particular of agricultural products and those of the textile. The products exported by IRT forward mainly by three Moroccan ports with a prevalence of the wearing of Tangier which ensures between 75 and 80% of the traffic, Casablanca 15 to 18%, the rest being ensured by Nador. It is characterized by an increased presence of carriers French and Spanish, the latter strongly improved their presence since the signature of the agreements on the transit of the agricultural products by the road. Indeed, the development of tomato exports for example had a positive effect on the development of the activity of the conveying Spanish fridges.

The participation of the Moroccan carriers remains very weak, indeed the Moroccan carriers carry out 5% of operations of routing from beginning to end whose share of transport of vegetables and fruits is estimated at 36%.

Operating with increasingly demanding customers, international road transport knew these last years a certain evolution as well on the organizational level as material. However, this improvement remains attenuated by certain limits which are classified in two main categories:

- **Endogenous limits related to the problems structural of the transport companies;**
- **Exogenous limits related to the environment in which the transport companies evolve;**

For the endogenous limits one quotes: scarcity of the freight of return, whereas the European company turns over systematically instructs some, being given its best conditions of price and quality of the performance of service; lack of competitiveness because as of loads high of management of park: fixed charges (the depreciation charges of the haulage machines reach nearly 30% compared to the French company), variables (fuel) as of the various taxes which are more important than those of the European companies; prohibitory prices incl. TAV of the spare parts and in particular of the concerned with safety units making maintenance more expensive; heavy expenses of logistics (grouping, storage, distribution); atomicity of the Moroccan companies of IRT and their low number; The incomprehension of the regulations in force; insufficient education level of the drivers of vehicles, as regards respect of regulation, communication, approach customer to guarantee transport with an optimal practical value (brittleness, availability, speed and security); absence of sedentary behaviors (protocol of security) at the companies of reception in Morocco; level of investments out of equipment, technology of insufficient transport and technique of management; Banking administrative heavinesses for the granting of credit as well as the importance of interest rates applied, a Moroccan park not obeying the requirements of the demand for term of availability of average equipment; no optimal informational management enters the transport company and its customers;

As for the exogenic factors, it is necessary to quote in particular:

- The existence of a bilateral agreement of IRT with each one of the country of the EU involving the exhaustion of the quotas of the authorizations and the multiplications of the control measures;
- Hard and often slow procedures for the granting of the visas to the drivers;
- The failure of the experiment of the authorizations of cooperation allowing the European companies to operate except quota on condition that being dependent by a convention with a Moroccan company of IRT for traction and the return in load;
- Competition of the more experienced European operators;
- Misdeed of clandestine immigration: In Algeciras, if a driver denounces the clandestine ones, it will not be recognized guilty, but if it is the police which finds the clandestine one on board vehicle, the driver is stopped and the semi trailer is immobilized with the goods during sometimes two or three months;
- Drug trafficking;
- The absence of terminals IRT, and it search for stowaways on board trailers causing long fixed assets sometimes;
- Not reactive institutional device compared to the problems of a lawful nature (example the case of absence of bilateral authorization).

Consequently, the factors which condition the modal split of the users of the supply chain of primers in area SMD apart from the price, rest on the following factors:

- Practice of the door with door,
- The security of the done favor,
- Except times of transport,

Theoretically, the structure of the offer translates the multiplicity of the needs and the preferences and the requirements of the chargers. The Moroccan economy presents a certain duality to the level of the structure of the production. The current structure of the offer of transport is not explained exclusively by the institutional framework to force but by other factors related to the request as a whole. The modern cohabitation of the two sectors one and the other artisanal one in our economy, the nature of the productions and the size of the batches has certainly a notable influence on the offer of transport which developed since independence. The degree of importance of the qualitative factors quoted above differs according to the users and nature and the size from the batches. The door with door is the privilege of the road because of the greatest diffusion of its points of distribution. Road transport is characterized by the speed and the flexibility on the level of the execution. Thus, the speed of routing is an advantage for the truck-drivers when it is a question of transporting unsustainable products.

**IV. Conclusion**

The supply chain of early products is confronted with serious difficulties which bring to raise the question to know if this production as a culture of export is not condemned in the long run. It is clear that Morocco is confronted with the need for repositioning itself on the international markets vis-a-vis the competitors (in particular Spain). New efforts will be necessary
to reinforce the competitiveness of this chain on the level of area SMD. With this intention, the actions concerning the improvement of the activity of early products should be led upstream to the downstream, especially on the level of the TIR, since the stage of harvest until the stage of export and this with an aim of being able to answer the objectives of the strategy for the improvement of the competitiveness of the supply chain of early products. In this case it would be quite essential to take care to improve not only the production techniques, but also modes of transport (in particular the IRT) in order to ensure a better process of marketing. Finally, it is necessary to announce the need for diversifying the markets of exports, to reach new niches of markets, not with sporadic transactions but much more regular in order to ensure of the more durable export earnings.

Admittedly, Morocco chose lawful reforms in goods transports by road. However an upgrade of the Moroccan companies of international road transport is necessary and urgent.

The centering of the exporters of early products trains the delegation of the operations of transport at the transport companies. These exporters thus see themselves transforming their supply chain into a formed network of several units or links whose effectiveness is measured by the effectiveness of the operators responsible for these links. Thus the Moroccan carriers of the unsustainable products are faced to reduce their costs of transport and to improve the level of their service.

To achieve these goals, the carriers must introduce modern management systems of information and communication MSIC, which help these logistic people receiving benefits to cope with the fluctuation of the market east to ensure the quality of physical flows the lower costs.

References

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