

The challenges facing SMEs in Morocco: A warning signal for failure.

Les défis auxquels font face les PME au Maroc : Un signal d'alarme pour la défaillance..

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Abstract:

The purpose of this article is to explore the difficulties and problems faced by small and medium-sized businesses. SMEs play a crucial role in the growth of many countries, especially in developing nations. In Morocco, for example, SMEs represent more than 95% of all existing businesses. Despite their importance, most of them face the threat of failure. In order to delve deeper into this subject, we will start by presenting the definition adopted for SMEs in Morocco. Then, we will highlight their importance on a national scale, and then focus on the origins of the constraints that our SMEs face, thus explaining the high number of companies declaring their failure each year in Morocco. We will base ourselves on the study carried out by INFORISK in 2019 on a sample of 120 SMEs (turnover between 3 and 75 million dirhams), spread over 4 sectors of activity. This study takes as indicators of the difficulties of SMEs their profiles, their management strategies, the lack of access to new technologies, as well as the difficulties linked to financing. To do this, a rigorous analysis of the specialized literature and the exploration of diversified data, including statistics and expert testimonies were employed to convincingly elucidate this theme.

Keywords: the difficulties of Moroccan SMEs, business failure, internal and external constraints.

Résumé :

L'objectif de cet article est d'explorer les difficultés et les problèmes auxquels font face les petites et moyennes entreprises. Les PME jouent un rôle crucial dans la croissance de nombreux pays, surtout dans les nations en développement. Au Maroc, par exemple, les PME représentent plus de 95% de l'ensemble des entreprises existantes. Malgré leur importance, la plupart d'entre elles sont confrontées à la menace de la défaillance. Afin d'approfondir ce sujet, nous commencerons par présenter la définition adoptée pour les PME au Maroc. Ensuite, nous mettrons en lumière leur importance à l'échelle nationale, pour ensuite nous concentrer sur les origines des contraintes auxquelles nos PME sont confrontées, expliquant ainsi le nombre élevé d'entreprises déclarant chaque année leur défaillance au Maroc. Nous allons nous baser sur l'étude réalisée par INFORISK en 2019 sur un échantillon de 120 PME (CA compris entre 3 et 75 millions de dh), réparties sur 4 secteurs d'activités. Cette étude prend comme indicateurs des difficultés des PME leurs profils, leurs stratégies de gestion, l'insuffisance d'accès aux nouvelles technologies, ainsi que les difficultés liées aux financements. Pour ce faire, une analyse rigoureuse de la littérature spécialisée et l'exploration de données diversifiées, comprenant des statistiques et des témoignages d'experts ont été employés afin d'élucider de manière convaincante cette thématique.

Mots-clés : les difficultés des PME Marocaines, la défaillance des entreprises, Contraintes interne et externe.

Introduction

Economic growth depends on the performance of small and medium-sized enterprises. These businesses create wealth and jobs, while also being seen as factors in human and social proximity. Despite the multiple roles they play, SMEs remain vulnerable due to various anomalies. Although widely studied from a variety of research angles, the issue of Moroccan business failure is often confined to statistical reports and political debates.

SMEs are undeniably an engine of economic dynamism, playing a crucial role in most of the world's economies. They make a significant contribution to many economic and social policies, sometimes even outperforming large companies, particularly in developing countries. In Morocco, and according to the Ministry of Finance and Privatization, Directorate of General Economic Policy, (2011), SMEs account for more than 95% of businesses, employing 50% of the workforce, contributing 31% of exports, making 51% of national investments, and accounting for 40% of production. Despite this, their contribution to Gross Domestic Product (GDP) remains limited to 20%, underlining the many difficulties facing SMEs, which are likely to have a negative impact on their survival or even their failure.

The choice of the Moroccan context is explained by the considerably high number of business failures observed in the country. Recent years have seen an alarming rise in the number of business failures in Morocco. In addition to the challenges posed by the difficult economic situation of the country's economic partners, internal and external constraints may also play a role in explaining the failure of SMEs in Morocco.

This paper aims to explore the difficulties and problems facing small and medium-sized enterprises (SMEs) in Morocco. We will begin by presenting the definition adopted for SMEs in Morocco, and then examine their importance at national level. We will then focus on the difficulties faced by SMEs, drawing on studies and statistics, in particular those of the Finaccess group's subsidiary specializing in the provision of legal information on companies (INFORISK), as well as other research dealing with this issue. The ultimate aim of this article is to identify clearly and precisely the factors that explain the failure of SMEs in Morocco.

This article arises from a rigorous methodology guiding our exploration. Following in the footsteps of eminent researchers, our approach began with an in-depth review of the academic literature, built on the work of (Guandalini, I., 2022), thus laying the necessary foundations to understand the key concepts of SME failure. The empirical aspect of our methodology involved the collection of data to support our arguments, thereby enabling the creation of a logical structure, informed by relevant academic references, in order to coherently present the difficulties and constraints faced by our SMEs. This research is an informed, structured, and

persuasive exploration, highlighting the issues and potential impacts with the aim of minimizing the risks of business failure.

1. SMEs in Morocco

The question of how to define an SME remains one of the most sensitive issues, as both authors and practitioners have acknowledged for many decades. The search for an answer to the question "What is an SME?" gives rise to natural divergences, as different stakeholders do not pursue the definition of the SME for the same reasons, as Fongang (2014) points out. This divergence of opinions contributes to the complexity of understanding the SME concept, highlighting the multiple perspectives and criteria that come into play when attempting to characterize these enterprises.

In Morocco, the definition of an SME has evolved considerably, starting with the Accelerated Simplified Procedure (PSA) of 1972 and progressing to the recent definition established by the National Agency for the Promotion of Small and Medium-sized Enterprises (ANPME, now MAROC PME). This evolution has been marked by various stages, including the definitions established during the pilot line (1978-1979), the Integrated Assistance Program (PAI), the 1983 Investment Code, the 1987 Bank Al-Maghrib directives, and finally the 2002 SME Charter. These different stages reflect the gradual adaptation of the concept of SMEs in Morocco, highlighting the adjustments needed to better match the changing economic fabric and needs of the country's businesses.

1.1. The official definition of an SME in Morocco

According to Article 1 of the 2002 SME/SMI Charter, published in Official Gazette 5036 of 15/09/2002, the official definition of an SME in Morocco is based on three fundamental criteria. Firstly, the business must be managed or administered directly by natural persons such as owners, co-owners or shareholders. Secondly, ownership of the capital or voting rights may not exceed 25%, unless the company is owned by collective investment funds, capital investment companies, venture capital organizations or financial organizations authorized to call on public savings with a view to making financial investments.

These criteria define the precise scope of companies considered to be SMEs in Morocco under the Charter.

The size of companies in Morocco can be divided into two categories:

è Existing companies (more than two years old):

- Less than 200 permanent employees.
- Annual turnover excluding tax not exceeding MAD 75 million.
- Balance sheet total limited to MAD 50 million.

è Newly created companies:

- Initial investment program of less than or equal to MAD 25 million.
- Compliance with an investment per job ratio of less than 250,000MAD.

These criteria define the specific size parameters for the two categories of company in Morocco, establishing clear thresholds for headcount, turnover, balance sheet total and initial investment according to the age of the company.

According to this definition, the threshold is relatively low, not taking into account SMEs with capital-intensive activities. This poses a challenge for effectively estimating the number of enterprises that qualify as SMEs. However, ANPME has developed a new definition that distinguishes between three types of enterprise:

- Very small business: Turnover of less than MAD 3 million.
- Small business: Turnover of between MAD 3 and 10 million.
- Medium-sized company: Turnover between 10 and 175 million dirhams.

Despite the identification of criteria to define the SME, no definition has yet been able to clearly determine what an SME is in Morocco, as Torres points out: "The SME does not have the same meaning depending on the region" (Torrès, 1999). This complexity highlights the nuances and variations in the understanding of the SME concept, which may be influenced by regional factors.

1.2. The importance of SMEs in the national economy and the number of business failures.

1.2.1. The role of SMEs in Morocco

Today, the importance of SMEs is widely recognized, in both developed and developing economies. As R. WITTERWULGHE, op. cit., 1998, p99. Quoted by (ABDELMALEK, 2012), « Small companies seem particularly well placed to help create jobs and spread technological progress. It is also renewing the industrial fabric ».

Adopting the new ANPME definition, data from Inforisk (Tilfani, 2011) and the study by the Ministry of the Economy and Finance reveal the importance of SMEs at national level, as illustrated in the tables below. These indicators provide a clearer picture of the significant contribution made by SMEs to the economy, both in terms of job creation and technological dynamism, while also helping to renew the industrial fabric.

Table 1: Distribution of SMEs according to their weight in the national production fabric.

Sector of activity	SMEs	Large Enterprises (LE)
Agriculture, hunting, forestry	98.86%	1.14%
Fishing, aquaculture	98.86%	1.14%
Extractive industries	97.83%	2.17%
Manufacturing industries	98.18%	1.82%
Production and distribution	96.33%	3.67%
Construction and public works	99.61%	0.39%
Commerce	99.16%	0.84%
Hotels and restaurants	99.69%	0.31%
Transportation and communications	99.33%	0.67%
Real estate, rental, and ...	99.63%	0.37%
Total	99.30%	0.70%

Source: Cabinet Inforisk (Insight into the situation of SMEs in Morocco)

This table illustrates the distribution of SMEs by sector of activity in Morocco, highlighting their predominance in most areas of the economy. The significant share of SMEs in these sectors underlines their major impact on the national productive fabric.

The table shows that the proportion of SMEs exceeds 96% in all sectors of activity, corroborating the conclusions of a study by the Ministry of the Economy and Finance. According to this study, SMEs account for 98% of the national production base. In most

sectors of activity, the proportion of SMEs exceeds 90%, except for the production and distribution of electricity, gas, and water, where the figure is 50%.

These figures underline the predominant importance of SMEs in the Moroccan economy, illustrating their significant contribution to various sectors of activity.

Table 2: Distribution of SMEs according to their contribution to overall value added

Sector of activity	SMEs	Large Enterprises (LE)
Agriculture, hunting, forestry	78.19%	21.81%
Fishing, aquaculture	51.85%	48.15%
Extractive industries	34.35%	65.65%
Manufacturing industries	41.68%	58.32%
Production and distribution	8.85%	91.15%
Construction and public works	63.22%	36.78%
Commerce	54.35%	45.65%
Hotels and restaurants	70.28%	29.72%
Transportation and communications	22.23%	77.77%
Real estate, rental, and ...	65.14%	34.86%
Total	42.00%	58.00%

Source: Cabinet Inforisk (Insight into the situation of SMEs in Morocco)

This table illustrates the breakdown of SMEs by sector of activity in terms of their contribution to the creation of overall value added. It shows that, although SMEs represent a significant share in certain sectors, large companies dominate the creation of overall value added, with a total breakdown of 58%, leaving 42% for SMEs. According to Inforisk, the contribution of SMEs to the creation of overall value added is 40%, a contribution that varies considerably from sector to sector. The table shows a notable participation of 78% for the agriculture sector, while for the production and distribution of electricity, gas, and water, it represents only 8%. It is important to note that, according to a study by the Ministry of the Economy and Finance carried out in 2000, the contribution of SMEs to national added value was estimated at 21%. However, Inforisk points out that the results of this study were based on a survey by the Directorate of Statistics dating from 1995. It can therefore be assumed that the SME landscape has evolved over this period, which could influence the current data.

Table 3: SME exports.

Sectors of Activity	SMEs
Textile and Leather Industries	46%
Chemical and Para-Chemical Industries	10%
Mechanical and Metal Industries	4%
Electrical and Electronic Industries	1%
Food Industry	39%

Source: Cabinet Inforisk (Insight into the situation of SMEs in Morocco)

This table shows the breakdown of SME exports by sector of activity. It highlights the significant contribution made by SMEs in the textiles and leather industries, as well as in the agri-food industries, accounting for 46% and 39% of exports respectively. Other sectors, such as chemicals, para-chemicals, mechanical engineering and electrical and electronics, make smaller contributions to SME exports.

Based on these statistics, it can be concluded that SMEs in Morocco play a fundamental role, forming the backbone of the entire national economy. Their predominance in all sectors of activity, their substantial contribution to exports and national investment, and their significant impact in absorbing unemployment (representing 50% of employees) underline their crucial importance.

However, despite their predominance, their contribution to Gross Domestic Product (GDP) remains limited. This could be explained by the large number of insolvencies reported each year among Moroccan businesses. This problem highlights the importance of understanding and addressing the challenges facing SMEs, in order to strengthen their role as a driving force behind the country's economic growth.

1.2.2. Moroccan business failures.

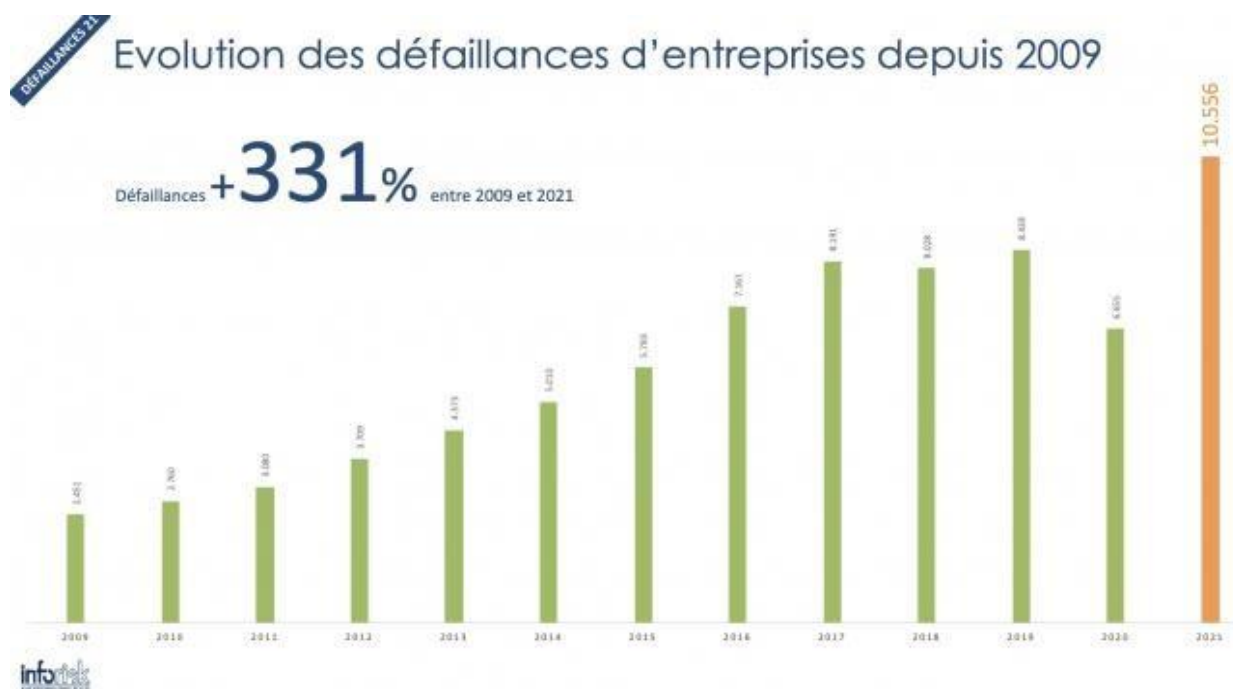
The consequences of the annual flow of bankruptcies recorded in Morocco are heavily felt at both socio-economic and financial levels. Every stakeholder in a failing business is affected, imposing considerable costs on the economy as a whole. The number of businesses going bankrupt in Morocco continues to rise, exceeding 12,397 cases in 2022, an increase of 17.4% on the previous year. This trend has intensified with the pandemic and the economic crisis, reaching 10,556 cases in 2021, an increase of 59%.

In previous years, the figure was between 5,000 and 6,000 companies. According to information provided by Inforisk, an alarming fact emerges: "companies are poorly informed about existing safeguard measures". Only 0.06% have opted for this route, while 99.69% have chosen to interrupt their activities directly by initiating liquidation, dissolution, and judicial deregistration proceedings.

Inforisk points out that, by category, very small enterprises (VSEs) account for 99.2% of these bankruptcies, while small and medium-sized enterprises (SMEs) represent 0.7%, and large enterprises (LEs) 0.1%. The same source indicates that the increase in the number of bankruptcies is partly explained by the low recourse to safeguard procedures, with only 27 cases recorded in 2022. It also points out that Moroccan businesses have limited knowledge of existing preventive measures.

In terms of breakdown, safeguard procedures will account for 0.25% of insolvencies in 2022, while receivership procedures will account for 0.06%, and liquidations, dissolutions, write-offs and terminations will account for 99.69% of insolvencies.

Figure 1. The evolution of the failure of Moroccan SMEs since 2009 until 2021



Source: Cabinet Inforisk

According to the insurer's report, the projections for a continuing rise in the default rate are attributed to several factors linked to the difficult economic conditions being experienced by the country's trading partners. These factors include longer payment terms, tighter bank credit, declining public investment and rising commodity prices.

Sector professionals add to these challenges the lack of bank financing tailored to the specific needs of SMEs, gaps in skills and use of new technologies, difficulties in accessing business land, and obstacles for SMEs in accessing the public market (MOUTIE.Ch & ELHAMMA.A 2023). Taken together, these issues create a complex environment for SMEs, contributing to the pessimistic forecasts of rising insolvency rates.

2. Determinants of SME difficulties in Morocco

Indeed, the literature on SME failure highlights a variety of factors that can be classified as internal and external constraints, according to a managerial and strategic approach. Internal constraints refer to aspects linked to the management and internal operation of the business, while external constraints are linked to factors external to the business, often beyond its control. This approach is supported by works such as Keasey and Watso (1987) and M'Rabet and Tazi (1991), cited by Kherrazi and Ahsina (2016). Internal constraints can include management problems, shortcomings in strategic planning, financial difficulties, operational deficiencies, and other problems related to the internal structure of the company. On the other hand, external constraints may be related to economic factors, market fluctuations, regulatory changes, adverse macroeconomic conditions, and other external influences.

By combining these perspectives, researchers and practitioners are seeking to understand the complex dynamics that can lead to SME failure, and to develop strategies to strengthen their resilience in the face of these challenges.

2.1. The sources of internal difficulties.

There are many intrinsic obstacles to the growth of SMEs, affecting virtually all business functions, as indicated in the 2011 Report of the Ethics Council for Securities. These inherent constraints include structural weakness and undercapitalization, insufficiently rational management of the business, limited access to new technologies and a lack of innovation. These obstacles combine to restrict the efficiency and reliability of SMEs in Morocco.

- Weak structure and undercapitalization: SMEs can face problems related to their internal structure, such as organizational deficiencies, a lack of financial resources and undercapitalization, which can hamper their ability to finance growth initiatives.

- **Irrational management:** Ineffective or insufficiently rational management can lead to poor decision-making, operational problems, and difficulty in adapting to market changes.

- **Limited access to new technologies:** SMEs can be at a disadvantage in terms of access to new technologies, which can limit their ability to innovate, remain competitive and adapt to market changes.

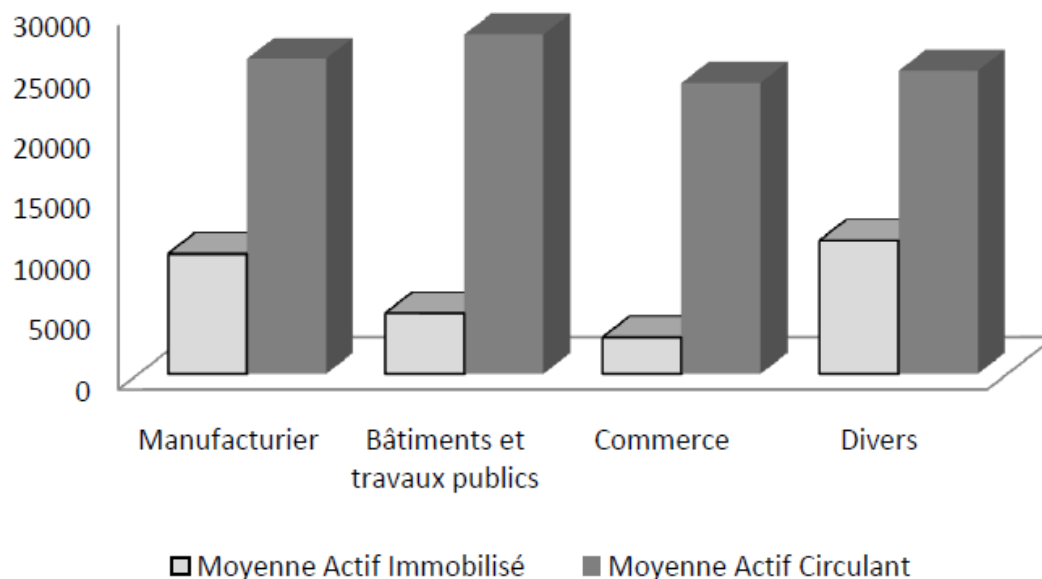
- **Lack of innovation:** The inability to innovate can be a major barrier to growth for SMEs. The constant search for new ideas, products and processes is crucial to remain competitive in a rapidly changing business environment.

These intrinsic obstacles underline the complexity of the challenges that SMEs in Morocco can face in their quest for sustainable growth.

2.1.1. Difficulties linked to the profile of SMEs.

To analyze the causes of the internal difficulties faced by our SMEs, we are going to use the study carried out by INFORISK in 2009, based on a sample of 120 SMEs with a turnover of between 3 and 75 million dirhams. These SMEs are spread across four distinct business sectors. The study uses the profiles of the SMEs as an indicator of their difficulties, characterized by the predominance of average current assets compared with average fixed assets, as well as by a high level of average stocks within the current assets of these entities. This approach enables specific aspects of SMEs to be targeted, highlighting indicators such as asset structure, inventory management and other elements relevant to understanding the internal challenges faced by these businesses. Analysis of these profiles can provide valuable insights into stress points and areas requiring attention to improve the financial and operational health of SMEs.

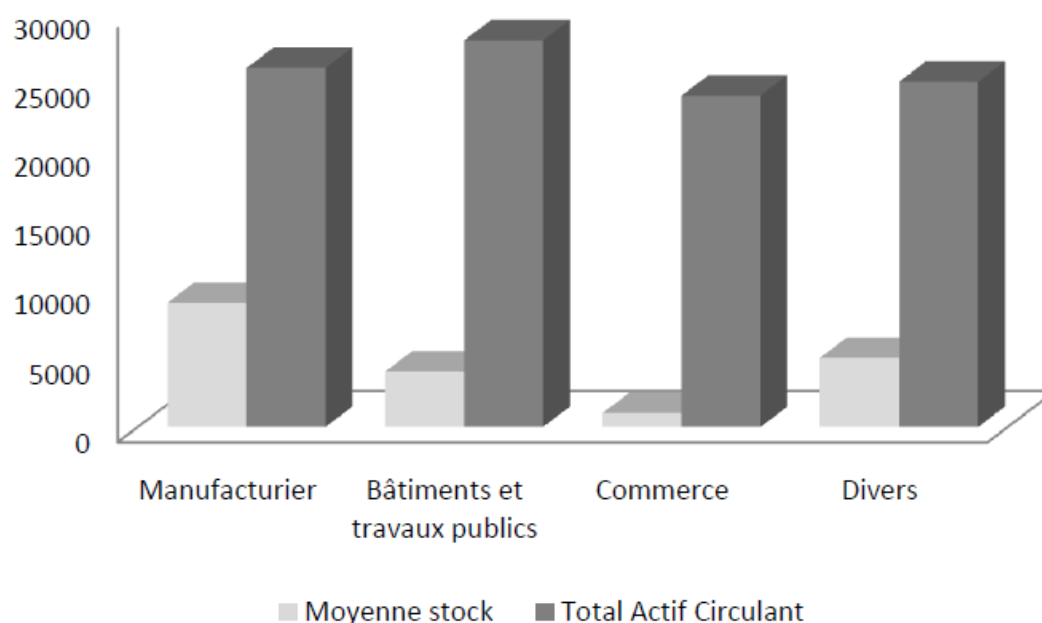
Figure 2: Average fixed assets compared with average current assets.



Source: Cabinet Inforisk

A predominant characteristic of SMEs is the fragility of their fixed assets, irrespective of their sector of activity. This fragility could be the result of restricted access to finance, a common problem encountered by SMEs.

Figure 3: Average inventories as a proportion of total current assets



Source: Cabinet Inforisk

Another characteristic noted by the same study concerning Moroccan SMEs is the high level of inventories, which can be attributed to inefficient management on the part of the firm. St-Pierre argues that, although for many SMEs inventories represent the largest component of current assets, their management often lacks formal procedures (St-Pierre, 1999, p. 47).

2.1.2. Constraints linked to the organization's strategy and management.

In addition to structural weaknesses, SMEs face non-financial difficulties related to strategy and organizational management (Ben Jabeur, 2011, p. 113). Unlike large companies, where the roles of managers and staff are clearly defined, in an SME "the manager is both the subject and the object of decisions. He must manage both the design and the implementation of HRM policies" (Fongang, 2014, p. 19).

As a result, managers, lacking competent and specialized executives to remedy the various shortcomings in all SME functions (marketing, accounting, finance, procurement, stock management, etc.), are faced with a flexible risk calculation. On the one hand, this often results in imprudent risk-taking on the part of these managers, and on the other, their excessive caution leads them to make irrational decisions (ABDELLAOUI & HAOUDI, 2010). These decisions can lead to more significant difficulties than in the case of large companies.

Table 4. Selected financial ratios of Moroccan SMEs and large companies (TILFANI, 2011, p. 6)

Financial Ratios	SMEs	Large Enterprises (LEs)	Observations
Gross Margin Ratio (EBIT/Revenue)	9.75%	12.42%	On a sale dirham, SMEs spend 90.25 cents of direct costs, whereas LEs spend only 87.58 cents of direct costs.
Operating Margin (Operating Income/Revenue)	4.6%	9.02%	The overall management quality of the company in terms of operations is better in LEs.
Debt Ratio	20%	30%	The debt ratio is higher in large enterprises.

TILFANI, O. (2011). Insights into the situation of SMEs in Morocco (p. 8)

2.1.3. Constraints linked to lack of access to new technologies and innovation.

Against a backdrop of intense competition, both nationally and internationally, SMEs face a major constraint: lack of access to new technologies.

In Morocco, there is "a clear disconnect between the few university research centres and SMEs, material and human resources are weak, openness and cooperation with more developed foreign centres are limited, and private research centres or large companies remain few and far between" (ECHAFI & SLIK, 2009, p. 17).

This highlights the challenges faced by Moroccan SMEs in adopting and exploiting new technologies, which can influence their competitiveness on national and international markets.

2.2. The sources of external difficulties.

In addition to internal obstacles, the growth and development of SMEs in Morocco is hampered by various external obstacles. These include difficulties with financing and late payment, as well as administrative, judicial, and legislative obstacles. These external challenges add a further layer of complexity to the challenges already present within SMEs, contributing to an environment that is often restrictive to their development.

2.2.1 Financing difficulties.

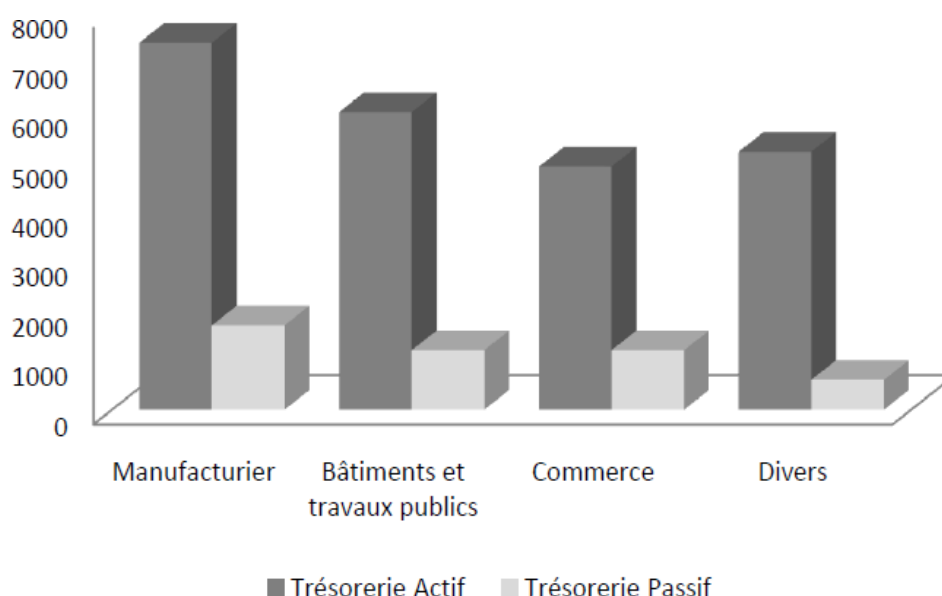
The major obstacle to the development and growth of SMEs in Morocco is the difficulty of accessing finance. In a context marked by low liquidity and intense competition, banks adopt strict criteria for granting credit, particularly for SMEs in the start-up or expansion phase. In addition, entrepreneurs and SME managers are often unfamiliar with the range of financial products available in the country. Existing financial products are not always adapted to the needs of a large population of SMEs, and the asymmetry of information between the investor and the SME, as well as the lack of transparency linked to the structural fragility of these businesses, contribute to this difficulty in accessing finance (Report by the Ethics Council for Securities, 2011).

According to Bank Al-Maghrib, the rate of loans granted to SMEs represents a significant proportion of total business loans, far exceeding that for very small and medium-sized enterprises (SMEs), which stands at 36%. Compared to other countries, Morocco's results are lower, with South Korea allocating 70% of its business loans to SMEs, followed by China with 63%, Germany with 50% and France with 44%, according to the World Bank.

2.2.2 Late payments

Industry players are highlighting a major problem linked to late payment, which can extend for up to a year, whereas the current legal deadline is 90 days. Compared with European countries, where only 10% of companies are more than 30 days late, this major problem may explain why cash is tied up. As a result, it contributes to a worrying gap between active and passive cash, as mentioned in the 2011 Report of the Council for Ethics in Securities. This phenomenon highlights the cash management challenges faced by SMEs in Morocco, directly impacting their operational capacity and financial stability.

Figure 4: Cash flow gap (Assets VS Liabilities) in 2009



TILFANI, O. (2011). Insights into the situation of SMEs in Morocco (p. 8)

The lack of liquidity is emerging as a significant risk to the operation of SMEs, a threat that originates in late payments, contributing to a significant number of business failures in Morocco. Amine Diouri, head of SME research at the Inforisk Business Observatory, points out that "late payment is responsible for 25% of business failures". What's more, beyond a 30-day payment deadline, the risk of failure is multiplied by 6. Companies then have to mobilize additional cash to finance their day-to-day operations, such as the supply of raw materials, salary payments, rents and marketing expenses. As bank lending tightens, financing options other than equity are limited, increasing the scale of business failures.

2.2.3 Administrative, judicial, and legislative obstacles.

Administrative and judicial obstacles

Despite the initiatives taken by the State to reduce red tape and encourage entrepreneurs, several obstacles persist, as highlighted by business founders (ECHAFI & SLIK, 2009, p.20) throughout the start-up process. These obstacles include:

- Lack of transparency in procedures.
- The complexity of administrative procedures.
- Lack of coordination between the various departments involved.
- The difficulty of identifying the authority responsible for issuing the authorization required to carry out or extend an SME project.

Much remains to be done to overcome these shortcomings, particularly in terms of welcoming and supporting entrepreneurs. Improvements in these areas could help to facilitate the process of setting up a business in Morocco.

Legislative obstacles.

Among the obstacles encountered in this category, several components can be distinguished:

- **Company law:** Penalties relating to formalities for the incorporation, operation and dissolution of a company are prescribed by company law. However, there is no specific legislation governing company law or the rules governing employment relationships within a company. It should nevertheless be noted that the SARL remains the legal form best suited to SMEs because of its relative advantage of limiting the liability of partners to their capital contributions.
- **The Customs Code:** Despite the improvements made to customs formalities for imports and exports, some imported goods may still encounter difficulties related to the valuation and classification of products and the preparation of forms by the customs services.
- **Social legislation:** The provisions of labor law do not always correspond to the material capacities of SMEs. This applies to staff representation within the company, the method of settling collective disputes, flexible working hours and social security cover for employees (ECHAFI & SLIK, 2009, p. 20).

Accounting and tax legislation

Many business leaders believe that the chart of accounts is complex for SMEs, as are the obligations to produce financial information. The complexity of the Moroccan tax system, illustrated by the multitude of documents to be completed and submitted, often leads company directors to use the services of consultancy firms and trustees, thereby incurring additional costs for the company, encouraging tax evasion, and resulting in significant losses of tax revenue for the State. According to the Economic and Social Council's report on the Moroccan tax system, only 2% of companies contribute 80% of corporate tax in Morocco.

CONCLUSION

In conclusion, the significant number of failures of Moroccan SMEs each year can be attributed to various difficulties encountered by these entities. High inventory levels and late payments lead to increased working capital requirements, tying up cash. These companies are faced with a considerable need for financing to overcome these obstacles and avoid the risk of failure. However, some of them are finding it difficult to obtain finance due to the fragility of their structures and widespread undercapitalization.

Those involved in the sector say that financing is at the top of the list of problems facing SMEs, which are compounded by constraints such as the skills gap and the adoption of new technologies, obstacles to access to business land, as well as difficulties for SMEs in accessing the public market, not to mention administrative complexity.

It is imperative to help SMEs increase their contribution to the creation of added value by improving their access to external finance. The experts at Euler Hermes suggest exploring new financing options to achieve this goal (Les ECO PME, 2013, p. 22). However, it is not just a question of improving financing, but also of supporting these SMEs so that they can make the most of the opportunities offered by this financing.

In conclusion, this article contributes to our understanding of the factors that explain SME failures in Morocco. However, like any scientific contribution, our work has certain limitations, notably the absence of certain information due to the weakness of the current statistical system on the subject, and the difficulty of obtaining consistent figures due to frequent estimates. To improve this research, several avenues for future research could be explored, such as an empirical survey aimed at demonstrating the causes of SME difficulties in Morocco, or a more in-depth exploration of the issue of insolvency by limiting ourselves to a specific size, legal form, or a particular sector presenting a significant number of insolvencies.

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