

Morocco's Strategy Facing COVID-19

Morocco joined early the league of African nations that received the coronavirus. Following the announcement of the first confirmed case of COVID-19 on March 02, 2020, Morocco implemented a major response plan to fight against the spread of the virus and to cope with the economic and social impacts of the health crisis. With a total of 7,584 confirmed cases, 4,969 recoveries and 202 deaths as of May 27, 2020, Morocco is one of the African countries most affected by the COVID-19 pandemic.

Measures of restriction

Actions were quickly launched to minimize the spread of the virus with the establishment of "Coronavirus Command Stations" throughout the territory to ensure monitoring and coordination with health services.

The Moroccan government declared a state of health emergency. Drastic measures were instituted to impose a compulsory general lockdown from March 20 until May 20. This included a closure of borders, a ban on assemblies and the closing of schools. Restrictions were placed on sporting and cultural events, including closing of stadia to the public. Recently, a night curfew during the Ramadan period was also imposed. Local shops were no longer allowed to remain open after 6 p.m.

Health and sanitary measures

The actions undertaken here concerned the increase and the reorganization of hospital capacities and the improvement of the conditions of reception of patients in various cities of Morocco. This applied especially to cities with high human density that were more exposed to the risk. Military field hospitals have been deployed in the cities or their outskirts to strengthen the civilian health system in bedding and equipment for intensive care. Batches of medical and sanitary equipment have been deployed in health facilities. Stocks of drugs have been built up, in particular, chloroquine produced by a pharmaceutical group based in Morocco. Moroccan companies specializing in the manufacture of medical equipment (e.g. ventilators) have also been approached by accelerated procedures. Industrial companies have been able to readjust their production tools and processes to produce ventilators and face masks.

The territorial coverage of tests and analyses has been widened and extended to University Hospital Centers in different regional metropolises and military hospitals. Finally, free access to care was assured, including screening, testing and treatment in hospital; and even payment for quarantining in hotels where persons had to be isolated.

The impact of the crisis

The economic consequences of the crisis have been enormous. The tourism and transport sectors, the real lungs of the Moroccan economy have been severely affected by the crisis. The Moroccan Tourism Confederation already announced a loss of 34.1 billion dirhams (approx. USD 3.5 billion) in tourism turnover in 2020, including 14 billion (USD 1.4 billion) for the hotel industry. At least 500,000 jobs and 8,500 companies directly or indirectly linked to the hotel business in the country are reported to be threatened. Recently, the Moroccan airline Royal Air Morocco, announced that they had great financial difficulties in the payment of salaries of their 3, 420 direct employees and 4,000 workers in other related branches.

Besides tourism, disruptions in global value chains could also affect the auto industry, which accounts for the largest share of Morocco's exports, with sales equivalent to 6% of GDP in 2017-2019. The slowdown in global growth could also weigh on Morocco's other exports, mainly phosphates which represents 4.4% of its GDP.

Socio-economic measures

In order to support the sections of the population most affected by the crisis, Morocco set up an Economic Watch Committee (CVE) to assess and anticipate the direct and indirect economic repercussions of COVID-19 on them.

The “Special Fund for the Management of the Coronavirus Pandemic” which was endowed with a capacity of 3% of the GDP was created. The Fund has benefited from the contributions of various private and public entities to the tune of more than 32 billion dirhams (approx. USD 3.2 billion) in donations. In addition, Morocco mobilized on April 7, 2020 an amount of USD 2.97 billion from the International Monetary Fund (IMF). This resource would allow them to limit the social and economic repercussions of the COVID-19 pandemic and to maintain an adequate level of their official reserves.

The CVE adopted a series of support and accompanying measures dedicated to workers and companies in the private sector who had been put in difficulty by the slowdown or **cessation** of activities as a result of the pandemic. The Committee announced the suspension of the payment of social security and the establishment of specific allowances for micro-businesses and the employees affiliated to the Moroccan social security.

Employees affiliated to the Moroccan Social Security who found themselves on sick leave were to receive compensation of 2,000 DH net (approx. USD200) per month, financed by the special fund for the management of the effects of coronavirus for the period from March 15 to June 30, 2020. They were also to continue benefitting from family allowances and Compulsory Health Insurance (AMO). It would also be possible for them to postpone the maturation of bank loans for the months of March, April, May and June, without paying any fees or penalties. These would be carried over to the end of the credit after the last scheduled maturity.

Companies that carried on activities but which suffered from cash flow difficulties could get an additional line of credit guaranteed by the State from the banks.

Informal economy workers as main victims of the crisis who also constitute an important part of the Moroccan economy were not forgotten. Households operating in the informal sector and which hold a card of the Medical Assistance scheme set up by Morocco for the benefit of the poor “RAMED”, benefited from subsistence aid. Families that are not affiliated to the “RAMED” but operating in the informal sector and which had lost their income because of the lockdown were also to benefit from the state subsistence aid.

Union involvement

Trade Union organizations congratulated the government for the urgent measures taken in response to the COVID-19 Crisis. They called on workers to respect the lockdown and health measures put in place as well as engage in all national initiatives deployed to mitigate the impact of the pandemic.

Despite the accompanying measures taken by the State, such as financial compensation for workers in the informal sectors and those affiliated to the National Social Security Fund (CNSS), trade union organizations called on the government to take into account the situation of a broad category of citizens who were forced to work in these exceptional circumstances to be able to have their daily livelihood.

In addition, as part of the voluntary contribution to fight the COVID-19, Moroccan trade union organizations have undertaken voluntary actions such as the distribution of protective health equipment to vulnerable sections of the population.

The unions have called on the government to take all preventive measures to ensure safe return of workers back to work.

To cope with the pandemic and limit its economic and social impacts, trade unions have also asked the State to undertake specific programs with public investments as part of a major job creating venture.