

# MEASURING THE IMPACT OF COVID-19 ON THE MENA REGION: LABOUR MARKET, FIRMS AND HOUSEHOLDS

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## Morocco COVID-19 Country Case Study

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# Morocco: COVID-19 and Labour Market Context

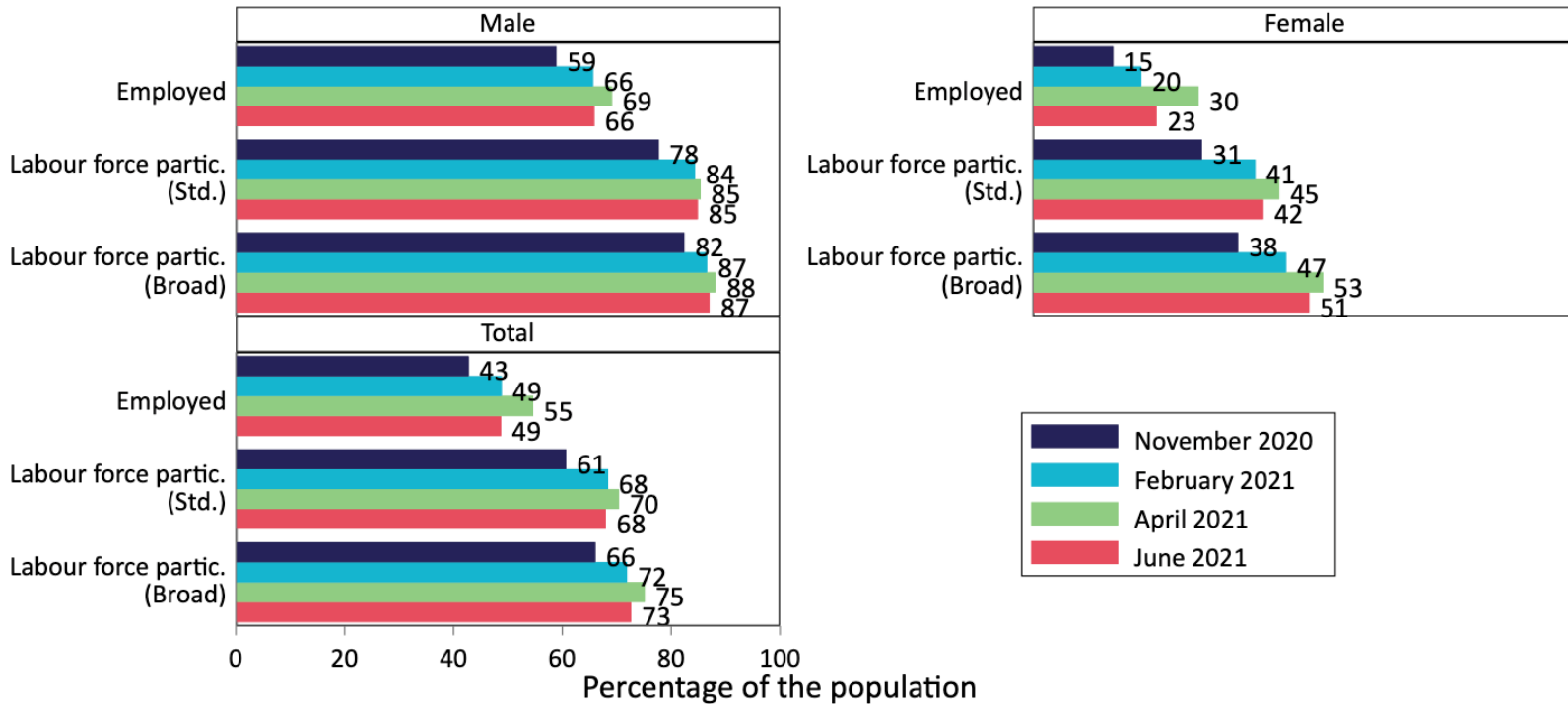


- Morocco undertook relatively stringent lockdown and closure measures in response to the COVID-19 pandemic
  - More stringent than the rest of the North Africa region and the world
- Although, at times, cases and deaths were below regional and global averages, large waves occurred in late 2020 and then with the delta variant in mid-2021
  - A substantial vaccination campaign will hopefully help reduce cases going forward
- Morocco's recession in 2020 was more severe than the world economy and Middle East and North Africa contractions
  - In part due to stringent closures, but also due to the country's exposure to global value chains and tourism, as well as drought

# Labour force participation and employment rates recovered through April 2021, but decreased again in June 2021



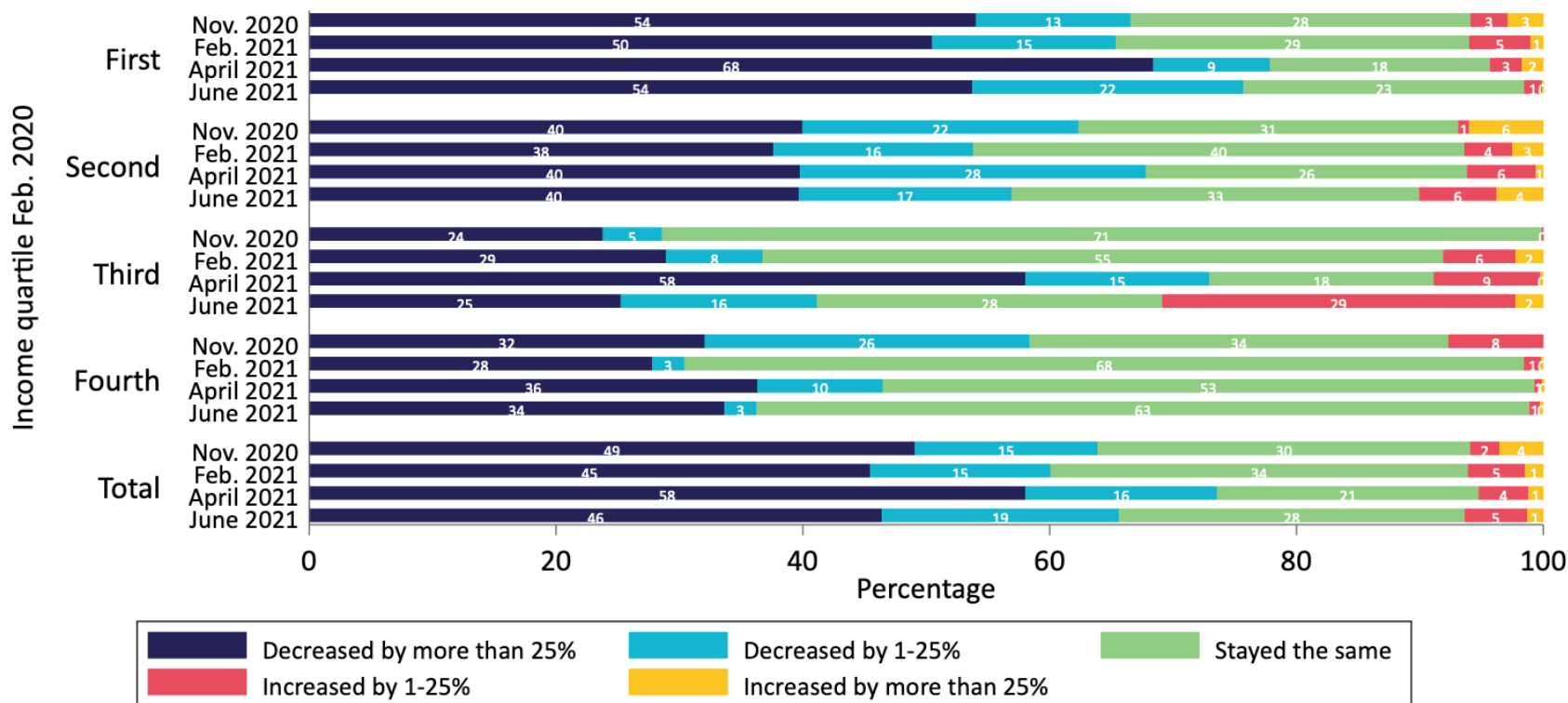
## Labour force participation rates (standard and broad) and employment-to-population ratio (percentages), by sex and wave



# Households continue to report substantial decreases in income, particularly households that were poor pre-pandemic



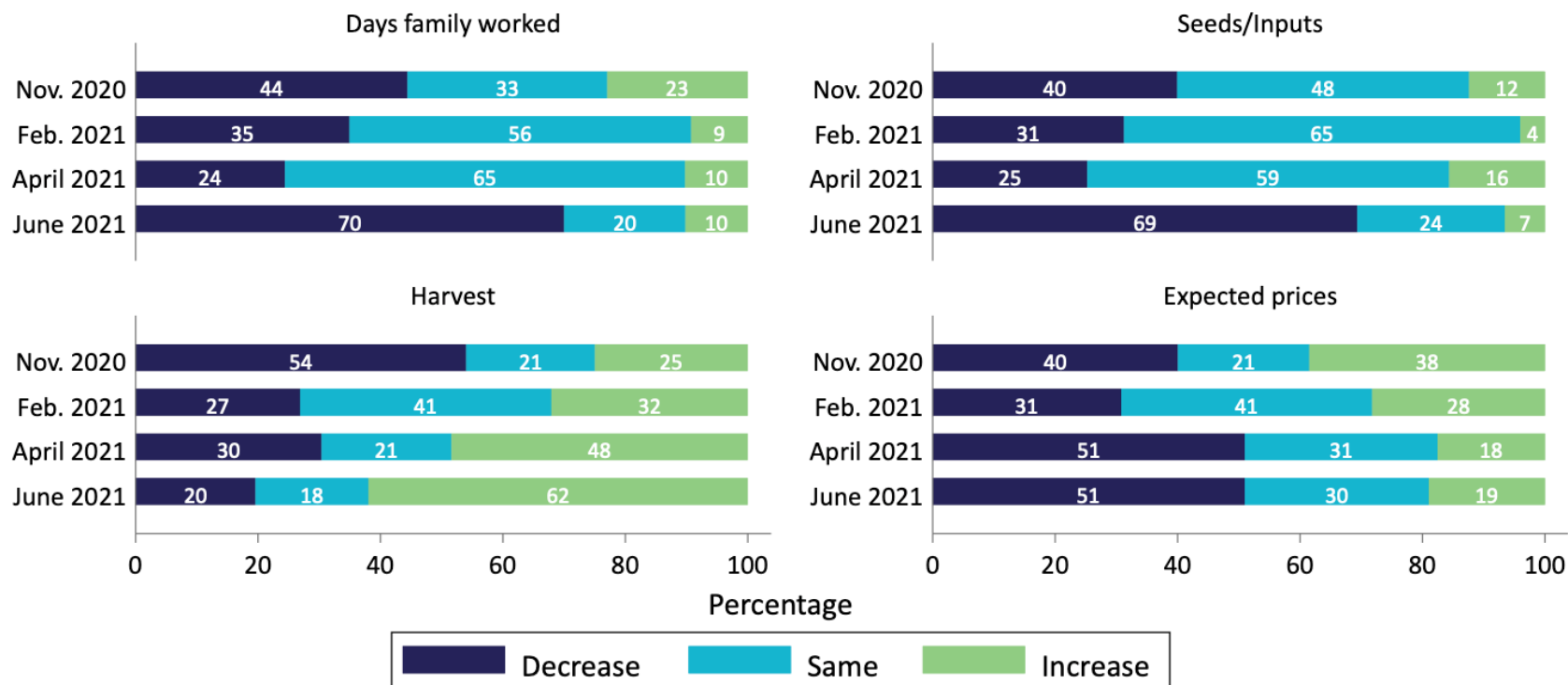
Changes in household income from February 2020 to wave (percentage of households), by income quartile in February 2020 and wave



# Farmers have struggled, but expectations for harvest have improved



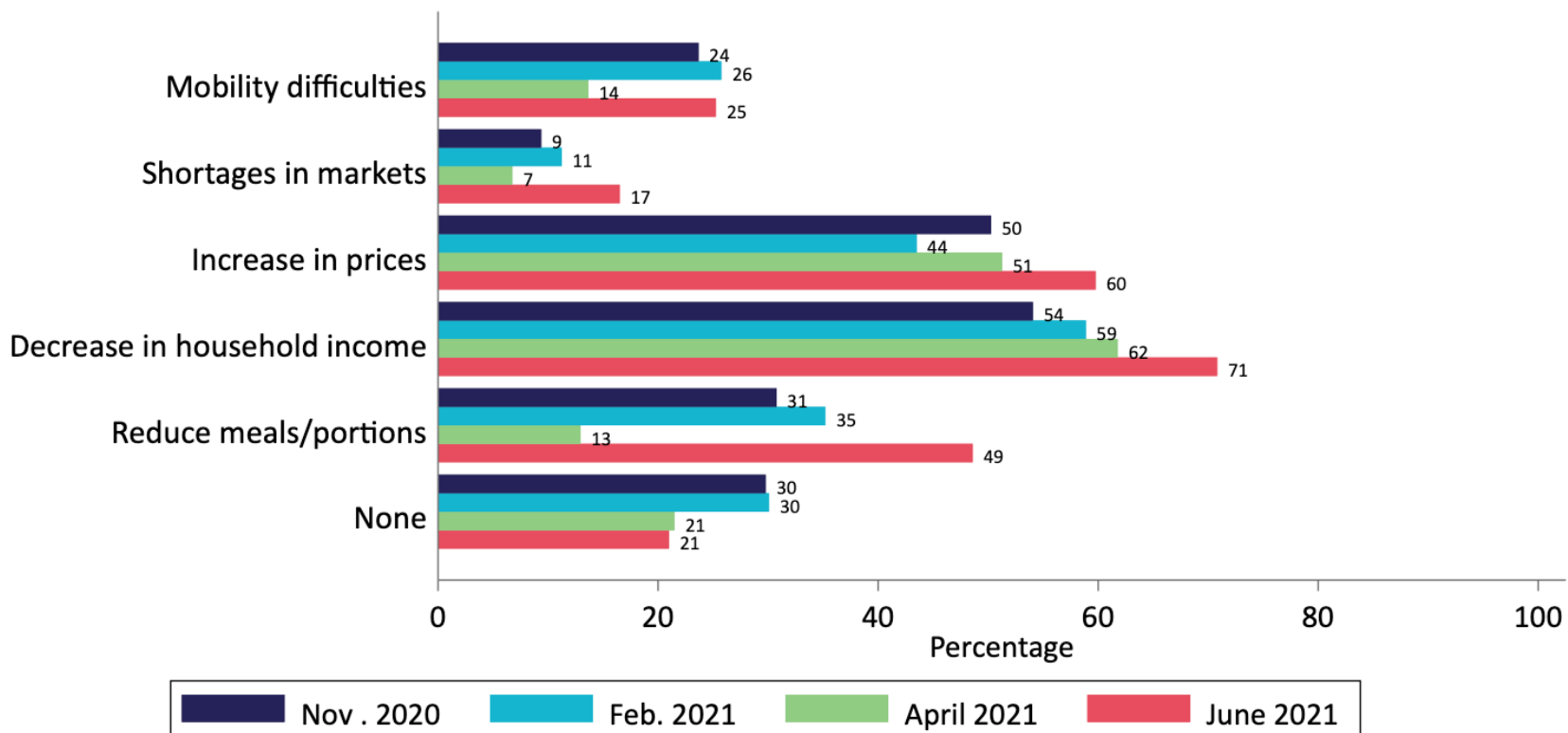
## Farmers' experiences compared to the 2019 season (percentages), by wave



# Food insecurity has increasingly affected households



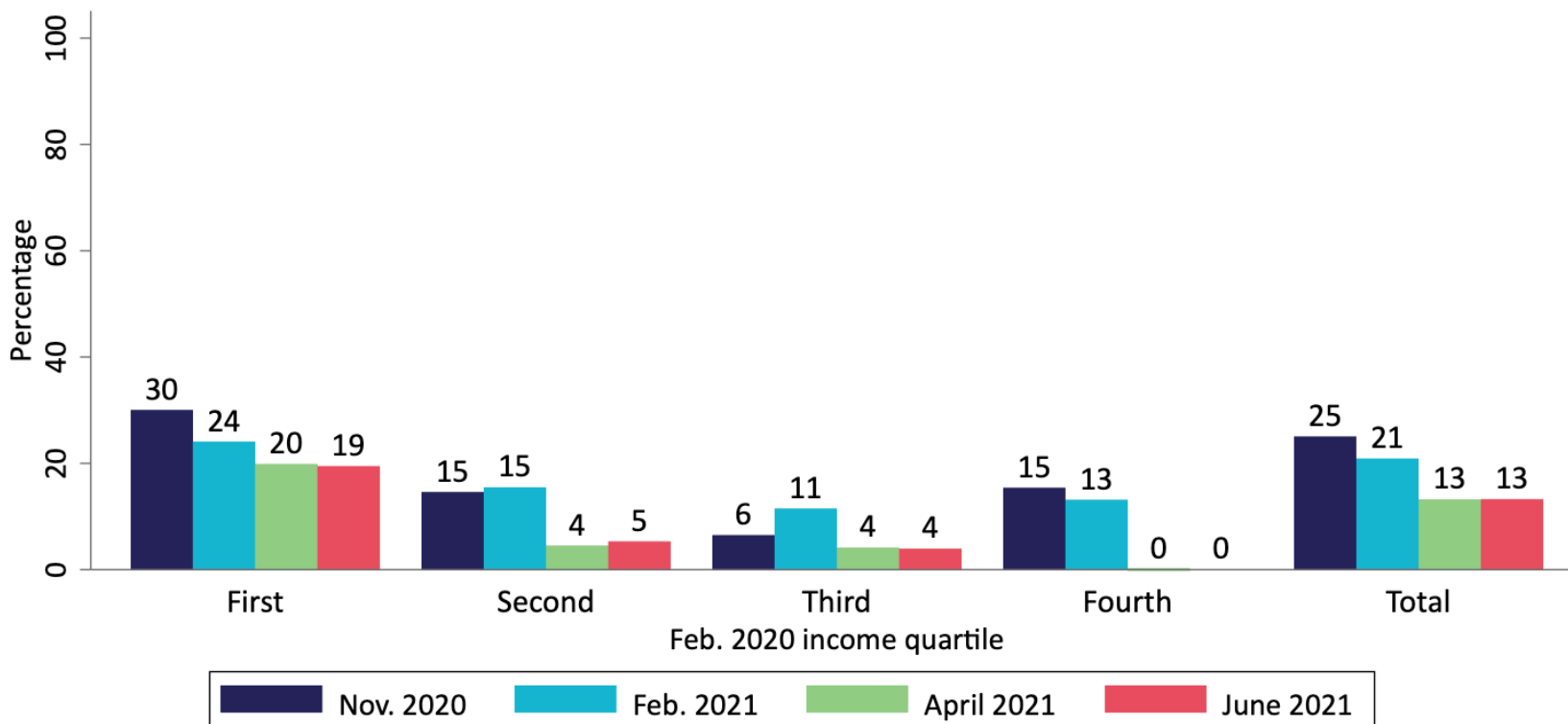
## Household food insecurity (percentage of households), by wave



# Receipt of social assistance has declined over time, but become increasingly well-targeted



## Receiving government assistance (percentage of households), by February 2020 income quartile and wave

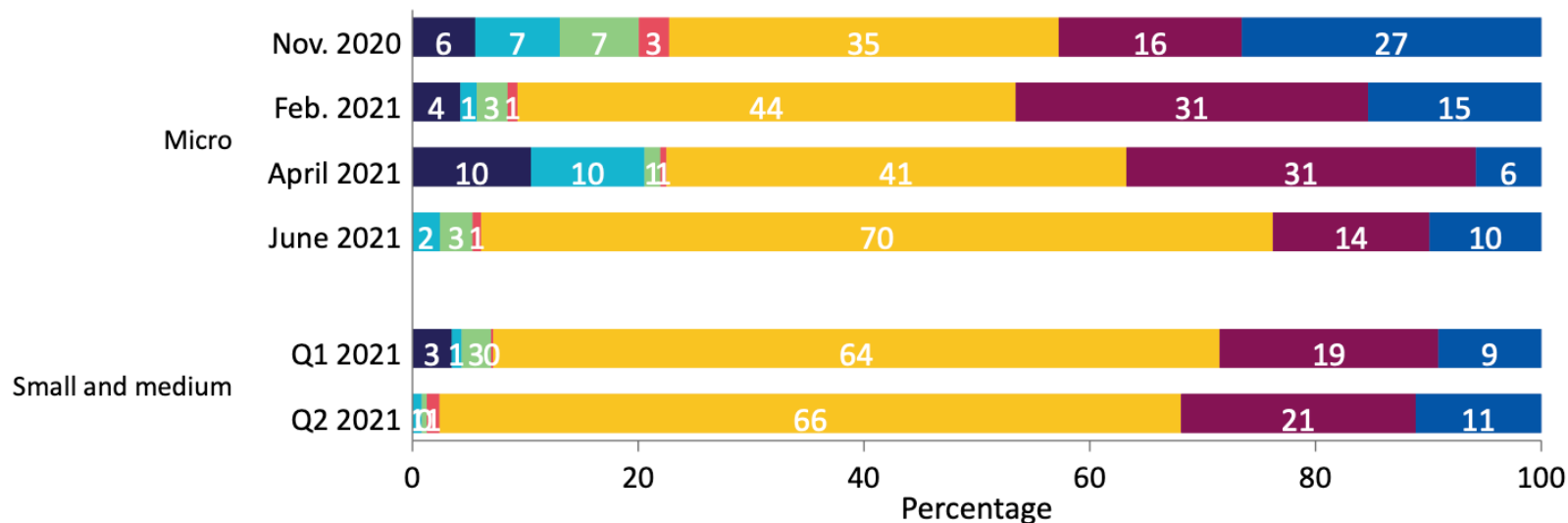




# Enterprises are increasingly open with normal hours, but a substantial share still have reduced hours



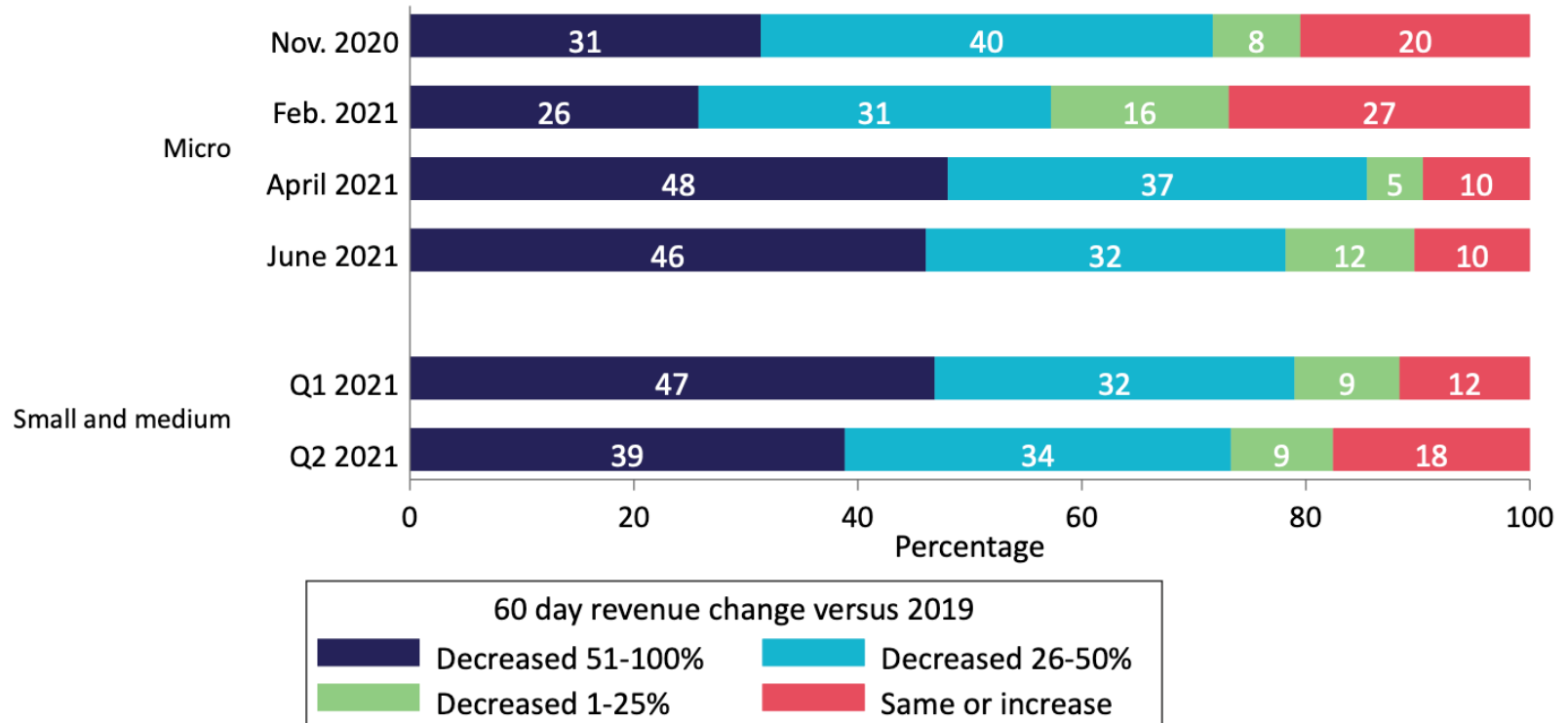
## Operational status of enterprises (percentage), by size and wave



# Enterprises report consistently depressed revenues



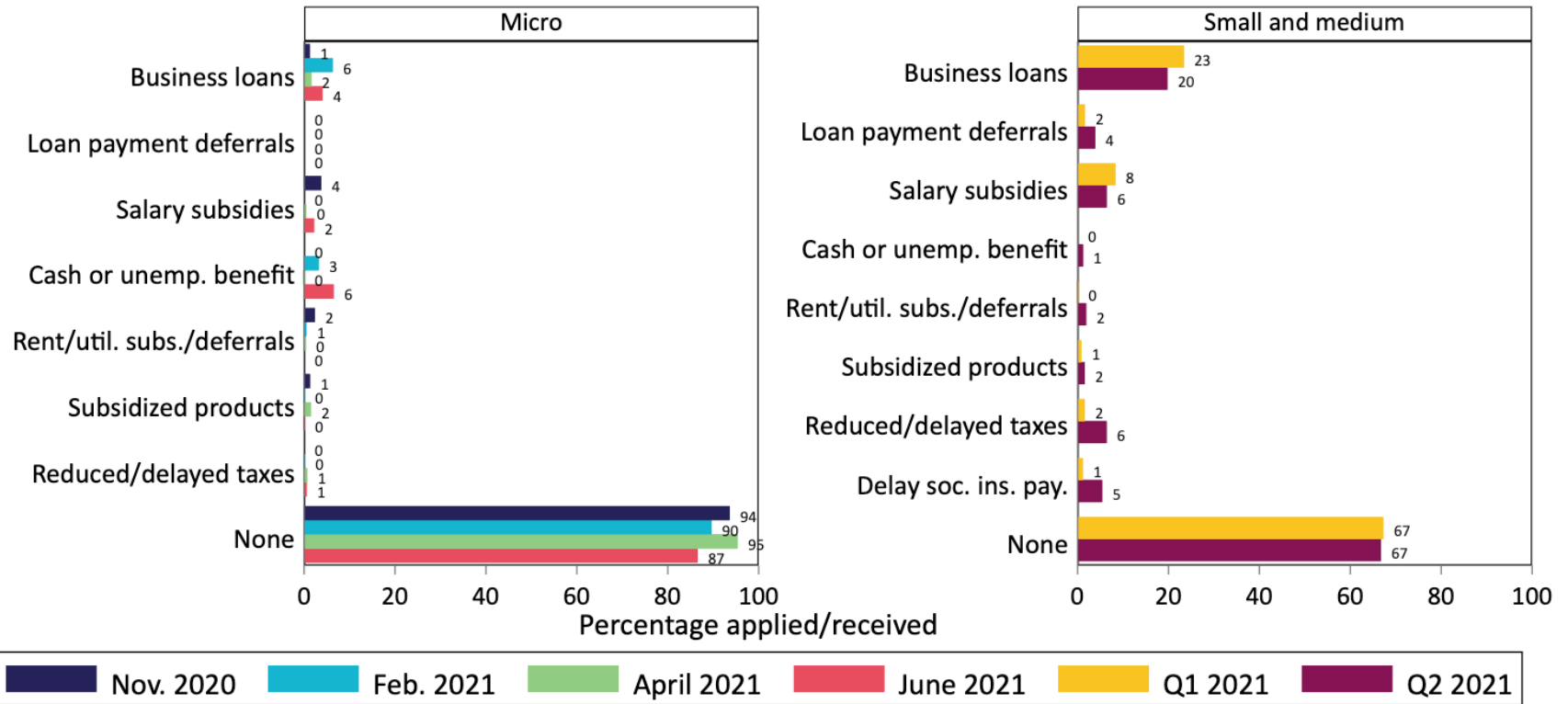
Revenue changes of enterprises, past 60 days compared to same season in 2019 (percentage), by size and wave



# Few microenterprises, some small and medium enterprises received government support, primarily loans



## Government programs received or applied for (percentage), by size and wave



# Key takeaways



- After recovering somewhat in February and April 2021, relative to November 2020, labour market indicators worsened again in June 2021
- For household income, April 2021 was worse than either February 2021 or June 2021, and even worse than November 2020
- Farmers and other self-employed individuals experienced the largest declines in incomes, followed by informal wage workers
- A minority of households received some form of government assistance during the COVID-19 pandemic
  - The reach of this assistance was highest in November 2020 and declined steadily since then, but became better-targeted
- 90 per cent of micro enterprises and 82 per cent of small and medium enterprises reported decreased revenues in the second quarter of 2021 compared to the same period in 2019.
  - The vast majority of micro firms and two-thirds of small and medium firms were not able to access any government support policies.

*Thank you for  
your attention!*



Questions?!