The COVID19 pandemic: Impact and Perspective on the Moroccan Economy

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ABSTRACT:

In this article, we discuss the impact and the perspective of the covid19 pandemic on the Moroccan economy. In the first part, we mainly focus on the most important sectors supporting the Moroccan economy which are affected by this pandemic, the chosen sectors are: tourism sector, industry and trade sector, the banking sector and energy sector.

In the second part of this article, we talk about perspectives of post covid19 Moroccan economy, where we try to give some post pandemic approaches and some future procedures and policies taken from the literature, which the decision makers are called upon to continue to apply at various levels.

Keywords:
Covid19 pandemic, Moroccan economy, sectors, impact, perspective.
Introduction

On March 12, 2020, WHO upgraded its global risk assessment of the new Corona virus to a "very high" level, which is the maximum level. The virus has evaded containment in at least four countries. But as long as the proliferation is internally, new cases will continue to emerge in countries even if they have effective containment practices. This has immediate effects on many aspects. The spread of coronavirus Covid-19 has created economic chaos. As the Chinese economy’s activity has reached low levels, as tourism in the world also fell sharply.

Morocco had known more cases of Covid-19 disease everyday, but the potential effects of this virus on the economy may be high. This will touch all its important and pivotal sectors, such as tourism, industry, trade and the financial sector, and this paper will try to provide some answers to discover it.

Our country is currently passing through an exceptional circumstance, which has cast a shadow over the lives of Moroccans in all their groups, in different cities and villages, and at all levels of their economic and social conditions. Like the rest of the world, the repercussions of the outbreak of the emerging coronavirus and its economic and social impacts sparked an unprecedented debate on economic systems, production methods, lifestyle, knowledge society and other questions of theoretical and practical dimensions at the same time.

And if the national efforts are focused at present to address the direct effects of this pandemic, as the country's living forces accelerate to take precautionary health and preventive measures, coupled with a package of economic and financial measures to mitigate. However, the importance of devotion to this effort does not prevent us from anticipating the post-Corona stage, as the issue has become a concern that concerns all countries, groups and individuals worldwide.

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1 Debora MacKenzie, How well prepared are we?, New Scientist, 7 March 2020, Vol 245, No 3272, p:6
2 MAP News Agency
https://www.mapnews.ma/ar/actualites/%D9%85%D8%AC%D8%AA%D9%85%D8%89/%D9%81%D9%8A%D8%B1%D9%88%D8%B3-%D9%88%D9%88%D8%B1%D9%88%D9%86%D8%A727-%D8%AD%D8%A7%D9%84%D8%A9-%D8%AC%D8%AF%D9%8A%D8%AF%D8%9A-%D8%A8%D8%A7%D9%84%D9%85%D8%BA%D8%B1%D8%A8-%D8%AA%D8%B1%D9%81%D8%B9-%D8%A7%D9%84%D8%B9%D8%AF%D8%AF-%D8%A7%D9%84%D8%A5%D8%AC%D9%85%D8%A7%D9%84%D9%8A-%D8%A5%D9%84%D9%89-170-%D8%AD%D8%A7%D9%84%D8%A9-%D9%85%D8%A4%D9%83%D8%AF%D8%A9
From this standpoint, it can be said that when the emergence of the new Corona virus in China, no one expected that its spread would take all these dimensions and turn into a global phenomenon, the history of mankind has not seen an example of it in terms of extension and overall impact on most parts of the globe. Especially since the nature of the epidemic imposed a new economic and social reality, given the tendency of the countries of the world to impose quarantine and enact social distancing policies.

On the national level, Morocco was at the level of the critical historical moment thanks to the pre-emptive policy ordered and accompanied by His Majesty King Mohammed VI, may God assist him. The country at the appropriate time closed the borders, declared a state of health emergency, created a committee for economic vigilance and created a special fund for solidarity and response for the epidemic with general mobilization of the central and local authorities. Whereas, these measures had the greatest effect in curbing the rapid spread of the epidemic, and the authorities allowed time margin to organize response and response measures. An important lesson from this pandemic is perhaps to identify the strengths and weaknesses of our collective response to the tremors and emergency conditions. Thus, through careful reading, it is possible to re-evaluate our opinions and positions regarding our choices and the development model that we accept for our country.

I. Impact of covid19 on the Moroccan economy

1. Tourism sector

The tourism sector is one of the most important sectors supporting the Moroccan economy, and it is one of the outlets that it works on developing and permanently investing in. It is a sector that gives a strong breath to economic and social development as an important source for bringing in foreign currency and a great source for creating job opportunities. This is why Morocco has given tourism activity during the past two decades an important place in its development policies.
However, due to the repercussions of the spread of the Corona virus, Morocco resorted to one of the most costly preventive measures by closing its land and air borders on all travelers by issuing on Sunday, March 15, 2020 a statement from the Ministry of Foreign Affairs stating the suspension of all international flights to transport travelers to and from Morocco, to an unspecified date\textsuperscript{3}.

This decision will affect the work of this sector, especially as it is accompanied by a ban that includes the most important countries from which tourists are known; Such as France\textsuperscript{4}, Italy\textsuperscript{5}, Spain\textsuperscript{6} and the United States of America\textsuperscript{7}, which will negatively affect the tourism sector, as well as the tourism sector for the month of March of 2019, which is the same timing of the suspension of flights and ferries to and from Morocco in 2020 knew entry of 294 811 tourists from France by 32%, 140 586 tourists from Spain by 15% and 59 400 tourists from Germany by 7% and 52 559 tourists from the United Kingdom by 6% and 52 504 tourists from Italy by 6% As For the total number of tourists for the month of March of 2019, it was 911 248 tourists\textsuperscript{8}, which is 10% of the percentage of tourists visiting Morocco, and this prohibition is expected to extend for more than a month, which necessitates evoking the numbers of other months. May of the year 2019, for example the arrival of 231 795 tourists from France by 32%, 116

\begin{thebibliography}{9}
\bibitem{3} Foreign Ministry statement issued on Sunday 15/03/2020 https://www.diplomatie.ma/ar/%D8%A7%D9%84%D9%85%D8%BA%D8%B1%D8%A8-%D9%8A%D9%82%D8%B1-%D8%AA%D8%B9%D9%84%D9%8A%D9%82-%D8%AC%D9%85%D9%8A%D8%B9-%D8%A7%D9%84%D8%B1%D8%AD%D9%84%D8%A7%D8%AA-%D8%A7%D9%84%D8%AC%D9%88%D9%8A%D8%A9-%D8%A7%D9%84%D8%AF%D9%88%D9%84%D9%8A%D8%A9-%D9%84%D9%86%D9%82%D9%84-%D8%A7%D9%84%D9%85%D8%B3%D8%A7%D9%81%D8%B1%D9%8A%D9%86-%D9%85%D9%8A%D9%85%D8%A8-%D8%A7%D8%A8-%D9%86-%D8%A7%D9%84%D9%89-%D8%AA%D8%B1%D8%A7%D8%A8%D9%87-%D8%A5%D9%84%D9%89-%D8%A5%D8%B4%D8%B9%D8%A7%D8%B1-%D8%AE%D8%A2-%D8%AE%D8%B1
\bibitem{4} Bruno Trévidic, Les compagnies européennes quasiment à l’arrêt, Les Echos, Mardi 17 mars 2020, p : 16
\bibitem{5} ERIC SYLVERS, GIOVANNI LEGORANO, As Virus Spreads, Italy Locks Down Country, THE WALL STREET JOURNAL, TUESDAY, MARCH 10, 2020, NO. 57, pp : A1,A9
\bibitem{6} sandrine morel, L’Espagne en état d’alerte après avoir tardé à faire face, Le Monde, DIMANCHE 15 LUNDI 16 MARS 2020, NO 23384, p : 4
\bibitem{7} Andrew Restuccia, Alex Leary, Kate Davidson, Trump Curtails Travel From Europe, THE WALL STREET JOURNAL, THURSDAY, MARCH 12, 2020, NO. 59, pp : A1,A7
\bibitem{8} Statistics on tourism in Morocco March 2019, Moroccan Ministry of Tourism, p. 5.
https://www.tourisme.gov.ma/sites/default/files/tbnat_03_19_arabe_2.pdf
\end{thebibliography}
596 tourists from Spain by 16%, 42,113 tourists from Germany by 6%, and 44,231 tourists from Italy, at the same rate, with a total of 724,126 tourists\(^9\).

These measures portend a significant decline that the sector will know this year due to the spread of the Corona pandemic and will inevitably affect the gross domestic product and create jobs, the tourism sector is the second contributor to the gross domestic product and the creation of jobs where tourism contributes about 11% of GDP. The sector is also an important source of providing employment opportunities to approximately 532,000 citizens directly, according to 2017 figures, which represents about 5% of the total employment rate in Morocco\(^10\).

The disruption of the sector will also affect Morocco's income from foreign currency, in addition to remittances from Moroccans residing abroad, where the revenue collected by non-resident tourists who stayed in Morocco in 2017 was estimated at 71.9 billion dirhams. These revenues represent about 19% of foreign currency resources\(^11\) for the Moroccan economy.

Air transport, in turn, will be affected by this decline, which will be known by the tourism sector. Because of Morocco's announcement to close its land and air borders to all travelers, Royal Air Maroc had to suspend its foreign and domestic flights as well, this company, whose turnover is estimated at 16.7 billion Dirhams in 2018, with a total of 7.5 million passengers\(^12\), will experience significant losses due to the suspension of their flights.

2. Industry and trade sector

In addition to the tourism sector, the industrial sector will also be affected in light of the widespread Corona epidemic; The virus threatens to cut 35 percent of Nissan's annual profits, putting its alliance with Renault under severe financial

\(^10\) Ministry of Tourism and Handicraft figures: https://www.tourisme.gov.ma/ar/node/166
\(^11\) Ministry of Tourism and Handicraft figures: https://www.tourisme.gov.ma/ar/node/166
pressure. The slowdown in China may force the third largest auto group to expand job cuts, close more factories and sell assets in an attempt to restart a 21-year-old partnership.13

One of the biggest threats posed by the outbreak of the Corona Virus among global auto groups comes from its heavy reliance on hundreds of components made in China. With sales collapsing in the United States and elsewhere, China has contributed up to 70 percent of the group's operating profit.14

The group also thanks to the outbreak of the virus and the announcement of a state of health ban in France, Spain and Italy, as it witnesses the suspension of industrial activities in 12 locations that know 18,000 employees in France. And Spain, where it closed four factories to "protect workers" in Valladolid, Valencia and Sevilla, which extended to Morocco by also closing the Renault factories in Morocco after implementing a comprehensive health ban, in Tangier and Casablanca, starting on Thursday 19 March. This measure concerns about 11 thousand workers distributed among its factories, and comes after the beginning of the spread of the Corona epidemic in Morocco.15

It is worth noting that the Renault / Nissan alliance is the largest investor in the automotive industry in Morocco, as is expected from the new project of the company worth 10 billion dirhams, in which both Renault and its other suppliers are involved in creating 50,000 highly skilled permanent jobs, This represents three times the number of users currently by the group.16 However, the auto industry is expected to be affected for an important period. In light of both the internal crisis between Renault and Nissan, as well as the negative effects of the

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13 KANA INAGAKI, DAVID KEOHANE, FINANCIAL TIMES Europe, Monday 9 March 2020, p:8
14 KANA INAGAKI, DAVID KEOHANE, FINANCIAL TIMES Europe, Monday 9 March 2020, p:8
15 Julien Dupont-Calbo, Renault, PSA et Michelin coupent le contact, Les Echos, Mardi 17 mars 2020, NO : 23160, p: 17
17 A statement by the Moroccan Ministry of Industry and Trade, the new Renault project in Morocco: 10 billion dirhams in total investment, 50,000 jobs, 09-03-2020
http://www.mcinet.gov.ma/ar/content/%D9%85%D8%B4%D8%B1%D9%88%D8%B9-%D8%B1%D9%88%D9%86%D9%88-%D8%A7%D9%84%D8%AC%D8%AF%D9%8A%D8%AF-%D9%81%D9%8A-%D8%A7%D9%84%D9%85%D8%BA%D8%B1%D8%AA-10-%D9%85%D9%84%D8%A7%D9%8A%D9%8A%D8%B1-%D8%A8%1%D9%87%D9%85-%D9%83%D8%A7%D8%AA%D8%A8%D9%85%D8%A7%D8%B1-%D8%A5%D8%A9%D9%85%D8%A7%D9%84%D9%8A%D8%8C-50000-%D9%85%D9%86%D8%85%D8%A8-%D8%B4%D8%BA%D9%84-%D9%88%D8%B8%D9%8A%D9%81%D8%A9
Corona virus on the economic group, in the best cases it may be delayed or reduced to make this project, in line with the nature of the internal crisis and the context of its interaction with the virus that made the group aim to expand job cuts and close More factories and sale of assets, which may extend to Morocco as well.

Both the industry and trade sector will be affected by the decline in China’s exports in the first two months of this year, as the outbreak of the Corona virus disrupted global supply chains, decreased commercial activity and prevented transportation to the second largest economy in the world, as China's total exports shrank by 17.2 percent during the month of January and February 2020\(^{18}\). Imports also decreased by 4 percent, which was shown by official figures showing that China recorded a trade deficit of $ 7.1 billion in the first two months of 2020\(^{19}\). Although China has passed the peak phase of the virus, the industrial sector data shows a slow recovery as Most of the activity is still significantly below normal levels\(^{20}\).

China's imposition of strict quarantine measures and travel restrictions on large areas of the country caused its foreign trade numbers to decline after factory activity fell to a record level in February 2020, indicating a massive contraction in industry and service sector activity. Although more than 80 percent of the 2,552 foreign trading companies in China are returning to work, according to the China Customs Administration, less than a third of small and medium-sized companies, which employ about 80 percent of the workforce in China, operate normally, as told by The Ministry of Industry and Information Technology last March\(^{21}\). However, it was operating at 20% of the actual production capacity\(^{22}\).

This situation will have impacts on Morocco, as Morocco depends on China for its trade exchanges in order to provide raw materials for an important sector in the

\(^{18}\) Sue-Lin Wong, Chinese exports tumble 17% as outbreak takes its toll, FINANCIAL TIMES Europe, MONDAY 9 MARCH 2020, p: 2

\(^{19}\) Sue-Lin Wong, Chinese exports tumble 17% as outbreak takes its toll, FINANCIAL TIMES Europe, MONDAY 9 MARCH 2020, p: 2

\(^{20}\) HUDSON LOCKETT, HONG KONG RYAN MCMORROW, China struggles to resume life as normal, financial times Europe, 21 March/22 March 2020, p: 3

\(^{21}\) Sue-Lin Wong, Chinese exports tumble 17% as outbreak takes its toll, FINANCIAL TIMES Europe, MONDAY 9 MARCH 2020, p:2

industry, as well as for the provision of goods for the trade and services sector, as it is the third trade partner for Morocco with a total trade volume of 39.5 billion dirhams in 2016. Which has increased by 18.2% since 2001; Chinese foreign direct investment in Morocco reached 362.5 million dirhams in 2016 and 582.4 million dirhams in the first six months of 2017, twice the amount achieved in 2016.

Chinese exports to Morocco focus mainly on textile products, industrial devices and tea, while phosphates and marine products are the most important Moroccan products exported to China, and any disruption in the supply lines may cause an imbalance in the materials that are exchanged commercially, which may affect the prices, which may witness a significant increase. If the outbreak continues, despite the Moroccan authorities' assurances to ensure the flow of essential supplies. Moroccan companies will be affected either by reducing their dealings due to the local health ban, as well as by the great dealings with countries having health ban, especially the strategic partner of Morocco, the European Union and specifically France, according to the statistics of the Directorate of Studies and Forecasts of the Ministry of Economy, Finance and Administrative Reform, France remained between 2012 and 2018 is the first investor in Morocco with a 28% share. Between 2018 and 2019, it also became the second investor in Morocco, In 2018, FDI inflows from France amounted to 8.1 billion dirhams, an increase of 4.9%, which would make Moroccan companies necessarily affected

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23 6TH MOROCCO-CHINA TRADE, ECONOMIC AND TECHNICAL COOPERATION JOINT COMMITTEE,

24 The French Employers' Association and the General Confederation of Moroccan Enterprises organize the French-Moroccan Economic Forum
by the French companies that are already affected by the outbreak of the Corona virus, which prompted Emmanuel Macron to announce that he had put 300 billion euros to guarantee all the loans that companies will seek to obtain from banks. Especially for those who have had to stop their activities or those who have lost at least 70% of their sales volume\textsuperscript{25}.

3. The banking sector

Moreover, the banking sector will suffer from the spread of Corona virus. This is due to two main factors, the first external being the damage of Moroccan partners in the banking sector, most notably France As European banks suffered a sharp decline in the stock market. Among them are the large French groups that have been the main decline. SOCIETE GENERALE shares decreased by 6%, BNP Paribas and Natixis by 5.5%, and Crédit Agricole by just over 4% on Friday 06/03/2020\textsuperscript{26}. The proceeds of BNP PARIBAS shares for the whole of the month 03/2020 are estimated at -38.48\%\textsuperscript{27}, and SOCIETE GENERALE is estimated at -39.55\%\textsuperscript{28}.

Since the first outbreaks of the Coronavirus in Europe, the Euro STOXX Banks Index, which includes the main banking stocks in the Eurozone, has lost around 25\%. It reached its lowest level since the sovereign debt crisis in 2012. During this period, Societe Generale shares fell 31\%, which equates to gains for nearly a year, and the value of BNP Paribas shares fell by nearly 27\%\textsuperscript{29}. This prompted the European Central Bank with an emergency program worth 750 billion euros to satisfy the European bond markets\textsuperscript{30}, and in France, a 300 billion euro rescue plan.

\textsuperscript{25} Alain Ruello, Renaud Honoré, Ingrid Feuerstein, 300 milliards d'euros sur la table pour les crédits aux entreprises, Les Echos, Mardi 17 mars 2020, NO 23160, p : 4
\textsuperscript{26} Romain Gueugneau, D'autres experts sont plus pessimistes encore une semaine noire pour les banques en Bourse, Les Echos Lundi 9 mars 2020, p : 29
\textsuperscript{27} https://www.boursorama.com/cours/1rPGLE/
\textsuperscript{28} https://www.boursorama.com/cours/1rPGLE/
\textsuperscript{29} Romain Gueugneau, D'autres experts sont plus pessimistes encore une semaine noire pour les banques en Bourse, Les Echos Lundi 9 mars 2020, p : 29
\textsuperscript{30} Guillaume Benoit, Le plan d'urgence de la BCE rassure les marchés sur la cohésion de la zone euro, Les Echos, 20, 21 mars 2020, NO : 23163, p : 28
was concluded to guarantee all the new loans that banks would require to provide to companies\textsuperscript{31}.

This prompted the Board of Bank Al-Maghrib to meet on 3/17/2020 to study the recent developments that characterized the economic circumstance as well as the macroeconomic expectations that coincided with Covid-19 globally. The Council pointed out that the rapid development witnessed by this epidemic calls for continuous updating to assess the situation and the future economic expectations\textsuperscript{32}. This also prompted Bank Al-Maghrib to take measures after these evaluations and to avoid high inflation in the medium term. In order to support the Moroccan economy, the Board of Directors of Bank Al-Maghrib decided to reduce the main interest rate by 25 basis points to 2 per cent while continuing to follow all developments that occur\textsuperscript{33}.

This situation may contribute to reducing investment projects and increasing bad debts. It increases the cost of risks for banks, and thus affects their future results. Especially since it is accompanied by a decline in the stock market, which also has an impact on market activities, and this is not only within Europe and France, but its impact will reach the countries in which these banks invest, and comes at the forefront of these countries, Morocco, which is a strategic partner, and a vital market for investment, Also, this strong shake-up that is taking place for European banks in general and French in particular will affect the nature of its performance in Morocco, especially as the banking sector has become a strategic partner for Morocco in major development projects, one of which is the integrated program "Intilaqah" (Start) to support and finance enterprises, in which we find that the banking sector is the strategic partner For the state to make this program a success, as the banking sector is damaged, this ambitious program may expose it to a contraction or a slowdown\textsuperscript{34}.

\textsuperscript{31} Alain Ruello, Renaud Honoré, Ingrid Feuerstein, 300 milliards d’euros sur la table pour les crédits aux entreprises, Les Echos, Mardi 17 mars 2020, NO 23160, p : 4
\textsuperscript{32} Bank Al-Maghrib meeting - March 17, 2020: http://www.bkam.ma/ar/content/view/full/574014
\textsuperscript{33} Bank Al-Maghrib meeting - March 17, 2020: http://www.bkam.ma/ar/content/view/full/574014
\textsuperscript{34} Ministry of Finance website
https://www.finances.gov.ma/ar/Pages/%D9%85%D8%B3%D8%AA%D8%AC%D8%AF%D8%A9.aspx?fiche=4756
4. Energy sector

The energy sector may be the only sector that Morocco can benefit from due to the outbreak of the Coronavirus. By virtue of the fact that Morocco is not an oil producer, but is included among the consuming countries, the low price of a barrel is in its interest, as it limits its spending in dollars, which positively affects the value of the local currency by raising the margin of its liberalization to 5% on March 9, 2020.

Crude oil prices recorded their worst day since the financial crisis. On March 6, 2020, the global benchmark Brent crude recorded the largest one-day drop since December 2008, falling 9.4 percent to $45.27. US crude futures fell 10.1 percent to $41.28 a barrel, the biggest one-day drop since November 2014.35

Two days later, oil fell sharply to its lowest level in several years when futures trading opened on the evening of March 8, 2020 in New York, with US crude futures falling 31 percent to $28.56 a barrel. Brent crude, the global price index, fell 29% to $32.28 a barrel in the wake of a significant drop two days earlier, which was its worst day since the financial crisis more than a decade ago.36

II. Perspectives of post covid19 Moroccan economy

In this context, it can be asserted that there are institutional approaches to our future choices, which are based on starting from the value constants of Moroccans and investing and strengthening them in a positive framework that enhances the strength of belonging and the level of cohesion among the people. This framed system must take advantage of the Moroccan peculiarity and the common human, and the firm belief in the ability of this nation to rise and lead, and make justice, equality and equal opportunities among Moroccans a fundamental determinant, along with victory for the values of work, quality, workmanship and solidarity.

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35 David Hodari, Summer Said, Benoit Faucon, Oil Skids As Russia Balks at More Cuts, THE WALL STREET JOURNAL, SATURDAY/SUNDAY, MARCH 7 – 8, 2020, NO. 55, p:B1
36 BENOIT FAUCON, SUMMER SAID, Oil Sinks As Saudis, Russia Clash THE WALL STREET JOURNAL, MONDAY, MARCH 9, 2020, NO. 56, pp :A1,A9
1. Risk mitigation options

The spread of this epidemic in Morocco will directly affect its vital sectors, especially tourism, industry, trade, transport and the banking sector. The Moroccan economy will also be affected indirectly, given that the most important strategic partners of Morocco have been significantly affected; As the numbers began to warn from now shrinking gross domestic product, whether in China or Europe, which would negatively affect the situation if it remained the same or worsened the Moroccan GDP, which in turn may affect the major projects and important workshops launched by Morocco; As it may cause slow pace, it can also hinder the completion of some projects that depend on the banking sector as an important partner for their implementation, such as the integrated program to support and finance the enterprises, which is the banking sector a pivotal partner in its success.

Morocco is trying to mitigate this effect by providing financial resources to avoid the effects of the spread of this virus on the Moroccan economy. The King has announced the creation of the “Corona Virus Pandemic Management Fund”, which includes - the amounts paid from the public budget - contributions of earthen groups - contributions of public enterprises and enterprises - contributions of the private sector, which mainly aims to rehabilitate the health system and related expenses With the support of the national economy in order to face the effects of the spread of the Corona virus, the expenditures related to maintaining jobs and mitigating the collective repercussions of the spread of the Corona virus\(^{37}\), which reached to the limits of March 24, 2020, amounted to about 23.5 billion dirhams\(^{38}\).

The response to the creation of this fund by the Moroccan political and economic elites showed the extent of national cohesion behind the political leadership in

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\(^{37}\) MAP News Agency, 23 March 2020

\(^{38}\) https://www.mapnews.ma/ar/actualites/%D9%85%D8%A8%AA%D9%85%D8%89/%D9%81%D9%8A%D8%B1%D9%88%D8%B3-%D9%83%D9%88%D8%B1%D9%88%D9%86%D8%A7-%D9%85%D9%88%D8%A7%D8%B1%D8%AF-%D8%A7%D9%84%D8%B5%D9%86%D8%AF%D9%88%D9%82-%D8%A7%D9%84%D8%AE%D8%A7%D8%B5-%D8%A8%D8%AA%D8%AF%D8%A8%D9%8A%D8%B1-%D8%AC%D8%A7%D8%A6%D8%AD%D8%A9-%D9%81%D9%8A%D8%B1%D9%88%D8%B3-%D9%83%D9%88%D8%B1%D9%86%D8%A7-%D8%A8%D9%84%D8%BA%D8%AA-%D8%AD%D9%88%D8%A7%D9%84%D9%8A-235-%D9%85%D9%84%D9%8A%D8%A7%D8%B1
order to overcome the effects of the Corona epidemic through the size of financial contributions, but it is difficult for this fund to deal alone with the effects of the spread of this epidemic, because the effects will be significant on many economic sectors.

Bank Al-Maghrib expects that the non-agricultural activities will decrease to 2.9 percent, and in 2021, growth is expected to recover to 3.8 percent, with the agricultural value added by 8.1 percent, taking into account the assumption of a cereal harvest of 75 million quintals. However, Bank Al-Maghrib itself realizes that the aforementioned expectations are surrounded by a great deal of skepticism and can be reduced, if the outbreak of “Covid 19” is not contained at the international national level at the earliest39.

Hence, in the event that the expansion of the Corona virus has not been curbed, the signs of a new global economic crisis are approaching and will overshadow the fragile global economic system, this will affect Morocco because of its involvement in the international trade system, and the impact may be doubled on Morocco, as the crisis will coincide with an agricultural year characterized by drought, which may deepen the effects of the crisis.

2. Post- Covid19 approaches

From this standpoint, the economic and societal choices beyond Covid19 must take into consideration the following basic approaches:

- Re-consideration of the national character of the economy, in terms of options that would enhance national self-capabilities and make the solid core of the economy ensure the continuity of its cycle, less affected by international turmoil and fluctuations.

- Building a knowledge economy by accelerating the pace of owning the tools of scientific and technological knowledge. The construction of a digital Morocco is linked to the availability of a political will that translates through legal procedures and clear and strong rulings in the field of building major databases and encouraging digital interaction in administrative, economic and social life.

39 Bank Al-Maghrib meeting - March 17, 2020: http://www.bkam.ma/ar/content/view/full/574014
Preparing an integrated social strategy to restore consideration for the social sectors, which are pillars of each developmental model, such as education and health, by strengthening the health system and opening the door for studied partnership between the public and private sectors. Providing stimulating conditions for scientific research, strengthening educational structures, and ensuring their quality and keeping pace with scientific and cognitive developments.

Enhancing the substitution industry and improving its consumption and demand conditions, by giving a new start to the quality system of the Moroccan product and the mark “made in Morocco”.

Putting an end to the phenomenon of the informal sector due to its negative effects on the structure of the economy in general and its urgent integration into the organized economic cycle, depending on the appropriate incentive measures and on modern technological technologies.

At the international level, it is better to go to the new markets because of the promising opportunities for Moroccan products, and what this requires in terms of building economic relations with a win-win logic.

3. Future procedures and policies

These basic approaches and determinants are arguably linked to many of the procedures and steps that we are called upon to continue to apply at various levels:

At the level of economic choices and governance: it has become vital to set priorities in a forward-looking logic that considers major trends and contexts at the international level and takes into account geostrategic, demographic, environmental, technological and cultural variables. With setting a national plan for the transition towards a knowledge and innovation economy, stimulating scientific research, encouraging a green and sustainable economy, and working to find permanent alternatives to natural resources.

At the level of qualification of the human element: Prioritizing the development of human capital according to a perspective that takes into account scientific advances and the technological and digital boom, and encourages the
development of new occupations and cognitive skills for children and young people.

- On the level of tax justice and project financing: The tax system must be reviewed in a manner that encourages innovation and investment, and in the same direction, reducing the arsenal of obtaining project financing loans.

- At the level of improving the investment and business climate: The competitive culture that breaks with monopoly, concessions and rent should be encouraged, and effective mechanisms for partnership between the public and private sectors should be established. On the basis of the higher benefit of the country, as it requires an investment and business climate.

- On the level of keeping pace with the small and medium enterprise: setting a national program between the two sectors to rehabilitate and encourage entrepreneurial thought among the middle classes because of its role in creating social, political and economic balance within the country and because of its impact on the internal demand that all economists consider as a "dynamo of development".

- At the level of the productive sectors: Achieving self-sufficiency by encouraging substitution industries, especially in the food and medical fields, and creating solidarity industrial zones capable of integrating small and medium enterprises. It is also necessary to work on preparing directorate plans for trade and strengthening regional infrastructure for the development of the commercial sector. With the necessity of reviewing the national goals for logistic in the service of territorial and sectorial development that contributes to decoupling the isolation and enhancing the interconnection between the regions of the country.

- On the level of trade exchange: reassessment of Morocco's foreign policy and strengthening the national trend towards alternative markets with a review of free trade agreements.

**Conclusion**

In conclusion, it can be said that the new data that the Corona pandemic produced, will allow the collective intelligence of Moroccans to turn it into opportunities to evaluate the path of development and give a new breath to the process of building
and development, relying on this to clarify the vision and ensure the convergence and take into account the territorial dimension and the participatory and solidarity approach, with anticipation The permanent future of the world and the cultural and geostrategic stakes in a discreet and profound manner.

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