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Non-contributory social protection through a child and equity lens in Morocco[1]

International Policy Centre for Inclusive Growth (IPC-IG)

Morocco is a lower-middle-income country in North Africa. In 2016 its population was estimated at 35.27 million, of whom 10 per cent (3.5 million) are under the age of 5 and 32 per cent (11.4 million) are under the age of 18. Although its poverty rate fell from 15.3 per cent in 2001 to 4.8 per cent in 2014, regional disparities remain a cause for concern, since 74 per cent of the poorest population are concentrated in only 5 of the 12 regions.[2] Morocco's Human Development Index was 0.647 in 2015, which is above the average for countries in the medium human development group.

Moroccan children are disproportionally affected by poverty. The National Observatory of Human Development (*Observatoire Nationale du Développement Humain*—ONDH) estimates that 4.4 per cent of children were living in households with a consumption level below the national poverty line in 2015. An additional 14.4 per cent were living in households just above this threshold but below the national vulnerability line, meaning that they face a high risk of falling into poverty in the event of a shock. Moreover, almost 40 per cent suffer from multidimensional poverty (69 per cent in rural areas, compared to 17 per cent in urban areas).

The country adopted a new Constitution in 2011, which launched a series of structural reforms, including in the domain of public finance, governance, public administration, regionalisation and social protection.

Despite recent efforts to improve the efficiency of social spending and shift from fuel subsidies to more targeted social protection schemes, energy subsidies still represented approximately 75 per cent of public expenditures on social safety net programmes in 2016, which corresponds to 1.4 per cent of GDP, down from 4.6 per cent in 2013.

The Moroccan social protection system can be divided into three parts: (i) contributory services (e.g *Caisse Nationale de Sécurité Sociale, Caisse Marocaine des Retraites and the Régime Collectif d'Allocation de Retraite*), which are mainly available for formal-sector workers; (ii) partially contributory (*Regime d'Assistance Médicale*—RAMED); and (iii) non-contributory schemes, which are the focus of this study. In addition, the National Initiative for Human Development (*Initiative Nationale pour le Développement Humain*—INDH) is worth noting: a social investment mechanism implemented by the government to co-finance projects and activities aiming to reduce poverty and inequality.

In the health sector, the National Health Insurance Agency (*Agence Nationale d'Assurance Maladie*—ANAM) is responsible for both regulating the contributory health insurance scheme (*Assurance Maladie Obligatoire*—AMO) and managing the public resources allocated to RAMED. RAMED health care services are provided for those who are not entitled to benefits from the contributory system. In 2016 the scheme reached 6.3 million users with active cards. In fact, RAMED was an important step towards the universalisation of health care in Morocco, reaching both urban and rural areas. The programme is non-contributory for households classified as poor. A yearly contribution is required of those classified as vulnerable (maximum of MAD600 per household). According to the Moroccan Ministry of Economy and Finance, the rate of card renewal is relatively low, especially among vulnerable families. In November 2016, 4 million registered beneficiaries had inactive cards (out of 10 million registries). In addition, the government subsidises and reimburses the cost of drugs, as provided in Decree no. 2-13-852 of 2013.

Over the last 10 years the Government of Morocco has been improving its focus on mothers and children through both unconditional and conditional cash transfers. The country's flagship programme, *Tayssir*, is a geographically targeted conditional cash transfer which reached 716,350 students in the 2016-2017 school year.

All children in targeted areas are eligible, and each beneficiary family is entitled to claim the benefit for up to three children, while the level of the benefit increases according to the child's school grade. In the 2013-2014 school year, government expenditure on the programme was MAD713 million.

The Direct Assistance to Widows (*Programme d'Aide Directe aux Veuves en Situation de Précarité*) and the Mutual Family Support Fund (*Fond d'Entraide Familiale*) are both unconditional transfers targeted at female-headed households to support families whose father is absent. Although the coverage of these programmes is relatively low (approximately 72,662 households in 2015 and 3,600 in 2014), they were designed to improve children's well-being and should be considered a basis for the development of more comprehensive programmes reaching all vulnerable children in the country.

Two other initiatives with a focus on school-age children are worth mentioning: the *Initiative 1 Million de Cartables*, a national programme supporting children's access to education by providing vulnerable children with school materials and supplies, reached 4 million children in 2016-2017, while the school feeding programme *Cantines Scolaires* reached 1.25 million students at the beginning of the school year 2017/2018.

Morocco's social protection system is characterised by fragmentation and weak coherence in terms of targeting. This results in little coverage of vulnerable categories of children, including those out of school and of pre-school age. Overall, several programmes exist in Morocco which focus on children or are at least child-sensitive in their design. However, the coverage of cash transfer programmes in particular needs to be increased to include the most vulnerable children in the country.

Notes:

1. This One Pager is taken from a comprehensive study developed in partnership between the IPC-IG and UNICEF MENARO. All data are thoroughly referenced in the full report:

Machado, A. C., C. Bilo, R. G. Osorio, and F.V. Soares. 2018. *Overview of Non-contributory Social Protection Programmes in the Middle East and North Africa (MENA) Region through a Child and Equity Lens*. Brasília and Amman: International Policy Centre for Inclusive Growth and UNICEF Regional Office for the Middle East and North Africa: <https://goo.gl/QfmKwK>.

2. Draa-Tafilalet (14.6 per cent), Béni-Mellal-Khénifra (9.3 per cent), Marrakech-Safi (5.4 per cent), Oriental (5.3 per cent), Fès-Meknès (5.2 per cent) and Souss-Massa (5.1 per cent).

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