

Team Morocco: First interview findings



Target sub-groups identified

Informal workers	SMEs
<ul style="list-style-type: none">• Informal workers without a working room• Informal workers with a working room• Informal workers which work depend on a transportation vehicle• Unregistred workers (employed by formal enterprises)• Home workers• Owners / tenants of small farms / small boats• Informal agricultural workers	<ul style="list-style-type: none">• Leather industry• Sale of accessories et and vehicle repair facilities• Restoration• Food distribution and transport

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SMEs

- Leather industry
- Sale of accessories et and vehicle repair facilities
- Restoration
- Food distribution and transport

How was the interview process?

Red = Difficult

Orange = it was ok

Green = enlightening

Yasmine. E:
1 interview

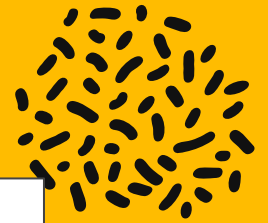
Mohamed F.
& Anass. N:
1 interview

Mohamed
Z. & Leila. N:
3 interviews

Salma. B: 1
interview

Sanae L.:
1 interview

How was the interview process?



I was surprised about the level interviewee wage (higher than expected) and his willingness to purchase a health/pension cover – **Yasmine. E**

I was surprised that the interviewee didn't complain about the covid 19 consequences on his business – **Mohamed. F**

I was surprised about the awareness of the interviewee– **Salma. B**

Surprised that interviewees don't know about the existing agricultural insurance product and its advantages – **Mohamed. Z & Leila. N**

Even when they subscribe, they have wrong expectations about the products– **Mohamed. Z**

Interesting information from the interviews

Interview by: Mohamed Z.

Not registred employee in formal sector

35 years Old, waiter in a café , married 3 children.

- **Stories:** He started his professional activity as an itinerant retailer. It gave him a decent income but he lost his revenu the first day he stop working (for family reason, or health complications). He then looked for a more stable job, even with a lower but regular income. He can be absent for one or two days without impacting his remuneration.
- **Reactions:** He wishes to be declared to the social security (CNSS). The employer promised him this after 6 mounth employment but it has not yet been done after 2 years and 4 months of employment.
- **Personal/professional motivations :** Stable income, avoid unexpected expenses that can be insured. He complete his revenus with small jobs after working hours (after 5 p.m.).
- **Needs:** Stable income, basic insurance coverage, To build up a retirement plan
- **Barriers:** As an employee, he does not wish to contribute from his income but relies on the participation of his employer.
- **Type of insurance cover: None**
- **Satisfactory points :** He has never been insured
- **unsatisfactory points** Stubbornness of employers not to register their employees to CNSS. He thinks the employer's contribution is not huge. He even found that the employer is negotiating price increases on the pretext that social contributions are expensive.
- **Wishes:** Health, industriel accident et retirement plan



Interesting information from the interviews

Jalal, Informal worker in transport

40 years old, VTC driver, Casablanca, married with 3 kids (16,12,1)

Interview by: Yasmine E.



- **Personal/professional motivations** : Jalal works as a driver for a vehicle for hire (a vehicle providing private transport thanks to an internet platform). He also has his own clients who pay him under the table. Before covid 19, he used to work a lot so he could earn a good living (until 20 KHDS a month, 10 X minimum wage). He's eager to offer a good standard of living to his family and protect them from anything. Her wife doesn't work, she takes care of the children.
- **Stories:** Unfortunately, he has been hit hard by the pandemic crisis, his salary has been divided by 10.
- **Reactions:** He had to dip into his savings that were supposed to afford his children's higher education.
- **Needs:** He always has been afraid of getting sick or having a problem that would prevent him from working. This crisis confirmed him his fears. He's very concern, he doesn't know if he will be able to make it out. He would like to have a cover for that kind of events.
- **Barriers:** He doesn't find an affordable offer on the market. He would like to have an insurance similar to social security, that covers his family medicals fees and protect his revenue if he's enable to work.
- **Type of insurance cover:** He only has a mandatory car insurance.
- **unsatisfactory points** (if insurance experience): He had a car accident 2 months ago, he had to advance the expenses and is still waiting for the reimbursement. He's very upset, his company doesn't care about him during this difficult period.
- **Wishes:** He would like to have a health cover that he could pay quarterly. Why not by a deduction on his salary. A digitalized management would be a plus.

Interesting information from the interviews

Hamza, Informal worker without a working room 28 years old, sport coach, Casablanca, Celibatarian

- **Personal/professional motivations** : Hamza works as a personal sport coach. Before Covid 19, he used to work as a waiter in a restaurant and to benefit from social security (average wage 400\$/month). As a new sport coach, he would like to increase his revenues by expanding his client portfolio and opening a sportwear shop.
- **Stories**: Unfortunately, he lost his father at 5 years old that got hit by a car. His uncles chased his brother and him from the appartement where they were living (that belonged to his grand father). His brother and him could only benefit from an annuity of 80\$ per month until they turned 18. But it was not enough. He lost his job as a waiter during covid 19 and, got afraid about the future and decided to become a personal sport coach. .
- **Reactions**: Hamza had to stop school in order to provide for his family.
- **Needs**: He is afraid of getting sick or injured and not be able to take care of himself.
- **Barriers**: He does not benefit anymore from social security because he is not registered anymore. He would like to have an insurance similar to social security and would be able to pay for it.
- **Type of insurance cover**: He has a car and a house insurance (because of his housing loan).
- **unsatisfactory points** (if insurance experience): He thinks that the annuity he got from his father's accident was negligible.
- **Wishes**: He would like to have social security again or a private affordable private cover that covers him in case he gets sick or injured.



Interesting information from the interviews

Small farm owner

26 years Old, small farmer 10 Ha, Benslimane, married

Interview by: Mohamed Z. & Leila N.



- **Stories:** Land inherited from his father but with very low income. He had to have a small job in the house of commons for 2 years to meet his expenses.
- **Reactions:** No professional insurance and he is not aware of the existence of these professional coverages. His employment in the common ensures him a modest cover against health accident. But very disappointed by the number of rejections of its health files. He never read the exclusions, caps and deductibles.
- **Personal/professional motivations :** He ensures his income month by month. Thinks about his financial situation and how to improve it for when he will have children.
- **Needs:** He thinks about health coverage. Retirement doesn't give it much thought, but it is an issue that is likely to emerge very early on.
- **Barriers:** The exclusions, caps and deductibles disappoint people to buy an insurance coverage.
- **Type of insurance cover:** Health insurance
- **Satisfactory points :** Some reimbursements for the costs of health expenses relieve the financial difficulties?
- **unsatisfactory points** the exclusions, caps and deductibles
- **Wishes:** Most extensive health coverage. Retirement plan. Regarding his standard of living, he would like this to be from the employer contribution.

Interesting information from the interviews

Small/medium farm owner

Interesting information:

52 years Old, small/medium farmer 50 Ha, Benslimane, married with 3 children

- **Stories:** Land co-operated with his father who is 76 years old.
- **Reactions:** They were insured against the MRC between 2015 and 2019. The compensation received in 2019 was deemed unfair because neighboring farms performed better. It penalized the whole common. This insurance has not been renewed since 2019.
- **Personal/professional motivations :** Regarding the compensation observed in 2020, he is tempted to renew the insurance in 2020-2021.
- **Needs:** MRC insurance and a retirement plan
- **Barriers:** lack of knowledge of the scope of insurance and the mechanism of their operation (triggering of compensation, calculation of compensation, etc.).
- **Type of insurance cover:** None
- **Satisfactory points :** satisfactory compensation in years of severe climatic damage.
- **unsatisfactory points :** Working at a very advanced age in the case of no retirement plan build up.
- **Wishes:** More information about the climatic insurance, and also on how to build up a retirement plan. Even if it is a bit late but intends to work a few more years if it can ensure a correct pension.

***Interview by:** Mohamed Z. & Leila N.*



Interesting information from the interviews

Informel workers with a working room

Women, 39 years old, caterer and photocopy shop, Fes, married with two children

- **Stories:** she stopped working during confinement and her husband lost his eyesight
- **Reactions:** she coped with this situation thanks to savings and family help
- **Personal/professional motivations :** She thinks of her children who are her source of motivation. How they can live a serene life.
- **Needs:** health insurance to be able to cover her husband's expenses and also cover her children. Also she expressed her need to have a retirement account (amount to put aside every month 200dhs)
- **Barriers:** lack of insurance Insufficient savings and impact of the crisis
- **Type of insurance cover:** RAMED and medical assistance
- **Satisfactory points** (if insurance experience): None
- **unsatisfactory points** (if insurance experience): reaction time at the time of the accident
- **Wishes:** Given her situation she needs health insurance to which she can subscribe for an amount between 500 and 1000dhs per year.

Interview by: Sanae L.



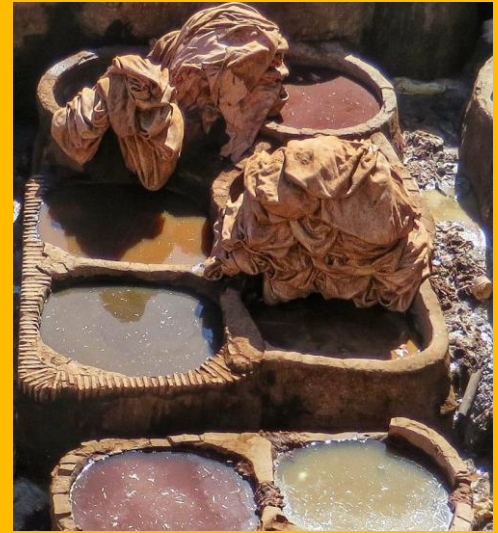
Interesting information from the interviews

Mohamed, 45 years old, married, 2 children

“Jeld” : Moroccan SME specialized in manufacturing leather goods – in FEZ – 13 employees

- **Stories:** Mohamed always used to manufacture and sell slippers for 50 dh. One day and at the request of a tourist, he designed shoes which sold them for 300 dh. This prompted him to change his basic profession.
- **Reactions:** Solidarity!! at the onset of any difficult shock, the entourage (merchants and manufacturers) comes to support him mentally and financially.
- **Personal/professional motivations :** The family, his children who must succeed in their studies and at the same time learn the profession that he has inherited from father to son to guarantee a minimum of income in the event of school failure
- **Needs:** Cover against unexpected events, especially health accident, fire, machine breakdown, industrial accident
- **Barriers:** Illiteracy, lack of information, high cost, unsuitability of products
- **Type of insurance cover:** none other than auto insurance
- **Satisfactory points (if insurance experience):** Improvement of automotive insurance services, especially in terms of proximity to the network and improvement of the terms of paiement
- **unsatisfactory points (if insurance experience):** Deductibles & the successive price increase
- **Wishes:**
 - ✓ subscribe through various channels (physical and digital)
 - ✓ have the possibility to personalise the products according to their own needs
 - ✓ choose the periodicity of the payment that goes with its income
 - ✓ a pack for all risks

Interview by: Mohamed F. & Anass N.



The Moroccan industry of the leather covers diversified activities. It consists in a branch tannery for exportation. For now, the major product are designated for local market, the leather industry and leather clothes. They are specialized now in shoes industry oriented exclusively to export. Considered as a historic sector anchored in the Moroccan culture, the leather sector continues to represent one of the sectors with great potential to the export for the Moroccan industry.

Challenges

- **It is not possible to benefit from social security cover if not registered by the employer.** Employers don't want to register all their employees to social security (an average cost of 40 to 60\$ per month), especially if the turn-over is important → they usually declare only "loyal" employees.
- **It is difficult for the private sector to compete with social security** because of political & technical issues. Indeed, **anti-selection** risk makes individual health insurance products very expensive and not affordable for the target groups.
- The target groups sometimes don't subscribe to insurance **because they are not informed about the existence of interesting products with great advantages for them** (agricultural insurance product for example).
- When they purchase insurance, **the target groups usually have false expectations** because they don't take time to read their contract.
- The target groups usually suffer **from irregularity of income.**

Opportunity areas

- **Develop an individual private insurance products for informal or undeclared workers as substitutes of social security**
*Using the support of ministries of crafts / agriculture / trade, relevant associations/cooperatives/federations and large private groups (operating in agri-food, textiles, etc.) that are usually the final clients of our target groups will be useful to **reach scale, deal with the anti-selection risk** and build an affordable and profitable value proposition.*
- **Adapt insurance products to the irregularity of income:** for example with giving the possibility of not paying premiums during a period of slack activity.
- **Simplify and digitize insurance services** while keeping a physical agencies(s) in case of a complaint.
- **Financial education:** use the experience of old persons who regret not having subscribed to health insurance/pension scheme when they were young.