

# MOROCCAN TOURISM ASSOCIATION DEMANDS NEW MEASURES TO BOOST DOMESTIC TOURISM



The National Confederation of Tourism (CNT) in Morocco has made a series of requests to the government to boost domestic travel this summer, and thus limit the damage of Moroccan tourism caused by the closure of borders and the disappearance of foreign tourists.

Despite the measures taken to mitigate the impact of the pandemic on Moroccan tourism, tourist arrivals at border posts fell by 79.8% in the fourth quarter of 2020. Likewise, overnight stays in classified hotels fell by 82.6%, resulting in reductions of 94% for non-residents and 52.3% for residents.

The domestic travelers were not numerous enough in the accommodation establishments during the last summer season. To fill the huge gap left by foreign tourists (80% of the activity in pre-pandemic times), the vice-president of the National Confederation of Tourism lists the proposed solutions addressed to the government to correct the situation and make Moroccans travel in large numbers.

## **Vaccinate the Employees of the Sector**

Fouzi Zemrani argues that the first action of the public authorities should be to vaccinate the staff of the Moroccan tourism sector as a priority.

The CNT has asked its public interlocutors to give priority to the vaccination of all employees working in the tourism sector, because if during the next summer the establishments have to receive local visitors, their staff should already be fully immunized.

Thus, if Morocco soon receives a shipment of doses of vaccine, it must be reserved primarily for employees of tourism operators (hotels, restaurants ...). This would allow them to welcome the visitors without any risk next July and August.

## **Rewards for Frontline Pandemic Officials**

Secondly, CNT asked the Ministries of Health, National Education, Interior and finally Defense, to release vacation vouchers to all civil servants who were in the frontline, to fight the current pandemic.

This should be a way of thanking the many people who work for the state because they have not only taken risks, but have also suffered a lot because of their permanent mobilization (medical guards, lack of leave for the security forces ...).

Although the CNT has not yet estimated the number of beneficiaries of this public recognition, it is expected to affect a large number of households that were not accustomed to traveling in hotels, knowing that they rather preferred going to their families' homes or to public summer centers.

These vacation vouchers should therefore allow them to take advantage of tourist facilities and to

keep the sector's businesses running, which on their part will have to lower the prices.

### **Tax Exemption for Moroccan Tourism Products**

According to the CNT, it will be necessary to set up a third public measure which will consist in exempting temporarily the tourist products intended for domestic travelers from the VAT.

So, instead of applying a VAT rate of 10 to 20%, which depends on the nature of the services offered, the government could have Parliament adopt an emergency amending finance law to lower or even cancel this tax for a certain period.

"While it may seem complicated, it is preferable to cancel this sectoral tax for a certain period of time instead of keeping it, when there is no revenue and the state has nothing to lose," suggests Zemrani, adding that this will allow Moroccans to enjoy more attractive rates and, ultimately, multiply the number of domestic tourists sensitive to the drop in overnight stays.

### **Vacation Voucher of 3,000 Dirhams in Some Private Companies**

Concerning the private sector, industries (food processing...) that earned a lot of money during the pandemic will also be able to make a financial effort to reward their employees, by offering a vacation voucher worth at least 3,000 dirhams, for each family.

At the beginning, CNT proposed the implementation of monthly savings for all employees of the private sector thus rewarded by their employer. In practical terms, the employee and his or her boss save the same amount each month, the total of which is paid to the employee at the time of the vacation.

"It should be noted that this savings is not a bonus on which the employer will pay taxes, as it is totally tax-free," concludes Zemrani who, in the absence of final adoption of several suggestions of the CNT including a proposed law of the Istiqlal in July 2020 on vacation vouchers, invites the government to release emergency aid to enable the sector to survive.

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