



OECD REVIEW ON RISK MANAGEMENT POLICIES IN MOROCCO

**DAC-EPOC Task Team on Climate Change and
Development Co-operation**

4 October 2016 – Paris



Morocco is exposed to a variety of natural hazards

Floods



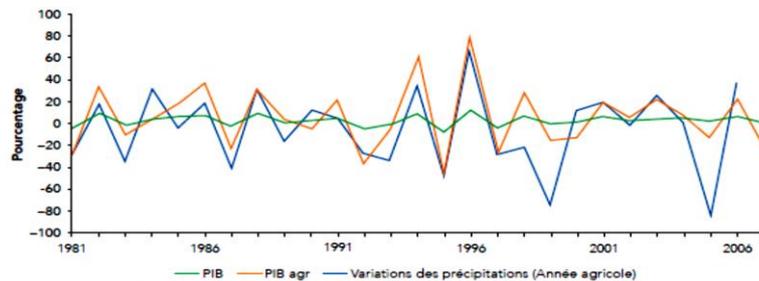
Earthquakes



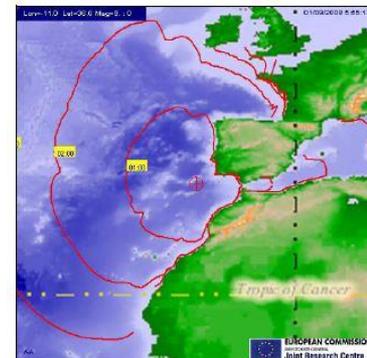
Climate change

Droughts

Tsunamis



Source: Indicateurs du développement dans le monde et Direction de la Météorologie nationale.



Other risks : Landslides, forest fires, extreme temperatures, pandemics, industrial accidents



Sources of vulnerability at the economic and social levels

Morocco's economic development model

- **GDP highly-concentrated** in risk prone areas (cities, coasts)
- **Key economic sectors** particularly exposed to disasters (tourism, agriculture, industry)
- Increased integration into **global value chains**, enhanced efforts to promote Morocco's attractiveness to FDIs, and investment in critical infrastructure systems
- **Macroeconomic impact** : average annual loss of a 1-in-100 year event estimated to 0.5% of GDP

Social vulnerabilities and citizens' expectations of public service performance

- **Urban development dynamics** : fast-developing cities, persisting informal housing
- **Rural poverty** and climate-dependent rural populations
- **Citizens expectations** and trust in government

Strengthening the governance of critical risks would be key to support Morocco's socioeconomic development



Context and approach

Context

- Morocco has adhered to the **OECD Recommendation on the Governance of Critical Risks** in May 2014 ...
- ... and expressed its interest for an external and objective assessment of its risk management policies through a **peer review**



Approach

- Standard OECD **peer review** mechanism
- Covering the **risk management cycle**
- Based on a **participative dialogue**, with a **whole of society** approach
- **Jointly funded by GIZ and Morocco**





The current momentum in Morocco opens opportunities for improved risk resilience

- Many efforts implemented since Al Hoceima's earthquake in 2004, creating a **momentum for increased resilience to critical risks**
- Multitude of initiatives, numerous stakeholders ==> need for a **coordinated and whole-of-society strategy**

Opportunities for a voluntary approach ?

- **Strong political will**, following the 2014 deadly floods
- Ongoing **decentralisation** process
- **Major investments in critical infrastructures**
- Strong focus on **improved public governance**
- Morocco's chairmanship of **CoP22**



Floods in the Gharb, 2009



Key messages

Morocco would enhance its risk management policies by :

1. Establishing a **holistic risk management strategy**, which will assign leadership for policy implementation, set multi-stakeholder coordination mechanisms and M&E system
2. Raising awareness of critical risks, by **sharing risk assessments** with both national and local policy makers, citizens and businesses
3. Creating an incentive-based framework for **prevention and mitigation**, associated with durable financing tools
4. **Enhancing crisis management and emergency response**, through all-hazards alert systems, inter-agency cooperation and improved crisis communication
5. Developing financing mechanisms for **recovery and reconstruction** plans



Risk assessment: laying the foundations for a shared risk policy

Major progress over the last decade

- Technical and scientific capacities
- Hazard databases
- Risk identification/modelling

➤ **Support to decision-making tools**

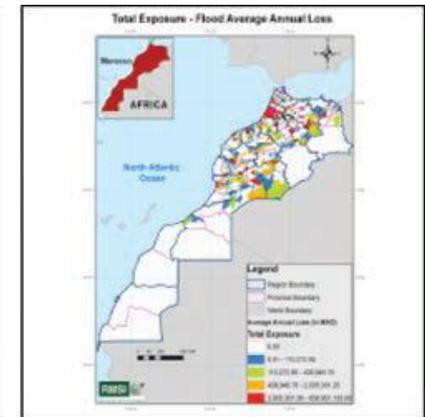
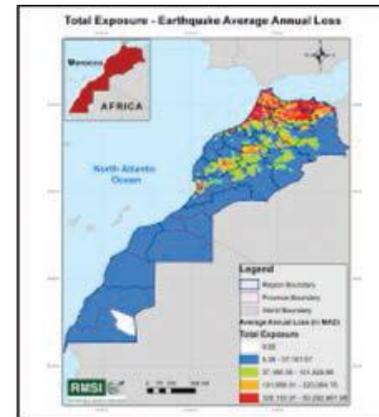
... but remains is silos and not sustainable

- Rare updates
- Heterogeneous methodologies
- Limited data sharing

➤ **Difficulties to make informed decisions and manage trade-offs**

Recommendations

- **National risk observatory**
- **Public research programme**
- National risk assessment **standards**
- **Risk mapping** at the local level
- **Data exchange policy**





Risk prevention and resilience, the way forward

Structural vs. non-structural measures

- Focus on structural prevention
- Urban planning and land development with only basic risk information

➤ **Limited risk awareness and culture**

No framework for private sector inclusion

- Resilience of critical infrastructure
- Business continuity

➤ **Private sector is highly vulnerable**

Financing mechanism under development

- FLCN: shifting from recovery to prevention financing
- Lack of a clear criteria for resource allocation and prioritisation

Recommendations

- Priorities **between structural and non-structural activities**
- **National risk communication campaign**
- **Partnerships** with critical infrastructure operators
- **Resilience** in regional and urban development
- **Private sector preparedness**



Building risk governance frameworks

Numerous initiatives over the last 20 years ...

- New legislative and regulatory texts, new bodies
- Pilot projects implemented by public & private stakeholders
- Support from the international community

➤ **Improvements in the way Morocco manages risks**

Efforts remain uncoordinated

- Lack of a strategic vision and leadership, top-down and risk-specific approaches, capacity gaps at the local level, lack of inclusiveness

➤ **Governance gaps**

Recommendations

- Integrated **risk management strategy**
- **Strong institutional framework** (leadership + clear lines of responsibility)
- Modernized **legislative and regulatory framework**
- **Coordination** between the national and the local level
- **Inclusive forum for exchange**



Impact and next steps

- Immediate implementation of the OECD's recommendations, with the **creation of a dedicated risk management structure** - a **Chief Risk Officer** will be appointed within the Ministry of the Interior, in charge of :
 - Cross-sectoral and multi-risk disaster management
 - Producing data and shared risk assessments in coordination with the line ministries
 - Coordinating the implementation of OECD's review recommendations with all stakeholders
- The OECD is currently in discussion with the Moroccan authorities for a **follow-up** to support further implementation of the OECD's recommendations
 - Support to the CRO
 - Capacity building workshops, at the national and local levels
 - Thematic guides on operational and concrete implementation practices
 - Monitoring and evaluation of the implementation of the recommendations



THANK YOU