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# Morocco Post digital answer to the COVID-19 crisis

## EXECUTIVE SUMMARY

As part of the lessons learned from the COVID-19 pandemic, the vast majority of financial service experts and analysts have pointed to a solution for managing and minimizing the impact of future crises: digitizing financial services. In other words, by offering financial services through digital solutions and channels and replacing cash with digital money.

By drawing on the example of Morocco Post and its postal bank, Al-Barid Bank (ABB), we take a look at how a balance between traditional brick-and-mortar channels and well-developed digital media successfully facilitated the provision of financial services by the Post throughout this crisis.

### PREVENTIVE MEASURES

Since the very beginning of the pandemic, ABB adapted its business continuity management in accordance with the recommendations made by the Moroccan health authorities, prioritizing the health and safety of its employees and customers.

Morocco Post and ABB were amongst the few entities deemed by the Moroccan government as providers of essential services and therefore asked to keep their doors open during the COVID-19 lockdown. Citizens were allowed to visit post offices as one of the few recognized exceptions to the general closure of businesses.

Moreover, the Morocco Post and ABB network is one of the key mediums via which the Moroccan government distributes public aid to citizens. The critical importance of that network was further underscored during lockdown.

The measures adopted by Morocco Post and ABB included the use of protective equipment, the strict enforcement of hygiene rules, the provision of medical support, and risk awareness and prevention campaigns. Where possible and appropriate, employees were told to work from home or given leave.

ABB ensured the continuity of services to customers through its various channels in the face of reduced opening hours of post offices and agencies and, in the wake of travel restrictions, the increase in demand for those services.

ABB had a strong communication strategy throughout, whereby it highlighted its efforts to deal with the pandemic on its website and via social media accounts.

Customers were encouraged to use various remote ABB channels, including the mobile application Barid Bank Mobile, ATMs and online banking. ABB customers could access any service that would have been available in traditional brick-and-mortar locations through ABB's digital channels. For example, customers could make transfers or send remittances through Barid Bank Mobile or the ABB website, and withdraw cash from ATM using just a code, with no need for a card.

Editorial note: ABB was able to develop these digital channels as a result of the Moroccan government's decisions to liberalize the card payments market, open up the payment market to players other than banks, and introduce payment institutions through a new banking

law adopted in 2015. The introduction of a new mWallet mobile payment method and the implementation of mobile payment interoperability at the national level also had a role to play. The ABB Mobile payment solution entered into service in November 2018.

As an additional support to guarantee business continuity and the health and safety of employees and customers, ABB established a crisis governance mechanism.

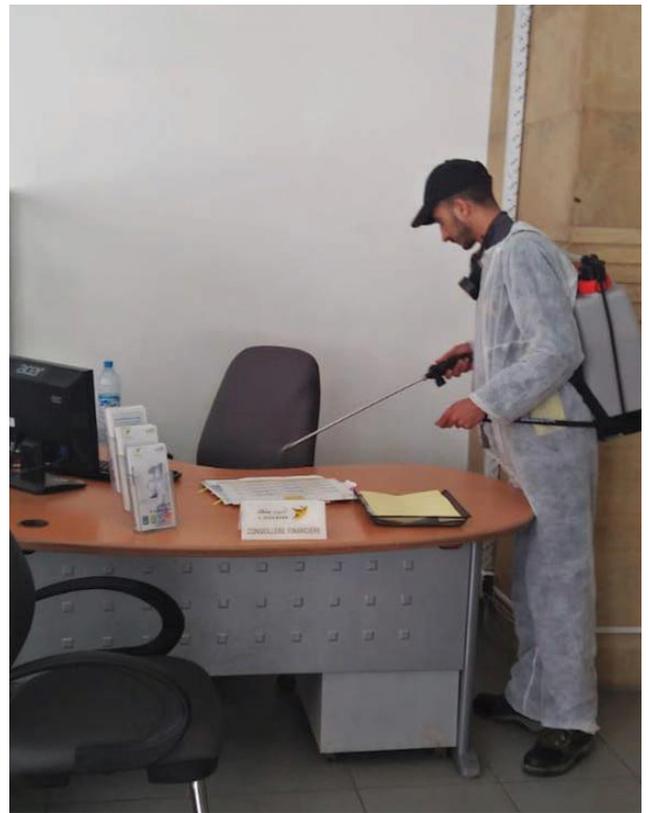
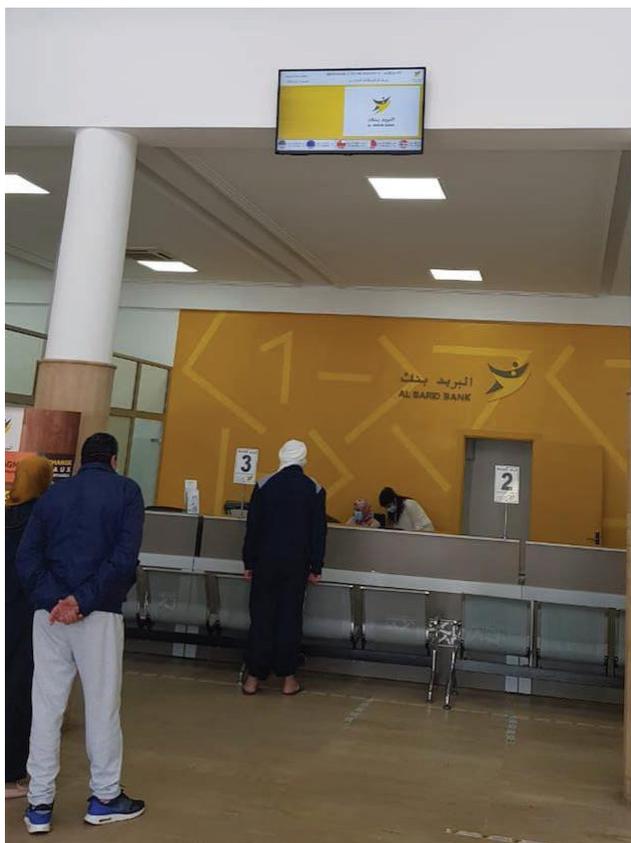
This mechanism included two levels of action:

- the Central Committee, which was responsible for international and domestic health developments, the functioning of the bank's branches, cash availability for the ATM network, and employees on leave or working from home; and
- the regional committees, which were responsible for surveilling regional activities and taking necessary measures.

### **SOCIAL CONTRIBUTION**

The Solidarity Fund was created by His Majesty King Mohammed VI to stem the spread of COVID-19 and mitigate its impact. The entire ABB staff participated in this effort, and ABB contributed 100 million Moroccan dirhams to the fund.

In addition, ABB launched a campaign to collect donations for the fund. The campaign is ongoing and open to all citizens. Whether an ABB customer or not, everyone is encouraged to contribute towards this historic action.



### **FINANCIAL SERVICES**

ABB made its entire network of over 883 ATMs and 1,500 branches (both ABB and Barid Cash) available to TADAMOUN, a governmental assistance programme for citizens and households. Over 430,000 money orders were paid to beneficiaries in April 2020, and 920,000 were paid in May 2020.

As part of the measures brought in by the economic surveillance committee, ABB has launched a system that manages the customers' requests of the newly created postponement of their mortgage and consumer credits without additional charges.

In the same context, ABB rolled out a new start-up credit line offer to support this category of customer.

### **DIGITAL SERVICES**

The above-mentioned government measures and accompanying ABB measures, as well as ABB's social and financial ABB activities, led to a strong increase in the use of Barid Bank Mobile, ABB's mobile banking app.

In fact, this channel developed experienced tremendous growth during the first five months of 2020, with over 10 million transactions made and an increase of approximately 80% compared to the same period in 2019.

To manage this surge in customer use of digital channels, ABB set up a dedicated communications system and had to bolster its Customer Relations Centre team and extend its opening hours accordingly (Monday to Saturday, from 9.00 to 17.00).



## CONCLUSIONS

The full availability of ABB's network of branches, ATMs and digital channels has enabled it to continue to provide its services and, in so doing, contribute to the national effort to mitigate the impact of the COVID-19 pandemic in Morocco.

The following factors appear to have been important in guaranteeing Morocco Post's capacity to limit the effect of the crisis on its network availability, business continuity, and customers' expectations and needs:

- ABB's good overall organization, specifically the ability to organize and leverage its teams and expert knowledge and to capitalize on organizational and operational process agility and flexibility;
- Consideration by the Moroccan government of Morocco Post and ABB as essential service providers;
- An up-to-date and extensive network covering the entirety of the country's territory, complemented by powerful modern digital channels enabling its users to meet their financial needs and obligations online or via their mobiles;
- Good communications and a strong marketing team; and
- Trust from customers and partners, both private and government entities.

Morocco Post is an example of a Post's capacity for innovation and action when graced by its government's trust and support. Over the past several years, ABB has been able to develop digital channels to complement its traditional brick-and-mortar network. This was initially to meet the needs of its customers, including those less willing or able to visit a post office during opening hours in addition to those who are yet to join the new digital wave and choose to continue to use services in-branch. However, the development came into its own during the crisis, as it put ABB in an advantageous position to respond to new challenges, such as restriction of movement and the sudden impossibility of services dependent on human resources.

In conclusion, by enabling ABB to develop its business and support its customers through favourable regulations, such as access to the mobile strategy and the ability to provide accounts to customers (based on former transaction accounts), the Moroccan government provided itself with an additional means of reaching its citizens, delivering the services they needed, and reacting to a crisis situation.