

UNCLASSIFIED

Annual Budget Submission

FY 1985

Morocco

Agency, D.C. 20523

...



JUNE 1983

Agency for International Development
Washington, D.C. 20523

M O R O C C O

FY-1985 ANNUAL BUDGET SUBMISSION

TABLE OF CONTENTS

	<u>PAGE NO.</u>
1. ACTION PLAN FOR FY 1984 AND FY 1985	2
2. TABLE I - LONG RANGE PLAN: FY 1983-1989	9
3. TABLE I - NARRATIVE	10
4. TABLE IV - PROJECT BUDGET DATA: FY 1982-1989	11
5. NEW PROJECT NARRATIVES	
A. CONVENTIONAL ENERGY (0176)	15
B. ENERGY PLANNING ASSISTANCE (0180)	18
C. PEACE CORPS SMALL PROJECT FUND (0181)	22
6. PROPOSED PROJECT RANKING	
A. TABLE V - FY 1985 PROJECT RANKING	23
B. TABLE V - NARRATIVE	24
7. PD AND S REQUIREMENTS: FY 1984	25
8. AID/W TDY REQUIREMENTS: FY 1984	25
9. EVALUATION PLAN:	
A. ISSUES NARRATIVE	26
B. TABLE VII - LIST OF PLANNED EVALUATIONS	29
10. OVERSEAS WORKFORCE AND OPERATING EXPENSES	
A. TABLE VIII - OPERATING EXPENSES SUMMARY: FY 1983-1985	39
B. TABLE VIII - NARRATIVE	45
C. TABLE VIII - (A) AUTOMATIC DATA PROCESSING NARRATIVE	48
D. TABLE VIII - (A) ADP.	49
E. WORKFORCE NARRATIVE	50

	<u>PAGE NO.</u>
F. TABLE IX-(A) U.S. WORKFORCE REQUIREMENTS	54
G. TABLE IV-(B) FN WORKFORCE REQUIREMENTS	55
11. PL-480	
A. PL-480 NARRATIVE	56
B. TABLE XI - PL-480 TITLE I REQUIREMENTS: FY 1983-1985	62
C. TABLE XIII - PL-480 TITLE II STATISTICAL TABLE (AJDC)	63
D. TABLE XIII - NARRATIVE (AJDC)	64
E. TABLE XIII - PL-480 TITLE II STATISTICAL TABLE (CRS)	70
F. TABLE XIII - NARRATIVE (CRS)	71

ACTION PLAN FOR FY 1984 & FY 1985

This FY 1985 Annual Budget Submission (ABS) is consistent with the USAID's long-term strategy, our dialogue with AID/W on the Country Development Strategy Statement (CDSS), and the Bureau's Regional Strategy. Our principal focus is to concentrate increasing amounts of developmental resources and policy advice in two primary sectors - Rainfed Agriculture and Population/Family Planning. USAID's principal goal is to assist the Government of Morocco (GOM) to increase agricultural production, particularly dryland cereals while concurrently limiting population growth to an acceptable level. At the same time, as discussed in the CDSS, we are maintaining a bridge to greater involvement in the energy sector, both because of the critical and timely importance of current developments in that area and because we wish to maintain a toe-hold for program expansion in the event the conditions for success in the agricultural sector do not materialize. We will also maintain modest assistance to the housing sector in order to enhance the utility of housing investment guaranty investments and capitalize on opportunities for policy advice; and to multi-sector participant training, where the opportunities for technology-transfer and institution building are significant.

A concomitant initiative, approved in the CDSS dialogue and sanctioned in the Bureau's Regional Strategy, is to reduce our portfolio in other areas where the opportunities to respond to Agency guidance have proven negligible. In 1983/1984 we will phase out our program in Job Training (0139) and subject to evaluation the results of a program in Social and Economic Research (0154). We also hope to transfer to Peace Corps auspices assistance to the Morocco Women's Union (0166); completion of the Social Services Training Project (0157) in FY 1985 will end USAID's involvement in the Human Resources Sector per se.

The Mission has initiated discussion at various levels within the GOM on a number of policy issues relevant to the effectiveness of U.S. assistance. As is pointed out in the FY 1985 CDSS, we believe it is possible to influence the direction of development in sectoral policies "through the judicious selection of a few topics; the careful positioning of our program elements; the sustained cultivation of informal relationships; and first rate analysis introduced with sufficient delicacy and persuasiveness..." Discussions to date have been principally related to agriculture, population and energy, reflecting USAID's effort to more closely focus available assistance resources in these priority areas. Efforts in other sectors where U.S. assistance could have a meaningful impact are also being made. We have begun to move in these directions, although the pace of progress

has been slowed somewhat by the continued absence of economic and policy support staff, and by the Government's preoccupation with the upcoming election and its need to ingest the consequences of severe overall budget reductions. We should however, be well positioned for continuing dialogue with the Ministries of Energy, Housing, and Plan - as well as Agriculture and Health/Population - by virtue of strategically located technical assistance which will help them to more systematically examine the implications of various investment and policy options.

USAID's discussions with the Ministries of Finance (MOF) and Agriculture (MARA) in preparation of PL-480 Title I Agreements provide an additional venue for continued policy dialogue. USAID's intention is to reinforce policy objectives in these discussions and, through the Self-Help provisions of the Agreement, seek assurance that the GOM will support the decisions reached through this policy dialogue. The CDSS further outlines a program whereby increasing amounts of PL 480, Title I - generated local currency resources will be directed towards specific areas of the GOM's agriculture budget to provide support to a rainfed agriculture program. Given the severe funding constraints in the GOM Development Budget --which are expected to continue for the foreseeable future -- the selective use of PL-480 local currency in itself constitutes a form of policy leverage.

As an initial step in attainment of long-term objectives, USAID has outlined the following near term measures (FY 1984-85):

I. Agriculture

In the Agriculture Sector, the Mission's primary objective is to assist the GOM to increase cereal production in rainfed areas at rates equal to or above the population growth rate, thereby curtailing the growing need for wheat imports. We expect to facilitate some near term increases in cereals production through the introduction to farmers of the results of prior research, but the principal pay-off from our project activities will be long term and will flow from the development of key institutional capabilities, and human skills as noted below. The policy issues we have selected often transcend individual projects and reach to the extent of the Government's continuing commitment to the dryland cereals sector. Title I negotiations provide a useful vehicle for conveying our concern on such matters.

Objectives which are more directly related to sub-sectoral concerns include the following:

Improve farming systems research for the rainfed agriculture sub-sector and extend appropriate technologies to farmers via new extension methodologies. Through the Dryland Agriculture

Applied Research Project (608-0136), technical assistance personnel will work with GOM researchers and extension staff to develop appropriate, socially and economically acceptable technologies for small and medium farmers in the 250-450mm rainfall zones. These technologies will include modified cultivation practices, improved farm machinery, forages, weed control, pest management, and wider use of selected seed. Extension methodologies devised to address recognized constraints in these zones will be developed with local extension personnel, and implemented by them on a pilot basis. These will be undertaken in two provinces by 1985 in conjunction with production campaigns utilizing new field tested seed varieties.

Develop an effective means for coordination of research and extension. The Mission is now completing the design of a Rainfed Agriculture Project (0170) which will assist the GOM in more effective coordination between research and extension. At the same time, it will provide the wherewithal for moving the successful results of applied agricultural research more expeditiously into the hands of extension agents. These activities will be developed in conjunction with the results of research being attained under Project 0136, and will include assistance to the GOM's new Center for Studies and Research on Extension (CNERV), which is now getting underway with FAO staffing and IBRD funding. In FY '84 pilot extension/production activities will begin in Settat Province working through the province-level MARA structure. An in-depth evaluation of progress in this component is scheduled for CY 1985 as a basis for expansion to other zones.

Augment the capacity of the GOM in Agriculture Sector data gathering, analysis, and project monitoring and evaluation. Through support to the Ministry of Agriculture's Economic Planning and Analysis Division (DPAE/MARA) an augmented capacity will be developed for crop yield estimation using remote sensing techniques and other modern methods. During 1984 and 1985 significant improvements in national-level economic analysis will be supported through a combination of long-term training, model construction, and computer facilities, including generation of a national data bank that will be available to end-users throughout the MARA for policy analysis. Support through short-term TA, and through long and short-term training and computer facilities to the DPAE Project Service, will give its branch a capability now lacking to plan, monitor, and evaluate projects. The support provided to the Statistics Service under the crop forecasting/remote sensing component will enable this Service to interpret data for the entire DPAE in the statistical area.

Strengthen the capacity of the National Agronomic and Veterinary Institute (IAV) to train manpower for the Agriculture Sector. Through the training of IAV faculty in the U.S., USAID is building a local institutional capacity to train middle and high-level Moroccan personnel for meaningful roles in developing the agricul-

ture sector. By 1985 100 faculty members will have been trained in the U.S. to the M.S. level, and 73 to the PhD level.

Strengthen GOM capability to carry out its Range Management Program. The provision of U.S. Range Scientists assists the Livestock Division of MARA to carry out badly needed range management research and range management programs. By FY 1985 the vegetation mapping of four range perimeters will be completed as well as two related sociological studies on herder attitudes towards controlled grazing. Also, by 1985 adequate quantities of grass seed for commercial sale are expected to be available from the GOM's seed multiplication farm.

II. Population/Family Planning/Health

USAID's strategic objective is to reduce the high rate of population growth which is currently limiting the ability of the Moroccan Government to attain its broader development objectives. This goal will be achieved by extending the availability of family planning and health services to at least 70% of the Moroccan population by 1988, and by developing within the GOM Ministry of Public Health (MOPH) the institutional capacity to sustain the delivery of these services after termination of U.S. assistance.

To achieve our goals in this area in the near term the following objectives have been established:

Increase levels of contraceptive practice (prevalence) by expanding access to family planning and health services. USAID will provide assistance to the Ministry of Health to conduct a village health worker program (VDMS) in 11 provinces during FY 1984, and to expand this program to 16 provinces and major urban areas by the end of FY 1985. Under this expanded program the GOM's multi-service (health/nutrition/family planning) program should reach approximately 70% of the Moroccan population. By the end of FY 1984 contraceptive prevalence is expected to reach 27% of eligible couples; and by the end of FY 1985 that figure should increase to 32%.

Increase availability of clinic/hospital-based FP services. The VDMS project provides non-clinical FP services at the household level, and refers patients preferring IUD or sterilization services to MOPH medical facilities. The Phase II project supports the development of a complementary clinic-based system by providing the training and equipment needed to establish IUD-insertion services in 550 rural and urban clinics. In FY 1984 the new Phase III project will expand the availability of sterilization services by establishing sterilization service programs in five (5) provincial hospitals. Ten (10) additional hospitals will offer sterilization services in FY 1985.

Encourage the "Commercialization" of contraceptive service delivery. With the assistance provided under the Family Planning Support III project, the local IPPF affiliate, AMPF, will expand their public information activities on family planning and will begin to market contraceptive products at local souks by 1985.

The VDMS project, by making contraceptive products routinely available in Moroccan villages, is creating the market conditions -- high, permanent demand -- for an eventual assumption of the supply function by the private sector.

Improve the Ministry of Public Health's (MOPH) planning, management and logistic support capabilities. A serious constraint to the GOM's ability to provide adequate health services is the inefficiency of support services within the MOPH. USAID is providing technical assistance which will, by 1985, provide the Ministry with efficient personnel, budget and accounting, and procurement and logistics systems. During FY 1984 and FY 1985 data processing equipment will be purchased and installed, and Moroccan personnel trained in its use. A total of 126 person months of training will be provided during this period at an estimated cost of \$ 370,000.

III. Energy

Morocco appears about to be able to verify the presence of a sufficient quantity of domestic petrochemical resources to at least permit heavy inroads to be made into its large and growing requirements for imported crude oil. USAID's strategic objective is not only to accelerate the process of identifying and developing this resource, but to help the government to systematically examine the options involved in using it most efficiently and effectively. Specifically, this includes according due weight to the benefits of maximum private sector participation, and establishing pricing policies based on "Market" criteria. In this process, we will have to also reexamine with the Government the appropriate priority for renewable energy development, a program which we started helping in 1982.

Short term goals for AID funded activities in the Energy Sector and the means of achieving them include:

Advise the Government how to rationalize its budgetary and investment priorities in the Energy Sector, and to help them adopt policy analysis techniques and market principles. A recent field evaluation of an on-going energy planning activity strongly advocated that A.I.D. extend and expand assistance to MEM for proper analysis in its investment choices and budgetary allocations as well as to provide analysis and advice on pricing issues, and the role of the private sector. A new contract will be signed in 1984 and FY 1985 should see the beginning of a stable, protracted policy dialogue

on energy pricing, managerial efficiency, and private market incentives.

Test the economic, technical, social and commercial feasibility of renewable energy technologies in Morocco. In FY 1984 and 1985 AID-funded technicians will install and monitor a series of pilot projects in wind, hydro, solar, and biomass technologies. While conducting these experiments, Morocco's center for Renewable Energy Development (CDER) in Marrakech will simultaneously benefit from on-the-job training and institutional development in the form of AID-equipped laboratories and workshops. An evaluation of the project in the fall of '83 will seriously examine the Government's continuing commitment to this project on the light of petroleum finds.

Strengthen the management abilities of Morocco's hydrocarbon agency to appraise/explore its hydrocarbon resources, and develop and use them in accordance with "market principles." USAID's energy support will extend to helping re-organize Morocco's fledgling hydrocarbon exploration and development agency. In parallel with management advice to the company's executives, technical assistance and training will be provided to improve and to accelerate geological exploration, and to attract the participation of private corporations specialized in hydrocarbon exploration, appraisal development, production, and marketing.

IV. Other

As the Mission focuses its overall program in the priority areas mentioned above a number of on-going activities have been continued to meet prior US/GOM commitments. With the exception of the Housing Sector, the USAID's involvement in the following activities are scheduled to be phased-out:

Establish the conditions for more effective phase-out of PL-480, Title II commodities. A principal USAID objective during FY 1984 will be to encourage the GOM to take appropriate steps in anticipation of assuming responsibility for Title II assistance while maximizing the nutritional impact of Title II resources. FY 1985 will be the final year for several components of the Title II program (CRS OCF/FFW and support for AJDC).

Upgrade the managerial, analytical and technological expertise of Moroccans in the public and private sectors of the economy. As a means of increasing the transfer of management and industrial technology, some 196 Moroccans will receive U.S. and in-country training under the Sector Support Training Project (0178) in selected technical and professional fields during FY's 1984 and 1985. It is estimated that the cost of this training to AID will be \$350,000 in FY 1984 and \$650,000 in FY 1985.

Strengthen the capability of the Ministry of Social Affairs and Handicrafts (MAAS) to train in-service personnel. USAID is currently providing technical assistance to the Social Services Training Institute in Tanger. Through the development of an appropriate curriculum the ability of the MAAS to retrain low-level Ministry personnel is being greatly expanded. Such a cadre of personnel will enable MAAS to provide effective social service programs to Morocco's poor. Training currently being given by the U.S. technical assistance team will be assumed by the counterpart Moroccan staff by the end of FY 1984.

Increase the access of poor youth to the job market. Working with the MAAS and the Peace Corps, assistance is being provided to 18 vocational training centers for unskilled and semiliterate youth who have no access to the formal education system. The employability of these youth will be greatly improved through skills training programs. During FY 1984 the GOM will provide instructors for all centers who will continue training programs established by Peace Corps Volunteers and AID-financed contractors.

Assist the GOM's Ministry of Housing (MHAT) to efficiently implement slum up-grading programs, and to accept certain new policy initiatives. The lack of management skills to implement large scale slum upgrading projects, as well as knowledge of financial controls, are serious constraints to the MHAT's utilization of a \$17 million housing guaranty (HG). Technical assistance and staff training will be provided to the MHAT during FY's 1984 and 1985. USAID will also seek to gain greater MHAT acceptance and practice of the important policies of cost recovery, upgrading, and affordability which have been developed by prior technical assistance, to effectively implements this problem in 1984.

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE I - LONG RANGE PLAN BY APPROPRIATION ACCOUNT (\$000)
 COUNTRY/OFFICE MOROCCO

		FY 1983	FY 1984		FY 1985	PLANNING PERIOD				
		ESTIMATE	CP	ESTIMATE	AAPL	1986	1987	1988	1989	
AGRICULTURE, RURAL DEVELOPMENT										
& NUTRITION	TOTAL	7180	10400	10830	12820	16143	20700	24000	24000	24000
	GRANTS	7180	10400	10830	12820	16143	20700	24000	24000	24000
	LOANS	---	---	---	---	---	---	---	---	---
POPULATION	TOTAL	1150	4500	2500	4500	4200	4300	3000	5000	5000
	GRANTS	1150	4500	2500	4500	4200	4300	3000	5000	5000
	LOANS	---	---	---	---	---	---	---	---	---
(CENT.PROC.COMMOD.)		(1150)	(---	(1700)	(1900)					
HEALTH	TOTAL	1000	1600	---	---	---	---	---	---	---
	GRANTS	1000	1600	---	---	---	---	---	---	---
	LOANS	---	---	---	---	---	---	---	---	---
EDUCATION	TOTAL	1420	2500	4020	2280	1500	---	---	---	---
	GRANTS	1420	2500	4020	2280	1500	---	---	---	---
	LOANS	---	---	---	---	---	---	---	---	---
SEL.DEV.ACT.	TOTAL	400	---	1650	1400	1157	---	---	---	---
	GRANTS	400	---	1650	1400	1157	---	---	---	---
	LOANS	---	---	---	---	---	---	---	---	---
FUNCTIONAL	SUBTOTAL	11150	---	19000	21000	23000	25000	27000	29000	29000
	GRANTS	11150	---	19000	21000	23000	25000	27000	29000	29000
	LOANS	---	---	---	---	---	---	---	---	---
(DISASTER)	TOTAL	---	---	---	---	---	---	---	---	---
	GRANTS	---	---	---	---	---	---	---	---	---
	LOANS	---	---	---	---	---	---	---	---	---
DA ACCOUNTS	TOTAL	11150	19000	19000	21000	23000	25000	27000	29000	29000
	GRANTS	11150	19000	19000	21000	23000	25000	27000	29000	29000
	LOANS	---	---	---	---	---	---	---	---	---
(OF WHICH PVO'S)		(400)	(---	(550)	(---	(---	(---	(---	(---	(---
ESF	TOTAL	---	7000	7000	---	---	---	---	---	---
	GRANTS	---	7000	7000	---	---	---	---	---	---
	LOANS	---	---	---	---	---	---	---	---	---
DA & ESF	TOTAL	11150	26000	26000	21000	23000	25000	27000	29000	29000
	GRANTS	11150	26000	26000	21000	23000	25000	27000	29000	29000
	LOANS	---	---	---	---	---	---	---	---	---
PL 480 TITLE I		(25000)	(25000)	(25000)	(25000)	(25000)	(25000)	(25000)	(25000)	(25000)
(TITLE III)		(---	(---	(---	(---	(---	(---	(---	(---	(---
PL 480 TITLE II		(9061)	(9799)	(9493)	(9705)	(5053)	(3537)	(1768)	(---	(---
HOUSING GUARANTIES		(---	(---	(---	(25000)	(---	(25000)	(---	(---	(---
TOTAL PERSONNEL										
USDH WORKYEARS		16.1	18.0	19.0	20.0	20.0				
FNDH WORKYEARS		19.3	22.0	21.9	22.0	22.0				

TABLE I NARRATIVE

Approved assistance planning levels established for the Morocco program for FY 1985 and for the planning period FY 1986-89 are considered to be adequate to support the USAID's approved Country Development Strategy. If these resources become available as programmed we do not envision any program management problems for either on-going or new activities. Based on past experience with incrementally funded projects and given our projected project portfolio the USAID does not foresee any mortgage funding problems in the out years.

As mentioned in last year's ABS all on-going participant training financed by USAID has been forward funded to completion with the sole exception of participants financed under the Agronomic Institute Project (0160). Forward funding for these participants continues to be budgeted in 18 month increments.

As discussed in the narrative to Tables IX(a) and IX(b) the Mission requires an increase in workyear allocations by FY 1985 of two USDH and two FNDH positions. These additional personnel are necessary if we are to effectively manage our overall program.

FY 1985 ANNUAL BUDGET SUBMISSION
 TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: MOROCCO BUREAU NAME: NEAR EAST

PROJECT NUMBER & TITLE	OBLIG	ESTIMATED U.S. DOLLAR COST (\$000)	FY 1983	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989	ITEM
TECH G	DATE	TOTAL COST- PLAN	INIT FIN AUTH	THRU FY 82	THRU FY 83	THRU FY 84	THRU FY 85	THRU FY 86	THRU FY 87	THRU FY 89
CODE L	INIT FIN AUTH	PLAN	INIT FIN AUTH	THRU FY 82	THRU FY 83	THRU FY 84	THRU FY 85	THRU FY 86	THRU FY 87	THRU FY 89
POPULATION PLANNING										
608-0155 FAMILY PLANNING SUPPORT II SUBCAT: PNFP										
440	G	78	83	10834	10834	9784	3345	1150	3200	5203
						1362	3/74			
608-0171 FAMILY PLANNING SUPPORT III SUBCAT: PNFP										
440	G	84	88	18500	18500	2500	1800	2/85	4500	7/86
									4200	4300
									4300	3000
OTHER FAMILY PLANNING ACTIVITIES SUBCAT: PNFP										
440	G	89	93	20000	20000					5000
APPROPRIATION TOTAL 10834 49334 9784 3345 1150 3200 2500 3162 4500 4200 4300 3000 5000										
GRANT 10834 49334 9784 3345 1150 3200 2500 3162 4500 4200 4300 3000 5000										
LOAN										
HEALTH										
608-0151 HEALTH MANAGEMENT IMPROVEMENT SUBCAT: HEDH										
530	G	81	84	2185	2185	1485	1247	700	900	
								850	1/85	
608-0155 FAMILY PLANNING SUPPORT II SUBCAT: HEEH										
320	G	80	80	100	100	100	100	77	77	
									9/83	
608-0170 SECTOR SUPPORT TRAINING SUBCAT: HEEH										
560	G	83	83	300	300			300	20	
									80	1/87
APPROPRIATION TOTAL 2285 2585 1585 1324 1000 997 930										
GRANT 2285 2585 1585 1324 1000 997 930										
LOAN										

FY 1985 ANNUAL BUDGET SUBMISSION
TABLE IV - PROJECT BUDGET DATA

PROJECT NUMBER & TITLE	OBLIG FY 82	ESTIMATED U.S. DOLLAR COST (\$000)	FY 1984	FY 85 FUNDED	FY 86	FY 87	FY 88	FY 89	ITEM
TECH G --DATE--	THRU PIPE	OBLIG- EXPEND-	FUNDED	THRU APL	THRU APL	THRU APL	THRU APL	THRU APL	NO
CODE L INIT FIN AUTH	PLAN	ATIONS	ITURES	ATIONS	ITURES	ATIONS	ITURES	ATIONS	OBLIG OBLIG
EDUCATION & HUMAN RESOURCES									
608-0147 INDUSTRIAL & COMMERCIAL JOB TRAINING FOR WOMEN SUBCAT: EHVT									
620	G 78 82	3236	3236	610	---	9/83	---	---	5198
608-0149 DEVELOPMENT TRAINING & MANAGEMENT IMPROVEMENT SUBCAT: EHSP									
680	G 78 82	4497	4497	1100	---	200 12/83	---	---	5199
608-0154 SOCIAL & ECONOMIC RESEARCH SUBCAT: EHRE									
670	G 79 79	450	450	325	---	25 12/83	---	---	5201
608-0157 SOCIAL SERVICES TRAINING (PC) SUBCAT: EHAC									
620	G 80 84	5400	5400	3280	1490	600	1400	1520	1400 10/85
608-0162 STATISTICAL SERVICES SUBCAT: EHPP									
710	G 80 83	1500	1500	1200	408	300	300	---	308 9/85
608-0178 SECTOR SUPPORT TRAINING SUBCAT: EHSP									
680	G 83 86	---	6126	---	---	520	80	2500	800 9/85
									2280 5/86
									1500
APPROPRIATION TOTAL 15083 21209 12663 3933 1420 3590 4020 2733 2280 1500									
GRANT 15083 21209 12663 3933 1420 3590 4020 2733 2280 1500									
LOAN --- --- --- --- --- --- --- --- ---									

FY 1985 ANNUAL BUDGET SUBMISSION
 TABLE IV - PROJECT BUDGET DATA

COUNTRY/OFFICE: MOROCCO BUREAU NAME: NEAR EAST

PROJECT NUMBER & TITLE
 OBLIG
 TECH G --DATE-- TOTAL COST- PLAN FY 82 LINE ATIONS ITURES OBLIG- EXPEND- OBLIG- EXPEND- FUNDED FY 85 FUNDED FY 86 FY 87 FY 88 FY 89 ITEM
 CODE L INIT FIN AUTH

SELECTED DEVELOPMENT ACTIVITIES

608-0156 LOW COST HOUSING I (PVO-U-R)		SUBCAT: SEHO		ESTIMATED U.S. DOLLAR COST (\$000)		FY 1983		FY 1984	
OBLIG	THRU	PIPE	438	320	118	12/83			
860	G	80	82	900	900	438	320	118	12/83
608-0169 LOW COST HOUSING II (PVO-U-R)		SUBCAT: SEHO		ESTIMATED U.S. DOLLAR COST (\$000)		FY 1983		FY 1984	
OBLIG	THRU	PIPE	438	400	20	10/85			
860	G	83	84	950	950	438	400	20	10/85
608-0180 ENERGY PLANNING ASSISTANCE		SUBCAT: SDPP		ESTIMATED U.S. DOLLAR COST (\$000)		FY 1983		FY 1984	
OBLIG	THRU	PIPE	438	1100	400	9/85	1400	10/86	1157
830	G	84	86	3657	3657	438	1100	400	9/85
APPROPRIATION TOTAL		900	5507	900	438	400	340	1650	938
GRANT		900	5507	900	438	400	340	1650	938
LOAN									

ECONOMIC SUPPORT FUND

608-0176 CONVENTIONAL ENERGY		SUBCAT: SDTT		ESTIMATED U.S. DOLLAR COST (\$000)		FY 1983		FY 1984	
OBLIG	THRU	PIPE	438	7000 <th>1725 <th>4/86 <th></th> <th></th> <th></th> </th></th>	1725 <th>4/86 <th></th> <th></th> <th></th> </th>	4/86 <th></th> <th></th> <th></th>			
830	G	84	84	7000	7000	438	7000	1725	4/86
APPROPRIATION TOTAL		7000	7000	7000	1725		7000	1725	
GRANT		7000	7000	7000	1725		7000	1725	
LOAN									
PROGRAM TOTAL		69998	182826	55893	21625	10250	18068	26000	19238
GRANT		56998	169826	42893	18884	10250	15327	26000	19238
LOAN		13000	13000	13000	2741		2741		

NEW PROJECT NARRATIVE

(\$ Thousands)

Project Number : 608-0176
Project Title : Conventional Energy
Proposed FY 84 Funding : 7,000 (GRANT)
Proposed FY 85 Funding : 0
Life-Of-Project Funding: 7,000 (GRANT)
Appropriation Account : Economic Support Funds (ESF)

The purpose of the Conventional Energy Project is to strengthen and accelerate Morocco's program of exploration for and exploration of indigenous oil and gas resources. As a follow-on to a centrally-funded activity under S&T/EY's Conventional Energy Technical Assistance Project, this project will build on and extend the availability of resources already provided to the National Hydrocarbon Exploration and Development Company (ONAREP) and will aim specifically at encouraging (a) private-sector participation in the Moroccan hydrocarbon program and (b) market oriented pricing solutions to demand management. It will also coordinate with and complement services being provided to ONAREP under a World Bank loan for oil and gas exploration, development and production.

The project responds to one of AID's major policy concerns: "48 of the 74 oil-importing developing countries surveyed by the World Bank now depend on oil for 90% of their commercial energy requirements... Transportation, industry, and modern agriculture are all dependent on oil."^{1/} "Most developing countries will need to increase their relative reliance on these fuels..."^{2/} "AID's role in the fossil fuel area... will take the form of technical assistance for training and institutional development, policy advice, and financing of some geological and geophysical studies in coordination with other assistance agencies."^{3/}

This follow-on Project to Project 936-5724 reflects AID's concerns and adheres to the policy position of enhancing funds provided by other donors. Morocco faces an immediate balance-of-payments

^{1/} Energy Assistance Policy Paper, January, 1981, p.6

^{2/} Ibid, P.22

^{3/} AID Energy Strategy, December, 1982, p.15

crisis and a severe austerity program as a result of its oil imports, slow growth in export earnings, and recent changes in the world monetary situation that seriously eroded Morocco's financial position. This spring, oil imports, despite a recent softening of world prices, continue to absorb nearly half of Morocco's export earnings; since world oil trade is in dollars, and since the dollar has risen in relation to the French franc and therefore the Moroccan dirham, lower oil prices have in effect been non-existent for Morocco. Thus, it is imperative that Morocco speed up its efforts to bring domestic resources, notably natural gas, on line at the earliest possible date.

This need for replacement of imported oil with indigenous resources is currently constrained by the limited institutional capability of ONAREP to accelerate its oil and gas exploration and development program. A new World Bank loan of \$75.2 million is supporting ONAREP's efforts to appraise its recently discovered natural gas reservoir in Meskala. AID's technical assistance, begun under a centrally-funded program, is designed to strengthen the institutional and manpower resources of ONAREP, to help ONAREP make better use of the World Bank resources, to encourage the participation of private exploration and drilling companies in the development of Moroccan oil and natural gas, and to improve the overall efficiency and productivity of ONAREP's activities.

- To accomplish these objectives, the AID project will provide:

A. The long-term technical assistance services of eight resident advisors in such field as management, planning, engineering, and geology.

B. Short-term technical advisory services of additional advisors on a as-needed basis in such areas as oil and gas pricing, systems analysis, etc.

C. An extensive program of training including in-country seminars, short courses and university graduate degree programs in the United States. Under this project 30 young engineers are expected to receive 4-months of U.S. training in drilling, exploration geology, and production technologies. An additional 18 young managers and economists will receive short-term training in energy management, 11 engineers will be sent for M.S. degree training in the U.S. The total estimated cost to AID of this participant training is \$1,128,000.

In the current Moroccan environment, the Project meets the three criteria for AID funding to increase Energy Supplies.

"1) Can the proposed activity support, encourage and leverage private sector investment in exploration, development, production, conversion, or distribution of new energy supplies?

2) Does the activity utilize energy resources that will make a major contribution to the overall national (or regional) energy balance, or to sustaining supplies of traditional fuels?

3) Would availability of these new energy supplies make a substantial improvement in the country's macroeconomic condition, thereby freeing scarce local budgets and/or foreign exchange for investment in economic development projects?"^{4/}

The indirect effects are potentially massive at the national scale: (1) accelerated 1/3 reduction in oil imports, (2) more competitive international prices for Morocco's exports, (3) a potential reduction in operating costs for major hydrocarbon consuming industries (cement plants, phosphates, and power plants), (4) bottled gas for rural consumption, and as a consequence (5) slowing of deforestation.

Currently Morocco's gas find appears promising as a replacement fuel for imported oil, but lacks the potential for an exportable surplus at an attractive profit for the major petroleum corporations. In this regard, the current AID project is helping to organize promotional seminars to solicit private, generally U.S., concessions or contracts. The GOM's investment code is relatively attractive compared to that of many other countries. Domestic private interest will potentially be involved in gas distribution to farms and homes, bottling, and if reserves prove large enough, fertilizer production.

A major issue that will be addressed is the pricing policy surrounding gas. A senior planning advisor and economic analyst to be provided under the project will promote rational pricing structures as ONAREP heads into negotiating sales contracts with primary users.

The current IBDR estimates for this Meskala reservoir show a "self-sustaining income and job-producing activity"^{5/} developing by 1986 and lasting for 10 years. The Meskala reservoir will be used (1) to displace imported oil, (2) nurture local development, and (3) possibly export hydrocarbons for hard currency generation. The last priority could begin only if/when reserves substantially above the current estimates are proven.

Development of Moroccan hydrocarbons can be dramatically accelerated with U.S. "capital, technology, and management expertise"^{6/} Morocco's Ministry of Energy has already indicated informally its desire for AID assistance in soliciting investment counsel and capital to speed development. These desires are reflected in AID's new policy thrust to foster private enterprise.

^{4/} "AID Energy Strategy", December, 1982, p.15

^{5/} Bureau for Private Enterprise Policy Paper, May 1982, p.1

^{6/} I bid.

NEW PROJECT NARRATIVE

(\$ Thousands)

Project Number : 608-0180
Project Title : Energy Planning Assistance
Proposed FY 1984 Funding: \$1,100 (GRANT)
Proposed FY 1985 Funding: \$1,400 (GRANT)
Life of Project Cost : \$3,657 (GRANT)
Appropriation Account : Selected Development Activities (SDA)

The purpose of the Energy Planning Assistance Project is to assist the Ministry of Energy and Mines (MEM and other GOM energy-related entities) in the development and implementation of viable energy policies and strategies, programs and projects for the 1985-2000 period. The project will support GOM efforts to ameliorate Morocco's currently critical problems of balance-of-payment, deficit, external debt burden, foreign exchange shortage and development constraints caused by shortages of energy and capital.

It will also strengthen the GOM's capability to develop and implement such policies, strategies, programs and projects in the Ministry of Energy and Mines and associated entities, and to attract both expatriate and local private investment in the energy sector of Morocco. The timing for the follow-on project is particularly propitious since the current economic climate has strained the GOM's own resources to the point that key investment decision-makers are increasingly receptive to private market solutions to their economic development problems. They are especially open to consider real cost pricing. The new climate is also very conducive to policy dialogue which could lead to increased influence of the private sector.

During project implementation the following problems will be addressed:

- A critical weakness in the current Moroccan economy, including a virtual lack of foreign exchange for investment, which is exacerbated by the country's dependence on oil imports to meet 85% of its commercial energy.
- A currently inefficient pattern of energy consumption and resource allocation because of inefficient fuel and electricity pricing structures, lack of conservation programs and

inability to ensure the most rational allocation of different energy sources among end-users;

- Non-existence of a good data base and dynamic information system for ongoing energy analysis;
- An expressed need for better understanding and consideration among GOM decision-makers of the role of energy in the Moroccan economy, and in particular the new energy demand that is created by the development of other sectors of the Moroccan economy, including industry, electric power, transportation, agriculture, housing and urban development; and
- A shortage of trained manpower and organizational capability in MEM to deal with each of the above problems.

This project is a follow-on to centrally-funded activities in energy planning and policy development, which were provided under ST/EY's Energy Policy and Planning Project (936-5703) and Energy Policy Development and Conservation Project (936-5728). Under the ST/EY projects, the GOM and U.S. personnel jointly developed a new analytical approach to Morocco's energy investment options. Called EnVest, this microcomputer-based energy model enabled MEM to begin the systematic analysis of proposed energy supply projects in a comparative mode, evaluating projects in oil, gas, coal, oil shale, renewables and conservation and comparing them for the first time with each other in terms of their internal rates of return, inherent technological risks and uncertainties, foreign exchange requirements and expected energy output. The model also allows GOM energy planners to develop and compare alternative scenarios in which specified levels of energy supply are provided through alternative investment portfolios of energy projects based on variable assumptions such as the level and availability of natural gas, which is now being explored.

The GOM is now anxious to make maximum use of this analytical tool and of other techniques and activities to insure more efficient use of scarce investment resources and user allocation of its energy supplies. To succeed, Morocco must address and find solutions for the problems described above.

The project fits within AID's Energy Policy adopted in early 1981 and Energy Sector Strategy developed in 1982. It is also consistent with the four cross-cutting concerns of the Administration -- policy dialogue, institutional development, technology transfer and reliance on the private sector. Finally, it addresses Congress's concern, stated in Section 106 of the FAA, about the need to aid developing countries to alleviate their energy problems.

In its Energy Policy guidance, the Agency has stated its intent to "emphasize those areas in which AID has special competence and experience: analysis and planning assistance, project preparation and feasibility studies, training and institution-building..." (Energy Assistance Policy Paper, January, 1981, p. 12).

In the December 1982 draft Energy Sector Strategy, the Agency identified energy analysis, planning and policy development as the first of four major areas of AID activity within the energy sector. Specifically, AID would:

"Help develop the knowledge and capability for the design and implementation of sound energy policies... giving priority attention to analysis of pricing policies and initiation of a dialogue with the government on revision of these as appropriate. Domestic policies in the areas of investment and tax codes, trade, and environmental or natural resource management will also be encouraged, especially as these are conducive to private investment." (State 356138, 23 December, 1982).

The Congress found in 1979 that "assistance for the production of energy from indigenous resources... would be of direct benefit to the poor in developing countries because of the overwhelming impact of imported energy costs upon the lives of the poor and their ability to participate in development." (FAA, Section 106(D)). Congress authorized AID to furnish assistance in the form of data collection and analysis, training, research and development, institutional development and scientific interchange. (Ibid).

The project will be implemented over a 4 year period and will consist of the following components:

1. Provision of two resident energy advisors over the four year life of the project. The Chief of party will be a senior-level economic/energy policy analyst. The second resident advisor will be a specialist in information systems and data management.
2. Short-term technical assistance in specialized areas, to produce specific analyses and/or to provide advice, training or other services on an as-needed basis.
3. Training, based both in Morocco and in the U.S., encompassing short-term seminars, on-the-job skill building and academic degree training. Academic training is expected to be in the fields of energy economics, finance, systems analysis, law and management. The training component will include eight in-country seminars for 10-15 persons each up to 15 slots in U.S. based short courses and/or seminars (including attendance by several GOM staff members at the AID-funded Energy Management Training Program at SUNY/Stony Brook), and four degree programs at the M.S. level in U.S. universities. English language training will also be provided for key MEM personnel. The total cost of training to AID is estimated to be \$910,000.
4. Provision of computer hardware and software, including programming services, to upgrade and expand the current analytical model and its use by MEM and its affiliated entities such as ONAREP, ONE, SOCOCHARBO, etc., as well as other micro-computer applications relevant to energy planning and management. Programming services will be supplied to the maximum extent possible by Moroccan programmers in the GOM and in private Moroccan firms. AID will provide microcomputers and commercial software.

While the project will not include any explicit research components, it is expected to follow the pattern established in the centrally-funded predecessor activity by breaking new methodological ground in energy analysis. USAID will work with S&T/EY, as it has in the past, to ensure that innovations stimulated by the project are made widely available to other AID entities and replicable where appropriate in other countries.

NEW PROJECT NARRATIVE

(\$ Thousands)

Project Number : 608-0181
Project Title : Peace Corps Small Project Support Fund
Proposed FY 1984 funding: \$50 (GRANT)
Proposed FY 1985 Funding: \$50 (GRANT)
Life of Project Cost : \$300 (GRANT)
Appropriation Account : Agriculture, Rural Development and
Nutrition (ARDN)

The purpose of the Small Project Support Fund Project is to finance village level development activities by Peace Corps Volunteers in Morocco. The project is designed to encourage and support self-help efforts by local communities in such areas as food, energy, competitive enterprise development and/or income-generating activities.

The project will enable Peace Corps Volunteers to respond to small scale requests for assistance from local communities for activities which by their size or nature are not currently fundable from on-going projects. These locally initiated projects are likely to generate substantial local participation. In addition, they provide an opportunity to support development activities which will often involve a segment of local communities not normally reached by other development projects.

Over the 5-year life of the project \$250,000 will be provided to support a wide variety of community activities. Funds for any one activity will be limited to a maximum amount of \$10,000. Selected activities will be scheduled for completion within one year, and will not entail reliance on further U.S. assistance. The recipient groups will normally be economically and socially disadvantaged and without access to resources provided by other commercial or government sources of assistance.

TABLE V - FY 1985 PROPOSED PROGRAM RANKING					Country/Office	
RANK	PROGRAM ACTIVITY DESCRIPTION	ONGOING NEW	LOAN GRANT	APPR ACCT	PROGRAM FUNDING (\$000)	
					INCR	CUM
1	608-0171 FAMILY PLANNING SUPPORT III	0	G	PN	4,500	4,500
2	608-PL01 PL-480 TITLE I	-	L	P1	(25,000)	4,500
3	608-0136 DRYLAND AGRICULTURE APPLIED RESEARCH	0	G	ARDN	3,204	7,704
4	608-0160 AGRONOMIC INSTITUTE	0	G	ARDN	3,000	10,704
5	608-0170 RAINFED AGRICULTURE	0	G	ARDN	4,265	14,969
6	608-0180 ENERGY PLANNING ASSISTANCE	0	G	SDA	1,400	16,369
7	608-0178 SECTOR SUPPORT TRAINING	0	G	EH	2,280	18,649
8	608-0178 SECTOR SUPPORT TRAINING	0	G	ARDN	1,000	19,649
9	608-0159 RENEWABLE ENERGY	0	G	ARDN	1,301	20,950
10	608-0181 PEACE CORPS SMALL PROJECT SUPPORT FUND	0	G	ARDN	50	21,000
11	608-PL02 PL-480 TITLE II CRS-MCH	-	G	P2	(5,945)	21,000
12	608-PL02 PL-480 TITLE II AJDC-MCH	-	G	P2	(68)	21,000
13	608-PL02 PL-480 TITLE II CRS-FFW	-	G	P2	(3,089)	21,000
14	608-PL02 PL-480 TITLE II CRS-DCF	-	G	P2	(604)	21,000
15	608-HG02 HOUSING INVESTMENT GUARANTEE	-			(25,000)	21,000
	TOTAL				21,000	

TABLE V NARRATIVE

The FY 1985 proposed program ranking is consistent with USAID's Country Development Strategy and FY 1984 Congressional Presentation. Funding levels proposed for FY 1985 are adequate to meet on-going requirements. No new project activities are scheduled to begin in FY 1985.

The Family Planning Support Project III, which began in FY 1984, is the Mission's number one priority. Success in reducing Morocco's rapid population growth rate is the key to any long-term improvement in all other sectors. Moreover, this activity has demonstrated its effectiveness and we should be prepared to capitalize on the momentum achieved.

PL 480-Title I resources have been integrated into USAID's overall agricultural development program, and the FY 1985 request of \$25 million constitutes a key element in the approved agriculture sector strategy. Dryland Agriculture Research, the Agronomic Institute, and the Rainfed Agriculture Projects are all mutually supportive activities designed to develop in-country institutional capacities which will enable Moroccan agriculturists to work effectively to increase production.

The Energy Planning Assistance Project is an important component in efforts to provide GOM planners with appropriate analytical methods to make sound decisions in the energy field and is the potential vehicle for a significant policy dialogue on issues affecting the entire economy. The Sector Support Training projects provides for both U.S. and in-country training of mid-level Moroccan technicians, planners, administrators and managers. This project is central in USAID's efforts to promote the transfer of appropriate technologies and methodologies to Moroccan decision makers. Funding of on-going activities under the Renewable Energy Project is requested to support a program to develop for Morocco small-unit low-cost energy systems in rural areas where power is not affordable or available.

PL-480 Title II resources are requested to support on-going Voluntary Agency activities which are scheduled for phase-out by FY 1988. The level of resources being requested is in keeping with a rational, orderly initiation of the phase-out process.

A housing investment loan guarantee of \$25 million is being requested to support Ministry of Housing slum-upgrading programs. This activity complements an earlier \$17 million HIG program implemented by that Ministry. Our total involvement in this sector will be supported and protected by the provision of on-going technical assistance.

M O R O C C O

PROJECT DEVELOPMENT & SUPPORT REQUIREMENTS

FY 1984

<u>FUNCTIONAL ACCOUNT</u>	<u>ACTIVITY PURPOSE</u>	<u>ESTIMATED COST</u>	<u>WHEN REQ'D</u>
ARDN	PROJECT 608-0145 EVALUATION	\$25,000	1ST QTR
SDA	PROJECT 608-0176 DESIGN TEAM	\$60,000	1ST QTR
SDA	PROJECT 608-0180 DESIGN TEAM	\$20,000	1ST QTR
SDA	PROJECT 608-0169 EVALUATION	\$15,000	4TH QTR

AID/W TDY REQUIREMENTS

FY 1984

<u>ACTIVITY PURPOSE</u>	<u>NUMBER OF PERSONS</u>	<u>TIME REQ'D (EA)</u>	<u>INDIVIDUAL AID/W OFF.</u>	<u>REQ'D</u>
PROJECT 0154 EVALUATION	1	2 WEEKS	NE/TECH/SARD	1ST QTR
PROJECT 0157 BACKSTOP	1	3-4 DAYS	NE/TECH	1ST QTR
PROJECT 0176 PP DESIGN	2	2 WEEKS	S&T/EY	1ST QTR
PROJECT 0145 EVALUATION	1	4 WEEKS	S&T/AD	1ST QTR
" " "	1	4 WEEKS	NE/TECH/AD	1ST QTR
PROJECT 0180 PP DESIGN	2	2 WEEKS	S&T/EY	1ST QTR
PROJECT 0162 PLANNING	1	1 WEEK	S&T/POP	1ST QTR
PROJECT 0136 BACKSTOPPING	1	2 WEEKS	S&T/AD	2ND QTR
PROJECT 0155 EVALUATION	1	2 WEEKS	NE/TECH	2ND QTR
TA/OPERATION RESEARCH	1	2 WEEKS	S&T/NUTR	2ND QTR
PROJECT 0151 EVALUATION	1	2 WEEKS	NE/TECH/HPN	2ND QTR
PROJECT 0159 EVALUATION	1	1 WEEK	NE/TECH/HRST	2ND QTR
PROJECT 0159 EVALUATION	1	1 WEEK	S&T/EY	2ND QTR
PROJECT 0157 BACKSTOP	1	3-4 DAYS	NE/TECH/HRST	3RD QTR
PROJECT 0178 BACKSTOP	1	3-4 DAYS	NE/TECH/HRST	3RD QTR
AGR. PORTFOLIO REVIEW	1	1 WEEK	NE/TECH/AD R. COBB.	3RD QTR
PROJECT 0149 EVALUATION	1	2 WEEKS	NE/TECH/HRST	3RD QTR
PHN PROGRAM MANAGEMENT	1	6 WEEKS	NE/TECH/HPN	4TH QTR
PROJECT 608-0162	1	1 WEEK	NE/TECH	4TH QTR
PROJECT 0169 EVALUATION	1	3 WEEKS	PRE/HUD	4TH QTR

EVALUATION PLAN

The Rabat Mission finds evaluation an essential tool for sound management, has expanded considerable time on the process (8 evaluations in last 3 months), and plans to continue this emphasis over the planning period. In addition to the corrections in the approach to individual projects engendered by these evaluations, we are in the process of trying to glean some cross-cutting "lessons learned" which will be helpful in both future project design/implementation, and in implementing our evaluation program for the future. Although the final results of this process will not be ready until early July, several broad conclusions have surfaced and/or been reinforced:

- We need tighter ongoing project management controls over projects. (The MACS computer system will be one remedial tool).
- We need to be more sensitive to insuring compatability between project papers, program agreements, and contracts.
- Host-country contracts have been uniformly ineffective.
- Many projects have been hampered by our inability to insure that appropriate GOM financial inputs are made available on a timely basis.
- The participant training element of projects can be made more effective by improvements in candidate selection criteria, stricter language requirements and a greater corollation between training and eventual job responsibilities.
- We need to be more sensitive to the broader policy and institutional environment into which our projects fit, and to engage recipient institutions on those features which inhibit project effectiveness.

Through the evaluation process efforts are being made to assure alignment of A.I.D. resources in accordance with the development priorities of the Agency. Already most Mission projects have institution building and technology transfer elements in common. Thus evaluation activities, in addition to addressing routine project implementation concerns, will review project achievements in priority areas. More generally, projects selected for evaluation under this plan, rather than being limited to those identified in the proposed project ranking, will provide an across-the-board Mission assessment of project accomplishments, identify policy or institutional settings which impede successful accomplishment of objectives, and identify lessons learned.

The Population/Family Planning activities continue to build on the foundation laid down by previous USAID population assistance, with the primary objective of extending and expanding the availability

of contraceptive information and services to 70% of eligible couples in Morocco by the end of 1988. The evaluations will review achievements in maintaining an effective policy dialogue on population control; assess progress toward institutionalizing family planning outreach services, and impact of these services on levels of contraceptive prevalence; and appraise the GOM's utilization and application of technology transferred through project activities, including research findings, service delivery approaches and family planning methods.

USAID's other major programmatic focus will remain in the Agricultural Sector. All projects in this sector are scheduled for evaluation during FY 1984 and 1985.

The principle elements of USAID's Rainfed Agricultural Production Strategy combine continued emphasis on strengthening the government's institutional capacity to conduct dryland research (0136) and training professionals in agricultural sciences (0160) with new initiatives in extension, planning, and provision of improved technological packages to farmers (0170). The evaluation of the Dryland Agriculture Applied Research Project (0136), currently being revised and expanded, will assess the degree of research capability and institutionalization achieved, technology tested, developed and transferred, and success in establishing linkages with extension organizations, and begin providing information on specific policies and programs which could involve the private sector. The Agronomic Institute Project (0160) continues to train professionals needed to plan, teach, administer and assess government policies and programs to stimulate agricultural production. The evaluation will review public and private sector responsibilities of graduates; progress toward institutionalization of in-country training, and success of outreach programs. Both evaluations will help determine future funding emphases necessary to ensure achievements of program objectives.

The Rainfed Agriculture Project (0170) evaluation will review project implementation start-up actions and activities planned for two of the project's institutional initiatives, i.e. in-service training program for extension agents, and macro- and micro-level analytical capability in policy formulation and program planning within the Ministry of Agriculture. Peripherally, the evaluation process may be of use in assessing the GOM's support of the rainfed cereals sector and the advisability of the Mission pursuing discussion of this issue as related to potential programming of a multi-year \$200 million package for this sector.

Energy Sector activities depend, in the long run, on policy decisions (energy-related investments), continued discoveries of fossil fuels, institutional capabilities, and private sector involvement. The Mission's energy projects are designed to create the institutional capability and to provide the professional expertise necessary to plan and conduct research to exploit renewable energy resources; provide a capacity to weigh energy resource availability vs need in decisions

affecting national energy policies; and test and transfer appropriate technologies for energy exploitation. As such, evaluations will review the success of the assistance provided to achieve these objectives and define affordable strategies for the GOM to continue useful activities in the energy field, including private sector collaboration.

The Sector Support Training Project (0178) provides the principal means for transfer of U.S. technologies in the next decade. Through this project USAID will attempt to build up a critical mass of management, policy, administrative, and financial specialists to be placed at various levels of government (and private sector). This early-in-LOP evaluation will review appropriateness of participants selected and of training provided as a means of guiding future project actions.

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	Last Eval		FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Completed (Mo./Yr.)	Start (Qtr)	Start (Qtr)	To (Qtr)	Start (Qtr)	To (Qtr)				
608-0136 Dryland Agriculture Applied Research	6/83				3	4	PACD = 9/30/84 This project, for which an amendment for extension through FY '88 is currently in progress, will strengthen the institutional capability of the Agronomic Research Institute (INRA) with special emphasis on establishing a National Dryland Agriculture Applied Research Center and 3 satellite research stations. The evaluation will assess the degree of institution building achieved, esp. cross linkages between INRA and extension organizations; and identify implementation changes necessary as a result of applied research lessons learned thus far.	Project 30	30	IQC 60 person days AID/W TDY: NE/TECH/AD 30 person days S&T/AD 30 person days
608-0160 Agronomic Institute Project	8/83				4	4	PACD = 9/30/85 This project strengthens the institutional capability of the Hassan II Agronomic Institute (IAV-H2) to conduct in-country training of agricultural managers, technicians, and scientists. This evaluation is scheduled in anticipation of approval of a proposed project extension and extension through FY '89. The evaluation will assess the project's progress in training IAV faculty under a phased program including issuance of MS and PhD degrees, training necessary faculty	Project 30	30	IQC 60 person days AID/W TDY: NE/TECH 30 person days S&T/AD 30 person days

Ursula Nadolny, Evaluation Officer (20%)

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To End (Qtr)	Start To End (Qtr)	AID/W (Qtr)				
608-0160 Agronomic Institute Project					for satellite agricultural education institutions, and providing appropriately trained personnel for the implementation of GOM and private sector agricultural development projects in Morocco; appraise the degree of institutionalization achieved; and recommend necessary changes resulting from lessons learned in agricultural education outreach activities.			
608-0145 Range Management Improvement	1*		2*		PACD = 6/4/86 This project concentrates on building institutional capability of the GOM Range Management Service in order to implement Range Management and extension programs that lead to improved range productivity and development and, subsequent, increased rural income. The evaluation will assess the achievement and impact of this project on the GOM institution building objectives, propose recommendations to correct possible design deficiencies and define follow-on project activities necessary to strengthen the range development momentum.	PDS	30	IQC contractor 60 person days AID/W TDY: NE/TECH 30 person days S&T/AD 30 person days

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To End (Qtr)	Start To End (Qtr)	Start To End (Qtr)				
608-0170 Rainfed Agriculture Project			1	2	PACD = UNK The project aims to improve the quality and applicability of research directed at small farm production in rainfed zones; and to promote more effective extension of research results and other inputs necessary to increase production. This evaluation will review progress of project implementation activities which, at this time, will be limited to commodity procurement actions, economic studies undertaken, and content of in-country training to be provided.		15	None
608-0155 Family Planning Support Phase II	05/83	2*			PACD = 3/31/84 This would be the final evaluation of the project, prior to commencement of a follow-on (Phase III) activity. Specific areas to be addressed by the evaluation will be, <u>inter alia</u> , the impact of FP outreach services on levels of contraceptive practices; the readiness of the GOM to assume program costs; and the status of health/nutrition services provided under the project.	Central OE	5 2	AID/W TDY, NE/TECH/HPN 15 person days

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To End (Qtr) AID/W (Qtr)	Start To End (Qtr) AID/W (Qtr)	Start To End (Qtr) AID/W (Qtr)				
608-0171 Family Planning Support II			3	3	PACD = 04/89 This project's primary objective is to extend the availability of contraceptive information and services to virtually every couple in Morocco by 1988. The first, interim evaluation of the Phase III project will assess performance against the project implementation plan, and make adjustments as necessary.	OE 0.5	10	None
608-0151 Health Management Improvement	5/83	(A) 2*	(B) 3	4	PACD = 01/27/84 This project was designed to introduce and institutionalize major changes in the Ministry of Public Health's Management and Administrative systems and procedures. (A) Due to the initial slow pace of project implementation and discussion as to the strategy to be followed to achieve project goals and objectives the last PES recommended that an additional evaluation be conducted at the end of year 2 of the project. This evaluation will assess project performance and timing against those anticipated; verify the means of monitoring the progress and impact of the management and systems changes on the administration of health programs; and assess contractor performance and GOM support.	OE 3.5	15	AID/W TDY, NE/TECH/HPN 15 person days

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Completed (No./Yr.)	Start To (Qtr) AID/W	Start To (Qtr) AID/W	Start To (Qtr) AID/W				
608-0151 Health Management Improvement					(B) The final project evaluation will measure the impact of the management and systems changes on the administration of health programs and their impact on the delivery of health services; and assess success of project activities in attainment of originally defined project goals and objectives.	Project OE	5 15	IQC 15 person days AID/W TDY, NE/TECH/HPN 15 person days
608-0178 Sector Support Training	--	4*	1 4	1	PACD = 9/30/89 The project focuses on up-grading the managerial, analytical and technological expertise of Moroccans involved in planning, development and implementation of social and economic programs via the training of Moroccan nationals out-of-country (long and short term) and in-country (short-term). Both the first annual and the second annual evaluations will consider timeliness of project implementation vis-a-vis the proposed PP training schedule, and application of selection criteria, including GOM and USAID-designated responsibilities.	--	-- 15 15	None

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
		Start (Qtr)	To (Qtr)	Start (Qtr)	To (Qtr)				
608-0149 Development Training and Management Improvement	1/82	3*	4*			<p>PACD = 12/30/83</p> <p>The overall thrust of the project is directed to improving the performance of critical Moroccan public sector institutions in the preparation and implementation of development activities affecting the poor majority. This final, end-of-project evaluation will assess the quality of candidates selected for training; the appropriateness, quality, and nature of that training; the relevance of post-training assignments; and, to the extent possible, the financial and qualitative indications of improved administration of development projects by the respective Moroccan institutions.</p>	OE	30	AID/W TDY, NE/TECH/HRST 15 person days
608-0162 Statistical Services	1/83	(A) 4*	4*	(B) 4	4	<p>PACD = 9/30/85</p> <p>The project provides TA, training and equipment to support the GOM in its implementation of the general census of population and housing and specialized post-census household and economic surveys.</p> <p>(A) This routine evaluation will examine 4 questions: 1. U.S. BuGen effectiveness in responding to TA needs of the GOM Ministry of Plan.</p>	OE	10	AID/W TDY, NE/TECH 1 Week

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
		Start To AID/W (Qtr)	Start To AID/W (Qtr)	Start To AID/W (Qtr)	Start To AID/W (Qtr)				
608-0162 Statistical Services						2. Ministry of Plan effectiveness in using BuCen TA. 3. Estimation of resource require- ments thru to EOP. 4. Extent to which planning/analysis functions are being incorporated into the project. (B) This final evaluation will: 1. Examine performance of project against original objectives. 2. Determine EOP Status of Ministry of Plan counterpart offices/ divisions. 3. Assess quality/comprehensiveness of survey data collected. 4. Assess quality/relevance of data analysis activity to date. 5. Examine placement/assignments of returned participants.	OE PASA Central	3 3 4	BuCen TDY 10 person days AID/W Funded Contractor TDY 10 person days

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To (Qtr)	Start To (Qtr)	Start To (Qtr)				
608-0159 Renewable Energy Development	1	1*			PACD = 9/30/86 The project consists of the development of a program for the exploitation of renewable energy resources. The project recently (10/82) entered Phase II of a process designed to create and institutionalize a Center for Renewable Energy Development with full capability to research, analyze and identify the most effective and efficient ways to develop and use Morocco's renewable energy potential. This evaluation is scheduled at a key juncture to determine remaining GOM funding available for meeting project goals; review TA needs; and assess GOM's financial and human resource inputs into the project.	16	10	IQC 45 person days
608-0176 Conventional Energy			1	2	PACD = 3/31/86 The project will provide assistance to the GOM (ONAREP) to strengthen and accelerate Morocco's indigenous oil and gas exploration/exploitation programs. This evaluation will measure the efficiency of ONAREP's use of TA; determine appropriateness of funding any follow-on in TA from the private market; and advise ONAREP on improvements in long-term management.	20	20	IQC 60 person days

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 COUNTRY/OFFICE USAID/MOROCCO

Project List (Project No. & Title)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
	Last Eval Completed (Mo./Yr.)	Start To Start To (Qtr) AID/W (Qtr) AID/W (Qtr)	Start To Start To (Qtr) AID/W (Qtr) AID/W (Qtr)	Start To Start To (Qtr) AID/W (Qtr) AID/W (Qtr)				
608-0157 Social Services Training	4/83	1	2		PACD = 10/31/85 The project aims to improve the quality and range of skill-training opportunities for low-income Moroccan youth and thereby increase their employability; and to improve the administrative and management capability of the Ministry of Handicrafts and Social Affairs. This end of project evaluation will assess the effectiveness of project activities in achieving originally defined goals and objectives; and the socio-economic impact of project activities on the target beneficiaries.	PD&S OE 20 5	30	IQC 60 person days AID/W TDY, NE/TECH/HRST 30 person days
608-0154 Social & Economic Research	-	1*	3*		PACD = 12/31/83 The project is designed to encourage and support Moroccan experts to undertake Social and Economic Research which can contribute to development programs designed to reach the poor majority. The evaluation will assess types and progress of research activity funded to date; and provide information which will help USAID determine future project direction, i.e. extended project life and/or complementary, follow-on project.	OE 3	10	AID/W TDY, NE/TECH/SARD 15 person days

TABLE VII - LIST OF PLANNED EVALUATIONS
 FY 1985 ANNUAL BUDGET SUBMISSION
 USAID/MOROCCO

Project List (Project No. & Title)	Last Eval Completed (Mo./Yr.)	FY 1984		FY 1985		Reasons/Issues	Funding Source (\$000)	USAID Person Days	Collateral AID Assistance
		Start (Qtr)	To (Qtr)	Start (Qtr)	To (Qtr)				
608-0169 Low Cost Housing II	-	4		1		PACD = 3/31/86 The project aims to provide management TA and training to the Ministry of Housing and Regional Planning (MHAT) to help MHAT use its HG funds more efficiently. The evaluation will review the financial and managerial procedures established during the first year of project activity to assist MHAT in executing large scale low-cost shelter programs; and ascertain the degree to which MHAT staff have received training appropriate to managing large scale shelter programs on a cost recoverable bases.	OE PD&S	5 20	PRE/HUD 21 person days IOC 30 person days

ORGANIZATION USAID, Rabat, Morocco

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		892.6		892.6	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	732.2		732.2	16.7
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C. 11	U105	119				XXXXX
EDUCATION ALLOWANCES	U106	126	25.6		25.6	7.0
RETIREMENT - U.S.	U107	120	51.0		51.0	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	17.3		17.3	XXXXX
OTHER MISSION FUNDED O.C. 12	U110	129				XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	6.0		6.0	4.0
POST ASSIGNMENT - FREIGHT	U112	22	21.0		21.0	4.0
HOME LEAVE - TRAVEL	U113	212	16.0		16.0	8.0
HOME LEAVE - FREIGHT	U114	22	16.5		16.5	8.0
EDUCATION TRAVEL	U115	215	1.0		1.0	2.0
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	6.0		6.0	6.0
<u>FOREIGN NATIONAL DH</u>	U200		237.0		237.0	XXXXX
BASIC PAY	U201	114	199.0		199.0	20.0
OVERTIME, HOLIDAY PAY	U202	115	6.0		6.0	0.5
ALL OTHER CODE 11 - FN	U203	119	15.5		15.5	XXXXX
ALL OTHER CODE 12 - FN	U204	129	16.5		16.5	XXXXX
BENEFITS FORMER FN PERS.	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		45.0		45.0	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113	15.0		15.0	0.6
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	30.0		30.0	5.0
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		189.6		189.6	XXXXX
RENT	U401	235	117.5		117.5	15.6
UTILITIES	U402	235	41.0		41.0	XXXXX
RENOVATION AND MAINT.	U403	259	22.0		22.0	XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	5.0		5.0	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	.3		.3	XXXXX
SECURITY GUARD SERVICES	U407	254				XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	2.3		2.3	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.5		1.5	XXXXX

ORGANIZATION USAID, Rabat, Morocco

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		<u>607.7</u>		<u>607.7</u>	<u>XXXXX</u>
RENT	U501	234	<u>34.0</u>		<u>34.0</u>	<u>XXXXX</u>
UTILITIES	U502	234	<u>10.0</u>		<u>10.0</u>	<u>XXXXX</u>
BUILDING MAINT./RENOV.	U503	259	<u>5.0</u>		<u>5.0</u>	<u>XXXXX</u>
OFFICE FURN./EQUIP.	U504	310	<u>24.5</u>		<u>24.5</u>	<u>XXXXX</u>
VEHICLES	U505	312				<u>XXXXX</u>
OTHER EQUIPMENT	U506	319				<u>XXXXX</u>
TRANSPORTATION/FREIGHT	U507	22				<u>XXXXX</u>
COMMUNICATIONS	U508	230	<u>19.0</u>		<u>19.0</u>	<u>XXXXX</u>
SECURITY GUARD SERVICES	U509	254	<u>3.0</u>		<u>3.0</u>	<u>XXXXX</u>
PRINTING	U510	24				<u>XXXXX</u>
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210	<u>12.0</u>		<u>12.0</u>	<u>100.0</u>
INFORMATION MEETINGS	U513	210	<u>84.0</u>		<u>84.0</u>	<u>25.0</u>
TRAINING ATTENDANCE	U514	210	<u>19.0</u>		<u>19.0</u>	<u>4.0</u>
CONFERENCE ATTENDANCE	U515	210	<u>12.0</u>		<u>12.0</u>	<u>5.0</u>
OTHER OPERATIONAL TRAVEL	U516	210	<u>31.5</u>		<u>31.5</u>	<u>14.0</u>
SUPPLIES AND MATERIALS	U517	26	<u>61.7</u>		<u>61.7</u>	<u>XXXXX</u>
FAAS	U518	257	<u>225.0</u>		<u>225.0</u>	<u>XXXXX</u>
CONSULTING SVCS - CONT.	U519	259				<u>XXXXX</u>
MGT./PROF. SVCS. - CONT.	U520	259				<u>XXXXX</u>
SPEC. STUDIES/ANALYSES CONT.	U521	259				<u>XXXXX</u>
ALL OTHER CODE 25	U522	259	<u>67.0</u>		<u>67.0</u>	<u>XXXXX</u>
TOTAL O.E. BUDGET			<u>1,971.9</u>		<u>1,971.9</u>	<u>XX.XX</u>
RECONCILIATION			<u>1,025.5</u>		<u>1,025.5</u>	<u>XXXXX</u>
OPERATING ALLOWANCE REQUEST			<u>946.4</u>		<u>946.4</u>	<u>XXXXX</u>

OTHER INFORMATION:

Dollar requirement for local currency costs
Exchange rate used (as of May 1, 1983)

686.0
DH 6.60 to \$1.00

ORGANIZATION USAID, Rabat, Morocco

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		1,054.7		1,054.7	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	900.3		900.3	19.0
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119				XXXXX
EDUCATION ALLOWANCES	U106	126	30.5		30.5	8.0
RETIREMENT - U.S.	U107	120	63.0		63.0	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	26.0		26.0	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129	.4		.4	XXXXX
POST ASSIGNMENT - TRAVEL	U111	212	4.0		4.0	2.0
POST ASSIGNMENT - FREIGHT	U112	22	12.0		12.0	2.0
HOME LEAVE - TRAVEL	U113	212	4.0		4.0	3.0
HOME LEAVE - FREIGHT	U114	22	7.5		7.5	3.0
EDUCATION TRAVEL	U115	215				
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	7.0		7.0	4.0
<u>FOREIGN NATIONAL DH</u>	U200		280.3		280.3	XXXXX
BASIC PAY	U201	114	234.3		234.3	20.0
OVERTIME, HOLIDAY PAY	U202	115	8.0		8.0	0.6
ALL OTHER CODE 11 - FN	U203	119	19.7		19.7	XXXXX
ALL OTHER CODE 17 - FN	U204	129	18.3		18.3	XXXXX
BENEFITS FORMER FN PERS.	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		77.0		77.0	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	77.0		77.0	9.0
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		228.7		228.7	XXXXX
RENT	U401	235	126.5		126.5	19.0
UTILITIES	U402	235	42.0		42.0	XXXXX
RENOVATION AND MAINT.	U403	259	10.0		10.0	XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	34.4		34.4	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	10.0		10.0	XXXXX
SECURITY GUARD SERVICES	U407	254	2.0		2.0	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	2.3		2.3	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.5		1.5	XXXXX

ORGANIZATION USAID, Rabat, Morocco

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		935.3		935.3	XXXXX
RENT	U501	234	32.0		32.0	XXXXX
UTILITIES	U502	234	11.0		11.0	XXXXX
BUILDING MAINT./RENOV.	U503	259	5.0		5.0	XXXXX
OFFICE FURN./EQUIP.	U504	310	17.0		17.0	XXXXX
VEHICLES	U505	312	11.0		11.0	XXXXX
OTHER EQUIPMENT	U506	319	292.0		292.0	XXXXX
TRANSPORTATION/FREIGHT	U507	22	5.0		5.0	XXXXX
COMMUNICATIONS	U508	230	21.0		21.0	XXXXX
SECURITY GUARD SERVICES	U509	254	2.0		2.0	XXXXX
PRINTING	U510	24				XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210	50.0		50.0	108.0
INFORMATION MEETINGS	U513	210	14.0		14.0	6.0
TRAINING ATTENDANCE	U514	210	15.0		15.0	3.0
CONFERENCE ATTENDANCE	U515	210	10.0		10.0	4.0
OTHER OPERATIONAL TRAVEL	U516	210	40.0		40.0	12.0
SUPPLIES AND MATERIALS	U517	26	122.3		122.3	XXXXX
FAAS	U518	257	225.0		225.0	XXXXX
CONSULTING SVCS - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259	63.0		63.0	XXXXX
TOTAL O.E. BUDGET			2,576.0		2,576.0	XXXXX
RECONCILIATION			1,214.3		1,214.3	XXXXX
OPERATING ALLOWANCE REQUEST			1,361.7		1,361.7	XXXXX

OTHER INFORMATION:

Dollar requirement for local currency costs
Exchange rate used (as of May 1, 1983)

735.3
DH 6.60 to \$1.00

Estimated Wage Increases - FY 1983 to FY 1984
Estimated Price Increases - FY 1983 to FY 1984

20% for FN
10%

ORGANIZATION USAID, Rabat, Morocco

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>U.S. DIRECT HIRE</u>	U100		1,079.8		1,079.8	XXXXX
U.S. CITIZENS BASIC PAY	U101	110	922.7		922.7	20.0
PT/TEMP U.S. BASIC PAY	U102	112				
DIFFERENTIAL PAY	U103	116				XXXXX
OTHER AID/W FUNDED O.C. 11	U104	119				XXXXX
OTHER MISSION FUNDED O.C 11	U105	119				XXXXX
EDUCATION ALLOWANCES	U106	126	33.0		33.0	
RETIREMENT - U.S.	U107	120	64.5		64.5	XXXXX
LIVING ALLOWANCES	U108	128				XXXXX
OTHER AID/W FUNDED O.C. 12	U109	129	26.7		26.7	XXXXX
OTHER MISSION FUNDED O.C.12	U110	129				XXXXX
POST ASSIGNMENT - TRAVEL	U111	212				
POST ASSIGNMENT - FREIGHT	U112	22				
HOME LEAVE - TRAVEL	U113	212	15.0		15.0	10.0
HOME LEAVE - FREIGHT	U114	22	7.4		7.4	10.0
EDUCATION TRAVEL	U115	215				
R AND R TRAVEL	U116	215				
ALL OTHER CODE 215 TRAVEL	U117	215	10.5		10.5	10.0
<u>FOREIGN NATIONAL DH</u>	U200		307.6		307.6	XXXXX
BASIC PAY	U201	114	257.7		257.7	20.0
OVERTIME, HOLIDAY PAY	U202	115	8.0		8.0	0.6
ALL OTHER CODE 11 - FN	U203	119	21.6		21.6	XXXXX
ALL OTHER CODE 12 - FN	U204	129	20.3		20.3	XXX
BENEFITS FORMER FN PERS.	U205	13				XXXXX
<u>CONTRACT PERSONNEL</u>	U300		77.0		77.0	XXXXX
PASA TECHNICIANS	U301	258				
U.S. PSC - SALARY/BENEFITS	U302	113				
ALL OTHER U.S. PSC COSTS	U303	255				XXXXX
F.N. PSC - SALARY/BENEFITS	U304	113	77.0		77.0	9.0
ALL OTHER F.N. PSC COSTS	U305	255				XXXXX
<u>HOUSING</u>	U400		237.5		237.5	XXXXX
RENT	U401	235	141.2		141.2	14.0
UTILITIES	U402	235	46.0		46.0	XXXXX
RENOVATION AND MAINT.	U403	259	11.0		11.0	XXXXX
QUARTERS ALLOWANCE	U404	127				
PURCHASES RES. FURN/EQUIP.	U405	311	27.0		27.0	XXXXX
TRANS./FREIGHT - CODE 311	U406	22	6.5		6.5	XXXXX
SECURITY GUARD SERVICES	U407	254	2.0		2.0	XXXXX
OFFICIAL RESIDENCE ALLOW.	U408	254	2.3		2.3	XXXXX
REPRESENTATION ALLOWANCE	U409	252	1.5		1.5	XXXXX

ORGANIZATION USAID, Rabat, Morocco

<u>EXPENSE CATEGORY</u>	<u>FUNCTION CODE</u>	<u>OBJECT CLASS</u>	<u>DOLLAR FUNDED</u>	<u>TRUST FUNDED</u>	<u>TOTAL BUDGET</u>	<u>UNITS</u>
<u>OFFICE OPERATIONS</u>	U500		553.5		553.5	XXXXX
RENT	U501	234	32.0		32.0	XXXXX
UTILITIES	U502	234	12.0		12.0	XXXXX
BUILDING MAINT./RENOV.	U503	259	5.0		5.0	XXXXX
OFFICE FURN./EQUIP.	U504	310	3.5		3.5	XXXXX
VEHICLES	U505	312				XXXXX
OTHER EQUIPMENT	U506	319				XXXXX
TRANSPORTATION/FREIGHT	U507	22				XXXXX
COMMUNICATIONS	U508	230	22.0		22.0	XXXXX
SECURITY GUARD SERVICES	U509	254	2.0		2.0	XXXXX
PRINTING	U510	24				XXXXX
RIG/II OPERATIONAL TRAVEL	U511	210				
SITE VISITS	U512	210	50.0		50.0	108.0
INFORMATION MEETINGS	U513	210	14.0		14.0	6.0
TRAINING ATTENDANCE	U514	210	10.0		10.0	3.0
CONFERENCE ATTENDANCE	U515	210	10.0		10.0	4.0
OTHER OPERATIONAL TRAVEL	U516	210	40.0		40.0	12.0
SUPPLIES AND MATERIALS	U517	26	65.0		65.0	XXXXX
FAAS	U518	257	225.0		225.0	XXXXX
CONSULTING SVCS - CONT.	U519	259				XXXXX
MGT./PROF. SVCS. - CONT.	U520	259				XXXXX
SPEC. STUDIES/ANALYSES CONT.	U521	259				XXXXX
ALL OTHER CODE 25	U522	259	63.0		63.0	XXXXX
TOTAL O.E. BUDGET			2,255.4		2,255.4	XXXXX
RECONCILIATION			1,238.9		1,238.9	XXXXX
OPERATING ALLOWANCE REQUEST			1,016.5		1,016.5	XXXXX

OTHER INFORMATION:

Dollar requirement for local currency costs
 Exchange rate used (as of May 1, 1983)

762.5
DH 6.60 to \$1.00

Estimated Wage Increases - FY 1984 to FY 1985
 Estimated Price Increases - FY 1984 to FY 1985

10%
10%

TABLE VIII

OPERATING EXPENSE NARRATIVE

Section A - Management Improvements

Elsewhere in this document the changes are outlined in the scale and complexity of the Morocco program which significantly expand work level. Notwithstanding the increased focus of the program, these increases can only be accommodated by a combination of selective increases in personnel and more effective utilization of time and skills on the part of available staff. The principal management objectives we intend to implement to achieve greater efficiency in program and portfolio management are noted below:

- Reallocate work-load and support staff to make more effective use of newly available special skills, specifically an expanded program office, a contract officer, and a lawyer (albeit the latter two are shared regionally).

- Make more extensive use of evaluations at key points in project life to catch problems at an early stage and make decisive corrections, thereby saving much of the time-consuming effort of "patching up" troublesome activities.

- Change (in appropriate circumstances) from a host country to a direct contract mode, thereby both insuring more effective management control and eliminating many extra (and largely ineffective) implementation steps.

- Acquire a WANG VS-80 mini-computer in FY 1984 (or earlier if possible) to aid in the management of a growing workload without the addition of the additional financial and/or administrative USDH staff that would otherwise be required.

- Systematically review alternative mechanisms for the provision of administrative support services to our forty-plus contractors to ascertain the most cost-effective modality.

- Continue to operate with no management officer or other administrative personnel beyond the Controller, to maximize the use of FN PSC's in clerical categories rather than direct hires, and to enhance skills and productivity through job-oriented skill training (despite the substantial offsetting disadvantages of the former two policies).

After the expenditure of approximately \$300,000 for a computer in FY 1984, operating expense in FY 1985 and succeeding years will return to the level of FY 1983. In fact, we are

projecting an FY 1985 operating allowance request only 7 percent higher than FY 1983's (reduced) allowance despite a 10 percent increase in USDH staff, an imminent 20 percent increase in FNDH payroll costs, and continuing domestic inflation conservatively estimated at 10 percent per annum. Since our OYB level will approximately double between FY 1983 and FY 1985, we consider that we are indeed achieving more with less by increasing our USDH and FNDH staff by only 10 percent (four persons).

Section B - Justification of Funding Changes

1. Function U100 (U.S. Direct Hire) increases 18 percent between FY 1983 and FY 1984. This is fully accounted for by Function U101, Basic Pay. This is accounted for by a 14 percent increase in work years, a higher average grade level and projected step increases. Increase between FY 1984 and FY 1985 is less than 10 percent.

2. Function U200 (Foreign National Direct Hire) increases 18 percent between FY 1983 and FY 1984 due to an imminent increase in the pay/benefits package of approximately 20 percent indicated by the just-completed wage survey. Increase between FY 1984 and FY 1985 is less than 10 percent.

3. Function 300 (Contract Personnel) increases 71 percent (from \$45,000 to \$77,000) due entirely to the provision for a data management specialist for two years to facilitate installation and operation of the WANG VS-80 mini-computer. No increase is projected between FY 1984 and FY 1985.

4. Function U400 (Housing) increases 21 percent between FY 1983 and FY 1984 because of the 22 percent increase in residential years. The increase between FY 1984 and FY 1985 is less than 10 percent.

5. Function U500 (Office Operations) increases 54 percent between FY 1983 and FY 1984 due wholly to the acquisition and installation of a WANG VS-80 mini-computer. FY 1985 costs are actually less than FY 1983.

Section C - Trust Funds

We believe it may be appropriate by late FY 1984 or FY 1985 to negotiate new trust fund arrangements with the GOM. A basic underlying agreement remains in effect to which the GOM has made direct budgetary allocations in prior years. We have not requested contributions for the last two years due to the severe budgetary stringency the GOM has been experiencing. PL 480 Title I sales are now projected to continue at a significantly higher level than in the previous decade suggesting a new source

for trust fund financing. Currently we are negotiating with the GOM for the dedication of all local currency sales proceeds as host country contributions to development projects in which AID is participating. At this time we feel it would be inopportune to divert attention from the issues of development to USAID's operating expenses. When we have established the principles and procedures for joint programming of local currency proceeds, however, we may raise the question in a more receptive atmosphere.

TABLE VIII(a)
AUTOMATIC DATA PROCESSING NARRATIVE

USAID plans to acquire in FY 1984 a Wang VS-80 computer with redundant capability principally to install MACS accounting system to handle growing workload plus anticipated accounting responsibility for Portugal, Tunisia and Italy. It will also be used for USAID's growing word processing demands which heretofore have been provided on a courtesy basis from Embassy and USIS. It is anticipated that concurrently with installation of MACS, we will program the equipment for project monitoring including SPREAD analysis, property accounting and closer monitoring of operating expenses.

It is anticipated that extensive use will be made of the computer by USAID's Controller, Program Economist, Agricultural Economist and Agricultural Economist IDI for financial, economic and statistical analyses.

We wish the equipment to be operational within the shortest possible time. In this regard, we are investigating initiating procurement in FY 1983 if full or partial funding should become available.

TABLE VIII(a)
OBLIGATIONS OF ADP SYSTEMS
(\$000)

	-----Fiscal Year-----		
	1983	1984	1985

A. <u>Capital Investments</u>			
1. Purchase of ADP Equipment		292	
2. Purchase of Software		50	
Subtotal		342	
B. <u>Personnel</u>			
1. Compensation, Benefits, Travel		40	
2. Workyears		1	
Subtotal		40	
C. <u>Equipment Rental and Other</u> <u>Operating Costs</u>			
1. ADP Equipment (ADPE) Rentals			
2. Supplies and Leased Software			
Subtotal		-0-	
D. <u>Commercial Services</u>			
1. ADP Service Bureau			
2. Systems Analysis and Programming			
3. ADPE Maintenance (If separate from item C.1.)			
Subtotal		-0-	
E. <u>Total Obligations (A-D)</u>		382	
F. <u>Interagency Services</u>			
1. Payments			
2. Offsetting Collections			
Subtotal		-0-	
G. <u>Grand Total (E+F)</u>		382	
Amount included in <u>Mission allowance</u> for existing systems		-0-	
Amount included in <u>Mission allowance</u> for new/expanded systems		382	

WORKFORCE NARRATIVE

The preliminary Regional Strategy for the AID Near East Bureau highlighted the fact that the level and nature of AID programs in these countries were uniquely responsive to overall foreign policy and strategic considerations. In this respect, Morocco is no exception. In response to such factors (but also as a reflection of the capacity of this country to make effective use of donor aid), the overall economic level of U.S. assistance is programmed for rapid increase. DA levels are programmed to double, ESF is being introduced, PL 480 Title I is scheduled to stay at a high level, Title II to Morocco will remain one of the world's largest programs in the short term (and the problems of disengagement are more time consuming than maintenance), and the environment for HIG programs is conducive to the sort of take-off that befits a country on the verge of middle-income status.

Continued attention to portfolio concentration (as called for by that same Regional Strategy), judicious selection of projects, and effective use of management resources (see Management Improvements above) can all help to restrain the size of the staff otherwise necessary to manage a program of this size and complexity. This Mission believes the evidence will sustain our intent and ability to take such measures. Yet, we also believe the demands for prudent management and accountability of these resources clearly suggests that currently approved staffing levels are inadequate.

Moreover, the scale of the overall portfolio (or even the number of projects - perhaps a better measure) does not in itself provide an accurate measure of workload and thus staffing requirements. Our agenda for the planning period contemplates broadening the dimensions of our activities in a number of ways that are directly responsive to AID/W policy guidance, yet each of which requires substantial time and effort on the part of resident staff.

- We are taking the evaluation process very seriously; each activity will be subject to an evaluation over the planning period, and we have found that this occupies about 5-10 percent of the time of each responsible officer, and, of course, more on the part of program and management staff.

- Project officers are now charged with careful monitoring, not only of their specific project, but of the policy and institutional context within which those projects operate; our objective is periodically to raise to senior GOM levels such broader policy issues that may impact upon project success.

- We are making a more concerted effort to insure coordination between our activities and those of other donors; this runs not only to project-specific activities, but to broader issues which impact upon policy (e.g., the GOM's commitment to the dryland cereals sector).

- In the realm of project implementation, we will establish schedules for more frequent site visits, greater time understanding insitutional constraints (budgets, staffing, decision-making channels and criteria), and are considering a change from host-country to direct contracting for several activities.

Initiatives such as these have not been ignored in the past, but the intensity of our efforts will be increased and project officers will be held accountable for their achievements. Coupled with the burden of an increased workload that accompanies larger dollar transfers and expanded programs, we see a distinct need to selectively augment staffing resources and take some of the pressure off a quality staff that is already overworked.

Workforce requirements contained in Tables IX(a) and IX(b) reflect the minimum manpower needs of the Mission over the next three years. Every effort has been made to consolidate positions where possible and to assign multiple responsibilities to individuals with varied professional skills and experience.

As pointed out in the USAID's FY 1985 Country Development Strategy Statement, current and projected workload requirements necessitate only minor increases in both U.S. and foreign national staff to allow the Mission to adequately fulfill management and oversight responsibilities required by the scope and nature of the bilateral program and centrally funded activities.

With the phase out of two U.S. direct hire Human Resources Officer positions in FY 1983, program requirements dictate concomitant increases in agricultural personnel to manage expanded activities in this principal sector of the program. The initiation of a major, long-term Rainfed Agriculture Project in FY 1983 requires a concentration of analytical and managerial skills in this sector to assure an adequate basis for continuing policy dialogue throughout this endeavor, and concurrently monitor and coordinate project undertakings.

Two additional USDH positions in USAID's Food and Agriculture Office, i.e. a Deputy Agriculture Development Officer and a Project Manager (Agronomy) are required to accomplish these tasks. Concentration of this Mission's portfolio in the Agriculture Sector mandates that these positions be included in this Mission's staffing in the light of known shortcomings within the GOM Minister of Agriculture which will take some time to correct, and the magnitude and direction of AID's projected program. These additional personnel also become increasingly important as we focus our program on rainfed agriculture and begin to integrate PL 480 Title I generated local currency and DA resources into our bilateral development program.

The USAID has an increasing demand for quality economic analysis capacity, and has therefore re-established the Program Economist position that was scheduled for phase-out in FY 1983. This officer will manage the Statistical Services Project (0162), help to ensure appropriate economic analysis in our project designs, assist in providing timely and high-quality economic comment to the GOM, and enhance our ability to respond to AID/W's increasing demand for country-specific economic data, analysis, and reports.

Beginning in mid-FY 1984, USAID is also requesting that an Assistant General Development Officer position be established to provide needed augmentation of the capability of the USAID's Office of Technical Projects. This office is currently staffed by only one USDH officer who is managing two bilateral projects and monitoring three centrally-funded activities. With three new bilateral projects (Low Cost Housing II, Energy Planning Assistance and Conventional Energy) being assigned to this office in FY 1984, this additional position is badly needed. In addition, although we have relied on AID/W TDY assistance in the past to manage programs in this area, before effective discussions on both housing and energy policy can take place in any meaningful way the resident staff of this office must be increased.

The USAID continues to maintain a highly-qualified Foreign National staff. For this reason, it has been possible to keep the U.S. direct hire staff at very low levels while the Mission's portfolio of both bilateral and centrally-funded projects has continued to expand. Foreign Nationals continue to staff key management positions in all offices. Over the next three years, as the program continues to grow, Foreign National workforce requirements for professional and highly-skilled para-professional personnel require only a modest increase of two work years. An additional Agriculture Program Specialist is required in USAID's Agriculture Division to enable USDH and contract personnel to handle expanded activities in this primary sector of program concentration. Also, an Administrative Assistant is required by the Regional Legal Advisor and the Regional Contract Officer. This person will provide required administrative support and will be expected to manage the routine affairs of both offices and thereby enable these officers to more effectively carry out their regional support functions.

Table IX(d) provides a listing of nine positions which we believe can be filled by individuals under Personal Services Contracts. All of these positions, which are primarily clerical in nature, are essential to the efficient functioning of the USAID.

If the Mission were required to undergo a 10 percent reduction in assigned personnel planning levels for FY 1984, 1985

and 1986 the positions identified by an asterisk in Tables IX(a) and IX(b) would be eliminated. The overall impact of any reduction in force, particularly among the Foreign National staff, would require a full reassessment of the scope of this program which could not then be implemented on the scale projected in view of these new managerial and monitoring constraints. By the necessity of adding to the workload of an FSN staff, already operating at full capacity, that such a reduction would impose, its net adverse effect would be in such imponderables as overall Mission efficiency and morale.

TABLE IX(a) - WORKFORCE REQUIREMENTS (U.S. DIRECT HIRE)

(X EQUALS 12 MONTHS)

SKILL CODE	POSITION TITLE	WORKYEARS			
		FY 83	FY 84	FY 85	FY 86
011	DIRECTOR	X	X	X	X
012	DEPUTY DIRECTOR	X	X	X	X
050	SECRETARY	X	X	X	X
023	PROGRAM OFFICER	X	X	X	X
021	PROGRAM ECONOMIST	.3	X	X	X
023	ASSISTANT PROGRAM OFFICER	0	.7	X	X
050	SECRETARY *	X	X	X	X
502	HEALTH DVL OFFICER	X	X	X	X
550	ASST. POPULATION OFFICER	X	X	X	X
502	PROJ. MGR HEALTH DVL	X	X	X	X
601	EDUCATION DVL OFFICER	.7	0	0	0
601	PROJECT MANAGER EDUCATION	X	0	0	0
103	AGRICLUTURE DEV. OFFICER	X	X	X	X
103	DEPUTY AGRI. DEV. OFFICER	.1	X	X	X
101	AGRICULTURAL ECONOMIST	X	X	X	X
101	IDI (AGRICULTURAL ECONOMIST)	0	(X)	(X)	0
104	PROJECT MGR AGRONOMY	X	X	X	X
104	PROJECT MGR AGRONOMY *	0	.7	X	X
124	GENERAL DEVELOPMENT OFFICER	X	X	X	X
124	ASST. GENERAL DVL OFFICER	0	.6	X	X
043	CONTROLLER	X	X	X	X
931	REGIONAL CONTRACT OFFICER	.3	X	X	X
850	REGIONAL LEGAL ADVISOR	.7	X	X	X
USDH POSITION					
	- TOTAL	16.1	19.0	20.0	20.0
	- WORK YEARS	16.7	18.0	18.0	18.0

TABLE IX(b) - WORKFORCE REQUIREMENTS (F.N. DIRECT HIRE)

(X EQUALS 12 MONTHS)

SKILL CODE	POSITION TITLE	WORKYEARS			
		FY 83	FY 84	FY 85	FY 86
070	DRIVER	X	X	X	X
070	TRANSLATOR	X	X	X	X
024	PROGRAM ASSISTANT	X	X	X	X
930	PROCUREMENT SPECIALIST	0	X	X	X
930	PROCUREMENT ASSISTANT	X	X	X	X
600	TRAINING OFFICER	X	X	X	X
600	TRAINING ASSISTANT	X	X	X	X
071	ADMIN AIDE *	X	X	X	X
120	PROGRAM ASSISTANT	3	X	X	X
150	FOOD ADMIN SPEC.	X	X	X	X
500	ADMIN ASSISTANT	X	X	X	X
601	EDUCATION ANALYST	X	X	X	X
103	AGRICULTURE SPECIALIST	X	X	X	X
104	AGRICULTURE SPECIALIST	0	.9	X	X
050	SECRETARY *	X	X	X	X
040	FINANCIAL SPECIALIST	X	X	X	X
040	ACCOUNTANT	X	X	X	X
040	VOUCHER EXAMINER	X	X	X	X
040	VOUCHER EXAMINER	X	X	X	X
040	ACC. MAINT CLERK	X	X	X	X
072	C&R SUPERVISOR	X	X	X	X
071	ADMIN ASSISTANT	X	X	X	X
FNDH POSITIONS					
	- TOTAL	19.3	21.9	22	22
	- WORK YEARS	20	20.0	20	20

P. L. 480 NARRATIVE

Morocco is a food grain deficit country, and given its current rate of population growth and shifting demographic pattern to urban areas, it is likely to remain in this category for most of this decade. Much of the migration to urban areas can be traced to the deteriorating performance of rainfed agriculture in Morocco upon which the poorer echelons of Moroccan rural society depend for their livelihood. Coupled with the 3% annual increase of the number of mouths to feed, the poor performance of rainfed agriculture has become a fundamental dis-equilibrating factor in the growth of the Moroccan economy. These conditions initiate and intensify a vicious cycle; the gravitation to urban areas decreases the productive potential of the still labor-intensive rainfed agricultural areas, while simultaneously creating an increased demand for the different dietary requirements of urban areas, most of which have to be imported.

In its current Five Year Development Plan (1981-85) the Government of Morocco (GOM) has stated that its principal priorities will be directed to:

- A. Rainfed agriculture emphasizing cereal and livestock.
- B. Increased equity by directing activities and resources to small and medium size farmers.
- C. Achieve a greater degree of food self-sufficiency especially in cereals.
- D. Within a reduced irrigation emphasis, shift to small farms.

USAID believes it should support two major priorities, these are equity and food self-sufficiency goals, particularly for cereals, the second largest item in Morocco's import budget. The equity and cereals objectives argue for concentrating in rainfed areas which have heretofore been largely unaddressed by previous plans, and which lack the essential infrastructure and services to reach the small and medium size farmers in those regions. The extent to which major gains can be achieved in production and income of these lower income farmers will depend upon the availability of suitable higher producing packages which are technically, economically, and culturally acceptable to them. USAID and the GOM are exploring such packages.

In concert with these common goals, USAID is designing a series of new interventions in the rainfed sector, which when combined

with modifications and expansion of its ongoing activities in that sector, will provide a coordinated strategy to bring measurable results to bear in increasing production of food staples within the next five years. This overall program essentially constitutes a dual approach in which delivery systems through which appropriate production technologies can be tried and transmitted to farmers in the rainfed zone are being tested, while simultaneously operational linkages heretofore nonexistent are being forged between those services within the GOM Ministry of Agriculture which bear directly on cereal production.

Title I

Most of the activities in the Mission's portfolio require local currency expenditures well beyond DA availabilities and current and projected GOM budgetary constraints. To meet these requirements the \$25 million annual level in PL 480 Title I availability has become an integral and critical resource in the realization of Morocco's agricultural development. Moreover, USAID is discussing with the Government the establishment of a Special Account which will facilitate the programming of proceeds for agreed upon objectives, including the support of DA projects which otherwise are often hampered by uncertain local currency funding.

In addition to the benefits to AID objectives obtained through the use of local currency generations, USAID's discussions with the Ministries of Finance (MOF) and Agriculture (MARA) in preparation of PL 480, Title I Agreements provide a venue for continued policy dialogue. USAID's intention is to reinforce policy objectives in these discussions and, through the Self-Help provisions of the Agreement, ensure that the GOM will support the conclusions reached through this policy dialogue.

Title II

FY 1985 will be an important juncture in the 25-year history of the Morocco Title II program. The relatively modest AJDC program and the OCF/FFW elements of the CRS/Entraide Nationale (EN) Program are scheduled to phase out at the end of FY 1985; and FY 1986 will mark the beginning of a sustained year-by-year phaseout of Title II support at the end of FY 1988.

USAID does not expect that his phaseout/phaseover plan will proceed without controversy: AJDC/Morocco has indicated its intention to appeal the FY 1985 termination schedule to AID/W via JDC/New York; and CRS and MAAS/EN have indicated their vigorous opposition to a phaseout, particularly given the social and economic hardships being borne by Morocco in the wake of drought, war and recession.

The Nutrition Development Project, proffered by USAID as a device to implement a long-term phaseover strategy for the CRS/Entraide

Nationale program, is no longer perceived by USAID as a practical instrument to that end. Key elements of the project have not attracted GOM support, notably the use of Title I local currency generations as replacement for Title II commodities, and GOM acknowledgment of the project's role as a means to facilitate a phaseover.

MAAS/EN has not, moreover, demonstrated an appreciate level of effort to identify or obtain alternative resources which might be used to pick up an increasing portion of EN program costs. USAID has concluded, with considerable regret, that the GOM will make this effort only in the face of an explicit phaseover schedule. (See below).

Despite the demise of the nutrition project, however, specific steps are being taken to achieve a key objective of that activity, i.e. to focus Title II MCH resources more closely on nutritionally vulnerable beneficiaires. The CRS Operational Year Plan (OYP) for FY 1985 notes CRS' intention to 1) establish nutritional criteria for potential participants' entry into the MCH feeding program, and 2) expand (MCH) program coverage by limiting participants' duration of stay in the program to three years, i.e. for one complete cycle of the nutrition-education curriculum offered at the MCH centers. (The current client-turnover rate at these centers is about 12%/year). CRS has further informed USAID that it intends to negotiate with EN to introduce these measures into the current, FY 1984, Title II program, notwithstanding the first formal appearance of these initiatives in the FY 1985 OYP. USAID will closely follow CRS/EN progress toward implementation of these measures, and will participate in the negotiation process to the extent necessary to encourage their adoption by EN. USAID believes that these CRS initiatives represent, in large part, the functional equivalent of the nutrition project. Given this de facto agreement between the CRS program and the objectives of the nutrition project, USAID has proposed that the MCH actively continue through FY 1988, i.e., AID/W's proposed termination date had the nutrition project been implemented.

The OCF and FFW categories of the CRS program are scheduled to terminate at the end of FY 1985. This represents a one-year postponement of the original phaseout schedule for this assistance, further to an April, 1983 evaluation which indicated that an FY 1984 phaseout would seriously jeopardize prospects for a successful transition of responsibility for these activities from CRS to the GOM. The evaluation concluded that a more likely outcome of an (end of) FY 1984 phaseout would be the termination of the otherwise successful EN programs sustained by this OCF/FFW assistance. The evaluation consequently recommended that the phaseout be extended by one year, to the end of FY 1985, to permit the GOM to locate other sources of support, and to provide the GOM an opportunity to finance these activities under the next five-years budget plan,

FY 1986-90. USAID concurs with the findings and recommendation of this evaluation.

As noted above, USAID proposes that the small AJDC Title II program be phased out at the end of FY 1985. This activity, while providing useful support for a highly disadvantaged segment of the Moroccan population, does not offer any real potential as a development program, and would not, therefore, satisfy the development criteria being applied to the overall Morocco Title II program. USAID's proposal to terminate AJDC assistance is made in view, moreover, of the relatively modest significance of Title II support in the context of AJDC/Morocco's total annual budget, estimated to be approximately \$ 2 million.

Title II assistance in FY 1986 will consequently be limited to the MCH component of the CRS/EN program. (Exception will include food-donations -- currently provided under FFW -- for 900 monitrices who direct 300 EN MCH centers and for approximately 300 workers at various levels of the EN distribution/storage chain for PL-480 food commodities. These recipients may receive food donations under a residual FFW activity, or may be integrated into the MCH category. The latter approach implies a halving of their monthly FFW ration -- an option requiring further examination under the longer-term phaseout strategy for MCH assistance.)

Reductions in the level of MCH support would begin in FY 1986, at which time USAID proposes a cut of 15%. An earlier date, i.e. FY 1985, for commencement of an MCH reduction was considered, and rejected, by USAID, reflecting USAID's judgment that the GOM will not be able to absorb simultaneous reductions across all three Title II categories (MCH, OCF and FFW) without serious disruptions or termination of the affected EN programs. A postponement of MCH reductions until FY 1986 also recalls one of the premises of the Nutrition Development Project -- that the GOM will require sufficient time to conduct what will ultimately be an extended, internal political appeal to marshal replacement resources for the MCH program.

Subsequent reductions in the MCH program in FY 1987 and FY 1988 will continue through to complete phaseout at the end FY 1988. For planning purposes these reductions will be spread equally across all commodities (wheat flour, vegetable oil and NFDM). Beginning in FY 1984, however, USAID will encourage, and to a modest extent, support,* operations-research activities to identify with specificity those particular Title II/Moroccan food products most likely to positively effect the nutritional status of most-vulnerable members of the beneficiary population. The annual "mix" of MCH commodities to be ordered during the FY 1986-88 phaseover period will reflect the fundings of these investigations.

* Through AID/W centrally-funded grants/contracts/RSSA's

The actions described above can be summarized as follows:

FY 1984

- Maintenance of Title II program (CRS and AJDC) at FY 1983 levels (tonnage).
- Introduce nutrition-related entry and participation criteria for beneficiaries of the CRS/EN MCH program.
- Support, to the extent possible, operations research into the dietary preferences/eating patterns of nutritionally at-risk recipients.

FY 1985

- Maintenance of Title II program at FY 83-84 level (tonnage).
- Complete introduction of criteria for entry/participation in the CRS/EN MCH program.
- Terminate AJDC program, OCF and FFW elements of the CRS/EN program at end of FY.
- continue operations research.

FY 1986

- Reduce Title II support for MCH program by 15%.

FY 1987

- Reduce balance of Title II program by 30%.

FY 1988

- Final Year of Title II support. Reduce balance of food commodities by 50%. FY 1988 MCH support would represent approximately 30% of FY 1984/85 support level for the MCH program.

The action plan set forth above will produce the following schedule of food/funding requirements for the period FY 1984-88:

	FY-84		FY-85		FY-86		FY-87		FY-88	
	MT's	(000) \$	MT's	(000) \$	MT's	(000) \$	MT's	(000) \$	MT's	(000) \$
A.J.D.C										
Wheat Flour	199	50,1	199	50,4						
Vegoil	16	13,7	16	14,3						
NFDM	25	2,7	25	2,7						
SUB-TOTAL:	240	66,5	240	67,4						
<u>C.R.S.</u>										
Wheat Flour	23,820	5,986	23,820	6,050	10,557	2,681	7,390	1,877	3,695	938
Vegoil	3,312	2,847	3,312	2,994	2,066	1,867	1,446	1,307	723	653
NFDM	5,400	594	5,400	594	4,590	505	3,213	353	1,607	177
SUB-TOTAL:	32,532	9,427	32,532	9,638	17,213	5,053	12,049	3,537	6,025	1,768
TOTAL:	32,772 MT	9,493 (\$000)	32,772 MT	9,705 (\$000)	17,213 MT	5,053 (\$000)	12,049 MT	3,537 (\$000)	6,025 MT	1,768 (\$000)
	FY 84		FY 85		FY 86		FY 87		FY 88	

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XI

P.L. 480 TITLE I/III REQUIREMENTS
(Dollars in Millions, Tonnage in Thousands)

COMMODITIES	FY 1983			Revised FY 1984			Projected FY 1985		
	Agreement \$ MT	Shipments \$ MT	Carry into FY 1983 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1984 \$ MT	Agreement \$ MT	Shipments \$ MT	Carry into FY 1985 \$ MT
<u>Title I</u>	25.0	192.0	-	25.0	144.5	-	25.0	142.9	-
<u>Total</u>	25.0	192.0	-	25.0	144.5	-	25.0	142.9	-
<u>Of which Title III</u>	NONE								

COMMENT:

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country MOROCCO

Sponsor's Name American Joint Distribution Committee (AJDC)

A. Maternal and Child Health.....Total Recipients 0.2

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>0.2</u>	<u>WHEAT FLOUR</u>	<u>8.2</u>	<u>2.0</u>
<u>0.2</u>	<u>VEGOIL</u>	<u>0.9</u>	<u>0.8</u>
<u>0.2</u>	<u>NFDM</u>	<u>2.3</u>	<u>0.2</u>
<u>Total MCH</u>		<u>11.4</u>	<u>3.0</u>

B. School Feeding.....Total Recipients 2.3

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>2.3</u>	<u>WHEAT FLOUR</u>	<u>83.0</u>	<u>21.0</u>
<u>2.3</u>	<u>VEGOIL</u>	<u>6.8</u>	<u>6.1</u>
<u>2.3</u>	<u>NFDM</u>	<u>23.1</u>	<u>2.5</u>
<u>Total School Feeding</u>		<u>112.9</u>	<u>29.6</u>

C. Other Child Feeding.....Total Recipients 0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Total Other Child Feeding</u>		<u> </u>	<u> </u>

D. Food for Work.....Total Recipients 0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Total Food for Work</u>		<u> </u>	<u> </u>

E. Other (Specify).....Total Recipients 1.5

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
<u>1.5</u>	<u>WHEAT FLOUR</u>	<u>108.0</u>	<u>27.4</u>
<u>1.5</u>	<u>VEGOIL</u>	<u>8.2</u>	<u>7.4</u>
<u>Total Other</u>		<u>116.2</u>	<u>34.8</u>

II. Sponsor's Name _____

TABLE XIII (AJDC) - NARRATIVE

American Joint Distribution Committee
Operational Plan FY 1985

I Elements of Operations

A. Identification

1. Cooperating Sponsor: American Joint Distribution Committee (AJDC)
60 East 42nd St.
New York City, N.Y.

Country: Morocco

Date Submitted: May, 1983

2. Name and address of the American Citizen Representative directly responsible for Title II supervision:

Mr. Seymour Epstein
Director (Acting)
Morocco Program
American Joint Distribution Committee (AJDC)
3 Rue Rouget de l'Isle
Casablanca, Morocco

Mr. Seymour Epstein, an Canadian citizen, is the Director of the Moroccan Program of the AJDC. He is directly responsible for supervision of Title II activities.

Other members of the Voluntary Agency supervisory staff are:

Mrs. Shulamith Sabbagh, a Moroccan national, Chief Accountant of the AJDC Casablanca office. She is responsible for all record keeping in connection with Title II activities.

Mr. Henri Assor, a Moroccan national, our forwarding agent, is responsible for port handling, custom clearance and transport to destination of Title II activities.

B. Area - Scope - Conditions of Operations

1. School Feeding

- a. About 2,300 children receive a snack and a hot

lunch at the following schools throughout Morocco :

Ozar Hatorah school	Casablanca
Neve Shalom school	"
Oasis school	"
ORT school	"
Aide Scolaire	"
Ecole Normale	"
Ecole Lubavitch	"
Ittihad	Rabat
Ittihad	Meknes
Ittihad	Fes
Ittihad	Marrakech
Ozar Hatorah	Marrakech

b. Most of the children are from poor families many of whom are on the social assistance rolls of the local community.

c. USDA food supplies are delivered to the schools directly from the port of Casablanca either by a truck hired by the AJDC or by the ONT government transport system. The AJDC pays the transport costs.

d. A numbered AJDC supply order is made out for each delivery and a signed copy acknowledging receipt is returned to the AJDC Casablanca office. These receipts are kept on file.

e. For most of the children the snack and hot lunch they receive in school is their main intake of food.

The basic food supplies received from the USDA-flour made into bread, cooking oil, milk and rice are essential items for this feeding program.

These basic supplies plus purchased food provide the children with a basic daily diet. Without the USDA food supplies our financial limitations would not allow us to fully carry on this vital program.

In addition to the USDA foods, the AJDC in 1983 is providing 533,000 Dirhams in subventions for the running of these schools canteens.

2. Health Cases - Adults

a. About 1,500 aged, destitute persons receive food packages from their local community in the following cities (more than half of the packages are distributed in Casablanca):

Casablanca	Ksar EL Kebir	Safi
Rabat	Larache	Sefrou
El Jadida	Meknes	Ouezz. Souk El Arba
Essaouira	Tanger	Oujda
Fes	Tetouan	Marrakech

b. Most of the recipients also receive some cash assistance. Between the food packages and the cash assistance, they are able to subsist.

Without the basic foodstuffs our financial limitations would not allow us to fully carry on what in reality is a program allowing these aged people to have a means of existence.

c. For Casablanca, USDA food supplies are delivered directly from the port to the Casablanca warehouse of the community. The warehouse is a former school owned by the community. There is a full time employee and a helper to break down the commodities from bulk into individual packages.

A JDC supply order is issued for each shipment and a signed copy is returned. The individual recipients come to the warehouse each month to receive a food package and sign a receipt. Stock cards are kept by the community and they are monitored by the AJDC Casablanca office.

d. For the other cities, the food is transported by ONT. AJDC pays the transport. Each community has a small warehouse or room set aside in the community building and records are kept. A numbered AJDC supply order is sent to the community and they return a signed copy as a receipt.

3. Maternal Child Health -- Mother and Child

a. There are about 200 recipients who receive food supplies at the clinic of the Oeuvre de Secours aux Enfants in Casablanca. This clinic has been in existence for over 30 years.

b. The persons coming to the Clinic are indigent and are generally on the relief rolls of the Casablanca community. They pay 3 Dirhams. If they cannot pay, they are served free of charge. Medicaments are distributed gratis.

c. Pregnant women and women with infants are given USDA supplies -- especially powdered milk -- to supplement their diets.

d. The OSE clinic is run by a private voluntary committee. They raise funds for the maintenance of the clinic.

The cost of running the clinic is about 1,100,000 Dhs per annum. The Committee provides about 400,000 Dhs and the JDC about 700,000 Dhs.

e. The USDA food supplies are delivered to the OSE clinic by the JDC directly from the Casablanca port. The supplies are stored in a room of the clinic. Adequate records are kept by the clinic.

f. The USDA supplies distributed to mothers and children are an important part of their basic food intake.

C. Government Participation

1. The Government allows the AJDC to import USDA and other supplies free of duties.
2. The government reimburses the AJDC 75% of the aconage-magazinage charges in the port of Casablanca.
3. The government allows the AJDC to purchase compte-capital funds for half of the amount of funds required for its program in Morocco. This allows us to obtain a much more advantageous rate of exchange for the benefit of our program.

D. Record Procedures and Audit

1. Individual dossiers are prepared for each incoming shipment. Each dossier contains:

- a copy of the AJDC purchase order
- a copy of the AJDC NY shipping ticket
- a copy of the bill of lading
- a copy of the import license
- a copy of the survey report

These dossiers are on file at our office in Casablanca.

2. For each outgoing shipment a numbered supply order is prepared by AJDC Casablanca. One copy is kept by the distributing agency. One signed copy, acknowledging receipt, is returned to AJDC Casablanca. Copies of the receipts are on file in the AJDC Casablanca office.

3. Each agency keeps incoming and outgoing records. Where indicated the individual recipient signs a receipt. These receipts are on file at the distributing agency.

4. The accounts of the American Joint Distributing Committee, Casablanca are audited annually by the New York firm of accountants Loeb and Troper. The auditors check the records of receipt and distribution of all supplies including USDA food commodities.

II Contributions to Program

1. The American Joint Distribution Committee spends approximately \$2,000,000 annually for its program in Morocco. The program consists of:

Cash assistance in 15 cities to about 1,400 aged, destitute persons who can no longer take care of themselves.

Subventions and old age home (including nursing cases) in Casablanca for about 110 persons.

Subventions small family type old age homes in Tangiers, Fes, Meknes, Rabat and Marrakech.

Subventions a home-care service to several hundred aged in Casablanca. Hot lunches are delivered to about 50 aged persons in Casablanca. These aged--for the most part -- cannot leave their rooms because of advanced age, sickness, or disability.

Subventions the O.S.E. clinic in Casablanca where several hundred people are treated monthly.

Distributes food packages of USDA and other foods to over 1,500 needy persons.

Subventions the Ozar Hatorah, Lubavitcher, Ittihad and ORT schools in Morocco. The majority of the schools are in Casablanca. There are also small schools in Fes, Meknes, Tangers, Rabat, Marrakech and Agadir. A total of about 3,500 children attend these schools.

Subventions summer vacation colonies for about 400-500 underprivileged children.

Distributes purchased clothing to about 2,200 needy adults and children.

2. The Jewish Communities in 15 cities run the welfare programs in their community and participate financially in varying degrees.

3. The AJDC also receives contributions in kind (medical equipment, clothing, medicaments, etc.) from American manufacturers.

4. In 1982, the AJDC received 3 tons of powdered milk from the Swiss government.

5. The AJDC receives financial contributions fro specified projects from the Central British Fund, Jewish Child's Day, London, the National Conference of Jewish Women, USA, etc.

All of these contributions combined make it possible to carry out the program enumerated in this memorandum.

(signed) Dr. Seymour Epstein
Director, AJDC Morocco

Narrative Mission Review of AJDC Operational Plan

The Mission has reviewed and concurs in the FY 1985 Operational Plan submitted by AJDC. This very modest (\$67,000) program provides food to needy elements of Morocco's small Jewish Community. In approving the OP, USAID notes AJDC acknowledgment that this program is a largely humanitarian activity, i.e., not directly linked to broader USG/GOM development objectives in Morocco.

As noted previously, USAID has proposed that FY 1985 be the final year of support for the AJDC program, given the non-developmental focus of that activity, and AJDC's comparatively large annual budget (\$2,000,000) in Morocco.

USAID affirms that in-country storage facilities for AJDC Title II commodities are adequate, and that the AJDC Title II program will not result in a substantial disincentive to domestic production of agricultural commodities.

FY 1985 ANNUAL BUDGET SUBMISSION

TABLE XIII

PL 480 TITLE II

I. Country Morocco

Sponsor's Name Catholic Relief Services (CRS)

A. Maternal and Child Health.....Total Recipients 450.0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
450.0	Wheat Flour	12,420	3,154.6
450.0	Vegoil	2,430	2,196.7
450.0	NFD Milk	5,400	594.0
<u>Total MCH</u>		<u>20,250</u>	<u>5,945.3</u>

B. School Feeding..None.....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total School Feeding</u>		_____	_____

C. Other Child Feeding.....Total Recipients 30.0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
30.0	Wheat Flour	1,800	457.2
30.0	Vegoil	162	146.4
<u>Total Other Child Feeding</u>		<u>1,962</u>	<u>603.6</u>

D. Food for Work.....Total Recipients 100.0

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
100	Wheat Flour	9,600	2,438.4
100	Vegoil	720	650.8
<u>Total Food for Work</u>		<u>10,320</u>	<u>3,089.2</u>

E. Other (Specify).....Total Recipients _____

No. of Recipients by Commodity	Name of Commodity	(Thousands)	
		KGS	Dollars
_____	_____	_____	_____
_____	_____	_____	_____
<u>Total Other</u>		_____	_____

II. Sponsor's Name _____

TABLE XIII (CRS) - NARRATIVE

Catholic Relief Services
Operational Plan FY 1985

I. Elements of Operation

A. Identification

1. Name of Distributing Agency: Catholic Relief Services
United States Catholic
Conference, Inc.

Country: Morocco

Name and Address of Counter- Ministry of Handicrafts
part: and Social Affairs
Rabat, Morocco

Date Plan is Submitted: May, 1983

2. Name and address of the American Citizen, Representative
in Morocco of the CRS-USCC, and responsible for PL 480
Title II program supervision.

Mr. Michael Sheehan
Director
Morocco Program
Catholic Relief Services - USCC
70 Avenue Allal Ben Abdallah
Rabat, Morocco

Mr. Sheehan devotes his full time to the CRS-USCC program
in Morocco which includes, mainly, PL 480 Title II activities.

Other members of the Voluntary Agency supervisor staff,
all full time employees, are the following:

<u>Name</u>	<u>Nationality</u>	
Mrs. Gilberte HRDLICKA	U.S.	Program Assistant
Mr. Thomas NAMAYA	U.S.	Program Assistant
Mrs. Anne POPOVA	English	Assistant for Projects
Mr. M'Hamed DIOURI	Moroccan	End-Use Checker
Mr. Ahmed CHEDOUKI	Moroccan	End-Use Checker
Mr. Lahcen MAIZA	Moroccan	End-Use Checker
Miss. Faouzia SOUSSI	Moroccan	Secretary
Mrs. Khadija OULIDI	Moroccan	Secretary/Clerk
Mrs. Isabelle SABRI	Belgian	Secretary/Clerk
Miss. Najat ECHCHIHAB	Moroccan	Secretary/Translator
Mr. Larbi EL HATIMI	Moroccan	Driver/Messenger
Mr. Ahmed MEHDAOUI	Moroccan	Driver/Messenger

B. Agency Agreements

1. CRS-USCC has a written agreement relating to Title II food distribution with Entraide Nationale, the Moroccan Official Welfare Department, acting on behalf of the Government of Morocco.

2. CRS-USCC does not operate under a "blanket" agreement between Morocco and the U.S. Government.

3. The CRS-USCC's agreement with Entraide Nationale does incorporate the gist of the main, pertinent conditions set forth in AID Regulation 11.

The agreement provides, inter alia, for the importation by CRS of U.S. furnished PL 480 Title II commodities. Entraide Nationale is responsible for the duty-free admission of the food, its storage at port warehouses and inland transportation. Entraide Nationale's activities are financially covered by a line of credit in the GOM's annual budget.

C. Area - Scope - Conditions of Operations

1. The program will be country-wide. Food will be distributed in over 900 centers located throughout Morocco.

2. The existing facilities, at both HQ's and at provincial level, that are available to Entraide Nationale will be fully used for the distribution of Title II food to recipients.

3. The cooperation of the Government of Morocco to the program is maintained, mainly, through two Departments, namely the Entraide Nationale and the Ministry of Interior. The former, as the principal counterpart of CRS, is responsible for securing duty-free entry of the donated commodities, port clearance and inland transportation of the food. Entraide Nationale also acts as liaison for CRS with other Government offices and organizations. The Ministry of the Interior shares operational responsibilities for the implementation of the program at provincial level.

4. CRS will review program operations with the American Joint Distribution Committee and World Food Program to prevent any possible duplication of distribution or overlapping in projects.

D. Control and Receipting-Records Procedures and Audits

1. The following is a summary of the system and procedures used for the receipt and distribution of the commodities:

a. Food is received at Moroccan ports by the Shipping and Transit Offices of Entraide Nationale. These offices are also responsible for the shipment, by truck or rail, of the commodities from ports to the distribution centers in the provinces. Entraide Nationale furnishes CRS monthly reports of the quantities distributed in accordance with jointly agreed Quarterly Distribution Lists established in advance between CRS and Entraide. The monthly reports are checked against survey reports, Port Authority figures and receipts emanating from inland distribution centers.

b. The Quarterly Distribution Lists, also known as "allocation" schedules are drawn up by CRS on the basis of both the quantities of commodities on hand and the findings of CRS field auditors about existing stocks at project sites, changes in the number of beneficiaries, any failure to adhere to procedures in force and any other facts which should make a revision necessary. QDL's are discussed by CRS with representatives of Entraide Nationale and finally approved and signed by the Director of Entraide Nationale.

c. When effecting shipments out of ports, the Entraide Nationale's Shipment and Transit Officers issue Notices of Shipment which indicate the nature and quantity of the commodities, their origin for identification purposes (such as name of vessel, the number of the corresponding packing list) and the ultimate destination of the food. The Governor of the Province where commodities are sent receives three copies of the Notice of Shipment. One copy each is also forwarded to Entraide Nationale HQ's and CRS-USCC at Rabat.

d. Additionally, E.N. Shipping and Transit Officers at ports issue a "Delivery Notice" addressed to the Inland Carrier/Transport Company (one copy); the provincial consignee (two copies); Entraide Nationale HQs (one copy) and CRS-USCC/Rabat (one copy). On the receipt of the commodities shown on the Delivery Order, the provincial consignee sends, in acknowledgment, one signed copy to CRS/Rabat. This copy, which constitutes a receipt for the food forwarded is filed by CRS to provide, together with other documentation, accountability for all shipments to Morocco of PL 480 Title II commodities.

e. At the provincial level in Morocco, the office of the Entraide Nationale Delegate, which is usually located in the same building as the other Government departments under the Governor, maintains files/records of receipts signed by authorized representatives of the various centers in acknowledgment of the commodities assigned to and received by them quarterly.

f. The following are some of the controls exercised to ensure that commodities are issued only to eligible beneficiaries in each approved category.

(1) Maternal Child Health.

Mothers, each carrying an identity card with photograph, and children receive their approved monthly rations of Title II food at Social-Education Centers. Supervisors at the Centers keep and bring to the Center the special weight charts provided by AID. Records and files for the MCH rations (and FFW rations in the case of monitrices) are kept at both the Social-Education Centers and provincial HQs. These records are open to examination and audit by authorized entities and their representatives.

(2) Other Child Feeding.

Only inmates at the approved institutions receive Title II food which is issued in the dining halls as supplement to their regular meals.

2. Losses involving Title II foods (a) while on route to Morocco and (b) during unloading operations in Moroccan ports are covered by survey reports. CRS USCC/New York processes such claims on behalf of USDA. In-country losses (c) are dealt with in accordance with relevant AID regulations.

3. Audits.

CRS regional auditors conduct audits periodically on all aspects of the program involving PL 480 Title II commodities.

E. Port facilities - Practices

1. Offloading facilities at Moroccan ports are adequate to handle the food needed to put the program in operation. CRS will use the ports of Casablanca and Tangier for all commodities. Both ports have ample and modern facilities to handle the programmed shipments of PL 480 Title II commodities. It is planned to discharge about 70% of the tonnage in the Port of Casablanca and the balance at Tangier.

2. The duty-free entry requirement presents no problem.

3. The Government of Morocco permits CRS to have cargo surveys conducted by independent surveyors.

4. Neither port charges nor "duty" present a special problem.

F. Storage Facilities

1. Adequate truck transportation is the means used to transport the PL 480 commodities.

G. Inland Transportation

1. Commercial truck transportation is the means used to transport the PL 480 commodities.

2. There are, generally, no major problems related to inland transportation. Occasionally, when there is a convergence of large quantities of foodstuffs in the Port, there is a slow down in outward bound movement.

H. Processing - Reprocessing - Repackaging

It is intended to combine Title II commodities with other ingredients to produce a new end product.

Beneficiary organizations that use commercial bakeries for making bread with Title II flour enter into a contract with the baker. The wording of contract has received USAID approval.

I. Financing

Following arrangements are operative for the financing of commodity distribution costs:

1. Entraide Nationale, a Department of Morocco Government administration with its own allotted budget, defrays the costs of (1) port clearance and storage (2) inland transportation and (3) handling of the commodities.

2. Entraide Nationale's annual expenditures related to the CRS program accounts to over 76 million dirhams approximately equivalent to 12 million U.S. dollars.

In addition, provincial and local Government Administration finance expenditures for local storage and handling of commodities as well as for internal transportation between places within their jurisdiction.

In regard to its local salaries and administration expenses, CRS-USCC/Morocco receives funds from CRS/New York and Entraide Nationale at Rabat.

J. Acceptability of Available Foods-Computation of Food Requirements

1. It is not anticipated to indent for any whole grain wheat or corn in lieu of wheat flour or cornmeal.

2. All foods which will be requested namely bread flour, vegetable oil, NFD Milk are acceptable by the recipients.

3. Food requirements are estimated on the basis of statistical information and results of available nutritional investigations.

a. Rates of use of the commodities and the planned number of distributions by type of food and recipient category are as follows:

	Months of Operation	No. Distrib. Per Year	Rates in Kgs per Month per person		
			O I L	FLOUR	MILK
Maternal Child Health	12	12	0.450	2.30	1.0
Other Child Feeding	12	4	.450	6.00	
Other Child Feeding	12	4	.450	3.00	
FFW Workers	12	12	.600	8.00	
FFW Dependents	12	12	.600	8.00	

b. Title II foods assist in reducing dietary deficiencies among the eligible recipients. Surveys on nutrition in Morocco have, in fact, demonstrated widespread prevalence of malnutrition in protein calorie intake especially among the poorer rural population and in other "vulnerable" groups (6-months to 4 years old children, pregnant and lactating women). Since dietary improvement effects favorably general health, physical growth and mental development, Title II food assistance contributes importantly to the development of the human resources available to Morocco.

K. Program Publicity

1. Means of educating recipients in awareness of the source of foods and the proper use of the Title II commodities are made available to Entraide Nationale in the form of posters, food recipes and other material. The AID "clasped hands" poster in Arabic and in English, is deployed at distribution centers.

2. CRS issues, periodically, reports, press releases, photographs as well as other pertinent publicity and educational information.

3. Documents such as warehouse "chits", etc. will indicate the source of the donated food. The best indication of the source is the emblem with markings on the containers. Spot checks reveal that the average recipient is definitely aware of the origin of the commodities.

4. Due to the country-wide coverage and the very clear markings on the bags etc., the PL 480 Title II Program is the most visible American Aid effort in Morocco.

L. Estimate of Program Duration

CRS sees as its duty to help those in need wherever they are. CRS sees itself as a channel for sharing the agricultural largess of America with the less fortunate.

Using U.N. standards as a yardstick, it is estimated that some 40% of Moroccan households are poor. Infant mortality rates are high, particularly in the rural areas where rates run to 170 deaths per thousand births. In addition, over 5% of preschool age children suffer from severe malnutrition. Unemployment, particularly in the rural areas again, is high.

Though, according to the statistics, Morocco is considered by some to fall into the category of a middle income country, this is a matter of statistics only and is very misleading. The reality is that the wealth of the country is extremely unevenly divided, with most of it in the hands of a few, and the large majority of the people left with very little. Poverty is widespread in Morocco.

Morocco's economy is in extremely difficult straits. A worsening war in the south and a recent serious drought have combined with the normal difficult situation to produce a very precarious state of affairs. Morocco stays afloat thanks to outside help.

CRS believes that Governments should take care of their own people, and meet the needs of their own poor. Unfortunately many, in fact most, developing countries are not yet able to do this, and won't be able to for the foreseeable future. They lack the resources. Outside assistance for many years to come is required for these countries. Morocco is one of these countries, and even more so given the current special circumstances of war and continuing effect of a drought.

CRS would like to see Morocco meet its own needs, but the sad reality is that it cannot do so for the foreseeable future. Morocco does not grow enough food to feed its people, and is not able financially to afford the necessary level of imports to close the gap so outside food aid is required to enable the country to meet its consumption needs. CRS sees this situation continuing well into the foreseeable future.

CRS thus sees the need for a continuation of its food assistance program well into the foreseeable future. It judges its continuance at this point in time to be of an indefinite duration.

CRS would like nothing better than to see Morocco become self-sufficient in food or have the financial resources to import enough to close the food gap and thus eliminate the necessity for PL 480 Title II food-stuffs, but CRS does not see Morocco in a position to be able to replace PL 480 commodities with foodstuffs supplied by themselves for years to come. Such a situation, though much wished for by all, is just not on the horizon.

The inescapable conclusion is that a PL 480 Title II Program is needed in Morocco for years yet to come. CRS/Morocco plans to continue food assistance to the needy in Morocco for as long as the need exists, the Moroccan Government desires CRS's help, and American food resources are available. That is not an unreasonable proposition.

II. Plans of Operation for Specific Types of Projects

Three categories of recipients will be served: Maternal Child Health, Other Child Feeding and Food for Work.

Recipients will all be people in need.

The highest priority category is that of Maternal Child Health. Second priority categories are those of Other Child Feeding and Food for Work.

Three types of commodities are planned for distribution. These are: flour, vegetable oil and milk.

Food will be distributed at places located in every Province of Morocco. Centers number more than 900.

Program goals are the reduction and prevention of malnutrition and the promotion of self-help. Particular attention will be paid to the use of program commodities to stimulate people to do something to help themselves, to better their conditions. Food will be used as a tool for the development of human resources.

A. Maternal Child Health

Supplementary rations of flour, vegetable oil and milk will be provided to 150,000 pregnant and nursing mothers and 300,000 preschool age children of from 2 years to 5 years at 300 Entraide Nationale run socio-educational centers located throughout Morocco.

The purpose of the food assistance is to improve the nutritional status of preschool age children and pregnant and lactating mothers. Coupled with the distribution of food is a CRS developed Nutrition Education Program which is intended to bring about changes in the nutritional knowledge and other practices of the mothers. Young and future mothers are taught nutrition, sanitation, hygiene, and child care, etc. This valuable education program was instituted some years ago under a U.S. Government OPG obtained by CRS. The educational program is carried out under the close supervision of Entraide appointed center teachers, who are in turn supervised by Entraide Nationale appointed Provincial Directrices. Under the OPG CRS sent the Provincial Directrices for Nutrition training at the National Institute of Nutrition in Tunisia, and also brought about creation of a National Nutrition School in Morocco with a staff of trained Nutritionists. The Nutritionists at the School (in Marrakech) train the Center teachers.

The food assistance provides an important incentive to mothers to attend the courses given at the centers. In this way, PL 480 food promotes the educational development of Moroccan mothers, with benefits for the whole family. It also serves as a tool to strengthen a Moroccan Governmental Institution in the provision of nutrition services.

Food is distributed to mothers once a month and is on a take home basis. Rations are provided for the mother and up to a maximum of two children of between 2 years and 5 years of age. Children are weighed once a month, and records are kept on charts.

The Centers have been attempting to become self-supporting. With this goal in mind, mothers make a monthly contribution of 2 dirhams, which is used to help defray operating expenses.

With a view to broadening the nutritional impact of this program, CRS intends to make two program refinements. There is a need to improve targeting on the most vulnerable groups. With this in mind CRS plans to tighten entry criteria so that entry into the program focuses on nutrition criteria rather than income level standards. There is a need to expand program coverage to more mothers and preschool age children. With this in mind CRS plans to limit the duration of stay of each mother in the Program so that a much greater volume of mothers can receive nutrition education. It would appear that a mother should be able to complete her nutrition education within a 3 year duration.

B. Other Child Feeding

Supplementary rations of flour and oil will be distributed to some 20,000 poor orphans and very poor children from unfavorable family situations in 141 Orphanages located in 36 Provinces. Actually, the orphanages care about 30,000 orphans and social case children but because of the limited availability of PL 480 commodities plans call for distributing food to only some 20,000.

The orphanages to be assisted are called Moslem Welfare Societies, or Societes Marocaines de Bienfaisance. Each institution is an independent entity run by elected Committees of mostly private citizens. Committees are often chaired by the Governor of the Province. Directors of the Institutions are sometimes employees of Entraide Nationale and sometimes someone appointed by the Local Committee. Budgets of these institutions are under severe financial strain. They are hard put to make ends meet. The State provides some financial help, but almost all these institutions have to turn to concerned benefactors for donations in cash and kind which in the end barely enables them to cover the deficit. Outside assistance is critical.

Children in the orphanages are both boys and girls and range from 6 years to the mid-teens. During the day, the children attend school.

PL 480 food assistance to these institutions promotes primary school education, and this serves a very important development purpose, for the orphanages provide to a certain group of the socio-economic disadvantaged the opportunity to go to school. If it weren't for the orphanages, orphans and social case kids would remain completely outside of the school system. They would be out in the streets begging or otherwise getting into trouble. Enrollment in Orphanages means mandatory school enrollment for these kids. Without PL 480 assistance it is doubtful the orphanages could continue functioning. A secondary purpose of the food is to provide a food supplement to otherwise hungry group of kids.

Food is prepared and consumed on the premises.

PL 480 supplements of flour and oil will permit a morning and afternoon snack to be served to 10,000 socio-economically disadvantaged preschool children at 137 preschool education centers spread out among 32 Provinces and 6 Prefectures of the country. The centers are operated by Entraide Nationale. The children range from 4 to 7 years of age. The purpose of the centers is to provide preschool education to the underprivileged so that when these enter Primary School they will not be at a disadvantage with children of better off families. Children of better off families are all educated at the preschool level before entering Primary School. The idea of these preschool centers is similar to the American "Head Start" Program.

The main purpose of PL 480 assistance to these centers is to promote the education of the socio-economically disadvantaged at the preschool age level. It is vital for underprivileged children to start the educational process as early as possible if they are to compete on an equal level with the other children later on. Another secondary objective is to provide hungry children with some extra nourishment. Better nourished children are more mentally alert too and are better able to absorb instruction.

PL 480 assistance to these centers is supportive of the Moroccan's Government's efforts to help its own poor. Entraide Nationale provides the center premises furniture and furnishing and all the educational materials as well as the salaries of the center supervisors and provincial supervisors.

C. Food For Work

Four groups of workers in need, along with a maximum of 4 dependents per worker, are to receive PL 480 supplements within the framework of the Food For Work Category of Recipients.

The principal objectives of the supplements are to provide incentives for Programs which generate income, provide employment, and/or skill development for those needy willing to work, those willing to help themselves, thus enabling them to raise the living standards of themselves and their families. A secondary objective is to supplement the nourishment of the worker and his family.

One Food For Work Program involves Handicraft Cooperatives. In October 1978 Entraide Nationale established handicraft cooperatives for the graduates of supervised handicraft workshops (ouvroirs) where girls of poor families learned an income producing skill and pursued a non-formal 3 year education program. The ouvroirs admitted girls of families who could not afford to maintain them in school. PL 480 commodities are to be provided to 106 handicraft cooperatives with a total membership of 7,150 girls. The cooperatives are spread out over 32 Provinces. Products produced by the girls include rugs and sewn, knitted and embroidered goods. Entraide Nationale provides the premises, and guides the cooperative members in what to produce and how to sell their products. CRS will assist through provision of a PL 480 ration to each of the girl cooperative members plus four dependents. The purpose of the ration is promotion of a program which will provide earning-power and employment for girls of very low income families who otherwise wouldn't have any such opportunities. Another objective of the food is its use in enhancing the status of women - which the cooperatives bring about. After a time girls leave the cooperatives to go and earn a living on their own making place for others. A second Food For Work Program involves PL 480 rations for 1,700 blind members of 60 Handicraft Cooperatives established by the Moroccan Government to give the blind a handicraft skill an a opportunity to be employed and to generate an income through the sale of products produced. The Government provides the work premises, trains the blind (or a substitute family member if that is more practical) and guides them in the marketing of products produced. Products produced include baskets, matting, shopping bags and bamboo goods. The purposes of the PL 480 rations are to promote skill development, employment and income producing opportunities for one of the most socio-economically disadvantaged state of Moroccan society. In addition to each cooperative member rations are provided to up to 4 family dependents.

A third Food For Work Program consists in the provision of PL 480 rations to 2,300 handicapped members of 86 Handicraft Cooperatives established by the Government to provide the crippled with an opportunity to learn a skill and have income and employment. The Government provides the premises, trains the handicapped (or a family member if that is more practical) and guides them as to what to produce and how to market products produced. Products produced by the crippled (or family members) include rugs, matting, cushions, leather goods, baskets etc. Objectives of PL 480 assistance, which is

supportive of Moroccan Government assistance, are the promotion of skill development, income earning and employment opportunities for a very socio-economically disadvantaged group in Moroccan Society. In addition to the handicapped up to a maximum of 4 family dependents also receive food supplements.

The fourth Food For Work Program provides food supplements to supervised workshops (ouvroirs) for poor female heads of households. Begun in 1979 by Entraide Nationale these supervised workshops provide skill development and income earning opportunities for poor women who have had little formal education or employable skills but who are forced to support families. These women are widows, abandoned and divorced wives. Entraide Nationale teaches an income producing skill to each woman, and guides them as to what to produce and arranges to market products produced. The women learn the traditional female skills which include sewing, knitting, embroidery, crocheting and rug weaving. The objectives of PL 480 assistance to this Program are the promotion of skill development, and income earning opportunities for a very needy and much neglected female segment of the population. Enhancement of women's status is also aimed at here. In FY 1985, CRS plans to provide supplements to 7,150 women in 96 workshops spread over 34 Provinces of Morocco. Up to 4 dependents of each woman are also eligible for supplements.

Finally, as an incentive to continue their valuable services, the 900 monitrices who run the MCH Socio Education Centers (where recipients receive food assistance within the MCH category), and 460 supervisors who run the Day Care Centers (where recipients receive food under the OCF category), will be granted PL 480 supplements. In view of their extremely low salaries, PL 480 supplements are a necessary incentive to keep them working at MCH and Day Care Centers, and keep the valuable developmental programs there operating. In addition 370 workers at Provincial storage depots of PL 480 commodities will receive food supplements as part of compensation for services performed there.

All in all, it is planned that a total of 100,000 will receive PL 480 food supplements within the Food For Work category in FY 1984.

III. Contributions to Program

In Morocco CRS deals exclusively with the Government of Morocco, i.e. Entraide Nationale. Entraide Nationale pays the full cost of the clearing, storage, handling and inland transportation of Title II Commodities and the administration of the program. All the staff employed at distribution centers and administrative offices are paid for by Entraide Nationale. Most center premises are also provided by Entraide Nationale.

Contributions to the Program are also made by the beneficiaries themselves. Mothers at MCH centers contribute 2 dirhams a month to center costs. Children at Pre-School Education Centers contribute from 5 to 15 dirhams a month for center costs. Members of the workshops for poor female heads of households contribute 10 dirhams per month toward center expenses. Financial contributions by the beneficiaries themselves testify to the high value they place on the various Programs they participate in.

IV. Annual Estimate of Requirements

A. Commodity Requirements (See Attachment No. 1)

B. CCC Value of Commodities

Flour	23,820 M.T.	\$ 6,050,280
Vegetable Oil	3,312 M.T.	2,994,048
N.F.D. Milk	<u>5,400 M.T.</u>	<u>594,000</u>
	32,532 M.T.	\$ 9,638,328

(signed) Michael Sheehan
Program Director
Catholic Relief Services
USCC

Attachments: No. 1 Commodity Requirements
B. Table XIII

Narrative Mission Review of CRS Operational Plan

Plan

USAID concurs with the CRS Operational Plan presented herein. The Operational Plan underscores CRS' emphases on MCH/nutrition as the highest priority component of the CRS/EN program, and reinforces this thrust by establishing more strict nutrition-related criteria for beneficiary entry into, and participation in, the CRS/EN MCH program.

A phaseout schedule presented previously in this ABS notes USAID estimates of future year Title II requirements for the CRS/EN program. This schedule calls for a termination of CRS OCF/FFW assistance after FY 1985, and continuation of (gradually declining) MCH support through FY 1988 -- the final year of such assistance. MAAS/EN and CRS have noted their agreement in principle to a long-term phaseover of Title II

support; but both agencies maintain that the preparation of a phaseout schedule at this time is still premature, given Morocco's current fiscal difficulties. USAID has nonetheless concluded that the establishment of and adherence to an explicit phaseout plan is necessary to stimulate genuine efforts by the GOM to assume greater responsibility for their feeding programs.

The Mission will continue to monitor the CRS/Entraide program in FY 1985 by periodic field visits to distribution facilities, and by the maintenance and examination of duplicate records of commodity receipts, shipping and warehouse claims and reports of commodity distribution to provincial depots.

USAID affirms that in-country storage facilities are adequate, and that the CRS/Title II program will not result in a substantial disincentive to domestic production of agricultural commodities.

Annual Estimate of Requirements FY 1985

Category of Recipients	No. of Recipients	Months	FLOUR		VEGOIL		N.F.D. MILK	
			Rate Kg	Requirements 000 Kg	Rate Kg	Requirements 000 Kg	Rate Kg	Requirements 000 Kg
Maternal Child Health	450,000	12	2.30	12,420	.450	2,430	1.0	5,400
Other Child Feeding	20,000	12	6.0	1,440	.450	108		
Other Child Feeding	10,000	12	3.0	360	.450	54		
Food For Work	100,000	12	8.0	9,600	.600	720		
TOTAL	580,000			23,820		3,312		5,400