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# **USAID/MOROCCO**

## **Results Review and Resources Request (R4)**

**May 1997**

**RESULTS REVIEW AND RESOURCE REQUEST  
FY 1999**

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## GLOSSARY

AIM	Accessing International Markets Project	NTCRH	National Training Center for Reproductive Health
ANHI	National Shelter Upgrading Agency	NXP	Non-Expendable Property
CMR	Child Mortality Rate	OE	Operating Expense
CPR	Contraceptive Prevalence Rate	ORMVA	Regional Irrigation Perimeter Authority
CSM	Contraceptive Social Marketing	ORS	Oral Rehydration Salts
CYP	Couple Years of Protection	OYB	Operational Year Budget
DHS	Demographic and Health Survey	PLLA	Participatory Lifescape/Landscape Appraisal
EG	Economic Growth Strategic Objective	QM	Quality Management
EOC	Emergency Obstetric Care	RFP	Request for Proposal
FEC	Municipal Development Bank	RH	Reproductive Health
FP	Family Planning	RHUDO	Regional Housing and Urban Development Office
FSN	Foreign Service National Employee	RP	Results Package
FY	Fiscal Year (10/1 - 9/30)	R4	Results Review and Resource Request
GEA	Girls Education Activity	SME	Small and Medium-sized Enterprise
GOM	Government of Morocco	SOAG	Strategic Objective Agreement
GP	General Practitioner	SPO	Special Objective
IEC	Information, Education, and Communication	TFD	Training for Development Activity
IEE	Initial Environmental Examination	TFR	Total Fertility Rate
IMCI	Integrated Management of Childhood Illnesses	TRM	Tadla Resources Management Activity
IMR	Infant Mortality Rate	UES	Urban and Environmental Services Activity
IPM	Integrated Pest Management	UECP	Urban and Environmental Credit Program
IPR	Intellectual Property Rights	USDA	U.S. Department of Agriculture
IR	Intermediate Result	USDH	U.S. Direct-Hire Employee
IUD	Intrauterine Device	VSC	Voluntary Surgical Contraception
LOP	Life of Project	WID	Women in Development Office
LT	Long-term	WRS	Water Resources Sustainability Activity
MAP	Morocco Agribusiness Promotion Activity	WUA	Water User Association
MCH	Maternal Child Health		
MEG	Morocco Education for Girls Activity		
MFA	Microenterprise Finance Activity		
MIS	Management Information System		
MOE	Ministry of Environment		
MOPH	Ministry of Public Health		
MNE	Ministry of National Education		
NED	New Enterprise Development Activity		
NGO	Non-Governmental Organization		

## I. OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

USAID/Morocco's strategy for assistance continues efforts to achieve an "improved quality of life for poorer Moroccans through equitable and sustainable social and economic development." Assistance is focused on four **Strategic Objectives** (SOs):

SO1 - Reduced Fertility and Improved Health of Children Under Five and Women of Child-Bearing Age;  
SO2 - Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors;  
SO3 - Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income; and  
SO4 - Increased Basic Educational Attainment for Rural Girls.

These four SOs for Morocco directly link with the global USAID program priorities. USAID/ Morocco continues to deepen its commitment to these Strategic Objectives, by consolidating Activities into a more targeted, focused portfolio.

Due to decreasing resources, both human and financial, several **key actions** were taken in FY 1996 and in the last six months. Seven Activities have been closed, and the portfolio has been reduced to ten bilateral Activities. These actions represent a Mission-wide LOP resource requirement reduction of well over \$125 million since 9/95, to less than \$135 million, and a pipeline reduction of one-third, to less than \$50 million. Since last year, one new Strategic Objective has been designed, and implementation started (SO4). The Special Objective of Increasing Effectiveness of Moroccan Non-Governmental Organizations (NGOs) was eliminated, although we continue to work with NGOs through our four Strategic Objectives. Staff was reduced by fourteen (including seven U.S. Direct-Hire personnel) in the last year.

USAID/Morocco's **Transition Plan**, submitted with last year's R4, is moving us towards becoming a Limited Presence Mission in FY 1998, and toward completion of all SO1 bilateral Activities by 2000, as designed. Mission-wide, one Activity will be completed in FY 1998 and four additional Activities in FY 1999. Additional initiatives to deepen our commitment in strategic areas that will continue into 2000 and beyond are planned to begin in FY 1998. By 2000, USAID/Morocco will have reduced its portfolio to three-to-five bilateral Activities in three strategic objective areas, with a total staff of about 50, including six or seven U.S. Direct-Hires.

In accordance with our Transition Plan, the Mission increasingly emphasizes development of Morocco's capacity to design and implement **policy, institutional and regulatory reforms** needed for improving sustainably the quality of life for poorer Moroccans. To maintain the progress already made and to be achieved, Morocco needs strengthened capability for identifying needs and constraints, for developing appropriate interventions and an enabling environment, for validating and garnering support for these interventions, for adopting/approving the policies or initiatives, and for implementing/enforcing them. The policy agenda is an integral, major part of each SO. Its primacy is emphasized as the critical result for achieving each SO, shown as a set of key areas for concentrating our efforts (summarized in Annex A after each SO's Results Framework).

Progress towards achieving the Mission's Strategic Objectives has been well beyond target. Overall, the Mission has exceeded its combined **FY 1996 targets** (107%). Highlights include treated diarrheal disease cases (112% of target), number of farmers in water user associations (185% of target), number of new business licenses (136% of target), and exports to non-traditional markets (129% of target). Accomplishment was never less than 90% of the planned level, except for delays in implementing a health/population initiative and expected tannery technology adoption. These shortfalls affect only two out of 35 indicators shown. Data for measuring performance in some aspects of SO2 and SO4 are not yet

available, as the centerpiece SO2 Activity has just started and the key bilateral Activity in SO4 has not yet been initiated.

## II. PROGRESS TOWARDS ACHIEVEMENT OF STRATEGIC OBJECTIVES

### A. SO 1: Reduced Fertility and Improved Health of Children Under Five and Women of Child-Bearing Age

#### 1. Performance Analysis

1996 was a watershed year for USAID's health/population program. The Mission finalized a Transition Plan and negotiated its approval with the Government of Morocco (GOM). The Plan heralds the end of nearly three decades of USAID bilateral assistance to the sector and has drawn Agency-wide attention as a model for use in other transition countries. It calls for concerted efforts to consolidate and sustain gains realized over the years, with a shift in focus from comprehensive service delivery support for Family Planning/Maternal Child Health (FP/MCH) programs to capacity-building, institutional strengthening and an expanded role for the private sector in the delivery of FP/MCH services.

#### Summary of 1996 SO1 Performance Data

- \* TFR near replacement level in urban areas
- \* EOC in-service training courses developed and applied at all levels in pilot region
- \* IMCI approach to child health adopted by MOPH
- \* Reduced cost of air time for FP/MCH messages negotiated by MOPH with the Ministry of Communication
- \* FP and maternal health IEC strategies elaborated and implemented by MOPH
- \* QM approach applied at 14 test sites in seven provinces
- \* Major FP/RH curricula reform undertaken by MOPH and medical schools
- \* Comprehensive FP/MCH data-base developed
- \* Computer network established at central level and in one pilot province
- \* Decentralized, state-of-the-art contraceptive logistics system becomes operational nation-wide
- \* CSM pill graduates to self-sufficiency
- \* CSM injectable launched in late 1996
- \* Successful pilot FP training program for private sector GPs was conducted and plans were made to expand to major urban areas nation-wide

#### I.R.s 1.1 and 1.2: Increased Use and Sustainability of Quality FP/MCH Services

Based on trends extrapolated from the 1992 and 1995 Demographic and Health Surveys (DHS), performance in Morocco's population and health sectors is on solid footing. Between 1992 and 1996, the total fertility rate (TFR) fell by nearly 15% to 3.3 nation-wide, and is estimated at replacement level (2.2) in urban areas. The contraceptive prevalence rate (CPR) went from 41.5% to approximately 53%. Both TFR and CPR estimates of progress surpassed SO1 planning targets for 1996. Extrapolations also indicate that the infant and child mortality rates declined in 1996 in relation to the 1995 rates: Infant Mortality Rate (IMR) at 57.5, down from 61; and Child Mortality Rate (CMR) at 19.5, down from 20.

#### **I.R. 1.1.1/1.2.1. Greater access to quality FP/MCH services responsive to client demand:**

In family planning, progress was made in the use of long-term (LT) methods (voluntary surgical contraception, intrauterine devices, injectables, Norplant). LT methods represented 41% of Couple Years

of Protection (CYP) in 1996 compared to less than 30% in 1992. In 1992, pills were responsible for nearly 70% of CYP, and in 1996, 56%. Because the pill is the method most often discontinued or used inconsistently, concerted efforts are made to promote longer-term protection methods. As such, given CYP cost considerations and the need to be responsive to client needs, the program will continue to strive for the optimal method mix and for increased use of LT methods.

Certain pilot activities in **maternal health** were undertaken to address high maternal mortality and stagnating infant and child mortality rates. Central to the USAID maternal health services "model" is a focus on upgrading emergency obstetric care (EOC) at all levels of the health system. USAID activities got under way in earnest in the Fes region (eight provinces) during 1996, but it is too early to gauge impact. The Ministry of Public Health (MOPH) already is actively looking to expand the model to other regions of the country, and USAID has enlisted support from the European Union for this purpose beginning in 1998.

USAID was successful in promoting a holistic and nonvertical approach to addressing **child health** needs. USAID experts worked with the MOPH and other collaborators to begin to define an Integrated Management of Childhood Illnesses (IMCI) Program to consolidate Morocco's major childhood diseases and areas of intervention which have historically been supported by USAID. USAID also financed a nationally representative vitamin A study which, together with the World Bank iron and UNICEF iodine studies, give health planners a comprehensive picture of the nutritional situation in Morocco, especially for women and children.

#### **I.R. 1.1.2/1.2.2. Improved policy environment supporting the expansion of FP/MCH services:**

The cost of media air time for promotion of FP and other MCH messages is the subject of a draft MOPH/Ministry of Communication agreement which specifies reduced rates for FP/MCH public service programming. A high-level steering committee, chaired by the Minister, with representatives from all MOPH directorates, was formed, *inter alia*, to define MOPH policy agenda items and to mobilize support to address them. In addition, USAID reached agreement with the MOPH to recruit a full-time public health policy expert for the 1997-99 period to work exclusively on policy issues which impact on FP/MCH services.

#### **I.R. 1.1.3/1.2.3. Reinforced capacity to manage FP/MCH programs in a decentralized demand-driven mode:**

USAID increased support to bolster Moroccan institutions to carry out capacity-building. A major thrust of 1996 **information, education and communication (IEC)** efforts entailed the strengthening of the MOPH IEC Division to serve as a highly professional resource for MOPH IEC needs. An IEC strategy for sensitizing different target groups to the drama of maternal mortality in Morocco was elaborated in 1996 and will be validated in 1997. A video on FP counseling techniques, a "user-friendly" FP methods display kit for providers, and several printed materials also were developed and distributed throughout the country.

Following rigorous preparations, a **Quality Management (QM)** approach was introduced and is being applied at 14 provincial health facilities. Representatives from the schools of medicine teamed up with MOPH officials for the revision of the reproductive health (RH) curricula, including family planning and emergency obstetrical care, and the MOPH **Training** Division was at last implicated in FP/MCH programs. A training coordinating committee was established with a mandate to oversee the development

of FP/RH capacities. USAID undertook the progressive transfer of support for voluntary surgical contraception (VSC) from the National Training Center for Reproductive Health (NTRH) to the specialized divisions within the MOPH which have the expertise and resources to manage and expand the VSC program.

The fruit of continued USAID investment over the years -- the new **contraceptive logistics/ordering** system -- became operational nation-wide in 1996. The decentralized system utilizes state-of-the-art inventory ordering and control methods, and places the responsibility for contraceptive ordering at the health facility level. Significant steps for establishing a decentralized **management information system** (MIS) were completed with the development of a comprehensive FP/MCH data base, and the installation of a computer network at the central level and in one of two pilot provinces.

#### **I.R. 1.1.4/1.2.4. Increased diversification of the resource base financing the delivery of FP/MCH services:**

For the second year in a row, the MOPH contribution for **contraceptive** procurement exceeded the amount required in the project agreement. Significant inroads were made by the Morocco **contraceptive social marketing** (CSM) program in 1996. Like the CSM condom in 1994, the CSM pills "graduated" to self-sufficiency in December 1996. A CSM injectable was launched in November 1996, and planning is at an advanced stage for the launch of a CSM IUD in April 1997. Other private sector activities were evaluated during the third quarter of 1996 from an impact and transition optic. The decision was made to focus future USAID resources exclusively on the training of **general practitioners** (GPs) in FP long-term methods (mainly with IUDs). After a trial testing period, a viable model for the training of GPs emerged and was instrumental in dissipating MOPH concerns about resolving public health issues through collaborative partnerships with private sector entities. Initiatives designed to implicate the private sector in **child health** issues were negotiated, and plans made for their realization: the production and marketing by a local pharmaceutical manufacturer of a rice-based ORS; a hand-washing initiative by major soap manufacturers; and a food fortification effort with the food industry to address nutritional deficiencies (iron, vitamin A) recently brought to light by donor-funded studies.

## **2. Expected Progress Through 1999 and Management Actions**

Beginning in 1997, the Transition Plan will be in full operation, leading USAID and the MOPH to an orderly conclusion of bilateral assistance to the health/population sector by the end of 1999. Implementation priorities ensuing from the Plan were clearly articulated by USAID in late 1996, and provide the strategic framework for activities through 1999. Between 1997 and 1999, there will be no new initiatives in the sector -- rather a strengthening of capacities to provide quality FP/MCH services in Morocco. USAID and the MOPH will use the 1997-99 period to identify areas which warrant continued USAID support, via centrally funded mechanisms, in the post-bilateral era.

### **I.R.s 1 and 2. Increased Use and Sustainability of Quality FP/MCH Services**

#### **I.R. 1.1.1/1.2.1. Access to quality FP/MCH services responsive to client demand:**

A combination of upgraded technical skills and quality management capabilities will increase coverage in priority services (e.g., 100% of fixed site health facilities will provide IUD services) and establish an environment whereby services are continually assessed and improved as gauged by client satisfaction and service demand. Operations research related to **family planning** acceptance will help better understand

and address issues such as optimal method mix. The USAID **maternal health** model should be fully operational in the pilot provinces by 1999, and in other donor-supported provinces as well. The **IMCI** training module will be elaborated by the end of 1997, ready for testing in 1998, and possibly applied in other provinces targeted by the World Bank's Social Priorities Program.

**I.R. 1.1.2/1.2.2. Improved policy environment supporting the expansion of FP/MCH services:**

USAID assistance in the policy arena will be bolstered by the presence of a full-time policy expert who will work with the MOPH, other ministries and private sector entities to address practical, operational, and more complex matters related to both the quality and sustainability of FP/MCH services. By the end of 1999, the Mission will have: (1) addressed constraints to the provision of services (e.g., absence of FP/MCH service standards and protocols, poor geographic coverage by midwives/gynecologists); (2) encouraged greater participation of the private sector in the delivery of FP/MCH services (e.g., establish a network of FP providers); (3) facilitated the decentralization of FP/MCH program decision-making (e.g., promoted data analysis at the local level); (4) implemented the contraceptive phase-over plan; and (5) identified and addressed health-care financing issues. In carrying out the policy agenda, USAID will assist the MOPH to develop its own capacity to advocate effectively and to lobby on behalf of the FP/MCH program.

**I.R. 1.1.3/1.2.3. Reinforced capacity to manage FP/MCH programs in a decentralized demand-driven mode:**

Current **IEC** efforts will be reassessed and revalidated for the purposes of systematically extending capabilities and channeling information to the provinces through major materials production and mass media events which sensitively address FP/MCH issues. USAID will complement the MOPH's schedule of fixed and mobile service delivery expansion with support for training in priority technical FP/MCH areas and in the **QM approach** to management of services. Since QM requires individual and group behavior change, its impact is not expected to keep pace with changes brought about by technical **training**. However, widespread and high-level MOPH commitment to QM should lead to long-term pay-offs in the future.

Other capacity-building activities include an assessment of current abilities and needs in the FP/RH area, to be complemented by an evaluation of MOPH institutional ability to respond to evolving training needs. By the end of 1997, responsibility for VSC equipment handling and maintenance will have been successfully transferred from the NTCRH to the MOPH's Equipment and Maintenance Directorate. Responsibility for VSC program training, supervision and logistics management also will be managed by the appropriate MOPH offices. A new module in FP/RH, complete with hands-on practicum, will be introduced into Morocco's schools of medicine so that graduating medical students will be able to provide quality FP/MCH services upon termination of studies, thereby precluding the need for costly in-service training later on.

The MOPH **contraceptive logistics** system will be assessed in 1997 to ascertain residual needs, and assistance will be provided to remedy any shortcomings and to ensure compliance with USAID's phase-over plan. Long-term efforts to establish an **evaluation** unit within the MOPH should bear fruit by as early as 1998, upon the completion of intensive on-the-job training sessions both in-country and in the United States. Activities in support of the pilot decentralized **MIS** will result in the use of local data for analysis and decision-making.

**I.R. 1.1.4/1.2.4. Increased diversification of the resource base financing the delivery of FP/MCH services:**

USAID will continue to assist the MOPH in progressively taking responsibility for **contraceptive procurement**, using strategies to ensure cost containment, quality control and continuous availability of contraceptives. The USAID-supported **CSM** injectables and IUDs will be available in the commercial pharmaceutical sector at low, yet unsubsidized, prices nation-wide. It is anticipated that 20,000 IUDs and 42,000 injectables will be sold in 1997, reaching totals of 35,000 IUDs and 90,000 injectables annually by the end of 1999. LT methods will account for nearly 70% of private sector CYP in 1999. The training of private sector **general practitioners** (GPs) in long-term methods (mainly IUDs) will be expanded to meet growing demand. Approximately 200 GPs are to be trained in the coming year, with a 1997-99 cumulative target of 1400. Initiatives designed to involve the private, commercial sector in **child health** issues will show an impact by the end of 1998. A new rice-based oral rehydration salts (ORS) will be on the market, and the soap industry will contribute to the fight against diarrhea with nation-wide hand washing campaigns. Food fortification will still be in a nascent stage, but an irreversible trend will have been set in motion. With greater private sector involvement in public health issues, scarce MOPH resources can be reserved to address the needs of the poorer segments of the population.

**3. Transition Strategy**

As was noted above, the 1997-99 timeframe coincides with our approved SO1 Transition Plan. The Transition Plan and subsequent Implementation Priorities documents, which were finalized in 1996, together constitute the framework for annual work-plans by USAID contractors and Moroccan partners through 1999. All work-plans will reflect USAID's sustainability focus. Field support resources also are being identified for the purpose of forming linkages with U.S. institutions for post-bilateral collaboration in areas which merit continued USAID assistance. A Strategic Objective Agreement (SOAg), to be prepared by the Mission in 1997, will formalize new directions and will incorporate the activities of all USAID contractors -- both bilateral and centrally-funded -- to set the stage for the post-bilateral period during which a limited number of health/population activities may be managed by USAID's Global Field Support Offices. SO1 will be managed in the 1997-99 period by 1 USDH, 1 TAACS, 1 Population Fellow, 2 technical FSNs, and 2 administrative FSNs.

**B. SO2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors**

**1. Performance Analysis**

USAID/Morocco's environmental Strategic Objective (SO2) addresses the predominant role of water in the Moroccan economy, as well as its importance to human health and to crucial ecosystems and the services they provide. Although the centerpiece Water Resource Sustainability Activity is only in its first year of implementation, the SO2 Team has been able to directly influence the following outcomes in 1996.

### Summary of 1996 SO2 Performance Data

- \* Reduction in chromium pollution by ten percent in target areas
- \* Six million cubic meter water savings in target areas
- \* Improved municipal environmental services in five cities with a population of 1 million
- \* Increase to 45 % of poor households connected to water and sewerage systems
- \* Water fee increase of six percent in Tadla
- \* Water fee collection rate of 96 % in Tadla
- \* Increase in the use of environmental assessments prior to urban infrastructure investment
- \* Growth in stature of the Ministry of the Environment
- \* Adoption of "integrated pest management" (IPM) practices by 40 farmers
- \* 1,850 farmers involved in participatory irrigation management

Economically, 1996 was an exceptional year for Morocco. Preliminary results indicate that the Gross Domestic Product grew by a whopping 11.8% in real terms, against a decline of 7.6% in 1995. Why this huge swing from recession in 1995 to outstanding growth in 1996? One word -- **water** -- largely answers the question. In 1995 there was a severe water shortage, while in 1996, water supplies were much more abundant. Morocco experiences wide variability in rainfall and is subject to recurrent droughts. It has been estimated that Morocco will be a water deficit country by the year 2020, at the latest.

Water should be viewed as a unitary resource, not easily disaggregated. It is part of a continuum which can best be visualized from a point atop the High Atlas mountains where it falls as snow or rain, is either absorbed into a series of deep aquifers or begins its flow in streams and rivers, passing through Morocco's agricultural heartland, through its small and medium-sized towns, to its major industrial centers and finally into the Atlantic Ocean. This resource is best managed holistically to meet competing demands in the agricultural, urban and industrial sectors.

#### **SO Level - Improved Water Resources Management in the Agricultural, Urban and Industrial Sector**

With the adoption of improved management practices resulting from tannery audit recommendations relating to **water pollution control**, a reduction of ten percent of chromium pollution in the Fes tannery sector already has occurred. The Tadla Resources Management (TRM) activity introduced a plant nutrient management program aimed at reducing fertilizer applications on several key crops and reducing the amount of nitrates leached into the groundwater.

In the agriculture sector, which consumes about 90% of all water supplies in Morocco, **water savings** continue to accrue. As a result of further expansion of TRM laser-leveilling technology and improvements in efficiency at the system level, there was a six percent increase in water savings in target areas, above expectations.

Activities to **reduce soil erosion** in the Rif Mountains, which have some of the highest erosion rates in the world, were initiated with the implementation of a Participatory Lifescape/Landscape Appraisal (PLLA) of the targeted Nakhla watershed. This participative approach resulted in a broad understanding of the problem and the identification of strategies to slow down or reverse the erosion process.

Work in the Mission's urban infrastructure program, which includes the newly renamed Urban and Environmental Credit Program (formerly the Housing Guaranty Program) and the Urban Environmental Services (UES) Activity, led to an improvement of **environmental services** in several municipalities. For example, under the "Sustainable Cities" initiative, garbage collection services were improved in Fes.

Continued progress has been made in connecting poor, urban households to **potable water and sewerage systems**. A significant number of slum dwellers and clandestine neighborhood occupants (45% of the total) were connected up to these systems this year.

### **IR2.1 Level - Improved Policy, Regulatory and Institutional Framework**

The SO Team focused considerable attention on defining a policy agenda and developing a methodology to assess progress towards its achievement. Eleven key policy reforms have been targeted for use in a matrix that tracks progress through several discreet stages (see Annex A).

Progress to date on Morocco's **water pricing** policies has been encouraging. Water pricing advances have been made in both the agricultural and urban sectors. Morocco is a leader in the Middle East/North Africa region with regard to irrigation water cost recovery in the agricultural sector. User charges, which cover 100% of all operations and maintenance costs (and 40% of capital costs through a land tax), actually are now slightly higher than the median cost of agricultural water in California!

There has been a further **decentralization** of water management authorities, with implementing decrees for the new Water Law of 1996 drafted and vetted. Policy analyses carried out under the WRS and TRM Activities have spurred a serious debate about the role of the various stakeholders in the management of the water resources on a basin scale.

Under the UES activity, an important study was carried out to review progress on the integration of environmental checklists into the day-to-day activities of two key partners -- the National Shelter Upgrading Agency (ANHI) and the Municipal Development Bank (FEC). Additional work needs to be done to transition to the use of more rigorous **environmental assessments** prior to investing in urban infrastructure which impacts the water sector. A greater role for the MOE in this area also is foreseen.

A highly successful training activity -- a mortgage financing seminar for senior officials from the Ministries of Housing and Finance, ANHI, FEC and several public and private banks -- was held at the Wharton School of Business in November 1996. The Wharton seminar served to crystalize the debate over **private sector participation** in the urban infrastructure market, and to frame key policy issues.

Work on industrial **norms and standards** and on strengthening the "**polluter pays**" principle began with WRS activities in the tannery sector in Fes, under the auspices of the MOE. The promotion of these innovations, along with the initiation of the WRS Inter-ministerial Steering Committee, chaired by the MOE, has enhanced the Ministry's role as coordinator of environmental activities in Morocco.

The nexus between **water users associations** (WUAs) and the large-scale irrigation authorities (ORMVAs) is crucial to water management in Morocco. The SO supports the linked activities of empowerment of WUAs and the **reengineering of ORMVAs** to help better define this very important relationship as it bears upon water pricing and water use efficiency.

Solid progress was made toward strengthening ANHI and FEC institutional development and financial sustainability, necessary elements in the long-term viability of urban water infrastructure development in Morocco. Several SO-supported studies contributed to the reorganization of FEC and improvement of its operational strategy. For both ANHI and FEC, UES-supported work has improved management information systems, internal control systems, and budgeting and financial strategies.

### **IR2.2 Level - Improved Environmental Technologies**

Significant progress to combat groundwater and surface water pollution was made with the introduction of **integrated pest management (IPM)** technologies. IPM assumes that far fewer chemical applications are necessary if farmers monitor the number of pests in their fields through simple trapping mechanisms. More farmers are adopting IPM technologies in two important farming areas.

Similarly, there has been an increase in the number of tanners adopting improved management practices, leading to a reduction of chromium pollution in the Sebou River. Work was initiated under WRS to ascertain the feasibility of installing **chromium recycling** technologies which will significantly reduce chromium levels in effluents.

The new SO2 technology **replication** indicator is on target. Many technologies developed under the TRM activity should be applicable on a larger scale in several major irrigation perimeters. So far, one technology -- the portable broad crested ("Replogle") weir -- has been extended and adopted by two other irrigation perimeters: Haouz and Doukala. These versatile weirs provide for improved management, efficiency and water savings.

### **IR2.3 Level - Broadened Public Participation for Environmental Action**

Broad community **participation** to-date includes initiation of the PLLA process in the Nakhla watershed, preliminary work with tanners in Fes, community consultations on wastewater reuse in Agadir, and cooperation with tenant groups and municipal officials on garbage collection in Fes and landfill management in Meknes.

The SO2 Team continues to support the Government's program to transfer increasing management responsibilities from the ORMVAs to local WUAs. Results were 84% above the target on work with WUAs in Tadla.

## **2. Expected Progress through FY 1999 and Management Actions**

SO2 is on-target to achieve significant results by 1999, as detailed in the Performance Data Tables. A mid-term evaluation of TRM was conducted in October 1996 to determine if the project was on track to achieve newly-reengineered results. The TRM Activity Management Team subsequently analyzed the evaluation recommendations, and is anticipating a no-cost extension of up to one year to fully achieve the intended results, and to allow dissemination of TRM-developed technologies to more irrigation perimeters than originally planned. Following are the expected highlights from the three SO2 core Activities (WRS, TRM, UES).

**SO Level - Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors.**

Targets will be achieved in several important SO areas, including 70 million cubic meters of annual water savings, and a significant (25%) decrease in nitrate water pollution in the Tadla perimeter.

Anticipated results from the WRS demonstration activities include: a 90% reduction in the level of chromium pollution from tanneries in the Doukkarat industrial area; a 15% reduction in soil loss (8 tons/km<sup>2</sup>) in the Nakhla watershed; and significant water savings from the wastewater re-use activity in Agadir.

The 1999 target of 80% of poor urban household sewerage and potable water hookups in slums and clandestine neighborhoods will be directly supported by the Urban and Environmental Credit Program and the UES Activity.

### **IR2.1 Level - Improved Policy, Regulatory and Institutional Framework**

The SO<sub>2</sub> policy agenda will be more than 60% complete by 1999, with reforms achieved in water pricing, decentralization of water management authority, development of industrial norms and standards, broad acceptance of the polluter-pays principle, and strengthening of the MOE as a coordinating ministry.

The UES Activity will have achieved its major policy goals of ensuring the sustainability of ANHI and FEC, increasing the use of environmental assessments prior to infrastructure investments, and increasing private sector financing for operating water and sanitation systems. Finally, improved local government capacity and efficiency in 11 municipalities will ensure their capability to provide environmental services to more than two million citizens.

### **IR2.2 Level - Improved Environmental Technologies**

The TRM Activity will result in the widespread adoption of IPM practices and various water saving technologies in irrigation perimeters throughout Morocco.

By 1999, 60% of tanners in Doukkarat will have adopted chromium recycling technologies and/or improved their management practices, resulting in a decreased use and discharge of this dangerous heavy metal.

### **IR2.3 Level - Broadened Public Participation for Environmental Action**

Ten thousand farmers in WUAs will be operating and maintaining irrigation systems, and a reengineered ORMVA will be responding more effectively to continuing water sector liberalization.

It is envisioned that all WRS activities will have been implemented with strong public participation and in partnership with non-governmental entities.

## **3. Transition Strategy**

SO<sub>2</sub> is on target to achieve significant progress by 1999. Only modest resources (\$5.7 million) will be needed in FY 1998 and FY 1999 to fully fund all current SO<sub>2</sub> activities, which can be professionally managed by one Mission USDH and one centrally-funded RHUDO USDH, two FSN professionals and support staff. Additional resources will be needed to implement any new initiatives.

By 1999, USAID will have played a lead role in showing how water resources management can be dramatically improved. Deepening our commitment to sustaining progress made in the environment sector, the SO2 Team proposes to transform the Water Resources Sustainability RP during FY 1998 into a Strategic Objective Agreement (SOAG) which will continue core WRS activities while focusing on replication and policy implementation in the out years. While WRS will be mid-stream at that point, the new SOAG also will fully integrate and gain broad acceptance of selected TRM and UES results. Although UES and TRM (with an expected one-year, no-cost extension of TRM) Activities both will come to a close in 1999, USAID envisages a longer-term program that will build on, consolidate, and extend progress made in the technology, policy and institution-building arenas by the end of the millennium. Such a program will support the broad replication of current SO activity results, consolidate the Mission's environmental policy and regulatory reform agenda, and develop a cadre of water resource management specialists within key partner institutions. Sustainability through lasting linkages will continue to be a major program theme.

Successful WRS, TRM, and UES results will be disseminated as widely as possible throughout Morocco. Examples of such results include those emanating from laser levelling, pollution prevention, wastewater treatment and re-use, and urban environmental management techniques and participatory approaches. Integrated water resources management may be tested in a single watershed, incorporating successful interventions already proven through our activities in the agricultural, urban and industrial sectors.

Improvement of Morocco's policy and regulatory frameworks will be based on lessons learned from successful WRS, TRM and UES field activities. Focal policy areas will continue to include water pricing reform, decentralization of water management authorities, private sector involvement in urban service delivery, and further development of industrial norms and standards

Another key element of the SO2 transition strategy is the strengthening of institutions that are key to achieving results and serving national interests in the sector. The SO team will focus on the MOE, ANHI and FEC, ORMVAs, WUAs and other relevant NGO/community groups, as well as several local governments. An intensified training program will be developed under the new SOAG to consolidate long-term gains made in each of these institutions by broadly strengthening their human resource base.

Lastly, the development of strong and effective linkages is also an important key to the achievement of SO2 results and Morocco's long-term capacity to strategically manage its water resources. The inclusion of all stakeholders into SO2 decision-making is an important means to this end. Leveraging public, private and donor resources will ensure the broadest possible USAID impact in the environment sector. Examples include potential collaborations with the French cooperation program and the European Union in Fes on pollution prevention, and in Agadir on wastewater treatment, respectively.

### **C. SO 3: Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income**

#### **1. Performance Analysis**

The Mission is greatly encouraged by the results achieved over the past year in SO3. Despite further downsizing, we are enthusiastic about the very positive momentum that characterizes our enterprise development and competition-enhancing activities. Though our program resources are diminishing, the U.S. wields significant influence, and Economic Growth (EG) activities leverage change far out of proportion to our financial contributions. U.S. expertise, private sector focus, results orientation, and

citizen-inclusive, pragmatic, bottom-up approaches bring a value-addition to our assistance that is much appreciated by the GOM. Initiatives of other donors -- the World Bank and the European Union -- often are based on USAID experience in Morocco.

#### Summary of 1996 SO3 Performance Data

- \* Four Results Packages successfully completed and portfolio reduced to three main Activities
- \* 22,000 person-years of employment generated
- \* 16,000 new homeowners established
- \* Plant varietal protection (IPR) law passed
- \* One-stop business registration process accepted
- \* Creation of small business policy unit accepted
- \* Single tax number and simplified reporting adopted
- \* \$26 million increase in exports attributable to EG activities
- \* \$22 million in agricultural exports to new markets
- \* Customs reforms yield savings of 20% in road transport costs for food exporters
- \* 41 new horticultural products introduced (1992-96)
- \* 46 firms adopted new U.S. technologies (total of 138 from 1992-96)
- \* 28 small business associations strengthened
- \* \$1.2 million in new technology sales by U.S. firms
- \* \$6 million in GOM funds earmarked for operating capital loan guarantee facility
- \* 45 companies privatized (1992-96)
- \* \$1.2 billion in privatization receipts (1992-96), increase of 50% from 1995
- \* \$360 million in foreign investment generated by privatization
- \* 50% increase in first-time shareholders from 1995
- \* 5,000 employees owning shares in their firms (1994-1996)
- \* \$6 million in GOM funds earmarked for policy reform "think tank"

On the **program management** side, we have continued to consolidate the EG portfolio and now concentrate on three main activities. We closed four EG activities during the reporting period, and two more will be closed by mid-FY 1997. Based on our assessment of poor performance and unrealistic expectations, EG also terminated a \$4 million Cooperative Agreement for enterprise development with a local institution. On the **staffing** side, we reduced USDH staff from four officers to two, while retaining FSN staff at the same level of two professionals and two support personnel.

A new Activity, Urban and Environmental Services, was initiated during 1996. It complements two Urban and Environmental Credit programs. The Mission executed a contract with Technical Support Services, with personnel arriving in Morocco in September. Results Package implementation is proceeding as planned. RHUDO/EUP staff was reduced during the period by one FSN professional and currently has one USDH, one Program-funded professional, and two support staff.

The two primary indicators for SO3 are **increased jobs** and **increased home-ownership** for below median-income people. Our 1996 results are excellent.

For our SO indicator of increased jobs, we report **22,000 jobs generated** -- or an estimated payroll of \$50 million. This is the equivalent of a 1.5% reduction in Morocco's unemployment rate. A significant number of these new jobs went to women. Our cumulative job creation number is 79,000 since 1993.

Improving the competitiveness of Moroccan firms generated 5,400 person-years of employment. UECP (formerly Housing Guaranty) activities generated 16,500 person-years of employment in 1996. The 22,000 figure is conservative and does not include the estimated 20,000 jobs created by newly-licensed companies in 1996, nor the estimated cumulative figure of 80,000 jobs created by companies licensed over the four-year period covered by the indicator. These estimates are based on specific experience in Morocco and the assumption that at least 25% of the new licensees, each employing four people, actually began business operations.

For our SO indicator of increased home-ownership, we report **16,000 new homeowners**, representing a cumulative number of 98,000 since 1994. The new homeowner figure exceeds the goal we had identified for 1996 by 7,400. Over 50% of the lots developed through USAID support are in squatter settlements and 70% benefit the below-median income target group.

The Mission's principal means for increasing employment are its export promotion, UECP, enterprise creation, and microfinance activities. Our efforts emphasize policy, institutional, and regulatory reform on an increasing basis as our transaction-oriented activities come to an end. To identify, support, and lend credence to reform proposals in the future, we will implement pilot and demonstration activities only on a limited basis as we continue to consolidate and focus the EG portfolio.

### **Intermediate Result 3.1: Improved Policy and Regulatory Environment**

The Economic Growth team promotes policy reform in 15 specific areas. During 1996, several policy and institutional reforms were achieved, and good progress was made on reform overall. Our achievement rate on the total package is on schedule. Annex A provides a list of reforms we are pursuing and explains the steps involved. Highlights of accomplishments in the past year include:

- \* **A microfinance bill**, which grants special legal and tax status to microfinance associations, was drafted by the Ministry of Finance and is now undergoing review.
- \* **An agricultural intellectual property rights bill** was passed by Parliament to protect plant varietal rights and encourage the introduction of new varieties into Morocco.
- \* **One-stop business registration process** was accepted by the Ministry of Commerce and Industry, and is slated for testing in 1997.
- \* **Single tax ID number simplified tax reporting format** for small businesses was adopted by the Ministry of Finance.
- \* **Small business policy unit** was accepted by the Ministry of Commerce and Industry.
- \* **Pilot loan guarantee facility for working capital** was approved by the Ministry of Finance.
- \* **Customs inspection procedure reforms** generated a 20% reduction in road transport costs for food exporters, a significant improvement for Moroccan competitiveness.
- \* **Uniform food safety standards and regulations**, based on U.S. Food and Drug Administration models, are nearing adoption by the Ministry of Agriculture.

\* **Privatization revenues increased 50%** during the past year from \$800 million to over \$1.2 billion, and **45 firms are now privatized**. **Foreign investment doubled** over the past year to \$360 million. **Individual shareholders increased 50% to 300,000**. The Moroccan stock exchange is often cited as one of the best performers in emerging market countries.

### **IR 3.2 Creation and Expansion of Small and Microenterprises**

The Microenterprise Finance and New Enterprise Development Results Packages address major constraints of restricted access to financial resources and services.

Field implementation of the Microenterprise Finance Activity began with the arrival of the project contractor in August 1996. Accomplishments include the drafting and introduction of the proposed microlending law, the selection of three cities for lending activities, the recruitment and training of staff, by-laws for the microlending institutional charter, the creation of the institution, a baseline data survey, and first loans being accorded in February 1997. Initiating lending at three sites instead of one during Phase I will accelerate the pace of implementation. The Results Package is off to an excellent start and USAID has literally put microfinance on the development agenda in Morocco.

New Enterprise Development benefitted from considerable implementation refinements. USAID terminated a cooperative agreement with a local institution and assigned the task of developing small business support services and access to credit to the U.S. project contractor. Prolonged discussions with counterparts from several ministries resulted in a jointly-elaborated Project Agreement Amendment and a Phase II activity plan to guide implementation through to the activity's terminal year, 1999.

The one-stop business registration center has been approved and will spur enterprise creation, with estimated gains of \$50 million per year in increased small business activity. The single tax ID number and simplified tax reporting have been accepted and will produce estimated annual benefits for small enterprise worth \$3.5 million and \$5 million respectively in increased revenues for government. The small business policy unit, when fully operational, will enable the Ministry of Commerce and Industry to analyze data provided by the business registration process to fine-tune policy and regulations in support of small enterprise development.

### **IR 3.3 Increased Access to Housing for Below-Median Income Households**

The Urban and Environmental Credit Program (UECP) generates new home ownership for people of below-median income. UECP provides seed money for the National Shelter Upgrading Agency's (ANHI) general program and for the Municipal Development Bank (FEC). In 1996, the agency offered 11,600 developed lots for sale to households of below-median income, bringing the cumulative total to near 90,000, on which 98,000 households have built homes. Morocco has reduced the percentage of urban populations living in shanty-towns from 13% to 6.7% in a decade.

Studies estimate a multiplier of 5.7:1 private:public investment by the time new neighborhoods, with owner-built housing, shops and businesses are completed. On this basis, the Morocco UECP program, if fully funded at its authorized \$80 million level, will generate \$450 million in other investments.

The UECP also encourages the government to improve conditions in existing informal neighborhoods, including acceptance of the validity of informal land transfers. Beginning in 1996, the UECP began helping to finance such upgrading efforts through the FEC.

We continue to engage the government in dialogue on housing finance. A program organized by the Wharton School of Business for 15 participants from four GOM ministries provided training in housing finance. Public discussion of a secondary mortgage market continues to get prominent play in the media.

### **IR 3.4 Improved Competitiveness of USAID-Assisted Firms Which Generate Employment for Below-Median Income People**

Lack of competitiveness is an important constraint to Moroccan firms trying to enter new markets, generate export-led growth, and create jobs. The Agribusiness Promotion (MAP) and the Accessing International Markets (AIM) Results Packages -- the latter closed in 7/96 -- are the primary activities focused on improving the competitiveness of firms which employ below-median income people. In 1996, MAP and AIM had a direct hand in helping Moroccan firms export \$26 million of horticultural and other products, almost 12% higher than our target. These sales generated 5,400 person-years of employment, with some 45% of the jobs to-date being held by women. Many of the people benefitting from this increased employment demand were the poorest of the poor -- temporary farm and factory workers and other lower-income strata people from rural and urban areas who had no other employment opportunities.

A total of \$22 million of USAID-assisted export sales in 1996 went to non-traditional markets. Almost \$10 million in sales were in new or non-traditional products. MAP also has been responsible for directly introducing 41 new horticultural products which benefit both Moroccan consumers and exporters.

MAP also helps agricultural firms search for new production, processing, packaging, transport, and management technologies. To date, a total of 138 firms have adopted (i.e., commercially imported and distributed) new technologies introduced into Morocco through MAP. These technologies include new crop varieties, modified atmosphere packaging, food safety management methods, and new freezing technologies, among others. The technologies also represent opportunities for U.S. business in Morocco, since almost all new technologies introduced have been of U.S. origin. They represent sales by U.S. firms of \$1.2 million in 1996.

## **2. Expected Progress through 1999 and Management Actions**

We expect the refinements in direction and the momentum that prevailed at the end of the reporting period to continue through 1999. Our projections for the EG Strategic Objective indicators of employment and home ownership are that an additional 40,000 jobs will be created 1997-99, bringing the cumulative total to 120,000, and there will be an additional 62,000 homeowners resulting from UECP activities, bringing the cumulative total of below-median income homeowners to 160,000.

To implement the Microfinance Activity Results Package effectively and to properly conclude activities scheduled to end by 1999, the EG team expects that the program resource needs totalling \$7.8 million in FY 1998 and FY 1999 will be available to fund the mortgages of our authorized activities. Additional resources will be needed for any new initiatives that may be undertaken.

### **IR 3.1 Improved Policy and Regulatory Environment**

At the end of 1999, we expect to have achieved 95% of the EG and EUP policy agendas. Accomplishments will include:

- \* Law on microfinance institutions enacted
- \* Law on agricultural IPR implemented
- \* Small business policy unit operational
- \* Official guide for business formalities adopted and available
- \* Business association law enacted
- \* Competition law enacted
- \* Uniform food safety standards adopted by GOM and applied by industry
- \* Crop production contracts and non-judicial dispute arbitration adopted
- \* First Moroccan plant quarantine station operational
- \* USDA-approved Moroccan tomato exports to the U.S.
- \* Enabling housing finance policy adopted
- \* Secondary mortgage market created

### **IR 3.2 Creation and Expansion of Small and Micro Enterprises**

The microfinance institution created through MFA will be formally established, MFA will launch initial activities in three cities, expand to other sites, and will have provided credit to 8,550 microentrepreneurs, of which at least 30% will be women. The microenterprise finance institution (called *Al Amana*) will serve as the model for other microfinance institutions in Morocco, employing efficient administrative procedures, central accounting and statistical services, cost recovery analysis, and outreach to other organizations with similar objectives.

The New Enterprise Development Activity will further reduce administrative obstacles to small business development. By helping to create the small business policy unit in the Ministry of Commerce and Industry, it will promote enabling policy and regulations governing small enterprises. Adoption of the association law will spur the creation of business associations and expand their influence as lobbies for regulatory reform and service provision for small enterprises. Finally, an important expected result is that the new \$6 million small enterprise working capital loan guarantee facility, which will become operational with technical assistance provided by the NED contractor, will be institutionalized in an autonomous banking facility, the *Dar-ad-Damane*.

By the end of 1999, business licenses issued will increase by 71,000 and cumulatively total 152,000, of which about ten percent will be issued to women. *Dar-ad-Damane* will have provided guaranties for 400 operating capital loans. Business association membership will total 28,000, up from 22,000 at the end of 1996.

### **IR 3.3 Increased Access to Housing for Below-Median Income Households**

Continuing progress will depend in part on whether the Morocco Environment and Urban Credit Program receives new credit reserve allocations in the coming years to help lower-income families become homeowners. In any case, USAID will continue to press for housing finance reform and the creation of a secondary mortgage market. A 1997 workshop will examine the means of increasing home ownership through microfinancing for low-income households. We will work closely with the World Bank, and our activities may be adjusted to reflect decisions by the Bank on its program, currently in study phase. Lots developed for sale to below-median income level Moroccans will total 125,770, and home ownership generated by UECP activities will total 160,000 by the end of 1999.

### **IR 3.4 Improved Competitiveness of USAID-Assisted Firms Which Generate Employment for Below-Median Income People**

The Morocco Agribusiness Promotion Results Package will end in June 1998. Cumulative targets under this IR through the 1998 period will include: a successful transfer of responsibility to Moroccan organizations; a total of \$106 million in facilitated export sales, of which \$87 million will go to new markets and \$34 million will be comprised of non-traditional products; 20,000 person-years of employment for lower-income persons will result from these exports, of which 9,000 will be for women; and 183 firms will adopt new technologies.

### **3. Transition Strategy**

In line with the mandate to become a Limited Presence Mission, the Economic Growth team will continue to consolidate activities. Two current projects will be phased out in the transition. The Agribusiness Promotion project will end in FY 1998 and the New Enterprise Development project in FY 1999. Only the Microenterprise Finance Activity will continue into the new millennium as a discrete Results Package. These projects will cement USAID's partnership with Morocco's private sector. Just as important, they will leave behind a legacy for further growth and employment in the form of many new and expanded small businesses, some of them enjoying solid relationships with U.S. firms.

With expectations of reduced program and staff resources, we nonetheless plan to deepen our commitment to promoting a more equitable distribution of Morocco's economic growth and its wealth via highly focused, concentrated activities. The current EG Strategic Objective will be refined and limited to the continued development of micro and small enterprise and related associations which provides benefits to disadvantaged peoples of Morocco. We will exploit the experience of programs elsewhere to join enterprise development and microfinance with housing for low income people. Our clients will be entrepreneurs, especially women, who are outside the coastal corridor where most of the country's wealth is concentrated. We will provide assistance through a consolidated Strategic Objective Agreement, which will subsume the Microenterprise Finance activity and will incorporate the EG policy agenda, and small enterprise and association development. This will further simplify and harmonize activity management, as the Mission will sign this SOAG with the Ministry of Finance and will conclude activity sub-agreements with appropriate line ministries or private sector partner agencies.

The SO Team will continue to promote specific policy, institutional, and regulatory reforms that further the Strategic Objective. We will expect to collaborate with the proposed Moroccan Institute for Strategic and Economic Analysis by commissioning policy and operations research to address problems identified by entrepreneurs or encountered in the implementation of the SO Activities and which directly support the efforts of micro and small entrepreneurs. At the same time, EG program resources will finance field interventions, such as the extension of microlending to new sites, which exploit USAID comparative advantage and respond to specific needs unsatisfied by other donor support.

As activities come to an end or are consolidated, we will further reduce the EG staff. One more USDH slot and one FSN position will be deleted at the end of FY 1998. Finally, assuming that even our Limited Presence status may evolve, we will seek to strengthen our strategic partnership with private sector organizations with the expectation that they will sustain our joint development activities long after USAID financial support is reduced.

## D. SO 4: Increased Primary School Attainment among Girls in Selected Rural Areas

### 1. Performance Analysis

Summary of 1996 SO4 Performance
<ul style="list-style-type: none"><li>* SO4 Strategy Paper approved</li><li>* Morocco Education for Girls (MEG) Results Package approved</li><li>* SO4 Grant Agreement signed with Ministry of National Education (MNE)</li><li>* MEG Request for Proposals issued</li><li>* MNE strategy for the promotion of primary education launched</li><li>* Flexible school calendar adopted in the 20 pilot schools of the five selected areas</li></ul>



The main objective for 1996 -- to complete all preparatory work for starting implementation of SO4 -- was accomplished. USAID's key initiative in girls' education, the Morocco Education for Girls (MEG) Activity is now at the end of the "pre-launch" stage. The **SO4 Grant Agreement** was signed with the Ministry of National Education, bringing together in a single agreement, all USAID activities that contribute to the achievement of SO4, including the existing Training for Development (TFD) project, the Girls' Education Activity (managed by Global/Women in Development Office [G/WID]) and MEG. In addition, the Girls' Education Activity (GEA) action plan for Morocco was developed, taking into account SO4 anticipated results.

Performance cannot be analyzed yet in terms of actual-versus-planned progress toward objective achievement, but rather in terms of accomplishments in setting the stage for full SO4 implementation and impact measurement. The SO will be fully underway in the fourth quarter of FY 1997 when the contractor for the MEG Activity is installed in-country.

However, some progress was made towards the achievements of two lower-level intermediate results, 4.1.1 "**Multigrade, gender-sensitive, locally relevant curriculum developed**" and 4.1.2 "**Cadre of competent educators developed.**" In a series of training workshops, implemented through the TFD Project beginning in mid-year, school teachers, inspectors and principals from the selected areas, as well as MNE central staff, upgraded their skills for producing innovations in their respective primary school educational environments. No specific targets were established for 1996, since it was known that the training program would not be able to address all required skills and techniques in a short period of time (targets have been set for 1997 and beyond). Nonetheless, it was noted during monitoring visits that those who were trained had begun to change classroom dynamics through use of a participatory learning approach.

On the GOM side, the MNE officially launched its strategy for the **promotion of primary education** in rural Morocco in March 1996. The MNE strategy has four major objectives, two of which (nos. 2 and 3) were assimilated into USAID's SO4: (1) to promote and develop the participation of different partners and actors in the design, management and financing of primary school operations; (2) to promote and encourage access and retention, particularly for girls; (3) to promote and strengthen relevant quality education; and (4) to promote education for all. The launching included events such as the signature of symbolic agreements between community groups and provincial representatives of the MNE for the joint promotion and support of primary education in the five pilot provinces. Also, school authorities and

community representatives in the pilot areas developed and are implementing their own 1996-1997 school year calendars which conform more appropriately to the unique rhythms of local agricultural seasons.

Although no quantitative analysis is provided in this year's R4, data collected by the MNE on first grade **enrollment** for the 1996-97 school-year in the 20 pilot schools indicate an overall increase in the number of both boys and girls compared to 1995-96 first grade enrollment levels. The increase is attributed to the MNE's enrollment campaigns which were part of its strategy. This is an early sign which bodes well for the future implementation of SO4 Activities, which were designed within the general framework of the MNE strategy.

## **2. Expected Progress Through 1999 and Management Actions**

In last year's R4, USAID sketched the general environment within which girls' education activities would be operating, using baseline data which represented national statistics, since desegregated information for the SO4 selected pilot rural schools was not available at that time. In 1997, USAID will obtain baseline data for the pilot schools and revise targets accordingly. Local data will be used henceforth as indicators of progress toward meeting the SO.

By the end of FY 1999, SO4 will have had about two full years of contractor presence in Morocco for both the MEG and the GEA contractors. The TFD contractor will have completed contract obligations by the end of FY 1998, and will have paved the way for MEG and GEA in getting SO4 interventions up and running, and in contributing to the USAID SO4 policy agenda. The MEG Model will be well advanced in its design, testing and implementation -- this being the objective of the first phase of the MEG contract (1997-2000). GEA will be well advanced in creating national and local level constituencies for girls' education and will forge links with private sector entities, nongovernmental organizations, and other special interest groups.

### **I.R. 4.1 - Increased Responsiveness of the primary school system to girls' educational needs:**

By the end of FY 1999, the 20 pilot schools will have multigrade, gender-sensitive, locally relevant curricula in place, as well as a cadre of competent educators and inspectors. Approximately ten additional schools, within the selected areas, also will have acquired participatory teaching skills for the delivery of relevant curricula for multigrade classrooms. Methods for assessment will have been developed, through the introduction and adaptation of the Education Automated Statistical Information System Toolkit, which is expected to be installed at the MNE in 1997 and to provide quality data for impact measurement.

### **I.R. 4.2 - Increased community involvement in girls' education:**

Both MEG and GEA will design and implement interventions that will contribute to the achievement of this IR. As the MEG RFP calls for a performance-based contract, it is not clear at this time which specific actions will be taken to guaranty progress and successful achievement of this result. However, it is anticipated that by 1999, seven local government groups will have become active partners in improving their school environments, and that other community groups will have developed advocacy skills and forged partnerships in favor of girls' education. In addition, the decentralization process leading to decision-making and accountability at the MNE local level will have made progress with regard to many aspects of primary school operations.

#### **I.R. 4.3 - Reduced operational constraints to girls' participation in primary school:**

The MEG contractor will contribute significantly to the achievement of this IR. Therefore, it is probable that the interventions currently listed to measure progress towards the IR will be revised based on the MEG contractor's approved scope of work and milestone plan. The "locally relevant school calendar" intervention began with the 1996-97 school year. As it is further adapted to the needs of each region, its impact on increasing girls' enrollment and retention should be measurable.

#### **I.R. 4.1.2.3. - Improved Policy and Regulatory Environment:**

USAID has developed an ambitious policy agenda for the SO, to assist in its achievement and to ensure a context for "post-SO4" that is favorable to continued efforts in girls' education. The policy agenda aims to: (a) have the MNE adopt a more efficient data collection system; (b) promote negotiations between MNE and the Ministry of Finance to increase the education budget for primary education with earmarks for rural primary schools; (c) design and implement a rural teachers' compensation package; (d) promote a phased plan to decentralize the decision-making process for primary school education; (e) assist local officials and parents' groups to develop advocacy skills in favor of girls education; and (f) stimulate negotiations between local authorities and other community groups to improve the school physical environment.

### **3. Transition Strategy**

SO4 is at too early a stage to predict achievement within the three-year timeframe. However, based on experiences in other countries, USAID is optimistic that significant impact will be measurable within a few years. Targets, and possibly the lower-level IRs themselves, may be modified in 1997 based on the selected contractor's proposal for the MEG Activity. MEG will be implemented in two phases: Phase One entails the design and testing of model interventions in five provinces; and Phase Two involves the expansion of the model and interventions that have proven to have positive impact on girls' enrollment and retention to an additional nine provinces. MNE will be responsible for eventually expanding the model to the national level, possibly with the assistance of other donors. GEA will be implemented concurrently with MEG and will address barriers to girls' education mainly at the national level, with complementary activities at the local level in the MEG provinces.

Ultimately, we will leave behind a sustainable model of interventions for improving primary education for girls in rural areas through capacity-building, community participation, and institutional strengthening interventions. USAID assistance will be provided within the framework of the MNE's Strategy for improving primary education in Morocco and within a finite timeframe. Upon completion of USAID activities, the MNE's Strategy and all its elements will remain -- strengthened, improved, and refined. Since USAID's activities are highly visible and have been warmly welcomed by Moroccans and other donors alike, it is very likely that the GOM and other donors will continue to replicate and expand USAID's successes.

The technical staffing for SO4 in 1999 and beyond will consist of four staff (including support personnel). Two U.S. institutional contractors teams will be fully functional. The SO core team will be charged with the management and coordination of the contractors, and the negotiation and implementation of an ambitious policy agenda.

### III. STATUS OF THE MANAGEMENT CONTRACT

USAID/Morocco will continue implementation of transition to a Limited Presence Mission. The basic thrusts remain essentially the same during the FY 1997-1999 period, but with termination of the Strategic Objective in Population and Health, as a bilateral program, in 1999. It is our intention to expand successful initiatives within SO2 and SO3, starting in FY 1998 and continuing in FY 1999. They are envisioned as a deepening of our commitment to achieve full sustainability of the Improved Water Resources Management (SO2) and Expanded Base of Stakeholders (SO3) Strategic Objectives. Amongst other requirements, the Mission will determine what Global/Field Support efforts in Population and Health may be appropriate for continuation into the next century. Besides these new Activities, the Water Resources Sustainability Activity (WRS, 608-0222), Microenterprise Finance Activity (MFA, 608-0218), and the Morocco Education for Girls Activity (MEG, 608-04A1) will continue beyond FY 1999. All other currently existing bilateral Activities will be completed by that time.

The approved Special Objective in Democracy, included in last year's R4, has been deleted from the USAID/Morocco Program because of reduced availability of the resources necessary to start additional Activities. Staff reductions, OE cuts, and reduced Program resources forced the Mission to eliminate this Special Objective. This action was approved by the Bureau shortly after the FY 1998 R4 review was completed.

Resource requirements (Program, OE and Staff), as shown in the following Section, reflect a continuation of core Activities, although reduced to those of a Limited Presence Mission in FY 1998, but still moving forward well into the next century. Shown is support for the new Activities and for cornerstone Activities in SO2, SO3 and SO4 through the end of the decade. The requirements are reflected in Annexes B, C, E and F.

The Performance Measures (Annex A, Table 1) have undergone some changes. New data showing surpassed targets necessitated amended targets and indicators beyond actual interim results. USAID/Morocco believes that the targets and results should reflect potential achievement, even if such changes increase the developmental challenge and the potential of not fully achieving final goals. Also, this R4 shows a reduced number of performance measures, as some were seen as too indirect or cumbersome in linkages to the Strategic Objective, not necessary for inclusion in the R4, or were simply too difficult/expensive to track. The set of Intermediate Results and Indicators still is large and in some instances complex, but accurately reflects the significant, substantial progress made over the last year and appropriate measures of future progress.

We now show a summary of our SO Policy Agendas (IR 1.1, IR 2.1, IR 3.1, and IR 4.4), not included in last year's R4. In SO1, all lower-level intermediate results now feed directly into the two higher-level intermediate results to reflect USAID's deepened focus on sustainability. We show only the most important IRs and reflect the January 1997 Implementation Priorities of the Transition Plan. In SO2, we dropped IR2.2.1 and IR2.3.4 as no longer relevant, and added IR2.2.3 to capture results in technology dissemination. In SO3, we have made minor changes only. In SO4, we have now submitted a revised Results Framework, as last year's R4 was submitted before we had an approved SO4 Strategy (approved in August, 1996).

As per the Morocco R4 Review Agreement (96 State 088941), the status of designated actions is as follows:

**SO2 Policy Agenda** - A policy agenda for SO2 was submitted to ANE in February, 1997. It lays out the major policy issues, the stages of completion, time frames and implementers. It is summarized as part of Annex A under SO2. All SO policy agendas are summarized in Annex A, included as part of the Results Framework for each SO.

**SO2 Integration of the three IRs** - The roles of the major Activities and their contributions to achievement of the SO, as pointed out in Section II B and in Annex A - Intermediate Results and Indicators, are clearly shown and need not be repeated here.

**SO3 Indicators and Programmatic Trade-Offs** - Most Activities under SO3 will be completed by FY 1999. The key Activity, MFA, and a new initiative will be carried on into the next century. Several modifications have been made to the indicators, simplifying reporting and better reflecting the impact of current Activities. Refer to Section III C and Annex A, Table 1 for further details.

**SO4 Revision and Approval** - The strategy for SO4 was submitted and approved by USAID/W during the summer of 1996. Subsequently, the Morocco Education for Girls Results Package was authorized and the USAID/M-GOM Strategic Objective Agreement was signed, both in September, 1996.

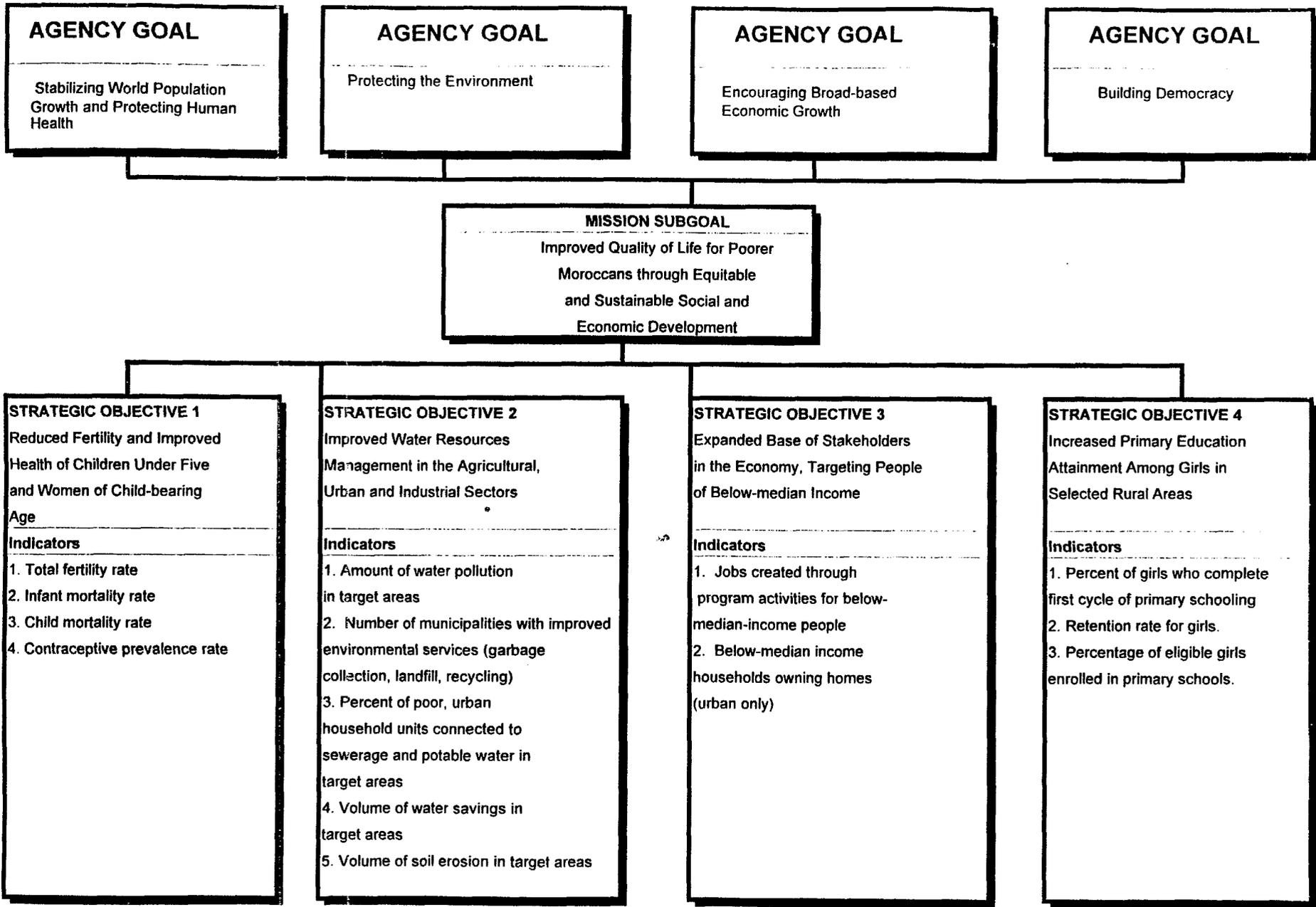
**SPO Local Governance and Womens' Empowerment** - Because of reduced availability of resources, the SPO was dropped from the Mission's Program. Residual activities were completed by October, 1996.

**Budget Threshold and Staffing Levels** - Section IV discusses budgetary and staffing requirements necessary to maintain the Mission's Program through FY 1999.

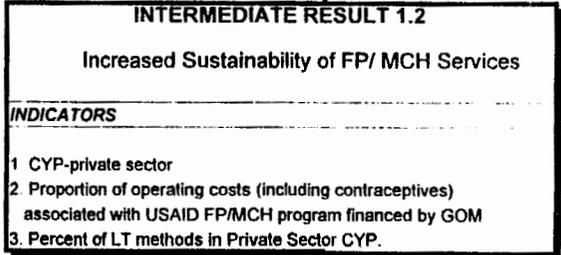
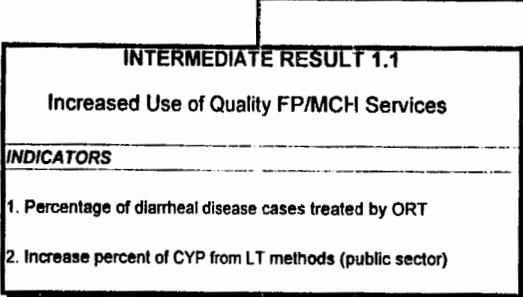
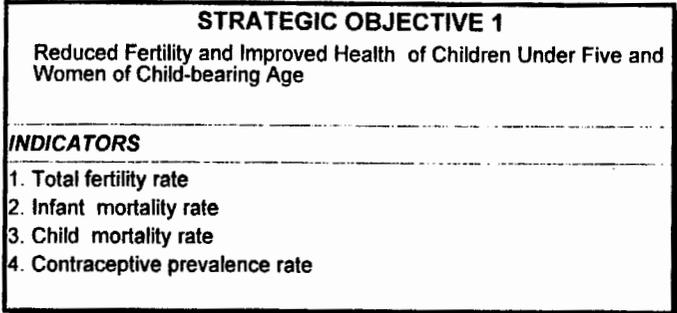
# V. ANNEXES

- A. Results Framework
- B. Table 2 - All Resources Table
- C. Table 3 - Funding Scenarios by Objective
- D. Table 4 - Field Support
- E. Table 5 - Staffing Requirements
- F. Table 6 - Operating Expense Requirements

## **A. RESULTS FRAMEWORK**



AC



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<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b>			
<b>INDICATOR:</b> Reduced total fertility rate (TFR)			
<b>UNIT OF MEASURE:</b> Average number of children that would be born alive to a woman during her lifetime if she were to pass through all her child-bearing years. <b>SOURCE:</b> DHS (1992, 1995, 1997); MOPH Service Statistics (1996) <b>INDICATOR DESCRIPTION:</b> See unit of measure above. <b>COMMENTS:</b> With significant support from USAID, the MOPH substantially exceeded original projections which were based on 1992 DHS data. And, based on results of the 1995 DHS Panel Survey, TFR projections were modified for the 1996-99 period. MOPH statistics for 1996 indicate that TFR continues to decline exceeding expectations. Another DHS will be undertaken in 1997.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	--	4.2
	1993	4.1	--
	1994	4.0	--
	1995	3.9	3.6
	1996	3.5	3.3
	1997	3.2	
	1998	3.1	
	1999	3.0	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b>			
<b>INDICATOR:</b> Reduced infant mortality rate (IMR)			
<b>UNIT OF MEASURE:</b> Annual number of deaths of children ages 0-11 months per thousand live births. <b>SOURCE:</b> DHS (1992, 1995, 1997); MOPH Service Statistics (1996); PAPChild (1997) <b>INDICATOR DESCRIPTION:</b> See unit of measure above. <b>COMMENTS:</b> Data from the 1995 Panel Survey indicate that neonatal mortality (within the first month of life) contributed disproportionately to the increase in IMR. The 1997 PAPChild (45,000 sample size vs 4,000 in the 1995 DHS) will no doubt provide more precise data and avoid distortions that may have arisen with regard to IMR in the Panel.  * Based on results of the 1995 Panel, IMR projections were modified for the 1996-99 period. Note that MOPH 1996 statistics indicate that IMR is now declining.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	--	57
	1993	55.5	not available
	1994	54	not available
	1995	52.5	61
	1996	57 *	57.5
	1997	55	
	1998	54	
	1999	52	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b>			
<b>INDICATOR:</b> Reduced child mortality rate (CMR)			
<b>UNIT OF MEASURE:</b> Annual number of deaths of children ages 1-4 years per thousand live births. <b>SOURCE:</b> DHS (1992, 1995, 1997); MOPH Service Statistics (1996); PAPChild Survey (1997) <b>INDICATOR DESCRIPTION:</b> See unit of measure above. <b>COMMENTS:</b> Data from the 1995 Panel Survey indicate that neonatal mortality (within the first month of life) contributed disproportionately to the increase in CMR. The 1997 PAPChild (45,000 sample size vs 4,000 in the 1995 DHS) will no doubt provide more precise data and avoid distortions that may have arisen with regard to CMR in the Panel.  * Based on results of the 1995 Panel, CMR projections were modified for the 1996-99 period. Note that MOPH 1996 statistics indicate that CMR is now declining.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	--	20
	1993	--	--
	1994	--	--
	1995	18.5	20
	1996	18.5 *	19.5
	1997	19	
	1998	18.5	
	1999	18	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b>			
<b>INDICATOR:</b> Increased contraceptive prevalence rate (CPR).			
<b>UNIT OF MEASURE:</b> Increased percentage of married women of child-bearing age (15-49) currently using contraceptives. * <b>SOURCE:</b> DHS (1992, 1995, 1997); MOPH Service Statistics <b>INDICATOR DESCRIPTION:</b> See unit of measure above. Note that this indicator includes all contraceptive methods, including traditional practices. <b>COMMENTS:</b> Based on results of the 1995 Panel Survey, CPR projections were modified for the 1996-99 period. A comprehensive DHS is scheduled for 1997.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	41.5	not available
	1993	43	not available
	1994	44.5	not available
	1995	46	50
	1996	52	53
	1997	54	
	1998	56.5	
	1999	58	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age.			
<b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.1. Increased use of quality FPMCH services.			
<b>INDICATOR:</b> Increase in percentage of treated diarrheal disease cases.			
<b>UNIT OF MEASURE:</b> Number of treated diarrheal disease cases in children <5 years who had diarrhea in the two previous weeks. <b>SOURCE:</b> DHS (1992, 1995, 1997); MOPH Service Statistics (1996) <b>INDICATOR DESCRIPTION:</b> See unit of measure. Treated cases signifies treated by oral rehydration therapy. <b>COMMENTS:</b> Based on extrapolations from the 1995 Panel data, 1996 "actual" was estimated at 33% and future targets were modified for the 1997-99 period. It is estimated that the number of treated cases will rise by 1.5% per year.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	–	14%
	1994	19.5%	not available
	1995	21.5%	28%
	1996	29.5%	33%
	1997	34.5%	
	1998	36.0%	
	1999	37.5%	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age.			
<b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.1. Increased use of quality FPMCH services.			
<b>INDICATOR:</b> Increase percent of CYP from use of long-term (LT) methods in the public sector.			
<b>UNIT OF MEASURE:</b> LT methods included VSC, IUDs, injectables and Norplant. <b>SOURCE:</b> MOPH Service Statistics <b>INDICATOR DESCRIPTION:</b> measure % of LT CYP in total CYP (public sector). IUDs = 3.8 CYPs; 15 cycles pills=1 CYP, VSC = 10 CYPs ; Norplant = 3.5 CYPs; 4 injectables = 1CYP. <b>COMMENTS:</b> This indicator was added to the 1997 R4, to replace the increased ratio of LT to ST method indicator for public sector CYP. Breakdown by method is in percentage: °	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	–	N/A
	1993	–	N/A
	1994	–	37%
	1995	–	34%
	1996	–	41%
	1997	43%	
	1998	45%	
	1999	47%	

	'94	'95	'96
VSC	5.7	4.7	5.1
Inj	0	0	1.2
IUD	31.7	29.3	34.1
Nor	0	0	1

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children under 5 and women of child-bearing age.			
<b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.2. Increased Sustainability of FP/MCH services.			
<b>INDICATOR:</b> Increased CYPs - private sector (including social marketing products).			
<p><b>UNIT OF MEASURE:</b> CYP measured for all contraceptives distributed through the commercial sector: IUD = 3.8 CYP; 4 inject. = 1 CYP; 15 cycles pills = 1 CYP; 150 condoms = 1 CYP.</p> <p><b>SOURCE:</b> SOMARC - sales statistics of wholesalers to pharmacies.</p> <hr/> <p><b>INDICATOR DESCRIPTION:</b> see unit of measure above.</p> <p><b>COMMENTS:</b> This indicator includes all contraceptive products provided through the private sector, the bulk of which is distributed through sales by pharmacies. However, IUDs and condoms are not considered pharmaceutical products and official sales figures are not kept on these products; figures for these products are available for social marketing brands only. The only injectable available in early 1996 was Noristerat; the CSM brand (Depo) was introduced in November 1996. The CSM IUD will be introduced in April 1997.</p>	<b>YEAR</b>	<b>PLANNED/ % CSM share</b>	<b>ACTUAL/ % CSM share</b>
	1994	303,352 -	386,859 CSM - 28.9%
	1995	394,064 -	396,785 CSM - 31.2%
	1996	445,437 -	462,195 CSM -28.9%
	1997	635,000 CSM - 49.4%	
	1998	742,000 CSM - 53.5%	
	1999	888,000 CSM - 59.2%	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children under 5 and women of child-bearing age.			
<b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.2. Increased sustainability of FP/MCH services.			
<b>INDICATOR:</b> Increased proportion of operating costs associated with USAID FP/MCH program financed by the GOM (including contraceptive costs subsumed by the MOPH).			
<p><b>UNIT OF MEASURE:</b> Annual calculation of MOPH contribution to the FP/MCH program for contraceptives and FP/MCH program operating costs.</p> <p><b>SOURCE:</b> MOPH budget and expenditure figures.</p> <hr/> <p><b>INDICATOR DESCRIPTION:</b> FP/MCH program costs include Phase IV and Phase V expenditures 1994-1996.</p> <p><b>COMMENTS:</b> In 1995-96, FP/MCH program costs paid by USAID included significant one-time-only commodity procurements (e.g., \$5 million in vehicles) and many final payments for Phase IV construction costs.</p>	<b>YEAR</b>	<b>PLANNED (\$000)/ cum %</b>	<b>ACTUAL (\$000)/ cum %</b>
	1994	15,028 47%	22,149 69%
	1995	15,489 54%	22,402 (est.) 64%
	1996	16,153 61%	22,886 (est.) 56%
	1997	17,198 68%	
	1998	18,138 75%	
	1999	18,661 83%	

**OBJECTIVE 1:** Reduced fertility and improved health of children under 5 and women of child-bearing age.  
**APPROVED:** 2 JULY 1993 **COUNTRY/ORGANIZATION:** Morocco /USAID

**RESULT NAME:** 1.2. Increased sustainability of FP/MCH services.

**INDICATOR:** Increased percent of long-term methods in private sector CYP.

**UNIT OF MEASURE:** Number of private sector L-T method (Injectables/IUDs) CYPs divided by total private sector CYP.

**SOURCE:** SOMARC

**INDICATOR DESCRIPTION:** See unit of measure above.

**COMMENTS:** CSM injectable was launched in November 1996, and the CSM IUD launch is planned for April 1997.

YEAR	PLANNED	ACTUAL
1996	--	2.6%
1997	54.2%	
1998	61.2%	
1999	69.3%	

**OBJECTIVE 1:** Reduced fertility and improved health of children <5 and women of child-bearing age.  
**APPROVED:** 2 JULY 1993 **COUNTRY/ORGANIZATION:** Morocco/USAID

**RESULT NAME:** 1.1.1/1.2.1. Greater access to quality FP/MCH services responsive to client demand.

**INDICATOR:** Increased number of sites offering LT FP methods.

**UNIT OF MEASURE:** Sites offering LT methods. The first figure represents VSC sites; the second IUD sites; and the third injectables.

**SOURCE:** JSI, MOPH Service Statistics

**INDICATOR DESCRIPTION:** Capacity to provide VSC, IUD and or injectable FP methods

**COMMENTS:** LT methods will be provided by medical and paramedical staff trained in VSC procedures, IUD insertions and injectables at sites with appropriate equipment and supplies. Note that injectables began in 10 pilot provinces; the number of pilot provinces was expanded to 21 in 1995.

YEAR	PLANNED	ACTUAL
1992	--	--
1994	--	40/1600/10
1995	--	40/1600/21
1996	42/1673/21	42/2000/21
1997	47/1746/36	
1998	49/2200/50	
1999	52/2200/64	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children under 5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.1.2/1.2.2 Improved policy environment supporting expansion of FP/MCH services.			
<b>INDICATOR:</b> Policies/regulations supportive of improved FP/MCH services access and quality.			
<b>UNIT OF MEASURE:</b> Percentage completion of 10 policy/regulatory reforms (see attachment). <b>SOURCE:</b> JSI, PHR, MOPH <b>INDICATOR DESCRIPTION:</b> Advancement in policy dialogue and implementation of measures within and outside the MOPH, aimed at improving the provision of FP/MCH services <b>COMMENTS:</b> The policy agenda is based on a selected number of policy/ regulatory issues. Progress will be appraised with regard to the completion of a certain number of steps necessary to reach a full implementation of reforms designed to address the identified policy issues, i.e., identification/analysis of the problem, formulation of solutions, validation and promotion of measures, adoption, and finally, enforcement of such measures. The average progress achieved is then evaluated and compared to the anticipated accomplishments.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995	--	7%
	1996	--	14%
	1997	30%	
	1998	62%	
	1999	87%	
	2000	91%	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.1.3/1.2.3. Reinforced capacity to manage FP/MCH program with particular emphasis on decentralized approaches responsive to client need.			
<b>INDICATOR:</b> Central /provincial level information for program planning and decision-making			
<b>UNIT OF MEASURE:</b> Data input analysis and use for FP/MCH programs in pilot provinces (percentage of completion). <b>SOURCE:</b> MOPH (DIM) <b>INDICATOR DESCRIPTION:</b> 4 steps needed : 1. Develop the capability to manage FP/MCH information at the central level; 2. Develop the capability to manage FP/MCH information at the local level (pilot sites); 3. Develop capabilities to use information for decision making at both levels; 4. implementation of an administrative project and internet connection at central level to exchange FP/MCH information. <b>COMMENTS:</b> Peripheral level will analyze and use system to better respond to needs.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996	--	32%
	1997	60%	
	1998	80%	
	1999	95%	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children <5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.1.3/1.2.3. Reinforced capacity to manage FP/MCH programs with particular emphasis on decentralized approaches responsive to client need.			
<b>INDICATOR:</b> Quality management approach being applied at selected MOPH sites (percentage of completion).			
<b>UNIT OF MEASURE:</b> Service delivery site or management structure which has adopted process for continuous review of services provided, vis-a-vis client satisfaction, and which implements improvement identified by such review by adoption of quality management methodologies  <b>SOURCE:</b> JSI; MOPH  <b>INDICATOR DESCRIPTION:</b> 4 steps are needed to implement QM approach: 1. Building consensus for QM; 2. Implementation of QM approach. 3. Application of QM approach; 4. Expansion to other sites.  <b>COMMENTS:</b> Sites may be within the MOPH service delivery system itself, e.g., at the clinic or dispensary level, or within the MOPH management structure within directorates, divisions or program management units. QM activities got underway in earnest in 1996.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1992	--	--
	1994	--	--
	1995	--	--
	1996	--	25%
	1997	45%	
	1998	60%	
	1999	96%	

<b>OBJECTIVE 1:</b> Reduced fertility and improved health of children under 5 and women of child-bearing age. <b>APPROVED:</b> 2 JULY 1993 <b>COUNTRY/ORGANIZATION:</b> Morocco/USAID			
<b>RESULT NAME:</b> 1.1.4/1.2.4. Increased diversification of resource base financing the delivery of FP/MCH services.			
<b>INDICATOR:</b> New products introduced and successfully marketed.			
<b>UNIT OF MEASURE:</b> Sales figures (units) for CSM injectables and IUDs (private sector).  <b>SOURCE:</b> SOMARC  <b>INDICATOR DESCRIPTION:</b> See unit of measure above.  <b>COMMENTS:</b> Although launch of the CSM injectable, Hoknat Al Hilal, was originally envisioned for early 1996, it was only introduced into the market in November 1996 for reasons over which SOMARC had little control, just as the IUD was not launched in 1996 as originally envisioned. IUD launching is scheduled for April 1997. Thus sales figures for 1996 were far less than expected.	<b>YEAR</b>	<b>PLANNED Inject./IUDs</b>	<b>ACTUAL Inject./IUDs</b>
	1996	42000/660	4,500/0
	1997	42000/20000	
	1998	60000/30000	
	1999	90000/35000	

**OBJECTIVE 1:** Reduced fertility and improved health of children under 5 and women of child-bearing age.  
**APPROVED:** 2 JULY 1993 **COUNTRY/ORGANIZATION:** Morocco/USAID

**RESULT NAME:** 1.1.4/1.2.4. Increased diversification of the resource base financing the delivery of FP/MCH services.

**INDICATOR:** Increased number of private sector practitioners providing "MOPH-sanctioned" FP services.

**UNIT OF MEASURE:** Number of private sector physicians, nurses and/or midwives trained/certified to provide target FP services.

**SOURCE:** JSI MIS

**INDICATOR DESCRIPTION:** See unit of measure above.

**COMMENTS:** Target FP services include long-term FP methods, especially IUDs. Training of private sector GPs began as a trial effort in 1996. One training session, originally scheduled for 1996, was carried over into early 1997. Due to promising results, this training will be expanded and intensified 1997-99. Plans for 1999 assume that the JSI contract will be extended through Sept. 1999.

YEAR	PLANNED annual/cum.	ACTUAL/ annual/cum.
1996	100/100	75/75
1997	300/400	
1998	500/900	
1999	500/1400	

## SO1- Policy Reform Agenda

### 1. Definition of Policy Issues

The guiding principles for the policy agenda are 1) to address and identify constraints to the provision of adequate FP/MCH services, 2) to encourage an increased participation of the private sector in the provision of such services, 3) to promote decentralization of FP/MCH services structures and decision-making, 4) to plan and implement a progressive phase over of budgetary support for project-financed contraceptive commodities to the MSP, and 5) to identify and address health care financing issues. The policy environment is split into two policy areas, including issues related to SO 1 intermediate results: (i) policies related to quality of FP/MCH services and (ii) policies related to sustainability of FP/MCH services.

#### Policy Issues Related to Quality of FP/MCH Services

- Elaborate, validate, and disseminate FP, EOC, IMCI **service standards and protocols**, including infection control, to ensure that these services are rendered under optimum conditions.
- Promote **data collection and analysis** of FP/MCH services at the primary level for immediate in-house (local) use in evaluating and ameliorating services and providers' performance.
- Advocate for **increased GOM resources** and commitment for the training of greater numbers of midwives for the improvement of maternity services throughout the country.
- Advocate for more **rational assignments** of public sector obstetrician-gynecologists and surgeons to ensure better geographic coverage of emergency obstetric services.

#### Policy Issues Related to Sustainability of FP/MCH Services

- Implement the Phase V contraceptive **phaseover plan** which calls for MOPH financing 100% of public sector contraceptive needs by the end of 1999 to ensure a steady supply of FP products upon termination of USAID bilateral assistance.
- Establish standardized **management information system** for FP/MCH to promote data analysis at the peripheral level for program evaluation and planning purposes, and to set the stage for decentralization of the decision-making process in the MOPH.
- Dialogue with the Ministry of Communication, and other private media concerns, to obtain free or **reduced cost air time** for TV and radio public health spots to enable the MOPH to intensify its efforts to inform and sensitize the public and decision-makers to FP/MCH issues.
- Commit to actively engage in discussions with the Ministry of Finance on **import tax**, waivers, reduction on procurements of contraceptives, vaccines and other public health commodities so that "savings" realized can be used for procurement of greater quantities of medicines and commodities for FP/MCH (or other) public health programs.
- Negotiate MOPH support of the establishment of a **network of private sector general practitioners** capable of providing quality FP services, including IUD insertion, at reasonably low prices to clients who can afford to pay for services, thereby enabling the MOPH to concentrate on fulfilling the contraceptive needs of lowest income groups.

### 2. Policy Matrix Results

USAID/Morocco has determined that generally, policy efforts pass through five, flexibly-defined steps, each of them weighted according to its importance in the process, for a total of 100% in the case of a policy measure fully in force. These steps, which are used for all policy reform-related activities through all four strategic objectives, are the following:

1. **Identification/analysis (10%):** This step includes definition of the problem, baseline data development, feasibility studies and cost/benefit analyses of various alternatives. It also involves consultation with all interested parties: GOM, NGOs, local authorities, and other partners/ customers.
2. **Development (10%):** The full development of project interventions to address the problem identified. Development includes budgeting, identification of all costs and benefits, and detailed project planning completed.
3. **Validation/promotion/training (20%):** Includes vetting proposals by relevant participants (GOM, Parliament, NGOs, local authorities). The dialogue includes all interested parties and builds awareness of the importance of what needs to be done. Coalitions which think the proposal is a good idea and can lobby for adoption are identified, sensitized, and trained. This is the stage of broadening public participation, through seminars, round tables, etc. with the interested parties.
4. **Adoption (20%):** Can take the form of the voting on a law, the issuance of a decree, the adoption of a regulation, or the establishment of an operation. This is the phase of public/private negotiations and GOM coordinating among ministries to get legislation, decrees and policies adopted.
5. **Implementation/enforcement (40%):** This puts the proposal into effect. Any TA needs for implementation pass through the RFP stage and selection process stage. The implementation staff is trained in new procedures. Enforcement is monitored and actual impact assessed.

Anticipated achievements under SO 1 are summarized in the following table:

Reforms	95	96	97	98	99	00	01
<b>Quality of FP/MCH Services</b>							
Standards and protocols	0	10	40	100	100	100	100
Data collection and analysis	0	10	20	60	100	100	100
Increased GOM resources	0	50	10	20	60	60	100
Rational assignments	0	0	10	20	60	60	100
<b>Sustainability of FP/MCH Services</b>							
Phaseover plan	60	60	60	60	60	100	100
Management information system	0	10	40	60	100	100	100
Reduced TV/radio prices	0	20	60	100	100	100	100
Tax/custom reductions	0	0	10	40	100	100	100
Network of practioners	0	0	20	100	100	100	100
<b>TOTAL</b>	60	130	270	560	780	820	900
<b>Average of all reforms</b>	7	14	-	-	-	-	-
<b>Anticipated Average</b>	7	14	30	62	87	91	100

Although the above agenda has been defined this year, progress – equivalent to an average of 14% over the 9 issues in the portfolio – has already been achieved, especially in the advancement of policy issues related to the sustainability of the provision of FP/MCH services. It is anticipated that the whole SO1 policy reform agenda will be achieved at 100% by the year 2001. This agenda will be further refined once the SO1 policy advisor is on board.

**USAID/Morocco  
SO2 Results Framework**

<p><b>STRATEGIC OBJECTIVE 2</b> Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors</p>
<p><b>INDICATORS</b></p> <ol style="list-style-type: none"> <li>1. Amount of water pollution in target areas</li> <li>2. Volume of water savings in target areas</li> <li>3. Volume of soil erosion in target areas</li> <li>4. Number of municipalities with improved wastewater treatment , garbage collection, landfill management, greenspaces and recycling services</li> <li>5. Percent of poor, urban household units connected to sewerage and potable water</li> </ol>

<p><b>INTERMEDIATE RESULT 2.1</b> Improved Policy, Regulatory, and Institutional Framework</p>
<p><b>INDICATORS</b></p> <ol style="list-style-type: none"> <li>1. Progress towards adoption of 11 key policy reforms</li> </ol>

<p><b>INTERMEDIATE RESULT 2.2.</b> Improved Environmental Technologies</p>
<p><b>INDICATORS</b></p> <ol style="list-style-type: none"> <li>1. Number of farmers adopting Integrated Pest Management (IPM) practices for targeted crops in irrigated perimeters (Tadla and Souss Massa)</li> <li>2. Percent of tanners adopting chrome recycling technologies and improved management practices in target areas</li> <li>3. Number of technologies disseminated to other irrigated perimeters</li> </ol>

<p><b>INTERMEDIATE RESULT 2.3</b> Broadened Public Participation for Environmental Action</p>
<p><b>INDICATORS</b></p> <ol style="list-style-type: none"> <li>1. Number of environmental activities implemented with non governmental partners</li> <li>2. Number of farmers in viable water users associations participating in the management of the water distribution systems in the Tadla perimeter</li> </ol>

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**STRATEGIC OBJECTIVE 2:** Improved Water Resources Management in the Agricultural, Urban and Industrial sectors

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/Morocco

**INDICATOR:** Amount of water pollution in target areas

**UNIT OF MEASURE:**

Percent reduction, measured in: a) mg/l (chromium)  
b) kg. of excess nitrogen/ha

**SOURCE:** TRM and WRS reports

**INDICATOR DESCRIPTION:** See COMMENTS

**COMMENTS:**

Studies done in 1996 indicate that the units and baseline data for these two pollutants are significantly different and cannot be reasonably combined as a cumulative measure of water pollution. Thus, this indicator has been slightly changed from last year's R4 and is now divided into two parts to measure:

a) the amount of chromium in rivers from 3-4 (of 12 total) tanneries in the Doukkarat industrial zone of Fes (which defines our target area in Fes). It is estimated that the tanners in Doukkarat are responsible for 30% to 50% of the chromium releases in Fes, and since approximately 50% of national chromium releases are from Fes, Doukkarat is responsible for 15% to 25% of all the chromium released in Morocco. Note that the U.S. effluent guidelines = 12-19 mg/l maximum and that the draft Moroccan standards for chromium release is 2 mg/l. We have chosen the more stringent 2 mg/l as our target *by the PACD (2002)* to ensure that chrome levels are low enough to be treated by a planned new water treatment facility in Fes downstream from Doukkarat and also to ensure related health benefits from cleaner water.

b) nitrates from the Tadla perimeter as a function of excess nitrogen fertilizer applied to targeted crops (wheat and sugar beets). Excess of nitrogen applied (beyond crop needs) is a proxy indicator for the amount of nitrates leached into the groundwater. Reducing the amount of nitrogen excess (beyond crop needs) will eventually result in substantial reduction in the amount of nitrate pollution in groundwater. The indicator tracks wheat and sugar beets because 1) they occupy together more than 50% of the area in the perimeter (40% by wheat and 12% by sugar beets) and 2) they are among the crops that the farmers are over-fertiizing the most.

YEAR	PLANNED	ACTUAL
1995 Baseline a) 69.3 mg/l = average chrome concentration  b) 35 kg/ha = average excess nitrogen applied in Tadla	a) 5%	a) 5%
1996	a) 10%  b) 0%	a) 10%  b) 0%
1997	a) 30%  b) 10%	a)  b)
1998	a) 60%  b) 15%	a)  b)
1999 Target	a) 90%  b) 25%	a)  b)

**STRATEGIC OBJECTIVE 2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors**

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/MOROCCO

INDICATOR: Volume of water savings in target areas

UNIT OF MEASURE: Millions of cubic meters/yr (annual, not cumulative)

SOURCE: TRM, WRS reports

INDICATOR DESCRIPTION: See COMMENTS

**COMMENTS:**

Water savings will come in particular from improved system level management and improved on-farm water savings in the irrigated perimeters (especially at Tadla) and potentially from water reuse and recycling in the demonstration activity sites of the new WRS Activity.

In Tadla, the actual water savings for 1995 & 1996 are derived from the current ORMVAT estimates of canal conveyance efficiency (79% & 82% respectively) under the assumption that the project-related activities contributed 20% of overall ORMVAT water savings in 1996. The project real-time measurements of water flow will be fully operational at the end of 1997. At that time, the project will carry out systematic measures of system inflow and outflow at strategically selected locations of the canal in order to provide ORMVAT with improved means of estimating canal efficiency and improving their total management of the system. Figures are for annual water savings, and are not cumulative.

In the WRS wastewater treatment and reuse pilot project, we plan to measure current water use for irrigation that can be substituted by treated wastewater. The quantity of wastewater reused in agriculture will constitute water savings.

YEAR	PLANNED	ACTUAL
1994 Baseline	0	0
1995	0	2
1996	5	6
1997	10	
1998	30	
1999 Target	70	

**STRATEGIC OBJECTIVE 2:** Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/MOROCCO

**INDICATOR:** Volume of soil erosion in target areas

**UNIT OF MEASURE:** Tons of soil loss per square kilometer

**SOURCE:** WRS feasibility study

**INDICATOR DESCRIPTION:** See COMMENTS

**COMMENTS:**

Target area is the WRS demonstration site in the Nakhla watershed in the Rif mountains of northern Morocco, an area with one of the highest erosion rates in the country.

Erosion reduces the availability and concentration of plant nutrients and alters soil structure in ways that affect water availability and root growth. In addition, eroded uplands cannot absorb water to replenish aquifers, and at the same time increases the sedimentation of dams and reduces their storage capacity for water. Therefore, reducing soil erosion will have multiple water resource management benefits.

Current measures of soil erosion are being assessed. However, existing studies suggest that the erosion rate in the Nakhla watershed varies from 31 to 40 tons/km<sup>2</sup> (average of 35 tons/km<sup>2</sup>) of soil loss per year. WRS is currently in the process of setting up erosion measurement areas so that we may better assess the current erosion rate in the watershed. Given the long term nature of soil erosion control interventions, immediate results are unlikely. However, the SO2 target for the PACD (2002) is a 50% reduction in soil erosion in the target area.

YEAR	PLANNED	ACTUAL
1996 Baseline	35	35
1997	35	
1998	32	
1999 Target	27	

**STRATEGIC OBJECTIVE 2:** Improved Water Resources Management in the Agricultural, Urban and Industrial sectors

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/Morocco

**INDICATOR:** Number of municipalities with improved wastewater treatment, garbage collection, landfill management, greenspaces and recycling services

UNIT OF MEASURE: Number/population (cumulative)	YEAR	PLANNED	ACTUAL
<p><b>SOURCE:</b> Urban Environmental Services (UES) and Housing Guaranty (HG 004) reports</p>			
<p><b>INDICATOR DESCRIPTION:</b> See COMMENTS</p>			
<p><b>COMMENTS:</b></p> <p>Examples of how environmental services will contribute to improved water resources management include: green spaces located on natural drainage canals will decrease flooding risk and enhance rain infiltration to groundwater; landfill will be controlled and infiltration prevented to avoid pollution of ground water by liquid contaminants (leachate).</p> <p>Figures given are cumulative number of cities/cumulative population (e.g. target is 11/2,100,000 = 11 cities with combined total population of 2,100,000 population)</p> <p>One major service improvement per city is considered success, although some cities will do more.</p> <p>The following cities have improved services in the noted areas:</p> <p>Tetouan: wastewater collection, garbage collection                      Meknes: garbage collection, landfill management (1995)                      Fes: garbage collection focused on poor neighborhoods (planned for 1996)                      Sefrou: landfill management (1996)                      Azrou: identified new landfill site (1996)</p> <p>Note that the indicator has changed slightly since last year's R4 to more precisely define the environmental services targeted and to clarify that we are working with municipalities.</p>	1994 Baseline 1- Tetouan ('93)	2/600,000	2/600,000
	1995	2/600,000	2/600,000
	1996	4/900,000	5/1,000,000
	1997	7/1,200,000	
	1998	9/1,500,000	
	1999	11/2,100,000	

<b>STRATEGIC OBJECTIVE 2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors</b>			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/MOROCCO	
INDICATOR: Percent of poor, urban households units connected to sewerage and potable water			
<b>UNIT OF MEASURE:</b> Percent <b>SOURCE:</b> USAID Housing Guaranty Files /Habitat en chiffres <b>INDICATOR DESCRIPTION:</b> See COMMENTS <b>COMMENTS:</b> <p>These figures will be derived from ANHI's programs. The units are percentages which relate to the 1994 baseline. The figures concern households (in slums and clandestine neighborhoods) which are connected to both sewerage and potable water networks.</p> <p>Critical assumptions:  1) The Government of Morocco allocates the appropriate budget to ANHI for implementation of their program. Note that this did not occur in 1996, the consequence being lower results than targeted.</p> <p>Note also that a declining economy resulting from the drought occurring in 1995 contributed to an increase in the number of households living in slums and clandestine neighborhoods in 1996.</p>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1994 Baseline	35%	35%
	1995	40%	40%
	1996	50%	45%
	1997	60%	
	1998	70%	
	1999 Target	80%	

<b>STRATEGIC OBJECTIVE 2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors</b>			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/MOROCCO	
<b>INTERMEDIATE RESULT # 2.1: Improved policy, regulatory, and institutional framework</b>			
INDICATOR: Progress towards adoption of 11 key reforms			
<b>UNIT OF MEASURE:</b> Percentage completion of 11 policy reforms* <b>SOURCE:</b> USAID project reports (WRS, TRM, UES) <b>INDICATOR DESCRIPTION:</b> See COMMENTS <b>COMMENTS:</b> * SEE SO2 POLICY REFORM AGENDA. <p>Based on progress of eleven reforms supported by USAID projects, measured in terms of percentage achieved in five key phases. Results to be compiled and synthesized annually by USAID.</p> <p>Note that this indicator replaces the policy indicator from last year's R4 (which focused only on laws and decrees promulgated), and reflects a more integrated approach to policy reform based on extensive analysis and consultation by the SO2 Team during the past year. This new policy indicator now serves as the basis for the Mission's environmental policy agenda.</p>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1995	12%	12%
	1996	23%	23%
	1997	35%	
	1998	51%	
	1999 Target	63%	

**STRATEGIC OBJECTIVE 2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors**

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/MOROCCO

**INTERMEDIATE RESULT # 2.2: Improved Environmental Technologies**

**INDICATOR: Number of contact/pilot farmers adopting Integrated Pest Management (IPM) practices for targeted crops in irrigated perimeters (Tadla and Souss Massa)**

**UNIT OF MEASURE: Number**

**SOURCE: TRM and MAP Project reports**

**INDICATOR DESCRIPTION: See COMMENTS**

**COMMENTS:**

Two USAID activities (TRM and MAP) are helping increase adoption of IPM practices in the irrigated perimeters of Morocco, starting with Tadla and Souss Massa. Considering the time and effort involved in changing pesticide management practices, it was necessary to choose two crops to focus on in each perimeter. Citrus and paprika in Tadla and tomato and citrus in the Souss Massa were chosen because a) they are of major economic importance in these perimeters, b) the amount of pesticides used on these crops is high, c) residue levels must be respected for the exportation of these crops, d) several IPM monitoring tools are available for their major pests.

Note that the unit of measure has been changed from percent (in last year's R4) to number of farmers to more clearly reflect actual results.

YEAR	PLANNED	ACTUAL
1994 Baseline	0	0
1995	10	8
1996	40	41
1997	100	
1998	300	
1999 Target	600	

<b>STRATEGIC OBJECTIVE 2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors</b>			
<b>APPROVED: 4/95</b>		<b>COUNTRY/ORGANIZATION: USAID/MOROCCO</b>	
<b>INTERMEDIATE RESULT # 2.2: Improved Environmental Technologies</b>			
<b>INDICATOR: Percent of tanners adopting chrome recycling technologies and improved management practices in target areas</b>			
<b>UNIT OF MEASURE: Percent</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE: WRS Reports</b>			
<b>INDICATOR DESCRIPTION: See COMMENTS</b>	1994 Baseline	0%	0%
<b>COMMENTS:</b>  We plan to sensitize all the tanners in Doukkarat to the benefits of pollution prevention and of better management practices. Currently there are 12 tanneries operating in Doukkarat, we have already pre-audited all these tanneries, we plan to fully audit up to 9 tanneries, and we will probably install chrome recycling technologies serving several tanneries (exact number to be determined through feasibility study in FY97). In the future, we expect most tanneries to adopt at least some water saving technologies or processes, and to better manage their use of chromium and water. Even those tanneries that do not invest in recycling technologies per se have been able to save water and reduce their chromium releases through improved management practices.	1995	5%	5%
	1996	10%	8%
	1997	30%	
	1998	50%	
	1999 Target	60%	

<b>STRATEGIC OBJECTIVE 2: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors</b>			
<b>APPROVED: 4/95</b>		<b>COUNTRY/ORGANIZATION: USAID/MOROCCO</b>	
<b>INTERMEDIATE RESULT # 2.2: Improved Environmental Technologies</b>			
<b>INDICATOR: Number of technologies disseminated to other irrigated perimeters</b>			
<b>UNIT OF MEASURE: Number</b>	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE: TRM reports</b>			
<b>INDICATOR DESCRIPTION: See COMMENTS</b>	1995 Baseline	0	0
<b>COMMENTS:</b>  This new indicator will measure the number of discrete technologies developed by the project in the Tadla perimeter and actively implemented by one or more ORMVAs in other regions of Morocco. Technologies include laser leveling, mobile flow monitoring stations, various simulation models, etc.	1996	1	1
	1997	2	
	1998	3	
	1999 Target	5	

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**STRATEGIC OBJECTIVE 2:** Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/MOROCCO

**INTERMEDIATE RESULT # 2.3:** Broadened Public Participation for Environmental Action

**INDICATOR:** Number of environmental activities implemented with non-governmental partners

**UNIT OF MEASURE:** Number

**SOURCE:** WRS/UES Reports

**INDICATOR DESCRIPTION:** See COMMENTS

**COMMENTS:** In addition to NGOs, groups such as water user associations, farmer associations, women's groups and other representatives of civil society are included in project activities.

To date, WRS has completed a Participatory Landscape/Lifescape Appraisal process in the Nakhla watershed with target community members to develop project options for the soil erosion control demonstration. In Fes, the WRS team has been working closely with a group ("cellule") of tanners to raise awareness and build commitment to become partners in the pollution prevention demonstration through their own investments and donations of labor and materials. In the Agadir area, WRS has held extensive community consultations with candidate communes for the wastewater treatment and reuse demonstration activity.

Under the UES program, NGOs have worked closely with municipalities to improve the garbage collection system and create greenspaces with playgrounds in the Zouagha Commune of Fes. An action plan is being jointly developed by these groups for the next six months. In Meknes civil society groups are working with the local government of Commune Hamrya on improving the garbage collection and landfill management systems.

YEAR	PLANNED	ACTUAL
1995 Baseline	0	0
1996	5	5
1997	10	
1998	15	
1999 Target	20	

**STRATEGIC OBJECTIVE 2:** Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors

APPROVED: 4/95

COUNTRY/ORGANIZATION: USAID/MOROCCO

**INTERMEDIATE RESULT # 2.3:** Broadened Public Participation for Environmental Action

**INDICATOR:** Number of farmers in viable water users associations participating in the management of the water distribution systems in the Tadla perimeter

**UNIT OF MEASURE:** Number

**SOURCE:** TRM reports

**INDICATOR DESCRIPTION:** See COMMENTS

**COMMENTS:**

The GOM is actively working to transfer water management responsibilities from the ORMVAs to local water users associations. USAID is promoting this approach at the Tadla perimeter and is working towards replication in the other eight irrigated perimeters. The performance indicator reported here is the number of farmers who are members of an association involved in the Tadla system management and maintenance (planning & scheduling). The process of having farmers effectively managing water resources at the local level is a long one and will take several years to complete.

YEAR	PLANNED	ACTUAL
1994 Baseline	200	200
1995	200	607
1996	1,000	1,847
1997	3,000	
1998	6,000	
1999 Target	10,000	

## SO2 - Policy Reform Agenda

### 1. Definition of Policy Issues

SO2's policy agenda supports the principle of **Integrated Water Resources Management (IWRM)** -- to reconcile competing claims on limited supplies by efficiently managing the resource for human and environmental use given the high natural variability of the weather and climate in Morocco. The principal components of IWRM include water demand management, water supply enhancement, water quality improvement and the strengthening of the principal institutions working in the sector.

#### **Water Demand Management**

- Encourage **progressive pricing policies** to bring demand into balance with supply. A pricing structure for irrigation water reflecting actual costs is adopted on a progressive basis, with regularly scheduled increases over the next several years. Pricing for potable and reutilized wastewater reflecting actual costs, and revenue from water charges supporting water system activities on a sustainable basis.
- Support the **decentralization of water management authority**. Implementing decrees for the devolution of water management authority to Watershed Agencies should be issued, as called for in the Water Law. The Ministry of Agriculture should reach agreement with the Ministry of Public Works regarding the clear allocation of roles and responsibilities of the Watershed Agencies and the irrigation authorities (ORMVAs) for those water sector functions that both parties may claim.

#### **Water Supply Enhancement**

- Encourage the **use of environmental assessments prior to urban infrastructure investment**. ANHI and FEC should conduct environmental assessments prior to investment rather than rely on after-the-fact assessments. Relevant ANHI, FEC and selected municipality staff need to be trained in methods of urban project assessment, planning and design of environmental impact assessments, etc., to build adequate capacity to undertake the necessary environmental reviews for their projects.
- Encourage **private sector involvement in urban infrastructure service delivery**. Increased volume and efficiency of investment in infrastructure require the opening of most sectors to competition and private capital. Although the GOM has clearly stated its policy to encourage greater private provision of environmental infrastructure, the institutional and regulatory framework of promising, key municipal sectors --water distribution and solid waste disposal-- is still to be adapted to reflect this strategy.

#### **Water Quality Improvements**

- Develop **targeted industrial effluent norms and standards**. The Ministry of Environment (MOE) should coordinate development and adoption of environmental norms and standards (by sector) by the Comité des Normes et Standards. Proposed norms and standards in the tannery and metal plating sectors need to be developed and tested.
- Support the **implementation of the polluter-pays principle**. The MOE should develop ways and means to implement the "polluter-pays principle", wherein polluting industries are fined at a significant enough level to provide ample economic incentives for investments in pollution prevention and clean technologies.

#### **Institutional Strengthening**

- Help assure the **acceptance of the Ministry of the Environment as a coordinating ministry in the sector**. Through the establishment of an Interministerial Steering Committee for the WRS activity, the MOE will coordinate work with local, regional, and national agencies on the three demonstration activities. As the MOE coordinates activities among agencies, and as new technologies are adopted and associated policies evolve, their credibility and stature will be enhanced within the government.

- Actively seek **the empowerment of water users associations (WUAs)**. Steps necessary to support the progressive transfer of irrigation system operations and maintenance responsibilities to the WUAs should be undertaken by the ORMVAs. Organizational issues and related training needs to be addressed, legislative and administrative issues concerning financial autonomy of the WUAs needs to be reviewed, help to manage the tertiary irrigation canal system must be provided to WUAs, and WUA participation on the ORMVA Board of Directors must be accepted.

- Enhance the **efficiency of irrigation authorities** through reduction in state subsidies, downsizing, and increasing their autonomy. This re-engineering process will permit them to effectively respond to the on-going liberalization program of the irrigated agriculture sector in Morocco. ORMVAs should be able to generate (through water fees) enough funds to support their personnel and to finance the on-going rehabilitation program of the irrigated perimeters. ORMVAs will then become strong regional institutions controlled partially by representatives from WUAs.

- Enhance the **sustainability of ANHI and FEC**. These two organizations should contribute to improve shelter conditions and to increase the capability of municipalities to provide shelter-related infrastructure and environmental services on a more sustainable basis. Establishment of sound financial management systems within ANHI will ensure the safeguarding of assets and the efficient flow of financial resources for eligible project activities and beneficiaries. The strengthening of the FEC as a viable, autonomous financial institution will occur through a set of financial and institutional measures, to respond to its new bank status, to reduced government protection and to an increasingly competitive financial market.

## 2. Policy Matrix Results

[Note: For the definition of percentages reported in this table, refer to Strategic Objective 1]

Reforms	'95	'96	'97	'98	'99	'00	'01	'02
<b>Water Demand Management</b>								
Progressive pricing policy	0	10	25	35	45	65	85	90
Decentralized management	0	10	20	30	40	70	100	100
<b>Water Supply Enhancement</b>								
Environmental impact assess.	20	35	55	80	85	90	100	100
Private sector involvement	40	50	70	80	90	100	100	100
<b>Water Quality Improvement</b>								
Industrial effluent norms	0	0	10	20	40	55	70	85
Polluter-pays principle	0	10	15	20	40	55	70	85
<b>Institutional Strengthening</b>								
MOE coordinating ministry	0	10	20	40	40	70	100	100
Water Users Associations	10	20	30	40	60	70	100	100
ORMVA's efficiency	0	10	20	30	50	70	80	100
Sustainability of FEC	25	50	65	90	100	100	100	100
Sustainability of ANHI	35	45	60	95	100	100	100	100
<b>TOTAL</b>	<b>130</b>	<b>250</b>	<b>390</b>	<b>560</b>	<b>690</b>	<b>845</b>	<b>1005</b>	<b>1060</b>
<b>Average of all reforms</b>	<b>12</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Anticipated Average	12	23	35	51	63	77	91	96
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23% of USAID's environmental (SO2) policy reform targets were achieved by the end of 1996. This indicates that we have made a good start on our reform agenda, but that much remains to be done.

**STRATEGIC OBJECTIVE 3**

Expanded Base of Stakeholders in the Economy,  
Targeting People of Below-median Income

**INDICATORS**

- 1. Jobs created through program activities for below-median-income people
- 2. Below-median income homeowners (urban)

**INTERMEDIATE RESULT 3.1**

Improved Policy and Regulatory Environment

**INDICATORS**

- 1. Progress towards adoption of 15 key reforms

**INTERMEDIATE RESULT 3.2**

Creation and Expansion of Small and Microenterprises

**INDICATORS**

- 1. Business licenses issued to SME
- 2. SME Business licenses issued to women
- 3. Microenterprises receiving loans

**INTERMEDIATE RESULT 3.3**

Increased Access to Housing for Below-median-income Households

**INDICATORS**

- 1. Housing lots developed for sale to below-median income households (urban)

**INTERMEDIATE RESULT 3.4**

Improved Competitiveness of USAID-assisted Firms which Generate Employment for Below-median-income People

**INDICATORS**

- 1. Export sales attributable to USAID assistance

<b>STRATEGIC OBJECTIVE 3:</b> Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/Morocco	
<b>INTERMEDIATE RESULT # 3.2:</b> Creation and expansion of small and microenterprises			
<b>INDICATOR:</b> Number of business licenses issued to SMEs			
<b>UNIT OF MEASURE:</b> Number of SMEs registered	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> USAID project reports (NED)	1993 (B)		16,000/16,000
	1994	16,000/32,000	20,638/36,638
<b>INDICATOR DESCRIPTION:</b> both annual and cumulative figures	1995	16,000/48,000	21,743/58,381
	1996	17,000/65,000	23,176/81,557
<b>COMMENTS:</b>  1994 and 1995 results were corrected upwards following publication of official registration statistics in April 1996.  1996 estimate of actual results is based on data available for the first six months of the year (doubled). The official registration data will be available in April 1997.	1997	23,000/104,557	
	1998	24,000/128,557	
	1999 (T)	24,000/152,557	

<b>STRATEGIC OBJECTIVE 3:</b> Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/Morocco	
<b>INTERMEDIATE RESULT # 3.2:</b> Creation and expansion of small and microenterprises			
<b>INDICATOR:</b> SME business licenses issued to women			
<b>UNIT OF MEASURE:</b> Percent and number of SME business licenses issued to women annually	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> USAID project reports (NED)	1994	-	10% (1,494)
	1995	--	10% (1,573)
<b>INDICATOR DESCRIPTION:</b> Both percent of total licenses and number of licenses are in annual terms. Includes individual companies only (no corporations are owned by women)  Baseline 1993: 7%	1996	10% (1,650)	**
	1997	10% (1,700)	
<b>COMMENTS:</b>  The 1993 baseline percentage and subsequent years' planning figures were revised downward from last year's R4 as a result of new official data released in February 1997.  **1996 official registration data will be available in April 1997.	1998	10.5% (1,890)	
	1999 (T)	10.5% (1,995)	

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**STRATEGIC OBJECTIVE 3:** Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income  
**APPROVED:** 4/95 **COUNTRY/ORGANIZATION:** USAID/Morocco

**INTERMEDIATE RESULT # 3.2.1:** Broadened access to financial resources and services

**INDICATOR:** Number of microenterprises receiving loans and amount loaned through the formal credit system

<b>UNIT OF MEASURE:</b> Cumulative number of microenterprises and cumulative amount loaned (million \$)	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> USAID project (MFA) and Moroccan NGO (AMSED) reports	1993 (B)		128/.01
	1994		307/.02
<b>INDICATOR DESCRIPTION:</b> cumulative figures	1995		394/.04
	1996		782/.07
<b>COMMENTS:</b>  Results to date (1993-96) only include loans provided by a Moroccan NGO (AMSED) which receives USAID Title II local currency support. MFA lending activities are expected to start in April 1997 and will be shown in next year's R4. Targets for 1997-2000 comprise both new MFA lending programs and the continuation of the existing program at AMSED.	1997	2,562/.49	
	1998	6,142/2.35	
	1999	11,232/7.30	
	2000 (T)	17,402/17.12	

**STRATEGIC OBJECTIVE 3:** Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income  
**APPROVED:** 4/95 **COUNTRY/ORGANIZATION:** USAID/Morocco

**INTERMEDIATE RESULT # 3.2.1:** Broadened access to financial resources and services

**INDICATOR:** Number of loans provided and amount loaned to small businesses based on NED-sponsored cash-flow business plans

<b>UNIT OF MEASURE:</b> Cumulative number of loans and cumulative amount loaned (million \$)	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> USAID project (NED) reports	1996 (B)		0/0
	1997	67/1.71	
<b>INDICATOR DESCRIPTION:</b> cumulative figures	1998	202/5.16	
	1999	402/10.21	
<b>COMMENTS:</b>  A loan guarantee fund for working capital loans was formally approved in October 1996 (timing beyond the control of USAID) and the fund is expected to be operational in the second quarter of CY 1997.	2000 (T)	752/19.06	

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<b>STRATEGIC OBJECTIVE 3:</b> Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/Morocco	
<b>INTERMEDIATE RESULT # 3.2.1:</b> Broadened access to financial resources and services			
indicator: Number and percentage of female microloan recipients under USAID projects			
<b>UNIT OF MEASURE:</b> Number and percentage of total	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> USAID project (MFA) reports	1997	270 (25%)	
<b>INDICATOR DESCRIPTION:</b> Both number of loans and percentage of total loans are in annual terms.  Baseline is 0 (1996)	1998	720 (25%)	
	1999	1,433 (31%)	
<b>COMMENTS:</b>  Results relate to USAID project (MFA) only, with lending to start about April 1997.	2000 (T)	1,935 (34%)	

<b>STRATEGIC OBJECTIVE 3:</b> Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/Morocco	
<b>INTERMEDIATE RESULT # 3.2.2:</b> Improved/expanded management and advocacy services provided by business associations			
INDICATOR: Membership within business associations			
<b>UNIT OF MEASURE:</b> Number of members	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
<b>SOURCE:</b> Annual survey by COMESM (private firm)	1995 (B)		20,000
	1996	22,000	**
<b>INDICATOR DESCRIPTION:</b> current association membership	1997	24,000	
	1998	26,000	
<b>COMMENTS:</b>  Original survey identified 80 associations with about 20,000 members as of 1995.	1999	28,000	
	2000 (T)	30,000	
** Actual 1996 figures expected in June 1997 from COMESM			

<b>STRATEGIC OBJECTIVE 3:</b> Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/Morocco	
<b>INTERMEDIATE RESULT # 3.3:</b> Increased access to housing for below-median-income households			
INDICATOR: Number of housing lots developed for sale to below-median-income households (urban)			
UNIT OF MEASURE: Number of new starts	YEAR	PLANNED	ACTUAL
	1993	9,200/55,960	9,500/56,270
SOURCE: National Shelter Upgrading Agency (ANHI) reports	1994	10,00/65,960	10,160/66,420
	1995	11,500/77,460	11,750/78,170
INDICATOR DESCRIPTION: both annual and cumulative figures Baseline is 8,400 new starts in 1992.	1996	12,300/89,760	11,600/89,770
	1997	12,000/101,770	
COMMENTS: An estimated 70% of total new starts are for below-median-income households. It is assumed that the rate of increase in starts will level off near the end of the decade.	1998	12,000/113,770	
	1999 (T)	12,000/125,770	

<b>STRATEGIC OBJECTIVE 3:</b> Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income			
APPROVED: 4/95		COUNTRY/ORGANIZATION: USAID/Morocco	
<b>INTERMEDIATE RESULT # 3.4:</b> Improved competitiveness of USAID-assisted firms which generate employment for below-median-income people			
INDICATOR: Export sales attributable to USAID assistance			
UNIT OF MEASURE: Millions of dollars	YEAR	PLANNED	ACTUAL
	1992 (B)		3.92/3.92
SOURCE: USAID project reports (MAP, AIM)	1993		8.35/12.27
	1994		16.41/28.68
INDICATOR DESCRIPTION: both annual and cumulative figures	1995		25.82/54.50
	1996	23.00/77.50	25.82/80.32
COMMENTS: This table includes data for horticultural, fish and artisanal product export sales directly facilitated by USAID projects. Following the end of the AIM project in mid-1996, only horticultural exports promoted by the MAP project are included.	1997	14.75/95.07	
	1998 (T)	11.45/106.52	

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**STRATEGIC OBJECTIVE 3: Expanded Base of Stakeholders in the Economy, Targeting People of Below-Median Income**

**APPROVED: 4/95**

**COUNTRY/ORGANIZATION: USAID/Morocco**

**INTERMEDIATE RESULT # 3.4.1: Increased product and market diversification**

**INDICATOR: Exports to non-traditional markets attributable to USAID assistance**

UNIT OF MEASURE: Millions of dollars	YEAR	PLANNED	ACTUAL
SOURCE: USAID project reports (MAP, AIM)	1992 (B)		2.78/2.78
	1993		6.55/9.33
INDICATOR DESCRIPTION: both annual and cumulative figures	1994		13.46/22.77
	1995		19.23/42.00
COMMENTS:  Non-traditional markets are defined as those countries to which less than 10% of the Moroccan export product was shipped in 1992.  This table includes data for horticultural, fish and artisinal product export sales directly facilitated by USAID projects. Following the end of the AIM project in mid-1996, only horticultural exports promoted by the MAP project are included.	1996	17.00/59.00	21.85/63.85
	1997	12.75/76.60	
	1998 (T)	10.45/87.05	

## SO3 - Policy Reform Agenda

### 1. Definition of Policy Issues

The policy reform agenda under this SO, which originally included nine policy reforms --presented in the previous R4 exercise-- have been expanded to better reflect policy dialogue efforts undertaken under existing and new activities. In addition, the issues were regrouped under three policy areas: 1) Removing Obstacles to Business Development; 2) Improving Morocco's Competitiveness; and 3) Improving Equity.

#### Removing Obstacles to Business Development

- Establish a **small-business policy unit** linking the Central Business Registry database with related data bases in government offices for social security, taxes and court registers, to be able to make informed policy analyses about small and medium enterprises, including business start-ups and failures, geographic and sectoral growth, and employment.
- Institute a **legal framework for business-government relations** which will codify a formal process for business-government collaboration on administrative reform concerning enterprises.
- Establish a **one-stop business registration center**, including an official guide of business formalities and a pilot center within chambers of commerce for registering businesses, and eventually a single registration form and a single business identification and tax number.
- Adopt the **economic association law** giving business and trade associations a special status allowing them more autonomy in fund raising and lobbying.
- Reduce the number of business **tax forms** from ten to three. This measure will reduce significantly the management burden on enterprises, while generating substantial savings in associated administrative costs, both for the private and public sectors.

#### Improving Morocco's Competitiveness

- Adopt uniform **food safety standards** for processed domestic and export food products to maintain exporters' competitiveness and improve food safety through introduction of HACCP methods and adoption of FDA-influenced food safety regulations--bringing Moroccan standards in line with international requirements.
- Adopt and implement measures to support a "**red tomato initiative**" aimed at USDA's authorization of Moroccan red tomato imports to the U.S., following design and implementation of rigorous production, packing and shipping protocols to ensure that tomatoes are free of Mediterranean fruit fly.
- Advance Morocco's adhesion to international standards on **intellectual property rights in agriculture**, greatly enhancing access to improved technologies, by promoting adoption, public awareness and implementation of a new plant varietal protection law.
- Promote use of improved crop production **contracts and arbitration** to resolve disputes between growers and buyers and improve the quality and regularity of raw material supplies.
- Implement measures to reduce the export **surcharge on truck transport** by adopting simplified inspection certification and port clearance procedures for perishable products and increasing efficiency of the local trucking industry, thus reducing costs and improving the competitive position of Moroccan exports.

#### Improving Equity

- Adopt measures to increase access to **housing finance** for target low-income groups, including the improvement of the delivery system, increasing the flow of resources for mortgage financing, and better targeting of government subsidies.

- Adopt a special status for *micro-credit associations* to allow them to benefit from the 'public utility' status, obtain tax exemptions, attract more funds and expand their activities to new segments of the population of micro-entrepreneurs.

- Promote public awareness among small businesses, business associations, banks and relevant GOM agencies on how to deal with a *liberalized financial sector*, including market-based interest rates and new savings and lending products aimed at small and micro-enterprises.

- Adopt a *competition law* to assure protection of small businesses and consumers from illegal commercial practices and level the competitive playing field for all types of businesses.

- Continue to implement the current program of *privatizing* 114 firms, in such a way that privatized firms' equity is spread across a larger segment of the population, including their employees, while providing new opportunities to the private sector in the provision of formerly public services.

## 2. Policy Matrix Results

Reforms <i>(New policy issues are in italics.)</i>	92	93	94	95	96	97	98	99
<b>Removing Obstacles to Business Development</b>								
Small business unit	0	10	20	20	40	60	80	80
Private-public legal framework	0	10	20	40	40	60	80	80
One-stop center	0	0	0	0	40	60	80	80
Economic associations	0	0	10	40	40	40	60	80
Tax forms	0	10	20	40	60	80	100	100
<b>Improving Morocco's Competitiveness</b>								
Food safety standards	0	10	20	40	40	60	100	100
<i>Export surcharge on trucks</i>	0	20	40	60	80	100	100	100
<i>Intellectual property rights</i>	0	10	10	20	60	80	100	100
<i>Crop contracts &amp; arbitration</i>	0	0	0	10	20	60	100	100
<i>Red Tomato Initiative</i>	0	0	0	10	20	100	100	100
<b>Improving Equity</b>								
<i>Housing credit</i>	0	10	20	40	40	60	80	100
<i>Micro-credit associations</i>	0	0	0	10	40	60	80	100
Liberalized financial sector	0	0	10	20	20	60	80	100
Competition law	0	0	10	20	20	40	80	100
Privatization	60	60	80	80	80	80	100	100
<b>Total</b>	<b>60</b>	<b>140</b>	<b>260</b>	<b>450</b>	<b>640</b>	<b>1000</b>	<b>1320</b>	<b>1420</b>
Average of all reforms	4	9	17	30	43	--	--	--
Anticipated Average	4	9	17	30	45	67	88	95

Note: Since the SO 3 policy matrix has been expanded from nine to 15 reforms, the average annual

results to date and target percentages for the matrix have been recalculated, though the 1996 targets for the nine original reforms are unchanged.

USAID/MOROCCO  
SO4 Results Framework

**STRATEGIC OBJECTIVE 4**

Increased Basic Educational Attainment Among Girls in Selected Rural Areas

**INDICATORS**

1. Percentage of total number of eligible rural girls enrolled in primary school in selected rural areas, during a given year
2. Retention rate for rural girls by grade, in primary school, through the 6th year in selected rural areas
3. Percent of girls who complete the first cycle of primary schooling in selected rural areas

**INTERMEDIATE RESULT 4.1**

Increased Responsiveness of the Primary School System to Girl's Educational Needs

**INDICATORS**

1. Repetition rate for primary school girls
2. Number of rural primary schools offering improved multigrade curriculum

**INTERMEDIATE RESULT 4.2.**

Increased Community Involvement in Girl's Education

**INDICATORS**

Amount of local government participation in rural primary education in selected rural areas

**INTERMEDIATE RESULT 4.3**

Reduced operational constraints to girls' participation in Primary education in Selected rural areas

**INDICATORS**

Number of schools where operational constraints to girls' participation have been reduced

**OBJECTIVE:# 4:** Increased basic educational attainment among girls in selected rural areas  
**APPROVED:** August 1996 **COUNTRY/ORGANIZATION:** USAID/Morocco

**RESULT NAME:** -

**INDICATOR:** Percentage of total number of eligible rural girls enrolled in primary school in selected rural areas, during a given year

**UNIT OF MEASURE:** Enrollment rate, grade 1-6 in selected rural areas

**SOURCE:** Ministry of National Education, (MNE)

**INDICATOR DESCRIPTION:**

**COMMENTS:**

- The baseline is 22.3% (1992) and refers to nationwide statistics for enrollment in rural Morocco. Due to lack of accurate statistics for the selected areas we are using the national statistics as representative of selected areas.

- Targets are estimated at a 5% increase a year for the first years and 10% for the remaining years, taking into account that new pilot areas will be phased in, probably as of 1999.

As the institutional contractor for the MEG activity will be the mechanism to determine the breadth and depth needed to obtain results, these targets will be reviewed/revised once the contract is awarded.

YEAR	PLANNED	ACTUAL
1996		
1997	--	
1998	30%	
1999	35%	
2000	40%	
2001	50%	
2002	60%	

OBJECTIVE:# 4: Increased basic educational attainment among girls in selected rural areas  
 APPROVED: August 1996 COUNTRY/ORGANIZATION: USAID/Morocco

RESULT NAME: -

INDICATOR: Retention rate for rural girls by grade, in primary school, through the 6th year in selected rural areas

UNIT OF MEASURE: Percentage of girls enrolled and completing each grade (1-6) in primary school, in selected areas

SOURCE: Ministry of National Education, (MNE)

INDICATOR DESCRIPTION:

COMMENTS: The baseline is 39.6% (1992) and applies to all rural areas, not just the selected ones. Targets are for the pilot areas and are estimated at a 5% increase in the earlier years and a 10% increase in the last years. Here again the phasing in of new pilot areas is taken into consideration. Retention will be measured by grade and school year.

YEAR	PLANNED	ACTUAL
1996		
1997	41%	
1998	45%	
1999	50%	
2000	55%	
2001	65%	
2002	75%	

OBJECTIVE:# 4: Increased basic educational attainment among girls in selected rural areas  
 APPROVED: August 1996 COUNTRY/ORGANIZATION: USAID/Morocco

RESULT NAME: -

INDICATOR: Percent of girls who complete the first cycle of primary schooling in selected rural areas

UNIT OF MEASURE: Number of girls who complete the first cycle of schooling divided by the number of cohort girls who began the first cycle

SOURCE: Ministry of National Education, (MNE)

INDICATOR DESCRIPTION:

COMMENTS: The baseline is 8.8% (1992). This variable is not amenable for impact measurement on a yearly basis. Years three and six have been selected for reporting impact. Data, however, will be collected on an annual basis to track progress.

YEAR	PLANNED	ACTUAL
1996		
1997	-	
1998		
1999	20%	
2000		
2001		
2002	25%	

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<b>OBJECTIVE:# 4:</b> Increased basic educational attainment among girls in selected rural areas <b>APPROVED:</b> August 1996 <b>COUNTRY/ORGANIZATION:</b> USAID/Morocco			
<b>RESULT NAME: 4.1:</b> Increased responsiveness of the primary school system to girl's educational needs in selected rural areas			
<b>INDICATOR:</b> Repetition rate for primary school girls			
<b>UNIT OF MEASURE:</b> Percentage of total girls who repeat a grade  <b>SOURCE:</b> Ministry of National Education, (MNE)  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b> grade repetition will be measured on an annual basis.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		12% (B)
	1997	10%	
	1988	9%	
	1999	8%	
	2000	7%	
	2001	6%	
	2002	5%	

<b>OBJECTIVE:# 4:</b> Increased basic educational attainment among girls in selected rural areas <b>APPROVED:</b> August 1996 <b>COUNTRY/ORGANIZATION:</b> USAID/Morocco			
<b>RESULT NAME: 4.1:</b> Increased responsiveness of the primary school system to girl's educational needs			
<b>INDICATOR:</b> Number of rural primary schools offering improved multigrade curriculum in selected areas			
<b>UNIT OF MEASURE:</b> See comments below  <b>SOURCE:</b> MNE/TFD/MEG Training for Development Project Morocco Education for Girls Activity  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b> - Improved curriculum is obtained through teacher training programs in multigrade teaching methodologies and curriculum adaptation to rural settings - A rural primary school can be a mother school or a satellite school.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996	--	
	1997	10 schools	
	1988	20 schools	
	1999	30 schools	
	2000	45 schools	
	2001	60 schools	
	2002	85 schools	

<b>OBJECTIVE:# 4:</b> Increased basic educational attainment among girls in selected rural areas <b>APPROVED:</b> August 1996 <b>COUNTRY/ORGANIZATION:</b> USAID/Morocco															
<b>RESULT NAME: 4.2:</b> Increased community involvement in girls' education in selected rural areas															
<b>INDICATOR:</b> Amount of local government participation in rural primary education in selected rural areas															
<b>UNIT OF MEASURE:</b> See comments  <b>SOURCE: MNE/GE/MEG</b> Girls Education Activity Morocco Education for Girls Activity  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b> If at least 2 of 3 "yes" boxes are checked for one local government entity, then one indicator unit exists.  <table border="0"> <tr> <td style="text-align: center;"><u>Activity</u></td> <td style="text-align: center;"><u>Yes</u></td> <td style="text-align: center;"><u>No</u></td> </tr> <tr> <td>1. Local govts review annual ed. plan</td> <td></td> <td></td> </tr> <tr> <td>2. Community participation agreement signed for basic ed. with MNE</td> <td></td> <td></td> </tr> <tr> <td>3. Local govts' contributions made</td> <td></td> <td></td> </tr> </table>	<u>Activity</u>	<u>Yes</u>	<u>No</u>	1. Local govts review annual ed. plan			2. Community participation agreement signed for basic ed. with MNE			3. Local govts' contributions made			<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	<u>Activity</u>	<u>Yes</u>	<u>No</u>												
	1. Local govts review annual ed. plan														
	2. Community participation agreement signed for basic ed. with MNE														
	3. Local govts' contributions made														
	1996														
	1997	3													
	1988	5													
	1999	7													
2000	10														
2001	12														
2002	14														

<b>OBJECTIVE:# 4:</b> Increased basic educational attainment among girls in selected rural areas <b>APPROVED:</b> August 1996 <b>COUNTRY/ORGANIZATION:</b> USAID/Morocco			
<b>RESULT NAME: 4.3:</b> Reduced operational constraints to girls' participation in primary education in selected rural areas			
<b>INDICATOR:</b> Number of schools where operational constraints to girls' participation have been reduced			
<b>UNIT OF MEASURE:</b> See comments below  <b>SOURCE: MNE/MEG</b> Morocco Education for Girls Activity  <b>INDICATOR DESCRIPTION:</b>  <b>COMMENTS:</b> Interventions that may be applied to reduce operational constraints include the following: - Books and school supplies provided - Locally relevant school calendar in place - Teachers apply student (girl)-centered learning techniques - Scholarships for girls - Locally recruited teachers' aides  <b>NOTE:</b> the indicator list of interventions will be revised when the MEG contractor is in place.	<b>YEAR</b>	<b>PLANNED</b>	<b>ACTUAL</b>
	1996		
	1997	10	
	1988	20	
	1999	30	
	2000	45	
	2001	60	
	2002	85	

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## SO4 - Policy Reform Agenda

### 1. Definition of Policy Issues

Due to this strategic objective newness, SO 4 policy reform agenda is in its very early stage. Six important issues for the achievement of intermediate results were identified so far. They are related to the Ministry of Education (MEN) responsiveness to girls needs and to the local environment of target schools. As activities are progressively implemented, additional issues may be included in this agenda.

#### MNE System Responsiveness

- **Data Collection System:** MNE to adopt a more efficient data collection system for timely program analysis to ensure, inter alia, that girls' issues are taken into consideration in program planning.

- **Primary Education Budget:** Negotiate with MNE and MOF an increase in the amount of GOM funds allocated for primary education, or a re-distribution of current total GOM funding for education (all levels), in favor of a larger percent of funding for primary education and earmarks for rural primary schools to promote development of girl-friendly programs.

- **Rural Teachers' Package:** Design and implement a rural teachers' compensation package and measures to build up and maintain a critical mass of competent teachers, including an increased number of women, in rural areas.

#### Local School Environment

- **Analysis and Advocacy Skills:** Assist local MNE officials, community leaders, and parents' associations to engage in an effort to analyze various policy issues and develop advocacy skills in favor of girls' education.

- **Decentralization:** Advocate for and negotiate, with central MNE, a phased plan to decentralize the decision-making process so that local communities have ownership and accountability for school education in their respective areas.

- **Forging Partnerships:** Negotiate with other ministries, donors and local authorities the improvement of school physical environment, infrastructure, latrines, canteen, school transport, etc. to alleviate parents' concerns about sending their girl children to school.

## 2. Policy Matrix Results

[Note: For the definition of percentages reported in this table, refer to Strategic Objective 1.]

Reforms	97	98	99	00	01	02	03
<b>MNE System Responsiveness</b>							
Data collection system	10	20	40	60	60	100	100
Primary education budget	0	10	20	20	40	40	60
Rural teachers' package	0	0	10	20	60	100	100
<b>Local School Environment</b>							
Analysis and advocacy skills	0	20	60	60	60	100	100
Decentralization	0	0	10	10	20	40	40
Forging partnerships	0	20	60	60	60	100	100
<b>TOTAL</b>	10	70	200	230	300	480	500
<b>Average of all reforms</b>	2	-	-	-	-	-	-
<b>Anticipated Average</b>	2	12	33	38	50	80	83

USAID's initiative in girls' education is still in an early stage. However, dialogue initiated during the MEG design phase in 1996 already identified measures and reforms that will be implemented over the duration of the strategy. The first one will be the adoption by the MNE of an efficient and uniform data collection system which is expected to be installed in 1997. Other reforms will take more time in getting started --for instance the upgrading of the budget for primary education with earmarks for rural primary schools and "girl-friendly" programs. It is anticipated that by the end of the strategy (2003) 80% of this policy agenda will be achieved.