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# **LOCAL GOVERNANCE PROJECT (LGP)**

## **FINAL PROJECT REPORT**

**December 17, 2009**

This publication was produced for review by the United States Agency for International Development. It was prepared by RTI International.

# **LOCAL GOVERNANCE PROJECT (LGP)**

## Final Project Report

Contract EPP-I-02-04-00037-00

Prepared for  
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United States Agency for International Development

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The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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\*RTI International is a trade name of Research Triangle Institute.

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## Abbreviations

AMSED	<i>Association Marocaine de Solidarité et Développement</i> (Moroccan Association for Solidarity and development)
ANCLM	<i>Association Nationale des Collectivités Locales Marocaines</i> (National Association of Moroccan Local Governments)
CCP	Center for Communication and Publication
CIGM	<i>Collège des Inspecteurs Généraux des Ministères</i> (Union of General Inspectors from the Ministries)
CWS	Cities without Slums
DFCAT	<i>Direction de la Formation des Cadres de l'Administration Territoriale</i> (Directorate for Training Territorial Administration Officers)
DGCL	<i>Direction Générale des Collectivités Locales'</i> (General Directorate for Local Authorities)
ENA	Ecole National d'Administration (National School for Administration)
HR	human resources
IGAT	<i>Inspection Générale de l'Administration Territoriale</i> (General Inspection of Local Administration)
INDH	National Initiative for Human Development
INTOSAI	International Organization of Supreme Audit Institutions
ISA	<i>Institut Supérieur d'Administration</i> (Superior Institute for Administration)
IR	intermediate result
LGP	Local Governance Project, Morocco
M&E	monitoring and evaluation
MOF	Ministry of Finance
MOI	Ministry of the Interior
NEF	Near East Foundation
NGO	nongovernmental organization
PCD	commune development plan

PMP	performance monitoring plan
PSP	participatory strategic plan(ning)
SIICL	local government information system
SO	strategic objective
SUNY	State University of New York
USAID	U.S. Agency for International Development
USG	U.S. Government

# 1. Introduction

## 1.1 Initial Project Framework

On May 21, 2005, The United States Agency for International Development (USAID) awarded a contract to RTI International to implement the Local Governance Project (LGP) for a period of three years. Activities under this project aimed at realizing USAID/Morocco's Strategic Objective (SO): Increased government responsiveness to citizens.

This SO was directed at promoting democracy and good governance through more transparent, accountable, and equitable governing institutions at both the national and subnational levels. USAID identified three Intermediate Results (IRs) to achieve this result:

- IR 13.1: National Enabling Environment Improved. This IR was addressed under a separate project implemented by the State University of New York (SUNY) in support of the Morocco Parliament.
- IR 13.2: Transparency in Government Encouraged. This IR is addressed under both LGP and the SUNY/Parliament project, and support is found as an element in both procurements.
- IR 13.3: Local Government Performance Improved. This IR was the primary focus of this scope of work.

Project results were to be achieved by accomplishing a number of key activities under the different IRs.

### ***1.1.1. Key activities under IR 13.2 included***

- Training and technical assistance to strengthen the capacity of nine Regional Audit Courts to effectively carry out audits in accordance with international norms.
- Training and technical assistance to Inspectors General of the Ministry of Finance to conduct internal audits.

### ***1.1.2 Key activities under IR 13.3 included:***

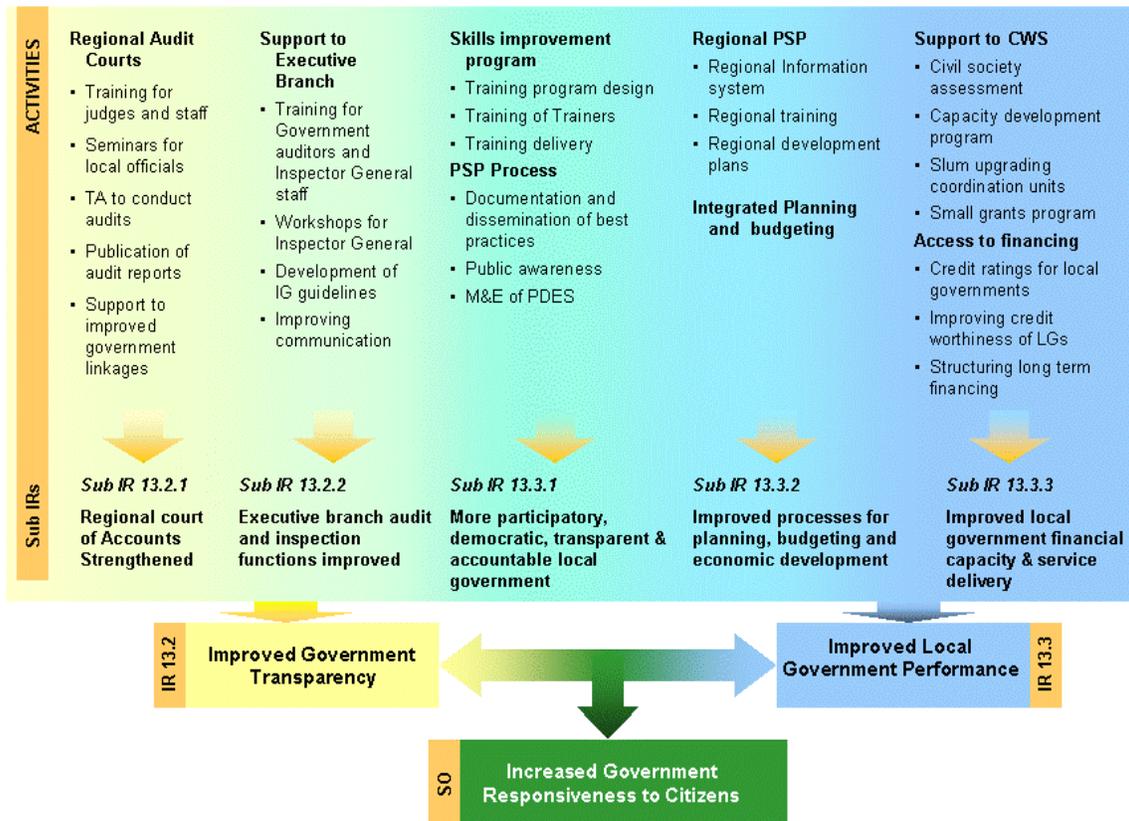
- Developing and implementing a leadership training program for local elected officials.
- Disseminating information and raising awareness about participatory strategic planning.
- Implementing participatory strategic planning processes in 10 cities, 5 provinces, and 3 regions.

- Designing, installing, and implementing a national Integrated Planning and Budgeting System.
- Enabling access to long-term financing in two to three cities and one region.
- Strengthening civil society participation in slum-upgrading initiatives in 10 cities and 20 neighborhoods.

The project geographic scope comprised three regions and 10 communes to be identified jointly between USAID, the *Direction Générale des Collectivités Locales* (DGCL, General Directorate for Local Authorities), and RTI.

In our technical offer, RTI developed the following results framework that proposed to reorganize the project’s activities under five sub-IRs to achieve the project’s results (see *Exhibit 1*). The graph also highlighted the complementarities of the project activities.

### Exhibit 1. LGP Results Framework



### 1.2 Contract Evolution

The total period of performance for the contract extended until November 20, 2009. In all, 16 contract modifications were made to the project. Among these contract

modifications the following amendments brought modifications to the project's scope of work.

**MOD # 6 (February 2007):** by far the most significant contract modification,

- Cancelled the assistance to the regional audit courts, and the activities on regional planning and long term financial structuring for selected local governments;
- Modified information system activities and local government information audit court activities and local development plans; and
- Introduced new activities such as a study on regionalization and governance and the development of codes of conduct.

MOD 6 also decreased the total project funding by approximately \$1 million.

**MOD # 11 (April 2008):** This modification cancelled the regionalization study activity.

**MOD # 13 (February 09).** This contract modification extended the period of performance of the contract and introduced new activities including strengthening of local government's capacity to achieve their fiscal potential and developing a capacity building program for general secretaries.

**MOD # 15 (June 2009).** This modification provides clarification to activities introduced under MOD 13.

### **1.3 Evolution of the Implementation Context**

LGP was implemented in a constantly evolving context that required flexibility and adaptability in the implementation strategy in order to seize opportunities as they arose. The first major change happened a few days before the contract was signed. On May 18, 2005, the King of Morocco gave a speech launching a major new initiative: the National Initiative for Human Development (INDH). As the team mobilized for project implementation, it became clear that the INDH would represent a major opportunity and that LGP's ability to capitalize on the INDH would be a major factor in the project's success. The following features of the initiative were particularly relevant:

- Participatory dimension: from the onset the INDH was designed as a participatory initiative that aimed at mobilizing local stakeholders to identify their priorities and develop a plan to improve living conditions.
- Decentralized and deconcentrated implementation: a significant role was given to the Provinces and the communes in implementing the initiative. Multi-stakeholder INDH committees were created at the communal and provincial to implement the initiative. Allocation of funds was decided at the provincial level.
- Rural focus: the INDH focused on the country's poorest rural communes. As LGP was designed with a predominantly urban focus, INDH would impact the selection of regions and Provinces where the project would be involved.

In March 2006, a new Wali was appointed as General Director for Local Governments. It became rapidly apparent that this change of leadership at the DGCL would have a major impact on LGP project implementation. The new reform-minded Wali launched a series of initiatives that were to set the tone for LGP implementation thereafter. An immediate consequence of the Wali's nomination was a major reorientation of the DGCL's information systems strategy, with a shift from systems supporting the planning functions toward systems supporting the key communal management functions. Furthermore, the project had been designed to assist in the implementation of the recently reformed communal charter. With a new team at the helm of the DGCL it became rapidly clear that the focus would increasingly turn toward assisting a new wave of reforms.

The purpose of this report is not to provide a detailed account of all of the project's activities. Instead, we will highlight the main activities implemented by RTI, summarize the main achievements of the project, and provide an analysis of the main challenges faced during implementation as well as recommendations for future USAID programming in the local governance and transparency sectors.

## 2. Project Achievements and Challenges

### 2.1. IR 13.2: Improved Government Transparency

As originally conceived, activities under this IR took place under two components: Component 1 (sub-IR 13.2.1) focused on strengthening the capacity of the recently created regional audit courts to audit local governments, and Component 2 (sub-IR 13.2.2) aimed at reinforcing the capacity of the executive branch to conduct audits.

#### *2.1.1 Sub-IR 13.2.1 Regional audit courts strengthened*

**Summary:** LGP's year 1 work plan included a total of 7 activities to be implemented in support of audit courts at the national and regional levels. These were:

1. Technical assistance and training for judges and personnel of the audit courts at the national and regional levels;
2. Workshops for audit court personnel and elected officials to strengthen their mutual understanding;
3. Technical assistance in conducting audits;
4. Support to the publication of the courts' reports;
5. Strengthening intergovernmental linkages;
6. Support to the international activities of the courts; and
7. Material support to the courts.

**Achievements:** This project component was cancelled under contract modification 6, and achievements were accordingly very limited. Most of the support provided to the court

during the first year of the project focused on activities 4, 6, and 7. The LGP financed the publication of an annual report, several international trips of the courts' president, and two study tours, and purchased laptop computers. No technical assistance was provided to the courts at the national or regional levels.

**Challenges:** RTI faced insurmountable difficulties in implementing activities under this component. In retrospect, most of the difficulties were rooted in the strong sense of independence of the audit court and the determination of its president to avoid even the slightest appearance that the project could be impinging upon this independence. The ultimate consequence of this view was that the court essentially viewed the project as a funding mechanism to finance already engaged or planned activities. For example, when LGP financed two study tours for court judges and employees, the project's contribution was limited to paying for the tours and making travel arrangements. Likewise, when we discussed the training program for the courts, it rapidly became clear that the expectation was that LGP would pay for their existing program instead of collaboratively designing an assistance package with the court. Activities such as technical assistance in the conduct of audits were clearly off limit as they were seen as an infringement on the court's independence.

LGP tried to find common ground with the audit court and financed a number of its initiatives while trying to develop a more comprehensive assistance package. However after almost a year of collaboration, the project had still not been authorized to develop direct relations with the regional courts, which should have been the main beneficiaries of LGP technical assistance. Consequently, USAID decided, in agreement with RTI, to terminate its technical and financial assistance to the court. Several activities planned to be implemented with the court were then transferred to other institutional partners such as *Inspection Générale de l'Administration Territoriale* (IGAT, General Inspection of Local Administration), *Collège des Inspecteurs Généraux des Ministères* (CIGM, Union of General Inspectors from the Ministries), and the Urban Commune of Casablanca in particular for the development of a code of conduct for local governments.

**Implication for future USAID programming:** The audit courts, especially the regional audit courts, remain major actors in local governance, and USAID should not shy away from working with the courts. An initial strategy would be to involve the regional courts in future project activities as a stakeholder in local dialogues around governance and transparency at the local level. As noted above, the LGP already had planned to organize such meetings with the court (see activity 2 above) and they never took place in large part because they relied on the audit court to organize these meetings. A new strategy would be to invite regional court employees and judges to participate in regional events organized by the DGCL or regional authorities. Indications are that the courts would agree to participate and would make very positive contributions. Pursuing concrete opportunities to collaborate and requesting the courts' advice on relevant activities could foster a climate of trust that would hopefully lead to more direct assistance to the regional courts.

The audit court relies on existing Moroccan institutions such as ISA (Superior Institute for Administration) and ENA (National School for Administration) to train its staff and judges. Supporting these institutions in developing and strengthening their audit curriculums would have a direct impact on the audit court. Furthermore, as these institutions also train senior communal staff, IGAT inspectors, and interior ministry employees, support would help foster a common understanding and body of knowledge around major issues between the major actors of the local governance system as well.

### **2.1.2 Sub-IR 13.2.2: Executive branch audit and inspection functions improved**

**Summary:** Following the cancellation of activities in support of the audit courts, LGP reinforced its assistance to executive branch institutions responsible for audits and inspections. The project developed a comprehensive training program to provide technical audit assistance and training to auditors and IGAT and CIGM. This activity benefited IGAT and CIGM members by providing operational tools to assist them in implementing comprehensive control assignments (e.g., audit, inspection, investigation, and quality control) and in producing reports that provide decision makers with pertinent information, enabling them to appropriately react. Toward the end of program implementation, the focus of the project turned toward supporting the internal audit function at the communal level with a pilot experience in Marrakech.

**Achievements:** LGP’s program of support achieved its main objectives to provide IGAT and CIGM inspectors with tools needed to fulfill their audit and inspection missions in conformity with international norms. The tools were developed in a participatory manner involving the institutions at every step to ensure that the tools met their needs and to foster a common understanding around audit concepts, norms, and objectives. By the end of 2008, all the guides and compendia developed for IGAT and CIGM had been produced and disseminated (see *Exhibit 2*). The guides were presented to the institutions through a series of seminars aimed both at sharing the contents of guides and at preparing the inspectors to use them effectively during their missions.

#### **Exhibit 2. Guides Developed for IGAT and CIGM**

Theme	Type of Document
<b>Guides Developed for IGAT</b>	
<b>Operational and Management Audit guides</b>	
Methodology to conduct an operational audit mission	Guide
Audit of organizational systems	Guide
Communication audit	Guide
Social audit	Guide
Information systems audit	Guide
Performance monitoring systems audit	Guide

Theme	Type of Document
Estate and dispute management audit	Guide
Urbanism audit	Guide
<b>Other guides</b>	
INTOSAI norms for audit and control	Compendium
Moroccan norms for governmental audits, inspections, and investigations	Compendium
Financial and accounting audit of local authorities	Guide
<b>Guides Developed for CIGM</b>	
General audit methodology	Guide
Audit of expenditures	Guide
Information technology	Guide
Audit of organizational systems	Guide
Social audit	Guide
Guidelines for general inspectors	Compendium

By 2008, as the program of support to IGAT and CIGM neared completion, the LGP team began to think about ways to bring the audit activities closer to the communal level. Building the capacity of IGAT and CIGM was an important first step, but the communes were considered all along the ultimate beneficiaries of these efforts. In addition, the credit rating reports had highlighted the lack of internal controls as one important weakness for the three targeted cities (Marrakech, Salé, and Casablanca). The Mayor of Marrakech indicated his interest in pilot testing an approach aimed at creating an internal audit structure. LGP-subcontractor KPMG worked with Marrakech officials to help them better understand the audit concept and its organizational implication. The final activity organized in support of Marrakesh was a workshop to present the tools and methodology for internal audits at the beginning of the year. This workshop was well attended and helped raise the interest level for this activity.

**Challenges:** There were few major challenges to implementing the activities in support of IGAT and CIGM. Both institutions were very supportive of the initiative and welcomed LGP support. The main issues we faced were when we began turning our focus to the communal levels. RTI offered to accompany IGAT inspectors during their audit missions to the field. After initially approving this activity, IGAT stepped back, and we were not able to find an appropriate approach that would guarantee the independence of IGAT audit missions. A planned seminar on internal audit for communes was also cancelled as a result of coordination issues between IGAT and the DGCL.

The Marrakech internal audit activity took place as the various political factions prepared themselves for the upcoming communal elections. This limited the scope of the activity

as elected officials were concerned that any test audit of specific management procedures could be made public and used against the incumbent team. This explains why the internal audit unit was never formally created. As a result, LGP focused primarily on developing tools and methodologies and the key players' awareness of audit functions. This approach succeeded in generating a keen interest for the activity and contributed to a greater understanding of the audit approach. However, with the benefit of hindsight, the approach may have been too broad to yield tangible lasting results. The future of this activity will depend on the openness of the new communal leadership to build on the current achievements.

**Implications for future USAID programming:** RTI believes that USAID should continue to promote audit approaches as a means to both improve local communal management and effectively promote increased transparency. The focus of the activities should however shift decisively to supporting local governments. The context is now favorable to continue activities on internal audit, in spite of the limitations of the Marrakech experience. First, the political constraint has now turned into a potential opportunity as the new communal team will be more inclined to look into the communes' management practices. Second, the increasing publicity around the reports of the "Cour des Comptes" and the adoption by IGAT of the audit methodology create a concrete incentive for communes to adopt more stringent internal controls. Furthermore, the DGCL is currently working on a set of standard procedures that will provide an effective entry point for this work. An impact-oriented approach to internal audit would have the following characteristics:

- Using the new DGCL procedures as a starting point by supporting the commune's efforts to implement the procedure, set up the needed internal controls and conduct test audits of the implementation of the new procedures.
- As implied, building the audit structure, and in parallel the audit culture, progressively one procedure at a time with a focus on key management risks.
- Finally RTI recommends that USAID approach the new Marrakech communal team to assess their interest in pursuing the internal audit activity in the framework of the future program.

### ***2.1.3 Awareness Building Activities: Good Governance Pacts***

**Summary:** RTI's proposed work plan had mentioned fostering discussion around developing codes of conduct as a possible activity under the Audit Court component. When the activities with the Audit Court were cancelled, LGP had already begun discussing with the city of Casablanca the possibility of developing codes of conduct for employees and elected officials. An important first step in this process was the organization of a 1-day seminar, "Ethics and Transparency in Municipal Management," that took place May 30, 2006, in Casablanca. The seminar brought together more than 170 participants including elected officials, municipal staff, civil society leaders, and central government representatives. The seminar received strong media coverage

nationally and, following the event, the Mayor of Casablanca formally agreed to the codes of conduct activity. The concept of “Local Governance Pact” emerged when the employees of Casablanca demanded that, in exchange for their commitments to improve transparency and performance, the city itself commit to improving working conditions for employees. The resulting Local Governance Pact comprised a code of conduct for employees, a code of ethics for elected officials, and a series of commitments of the city toward its employees. The process for adopting the codes was participatory, and the codes were discussed with employees and elected officials through a several workshops. In 2008, the city of Témara requested LGP support to develop their own governance pact.

**Achievements:** In 2008, the cities of Casablanca and Témara officially approved *Local Governance Pacts* comprising a Code of Conduct for employees, a Code of Ethics for elected officials, and a series of commitments made by the commune’s senior management toward its employees. The codes for both cities have been disseminated locally and the code for Casablanca has yielded press coverage in major national papers. Codes of ethics and conduct are now discussed as a means to improve transparency and local performance. The governance pacts represent a significant breakthrough as the first time in Morocco that issues of ethics and professional conduct have been openly discussed by local elected officials and communal employees. In Casablanca the process of developing the pact contributed to strengthening the association of municipal officers that had been created a few years earlier. The association successfully leveraged its work on the code of conduct for employees to obtain commitments from the city’s senior leadership and, in the process, became a recognized interlocutor for the city. In an effort to further disseminate ethical concepts, LGP worked with the DGCL to incorporate some of the ethics concepts into standard council by-laws.

**Challenges:** The process for the adoption of the Casablanca code was protracted and hesitant. While the employees progressed at a steady pace, elected officials showed less resolve in developing the pact. The elected officials who participated in the process were high profile members of both the majority and the opposition in the Council. While this had been a prerequisite for their selection, it also meant that they were hard to mobilize on a regular basis, which caused numerous delays. In Témara the process for the adoption of the pact was more effective, in part because the team involved in the process was smaller and more cohesive. Most importantly, one must admit that the full impact of the pacts has been realized neither in Casablanca nor in Témara. In Casablanca, the President of the Council was supportive of the effort but the pact did not constitute a high priority for him. As a result, the LGP was never able to schedule a much-needed sensitization workshop. The absence of clear signals from the President made it further difficult to mobilize other elected officials and communal employees. In Témara, the President of the Council had thrown his full support behind the initiative, but was not successful in broadening the base of support beyond his majority. As the Témara mayor was not reelected, it is unclear if the new team will be interested in pursuing an initiative they had not contributed to.

**Implications for future USAID programming:** The major impact of the LGP activities in support of the good governance pacts was to demonstrate that the Moroccan context is now ripe for open discussion of ethics and conduct issues. The potential of the pacts to achieve tangible results is real, but the approach needs to be adjusted, including:

- Working on the demand side by adopting a more open process for developing the good governance pacts and building citizen demand for the pacts;
- Linking the pacts to broader human resource development strategy by the concerned communes;
- Building political support: strong leadership from the President and broad support within the Council are needed to ensure success; and
- Result orientation: the pacts need to yield clear improvements in delivery of services to citizens.

#### ***2.1.4 Support to reform (local public procurement)***

**Summary:** The LGP supported the DGCL efforts to adapt the ongoing reform of public procurement to the needs and constraints of local governments by:

- Organizing consultation workshops with key stakeholders to better assess the impact of the reform on local governments and businesses; and
- Drafting a governmental decree specifically targeting local governments.

**Achievements:** The main results under this program area were achieved in 2008 with the drafting of a decree for local public procurement that was submitted to the government. It was expected that the decree would be officially adopted by the end of 2008. This new decree introduces a number of innovations such as the possibility for communes to do grouped procurements, the creation of a benchmark system to help local government evaluate fair prices of good and services, and the obligation made to the president to award sole source procurements publicly.

**Challenges:** The delays in the formal adoption of the decree resulted from a divergence of opinion between the Ministry of Finance (MOF) and the Ministry of Interior (MOI) regarding the most appropriate approach to regulating local public procurement. The MOF advocates for a unified approach to public procurement and wants to incorporate stipulations for local government within the broader public procurement decree. The MOI argues in favor of a distinct decree for local governments and supports the draft decree developed by the LGP. Regardless of how this argument is resolved, it is expected that the final draft of the decree will incorporate the innovations and local government dispositions introduced in the LGP-produced draft decree.

**Implications for future USAID programming:** Formal work on the implementation of the decree may have to wait until the disagreement between the two ministries is resolved, but enough is known about the content of the local public procurement decree to move ahead on a number of preliminary sensitization activities, including:

- Information sessions with elected officials and communal employees in the new focus regions;
- Reviewing procurement procedures in selected communes as part of the focus on internal audit and controls; and
- Once the new decree is officially adopted, the work can build on these initial exercises toward a more systematic approach, linked to the audit activities, in putting in place new procedures, controls, and training local to ensure the implementation of the decree.

## **2.2. Progress Achieved under IR 13.3: Improved Local Government Performance**

### ***2.2.1 Sub-IR 13.3.1 More participatory, democratic, transparent, & accountable local government***

#### *Strengthening the capacity of local development actors*

**Summary:** This component was originally focused almost solely on building the capacity of elected officials. However as the project began contributing to the implementation of INDH activities in Khenifra and Errachidia Provinces it became rapidly apparent that the capacity gap was very large and that the local-level initiatives could only succeed if capacity building efforts focused both on all actors and on the actors of local development. While municipalities were to take the lead in the development of local INDH plans, much of the implementation responsibility rested on local associations. LGP took special care to ensure that training sessions were carried out in support of field activities in line with the “learning by doing” approach. The training program also evolved to accompany the reforms launched by the DGCL, particularly the reform of the local fiscal law.

While training was often an important component of activities implemented under this component, it was rarely the sole focus and in some cases, as in the “Jeudi de la Gouvernance” activity, no training was provided. Key activities included:

- Organization of training workshops that focused on the roles and responsibilities of local elected officials;
- Development of modules and guides for elected officials and municipal employees;
- Organization of conferences to provide a public forum for elected officials and other local actors to discuss important local governance issues (e.g., Jeudi de la Gouvernance, City of Casablanca);
- Development of training modules for local associations;
- Design and development of a Web site for the ANCLM;

- Design and delivery of training on the new local fiscal law to rural and urban communes;
- Building the capacity of the DGCL’s Center for Communication and Publication (CCP) to provide accurate and simple information to local governments on key DGCL initiatives; and
- Supporting a study tour to the U.S. focusing on the role of the City Manager, information systems, and participatory approaches.

**Achievements:** During 2008 and 2009, LGP supported a major effort by MOI to train local financial and fiscal officers to enable MOI to implement the recent law on local **fiscal management**. The project trained 70 trainers in local fiscal management. Subsequently, LGP supported a nationwide effort to train local fiscal managers in Morocco. The training program was implemented in close collaboration with DGCL and DFCAT and succeeded in training nearly 3,000 local government officials from Morocco’s 170 urban communes and 1061 rural communes. This represents a major contribution to the implementation of the local fiscal reform law. As a result, communal officers in charge of fiscal administration at the local level now have an enhanced understanding of the new fiscal reform law and are in a better position to take advantage of its innovative dispositions.

The conference cycle, **Les Jeudi de la Gouvernance**, proved a major success for Casablanca and beyond. From a local governance perspective, the cycle demonstrated that city officials can open a constructive dialogue with all local actors. It also contributed to enhancing the profile of the city of Casablanca and of its mayor as a key leader in local development and an actor in the decentralization and democratization process. Indicators of success include the following:

- A combined total of 2,300 individuals attended the various events;
- Strong press coverage, including 10 television and six radio reports, approximately 100 newspaper articles, and a full day’s coverage of the last event by the Aswat radio station;
- A number of high-level officials participated in the cycle, including three ministers, the President of Parliament, and representatives of MOI; and
- More than 10 elected officials of the city, from both the majority and the opposition, participated as panel members.

LGP supported the first cycle of the Jeudi in 2007. The City organized a second cycle in 2008–2009 with very limited project support and is now preparing for a third cycle in 2010. The model was replicated at the district level in Sidi Moumen, and several cities expressed interest in organizing their own “jeudis.”

The project also strengthened the capacity of the **CCP**, a unit recently created by the DGCL to support its communication strategy. LGP conducted a training needs analysis

and developed and implemented a training program for the center's staff with the tools and skills to produce multimedia communication units focusing on targeted topics.

As described under the participatory strategic plan (PSP) section, LGP also developed and implemented a **PSP training program** in all of the communes where we supported local PSP processes.

The **study tour** to the U.S. was widely considered an important success. The study tour (see section 4, Success Stories) came at a propitious time, when the DGCL was preparing the reform of the communal charter and as it had initiated a discussion on how to improve operations management of the country's cities. The DGCL was aware of the existence of the City Manager model and wanted to review its possible adaptation to the Moroccan context. The tour was attended by mayors, governors, and senior DGCL officials. Following the tour, LGP arranged for city managers from the U.S., France, and Canada to present their experiences to a broader audience in Rabat and Casablanca. Partly as a result of these efforts, the revised communal charter provided for a stronger role for the commune's General Secretaries.

**Challenges:** The main challenge for the **fiscal management training** initiative will be for the DGCL to ensure follow up assistance to the training provided to make sure that the communal officers trained as part of the program continue to improve their skills and can share their experiences. The one-off training exercise was needed to ensure a minimum common understanding of the new law, but will not be sufficient to make sure that communes fully take advantage of its new provisions. For medium to large cities the fiscal potential activities should contribute to this effort, but it is unclear if any further support is forthcoming for rural communes.

The **Jeudi de la Gouvernance** proved to be a milestone event in Morocco, a true innovation that numerous cities are looking to replicate. The event provided an excellent forum to create a real dialogue on governance issues confronting the city. However, the model proved better suited to contributing to broad discussions than to addressing and finding solutions to specific problems facing the city. In addition, the *Jeudis* did not provide an opportunity to build consensus around these issues; while the dialogue remained civilized, the cycle exposed very divergent views on the city's management and did not truly contribute to bringing view points closer. This was evident during the last event of the first cycle when leading local actors came to present their distinct visions in an unsuccessful attempt to build a shared vision. In this respect, the particular governance structure of the city of Casablanca, where strong institutions (Wilaya, Urban Agency, commune, regional investment center) all compete to impose their views of the city's future, was a significant challenge that no public forum could be expected to overcome. A third limitation of the cycle is that it remained a step removed from citizens and would need to be brought closer to citizens, in the district and neighborhoods, to address their concerns.

Finally, a number of cities have indicated their desire to replicate the experience, but the question remains whether they truly have the level of resources, especially human resources, needed to design and implement this type of event.

The implementation of the **capacity building program in support of CCP** faced two main challenges: 1) the lack of clear vision for the center and 2) the low level of skills of the staff and their considerable apprehension regarding the new role they were requested to fulfill. The center was staffed with employees of a DGCL documentation center whose role had been to archive documents, prepare press reviews, and publish DGCL reports. Some of them had never worked on a computer before. At the end of the process, LGP made a number of recommendations to the DGCL to ensure the continuation of the process and capitalize on the effort. These included developing a clear mission for the center, reinforcing the staff, and sustaining the training effort.

Regarding the **general training program**, LGP proved very flexible in adapting to requests for training from local partners, fielding training teams swiftly to respond to the needs as they were expressed. One key limitation of this approach is that LGP did not develop a fully coherent approach to training, as trainers hired tended to use their own methodologies. As a result, LGP developed only a limited number of training modules that could be transferred to the DGCL. Instead, LGP focused on developing guides on a number of core issues. These guides are clearly a welcome addition to the tools for sensitization, but they can only be truly effective if used in conjunction with training or awareness raising activities.

**Implications for future USAID programming:** USAID's continued assistance in reducing the capacity gap in local governance will continue to be much needed. The overall "learning by doing" approach is sound, and the capacity building program must remain flexible. However, as indicated above, more emphasis should be put on developing coherent training modules that can be transferred to local counterparts. The following training themes will continue to be very important:

- PSP and participatory approaches;
- Communication and outreach for local elected officials;
- Key local governance principles;
- Budget as policy-making tool;
- Fiscal management and tax collection; and
- Management, financial, and personal risks for communal leaders.

The new status of DFCAT and the clarification of its relation to DGCL provides the necessary conditions to ensure that training modules and training capacity will be institutionalized at both the local and regional levels.

USAID should also support the replication of open forums modeled on the "Jeudis," as the Casablanca experience demonstrated that there is a huge demand for this kind of forum. Efforts should be made to ensure that these forums tackle more targeted issues

and that they reach out to ordinary citizens. In particular, USAID should encourage communes to organize forums at the neighborhood level where concrete issues having a direct impact on people are best discussed.

It is likely that USAID's support for capacity building at the level of the DGCL will be requested. This support is much needed, especially with regard to the implementation of the institution's communication plan through the portal. However, USAID should proceed cautiously and request that DGCL define the mission of its divisions clearly and invest in qualified human resources.

#### *Support to PSP Processes*

**Summary:** LGP supported a total of 13 PSP processes involving a total of 18 communes. All LGP initiatives in support of PSP processes also included training on PSP approach, methodology, and tools and on gender approaches. These processes represent a wide array of experiences and situations and pursued different objectives:

- Promoting social and economic development. These processes were directly linked to the development of local INDH plans in rural and small urban communes (4 CRs in the Province of Errachidia, 2 CRs in the Province of Benslimane and 2 CUs in Settat Province). In Errachidia the plans went beyond the adoption of INDH plans and produced comprehensive communal development strategies.
- Promoting harmonious urban development. This was first implemented in the city of Témara and then extended to the cities of El Jadida and Settat in support of the development of urban development strategies.
- Promoting intercommunal collaboration. This was implemented in the district of Agourai (Province of El Hajeb) in support of the district's attempt to foster a common approach to managing shared resources and addressing common problems.

Finally, LGP supported the efforts of the DGCL in disseminating and replicating PSP approaches nationally for the development of Communal Development Plans (PCD).

**Achievements:** LGP achieved significant results both in terms of field results and in support to the replication and generalization of the PSP approach in Morocco. The Errachidia experience (see success story) generated widespread participation of the population in the diagnostic and planning phases and provided a forum for meaningful consultation between local actors. It is widely considered a model civic engagement within the INDH process, and LGP received numerous demands for support once the Errachidia experience became known. The Errachidia process is also a unique example of how one can build on the mechanisms and concepts of INDH processes to support the development of more comprehensive local development plans. At the request of provincial and local authorities, LGP agreed to conduct similar processes in the provinces of Benslimane and Settat. In Benslimane, the full process up to the adoption of PSDs was

replicated, and in Settat, we limited our intervention to developing the participatory diagnostics.

In early summer 2008 the Governor of El Hajeb contacted the LGP team to provide support with the implementation of the INDH process in his province. Participatory diagnostics had already been conducted in the province but the local authorities were not satisfied with the work produced. RTI was reluctant to take on this assignment, as we saw little added value in redoing the work that already been done and the project was set to close down within a few months. Instead we oriented the discussion with the authorities to focus on how we could capitalize on the existing work and initiate a more innovative process. We proposed to help initiate an intermunicipal process covering the six communes of Agourai district, a mostly rural district. The Agourai process resulted in the adoption of an innovative intercommunal development strategy that identified precise opportunities for collaboration.

LGP also played an important role in supporting, along with other donor programs, the efforts of the DGCL to generalize the PSP approach to all of Morocco's rural communes. In particular, LGP staff contributed to drafting and publishing the guide for the elaboration of the PCDs. DGCL is now in the process of supporting PSP processes throughout the country.

In Settat and El Jadida, The Ministries of Interior and Housing and Urban Development requested LGP support for the development of urban development strategies as pilot exercises to form the development of a national urban development strategy. LGP coached the communal teams so that they could develop their plans through a participatory consultation process.

**Challenges:** The past five years have witnessed remarkable progress in the dissemination, understanding, and implementation of the participatory approach. USAID, through the LGP and other projects, has played a major role in this achievement. A key challenge remains the implementation of the plans adopted. Implementation requires the mobilization of a wide range of resources, especially resources from line ministries. Given the absence of meaningful deconcentration and the weakness of coordination mechanisms at the provincial levels, local governments face serious difficulties in accessing resources when their allocation remains decided at the central level. This is true for both PCDs and urban development strategies. The Urban Development Strategy process is conceived as a means to promote cross-sectoral collaboration through a contractual agreement between the communes and the concerned line ministries. However, as of the writing this report, neither El Jadida nor Settat had been successful in negotiating their contracts, as the priorities identified in their strategies are not always in line with sectoral ministry priorities. In this context, as the DGCL has embarked on an ambitious initiative to support the adoption of PCDs in all rural communes, one must be concerned that these plans may not be implemented in any meaningful way. This could lead to some deep disillusionment about the worth of the PSP processes.

**Implications for future USAID programming:** As the push for deconcentration is gaining new momentum in Morocco, USAID programming should make sure that the new debate fully incorporates lessons from field experiences. The deconcentration reform is highly political and USAID's main role would be to ensure that critical lessons from the field help inform this process. USAID's positioning toward the DGCL's initiative to generalize PSP for all rural communes also has some serious implications. As indicated above, RTI is concerned that this approach may lead to disappointing results, but it is nonetheless an important initiative. RTI believes that USAID support should focus on capacity building for PSP at the regional and local levels as well as on continuing pilot experiences on specific themes such as intercommunal planning and urban development strategies.

### ***2.2.2 Sub-IR 13.3.2 Improved processes for planning, budgeting, and economic development***

#### *Local Government Information System*

**Summary:** Activities focusing on local government information systems evolved considerably during the period of performance. The initial activities focused on supporting local governments' planning and budgeting functions and measuring their performance. A change of leadership at the DGCL led to a fundamentally new approach to information systems for local governments focusing on the key administrative, managerial, and financial functions of local governments. At the request of the DGCL, the scope of the information system component was revised to comprise:

- Development of the overall architecture for an integrated local government Information system;
- Development and test of a local fiscal management application;
- Development of a human resources database application;
- Development and test of an urban planning authorization management application; and
- Support to the development of the local civil records.

**Achievements:** The main LGP achievement was the successful completion of the study to develop an integrated architecture of the local government information system (SIICL). The SIICL focused on the core administrative and financial responsibilities of the communes, including human resources, accounting and financial management, budget management, and estate management. The study was developed with significant inputs from local governments, provides detailed specification for each of these applications, indicates how they should be integrated, and provides a benchmark of existing applications. DGCL is currently evaluating the best options for developing and deploying the SIICL.

The local fiscal management application was also completed and successfully tested in several communes. This application is to be deployed to Moroccan local governments in

support of the implementation of the local fiscal reform. The urban planning authorization application was developed and tested in Témara and Tangiers, though the application did not fully meet the expectations of the concerned local governments and will require further refinements. The human resources database was successfully developed and is now used by the DGCL. RTI's support to the development of the local birth and death registry system was modest but helped launch this major initiative by the Moroccan government.

**Challenges:** Activities in support of local government information systems faced numerous challenges. The first and most important challenge resulted in the change of strategic orientation of our main partner. The new DGCL leadership correctly identified a major flaw in the original approach: the proposed planning and budgeting application would require the regular collection of information from many different sources. This would put a burden on local governments that they were ill-equipped to surmount and could spell the failure of the initiative. Instead, the new approach focused on applications essential for daily operations that would generate information. LGP contribution focused on only one phase of this ambitious program. While this was the most technically challenging, the ultimate success of this initiative will require significant funding from the DGCL and an effective strategy for the deployments of the SIICL.

The urban development authorization application faced difficulties in part because of the sensitivity of the sector it addresses, but also because of insufficient monitoring of the consultants in charge of the activity. Finally, one must mention that the subcontractor identified by RTI to develop the initial, planning-focused, application failed to perform to acceptable standard, and we had to revoke their contract.

**Implications for USAID programming:** Given the difficulties faced in the implementation of this component, RTI does not recommend that USAID continue a major support to local government information systems. The main responsibility now lies with the DGCL to fund the development of the SIICL and develop an appropriate strategy for its deployment. USAID support could focus on helping DGCL develop a broad strategy for the deployment of the SIICL and on contributing to the deployment of the fiscal management application in partner local governments through training and equipment. USAID should also consider supporting the development and testing of Web-based applications (model Web sites) that would help local governments better communicate with citizens and improve service levels. These could be built incrementally and tailored to the needs and capacities of the local governments.

### ***2.2.3 Sub-IR 13.3.3 Improved local government financial capacity & service delivery***

#### *Fiscal Potential*

**Summary:** In 2009, the LGP also launched, at the request of the DGCL, two parallel studies to assess the fiscal potential of selected urban communes. The first study focused on Marrakech and El Jadida and the second study on Fès and Kénitra. The scope of the

studies included analyzing tax and fees management practices and developing a methodology to evaluate the fiscal potential of these cities and to propose actions to improve revenue generation. These studies will provide an innovative tool to help communes assess their own fiscal potential and develop and implement strategies for improved tax and fee collection.

**Achievements:** Both studies were finalized by the end of the project (though not fully validated), which represented a significant achievement given the tight deadlines and the difficulties faced during implementation. The studies lay the foundation for replication of the methodology in other cities and for further support in implementing fiscal resource mobilization plans.

**Challenges:** This activity was launched late as part of the LGP extension. The importance of the implementation challenges had been underestimated, as the studies, programmed to be completed 4 months, necessitated the implication of all local authorities, the fiscal administration, and the regional treasury. In addition, information collection proved challenging, which increased the time needed for the preparation of the diagnostics.

**Implications for future USAID programming:** This area of the program should remain an important focus of future USAID support. The fiscal potential activity, while complex to implement, can make a significant contribution to strengthening local government autonomy and effectiveness. Among the four cities that benefited from the exercise, two are in the regions of focus of the new USAID local governance program. RTI suggest that the activity also be finalized for Kenitra and Marrakech to ensure that resources already devoted to these activities lead to concrete results. Further activities can include support to the development and implementation of fiscal mobilization plans, developing communal guides and training modules to assess fiscal resources, and facilitating experience sharing between the targeted communes

#### *Credit rating of three cities*

**Summary:** The main activity under this IR aimed to improve the creditworthiness of three Moroccan communes—Salé, Casablanca, and Marrakech—which were selected as pilot cities. In the first stage, the LGP sponsored a credit-rating exercise for these cities; in the second stage, the LGP provided the city of Marrakech with technical assistance to address some of the issues raised by the credit rating exercise.

**Achievements:** The main LGP achievement was the successful completion of the credit rating by an internationally recognized rating agency. The relatively good ratings received by the three communes surprised local and national decision makers and had a significant impact on the perception of local governments. The LGP also attempted, with limited success, to bring financial institutions and Moroccan cities closer together to better understand each other's needs and perspectives.

**Challenges:** This activity faced and overcame numerous challenges. National-level decision makers were uncomfortable with the exercise, first because it was widely assumed that the ratings would be very negative, and second because there is real resistance to allowing Moroccan cities to access sources of finance other than the state-controlled communal equipment fund. The DGCL did not, and to our knowledge still does not, have a clear strategy on promoting access to diversified sources of capital financing for municipalities. Another major challenge was to gather appropriate and accurate information from the cities. The Fitch team conducted only two missions to Morocco, which meant that RTI had to provide considerable support in gathering the information. Fortunately the cities agreed to play the game openly and did their best to provide the required information.

**Implications for future USAID programming:** Providing Moroccan cities with access to diversified sources of private capital financing remains as important as ever. USAID has been a leader in Morocco in this sector and should continue to be significantly involved. The main focus should be to provide support to the DGCL in developing a pragmatic strategy in this sector, putting in place an appropriate legal and regulatory framework, and developing tools that will facilitate local government access to private capital financing.

#### *Activities in Support of Citizen Participation in Slum-Upgrading Projects*

**Summary:** Since 2004, the Morocco Government has initiated a large program to eradicate slum areas (bidonvilles) that covers 83 cities and nearly 300,000 households. Key strategic orientation of this integrated program include multistakeholder partnerships, participation, and mediation. LGP contributed to this program through a series of activities that aimed at strengthening the capacity of local actors to carry out the social mediation and participation dimensions of slum upgrading and eradication projects. LGP support was to focus on approximately 20 slum neighborhoods in 10 cities in close partnership with the concerned local governments, Al Omrane and the Ministry of Habitat and Urban Development.

Following the selection of the local and international nongovernmental organization (NGO) partners (Near East Foundation [NEF], AMSED, and Enda Maghreb) and the identification of the concerned cities and neighborhoods RTI began project implementation in in Nouaceur, Mohamédia, Casablanca, Kénitra, El Mansouria, and Témara.

In parallel, LGP developed a series of practical tools to support the implementation of social mediation initiatives and organized several training workshops to strengthen the skills and competences of social development agents, Al Omrane regional staffs, local partners, and representatives of slum neighborhood associations.

The implementation of this component was very challenging, and LGP did not achieve all of the initial project objectives. However, the contribution of LGP to the Cities without Slums (CWS) program was viewed as very significant by Moroccan partners, and the

external evaluation conducted by MSI found that the problems faced during implementation should be viewed as “important experiences with important lessons for the future.”

**Achievements:** LGP achievements include practical tools for the dissemination of best practices in social mediation for upgrading projects and for capacity building through training of nearly 40 social agents of the regional AI Omrane staff and 120 other local partners, as well as more than 75 representatives of slum neighborhood associations.

The following table summarizes the main field interventions (*Exhibit 3*).

**Exhibit 3. Table of Field Interventions**

City	Neighborhood	Implementing partner	Local mediation plan	Territorial Diagnostic	Social mediation unit	Training	Small grants	Observations
Salé	All	ENDA	yes	-	-	Social agents	-	Lack of commitment from local officials
Témara	All	ENDA	yes	-	-	Social agents	-	Lack of commitment from local officials
	Douar Sahraoua	NEF	no	no	yes	-	-	Households relocated by the province and commune
Meknès	Anciens Combattants	AMSED	yes	yes	No	Social agents	-	Households relocated by the Province AI Omrane
Kénitra	Oulad M'Barek	RTI	no	yes	yes	Associations	Associations	Process stopped following technical difficulties
Nouaceur	Ennakhil	NEF	yes	yes	yes	Social agents & associations	Coopérative	Project viewed as a best practice thanks to local ownership and commitment. (see case Nouaceur case study)
Casablanca	Bachkou	SFCG	yes	yes	yes	Social agents & associations	-	Project viewed as best practice. Led to ownership of process by the population and local authorities.
Mohamédia	Bradaa & Massira	NEF	yes	yes	yes	Social agents	-	Process stopped following technical problems and lack of commitment of the commune.
Mansouria	Tous	NEF	no	yes	yes	-	-	Process stopped following delay in implementation of the relocation project.

**Challenges:** Integrating the social dimension and encouraging citizen participation in slum upgrading and eradication projects was, and remains, a new and innovative approach in Morocco. This approach therefore needed to overcome the resistance of most of the concerned actors: local elected officials were wary of empowering slum residents

and of how this could potentially negatively impact their electoral chances; technical staff from Al Omrane were concerned by the potentially negative impact of resident participation on the executions of the upgrading/relocation programs; and finally, slum residents hold a deep mistrust of both local and national officials.

This situation was found, to various degrees, in nearly all of the sites where LGP intervened. Specific obstacles faced by LGP included:

- The absence of qualified social agents familiar with slum upgrading and relocation projects;
- The absence of clear commitment from local authorities as well as from some Al Omrane staff (particularly in Meknes and Kénitra);
- Resistance of the local population that did not agree with the solutions proposed by Al Omrane leading to long protracted negotiations (Bachkou, for example); and
- Delays in the physical execution of the upgrading projects, which complicated the social mediation process (Kénitra, Mohammédia).

In spite of such difficulties, LGP interventions achieved some significant results and the Ennakhil and Bachkou interventions are considered among the most successful of social mediation interventions implemented by Al Omrane. These interventions demonstrated that social mediation and citizen participation can be determining factors in the success of slum upgrading and relocation projects. The projects showed that slum residents could be meaningfully involved in the upgrading process and could influence important decisions. In Bachkou, for example, the local population had an influence on the solutions offered them, including the relocation site and the size of the lots. In Nouaceur, LGP facilitated the successful resolution of conflicts around the size of the apartments, and the population decided on the mode of allocation of the apartments. Households received information that helped them access, and understand, financing options to purchase their new housing units. In Ennakhil the creation of the women's cooperative helped women increase their incomes and become literate.

**Implications for future USAID programming:** RTI does not recommend that USAID continue a direct involvement in the implementation of social mediation initiatives, as implemented in LGP. However USAID could still contribute to the CWS program, but through other means. For example, the urban development strategy process implemented by DGCL and the Ministry of housing provide an opportunity to develop local strategies for slum upgrading that involve the population at an early stage.

#### ***2.2.4 Small Grants Program***

**Summary:** The small grants program was designed as a mechanism to support local initiatives in the communes where LGP was supporting the INDH or CWS initiatives. To be eligible, activities had to be identified as priorities as a result of a local participatory process involving local governments and associations.

**Achievements:** The table below provides information on all the small grants issued to community development associations under the LGP (*Exhibit 4*).

**Exhibit 4. Small Grants under LGP**

Grantee	Amount USAID (MAD)	Other Contributions (MAD)	Purpose
Coopérative agricole El Ouaha, Start Date: 04/15/2007, End Date: 07/31/2007	331 000	339,000	Support income generating activities for local farmers through the production of date paste and jam
Fédération Sabah pour l'eau et la sauvegarde de l'Oasis de Tafilet Start Date: 12/19/2006 End Date:03/30/2007	350 000	1,100,000	Renovate and equip a center to provide social and educational services
Coopérative agricole de traitement et d'emballage des dattes (Zrigat) Start Date: 04/15/2007 End Date: 07/31/2007	331 000	339,000	Support income generating activities for local farmers through the production of date paste and jam
Association Ferkla pour el Développement de l'Action Féminine (AFDAF) Start Date: 10/20/2008 End date: 11/30/2008	62 090	887,432	Equip a center providing social and educational services to women
Association Espace de Solidarité et Orientation Marocain (ESOM) Commune Rural de Mibladen Start Date: 07/15/2007 End Date: 01/31/2008	367 545	680,000	Renovate and equip a center to provide social and educational services
Coopérative artisanale des femmes Ennakhil – Nouaceur Start Date: 05/15/2008 End Date: 30/06/2008	160 000	25,000	Support the activities of the Ennakhil women's cooperative by equipping a center for production and marketing
<b>Total Amounts</b>	<b>1,570,170</b>	<b>3,370,432</b>	

As indicated in this table, small grants were used for two main purposes: supporting income generating activities and expanding access to social services for poor households. Two grants were made to women's cooperatives (el Ouaha and Ennakhil cooperatives) and one grant focused on increasing access to social services for women. The table shows that the grants were successful in leveraging other contribution from Moroccan partners as more than two dirhams were raised for each dirham contributed by USAID. Many of the contributions were in-kind contributions and included providing land and buildings to the associations.

**Challenges:** The small grant program proved very challenging and time consuming to implement. One of the main challenges was to find associations with the capacity to

implement the grants and with projects ready to be financed and implemented. Once an association was identified, designing the grant and obtaining commitments from local partners was also quite time consuming. In the case of Ennakhil's women cooperatives, RTI helped create the cooperative and supported them in developing their grant proposal and obtaining commitments from the local partners. The entire process took about two years.

In addition, since the overall size of the grants program was modest, LGP did not have a dedicated team for grants implementation. The Chief of Party served as Grants Administrator and the technical staff was responsible for identifying beneficiaries and overseeing the application process. This imposed a heavy burden on the small LGP team and explained in part the low level of grants disbursements.

**Implications for USAID programming.** Grants programs can contribute positively to the implementation of local governance projects. In spite of the difficulties met by the LGP, the grants played a positive role in project implementation and helped motivate local actors as they knew that there would be funding for some of the projects identified during the planning process. RTI suggests that USAID investigate the feasibility of providing grants directly to the partner local governments. We understand that this is done by USAID in other countries, and this should be considered an option in the Moroccan context. A communal grants program could involve transferring USAID funds to a distinct communal account that would be jointly managed by the commune and USAID (with support from the selected implementer). The commune could use the grants fund to finance community projects and support local development associations. Such an arrangement would increase the visibility of the commune and help build its capacity.

## **2.3. Other Activities**

### ***2.3.1 Supporting decentralization reforms***

**Summary:** LGP was not designed to focus on policy reform; however, the change in context described in section 1.3 provided an opportunity for LGP to become an active player in a new wave of policy reform. Given the focus of the project, LGP made specific contributions to the following issues:

- Strengthening the role of the General Secretaries in the communal administration;
- Reinforcing the senior administrative communal officers;
- Improving council functions through standard by-laws;
- Improving local public procurement (discussed in section 2.1.4); and
- Increasing women's participation in local affairs (see 2.3.2).

**Achievements:** LGP became a major vehicle for implementing broad decentralization reforms by giving guidance to DGCL and informing debates on a wide range of issues. This was made possible by a strong partnership with DGCL and the ability of the project to use pilot interventions to provide policy feedback. LGP thus contributed to the development, and implementation, of key reforms that focus on strengthening the capacity of local governments, increasing their autonomy, and improving their ability to effectively represent all citizens. LGP efforts focused both on improving council effectiveness and on strengthening municipal administration.

In support of local councils LGP drafted, in close collaboration with DGCL and with inputs from elected officials, two standard model by-laws for local councils: one for large cities that comprise district councils, and the other for the need of the other communes. We assisted DGCL in organizing a roundtable that reviewed current operating issues in councils, the requirements of the new charter, and international experiences. DGCL transmitted the standard by-laws to all communes and encouraged them to officially adopt them with or without amendments. It is too early to judge the impact of the by-laws, especially as communes remain free to adopt them or not, but the potential impact is significant as it provides detailed guidance to the commune on how to run council and committee deliberations in compliance with the legislation. The by-laws also clarify and streamline some legal directives in order to improve council management and provide ground rules relations between the majority and the opposition within the council.

LGP supported the efforts of DGCL to strengthen the communal administration by conducting two studies focusing on the roles of the key actors of the municipal administration. The first study focused on the communes' general secretaries and the second on the officers in charge of core communal functions.

The objective of the first study was to provide recommendations to DGCL on how to implement the new stipulation of the communal charter (art. 54bis) that endows the General Secretary with a more central role in the communal administration. The study proposed a number of recommendations regarding the status of the General Secretary; his relation to the Council President, council members, and communal employees. The study identified the appropriate profile for the General Secretary, including education, skills, and professional itinerary.

The second study complemented the first study as it focused on the communal officers playing a leadership role in communal management. The purpose of the study was to review the status of these employees within the context of the current reform process. The study looked at the legal framework for these functions, the incentive structure and mobility of these officers, as well as the adequacy of the training system for these employees.

**Challenges:** One of the key objectives pursued by the project in supporting the standard internal by-laws was to further create a dialogue around issues of ethics and transparency in local affairs. The standard by-laws address conduct and ethical issues by incorporating

the dispositions of the communal charter that promote transparency and address conflicts of interests, These facets of the by-laws did not go as far as RTI had proposed (integration of codes of ethics), but represent a significant step in the direction of ethical governance. The consultation process with elected officials was not as broad as originally envisioned for this activity and the final texts were not discussed before being distributed. The limited consultation process resulted from time constraints, in particular the need to have the texts ready shortly after the election.

Regarding the studies on the General Secretary and the core communal functions, their full implementation is linked to the broader human resources (HR) reform process, which is a priority of the DGCL. In particular, implementation of the recommendations of the studies will depend on the completion of the communal organizational toolkit, and will be possible only once a number of other HR-related studies are completed. Such HR studies will include the Communal Organizational Kit and a comprehensive study on all communal job descriptions and related skills and qualifications.

**Implications for future USAID Programming:** The adoption and dissemination of standard council by-laws represents a significant entry point to address a whole range of council functioning issues and discuss the implication for council effectiveness of adhering to basic organizational rules and conforming with basic legal obligations. The effective implementation of the by-laws can be monitored under the future program to detect problems and identify best practices.

Support to the local civil service reform process in general, and to strengthening communal administration leaders, remains a major area for USAID involvement in coordination with other donor-supported efforts.

### ***2.3.2 Gender strategy***

**Summary:** LGP developed a gender strategy focusing on two main prongs:

- Mainstreaming our gender approach throughout all project activities, especially field activities in support of INDH and CWS; and
- Conducting activities specifically targeting the role played by women in local affairs.

#### **Achievements:**

LGP successfully integrated gender methodologies in all PSP processes as well as in activities in support of slum upgrading projects. Working in an often very conservative environment, RTI made sure that women's perspectives would be fully taken into consideration in local development plans by holding separate meetings/focus groups with women. As a result of this approach several projects financed under the small grants program focused specifically on addressing women's needs.

As part of the activities focusing specifically on women's issues, LGP supported an important study on the role of women in local affairs. LGP organized two seminars that

brought together civil society representatives, local officials, and representatives of MOI to discuss and publicize the results of the study. LGP also sponsored a study on legal reforms that could lead to a meaningful increase in women's representation and participation in Moroccan communes. The project also organized a workshop to discuss the study in light of other international experiences (in Spain, France, and Belgium).

In 2009 the electoral code was modified to include a list for women for the June 2009 elections. As a result, the percentage of women elected to local office rose from 0.55% to over 12% after the election. This landmark achievement results from decades of advocacy by the women's movement, and LGP does not pretend to have been the principal force behind it. However, the project played a key facilitating role in two respects: first by helping bring together MOI and leaders of women's advocacy organizations; and second by informing the debate with international lessons learned that pointed to the fact that, in the Moroccan context, the only effective way to achieve greater women's representation was through some type of quota system. In addition, the LGP team also contributed to the discussions on the integration of gender consideration in the communal charter that resulted in the creation of a committee for "equality of chances" and the promotion of the gender approach.

**Challenges:** The reform of the electoral and the new gender provisions included in the revised charter, while significant advances, do not amount to a comprehensive strategy to promote greater women's involvement in local affairs. LGP efforts to help the DGCL develop such a comprehensive strategy did not gain momentum, in part because the DGCL had other priorities and gender issues receive limited support within the institution.

**Implications for USAID programming:** The fact that many more women are now members of local councils does not mean that they will be in a position to become effective players and have their voices heard in male-dominated councils. Helping women elected officials become effective council members should be a key preoccupation for USAID support to local councils. Future USAID programs should, in addition to building the capacity of the women elected officials, document their achievements and the difficulties they are facing to further inform policy reform.

### 3. Cross-Cutting Lessons Learned

In addition to the activity-specific lessons mentioned in the previous section, there are a number of cross-cutting lessons that are worth mentioning and that can help guide USAID during the implementation of the next phase of LGP.

#### 3.1. On Project Ownership

Fostering ownership of project initiatives by key actors should be a concern from the initiation to the completion of the activities. Overall, the project was quite successful at

developing that sense of ownership with both local and national actors. RTI worked in close collaboration with DGCL and communes to develop our work plan in order to ensure that we were responding to their priorities. We must note that we did not always succeed in our efforts. We have already largely discussed the example of the Audit Court. We can also mention the PSP processes initiated with the city of Mohammédia and the Rabat-Salé Zemmour-Zaër region that had to be cancelled because of lack of commitment stemming from misunderstandings between these local governments and the project. These remain exceptions, but they show how important it is to fully understand the needs and expectations of our partners.

### **Lesson # 1**

Ensuring local ownership begins with a shared understanding of the needs of the local partners. USAID should make sure that work plans are based on a careful needs assessment conducted in close collaboration with the concerned local entity.

## **3.2. On Project Coordination**

LGP's Steering Committee worked effectively to provide guidance to the project and review progress. However as the committee met only twice a year, it did not provide a mechanism to respond quickly to needs as they arose from the field. An early attempt to create technical working groups did not yield expected results as it was difficult to mobilize the groups' members over the long run. The PSP ad-hoc technical committees set up by the DGCL to coordinate inputs to develop the PSP guide is an example of a committee that functioned fairly well and achieved its objectives. At the national and local levels, coordination was sometimes hampered by the absence of a focal point with direct access to key decision makers (Walis, governors, President of Council).

### **Lesson #2**

Coordination mechanisms should be adapted to the needs of the project, promote project responsiveness, and ensure that key issues are relayed to decision makers in a timely manner. A bi-annual steering committee complemented by permanent technical committees (only for issues of high priority) and ad-hoc committees with clear-cut scopes are appropriate ways to address coordination at the national level. Focal points, trusted by decision makers, should be identified at the national and local levels for each major initiative. These focal points should act as project champions, facilitators, and problem solvers within their respective institutions.

## **3.3. On Local Innovations, Replication, and Reforms**

Among the key LGP successes was the project's ability to inform the reform process with local and international experience. A study tour, a number of workshops, and discussions during the Steering Committee helped provide information and promote concepts that were integrated in the reform of the communal charter and electoral codes. With the benefit of hindsight it can be said that what works best is when LGP promoted dialogue

and informed discussion, but left it to the Moroccan partners to devise solutions acceptable to them. A case in point is the study tour with the focus on the city manager experience, where LGP did not aim to provide ready-made solutions but limited its initial interventions to showing alternative ways of doing things. Similarly, our Moroccan partners benefited greatly from the study on women in local affairs and the international workshop on measures to increase the number of women elected at the local level. However, they ignored the very specific solutions we had proposed in favor of a solution that achieved similar goals but was deemed more acceptable in the Moroccan context. As the focus now shifts from the reform process to the implementation of reforms it will be important to promote peer-to-peer learning as an effective means to share information and encourage the replication of innovative practices.

### **Lesson # 3**

USAID needs to continue ensuring that there is an effective policy feedback from local experience and promote peer-to-peer learning. This may entail helping local government organize at the local level and reinforcing the DGCL capacity to provide them with useful and timely information.

### **Lesson # 4**

The most appropriate role for USAID in promoting policy reform is to provide information and facilitate the debate. Moroccan partners will identify the solutions that are most likely to work in the Moroccan context.

## **3.4. On Sustainability and Institutionalization**

Morocco is a country with big ambitions and limited capacity. LGP had to face this dilemma in many of the project's interventions, especially those supporting INDH and CWS. A recent example is the ambitious plan of the DGCL to have all of Morocco's communes adopt PCDs using the PSP approach. Given the very low level of capacity at the local and regional levels, such plans are not likely to be sustainable unless they are complemented with capacity building initiatives. These should focus on local and regional institutions as well as on reinforcing the supply of expertise in the social sector.

### **Lesson # 5**

USAID focus in its assistance should not necessarily be on replication of activities that may not be sustainable. It should be in strengthening the capacity of the key local and regional actors to replicate innovations and carry out reforms.

## **3.5. On Monitoring and Evaluation**

LGP devoted a significant effort to attempting to measure the impact of activities through a series of relatively easy-to-measure and reliable indicators. Our performance monitoring plan (PMP) successfully passed a USAID internal audit, and we implemented the minor changes recommended by the auditors. The PMP was also used to assess

progress twice a year. RTI instituted mid-year workshops to review progress against the indicators and take corrective actions as needed. However, as was noted by the external evaluation of the project, this PMP did not allow RTI to fully measure the impact of the project and to adequately monitor activity progress. A revised PMP should address these issues by promoting more regular feedback and providing means to fully capture the impact of the program. Finally, and perhaps most importantly, the PMP was of limited use to our partners as it did not sufficiently help them measure improvements in their performance as a result of LGP intervention.

#### **Lesson # 6**

USAID should ensure that future PMPs use a mix of qualitative and quantitative methodologies to capture the full impact of project activities, monitor progress, and take corrective measures as needed.

#### **Lessons # 7**

A project performance plan should reflect the extent to which the project's beneficiaries improve their own performance.

## **4. Success Stories**

### **4.1. Impacting Women's Participation in Local Affairs through Policy Dialogue**

From 2005 to 2009 LGP implemented a strategy to address gender issues in local governance through a dual focus: mainstreaming the gender approach in all field activities, and creating a dialogue around issues of women's participation in local affairs. Though the dimensions are interrelated, this success story focuses on the policy dialogue activities that contributed to a landmark revision of the local electoral code and the integration of a mechanism to address gender issues in Morocco's communal charter.

**Better understanding the role of women in local affairs.** While many studies had documented women's participation in national affairs, there was little if any information on the role played by women in local affairs. The LGP gender team therefore decided that it was important to better understand the extent to which women participated in local affairs, and launched a qualitative study to determine women's participation. The study brought to light the fact that only 0.55% of local elected officials were women and that these women faced numerous obstacles that often prevented them from being effective councilors. Women elected officials recounted the overt hostility they often encountered and explained how the prevailing political culture, made for and by men, de facto excluded them from the local decision-making process.

**Fostering a dialogue around the results of the study:** LGP organized two validation workshops that aimed both at assessing the reactions to the study's findings and at initiating a dialogue on key issues. Participants in the two workshops included local

officials, men and women, representatives of MOI, and local civil society leaders. After the study was validated, the LGP implemented two seminars in November 2007 to discuss the policy implications of the findings. The first event, held in Casablanca, was *Women's Representation in Local Elected Assemblies*; and the second, held in Marrakech, was *Gender and Governance: For an Equitable and Sustainable Local Development*. A key feature of these seminars is that they brought together a wide range of actors: men and women, activists, community leaders, representatives of the private sector, and government officials. As one civil society participant noted, this was the first time that they discussed these issues openly with senior officials from MOI. Two key conclusions emerged from these meetings: first, that quotas were the only viable means to ensure a meaningful increase in the number of women elected to local office; and second, that mechanisms should be created to provide for meaningful engagement of women in local development issues.

**Informing the policy-making process.** Moroccan government counterparts were initially reluctant to consider quotas as a potential solution without more information on how they have been implemented internationally and without an understanding of the constitutionality of quotas. LGP proposed an activity that provided support to help officials better understand the full implications of creating quotas in the Moroccan context. LGP hired a constitutional lawyer to develop a quota proposal that could overcome an eventual legal challenge. The lawyer explained why, in her view, the proposed quotas conform to the constitution. The report also proposed a number of revisions to the communal charter to strengthen women's participation within communal councils. LGP organized a workshop with government officials, civil society representatives, and international experts from Belgium, France, and Spain. The seminar aimed at discussing the report in the context of international experiences in promoting women's political participation. The proceedings of the seminar and the report were shared with high level officials in MOI.

In the end, MOI adopted solutions that differed from those proposed by LGP experts but followed the same overall objectives. LGP experts had proposed a quota system that would guarantee that each gender could obtain up to 25% of the local seats and MOI opted for a separate list for women that would guarantee that 12% of newly elected officials are women. For the charter, LGP recommended mechanisms to ensure that women effectively participate in the commission and councils' executive boards. The revised charter provides for the creation of a special commission within the councils, composed of elected officials and civil society representatives, that meets to discuss equitable development issues.

In June 2009, Morocco held local elections to renew all of the country's local councils. As a result of this election the percentage of women elected as council members rose from 0.55% to 12.3%, representing a major milestone in the advancement of women's status in Morocco. This achievement was made possible by the convergence of two forces: a decades long women's advocacy movement that argued relentlessly in favor of

greater gender equity, and a government reform wave aimed at modernizing the Moroccan State. In this context, LGP's role was modest but important: We facilitated the debate and provided neutral advice steeped in national and international experiences to help the parties agree to meaningful reform.

#### **4.2. LGP Support to INDH in Errachidia**

The Province of Errachidia is among the poorest in Morocco, as indicated by the fact that 26 of its rural communes have been designated as priority beneficiaries under INDH. As the LGP initiated program activities in the Meknes-Tafilalet region, regional authorities requested that this province be among the project's beneficiaries. During a reconnaissance trip to Errachidia, it was agreed that intervention would focus on supporting the INDH process in four rural communes through training, technical assistance, and small grants. The communes of Ferkla Oulouia, Aoufous, Rteb, and Arab Sebah Ziz were selected in coordination with provincial authorities.

LGP activities focused on adapting the PSP process to achieve INDH objectives. The LGP hired 20 social facilitators and supervisors from the local civil society, who constituted five teams to develop a participatory diagnostic in the four communes. After receiving training on participatory planning, these facilitators initiated work with local populations. Between July 26 and 29, 2006, the five teams organized approximately 68 public forums that were attended by 7,000 members of the community (3,500 women, 2,000 men, and 1,500 children) and aimed at identifying the population's priority needs.

After proceeding with a rapid analysis of the results of these public forums, the LGP facilitated, from August 1 to August 15, the organization of 20 consultative meetings. These meetings brought together local authorities, communal councilors, members of local INDH committees, and Moroccan citizens residing abroad to participate in the elaboration of the diagnostic. The Local INDH Action Plans were subsequently approved during four validation workshops held with each commune's council from September 26 to 28. Among the priority actions identified during these participatory processes, the LGP supported four projects through small grants: two projects focused on the creation of local INDH centers providing social services, and two supported income generating activities for poor farmers. Two of these grants focused specifically on women: the Ferkla Oulouia center and a grant for a women's cooperative in Aoufous.

The LGP continued to provide technical support to the four communes and helped them develop pluri-annual social and economic development that builds on the INDH plan. These plans were developed using the INDH local committee mechanisms as a principal consultation mechanism for the plan. In developing the plans, LGP and our local partners were able to capitalize on the momentum generated by the depth of the participatory process that had taken place in those four communes.

### **4.3. Casablanca Good Governance Pact**

As the LGP discussed its program of intervention with officials from the city of Casablanca, it became clear that they viewed the issue of ethical behavior and the concept of transparency as intrinsic to their efforts at improving the city's overall performance. The city had just launched a one-shop window, Dar El Khadamate, and local officials understood that the success of this initiative depended on the ability of municipal staff to understand the concepts underlying the initiative. The LGP team suggested that the city embark on an initiative to promote good governance principles through the adoption of codes of conduct for employees and elected officials. LGP partners enthusiastically accepted the proposal.

As it was understood that sensitization was essential to the success of the initiative, the LGP co-sponsored with the city a seminar on ethics and transparency in municipal management that took place May 30, 2006. The seminar brought together nearly 200 persons—officials from Casablanca, central government representatives, civil society members, and private sectors leaders—to discuss the topic and be exposed to international experiences. In particular, the American experience with freedom of information laws and codes of conduct (city of Cary, NC) were presented during the workshop. Panels were organized around three main topics: transparency and ethics in municipal procurement; transparency and ethics in service delivery; and characteristics of ethical behavior for local elected officials.

Following the seminar, the Mayor of Casablanca formally approved the code of conduct process. LGP helped facilitate the creation of a working group for municipal staff as well as a group for elected officials. The employees advanced quickly, and more decisively than local officials they became the drivers of the process. They exerted pressure on the President to convene the working group for elected officials and lobbied for a widening of the scope of the codes. In particular, they argued that if they were to make commitments to better serve the city and its citizens, the commune's senior leadership should also commit to adequately supporting employees by developing and enforcing an HR policy that rewards employees for good performance and provides an environment more conducive to professional excellence. The commune's senior leadership agreed to draft a series of commitments of the commune toward its employees. The three documents together constituted the Casablanca Good Governance Pact that was later officially adopted by the commune's executive board. The good governance pact was replicated in the commune of Témara.

### **4.4. Informing Policy Reform with International Best Practices**

Over the past year, the Moroccan government initiated a process to strengthen decentralization with a view to making local governments more effective and more representative. USAID, through the LGP, has supported these efforts in two key areas: 1) reconsidering the role of communal general secretaries as operational pilots of Moroccan cities; and 2) promoting the increased participation of women in local government.

As part of its goal of improving the performance of local government in Morocco, LGP organized a study tour to the U.S. for a group of high-level officials, including several mayors, representatives of the Directorate for Local Government in MOI, and regional governors. The primary objectives were to familiarize the participants with local governance structures in the U.S., primarily the function of the city manager, and to view how information systems enhance the management of local services and provide citizen access to local government decisions and other information.

The study tour came at a propitious time. The DGCL was introducing significant reforms and is contemplating other changes that will have a major impact on local governance. More specifically, new fiscal reforms will be introduced in January 2008 that will expand local revenue sources and give local government more authority in managing the revenue. The government is also considering modifying how municipal councils are formed and clarifying the separation of local policy making by the council from implementation of services by the municipal staff.

During their ten day visit, the group visited the cities of Durham and Raleigh, N.C., and Austin, TX, where they heard presentations on how the mayor, council, and city manager interact, how information systems support services, including budget preparation and management, and the respective cities' strategic approaches to urban and economic development. In Washington, DC, the group met with the International City and County Management Association to learn about how the city manager form of government has been introduced in U.S. local government and how the organization supports professional city managers. Finally, the group learned about New York City's long-term development plan—PLANYC 2030—to combat climate change and about how a large city is governed.

LGP followed up on this study tour by organizing a seminar for central and local decision makers to present the roles of city managers/administrators in 3 countries: 1) the U.S., 2) Canada, and 3) France. Experienced city administrators from these 3 countries shared their experiences, with a focus on identifying issues relevant to Morocco. The Moroccan government submitted a revised communal charter that provides for a stronger role for general secretaries. The LGP provided further support to help the government define the status and roles of general secretaries and the necessary accompanying measures to make the reform successful.

#### **4.5. Credit Rating of Three Moroccan Cities: Casablanca, Marrakech, and Salé**

The international credit rating agency, Fitch Ratings, attributed financial ratings for three Moroccan cities: Casablanca (BB+; A/mar), Marrakech (BB+, A+/mar) and Salé (BB+; A/mar). This is the first time that Moroccan cities went through this process, which requires information sharing with the agency. Communes have agreed to the publication of the ratings, which would mean that a significant amount of information would become

public and that citizens would have a tool to evaluate the management of the city and compare it with its peers nationally and internationally.

A credit rating exercise assesses the economic performance, financial management, and overall governance through the eyes of private investors concerned about the level of risk they are taking when lending money to an institution. As reported by Fitch Ratings, the ratings for the three cities “reflect a favorable institutional framework (including the measures the state has implemented to monitor the local public sector’s finances and the high probability of state intervention in case a local authority should meet financial difficulties) and a moderate level of debt in absolute terms but also relative to the level of current balance generated by the [cities]...The ratings also take into account high rigidity on revenue and expenditure, limiting the effective room for maneuver for improving substantially the City’s budgetary performances.”

This exercise went a long way toward demystifying the rating process and opening new doors for financing to Moroccan cities. Having received grades just one step below that of the Kingdom of Morocco (BBB), the cities can access private financing at suitable rates and conditions. This is good news for these cities, all of which have initiated ambitious infrastructure upgrading programs and need to diversify their sources of financing. The cities have also gained a better understanding of how their decisions may impact their credit worthiness and of the value of transparency and information sharing. This pilot initiative also aimed at encouraging other large Moroccan cities to undertake the same exercise.

#### **4.6. Promoting Intercommunal Collaboration in the Province of El Hajeb**

In June 2008, provincial authorities requested LGP support in implementing local INDH processes. Previous efforts did not yield expected results, and authorities were aware of LGP work in Errachidia and Benslimane provinces. LGP agreed to meet with representatives of the province to discuss the focus of a potential intervention. It was agreed early on that LGP support should complement previous efforts and not duplicate them. As a result, we suggested that, instead of focusing on individual communes, the LGP implement activities in one district and involve all the communes of that district. Provincial representatives agreed and suggested that the activity be implemented in the district of Agourai. That district is composed of six communes (Ras Ijerri, Ait Ouikhalfen, Jahjouh, Ait Yaazem, Tamchachate, and Agourai) that share a common cultural, geographic, environmental, and economic context.

The main objective of the process was to develop an intercommunal development plan that capitalizes on local synergies, promotes balanced local development, and identifies concrete opportunities for intercommunal collaboration. To that end, LGP facilitated the creation of an Intercommunal Coordination Committee, composed of the Chief of the Agourai District, the presidents of the concerned communes, as well as representatives of local civil society and sectoral ministries. With LGP support, the committee organized consultation workshops in each commune and at the district level. These workshops

discussed the results of an intercommunal diagnostic and proposed key areas for intercommunal collaboration. Based on this process, LGP helped draft a document summarizing strategic interventions in the district of Agourai. This strategic document was presented and validated during a district-wide meeting gathering all key stakeholders.

It is too early to assess the long-term impact of this process. We can, however, note that this is the first time that several rural communes have come together to collaborate and develop a plan that highlights common actions. The process has helped the representatives and citizens of the communes join together to discuss solutions to common problems. The strategy has identified concrete initiatives that the commune can implement together in a way that will pool resources, save money, and provide important services to citizens. The DGCL has indicated its willingness to support the replication of this experience throughout the country.

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***Annex A: Complete Project PMP Results  
(2006–2008)***

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INDICATOR	UNIT	BASELINE		TARGETS					
		Year	Value	2006		2007		2008	
				Target	Actual	Target	Actual	Target	Actual
<b>STRATEGIC OBJECTIVE SO13: Increased Government Responsiveness to Citizens</b>									
A1- Number of examples where local government decision making is influenced by civil society	#	2005	n/a	15	19	20	21	10	10
A2- Change in index of civil society organizations' perceptions of parliamentary interactions	%	2005							
<b>B- INTERMEDIATE RESULT 13.3: Improved Government Transparency</b>									
B1- Number of targeted local governments making progress toward adopting new Codes of Conduct	#	2005	0	1	1	2	2	4	2
B2- Percent of IGAT inspector generals using advanced auditing methods and investigative techniques	%	2005	0	20	20 (13/65)	50	61 (40/65)	90 (60/65)	89 (58/65)
B3- Number of local governments that met targets toward creating an internal audit unit [New]	#	2005	1	n/a	1	n/a	1	3	1
<b>C- INTERMEDIATE RESULT 13.4: Improved Local Government Performance</b>									
C1- Progress of local governments in developing, implementing, and/or monitoring local development plans that reflect stakeholder priorities	#	2005	1	5	5	7	7	7	17
C2- Number of local governments that adopted a gender-sensitive approach in their planning and budgeting processes	#	2005	0	0	0	2	7	7	17
<b>D- SUB-INTERMEDIATE RESULT 13.4.1: More Participatory Local Government Decision Making</b>									
D1- Number of local governments where community leaders are participating in decisions related to slum upgrading	#	2005	0	10	3	7	4	3	3
D2- Number of local governments that regularly consult with gender-focused organizations and women community leaders	#	2005	0	12	5	15	10	10	10
<b>E- SUB-INTERMEDIATE RESULT 13.4.2: Improved Processes for Integrated Planning, Budgeting, and Economic Development</b>									
E1- Number of local governments that met targets toward establishing integrated planning, budgeting, and/or management systems [New]	#	2005	2	n/a	4	n/a	7	10	13

INDICATOR	UNIT	BASELINE		TARGETS					
		Year	Value	2006		2007		2008	
				Target	Actual	Target	Actual	Target	Actual
<b>F- SUB-INTERMEDIATE RESULT 13.4.3: Improved Local Government Financial Capacity and Service Delivery</b>									
F1- Number of local governments that met targets toward achieving investment grade credit rating	#	2005	0	1	1	2	3	3	3
F2- Number of local governments that have expanded and/or improved community services in poor/disadvantaged areas	#	2005	0	2	1	4	5	4	4

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***Annex B: LGP Standard Indicators and  
Results (2007–2009)***

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### Local Government and Decentralization (2.2 Good Governance/2.2.3 Local Government and Decentralization)

Indicator Title	2007 target	2007 results	2008 target	2008 results	2009 target	2009 results
Number of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization	157	659	264	2096	30	1379
Men	109	438	188	1,999	24	1,335
Women	48	221	76	97	6	44
Number of laws or amendments promoting decentralization drafted with USG assistance	1	1	1	2	0	1
Number of local mechanisms supported with USG assistance for citizens to engage their sub-national governments	15	13	15	16	6	6
Number of local non-governmental and public sector associations supported with USG assistance	15	16	100	155	20	22
Number of sub-national government entities receiving USG assistance to improve their performance	8	18	16	22	5	5
Number of sub-national governments receiving USG assistance to increase their annual own-source revenues	3	3	3	170	254	1065

### Anti-Corruption Reforms (2.2 Good Governance/2.2.4 Anti-Corruption Reforms)

Indicator Title	2007 target	2007 results	2008 target	2008 results	2009 target	2009 results
Number of government officials receiving USG-supported anti-corruption training	150	155	300	139	60	57
Men	100	143	200	127	50	45
Women	50	12	100	12	10	12
Number of mechanisms for external oversight of public resource use supported by USG assistance implemented			N/A	N/A	N/A	N/A

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## ***Annex C: Nouaceur Case Study***

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## **Resolving Conflict through Dialogue and Social Service Delivery**

### **The Case of Ennakhil Neighborhood, Nouaceur, Morocco**

#### **I. Introduction**

The government of Morocco has embarked upon an ambitious program to rid the country's main cities of all slum areas. This initiative, supported by the World Bank as part of its Cities without Slums (CWS) program, attempts to learn from decades of worthy but ultimately unsuccessful efforts at ending the growth of slum neighborhoods in the country's urban peripheries. Probably, the most important lesson from past efforts is that the traditional technocratic approach to slum eradication failed to generate sustainable progress toward ensuring adequate living conditions for all urban dwellers. The absence of ownership of the concerned populations, and their exclusion from decision-making processes, meant that solutions provided do not match the needs of the residents, who in turn resist government efforts or try to take advantage of the interventions.

From 2005 to 2009 RTI International implemented the Moroccan Local Governance Project (LGP), a project sponsored by the U.S. Agency for International Development (USAID) that aims at improving the performance of local governments. One of the key components of the project was to support the CWS Initiative by encouraging citizen participation in the process. LGP was to contribute to the implementation of the social mediation approach, an approach designed to facilitate dialogue between local authorities, housing operators, and slum residents.

The social mediation approach had not been formally developed, documented, or implemented when the project started, and while efforts were on-going to better define it, practice showed that it could mean very different things to different stakeholders. To a large extent, the approach evolved *sui generis* as RTI and its partners implemented it in a number of Moroccan slum communities. This case study describes the experience of RTI and the Near East Foundation (NEF), RTI's subcontractor, in the slum community of Ennakhil located in the commune of Nouaceur in the Greater Casablanca metropolitan area.

#### **II. Local context**

Ennakhil is a slum neighborhood providing shelter to over 5,000 habitants (1,000 households). Approximately one-third of the residents occupy former military barracks and the rest makeshift houses made of tin and other locally collected materials. Many of the residents find employment at the airport or in the industries that have located in industrial and technological parks created nearby. The Ennakhil neighborhood was identified as a priority slum for eradication under the CWS program, in part because of its proximity to the airport.

In 2006, the Provincial authorities called on RTI to intervene in Ennakhil as conflicts with the population had been escalating since the eradication project had been launched. Local authorities and housing operators no longer dared approach the slum neighborhood for fear of being greeted with stones or other projectiles. This situation was a direct consequence of applying the traditional technocratic approach to slum eradication: The residents of Ennakhil knew that plans had been drawn to eradicate their neighborhood and that they were supposed to move to a nearby social housing apartment complex built specifically for the relocation of slum residents, yet they had not been involved in any of the planning for the project and rumors were rife in the neighborhood, all of them underscoring a deep mistrust of the authorities.

As a result, there was a heightened awareness among government representatives and housing operators that the situation could not be resolved without establishing a dialogue with the local community. The slum eradication operation was led by Holding Al Omrane, a semi-public agency overseeing all social housing programs, and Chaabi Lil Iskane, one of the country's largest private developers. Other key stakeholders included the Province of Nouaceur; Al Amana, a micro-credit association; and the Commune of Nouaceur.

### **III. Key challenges and questions**

One of the main challenges that the LGP had to face was determining how to empower a community to take its destiny into its own hands when some very important decisions about its future had already been made on its behalf without any prior consultation. This was made all the more difficult by the fact that the LGP approach contrasted with that of the other official actors.

While the need for more population involvement was recognized by all, the predominant view among state and housing actors remained that slum residents are a problem since they refuse to adhere to the plans that the engineers, urban planners, and government authorities had worked so hard to develop for them. The LGP team, however, viewed the slum residents as part of the solution and was convinced that they could be a positive force in addressing their problems.

These two views informed the attitudes of the partners toward the social mediation approach. On the one hand, it was viewed as a means to get the population to acquiesce to the drawn-out plans. Under this view, there were only two indicators of success: the physical destruction of the slum and the peaceful transfer of the population. For the LGP team, on the other hand, social mediation was a means to empower the local community to influence decisions that impacted its future and to strengthen its ability to govern itself. Under this view, a successful outcome would be an autonomous community with strengthened community institutions, that governs itself and is a respected actor in local affairs. Another LGP objective of the social mediation effort was to strengthen the role of the local elected council to ensure that it can act as an effective representative of the

community. The strengthened council would be another successful outcome contributing to the autonomy of the community.

#### IV. Project interventions

RTI and its partner NEF designed a process and interventions that reflected our view of the social mediation approach as a means to meaningfully engage all of the key stakeholders in the slum eradication process through a series of reinforcing interventions, as described in Table 1.1 below.

Table 1.1. Types of interventions in the Ennakhil slum

Intervention	Objective
Open Public Forums	The forums aim to create a space for dialogue between local authorities and slum residents. They also provide an opportunity to provide important information on the process to the community.
Socioeconomic Study	The socioeconomic study provides detailed information on each household (size, revenue, condition of unit, etc.) and on each one's needs and attitude toward the relocation process. It helps identify potential problems before they become acute and is used to identify beneficiaries of the project.
Community Institutional Strengthening	LGP supported existing community institutions through training, mentoring, and small grants. The project also helped create a women's cooperative as well as joint ownership associations. Strengthening community ties was an essential part of ensuring the success of the relocation project by teaching the community to organize and coordinate to handle issues related to apartment living.
Household/ & Individuals Skill Development	These activities aimed at preparing the households to a successful transition to their new homes. Courses and sensitization events focused on literacy, household finance, and community living.
One Stop Service Shop	The project helped set up a one stop shop in the commune of Nouaceur that provided residents with all required administrative support and helped them access housing credit.

##### A. Consultation mechanisms

The local governance project established two key mechanisms to involve the local community in the process and ensure that local citizens' needs and priorities were fully taken into consideration: a social mediation unit and a community coordination unit.

The social mediation unit played a critical role in the success of the initiative. The unit was set up in early 2006 and remained operational until end of 2008. The unit was composed of four local facilitators (two men and two women) who conducted the socioeconomic study, ran ad hoc focus groups on specific issues, disseminated information, and acted as the first respondents to address residents' concerns and problems. The unit was located inside the slum, and its members soon got to know every household in the neighborhood. Day after day they gained the trust of the community and were able to play a central role in the resolution of disputes and problems that arose during project implementation.

The community coordination unit was the project's main mechanism to ensure regular consultation between the stakeholders involved in the process. Its members included the Mayor of Nouaceur and representatives of local authorities, the Holding Al Omrane, Chaabi Lil Iskane, Amana micro-credit association, community associations, and the social mediation unit. The coordination unit is a body that makes decision based on consensus of all members.

## **B. Defining moments in the project life**

It is not possible to describe all of the interventions that took place over the course of the project's two years in the Ennakhil neighborhood. We can however identify three turning points that were instrumental in ensuring the success of the initiative and that embody the approach used by the project to resolve conflicts and ensure community ownership of the process.

### *A first event sets the tone for the project*

The first critical intervention was the first event organized by the project shortly after the launch of the activity. In March 2006, LGP organized a "day of dialogue and information" in the neighborhood. This event was critical to the success of the project, as it was meant to break the cycle of mistrust and conflict that had defined the relationship between residents and local authorities. The day was planned in close collaboration with local authorities, project partners, and selected community leaders. It revolved around a number of important activities, as follows.

- **Mobile dialogue and information forums:** Three teams composed of representatives of project partners gathered in the neighborhood's central square to meet with residents. From there, they roamed through the neighborhoods to hold impromptu meetings with the population. The casual nature of these forums and the fact that they were held in the heart of the slum neighborhood sent a strong message to the community that the authorities and partners in the relocation process were serious about discussing issues with the community.
- **Arts workshops and sporting events for children and youth:** Arts and sporting events helped create a festive atmosphere and ensured that all residents took part in the day's activities. Children were asked to make drawings on the themes of housing, neighborhood, and environment.
- **Site visits:** Interested residents were transported to the new housing construction site and visited a model apartment.

Despite the poor weather, it is estimated that over 700 residents of Ennakhil participated in the event, including about a hundred children. The dialogue and information day met key objectives to bring the population closer to the local authorities and housing operators and to initiate a process of consultation. Many of the slum residents expressed, some with bitterness, that it was the first time their opinion seemed to matter. A local woman spoke for many when she said, "*I have been living here for thirty years; I have*

*lost my teeth and my sight in this wretched place. The authorities never came to our help before, and until today nobody ever asked for my opinion.”* The event also helped representatives of the local authorities better understand the importance of citizen involvement in local development. This is the sentiment expressed by this official from the commune: *“I think I have learned something interesting today: one needs to know how to listen to people and think with them. I know it always takes a lot of time but this must become a routine exercise for us to know if we are going in the right direction.”*

#### *A serious dispute threatens to halt the process*

If the first event marked a milestone in setting a new tone and creating the conditions for success of the process, every subsequent step revealed that the fragile trust needed to be constantly earned and that the need for mediation remained very strong. A major dispute soon arose regarding the price and size of the new housing units. When the slum residents began visiting their future apartments, they came to realize that there was a discrepancy between what they had been promised and what they were in line to receive. They had been told that each apartment would be at least 60 square meters, when in fact, the size of the apartments varied from 47 to 62 square meters. To make matters worse, the price for each apartment had been set at MAD 55,000 (about \$7,000), regardless of its actual size. When this situation became known to residents, tensions flared up again as they rightfully viewed this as a major breach of trust.

The community decided to stick together, and even households that potentially benefited from the situation refused to collaborate and purchase their units. There was a general agreement that, unless an equitable solution to the problem could be found, the relocation process would not move forward. To resolve this situation, the social mediation unit organized a series of meetings with community leaders so that they could devise their own solution to the problem. The solution devised during these meetings was to prorate the price of the housing units according to the actual size of the apartments. Local leaders proposed that the smaller apartments be sold for MAD 50,000 and the larger apartments be kept at the original price. The social mediation unit transmitted the proposed solution to the coordination committee. After intense negotiations, the committee agreed to the proposed solution, thereby ending the conflict. Community members had just learned an important lesson: when they are united in constructive opposition they can have a major impact on important decisions affecting their lives.

#### *Right to housing for all? Neglected households make their voices heard.*

The local authorities and housing developers had identified 910 households as legitimate beneficiaries of the relocation process. The problem was that the list of beneficiaries was based on a 1999 census of the population. Since that census, approximately 200 households had moved into the neighborhood, and they claimed that they had the same right to a new housing unit as the other households. These newer households were often made up of family related to eligible households, who then refused to move unless the entire family could move with them. Housing operators were aware of the situation, but

had hoped to address it only once all eligible households had moved out of the slum neighborhood. It became obvious that the two were inextricably linked and that a solution had to be found.

One of the main obstacles to resolving the situation was financial. The financial sustainability of the project rested on a complex cross-subsidization scheme that can be summarized as follows: Housing units provided to the Ennakhil residents were heavily subsidized, and the housing developers planned on making a profit by selling the remainder of housing units at market price (up to MAD 200,000). Should these remaining units also be sold below market price, then the housing developers would be losing money.

The social mediation unit proposed to the key partners a plan to implement a process in two phases. First, it was urgent to draw a definitive list of all households that could legitimately claim a housing unit, and second, partners initiated a negotiation process with all stakeholders to agree on structuring a financial solution that would not threaten project sustainability. For the first step it was necessary to determine eligibility criteria that were acceptable to all community members and to verify the information provided by the households. This process involved community leaders as well as neighborhood representatives of local authorities. It yielded a list of 136 additional eligible households that could demonstrate a minimum length of residence and that met income criteria to benefit from subsidized housing.

The second step consisted in reaching an agreement between the different partners on the price to be charged for the housing units and on who would bear the costs. At this stage the stakes were very high, and the members of the mediation unit were able to convince all stakeholders that unless they reached a compromise, they would all lose. The final solution reflected this common understanding, as everyone contributed: concerned households agreed to pay more for their housing units (up to MAD 85,000), the developer reduced the price by MAD 30-35,000, the commune contributed about MAD 30,000 per unit, and the Ministry of Housing provided a MAD 40,000 subsidy.

It is fair to state that such a complex negotiation process, between poor slum residents, wealthy housing developers, government bureaucrats, and local elected officials would probably have failed without the effective intervention of the members of the social mediation unit. They were trusted by all stakeholders. They helped carry the voices of residents to local authorities and housing developers, but could also explain to residents the real financial constraints inherent in such a complex project.

## **V. Conclusion**

The relocation process in Ennakhil is still on-going, and it is still too early to claim it as a success. However, the intervention of the LGP achieved some significant results that bode well for the future.

- Key issues with strong conflict potential have been resolved, such as the housing unit price and the criteria for the allocation of units.
- The community is stronger today:
  - Residents have learned that they can influence decision making and that they can achieve results by staying united and constructive in their advocacy.
  - Community leaders have learned to negotiate and interact with officials and representatives of private corporations.
  - New community associations have emerged, including a women’s cooperative and joint-ownership associations. The latter will be able to play a significant role in resolving problems in the new housing units.
- Local elected officials have emerged as important actors in the relocation process and will be able to continue playing a positive role.

No individual intervention could have been successful without the others; a key element in success was the early focus on two-way communication: providing the population with an outlet to express their views and concerns and making sure that they received accurate information about the project. The fact that the slum resident population could see that their concerns were taken seriously helped restore the trust that had been the key missing ingredient so far.

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***Annex D: List of Project Reports and Publications***

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## Principal LGP Reports

Component	Activities	Title	Digital version	Published
Transparency	Improved transparency in the executive branch	Pacte de Gouvernance de la Ville de Casablanca	√	√
		Code de Conduite du Personnel de la Ville de Casablanca	√	√
		Pacte de Gouvernance Local de la Commune Urbaine de Témara	√	√
		La lettre des Collectivités Locales : Ethique et Transparence dans la Gestion Communale	√	√
	Technical assistance in implementing audits	Manuels d'audit pour les Inspecteurs de l'Administration Territoriale : IGAT	√	√
		Manuels d'audit Interne pour les Inspections Générales des Ministères : CIGM	√	√
	Public procurement	Projet de décret sur la passation des marchés des CLs	√	
	Capacity strengthening for local actors	Judis de la Gouvernance	Rapport sur les « Jeudi de la gouvernance » en arabe et en français	√
City Manager		Synthèse City Manager (Synthèse des Travaux de la conférence « Expériences Internationales de management des grandes villes : le rôle du niveau de pilotage opérationnel »	√	
		Etude sur le Secrétaire Général	√	
		Etude sur les Emplois supérieurs	√	
Local association strengthening		Guide de montage et gestion des Projets de Proximité en arabe	√	√
		Guide de montage et gestion des Projets de Proximité en français	√	
		Guide de comptabilité simplifiée pour les associations de développement local en arabe et en français	√	√

Component	Activities	Title	Digital version	Published
	Local fiscal management	Guide de la fiscalité locale	√	√
		Modules de sensibilisation sur la loi relative à l'organisation des finances locales	√	
		Modules de sensibilisation sur la loi relative à l'organisation des finances locales	√	
		Modules de sensibilisation sur la loi relative à l'organisation des finances locales	√	
Participatory Strategic Planning	Urban and rural PSPs	Guide pour Elaboration du Plan Communal de Développement en arabe et en français	√	√
		Diagnostic Territorial Participatif de la Commune Urbaine Loulad (Province de Settat)	√	
		Diagnostic Territorial Participatif de la Commune Urbaine Ouled M'rah ( Province de Settat)	√	
		Diagnostic Territorial Participatif de la Commune Rurale d'Araba Sabah Ziz (Province d'Errachidia)	√	
		Diagnostic Territorial Participatif de la Commune Rurale d'Aoufous (Province d'Errachidia)	√	
		Diagnostic Territorial Participatif de la Commune Rurale d'Eteb (Province d'Errachidia)	√	
		Diagnostic Territorial Participatif de la Commune Rurale de Fekla El Oulia (Province d'Errachidia)	√	
		Plan communal de Développement (PCD) de Ferkla El Oulia (Province d'Errachidia)	√	

Component	Activities	Title	Digital version	Published
		Plan communal de Développement (PCD) d'Arab Essabah (Province d'Errachidia)	√	
		Plan communal de Développement (PCD) d'Aoufous (Province d'Errachidia)	√	
		Plan communal de Développement (PCD) d'Erteb (Province d'Errachidia)	√	
		Diagnostic Territorial Participatif de la Commune Rurale d'Ahlaf ( Province de Benslimane)	√	
		Diagnostic Territorial Participatif de la Commune Rurale de Mellila ( Province de Benslimane)	√	
		Plan communal de Développement (PCD) d'Ahlaf ( Province de Benslimane)	√	
		Plan Communal de Développement (PCD) de Mellila ( Province de Benslimane)	√	
		Rapport final (Orientations Stratégiques pour le développement du cercle d'Agourai) (Province d'El Hajeb)	√	
Gender	Gender activities	Guide Résumé de l'Etude sur le statut de la femme dans la gouvernance locale au Maroc	√	√
		Stratégie pour l'intégration de la dimension Genre.	√	

Component	Activities	Title	Digital version	Published	
		Etude global Genre sur le statut de la femme dans la gouvernance locale au Maroc	√		
Access to long-term financing	LG credit rating	Rapports de Notation sur Casablanca, Marrakech, Salé	√		
			√		
			√		
Citizen participation in slum upgrading	Training	Guide de l'accompagnement social : Management de la mission d'accompagnement social des opérations de résorption des bidonvilles au Maroc : Quelques repères méthodologiques	√	√	
		Guide sur la Copropriété	√	√	
LG Information system	SIPGB	Rapport de diagnostic (Système Intégré de planification et gestion budgétaire (SIPGB))	√		
	SIC	Diagnostic du Système d'Information Communal (SIC)	√		
	SIICL	Etude sur le Système informatique intégré des Collectivités Locales	√		
	BUDGET	Etude SICL: Application Gestion des Budgets.	√		
	Civil registry	Etude SICL: Application Etat Civil	√		
	Estate management	Etude SICL: Application Gestion du Patrimoine	√		
	Local fiscal management	Conception et installation de l'application sur la fiscalité locale	√		
	Support to Center for Communication and Publication		Rapport final des activités de Soutien à la DGCL pour l'adaptation de contenu et sa diffusion	√	
			Guide de développement des unités d'information multimédia	√	
			Rapport final de Soutien à la DGCL pour l'adaptation de contenu et sa diffusion : Xerte – Modèle de contenu 1- Guide de l'utilisateur	√	