

PDCBK 581

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AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

PROJECT PAPER

USAID/MOROCCO

TRAINING FOR DEVELOPMENT

608-0208

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UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

**PROJECT DATA SHEET**

1. TRANSACTION CODE

A A = Add  
 C = Change  
 D = Delete

Amendment Number

DOCUMENT CODE

3

2. COUNTRY/ENTITY

MOROCCO

3. PROJECT NUMBER

608-0208

4. BUREAU/OFFICE

USAID/MOROCCO

608

5. PROJECT TITLE (maximum 40 characters)

Training for Development

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
09 30 99

7. ESTIMATED DATE OF OBLIGATION

(Under "C" below, enter 1, 2, 3, or 4)

A. Initial Y/Y 9/1

B. Quarter 4

C. Final FY 99

8. COSTS (\$000 OR EQUIVALENT \$1 = )

A. FUNDING SOURCE	FIRST FY 99			LIFE OF PROJECT		
	B. FE	C. LE	D. Total	E. FE	F. LE	G. Total
AID Appropriated Total	2,500	500	3,000	23,398	4,602	28,000
(Grant)	(2,500)	(500)	(3,000)	(23,398)	(4,602)	(28,000)
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S.	1.					
	2.					
Host Country GOM & Private Sector		1,000	1,000		13,649	13,649
Other Donor(s)	2,500	1,500	4,000	23,398	13,649	41,649
<b>TOTALS</b>						

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ESF				- 0 -		3,000		28,000	
(2)									
(3)									
(4)									
<b>TOTALS</b>									

10. SECONDARY TECHNICAL CODES (maximum 5 codes of 3 positions each)

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code  
B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen Morocco's in-country training capacity and to improve Moroccan managerial and technical skills for economic development and private sector expansion.

14. SCHEDULED EVALUATIONS

Interim MM YY 09 93 MM YY 09 96 Final MM YY 06 99

15. SOURCE/ORIGIN OF GOODS AND SERVICES

880  941  Local  Other (Specify) X

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment.)

USAID/Morocco controller concurs in the methods of implementation and financing set forth under Section IV.D of this Project Paper

*Richard Warren*

17. APPROVED BY

Signature

*Dennis M. Chandler*  
Dennis M. Chandler

Title

Mission Director, USAID/Morocco

Date Signed

MM DD YY  
08 23 99

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

|| | | | | 2

**USAID MOROCCO**  
**TRAINING FOR DEVELOPMENT PROJECT PAPER**  
**(608-0208)**

**PROJECT AUTHORIZATION**

Name of Country : Morocco  
Name of Project : Training for Development  
Number of Project : 608-0208

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Training for Development Project for Morocco (the "Cooperating Country") involving planned obligations of not to exceed \$28,000,000 in grant funds over an eight year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is eight years and one month from the date of initial obligation.

2. The project consists of assistance to the Government of Morocco to strengthen in-country training capacity and to improve Moroccan managerial and technical skills for economic development and private sector expansion.

3. The Project Agreement which may be negotiated and executed by the officer(s) to whom such authority is delegated in accordance with A.I.D regulations and delegations of authority shall be subject to the following essential terms, together with other terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Commodities, Nationality of Services

Commodities financed by A.I.D. under the Project shall have their source and origin in the United States except as A.I.D. may otherwise agree in writing. Procurement from local sources will be authorized to the extent permitted by the Agency's "Buy America" Initiative guidance cable dated December 5, 1990 (90 State 410442) as may be subsequently amended. Except for ocean shipping, the suppliers of commodities or services financed by grant funds shall have the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

b. Others :

Prior to any disbursement or to the issuance by A.I.D. of any commitment documents under the Project Agreement to finance project activities, the Cooperating Country shall furnish to A.I.D., in form and substance satisfactory to A.I.D., within 60 days of the signing of the Project Agreement, evidence that a Joint Advisory and Selection Committee has been convened and is established to carry out the functions described in the project, and that it includes participation by representatives from A.I.D. and from the Ministry of Public Works, Vocational and Executive Training as well as representatives from the private sector. The private sector representatives will constitute a majority (at least 51%) of the committee.

Except as A.I.D. may otherwise agree in writing, prior to disbursement under the Grant or to the issuance by A.I.D. of any commitment documents under the Project Agreement to finance the long-term training of participants, the Cooperating Country will furnish to A.I.D., in form and substance satisfactory to A.I.D., within 90 days of the signing of the Project Agreement, evidence of its acceptance of selection criteria developed by the Project's Joint Advisory and Selection Committee for use in selecting long-term participants for U.S. training.

Except as A.I.D. may otherwise agree in writing, prior to disbursement under the Grant or to the issuance by A.I.D. of any commitment documents under the Project Agreement to finance the short-term training of participants, the Cooperating Country will furnish to A.I.D., in form and substance satisfactory to A.I.D., evidence of its acceptance of selection criteria developed by the Project's Joint Advisory and Selection Committee for use in selecting short-term participants for U.S. training.

The Cooperating Country shall covenant that, over the project life:

--it will utilize its best efforts to assure that at least 30 percent of trainees in each category of training will be women.

--of training opportunities under the project intervention "Masters Degree Training in the United States", 50 percent will be for individuals in the private sector and 50 percent will be for individuals in the public sector.

--of training opportunities under the project intervention "Short-term Management and Technical Training in the U.S. and Third Countries", approximately 60 percent will be for the use of private sector individuals and approximately 40 percent will be for the use of public sector employees.

--project funds allocated to Tuition Support for Short-Term Management and Technical Training in Morocco shall be provided at the level of approximately 80 percent for training private sector individuals, and approximately 20 percent for training of public sector individuals.

Signature: Dennis M. Chandler 8/23/91  
Dennis M. Chandler,  
Mission Director

Drafting Officer: PSMatheson: 07/05/91  
Revisions: KJF: 07/22/91, 08/05/91, 08/21/91

Clearances: PROG: WNance RGK (draft) RLA: BBarrington (cable)  
PDPE: RBurns ND DDIR: JLowenthal (draft)  
CONT: RWarin RW  
PHR: JHolfeld JH

#2101B

**ACTION MEMORANDUM TO THE MISSION DIRECTOR**

**DATE:** August '23, '1991

**FROM:** Richard P. Burns, Chief, PDPE *RB*  
Joyce M. Holfeld, Chief, PHR

**Subject:** Morocco Training for Development Project  
608-0208

**Problem:** Your approval is requested for a) the Project Paper for the Training for Development Project with life-of-project funding of \$28 million in ESF funding over eight years, and initial obligation in FY 1991; and b) the Project Authorization.

**Discussion:** The Training for Development PID was approved by the AA/ENE and PP approval authority delegated to the Mission Director on April 23, 1991 per State 131420. Issues raised in the PID review concerned means of achieving the project's private sector objectives, including developing a market for private training services, project management, cost sharing, mechanisms of technology transfer, strengthening in-country institutions, and policy dialogue. The project design takes these concerns into account, and Annex A.2 responds to each issue.

**Summary Description:**

The project goal is to remove human resources constraints to the development of open markets in Morocco. The purpose is to strengthen Morocco's in-country training capacity and to improve Moroccan managerial and technical skills for economic development and private sector expansion. The project differs from the predecessor Sector Support Training project in its added focus on private sector training needs, and in providing in-country training and institutional development support for local training institutions.

Two components comprise this project:

**Strengthening In-country Training Infrastructure:** The project will undertake at least 20 diagnostic studies and surveys in selected sectors to determine precise training needs, examine current training facilities and provide the basis for adapting and marketing new training approaches to meet private sector demands. Ten training institutions, including at least six private sector schools, will receive technical assistance to improve management, curricula and faculty skills. At least four linkages between U.S. universities and training institutions and Moroccan training institutions or professional associations will be developed. Seminars, workshops and conferences will build awareness among public and private sector employers of the importance of human resources development and address special training needs.

Improvement of Moroccan Managerial and Technical Capability:  
Complementing the development of new courses in component one, the project will provide tuition support for short-term management and technical training to about 4,800 employees attending courses at the ten training institutions targeted for technical assistance. In addition, 1,000 individuals will attend specialized seminars in Morocco. At least 80 percent of trainees receiving such support will be from the private sector. Short-term management and technical training in the U.S. and third countries will be provided to about 420 Moroccans, approximately 60 percent of whom will be in the private sector. Long-term graduate-level training in the U.S., including both Masters' degree and accelerated executive level training will be provided to 240 individuals, divided equally between public and private sectors. English language training will be provided for participants, AID counterparts, and English language instructors.

Policy concerns will be addressed in the project through dialogue by Mission personnel, particularly in areas directly affecting private sector training, such as accreditation, curriculum approval and standards, and degree equivalency. Key individuals in economic policy and regulatory areas affecting the private sector will also be targeted for training.

Mission Review:

The Mission Review Committee met on July 16, 1991 and unanimously agreed that the project be approved, subject to certain final changes in the text. Discussion focussed on the selection criteria to be developed under the project and applied to participants. It was agreed that private sector percentages must be protected but that the selection criteria must be specific enough to exclude participants from large multinational or conglomerate firms. It was also decided that the 30 percent level of participation by women be reviewed at the first evaluation and perhaps be revised upwards. A second issue addressed was the additional staff to be added at U.S.A.I.D. and funded under the project. Detailed position descriptions will be prepared once the project is authorized and the agreement signed. Finally, as a result of recommendations at the Mission Review, the project budget was revised to clarify the costs for technical assistance.

This project was included in the 1991 Congressional Presentation, for a planned FY 1991 obligation of not to exceed \$4.5 million.

**RECOMMENDATIONS:**

- 1) That you approve the Morocco Training for Development Project by signing the Project Paper facesheet.
- 2) That you sign the attached Project Authorization for a life-of-project total of \$28,000,000

Approved Dennis M. Chandler Date: 8/23/91 Disapprove \_\_\_\_\_

Dennis M. Chandler  
Director

**Clearances:**

DDIR:JLowenthal	<u>(draft)</u>	RLA:BBarrington	<u>(cable)</u>
PROG:WNance	<u>(DRAFT)</u>	ANR:JSchamper	<u>(draft)</u>
CONT:RWarin	<u>RL</u>		
RCO:MReynolds	<u>MR</u>		

**USAID MOROCCO**  
**TRAINING FOR DEVELOPMENT PROJECT PAPER**  
**(608-0208)**

**TRAINING FOR DEVELOPMENT PROJECT  
PROJECT 608-0208**

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## **PROJECT COMMITTEES**

### **PROJECT DESIGN COMMITTEE**

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John Schamper, Deputy Agriculture Development Officer, Office of  
Agriculture  
Richard L. Warin, Controller

## ACRONYMS

AID	Agency for International Development
AID/W	Agency for International Development/Washington
ALIGU	American Language Institute Georgetown University
CID	Consortium for International Development
DFC	Direction de la Formation des Cadres (Directorate for Executive Training)
DH	Dirham
EEC	European Economic Community
EOPS	End-Of-Project Status
ESF	Economic Support Fund
FSN	Foreign Service National
GDP	Gross Domestic Product
GMAT	Graduate Management Admission Test
GNP	Gross National Product
GOM	Government of Morocco
GRE	Graduate Record Examination
HB	Handbook
HBCU	Historically Black Colleges and Universities
HRD	Human Resources Development
IBRD	International Bank for Reconstruction and Development (World Bank)
IEE	Initial Environmental Examination
IQC	Indefinite Quantity Contract
IRM	Information Resources Management
IRR	Internal Rate of Return
JASC	Joint Advisory and Selection Committee
LOP	Life-Of-Project
MA	Master of Arts
MBA	Master of Business Administration
MO	Morocco
MOPW	Ministry of Public Works, Vocational and Executive Training
MS	Master of Science
NPV	Net Present Value
OIT	Office of International Training
PACD	Project Assistance Completion Date
PARTNERS	Partners for International Education and Training
PDPE	Project Development and Private Enterprise
PHR	Population and Human Resources
PID	Project Implementation Document
PIO/P	Project Implementation Order Participant
PP	Project Paper
PSC	Personal Service Contract
PSINA	Private Sector Training Needs Assessment
PIMS	Participant Training Management System
RFP	Request for Proposals
SME	Small and Medium Enterprises
SSTP	Sector Support Training Project
TA	Technical Assistance
TCA	Training Cost Analysis
TDY	Temporary Duty Assignment
TOEFL	Test of English as Foreign Language
UNDP	United Nations Development Program
U.S.	United States
USA	United States of America
USAID	United States Agency for International Development (Mission)
USIS	United States Information Service

## I. PROJECT SUMMARY

### Grantee:

A project Grant Agreement will be signed with the Government of Morocco (GOM), the Ministry of Public Works, Vocational and Executive Training and the Ministry of Finance. The Ministry of Public Works, represented by the Directorate for Executive Training (DFC), will be designated as the responsible GOM agency for project implementation.

### Implementing Agencies:

A Joint Advisory and Selection Committee (JASC), composed of representatives of USAID, the GOM, and individuals from the private sector, will provide advisory and technical support to the project. The DFC will have primary responsibility for ensuring the compatibility of project implementation with Morocco's long-term economic development goals. The USAID Mission through its Population and Human Resources (PHR) Division will have overall responsibility for project supervision and will monitor project implementation. PHR will manage U.S. training through the participant placement contractors retained by A.I.D.'s Office of International Training in Washington. An U.S. institutional contractor will manage all aspects of in-country training, administer select U.S. short-term training activities, and meet the technical assistance requirements of Moroccan training institutions. The contractor may sub-contract with local Moroccan institutions and private intermediaries to execute specific in-country training activities or other programmatic tasks.

### Total Project Cost:

The total project cost is estimated to be \$41.6 million. A.I.D. will provide \$28.0 million from Economic Support Funds (ESF), to be obligated and expended over an eight year period, FY 1991-1999. The Moroccan contribution (private sector and GOM) will be approximately \$13.6 million over the life-of-project (LOP).

### Project Goal and Purpose:

The goal of the Training for Development Project is to remove human resources constraints to the development of open markets in Morocco. The purpose is to strengthen Morocco's in-country training capacity and to improve Moroccan managerial and technical skills for economic development and private sector expansion.

### Background:

Since 1983 the GOM has implemented a structural adjustment program which has yielded impressive economic growth. The private sector has been the motor for this expansion, seizing opportunities presented by the liberalization of the economy and the progressive withdrawal of the public sector from many areas better suited to private enterprise. A principal task for Morocco over the next decade will be to accelerate economic growth in order to reduce unemployment, absorb new entrants into the job market, and increase productivity and efficiency. The private sector must be the primary source of future economic growth and employment generation.

A constraint affecting private sector development generally is a lack of skilled mid- and high-level personnel. This is particularly evident in such areas as agribusiness, light manufacturing and tourism, where increasingly competitive international markets require a better trained workforce with more competent production managers, marketing specialists and other skilled professionals. Private companies need improved access to high-quality training programs, particularly those provided by specialized training institutions in Morocco which offer short-term training at prices that companies can afford.

While training to meet private sector requirements is a leading concern of the project, the GOM will be required to provide continued support of the private sector. The public sector must adapt to its new role as facilitator of economic growth and open markets. To enable the GOM to make this transition, significant resources of the project will be dedicated to relevant public sector training.

Since 1984, government policies have encouraged and facilitated the expansion of privately-owned training institutions to furnish the Moroccan economy with more appropriately trained personnel. Approximately 20 private schools have been established since the 1984 reform though they are still in an early stage of development. This trend is also reflected in the public education system. State-run specialized schools have developed innovative programs tailored to the continuing education needs of a market-oriented economy. However, despite the liberalized policies and impressive growth of private training institutions, the overall number and content of training programs is still far from meeting the demands of a rapidly evolving market economy.

#### Summary of Project Components:

The project will focus on two principal interventions to address the human resources constraints which face the private and public sectors: a) inadequate training infrastructure to produce personnel qualified to fulfill employment needs in a market-driven economy; and, b) insufficient appropriately trained senior managers and mid-level personnel in both the public and private sectors to support rapid economic growth. The project is therefore structured around two multi-faceted components: strengthening in-country training institutions to address locally human resource constraints; and, funding specialized management and technical training both in Morocco and overseas. Policy dialogue conducted by project staff and supported by project technical analyses will complement these interventions.

#### Component 1: Strengthening In-Country Training Infrastructure

Technical and financial assistance will be provided for four types of activities:

a. Adapting and Marketing Training to Private Sector Demands. The project will fund 20 diagnostic studies. These studies will assess training needs in detail and ascertain if training programs already exist to meet these needs. Informal and formal surveys will be used to complement the information gathering process to assess both the course offerings and marketing skills of existing private and public training institutions.

b. Technical Assistance to In-Country Training Institutions. Ten training institutions will receive technical assistance to improve management, faculty skills, curricula, and training materials so that they can better adapt training to address market demands.

c. Linkages Between U.S. and Moroccan Institutions. Currently many U.S. universities and other training institutions are attempting to increase their contacts with similar international organizations. To take advantage of this trend and improve Moroccan training institutions, at least four formal linkages will be established between Moroccan and U.S. training institutions or professional associations. These linkages will be financed through a cost-sharing arrangement with the University Development Linkages Project sponsored by AID/Washington's Center for University Cooperation and Development or by other formal mechanisms.

d. Elevating the Status of Human Resources Development in Morocco. The project will fund a series of seminars and roundtables for both private and public employers. These seminars and roundtables will aim to convey the benefits of human resources development for a developing economy like Morocco. Research on human resources development topics relevant to the current Moroccan situation will also be funded.

Component 2: Improvement of Moroccan Managerial and Technical Capability

The project will finance long and short-term training opportunities in fields critical to Morocco's economic advancement. Approximately 15,000 direct and indirect Moroccan participants will receive training in technical and management fields. Under the project, there will be four types of training interventions :

a. Tuition Support for Short-Term Management and Technical Training in Morocco. The project will provide tuition support for about 4,800 participants drawn from the public and private sector. They will attend courses at training institutions targeted for technical assistance and other appropriate training institutions. Training areas to be targeted for tuition support will be determined based on the sector surveys and diagnostic studies conducted by the project. Approximately 80 percent of the tuition support grants will be for individuals in the private sector.

b. Short-Term Management and Technical Training in the United States and Third Countries. The project will provide 420 opportunities for short-term training. The bulk of the training will be "off-the-shelf" seminars and courses offered in French, Arabic and English in the U.S. In addition, 130 individuals will attend conferences or participate in tailor-made study visits. Of the 420 places available, approximately 60 percent will be reserved for individuals in the private sector.

c. Graduate Level Training in the United States. 240 Moroccans, drawn equally from the public and private sectors, will study for Masters degrees (MA, MS, or MBA) or diplomas from accelerated executive programs in business administration or management.

d. English Language Training. The project will provide English language training in Morocco for approximately 1,800 counterparts and 400 participants as well as 100 English language instructors. Participants will

receive English language training before leaving for U.S. training. Programs will also be funded to improve the quality of technical English, or English for special purposes, for Moroccan counterparts and other trainees who are not scheduled for U.S. training.

## II. PROJECT RATIONALE AND DESCRIPTION

### A. PROBLEM

Since the economic reforms initiated in 1983, Morocco has recorded impressive economic growth. This growth has affected virtually every aspect of national life. Following economic liberalization, the Moroccan private sector took the lead and adjusted rapidly, adapting to international conditions. Moroccan firms seized the opportunities presented by the liberalization of trade and monetary policy, the easing of the regulatory environment, and the creation of more favorable conditions for agricultural production. At the same time, the public sector has been withdrawing from many areas better suited to private enterprise. The economy is undergoing restructuring and the open market incentives for private investors have increased competitiveness, paving the way for future industrialization and sustained economic growth. The private sector will thus remain the primary source of economic growth and employment generation.

Morocco, however, is experiencing demographic pressures, high unemployment, and a troublesome trade imbalance. These factors, together with poor productivity, will continue to be significant obstacles to continued economic growth. Due to a rapid increase in population leading to large numbers of entrants into the labor force, a high proportion of Moroccans are unemployed with little chance of finding work. Roughly 300,000 new jobs per year must be created just to maintain current unemployment levels. Therefore, at a minimum, economic growth must exceed historic levels to reduce current high levels of unemployment and absorb new entrants into the job market. Morocco must also modernize production facilities and techniques and increase productivity.

Many areas of the economy which might be reasonably expected to generate new jobs, such as export-oriented agricultural activities, light industry and small business activity, lack skilled and experienced mid-level personnel. Tourism expansion is also hampered by inadequacies in both the type and quality of personnel available and by ineffective marketing. Without resolution of these problems, growth leading to job creation will be restrained.

In order to continue to grow economically, Morocco must be able to compete in the world market. The major competitors are the well organized and better trained Asian and Pacific countries. Moroccan entrepreneurs have few advantages other than proximity to markets in Europe and North America and they are constrained by the lack of trained and effective personnel. Morocco must therefore develop an appropriate strategy for human resources development which will enable Moroccans to compete.

One way to institutionalize a human resources development strategy is to develop training programs that respond to the demand for skills development and upgrading particularly in the private sector. The changing job market

needs a different mix of technical and managerial skills, which this project can help address. At this point in its development, continuing to rely primarily on traditional "arts and letters" education with little regard for employment potential is a miscalculation the country cannot afford. If Morocco consolidates the economic gains made through liberalization by improving the correlation between training and employment, the country has the opportunity to progress towards sustained employment and earnings growth. The real challenge for human resource development in Morocco over the next decade, therefore, will be to remove human resource constraints to economic growth.

Until very recently, there has been very little private training in Morocco. Graduates of public sector universities tended to bring an education in liberal arts to the job market, rather than specific business, management or technical skills. Furthermore, in the past, government training efforts have focused primarily on improving the government's managerial and technical capacity in traditional development programs (e.g., education, health, agriculture). From now on, public sector skills must also change. The government's role is moving away from that of a key actor in such areas as agriculture, mining, manufacturing, and tourism to one of a policy facilitator responsible for enhancing and promoting open markets.

Given the broad challenges facing the private and public sectors, the project addresses two principal problems:

- ▶ Inadequate training infrastructure capable of producing qualified personnel to respond to market-driven employment needs; and,
- ▶ Insufficient appropriately trained senior managers and mid-level personnel to support open markets and economic growth.

## B. PROJECT RATIONALE

In preparation for the formulation of a new training project directed toward the private sector, USAID commissioned three major studies: "Private Sector Training Needs Assessment," "Integration of Women into Training Programs" and "Profile of Private and Public Post-Baccalaureate Institutions." In addition, USAID conducted training assessments for other projects in the design process (e.g., Morocco Agribusiness Promotion, New Enterprise Development, and Health Care Financing). USAID has also evaluated the current Sector Support Training Project. The government conducted a number of studies which have contributed important information in the formulation of USAID's new training initiatives. (See Bibliography, Annex G for references.)

The findings of these studies are summarized below. Particular emphasis is placed on findings on the relative needs of the private and public sector. Further, where the findings have special relevance for women, these results are noted.

### 1. The Private Sector

The Private Sector Training Needs Assessment identified the several training needs, by order of importance. Private companies believe that developing these skills is a priority for all sectors to ensure future flexibility in the Moroccan labor force:

- |                            |                              |
|----------------------------|------------------------------|
| a) Computer Training       | i) Administrative Management |
| b) Production Technologies | j) Packaging                 |
| c) Quality Control         | k) Human Resource Management |
| d) Accounting              | l) Business English          |
| e) Inventory Management    | m) Market Studies            |
| f) Energy Efficiency       | n) Strategic Planning        |
| g) Product Design          | o) Marketing Strategies.     |
| h) Financial Management    |                              |

Beyond identifying specific training areas, the study suggests that Morocco lacks access to rapidly changing technologies appropriate for Moroccan business. For instance, senior technical experts and managers have little exposure to intellectual exchange opportunities which can stimulate innovations and advancement. Business leaders have carefully monitored Morocco's shift from a state-dominated economy to one whose expansion depends on the initiatives and successes of private enterprise. They want to extend beyond their traditional contacts in France and Spain to the United States. This should increase investment options, sources of supply, and export markets. However, they recognize their management and technical limitations and have adapted to this by seeking experienced overseas partners in new ventures.

All the assessments emphasize that the development of human resources is a real constraint to the future growth of the private sector. However, the concept of investment in human resources is new to Moroccan employers. The first Moroccan national conference on human resources management was held in Casablanca in April 1991. At the conference, the data presented showed that only 11 out of 250 firms surveyed have a division of human resources or office of personnel. The weak showing of human resources development among private companies may be because the small size of Moroccan companies does not require a fully staffed human resources division. Secondly, employers continue to perceive human resources management as being limited to operational aspects such as payroll and labor relations. Furthermore, most firms do not invest in staff training. Where firms offer in-house training courses, they tend to be limited to the installation and use of new equipment.

The private sector remains unconvinced that academic education and special training programs offered by public sector institutions prepare individuals for employment in the private sector. Furthermore, many do not have confidence in the newly established business schools whose experience is limited and curricula not well established or tested. Private Sector firms, however, are willing to pay for short-term training when the firm's needs are taken into account. Therefore, every effort must be made to ensure that public and private training institutions provide more courses which respond directly to identified business needs.

There is a reluctance among most Moroccan business people to pay for long-term overseas training. This kind of training exceeds the immediate perceived need and there is a fear that the employee may not return to the company. Business people prefer and are willing to pay for one or two week intensive training programs to minimize the absence of key managers. It is widely perceived as advantageous, however, to hire individuals who already have an overseas education in business or management.

An analysis of Moroccan skill needs and future growth potential has identified areas where interventions can be effective in supporting human resource improvements for the private sector. These are:

- ▶ Management - To upgrade management skills and introduce new management techniques into curricula in selected fields.
- ▶ Marketing - To improve identification of promising markets and to enhance product design, promotion, and delivery to meet consumer tastes in both foreign and domestic markets.
- ▶ Human Resource Management - To increase the understanding of how to manage and motivate people and the benefits which accrue in terms of higher employee productivity, improved quality control, and lower turnover rates.
- ▶ Technical Training - To upgrade the technical skills in priority private sector growth industries such as agriculture, fisheries, tourism, construction, textiles, leather and other light manufacturing industries.

In addition, to respond to the country's growing export orientation, Morocco's capacity for commercial English language needs to be improved. The use of effective English language skills in international trade is a prerequisite if Morocco intends to market beyond its traditional customers in France, Spain, and Italy.

There exists a significant in-country capacity for training which can be refined and extended through short-term technical assistance and in-service training. However, existing training institutions vary in quality, course content, geographic outreach, and orientation. Course offerings need to be better tailored to company needs. The institutions also need to be able to assess market demand. They should take a proactive role in determining private sector needs, improving outreach to women, and employing new teaching methodologies. Furthermore, in order to become established, training institutions must encourage faculty development, innovative course designs, and support a physical environment with proper learning tools (e.g., computers, laboratory equipment, reference materials, and audio visual teaching aids).

## 2. The Public Sector

The public sector, though job creation has slowed considerably due to budget constraints, requires more and more trained managers and analysts with skills and experience to guide the government's ambitious economic development program. Special skills are essential to implement economic liberalization and promote private sector expansion. The government has an need equal to the private sector for managers and, for example, marketing experts, if Morocco is to attract external investment and improve exports.

Most major public institutions are staffed by highly trained engineers and scientists. However, there is an inadequate flow of high technology information between them and the more industrialized countries. This intellectual isolation stymies innovation, allows outdated production methods to continue, permits waste in many industries, and reduces productivity. For

example, researchers at local agricultural schools lack easy access to global developments in their fields, especially beyond the Francophone world. In addition, research findings from Moroccan research institutions are not systematically implemented by end-user companies.

There is a serious gap between the private and public sector. The private sector is impatient with government bureaucracy and government workers are not comfortable with private sector motivations and methods. The government needs to adjust its delivery system of continuing and professional education to the realities of a liberalized economy and a dynamic private sector. Government officials responsible for private sector affairs and directors of public sector training institutions do not know how to resolve this problem.

The public sector has no choice but to confront this problem, if they wish to continue to stimulate economic growth. Analyses have identified the following three areas for skills development, which will facilitate this process:

- ▶ Management - To introduce skills and improve capability in areas such as program and administrative management, financial management, urban planning, and human resources management.
- ▶ Analysis - To improve skills in policy articulation and analysis in areas affecting legal and regulatory control, standard setting, economic and financial affairs, trade and investment, and export promotion.
- ▶ Technical Training - To promote technical exchange and upgrade technical expertise in priority development areas such as, energy, environment, communications, urban development, fisheries, and tourism.

### 3. Gender Considerations

The pool of women candidates that meet the project selection criteria currently is quite limited. 35 percent of university graduates are women and, of these, only a few reach levels of professional responsibility within the public or private sectors. However, perceptions of women's roles are evolving towards a recognition that women should be active contributors to economic growth. According to a 1990 survey of women in the public and private sectors, the number of women working outside the home is increasing. Currently, women hold 23 percent of professional positions and over 90 percent of secretarial or administrative positions. As the percentage of women seeking employment increases and the number of women professionals grows, more women will look for higher education opportunities.

The greatest opportunities for women appear to be in the fields of marketing, financing, import-export, computer systems, quality control, and research and development. However, women often lack access to information about training opportunities in these important areas since the flow of information in Moroccan society is hierarchical. Women are also constrained by the fact that they rarely have the same access to financial resources as their male counterparts.

Women managers interviewed as part of the "Integration of Women into Training" study believe that their training needs are not different from those of their male colleagues. In fact, they felt that it was important not to create training programs exclusively for women. They expressed that it is important

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to reinforce Moroccan women's integration in the workplace rather than to treat them as a separate group with special needs. Nevertheless, it was felt that a limited number of short-term training opportunities focussing on women-specific issues could enhance the integration of women into the country's economic development.

The projects's overall emphasis on in-country training will alleviate some of the constraints for women associated with participant training in the United States. However, since 30 per cent of all participants trained under this project must be women, the selection rule of "one woman for two men" which was successfully introduced under the Sector Support Training Project will continue to be applied. Additional provisions will be implemented to ensure that women have access to information about training opportunities and that their employers nominate them as candidates. Furthermore, project activities will systematically incorporate measures to advocate the value and importance of training women.

### C. DETAILED PROJECT DESCRIPTION

#### 1. Goal and Purpose

The goal of the project is to remove human resource constraints to the development of open markets, and by extension, open societies, in Morocco. By lessening human resource constraints inhibiting economic liberalization and private sector expansion, the project will support key elements of recent A.I.D. policy statements, such as:

- ▶ Underscoring economic freedom and competitiveness.
- ▶ Expanding the private sector.
- ▶ Supporting the transfer of technology.
- ▶ Reducing government restraints to private sector expansion.
- ▶ Improving the management and efficiency of existing enterprises.
- ▶ Strengthening local institutions to augment opportunities for Moroccans.
- ▶ Assisting private sector support organizations.
- ▶ Supporting public policies that can further economic growth.
- ▶ Fostering partnerships between public and private sectors.

This project goal differs from earlier USAID training efforts. For example, the predecessor Sector Support Training Project focused on training for public sector professionals in traditional development fields in the United States. Its goal was "to enhance the institutional capacity of GOM development ministries to adapt improved planning, management, and technology transfer methods to their social and economic development activities." Other USAID projects with training components similarly aimed at upgrading public sector employees at educational institutions or government ministries. This project will not abandon the public sector, but will reorient the USAID training strategy to emphasize private sector growth and development.

The purpose of the project is to strengthen Morocco's in-country training capacity and to improve Moroccan managerial and technical skills for economic development and private sector expansion. To achieve this purpose, the project interventions will:

- ▶ Strengthen in-country training capacity to address identified human resource constraints;

- ▶ Fund specialized management and technical training both within Morocco and overseas; and
- ▶ Conduct policy dialogue to promote the growth, financial viability and quality of private sector training, particularly in the areas of accreditation, curriculum approval and quality control, and degree equivalency.

The project will improve the quality and capacity of in-country training infrastructure to meet market demands for human resource development. It will also encourage a favorable environment that promotes policies, procedures and standards of training related to the growth, financial viability and quality of private sector training. The project will target in-country institutions for training support. Although not an "institutional development project" per se, it will provide technical assistance to enhance emerging private management schools and select public institutions with demonstrated links to the Moroccan business community.

As with most training projects, the principal beneficiaries will be the individuals trained and institutions assisted. Secondary beneficiaries are the private sector firms and public sector institutions which are able to operate more effectively with better trained staff and improved access to technology.

## 2. Outputs

The main achievements to expect after eight years of project implementation will be substantial improvements in the quality and capacity of Morocco's in-country training infrastructure. A core of dynamic, profitable, and stable private training institutions will be sustained by private sector and individual investments in education. Training institutions will be better managed and offer relevant curricula that respond to the dynamic needs of Morocco's growing businesses. Faculty at both private and public institutions will benefit from ongoing staff development efforts to improve teaching skills and technical knowledge. Appropriate teaching materials will be developed to support ongoing training activities. A strong link will be forged between firms with precise training needs and course offerings at local institutions. Government policies will be directed towards improving private sector training growth such as resolving accreditation and degree equivalency issues, and promoting the financial viability of private and, in some cases, public sector training institutions. Collaboration between U.S. and Moroccan universities and research institutes, private management institutions and business and professional associations will be ongoing. There will also be an increased awareness on the part of private and public employees regarding benefits of staff development. Moreover, there will be a wealth of research data available for management and policy decisions.

By the end of the project, a critical mass of trained managerial and technical experts will be participating in Morocco's economic development. This core will number over 420 recipients of short-term training or internship programs in the United States and some 130 conference attendees or study tour participants, also in the U.S. In addition, 240 participants will have received graduate level training from U.S. universities or diplomas from special accelerated executive programs in business administration. Some 4,800 Moroccans will have upgraded management and technical skills in fields

essential to sound business operations and expansion, through in-country training. An additional 1,000 people will have directly benefitted from courses and training workshops developed by the project, and another 6,500 will indirectly benefit from courses developed by the project. 400 Moroccans will have improved English language skills achieved through intensive courses offered prior to U.S. training and 1,800 USAID counterparts will have improved language skills through in-country language training. Morocco's capacity to provide specialized commercial English instruction (English for Special Purposes) will be upgraded by training of English language trainers reaching at least 100 instructors.

The project's quantifiable outputs are:

- ▶ Nearly 15,000 indirect and direct Moroccan trainees, 30 percent women, with improved technical and managerial capabilities in fields required to sustain Morocco's economic expansion. Indirect beneficiaries include trainees who are not financed by the project but who attend training courses developed as a result of the project;
- ▶ A core of at least six dynamic, profitable, and stable private training institutions sustained by private sector and individual investments in education;
- ▶ Ten training institutions (including private institutions, above) with improved management, faculty with improved pedagogical skills, enhanced curricula, and training materials which are adapted to prevailing market demand;
- ▶ Four linkages established and active between Moroccan and U.S. training institutions and/or professional associations;
- ▶ Substantial awareness on the part of private and public employers of the benefits of human resource development; and,
- ▶ Twenty completed diagnostic studies and needs assessments resulting in the creation or enhancement of courses or the revision of policies, procedures or standards.

The non-quantifiable achievements that are central to this training project include:

- ▶ A private sector better able to respond rapidly to domestic and international market demands due to increased flow of information and better internal management;
- ▶ Improved internal efficiencies of Moroccan firms influenced by ideas from training or internships in the United States;
- ▶ Application of new technologies in Morocco from U.S. training, in-country seminars, workshops, courses, research, or through linkages between U.S. and Moroccan institutions;
- ▶ Employment and personal income growth for project beneficiaries;

- ▶ A rise in investments by Moroccan companies in employee training programs that result in increased productivity and profits;
- ▶ Creation of a positive regulatory framework by the GCM within which private institutions and government-operated technical institutes can function; and,
- ▶ Establishment of a regular dialogue between the GCM, USAID and private sector leaders and institutions regarding improved human resource development policies, procedures, and standards.

In order to achieve the project outputs, the project will have two components. The first will be strengthening in-country training infrastructure and the second component will be improving Moroccan managerial and technical capacity. Each component is described in detail in the sections which follow.

Policy Dialogue, while not identified as a separate project component, will reinforce the specific project interventions. Mission and project staff will regularly discuss with key GCM entities the general concepts underlying this project, such as the value of a wide range of training sources which are oriented to private sector needs, and the importance of such service orientation among public training institutions. In addition, three key areas of governmental responsibility which directly affect the ability of private training institutes to provide a marketable service are: accreditation, curriculum approval or the setting of standards for the protection of the public, and establishing degree equivalency, which can enhance the market value of private sector training.

The project's diagnostic studies and surveys will identify specific problems in these areas which can then be incorporated into the policy dialogue. GCM officials responsible for these regulatory areas will be among those targeted for training under the project. The growth of financially viable private training institutions will provide a stronger base from which private sector views can be made known to relevant ministries. Finally, the project will indirectly support economic liberalization and privatization policies by training of key officials with responsibilities in these areas.

### 3. Component One: Strengthening In-Country Training Infrastructure

The project will enhance in-country training infrastructure in order to improve the quality of training in Morocco, to strengthen the country's capability to meet market demands for training, and to increase targeted training opportunities. This project will improve in-country graduate level or specialty training aimed at technical or managerial personnel. Specific interventions of this component will include adapting and marketing training to be responsive to private sector demand; technical assistance and commodity support to in-country training institutions; fostering and reinforcing linkages between U.S. and Moroccan institutions; and elevating status of human resource development in Morocco. An U.S. institutional contractor will be responsible for the planning, development, implementation and monitoring of all activities in this component.

The institutions targeted for assistance will be privately-owned training institutions and several "Grandes Ecoles," which are prestigious national institutes for specialized higher education, and selected Moroccan training

and research institutes. Of the ten institutions to receive project support, it is expected that a majority will be the privately-owned training institutions which have begun operation in the past few years. Up to four publicly-owned "Grandes Ecoles" or specialized institutes will be included because, as the most prestigious, such professional institutions, have a leadership role and a significant impact on the quality of the professional entrant into the private sector. Most of the graduates of the "Grandes Ecoles" or specialized institutes now enter the private sector. To exclude them would be to miss the opportunity to help these leading institutions to strengthen their orientation toward private sector service and would significantly reduce the impact of the project.

The scope of this project does not include revisions to Morocco's post-secondary curricula. However, it is anticipated that by "trickle down," university curricula will increasingly respond to the needs of the private sector. Nor does the scope of this project include vocational and technical education programs (e.g., carpentry, auto mechanics, welding, plumbing, secretarial training) provided by government training centers or the hundreds of small private technical schools.

Specific project interventions of component one are described below.

a. Adapting and Marketing Training to Private Sector Demands

The project will determine precise training needs, ensure that pertinent training programs are geared to the training demands of the private sector, and collect, analyze and disseminate information related to training. In close collaboration with industry specialists and training institutions, the project will fund at least twenty diagnostic or special studies of selected sectors to determine detailed training requirements and to ascertain whether existing programs address those needs. The analyses of the diagnostic studies will provide sound data for decision-making on training courses, course content, target audiences, and timing. The studies may also contribute to the development or revision of policies, procedures or standards, in such areas as accreditation, equivalency and quality control. To conduct these studies, technical expertise will be drawn primarily from Morocco with supplemental technical assistance by American experts when required.

As a first phase activity, the project will organize meetings or workshops between key personnel of private sector companies and training institutions in order to better ascertain human resource constraints and to better target project interventions. These sector-specific encounters or focus groups will be used to identify business training needs and simultaneously begin the awareness-building on the importance of human resource development. With training institutions involved in these workshops, the project will bridge the gap between "trainer" and "user" of the final product. These activities will be geographically dispersed as appropriate for the business sector selected or focussed on USAID and GOM priority areas.

Paralleling these information gathering efforts will be informal and formal surveys to assess whether marketing approaches used by private and public institutions are effective and efficient. The project will provide technical assistance and training to training institutions in marketing their product to company decision makers regarding staff development and to potential students who need to improve their skills. This assistance, primarily utilizing

Moroccan experts, will include techniques of marketing, substance and impact of marketing messages, and evaluation of marketing.

The data and impressions collected, in both the diagnostic studies and the marketing studies, will be fundamental to establishing a priority list of institutions with which to collaborate throughout the life-of-project. The project will take geographic considerations into account when selecting participating institutions in order to reach other Moroccan towns where training opportunities are limited or where USAID or the GCM have a special interest, instead of only Rabat and Casablanca. The results of such studies will be regularly presented to industry, government, and the educational network through seminars and workshops conducted under the "programme de sensibilisation" discussed in Section II.C.3.d.

b. Technical Assistance to In-Country Training Institutions

Based on information from diagnostic and marketing studies, the project will work with existing Moroccan training institutions which have or are seeking a private sector orientation in order to expand and improve courses already offered in Morocco and to design new courses which respond to market demands and training needs assessments. The project will assist at least ten in-country institutions to provide quality training for the private sector by enhancing institutional management capabilities, developing relevant curricula and course materials, training faculty in pedagogical skills, and upgrading facilities. Recipient institutions will be required to cost-share, that is, they will be required to demonstrate an actual cost expenditure or in-kind contribution to support any given activity. For example, if the project provides a consultant for curriculum development, the host institution may contribute to the activity with staff time, office space, computer equipment and time, or material and logistical support.

On institutional request, the project will introduce better curriculum design and administration to private management and business schools and "Grandes Ecoles," which are providing greater emphasis on the manpower needs of the private sector. Technical experts will analyze the organizational and management structure of selected training institutions and make recommendations for the development or improvement of management systems (e.g., program, administrative, financial, personnel, facility, and data management.) If appropriate, the project may designate a Moroccan or U.S. consultant to solve organizational or management problems inhibiting internal efficiency or profitability of an institution. The project will provide training for managers of training institutions in the planning, execution, implementation and evaluation of training programs.

The project will work with training institutions to expand and improve private sector oriented courses already offered in Morocco and to design and market new courses dictated by private sector needs. It will provide technical assistance to evaluate ongoing courses to help the institution plan for future programs and will sponsor a tracer study of a school's target market to improve relevance of offered courses. It will provide consultants to assist with curricula design and materials development.

The project will train faculty in pedagogical skills in order to improve quality of instruction. It will organize practical workshops to enhance

faculty teaching skills and to introduce specific teaching techniques, such as use of case studies, role playing, focus groups, small groups, and visual aids. To meet specific market or industry requirements, the project may, if requested, conduct training-of-trainers programs for trade schools, industry specialty schools, or regional schools.

The project will identify and arrange for technical assistance to strengthen commercial English language instruction at selected private training institutions. The technical assistance will identify the skills needed for business English and assist the institutions in developing programs, curricula and teaching materials for English for special purposes. In addition, the project will provide intensive training-of-trainer seminars reaching approximately 100 instructors of English language.

The project will provide help with U.S. procurement which might include financial support for audio-visual equipment, publications, or computers. It will not provide facility construction or renovation ("bricks and mortar") for facility development.

U.S. specialists are particularly experienced in management of training institutions, course design, materials development, and teacher training in a sector, geographic region, or on an individual company basis. Therefore, it is anticipated that initial technical assistance will be drawn from U.S. experts. A special effort, however, will be to transfer this capability to local training institutions to develop a cadre of training specialists in Morocco.

In addition to the technical and commodity assistance to be provided under project auspices, a small number of key personnel from Moroccan training institutions will be provided with short-term training in the United States. Examples may include: short-term attendance at technical seminars on marketing and human resource development for private schools; short-term internship at a private management school or firm specializing in training; or an observation tour combining the above activities.

U.S. academic training will be proposed for outstanding professional trainers from private sector institutions whose academic advancement and return to Morocco would result in significant improvements to the delivery of appropriate training to the private sector.

c. Fostering Linkages between U.S. and Moroccan Institutions

For intellectual stimulation, technical information dissemination, technology transfer and faculty exchange, the project will foster at least four formal institutional linkages between Moroccan and U.S. institutions. For this project, a linkage is defined as a direct operational and collaborative tie between a U.S. degree-granting institution or professional association and a Moroccan degree-granting institution or professional organization, arrived at through a mutual agreement, providing mutual benefit, and requiring mutual investment of resources for specified activities.

U.S. universities and professional associations are among the most effective resources available to this project in facilitating the economic development efforts of the Moroccan private sector. Sustainable working relationships between U.S. and Moroccan institutions will create collegial, collaborative

linkages for open-ended exchanges in technology, faculty, libraries, and curricula development. In Morocco, this translates into a stimulus for persons and institutions plagued by weakened organization, outmoded technologies, and academic or professional isolation.

In an atmosphere where U.S. universities are currently making efforts to internationalize, this project will establish formal linkages between Moroccan and American training institutions through the University Development Linkages Project sponsored by AID/Washington's Center for University Cooperation and Development. Beginning in the second year the project will "buy-in" to the Linkages Project to formalize academic linkages. This project assures cost sharing by requiring equal contributions from the participating U.S. and local institutions.

In addition, the project will develop guidelines for helping forge active partnerships between U.S. and Moroccan organizations. The project will arrange study tours and exchanges in both directions between U.S. and Morocco to improve the flow of information among managers, entrepreneurs and technicians in both countries. In some cases, linkage activities will be formalized in a document between two institutions or departments through which the project will fund precise training, research or technical assistance activities. The project also will promote new relationships between private Moroccan institutions and counterpart American schools by arranging U.S. observation tours and follow-up visits by U.S. technical experts. It will carefully coordinate these linkage activities with on-going institutional linkage efforts in other USAID-funded projects such as the Agribusiness Promotion Project or the New Enterprise Development Project. For those institutions that already have an interest in Morocco or the Maghreb, the project will encourage to invest more time, energy and money in Morocco. The project will provide material support to the DFC's University Resource and Information Center in order to create a better understanding of training and research resources available in the U.S.

In addition, the project will capitalize upon returned USAID participants who already represent a considerable investment in human resources development and who repeatedly express frustration in maintaining U.S. contacts and staying current with field advances. These persons with their U.S. training and exposure to American innovations and training systems and approaches will serve as an invaluable vehicle or catalyst to promote U.S.-Moroccan linkages. For returned participants, the project may fund proposals for small grants for research, training and technical assistance which foster collaborative relationships and exchanges between U.S. and Moroccan institutions.

d. Elevating the Status of Human Resources Development in Morocco

Morocco lacks a commitment to developing its human resources among its private sector leaders. In April 1991, the first major conference convened which addressed this subject for Moroccan businesses. Surveys of hundreds of firms and other research conducted in preparation for that conference corroborated the presentations by Moroccan and international experts of the need for major advances in promoting the management of human resources within private enterprise, without which the country cannot compete internationally.

The project will create an awareness of the advantages of and develop a constituency to promote human resources development. A well-planned and

appropriately designed "programme de sensibilisation" sponsored by the project will contribute as an intervention to promote Morocco's economic expansion and ability to compete. To this end, the project will:

- ▶ Convince company managers of the benefits of having a human resource development (HRD) program;
- ▶ Conduct a series of seminars treating HRD issues in increasing complexity and specificity;
- ▶ Conduct workshops treating HRD issues tailored to industry sectors;
- ▶ Research HRD topics pertinent to the Moroccan business context;
- ▶ Conduct meetings to promote the distinction between personnel management, accounting and human resource management as applied to business and government;
- ▶ Hold high-level roundtables with participation from U.S. human resource experts to elevate HRD;
- ▶ Provide periodic technical assistance to resolve precise human resource problems;
- ▶ Identify and propose solutions to GOM policy constraints towards HRD; and
- ▶ Examine the feasibility of creating a professional association for sponsoring and accrediting HRD activities in Morocco.

The project will make widely available diagnostic studies, research reports, journals and seminar reports to business people and government manpower specialists to foster the study of human resources questions in Morocco. The project will track changes in perceptions toward human resource development among Moroccan decision-makers as the project evolves.

To strengthen in-country training capacity, opportunities will be offered for short-term training in the U.S. which directly responds to promoting the state of human resource development. Observation tours and workshops will be designed for influential Moroccan business leaders to broaden their understanding of methods to better motivate employees and obtain returns on investments in staff development.

#### 4. Component Two: Improvement of Moroccan Managerial and Technical Capability

The project will enrich managerial and technical expertise among Moroccan mid- and senior-level professionals in fields critical to Morocco's economic advancement. Interventions will include: short-term management and technical training in Morocco; short-term management and technical training in the United States and third countries; long-term graduate-level training in the United States; intensive and commercial English-language training in Morocco. As the primary focus will be on training directly in favor of the private sector, activities in the second component of the project spotlight individuals whose training would significantly develop open markets.

Candidates will be drawn from private companies, professional associations, education and training institutions, and public sector entities involved directly or indirectly with private sector affairs. In each category of training, women will receive a minimum of 30 percent of the training opportunities offered.

The majority of direct training opportunities will be for private sector candidates, and training of public sector candidates will be sharply targeted on individuals in key roles directly or indirectly affecting private sector operations. For example, within the Ministry of Economic Affairs, individuals responsible for economic liberalization policies or privatization of parastatals may be trained, along with managers of companies which are candidates for privatization, to assist in the privatization process. Individuals in Ministries responsible for accreditation, curriculum standards, and equivalency of degrees may benefit from training. Within Commerce, those involved in tariff and trade policy may be targeted. Selection criteria will ensure that training is not provided to public sector employees who are in productive activities in competition with the private sector, or in areas suitable for privatization (except to facilitate privatization).

This component of the project will focus on development of leadership and management capabilities as well as improvement of technical skills. The project will offer training to candidates whose leadership potential will be enriched by exposure to new developments in technical fields or through interaction with counterparts both in Morocco and in the United States. Additionally, there will be opportunities for Moroccan mid-level personnel to improve their technical skills. Technical training will generally be concentrated in Morocco, but, in selected cases, may include short-term training in the United States.

For U.S. training, all participant training will follow USAID Handbook 10 policies and regulations. U.S. placement and monitoring will be managed by A.I.D.'s Office of International Training (OIT) contractors. The project will pay training costs in accordance with established project cost-sharing policies and procedures. At a minimum, employers will contribute the international travel costs (airfare and in-transit per diem) and the employee's salary while away for training. Historically Black Colleges and Universities and other Gray Amendment entities will be used to provide at least 10 percent of the training.

Four types of training will be provided under the project's second component, as described below.

a. Short-Term Management and Technical Training in Morocco

As described in the first component narrative, the project will provide technical assistance and support to several training institutions to make appropriate management and technical training available in Morocco. In order to ensure an initial market for in-country training courses and to develop skills needed for economic growth, the project will provide, on a cost-sharing basis, tuition support for individuals to attend in-country training programs. Eighty percent of all tuition support grants will be for the private sector and 20 percent for the public sector.

The project will "buy down" tuition costs of sponsored individuals, thus assuring adequate attendance to cover costs and making the average tuition fee required for the course as a whole attractive to a wider clientele. An estimated 4,800 tuition grants will be provided over the life-of-project. Since the intention is to develop a market for these courses, tuition support will be limited the first year, or at most, two years of course presentations. Thereafter, market demand will determine whether a course continues.

For private sector participants, the project will cover a maximum of 40 percent of tuition costs in the first year of a given course, and 25 percent in the second year of the same course. For public sector participants (limited to a maximum of 20 percent of a course, or four persons in an average class of 20), the project will pay, for a given course, up to 100 percent in the first year and up to 50 percent in the second year. No tuition support will be offered for a course after its second year for either public or private sector participants. To avoid the onus of dealing directly with hundreds of individuals, the project will develop a tuition cost-sharing agreement with local training institutions.

The rationale for covering a higher proportion of costs for the public sector is that heretofore GOM trainees have enjoyed full project sponsorship, and it is necessary to phase in Ministry budgetary support. The limits on the number of sponsored public sector participants represents a significant reorientation of the Mission's training activities toward the private sector. Moreover, public sector participants will be limited to those who are responsible directly or indirectly for private sector development, or play key roles in policy, privatization, or regulatory activities, or have a particular development interest for USAID and the GOM.

Two types of participants will be eligible for tuition support:

First, the project will provide tuition support for senior cadres and decision makers in private businesses and government to attend short seminars, roundtables, or workshops on management or specific technical topics related to technology transfer and economic development. The purpose of these courses will be: to offer senior Moroccan managers and business people the latest in modern management training; to enrich the dialogue among scientists in Morocco on topics of direct technological application to development; and to strengthen local professional associations through collaboration in organizing the seminars and workshops.

Secondly, the project will provide tuition support for mid-level private and public sector employees or promising new graduates entering the private sector who already have technical knowledge or management experience and who will contribute to private sector development. Tuition support will be provided for training courses in areas that will enhance economic productivity and efficiency such as business management, marketing, advertising, human resource management, finance, quality control, computers, or other development-specific fields demanded by employers and the job market.

Because a system of donor-funded tuition support has never been tried in Morocco, the project design cannot anticipate the precise make-up of the 4,800 individuals in this target audience or the exact structure of the cost-sharing. One of the initial project tasks will be to analyze the size

and characteristics of the target audience, identify the training institutions and courses to be supported, establish criteria and level for cost-sharing, and develop mechanisms for payment of tuition support to the training institutions.

In addition to the tuition support grants, the project will provide complete or partial funding for 50 specialized and relevant seminars, roundtables, workshops and conferences affecting at least 1000 individuals. Priority subject areas for support will be determined by the Joint Advisory and Selection Committee in conducting these seminars, the project will seek partners among Moroccan organizations including: research institutes, educational organizations, such as the "Grandes Ecoles" and local private postgraduate management institutions; and consulting firms with expertise in engineering, environmental control, energy, management training, market research and economics; and, professional, industry and business associations, such as chambers of commerce, manufacturers' association, textile industry groups, certified public accountant/professional associations, and engineering associations.

b. Short-Term Management and Technical Training in the U.S. and Third Countries

The project will fund short-term management and technical training for approximately 420 Moroccans to support rapid acquisition of management, technical, or marketing skills. Sixty percent (252 participants) of the training opportunities will be reserved for the private sector use and 40 percent (168 participants) for government employees. Candidates for short-term training will be: experienced managerial or technical employees from private firms; private sector employees with maturity, superior academic records, and considerable on-the-job experience who can acquire marketable skills in a highly technical area; and public sector employees working in agencies responsible for activities bearing on the private sector such as privatization, regulatory activities or economic liberalization policies.

The majority of this training will be arranged through "off-the-shelf" seminars and courses offered in English, French and Arabic in the United States by universities, private training companies, consultant firms, trade, professional, and manufacturing associations, research institutes, and U.S. Government specialty agencies such as the Department of Labor, the Bureau of the Census, the Centers for Disease Control, and the Department of Agriculture. When appropriate, organized or tailor-made training programs will be utilized in third countries such as the International Development Law Institute in Rome or other OIT-approved regional training centers. Information will be gathered from major export countries such as Taiwan, Thailand, South Korea, Malaysia, and Singapore to be able to offer relevant training seminars and conferences as possible alternatives.

In addition to the "off-the shelf" management and technical courses, the project will provide funds for short-term executive training programs for private and public sector executives, such as: the Stanford University Executive Training Program for Small Companies; the Columbia University Managing the Enterprise Program; the Program for Developing Managers (women only) at Simmons College; the Program for Executive Development and the Executive Management Program at Pennsylvania State University; and the Harvard University International Senior Management Program.

Through the Entrepreneurs International program, the project will tailor U.S. short-term training with similar counterpart American firms. Carefully designed internships, immersing Moroccan company managers in an American company, will have the following objectives: to impart advanced technical information capable of being transferred to the Moroccan setting; to expose Moroccan business people to potential markets, sources of supply, and trade opportunities; to familiarize Moroccans with product standards required for successful U.S. marketing; to infuse and encourage the Moroccan private sector with innovations and new ideas; and, to develop possibilities for American business counterparts hosting Moroccans to follow-up with technical assistance at the Moroccan firm.

In addition to the 420 short-term training opportunities, the project will sponsor observation visits or conference attendance for decision-making individuals. The project will arrange U.S. study or observation visits for small groups of highly placed Moroccan professionals to foster innovation in managerial or technical areas. For example, a group of training institute directors and a representative of the governmental oversight agency may go for a familiarization tour of U.S. community colleges and private business schools. Another possible visit might target business professionals to view specific U.S. technology. Other visits might seek to strengthen professional associations and their outreach services to members and to small and medium sized companies. A rationale and schedule will be developed so that the study or observation visits will achieve precise objectives and will induce transfer of workable ideas for the Moroccan context. Approximately three observation visits, one year for six years will be funded for a total of 18 visits affecting 60 to 70 individuals.

On a priority and highly competitive basis, the project will support U.S. conference attendance on advanced technological themes for the most highly qualified and carefully selected managers, senior scientists and technical specialists. Selection will be made according to potential for professional contribution to the conference as well as benefit which will accrue to the conferee and to Morocco. Approximately 10 persons per year for 6 years will be funded for a total of 60 conference attendees.

c. Graduate-Level Training in the United States

The project will provide graduate training towards two-year Masters degree (MA/MS/MBA) at U.S. institutions for a total of 120 Moroccans, drawn equally from the public and private sectors. The priority for academic training will be to develop highly-trained management executives in a position to promote economic development and private sector expansion. Major emphasis of training will include: business administration, management, marketing, economics, and sophisticated technical fields of study where the United States has a comparative advantage such as biotechnology, industrial engineering, telecommunications, environmental sciences, and computer sciences. These training opportunities will ultimately help the technologically advanced sectors of the economy adapt modern manufacturing processes as well as increase the quality of government analysis, planning, and export marketing. Such training will also build a core of senior Moroccan business leaders and public servants who are internationally-minded, have strong cross-cultural and presentation skills, and speak and write English.

In addition to the Master's degree program, the project will provide funds for 120 accelerated executive training programs for private sector and government executives, such as: the Executive Program at Stanford University; the Columbia University Accelerated MBA Program; the University of Illinois at Urbana-Champaign Program for International Managers; the University of Pittsburgh Management Program for Executives; and the Harvard University Advanced Management Program. These programs differ from the short-term executive training programs in that they are year-long certificate programs.

Candidates for long-term training will be: experienced technical or managerial employees from private firms willing to authorize long-term study and share costs; current or former private sector employees with maturity, superior academic records, and considerable on-the-job experience who can acquire new, marketable skills in a highly technical area; or public sector employees working in agencies responsible for activities bearing directly or indirectly on the private sector.

For Masters level and executive training, the project will build on experiences gained in the non-sponsored MBA program initiated in the Sector Support Training Project by USAID in 1989, in which individual Moroccans with outstanding academic records and job experience were invited to compete for acceptance into an MBA program at a leading U.S. university. A major lesson was that candidates with some maturity and working experience, rather than new graduates, were better able to define their objectives and pursue them effectively.

d. English Language Training

The project will support English language training programs in Morocco for approximately 1,800 USAID counterparts and 400 participants.

English in preparation for U.S. training will provide intensive training for selected candidates for U.S. Master's degrees and for U.S. short-term training. Based on past experience, it is anticipated that all candidates for Master's degrees will need English language training. The project will provide intensive training six hours per day, five days a week for approximately 200 participants. The total duration will range from nine to twelve months. Training will include preparation for and administration of the Test of English as a Foreign Language (TOEFL), the Graduate Record Examination (GRE), or the Graduate Management Admission Test (GMAT).

For short-term training, approximately 200 selected candidates will receive language instruction. As required, the project will provide refresher or survival English training for a maximum of six weeks. The other 200 selected for short-term training are expected to attend U.S. training programs that are conducted in French, Arabic or already are proficient in English.

The project will provide non-intensive language training for government and private sector counterparts who need English for their work with USAID project materials and consultants; to stay abreast of U.S. technology through technical materials in English; to perform their professional duties; and to attend international conferences and meetings held in English. English for USAID counterparts will include regular evening or Saturday morning classes.

USAID will fund costs for registration, test fees, administrative fees, and research materials. However, cost-sharing may be required from private sector individuals, after thorough review and discussion of the Joint Advisory and Selection Committee.

As part of the institutional strengthening effort of the project, at least 100 English language instructors who are involved in business/commercial English teaching will receive intensive training. This intervention will be managed as part of institution-building activities of component one.

## 5. Selection Criteria and Qualifying Procedures

This new project introduces fundamental changes into the selection process, requiring a new management structure, revised selection criteria and broadened recruitment. From a 95 percent public sector focus of the predecessor project, the Training for Development Project changes the target audience to a public-private sector mix ranging from 50/50 percent for U.S. graduate-level training, to 40/60 percent in favor of the private sector for short-term U.S. training, to 20/80 percent in favor of the private sector for in-country training. Furthermore, under the new project, the public sector employees benefitting from training must demonstrate a direct or indirect professional involvement with the private sector or conduct work directly affecting the private sector.

This section identifies a number of selection criteria, procedures, or issues that stem from the changes introduced by the project. These criteria/procedures will be further studied, elaborated and finalized by the Joint Advisory and Selection Committee. Given the wide range of training beneficiaries and the lack of extensive precedent for selection of private sector individuals and institutions, particularly for in-country training, additional selection issues are likely to emerge during implementation. However, selection will be conducted using a clearcut criteria which is in conformance with A.I.D. policy, agreed to by the Joint Advisory and Selection Committee and based on human resource availabilities and training needs of the country particularly in the private sector.

In all categories of training, the project will develop mechanisms to ensure that sufficient numbers of women are recruited for competition. For training, the "two men for one woman" selection rule used under the Sector Support Training Project to achieve the 30 percent target of women, will remain in effect. To enhance women's participation, the project will actively recruit women for training activities and design training programs to elicit maximum female participation. The project will also ensure that marketing efforts are undertaken to publicize USAID-financed training opportunities for women and will encourage women to apply. The project will develop mechanisms to work with women's groups as well as with the Office for Women's Affairs at the Ministry of Foreign Affairs and Cooperation. However, the selection criteria for women will remain the same as for men.

### a. Basic Participant Selection Criteria for all Categories

It is anticipated that the Joint Advisory and Selection Committee will approve at least the following basic selection criteria—applicable to candidates for long and short-term U.S. and in-country training:

**Candidates must:**

- ▶ be citizens and residents of Morocco;
- ▶ have a clear understanding of the project goals with a personal commitment to return to their profession and make a contribution towards Morocco's economic development;
- ▶ be academically or professionally qualified;
- ▶ possess maturity, and emotional stability enabling them to complete training in an environment away from family and friends; and,
- ▶ be physically qualified for training for which they apply.

Each candidate for overseas training must include the following documents in their application package:

- ▶ A signed letter of nomination for the specific training activity from his/her employer including a certification that the employer will: (a) provide the international airfare Morocco-U.S. port-of-entry-Morocco (for the public sector), and Morocco-training site-Morocco (for the private sector); (b) continue his/her employment for the duration of language training and long- or short-term training; and (c) ensure him/her an appropriate position upon return from training to utilize the skills acquired.
- ▶ A detailed description of the desired training (candidates for long-term training only).
- ▶ Certified true copies of all undergraduate (and graduate, if applicable) transcripts, including degree. (Candidates for long-term training only).
- ▶ Three letters of recommendation (candidates for long-term training only).
- ▶ An ALIGU score not lower than 50/100, (or comparable TOEFL score). Candidates for short-term training in English must demonstrate 65/100 ALIGU; and
- ▶ A signed agreement stating that he/she will return to Morocco in accordance to A.I.D. and Morocco policy.

In addition to the above basic criteria, distinct selection criteria and procedures apply to private sector candidates, public sector candidates, and candidates for tuition-supported in-country training, and English language training.

b. Private Sector Selection Criteria and Procedures for Academic and Short-Term Training

The selection of private sector participants is a relatively new activity that will require carefully drawn up criteria and sensitivity to ensure equal opportunity to all applicants. The Joint Advisory and Selection Committee

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will establish criteria based on current and future needs in the private sector market. With 120 opportunities designated for academic training necessary for private sector growth and development, roughly 60 will be reserved for MBA candidates or for Master's degree specialized training. The remaining 60 opportunities will be set aside for accelerated executive programs. At a minimum, the private sector candidates must meet the basic criteria, and, in addition, must have demonstrated strong potential for leadership, must pursue academic studies or training relevant to the growth and development of the private sector, must have a superior academic background, must have at least three years of progressive professional experience in the private sector, and must cost-share according to the cost-sharing formula established for the private sector. Candidates for U.S. training in English must have basic English language skills (50 ALIGU) at the time of selection. The scholarships will be highly competitive for the "best and brightest."

For long-term academic candidates the contractor will prepare all dossiers for review. The Committee will do a complete dossier review and prepare a short-list of qualified candidates to be interviewed. The committee will interview the top candidates. Following the interviews, the committee will select the final candidates. In addition to the selection criteria, the Committee will take into account the likelihood of placement at a U.S. university and the appropriateness of the training for Morocco. The contractor will prepare the files for placement, including the translation of documents, verification of diplomas, photocopying of the dossier, and drafting of the PIO/P. USAID will submit the complete dossiers to OIT for assignment to a participant placement and monitoring agency. Procedures for the preparation, selection and processing of nominees for short-term U.S. training will be similar, except that the Committee will not interview each individual candidate, but will select based on the dossier review.

c. Public Sector Selection Criteria and Procedures for Academic and Short-Term Training

There will be 120 opportunities designated for academic training for the public sector, of which 60 will be reserved for MBA candidates or for Master's degree specialized training. The remaining 60 opportunities will be set aside for accelerated executive programs. Public sector candidates must work directly or indirectly in some capacity which is related to the development of the private sector; or must be professionally related to the country's economic liberalization and economic policy reform; or must serve in a management position in a company that will be privatized in the immediate future or will assist in the privatization process. Areas of study must be related to skills and functions needed to promote market-driven growth. Specific development subjects may be pursued with the mutual agreement of USAID and DFC. In addition, these public sector candidates must meet all the basic criteria listed in section II.5.a. Moreover, they must have potential for leadership, a superior academic background, and at least three years of progressive professional experience. Candidates for U.S. training in English must have basic English language skills (50 ALIGU) at the time of selection. Finally, candidates from the public sector must have the full endorsement of their ministries including a signed statement that the ministry will provide the airfare for the Morocco-US-Morocco travel, will continue the employment of the individuals for the duration of language training and long-term training, and will place the candidates in positions to utilize their skills after

return from training. No public sector candidate will be trained for employment in productive areas in direct competition with the private sector; or in a sector suitable for privatization except insofar as training would facilitate the privatization process.

For long-term academic and short-term training, all public sector candidates must go through the DFC. The DFC will prepare candidate dossiers for submission to the Joint Advisory and Selection Committee. The Committee will do a dossier review and prepare a short-list of qualified candidates to be interviewed. The Committee will interview the top candidates. Following the interviews, the Committee will select the final candidates. The Committee will take into account the likelihood of placement at a U.S. university and the appropriateness of the training for Morocco. Procedures for the selection of nominees for short-term U.S. training will be similar, except that the Committee will not interview each individual candidate. The contractor will prepare the files for placement, including the translation of documents, verification of diplomas, and photocopying of the dossier, and draft the PIO/P. USAID will prepare the final PIO/P and submit the complete dossiers to OIT for assignment to a participant placement agency.

d. Selection Criteria and Procedures for In-Country Tuition Support

Over the life-of-project 4,800 tuition support grants will be provided for Moroccans participating in the in-country training programs. Approximately 80 percent of the tuition grants will go to private sector participants and 20 percent to public sector participants. All candidates must meet the basic selection criteria and the criteria specific to their sector. Tuition support allocations will be made by course rather than by individual and funds will be provided directly to training institutions, and not to individuals. The selection of courses eligible for tuition support will be those contributing to increased economic productivity and efficiency such as management, marketing, financial management, special technology, quality control, computer sciences and other development-specific areas as requested by employers. On an annual basis, the Joint Advisory and Selection Committee will determine the courses which will receive tuition support. The contractor will disburse tuition support funds to the courses designated.

e. Selection Criteria and Procedures for Language Training

All candidates selected for long-term academic training will automatically be eligible to attend intensive English language training. Any candidate not reaching a minimal of 500 on the Test of English as a Foreign Language after 12 months of training, (TOEFL) or minimum required by admitting university will be disqualified for overseas training. Those candidates selected for short-term training in English will be eligible for refresher training or survival English.

6. Follow-on Activities

Follow-on activities are important to "mining the investment" made by USAID in U.S. academic and short-term training. It is shortsighted to believe that USAID's relationship or commitment to training participants ends with the award of a degree, diploma, or certificate. On the contrary, it is only after returning to work that the real challenge begins for the Moroccan participants to mature into the future dynamic leaders for which they were selected.

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Participants need continued USAID support, reinforcement, and encouragement so that their skills can be appropriately applied towards meaningful development in Morocco.

This project will examine the feasibility of many types of follow-on activities. Although not exhaustive, below is a list of follow-on activities that the project will examine and tailor to participant needs, and then evaluate impact on returnees' performance and productivity:

- ▶ ascertain the type of activities participants want or need after returning to Morocco;
- ▶ Strengthen the existing alumni association or network that is organized and maintained by its own membership. This will be done only if there is earnest personal interest by the alumni association. Sector-specific associations may be considered for professional participant members. The types of association activities may include:
  - Provide pre-departure and re-entry orientations to participants.
  - Produce a newsletter with such items as biodata on returned participants; articles on the impact of the work of returned participants; events within USAID—success stories, sector and project development; technical as well as social articles; results of private sector training diagnostic studies; policy changes affecting private sector development.
  - Serve as a resource bank for technical assistance, studies e.g., evaluations, institutional profiles, technical or business problems.
  - Assist returnees to present a seminar or workshop, under association auspices, in their field of study and/or conduct training-of-trainers session, if field topic is relevant for multiplier effect.
  - Establish a network to assist with the placement of returned participants.
  - Help organize volunteer community development activities.
  - Develop a resource base of funding sources. Help develop expertise in grantsmanship and proposal writing to support individual or group projects. For example, encourage open competition for research funds such as those available through A.I.D.'s Office of the Science Advisor, the National Institute of Health, Ford and Rockefeller and other foundations, industry associations and foundations.
  - Engage in fund raising activities as a means towards sustainability.
  - Establish a resource library with professional or trade journals to assist returnees in staying current in their business or field of study.

- ▶ Provide research/equipment seed money, e.g., \$2000, to outstanding U.S. academic returnees for research and development activities and special seminars and studies particularly related to the growth and development of the private sector.
- ▶ Provide small grants for the publication of outstanding theses, conference papers or research results which benefit the country's economic development.
- ▶ Institute collaboration of USAID participants with United States Information Service (USIS), Chambers of Commerce, trade associations, and schools to synergize follow-on efforts.
- ▶ Place returnees on mailing lists of A.I.D. and USIS to receive each agency's periodic publications and provide them with relevant literature when available.
- ▶ Develop mechanisms to market returnee services and expertise.

The type of follow-on efforts for this project will be substantive, and will provide returnees with an incentive for involvement. Tailored follow-on activities can enhance career promotion, improve socio-economic status, increase business revenue and trade linkages, or offer prestige by belonging.

During the life-of-project, there will be many opportunities to find and combine the appropriate follow-on activities that will ( )ally service the needs of USAID's diverse participant population and, more importantly, refine mechanisms that ensure sustainability and benefits after the project activity has been completed.

#### 7. Annual Training Plan

To be successful, the implementation and timing of this project involves careful planning and collaboration by USAID with the private and public sector. The training must be coordinated and integrated with all of the essential project elements. This includes the number of participant training programs required, the sources of training, the categories of training as well as the time required to prepare persons for training and then reintegrate them into the project after their training.

The project contractor will prepare an annual training plan that takes into consideration the above considerations, as well as ensuring that suitable candidates and their alternates are available for training. The design and implementation must provide sufficient lead-times to select and prepare participants for U.S., third country, or in-country training. For example, a participant's English language deficiency is often cited for remedial action that requires lead-time for an otherwise qualified participant programmed for U.S. training. Lastly, the effectiveness of participant training will be judged on how well the training plan reintegrates Moroccans back into the project for contribution to the targeted goal.

#### D. RELATIONSHIP TO OTHER MISSION TRAINING ACTIVITIES

Each USAID/Morocco project stands alone and has its own objectives, inputs, and outputs including project-related training activities. All Mission

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projects have their own training budgets and are responsible for full implementation, including identifying candidates, selecting participants, processing dossiers, identifying training institutions, placing students, preparing departures, and monitoring overseas performance and return to Morocco.

To the extent that training activities of different projects can complement one another's objectives, training candidates will be referred on a case-by-case basis. For example, target beneficiaries of the Training for Development Project can be referred to another project's training component and similarly other projects may refer candidates to the Training Project. The referred training candidates will then be processed exclusively by the project to which they have been referred.

To ensure that there is consistency between projects and that overall Mission goals and objectives are met, the USAID Training Office, working in collaboration with USAID Project Officers, will be responsible for coordinating and tracking all overseas Mission training activities. This will entail the development of a comprehensive Mission training strategy and consistency among the training plans and procedures of individual projects. All projects will follow a uniform set of standards for the implementation of training and benefits which participants receive. In addition, all training must meet Handbook 10 requirements.

The follow-on activities for returned participants funded by the Training for Development Project provide another point of interface for all Mission training activities. Follow-on activities described in Section II.C.6. of this document are intended to maximize the long-term impact of all USAID-funded participant training, not just those trained under this project. Therefore, returned participants funded by any Mission project will be eligible for and encouraged to participate in the Training for Development follow-on interventions.

#### **E. OTHER DONOR ACTIVITY**

Morocco has active bilateral agreements with other foreign donors for training outside of Morocco. For the purpose of the Project Paper analysis, USAID interviewed six donors represented in Morocco to obtain relevant information regarding their current training interventions. The following describes the results of these interviews.

The French Government is undoubtedly the largest donor for training, as it has been over the last decade. Their annual total number of scholarships is 2000: 500 for long-term training (mostly at the undergraduate level) and 1,500 for short-term training. Priority fields of study include engineering, agriculture, science and technology, and French. Short-term training includes such programs as refresher courses for Moroccan teachers of French and "hands-on" training for undergraduate students at farms in France.

The United Kingdom provides an average of 40 long-term training scholarships per year in fields such as business administration, agriculture, English language, and media and communication. Short-term training primarily focuses on English language for Moroccan teachers of English (training-of-trainers), and training for evaluators of English language programs.

The European Economic Community provides about 90 scholarships for long-term training in the area of textiles and leather. This training is carried out under a project that co-funds the construction of the Moroccan Institute for Engineers in Textiles and Leather as well as a small number of vocational education schools in the same field. As for short-term training, the EEC also provides opportunities in the field of fisheries and related maritime areas.

Morocco has agreements with the United Nations Development Program (UNDP) to serve as a funding agency as well as a facilitator for a wide range of other UN institutional organizations not represented in Morocco, but that offer short-term training in countries where they are located, e.g., the International Labor Organization, the International Maritime Organization, the United Nations Program for Environment, and United Nations Fund for Population Activities. Their fields of training include environment, water, labor, telecommunications, etc. In addition, the UNDP provides full funding for targeted short-term training activities within its technical projects related to water, agriculture, health, fisheries, management and industry.

The Canadian Government provides a total of 50 long-term scholarships per year in areas that include management, administration, computer science, agriculture, and marketing. They further provide about 100 short-term training programs per year in agribusiness, food technology, energy, and fisheries.

The Japanese Government about 20 short-term training opportunities and only three long-term training scholarships per year. Areas of training include science and technology, environment, agriculture, and development economics.

The above illustrates the numbers of scholarships provided for training outside of Morocco. In addition, there are other significant elements that merit discussion to illustrate the context in which this project will be implemented.

Training location. All of the above training activities are funded to take place in the donor's home country, except the UNDP and the EEC which fund training in a number of countries. None of the donors provide training in Morocco. In discussions, some donors indicated that given the increasing costs of overseas training, they may focus on in-country training in the future. Canada and the United Kingdom have technical assistance arrangements with training institutions. For example, Canada provides technical assistance to the Mohammadia School of Engineering to upgrade its computer laboratory. In addition, both Canada and the United Kingdom coordinate formal or informal linkage initiatives between Canadian/British universities and Moroccan training institutions. However, the donors do not consider these interventions as training, but as technical assistance.

Women. Only two of the six donor programs reserve a special quota for women trainees. The British have 30 percent women in a newly designed MBA project and reserve 20 percent of their scholarships for long-term training in English language for women. The Canadians have a 30 percent female quota for all training. The UNDP has no quota for women in their training activities, but is funding the special unit in the Ministry of Foreign Affairs to promote the role of women in development, i.e., via training. All other interviewed donors do not have quotas and have stated that few women participate in their programs.

Private sector versus public sector. Four of the donor programs discussed above, i.e., France, EEC, UNDP, and Japan, are strictly targeted to the public sector. Only Canada and the United Kingdom are providing limited training opportunities for the private sector. The United Kingdom has an MBA-type program and has 25 percent of its short-term training opportunities going to the private sector. Forty-three percent of Canada's short-term participants are from the private sector. Also, for both donors, non-sponsored individuals are eligible to apply for scholarships. In addition the "Canadian Business World" takes initiatives in looking for business or institutional linkages which are only peripherally coordinated by the Canadian Government.

Cost Sharing. Three of the donors, France, Canada, and the United Kingdom, require cost sharing by either the GOM or the individual receiving the training. For example, France requests 25 percent GOM contribution which is drawn from a Moroccan scholarship fund. Hence, beneficiaries of French scholarships are also beneficiaries of a Moroccan scholarship. Canada has a cost sharing arrangement where the GOM or the independent individual pays for the international travel and per diem during the training period.

The above clearly emphasizes the uniqueness of this project whereby no other donor has sought to take any steps towards targeting their training to the private sector or encouraging the development of in-country training capacity aimed primarily toward the private sector.

### III. IMPLEMENTATION PLAN

#### A. PROJECT IMPLEMENTATION ENTITIES

The Training for Development Project will be funded through a grant to the Government of Morocco signed with the Ministry of Public Works, Vocational and Executive Training, with the Directorate for Executive Training (DFC) designated responsible for project implementation. A Joint Advisory and Selection Committee, composed of representatives of USAID, the GOM, and individuals from the private sector, will provide oversight and technical advice for all project components and will select participants for long- and short-term overseas training. The DFC will have the responsibility of ensuring compatibility of project implementation with long-term economic development goals of the GOM. USAID, through its Population and Human Resources (PHR) Division, will monitor the project and implement U.S. training through the participant placement contractors managed by A.I.D.'s Office of International Training in Washington. A U.S. contractor will manage all aspects of in-country training, administer selected U.S. short-term training activities, and provide technical assistance requirements to Moroccan training institutions. To execute specific in-country training activities or other programmatic tasks, the contractor may provide seed grants to returned participants or selected institutions offering a special seminar or may sub-contract with local Moroccan institutions and private intermediaries

Managing the diverse components of this large training and technical assistance project will require careful organization and culturally sensitive implementation. The various responsible entities will need to cooperate closely to ensure that the project components function smoothly and that the

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goal and objectives of the project are achieved. The following subsections define the diverse role and responsibilities of the various project actors.

### 1. Project Joint Advisory and Selection Committee

The project will be guided by a Joint Advisory and Selection (JASC) Committee. This Committee will be composed of at least nine voting members with USAID, two members; DFC, two members; and private sector, five members. (Actual membership to be determined, however, there will be no more than 10 members, GOM and USAID will have equal representation, and the private sector representation will be at least 51%).

The private sector representatives will be invited to participate for two-year terms. This Committee structure will enable USAID and the GOM to interact directly and regularly with key players in Morocco's private sector while promoting working relationships between the private sector and GOM.

The Joint Advisory and Selection Committee will provide overall policy guidance for the project, identify broad training audiences and activities, recommend to the implementing entities interventions for creating or expanding in-country training. The Committee will set the tone of the project, determine technical fields for project emphasis, and ensure that private sector needs are adequately addressed. It will help determine technological themes for in-country seminars or overseas training or technical assistance. The Committee will provide a point of coordination for the various actors of the project. It will serve as a forum where views are exchanged between GOM, USAID, and private sector members. Committee members will be asked to disseminate information about project activities to its network and participate in public relations activities.

The Committee will establish selection criteria procedures and standards. It will review dossiers and interview candidates for U.S. long and short-term training and select all participants for U.S. training. In close collaboration with the contractor, the Committee will monitor implementation of the project, and evaluate progress toward achieving project goals. It will review terms of reference for the planned project evaluations and assess progress toward achieving the project goals. It will make recommendations for adjustments in the project following periodic reviews and evaluations. USAID reserves the right to veto JASC technical and selection decisions.

The Committee will consider several important issues within the first year of the project, such as: the amount of technical assistance or tuition support to offer to cooperating local institutions; selection criteria for all categories of training and institutions needing assistance; priority sectors or industries which need technological innovations first; and priority themes for U.S. training.

The Committee will meet monthly during the first three months of the project and bi-monthly thereafter, unless otherwise necessary. Meetings will be co-chaired by the senior USAID and GOM representatives. The contractor's Chief-of-Party will also attend as a non-voting participant. The contractor will provide logistical support to the Committee, e.g., agenda preparation, dissemination of invitation letters, preparation of position papers, minutes of meetings, etc.

A condition precedent to the first disbursement will be the formal establishment of this Joint Advisory and Selection Committee with precise mandate, composition, how members will be selected, rules of operation and organization.

## 2. The Host Government Counterpart Ministry

The Ministry of Public Works, Vocational and Executive Training, Directorate for Executive Training (Direction de la Formation des Cadres, DFC) will be the designated representative of the GOM for this project and will take the lead for the GOM in project coordination. The DFC will co-chair the Joint Advisory and Selection Committee. For public sector activities, the DFC will ensure the compatibility of project policies and implementation with long-term economic development goals of the GOM; provide general oversight for the project implementation; conduct policy dialogue with government agencies; market training opportunities, coordinate and prepare dossiers for short-term and long-term overseas training activities for the public sector; participate with appropriate diagnostic studies for policy reform; link with the private sector, as appropriate; and participate in evaluation of project impact. The DFC will review the contractor scope of work and participate in contractor evaluation. To perform the above tasks, the DFC will designate at least two full-time professional equivalent staff.

## 3. USAID Morocco

The USAID Training Office in the Division of Population and Human Resources (PHR), will have primary responsibility for project management. The Training Office will monitor the project and review sector-specific training needs assessments with the contractor, the private sector representatives and GOM officials. The Training Office will review for funding annual workplans and monitor all contractor training activities. The Training Office will ensure that A.I.D. policies and procedures are adhered to.

At the beginning of the project, the Training Office will play a key role in convening the early sessions of the Joint Advisory and Selection Committee. Also, the Training Office will prepare the specific terms of reference of the technical assistance contract and will chair the review committee established to review proposals and select the contractor. After selection of the contractor, the Training Office, with advice of the Regional Contracts Officer, will ensure that all actors are fully informed of project roles, activities and timetables.

The Training Office will manage the U.S. training component of the project, utilizing the placement and monitoring contractors of OPT. After selection of the participants, the preparation of the participant dossier and administrative processing will be handled by the institutional contractor. Once the PIO/P's are officially transferred to USAID, the Training Office will assume monitoring responsibilities of all U.S.-based participants. The Training Office will be responsible for specific tasks required by HB 10, e.g., issuance of IAP66A's for visas, medical certifications, attestations.

With the wind-down of the Sector Support Training Project and with day-to-day administrative processing to be assumed by the contractor, the Training Office will assume more sophisticated planning, evaluation, and follow-on activities for the Mission. For example, the Training Office staff will assist with the

determining sector specific training needs and developing USAID training strategies; reviewing technical assistance scopes of work; reviewing consultant reports and recommendations; designing project evaluations; networking with returned participants for the benefits of USAID's development program; representing USAID at project meetings, functions and seminars; and serving as liaison with the GOM, private sector and other donors regarding human resources development. The Training Office will serve as the focal point for the coordination, reporting and monitoring of all USAID Morocco training and will provide technical assistance to USAID offices in the development and assessment of training plans.

The USAID Controller's Office will provide budget and fiscal support, including the financial processing of PIO/PS, amendments and vouchers, and assist, where appropriate, with the pre-audit reviews of private sector firms to be involved with training activities. The Regional Contracts Officer will provide administrative and logistical support to the project, by soliciting, negotiating and monitoring all contract actions. The Executive Office will provide administrative and logistical support to the Training Office and the project as necessary.

In order to execute the above tasks, the project will contribute starting in FY 1992, to the salary of one procurement specialist and will hire a PSC/FSN budget and financial assistant, and in 1993 will assume the salary of the two professional training officers supported by the current project.

#### 4. U.S. Institutional Contractor

USAID will engage a U.S. institutional contractor to plan, execute, and assess assigned programmatic and operational aspects of the project. The contractor will provide long-term expatriate technical assistance in the form of a technically qualified chief-of-party (7 person years) and a training expert (for a minimum of 2 person-years), and organize 70 person months of short-term technical assistance. Moreover, the contractor will recruit, field, supervise, and provide logistical support to all short-term technical advisors.

The contractor will plan, manage and evaluate component one activities of this project. The contractor will provide specific technical, logistical and administrative support for project management or the implementation of selected interventions, e.g. support of committee meetings, processing of participant dossiers, organizing pre-departure orientation for participants, executing returned participant follow-on activities, marketing of all aspects of the project, representing the project at official functions, etc.

The contractor will organize a project management unit in Morocco and will procure office space, furniture, and equipment to support the expatriate expert and Moroccan professional and support staff. The contractor will recruit, hire, and train the appropriate national staff to execute the assigned project components. The contractor will develop and implement sound annual workplans to meet project objectives. It will determine specific in-country training needs and develop operational programs to meet those needs. The contractor will arrange for various diagnostic studies and technical studies. The contractor will adapt and market training in Morocco. It will arrange and provide technical assistance, goods, and commodities for the development of in-country training capacity. The contractor will plan

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various in-country seminars on human resources development and various technical subjects. The contractor will also contract for specific in-country training activities. In addition, the contractor will coordinate and encourage professional linkages between the U.S. and Moroccan institutions.

The contractor will be responsible for the preparation of a global project annual workplan to be submitted for approval by the Joint Advisory and Selection Committee. The annual plan will establish objectives, by component and intervention, for the project in the year ahead. The workplan will specify activities planned to accomplish these objectives, and determine the manpower and financial resources necessary. Activities will be planned in accordance with a specified implementation schedule. In addition, the contractor will prepare the annual training plan as specified in Section II.C.7.

The contractor will maintain the Participant Training Management System data base for all USAID training participants. The contractor will provide for continued monitoring and assessment of all project activities and develop mechanisms for systematic reporting on project activities. The contractor will prepare technical reports including but not limited to annual progress reports, consultant reports, diagnostic reports and special studies. As required, the contractor will submit financial and accounting reports. The contractor will participate as required in project evaluations.

Per A.I.D. policy, the scope of work will require the contractor to comply with all policies, procedures, regulations, and reporting requirements as specified in A.I.D. Handbook 10 on participant training.

##### 5. Moroccan Partners

The project will work with a variety of Moroccan partners such as research institutes and educational organizations, such as the "Grandes Ecoles" and local private postgraduate management institutions; consulting firms with expertise in engineering, environmental control, energy, management training, market research and economics; and professional and business associations, such as chambers of commerce, manufacturers' associations, textile industry groups, certified public accountant/professional associations, and engineering associations.

The U.S. institutional contractor will subcontract with local Moroccan training institutions, professional organizations or private firms or individuals to execute specific in-country activities. For example, the contractor may engage the services of a consulting firm or individual to carry out a needs assessment, a diagnostic or problem-solving study; organize and conduct a seminar or workshop or participate in training sessions; or provide technical assistance for a specific task such as curriculum development, materials development, management reviews, teacher training. The contractor may also provide seed grants for special research, or return participant activities.

In addition, the project will provide technical and financial assistance to at least ten (10) privately-owned training institutions, "Grandes Ecoles," or specialized national institutions. Institutions receiving project assistance will be selected competitively. The types of institutions which might be

considered are included in the Profile of Training Institutions included as Annex E. Several of these institutions will also receive tuition support grants in accordance with the cost-sharing mechanisms developed for in-country training.

## B. PROJECT IMPLEMENTATION SCHEDULE

The project will be implemented from the signature of the Project Agreement in August, 1991 to September 30, 1999. In order to have a logical transition of activities, the Training for Development Project will overlap with the current Sector Support Training Project (608-0178), which is due to end on September 23, 1993.

The project activities will fall within four distinct phases: mobilization, transition, full implementation, and phase-out.

### 1. Mobilization: August 1991 - July 1992:

During this period, the Training Office will continue its management of the Sector Support Training Project. All selection of participants for U.S. training will continue using current criteria until new selection criteria and procedures are formulated.

USAID and DFC will organize the Joint Advisory and Selection Committee. This group will make policy guidelines and decisions regarding the program, e.g., establishment of selection criteria, identification of training area emphasis, formula for training women, etc. USAID will prepare the Request for Proposals for solicitation of a contractor with its expected award date in late Spring of 1992. It will probably take the contractor 2-4 months to field staff and to organize a functioning office in Morocco.

Milestone activities of the Mobilization Phase are as follows:

- 8/91 USAID signs Project Authorization
- 8/91 GOM/USAID sign Project Grant Agreement
- 9/91 MOPW/USAID convene Project Joint Advisory and Selection (JASC) Committee to establish policy and guidelines
- 10/91 GOM meets project covenants and conditions
- 11/91 JASC selects 1992 long-term participants
- 11/91 USAID issues RFP for institutional contractor
- 12/91 USAID signs PSC Contract with Budget and Finance Assistant
  
- 2/92 JASC initiates bimonthly meetings to select 92 short-term participants
- 3/92 USAID/GOM select institutional contractor
- 5/92 USAID signs contract with Institutional Contractor
- 6/92 USAID lyses-in to University Linkages Project.

### 2. Transition: August 1992 - September 1993:

As soon after the arrival of the contractor as possible, USAID will pass to the contractor planning, management, and execution of project activities. During this period, the contractor will initiate planning activities including development of work plans, establishing procedures from policy developed by the Joint Advisory and Selection Committee, conducting needs assessments, developing responsive in-country training activities, identifying and

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developing in-country contracts for training, investigating university linkage mechanisms, conduct baseline surveys, and begin management of USAID's participant data base.

Milestone activities of this phase are as follows:

- 8/92 Contractor chief-of-Party arrives in country and establishes project management unit
- 8/92 Contractor initiates diagnostic studies and needs assessments and determines project targets
- 9/92 Contractor training specialist arrives in country
- 9/92 Contractor initiates in-country training activities (on-going)
- 9/92 Contractor initiates baseline studies for assessment needs and begins identification of local institutions for technical assistance
- 9/92 Contractor submits workplan to JASC
- 9/92 USAID issues RFP for English language training contract
- 10/92 JASC approves project guidelines and first contractor workplan
- 10/92 JASC meets to select 1993 long-term participants
  
- 2/93 JASC initiates bimonthly meetings to select 1993 short-term participants
- 9/93 USAID/GOM conducts in-house evaluation to prepare for full implementation phase
- 9/93 Contractor submits first annual report and 1994 workplan to JASC.

### 3. Full Implementation: October 1993 - September 1997:

After the PACD of the Sector Support Training Project (September 1993), the project will swing into full implementation as all program and operational systems will be in place. From this point onward, the contractor will be fully responsible for the development, planning and execution of all in-country activities. In September of each year, the contractor will submit an annual workplan to the JASC and USAID for review and approval in October. This document will establish the priorities and implementation schedule for the following calendar year.

Milestone activities for the Implementation Phase are as follows:

- 10/93 JASC approves contractor workplan
- 10/93 JASC holds selection for 1994 long-term participants
- 10/93 USAID signs PSC contracts with two Training Assistants for USAID Training Office
  
- 2/94 JASC initiates bimonthly meetings to select 1994 short-term participants
- 9/94 Contractor submits annual progress report and 1995 workplan to JASC
- 10/94 JASC approves workplan
- 10/94 JASC holds selection for 1995 long-term participants
- 2/95 JASC initiates bimonthly meetings to select short-term participants
- 9/95 Contractor submits annual progress report and 1996 workplan to JASC
- 10/95 JASC approves workplan
- 10/95 JASC holds selection for 1996 long-term participants
  
- 2/96 JASC initiates bimonthly meetings to select 1996 short-term participants
- 9/96 Contractor submits annual progress report and 1997 workplans to JASC
- 10/96 JASC approves workplans
- 10/96 JASC holds selection for 1997 long-term participants

7/96 USAID commissions impact studies  
7/96 USAID/GOM commission mid-term audit  
9/96 USAID/GOM commission mid-term evaluation

2/97 Initiate bimonthly meetings to 1997 select short-term participants  
6/97 Contractor Chief-of-Party departs, local in-country activities are transferred to in-country training institutions  
9/97 Contractor submits annual progress report and 1998 workplan to JASC.

#### 4. Phase-Out: October 1997 - September 1999:

During this phase, all implementation activities continue as planned. Long-term chief-of-party technical advisor leaves, as in-country training activities are assumed by local training institutions. Long-term training, if any, is covered under a new follow-on project. Project impact studies and project final evaluations are conducted.

Milestone activities for the Phase-Out are outlined as follows:

10/97 JASC approves 1998 workplan  
10/97 JASC holds selection for 1998 long-term participants  
2/98 JASC initiates bimonthly meetings to select 1998 short-term participants  
9/98 Contractor submits annual progress report and 1999 workplan to JASC  
10/98 JASC approves workplans  
10/98 JASC holds selection for 1999 long-term participants  
2/99 JASC initiates bimonthly meetings to select 1999 short-term participants  
4/99 USAID commissions impact study  
6/99 USAID commissions close-out audit  
6/99 USAID commissions final evaluation  
9/99 Project assistance is completed.

#### C. PROCUREMENT PLAN

The Regional Contracts Officer or the USAID/Morocco Executive Officer, as appropriate, will handle all direct procurement for goods and services for the project following, all A.I.D. procurement policies and regulations. The primary procurement action will be for an institutional contractor to provide long-term and short-term technical assistance, to plan and execute all in-country training activities, and to provide administrative and logistical support for project activities. The institutional contractor will be able to sub-contract for local activities to be conducted under project auspices. Grants can be provided by the contractor for tuition support, equipment, seed money for conferences, etc. as part of institutional strengthening or follow-on activities. USAID will also be directly responsible for some smaller direct procurements of services or goods for project management, evaluation, or audits. For U.S. academic training and U.S. short-term training, USAID will utilize the established contractors of the OIT, and will commit funds through the PIO/P mechanism. There will be no host country contracting.

Details of planned procurements are as follows:

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**1. U.S. Technical Services and Goods for Project Management and Activity Implementation**

- a. Type of Contract: USAID/Morocco direct institutional contract for goods and services.
- b. Brief Description of Goods and Services to be Procured: Provision of administrative and program support for all project activities; provision of long and short-term technical assistance for the planning, execution and evaluation of designated training activities; contracting or implementation of specific local studies, training, and material development (can be purchased, sub-contracted or sub-granted); and purchase of specified goods and materials for project activities.
- c. Estimated Dates of Contract: May 1992 - April 1999. Five year initial contract with possibility of extension.
- d. Estimated Cost of Contract: \$9.61 million.
- e. Potential for Minority Contract: RFP will include language to encourage the participation and involvement of a minority contractor, or minority participant as part of the contractor consortium.
- f. Need for Waiver: U.S. source and origin is anticipated for main contractor, waivers will be obtained for non-American subcontractors as necessary.
- g. Contracting Officer: Regional Contracts Officer
- h. AID Method of Financing: Direct reimbursement.

**2. U.S. Technical Services for Training Placement and Monitoring**

- a. Type of Contract: Utilization of the established AID/OIT contracts for participant placement and monitoring through PIO/P implementation documents.
- b. Brief Description of Goods and Services to be Procured: Placement and monitoring services for all USAID academic and short-term participants for training in the U.S.
- c. Estimated Date of Contract: After satisfaction of Ops to first disbursement.
- d. Estimated Cost of Contract: \$15.880 million, to be committed by PIO/Ps.
- e. Potential for Minority Contract: Historically black-colleges and universities and Gray Amendment Entities will be used in the placement of USAID/Morocco academic and short-term participants to meet the 10 percent target.

- f. Need for Waiver: U.S. source and origin is anticipated, waivers will be obtained for any third-country training per HB 10.
- g. Contracting Officer: AID/W.
- h. A.I.D. Method of Financing: Direct Payment through automatic transfers to the AID/W Master Disbursement Account.

**3. Local Technical Services for English Language Instruction**

- a. Type of Contract: USAID/Morocco Institutional Contract for Technical Services, English Language Instruction.
- b. Brief Description of Goods and Services to be Procured: Contract for intensive language instruction of 400 participants departing for academic or short-term training in the U.S. and regular language instruction for approximately 1800 USAID counterparts.
- c. Estimated Date of Contract: June, 1992 and on-going for life-of-project.
- d. Estimated Cost of Contract: \$0.5 million.
- e. Potential for Minority Contract: Local contract, not applicable.
- f. Need for Waiver: Moroccan source and origin is anticipated.
- g. Contracting Officer: Regional Contracts Officer.
- h. A.I.D. Method of Financing: Direct Payment.

**4. Local Technical Services for Program Management**

- a. Type of Contract: USAID/Morocco Personal Service Contracts (PSC), Estimated Four (4) Separate Contracts.
- b. Brief Description of Goods and Services to be Procured: Services of foreign service national staff including two (2) Professional Training Officers (1993-1999), a Budget and Finance Assistant (1992-1999), and a partial support of a Procurement Specialist (1992-1999).
- c. Estimated Date of Contract: Depending on PSC, starting January 1992 and ending in September, 1993. Two year contracts with possibility of extension.
- d. Estimated Cost of Contract: \$0.565 million.
- e. Potential for Minority Contract: Local contract, not applicable.
- f. Need for Waiver: Moroccan source and origin is anticipated.
- g. Contracting Officer: Regional Contracts Officer.
- h. A.I.D. Method of Financing: Direct Payment.

**5. Technical Services for Audit and Evaluation**

- a. Type of Contract: USAID/Morocco Direct Indefinite Quantity Contracts (6-8 IQC Separate Contracts).
- b. Brief Description of Goods and Services to be Procured: Provision of technical assistance for the planning and execution of audits, evaluation, impact or special studies to be contracted over the life-of-the-project.
- c. Estimated Dates of Contract: IQC contracts to be issued in 1994, 1997 and 1999.
- d. Estimated Total Costs of All IQC Contracts: \$ 0.33 million.
- e. Potential for Minority Contract: Minority IQC contractors will be given priority consideration.
- f. Need for Waiver: U.S. source and origin is anticipated.
- g. Contracting Officer: Regional Contracts Officer or AID/W Contracts Officer depending on IQC.
- h. A.I.D. Method of Financing: Direct Payment.

**6. U.S. Technical Services for University Linkages**

- a. Type of Contract: A.I.D. Centrally-Funded Direct Contract, for the University Linkages Project.
- b. Brief Description of Goods and Services to be Procured: Provision of administrative and program support for the development of university linkages including faculty exchanges, research exchanges, and library and material exchanges.
- c. Estimated Date of Contract: June 1992 - May 1997.
- d. Estimated Cost of Contract: Buy-in \$0.5 million.
- e. Potential for Minority Contract: PIO/T will include language to encourage the participation and involvement of historically-black colleges as part of a university consortium to be included in the University Linkage Project.
- f. Need for Waiver: U.S. source and origin is anticipated.
- g. Contracting Officer: AID/W Contracts Office.
- h. A.I.D. Method of Financing: Direct Payment.

In addition to the above official contract procurements, a small number of items such as expendable office supplies and basic equipment will be purchased for program support. These items will be procured by purchase order and other approved procurement mechanisms as established by the USAID Executive Officer or Regional Contracts Officer. These items will not exceed \$115,000

over the eight year life-of-project. In addition, the contingency of \$500,000 will be used for procurement of other goods and services as needed and in accordance to A.I.D. procurement policies and regulations.

Approximately \$23.4 million worth of goods and service will have their source and origin in A.I.D. Geographic Code 000, within the spirit of the Buy-America Initiative. Approximately \$1.6 million of project funds will be use for Dirham local costs activities for technical assistance, training, commodities, local research and in-training activities, and project management (refer to Table IV.2 for details).

#### IV. COST ESTIMATES AND FINANCIAL PLAN

The Training for Development Project will be implemented over a period of eight years. It will be jointly funded by A.I.D., the Government of Morocco and the Moroccan private sector. A.I.D.'s contribution will be \$28.0 million with the host country contribution amounting to approximately \$13.6 million. The total life-of-project will be \$41.6 million.

##### A. HOST COUNTRY CONTRIBUTION

Table IV.1 summarizes the project budget by major inputs and details the host country contribution. The Moroccan contribution to this project will come from two sources, the Government of Morocco and the Moroccan private sector, both of whom are beneficiaries. Overall, Moroccan sources will contribute approximately 33 percent of the total cost of implementing the project. The GOM contribution totals 12 percent and that of the private sector, 21 percent. The GOM will provide its contribution in a form similar to what is provided under the current training project; that is, travel, salary and per diem for participants in long and short-term training. The government will pay for tuition support for in-country training consistent with the cost-sharing formula established for the project. Furthermore, the GOM will provide support to technical assistance contractors and other personnel, such as office space, clerical help and transport.

Major contributions to project implementation by the private sector will be in the form of international and in-country transportation and support for their participants. In addition, the private sector will be subject to cost-sharing requirements to be determined by the Joint Advisory and Selection Committee, as discussed elsewhere in this paper. The private sector will provide local support to technical assistance contractors both under the technical assistance contract and for short-term assistance, seminars, and studies.

##### B. A.I.D. CONTRIBUTION

The projected rate of expenditures of A.I.D. funds under this project has been carefully analyzed and compared with the proposed obligation schedule. Table IV.3 lays out both the expected expenditures and obligations of A.I.D. funds. The initial obligation for this project will be made in the last quarter of fiscal year 1991. The Initial Conditions Precedent to Disbursement will be met by the GOM by late October. While it is not anticipated that any expenditures will occur before the end of fiscal year 1991, the initial

obligation will allow A.I.D. to plan and fund start-up activities as soon as Conditions Precedent are met. The obligation schedule has been structured to limit excessive pipelines. It is not anticipated that any obligations will be made in the final two years of implementation. During this period, the project will be in a phase-down mode, and expenditures will be made largely for on-going commitments, such as continuing participants in long-term training.

A.I.D. will contribute \$28 million to this activity. This comprises approximately 67 percent of the total cost of the project. A.I.D. will fund technical assistance, training and local support. Table IV.4 shows the relative proportions. The majority of A.I.D. money will fund training (including in-country English language training) and technical assistance. The technical assistance contractor will also be involved in providing training e.g., facilitating Moroccan participation in U.S. conferences, and organizing study tours and training for English language instructors. Table IV.4, these costs have been included in the technical assistance portion of the budget. Therefore, the actual proportion of A.I.D. funds to be used directly for training will be somewhat higher than is shown in this table.

Table IV.5 shows the rate of expenditures of A.I.D. funds over the life of the project. Peak expenditures will be reached in years two, three and four of the project. This corresponds to the time period of highest activity in the technical assistance contract and in the programming of participants for both long and short-term training. Expenditures in years 1992 and 1998-1999 will be less as the project will be either in phase-in or phase-out mode. Furthermore, Mission training costs will partially be funded from an on-going project, 608-0178, in 1992 until September, 1992.

A detailed project budget by fiscal year and input is shown in Table IV.6. All items with asterisks will be funded under the proposed technical assistance contract. The remaining items will be managed directly by A.I.D. This includes U.S. long and short-term training. In order to handle the workload generated by processing approximately 660 participants and other planned project interventions, the project will fund two locally-hired training professionals (currently the Sector Support Project funds these positions). In addition, the project will fund a budget and finance assistant, who will be responsible for processing all payments for the project and performing desk audits of in-country training institutions, as required under the project design. In addition, the project will contribute to the salary of a procurement specialist. These positions are graded at the appropriate level under the applicable local personnel classification standards, and their salaries are budgeted in conformance with the current Foreign Service National Pay Scale. Finally, A.I.D. will manage directly a linkage project with a U.S. university. This will be accomplished through a buy-in to an AID/W central contract.

A.I.D. will be responsible for contracting directly for audits and evaluations. Three evaluations are planned; an in-house evaluation in 1993, and two external evaluations in 1995 and 1997. Funding for the in-house evaluation is intended to cover in-country travel, report production costs and other associated costs of the study. The external evaluations will be conducted under short-term contracts which will be funded for approximately one month. These costs estimates are based on past mission experience. Audits are planned for 1994 and 1999. The Mission will contract directly for

a non-federal audit of the project. The cost estimates are based on mission information on the average costs for these types of audit.

The proposed technical assistance contract is budgeted at \$9.624 million (See Table IV.7). This includes the costs of maintaining a team leader in Morocco for approximately five years and for continuing his/her services for an additional two years at the contractor's home office. The contractor will also be expected to field an American training specialist for 1993 and 1994. The contract budget for technical assistance (the team leader, training specialist and short-term technical assistance) includes overhead and fee, based on an analysis of Mission records on other technical assistance contractors. The remainder of the contract budget line items exclude overhead and fee. These are calculated and shown separately at the bottom of Table IV.7. Local salaries are budgeted based on appropriate FSN grades and the current pay scale.

### C. COST FACTORS

All costs used to develop the project financial plan are based on Mission experience with current projects and local conditions. Inflation is anticipated at about 7 percent per year. The following is a listing of the major cost factors used:

<u>Budget Item</u>	<u>Unit Cost</u>
U.S. Team Leader	\$300,000 per year
Training Specialist	\$150,000 per year
Short-Term Technical Assistance	\$20,000 per month
Long-term Training	\$35,000 per year
Short-term Training	\$7,500 per course
U.S. Conference	\$3,000 per attendee
U.S. Study Tour	\$7,000 per traveler
In-Country Workshop	\$10,000 per workshop
FSN PSC at FSN-9 Level	\$30,000 per year
FSN PSC at FSN-8 level	\$21,000 per year
FSN PSC at FSN-7 level	\$17,000 per year
Office rental	\$15,000 per year.

### D. METHODS OF IMPLEMENTATION AND FINANCING

The methods of implementation and financing selected for this project are completely in accordance with A.I.D. policy and regulations. The major portion of the project will be implemented via PIO/Ps with direct payment being made on a quarterly basis to the U.S. contractor through the AID/Washington Office of Training. The technical assistance contract will be effected by an A.I.D. Direct contract with direct reimbursement. All other procurement will be accomplished by A.I.D. direct procurement methods, such as contracts and purchase orders. The Mission will not use Bank Letters of Commitment for any procurement. It is anticipated that some services will be procured by use of A.I.D. centrally-funded buy ins, all of which should be direct contracts paid under direct payment. Table IV.8 summarizes this information by contract.



TABLE IV.2

**TRAINING FOR DEVELOPMENT  
PROJECT EXPENDITURES BY BUDGET COMPONENT**

<u>INPUTS</u>	<u>AID</u>	<u>AID</u>	<u>GOM</u>		<u>PRIVATE SECTOR</u>		<u>TOTAL</u>		
	<u>TOTAL</u>	<u>DOLLARS</u>	<u>DIRHAMS</u>	<u>DOLLARS</u>	<u>DIRHAMS</u>	<u>DOLLARS</u>	<u>DIRHAMS</u>	<u>DOLLARS</u>	<u>DIRHAMS</u>
TECHNICAL ASSISTANCE	3,360	2,898	462	0	35	0	131	2,898	628
TRAINING	18,038	16,963	1,075	0	4,348	0	8,350	16,963	13,773
COMMODITIES FOR INSTS	583	563	20	0	0	0	0	563	20
LOCAL COSTS	1,372	382	990	0	157	0	164	382	1,311
U.S.-MOROCCAN LINKAGES	1,046	836	210	0	300	0	0	836	510
PROJECT MANAGEMENT	2,272	627	1,645	0	134	0	0	627	1,779
EVALUATION ETC	330	330	0	0	15	0	15	330	30
CONTINGENCY	1,000	1,000	0	0	0	0	0	1,000	0
<b>TOTAL CONTRIBUTION</b>	<b>28,000</b>	<b>23,598</b>	<b>4,402</b>	<b>0</b>	<b>4,989</b>	<b>0</b>	<b>8,660</b>	<b>23,598</b>	<b>18,051</b>
<b>PROJECT TOTAL</b>									<b>41,649</b>

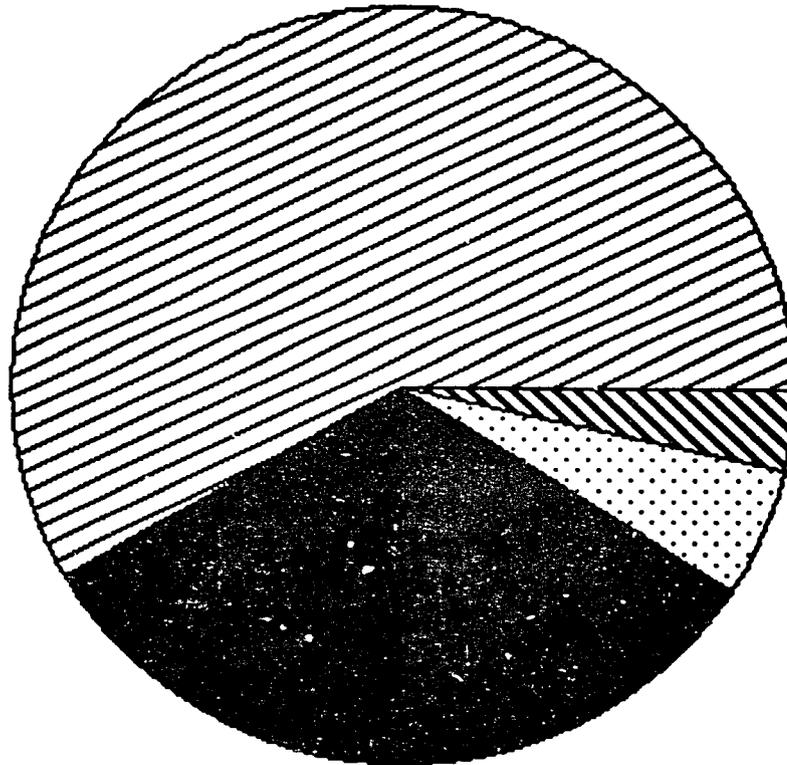
TABLE IV.3

**TRAINING FOR DEVELOPMENT  
CASH FLOW ANALYSIS**  
(\$000S)

AID FUNDS	1991	1992	1993	1994	1995	1996	1997	1998	1999	TOTAL
OBLIGATION	3,000	3,000	5,000	4,000	4,000	5,000	4,000			28,000
EXPENDITURES	0	2,224	3,982	4,383	4,005	3,867	3,554	3,129	2,856	28,000
BALANCE	3,000	3,777	4,794	4,411	4,406	5,539	5,985	2,856	0	0

# TABLE IV.4 TRAINING FOR DEVELOPMENT

TRAINING 58%



CONTINGENCY 4%

PROGRAM SUPPORT

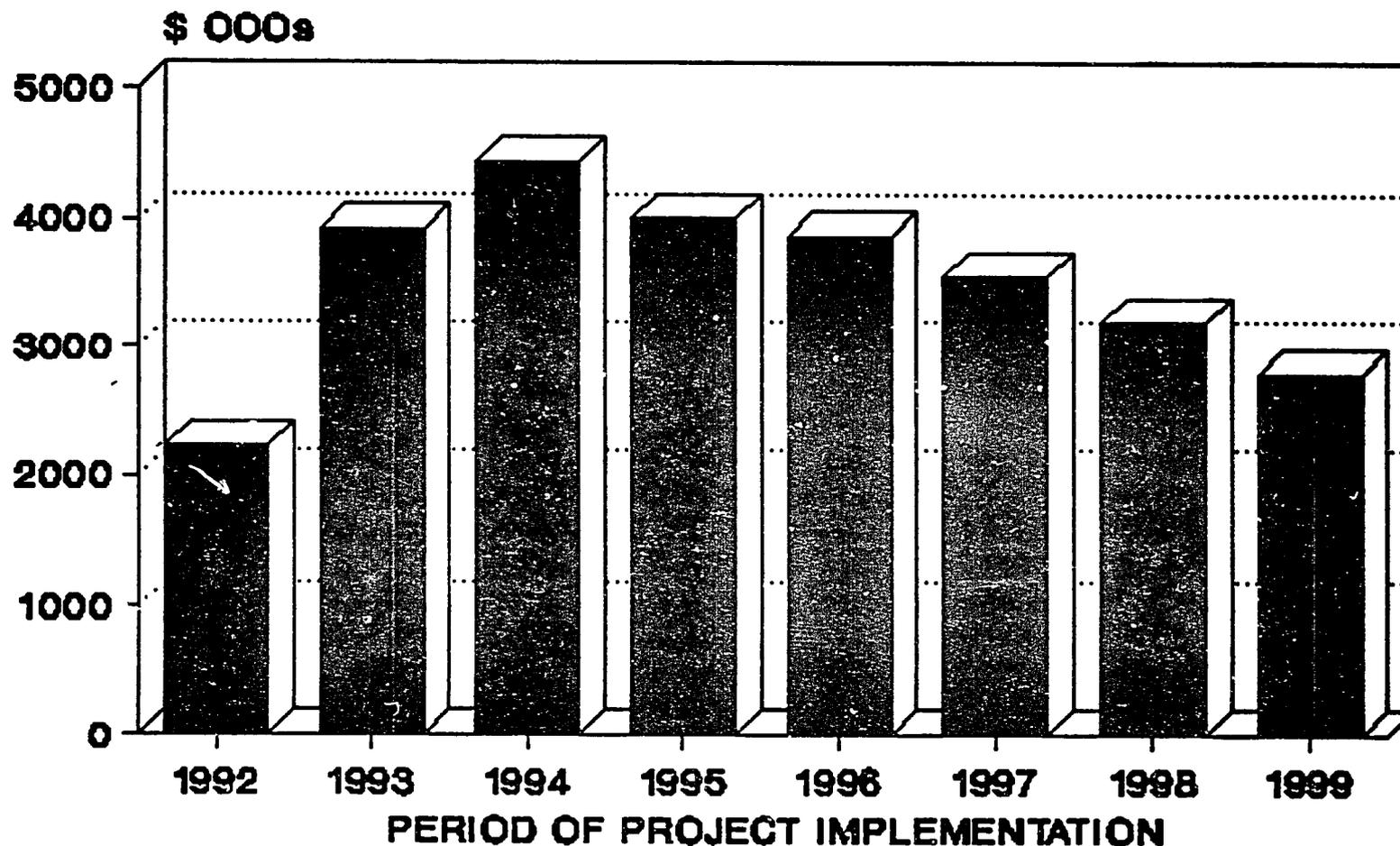
5%

TECHNICAL ASST 33%

## ALLOCATION OF PROJECT COSTS

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**TABLE IV.5**  
**TRAINING FOR DEVELOPMENT**



**RATE OF EXPENDITURES**

TABLE IV.6

**TRAINING FOR DEVELOPMENT**  
**SUMMARY OF COSTS BY BUDGET CATEGORY AND FISCAL YEAR**

<u>Fiscal Year</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
<b>1 TECHNICAL ASSISTANCE</b>									
A. Team Leader- Morocco- Salary*	40	80	80	80	80	40	32	32	464
Benefits & OH*	60	120	120	120	120	60	48	48	696
Support Costs*	50	100	100	100	100	50	0	0	500
B. Trng Specialist-Morocco-Salary*	0	40	40	0	0	0	0	0	80
Benefits & OH*	0	60	60	0	0	0	0	0	120
Support Costs*	0	50	50	0	0	0	0	0	100
C. Short-term T/A (70 months)*	100	280	260	240	200	160	100	60	1,400
sub total T.A.	250	730	710	540	500	310	180	140	3,360
<b>2 TRAINING</b>									
A. U.S. Academic Training (240 opps)	1,575	1,575	1,575	1,575	1,575	1,575	1,575	1,575	12,600
B. U.S. Technical Training (420 opps)	0	500	500	500	500	500	400	380	3,280
C. English Language Training*	0	0	25	50	50	50	0	0	175
D. English Language Training (AID)	0	0	100	100	100	100	100	0	500
E. In-country Tuition Support*	0	0	50	100	100	100	50	0	400
F. U.S. Conferences & Study Tours*	0	100	100	100	100	100	100	100	700
E. 30% Overhead item C, E & F*	0	30	53	75	75	75	45	30	383
sub total training	1,575	2,205	2,403	2,500	2,500	2,500	2,270	2,085	18,038
<b>3 COMMODITIES FOR INSTITUTIONS</b>									
A. Computer Equipment*	30	60	60	60	60	30	20	10	330
B. Other Training Equipment*	20	20	30	30	20	20	10	10	160
C. Contractor Office Equipment*	25	10	5	0	0	0	0	0	40
D. 10% Overhead Items A-C*	8	9	10	9	8	6	3	2	53
sub total commodities	83	99	105	99	88	55	33	22	583
<b>4 LOCAL COSTS</b>									
A. Diagnostic and Special Studies*	20	140	100	50	25	25	20	20	400
B. Follow-On Activities*	10	10	30	30	30	20	20	20	170
C. Seminars & Special Workshops*	0	0	100	100	100	100	50	50	500
D. 30% Overhead on items A-C*	9	50	69	54	22	44	27	27	302
sub total local costs	39	200	299	234	177	189	117	117	1,372

\* Items to be included in proposed technical assistance contract

TABLE IV.6 contd

<u>Fiscal Year</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
<b>5 U.S. - MOROCCAN LINKAGES</b>									
A. One University Linkage Project	0	250	250	0	0	0	0	0	500
B. Three U.S.-Moroccan Linkages*	0	60	90	90	30	30	30	30	420
C. 30% Overhead on item B	0	18	27	27	27	9	9	9	126
sub total linkages	0	328	367	117	117	39	39	39	1,046
<b>6 PROJECT MANAGEMENT</b>									
<u>AID</u>									
A. Two PSC Training Assts(FSN-9)	0	0	60	60	60	60	60	0	300
B. Scty Asst/Procurement Asst(FSN-7)	17	17	17	17	17	17	17	0	119
C. One Budget/Finance Asst(FSN-8)	21	21	21	21	21	21	21	0	147
D. Program Support	10	20	20	15	15	15	10	10	115
<u>CONTRACTOR</u>									
E. Home Office Support*	20	40	40	40	40	40	20	20	260
F. Two Local Professionals (FSN-9)*	30	60	60	60	60	60	60	60	450
G. One Secretary (FSN-7)*	10	17	17	17	17	17	17	17	129
H. Office Lease, Utils and Maint*	10	25	25	25	25	30	30	30	200
I. Operational Expenses-local office*	10	25	25	25	25	25	25	25	185
J. 30% Overhead on items E-I*	24	50	50	50	50	52	45	46	367
sub total project mgmt	152	275	335	330	330	337	305	208	2,272
<b>7 EVALUATION/AUDIT/IMPACT STUDIES</b>									
A. Evaluations	0	20	0	60	0	0	0	70	150
B. Audits	0	0	0	0	30	0	0	50	80
C. Impact and Special Studies	0	0	40	0	0	0	60	0	100
sub total evaluation	0	20	40	60	30	0	60	120	330
<b>8 CONTINGENCY</b>	125	125	125	125	125	125	125	125	1,000
<b>PROJECT TOTAL</b>	<b>2,224</b>	<b>3,982</b>	<b>4,383</b>	<b>4,005</b>	<b>3,867</b>	<b>3,554</b>	<b>3,129</b>	<b>2,856</b>	<b>28,000</b>

\* Items to be included in proposed technical assistance contract

**TRAINING FOR DEVELOPMENT  
PROPOSED TECHNICAL ASSISTANCE CONTRACT**

<u>Calendar Year</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>TOTAL</u>
<b>TECHNICAL ASSISTANCE</b>									
Team Leader- Morocco- Salary	40	80	80	80	80	40	32	32	464
Benefits & OH	60	120	120	120	120	60	48	48	696
Support Costs	50	100	100	100	100	50	0	0	500
U.S. Training Specialist - Morocco	0	40	40	0	0	0	0	0	80
Benefits & OH	0	60	60	0	0	0	0	0	120
Support Costs	0	50	50	0	0	0	0	0	100
Short-term T/A (70 months)	100	280	260	240	200	160	100	60	1,400
<b>Total T.A.</b>	<b>250</b>	<b>730</b>	<b>710</b>	<b>540</b>	<b>500</b>	<b>310</b>	<b>180</b>	<b>140</b>	<b>3,360</b>
<b>PROGRAM COSTS</b>									
English Language Training	0	0	25	50	50	50	0	0	175
In-country Tuition Support	0	0	50	100	100	100	50	0	400
U.S. Conferences & Study Tours	0	100	100	100	100	100	100	100	700
Computer Equipment	30	60	60	60	60	30	20	10	330
Other Training Equipment	20	20	30	30	20	20	10	10	160
Diagnostic and Special Studies	20	140	100	50	25	25	20	20	400
Follow-On Activities	10	10	30	30	30	20	20	20	170
Seminars & Special Workshops	0	0	100	100	100	100	50	50	500
Three U.S.-Moroccan Linkages	0	60	90	90	90	30	30	30	420
<b>total program costs</b>	<b>80</b>	<b>390</b>	<b>585</b>	<b>610</b>	<b>575</b>	<b>475</b>	<b>300</b>	<b>240</b>	<b>3,255</b>
<b>PROJECT MANAGEMENT</b>									
Home Office Support	20	40	40	40	40	40	20	20	260
Two Local Professionals (FSN-9)	30	60	60	60	60	60	60	60	450
One Secretary (FSN-7)	10	17	17	17	17	17	17	17	129
Office Lease, Utilities and Maintenance	10	25	25	25	25	30	30	30	200
Operational Expenses - local office	10	25	25	25	25	25	25	25	185
Office Equipment & Furniture	25	10	5	0	0	0	0	0	40
<b>total project management</b>	<b>105</b>	<b>177</b>	<b>172</b>	<b>167</b>	<b>167</b>	<b>172</b>	<b>152</b>	<b>152</b>	<b>1,264</b>
<b>OVERHEAD/FEE</b>	<b>35</b>	<b>145</b>	<b>200</b>	<b>215</b>	<b>207</b>	<b>185</b>	<b>130</b>	<b>115</b>	<b>1,231</b>
<b>CONTINGENCY</b>	<b>60</b>	<b>60</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>65</b>	<b>60</b>	<b>60</b>	<b>500</b>
<b>CONTRACT TOTAL</b>	<b>530</b>	<b>1,502</b>	<b>1,732</b>	<b>1,597</b>	<b>1,514</b>	<b>1,207</b>	<b>822</b>	<b>707</b>	<b>9,610</b>
<b>PERCENT OF TOTAL EXPENDITURES</b>	<b>6%</b>	<b>16%</b>	<b>18%</b>	<b>17%</b>	<b>16%</b>	<b>13%</b>	<b>9%</b>	<b>7%</b>	<b>100%</b>

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TABLE IV.8:  
SUMMARY OF METHODS OF IMPLEMENTATION AND FINANCING

<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>Approx. Amount</u> <u>(\$000)</u>
T.A.- A.I.D. Direct Institutional Contract	Direct Reimbursement	\$9.610
Long & Short-Term Training - PIO/Ps	Direct Payment	\$15.880
Local Technical Services for language instruction - A.I.D. Direct Institutional Contract	Direct Payment	\$0.500
University Linkage Buy-in to A.I.D. Centrally Funded Direct Contract	Direct Payment	\$0.500
Program Management - A.I.D. PSC Contracts	Direct Payment	\$0.565
Program Support - miscellaneous small purchases - A.I.D. Direct Contracts & Purchase Orders	Direct Payment	\$0.115
Audit & Evaluation - A.I.D. Direct Contract (IQC)	Direct Payment	\$0.330
Contingency - will be distributed as needed among above methods	Direct Payment	\$0.500
TOTAL		\$28.00.

## V. MONITORING AND EVALUATION PLAN

The Training for Development Project incorporates a monitoring and evaluation plan that produces information reporting systems for specific decision-making needs, as well as preparing objective data for external evaluations.

### A. MONITORING

The contractor will have primary responsibility for collecting information on the project's progress and maintaining fiscal accountability for all project activities. Care will be taken to continually measure purpose achievements over time as well as monitoring the outputs.

#### 1. Management Information System

USAID is developing a computerized management information system to track the characteristics and beneficiaries of not only the Development for Training Project, but all the ongoing USAID private sector projects. The management information system is planned to have three separate but integrated components:

- ▶ Participant Training File: Currently available and used worldwide.
- ▶ Major Project Activity File: To be developed.
- ▶ Entrepreneur/Enterprise File: To be developed.

A computerized participant training data base and tracking system is already available from AID/OIT. It is called the Participant Training Management System (PTMS) and is fully supported through the technical services of AID/IRM. Its features not only include routine descriptive training information from PIO/P's and other processing documents, but has biodata and institutional codes for fields of study and training sites.

The advantage to using the PTMS is that it is already available and debugged, fully backstopped by AID/W, most USAID Missions express positive experiences, and it comes with a compatible PIO/P generator software that automatically loads the PIO/P information into the PTMS data base. The latter advantage increases office efficiency by eliminating the need to enter the same data twice, once for the PIO/P and once for the participant training data base.

The Major Project Activity File will contain information on individual USAID private sector projects regarding types and descriptions of implemented interventions, beneficiaries, cost data, sales improvement, market analysis, source of consultancies, PACD, and other relevant information. It is expected to be operational by Summer of 1992.

The Entrepreneur/Enterprise File will contain information on project beneficiaries from the private sector. Included will be a description of the firm, detailed operating and financial information, level of exports beginning with 1988, as well as composition of the firm's personnel and employment practices. This data base file must be updated annually through questionnaires. It is expected to be operational by fall of 1992.

The management information system will be D-base compatible for all data files to permit the sorting of data elements for a wide range of project management and monitoring reports. The analysis of such reports will be used to better target assistance.

Of noteworthy attention is that AID/OIT has developed a software spreadsheet solely for participant training budget items called the Training Cost Analysis (TCA). Once the project is fully underway, The contractor as well as any Moroccan institutions receiving technical assistance will be obliged to utilize TCA in submitting their planned and actual expenditures on a quarterly basis to USAID for budget monitoring purposes. These reports will be due in USAID 30 days after the end of the quarter with continued funding contingent on adequate reporting.

## **2. Activities and Responsibilities**

The contractor will be responsible for all technical assistance and in-country training. The USAID Training Office will have oversight regarding the contractor's compliance with all A.I.D. Handbook 10 guidelines.

Beginning in 1992, the contractor will prepare an annual training plan in close collaboration with USAID, the GOM, and the private sector to ensure the project's smooth implementation and adherence to the stated goal and purpose. The training plan will serve as a monitoring tool for all parties to effectively gauge achievements per the logical framework. This training plan will be submitted annually to the Joint Advisory and Selection Committee in October for approval by the Committee before the beginning of the calendar year.

An annual progress report of past activities will be prepared by the contractor to USAID and the Joint Advisory and Selection Committee to outline progress toward overall objectives in strengthening private sector Moroccan institutions, benefits to the private and public sector, and steps taken to achieve sustainability after PACD.

Prior to Moroccan institutions receiving technical assistance grants, the contractor will examine their financial systems to ensure adequate accounting methods exist and to identify financial training needs or any other problem areas. Grantees will be asked to report quarterly to the contractor on progress towards their objectives. Their budget expenditure reports will be submitted in the TCA format.

The contractor is expected to maintain the PIMS data base for all USAID past, present, and future participants in the United States, third countries, and in-country training programs. The PIMS data base will be stored in the USAID computer for safekeeping and security reasons since personal information is maintained on participants along with proprietary information on consulting firms providing training services to USAID.

## **3. Audits**

The institutional contractor will be audited periodically, including an extensive close-out audit to be performed by independent auditors in the final year. In addition, if technical assistance or financial support to an

institution is particularly significant, USAID may also elect to conduct an audit.

Accurate financial accounting and reporting on all dollar and Dirham expenditures is the responsibility of the contractor. The USAID controller will utilize the management information system to facilitate reporting of project activities, e.g., training cost analysis. The contractor's financial accounting system will be compatible with the controller's system. In addition, Moroccan institutions receiving technical assistance grants will utilize the same format to streamline the control and reporting process for the contractor. Since financial records will be compatible and computerized by all parties, it will improve project administration, reduce report preparation time, and extend the microcomputer technology to local Moroccan institutions and staff.

There are several key elements that will be included in the contractor reporting system. This includes monitoring expenses, budgeted amounts versus actual expenditures, and a check register system, if applicable.

#### B. EVALUATION

The project plans to conduct three separate evaluations: a transition in-house evaluation, and external mid-term and final evaluations. The GOM will be invited to participate in both the mid-term and final evaluations.

Interim In-house Evaluation: The Mission will conduct this evaluation after two years to examine the project's mobilization efficiency as well as to identify and address issues during a transition period when the Sector Support Training Project expires. Contractor performance will also be reviewed.

Question to be examined might include:

- ▶ Whether the JASC is functioning as envisioned, and how might the advisory and selection responsibilities of the Committee be improved.
- ▶ What is the operational efficiency of the various actors (JASC, DFC, USAID and the institutional contractor) and how might their work be improved by fine-tuning the definition their roles.
- ▶ Is there sufficient interest and willingness on the part of both the private and public sectors to generate the anticipated numbers of participants, and how might the same be improved.
- ▶ What are the implementation obstacles and how might they be lifted.
- ▶ What is the success of the in-country training and do there need to be any mid-course corrections in order to achieve expected project outputs.

Mid-term Evaluation: This evaluation will be conducted by an outside contractor at the four year mark to measure project implementation and decide if the project design needs revision. It is expected that special attention will be given to the 30 percent target of training women; private sector participation; nomination rates and trends; disbursement levels; and any unforeseen events. Preliminary assessment of impact will be conducted in

preparation for the final evaluation, including recommendations for project sustainability.

Questions to be examined might include:

- ▶ The extent to which cost sharing requirements are being met for each category of assistance.
- ▶ Number of diagnostic studies/needs assessments, and the extent to which their results are leading to specific training/technical assistance approaches or policy dialogue.
- ▶ Number of new course offerings by public and private institutions assisted by the project; and proportion which are viable at termination of tuition support.
- ▶ Extent to which training institutions or companies implement recommendations of technical assistance.
- ▶ Nominations by private firms of key employees for training, seminars or workshops.
- ▶ Whether project has had any impact on GOM policy or regulatory conditions and whether the policy/regulatory environment is impeding project performance.

The evaluation should offer preliminary judgments as to the prospects for development of sustainable private training institutions which are responsive to training needs of the private sector, and the extent to which public institutions such as "Grandes Ecoles" are increasingly responsive to private market needs. If necessary, recommendations for mid-course correction in project design should be made.

Final Evaluation: This evaluation will concentrate on the effectiveness of the project's approach to providing sustainable private sector training as measured by goal, purpose and output indicators in the logical framework. It will also analyze the impact of project implementation on private sector dynamics and economic development. Interviews with participants and their employers/institutions will be analyzed by the contractor through a combination of evaluation methodologies, i.e., questionnaires, focus groups, and case studies.

Direct technical assistance impact upon private training institutions will be evaluated by comparing the baseline institutional profile studies at the beginning of the project and characterizing their changes in composition of curriculum programs, faculty, student enrollments, and level of female participation. Some anecdotal documentation will be available from the contractor's memoranda on informal discussions with business leaders and private training institutions. Change in the extent to which staff development is valued within companies will be measured by surveying the investment that private sector owners/managers are making in their employees e.g., establishing human resource offices, sponsoring more employees for training, participating in human resource conferences.

Responsiveness of in-country training to market demand will be measured by increased private sector attendance and anecdotal feed-back. The status of regulatory issues affecting training such as accreditation, curriculum standards, and degree equivalency will be compared to conditions at the beginning of the project.

This project will also be compared against the effectiveness of other USAID private sector training interventions using USAID's management information system data base. This project will add to the portfolio of efforts that are significantly affecting Moroccan enterprises and their level of growth. Although beyond the scope of this project, such data is invaluable when eventually analyzing USAID's overall program impact upon the private sector in Morocco.

## VI. CONDITIONS PRECEDENT AND COVENANTS

### A. CONDITIONS PRECEDENT

The following conditions precedent and covenants will be required:

#### 1. Condition Precedent to First Disbursement

Except as A.I.D. may otherwise agree in writing, prior to disbursement under the Grant or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Ministry of Public Works, Vocational and Executive Training shall furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- ▶ Office of Director of Executive Training and of any additional representatives together with a specimen signature of each person specified in such statement;
- ▶ evidence, within 60 days of the signing of the Grant Agreement, that a Joint Advisory and Selection Committee has been established to carry out the functions described in the project, and that it includes participation by A.I.D., the Ministry of Public Works, Vocational and Executive Training (Directorate for Executive Training), and the private sector. The private sector members must constitute a majority (at least 51 percent) of the Committee's total membership. There should be a maximum of 10 members.

#### 2. Condition Precedent to Disbursement for Training of Long-Term Participants

Except as A.I.D. may otherwise agree in writing, prior to disbursement under the Grant or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made to finance the long-term training of participants in the U.S., the Ministry of Public Works, Vocational and Executive Training will furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- ▶ evidence of its acceptance, within 90 days of the signing of the Grant Agreement, of selection criteria developed by the project's Joint Advisory and Selection Committee for use in selecting long-term participants for U.S. training.

### 3. Condition Precedent to Disbursement for Training of Short-Term Participants in U.S. and Third Countries

Except as A.I.D. may otherwise agree in writing, prior to disbursement under the Grant or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made to finance the short-term training of participants in the U.S. or third countries, the Ministry of Public Works, Vocational and Executive Training Works will furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- ▶ evidence of its acceptance, by January 31, 1993, of selection criteria, developed by the project's Joint Advisory and Selection Committee for use in selecting such participants.

#### B. COVENANTS

The GOM agrees that, over the life of the project:

- ▶ It will establish an evaluation program as part of the project, and except as the Parties agree in writing, the program will include, during the implementation of the project and at one more points thereafter: (1) evaluation of progress toward attainment of the objectives of the project; (2) identification evaluation of problem areas or constraints which may inhibit such attainment; (3) assessment of how such information may be used to help overcome such problems; and (4) evaluation, to the degree feasible, of the overall development impact of the project.
- ▶ It will utilize its best efforts to assure that at least 30 percent of trainees in each category of training will be women.
- ▶ Of training opportunities under the project component "Masters Degree Training in the United States", approximately 50 percent will be for individuals in the private sector and approximately 50 percent will be for individuals in the public sector.
- ▶ Of training opportunities under the project component "Short-Term Management and Technical Training in the U.S. and Third Countries", approximately 60 percent will be for private sector individuals and approximately 40 percent will be for public sector employees.
- ▶ Project funds allocated to Tuition Support for Short-Term Management and Technical Training shall be provided approximately 80 percent for training of private sector individuals, and approximately 20 percent for training of public sector individuals.

## VII. SUMMARY OF PROJECT ANALYSES

### A. TECHNICAL AND ADMINISTRATIVE ANALYSIS

The design of the Training for Development Project evolved after thorough studies were completed and following lengthy Mission and AID/W review and discussion. In the development of this project, the design team was able to draw upon a wealth of information and a number of existing analyses. For

example, USAID commissioned three major studies: "Private Sector Training Needs Assessment", "Integration of Women into Training Programs" and a "Profile of Private and Public Post-Baccalaureate Training Institutions." In addition, USAID conducted extensive training assessments in preparation for other new private sector project initiatives, such as Morocco Agribusiness Promotion, New Enterprise Development, and Health Care Financing. Moreover, the Government conducted numerous studies to determine strategies in the area of continuing professional education. USAID contracted a consultant to analyze all existing data and formulate a proposed strategy in the form of a concept paper. A bibliography of these key resource documents is included in Annex G. and all papers are on file at USAID.

A private sector training project is feasible in Morocco and potential for achieving its objective is likely. The environment is positive and the need is great. The Government has demonstrated that it is serious about promoting the private sector and realizes that there is a gap between current training outputs and skills needed to support the private sector. Since 1983, the GOM has implemented a structural adjustment program which has yielded tangible economic benefits to the country. In particular, Morocco is liberalizing its economy by promoting private sector initiatives and relying on market forces to drive economic development. As a result, the economy is rapidly moving towards an outward orientation, with increasing importance placed on foreign trade and diversification of exports. The restructuring of the economy with an open market system of incentives for private investors is increasing competitiveness and paving the way for future industrialization and sustained economic growth.

The structural adjustment program has been accompanied by a need for a different type of human resources and a different mix of technical and managerial skills. Government policies, since 1984, have therefore encouraged and facilitated the expansion of privately-owned higher education institutions to meet human resource needs. Following changes in statutes affecting how private schools operate, new management schools opened which are geared to furnishing appropriately trained personnel for the new economy. About 20 schools have been established and are growing, though most are still in the nascent stage of development. Several of the state-run "Grand Ecoles" have developed innovative programs tailored to the continuing needs of the market-oriented economy. Further details on Moroccan Training Institutions are available in the report "Profile of Private and Public Post-Baccalaureate Institutions" (1991), which is on file at USAID.

Despite the newly liberalized policies and the rising response to provide qualified personnel to the market, the expansion of training programs for the private sector is still far from meeting the demands of the rapidly evolving economy. The new schools are just emerging and cannot satisfy the demand. Demographic pressures are such that 300,000 high school and university graduates are entering the job market annually. Industry-specific training needs assessments support the premise that there is a tremendous demand for practical market-driven training for mid and higher-level technicians and managers both in private companies and key government agencies.

Recognizing the seriousness of the problem of the incompatibility of education and market demands, the Government has created a blue ribbon "Commission on the Youth and the Future" to study the problem and to develop action-oriented strategies to resolve it. A series of conferences have been held and major

studies have been conducted. Because of the high-level involvement, recommendations generated from the Commission's activities are dealt with and implemented with speed. As there is strong political commitment and an aggressive plan of action on the human resource problem, this USAID project is timely and consistent with Moroccan planned actions.

Within this favorable context, the Mission chose a project goal focussing on problems affecting Morocco's human resources, the removal of which would contribute to the development of open markets in Morocco. At the "purpose" level of the logical framework, the Mission decided that it was important to address human resource weaknesses first, by strengthening in-country training capacity and second, by directly improving technical and managerial skills. The former is achieved largely through technical assistance and the latter through participant training, with some crossover between the two types of interventions. The fact that the project includes substantial technical assistance and in-country training has led to a project concept more extensive than would be expected in a standard "participant training" project in respect to the goal, purpose and outputs. Because of the departure from the standard training project, each intervention has been carefully developed after extensive research and analyses. The result is a clearly defined logical framework and a detailed project description which articulates how this multi-faceted project will be executed.

Were the project limited to overseas participant training, as was its predecessor, the Mission could have opted for internal management. Management requirements of the new project, however, suggest avoiding in-house management, primarily due to the complexity of in-country training with a large volume of technical assistance. The sheer numbers of contracting actions required to be completed would flood the Mission with tasks far beyond its present or planned managerial capacity. Of the options considered, management by a U.S.-based institutional contractor allied with Moroccan partners was considered optimal. The benefits of a Moroccan-U.S. partnership arrangement would help build local capacity in fields relatively new to Morocco, such as company based management training, sectoral needs assessments or human resources development. Also, it was thought that a U.S. institutional contractor would be better able to organize the short-term stateside activities planned for the project, in particular the identification of appropriate technical experts and development of U.S. business and institutional linkages.

It was agreed that long-term academic and U.S. short-term placements could best be organized through specialized agencies contracted by AID/OIT which have the expertise needed for selecting graduate programs, gaining admissions for participants and monitoring their performance. Given that a good, functioning and proven system for participant placement and monitoring exists, it was considered unnecessary and duplicative for the project's U.S. contractor to be charged with managing the 240 long-term academic programs for Moroccans at U.S. universities, or arranging 420 "off the shelf" short-term technical or management training courses offered by American institutions. In addition, A.I.D. cost studies of contractors implementing academic training components of non-training projects, compared to the participant placement agencies contracted through the Office of International Training, conclude that the latter, offer more satisfactory services at lower costs for standard program arrangements than "project specific" contractors. Where the project will need a "Moroccan" focus to its activities, for example for short-term observation

tours, linkage efforts, or unusual internships the project's contractor would better serve the project and do so without competing demands from other sending Missions.

The GOM agency which will be designated to oversee project activities will be the Directorate for Executive Training. The DFC has within its mandate supervision, management responsibility and coordination of all foreign donor scholarship programs, as well as the overseas GOM scholarship program. In addition, the DFC has successfully and adeptly served as the counterpart agency for the Sector Support Training Project. As noted from the last ten years of experience with the DFC, this agency has fully demonstrated its capability to undertake human resource analyses, implement short-term training and organize candidate recruitment and dossier reviews as part of its scholarship management duties. The DFC has been closely associated in the design of the project and has endorsed the project's focus toward private sector training. Although the project's new management structure will require regular participation by the DFC in many aspects of implementation, the U.S. institutional contractor will provide significant management support previously expected of the DFC. With increased in-country training activity, larger numbers of beneficiaries and provision of technical assistance, the institutional contractor will assume much of the heightened workload, leaving to the DFC and the Mission the responsibility for policy dialogue and project coordination.

Given the successful experience with the Participant Training Selection Committee under the Sector Support Training Project and the Ad-hoc Committee to assist with the preparation of the Training for Development Project, the design team felt that a joint Advisory and Selection Committee with representatives from USAID, GOM, and the private sector was feasible. In order to have clarity on mandate and responsibilities, it was agreed that the Committee should be formally organized and have formal status. Organization of the Committee will be specified as a condition precedent to the first disbursement. Also language will be included in the Project Agreement to ensure a private sector majority on the committee.

If the management structure proposed above is technically viable, can the Moroccan partners and beneficiaries receive and put to use the outputs?

To answer this question, USAID commissioned two studies to determine the training needs of the private sector and the capacity of in-country training institutions to perform the desired training. In addition, the Mission commissioned a statistical survey of a larger sampling of private and public post-graduate management institutions, conducted by a local firm. Further anecdotal information was collected by the Training Office through a series of site visits with leading Moroccan institutions. Finally, the Private Sector Division assessed the capabilities of Moroccan business and professional associations in preparation for the New Enterprise Development project paper.

It appears that there are a growing number of Moroccan companies which present overall soundness and accountability for the project to consider either as a) partners for joint project management or as, b) recipients of technical assistance. Concerning the likelihood of USAID, or its U.S. institutional contractor, identifying a qualified local contractor for joint project management, the experience to date of inviting bids for institutional and business surveys has been positive. In two recent cases where USAID, or a

U.S. consulting firm under USAID contract, placed advertisements in local newspapers for a firm to conduct a survey, professional bids responsive to the terms of reference were received despite the short lead time.

In the latter category of recipients of technical assistance would fall the many professional associations, some of which have considerable capabilities and others of which are mail drops. Although at a nascent stage of development, some of the private for-profit training institutions have already demonstrated capabilities in delivering services and managing themselves. Data collected just as this project paper is being finalized substantiates the view that the private training institutions will be able to absorb and integrate project funded technical assistance effectively into their organizations.

These initial findings - however encouraging, do not mitigate the need to understand in-depth the target audience that the project aims at influencing. In this respect, the U.S. institutional contractor will conduct careful needs assessments and oversee work performed locally to ensure quality data collection in the critical early stages of the project. Even with good local capability and a competent U.S. contractor, the prospects for the project attaining its objectives without understanding the dynamics of the Moroccan training environment are, as with most technical assistance efforts, slim. Therefore, the project will put considerable emphasis on data collection and analysis.

With regard to whether Moroccan companies will (a) allow their employees to be absent for training, (b) share in the costs and, (c) use the trained personnel effectively, USAID and other studies confirm the interest and willingness of Moroccan businesses to cooperate and their capacity to integrate improvements. The strong emphasis on in-country training mitigates the difficulties which firms have in sending key personnel overseas for long periods. There are no reasons to doubt that employees or individual participants offered training opportunities will be able to fulfill selection criteria or cost-sharing conditions. Although cultural factors have historically affected the participation of Moroccan women in long-term U.S. training, USAID's training office notes a decline in obstacles preventing women from participating fully in all types of training offered.

The Moroccan public sector will receive substantial assistance from the project as well. Can the agencies and employees absorb and put to use the training offered?

Experience with the predecessor project indicates a relatively high level of absorptive capacity among the ministries targeted for training. Although a detailed tracer study has not been conducted, Mission data and the findings of the mid-term evaluation confirm that most returned participants have been integrated into their positions and are applying the knowledge gained through project-funded training. It is expected that the civil service participants in long- and short-term training will be carefully chosen according to strict selection criteria and their training will be specifically targeted to their position.

## B. ECONOMIC ANALYSIS

The Training for Development project will provide long-term training in the United States, short-term training, in both Morocco and the US, and technical assistance to several training institutions. As the benefits expected from each type of training are different they were analyzed separately.

The main quantifiable benefits usually expected from training are increased salaries and/or gains in trainees' productivity. Being conscious that the estimation of future earnings remains a high risk enterprise, a set of hypotheses was built in order to assess the spill-over benefits of the program.

As a result, a positive internal rate of return was obtained for the long-term training (13.3 percent) component, a sustainable gain in the productivity of the participants in short-term training (3.3 percent), and a positive, though smaller, internal rate of return for the technical assistance to training institutions (7.8 percent). These figures fall within the range of the results found by other published studies on the value of training and education projects, of which the internal rate of return (IRR) ranges from 0 to 50 percent. However, the high cost of the technical assistance implies that for maximum effectiveness, this component should focus on the most dynamic institutions and on those fields where a strong presumption of gain in productivity does exist. During subsequent project evaluations, a series of additional factors could be taken into account to assess more accurately the benefits accrued. This might include graduation, promotion and unemployment rates, general salary increases and the actual number and composition of trainees.

It must be emphasized that the economic analysis may considerably underestimate the real value of this training project, as all its effects were not taken into account. Indeed, new insights, improved analytical skills, more open methods of work and collaboration, enhanced familiarity with the dynamics of information exchange and technology development and adaptation gained from a postgraduate U.S. training or U.S.-type training experience will all help to inject innovation and dynamism into Moroccan organizational structures which typically tend to be overly hierarchical, rigid, and slow to respond to new opportunities and challenges. These kinds of spill-over effects will be an important result of the U.S. training and will add considerably to the quantifiable economic returns.

## C. FINANCIAL ANALYSIS

This section addresses the ability of the training institutions which develop new training courses in Morocco as a result of support received from the project to deliver those courses on a fully self-financed, non-subsidized basis, either from the start of the first offering of a course or after the initial period of tuition support by the project. This is a critical determination in that the project will not achieve its objective of developing the market for such training courses if the institutions supported are not able to deliver them at market prices.

The project will assist ten training institutions over the eight-year IOP. The selected institutions will receive a mix of technical assistance and tuition support grants. The technical assistance will be used to develop

business-related courses (course design) and to improve the business management of the training institutions (marketing and pricing of courses, internal cost controls, etc.). Tuition support grants will be made available to support particular courses for which it is determined that, during the first one or (maximum) two years that a course is offered, it will not be possible to attract sufficient clientele to cover costs with a tuition rate which would be acceptable to participants.

The financial analysis considers the average costs (and, consequently, needed revenues) involved with introducing new courses into the market. Costs include direct costs of delivering the course, indirect costs, and profit. The costs associated with project-provided technical assistance are not considered, as these expenses are one-time, developmental costs which are not recurrent. On the other hand, tuition support grants provided by the project are designed specifically to cover recurrent costs and thus they enter directly into the analysis.

For many courses, the project assumes that there will be no need for tuition support grants and that new courses introduced by the institutions will be offered at rates which cover costs from the start of the course. An estimated 5,000 participants are expected to attend such courses over the LOP. Other courses will require tuition support grants, with an estimated 2,500 participants attending these courses.

The key determinant of the financial viability of this part of the project is the estimated average marginal cost incurred in delivering a new course. Based on preliminary surveys of the existing market for similar courses, and taking as a prototypical example a two-week course given at the locale of a training institution and using Moroccan faculty, a figure of \$4,000 is estimated. The \$4,000 is broken down further by indirect (including profit) and direct costs of \$1,000 and \$3,000, respectively. Assuming a class of 20 participants, the tuition charged to each participant would need to be \$200 for the course to be financially viable.

The amount of \$200 (approximately DH 1,800) for a high-quality two-week course does not appear to be beyond the reach of participants or their employers to pay. In fact, similar length courses currently offered successfully in the market carry tuition rates on this order. However, via the tuition support grants planned by the project, explicit recognition is made that certain courses which are new to the market will need partial, subsidized support during a defined period prior to becoming self-reliant because their subject matter is not yet familiar or perceived as valuable by enough potential participants to cover costs.

In these cases, for project sponsored private sector participants in such courses, the project will pay an average of 33 percent of tuition payments (maximum period = two years, with 40 percent coverage in the first year and 25 percent in the second year), resulting in a reduction of the average tuition charge to \$133 (DH 1,200) per participant. Similarly, for public sector participants (maximum of 20 percent or four out of an average 20 participants per course), the project will pay 100 percent of tuition payments in the first year and 50 percent in the second year, which will further reduce the average tuition cost. At this reduced rate, coupled with effective marketing of the course, there should be no difficulty in attracting enough participants to

cover costs, and the launching of the new courses should be financially viable.

It should be reiterated that after two years of partial tuition support to the training institutions for each course approved for such support, the project will cease to provide any further support, and all participants, from either the private or the public sectors, will need to meet the full tuition payment from their own resources. At this point, courses which have developed a true market will continue to be offered; those which cannot be continued without support would be dropped.

#### D. SOCIAL SOUNDNESS ANALYSIS

The Training for Development Project will have a highly favorable net social impact. By removing human resources constraints to private sector growth the project will lead to job-creation in an expanding private sector and improve the job placement rate of graduates with more marketable skills. Current rates of unemployment and fears of higher rates in the future are a leading concern throughout Morocco. The riots in Fez and elsewhere in December 1990 dramatically illustrated the explosiveness of the issue.

Despite the overall positive social impact of project interventions, concerns arise regarding the absorptive capacity of potential exacerbation of gender-related inequities, inequities among Moroccan social classes and preferential access to resources by the most prominent institutions and private sector firms. Such concerns will be factored into the selection criteria and other mechanisms used for project implementation.

The relationship between USAID and the Direction de la Formation des Cadres established during eight years of the Sector Support Training Project, will have to undergo change as the private sector becomes a third project partner. The project implementation structure calls for direct channels of communication between USAID and the private sector, which represents a significant change in the communication patterns established by the Sector Support project. Perceptions concerning the role of the government as the ultimate overseer of social change persists throughout the GOM and Moroccan society at large, and weakening of support for the public sector in favor of a young and not fully developed private sector is considered to be risky. It will be important to carefully balance the concerns of the DFC with the need for direct USAID contact with the private sector.

Cost-sharing formulas for private sector employer need to reflect the fact that the notion of investment in human resources is only beginning to gain recognition in Morocco. The first national Moroccan conference on human resources management was held in April 1991, and it testified to the fact that human resources management tends to be perceived in strictly operational terms which do not take into account issues of motivation and training.

The cost-sharing formulas may therefore need to be progressive and adjusted upward as the value of investment in human resources becomes more widely appreciated.

The pool of women candidates that meet the project selection criteria is limited but growing. Approximately 35 percent of university graduates are women, and few reach levels of professional responsibility within the public

and private sectors. According to a 1990 survey of women employed in the private and public sectors, women hold up to 23 percent of professional positions and over 90 percent of administrative assistant positions. However, an increasing number of women are seeking higher education and rising to professional positions. Social norms concerning the woman's role in economic development are also changing in favor of the woman's more active participation in economic life. The greatest opportunities for women professionals are in marketing, finance, import-export, computer systems, quality control and research and development fields. These are the areas where the demand for professionals is likely to grow and they correspond to the project priority training areas. Therefore, the project will maintain, and if feasible increase, the 30 percent quota for women's participation in training which was established under the Sector Support Project. The two men for one woman selection rule will continue to be applied to the selection of U.S. long-term participants. Additional measures will also be taken to ensure that eligible women and their employers are informed about long and short-term training opportunities. Examples of such measures are provided in the full Social Soundness Analysis.

The overall positive social impact of the project is predicated on the premise that economic growth, private sector expansion, and expanded employment will occur as a result of project investment in human resources development. Appropriate targeting of project beneficiaries is therefore critical to equity concerns as well as ultimate project success. Selection criteria and mechanisms for the targeting of individual beneficiaries and training institutions will include a balanced selection committee, strict selection criteria and a clearly defined selection schedule. To protect the project from favoritism, the process will be transparent and open to public scrutiny. Direct beneficiaries will include recipients of long- and short-term training in the U.S. and short-term in-country training. This group will consist of mid- and upper-level managers and technicians in the private and public sectors. Approximately ten training institutions will benefit directly from technical assistance provided through the project. Indirect beneficiaries will include the students attending training institutions targeted for project technical assistance, the private firms and public agencies that will have access to increased and more relevant training opportunities, and ultimately the numerous individuals who obtain jobs in an expanded private sector.

#### E. ENVIRONMENTAL ANALYSIS

The Training for Development Project will strengthen Morocco's in-country training capacity and improve Moroccan managerial and technical skills necessary for economic development. These dual purposes will be accomplished through the provision of technical assistance, training, research, information, dissemination and commodity support -- none of which will significantly affect Morocco's natural or physical environment. Accordingly, the categorical exclusion recommended in the Initial Environmental Examination for this project was approved by the ENE Bureau Environmental Coordinator on April 4, 1991 (see Annex 1 of the Project Identification Document), pursuant to Section 216.2(C)(1) and (2) of the Agency's Environmental Regulations (22 CFR 216). Thus, no additional environmental review is required for this project.

**ANNEX A**

- ANNEX A.1: PID APPROVAL CABLE**
- ANNEX A.2: RESPONSE TO AID/W PROJECT CONCERNS AND DESIGN GUIDELINES**

PP RJFHRA  
DE RUEHC #1420/01 1130440  
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DIST: AID

AIDAC

E.O. 12356: N/A  
TAGS:  
SUBJECT: MOROCCO: TRAINING AND DEVELOPMENT PROJECT  
(608-0208) GUIDANCE CABLE

ACTION : TRNG

DUE DATE: 04/25

INFO: DR-DIR

DR-PDPE PROG.  
CHRON-RF.

1. SUMMARY: THE PROJECT REVIEW COMMITTEE (PRC) MET MARCH 19, 1991 TO REVIEW THE SUBJECT PROJECT IDENTIFICATION DOCUMENT (PID). BASED ON THE REVIEW, AA/WNE HEREBY APPROVES THE PID AT DOLS 28 MILLION AND DELEGATES AUTHORITY TO THE MISSION TO DEVELOP AND APPROVE THE PROJECT PAPER (PP) SUBJECT TO THE GUIDANCE PROVIDED HEREIN. RICHARD BURNS, USAID/RABAT PROVIDED THE REVIEW COMMITTEE WITH A BRIEF SUMMARY OF THE PROJECT. THE MISSION IS COMMENDED FOR DEVELOPING A TRAINING PROJECT THAT FOCUSES ON TRAINING OPPORTUNITIES IN THE PRIVATE SECTOR IN KEEPING WITH THE NEW STRATEGY DIRECTIVES OUTLINED IN THE MOROCCO STRATEGY CONCEPT PAPER. THE OVERRIDING ISSUES CITED IN THE REVIEW FOCUSED ON MEANS OF ACHIEVING PRIVATE SECTOR OBJECTIVES INCLUDING ENCOURAGING A MARKET FOR PRIVATE TRAINING SERVICES, PROJECT MANAGEMENT, PROJECT FINANCING, MODES OF TECHNOLOGY TRANSFER, THE TYPE OF TRAINING THE PROJECT WILL PROVIDE, STRENGTHENING IN-COUNTRY INSTITUTIONS

COMPONENT AND ISSUES RELATING TO POLICY DIALOGUE. GUIDANCE ON THESE ISSUES AND OTHER CONCERNS RAISED BY THE PRC ARE OUTLINED BELOW. END SUMMARY.

2. ISSUES:

A). PUBLIC SECTOR TRAINING ACTIVITIES IN SUPPORT OF PRIVATE SECTOR DEVELOPMENT: THE PROJECT IS CLEARLY INTENDED TO REMOVE HUMAN RESOURCE CONSTRAINTS TO PRIVATE SECTOR-LED ECONOMIC GROWTH. PID ENVISIONS A PROJECT WHICH A) PROVIDES SPECIFIC TRAINING OPPORTUNITIES FOR BOTH PUBLIC AND PRIVATE SECTOR PARTICIPANTS AND B) STRENGTHENS IN-COUNTRY PUBLIC AND PRIVATE TRAINING INSTITUTIONS; BOTH COMPONENTS ARE AIMED AT DEVELOPING MOROCCAN MANAGEMENT AND TECHNICAL SKILLS FOR PRIVATE SECTOR-LED GROWTH. THERE WERE SEVERAL CONCERNS SURROUNDING THE QUESTION OF HOW SUPPORT TO THE PUBLIC SECTOR (BOTH PARTICIPANT TRAINING AND WORKING WITH PUBLIC TRAINING INSTITUTIONS) CAN BE EFFECTIVELY DIRECTED AT PRIVATE SECTOR OBJECTIVES. SPECIFIC QUESTIONS INCLUDED THE PROJECT'S ALLOCATION OF LONG-TERM



PROJECT DECISIONS AFFECTING PRIVATE SECTOR SERVICES, AND POTENTIAL FOR NON-TRADITIONAL TRAINING LINKAGES, SUCH AS LINKS TO U.S. PROFESSIONAL ORGANIZATIONS FOR ACCESS TO SPECIALIZED TRAINING, TO ENHANCE THE PRIVATE SECTOR CHARACTER OF THE PROJECT (SEE PARA B BELOW).

IN RESPONSE MISSION REP MENTIONED THAT IT IS DIFFICULT FOR FIRMS TO SEND MANAGERS FOR A YEAR OR MORE OF TRAINING. NEVERTHELESS, PUBLIC SECTOR LONG-TERM TRAINING IS 50 PERCENT BELOW LEVELS OF THE PREVIOUS PROJECT. MISSION REP INDICATED THAT COUNTERPART MINISTRY WILL (AND MUST, IN MOROCCO CONTEXT) PARTICIPATE IN SELECTION COMMITTEES AND DECISION MAKING GENERALLY FOR THE PROJECT, BUT WILL NOT HAVE A DECISIVE OR VETO ROLE IN THE DECISIONS AFFECTING PRIVATE SECTOR PARTICIPATION. CONTINUATION OF THE CURRENT QUOTE TRANSPARENT UNQUOTE SELECTION SYSTEM, WITH CLEAR CRITERIA AND PUBLIC AWARENESS OF THE PROCESS, IS THE BEST MEANS TO ASSURE PUBLIC SECTOR DOES NOT CAPTURE BENEFITS INAPPROPRIATELY. SELECTION CRITERIA FOR THIS PROJECT REMAIN TO BE DEFINED DURING DESIGN. IN ADDITION, SHORT-TERM TRAINING IS BEING MAXIMIZED TO ACHIEVE HIGHER PRIVATE SECTOR PARTICIPATION.

PP DESIGN WILL NEED TO FOCUS PUBLIC SECTOR TRAINING ON THOSE SKILLS REQUIRED TO SUPPORT MARKET LIBERALIZATION PROCESS, AND SHOULD CLEARLY DEMONSTRATE HOW TRAINING IN THE PUBLIC SECTOR WILL HELP ACHIEVE THE PROJECT'S PRIVATE SECTOR OBJECTIVES.

AT SEVERAL POINTS IN THE DISCUSSION, MISSION WAS ENCOURAGED TO EMPHASIZE THE TRULY CREATIVE COMPONENT OF THIS PROJECT -- ASSISTANCE TO PRIVATE TRAINING INSTITUTIONS WHICH DEVELOPED FOLLOWING POLICY CHANGES IN THE EDUCATION SECTOR--AND TO EXPLORE ALTERNATIVE WAYS OF PROVIDING THIS SUPPORT, E.G. A STUDENT LOAN PROGRAM FOR INDIVIDUALS ENROLLED IN PRIVATE TRAINING INSTITUTIONS.

THE MISSION WAS CAUTIONED TO ENSURE THAT TRAINING FOR THE PUBLIC SECTOR SHOULD NOT INVOLVE TRAINING IN PRODUCTIVE SECTORS OPERATING IN COMPETITION WITH PRIVATE FIRMS OR SECTORS WHICH ARE APPROPRIATE FOR PRIVATIZATION. SIMILARLY, IN DEVELOPING PUBLIC SECTOR IN-COUNTRY TRAINING INSTITUTIONS, THE PP NEEDS TO BE VERY CLEAR ABOUT SELECTION CRITERIA, AND TYPES OF TRAINING CAPACITY TO BE DEVELOPED, AND SHOULD

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(...), SUCH AS THE FURNISHING OF BUSINESS COURSE ...  
GUIDE CURRICULUM DEVELOPMENT.

**B) POTENTIAL FOR NON-TRADITIONAL LINKS FOR TRAINING:** IN ADDITION TO THE TRADITIONAL TRAINING APPROACHES (I.E. PARTICIPANT TRAINING AND DEVELOPING IN-COUNTRY TRAINING INSTITUTIONS), THERE MAY BE POTENTIAL TO SEEK OUT OTHER KINDS OF U.S.- MOROCCO PRIVATE LINKAGES AS MECHANISMS FOR TRAINING AND TECHNOLOGY TRANSFER: SOME IDEAS WHICH WERE DISCUSSED INCLUDED PROFESSIONAL ASSOCIATION-TO-ASSOCIATION ARRANGEMENTS (E.G. U.S. AND MOROCCAN BANKING ASSOCIATIONS, CPA ASSOCIATIONS TRADE ASSOCIATIONS ETC.) FOR HIGHLY SPECIALIZED EXECUTIVE OR OTHER SHORT-TERM TRAINING, TECHNICAL ASSISTANCE OR TECH TRANSFER. IN ADDITION TO PROVIDING NEW CHANNELS FOR TECHNOLOGY TRANSFER, SUCH LINKAGES MIGHT ALSO ESTABLISH PROFESSIONAL AND PERSONAL TIES THAT WILL ENCOURAGE MOROCCANS TO CALL UPON THEIR AMERICAN CONTACTS FOR FUTURE ASSISTANCE.

**C). PROJECT MANAGEMENT: THE PROPOSED MANAGEMENT**

STRUCTURE INVOLVING THE MINISTRY INSTITUTIONAL CONTRACTOR(S), LOCAL ENTITY AND USAID APPEARED HIGHLY CUMBERSOME TO THE PRC, AND IT WAS SUGGESTED THAT THE MISSION TAKE A HARD LOOK AT POTENTIAL DESIGN ALTERNATIVES TO SIMPLIFY IMPLEMENTATION.

IN TERMS OF PROJECT MANAGEMENT, THE PRC ALSO SUGGESTED THAT AN INDIVIDUAL, EITHER A USDH OR CONTRACT PROJECT MANAGER, WITH FULL TIME PROJECT RESPONSIBILITY SHOULD BE THE CENTRAL FOCUS OF PROJECT MANAGEMENT. THE MISSION INDICATED THAT A HIGHLY QUALIFIED FSN WOULD WORK FULL TIME ON THIS PROJECT; PRC FOUND THIS ACCEPTABLE.

**D). PROJECT FINANCING - THIS ISSUE DIRECTLY RELATES TO THE QUESTION OF SUSTAINABILITY AND IS A MAJOR DESIGN ISSUE.** THE PRC NOTED THAT THE PROJECT SHOULD FOCUS MORE ON THE FINANCING OF TRAINING BY THE END-USERS AND/OR THEIR COMPANIES. US MBA TRAINING IS HIGHLY VALUED IN MOROCCO, AND THERE MAY BE POTENTIAL TO ENCOURAGE COMPANIES TO TRANSLATE THIS INTEREST INTO FINANCING A REVOLVING STUDENT LOAN FUND TO FINANCE U.S. TRAINING ESPECIALLY FOR THOSE BEST ABLE TO AFFORD IT.

IN CONSIDERING ASSISTANCE TO IN-COUNTRY TRAINING INSTITUTIONS, THE PROJECT SHOULD WORK THROUGH MARKET FORCES TO PROVIDE TRAINING AND PLACEMENT SERVICES. IT MIGHT BE FEASIBLE TO REQUIRE SCHOOLS TO ESTABLISH SOME SORT OF AN ENDOWMENT FUND AND INCLUDE THIS AS A CRITERIA FOR SELECTION FOR PROJECT ASSISTANCE. LONG TERM SUSTAINABILITY FOR BOTH COMPONENTS IS A KEY DESIGN QUESTION.

**E). TYPE OF TRAINING PROJECT SHOULD OFFER: IT**

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MANAGERS THAT WILL BE ALLOWED TO PARTICIPATE IN  
LONG-TERM TRAINING. THE REVIEW COMMITTEE SUGGESTED THAT  
THE MISSION MAY WANT TO CONSIDER 1-2 WEEK EXECUTIVE  
DEVELOPMENT PROGRAMS OR EXECUTIVE MBA PROGRAMS THAT RUN  
FOR APPROXIMATELY 3-6 MONTHS. THESE OPTIONS MAY WIDEN  
THE POOL OF PRIVATE SECTOR APPLICANTS.

THE PRC ALSO INDICATED THAT THE PROJECT SHOULD NOT ONLY  
FOCUS ON BUSINESS RELATED COURSES, I.E. MBA BUT ALSO  
PROVIDE A SUBSTANTIAL AMOUNT OF TRAINING IN THE  
TECHNICALLY

ORIENTED FIELDS DIRECTLY RELATED TO PRIVATE SECTOR-LED  
GROWTH.

F). POLICY DIALOGUE: THE PID TALKS ABOUT  
QUOTE...IMPROVING THE LEGAL AND POLICY ENVIRONMENT FOR  
PRIVATE SECTOR TRAINING..UNQUOTE. POLICY DIALOGUE IS  
ALSO PROPOSED WITH GOVERNMENT AGENCIES. MISSION REP  
INDICATED THERE IS A NEED TO ASSURE QUALITY PRODUCT FROM  
THE MANY NEW PRIVATE SCHOOLS NOW SPRINGING UP WITH  
LITTLE OR NO REGULATION. STANDARDS AND ACCREDITATION  
MAY BE A FRUITFUL AREA FOR DIALOGUE, BUT DESIGN NEEDS TO  
BE SENSITIVE TO POTENTIAL FOR OVER-REGULATION. WE DO  
NOT WANT TO SHUT DOWN THE EXISTING MARKET. PERHAPS  
ASSISTANCE IN CREATING PRIVATE SECTOR PROFESSIONAL  
ASSOCIATIONS TO ESTABLISH STANDARDS MIGHT BE AN  
APPROPRIATE APPROACH. MISSION IS REQUESTED TO INCLUDE  
THE POLICY AGENDA IN THE PP.

G) STRENGTHENING IN-COUNTRY TRAINING  
INSTITUTIONS: ALTHOUGH THE MISSION HAS CONDUCTED A  
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BASED ON A DETAILED ANALYSIS OF THE CURRENT LEVEL OF ASSISTANCE, TRAINING AND COMMODITY SUPPORT REQUIREMENTS OF THE TRAINING INSTITUTIONS. THE SIX WEEKS OF TECHNICAL ASSISTANCE TO BE PROVIDED BY AMEX IN ASSISTING THE MISSION IN DRAFTING THE PROJECT PAPER IS NOT SUFFICIENT TO PROVIDE THIS ANALYSIS NOR IS THERE TIME TO INCLUDE IT IF PROJECT FUNDS ARE TO BE OBLIGATED THIS FISCAL YEAR. IT IS THEREFORE RECOMMENDED THAT THE MISSION INCLUDE CONDUCT OF THIS ANALYSIS IN THE SCOPE OF WORK FOR THE PROJECT CONTRACTOR SO THAT THE SUBSTANTIAL RESOURCES UNDER THIS COMPONENT CAN BE ALLOCATED IN THE MOST RATIONAL WAY POSSIBLE AND THAT A BETTER BASIS WILL EXIST FOR DETERMINING WHICH OF THE 20 OR SO INSTITUTIONS ARE TO RECEIVE PROJECT ASSISTANCE AND HOW THIS ASSISTANCE CAN BE PROVIDED WITHIN THE FRAMEWORK OF A MARKET ECONOMY.

H) ENVIRONMENT - ENE/TR/ENV HAS REVIEWED THE PROJECT PIR AND RECOMMENDED ENVIRONMENTAL THRESHOLD DECISION DATED APRIL 4, 1991. THE BUREAU ENVIRONMENTAL COORDINATOR AGREES THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT IMPACT ON MOROCCO'S NATURAL OR PHYSICAL ENVIRONMENT. ACCORDINGLY, PURSUANT TO SECTION 216.2(C)(1)(I) OF THE AGENCY'S ENVIRONMENTAL PROCEDURES

(22CFR 216), THIS PROJECTS WARRANTS A CATEGORICAL EXCLUSION FROM FURTHER ENVIRONMENTAL REVIEW.

4. CONCERNS: (A) THE PP SHOULD REFLECT HOW WE ARE GOING TO EVALUATE EXPECTED OUTPUTS. THE OFFICE OF INTERNATIONAL TRAINING (OIT) WILL WORK WITH THE MISSION ON THIS ISSUE. (B) THE PROJECT NEEDS TO PROVIDE A TRACKING SYSTEM IN ORDER FOR THE MISSION TO DO A BETTER JOB ON FOLLOW-UP. AGAIN, OIT MAY HAVE SOME VALUABLE INPUT RE THIS CONCERN. PP SHOULD RESERVE FUNDS FOR PARTICIPANT FOLLOW-UP ACTIVITIES INCLUDING TRACKING, BRINGING GRADUATES TOGETHER, NEWSLETTERS, NETWORKING, ETC. AS APPROPRIATE. (C) THE MISSION MIGHT WANT TO CONSIDER LOOKING AT TRADE ASSOCIATIONS REGARDING TECH TRANSFER. (D) THE PP SHOULD ADDRESS HOW THE PROJECT WILL REACH PROFESSORS WHO TEACH PART-TIME AND MAY THEREFORE NOT BE AVAILABLE FOR FULL-TIME TRAINING. THIS MAY AFFECT SIGNIFICANT NUMBER OF THE PRIVATE TRAINING INSTITUTIONS WHICH THE PROJECT SEEKS TO ASSIST. SOME THOUGHT MIGHT BE GIVEN TO PROVIDING TA IN FUND RAISING TO SCHOOLS IN ORDER TO INCREASE FULL-TIME FACULTY.

5. ENE/TR IS ESPECIALLY INTERESTED IN MISSION'S ANALYSIS OF THE NEEDS OF PRIVATE SECTOR TRAINING INSTITUTIONS AND ALTERNATE WAYS OF ENCOURAGING THE DEVELOPMENT OF SUCH INSTITUTIONS. IT WOULD, THEREFORE, APPRECIATE RECEIVING COPIES OF RELEVANT ANALYSES AND REPORTS AS WELL AS A DESCRIPTION OF MISSION'S PLANNED INTERVENTIONS RELATED TO THESE INSTITUTIONS AS THEY BECOME AVAILABLE.

SUBJECT FOR AND RELEVANT INFORMATION TO THE  
DEVELOP AND APPROVE THE PP FOR FY 91 OBLIGATION. THE  
AA/ENE COMMENDS USAID/RABAT FOR DEVELOPING A TRAINING  
PROJECT IN KEEPING WITH BUREAU AND MISSION STRATEGY.  
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## **1. Linkages Between Public Sector Training and Achievement of Project Private Sector Objectives**

The Project Review Committee (PRC) emphasized that support to the public sector (both participant training and assistance to training institutions) must be effectively directed at private sector objectives. In particular, the Mission was cautioned to ensure that training for the public sector does not involve training in productive sectors operating in competition with private firms or sectors which are appropriate for privatization.

The project paper (PP) analyses determined that assistance to public sector institutions such as the "Grandes Ecoles" is appropriate because they constitute the most prestigious, leading institutions which supply a significant number of graduates to the private sector. To exclude them would significantly reduce the impact of the project and miss the opportunity to influence the leading institutions in the sector. The project will work only with those which have established links with the private sector and have begun to adapt their curricula accordingly.

With regard to participant training, private sector participation will range from 50 percent for Masters Degree Training to 80 percent for short-term training. In contrast, the predecessor Sector Support Training project provides 95 percent of training opportunities to the public sector. Moreover, all public sector trainees will be required to be involved in key functions affecting the private sector, such as regulatory functions, economic policy liberalization, trade policy, etc.

Selection criteria will assure no training is provided to enhance public sector production operating in competition with the private sector, or in sectors which are appropriate for privatization (except insofar as training would promote the privatization process).

## **2. Strengthening In-Country Training Institution**

The PRC noted that assistance to private training institutions is the most innovative project component but it cautioned that more in-depth analysis is needed to determine which in-country institutions are to receive assistance and how this assistance should be provided. Because more data is needed on the new private training institutions, which are still in an embryonic stage, the Mission decided to limit activities to short-term technical assistance and tuition support. The development of loan mechanisms which was discussed during the PRC is not considered feasible until the Mission has gained extensive experience in working with these in-country institutions.

## **3. Role of the GOM in the Selection of Private Sector Candidates**

The PRC expressed concern that the public sector should not exercise undue influence over the training activities targeted for private sector institutions and individuals. The structure of the project Joint Advisory and Selection Committee as described in the project paper Implementation Plan ensures that the private sector has a leading role in setting project directions. Private sector representatives outnumber by a majority both GOM and USAID representatives. Moreover, the selection of participants and training institutions for project assistance will be done using objective selection criteria, and a strict selection schedule. The process will be transparent and open to public scrutiny.

#### 4. Project Management

The PRC expressed concern that the management structure proposed in the PID, which consisted of the GOM, an institutional contractor, a local entity and USAID, could be too cumbersome. The management structure presented in the project paper includes an institutional contractor, the DFC, and USAID/Morocco.

#### 5. Non-Traditional Linkages for Training

The PRC encouraged USAID to seek new U.S.-Morocco linkages in addition to the traditional training approaches, to create additional channels for technology transfer and promote professional and personal ties between Americans and Moroccans. Accordingly, the project will finance the establishment of four university linkages and specialized short-term executive training programs.

The introduction of short-term executive training also responds to the PRC recommendation that additional short-term training be added to encourage the participation of mid and senior level managers, who are generally unable to attend long-term programs.

#### 6. Sustainability of Project Components

The key sustainability issue concerns the ability of the training institutions, which develop new training courses in Morocco as a result of the project, to deliver those courses on a fully self-financed, non-subsidized basis. Many of the new private sector oriented courses will not need tuition support, given the high demand that exists for private sector training. The project paper Financial Analysis demonstrates that the projected cost of courses that do receive tuition support are comparable to the already established market rates, and will therefore be easily assumed by potential users once the value of the courses is established.

#### 7. Policy Dialogue

The PRC requested that a policy agenda be included in the project paper.

The project paper describes three main areas of concern: accreditation, approval of curricula or course standards, and degree equivalency, all of which affect the viability of private training efforts. Diagnostic studies and surveys may identify specific problems in these areas requiring regulatory reform. Mission staff will conduct policy dialogue on both the general issues and specific problems which are identified. While policy dialogue is not a component per se, it is interwoven through all activities.

Other concerns expressed by the PRC, including the need for a transparent selection system and the need for an effective participant tracking system have been incorporated in the project paper.

**ANNEX B. LOGICAL FRAMEWORK**

File # & Number: Training for Development (608-0208)

**ANNEX B.  
LOGICAL FRAMEWORK**

Tab# of Project: 8 Issues  
Total U.S. Funding: 28.0 million  
Date Proposed: July 1981

B. SUMMARY	SELECTED MEASURABLE INDICATORS	FORMS OF VERIFICATION	IMPACTS / COMMENTS
<p>To remove human resource constraints to the rest of open markets in Morocco.</p>	<p>Greater investment in human resource development Improved economic growth Reduction of unemployment among graduates Greater contribution of private sector to the GDP Expanded employment</p>	<p>World Bank/ODM economic reports Statistical reports on private GDP productivity ODM five-year plan and implementation report Annual urban employment survey</p>	<p>Economy continues to respond positively to structural adjustment measures ODM continues to advance sector growth and development Funds and willingness available for investment in human resource development</p>
<p>1. To strengthen Morocco's long-term capacity and to improve Moroccan educational and technical skills for economic growth and private sector expansion.</p>	<p>ODM OF PROJECT STATUS (ODM222): Improved quality and capacity of in-country training infrastructure to meet market demands related to human resources development for economic growth and private sector expansion. Care of more appropriately trained private and public sector personnel to participate in Morocco's economic development. Favorable policy environment that promotes policies, procedures, and standards of training related to the growth, financial viability and quality of private sector training.</p>	<p>ODM private sector economic reports Treasurer impact studies Graduate research/training reports Mid-project and final evaluations Stated policies procedures and standards Training institution profile studies</p>	<p>Improved skills training impacts on economic development. Training helps alleviate human resources constraints. Public and private sector employers utilize returned participants in positions where they can apply the skills they have learned to support current and future self-sustainable development projects.</p>

TITLE	OBJECTIVELY MEASURABLE INDICATORS	FORM OF VERIFICATION	MEASUREMENT PROCEDURES
<p><b>TRAINING FACILITIES</b></p> <p>Providing facilities with improved technical equipment; providing training facilities and faculty that are adapted to market needs.</p> <p>Linkages between Moroccan and U.S. professional institutions.</p> <p>Increased awareness on the part of private and the employers regarding benefits of human resource development.</p> <p>Research data leading to course development and faculty performance in accreditation, equivalency and quality standards.</p> <p>Improved capabilities of Moroccan managers and technical experts in fields needed for Morocco's economic growth.</p>	<p>1. 10 of in-country training institutions with improved capacity.</p> <p>2. 4 of collaborative arrangements between Moroccan and U.S. training institutions.</p> <p>3. 20 of diagnostic studies/needs assessments leading to policy dialogue, reform policies, procedures and standards related to private sector training.</p> <p>4. 15,000 people trained in select management and technical areas through:</p> <ul style="list-style-type: none"> <li>- In-country short-term training</li> <li>- Direct beneficiaries: 5,000</li> <li>- 4,000 tuition grants</li> <li>- 1,000 individuals trained</li> <li>- Indirect beneficiaries: 4,500</li> </ul> <p>U.S. training Short-Term Study Tours and Conferences 420</p> <p>Long-Term Study Tours and Conferences 240</p> <p>400 of the total U.S. long-and short-term participants will receive English language training)</p> <ul style="list-style-type: none"> <li>- English for Special Purposes: 1,000</li> <li>- Conferences: 100</li> <li>- Training of Trainers</li> </ul>	<p>Copies of standards, curricula, and other materials developed</p> <p>Question analysis and site visits reports by project staff</p> <p>Evidence of on-going institutional linkages</p> <p>Technical assistance reports</p> <p>Training institution program and catalogue</p> <p>Standard policies/regulations</p> <p>Reports of other donor agencies</p> <p>Contractor Work Plan</p> <p>Joint Selection Committee minutes</p> <p>Training reports</p> <p>Interview/reports from returned participants</p> <p>Portfolio Project evaluations</p> <p>Needs assessment reports</p>	<p>Training facilities are available and willing to accept and utilize technical assistance and to participate in in-country training.</p> <p>Administrative capacity of public and private training organizations is sufficient to institutionalize improvements.</p> <p>U.S. training and professional institutions are responsive to linkages with Moroccan institutions.</p> <p>Employers grant leave of absence for training and cost share as appropriate.</p> <p>Identification, selection and placement procedures for training function effectively.</p> <p>Human candidates are available and meet selection criteria.</p> <p>Mechanism for description and utilization of returned participants operates effectively.</p> <p>Candidates fulfilling selection criteria are available for training.</p> <p>Moroccan private and public participants in the project fulfill cost-sharing agreements.</p> <p>As appropriate, substantial grant proceeds the orderly implementation of project components.</p> <p>French-speaking and otherwise qualified TA is available</p> <p>Cost-sharing funds are available from private and public sectors</p> <p>Projects figures can be provided in timely and sufficient manner</p>
<p><b>Table</b></p> <p>Technical Assistance:</p> <p>Strategy</p> <p>Short-Term Training</p> <p>Long-Term U.S. Training</p> <p>Short-Term U.S. Training</p> <p>English Lang. Training</p> <p>Conferences</p> <p>Study Tours (e.g., research, follow-on activities)</p> <p>Project Management</p> <p>Students, Staff and Impact Studies</p> <p>Visas</p> <p>Relinquency</p> <p>Cost</p>	<p>Scale/Units of Impact (in 000's)</p> <p>AID</p> <p>USDP</p> <p>1,170</p> <p>12,000</p> <p>4,039</p> <p>4,728</p> <p>543</p> <p>872</p> <p>2,272</p> <p>330</p> <p>1,046</p> <p>1,000</p> <p>20,000</p>	<p>USDP Financial reports</p> <p>PIERP Budgets</p> <p>Audit reports</p> <p>Community clipping receiving reports</p>	<p>4,674</p> <p>5,775</p> <p>1,348</p> <p>900</p> <p>0</p> <p>321</p> <p>134</p> <p>30</p> <p>300</p> <p>0</p> <p>13,449</p>

**ANNEX C. HOST COUNTRY REQUEST FOR ASSISTANCE**

1192

02 JUL 1991

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MONSIEUR DENNIS M. CHANDLER  
DIRECTEUR DE L'U.S.A.I.D.

- RABAT -

ACTION : TRNG

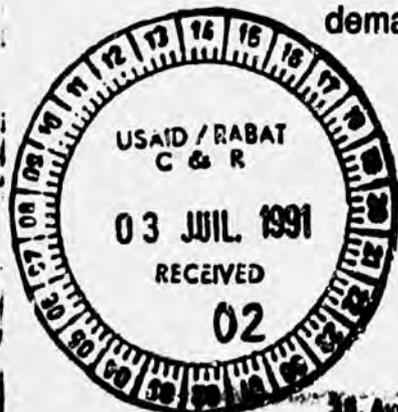
DUE DATE: 07/12

Monsieur le Directeur,

INFO : Adir. Dir.  
PHR. CHROU. RF.

Dans le cadre de notre coopération commune et compte tenu du grand intérêt suscité par les différents organismes nationaux pour le projet "Formation et Perfectionnement pour le Développement" qui s'achèvera dans un avenir proche, j'ai l'honneur de vous demander de bien vouloir examiner la possibilité de négocier un nouveau projet de formation qui sera exécuté à partir de l'année fiscale américaine 1992.

Lors des récentes réunions de travail entre la Direction de la Formation des Cadres et l'U.S.A.I.D, nous avons discuté des grandes lignes des besoins en formation pour les années à venir. Nous en avons conclu qu'un des besoins principaux était celui du secteur privé marocain, secteur qui n'a pas été grand bénéficiaire du projet actuel. Les interventions de formation pouvant attirer ce secteur sont tout d'abord la formation très ciblée et de courte durée organisée au maroc, ainsi que la formation a court terme aux Etats Unis. En ce qui concerne la formation au maroc, le projet devrait renforcer la capacité des institutions marocaines de formation - privées et publiques - à mieux répondre à la demande du marché.



**ACTION TAKEN**  
No Action Necessary   
Replied by: (FOV AD)  
WVV 7/5  
Initials & Date

Je tiens à vous signaler également que le secteur public a un besoin continu en formation pour ses cadres, en formation universitaire aux Etats-Unis, ainsi que de courte durée. Comme nous en avons fait l'expérience lors de l'exécution du projet 608-0178, la sélection de ces cadres doit être faite selon des critères très spécifiques.

En espérant que vous puissiez donner suite à cette demande, et en vous remerciant pour l'assistance que l'USAID porte au Maroc en matière de formation, je vous prie Monsieur le Directeur d'agréer l'expression de ma parfaite considération..

Le Directeur de la Formation des Cadres :



Mohammed Saïd HASSAM

**ANNEX C**  
**HOST COUNTRY REQUEST FOR ASSISTANCE**  
**(Translation)**

**KINGDOM OF MOROCCO**  
**MINISTRY OF PUBLIC WORKS,**  
**VOCATIONAL AND EXECUTIVE TRAINING**

**DIRECTORATE FOR EXECUTIVE TRAINING**

July 2, 1991

To Mr. Dennis M. Chandler  
USAID Director  
Rabat

Director,

Within our longstanding cooperation through the Sector Support Training Project, which will soon be completed, I would like to request that you review the possibility of negotiating a new training project that would start its implementation beginning with the American fiscal year 1993. Continued demand for training from the various Moroccan organizations for the current project confirms the need for further training assistance.

During recent working meetings between the Directorate for Executive Training and USAID, we discussed Morocco's training needs for the coming years. We jointly concluded that the Moroccan private sector, which hardly benefitted from the current training project, has a great need for training assistance. Interventions best suited for this sector include first of all management and very targeted technical in-country training in Morocco. Secondly, executive short-term management training and technical internships in the United States would be of great benefit to employees of this sector. Regarding in-country training, the project should aim at strengthening the Moroccan training institutions -private and public- in order to help them to better respond to private sector market demand.

I would also like to mention, however, that the public sector still has a continued need for long- and short-term training in the United States. As we have learned with the implementation of project 608-178, public sector candidates must be selected according to very specific criteria.

I trust that you can accommodate this request and would like to thank you for all the assistance that USAID provides to Morocco in the area of training.

Sincerely,

Mohammed Saad Hassar  
Director of Executive Training

**ANNEX D. PROJECT ANALYSES**

**ANNEX D.1: ECONOMIC ANALYSIS**

**ANNEX D.2: SOCIAL SOUNDNESS ANALYSIS**

## ECONOMIC ANALYSIS

The Training for Development project (TFD) provides three main categories of training: long-term training in the United States, short-term training, both in Morocco and in US, and technical assistance to training institutions. These three kinds of training result in different benefits, with different time frames; hence, they are separately analyzed below.

### 1. Long-term training:

Usually the only quantifiable benefits to be expected from long-term training (for instance MBA or like degrees) are the incremental lifetime earnings accruing to the beneficiaries.

#### a. Assumptions:

We assumed that the 120 long-term training beneficiaries planned by the project would successfully complete MBA degrees or graduate training in fields that would provide similar levels of recompense. Such training is assumed to result in an increase in salary during 20 years. In addition, 120 high level executives would benefit from accelerated training for an average of 12 months. Given the profile of the candidates and the courses they would attend, we considered that this kind of training would result in the same benefits as the MBA-type training. With regard to earnings, based on the profile of candidates and available data on both public and private sectors, we used the average of annual salaries for graduates with five years experience, as follows:

- ▶ «Licence» or equivalent diploma: 48,000 Dirhams in the public sector, 110,000 Dirhams in the private sector;
- ▶ MBA or equivalent diploma: 75,000 Dirhams in the public sector, 216,000 Dirhams in the private sector.

Thus, the difference in earnings generated by MBA training is DH 27,000 for a public sector employee and DH 106,000 for a private sector employee. Prevailing professional wage levels in the private sector and administratively set pay scales in the public sector may reflect some market distortions. The barriers placed on lay-offs in the public sector<sup>2</sup> and the job security and severance pay provisions of Moroccan labor law inhibit easy exit from the labor market. However, there is a substantial surplus of university graduates in Morocco (representing more than 13% of unemployed, according to latest figures). Their presence exerts an important pressure on opening access to employment and on salary growth. These factors lead to the conclusion that the average salary levels constitute an acceptable proxy for the measure of the productivity of labor, and thus the economic return of a training program.

In fact, based on information from training professionals and private employers, we have made an additional assumption that in the private sector,

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<sup>1</sup> Price Waterhouse Survey of Professionals' Salaries in Morocco, 1987; La Vie Economique-OMA-Sunergia Survey of Professionals' Salaries, 1990; Official Civil Servants salary tables.

<sup>2</sup> This is confirmed by the fact that the recent survey on unemployed graduates showed that, despite the salary differential, 73% of the job seekers would prefer to work in the public sector.

"licence" and MBA salary level, i.e. the incremental earnings would be equal to 140,000 Dirhams in the private sector but remain at 27,000 Dirhams in the public sector.

A discount rate equal to 7% was used to estimate the present value of costs and benefits. This approximates the difference between the inflation rate as of 1990 (7%) and current interest rate (14%). Finally, an exchange rate of 8.5 dirhams for one dollar was used.

**b. Costs:**

Every year, 10 participants each from the public and the private sectors would attend MBA or equivalent courses for two years, and 10 participants (either from the public and the private sectors) would attend the accelerated executive programs for one year, starting in FY 1993. The direct cost per participant is estimated at \$35,000 per year. Costs must include also the salaries lost by the trainees while they are out of the country (even if they are paid, their production will be lost to the economy). Total yearly costs are summarized in the table below.

\$000

Years	Number of Trainees*		Direct Costs	Lost Salaries	TOTAL
	Private	Public			
1993	20	20	1,400	372	1,772
1994	30	30	2,100	558	2,658
1995	30	30	2,100	558	2,658
1996	30	30	2,100	558	2,658
1997	30	30	2,100	558	2,658
1998	30	30	2,100	558	2,658
1999	10	10	700	186	886

\* Person/year.

Based on a discount rate of 7%, the discounted total cost of the program will equal 12,392,000 dollars.

**c. Benefits:**

Participants in MBA-type program would spend two years in the U.S., and that those participating in the accelerated program would spend one year. We assumed that they would be employed immediately after their return, which would be respectively the second and third year. Benefits would then first accrue in year 2 of the program, i.e. in 1994. Thus, the last group of trainees would start earning salary differentials in the year 2000 for 20 years, i.e. until 2019. The estimated benefits of the program are summarized in the table below.

Years	Number of Trainees		Incremental Earnings (Dirhams 000)		TOTAL
	Priv.	Publ.	Private	Public	
1993	0	0	0	0	0
1994	10	10	1,400	270	1,670
1995	30	30	4,200	810	5,010
1996	50	50	7,000	1,350	8,350
1997	70	70	9,800	1,890	11,690
1998	90	90	12,600	2,430	15,030
1999	110	110	15,400	2,970	18,370
2000-2013	120	120	16,800	3,240	20,040
2014	110	110	15,400	2,970	18,370
2015	90	90	12,600	2,430	15,030
2016	70	70	9,800	1,890	11,690
2017	50	50	7,000	1,350	8,350
2018	30	30	4,200	810	5,010
2019	10	10	1,400	270	1,670

The discounted benefits are thus equal to 163,142,000 Dirhams, equivalent to 19,193,000 Dollars (\$1 = 8.5 Dh).

### c. Conclusions:

The Net Present Value (NPV) of the Program is then equal to 6,802,000 Dollars, with a benefit-cost ratio of 1.13 and an Internal Rate of Return (IRR) of 13.29%.

This 13.3% internal rate of return may underestimate the real benefits of the long-term training program. Administratively set pay scales and the differential accorded for MBA or equivalent degree holders may not fully reflect the gains in productivity and influence on productivity of other public sector employees working with graduates who have received long-term U.S. training. The larger observed differential in the private sector in average pay for MBA holders as against those holding a license suggests that indeed postgraduate U.S. training is undervalued by public sector pay scales. Further, for both the private and public sector differential salary payments likely reflect differences in productivity for the individual receiving postgraduate training but likely do not take into account spill-over effects on the productivity of other workers. This is especially so given that the project intends that current or future leaders be selected for the postgraduate training.

### 2. Short-term Training:

Participants in short-term training cannot reasonably expect any increase in their salary. However, there may be some exceptions in the private sector, when the salary is directly linked to the productivity of the employee.

Productivity is in fact the essential benefit from short-term training. Based on the arguments developed previously for long-term training concerning the use of salary as a proxy for productivity, a reasonable objective for short-

term training, i.e. 13.3%. Thus, the economic analysis attempts to answer the following question: what increase in the productivity of short-term training participants would be necessary to reach an IRR equal to 13.3% ?

a. Assumptions:

We made the same basic assumptions on salaries used for long-term training, i.e. average annual salaries for graduates with five years experience (DH 48,000 and DH 110,000 for a "licence," DH 75,000 and DH 206,000 for an MBA, respectively in the public and private sectors); the same assumptions related to discount and exchange rates were used. In addition, we assumed that the average duration of training courses would be equal to one month (both for in-country and US training) and that participants, in both public and private sectors would be equally split into "Licence" and MBA-type graduates. Finally, we supposed that the gain in productivity will accrue during five years, starting the year of training.

b. Productivity gain:

The project assumes 4,800 participants (of which 60% from the private sector and 40% from the public sector) would participate in training courses in Morocco (except for the first and last years, when only half of this number would join in). Average fee per capita for one course was estimated at \$200. Direct costs for each participant include tuition fees paid to the institution, as follows: 100% for participants from the public sector for the first year the course is offered, 50% for the second; for participants belonging to the private sector, the share is respectively 40% and 25%. In addition, about 36 private sector and 24 public sector employees would benefit from training in the U.S., for an individual cost of \$7,810. Total costs are summarized in the table below.

\$000

Year	Morocco		U.S.		Direct Costs	Lost Salaries	TOTAL
	Priv	Pub	Priv	Pub			
1993	240	160	36	24	520	552	1,072
1994	480	320	36	24	548	1,032	1,580
1995	480	320	36	24	548	1,032	1,580
1996	480	320	36	24	548	1,032	1,580
1997	480	320	36	24	548	1,032	1,580
1998	480	320	36	24	548	1,032	1,580
1999	240	160	36	24	497	552	1,049

Based on a discount rate of 7%, the discounted total cost of the program will equal 7,708,000 dollars.

Benefits took into account the premium for US trainees (33%) in the private sector<sup>3</sup>. The gain in productivity was calculated by successive estimations as a percentage of total salaries earned by employees trained by the program during 5 years, in order to reach an IRR equal to 13.3%.

<sup>3</sup> Although US trainees from the public sector could also benefit from this premium, this will not introduce a large change in the model, due to their small part in the total number of participants.

Years	Private		Pub.	COSTS	Productivity gain	NET BENEFITS
	MO	US				
1993	240	36	184	1,072	227	-845
1994	720	72	528	1,580	644	-935
1995	1200	108	872	1,580	1,062	-518
1996	1680	144	1216	1,580	1,479	-101
1997	2160	180	1560	1,580	1,897	317
1998	2400	180	1720	1,580	2,087	508
1999	2160	180	1560	1,049	1,897	848
2000	1680	144	1216	0	1,479	1,479
2001	1200	108	872	0	1,062	1,062
2002	720	72	528	0	644	644
2003	240	36	184	0	227	227

The discounted benefits are thus equivalent to 8,568,000 Dollars, which leads to a benefit-cost ratio of 1.11 for the given IRR of 13.3%. This IRR was obtained by applying a productivity gain equal to 3.3%.

The meaning of this result is that, to reach the same return as long-term training in the U.S., the short-term trainee should be able to maintain a 3.3% increase in his/her productivity during at least five years.

### c. Conclusions:

Available statistics show that a change in productivity of 3.3% is not unusual for short and medium-term periods.<sup>4</sup> Moreover, according to World Bank studies, labor productivity in Moroccan industry grew at an average level of 5% between 1981 and 1985, ranging from 11.2% in capital goods industries to 0.2% in consumer goods industrial sectors.<sup>5</sup>

The disaggregation of increases in productivity to labor and even to human resources development is a complex task. Moreover, the productivity of labor is not easily comparable at the national and individual levels. Nonetheless, the purpose here is only to emphasize that the supposition of an increase in the productivity of short-term training participants of 3.3% is reasonable.

### 3. Technical Assistance:

The third component of the project intends to help Moroccan training institutions to improve the courses they offer in order to meet market demands for human resources development. Outputs of the program would be the improvement of a certain number of training institutions, establishment of linkages with US training institutions and 20 diagnostic studies. Ten institutions would be involved in this component, each for an annual average number of trainees equal to 100 during seven years. Globally, the program is

<sup>4</sup> For examples, see A. Harberger, World Economic Growth, ICS Press, 1984.

<sup>5</sup> The World Bank, Morocco: The Impact of Liberalization on Trade and Industrial Adjustment, March 15, 1988, Vol. II: Main Report, page 66.

then expected to benefit. Assuming that these professionals would realize the same gain in productivity as those who directly benefitted from short-term training (i.e. 3.3%).

Direct costs for technical assistance are estimated at 9,058,000 dollars, over seven years. Assumptions on private/public split, on salaries and on average duration of training sessions were identical to short-term training assumptions. We have made the additional assumption that one third of the courses would be after hours, thus implying no loss in salaries.

\$000

Year	Beneficiaries		Direct Costs	Lost Salaries	TOTAL
	Private	Public			
1993	350	232	753	461	1,215
1994	700	467	1,510	924	2,434
1995	700	467	1,510	924	2,434
1996	700	467	1,510	924	2,434
1997	700	467	1,510	924	2,434
1998	700	467	1,510	924	2,434
1999	350	233	754	462	1,216

The table below summarizes the costs and benefits of the technical assistance.

\$000

Years	Trainees		COSTS	Productivity Gain	NET BENEFITS
	Priv	Pub			
1993	350	232	1,215	281	-934
1994	1050	699	2,434	843	-1,590
1995	1750	1166	2,434	1,407	-1,027
1996	2450	1633	2,434	1,970	-465
1997	3150	2100	2,434	2,533	98
1998	3500	2335	2,434	2,814	380
1999	3150	2101	1,216	2,533	1,317
2000	2450	1634	0	1,970	1,970
2001	1750	1167	0	1,407	1,407
2002	1050	700	0	844	844
2003	350	233	0	281	281

For a given gain in productivity equal to 3.3%, the Internal Rate of Return of the technical assistance component of the program was computed at 7.8%.

#### 4. Conclusions:

Although the estimation of any earnings in the future remains a risky exercise, we have tried to come up with a consistent set of hypotheses in order to draw a plausible picture of the spill-over of the program.

In doing that, we found a positive internal rate of return for the long-term training (13.3%) component, a sustainable gain in the productivity of the participants in the short-term training (3.3%), and a positive, though

smaller, internal rate of return for the training institutions. The results of this economic analyses fell within the range of the results found by other published studies on the value of training and education projects, of which the IRR ranges from 0 to 50%.<sup>6</sup>

The high cost of the technical assistance, as evidenced by a smaller rate of return, implies that for maximum effectiveness, this component of the project should be concentrated on those fields where a strong presumption of gain in productivity does exist. Moreover, the assistance should be focused on the most dynamic institutions, with the highest potential to provide the private sector with improved training over a long period.

During subsequent project evaluations, a series of additional factors could be taken into account to assess more accurately the benefits accrued. This might include graduation, promotion and unemployment rates, general salary increases and the actual number and composition of trainees.

It must be emphasized here that the above analysis may considerably underestimate the real value of this training project, as all its effects were not taken into account. Indeed, new insights, improved analytical skills, more open methods of work and collaboration, enhanced familiarity with the dynamics of information exchange and technology development and adaptation gained from a postgraduate U.S. training or U.S.-type training experience will all help to inject innovation and dynamism into Moroccan organizational structures which typically tend to be overly hierarchical, rigid, and slow to respond to new opportunities and challenges. These kinds of spill-over effects will be an important result of the U.S. training and add considerably to the quantifiable economic returns.

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<sup>6</sup> See AID Manual for Project Economic Analysis, Bureau for Program and Policy Coordination, October 1987, page 176.

## INTRODUCTION

The Training for Development Project will have a highly favorable net social impact. Strengthened in-country training capacity and improved managerial and technical capability in the private and public sectors will help to alleviate Morocco's critical unemployment problem. By removing human resources constraints to private sector growth the project will lead to job-creation in an expanding private sector and improve the job placement rate of graduates with more marketable skills.

Nevertheless, concerns arise regarding the impact of directing training opportunities toward the private sector and away from the public sector as well as the impact of increased training opportunities in the private sector on the exacerbation of gender-related inequities, the exacerbation of inequities among Moroccan social classes, and the deepening of preferential access to resources by the most prominent institutions and private sector firms.

### A. SOCIAL AND CULTURAL COMPATIBILITY

#### 1. Transition to a Private Sector Focus/Economy

Current rates of unemployment and fears of higher rates in the future are a leading concern throughout Morocco. For both the GOM and public opinion, no issue is more important than the specter of growing unemployment, particularly among the urban poor and among the increasing number of graduates without any readily marketable skills. The riots in Fez and elsewhere in December 1990 dramatically illustrated the explosiveness of the issue. The GOM responded with a number of well-publicized initiatives to increase employment including the creation of a National Council on Youth and the Future. In January 1991, His Majesty King Hassan II called for, among other measures, the creation of employment both in the private and public sector. While in the near term a significant number of jobs will be created at the local government level, it is generally recognized that in the long-term, the private sector will have to generate the bulk of new jobs. Moroccan students and young professionals, among whom project participants will be chosen, are already increasingly seeking training which is more likely to lead to employment in the private sector as opposed to the traditional arts and letters education.

In response to the rising demand for training adapted to the private sector there has been a boom, since 1985, in private higher education. Paralleling these developments have been changes in some state-sponsored institutions to respond to demand for more "marketable" education. Some universities have begun to develop continuing education programs tailored to the need of the private sector. The Profile of Management Training Institutions (see summary Annex E) reflects the diversity of these new training institutions.

Despite the favorable momentum toward the growth of training for the private sector, the transition to a private sector led economy is a gradual process that requires adjustments in long-held values and modes of operation. The traditional perception concerning the role of the government as the ultimate overseer of social change still persists throughout the GOM and Moroccan society at large. Therefore, while the GOM has expressed its commitment to the promotion of private sector growth, the specific changes that are required to implement the transition from a public to a private sector oriented economy may meet with some resistance and take longer than anticipated.

The USAID counterpart for the Training for Development Project, the Direction de la Formation des Cadres (DFC) has expressed concern over the diversion of resources away from the public sector. Weakening of support for the public sector in favor of a young and not fully developed private sector is considered to be risky. The DFC believes that the public sector must continue to guide private sector growth. The contractor implementing the Project will need to carefully balance the concerns of the DFC with the need for timely project implementation.

Particular sensitivity will be needed to manage the new relationship between USAID and the DFC. The Project's private sector focus entails a shift in the communication patterns between USAID and its longtime DFC counterpart. The Project implementation structure calls for direct channels of communication between USAID and the private sector. This represents a significant change in the communication patterns established during eight years of collaboration between USAID and the DFC on the Sector Support Training Project. To avoid delays in project implementation, it will be important to anticipate potential areas of sensitivity concerning the lines of communication USAID seeks to establish with the private sector.

## 2. Training in the Private Sector

The Private Sector Training Needs Assessment shows that the demand for private sector education and training is affected by traditional attitudes which favor state intervention. The concept of private education and training is new in Morocco. Education is still seen as a principal obligation of the state to its people. Moreover, admission to a university is often accompanied by a monthly stipend or "bourse" thereby adding funds to a family's income. The "bourse mentality" found throughout Francophone Africa whereby students seek the stipend as much as the education, makes paying for an education even more unusual. Recent demonstrations at the Casablanca School of Medicine against delays in the disbursement of stipends reflect the importance of the government issued stipends. Private training is a novel concept which is therefore likely to meet with certain resistance on the part of those who are accustomed to subsidized state education and public officials who express concern that the lack of government monitoring may lead private institutions to profit at the expense of the students.

The concept of "investing in human capital" is also new and is only beginning to gain recognition. The first national conference on human resources management was held in April 1991. The in-house training provided by most firms tends to be limited to the installation and use of new equipment. Employers tend to view the operational aspects of firm management as far more important than issues of career development and motivation of the workforce. In addition, a majority of private sector employers have a "commerçant" background that orients them toward short-term profit rather than the long-term investment required for human resources development.

Given these constraints on investment in private sector training, cost-sharing by the private sector will need to be introduced gradually. The cost-sharing formulas that are developed jointly by the contractor and the Technical Committee should be progressive and adjusted upward as the value of investment in human resources management becomes more widely recognized and employers are more motivated to invest in training. Project activities intended to elevate the position of human resources development in Morocco are an essential first step toward the introduction of significant cost-sharing by the private sector. Private and public sector individuals interviewed during project paper preparation stressed that awareness building and training interventions for private sector senior level decision makers must be culturally relevant. Project activities intended to elevate the position of human resources development will therefore be designed to reflect the Moroccan socio-cultural context. A profile of target

private sector leaders should be completed prior to the initiation of the awareness building strategy.

### 3. Women and Training

The pool of women candidates that meet the Project selection criteria is limited but steadily growing. Only 35% of university graduates are women and few reach levels of professional responsibility within the public or private sectors. In the public sector only 12% of cadre (professional) level employees are women. Moreover, ministries with the greatest concentration of women (Post and Telecommunications, Public Health, Civil Defense, Youth and Sports and Tourism) are not targeted for USAID assistance. In the private sector, women are the primary source of labor for a number of key sectors but they tend to dominate unskilled and semi-skilled positions. Nonetheless, the percentage of professional women in the private sector tends to be higher than in the public sector and it continues to rise as increasing numbers of women seek higher education. According to a 1990 survey of women in the private and public sectors (published in the magazine "Enjeux"), women hold up to 23 percent of professional positions and over 90 percent of secretarial and administrative assistant positions.

At the cadre level, women are more likely to hold senior administrative positions than technical positions. The greatest opportunities for women cadres are in marketing, finance, import-export, computer systems, quality control and research and development fields. Given the trends in the Moroccan economy, these are the areas where the demand for cadres is likely to increase. These areas correspond to the Project priority training areas and therefore the Project will maintain and seek to increase the 30% target for female participation.

Social attitudes regarding the role of women are moving toward an increased recognition of the woman's role in economic development. In 1990 the Ministry of Plan issued a study on the economic and social status of women in Morocco which acknowledges that the Moroccan woman, who was once confined to household tasks, is today becoming man's partner in most activities outside the home. The study further emphasizes that the number of women in higher professional positions is rising rapidly. Articles appearing in professional journals and newspapers reflect this changing image of women. The Banque Commerciale Marocaine, Morocco's largest private bank recently published a fifteen page article on its female employees and the need for continued promotion of women through training and equal access to on-the job promotion opportunities.

Women managers interviewed as part of the Private Sector Training Needs Assessment felt that women's training needs are no different from those of men. In fact, they felt that it was important not to create special training programs for women. Therefore, the thrust of the Project is to reinforce Moroccan women's integration in the workplace, rather than to treat them as a separate group with "special needs". Nevertheless, women continue to face obstacles to equitable participation in training opportunities. A limited number of short-term training opportunities specially designed to enhance the integration of women in economic development will therefore continue to be offered.

Despite the growing recognition of the integral role played by women in economic and social development, the change is slow and women continue to face obstacles in their efforts to gain equal access to resources and training opportunities. The Genesys study on the Integration of Women in the Training for Development Project confirmed that family responsibilities continue to limit women's ability to be absent from home for prolonged periods of time, and men generally continue to frown upon the woman's independent activity outside the home or an established work environment. Women also often lack access to information about training

opportunities. Information flow in Moroccan society is not very fluid and tends to be highly hierarchical. Women in particular suffer from the lack of transparency and effective information dissemination about training opportunities.

Past experience has shown that selection of participants by government agencies generally result in a predominantly male pool of candidates. Despite efforts to encourage women candidates, women have benefitted from only 23 percent of all participant training opportunities under the Sector Support Training Project. The percentage of women participants has increased to 30 percent since 1989 when the two men for one woman selection rule was adopted by the Joint Selection Committee. To maintain and, if possible, exceed the 30 percent quota the two men for one woman selection rule will be maintained by the Training for Development project.

The project's emphasis on in-country training will alleviate some of the constraints women face associated with prolonged absence required for training in the U.S. Nevertheless, the introduction of private sector training could also add new constraints to women's participation. The private sector emphasis means that a new pool of women and employers will have to be tapped and encouraged to nominate women and pay the cost-sharing portion of their training. It will be particularly important to identify

qualified candidates for in-country training for which there is little precedent. Project interventions intended to elevate the status of human resources development and marketing activities will need to systematically incorporate measures to advocate the importance of training women.

#### **B. PROJECT BENEFICIARIES**

The activities of the Project will reach directly a finite number of individuals, institutions and private sector firms and financial institutions in Morocco. A much larger spread effect will be achieved as additional individuals benefit over time from the improvements in the country's training capacity. Morocco's economic situation will also improve as management and technical limitations to private sector growth are removed and public agencies are more effective in protecting and promoting Moroccan economic and commercial interests.

Individuals. Recipients of long and short-term training in the United States and of project sponsored short term in-country training in management and technical fields will derive immediate and direct benefits from project sponsorship. This group will consist of mid- and upper-level managers and technicians in the private and public sectors. Other individuals to benefit directly include private and public sector leaders responsible for human resource policy formulation who will attend project sponsored seminars and workshops. 30 Percent of training opportunities in each category of training will be set aside for women. Students attending the training institutions that are targeted by the project will benefit indirectly from the strengthened training capacity of the institutions. Ultimately, numerous individuals will benefit from private sector jobs created as a result of project activities intended to promote private sector growth.

Training Institutions. Approximately ten training institutions will benefit directly from technical assistance provided through the project. Technical assistance will upgrade institutional management, curricula, training materials and faculty knowledge.

Private Firms and Financial Institutions. Numerous firms and financial institutions will benefit from training tailored to address gaps in management and technical skills and knowledge of their employees.

Public Agencies. Public agencies charged with the promotion of the private sector will benefit from training provided to their employees in management, policy analysis, and technical upgrading in priority sectors.

### C. TARGETING OF PROJECT BENEFICIARIES

The overall positive social impact of the Project is predicated on the premise that economic growth, private sector expansion, and expanded employment will occur as a result of project investment in human resources development. However, project activities bring these outcomes indirectly. Each activity will have direct beneficiaries but the real outcome of these activities will be eventually measured by the extent to which the project beneficiaries apply the results from their participation to expand private sector growth and enhance public sector efficiency. Project follow-on activities will help to ensure that returned participants maximize the benefits derived from training. Appropriate targeting of beneficiaries is equally critical to ultimate project success.

There are two types of project interventions: strengthening in-country training capacity to address human resources constraints identified by the private sector, and organizing specialized management and technical training both within Morocco and overseas. Selection criteria and mechanisms for the targeting of individual beneficiaries and training institutions must to the maximum extent possible protect the project from favoritism. To ensure the desired social spread effect and to encourage competition within the private sector, extensive care will be taken to develop objective mechanisms for participant and training institution selection, which include a balanced, well-composed selection committee, strict selection criteria, and a clearly defined selection schedule. The process will be transparent and open to public scrutiny.

Gender related targeting of direct beneficiaries will not be limited to the application of the 30 percent quota for women. In order to meet and exceed the 30 percent benchmark, additional efforts will be needed to ensure maximum participation by women. Marketing of training opportunities will need to explore means of using channels to which women are most likely to have access, i.e. broad-based media such as radio, television, and newspapers. Women's associations and cellules des femmes within ministries should also be considered as channels for publicizing training. Follow-on activities will to the extent possible include special career counselling for women and the Association of Moroccan Alumni which offers orientation sessions for new candidates will be encouraged to address issues of special concern to women and their families.

In addition, targets of opportunity will be identified throughout project implementation to promote the training of women. For example, while the project will not offer training for individuals in administrative positions, 98 percent of which are held by women, it will explore mechanisms for encouraging women to enroll in Commercial English courses. Selection criteria might be adjusted to reduce the academic background and years of professional experience needed for enrollment.

**ANNEX E. PROFILE OF TRAINING INSTITUTIONS**

## HIGH TRAINING INSTITUTIONS OUTSIDE THE UNIVERSITIES

### A – Institutions of technical and scientific training

Training Institutions	Admission requirements	Duration of studies and degrees	Options or sections
Preparatory form centers Rabat, Casablanca, Fes, Marrakech	- Baccalaureat in Maths (less than 20 years old) this training prepares for the entrance exam to Engineering Schools	2 years Special Maths	- Higher Mathematics (1st year) - Special Mathematics (2nd year)

### INDUSTRIAL SECTOR

Mohammedia School of Engineers (EMI) Avenue Ibn Sina-Agdal – Rabat BP. 766 – Telex : 32-939 MIRAT Tel.: 77.19 06 77.26 47 77.19 05	- 1)- Admission to 1st year : special math. + entrance exam common to engineering Schools or «DEUG» in Science + entrance exam (depending on availability of places) - 2) - Admission to 2nd year : - Degree of «Ingenieur d'application» - «Licence» in science or equivalent degree after presentation of credentials	3 years Degree of «Ingenieur d'Etat» (Postgraduate diploma in engineering)	- Civil engineering - Mechanical engineering - Electrical engineering - Mineral engineering - Computer science - Industrial engineering
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Hassania School of Public Works (EHTP) Route d'El Jadida Km 7 Casa 02 BP. 8108 Tel.: 23-05-10/60/15/20/20-06-00	Special Maths + Entrance exam common to engineering Schools Admission to the 1st year :	3 years «Ingenieur d'Etat»	- Civil engineering Building-Construction Transport Hydraulics - Electrical Engineering Electronics Automation - Computer science and Maths - Organization and management
	-«Ingenieur d'Etat» or equivalent degree	3 years «Doctorat d'Etat»	
National School of Mining (ENIM) Rue Abderrahman El Ghafiki – Rabat BP. 753 – Agadal Tel.: 77.13.60 77.16.67 77.45.10	Special Maths + entrance exam common to engineering Schools Admission	3 years «Ingenieur d'Etat»  Research certificate and «Doctorat d'Etat» (project)	- Earth sciences - Material Sciences - Electromechanical engineering - Mining engineering - Industrial processes - Computer science
National School of Electricity and Mechanics (ENSEM) Complexe universitaire Route d'El Jadida – Casablanca BP. 8093 – Oasis Tel.: 23-07-87/26-83-43  (School depending of Hassan II University – Casablanca)	- Admission to 1st year : - Special Maths + entrance exam Common to engineering Schools  - MP2 or equivalent (depending on availability of places)+ entrance exam  - Admission to 2nd year : some «Licences» in Sciences on presentation of credentials	3 years «Ingenieur d'Etat»	- Automation, computer science, electrotechnique, electrical, instrumentation - Mechanical design, mechanical fabrication

## POST AND TELECOMMUNICATIONS

<p><b>National Institute of Post and Telecommunications (INPT)</b>          Chariaâ Maâ Al Aïnine, Haut Agdal          Rabat - Tel: 77.30.79</p>	<ul style="list-style-type: none"> <li>- Degree of «Ingenieur d'Application» Licence in Science + entrance exam</li> <li>- Special Maths + entrance exam common to engineering schools</li> <li>- Baccalaureat in Science, Maths or technical + selection</li> </ul>	<p>2 years «Ingenieur d'Etat»</p> <p>3 years «Ingenieur d'Etat»</p> <p>2 years Specialized technical Assistants</p>	<ul style="list-style-type: none"> <li>- Switching</li> <li>- Transmission</li> <li>- Audio-Visual technique</li> <li>- Lines</li> <li>- Telegraph</li> </ul>
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## BUILDING — ARCHITECTURE — PUBLIC WORKS

<p><b>National Institute of Development and Urban Planning</b>          Madinat Al Irfane Chariaâ Maâ Al Aïnine          Haut Agdal — Rabat, BP. 6215          Institut — Tel.: 77.35.10</p>	<ul style="list-style-type: none"> <li>- Degree of «Ingenieur d'Application» «Licence» or equivalent degree + entrance exam</li> <li>- Diplome in Architecture or equivalent degree on presentation of credentials</li> </ul>	<p>2 years + 6 months</p> <p>Degree of Higher studies in Urban Planning and Development</p>	<ul style="list-style-type: none"> <li>- Urban Planning</li> <li>- Development</li> </ul>
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<p><b>Hassania School of Public Works</b>          Route d'El Jadide — Km 7,          Casablanca O2          Tel.: 36-46-95/36-67-83</p>	<ul style="list-style-type: none"> <li>- Special Maths + entrance exam common to engineering schools : Admission to 1st year of the new cycle</li> <li>-«Ingenieur d'Etat» or equivalent degree Further training and continuing education</li> </ul>	<p>3 years «Ingenieur d'Etat»</p> <p>«Doctorat d'Etat» (projet)</p>	<ul style="list-style-type: none"> <li>- Civil engineering</li> <li>- Building-construction</li> <li>- Transport-Hydraulics</li> <li>- Electrical engineering</li> <li>- Electronics-Electrotechnics</li> <li>- Automation</li> <li>- Computer Science and Maths</li> <li>- Organization and management</li> </ul>
<p><b>National School of Architecture (ENA)</b>          Bab El Irfane, Haut Agdal, Rabat</p>	<p>Baccalaureat in Science + entrance exam</p>	<p>6 years Architecte</p>	<ul style="list-style-type: none"> <li>- Architecture</li> </ul>
<p><b>Public works technician Training institutes</b>          Rabat-Oujda-Marrakech-Agadir</p>	<p>Scientific or technical final year -level of high school + entrance exam</p>	<p>2 years technician (training at the Ministry of Public Works)</p>	<ul style="list-style-type: none"> <li>- Civil engineering (all centres)</li> <li>- Building (Marrakech)</li> <li>- Hydraulics (Rabat)</li> <li>- Drawing (Oujda)</li> <li>- Management (Rabat)</li> </ul>
<p><b>Technical School of Architecture and Urban Planning -- Casablanca</b></p>	<ul style="list-style-type: none"> <li>- Bac. (Scientific or technical) or equivalent degree + entrance exam</li> <li>- Scientific or technical final year level of high school + entrance exam</li> </ul>	<p>2 years specialized Technical assistant</p> <p>2 years Technical Assistant</p>	<ul style="list-style-type: none"> <li>- Civil engineering (Oujda)</li> <li>- Urban planning</li> <li>- Building</li> <li>- Architecture</li> </ul>
<p><b>Ministry of Interior Training Centers</b>          Casablanca, Immouzer, Fes, Marrakech</p>	<p>Scientific or technical final year level of high school + entrance exam</p>	<p>2 years technical Assistant</p>	<ul style="list-style-type: none"> <li>- Building and Road system</li> <li>- Architecture</li> <li>- Public works</li> </ul>

## PUBLIC ADMINISTRATION

<p><b>National School of Public Administration</b> 1, Avenue de la victoire – Rabat Tel.: 72.51.88 – 72.50.61</p>	<p>Baccalaureat all types + entrance exam Assistant administrator + 4 years Seniority + entrance exam</p>	<p>4 years Assistant administration 2 years Administrator</p>	<ul style="list-style-type: none"> <li>- Administration</li> <li>- Diplomacy</li> <li>- Economics and Finance</li> <li>- Judicial and Judiciary</li> <li>- Postal-Social and Financial</li> </ul>
<p><b>Customs Training Center</b> 1, Bd des Almohades – Casa Tel.: 31-74-97/31-74-14</p>	<ul style="list-style-type: none"> <li>- 2 years of Secondary education + entrance exam</li> <li>- «DEUG» (all types) + entrance exam</li> <li>- «Licence» or equivalent degree + entrance exam</li> </ul>	<p>6 months Customs officers and Seamen</p> <p>12 months Assistant inspectors</p> <p>12 months Inspectors</p>	<ul style="list-style-type: none"> <li>- Customs training</li> </ul>
<p><b>Ministry of Interior Training Centers (CFMI) – Rabat, Casablanca, Fes</b> (Training at the Ministry of Interior)</p>	<p>Baccalaureat or final year + entrance exam</p>	<p>2 years</p>	<ul style="list-style-type: none"> <li>- Administrative training</li> </ul>
<p><b>Ministry of Interior School of Further Training-Kenitra</b> (Training at the Ministry of Interior)</p>	<p>«Licence» or equivalent degree + entrance exam «DES» (MA)</p>	<p>2 years Authority agent or Head of Departement</p>	<ul style="list-style-type: none"> <li>- Authority agent</li> <li>- Social and economics division and local collectivities and civil status</li> <li>- Price control</li> <li>- Diplomacy</li> </ul>

## MANAGEMENT AND BUSINESS ADMINISTRATION

<p><b>Higher Institute of Commerce and Business Administration (ISCAE)</b> Km 9, 5 route de nouasseur, BP. 8114 Ouais-Casa, Tel.: 36-55-60 Telex : 22-884 M</p>	<p>Baccalaureat in Science Economics or equivalent degree + entrance exam</p> <p>Higher education degree and managerial staff + entrance exam</p>	<p>4 years ISCAE degree</p> <p>2 years CSG degree (Higher cycle in Management)</p>	<ul style="list-style-type: none"> <li>- Foreign Market</li> <li>- Marketing</li> <li>- Financial management</li> <li>- Computer Science and Organization</li> <li>- Financial management</li> <li>- Commercial management</li> <li>- Organization</li> <li>- Computer science</li> <li>- General politics</li> <li>- Industrial economics</li> </ul>
<p><b>Accounting and Secretarial Training National Institute - Casablanca</b> 21, Rue d'Avesnes, Boulevard Mohammed V Casablanca – Tel : 24-31-75</p>	<p>Final year level of high school + entrance exam</p>	<p>2 years Accounting</p>	<ul style="list-style-type: none"> <li>- Accounting</li> <li>- Medical secretary</li> <li>- Management</li> <li>- Computer</li> <li>- Typing</li> <li>- Shorthand</li> </ul>

Training institutions	Admission requirements	Duration of studies and degrees	Offered studies
APESA Preparatory years of agriculture studies Rabat	Baccalaureat in Science + Selection	2 years + Selection Preparatory forms for agricultural studies	- Mathematics - Physics - Geology - Biology
Hassan II Institute of Agronomy and Veterinary Medicine (IAV) Chariaâ Maâ Al Ainine B.P. 6202 Rabat Institut: Tél. 77.17.58 77.17.59 77.43.52 77.43.51	APESA + Selection	4 years « Ingénieurs d'Etat »	- Agronomy - Agro-Industry - Equipment

Hassan II Institute of Agronomy and Veterinary Medicine (IAV) Chariaâ Maâ Al Ainine BP. 6202 - Rabat Institute - Rabat	APESA + Selection	4 years Doctor in Veterinary Medicine	- Veterinary
	cycle of 2 years preparing to agronomic studies option : Agricultural equipment + Entrance exam.	4 years « Ingénieur d'Etat »	- Topography
	- Licence in Maths or physics : on study of credentials (depending on availability of places)	2 years « Ingénieur d'Etat »	
	Baccalaureat in Science + entrance exam	2 years higher technician	- Chemistry - Microbiology - Environment and Ecology
(IAV) - Agadir Horticulturel Complex Ait Melloul	APESA + Selection	4 years « Ingénieur d'Etat »	- Horticulture - Plant pathology - Landscape architecture - Haliculture
	Baccalaureat in Science + entrance exam	2 years Higher technician	- Horticulture - Plant pathology
National School of Forestry Engineering (ENFI) BP. 511 - Tabriquet - Salé Tel.: 70.71.49 - 78.97.04	APESA + Selection	4 years « Ingénieur d'Etat »	- Parcelling out of forests - Forestry economics - Technology of Forestry products - Ecology and protection of natural resources - Reclamation of forestry lands and pastures

<b>National School of Agriculture (ENA)  </b> <b>Haj Kaddour — Meknès</b> <b>Tel.: 223-89/238-86</b>	<b>Baccalaureat in Science</b>	<b>6 years</b> <b>«Ingenieur d'Etat»</b>	<ul style="list-style-type: none"> <li>- Development Techniques</li> <li>- Breeding</li> <li>- Arboriculture</li> <li>- Plant Pathology</li> </ul>
<b>Technical Schools :</b> <ul style="list-style-type: none"> <li>- Schools of Agriculture : Marrakech - Berkane - Mohammedia Tiflet-Ben Ahmed-Taounate</li> <li>- School of Rural Engineering and Topography — Meknes</li> <li>- Horticulture School — Meknes</li> <li>- School of agricultural Mechanization Bouknadel</li> <li>- School of Animal husbandry of Fouarat — Kenitra</li> <li>- Royal Forestry School - sale</li> <li>- (Vocational training)</li> </ul>	<b>Scientific or Mathematic final year level of high school + entrance exam</b>	<b>3 years</b> <b>technical assistants</b>	<ul style="list-style-type: none"> <li>- Agriculture</li> <li>- Management of agriculture</li> <li>- Horticulture</li> <li>- Topography</li>   <li>- Breeding</li> <li>- Forestry</li> <li>- Agriculture mechanization</li> </ul>

**STATISTICS — COMPUTER SCIENCE**

<b>National Institute of Statistics and Applied Economics (INSEA)</b> <b>Médirat Al Irfane Chariss Maâ Al Aïnine</b> <b>BP. 6217 — Rabat — Instituts — Rabat</b> <b>Tel.: 77.09.23/26 · 77 05.32</b>	<b>Degree of «Ingenieur d'Application» in Statistics or Analyst or «Licence» in Economics or Maths + entrance exam</b>	<b>2 years</b> <b>«Ingenieur d'Etat» in</b> <ul style="list-style-type: none"> <li>- Statistics</li> <li>- Demography</li> </ul>	<ul style="list-style-type: none"> <li>- Statistics</li> <li>- Applied Economics</li> <li>- Demography</li> <li>- Computer Science</li> </ul>
	<b>Baccalaureat in Science or economics + entrance exam</b>	<b>4 years</b> <b>«Ingenieur d'Application»</b>	<ul style="list-style-type: none"> <li>- Analysts</li> <li>- Statistics (Arabic-French)</li> </ul>
	<b>Scientific or economic final year level of high school + entrance exam</b>	<b>2 years</b> <b>Technical Assistant</b>	<ul style="list-style-type: none"> <li>- Statistics</li> <li>- Programming</li> </ul>

Gauthier, Casablanca 01 Tel.: 26-63-12/26-62-79	+ Competitive examination	Management and marketing diploma	
French Technical Education School 119, Rue Gay-Lussac - Casablanca Tel.: 22-14-20/22-01-93	GCE A levels or equivalent diploma	2 years Management Assistant 2 years Technician diploma in computer Management 2 years Management and accounting technician diploma	Secretariat Computer science Accounting Management
(Professional training)			
Mroccon Higher Studies Institute 181, Bd Derfoufi - Oujda Tel.: 878-11	GCE A levels	2 years MHSI diploma	Management Financas Accounting Comput- science
Higher business and computer studies School, 24, Rue 6 quartier Prince Héritier Fas, Tel.: (06) 412-58/433-28	GCE A levels	4 years HBCSS diploma	Commerce and computer science Medical technology
Higher Management and technic training Institute, 47, Bd Pasteur - Tanger Tel.: 371-01	GCE + all types	2 years	Economic and accounting studies Management technics
International Institute for Higher Education, 1, Rue Jabal El Ayachi, Agdal Rabat, Tel.: 77.50.00	GCE A Levels Mathematics, Econo- mics or equivalent diploma	4 years	Computer science Management
Anglo American Institute of Management 18, Rue Colbert (1er étage)-Casablanca Tel.: 31-36-49	GCE A levels	4 years 3 years 3 years 2 years	English language and Management English language and International business English language and Marketing English language and Management assistant

Higher school of Business Avenue Prince My Abdellah, BP 529 Gueliz - Marrakech Tel.: 333-93/Telex . 720-16	GCE A levels + competitive examination	4 years HSB diploma	Business
Higher School of Applied Computer and management, villa Therese, 1, 1, Quartier Saada, Gueliz - Marrakech Tel.: 315-28	GCE A levels without examination	HSACM diploma	Computer science and Management
Higher Moroccan Technology School Jebel Ayachi Agdal Rabat Tel.: 77.38.99 / 73.04.82	GCE A levels sciences	2 years 1st and 2nd years 2 years Final Honours = 2 years Engineering diploma	Technology
Moroccan School of Management engineering and industrial computer 44, Rue saïsson, Belvédère - Casablanca Tel.: 24-43-39/73	GCE A levels	Engineer diploma	Management computer Industrial computer
Administration school of Business management 2, Avenue My Youssef Rabat, Tel.: 76.81.34	GCE A levels Sciences	2 years Higher technician diploma	Computer Management Commercial Management Marketing option Bilingual Management Secretariat
Higher Educational School of Management, 3, Rue de Picardie Gauthier Casablanca, Tel.: 26-97-01	GCE A levels All types + interview	2 years	Management Computer management
Higher Management Studies Institute 52, Avenue de Nador, Polo - Casablanca Tel.: 28-94-33	Degree or equivalent diploma + interview and test Baccalauréat all types	2 years PHD diploma 4 years + entrance exam.	Economic, Social and legal studies
Higher Management School 4-18 Rue Colbert - Casablanca Tel.: 31-55-55	GCE A levels + interview	4 years	Finances - Management Computer - Management Management and business International business

**PRIVATE TRAINING INSTITUTIONS**

**List of higher educational Institutions authorized by the Ministry of National Education**

<b>Training Institutions</b>	<b>Conditions of Admission</b>	<b>Period of studies granted certificate</b>	<b>Options or sections</b>
Higher economic and social studies Institute, 3, Rue Caporel Corres Casablanca, Tel.: 30-01-95/30-24-20	GCE A levels	2 years - Technician diploma of the first and 2 nd year	Computer management Hotel and Touristic management Book-keeping management
Higher Management Institute 23, Rue Murdock – Casa-Anfa. Tel.: 27-71-22/27-05-50	GCE A levels or equivalent diploma	2 years HMI diploma	Finance Accounting Management computer
Technical Applied Management Institute	GCE A levels	2 years Higher technician diploma	Treasury Management, Accounting Computer Management Hotel and Touristic Management
Higher Computer and Management School place de la Résistance, Angle Bd My Youssef – Fès Tel.: (06) 265-01-02	GCE A levels	HCMS diploma	Management and computer science
Higher Computer and Management School, 6, Rue Ampère – Casablanca Tel.: 27-45-67/27-45-27	GCE A levels	HCMS diploma	Management and computer science
Higher electric engineering Institute place de la Gare, Angle Bd Bahmad Casablanca-Ain Sebaâ-Hay Mohammedi Tel.: 24-06-05/42	GCE A levels Scientific or technical	2 years Higher technician diploma of the 1st and 2nd year - Final honours diploma	- Electronics Automation Industrial Computer - Electronic - Automation - Computer science
Higher commercial and computer studies school, 77, Bd de la Gironde, Casablanca Tel.: 24-96-91	GCE A levels or equivalent diploma	HCCSS diploma	Commercial and computer studies

**ANNEX F. STATUTORY CHECKLIST**

**.5C(2) - ASSISTANCE CHECKLIST**

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

**CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE?**

**YES**

**A. CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUNDS**

**1. Host Country Development Efforts (FAA Sec. 601(a)):** Information and conclusions on whether assistance will encourage efforts of the country to:  
(a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations;  
(d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture, and commerce; and (f) strengthen free labor unions.

**2. U.S. Private Trade and Investment (FAA Sec. 601(b)):** Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

1. The Training for Development Project will strengthen Morocco's in-country training capacity and improve Moroccan managerial and technical skills for economic development and private sector expansion. It will also foster linkages between the U.S. and Moroccan private sectors.

Answers to a, b, d and e are yes. No assistance is contemplated to encourage cooperatives, credit unions or saving and loan associations and no assistance will be given to strengthen Labor unions. Answers to (c) & (f) are no.

2. The project will develop at least 4 institutional linkages between U.S. and Moroccan private sector training institutions. U.S. Study Tours for Moroccan businessmen will encourage U.S. private sector interest in investment opportunities in Morocco. The project will use U.S. technical assistance.

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### 3. Congressional Notification

a. General requirement (FY 1991 Appropriations Act Secs. 523 and 591; FAA Sec. 634A): If money is to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the notification requirement has been waived because of substantial risk to human health or welfare)?

N/A

b. Notice of new account obligation (FY 1991 Appropriations Act Sec. 514): If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?

N/A

c. Cash transfers and nonproject sector assistance (FY 1991 Appropriations Act Sec. 575(b)(3)): If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted?

N/A

4. Engineering and Financial Plans (FAA Sec. 611(a)): Prior to an obligation in excess of \$500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

a) YES

b) YES

5. Legislative Action (FAA Sec. 611(a)(2)): If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?

N/A

6. Water Resources (FAA Sec. 611(b); FY 1991 Appropriations Act Sec. 501): If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.)

N/A

7. Cash Transfer and Sector Assistance (FY 1991 Appropriations Act Sec. 575(b)): Will cash transfer or nonproject sector assistance be maintained in a separate account and not commingled with other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)?

N/A

8. Capital Assistance (FAA Sec. 611(e)): If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?

N/A

9. Multiple Country Objectives (FAA Sec. 601(a)): Information and conclusions on whether projects will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit union, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

9. The Training for Development Project will provide funds to strengthen Morocco's in-country training capacity and to improve Moroccan Managerial and technical skills for economic development and private sector expansion. It will also foster linkages between the U.S. and Moroccan private sectors.

Answers to a, b, d, and e are yes. No assistance is contemplated to encourage cooperatives, credit union or saving and loan associations and assistance will be given to strengthen Labor unions. Answer to (c) and (f) is No.

10. U.S. Private Trade (FAA Sec. 601(b)): Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

10. The project will develop at least 4 institutional linkages between U.S. and Moroccan private sector training institutions. U.S. Study Tours for Moroccan businessmen will encourage U.S. private sector interest in investment opportunities in Morocco. The project will use U.S. technical assistance.

a. Recipient Contributions (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

(a) GOM and pilot for will pay the international airfare and salary for recipients of participant training; will cost-share in in-country training; and will provide classroom space for in-country training.

b. U.S.-Owned Currency (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

(b) NO

c. Separate Account (FY 1991 Appropriations Act Sec. 575). If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies:

(c) N/A

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

## 12. Trade Restrictions

a. Surplus Commodities (FY 1991 Appropriations Act Sec. 521(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

(a) N/A

b. Textiles (Lautenberg Amendment) (FY 1991 Appropriations Act Sec. 521(c)): Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?

(b) NO

13. Tropical Forests (FY 1991 Appropriations Act Sec. 533(c)(3)): Will funds be used for any program, project or activity which would (a) result in any significant loss of tropical forests, or (b) involve industrial timber extraction in primary tropical forest areas?

(a) NO

(b) NO

121(d)): If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)?

N/A

### 15. PVO Assistance

a. Auditing and registration (FY 1991 Appropriations Act Sec. 537): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?

N/A

b. Funding sources (FY 1991 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?

N/A

16. Project Agreement Documentation (State Authorization Sec. 139 (as interpreted by conference report)): Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision).

Case - Zablocki Act will be complied with.

17. Metric System (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the

YES

OF 1055 OF MARKETS TO UNITED STATES...  
Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

18. Women in Development (FY 1991 Appropriations Act, Title II, under heading "Women in Development"): Will assistance be designed so that the percentage of women participants will be demonstrably increased?

Yes, project has a 30% target for women participation.

19. Regional and Multilateral Assistance (FAA Sec. 209): Is assistance more efficiently and effectively provided through regional or multilateral organizations? If so, why is assistance not so provided? Information and conclusions on whether assistance will encourage developing countries to cooperate in regional development programs.

NO

20. Abortions (FY 1991 Appropriations Act, Title II, under heading "Population, DA," and Sec. 525):

a. Will assistance be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

(a) NO

b. Will any funds be used to lobby for abortion?

(b) NO

21. Cooperatives (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life?

NO

a. Use of currencies (FAA Secs. 612(b), 616(h); FY 1991 Appropriations Act Secs. 507, 509): Describe steps taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services.

(a) U.S. does not own excess foreign currencies of Morocco.

b. Release of currencies (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

(b) NO

### 23. Procurement

a. Small business (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed?

(a) YES

b. U.S. procurement (FAA Sec. 604(a)): Will all procurement be from the U.S. except as otherwise determined by the President or determined under delegation from him?

(b) YES

c. Marine insurance (FAA Sec. 604(d)): If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?

(c) Morocco does not discriminate against any marine insurance companies.

d. Non-U.S. agricultural procurement (FAA Sec. 604(e)): If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)

(d) N/A

e. Construction or engineering services (FAA Sec. 604(g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible

(e) NO

... capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

f. **Cargo preference shipping (FAA Sec. 603):** Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

(f) NO

g. **Technical assistance (FAA Sec. 621(a)):** If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

(g) Yes. Use of other Federal agencies is not contemplated.

h. **U.S. air carriers (International Air Transportation Fair Competitive Practices Act, 1974):** If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?

(h) YES

i. **Termination for convenience of U.S. Government (FY 1991 Appropriations Act Sec. 504):** If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?

(i) YES

... 524): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

(j) YES

**k. Metric conversion** (Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

(k) YES

YES

**l. Competitive Selection** Procedures (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

(l) YES

## 24. Construction

**a. Capital project (FAA Sec. 601(d)):** If capital (e.g., construction) project, will U.S. engineering and professional services be used?

(a) N/A

**b. Construction contract (FAA Sec. 611(c)):** If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?

(b) N/A

Congressional approval (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress?

N/A

25. U.S. Audit Rights (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights?

N/A

26. Communist Assistance (FAA Sec. 620(h)). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?

YES

#### 27. Narcotics

a. Cash reimbursements (FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated?

(a) YES

b. Assistance to narcotics traffickers (FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?

(b)

(1) YES

(2) YES

28. Expropriation and Land Reform (FAA Sec. 620(g)): Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? YES
29. Police and Prisons (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? YES
30. CIA Activities (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? YES
31. Motor Vehicles (FAA Sec. 636(i)): Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? YES
32. Military Personnel (FY 1991 Appropriations Act Sec. 503): Will assistance preclude use of financing to pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? YES
33. Payment of U.N. Assessments (FY 1991 Appropriations Act Sec. 505): Will assistance preclude use of financing to pay U.N. assessments, arrearages or dues? YES
34. Multilateral Organization Lending (FY 1991 Appropriations Act Sec. 506): Will assistance preclude use of financing to carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? YES
35. Export of Nuclear Resources (FY 1991 Appropriations Act Sec. 510): Will assistance preclude use of financing to finance the export of nuclear equipment, fuel, or technology? YES

... REPRESSION OF POPULATION (FY 1991 Appropriations Act Sec. 511): Will assistance preclude use of financing for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights?

YES

37. Publicity or Propoganda (FY 1991 Appropriations Act Sec. 516): Will assistance be used for publicity or propoganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propoganda purposes not authorized by Congress?

NO

38. Marine Insurance (FY 1991 Appropriations Act Sec. 563): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate?

YES

39. Exchange for Prohibited Act (FY 1991 Appropriations Act Sec. 569): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law?

NO

**CRITERIA APPLICABLE TO ECONOMIC SUPPORT ONLY**

1. **Economic and Political Stability (FAA Sec. 531(a)):** Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

To the extent practicable, particularly by helping to lower unemployment and related political pressures

2. **Military Purposes (FAA Sec. 531(e)):** Will this assistance be used for military or paramilitary purposes?

NO

3. **Commodity Grants/Separate Accounts (FAA Sec. 609):** If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made?

N/A

4. **Generation and Use of Local Currencies (FAA Sec. 531(d)):** Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 106 through 106?

NO

5. **Cash Transfer Requirements (FY 1991 Appropriations Act, Title II, under heading "Economic Support Fund," and Sec. 575(b)).** If assistance is in the form of a cash transfer:

N/A

a. **Separate account:** Are all such cash payments to be maintained by the country in a separate account and not to be commingled with any other funds?

b. Local currencies: Will all local currencies that may be generated with funds provided as a cash transfer to such a country also be deposited in a special account, and has A.I.D. entered into an agreement with that government setting forth the amount of the local currencies to be generated, the terms and conditions under which they are to be used, and the responsibilities of A.I.D. and that government to monitor and account for deposits and disbursements?

N/A

c. U.S. Government use of local currencies: Will all such local currencies also be used in accordance with FAA Section 609, which requires such local currencies to be made available to the U.S. government as the U.S. determines necessary for the requirements of the U.S. Government, and which requires the remainder to be used for programs agreed to by the U.S. Government to carry out the purposes for which new funds authorized by the FAA would themselves be available?

N/A

d. Congressional notice: Has Congress received prior notification providing in detail how the funds will be used, including the U.S. interests that will be served by the assistance, and, as appropriate, the economic policy reforms that will be promoted by the cash transfer assistance?

N/A

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