

**R4**

# **USAID/MOROCCO**

Results Review and  
Resource Request (R4)

**1 APRIL 2000**

***Please Note:***

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The R4 is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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# *Memorandum*

April 1, 2000

**TO:** Robert Randolph, AA/ANE  
**FROM:** James Bednar, Director, USAID/Morocco  
**SUBJECT:** USAID/Morocco R4 2002

I am pleased to hereby submit USAID/Morocco's Results Reporting and Resource Request FY2002 which summarizes progress against the last year of the Mission's previous strategy, i.e., the 1995 – 2000 Country Program Strategy, and also describes progress in completing the transition from this previous strategy to the new Country Strategic Plan (CSP; 1999 - 2005).

The Mission has made excellent progress in achieving the results that we targeted. All four objective teams are "on track." Of particular note during FY99 is the considerable progress made in the all-important policy arena. With a relatively small program budget that ranks fourth among international donors, the Mission continues to have broad and high-level impact on many critical policy issues facing Morocco. This is largely due to (a) the widely recognized comparative advantage that the U.S. represents in our sectors of emphasis; and (b) the successful, dual-track structure of our program that pilots many policy-related issues in a local, decentralized context.

The Mission made equally good progress in our transition to a new strategy, which was approved in May 1999, especially in three significant areas. The first area is continued implementation of activities within the existing portfolio in a way that directly informs activity designs under the new strategy. The second area is the successful, collaborative design of our flagship activity in the southern regional program -- the \$12 million Souss-Massa Integrated Water Management (SIWM) activity under the Water/Environment strategic objective (SO6), and the launch of sensitive, tripartite ministerial negotiations to implement this activity. The third area is progress, with our Embassy colleagues, on structuring a framework for the development of a special objective on democracy and governance, which culminated in approval last month of SpO9.

Our total program budget request for FY02 (all sources) is \$13.4 million, which is \$2.4 million above the original FY02 request level in the new Country Strategic Plan (CSP). The increase represents ESF for continuation of our recently approved Democracy/Governance Special Objective (SpO9) and for regional initiatives under the Economic Growth (SO5) objective. The overall level remains consistent with the ANE Bureau's original CSP guidance, as subsequently modified based on the recent review and approval of the Mission's CSP Addendum in March 2000.

Management Contract: The core of the new management contract/results framework was defined in the new CSP. The basis for completing draft Performance Monitoring Plans (PMPs) that flesh-out the new management contract/results framework include: (a) completion of a series of new activity designs over the following 12 months, and (b) the subsequent selection, arrival

and start-up of new implementing mechanisms (grants/contracts). In recognition of this “transition reality,” the cover memorandum for USAID/Morocco’s 2001 R4 stated, “Subsequent obligations of funds for new activities...will occur in late FY2000...The 2003 R4 will be our first progress report against the new strategy, the new management contract and the new performance monitoring plan.”

Thus, new activity designs and contractor/grantee selection exercises are proceeding apace, with key start-ups targeted for late spring of 2000. The Mission has benefited from USAID/W-funded technical assistance in developing full SO/SpO PMPs that will be finalized with input of our implementing partners, once selected. Pending this, and conforming with guidance from ANE and PPC for missions in transition, the attachment to this memorandum presents those elements of the USAID/Morocco management contract that are relevant to FY2000, and which will be reported on in our subsequent R4 (R4 2003). The attachment also includes the Mission’s plans for completion of the PMPs in each sector. The Updated Framework Annex summarizes and justifies all of the modifications that the Mission proposes to our approved Results Framework, based on our continuing work on the PMPs. I request your approval of these modifications.

Staffing/OE Issues: The USDH workforce level allotted by USAID/W through FY02 is adequate to administer and support the Mission’s two strategic objectives and three special objectives, and to perform the necessary administrative and management functions. The Mission’s OE request level for FY01, \$2,714,700, will be below our historical “straight-line” budget level by nearly \$156,000. FY02 requirements edge the Mission back toward but still below the “straight-line” budget level, at \$2,816,500. These lower numbers for FY01 and FY02 are due to several factors, including a projected annual savings of up to \$20,000 that is expected to accrue as a result of an innovative approach in meeting the Mission’s warehousing needs. In the same vein, the Mission recently formulated and submitted to the Mission ICASS Council another innovative proposal, on which a decision is expected by September. This proposal is for out-sourcing for residential maintenance, either managed directly by USAID/Morocco or the Embassy. Either approach to implementing this proposal will result in substantial OE savings and potential staff reductions. Thus, the Mission continues to make every effort to improve efficiencies and reduce costs. As ICASS Council Chair, I strongly advocate such cost-saving approaches.

In conclusion, I want to underline the important developmental impact that we continue to have in Morocco and in support of U.S. foreign policy objectives. FY99 was not only a period of transition for USAID/Morocco, but was also a year of transition for Morocco as a new King began to develop his vision for the country’s future. USAID is playing and will continue to play an important role in support of this transition.

Attachment: Program Benchmarks for FY00 and Action Plans for Completing Performance Monitoring Plans (PMPs)

Attachment to Memorandum:

**USAID/Morocco Program Benchmarks for FY00 and  
Plans for Completing Performance Monitoring Plans (PMPs)**

Following are the projected USAID/Morocco program indicators that will be reported on in R4 FY03 next year, and plans for completing draft PMPs. As activity designs and selection of implementing partners are still underway, the Mission may revise these benchmarks with the more targeted input of our implementing partners (contractors/grantees). Note that, as stated in the approved CSP, some activities from the previous CSP will continue to support the new SO/SpOs, but have to be reported under the previous SOs in two cases (EG and ENV).

The Updated Framework Annex summarizes modifications to our approved Results Framework.

**I. SO3 (old) and SO5 (new) -- EG**

A. Selected FY2000 Benchmarks for Reporting in FY03 R4

1. Indicator 5.1.1: Progress in improving selected aspects of commercial law

Baseline - FY00: To be collected in FY00  
Target - FY00: N/A in view of baseline

2. Indicator 5.1.2: Progress in reengineering administrative processes in selected agencies of government

Baseline - FY00: To be collected in FY00  
Target - FY00: N/A in view of baseline

3. Indicator 5.2.2: Effectiveness of micro-finance intermediaries

Baseline - FY00: To be collected in FY00  
Target - FY00: N/A in view of baseline

4. Indicator 5.2.3: Increased membership in targeted business associations

Baseline - FY00: To be collected in FY00  
Target - FY00: N/A in view of baseline

CCT: Crosscutting team activities will contribute to the EG strategic objective of expanding domestic investment in the region of Souss-Massa-Draa (SMD). In accordance with the revised EG strategy, the SO team will develop a new microfinance product tailored to meet the needs of rural community borrowers in the SMD. The CCT activities that provide technical assistance and training to promote rural cottage industry will support the EG intermediate results in two ways: by creating additional demand for rural microcredit; and by improving the productive capacity (and hence ability to repay loans) of village entrepreneurs receiving loans under the EG rural microfinance activity.

## B. Performance Monitoring Plan

The Mission benefited considerably from technical assistance provided in March 2000 by the ANE Bureau under the new Integrated Managing for Results contract with Pricewaterhouse Coopers (PwC). The PwC team led SO5 in fleshing out the draft PMP. This document will be finalized as activity designs are completed over the coming months, and will also reflect the input of our cooperating agencies selected for activity implementation as they are selected.

## II. SO2 (old) and SO6 (new) -- ENR

### A. Selected FY2000 Benchmarks for reporting in FY03 R4

#### 1. Indicator 2.1.1 and 6.1.1: Progress Toward the Adoption of Key Policy and Institutional Reforms

<u>SO2:</u>	<u>Baseline - FY95:</u>	12% of reforms completed
	<u>Target - FY00:</u>	75% of reforms completed
<u>SO6:</u>	<u>Baseline - FY99:</u>	0% of reforms completed
	<u>Target - FY00:</u>	5% of reforms completed

##### a. SO2 policy reforms with links to SO6 that will continue to be tracked in FY2000:

- Progressive Pricing Policies
- Decentralization of Water Management Authority
- Use of Environmental Impact Assessments Prior to Urban Infrastructure Investment
- Private Sector Involvement in Urban Infrastructure Service Delivery
- Targeted Industrial Effluent Norms and Standards
- Implementation of the Polluter-Pays Principle
- Sustainability of ANHI

##### b. SO6 Policy Reforms to be tracked in FY2000:

- Progress toward creation of a RBA
- Technical capacity to allocate and monitor water quantity and quality
- Institutions, procedures, and standards necessary to enforce water quality established and applied
- Procedures for reducing and/or reallocating water established
- Mechanisms for communication between sectors and agencies established and utilized
- Mechanisms for public participation and communication established and utilized
- Sustainable source of revenue to the RBA established
- Information sharing and use of combined data sources for decision making

#### 2. Indicator 2.4: Number of Environmental Activities Implemented with Non-Governmental Partners

Baseline - FY94: 2 municipalities with 600,000 population  
Target - FY00: 35 municipalities with 3,006,500 population

3. Indicator 2.3: Number of Municipalities with Improved Wastewater Treatment Garbage Collection, Landfill Management, Green spaces, and Recycling Services

Baseline - FY95: 0 activities  
Target - FY00: 25 activities

## B. Performance Monitoring Plan

The Mission has prepared a draft PMP with illustrative indicators for SO6 for the period FY 2000 to 2005. Finalization of this PMP, including the identification of targets and baseline data, will be done in September 2000 by the contractor selected to implement the new SO6 Souss-Massa Integrated Water Management Activity (SIWM). This will be done in collaboration with USAID and host-country counterparts. To accelerate this process, the Mission has hired a contractor who is currently working with partner agencies to assess the current availability and quality of baseline data. Some activities under SO6 have already begun and will be reported in next year's R4. SO6 will continue to track elements of SO2 through FY02, particularly in the areas of policy reform and NGO participation in environmental activities.

CCT: Both SO6 and CCT will focus their implementation on the Souss-Massa, thereby offering an opportunity to enhance the impact of complementary activities. CCT activities will contribute to SO6 by developing partnerships for water management among the public and private groups represented by private water users associations, village development associations, and sectoral ministries such as Agriculture, Health, Environment, and Equipment. Many water users associations to be assisted through CCT activities will involve the participation of women, who will be given a voice in decision-making on matters concerning water use. Through their participation in the Souss-Massa River Basin Agency, to be assisted under SO6, women and other private sector organizations will interact with local and regional government officials to improve water allocation, pricing and sanitation.

## III. SpO7 -- PH

### A. Selected FY2000 Benchmarks for reporting in FY03 R4

1. Indicator SpO7.0.3 (SpO level): Improved policy environment supporting sustainability of Reproductive and Child Health services.

Baseline - FY99: Baseline policy work accomplished; 10 reforms under SO1 reported  
Target - FY00: 14% completion of five priority policy and regulatory reforms:

- a. MOH assures procurement and financing for 100% of contraceptives for the public sector;
- b. MOH assures procurement and financing for 100% of vaccines for the public sector;

- c. Intersectoral regional teams allocate resources for preventive health care activities in pilot regions;
  - d. Increased ability of private health providers to provide and promote reproductive and child health care services; and
  - e. Quality Assurance for reproductive and child health services instituted in the private sector.
2. Indicator SpO7.1.1: Couple years of Protection (CYP) increased in pilot regions of Souss-Massa-Draa (SMD) and Tangier-Tetouan (TT).

<u>Baselines - FY99:</u>	SMD: 70,932	TT: 65,155	Total: 136,087
<u>Target - FY00:</u>	SMD: 73,060	TT: 67,110	Total: 140,170

3. Indicator SpO7.1.2: Health and demographic data effectively used by pilot regional health teams to identify and resolve local health problems.

Baseline - FY99: Regional teams develop region-specific data sets that present key MCH/FP statistics for the year and include analysis.

Target - FY00: Year 2000 data sets developed by regional teams, including analysis. Problem identification and prioritization of actions to be undertaken developed using a participatory approach.

4. Indicator SpO7.2.1: Couple years of protection distributed by the private sector increased as a proportion of all CYPs delivered in the public and private sector.

<u>Baseline - FY99:</u>	37%
<u>Target - FY00:</u>	39%

## B. Performance Monitoring Plan

A TDY by MEASURE 2 -- the G/PHN project dedicated to performance monitoring -- is currently taking place. This TDY will finalize the PMP that is already more than 50% completed. Two indicators relating to IR1 will not be finalized until the TASC contract is awarded. In particular, an anticipated indicator related to the introduction of Emergency Obstetric Care in the region will require significant fieldwork to establish the areas of intervention and the baseline. In addition, out-year benchmarks for the two private sector policy objectives need to be finalized. All indicators will be reported on in next year's R4, as well as progress in FY00.

CCT: CCT activities will contribute to SpO7 results achievements, in particular under IR 1, Effective decentralized management of primary health care established on a pilot basis. Work of the CCT with grants to improve community development at the grass roots level should be translated into improved health outcomes within these communities and will be measured through increased CYP. CCT activities intended to support the deconcentration and decentralization process in the SMD region will also have a positive influence on these efforts within the context of the health sector and the SpO.

## IV. SpO8 -- ED

### A. Selected FY2000 Benchmarks for reporting in FY03 R4:

#### 1. Indicator SpO8.1. (SpO level): Girls' Enrollment Ratio

Baseline - FY 95: (94/95 school year): 1<sup>st</sup> grade 40%, 6<sup>th</sup> grade 16%

Actual - FY00:<sup>1</sup> (99/00 school year): 1<sup>st</sup> grade 42%, 6<sup>th</sup> grade 34%

#### 2. Indicator SpO8.1.2: Gender-sensitive interactive process

Baseline - FY00: To be collected in FY00

Target - FY00: N/A in view of baseline

#### 3. Indicator SpO8.1.2.3: Number of parents who meet with teachers

Baseline - FY00: To be collected in FY00

Target - FY00: N/A in view of baseline

#### 3. Indicator SpO8.1.3.1: EMIS data available and used locally

Baseline - FY00: To be collected in FY00

Target - FY00: N/A in view of baseline

### B. Performance Monitoring Plan

With the assistance of the MEG (Morocco Education for Girls) institutional contractor's Monitoring and Evaluation Specialist (MSI sub-contract), SpO8 will finalize the PMP in June 2000, in particular with regard to setting baselines and targets for new IR-level indicators. The PMP revision process was initiated as part of the MEG realignment. SpO8's virtual team member, Christina Rawley (ANE), participated in the revision of the definition of the IRs and their respective indicators.

CCT: Crosscutting theme activities will support SpO8 by developing the capacity of communities to organize themselves and their priorities, voice their needs, and make decisions. At the same time, CCT activities that are directed towards increasing the capacity of local government to plan and manage delivery of services will directly support SpO8's interventions for improving the institutional capacity of the Ministry of National Education (MNE) at the provincial level. Finally, CCT interventions aimed at increasing the participation of women and girls in the development process impact the SpO at the highest level since it helps to achieve increased access of girls to resources and services -- including services provided by the MNE.

## V. SpO9 -- D/G

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<sup>1</sup> Please note that the data for enrollment ratio is collected at the beginning of the school year. Therefore, FY00 data is actual. FY 01 targets are as follows: 1<sup>st</sup> grade 44%, 6<sup>th</sup> grade 35%.

Given the experimental nature of the Mission's democracy/governance special objective, the CSP Addendum strategy review team agreed that annual benchmarks would not be appropriate. Rather, the Democracy Working Group (DWG) was requested to identify general pro-democracy status that it expected Morocco to realize and that would signal an appropriate time for a subsequent review in Washington, and possible consideration of a modification of the USG's strategy in this sector.

The DWG will provide this requested information in FY01.

## **VI. Crosscutting Themes (CCT)**

### **A. Selected FY2000 Benchmarks for reporting in FY03 R4**

Baselines for the four proposed indicators below are equal to zero. Because the CCT strategy was only approved in March 2000 and activity designs are still underway, results achieved in FY00 will be minimal, but will be more substantial in FY01 (see section B below).

1. Indicator CCT 1.1: Number of targeted village associations (48) that include the participation of women.
2. Indicator CCT 1.2: Percentage of local authority development plans (32) in target provinces conceived, funded and implemented with the participation of women.
3. Indicator CCT 2.1: Number of village development associations (48) in target areas that have developed, funded and implemented village development action plans.
4. Indicator CCT 2.2: Number of local authority development plans (32) in target provinces conceived, funded and implemented through participatory mechanisms.

### **B. Performance Monitoring Plan**

While SOs/SpOs will report result-level indicators, the CCT will only report on outputs. Given the relatively small level of funding of CCT activities, indicators have been developed based on specific activities to be undertaken during the first two years of the CCT strategy. A draft CCT Performance Monitoring Plan has been developed and will be finalized during design of both the Integrated Community Development Activity #1 (CRS/NEF) and the Participatory Local Development Plans Activity #2. The final PMP is expected to be completed by September 2000.

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## Glossary

AIM	Accessing International Markets	MFA	Microenterprise Finance Activity
AIR	American Institute for Research	MMR	Maternal Mortality Rate
ANHI	<i>Agence Nationale de lutte l'Habitat Insalubre</i>	MOST	Micronutrient Operational Strategies and Technologies
BASICS	Basic Support for Institutionalizing Child Survival	NED	New Enterprise Development
CAII	Creative Associates International	NIPA	National Investment Promotion Agency
CATT	Computer-Assisted Teacher Training	OC	Oral Contraceptive
CMS	Commercial Market Strategy	ONEP	<i>Office National de l'Eau Potable</i>
CPR	Contraceptive Prevalence Rate	ORMVAT	<i>Office Regional de la Mise en Valeur Agricole</i>
CSM	Contraceptive Social Marketing		<i>Du Tadla</i>
CSSF	<i>Comité de Soutien et Suivie de la Scolarisation des Filles</i>	PHR	Partnerships for Health Reform
CYP	Couple Years of Protection	PLLA	Participatory Lifescape/Landscape
DHS	Demographic and Health Survey	PLP	Population Leadership Program
EOC	Emergency Obstetric Care	PRIME	Primary Providers' Training and Education in Reproductive Health
EU	European Union	PTA	Parents and Teachers Association
EUP	Environmental Urban Program	PWG	Prosperity Working Group
FEC	Municipal Development Bank	QA	Quality Assurance
FPMD	Family Planning Management Development	QM	Quality Management
GEA	Girls Education Activity	R4	Results Review and Resource Request
GP	General Practitioner	RBA	River Basin Agencies
HKI	Helen Keller International	SIWM	Souss-Massa Integrated Water Management
IEC	Information, Education, and Communication	SPIA	Strategic Plan for International Affairs
IHAA	International HIV/AIDS Alliance	TAACS	Technical Advisors in AIDS and Child Survival
IMCI	Integrated Management of Childhood Illnesses	TFD	Training for Development Activity
IMR	Infant Mortality Rate	TFR	Total Fertility Rate
IPM	Integrated Pest Management	TRM	Tadla Resources Management Activity
IPR	Intellectual Property Rights	TTC	Teacher Training Colleges
IWRM	Integrated Water Resources Management	UECP	Urban and Environmental Credit Program
JAIF	Joint Action Incentive Fund	UES	Urban and Environmental Services
JHPIEGO	Johns Hopkins Program for Int'l Education in Gynecology and Obstetrics	UNDP	United Nations Development Program
JSI	John Snow, Inc.	UNFPA	United Nations Fund for Population Activities
MAP	Morocco Agribusiness Promotion Activity	UNICEF	United Nations Children's Fund
MEG	Morocco Education for Girls Activity	VITA	Volunteers in Technical Assistance
		VSC	Voluntary Surgical Contraception
		WRS	Water Resources Sustainability
		WTO	World Trade Organization
		WUA	Water User Association

## **R4 Part I: Overview/Factors Affecting Program Performance**

### **U.S. National Interests and MPP Linkages**

U.S. foreign policy objectives in Morocco continue to be three-fold: assuring stability in the region, promoting economic prosperity and supporting the Moroccan government's enthusiasm to increase democracy, including promotion of decentralization and human rights. These objectives are reinforced by a dedication to helping Morocco to implement market reforms, removing local impediments to trade and investment, and promoting U.S. exports. Morocco's move towards democracy provides a unique opportunity for not only Morocco, but for the Maghreb region, the Islamic nations and the Western world, to address a myriad of social, political and economic challenges. This effort must succeed. Without question, this success is in the interest of the United States. There is also no question among Moroccan leaders and its development partners that American leadership and USAID support will be instrumental in helping Morocco to emerge as a more stable, democratic, and prosperous partner in the region.

Building on a foundation for renewed partnership and friendship, the U.S. Embassy/Rabat has targeted five strategic goals of the International Affairs Strategic Plan (IASP): (*Morocco Mission Performance Plan 2000*): open markets, U.S. exports, broad-based economic growth, democracy and regional stability. Through its five SOs/SpOs, USAID/Morocco directly supports three goal areas: open markets, broad-based economic development, and democracy. (For FY01, the population goal area will be incorporated into the economic development area.) In support of these shared U.S. and Moroccan objectives, USAID/Morocco continues to make significant contributions to Morocco's socio-economic development and reforms.

### **Country Factors Influencing Progress**

The most prominent event which affected progress of USAID's activities in Morocco is the accession to the throne of King Mohammed VI. This event has lifted a long-standing uncertainty related to King Hassan's succession, and the potential unrest which could have had a profound impact on the U.S. national interests in the region. Moreover, changes in key ministries and other actions have sent clear signals of the new king's commitment to transparency, democracy, economic development, and the rule of law. The government, which benefits from the trust of the population, received a renewed mandate to advance its policies on human rights, health care, education and social development, with a particular focus on women and the poor. This evolution reinforces the possibility for Morocco to emerge as a more stable, democratic, and prosperous partner for the United States in an important, yet troubled region. However, slowness in achieving concrete steps and delivering tangible benefits, combined with new challenges such as a two-year drought and the application of the trade agreement with the EU, underline the need for combined donor engagement to help the government achieve its policy reform agenda.

### **Summary Progress**

In FY99, the Mission defined its new strategy while maintaining a high pace of implementation across the portfolio. The Mission continued its focus on consolidating gains, on sustainability, and on identifying opportunities for replication of successful interventions.

### **SO1: Reduced Fertility and Improved Health of Children under Five and Women of Child-bearing Age**

Morocco, with USAID assistance, has achieved outstanding results in reducing the fertility of women of child-bearing age and improving the health of children under five. In FY99, the success of this collaboration was confirmed by a program audit undertaken by the Regional Inspector General's Office in Dakar, and supported by a number of studies, including the "Causes of Infant and Child Death in Morocco." Assuring long-term program sustainability in light of considerably reduced donor resources is the major focus of both the Ministry of Health (MOH) and USAID. Activities in Strategic Objective One (SO1) in FY99 assisted the Ministry of Health to further institutionalize the program and consolidate gains, directly contributing to this objective. The new PH sector strategy for the post-bilateral period, Special Objective Seven (SpO7), was designed using a broad participatory approach and was approved in Washington in May 1999. SpO7 identifies key areas of intervention deemed critical for sustainability -- expansion of the private sector and improved management and service delivery at the regional level. These areas of intervention were validated by the MOH in the health sector component of the GOM's Five-Year Plan. All signs indicate that Morocco is taking the right steps to assure quality reproductive and child health services that are relatively independent of donor resources in the future. Both the achievements and challenges are evidenced in performance during FY99.

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

During this reporting period, the Tadla Resources Management (TRM) project came to a successful close. TRM contributed to the long-term competitiveness and environmental sustainability of irrigated agriculture in Morocco by disseminating the results of its water management and pollution control technologies to other irrigated perimeters. The Urban Environmental Services (UES) project successfully introduced a new national-level environmental planning methodology through the Ministry of Regional Planning, Urbanism, Environment and Housing. The Water Resources Sustainability (WRS) project made substantial progress in developing water savings and erosion control methods that can be replicated in other watersheds of Morocco. The current workplan with the Ministries of Environment and Agriculture, the Agency for Development of the North, and the Tetouan Provincial Government, is heavily emphasizing sustainability of results. The Mission successfully launched its new water strategic objective (SO6) by finalizing the design of the Souss-Massa Integrated Water Management (SIWM) project, and orchestrating the signing of an MOU by the three cooperating ministries, committing them to work together to create a River Basin Agency for the Souss-Massa.

### **SO3: Expanded Base of Stakeholders in the Economy, Targeting People of Below-median Income**

Activities remained essentially on track and most of the targets were surpassed. The USAID program tangibly broadened the base of stakeholders, and the SO team counts several notable accomplishments among 1999 results. Progress on reform initiatives was encouraging -- slow but steady. Support for small and micro-enterprises generated millions of dollars (in local currency equivalent) in investment and revenues. Overall, USAID activities continued to provide much-publicized models for expanding commerce and productive investment in small and very small businesses.

#### **SpO4: Increased Attainment of Basic Education Among Girls in Selected Rural Pilot Schools Using a Replicable Model**

SpO4 has impacted the attainment of girls in pilot schools by doubling girls' enrollment in the 6<sup>th</sup> grade since the beginning of USAID's assistance to the Ministry of National Education (MNE). MEG Model development is also on track and interventions under the MEG activity parallel priority MNE reforms aimed at improving the education system and its quality. GEA continued to successfully raise the awareness of the public vis-à-vis girls' education through high visibility events and programs and strategic utilization of the media.

#### **Prospects for Progress**

The accession of the new king to the throne raised enormous hopes among the population, which had already high expectations from the Youssoufi-led government. Unfortunately, the government failed to quickly achieve its aspiration for more social equity. Tangible benefits for the most disadvantaged segments of the population are slow to materialize. This situation is aggravated by the recurrent drought, which hit the country again in 2000, leaving very little flexibility for the government to undertake major reforms, and making the need for donor support even more critical. Implementation of the EU-Morocco commercial agreement, which starts as of January 1, 2000, is likely to exacerbate Morocco's challenges. The agreement stipulates that tariff barriers, especially for industrial commodities, will be reduced progressively. While reduced tariff barriers may have very positive impact in terms of access to European markets for Moroccan products, in the short-term, it will reduce revenues from custom duties and may drive Morocco's less competitive manufacturers out of business. If this were to happen, it would aggravate the already very high unemployment rate and further restrain the government's ability to maneuver.

In addition, USAID objectives are closely tied to progress on the part of the GOM in further concretizing deconcentration, through the establishment of guidelines and responsibilities for line ministries at the regional level. While considerable enthusiasm and lip service is paid to this initiative, a significant amount of work remains to be done to translate the words into substantive delegation of authority.

Despite very good overall prospects for progress, Morocco will still need sustained, targeted donor support to meet the myriad of challenges that the country faces.

## R4 Part II Results Review by SO

### Text for SO a

Country/Organization: USAID/Morocco

Objective ID: 608-001-01

Objective Name: Reduced Fertility and Improved Health of Children under Five and Women of Child-bearing Age

Self Assessment: On Track

Self Assessment Narrative: (See "Performance and Prospects" section below.)

Primary Link to Strategic Agency Framework: 4.1 Unintended Pregnancies Reduced  
(please select only one)

Secondary Link to Strategic Agency Framework:  
(select as many as you require)

- |  |  |
|--|--|
| <input type="checkbox"/> 1.1 Private Markets                                   | <input type="checkbox"/> 1.2 Ag Development/Food Security                    |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor                     | <input type="checkbox"/> 2.1 Rule of Law/Human Rights                        |
| <input type="checkbox"/> 2.2 Credible Political Processes                      | <input type="checkbox"/> 2.3 Politically Active Civil Society                |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions                    | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education                   |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development                 | <input checked="" type="checkbox"/> 4.1 Unintended Pregnancies Reduced       |
| <input checked="" type="checkbox"/> 4.2 Infant/Child Health/Nutrition          | <input checked="" type="checkbox"/> 4.3 Child Birth Mortality Reduced        |
| <input type="checkbox"/> 4.4 HIV/AIDS  | <input checked="" type="checkbox"/> 4.5 Infectious Diseases Reduced          |
| <input type="checkbox"/> 5.1 Global Climate Change                             | <input type="checkbox"/> 5.2 Biological Diversity                            |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution                | <input type="checkbox"/> 5.4 Environmentally Sound Energy                    |
| <input type="checkbox"/> 5.5 Natural Resource Management                       | <input type="checkbox"/> 6.1 Impact of Crises Reduced                        |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met                | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished       |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed            | <input checked="" type="checkbox"/> 7.2 Program Effectiveness Improved       |
| <input checked="" type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input checked="" type="checkbox"/> 7.4 Technical/Managerial Capacity Expand |

Link to U.S. National Interests: Global Issues: Environment, Health

Primary Link to MPP Goals: Population

Secondary Link to MPP Goals (optional): Health

### Summary of the SO:

Morocco, with USAID assistance, has achieved outstanding results in reducing the fertility of women of child-bearing age and improving the health of children under five. In FY99, the

success of this collaboration was confirmed by a program audit undertaken by the Regional Inspector General's Office in Dakar (RIG/Dakar), and supported by a number of studies, including the "Causes of Infant and Child Death in Morocco." Assuring long-term program sustainability in light of considerably reduced donor resources is the major focus of both the Ministry of Health (MOH) and USAID. Activities in Strategic Objective One (SO1) in FY99 assisted the Ministry of Health to further institutionalize the program and consolidate gains, directly contributing to this objective. The new PHN sector strategy for the post-bilateral period, Special Objective (SpO7), was designed using a broad participatory approach and approved in Washington in May 1999. SpO7 identifies key areas of intervention deemed critical for sustainability - expansion of the private sector and improved management and service delivery at the regional level. These areas of intervention were validated by the MOH in the health sector component of the GOM's Five Year Plan; Health Sector Strategy. All signs indicate that Morocco is taking the right steps to assure quality reproductive and child health services relatively independent of donor resources in the future. Both the achievements and challenges are evidenced in this year's performance.

### **Key Results:**

- IR 1.1 - Greater access to quality PF/MCH services responsive to client demand: Pilot service delivery strategies are showing important results - "Met need" for emergency obstetric care (EOC) increased from 55% in 1998 to 72% in pilot regions.
- IR 1.2 - Improved policy environment supporting FP/MCH services: The MOH demonstrated continued commitment to finance reproductive and child health programs, expending \$3,779,000 for contraceptives, exceeding targets by 40%, and including adequate resources for both contraceptives and vaccines in the Five Year Plan.
- IR 1.3 - Reinforced capacity to manage FP/MCH programs with particular emphasis on decentralized approaches responsive to client need: The establishment of a national Quality Assurance Program, the launch of a new national continuing education strategy and work on the introduction of new pre-service training programs in medical and nursing schools, all significantly contributed to institutionalization of the program.
- Through SO 1, over 4,800 health care workers, 48% of whom were women, received training in a range of sector-related topics
- IR 1.4 - Increased diversification of resource base financing the delivery of FP/MCH services: Private sector contraceptive provision is increasing as evidenced by a 22% increase in contraceptives sold through the Social Marketing program in 1999.

### **Performance and Prospects:**

Overall performance is on-track with results that contribute directly to U.S. Embassy and Mission objectives, benefiting both health care workers and our ultimate customers -- the women and children of Morocco. Accomplishments through SO1 have been confirmed by a number of studies and evaluations, including the program audit by RIG/Dakar. The audit found that "USAID/Morocco had made significant progress in achieving its strategic objective," and "has, overall, been successful in doing what it intended to do." Following is a summary of other important evaluations and reports during the reporting period:

- "The Causes of Infant and Child Death in Morocco" study demonstrated the almost total disappearance of neonatal tetanus, and major reductions in immunization-preventable childhood illnesses and diarrhea as causes of child death. Remaining challenges include acute respiratory infections and perinatal mortality. USAID funded support to MOH initiatives in EOC and Integrated Management of Childhood (IMCI) should improve these outcomes.
- A final evaluation of the EOC pilot project confirmed the project's success in increasing access to and use of EOC services.
- A case study of Morocco and the Vaccine Independence Initiative (VII) is being used as a tool to improve the efficiency of the national vaccination program and to served as the basis for the introduction of Hepatitis B vaccine.
- Follow-up of health workers trained in IMCI showed that the proportion of sick children treated appropriately increased from 47% to 91% in pilot in provinces.
- Morocco has been a leader in the region in development National Health Accounts, a tool that will facilitate decentralized management of funds and expenses for health provision.

Given the significant reduction in donor resources planned for the health sector in FY00 and beyond, considerable work was undertaken to assure program sustainability. Successes in institutionalization were demonstrated not only in the areas highlighted under "Key Results," but in several others. Quality and use of data at the national and local levels have improved through the installation of an integrated health information system in five regions. This system will make an enormous contribution to program planning and monitoring especially as ongoing GOM supported replication to all 16 regions is completed. The Information Education and Communication (IEC) Division of the MOH demonstrated improved capacity as a result of USAID assistance, producing, a feature length film on family planning as well as twelve TV spots. The Division also developed innovative health education materials for use by NGOs and outreach workers to communicate health messages to illiterate populations. These were launched with great success in the presence of First Lady Hillary Rodham Clinton.

Thus, by the end of SO1 and the bilateral period in late 2000, the Ministry of Health will have in place most of the necessary elements of a fully functioning, national Family Planning/Maternal Child Health program:

- a nationwide network of service providers and facilities;
- an effective contraceptive procurement and logistics system;
- appropriate pre-service and in-service training programs;
- a strong national IEC program; the basic tools for a modern, nationwide, data management and disease surveillance system;
- an active private sector with two self-financing social-marketed contraceptives (orals and condoms); successful pilots ready for replication in EOC, IMCI, and Quality Assurance; and
- a burgeoning non-governmental sector including active professional associations for physicians, nurses, and midwives.

Nonetheless, important challenges remain. Family planning use appears to have reached a plateau with method mix remaining heavily skewed towards oral contraceptives. Given household survey data that shows relatively high use of modern methods in urban areas, much of this plateau can be attributed to continued issues of access for the 50% of Moroccans living in rural areas. The MOH is deconcentrating responsibilities to the regional and provincial level, giving each broader authorities to identify and resolve problems using local approaches and resources. USAID has contributed to this initiative, working in five regions to develop a regional data base and assisting local partners to design and implement activities intended to address key issues. Although nascent, this approach holds significant promise and, given the overall restructuring of the GOM, represents the future for public sector health management in Morocco. In addition, work to improve the private sector's market share is also proving difficult. Although there has been some progress this year, with evidence of a modest shift from the public sector during the R4 period, targets have not been met. These issues are among those to be addressed in the new PHN strategy through Special Objective 7 (SpO7).

SpO7 flows from our current PHN sector work and focuses on those key program elements deemed most critical for the sustainability of the national reproductive and child health (RCH) program. This is intended to be the final phase of USAID assistance to the health sector and will operate outside the traditional bilateral context. It has been designed using a participatory approach and represents a broad consensus of MOH representatives, NGOs, private sector associations, other donors, and beneficiaries concerning the issues facing the health sector in Morocco over the next five years. This strategy calls for developing a model of deconcentrated management at the regional level in two pilot regions (Souss-Massa-Draa and Tangier-Tetouan) and assuring that the private sector provides a viable alternative to public sector provision of preventive health services. This approach is intended to provide new tools to address key barriers to sustainability by improving the management capacity of local-level players and assuring that a range of partners -- both inside and outside the GOM -- all play a role. The strategy capitalizes on important opportunities that have opened in the policy arena as a result of the GOM's priority focus on decentralization, social equity, and health sector reform. SpO 7 was approved in Washington in May 1999 and the final workplan of the institutional contractor for SO1, JSI, was adjusted to facilitate the transition.

In FY00, the major emphasis of SO1 will be to finalize, close-out and to document key activities under the bilateral agreement, and to assure a smooth transition to SpO7 and the post-bilateral period. In collaboration with local partners, results packages will be designed and, by the end of FY00, contractors for both IRs under SpO7 should be in place and fully operational.

### **Possible Adjustments to Plans:**

USAID/Morocco is developing results packages under the new SpO and thus anticipates some adjustments in implementation mechanisms, performance monitoring indicators, and targets as these are finalized.

### **Other Donor Programs:**

Although, beginning in FY 2000, USAID will no longer be the largest donor in the sector, the Mission intends to continue to play a substantive role and to coordinate with other donors to assure efficiencies and leverage resources. The European Union (EU) will now be the largest

donor with the World Bank playing a very significant role as a lender. WHO, UNICEF and UNFPA also are important partners, although UNFPA has recently suffered important budget cuts. USAID is working actively with the MOH to facilitate support for expansion of SO1's successful models by these donors. As a result of these efforts, a number of USAID initiatives now also receive support from other donors. Areas of collaboration include IMCI, quality assurance, health information systems, micronutrients and EOC. USAID also actively promotes links with private U.S. foundations. Thanks in part to USAID efforts, the Bill and Melinda Gates Foundation will provide funding through UNFPA for the replication of the EOC model in several provinces. A consortium of foundations is also active in the effort to eliminate trachoma in Morocco, working primarily through Helen Keller International (HKI).

### **Major Contractors and Grantees:**

In FY99, JSI served as the institutional contractor, with subcontracts to Johns Hopkins Center for Development Communications and to University Research Corporation. Assistance from the field support projects -- BASICS, PRIME, and FPMD -- ended during this reporting period. Along with JSI, the POLICY, PHR, and JHPIEGO projects will be closed-out in FY00. The Special Objective will be implemented through USAID/Washington's Global Bureau grants and contracts and/or task orders to indefinite quantity contracts (IQCs). Cooperating agency projects implementing SpO7 will include the Commercial Markets Strategy Project (CMS), Micronutrient Operational Strategies and Technologies (MOST), MEASURE II, International HIV/AIDS Alliance (IHAA), TAACS, and Population Leadership Program (PLP).

### Performance Data Table

Objective Name: Reduced fertility and improved health of children less than 5 and women of child-bearing age	
Objective ID: 608-001-01	
Approved: 2 July 1993	Country/Organization: USAID/Morocco
Result Name: IR 1.1 Greater access to quality FP/MCH services responsive to client demand	
Indicator: Percent of Couple Years of Protection (CYP) from use of long-term (LT) methods in the public sector	
Unit of Measure: LT methods include VSC, IUDs, injectables and Norplant	<p>method use. Potential reasons for this slow progress in increasing LT methods include: increasing private sector share of LT method provision; a shift in MOH priority toward reproductive health with an emphasis on safe motherhood under the new Minister of Health; and continued provider and client concerns about "new" LT methods linked to a public sector program built around oral contraceptives for 30 years contributes significantly to.</p> <p>Total CYP provided by the Public Sector increased from 886,138 in 1994 to 927,235 in 1998; a slight decrease was recorded in 1999 with only 908,607 CYP.</p> <p>This indicator will be discontinued after this year.</p>
Source: MOH Service Statistics (SNISSTAT) based on facility reports of commodities distributed	
<p>Indicator/Description: Public sector CYP from LT methods is the numerator, overall public sector CYP is the denominator. All years calculated using USAID 1997 conversion factors: IUDs = 3.5 CYPs; 15 cycles pills=1 CYP; 120 condoms = 1CYP; VSC = 8 CYPs; Norplant = 3.5 CYPs; 4 injectables (depo) = 1 CYP. Data is for Fiscal Year.</p> <p>Retroactive cleaning operations completed on 1998 data revealed that total CYP was over-estimated by about 9% (see corrected figures below). Last year's reported proportion of long term methods (36%), however, remains accurate.</p> <p>Indicator Data Quality: Moderate. Mission conducted site visits confirm public sector CYP data quality improvement from last year with variances between different levels now decreased to 8% or less.</p>	
<p>Comments: Increasing LT method use to improve program sustainability has been a key SO1 objective. Despite project efforts, the SO targets for percentage of CYP from LT methods have not been met. In addition, total annual CYPs appear to have plateaued over the last several years, although household survey data have shown progress in modern</p>	

Year	Planned	Actual
1992	--	28%
1993	--	34%
1994	--	42%
1995	--	38%
1996	--	37%
1997	41%	33%
1998	43%	36%
1999	45%	37%

**Performance Data Table**

Objective Name: Reduced fertility and improved health of children less than 5 and women of child-bearing age	
Objective ID: 608-001-01	
Approved: 2 July 1993	Country/Organization: USAID/Morocco
Result Name: IR 1.2 Improved policy environment supporting expansion and sustainability of FP/MCH services	
Indicator: 1.2.2 Policies/regulations supportive of improved FP/MCH services: access, quality and sustainability	
Unit of Measure: Percentage completion of 10 policy/regulatory reforms (see attachment).	<p>in the five pilot regions were completed; training in data entry and feedback enabled regional teams to more effectively use data for decision-making; and Policy Project activities in one region led to increased dialogue among MOH managers and local elected authorities, NGOs and private health providers.</p> <p>* Planned reforms in taxing and processing of imported pharmaceuticals were not met because of delays in broader international trade negotiations with the WTO and EU.</p> <p>* Norms and standards for key service delivery areas have been drafted and extensively reviewed, but delays have been encountered in achieving full consensus from all stakeholders.</p> <p>NOTE: see detail on progress in each of the 10 reform areas in the attached table. A revised version of this indicator will be used for SpO7.</p>
Source: PHR, JSI, MOH	
Indicator/Description: Composite index of advancement in policy dialogue and implementation of measures both within the MOH and also in the wider policy arena, improving the provision of FP/MCH services.	
Indicator Data Quality: Moderate	
<p>Comments:</p> <p>Highlights of the year include:</p> <p>* Host country contribution targets were exceeded: \$18,661,000 planned vs. \$44,521,000 expended overall, \$3,779,000 earmarked for contraceptives vs. \$2,307,000 planned.</p> <p>* The MOH's five year Plan of Action (1999-2003) includes provisions to fully fund procurement of contraceptives and vaccines through 2003.</p> <p>* The MOH Directorate of Finance and Plan is completing a comprehensive National Health Accounts study that will provide essential information for broader health sector reform initiatives.</p> <p>* Findings of a comprehensive study of the Vaccine Independence Initiative (VII) in Morocco were used to improve program efficiency. Funds were added to the VII for introduction of the Hepatitis B vaccine to the regular program.</p> <p>* Concerning decentralization: initial projects</p>	

Year	Planned	Actual	1997	30%	58% (of 6)
1995		7% (of 6)	1998	48%	55% (of 10)
1996	14%	14% (of 6)	1999	72%	76% (of 10)

**SO1 Policy Matrix Composite Results**  
**Status end FY 1999**

USAID/Morocco has determined that, generally, policy efforts pass through five, flexibly-defined steps, each weighted according to its importance in the process, for a total of 100% in the case of a policy measure fully implemented. These steps are the following: Identification/analysis (10%), Formulation (10%), Validation/promotion (20%), Adoption (20%) and Implementation (40%).

**(Actual achievements in bold)**

<b>Reforms</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
<b>Sustainability of FP/MCH Program</b>			
MOH finances 100% of public sector contraceptive needs by the end of 1999	<b>60</b> 60	<b>70</b> 60	<b>90</b> 60
Administrative and customs costs reduced for contraceptives and vaccines	<b>55</b> 10	<b>70<sup>2</sup></b> 40	<b>80</b> 100
Financial sustainability: 1) Market segmentation study and National Health Accounts completed; 2) Strategy to increase private sector's role implemented	-- --	<b>30</b> 20	<b>60</b> 60
Regionalization/decentralization program in place with specific targets	--	<b>40</b> 40	<b>70</b> 60
Increased number of midwives trained and placed in government service	<b>100</b> 10	<b>100</b> 20	<b>100</b> 60
Regulatory framework related to the use of health personnel in the public and private sectors revised	<b>10</b> 10	<b>30</b> 20	<b>60</b> 60
Vaccine revolving fund fully functional; assistance to ensure sustainability	--	<b>40</b> 40	<b>60</b> 60
Reduced cost media time guaranteed for FP/MCH	<b>80</b> 60	<b>100</b> 100	<b>100</b> 100
<b>Quality of FP/MCH Services</b>			
Norms and standards for FP, EOC and IMCI elaborated, validated and disseminated	<b>40</b> 40	<b>50</b> 100	<b>75</b> 100
Maternal death audits required for all maternal deaths in public health facilities.	--	<b>15</b> 40	<b>60</b> 60
<b>Total</b>	<b>345</b>	<b>545</b>	<b>755</b>

<sup>2</sup> This policy issue is related to two different commodities: vaccines and contraceptives. Exoneration/reduction of taxes and customs duties on vaccines was achieved in July 1997 (100% complete), taxes and customs duties on contraceptives are in the adoption stage (40%). Thus, an average of 70% achievement is used for the policy matrix.

<b>Average of all reforms</b>	<b>58</b>	<b>55</b>	<b>76</b>
<b>Anticipated Average</b>	<b>30</b>	<b>48</b>	<b>72</b>

Note that each of the ten policy reform areas listed above is the subject of a separate, more detailed table kept in SO 1 files, which charts progress towards full implementation of the reform. A modified version of this indicator that focuses on public reforms necessary for program sustainability will be included in the SPO7 PMP and reported in the next R4.

**Performance Data Table**

Objective Name: Reduced fertility and improved health of children less than 5 and women of child-bearing age	
Objective ID: 608-001-01	
Approved: 2 July 1993	Country/Organization: USAID/Morocco
Result Name: IR 1.3 Reinforced capacity to manage FP/MCH programs with particular emphasis on decentralized approaches responsive to client need	
Indicator: 1.3.2 Evidence of data-driven FP/MCH program action in focus regions/provinces (Agadir and Meknes).	
Unit of Measure: Determination as to whether benchmarks signalling the use of peripheral level management information systems (MIS) as a tool in decentralized management have been met or not met.	<p>identified ongoing quality problems. b) All 1998 program actions have been reviewed and adjusted. (For example: a "quality team" in Taroudant province identified a problem, took simple corrective actions and successfully increased repeat prenatal visits from 40% to 100%.) c) Each province has identified at least 3 additional actions based on data analysis supported by USAID "regional" projects or QA project. (For example: Agadir province personnel noted low injectable contraceptive use and designed a qualitative study to be conducted with assistance of the MEASURE project.)</p> <p>A revised version of this indicator will be used for SpO7.</p>
Source: JSI Project reports from the field.	
<p>Indicator/Description: A qualitative measure of the active use of management information in support of the MOH decentralization process. The SO team determines whether a benchmark has been achieved through review of project reports and validation by field visits.</p> <p>Indicator Data Quality: Moderate 1996 Baseline: All FP/MCH statistics from provinces entered by hand and sent to central level for computer entry and analysis. Program targets for provinces established at central level. 1999 Target/Benchmark: Evidence of regular and accurate FP/MCH data entry and analysis. 1998 program actions reviewed for effectiveness and adjusted accordingly. At least three additional program actions per region taken based on data analysis.</p>	
Comments:	
<p>All 3 components of the 1999 target benchmark have been met. a) Pilot provinces began using a computer application for routine service data entry and analysis in 7/99. While accuracy of data entry has improved, enhanced Mission efforts to verify data have</p>	

Year	Planned	Actual	1997	X	--
			1998	X	MET
			1999	X	MET
1996	--	--			

### Performance Data Table

Objective Name: Reduced fertility and improved health of children under 5 and women of child-bearing age	
Objective ID: 608-001-01	
Approved: 2 July 1993	Country/Organization: USAID/Morocco
Result Name: IR 1.4 Increased diversification of resource base financing the delivery of FP/MCH services	
Indicator: 1.4.1 Total Couple Years of Protection (CYPs) delivered by the commercial private sector as a proportion of all CYP delivered by public and private sectors	
<p>Unit of Measure: The numerator is total commercial sector CYPs (including USAID/CSM CYP's). Note: CSM and commercial sector data do not include CYPs from VSC or condoms. The denominator is CYPs from both the public and commercial private sectors.</p>	<p>Al Hilal product and in training of private general practitioners. These trends are expected to continue under SpO7.</p> <p>CSM CYPs: 94: 97,389  95: 109,192 (10.8% increase)  96: 119,373 (8.5% increase)  97: 135,705 (12.0% increase)  98: 176,377 (23.1% increase)  99: 227,372 (22.4% increase)</p>
Source: CSM project data, data from pharmaceutical industry on private sector sales, Moroccan Family Planning Association, and MOH statistics service	
<p>Indicator Description:  See unit of measure above. NOTE: Public sector CYP figures for 1999 may be revised after final cleaning of data.  Indicator Data Quality: Private Sector data: Good (international standard for determining pharmaceutical sales); Public Sector data: Moderate (see description in Indicator 1)</p>	
<p>Comments:  Sales data from the private sector include AMPF distribution figures in the numerator this year, providing a more complete picture of private sector market share. AMPF sales accounted for 2/5ths of the recorded private sector gain in 1999. The 1998 "actual" figure was increased from 32% to 34% after public sector data cleaning (see indicator 1.1 for details).</p> <p>Although the target was not met, the SO1 team is pleased with the increase in private sector market share this year, which greatly exceeded expectations of last year. Private sector sales increased with especially strong sales of contraceptive social marketing products, while public sector distribution plateaued this year. The private sector share of long-term method provision, especially IUD insertions, is increasing, reflecting two years of investments in promotion of the</p>	

Year	Planned	Actual	1997	--	33%
1994	--	28%	1998	39%	34%
1995	--	29%	1999	44%	37%
1996	--	31%			

## Text for SO b

Country/Organization: USAID/Morocco

Objective ID: 608-002-01

Objective Name: Improved Water Resources Management in the Agricultural, Urban and Industrial Sectors

Self Assessment: On Track

Self Assessment Narrative: During this reporting period. Practically all targets were met or exceeded. The Tadla Resources Management (TRM) project came to a successful close and contributed to the long-term competitiveness and environmental sustainability of irrigated agriculture in Morocco. TRM results are now being used in other irrigated perimeters. The Urban Environmental Services (UES) project successfully introduced a new national-level environmental planning methodology through the Ministry of Regional Planning, Urbanism, Environment and Housing. The Water Resources Sustainability (WRS) project made substantial progress in water savings and erosion control methods that can be replicated in other watersheds of Morocco. To aid in the sustainability, a workplan was signed with the Ministries of Environment and Agriculture, the Agency for Development of the North, and the provincial government.

Primary Link to Strategic Agency Framework:  
(please select only one)

5.5 Natural Resource Management

Secondary Link to Strategic Agency Framework:  
(select as many as you require)

- |  |  |
|--|--|
| <input type="checkbox"/> 1.1 Private Markets                               | <input checked="" type="checkbox"/> 1.2 Ag Development/Food Security   |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor      | <input type="checkbox"/> 2.1 Rule of Law/Human Rights                  |
| <input type="checkbox"/> 2.2 Credible Political Processes                  | <input type="checkbox"/> 2.3 Politically Active Civil Society          |
| <input checked="" type="checkbox"/> 2.4 Accountable Gov't Institutions     | <input type="checkbox"/> 3.1 Access to Ed/Girl's Education             |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development             | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced            |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition                 | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced             |
| <input type="checkbox"/> 4.4 HIV/AIDS                                      | <input type="checkbox"/> 4.5 Infectious Diseases Reduced               |
| <input type="checkbox"/> 5.1 Global Climate Change                         | <input type="checkbox"/> 5.2 Biological Diversity                      |
| <input checked="" type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy              |
| <input checked="" type="checkbox"/> 5.5 Natural Resource Management        | <input type="checkbox"/> 6.1 Impact of Crises Reduced                  |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met            | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed        | <input type="checkbox"/> 7.2 Program Effectiveness Improved            |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured        | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand      |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Environment

Secondary Link to MPP Goals (optional)

### **Summary of the SO:**

One of the major development challenges facing Morocco is management of its water resources on a sustainable basis. Two-thirds of its agricultural exports are produced by irrigated agriculture, which uses 90% of the nation's freshwater. Planned expansion of Morocco's network of dams can increase the supply of water by one-fourth, but projected doubling of the population over the next 30 years will result in massive decreases in per capita availability. Underlying this situation are issues of health equity, and social welfare. Inadequate supplies of potable water and sanitation are major household burdens and causes of disease that limit productivity, economic efficiency, and educational opportunities. To prevent a water crisis in Morocco, fundamental changes in water availability and use are essential, based on equitable and transparent decisions involving the participation of community groups, the private sector and private water users associations. The purpose of SO2 is to promote the policies and institutions, technical practices, and participation that will improve the quality and quantity of water, and make potable water and sewerage available to more people. Activities include work in the areas of irrigation efficiency, watershed management, water quality, municipal water and sanitation services, and training for municipal officials in financial management and environmental planning.

### **Key Results:**

- IR 2.2 - Volume of Water Savings in Target Areas: The TRM project completed the development of an integrated irrigation management system through improved canal system management and on-farm water management. The project raised the efficiency of canal management to 87.4 percent, resulting in a savings of 82.6 million cubic meters of water annually - equivalent to 55% of the annual water consumption of Casablanca.
- IR 2.3 - Volume of Soil Erosion in Target Areas: The Nakhla Soil Erosion pilot activity contributed to water savings through watershed protection. A total of 43,000 olive trees were planted on 290 hectares belonging to 199 cooperators, increasing the potential for household income as well as improved water holding capacity. Cuvettes were constructed around 70 percent of the trees, 7 water reservoirs were constructed, and 5 ravines were stabilized by installing check dams and gabions. The rate of soil erosion was reduced by 10 percent, from 64 to 57 tons/ha/year.
- IR 2.4 - Number of Municipalities with Improved Wastewater Treatment, Garbage Collection, Landfill Management, Green Spaces, and Recycling Services: Construction is underway on a full-scale wastewater treatment plant and reuse system in Al Attaoui which uses a new high-algal treatment system. The plant and system will begin operation in May 2000, and represents the culmination of nine months of USAID technical assistance efforts focusing on the establishment of a public-private partnership with the local government, the FEC (Municipal bank), ANHI (National Shelter Upgrading Agency), beneficiaries, and a federation of water users. Municipal services were provided for an additional 318,979 poor urban and peri-urban residents, for a life of activity total of 3,035,979 residents in 32 municipalities countrywide. New municipal financial management systems were created

and policy reforms were implemented related to fiscal decentralization (revenue collection and tax reform, multi-year budget planning, cost accounting and public capital assets).

- IR 2.1.1 - Progress Toward Adoption of 11 Key Reforms: The TRM project completed studies to help the Ministry of Agriculture apply reforms to improve water resources management in Morocco. Reforms areas include: a policy of progressively increasing water prices; decentralizing authority of water management; strengthening water users associations (WUA); and improving the operational efficiency of the Tadla Regional Agriculture Office (ORMVAT). During 1999, ORMVAT established a new strategy to improve its technical and administrative effectiveness and to attain financial autonomy. The new strategy is considered a model for other regional agriculture offices. ORMVAT focused on strengthening existing WUAs by training and getting them involved in water allocation and management decisions, and developing the final WUA strategy which was presented at the national WUAs seminar held in December 1999.

The WRS project assisted the norms and standards committee of the Ministry of Environment to prepare its background document for setting environmental standards for the tannery industry. The document will serve as a model for other industrial sectors. Training on cost recovery was provided to the partners of the Drarga wastewater treatment and reuse project to help assure that the pilot project will be sustainable and have the widest possibility for replication. In 1999, the WRS project moved from the adoption of environmental assessments to their enforcement by implementing the recommendations for the construction phase of the Dokkarat chromium recovery plant and the Draga wastewater treatment plant. Because the chromium recovery plant was not completed in 1999, WRS did not make specific progress in advancing the adoption or enforcement of the polluter-pays-principle.

- IR 2.3.1 - Number of Environmental Activities Implemented with NGO Partners: To satisfy the growing demand for laser land-leveling, the TRM project helped to form two private enterprises. More than 150 hectares have been leveled on a commercial basis during July to November 1999. Non-governmental participation in WRS environmental activities increased in 1999. A total of 468 cooperators participated in project implementation activities, including numerous workshops and informal discussions on the benefits and construction of cuvettes around olive trees, workshops on beekeeping and goat production to help augment household incomes, discussions with women on improved cookstoves to preserve forest resources, and workshops in 5 villages on rangeland restoration.
- IR 2.1 Amount of Water Pollution in Target Areas: The TRM project worked with the technical services of ORMVAT to put into effect a series of on-farm fertilizer management practices that produce a better crop yield and reduce the danger of nitrate pollution of groundwater. The results of prior years were extended for the first time to the entire perimeter of 97,000 hectares. Total reduction of nitrogen for wheat and sugar beet crops amounted to 981 tons, which is 54.5 percent less than the amount applied to crops when the project began in 1995. Due to unforeseen engineering complications in the construction of the WRS chromium recovery plant and the wastewater treatment plant, their impact on reducing water pollution in target areas cannot yet be measured. Both plants are expected to be operational in the spring of 2000, thus significantly reducing water pollution from the reduction of chromium waste and untreated municipal wastewater going into rivers and ground water.

## **Performance and Prospects:**

In 1999, USAID/Morocco entered a new phase of water resources management under SO6 - Improved Water Resources Management in the Souss-Massa River Basin. Some activities from SO2 will continue through FY 2002, in conjunction with SO6. Others will end in FYs 2000 and 2001. The new water strategy builds upon the success of SO2, including appropriate irrigation technologies, water conservation measures, soil erosion control, municipal water and sewerage provision, and participatory approaches to design, implementation, and management. Activities under SO6 are just getting started. A SOAG for the Souss-Massa Integrated Water Resources Management (SIWM) activity was signed with the Ministry of Equipment in August 1999. In October 1999, a roundtable meeting was held in the Souss-Massa region with all public and private sector agencies involved in the water sector, including Health, Agriculture, Local Government, Housing, and private WUAs. The meeting had the full support of the regional government, and was the first occasion for the various agencies to express their views on a RBA. An assessment was carried out to identify results and lessons learned of on-going water activities that can be incorporated into SO6. Finally, a Memorandum of Understanding was signed in November 1999 committing the three implementing ministries of SIWM to work together to create a RBA for the Souss-Massa watershed, and to achieve the overall objectives for SO6. The signing, with the participation of regional agencies involved in watershed management, underscores the support for decentralization and local management of a scarce natural resource.

## **Possible Adjustments to Plans:**

With the TRM Project having ended in December 1999, a number of targets were achieved for the SO2 strategy period. Next year will also be the last year for some indicators as UES ends. However, several SO2 indicators will continue to be tracked by the WRS Project through May 2002. Three of these indicators which are important to the success of SO6, will be reported on in the next R4. They are: 1) Progress Toward the Adoption of Key Policy and Institutional Reforms; 2) Number of Environmental Activities Implemented with Non-governmental Partners; and 3) Number of Municipalities with Improved Solid and Liquid Waste Management Services.

## **Other Donor Programs:**

Local governments and NGO partners participate financially and provide in-kind support to various interventions. The World Bank is supporting the creation of a RBA in another major watershed in Morocco. European nations, especially France, Belgium and Germany, continue to fund community-based water use and management activities.

## **Major Contractors and Grantees:**

The primary U.S. firms involved in SO2 are Chemonics Int'l for the TRM Project; Environmental Alternatives Unlimited for the WRS project, and Technical Support Services for the UES project. A contract to a U.S. firm will be awarded in June 2000 to implement the new SO6 SIWM activity. Numerous U.S. and Moroccan companies, universities, and NGOs will provide short-term assistance or work as subcontractors.

### Performance Data Table

Objective Name: Improved Water Resources Management in the Agricultural, Urban & Industrial Sectors	
Objective ID: 608-002-01	
Approved: 4/95	Country/Organization: USAID/Morocco
Result Name: Reduction in the amount of nitrates potentially leached into the ground water in Tadla	
Indicator: Amount of Water Pollution in Target Areas	

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Unit of Measure: Kg of excess nitrogen/ha</td> </tr> <tr> <td style="padding: 2px;">Source: TRM Contractor Reports</td> </tr> <tr> <td style="padding: 2px;">Indicator/Description: See comments</td> </tr> <tr> <td style="padding: 2px;">Indicator Data Quality: Good</td> </tr> <tr> <td style="padding: 2px;"> <p>Comments:</p> <p>1. Estimation of percent reduction of excess nitrogen for 1998/99: The TRM project is assisting in the development and dissemination of better nitrogen (N) management practices for sugar beet and wheat crops based on 1996 project demonstration results. In 1996, based upon the TRM project diagnostic studies, an estimated 1,800 tons of excess N were applied in the 51,000 ha area (i.e., 38,000 ha of wheat x 20 kg excess per ha + 13,000 ha of sugar beets x 80 kg excess). In the 1998-99 crop year, growers on small farms totaling 2,350 ha of wheat continued the reduction of 47 tons of excess N applications on wheat (20 kg/ha x 2350 ha), which represents 2.6 % of baseline. For sugar beets, the project worked with the Sugar Beets Grower's Association and Tadla Sugar Factories to reduce the N content in fertilizer distributed to all sugar beet farmers. Average rates of excess N fertilizer reduced on sugar beets (50 kg/ha, estimated from farmers surveys) multiplied by the total area planted in sugar beets (18,685 ha, in 1998/99) gives a reduction of excess N of 934.2 tons, which represents 51.9% of baseline. Adding both the wheat and sugar beets nitrogen excess reductions achieved in 1998/99 gives a total decrease of 54.5% of excess nitrate applied.</p> </td> </tr> </table>	Unit of Measure: Kg of excess nitrogen/ha	Source: TRM Contractor Reports	Indicator/Description: See comments	Indicator Data Quality: Good	<p>Comments:</p> <p>1. Estimation of percent reduction of excess nitrogen for 1998/99: The TRM project is assisting in the development and dissemination of better nitrogen (N) management practices for sugar beet and wheat crops based on 1996 project demonstration results. In 1996, based upon the TRM project diagnostic studies, an estimated 1,800 tons of excess N were applied in the 51,000 ha area (i.e., 38,000 ha of wheat x 20 kg excess per ha + 13,000 ha of sugar beets x 80 kg excess). In the 1998-99 crop year, growers on small farms totaling 2,350 ha of wheat continued the reduction of 47 tons of excess N applications on wheat (20 kg/ha x 2350 ha), which represents 2.6 % of baseline. For sugar beets, the project worked with the Sugar Beets Grower's Association and Tadla Sugar Factories to reduce the N content in fertilizer distributed to all sugar beet farmers. Average rates of excess N fertilizer reduced on sugar beets (50 kg/ha, estimated from farmers surveys) multiplied by the total area planted in sugar beets (18,685 ha, in 1998/99) gives a reduction of excess N of 934.2 tons, which represents 51.9% of baseline. Adding both the wheat and sugar beets nitrogen excess reductions achieved in 1998/99 gives a total decrease of 54.5% of excess nitrate applied.</p>	<p>2. Contributing activities include:</p> <ul style="list-style-type: none"> <li>-TRM project demonstrations on nitrogen applications that reduce nitrate leaching and improve yields for sugar beets and wheat.</li> <li>-Field days, field visits, and training of ORMVAT's extension staff.</li> <li>-TRM dissemination of best nitrogen management practices to the Tadla farmers, ORMVAT's extension agents, and to the Tadla Sugar Beet Production standing Committee.</li> </ul> <p>3. Verification includes:</p> <p>Reports from ORMVAT's extension agents on farmers following the ORMVAT/TRM nitrogen application program for the 1998-99 crop-year, along with surveys. The excess nitrogen baseline of 18,000 tons was obtained in a 1996 survey which addressed the prevailing practices concerning quantities of fertilizers and the time of application.</p>
Unit of Measure: Kg of excess nitrogen/ha						
Source: TRM Contractor Reports						
Indicator/Description: See comments						
Indicator Data Quality: Good						
<p>Comments:</p> <p>1. Estimation of percent reduction of excess nitrogen for 1998/99: The TRM project is assisting in the development and dissemination of better nitrogen (N) management practices for sugar beet and wheat crops based on 1996 project demonstration results. In 1996, based upon the TRM project diagnostic studies, an estimated 1,800 tons of excess N were applied in the 51,000 ha area (i.e., 38,000 ha of wheat x 20 kg excess per ha + 13,000 ha of sugar beets x 80 kg excess). In the 1998-99 crop year, growers on small farms totaling 2,350 ha of wheat continued the reduction of 47 tons of excess N applications on wheat (20 kg/ha x 2350 ha), which represents 2.6 % of baseline. For sugar beets, the project worked with the Sugar Beets Grower's Association and Tadla Sugar Factories to reduce the N content in fertilizer distributed to all sugar beet farmers. Average rates of excess N fertilizer reduced on sugar beets (50 kg/ha, estimated from farmers surveys) multiplied by the total area planted in sugar beets (18,685 ha, in 1998/99) gives a reduction of excess N of 934.2 tons, which represents 51.9% of baseline. Adding both the wheat and sugar beets nitrogen excess reductions achieved in 1998/99 gives a total decrease of 54.5% of excess nitrate applied.</p>						

Year	Planned	Actual
1995	Baseline	0%
1996	0%	0%

1997	10%	10.4%
1998	15%	35.7%
1999	25%	54.5%

**Performance Data Table**

Objective Name: Improved water resources management in the agricultural, urban and industrial sectors	
Objective ID: 608-002-01	
Approved: 4/95	Country/Organization: USAID Morocco
Result Name: Improved water resources management in the agricultural, urban and industrial sectors	
Indicator: 2.4: Number of municipalities with improved wastewater treatment, garbage collection, landfill management, greenspaces and recycling services	
Unit of Measure: Number/population (cumulative)	<p>most cases, also benefit from TA under the UES project.</p> <p>With the establishment of the first project implementation plan of the FEC/UECP component (January 1996), the average cost of projects financed under the program was less than expected, and therefore the number of municipalities to be served increased. The targets for 1998 and 1999 were revised upward in 1997.</p>
Source: Urban Environmental Services (UES), Urban Environmental Credit (HG 004) and Contractor (TSS) reports. Also evaluation and monitoring site visits	
<p>Indicator/Description:                  We are focusing on municipalities with improved environmental services that benefit directly from the UES Activity and the Urban Environmental Credit Program (UECP) (formerly Housing Guaranty). Examples of how environmental services contribute to improved water resources management include: greenspaces located in natural drainage channels will decrease flooding risk and enhance rainfall infiltration; landfills will be controlled and pollution of groundwater by liquid contaminant leachates prevented.</p> <p>Indicator Data Quality: Very high</p>	
<p>Comments:                  Each municipality is counted only once, even though several environmental service improvements may take place within the same municipality. Only those activities that have produced results in improving environmental services are counted. FEC-funded projects that improve environmental services are also included. These are loans made to municipalities that are part of the UECP pipeline in the project implementation plan. The project paper envisioned that FEC would work in ten municipalities, using \$20 million of the UECP resource. These municipalities, in</p>	

Year	Planned	Actual
1994(B)	2/600,000	2/600,000
1995	2/600,000	2/600,000
1996	4/900,000	5/1,000,000
1997	7/1,200,000	14/1,950,000 actual

		revised 18/2,175,700
1998	22/2,250,000	24/2,718,000
1999	30/2,750,000	33/3,010,100
2000	35/3,006,500	

### Performance Data Table

Objective Name: Improved Water Resources Management in the Agricultural, Urban & Industrial Sectors	
Objective ID: 608-002-01	
Approved: 4/95	Country/Organization: USAID/Morocco
Result Name: IR 2.1: Improved policy, regulatory, and institutional framework	
Indicator: 2.1.1: Progress towards adoption of 11 key reforms	
Unit of Measure: Percentage completion of 11 policy reforms	<p>infrastructure development, including agreements between ANHI and the private sector for land development, and the raising of private finance for infrastructure projects.</p> <p>- MOE Coordinating Ministry: The MOE became more engaged as a provider of TA for environmental feasibility studies for local authorities (Attaouia, Azrou, Ouled Teima).</p> <p>- Sustainability of FEC and ANHI: Internal controls completed, risk management procedures drafted, MIS operational, and autonomy transition programmed for FEC.</p> <p>New financing mechanisms sought and secured through public/private partnerships, improved internal controls instituted, and a restructuring of central and regional offices of ANHI implemented.</p>
Source: USAID project reports (WRS, TRM, UES)	
<p>Indicator/Description: Progress toward implementation of reforms is measured by percentage achievement of five phases (identification and analysis - 10%; development - 10%; validation, promotion, and training - 20%; adoption - 20%; implementation and enforcement - 40%)</p> <p>Indicator Data Quality: Good</p>	
<p>Comments:</p> <p>In 1999, all 11 reform targets were met or exceeded. In addition to successes described in the text, the following important achievements should be noted.</p> <p>- Progressive Pricing: Based on agreement to be signed by ORMVAT and the Government, the price of water will be decided locally.</p> <p>- Decentralized Management: ONEP, in conjunction with the municipality of Ouled Teima, carried out feasibility studies of a co-managed wastewater treatment and reuse project involving farmer associations, ORMVA, community associations, and ANHI whereby each partner would be responsible for a portion of the necessary results.</p> <p>- Environmental Impact Assessments (EAs): Development of environmental impact checklists and detailed environmental review procedures were the subject of two workshops. As a result, FEC is using checklists as lending criteria, and EAs are required by the Department of Urbanism.</p> <p>- Private Sector Involvement: Partnerships have become one of the leading mechanisms for</p>	

Year	Planned	Actual
1995	12%	12%
1996	23%	23%
1997	35%	37%

1998	47%	54%
1999	60%	65%
2000	75%	

## SO2 Policy Matrix

Numbers in the columns indicate **the percentage estimate of completion** for each reform initiative. The reform process is comprised of five phases (with percentage weights shown) : problem identification (10%), reform proposition (10%), public debate and validation (20%), adoption (20%), and implementation (40%). Anticipated and 1999 actual (**in bold**) policy achievements under SO2 are summarized in the following table:

Reforms	'95	'96	'97	'98	'99	'00	'01	'02
<b>Water Demand Management</b>								
Progressive pricing policy	0	10	30	55	<b>55/45</b>	65	85	90
Decentralized management	0	10	20	40	<b>60/40</b>	70	100	100
<b>Water Supply Enhancement</b>								
Environmental impact assessment	20	35	60	80	<b>90/85</b>	90	100	100
Private sector involvement	40	50	50	80	<b>90/90</b>	100	100	100
<b>Water Quality Improvement</b>								
Industrial effluent norms	0	0	20	20	<b>40/40</b>	55	70	85
Polluter-pays principle	0	10	20	40	<b>40/40</b>	55	70	85
<b>Institutional Strengthening</b>								
MOE coordinating ministry	0	10	20	40	<b>50/40</b>	70	100	100
Water users associations	10	20	45	50	<b>60/60</b>	70	100	100
ORMVA's efficiency	0	10	30	50	<b>60/50</b>	70	80	100
Sustainability of FEC	25	50	55	65	<b>85/75</b>	85	95	100
Sustainability of ANHI	35	45	55	75	<b>90/90</b>	100	100	100
<b>TOTAL</b>	130	250	405	595	<b>720/655</b>	830	1000	1060
<b>Average of all reforms</b>	12	23	37	54	<b>65</b>	-	-	-
<b>Anticipated Average</b>	12	23	35	47	60	75	91	96

**65% of USAID's environmental (SO2) policy reform targets were achieved by the end of 1999, slightly exceeding expectations.**

## **SO2 - Policy Reform Agenda**

### **Definition of Policy Issues**

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

### **Policy Emphasis 1: Water Demand Management**

- Encourage **progressive pricing policies** to bring demand into balance with supply. A pricing structure for irrigation water reflecting actual costs is adopted on a progressive basis, with regularly scheduled increases over the next several years. Pricing for potable and reused wastewater reflects actual costs, and revenue from water charges supporting water system activities on a sustainable basis.

- Support the **decentralization of water management authority**. Implementing decrees for the devolution of water management authority to Watershed Agencies should be issued, as called for in the Water Law. The Ministry of Agriculture should reach agreement with the Ministry of Public Works regarding the clear allocation of roles and responsibilities of the Watershed Agencies and the irrigation authorities (ORMVAs) for those water sector functions that both parties may claim.

### **Policy Emphasis 2: Water Supply Enhancement**

- Encourage the **use of environmental assessments prior to urban infrastructure investment**. ANHI and FEC should conduct environmental assessments prior to investment rather than rely on after-the-fact assessments. Relevant ANHI, FEC and selected municipality staff need to be trained in methods of urban project assessment, planning and design of environmental impact assessments, etc., to build adequate capacity to undertake the necessary environmental reviews for their projects.

- Encourage **private sector involvement in urban infrastructure service delivery**. Increased volume and efficiency of investment in infrastructure require the opening of most sectors to competition and private capital. Although the GOM has clearly stated its policy to encourage greater private provision of environmental infrastructure, the institutional and regulatory framework of promising, key municipal sectors -- water distribution and solid waste disposal is still to be adapted to reflect this strategy.

### **Policy Emphasis 3: Water Quality Improvements**

- Develop **targeted industrial effluent norms and standards**. The Ministry of Environment (MOE) should coordinate development and adoption of environmental norms and standards (by

sector) by the Comité des Normes et Standards. Proposed norms and standards in the tannery and metal plating sectors need to be developed and tested.

- Support the **implementation of the polluter-pays principle**. The MOE should develop ways and means to implement the "polluter-pays principle", wherein polluting industries are fined at a significant enough level to provide ample economic incentives for investments in pollution prevention and clean technologies.

#### **Policy Emphasis 4: Institutional Strengthening**

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

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

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

- Enhance the **sustainability of ANHI and FEC**. These two organizations should contribute to improve shelter conditions and to increase the capability of municipalities to provide shelter-related infrastructure and environmental services, in particular improved liquid and solid waste management, on a more sustainable basis. For ANHI, the institutional goal is to assist it to restructure its organization and finances to enable it to maintain quality and productivity in the face of changing conditions. For the FEC, the institutional goal is to adapt the institution to its new role as a bank, rather than public parastatal, reducing government protection and increasing the competitiveness of its products and its clients, municipalities, in the financial markets. Through an improved municipal credit program, FEC will help establish implement and monitor environmental planning norms and procedures for construction by municipalities or urban environmental infrastructure and community facilities.

### Performance Data Table

Objective Name: Improved Water Resources Management in the Agricultural, Urban & Industrial Sectors	
Objective ID: 608-002-01	
Approved: 4/95	Country/Organization: USAID/Morocco
Result Name: 2.3: Public Participation for Environmental Action	
Indicator: 2.3.1: Number of environment activities implemented with non-governmental partners	
Unit of Measure: Number of Activities	wastewater collection systems, garbage collection or green spaces:
Source: TRM, WRS, and UES project reports and site visits	Marrakech (2), Tangier (1), Oued Zem (3), Sidi Yahia du Gharb (8), Fes (2), Sefrou (1), Bouznika (1);
Indicator/Description: See comments	- Creation of a Water Users Association in Al Attaouia focused on treated wastewater reuse planning;
Indicator Data Quality: Good	- Environmental planning workshop held in Safi Ain Biada for public and private sector entities;
Comments: 1) In 1999, the number of WRS activities with non-governmental partners totaled 11. They included: - Completion of the separation of tannery effluents by the tanners of Dokkarat; - Two interventions for the Al Amal Water Users Association on management and cost recovery for the Drarga wastewater treatment plant; - Creation of a beekeepers association in Nakhla; - Four workshops on the replication of soil erosion control measures in Nakhla; - Sponsorship of a workshop in the Souss-Massa on water issues with the participation of NGOs; - Sponsorship of an environmental training conference for teachers in areas near national parks; and - Involvement of women in the introduction of improved cookstoves in the Nakhla watershed. 2) The TRM project implemented 10 workshops to promote integrated pest management, laser-land leveling, irrigation efficiency, and water management for water users associations and private farmers. 3) UES implementation included 21 environmental activities with NGO partners: - ANHI provided technical assistance to 18 NGOs working on potable water distribution,	- Worked with a community association in Sefrou in the design of a collective wastewater system; and - Provided TA to an environmental NGO in Meknes focusing on solid waste collection and urban environmental improvements.

Year	Planned	Actual
1995	0	0
1996	5	6

1997	10	14
1998	15	30
1999	20	43

## Text for SO c

Country/Organization: USAID/Morocco

Objective ID: 608-003-01

Objective Name: Expanded base of stakeholders in the economy, targeting people of below median income

Self Assessment: On Track

Self Assessment Narrative: (See "Summary of the SO" below.)

Primary Link to Strategic Agency Framework: 1.1 Private Markets  
(please select only one)

Secondary Link to Strategic Agency Framework:  
(select as many as you require)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> 1.1 Private Markets                    | <input type="checkbox"/> 1.2 Agricultural Development/Food Security    |
| <input checked="" type="checkbox"/> 1.3 Economic Opportunity for Poor      | <input type="checkbox"/> 2.1 Rule of Law/Human Rights                  |
| <input type="checkbox"/> 2.2 Credible Political Processes                  | <input type="checkbox"/> 2.3 Politically Active Civil Society          |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions                | <input type="checkbox"/> 3.1 Access to Education/Girl's Education      |
| <input type="checkbox"/> 3.2 Higher Education/Sustainable Development      | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced            |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition                 | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced             |
| <input type="checkbox"/> 4.4 HIV/AIDS                                      | <input type="checkbox"/> 4.5 Infectious Diseases Reduced               |
| <input type="checkbox"/> 5.1 Global Climate Change                         | <input type="checkbox"/> 5.2 Biological Diversity                      |
| <input checked="" type="checkbox"/> 5.3 Sustainable Urbanization/Pollution | <input type="checkbox"/> 5.4 Environmentally Sound Energy              |
| <input type="checkbox"/> 5.5 Natural Resource Management                   | <input type="checkbox"/> 6.1 Impact of Crises Reduced                  |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met            | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed        | <input type="checkbox"/> 7.2 Program Effectiveness Improved            |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured        | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand      |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): Open Markets

### Summary of the SO:

SO3 combines Economic Growth (EG) and Environment and Urban Programs (EUP) activities. The SO fits one of the seven goals of the Administration's International Affairs Strategic Plan (IASP): the encouragement of broad-based economic growth and agricultural development.

Implementation activities respond to two of the IASP's 16 strategies: to open foreign markets to free the flow of goods, services and capital; and to promote broad-based growth in developing and transitioning economies. The SO team promotes 15 policy reform initiatives, capacity enhancement of several private and public sector institutions, creation and expansion of small and microenterprises, and access to credit for small and microentrepreneurs and potential homeowners. Activities remained essentially on track and most targets were surpassed. The USAID program tangibly broadened the base of stakeholders, and the SO team counts several notable accomplishments among 1999 results. Progress on reform initiatives was encouraging -- slow but steady. Support for small and microenterprises generated the equivalent of millions of dollars in investment and revenues. Overall, USAID activities continued to provide much-publicized models for expanding commerce and productive investment in small and very small businesses.

### **Key Results:**

Some of SO3's most important results during 1999 are summarized below, by intermediate result.

- IR 3.1: Improved Policy and Regulatory Environment: The Microfinance Association law, mortgage securities law, economic association law and the competition law were passed by both houses of Parliament; the Small and Medium Enterprises (SME) Charter is now under consideration in Parliament, after a successful SME seminar conducted by U.S. Small Business Administration (SBA) experts and an Observation Study Tour to Canada and USA; the Business policy information unit, the Official Guide for Business Formalities and the one-stop-business-center are now at an advanced stage of development.
- IR 3.2: Creation and Expansion of Small and Microenterprises: Nine new microfinance offices were opened (total of 36 at end of 1999); 44,820 cumulative loans made to microentrepreneurs as of February 2000; 52% of these loans went to women versus target of 30%; \$9.80 million (in local currency equivalent) were generated in first-year revenues for USAID-assisted small businesses; 32,427 new business licences were issued to SMEs versus 27,762 in 1998 (167,408 cumulative licenses attributable to USAID).

### **Performance and Prospects:**

Progress during 1999 was good. Results mostly surpassed targets. Beginning in FY00, the EG strategy will shift from the SO3 results framework to a new framework established to reflect a new strategic orientation under SO5. IR 3.1 indicators will not be carried over into the new strategic framework and further progress under this IR will be tracked by the Mission, but not formally reported. Indicators of progress against IR 3.2 targets will be carried over into the SO5 results framework and incorporated therein, in some instances as baselines for expanded activity targets.

IR 3.1 - Improved policy and regulatory environment:

Among the SO team's policy reform initiatives, several achievements stand out. The economic Association Law was enacted and will accord business and trade association a special status, enabling them more autonomy and flexibility in organization, lobbying and fund raising. The competition law that was also enacted will permit a more equitable environment for both

enterprises and consumers. The enactment of the microfinance law by both houses of Parliament ensures the expansion of access to credit for microentrepreneurs. The passage of the mortgage securities legislation will substantially increase housing finance resources. With the July 1999 death of King Hassan II and the resulting changes in some key host country counterpart agencies (Ministry of General Affairs of Government, Ministry of Finance and Economy, Ministry of Commerce, Industry and Artisanry), progress towards our reform efforts was considerably slowed. However, by the end of the year, some progress towards these reforms was evident. The SME Charter has been reviewed by Parliament and the one-stop-business registration center is under review by the interministerial council. The Charter will codify a formal process for collaboration between the GOM and SMEs in administrative reforms, business services support and access to financial resources. A successful seminar was conducted by three experts from the U.S. SBA and an observation study tour to Canada and the U.S. on "North-American Approaches to SME Promotion" was organized. It is also expected that the SME Charter will enable the creation of a SME promotion agency following the U.S. SBA model. The one-stop-business registration center will save time and costs for the start-up process (one single registration form with a single business identification and tax number). The reduction of business tax forms from 10 to 3 has been proposed as a measure within a broader revision of the whole tax code by the national tax authority, following an IRS expert's recommendation. Although progress towards the reforms substantial, we estimate overall achievement at 90%, slightly below our 1999 target of 94%, because the weight of each step has been revised to take into account the very lengthy implementation process.

The completion of Phase I of the Investors Roadmap (diagnostic) and the launching of Phase II (building consensus among the key decision-makers on the priorities area and adopting an action plan for implementing changes) demonstrates that the reform process has now regained momentum and that prospects for progress over the near term are good. Other positive signals include the willingness of the current government and the public-private partnership spirit that prevailed the judicial reform, the concession law and the commercial policy toolkit (an assessment of Morocco's sectors competitiveness). A May 1999 assessment of the estimated economic impact of two reform proposals (better business and economic information and simplifying administrative procedures) concluded that the implementation of the two reform proposals would increase Morocco's GDP by about 2.3% a year (equivalent to \$770 million per year).

### IR 3.2 - Creation and expansion of small and microenterprises:

The USAID-created microfinance institution, Al Amana, added 9 new branch offices to the 24 opened in 1998 and 3 in 1997, and hired 108 new credit agents. It approved 44,820 loans totaling \$9.8 million -- exceeding 1999 target by 25 percent. More than half (52%) of the loans went to women, which surpassed the 30% overall target. Results for small enterprise have been excellent: 32,427 new business licenses have been issued versus 27,762 in 1998. With the exception of the working capital loan guarantee program, all institutional development activities in support of enterprise development have met or exceeded expectations. The working capital loan program was caught in a dispute between the Central Bank and the Ministry of Finance regarding commissions, disbursements, and the eligibility criteria. As a result, the main government representative, who participated in all the design, marketing and launch of the product, was replaced. The final details were worked out late in CY 1999. The program now seems to be back on track and lending should get underway early in 2000.

### **Possible Adjustments to Plans:**

The portfolio of activities will change under the new Country Strategic Plan, but the emphasis will remain essentially the same. Future assistance will be delivered through SO5, "Increased Opportunities for Domestic and Regional Trade and Investment." The SO will concentrate on making the trade and investment environment more attractive. The primary focus will be on reducing administrative obstacles to investment and building capacity for institutions providing business support services to Moroccan entrepreneurs. Promoting increased transparency and good governance will help address corruption. Promoting speedier commercial dispute resolution through the judicial systems and alternative means will increase investors' confidence. A complementary element of the program will support increased access to finance for small and microentrepreneurs. Direct support for agribusiness will be entirely phased out.

Under the new strategy, the method by which we assess progress of the reform initiatives will be reconsidered. Under the current method, a weight of 40% is accorded to reform implementation. Experience with the policy matrix over the past three years has demonstrated that this weighting does not adequately represent progress achieved. For example, once consensus has been reached on the problem and the solution, adoption generally follows. Implementation of solutions often begins even before legislation is passed and before implementation decrees are published in the official bulletins -- a lengthy process. This is especially true if only executive, rather than legislative, action is required. Moreover, we have concluded that USAID and other donors have less direct influence on parliamentary decisions or other government mechanisms involved in the legislative process. Current weighting/percentages are retained in this R4. In the new Country Strategic Plan and for next R4, weights assigned to Phases I-V will be reexamined.

### **Other Donor Programs:**

The World Bank is the major donor for economic growth. Among its portfolio of some \$550 million for various projects, it provides \$250 million to promote macroeconomic policy reform and \$100 million to support structural adjustment. The European Union program approaches \$450 million, about \$275 million of which targets economic growth, and of this amount \$120 million supports structural adjustment; and about \$145 million supports various activities to help make Morocco's economy and companies more competitive. The objective of the EU's economic growth program is to meet the challenge of zero tariffs which, under the terms of a Morocco-EU accord, will kick-in progressively between 2000 and 2010. USAID's program, unlike those of the Bank and the EU, targets microeconomic and ancillary reforms and institutions that affect business, in general, and small and microenterprise, in particular. For microenterprise, the UNDP provides a small fund under its multi-country MICROSTART program. USAID activities, though much larger in scale and geographic coverage, complement and support those of our donor partners.

### **Major Contractors and Grantees:**

Chemonics International Consulting is prime contractor under the New Enterprise Development project. The contract is scheduled to end June 30, 2000 and is now focussing on the reform proposals component with the support of a local subcontractor. Volunteers in Technical

Assistance (VITA) is the institutional contractor under the Microenterprise Finance Activity. Its contract ends April 19, 2001.

### Performance Data Table

Objective Name: Expanded base of stakeholders in the economy, targeting people of below-median income	
Objective ID: 608-003-01	
Approved: 4/95	Country/Organization: USAID/Morocco
Result Name: IR 3.1: Improved policy and regulatory environment	
Indicator: Progress towards adoption of 15 key reforms	
Unit of Measure: % completion of 15 policy reforms	<p>government to grant this development higher priority.</p> <p>The GOM has asked USAID to help drafting a policy and a charter, which will provide the parameters for government's promotion and support to small businesses. The SME Charter is now submitted to the parliament's vote, after a successful seminar on SME conducted by three SBA experts and an observational study tour to Canada and USA to expose government and private sector decision-makers to North-American approach to SME development. USAID also helped the Ministry of Justice to formulate its reform perspectives in areas affecting important aspects of private sector development such as commercial courts, dispute settlement and reengineering of administrative procedures.</p>
Source: USAID project reports (NED, MAP, MFA, UES)	
Indicator/Description: See background, below	
Indicator Data Quality: Moderate	
<p>Comments:</p> <p>In 1999, progress was substantial, despite a slow-down in the reform process, mainly due to the death of King Hassan II, changes in key Ministries, and the end of a contract under which most of the reform activities were promoted. However, all EG-promoted reform initiatives were revalidated by the new government, several even receiving priority attention. Other important initiatives, not shown in EG's list of 15 policy reforms, have received significant boosts from EG activities. For example, new activities such as Phase II of the Investors Roadmap, Phase I of the commercial policy toolkit, a study on internet for economic development, and the May 1999 impact study of the organizational and administrative reforms, have undeniably triggered heightened attention of GOM senior officials and decision-makers to this specific set of reforms.</p> <p>Similarly, the GOM/private sector anti-corruption campaign received considerable attention in part because of USAID support for NGOs. Also, USAID-supported economic association law, the microfinance association law, the mortgage securities markets, and the competition law were enacted after their vote by the parliament. Moreover, USAID emphasis on small enterprise development has led the new</p>	

Year	Planned	Actual
1995	30%	30%
1996	45%	43%
1997	67%	69%

1998	84%	86%
1999	93%	94%
2000	96%	

## SO3 Policy Matrix

(A= Actual; T= Target)

<b>Reforms</b>	95 (A)	96 (A)	97 (A)	98 (A)	<b>99 (T)</b>	<b>99 (A)</b>	2000 (T)
<b><i>Policy Emphasis 1: Removing Obstacles to Business Development</i></b>							
Small business policy info unit	20	40	60	80	<b>90</b>	<b>90</b>	90
Private-public legal framework	40	40	60	70	<b>80</b>	<b>90</b>	95
One-stop registration process	0	40	60	70	<b>80</b>	<b>90</b>	95
Economic associations law	40	40	40	80	<b>80</b>	<b>95</b>	100
Tax forms simplification	40	60	80	80	<b>100</b>	<b>90</b>	95
<b><i>Policy Emphasis 2: Improving Morocco's Competitiveness</i></b>							
Uniform food safety standards	40	40	70	100	N/A		
Trucks transport surcharge	60	80	100	100	N/A		
Ag. Intellectual property rights	20	60	80	90	<b>100</b>	<b>100</b>	N/A
Crop contracts & arbitration	10	20	100	N/A			
Red Tomato Initiative	10	20	60	100	N/A		
<b><i>Policy Emphasis 3: Improving Equity</i></b>							
Housing finance	40	40	60	80	<b>100</b>	<b>95</b>	100
Microfinance associations law	10	40	60	90	<b>100</b>	<b>100</b>	N/A
Liberalized financial sector	20	20	60	80	<b>100</b>	<b>90</b>	95
Competition law	20	20	50	80	<b>100</b>	<b>100</b>	N/A
Privatization	80	80	90	N/A			
<b>Total All Reforms*</b>	450	640	1040	1100	<b>930</b>	<b>940</b>	670

Actual average	30	43	69	84	-	<b>94</b>	-
Anticipated Average	30	45	67	86	<b>93</b>	-	96

\* As policy reforms are fully implemented (100%), they are no longer included in the total and averages.

**Performance Data Table**

Objective Name: Expanded base of stakeholders in the economy, targeting people of below-median income	
Objective ID: 608-003-01	
Approved: 4/95	Country/Organization: USAID Morocco
Result Name: IR 3.2.1: Broadened access to financial resources and services	
Indicator: Number of microenterprises receiving loans and amount loaned through the formal credit system	
Unit of Measure: Cumulative number of microenterprises (N) and cumulative amount loaned (\$) in average loan amount of \$240	<p>including "virtual" costs of capital, in the last quarter. The portfolio at risk dropped to under 0.5%. All indicators improved dramatically during the year.</p> <p>Al Amana continues to recruit and hire female loan agents. They contribute to a steady increase in the number of female clients, who received 51% of loans already, exceeding the original project target of 30%. In addition, in 1999, the management team set the ground for launching new products in 2000, including larger solidarity loans, individual loans, and non-financial services delivered using digital video.</p>
Source: USAID Microenterprise Finance (MFA) special study, VITA contract reports, and AMSED (Moroccan NGO) reports	
Indicator/Description: Cumulative figures of microenterprises served.	
Indicator Data Quality: Excellent	
Comments:	
<p>The Microenterprise Finance project was authorized in September 1995. The institutional contractor, Volunteers in Technical Assistance (VITA), began work in Morocco in August 1996 and created a new microfinance institution, Al Amana, in February 1997. Lending began in March 1997 and by year end 1,880 loans were provided by Al Amana, of which 16% went to women. By the end of CY 1997, the project had surpassed all targets identified for Phase I, which ended February 28, 1998.</p> <p>1999 showed good results in terms of production, cost recovery and portfolio quality. The addition of 9 antennas during the year contrasts with the 24 opened in 1998, and reflects the facts that 1999 was a year of consolidation and reinforcement of systems and staff rather than expansion. During 1999, the program passed the milestones of 20,000 and \$3 million outstanding loans, and \$1 million in local revenues earned since the beginning of the program. The program covered 84% of its operating costs and 66% of total costs,</p>	

Year	Planned	Actual			
1997	800 (N) \$192,000	1,880 (N) \$451,200	1999	27,685 (N) \$7.80 million	44,820(N) \$9.80 million
1998	4,760 (N) \$1.15 million	11,032 (N) \$2.75 million	2000(T)	55,000 (N) \$21 million	

**Performance Data Table**

Objective Name: Expanded base of stakeholders in the economy, targeting people of below-median income	
Objective ID: 608-003-01	
Approved: 4/95	Country/Organization: USAID/Morocco
Result Name: IR 3.2: Creation and expansion of small and microenterprises	
Indicator: 3.2.1: Number of business licenses issued to SMEs	
Unit of Measure: Number of SMEs registered by GOM	
Source: USAID project reports (NED)	
Indicator/Description: both annual (A) and cumulative (C) figures	
Indicator Data Quality: Good	
<p>Comments:</p> <p>Original targets are retained in these tables for comparative purposes, but current projections are for 190,000 SMEs to be registered by 2000 (a/o 28,000 new SMEs registered and 190,000 as cumulative).</p> <p>The NED project helped to increase the number of SMEs in Morocco through its organizational and administrative reform efforts which include: establishing a small business policy unit, instituting a legal framework to codify means of SMEs-Government collaboration, establishing a one-stop-business registration center, reducing the number of tax forms from 10 to 3, agreed accounting and management centers for SMEs, the official guide for business formalities.</p> <p>In May 1999, NED completed an assessment of the estimated economic impact of the above-mentioned reforms that would result from better business and economic information and simplified business procedures: It is estimated that implementation of the two reform proposals alone would increase Morocco's GDP by 2.3% per year or by DH 7.34 billion (\$770 million).</p>	

Year	Planned	Actual
1993 (B)		16,000 (A) 16,000
1994	16,000(A) 32,000	20,658(A) 36,658
1995	16,000(A) 48,000	22,092(A) 58,750
1996	17,000(A) 65,000	23,603(A) 82,353

1997	23,000(A) 104,557	24,866(A) 107,219
1998	24,000 128,557	27,762 134,981
1999	24,000(A) 152,557	32,427 167,408

### Performance Data Table

Objective Name: Increased Opportunities for Domestic and Regional Trade and Investment			
Objective ID: 608-005-01			
Approved: 5/99		Country/Organization: USAID Morocco	
Result Name: IR 5.2: Strengthened institutional capacity to foster private sector			
Indicator: 5.2.Progress toward strengthening institutional targeted institutions			
Unit of Measure: % completion of 5 targeted institutions	Year	Planned	Actual
Source: : USAID project reports: commercial court; industry associations in Souss (APEFEL-GRIT-FIPROMER); institutions engaged in microfinance; the National Investment Promotion Agency; the National Agency for Small and Medium Enterprise development.	2000 (B)	NA	NA
	2001	NA	NA
	2002	NA	NA
	2003	NA	NA
	2004	NA	NA
	2005	NA	NA
Indicator/Description: Being developed (see below).Indicator Data Quality: TBD			
<p>Comments: The Mission is still designing performance indicators:- For commercial courts, performance will be measured essentially in terms of time and costs savings for litigants (efficiency gains).- For institutions providing business services to enterprises, performance monitoring will be based upon a mix of quantitative (sales, revenues, employment, etc) and qualitative measures (women-owned businesses, improved planning and technical skills, efficiency in the organizational structure, etc) of institutional development.- For institutions engaged in microfinance lending, performance indicators will include cost recovery, client base/geographical outreach, female participation, institutional capacity development for MFIs.- For the National Investment Promotion Agency (NIPA), performance will be measured at two levels: 1) increased institutional capacity of the NIPA using organizational development criteria (staff productivity, progress against workplan targets, process efficiency) and 2) impacts on investment flows.- For the National Agency for SME development, performance monitoring will use the same process described for the NIPA above.However, indicators for the two last targeted institutions will depend upon their final configuration and authorities and the magnitude of USAID institutional development assistance.</p>			

## Text for SO d

Country/Organization: USAID/Morocco

Objective ID: 608-004-01

Objective Name: Increased attainment of basic education among girls in selected rural pilot schools using a replicable model

Self Assessment: On Track

Self Assessment Narrative: SpO4 has made progress in the development of the MEG model and in increasing the overall awareness of the importance of girls' education in Morocco through GEA. Girls' enrollment in the 6th grade, although still lower than that of boys, has doubled since the beginning of USAID's efforts in the pilot schools.

Primary Link to Strategic Agency Framework: 3.1 Access to Ed/Girls' Education  
(please select only one)

Secondary Link to Strategic Agency Framework:  
(select as many as you require)

- |   |  |
|---|--|
| <input type="checkbox"/> 1.1 Private Markets                        | <input type="checkbox"/> 1.2 Ag Development/Food Security              |
| <input type="checkbox"/> 1.3 Economic Opportunity for Poor          | <input type="checkbox"/> 2.1 Rule of Law/Human Rights                  |
| <input type="checkbox"/> 2.2 Credible Political Processes           | <input type="checkbox"/> 2.3 Politically Active Civil Society          |
| <input type="checkbox"/> 2.4 Accountable Gov't Institutions         | <input checked="" type="checkbox"/> 3.1 Access to Ed/Girl's Education  |
| <input type="checkbox"/> 3.2 Higher Ed/Sustainable Development      | <input type="checkbox"/> 4.1 Unintended Pregnancies Reduced            |
| <input type="checkbox"/> 4.2 Infant/Child Health/Nutrition          | <input type="checkbox"/> 4.3 Child Birth Mortality Reduced             |
| <input type="checkbox"/> 4.4 HIV/AIDS                               | <input type="checkbox"/> 4.5 Infectious Diseases Reduced               |
| <input type="checkbox"/> 5.1 Global Climate Change                  | <input type="checkbox"/> 5.2 Biological Diversity                      |
| <input type="checkbox"/> 5.3 Sustainable Urbanization/Pollution     | <input type="checkbox"/> 5.4 Environmentally Sound Energy              |
| <input type="checkbox"/> 5.5 Natural Resource Management            | <input type="checkbox"/> 6.1 Impact of Crises Reduced                  |
| <input type="checkbox"/> 6.2 Urgent Needs in Time of Crisis Met     | <input type="checkbox"/> 6.3 Security/Basic Institutions Reestablished |
| <input type="checkbox"/> 7.1 Responsive Assist Mechanisms Developed | <input type="checkbox"/> 7.2 Program Effectiveness Improved            |
| <input type="checkbox"/> 7.3 Commit Sustainable Development Assured | <input type="checkbox"/> 7.4 Technical/Managerial Capacity Expand      |

Link to U.S. National Interests: Economic Prosperity

Primary Link to MPP Goals: Economic Development

Secondary Link to MPP Goals (optional): No Secondary Linkage

## **Summary of the SO:**

SpO4's work supports the "Economic Development" strategic goal of the Administrations' International Affairs Strategic Plan (IASP) and of the 2000 U.S. Mission Performance Plan (MPP). SpO4's objective is to increase the participation of rural girls in basic education through integrated activities that address supply and demand issues in education, and the policy environment necessary for sustained change in the basic education system. Additionally, this objective ensures that primary school age children are prevented from entering either the formal or informal labor market. SpO4, in consultation with the Ministry of National Education (MNE), realigned the Morocco Education for Girls Activity (MEG), resulting in an updated MEG Model that is responsive to the changes that have occurred in the education sector in Morocco over the past year. In October 1999, a Royal Commission (COSEF) presented reform recommendations, stressing the need for systemic reform throughout the education system, with a strong emphasis on operationalizing decentralized decision-making, increasing participation of girls, and improving the quality of education. This is a major breakthrough as the MNE is now adopting many of the policies that are necessary for achieving the SpO. So our emphasis must be turned towards supporting the MNE in its efforts to translate these policies into an implementation reality.

Under the realigned MEG Model, interventions will continue to include teacher training and community participation, but will also incorporate working at the Teacher Training Colleges (TTC) and building up the capacity of the provincial education teams to increase their management and decision-making ability. As decentralization is now an official MNE and GOM policy, SpO4 will support to the MNE in its efforts to formulate procedures and strengthen capabilities at the decentralized level.

## **Key Results:**

- Girls' 6th grade enrollment has reached 34% in the 99/00 school year in pilot schools, doubling the enrollment ratio from the 94/95 baseline. Sixth grade completion for girls has practically doubled from 26% in the 94/95 baseline to 53% in the 98/99 school year.
- The *Comité de Soutien et de Suivi de la Scolarisation des Filles* (CSSF) has become, with technical assistance from GEA, an umbrella NGO that advocates, lobbies and raises funds for girls' education activities, as well as supports local NGOs working on girls' education
- MEG has become an important resource of best practices and Morocco-relevant technical expertise for the central and provincial level MNE, with replication beyond the five pilot provinces accelerating.
- In support of the MNE's deconcentration policy, SpO4 has worked with the provincial teams to help them develop action plans for local reform and present them to the central level.

## **Performance and Prospects:**

SpO4's performance is on track. Through the activities of the Training for Development (TFD) project (closed in July 1999), the MEG Activity, GEA, and the new addition of the Computer-Assisted Teacher Training (CATT) Activity, SpO4 has evolved into a well-integrated set of interventions targeting the weakest links in the education system as they pertain to girls' participation. CATT began implementation in October 1999 and its objective is to introduce multi-media centers and relevant technical assistance in TTCs. In conjunction with MEG's training interventions delivered to these colleges, they will likely develop into educational resource centers for the provincial MNE, providing in-service in addition to pre-service training. Inputs from the combined SpO4 activities have begun bearing fruit as evidenced in the performance data. Although caution is necessary in interpreting year-to-year changes when dealing with small populations such as the pilot schools, over several years, the numbers tell a story of change and trends.

For the next R4, SpO8 will be reporting on four indicators: girls' enrollment ratio; gender-sensitive interactive process; number of parents who meet with teachers; and EMIS data available and used locally.

#### IR 4.1 - Increased responsiveness of the basic education system to girls' educational needs.

As illustrated by the enrollment data for the first grade, the percentage of girl-students has been relatively constant, ranging from 40% in the 94/95 school year to 47% in the 98/99 school year. For the 6th grade, the percentage of girls enrolled has more than doubled, increasing from 16% in the 94/95 school year to 34% in the 99/00 school year. Thus, the various efforts of the TFD and MEG projects have had a positive effect on increasing the schools' ability to retain girls. As for completion rates, the data show that rates for girls and boys at the first-grade level are relatively comparable. The fact that roughly a fifth of students fail to complete the first grade in any given year, however, poses a serious problem of efficiency. The inequities in the system become evident in the 6th grade. The situation, however, is improving as the number of girls completing this grade has doubled during the five years under review from 43% in the 95/96 school year to 53% in the 98/99 school year. The completion rate for boys in the 6th grade is close to 80%.

TFD (until July 1999) and MEG continued to deliver training to teachers, teachers trainers, and inspectors that concentrated on student-centered learning, with particular attention to equity issues. The MNE plans to fund the printing of teacher guides for national distribution (the teacher guides that were developed by MEG with the participation of teachers and inspectors). SpO4 activities will continue to provide training to MNE staff at the provincial level, targeting school directors, who have been identified by the MNE as a weak link in the local education system. MEG will continue TFD's work in the TTCs and will work with CATT to maximize use of the multi-media centers by providing training, resources, support, and the most up-to-date information on educational developments.

#### IR 4.2 - Increased institutionalization of basic education policy reform.

The SpO4 team conducted a careful review of MNE documents and regulations, the findings and recommendations of COSEF, pending legislation to implement the COSEF recommendations, press reports, and interviews with education officials at the central level and in the five pilot provinces. On the basis of this review, it is evident that the only policy aspect of this IR -- the need for promoting greater decentralization/deconcentration of decision-making authority -- is

nearly universally accepted in principle and is being gradually carried out through changes in MNE regulations and practices. The challenge now is to enable education officials at the provincial and other levels to discharge these new responsibilities and authority being thrust upon them. Given this new situation, there is no further need for USAID to advocate for, or report on, decentralization in the next R4. In the next R4, the focus will accordingly shift to the implementation level.

In this area, MEG has already worked extensively with the provincial delegations on action plans for their provinces. These plans were presented to the central level, creating a precedent of information flow in both directions, rather than simply from the top-down. Based on a needs assessment that is being conducted to understand the capacity of the provincial level, MEG will design interventions aimed at strengthening both the capacity of the local level of the MNE and the information flow from the local to the central level, including capacities to manage and use the Education Management Information System (EMIS).

#### IR 4.3 - Increased Participation of Girls' Basic Education Partners.

With technical assistance from GEA, the CSSF operationalized a program for providing scholarships and arranging for the boarding of girls in middle school. This school year, 116 girls received scholarships from private sources for the three year middle school program. The CSSF is planning on awarding more scholarships for the coming school year.

GEA was also successful in promoting girls' education in the media and the public domain through television programs, press reports, and a very successful fund-raising fashion show -- which brought attention to the subject and raised money for the CSSF's scholarship program. In addition, as a consequence of the education/private sector conference in March of 1999 (Marrakech), GEA helped to establish an NGO, "Partnership: One School, One Enterprise," which is pairing private sector entities with schools in need of management support and other assistance.

MEG, in conjunction with the PTAs of the pilot schools, undertook infrastructure upgrades at schools. MEG provided modest seed money to the PTAs, averaging \$100, which, in consultation with the teachers and school inspectors, matched this amount with community funds, for upgrades at the school. In one school in Sidi Kacem, the PTA was able to build a fence around the school with an entrance gate, and renovate and repaint all three of its classrooms.

#### **Possible Adjustments to Plans:**

Along with the realigned MEG Activity and the policy changes occurring in the MNE, SpO4 has restructured its Results Framework as SpO4 becomes SpO8: Increased Attainment of Basic Education Among Girls in Selected Rural Provinces. The revised results framework (presented in the updated Framework annex) better reflects linkages between program action and the special objective. SpO8 will have only one IR: Improved School Environment (IR8.1), which constitutes the means for drawing girls to the school and retaining them long enough to attain a basic education. To improve the school environment (IR8.1), three main inputs are essential: IR8.1.1: Improved Teaching Skills -- aims to improve the teaching/learning processes within the school; IR8.1.2: Increased Village/Community Support for Girls' Education -- which will be reflected both in an increase in numbers and capacities of community-based organizations and

greater local and national awareness of the value of girls' education; and IR8.1.3: Improved Educational Management at the Provincial Level -- which, in a highly centralized education system such as that of Morocco, is essential for improving the quality of education.

### **Other Donor Programs:**

Currently a number of other donors and partners are implementing programs in support of the MNE's priorities, including the World Bank and UNICEF. Both these partners are utilizing USAID/MNE developed training materials and methodologies for their respective training programs. In both cases, MNE inspectors who were trained under SpO4 interventions, are serving as trainers and/or technical assistants. Finally, USAID projects have been able to assist communities to leverage funds from other donors (e.g., Japanese and British) for infrastructure upgrading, and will continue to do so.

### **Major Contractors and Grantees:**

Amideast's contract for the TFD activity ended in July 1999. Creative Associates International, Inc. (CAII) is the institutional contractor for the MEG Activity, with Management Systems International (MSI) as sub-contractor. The American Institute for Research (AIR) is the contractor for GEA, while MSI is its sub-contractor for Morocco. The Academy for Educational Development (AED) is the contractor for CATT.

### Performance Data Table

Objective Name: Increased attainment of basic education among girls in selected rural pilot schools using a replicable model	
Objective ID: 608-004-01	
Approved: July 1998	Country/Organization: USAID/Morocco
Result Name:	
Indicator: 4.1: Girls' enrollment ratio	
<p>Unit of Measure: Percent calculated by dividing the total number of girls in each grade by the combined total number of boys and girls in each grade.</p> <p>Source: Pilot school enrollment records</p> <p>Indicator/Description: This indicator monitors girls as a percent of all students enrolled in grades 1-6 as of the official annual fall school census.</p> <p>Indicator Data Quality: Good</p>	<p>Targets for 99/00 were not set last year, since SpO4 was exploring the possibility of changing its enrollment indicator from gross enrollment rate to enrollment ratios.</p> <p>** It is necessary to keep in mind that units of measurement are very small and that the behavior of 2 or 3 individual students can have a large impact -- 1% and more -- on the data.</p>
<p>Comments:</p> <p>By monitoring girls as a percent of total enrollment in each primary grade, the SpO team will be able to identify accurately which grades tend to be the most common points at which girls end their formal schooling. This will allow the team to focus resources directly on increasing enrollment in those grades in which girls are under-represented and on increasing attainment of a complete primary school education.</p> <p>1st grade enrollment targets for the coming years are evidently similar to targets that have been already achieved in 98/99. However, over the past year, MEG has been working with the Provincial Delegation team to improve the quality of data collected and to ensure that data is collected and verified at the local level. This year, 99/00 was the first year where provincial teams collected and verified this data directly, ensuring a higher equality of data and assisting them to understand the use of data for management decisions. This is reflected in the lower enrollments showing for the 99/00 school year.</p>	

Year	Planned	Actual			
94/95	Baseline	1st grade : 40 6th grade : 16	01/02	1st grade : 46 6th grade : 37	
98/99		1st grade : 47 6th grade : 31	02/03	1st grade : 48 6th grade : 39	
99/00		1st grade : 42 6th grade : 34			
00/01	1st grade : 44 6th grade : 35		03/04	1st grade : 50 6th grade : 40	

### Performance Data Table

Objective Name: Increased attainment of basic education among girls in selected rural pilot schools using a replicable model							
Objective ID: 608-004-01							
Approved: July 1998	Country/Organization: USAID/Morocco						
Result Name:							
Indicator: 4.2: Gross Completion Rate							
<p>Unit of Measure: Percent calculated by dividing the number of girls who completed grade 1 and grade 6 successfully by the number of girls who begin grade 1 and grade 6, respectively.</p> <p>Source: Pilot school promotion records</p> <p>Indicator/Description: This indicator monitors girls who are promoted from each grade as a percent of girls who are enrolled in each grade.</p> <p>Indicator Data Quality: Good</p> <p>Comments: As evident, girls' completion rates have improved significantly from baseline. There are several theories on why girls drop-out of school at higher rates than boys, however, which of them pertain to the girls in the pilot schools remains a question that needs to be answered over the next several years; interventions are to target those particular constraints. Nonetheless, the situation seems to be improving quite rapidly in the pilot schools demonstrating the success of the strategy.</p> <p>In contrast to girls' completion rates, completion rates for boys are high and are consistently over 80% for all grades.</p> <p>Boys' Completion Rates:</p> <table style="margin-left: 40px; border: none;"> <tr> <td style="padding-right: 100px;">94/95</td> <td>98/99</td> </tr> <tr> <td>1st grade : 82</td> <td>1st grade : 78</td> </tr> <tr> <td>6th grade : 84</td> <td>6th grade: 82</td> </tr> </table> <p>This indicator complements SpO indicator 4.1 -- Girls' enrollment ratio -- by adding a qualitative measure of girls' primary school completion. Completion data is collected at the end of the school year, therefore,</p>	94/95	98/99	1st grade : 82	1st grade : 78	6th grade : 84	6th grade: 82	<p>although SpO4 is reporting on 99/00 enrollment ratios, for completion rates, we have to use 98/99 completion data. Targets for 98/99 were not set last year, since SpO4 had already determined the need for revising the method of calculating completion rates. Data presented in this table reflect a simple form of calculation which is a better management tool for SpO4.</p> <p>In next year's R4, we will not report on this indicator. Instead, we will report on an indicator under IR 8.1 of the revised results framework. The indicator name is: Gender-sensitive interactive process.</p>
94/95	98/99						
1st grade : 82	1st grade : 78						
6th grade : 84	6th grade: 82						

Year	Planned	Actual
94/95	Baseline	1st grade : 74 6th grade : 26
98/99		1st grade :

		80 6th grade : 53
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### Performance Data Table

Objective Name: Increased attainment of basic education among girls in selected rural pilot schools using a replicable model			
Objective ID: 608-004-01			
Approved: July 1998		Country/Organization: USAID/Morocco	
Result Name: IR 4.3 Increased participation of girls' basic education partners			
Indicator: 4.3.1 Participation intensity level			
Unit of Measure: Mean number of participatory activities	Year	Planned	Actual
	96/97		1.11/1.03
Source: MEG, GEA	97/98	1.75	1.44
Indicator/Description: A participation intensity level matrix was conceived by MEG experts to measure progress towards IR achievement	98/99	2.25	2.39
Indicator Data Quality: Good			
<p>Comments:</p> <p>2.39 was calculated by collecting information on the role of partners within the pilot school communities and then ranking them in accordance with the intensity of their perceived participation. No account is taken of the number of partners; only the intensity of their participation and, to a lesser extent, their maturity. Thus, a single “mature, participating partner” with ambitious plans for the future would yield a rating of 4 whereas 10 or even 100 partners working, on an ad hoc basis, in favor of girls’ education would merit no more than a 2 on the rating scale.</p> <p>Following discussions within SpO4, the team has decided to abandon this representation of participation. Therefore, by next year, the matrix would have been dropped and replaced by more objective measures. In next year's R4 we will report on an indicator under IR 8.1.2: Number of parents who meet with teachers.</p>			

### Performance Data Table

Objective Name: Increased attainment of basic education among girls in selected rural pilot schools using a replicable model	
Objective ID: 608-004-01	
Approved: July 1998	Country/Organization: USAID/Morocco
Result Name: IR 4.2 Increased Institutionalization of basic education policy reform	
Indicator: 4.2.1 Policies/measures supportive of improved basic education for girls	
<p>Unit of Measure: Percentage completion of 6 policy objectives explained below</p> <p>Source: MEG, GEA, USAID, MNE</p> <p>Indicator/Description: Advancement in policy dialogue and implementation of measures within and outside the MNE, aimed at improving basic education for girls.</p> <p>Indicator Data Quality: Good</p> <p>Comments: The policy agenda was defined in 1996 and includes six policies, addressing critical supply and demand-side issues: 1) Data collection system, 2) Primary education budget, 3) Rural teachers' package, 4) Analysis and advocacy skills, 5) Decentralization, and 6) Forging partnerships.</p> <p>As had been indicated in last year's R4, the SpO team evaluated this indicator and decided to abandon it in its current construct for several reasons. The decentralization policy objective is considered as achieved since it is now an essential part of the MNE's reform agenda. The remaining challenge is to operationalize the decentralization plan. With regard to the other five policy objectives under this IR, the SpO4 team decided to eliminate them for the following reasons: 1) improved data collection system, improved analysis and advocacy skills, and increased educational partnerships will be subsumed under the relevant intermediate results within the revised results framework, either as performance indicators or as interventions; and 2) increased primary education budget</p>	<p>and a “package” for rural teachers have been judged beyond the management reach of SpO4 and have, therefore, been dropped from the strategy since both measures involve fundamental issues of overall national financial and personnel management that fall largely outside of the purview of the MNE.</p> <p>As a logical consequence of these decisions, IR 4.2 will be dropped in future reports and will be replaced by a sub-IR which is more useful for assessing the impact of SpO4's interventions to strengthen provincial MNE capacity. In next year's R4, we will report on an indicator under IR 8.1.3: EMIS data available and used locally.</p>

Year	Planned	Actual
1997		2
1998	12	19.1
1999	33	N/A

		see comments
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## **R4 Part III: Resource Request**

### **A. Rationale for Program Resource Level and SO Allocations**

Overview: The combined Development Assistance (DA), Child Survival and Disease (CSD) and Economic Support Fund (ESF) request level for FY02 is \$13.4 million. This amount is \$2.4 million above the original FY02 CSP request level, representing ESF for our recently proposed Democracy/Governance Special Objective (SpO9) and Economic Growth (SO5) regional initiatives. The overall level remains consistent with the ANE Bureau's original CSP guidance, as subsequently modified based on the recent review and approval of the Mission's CSP Addendum in March 2000.

FY02 is Year 4 and the mid-point of USAID/Morocco's 1999 - 2005 Country Strategic Plan (CSP). By then, the program will be at peak implementation. The Mission anticipates conducting a mid-point review of its strategy in FY02, and will be prepared to identify and recommend for consideration during the next Program Week review, requisite mid-course program and budgetary adjustments for the remainder of the strategy period.

Proposed Changes from the FY00 OYB: In its recent CSP Addendum, the Mission requested approval of extra budget for the Crosscutting Themes Team (CCT) activities. The Bureau approved an increase in the Mission's FY00 OYB by \$500,000, with the understanding that other Mission resources, as deemed appropriate, could augment this amount. Given the nature of proposed CCT activities, the additional funds should be discretionary.

The CSP Addendum review approved a new Democracy/Governance special objective (SpO9), funded from the (ESF) regional Middle East Democracy (MED) activity. The Mission's FY00 request level of \$1.4 mil. will be considered during the interagency review of the MED activity budget. This amount is not reflected in the FY00 Congressional Presentation in order to avoid double notification with the reference to the MED activity in that document (as instructed by ANE).

Apart from the above, no further changes are being proposed in the FY00 OYB.

Proposed Changes from the FY01 Budget Justification (BJ) Request Levels: The CSP Addendum review also approved an additional \$500,000 for CCT activities in FY01. Given the nature of proposed CCT activities, the additional funds should be discretionary.

The Mission requests a FY01 level of \$1.35 mil. for the new D/G SpO9. While this amount will be considered during the interagency review of the MED activity budget, it is not reflected in the FY01 BJ in order to avoid double notification with the reference to the MED activity in that document (as instructed by ANE).

Performance Basis of Request: FY02 represents Year 4 of the new USAID/Morocco strategy. In FY00, the Mission is just now (April – May 2000) completing numerous detailed activity designs and contractor selection exercises to implement this strategy. Hence, there is no

performance history under the new strategy, per se, upon which to base the FY02 budget request. As reported in Part II, the Mission continues to have good overall performance of those carry-over elements of our previous strategy. This, plus the strong sectoral linkages between the two strategies, provides a solid performance basis for the requested FY02 budget.

SO5 – EG: SO5 is requesting \$3.5 million in FY02 (of which \$1 million is regional ESF); \$500,000 of this amount will be programmed for CCT activities. Final design of activities under the revised EG strategy (approved in March 2000) has just begun, with activity implementation estimated to begin later this fiscal year. Given this, and the recently negotiated within-Bureau OYB adjustment noted above, SO5, during its initial year of implementation, anticipates a relatively heavy pipeline. However, the quick disbursing nature of the implementing mechanisms that will be used (e.g., IQCs, purchase orders and delivery orders for small value procurements) should result in rapid drawdown of pipeline in subsequent years of the strategy. SO5 projects that there will be no significant pipeline problems beyond FY00.

SO6 – ENV: SO6 is requesting \$3.5 mil. in FY02 -- \$500,000 of which will be programmed for CCT activities. The balance will compensate for the \$1 mil. reduction in FY00 funding. Significant expenditures under SO6 are not expected to begin until the arrival of the SIWM contractor after May 2000. Planned expenditures over the 4-year LOP of SIWM are expected to reach \$250,000 per month. With an anticipated fast start-up and early implementation of pilot activities (which be completed before the end of the third year so that results can be disseminated), projected expenditures should quickly exceed obligations. By March 2002, when the Mission obligates its FY02 allocation, total obligations will have reached \$9.503 mil., with cumulative total expenditures of about \$7.0 mil. The projected pipeline of \$2.003 mil. will fund 8 months of expenditures.

The implementation contract for the WRS project, under SO2, is completing its construction activities, resulting in planned expenditures of \$650,000 between March and May 2000. From that date through the end of the contract in May 2002, monthly expenditures will average \$104,000 in support of replication activities. This will result in a rapid drawdown of the projected end-of-FY00 contract pipeline of \$2.023 mil.

SpO7 – PH: The increment of \$2.5 million in FY02 -- \$200,000 of which will be programmed for CCT activities -- is needed to continue program implementation on schedule. In 2000, the teams responsible for the two components of the program are working with counterparts to develop detailed action plans and initiate key activities. By 2001, implementation of the SpO7 program will be fully underway, and in FY02, the project will be at its maximum level of implementation. In addition, the next DHS is planned in 2002. This is always a resource-intensive exercise. Virtually, all commodity purchases for SpO7 will have been made by 2002, including all equipment needed for the emergency obstetrical care element of the program. Thus, given the ambitious nature of the results packages and the greatly reduced level of funding relative to current budget and expenditure levels, USAID/Morocco anticipates no pipeline problems for SpO7. On the contrary, any budget concerns are more likely to be related to an insufficient pipeline.

SpO7 proposes to allocate \$200,000 of the FY02 request for CCT activities to contribute to increased community participation in local health activities in the Souss-Massa-Draa in support of decentralization and deconcentration.

SpO8 – ED: The budget request of \$2.5 million for FY02 -- \$500,000 of which will be programmed for CCT activities. The balance will allow SpO8 to adapt and expand MEG Model applications to pilot sites in most provinces of the SMD, as well as to other provinces (or one other region). As a result of the recent performance review and approval of a one-year extension in Phase I, FY02 has become Year 1 of Phase II. This will be a crucial time for appropriate expansion of the Model and for provincial/local capacity building for sustainability of interventions. SpO8 will be working with the MNE at the central and provincial/regional levels to ensure preparations for MNE dissemination of Model products and processes.

A projected pipeline of \$3.4 million at the end of FY01 will support implementation over an 18-month period. If this level is not received, effective and efficient demonstration of Model up scaling and expansion will be jeopardized. This is a critical step before national level dissemination.

SpO9 – D/G: As noted above, the AID/W review of the Morocco CSP Addendum in March 2000 resulted in approval of the D/G special objective (SpO9) for a two-year period. This objective will be funded by ESF from the regional Middle East Democracy activity. In late FY01, the Mission will conduct a review of progress under the SpO. In anticipation of continued positive developments in this sector, and the successful implementation of several small-scale, experimental activities, the Mission and the Embassy's Democracy Working Group (DWG) propose a continuation of ESF in FY02 for DG activities in Morocco. This will enable us to build upon successes achieved in the first two years of the SpO, and target areas with greatest potential for increasing democratization. The requested level for FY02 is \$1.4 million.

As approval of this SpO was just received and activity designs are pending, the DWG cannot yet project expenditures with any degree of reasonableness. However, given the relatively small activity budgets, the wide range of small activities anticipated, and the two-year nature of the ESF budgets, the Mission does not expect to encounter pipeline problems.

Crosscutting Themes (CCT): As decided during the March 2000 CSP Strategy Addendum review, a supplementary budget of \$500,000 for FY01 will allow the CCT to continue the integrated community development activity, and some aspect of the local participatory development planning activity. Both of these activities aim to increase SO and SpO results in the SMD and support the Missions objectives related to public-private partnerships and gender issues. To achieve planned CCT results, this level of funding for FY01 will be supplemented with other Mission resources, as agreed.

A pipeline of \$675,000 is estimated at the end of FY00, resulting from the approval of the CCT strategy late in the fiscal year. If the resources for FY01 and FY02 are not received, CCT activities will come to a premature end. As CCT activities represent a critical component of the Mission's Souss-Massa-Draa regional strategy, insufficient funding will negatively impact results achievement across the program.

## **B. Relationship of Budget Request Staff and Levels**

Staff: The latest USDH workforce level allotted by USAID/W through FY02 is adequate to administer and support the Mission's two strategic objectives and three special objectives, and to perform the necessary administrative and management functions. The Mission ended FY99 with a total workforce of 60 (exclusive of RUDO), of which 13 were program funded. This level, even with a number of internal adjustments to increase our efficiency, will drop to 59 in FY01 and remain constant throughout the current planning period.

- With the addition of SpO9 (DG), the Mission has selected a local USPSC to be hired in FY00.
- SpO7 (PH) level reflects a reduction in FY00 of one local hire US PSC and anticipates a reduction of an U.S. fellow and a FN PSC in FY01.
- SO6 (ENR) will add a USPSC in FY01 (replacing a USDA RSSA) to help manage the new SIWM program, while reducing a FN PSC position with the end of the UES program.
- The Management Office has eliminated the TCN GSO position in FY00.
- The Director's Office will hire a program development specialist/economist in FY01.

The reduction of the TCN PSC will result in significant OE savings, partially offset by the addition of a program development specialist/economist. The other changes are all program-funded and will not affect OE requirements.

Operating Expenses: The Mission's proposal of \$2,730,700 to cover its operating expenses for FY00 reflects the adoption of the new forward-funding guidelines, significantly reducing payroll requirements. At \$2,695,700, the request for FY01 will also be below our historical "straight-line" budget level of \$2,870,000. FY02 requirements edge the Mission back toward, but still below the "straight-line" budget level, at \$2,807,500. These lower numbers for FY01 and FY02 are due primarily to 4 factors: 1) the three new arrivals in FY00 bring no children; 2) no USDH transfers are anticipated during FYs 01 and 02; 3) the exchange rate has shifted upwards enough to adjust the budgeting rate from 9.0 to 9.5; and 4) a projected annual savings of up to \$20,000 will accrue as a result of an innovative approach in meeting the Mission's warehousing needs.

The Mission has thus far been able to stay within the mandate of a "straight-lined" budget, but this situation could rapidly change. Application of Agency policy has eliminated the Mission's ability to absorb a one-time cut by an adjustment in forward-funded levels. FY03 will bring USDH transfers with unpredictable family sizes. At a minimum, transfer costs will exceed \$100,000 and at about \$12,000 per student, educational expense is bound to increase again.

## GLOBAL FIELD SUPPORT

Objective Name	Field Support: Activity Title & Number	Priority *	Duration	Estimated Funding (\$000)						
				FY 2000		FY 2001		FY 2002		
				Obligated by:		Obligated by:		Obligated by:		
				Operating Unit	Global Bureau	Operating Unit	Global Bureau	Operating Unit	Global Bureau	
SpO7 FP/MCH	CEDPA/TAACS 936-5970.03	High	2000-2004		300					200
SpO7 FP/MCH	Commercial Market Strategies (CMS) 936-3085.00	High	2000-2003		1,200		750			615
SpO7 FP/MCH	MEASURE II (Monitoring & Evaluation) 936-3083.02	High	2000-2002		300**					
SpO7 FP/MCH	MOST 936-3094	High	2000-2001		200					
SpO7 FP/MCH	MEASURE DHS 936-3083 (OR FOLLOW-ON PROJECT)	High	2002-2003							200
SpO8 Basic Ed	GEA 936-5848	High	2000-2001		1,000					
<b>GRAND TOTAL</b>					<b>3,000</b>		<b>750</b>			<b>1,015</b>

\* For Priorities use high, medium-high, medium, medium-low, low

\*\* Less \$5945.50 for Parking fines. After this deduction, MEASURE II will receive \$294,050, SpO7 total is \$1,994,050 and USAID/Morocco FY00 field support request is \$2,994,050.

## **Program, Workforce and OE**

(in a separate folder named Country02R2b\_data; enter data and print separately)

## FY 2000 Budget Request by Program/Country

Fiscal Year: 2000

Program/Country:

MOROCCO

Approp:

DA/CSD

Scenario:

S.O. # , Title		FY 2000 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2000
	Bilateral/ Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G			
<b>SO 1:</b>		<b>REDUCED FERTILITY AND IMPROVED HEALTH OF CHILDREN UNDER FIVE AND WOMEN OF CHILD-BEARING AGE</b>														
	Bilateral	0													4,500	661
	Field Spt	0													1,450	0
		0	0	0	0	0	0	0	0	0	0	0	0	5,950	661	
<b>SO 2:</b>		<b>IMPROVED WATER RESOURCES MANAGEMENT IN THE AGRICULTURAL, URBAN AND INDUSTRIAL SECTORS</b>														
	Bilateral	997											997		5,487	2,229
	Field Spt	0														
		997	0	0	0	0	0	0	0	0	0	997	0	5,487	2,229	
<b>SO 3:</b>		<b>EXPANDED BASE OF STAKEHOLDERS IN THE ECONOMY, TARGETING PEOPLE OF BELOW-MEDIAN INCOME</b>														
	Bilateral	0													4,831	1,119
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	4,831	1,119	
<b>SpO 4:</b>		<b>INCREASED ATTAINMENT OF BASIC EDUCATION AMONG GIRLS IN SELECTED RURAL PILOT SCHOOLS USING A REPLICABLE MODEL</b>														
	Bilateral	0													610	0
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	610	0	
<b>SO 5:</b>		<b>INCREASED OPPORTUNITIES FOR DOMESTIC AND FOREIGN INVESTMENT</b>														
	Bilateral	2,750		2,750											1,150	1,600
	Field Spt	0														
		2,750	0	2,750	0	0	0	0	0	0	0	0	0	1,150	1,600	
<b>SO 6:</b>		<b>SOUSS-MASSA INTEGRATED WATER RESOURCES MANAGEMENT</b>														
	Bilateral	503											503		1,000	2,003
	Field Spt	0														
		503	0	0	0	0	0	0	0	0	0	503	0	1,000	2,003	
<b>SpO 7:</b>		<b>KEY INTERVENTIONS PROMOTE SUSTAINABILITY OF POPULATION, HEALTH AND NUTRITION PROGRAMS</b>														
	Bilateral	2,500					1,500	1,000							1,500	500
	Field Spt	2,000					1,500	500							2,000	2,500
		4,500	0	0	0	0	3,000	1,500	0	0	0	0	0	3,500	3,000	
<b>SpO 8:</b>		<b>INCREASED ATTAINMENT OF BASIC EDUCATION AMONG GIRLS IN SELECTED RURAL PROVINCES</b>														
	Bilateral	500			500										1,640	3,962
	Field Spt	1,000			1,000										1,000	1,000
		1,500	0	0	1,500	0	0	0	0	0	0	0	0	1,640	4,962	
<b>DEVELOPMENT STUDIES AND TECHNICAL SUPPORT (DSTS)</b>																
	Bilateral	0													520	312
	Field Spt	0														
		0	0	0	0	0	0	0	0	0	0	0	0	520	312	
<b>Total Bilateral</b>		7,250	0	2,750	500	0	1,500	1,000	0	0	0	1,500	0	21,238	12,386	
<b>Total Field Support</b>		3,000	0	0	1,000	0	1,500	500	0	0	0	0	0	3,450	3,500	
<b>TOTAL PROGRAM</b>		10,250	0	2,750	1,500	0	3,000	1,500	0	0	0	1,500	0	24,688	15,886	

FY 2000 Request Agency Goal Totals	
Econ Growth	2,750
Democracy	0
HCD	1,500
PHN	3,000
Environment	1,500
Program ICASS	68
GCC (from all Goals)	0

FY 2000 Account Distribution (DA only)	
Dev. Assist Program	8,750
Dev. Assist ICASS	56
Dev. Assist Total:	8,694
CSD Program	3,000
CSD ICASS	12
CSD Total:	2,988

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (\*) will be funded from the CSD Account. (\*\*) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

## FY 2001 Budget Request by Program/Country

Fiscal Year: 2001

Program/Country:

MOROCCO

Approp:

DA/CSD

Scenario:

S.O. #, Title	FY 2001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G		
<b>SO 1: REDUCED FERTILITY AND IMPROVED HEALTH OF CHILDREN UNDER FIVE AND WOMEN OF CHILD-BEARING AGE</b>															
Bilateral	0						0							661	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	661	0
<b>SO 2: IMPROVED WATER RESOURCES MANAGEMENT IN THE AGRICULTURAL, URBAN AND INDUSTRIAL SECTORS</b>															
Bilateral	0													1,883	346
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	1,883	346
<b>SO 3: EXPANDED BASE OF STAKEHOLDERS IN THE ECONOMY, TARGETING PEOPLE OF BELOW-MEDIAN INCOME</b>															
Bilateral	0													1,119	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	1,119	0
<b>SO 5: INCREASED OPPORTUNITIES FOR DOMESTIC AND FOREIGN INVESTMENT</b>															
Bilateral	2,700			2,700										3,440	860
Field Spt	0													0	0
	2,700	0	0	2,700	0	0	0	0	0	0	0	0	0	3,440	860
<b>SO 6: SOUSS-MASSA INTEGRATED WATER RESOURCES MANAGEMENT</b>															
Bilateral	2,500											2,500		3,000	1,503
Field Spt	0													0	0
	2,500	0	0	0	0	0	0	0	0	0	0	2,500	0	3,000	1,503
<b>SpO 7: KEY INTERVENTIONS PROMOTE SUSTAINABILITY OF POPULATION, HEALTH AND NUTRITION PROGRAMS</b>															
Bilateral	3,050					1,550	1,500							2,500	1,050
Field Spt	750					500	250							2,500	750
	3,800	0	0	0	0	2,050	1,750	0	0	0	0	0	0	5,000	1,800
<b>SpO 8: INCREASED ATTAINMENT OF BASIC EDUCATION AMONG GIRLS IN SELECTED RURAL PROVINCES</b>															
Bilateral	1,485			485	1,000									2,000	3,447
Field Spt	0													1,000	0
	1,485	0	0	485	1,000	0	0	0	0	0	0	0	0	3,000	3,447
<b>DEVELOPMENT STUDIES AND TECHNICAL SUPPORT (DSTS)</b>															
Bilateral	0													312	0
Field Spt	0													0	0
	0	0	0	0	0	0	0	0	0	0	0	0	0	312	0
<b>Total Bilateral</b>	<b>9,735</b>	<b>0</b>	<b>3,185</b>	<b>1,000</b>	<b>0</b>	<b>1,550</b>	<b>1,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>14,915</b>	<b>7,206</b>
<b>Total Field Support</b>	<b>750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,500</b>	<b>750</b>
<b>TOTAL PROGRAM</b>	<b>10,485</b>	<b>0</b>	<b>3,185</b>	<b>1,000</b>	<b>0</b>	<b>2,050</b>	<b>1,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,500</b>	<b>0</b>	<b>18,415</b>	<b>7,956</b>

FY 2001 Request Agency Goal Totals	
Econ Growth	3,185
Democracy	0
HCD	1,000
PHN	2,050
Environment	2,500
Program ICASS	71
GCC (from all Goals)	0

FY 2001 Account Distribution (DA only)	
Dev. Assist Program	8,735
Dev. Assist ICASS	60
Dev. Assist Total:	8,675
CSD Program	2,750
CSD ICASS	11
CSD Total:	2,739

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)  
 Prepare one set of tables for each appropriation Account  
 Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (\*) will be funded from the CSD Account. (\*\*) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

## FY 2002 Budget Request by Program/Country

Fiscal Year: 2002

Program/Country:

MOROCCO

Approp:

DA/CSD

Scenario:

S.O. # , Title	FY 2002 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001	
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G			
SO 2:	IMPROVED WATER RESOURCES MANAGEMENT IN THE AGRICULTURAL, URBAN AND INDUSTRIAL SECTORS															
	Bilateral	0													346	0
	Field Spt	0													0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	346	0
SO 5:	INCREASED OPPORTUNITIES FOR DOMESTIC AND FOREIGN INVESTMENT															
	Bilateral	2,500		2,500											2,690	670
	Field Spt	0													0	0
		2,500	0	2,500	0	0	0	0	0	0	0	0	0	0	2,690	670
SO 6:	SOUSS-MASSA INTEGRATED WATER RESOURCES MANAGEMENT															
	Bilateral	3,500										3,500			3,000	2,003
	Field Spt	0													0	0
		3,500	0	0	0	0	0	0	0	0	0	3,500	0	3,000	2,003	
SpO 7:	KEY INTERVENTIONS PROMOTE SUSTAINABILITY OF POPULATION, HEALTH AND NUTRITION PROGRAMS															
	Bilateral	1,485					700	785							2,000	535
	Field Spt	1,015					815	200							750	1,015
		2,500	0	0	0	0	1,515	985	0	0	0	0	0	2,750	1,550	
SpO 8:	INCREASED ATTAINMENT OF BASIC EDUCATION AMONG GIRLS IN SELECTED RURAL PROVINCES															
	Bilateral	2,500			2,500										2,535	3,412
	Field Spt	0													0	0
		2,500	0	0	2,500	0	0	0	0	0	0	0	0	2,535	3,412	
Total Bilateral		9,985	0	2,500	2,500	0	700	785	0	0	0	3,500	0	10,571	6,620	
Total Field Support		1,015	0	0	0	0	815	200	0	0	0	0	0	750	1,015	
<b>TOTAL PROGRAM</b>		<b>11,000</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>	<b>0</b>	<b>1,515</b>	<b>985</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,500</b>	<b>0</b>	<b>11,321</b>	<b>7,635</b>	

FY 2002 Request Agency Goal Totals	
Econ Growth	2,500
Democracy	0
HCD	2,500
PHN	1,515
Environment	3,500
Program ICASS	71
GCC (from all Goals)	0

FY 2002 Account Distribution (DA only)	
Dev. Assist Program	10,015
Dev. Assist ICASS	60
<b>Dev. Assist Total:</b>	<b>9,955</b>
CSD Program	3,485
CSD ICASS	11
<b>CSD Total:</b>	<b>3,474</b>

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (\*) will be funded from the CSD Account. (\*\*) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

## FY 2000 Budget Request by Program/Country

Fiscal Year: 2000

Program/Country:

MOROCCO

Approp:

ESF

Scenario:

S.O. # , Title	FY 2000 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001	
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G			
SO 5:	INCREASED OPPORTUNITIES FOR DOMESTIC AND FOREIGN INVESTMENT															
	Bilateral	900		900											120	780
	Field Spt	0													0	0
		900	0	900	0	0	0	0	0	0	0	0	0	120	780	
SpO 9:	DEMOCRACY AND GOVERNANCE															
	Bilateral	1,400											1,400	801	899	
	Field Spt	0												0	0	
		1,400	0	0	0	0	0	0	0	0	0	0	1,400	801	899	
Total Bilateral		2,300	0	900	0	0	0	0	0	0	0	0	1,400	921	1,679	
Total Field Support		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>TOTAL PROGRAM</b>		<b>2,300</b>	<b>0</b>	<b>900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,400</b>	<b>921</b>	<b>1,679</b>	

FY 2000 Request Agency Goal Totals	
Econ Growth	900
Democracy	1,400
HCD	0
PHN	0
Environment	0
Program ICASS	0
<b>GCC (from all Goals)</b>	<b>0</b>

FY 2000 Account Distribution (DA only)	
Dev. Assist Program	0
Dev. Assist ICASS	0
<b>Dev. Assist Total:</b>	<b>0</b>
CSD Program	0
CSD ICASS	0
<b>CSD Total:</b>	<b>0</b>

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (\*) will be funded from the CSD Account. (\*\*) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

## FY 2001 Budget Request by Program/Country

Fiscal Year: 2001

Program/Country:

MOROCCO

Approp:

ESF

Scenario:

S.O. # , Title	FY 2001 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001	
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G			
SO 5:	INCREASED OPPORTUNITIES FOR DOMESTIC AND FOREIGN INVESTMENT															
	Bilateral	1,000		1,000											980	800
	Field Spt	0													0	0
		1,000	0	1,000	0	0	0	0	0	0	0	0	0	980	800	
SpO 9:	DEMOCRACY AND GOVERNANCE															
	Bilateral	1,350											1,350	1,350	899	
	Field Spt	0												0	0	
		1,350	0	0	0	0	0	0	0	0	0	0	1,350	1,350	899	
Total Bilateral		2,350	0	1,000	0	0	0	0	0	0	0	0	1,350	2,330	1,699	
Total Field Support		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>TOTAL PROGRAM</b>		<b>2,350</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,350</b>	<b>2,330</b>	<b>1,699</b>	

FY 2001 Request Agency Goal Totals	
Econ Growth	1,000
Democracy	1,350
HCD	0
PHN	0
Environment	0
Program ICASS	0
<b>GCC (from all Goals)</b>	<b>0</b>

FY 2001 Account Distribution (DA only)	
Dev. Assist Program	0
Dev. Assist ICASS	0
<b>Dev. Assist Total:</b>	<b>0</b>
CSD Program	0
CSD ICASS	0
<b>CSD Total:</b>	<b>0</b>

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (\*) will be funded from the CSD Account. (\*\*) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

## FY 2002 Budget Request by Program/Country

Fiscal Year: 2002

Program/Country:

MOROCCO

Approp:

ESF

Scenario:

S.O. #, Title	FY 2002 Request													Est. S.O. Expenditures	Est. S.O. Pipeline End of FY2001	
	Bilateral/Field Spt	Total	Agriculture	Other Economic Growth	Children's Basic Education (*)	Other HCD	Population	Child Survival (*)	Infectious Diseases (*)	HIV/AIDS (*)	Health Promotion (**)	Environ	D/G			
<b>SO 5: INCREASED OPPORTUNITIES FOR DOMESTIC AND FOREIGN INVESTMENT</b>																
Bilateral	1,000			1,000											1,050	849
Field Spt	0														0	0
	1,000		0	1,000		0	0	0	0	0	0	0	0	0	1,050	849
<b>SpO 9: DEMOCRACY AND GOVERNANCE</b>																
Bilateral	1,400												1,400		1,705	594
Field Spt	0														0	0
	1,400		0	0	0	0	0	0	0	0	0	0	1,400		1,705	594
Total Bilateral	2,400		0	1,000	0	0	0	0	0	0	0	0	1,400		2,755	1,443
Total Field Support	0		0	0	0	0	0	0	0	0	0	0	0		0	0
<b>TOTAL PROGRAM</b>	<b>2,400</b>		<b>0</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,400</b>		<b>2,755</b>	<b>1,443</b>

FY 2002 Request Agency Goal Totals	
Econ Growth	1,000
Democracy	1,400
HCD	0
PHN	0
Environment	0
Program ICASS	0
<b>GCC (from all Goals)</b>	<b>0</b>

FY 2002 Account Distribution (DA only)	
Dev. Assist Program	0
Dev. Assist ICASS	0
<b>Dev. Assist Total:</b>	<b>0</b>
CSD Program	0
CSD ICASS	0
<b>CSD Total:</b>	<b>0</b>

Prepare one set of tables for each Fiscal Year (FY2000, FY2001, FY2002)

Prepare one set of tables for each appropriation Account

Tables for DA and CSD may be combined on one table.

For the DA/CSD Table, columns marked with (\*) will be funded from the CSD Account. (\*\*) Health Promotion is normally funded from the CSD Account, although amounts for Victims of War/Victims of Torture are funded from the DA/DFA Account

Workforce Tables

USAID/Morocco End of year On-Board  <b>FY 2000 Estimate</b>	EG SO 5	ENV SO 6	Health SpO 7	Educ SpO 8	DG SpO9		Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	All Legal	Other	Total Mgmt.	Total Staff
<b>OE Funded: 1/</b>															
U.S. Direct Hire	1	1	0.5	0.5	0		3	2	1	1	0			4	7
Other U.S. Citizens	0	0	0	0	0		0	0	0	1	0			1	1
FNS/TCN Direct Hire	0	1	1	1	0		3	1	2	3	0			6	9
Other FNS/TCN	1	1	1	1	0		4	3	3	17	0			23	27
Subtotal	2	3	2.5	2.5	0	0	10	6	6	22	0	0	0	34	44
<b>Program Funded 1/</b>															
U.S. Citizens	0	0	0	1	1		2	0	0	0	1			1	3
FNS/TCNs	3	1	2	1	0		7	0	2	0	1			3	10
Subtotal	3	1	2	2	1	0	9	0	2	0	2	0	0	4	13
Total Direct Workforce	5	4	4.5	4.5	1	0	19	6	8	22	2	0	0	38	57
TAACS	0	0	1	1	0		2	0	0	0	0			0	2
Fellows	0	0	1	0	0		1	0	0	0	0			0	1
IDIs							0							0	0
Subtotal	0	0	2	1	0	0	3	0	0	0	0	0	0	0	3
<b>TOTAL WORKFORCE</b>	<b>5</b>	<b>4</b>	<b>6.5</b>	<b>5.5</b>	<b>1</b>	<b>0</b>	<b>22</b>	<b>6</b>	<b>8</b>	<b>22</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>38</b>	<b>60</b>

Workforce Tables

USAID/Morocco End of year On-Board  <b>FY 2001 Target</b>	EG SO 5	ENV SO 6	Health SpO 7	Educ SpO 8	DG SpO9		Total SO/SpO	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	All Legal	Other	Total Mgmt.	Total Staff
<b>OE Funded: 1/</b>															
U.S. Direct Hire	1	1	0.5	0.5	0		3	2	1	1	0			4	7
Other U.S. Citizens	0	0	0	0	0		0	0	0	1	0			1	1
FSN/TCN Direct Hire	0	1	1	1	0		3	1	2	3	0			6	9
Other FSN/TCN	1	1	1	1	0		4	4	3	17	0			24	28
Subtotal	2	3	2.5	2.5	0	0	10	7	6	22	0	0	0	35	45
<b>Program Funded 1/</b>															
U.S. Citizens	0	1	0	1	1		3	0	0	0	1			1	4
FSNs/TCNs	3	0	1	1	0		5	0	2	0	1			3	8
Subtotal	3	1	1	2	1	0	8	0	2	0	2	0	0	4	12
Total Direct Workforce	5	4	3.5	4.5	1	0	18	7	8	22	2	0	0	39	57
TAACS	0	0	1	1	0		2	0	0	0	0			0	2
Fellows	0	0	0	0	0		0	0	0	0	0			0	0
IDIs							0							0	0
Subtotal	0	0	1	1	0	0	2	0	0	0	0	0	0	0	2
<b>TOTAL WORKFORCE</b>	<b>5</b>	<b>4</b>	<b>4.5</b>	<b>5.5</b>	<b>1</b>	<b>0</b>	<b>20</b>	<b>7</b>	<b>8</b>	<b>22</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>39</b>	<b>59</b>

Workforce Tables

USAID/Morocco End of year On-Board  <b>FY 2002 Target</b>	EG SO 5	ENV SO 6	Health SpO 7	Educ SpO 8	DG SpO9		Total SO/SpO Staff	Org. Mgmt.	Fin. Mgmt	Admin. Mgmt	Con- tract	Legal	All Other	Total Mgmt.	Total Staff
<b>OE Funded: 1/</b>															
U.S. Direct Hire	1	1	0.5	0.5	0		3	2	1	1	0			4	7
Other U.S. Citizens	0	0	0	0	0		0	0	0	1	0			1	1
FSN/TCN Direct Hire	0	1	1	1	0		3	1	2	3	0			6	9
Other FSN/TCN	1	1	1	1	0		4	4	3	17	0			24	28
Subtotal	2	3	2.5	2.5	0	0	10	7	6	22	0	0	0	35	45
<b>Program Funded 1/</b>															
U.S. Citizens	0	1	0	1	1		3	0	0	0	1			1	4
FSNs/TCNs	3	0	1	1	0		5	0	2	0	1			3	8
Subtotal	3	1	1	2	1	0	8	0	2	0	2	0	0	4	12
Total Direct Workforce	5	4	3.5	4.5	1	0	18	7	8	22	2	0	0	39	57
TAACS	0	0	1	1	0		2	0	0	0	0			0	2
Fellows	0	0	0	0	0		0	0	0	0	0			0	0
IDIs							0							0	0
Subtotal	0	0	1	1	0	0	2	0	0	0	0	0	0	0	2
<b>TOTAL WORKFORCE</b>	5	4	4.5	5.5	1	0	20	7	8	22	2	0	0	39	59

USDH Staffing Requirements by Backstop, FY 2000 - FY 2003

USAID/Morocco

Functional Backstop (BS)	Number of USDH Employees in Backstop in:			
	FY 2000	FY 2001	FY 2002	FY 2003
Senior Management				
<b>SMG - 01</b>	1	1	1	1
Program Management				
<b>Program Mgt - 02</b>	1	1	1	1
<b>Project Dvpm Officer - 94</b>				
Support Management				
<b>EXO - 03</b>	1	1	1	1
<b>Controller - 04</b>	1	1	1	1
<b>Legal - 85</b>				
<b>Commodity Mgt. - 92</b>				
<b>Contract Mgt. - 93</b>				
<b>Secretary - 05 &amp; 07</b>				
Sector Management				
<b>Agriculture - 10 &amp; 14</b>				
<b>Economics - 11</b>				
<b>Democracy - 12</b>				
<b>Food for Peace - 15</b>				
<b>Private Enterprise - 21</b>	1	1	1	1
<b>Engineering - 25</b>				
<b>Environment - 40 &amp; 75</b>	1	1	1	1
<b>Health/Pop. - 50</b>				
<b>Education - 60</b>				
<b>General Dvpm. - 12*</b>	1	1	1	1
<b>RUDO, UE-funded - 40</b>	1			
<b>Total</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>7</b>

\*GDO - 12: for the rare case where an officer manages activities in several technical areas, none of which predominate, e.g., the officer manages Democracy, Health, and Environment activities that are about equal. An officer who manages primarily Health activities with some Democracy and Environment activities would be a Health Officer, BS 50.

remaining **IDIs**: list under the Functional Backstop for the work they do.

## USDH Staffing Requirements by Backstop, FY 2000 - FY 2003

Please e-mail this worksheet in Excel to: Maribeth.Zankowski@HR.PPIM@aidw as well as include it with your R4 submission.

OPERATING EXPENSES

Org. Title: Org. No: OC	USAID/Morocco 608	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	290.0		290	302.3		302.3	318.3		318.3
	Subtotal OC 11.1	290.0	0	290	302.3	0	302.3	318.3	0	318.3
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0
	Subtotal OC 11.3	0.0	0	0	0.0	0	0	0.0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0			0
11.5	FNDH	10.0		10	10.0		10	10.0		10
	Subtotal OC 11.5	10.0	0	10	10.0	0	10	10.0	0	10
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	76.1		76.1	96.0		96	101.0		101
11.8	FN PSC Salaries	391.4		391.4	391.6		391.6	421.5		421.5
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0
	Subtotal OC 11.8	467.5	0	467.5	487.6	0	487.6	522.5	0	522.5
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	65.0		65	78.0		78	82.0		82
12.1	Cost of Living Allowances			0			0			0
12.1	Home Service Transfer Allowances			0	0.0		0	0.0		0
12.1	Quarters Allowances			0			0			0
12.1	Other Misc. USDH Benefits	2.1		2.1			0			0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0			0
12.1	Other FNDH Benefits	164.4		164.4	169.7		169.7	181.5		181.5
12.1	US PSC Benefits			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC			0			0			0
12.1	Other FN PSC Benefits	216.2		216.2	279.2		279.2	297.3		297.3
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0
	Subtotal OC 12.1	447.7	0	447.7	526.9	0	526.9	560.8	0	560.8
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

OPERATING EXPENSES

Org. Title: Org. No: OC	USAID/Morocco 608	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Severance Payments for FNDH			0			0			0
13.0	Other Benefits for Former Personnel - FNDH			0			0			0
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
13.0	Severance Payments for FN PSCs			0			0			0
13.0	Other Benefits for Former Personnel - FN PSCs			0			0			0
	Subtotal OC 13.0	0.0	0	0	0.0	0	0	0.0	0	0
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Training Travel	40.0		40	40.0		40	40.0		40
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Post Assignment Travel - to field	23.4		23.4	0.0		0			0
21.0	Assignment to Washington Travel	14.8		14.8	0.0		0			0
21.0	Home Leave Travel	0.0		0	31.0		31	17.0		17
21.0	R & R Travel	30.4		30.4	12.0		12	26.0		26
21.0	Education Travel	0.0		0	0.0		0			0
21.0	Evacuation Travel	30.0		30	24.0		24	24.0		24
21.0	Retirement Travel			0			0			0
21.0	Pre-Employment Invitational Travel			0			0			0
21.0	Other Mandatory/Statutory Travel			0			0			0
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
21.0	Site Visits - Headquarters Personnel	25.0		25	25.0		25	25.0		25
21.0	Site Visits - Mission Personnel	35.0		35	35.0		35	35.0		35
21.0	Conferences/Seminars/Meetings/Retreats	23.6		23.6	15.0		15	24.0		24
21.0	Assessment Travel			0			0			0
21.0	Impact Evaluation Travel			0			0			0
21.0	Disaster Travel (to respond to specific disasters)			0			0			0
21.0	Recruitment Travel			0			0			0
21.0	Other Operational Travel	30.4		30.4	45.0		45	45.0		45
	Subtotal OC 21.0	252.6	0	252.6	227.0	0	227	236.0	0	236
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
22.0	Post assignment freight	100.0		100	0.0		0			0
22.0	Home Leave Freight	0.0		0	15.0		15	12.0		12
22.0	Retirement Freight			0			0			0
22.0	Transportation/Freight for Office Furniture/Equip.	12.0		12	11.0		11	11.0		11
22.0	Transportation/Freight for Res. Furniture/Equip.	15.0		15	15.0		15	15.0		15
	Subtotal OC 22.0	127.0	0	127	41.0	0	41	38.0	0	38
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		

OPERATING EXPENSES

Org. Title: Org. No: OC		USAID/Morocco 608		Overseas Mission Budgets								
				FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
23.2	Rental Payments to Others - Office Space	54.0		54	80.0		80	80.0		80		
23.2	Rental Payments to Others - Warehouse Space	15.9		15.9	14.0		14	15.0		15		
23.2	Rental Payments to Others - Residences	147.6		147.6	142.0		142	151.0		151		
	Subtotal OC 23.2	217.5	0	217.5	236.0	0	236	246.0	0	246		
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
23.3	Office Utilities	50.0		50	42.0		42	42.0		42		
23.3	Residential Utilities	85.0		85	85.0		85	85.0		85		
23.3	Telephone Costs	52.0		52	46.0		46	46.0		46		
23.3	ADP Software Leases			0			0			0		
23.3	ADP Hardware Lease			0			0			0		
23.3	Commercial Time Sharing			0			0			0		
23.3	Postal Fees (Other than APO Mail)			0			0			0		
23.3	Other Mail Service Costs			0			0			0		
23.3	Courier Services	3.0		3	3.0		3	3.0		3		
	Subtotal OC 23.3	190.0	0	190	176.0	0	176	176.0	0	176		
24.0	Printing and Reproduction	10.0		10	11.0		11	11.0		11		
	Subtotal OC 24.0	10.0	0	10	11.0	0	11	11.0	0	11		
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.1	Studies, Analyses, & Evaluations			0			0			0		
25.1	Management & Professional Support Services	41.7		41.7	45.0		45	45.0		45		
25.1	Engineering & Technical Services			0			0			0		
	Subtotal OC 25.1	41.7	0	41.7	45.0	0	45	45.0	0	45		
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.2	Office Security Guards	55.4		55.4	58.0		58	61.0		61		
25.2	Residential Security Guard Services	20.0		20	21.0		21	22.0		22		
25.2	Official Residential Expenses	1.8		1.8	1.8		1.8	1.8		1.8		
25.2	Representation Allowances	1.1		1.1	1.1		1.1	1.1		1.1		
25.2	Non-Federal Audits			0			0			0		
25.2	Grievances/Investigations			0			0			0		
25.2	Insurance and Vehicle Registration Fees	5.0		5	5.0		5	5.0		5		
25.2	Vehicle Rental			0			0			0		
25.2	Manpower Contracts			0			0			0		
25.2	Records Declassification & Other Records Services			0			0			0		
25.2	Recruiting activities			0			0			0		
25.2	Penalty Interest Payments			0			0			0		

OPERATING EXPENSES

Org. Title: Org. No: OC		USAID/Morocco 608		Overseas Mission Budgets								
				FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Other Miscellaneous Services	12.0		12	8.0		8	8.0		8		
25.2	Staff training contracts	30.0		30	30.0		30	30.0		30		
25.2	ADP related contracts			0			0			0		
	Subtotal OC 25.2	125.3	0	125.3	124.9	0	124.9	128.9	0	128.9		
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.3	ICASS	160.0		160	170.0		170	170.0		170		
25.3	All Other Services from Other Gov't. accounts			0			0			0		
	Subtotal OC 25.3	160.0	0	160	170.0	0	170	170.0	0	170		
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.4	Office building Maintenance	49.2		49.2	52.0		52	55.0		55		
25.4	Residential Building Maintenance	46.9		46.9	49.0		49	51.0		51		
	Subtotal OC 25.4	96.1	0	96.1	101.0	0	101	106.0	0	106		
25.6	Medical Care	0.0										
	Subtotal OC 25.6	0.0	0	0	0.0	0	0	0.0	0	0		
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.7	ADP and telephone operation and maintenance costs	36.0		36	38.0		38	40.0		40		
25.7	Storage Services			0			0			0		
25.7	Office Furniture/Equip. Repair and Maintenance	12.0		12	13.0		13	13.0		13		
25.7	Vehicle Repair and Maintenance	9.0		9	10.0		10	10.0		10		
25.7	Residential Furniture/Equip. Repair and Maintenance	4.0		4	4.0		4	4.0		4		
	Subtotal OC 25.7	61.0	0	61	65.0	0	65	67.0	0	67		
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0		
	Subtotal OC 25.8	0.0	0	0	0.0	0	0	0.0	0	0		
26.0	Supplies and materials	75.0		75	75.0		75	75.0		75		
	Subtotal OC 26.0	75.0	0	75	75.0	0	75	75.0	0	75		
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
31.0	Purchase of Residential Furniture/Equip.	42.0		42	42.0		42	42.0		42		
31.0	Purchase of Office Furniture/Equip.	14.0		14	10.0		10	10.0		10		
31.0	Purchase of Vehicles	25.0		25	0.0		0	0.0		0		
31.0	Purchase of Printing/Graphics Equipment			0			0			0		

OPERATING EXPENSES

Org. Title: Org. No: OC	USAID/Morocco 608	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
31.0	ADP Hardware purchases	45.0		45	45.0		45	45.0		45
31.0	ADP Software purchases			0			0			0
	Subtotal OC 31.0	126.0	0	126	97.0	0	97	97.0	0	97
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)			0			0			0
32.0	Purchase of fixed equipment for buildings	23.3		23.3			0			0
32.0	Building Renovations/Alterations - Office	10.0		10			0			0
32.0	Building Renovations/Alterations - Residential			0			0			0
	Subtotal OC 32.0	33.3	0	33.3	0.0	0	0	0.0	0	0
42.0	Claims and indemnities			0			0			0
	Subtotal OC 42.0	0.0	0	0	0.0	0	0	0.0	0	0
TOTAL BUDGET		2730.7	0	2730.7	2695.7	0	2695.7	2807.5	0	2807.5

**Additional Mandatory Information**

**Dollars Used for Local Currency Purchases** \_\_\_\_\_

**Exchange Rate Used in Computations** \_\_\_\_\_

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If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.

On that form, OE funded deposits must equal:

0

0

0

Organization: USAID/MOROCCO

Foreign National Voluntary Separation Account									
Action	FY 2000			FY 2001			FY 2002		
	OE	Program	Total	OE	Program	Total	OE	Program	Total
Deposits			0.0			0.0			0.0
Withdrawals			0.0			0.0			0.0

Local Currency Trust Funds - Regular			
	FY 2000	FY 2001	FY 2002
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

**Exchange Rate**                    \_\_\_\_\_

Local Currency Trust Funds - Real Property			
	FY 2000	FY 2001	FY 2002
Balance Start of Year			
Obligations			
Deposits			
Balance End of Year	0.0	0.0	0.0

**Exchange Rate**                    \_\_\_\_\_

CONTROLLER OPERATIONS

Org. Title: USAID/MOROCCO Org. No: 608 OC		Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.1	Base Pay & pymt. for annual leave balances - FNDH	39		39	42		42	44		44
	Subtotal OC 11.1	39	0	39	42	0	42	44	0	44
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.5	USDH			0			0	0		0
11.5	FNDH	1		1	1		1	1		1
	Subtotal OC 11.5	1	0	1	1	0	1	1	0	1
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
11.8	USPSC Salaries	0		0	0		0			0
11.8	FN PSC Salaries	72		72	85		85	92		92
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0
	Subtotal OC 11.8	72	0	72	85	0	85	92	0	92
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	Educational Allowances	0		0	0		0	0		0
12.1	Cost of Living Allowances			0			0			0
12.1	Home Service Transfer Allowances			0			0			0
12.1	Quarters Allowances			0			0			0
12.1	Other Misc. USDH Benefits	0.7		0.7	0		0	0		0
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0			0
12.1	Other FNDH Benefits	22		22	24		24	26		26
12.1	US PSC Benefits			0			0			0
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC			0			0			0
12.1	Other FN PSC Benefits	41		41	56		56	60		60
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0
	Subtotal OC 12.1	63.7	0	63.7	80	0	80	86	0	86

CONTROLLER OPERATIONS

Org. Title: Org. No: OC		USAID/MOROCCO 608		Overseas Mission Budgets								
				FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Benefits for former personnel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
13.0	FNDH	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
13.0	Severance Payments for FNDH			0			0		0			
13.0	Other Benefits for Former Personnel - FNDH			0			0		0			
13.0	FN PSCs	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
13.0	Severance Payments for FN PSCs			0			0		0			
13.0	Other Benefits for Former Personnel - FN PSCs			0			0		0			
	Subtotal OC 13.0	0	0	0	0	0	0	0	0			
21.0	Travel and transportation of persons	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
21.0	Training Travel	2		2	2		2		2			
21.0	Mandatory/Statutory Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
21.0	Post Assignment Travel - to field	5		5	0		0		0			
21.0	Assignment to Washington Travel	0		0	0		0		0			
21.0	Home Leave Travel	0		0	0		0	3	3			
21.0	R & R Travel	7		7	2		1.7	0	0			
21.0	Education Travel			0			0		0			
21.0	Evacuation Travel	4		4	4		4	4	4			
21.0	Retirement Travel			0			0		0			
21.0	Pre-Employment Invitational Travel			0			0		0			
21.0	Other Mandatory/Statutory Travel			0			0		0			
21.0	Operational Travel	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
21.0	Site Visits - Headquarters Personnel			0			0		0			
21.0	Site Visits - Mission Personnel	2		2	2		2	2	2			
21.0	Conferences/Seminars/Meetings/Retreats	4		4	4		4	4	4			
21.0	Assessment Travel			0			0		0			
21.0	Impact Evaluation Travel			0			0		0			
21.0	Disaster Travel (to respond to specific disasters)			0			0		0			
21.0	Recruitment Travel			0			0		0			
21.0	Other Operational Travel			0			0		0			
	Subtotal OC 21.0	24	0	24	13.7	0	13.7	15	0	15		
22.0	Transportation of things	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
22.0	Post assignment freight	20		20	0		0	0	0			
22.0	Home Leave Freight			0			0	4	4			
22.0	Retirement Freight			0			0		0			
22.0	Transportation/Freight for Office Furniture/Equip.	0.6		0.6	0.6		0.6	1	1			

CONTROLLER OPERATIONS

Org. Title: Org. No: OC	USAID/MOROCCO 608	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
22.0	Transportation/Freight for Res. Furniture/Equip.	2		2	2		2	2		2
	Subtotal OC 22.0	22.6	0	22.6	2.6	0	2.6	7	0	7
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.2	Rental Payments to Others - Office Space	9.5		9.5	9.5		9.5	9.5		9.5
23.2	Rental Payments to Others - Warehouse Space	1		1	1		1	1		1
23.2	Rental Payments to Others - Residences	0		0	0		0	0		0
	Subtotal OC 23.2	10.5	0	10.5	10.5	0	10.5	10.5	0	10.5
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
23.3	Office Utilities	5		5	4		4	4		4
23.3	Residential Utilities	11		11	11		11	11		11
23.3	Telephone Costs	5		5	5		5	5		5
23.3	ADP Software Leases			0			0			0
23.3	ADP Hardware Lease			0			0			0
23.3	Commercial Time Sharing			0			0			0
23.3	Postal Fees (Other than APO Mail)			0			0			0
23.3	Other Mail Service Costs			0			0			0
23.3	Courier Services	0.3		0.3	0.3		0.3	0.3		0.3
	Subtotal OC 23.3	21.3	0	21.3	20.3	0	20.3	20.3	0	20.3
24.0	Printing and Reproduction	1		1	1		1	1		1
	Subtotal OC 24.0	1	0	1	1	0	1	1	0	1
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.1	Studies, Analyses, & Evaluations			0			0			0
25.1	Management & Professional Support Services	20		20	3		3	3		3
25.1	Engineering & Technical Services			0			0			0
	Subtotal OC 25.1	20	0	20	3	0	3	3	0	3
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
25.2	Office Security Guards	5		5	5		5	6		6
25.2	Residential Security Guard Services	2.5		2.5	3		3	3		3
25.2	Official Residential Expenses			0			0			0
25.2	Representation Allowances			0			0			0
25.2	Non-Federal Audits			0			0			0

CONTROLLER OPERATIONS

Org. Title: Org. No: OC		USAID/MOROCCO 608		Overseas Mission Budgets								
				FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
25.2	Grievances/Investigations			0			0			0		
25.2	Insurance and Vehicle Registration Fees	0.5		0.5	0.5		0.5		0.5	0.5		
25.2	Vehicle Rental			0			0			0		
25.2	Manpower Contracts			0			0			0		
25.2	Records Declassification & Other Records Services			0			0			0		
25.2	Recruiting activities			0			0			0		
25.2	Penalty Interest Payments			0			0			0		
25.2	Other Miscellaneous Services	1.5		1.5	1		1	1		1		
25.2	Staff training contracts	4		4	4		4	4		4		
25.2	ADP related contracts			0			0			0		
	Subtotal OC 25.2	13.5	0	13.5	13.5	0	13.5	14.5	0	14.5		
25.3	Purchase of goods and services from Government accounts	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.3	ICASS	15		15	16		16	16		16		
25.3	All Other Services from Other Gov't. accounts			0			0			0		
	Subtotal OC 25.3	15	0	15	16	0	16	16	0	16		
25.4	Operation and maintenance of facilities	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.4	Office building Maintenance	4.5		4.5	5		5	5		5		
25.4	Residential Building Maintenance	6		6	6		6	7		7		
	Subtotal OC 25.4	10.5	0	10.5	11	0	11	12	0	12		
25.6	Medical Care											
	Subtotal OC 25.6	0	0	0	0	0	0	0	0	0		
25.7	Operation/maintenance of equipment & storage of goods	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.7	ADP and telephone operation and maintenance costs	6		6	6		6	7		7		
25.7	Storage Services			0			0			0		
25.7	Office Furniture/Equip. Repair and Maintenance	2		2	2		2	2		2		
25.7	Vehicle Repair and Maintenance	0.6		0.6	0.7		0.7	0.7		0.7		
25.7	Residential Furniture/Equip. Repair and Maintenance	1		1	1		1	1		1		
	Subtotal OC 25.7	9.6	0	9.6	9.7	0	9.7	10.7	0	10.7		
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0		
	Subtotal OC 25.8	0	0	0	0	0	0	0	0	0		

CONTROLLER OPERATIONS

Org. Title: Org. No: OC	USAID/MOROCCO 608	Overseas Mission Budgets								
		FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
		Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
26.0	Supplies and materials	9		9	9		9	9		9
	Subtotal OC 26.0	9	0	9	9	0	9	9	0	9
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
31.0	Purchase of Residential Furniture/Equip.	9		9	9		9	9		9
31.0	Purchase of Office Furniture/Equip.	1		1	1		1	1		1
31.0	Purchase of Vehicles			0			0			0
31.0	Purchase of Printing/Graphics Equipment			0			0			0
31.0	ADP Hardware purchases	4		4	4		4	4		4
31.0	ADP Software purchases	2		2	2		2	2		2
	Subtotal OC 31.0	16	0	16	16	0	16	16	0	16
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line		
32.0	Purchase of Land & Buildings (& bldg. construction)			0			0			0
32.0	Purchase of fixed equipment for buildings	1.3		1.3			0			0
32.0	Building Renovations/Alterations - Office	0.6		0.6			0			0
32.0	Building Renovations/Alterations - Residential			0			0			0
	Subtotal OC 32.0	1.9	0	1.9	0	0	0	0	0	0
42.0	Claims and indemnities			0			0			0
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0
TOTAL BUDGET		350.6	0	350.6	334.3	0	334.3	358	0	358

**Additional Mandatory Information**

<b>Dollars Used for Local Currency Purchases</b>	<u>262</u>		<u>287</u>		<u>307</u>
<b>Exchange Rate Used in Computations</b>	<u>9</u> _____		<u>9.5</u> _____		<u>9.5</u> _____

\*\* If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.  
 On that form, OE funded deposits must equal: 0 0 0

CAPITAL INVESTMENT FUND

Org. Title:	USAID/Morocco	Overseas Mission Budgets									
		OC	FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
			Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
11.1	Personnel compensation, full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
11.1	Base Pay & pymt. for annual leave balances - FNDH			0			0			0	
	Subtotal OC 11.1	0	0	0	0	0	0	0	0	0	
11.3	Personnel comp. - other than full-time permanent	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
11.3	Base Pay & pymt. for annual leave balances - FNDH			0			0			0	
	Subtotal OC 11.3	0	0	0	0	0	0	0	0	0	
11.5	Other personnel compensation	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
11.5	USDH			0			0			0	
11.5	FNDH			0			0			0	
	Subtotal OC 11.5	0	0	0	0	0	0	0	0	0	
11.8	Special personal services payments	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
11.8	USPSC Salaries			0			0			0	
11.8	FN PSC Salaries			0			0			0	
11.8	IPA/Details-In/PASAs/RSSAs Salaries			0			0			0	
	Subtotal OC 11.8	0	0	0	0	0	0	0	0	0	
12.1	Personnel benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
12.1	USDH benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
12.1	Educational Allowances			0			0			0	
12.1	Cost of Living Allowances			0			0			0	
12.1	Home Service Transfer Allowances			0			0			0	
12.1	Quarters Allowances			0			0			0	
12.1	Other Misc. USDH Benefits			0			0			0	
12.1	FNDH Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
12.1	** Payments to FSN Voluntary Separation Fund - FNDH			0			0			0	
12.1	Other FNDH Benefits			0			0			0	
12.1	US PSC Benefits			0			0			0	
12.1	FN PSC Benefits	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
12.1	** Payments to the FSN Voluntary Separation Fund - FN PSC			0			0			0	
12.1	Other FN PSC Benefits			0			0			0	
12.1	IPA/Detail-In/PASA/RSSA Benefits			0			0			0	
	Subtotal OC 12.1	0	0	0	0	0	0	0	0	0	

CAPITAL INVESTMENT FUND

Org. Title: Org. No: OC		USAID/Morocco 608		Overseas Mission Budgets								
				FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
13.0	Benefits for former personnel				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
13.0	FNDH				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
13.0	Severance Payments for FNDH			0			0			0		
13.0	Other Benefits for Former Personnel - FNDH			0			0			0		
13.0	FN PSCs				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
13.0	Severance Payments for FN PSCs			0			0			0		
13.0	Other Benefits for Former Personnel - FN PSCs			0			0			0		
	Subtotal OC 13.0	0	0	0	0	0	0	0	0	0	0	
21.0	Travel and transportation of persons				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
21.0	Training Travel			0			0			0		
21.0	Mandatory/Statutory Travel				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
21.0	Post Assignment Travel - to field			0			0			0		
21.0	Assignment to Washington Travel			0			0			0		
21.0	Home Leave Travel			0			0			0		
21.0	R & R Travel			0			0			0		
21.0	Education Travel			0			0			0		
21.0	Evacuation Travel			0			0			0		
21.0	Retirement Travel			0			0			0		
21.0	Pre-Employment Invitational Travel			0			0			0		
21.0	Other Mandatory/Statutory Travel			0			0			0		
21.0	Operational Travel				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
21.0	Site Visits - Headquarters Personnel			0			0			0		
21.0	Site Visits - Mission Personnel			0			0			0		
21.0	Conferences/Seminars/Meetings/Retreats			0			0			0		
21.0	Assessment Travel			0			0			0		
21.0	Impact Evaluation Travel			0			0			0		
21.0	Disaster Travel (to respond to specific disasters)			0			0			0		
21.0	Recruitment Travel			0			0			0		
21.0	Other Operational Travel			0			0			0		
	Subtotal OC 21.0	0	0	0	0	0	0	0	0	0	0	
22.0	Transportation of things				Do not enter data on this line			Do not enter data on this line			Do not enter data on this line	
22.0	Post assignment freight			0			0			0		
22.0	Home Leave Freight			0			0			0		
22.0	Retirement Freight			0			0			0		
22.0	Transportation/Freight for Office Furniture/Equip.			0			0			0		

CAPITAL INVESTMENT FUND

Org. Title:	USAID/Morocco	Overseas Mission Budgets										
		Org. No:	608	FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
22.0	Transportation/Freight for Res. Furniture/Equip.			0			0			0		
	Subtotal OC 22.0	0	0	0	0	0	0	0	0	0		
23.2	Rental payments to others	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
23.2	Rental Payments to Others - Office Space			0			0			0		
23.2	Rental Payments to Others - Warehouse Space			0			0			0		
23.2	Rental Payments to Others - Residences			0			0			0		
	Subtotal OC 23.2	0	0	0	0	0	0	0	0	0		
23.3	Communications, utilities, and miscellaneous charges	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
23.3	Office Utilities			0			0			0		
23.3	Residential Utilities			0			0			0		
23.3	Telephone Costs			0			0			0		
23.3	ADP Software Leases			0			0			0		
23.3	ADP Hardware Lease			0			0			0		
23.3	Commercial Time Sharing			0			0			0		
23.3	Postal Fees (Other than APO Mail)			0			0			0		
23.3	Other Mail Service Costs			0			0			0		
23.3	Courier Services			0			0			0		
	Subtotal OC 23.3	0	0	0	0	0	0	0	0	0		
24.0	Printing and Reproduction			0			0			0		
	Subtotal OC 24.0	0	0	0	0	0	0	0	0	0		
25.1	Advisory and assistance services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.1	Studies, Analyses, & Evaluations			0			0			0		
25.1	Management & Professional Support Services			0			0			0		
25.1	Engineering & Technical Services			0			0			0		
	Subtotal OC 25.1	0	0	0	0	0	0	0	0	0		
25.2	Other services	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.2	Office Security Guards			0			0			0		
25.2	Residential Security Guard Services			0			0			0		
25.2	Official Residential Expenses			0			0			0		
25.2	Representation Allowances			0			0			0		
25.2	Non-Federal Audits			0			0			0		

CAPITAL INVESTMENT FUND

Org. Title:	USAID/Morocco	Overseas Mission Budgets												
		Org. No:	608	FY 2000 Estimate			FY 2001 Target			FY 2002 Target				
				Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total		
OC														
25.2	Grievances/Investigations			0			0			0			0	
25.2	Insurance and Vehicle Registration Fees			0			0			0			0	
25.2	Vehicle Rental			0			0			0			0	
25.2	Manpower Contracts			0			0			0			0	
25.2	Records Declassification & Other Records Services			0			0			0			0	
25.2	Recruiting activities			0			0			0			0	
25.2	Penalty Interest Payments			0			0			0			0	
25.2	Other Miscellaneous Services			0			0			0			0	
25.2	Staff training contracts			0			0			0			0	
25.2	ADP related contracts			0			0			0			0	
	Subtotal OC 25.2			0		0			0		0		0	
25.3	Purchase of goods and services from Government accounts			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.3	ICASS			0			0			0			0	
25.3	All Other Services from Other Gov't. accounts			0			0			0			0	
	Subtotal OC 25.3			0		0			0		0		0	
25.4	Operation and maintenance of facilities			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.4	Office building Maintenance			0			0			0			0	
25.4	Residential Building Maintenance			0			0			0			0	
	Subtotal OC 25.4			0		0			0		0		0	
25.6	Medical Care													
	Subtotal OC 25.6			0		0			0		0		0	
25.7	Operation/maintenance of equipment & storage of goods			Do not enter data on this line			Do not enter data on this line			Do not enter data on this line				
25.7	ADP and telephone operation and maintenance costs			0			0			0			0	
25.7	Storage Services			0			0			0			0	
25.7	Office Furniture/Equip. Repair and Maintenance			0			0			0			0	
25.7	Vehicle Repair and Maintenance			0			0			0			0	
25.7	Residential Furniture/Equip. Repair and Maintenance			0			0			0			0	
	Subtotal OC 25.7			0		0			0		0		0	
25.8	Subsistence & spt. of persons (by contract or Gov't.)			0			0			0			0	
	Subtotal OC 25.8			0		0			0		0		0	

CAPITAL INVESTMENT FUND

Org. Title:	USAID/Morocco	Overseas Mission Budgets									
		OC	FY 2000 Estimate			FY 2001 Target			FY 2002 Target		
			Dollars	TF	Total	Dollars	TF	Total	Dollars	TF	Total
26.0	Supplies and materials			0			0			0	
	Subtotal OC 26.0	0	0	0	0	0	0	0	0	0	
31.0	Equipment	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
31.0	Purchase of Residential Furniture/Equip.			0			0			0	
31.0	Purchase of Office Furniture/Equip.			0			0			0	
31.0	Purchase of Vehicles			0			0			0	
31.0	Purchase of Printing/Graphics Equipment			0			0			0	
31.0	ADP Hardware purchases			0			0			0	
31.0	ADP Software purchases			0			0			0	
	Subtotal OC 31.0	0	0	0	0	0	0	0	0	0	
32.0	Lands and structures	Do not enter data on this line			Do not enter data on this line			Do not enter data on this line			
32.0	Purchase of Land & Buildings (& bldg. construction)			0			0			0	
32.0	Purchase of fixed equipment for buildings			0			0			0	
32.0	Building Renovations/Alterations - Office			0			0			0	
32.0	Building Renovations/Alterations - Residential			0			0			0	
	Subtotal OC 32.0	0	0	0	0	0	0	0	0	0	
42.0	Claims and indemnities			0			0			0	
	Subtotal OC 42.0	0	0	0	0	0	0	0	0	0	
TOTAL BUDGET		0	0	0	0	0	0	0	0	0	

**Additional Mandatory Information**

**Dollars Used for Local Currency Purchases**

**Exchange Rate Used in Computations**

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\*\* If data is shown on either of these lines, you MUST submit the form showing deposits to and withdrawals from the FSN Voluntary Separation Fund.  
 On that form, OE funded deposits must equal: 0 0 0

## Supplemental Information Annexes

### *Environmental Impact*

#### **Information Annex Topic: Environmental Impact (being updated)**

In FY 1999 two Initial Environmental Examinations (IEE) were completed: one for Souss-Massa Integrated Water Management (608-227); and one for Middle East Democracy/Morocco (398-SO1A).

For FY 2000 and 2001, full Environmental Assessments (EA) will be prepared for each pilot activity under the new Environmental Strategic Objective: "Improved Water Resources Management in the Souss-Massa River Basin" (SO6). Additional requirements may be needed for the FY 2002-2004 period.

For the Middle East Democracy/Morocco, a categorical exclusion was approved by the USAID/Mission Director and the USAID/W Bureau Environmental Officer. Under this activity, no more requirements are needed.

Under the new Economic Growth Strategy (SO5) and the Population Health Strategy (SpO7) additional approval of IEEs during FY 2000 may be required.

Under the approved IEEs and EAs, environmental consequences of USAID- financed activities were identified and analyzed in accordance with USAID environmental regulations. Suggested remedial actions responded to the Mission's strategic objectives and assisted the Mission in managing effective environmental programs.

Under all USAID pilot activities, except for the Drarga and Dokkarat pilot activities under SO2 for which EA's were prepared and approved, USAID actions related to site identification, construction oversight, and operation and management plans were very limited, consisting mainly of technical assistance to help communities and responsible officers at the regional and national level to better understand rules and regulations to protect the environment. All projects are small and considered to be pilots for future dissemination to other donors, local Government and/or the GOM. As described below, on-going pilot projects are very much consistent with the Mission's environmental strategy and, according to our best knowledge, there is no need to revise already approved IEEs and EAs. Following is a short up-date on the IEEs and EAs approved in 1998-1999 period.

## **Water Resources Sustainability Activity: (608-0222)**

### **Dokkarat Tanneries/Fes**

The Mission and the USAID/W Environmental Officer approved the EA for Dokkarat/Fes on a provisional basis, pending completion of the final engineering design.

Following the completion of the engineering design component of the Dokkarat Chromium Recovery Pilot Project, the EA was revised and approved. Based on the EA recommendations, the engineering design, the construction works, the technical assistance and the analyses and studies associated with this activity respond positively to the Mission's environmental strategic objective. According to our last estimation, the separation facility will reduce chromium pollution by over 90%. All issues raised prior to the design are now under control. The station will be completed before the end June 2000.

**Wastewater treatment plant at Drarga/Agadir:** The design of a wastewater treatment facility for the small town of Drarga was completed in 1998. The construction of the pilot project is underway. As recommended in the IEE and EA, the Drarga wastewater treatment plant will provide a treated effluent that meets water quality standards for reuse in irrigation. The pilot project will improve environmental and economic conditions in Drarga and reduce potential threats to public health and the environment by eliminating discharges of domestic wastewater into an open cesspool. The Drarga pilot project responds positively to the Mission's environmental strategic objective through the establishment of a model rural wastewater treatment and reuse system that can be replicated in other areas with similar sanitation conditions. The most significant issues identified during the IEE and EA process: (1) potential groundwater contamination; (2) site selection; and (3) risk of flooding are being mitigated. The widening of Oued (River) Larba to protect the site from flooding was completed in late 1997 early 1998. The Darga treatment plant will be completed in early summer 2000

**Nahkla Soil Erosion Control Pilot Project.** For the whole activity a negative determination for the implementation phase was approved. The work is progressing well with no significant negative effect on the environment.

Morocco Urban Infrastructure, Land Development and, Financing Activity Program:

**Wastewater Treatment at Ouled Tiema:** Under this pilot project, USAID responsibility is limited to a pre-feasibility study of wastewater treatment and reuse facilities, institutional development to facilitate co-management of the facility at national and local levels, and training and support of community groups. In July 1998, a negative determination was approved with no significant negative impact on the environment expected. All planned tasks under this activity will be completed o/a December 2000.

**Urban Environmental Services Activity:** Pilot demonstration projects deal with wastewater and solid waste. The USAID activity is limited to providing guidance on optimum siting criteria, pre-feasibility studies, and issues related to urban infrastructure financing and operations. Because of this limitation, a negative determination was recommended and approved. All TA provided for the pilot projects in Azrou, Agadir and Meknes were consistent with a negative determination for these activities. On the environmental side, this pilot project is progressing well.

During the last four years, 1996-1999, no IEE's or EA's were prepared for the Health SO and Education SpO.

In summary, and according to our best knowledge, all Regulation 16 issues related to USAID/Morocco activities are under control and responding to the Mission environmental strategy.

**Updated Framework Annex**  
**UPDATED RESULTS FRAMEWORK**

Following is the new results framework for USAID/Morocco, as approved in Morocco's Country Strategic Plan (CSP) in May 1999 and CSP Addendum in March 2000, and with proposed adjustments, and justifications for those adjustments, based on on-going development of Performance Monitoring Plans. The Mission requests Washington approval of the indicated changes from the approved CSP and CSP Addendum. As instructed in the PPC and ANE guidance for missions in transition (from one strategy to another), the attachment to the R4 cover memorandum presents the benchmarking information for indicators that will be reported on in the next R4 (R4 2003).

**CSP Adden. -- SO5: Increased Opportunities for Domestic and Regional Trade and Investment**

Indicators: .Reduced disincentives to trade and investment  
.Quality business support services delivered in the Souss-Massa-Draa Region  
.Region

IR 5.1: Improved policy administrative and regulatory framework for private sector expansion

IR 5.2: Strengthened institutional capacity to foster private enterprise

**PMP Adjustment:** Increased Opportunities for Domestic and Foreign Investment

Indicators: .Reduced time to do business with selected agencies of government  
.Time savings to litigants in Agadir commercial court  
.Increased revenues of members of target associations  
.Cumulative number of micro loans for housing, rural credit and urban credit  
.Commercial laws adopted that reflect international best practices

IR 5.1: Improved legal, administrative, regulatory and policy environment for private sector development

IR 5.2: Strengthened capacity of selected institutions to foster private enterprise

**SO5 Justification:** The EG SO statement was originally drafted with an expectation that the Regional Trade and Investment Initiative ("the Eizenstat Initiative") would require USAID/Rabat management of a number of activities designed to reduce or remove impediments to regional trade. During preparation of the CSP Addendum, the Mission was instructed to focus the revised strategy on activities that could be DA funded, under the existing bilateral assistance framework agreement. In developing a Performance Monitoring Plan (with assistance from ANE Integrated Managing for Results consultants), it was observed that the activities proposed and

approved under the revised EG strategy did not directly impact regional trade, and that the small amount of funding available to the Mission under the Eizenstat Initiative would be used primarily to help the GOM to rationalize the investment approval process, and not to directly expand the volume of trade. Hence, the Mission has opted to delete the reference to increased opportunities for regional trade from the SO statement, with the understanding that, if future resources are made available under the Eizenstat Initiative for trade-related activities, the results framework will be amended to encompass that expanded focus.

During the PMP exercise, the IR indicators were more explicitly defined and articulated as above, to better reflect the causal relationships among the activities, the intermediate results and the SO level results indicators.

**CSP -- SO6: Improved Water Resources Management in the Souss-Massa River Basin**

Indicators: A participatory and technically competent river basin agency is effectively planning and managing the integrated use of water resources in the Souss-Massa River Basin. Progress will be gauged by:  
.Volume of non-conventional water and treated wastewater used; and  
.Water withdrawals in the Souss-Massa basin

IR 6.1: Improved institutions and policies for water resources management in the Souss-Massa River Basin

IR 6.2: Dissemination and implementation of best practices in water management

IR 6.3: Democratization and decentralization accelerated through increased capacity for participation in resource management

**PMP Adjustment:** No change. The draft PMP will be finalized by September 2000 with input of the contractor for the SIWM activity.

**CSP -- SpO7: Key Interventions Promote Sustainability of Population, Health and Nutrition Programs**

Indicators: .Maintenance of modern CPR at or above 49% of married women of reproductive age  
.Improved policy environment supporting sustainability of FP/MCH services  
.Share of FP clients served by the private sector increased to 46% in 2003

IR 7.1: Effective decentralized management of primary health care services established on a pilot basis

IR 7.2: Access to private sector FP/MCH services increased nationwide

Support. Act. Technical assistance to the MOH for selected systems developed in partnership with USAID

PMP Adjustment: **No change.**

**CSP – SpO8: Increased Attainment of Basic Education Among Girls in Selected Rural Provinces**

Indicators: .Gross enrollment rate  
.Gross completion rate

IR 8.1: Increased responsiveness of the basic education system to girls’ education needs

IR 8.2: Institutionalization of basic education policy reform

IR 8.3: Strengthened capacity and increased participation of girls’ education partners

PMP Adjustment: **No change in the SpO statement.**

Indicators: .Girls’ enrollment ratio  
.Girls’ completion rate

IR 8.1: Improved school environment

IR 8.1.1: Improved teaching skills

IR 8.1.2: Increased village/community support for girls’ education

IR 8.1.3: Improved education management at the provincial level

**SpO8 Justification:** Completion of the PMP for SpO8 resulted in a results framework which better reflects linkages between program action and the special objective. The SpO statement remains the same, as does the completion indicator. The indicator for measuring enrollment has been changed from girls’ enrollment rate to girls’ enrollment ratio because the SpO8 team agreed that an indicator to measure equity was essential. Therefore, the team decided on enrollment ratio as an indicator that measures enrollment as well as equity. The revised framework reflects the fact that school environment is the means for drawing girls to the school and retaining them long enough to attain a basic education. The three sub-IRs are the main inputs essential to improving the school environment.

**CSP Adden. -- SpO9: Demonstrated Increased Capability and Active Participation of Civil Society NGOs in Support of Citizen Rights**

Indicators: The CSP Addendum strategy review meeting agreed that the Mission and the Embassy’s Democracy Working Group (DWG) will identify general pro-democracy status that it expects Morocco to realize that would signal an appropriate time for a subsequent review in Washington, and possible consideration of a modification of the USG’s investment strategy in this sector.

IRs: Given the highly experimental nature of the Mission's democracy/governance special objective, no IRs are proposed, as agreed during the Washington review and approval meeting.

**PMP Adjustment:** The Mission and the DWG will provide to Washington in FY01 the proxy information requested as SpO level indicator. There will be no formal PMP, per se, but each experimental activity approved under SpO9 will include specific indicators for management and monitoring purposes.

*Success Stories*

**Information annex topic: Success stories**

## Urban Infrastructure, Land Development and Financing Program

The Morocco Urban Infrastructure, Land Development and Financing Program aimed at increasing the capability of the National Shelter Upgrading Agency (ANHI) to improve shelter conditions in Moroccan cities. It also helped the *Fonds d'Equipement Communal* (FEC, a municipal finance institution), and selected municipalities to upgrade substandard neighborhoods, provide off-site infrastructure, carry out technical studies and improve the provision of environmental services.

As a result of this activity:

- Over 150,000 below-median income households now have water and sanitation, in more than 38 municipalities in Morocco over the LOP 1995-1999.
- New environmentally and financially sustainable planning methodologies are now being implemented by both targeted local and central level government agencies. Most notably, these methodologies include participatory planning mechanisms.
- In response to current decentralization initiatives, local municipalities have enhanced capacity for management of their financial accounts, public capital assets, local taxes and other revenue sources. The central level authorities accepted the lessons learned through this process, which have positively influenced the drafting of new legislation for local government. USAID 's assistance to the target four municipalities attracted the interest of more than 100 municipalities which participated in training and workshops. Many municipalities that received minimal technical assistance are now continuing such activities using their own resources, showing high relevance of provided assistance.
- Target municipalities are implementing waste management projects, often through combined credit and TA programs, new institutional arrangements and business techniques. Moreover, municipalities without adequate technical capacity were provided assistance ranging from the establishment of design parameters and development of bid documents, to the development of partnership agreements with regional and local government service providers. Other municipalities were provided assistance, when deemed appropriate for the privatization of certain municipal services.
- The integrated and participative approach that was used by EUP through demonstration projects in selected municipalities shows the benefits as well as the value of integrating all stakeholders, including neighborhood associations into the decision- making process. Different actors - local government, parastatal agencies, local governments, local associations - were able to bring some support to the process, leading to improved living conditions for citizens. Indeed the associations were fully integrated into the decision- making process, through agreements and implementation of pilot projects. Maintaining support to an integrated approach to

urban environmental services delivery that will have a direct impact on the quality of life of citizens, requires continued efforts

- One selected municipality is using new urban service technology adapted to Morocco, in the liquid waste field (high-algal liquid waste treatment system), which serves as a demonstration activity. USAID is working closely with DGCL/DEA (Directorate of water and sanitation) and DFL (Directorate of local finance) at the Ministry of Interior (MOI) which participate actively as a co-sponsor of several liquid and solid waste, municipal financial management workshops and manuals. Moroccan counterparts have already started to disseminate these technologies beyond USAID's target municipalities, ANHI and the FEC. The process of dissemination is now assisted through the introduction of Morocco's first municipal services internet website that USAID supported.
- The first securitization law was drafted and enacted, allowing the first bank in housing sector (CIH) to issue the first mortgage-backed securities in Morocco.

The long-term implications of this major effort will be to enhance the credibility and the stature of local government elected officials and their permanent technical staff, who will bear the burden over the coming decades of improving the quality of life in Morocco's ever-burgeoning cities. Without a continued effort to increase local technical, financial, and policy implementation capabilities, the Government's sound policy of decentralization runs a high risk of failure. The drive to increase local responsibility and capability has strong support from USAID's counterparts, both at the central and the local levels.

The activity, which is scheduled to end in December 2000, included an Urban Environmental Credit program and a technical assistance component.

a. Project Capital. The U.S. Government guarantees loans from private U.S. investors to both ANHI and the FEC. To date, ANHI has borrowed \$45 million, and the FEC \$15 million, out an approved total of \$100 million, for periods of 30 years, with a grace period of 10 years on principal repayments. ANHI uses the local currency generated to fund primarily on-site land development, water and sanitation infrastructure, targeted at below-median income households. The FEC provides a matching contribution and on-lends program funds to municipalities to upgrade or provide off-site neighborhood or city-level infrastructure services (e.g., water supply network, water sewage disposal networks, sewer treatment plants, access roads, and controlled solid waste dumps).

b. Technical Assistance to ANHI, FEC and Target Municipalities. Technical assistance has focused on four technical areas: environmental planning, liquid waste management, solid waste management, and improved municipal management and equitable delivery of urban infrastructure.