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FROM THE AMERICAN PEOPLE



COUNTRY DEVELOPMENT COOPERATION STRATEGY (CDCS)

DECEMBER 2020 – DECEMBER 2025

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Acronyms

CDCS	Country Development Cooperation Strategy
COVID-19	Coronavirus Disease Emerging in 2019
CRI	Centre régional d'investissement (Regional Investment Center)
DO	Development Objective
DOAG	Development Objectives Assistance Agreement
EGRA	Early Grade Reading Assessment
EU	European Union
FSR	Financing Self Reliance
FY	Fiscal Year
GDP	Gross Domestic Product
GOM	Government of Morocco
HCP	High Commissioner for the Plan of Morocco
ICT	Information and Communications Technology
INDH	Initiative Nationale pour le Développement Humain
IR	Intermediate Result
J2SR	Journey to Self-Reliance
LAMI	Landscape Assessment for Multilingual Instruction
MCC	Millennium Challenge Corporation
MEL	Monitoring, Evaluation, and Learning
MENA	Middle East and North Africa
MOE	Ministry of Education
OFPPT	Office of Vocational Training and Employment Promotion
PIRLS	Progress in International Reading Literacy Study
PMP	Performance Management Plan
REM	Religious and Ethnic Minority
SRLA	Self-Reliance Learning Agenda
STEM	Science, Technology, Engineering and Math
TIMSS	Trends in International Mathematics and Science Study

Executive Summary

CDCS Goal

USAID's goal for the 2020-2025 CDCS is to advance Morocco's resilience, prosperity, and self-reliance. This goal focuses on increasing the self-reliance of a key U.S. partner by unlocking Morocco's potential to create new jobs, enhance the overall education performance level and job skills of its citizens, and increase citizen participation in governance. USAID will use its enduring and strong relationship with the Government of Morocco (GOM) to assist in key areas of subnational governance and community resilience, as the GOM works to enhance the quality of subnational governance through its regionalization program. USAID will also strengthen its engagement with the Moroccan Ministry of Education (MOE) and private sector entities to promote systemic reform in Morocco's education system, and to address the concerning mismatch between the skills of Morocco's young workforce (labor supply) and available employment opportunities (labor demand).¹ This labor market imbalance stunts Morocco's economic growth, frustrates Moroccan youth unable to find jobs with their skill sets, and hampers Morocco's development.

This strategy period begins at an extremely critical time for Morocco as it rebuilds an economy reeling from the coronavirus disease (COVID-19) pandemic. By the end of this strategy period, USAID expects to have supported key reform efforts in Morocco's education system that will have led to improved learning outcomes across Morocco. USAID's focus on improving local governance in two target regions will provide a sound evidence base to the GOM to expand innovative approaches to making local governance systems more effective and responsive to citizen needs. USAID will have also improved the livelihoods of Moroccans in targeted regions through business environment, workforce development, and entrepreneurship programming. Lastly, USAID will have further improved the resilience of communities vulnerable to exclusion by supporting the reintegration of at-risk youth, providing them with skills and support to be productive members of their communities. USAID will also promote interfaith and tolerance initiatives to strengthen community resilience.

Morocco's Capacity and Commitment

Morocco is a lower middle-income country positioned in the upper-right quadrant of the Country Roadmap, indicating a high degree of both commitment and capacity. The position reflects Morocco's emerging ability to manage its own development journey. Morocco's Country Roadmap also reveals challenges in roadmap scores such as *education quality*, the *economic gender gap*, and *open and accountable governance*.

Despite Morocco's high scores for commitment, there are key areas where this CDCS will work to incentivize further commitment. As evidenced by Morocco's low score for the *economic gender gap*, it is important for the Mission to work with Moroccan partners on mitigating the numerous barriers that keep many women from participating in the labor market and from contributing to Morocco's economy. The increased economic participation of women is critical to boost economic growth and to advance Morocco's self-reliance. Additionally, to address the country roadmap's low scores related to *open and accountable governance and democracy*, this CDCS also articulates the importance of improving government effectiveness and increasing citizen engagement in democratic processes to successfully implement reforms.

¹This mismatch and other youth related supply/demand issues are documented in the Morocco Cross-Sectoral Youth Assessment, October 2020.

Similarly, while the Moroccan government has shown high levels of capacity to implement sweeping reforms and to spur economic growth in Morocco, USAID will continue to support the increased capacity of Moroccan stakeholders to address their development challenges under this strategy. For example, the low score for education quality reinforces the Mission's focus under the previous CDCS and this CDCS on continuing to support the GOM to implement its sweeping education reforms and improve the quality of education in Morocco. To address the education quality challenge, this CDCS considers the need to improve learning outcomes and skills through systemic and inclusive reforms. *Poverty rate*, another important measure under *Citizen Capacity*, remains an increasing concern in Morocco, becoming more critical as the COVID-19 pandemic continues to restrict tourism and economic activity across Morocco. While the 2021 scoring is very encouraging, with a dramatic improvement in scoring for the poverty rate, the COVID-19 pandemic has likely greatly affected these recent improvements in the poverty rate. Studies show that Morocco should see an increase in the percentage of people "vulnerable to poverty", potentially translating into more than one million Moroccans who could become poor as a result of the COVID-19 pandemic. USAID's programming under this strategy will work hand in hand with the Government of Morocco to assist citizens recovering from the severe economic impacts of the pandemic.

Strategic Choices

U.S. policy and development assistance seek to reinforce Morocco's resilience and growth. USAID encourages Morocco's continued efforts in implementing key governance, education and economic reforms, and is advocating for an inclusive approach to secure a better future for all Moroccans. To achieve the goal of this CDCS, USAID/Morocco has consolidated its planned approach under one development objective (DO): *Morocco's inclusion-driven development enhanced through improved local governance, strengthened community resilience, and greater access to economic opportunity and quality education.*

To support inclusive development in Morocco, it is imperative for marginalized regions and populations to benefit from the economic gains realized by the country in recent years, and for citizens to have a voice in the decentralized governance structure as promised to them in 2011. To support this CDCS development objective, USAID will support inclusive socio-economic development in Morocco through the following intermediate results (IRs).

- IR 1 will enhance sub-national participatory governance by improving the performance, efficiency, and accountability of elected sub-national governments in targeted regions. This will empower citizens and civil society to play a more active role in local governance by enhancing opportunities for collaboration between government and citizens around regional and local development priorities.
- IR 2 will expand business and livelihood opportunities by enhancing vocational training and workforce skills, operationalizing and streamlining the business enabling environment for increased investment, and promoting entrepreneurship and innovation.
- IR 3 will improve community resilience by addressing drivers of exclusion in at-risk groups, enhancing Moroccan-led community resilience approaches to provide services to marginalized communities, and promoting religious and cultural tolerance initiatives.
- IR 4 will improve learning outcomes and students' and educators' skills by enhancing the effectiveness of Morocco's education system, strengthening the institutional capacity of the Ministry of Education and other actors to implement education reforms, and increasing inclusive access to quality education services.

USAID/Morocco will also incorporate three cross-cutting approaches across these IRs, promoting: 1) self-reliance and local ownership; 2) private-sector engagement; and 3) inclusion of women, youth, and persons with disabilities.

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Results Framework

CDCS Goal Statement:
Morocco Advances its Resilience, Prosperity, and Self-Reliance

Development Objective:
Inclusion-Driven Development Enhanced through Improved Local Governance, Strengthened Community Resilience, and Greater Access to Economic Opportunity and Quality Education



Cross-Cutting Themes: Self-reliance, Private Sector Engagement, and Inclusion (Women, Youth, and Persons with Disabilities) are integrated across all IRs

* In target regions

I. Country Context

Over the past decade, Morocco has pursued successful pro-market reforms, resulting in a strong record of macro-economic growth and a significant decline in the rate of the most severe forms of poverty. This strong growth rate enabled Morocco to achieve lower-middle income country status. The Moroccan population considered to live in poverty declined from 7.5 million in 2004 to 2.8 million in 2014. This encompasses a reduction of poverty from 9.1 percent to 2.0 percent in urban areas and 44.6 percent to 17.7 percent in rural areas. This growth has contributed to a significant drop in absolute poverty and unemployment in Morocco.

Nonetheless, Morocco faces significant challenges on its journey to self-reliance. The economy has not been able to create meaningful employment opportunities for the large number of youth entering the workforce each year. Concurrently, the private sector has consistently reported an inability to find appropriately skilled applicants for the labor force. These employability and unemployment challenges in Morocco are inextricably linked to the education crisis in Morocco. Further, regional disparities in economic growth have led to a sense of exclusion among some Moroccans. In addition, women, youth and people with disabilities are not sufficiently engaged in political processes or fully contributing to the economy due to societal norms and lack of opportunities.

Despite the growth experienced over the past decade, some Moroccans express a sense of exclusion, perceiving that these gains have not been spread evenly across different groups and regions, or that reform measures have not been sufficiently advanced. Feelings of exclusion are in large part based on geographic divides: some citizens perceive that development has disproportionately benefited major urban centers, especially along the western coast of the country—which has resulted in unequal access to services, basic infrastructure, and socio-economic opportunities.

To address regional disparities, the GOM has sought to expand the geographic reach of services provided through the administrative state to Moroccan citizens. In 2015, the GOM launched a new governance reform process, termed “advanced regionalization”², to regionalize (or, essentially, decentralize) decision-making authority and management of socio-economic development, political affairs, and other important responsibilities and institutions. This process, and the momentum it has gained recently, presents new opportunities for the Mission’s participatory governance programs.³

Exacerbating Morocco’s development challenges is an education system that has not been sufficiently meeting the needs of its citizens or the economy. Although the GOM has increased education spending by more than 5 percent almost every year since 2002, this investment has not translated into sufficiently positive educational outcomes. Despite promising GOM reforms to improve the performance of the educational system, education in Morocco continues to face several obstacles. Although enrollment is high in primary levels, only 34.5 percent of students attend secondary school, only half of them continue to 12th grade, and less than 10 percent of them enroll in tertiary education. Lack of equity and inclusiveness is a persisting problem. The literacy rate in Morocco is 67.1 percent, with women lagging behind at 57.6 percent. By some estimates, women’s

² Emma Borden, “Will Regionalization Help Democratization in Morocco?,” The Brookings Institution, 2016.

³ World Bank’s Morocco 2040: Emerging by Investing in Intangible Capital

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illiteracy may be as high as 80 percent in rural areas.⁴ In addition, only a fraction of children and youth with disabilities have access to quality education.

Importantly, the short- and long-term impacts of COVID-19 are still unclear. At various points in time during pandemic, like many governments across the world, the GOM has been forced to institute strict lockdowns, reversing Morocco's economic expansion. The economic fallout has been significant. Tourism receipts dropped by \$1.2 billion (63 percent) in the first half of 2020 and the textile export sector lost \$544 million thus far. A wave of approximately 10,000 small business bankruptcies is expected by early 2021 as well. The Moroccan Ministry of Finance estimates the Moroccan economy will decrease by 8 percent as a result of the pandemic. The impact on the education sector is still being determined, as all schools were shut down for months during confinement and some students continue to learn virtually. USAID/Morocco is supporting the MOE to assess the impact of COVID-19. Considering these dire effects of the pandemic, a prime focus of the GOM, donors, and the USG during the first years of this strategy will be ensuring that Morocco's economy recovers quickly and that the most vulnerable Moroccans benefit from development assistance and programming.

Country Roadmap

Morocco's Country Roadmap (see Annex 1) offers a lens to analyze Morocco's country context and where the country stands on the journey to self-reliance. Morocco recently entered into the middle tier of global economies and scores in the upper right quadrant of the roadmap, highlighting relatively high country commitment and capacity. Important societal and political changes have taken place through the 2004 passage of the Moudawana (family law), the 2005 launch of the National Initiative for Human Development (discussed below) as well as the Constitutional reforms of 2011. Each change is viewed as a major step in Morocco's journey to self-reliance. However, these successes are tempered by uneven development across sectors, regions, and demographics. Specifically, Morocco's Country Roadmap reveals the country's challenges in areas such as open and accountable governance, the economic gender gap, and equitable, high-quality and inclusive education. Also of note, Morocco's education scoring aligns more closely with less-developed countries, rather than middle-tier economies.

Commitment

Morocco's scores for *Open and Accountable Governance* are low, whether compared to the world overall or to peer countries in the low- and middle-income ranges. The 2021 score for *Liberal Democracy* of 0.28 represents a drop from its 0.29 score in 2019.

Over the past two years, scores for the sub-dimension of *Open Government* remained steady at 0.30 and increased to 0.32 in 2021, still well below the average score for low- and middle-income countries. This score measures the degree to which the government shares information and empowers its citizenry. Demands for transparency, accountability and clear messaging have recently been at the forefront for Moroccan citizens.

⁴ Gregory M. White, "Kingdom of Morocco," in *The Government and Politics of the Middle East and North Africa*, eds. Mark Gosiorowski and Sean L. Yom, Westview Press, 2017., p 531.

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The *Social Group Equality* indicator measures political equality with respect to civil liberties protections across social groups as defined by ethnicity, sexual and gender identity, religion, caste, race, disability, language, and region. Morocco has seen improvements in this area, including the adoption of the Amazighe language as an official language, which took place in 2011. However, there remains a lingering sense of social group and class inequity in terms of support and representation of citizens outside of the large economic hubs.

Morocco has made significant strides in the roadmap area of *Economic Policy*. In the late 1990s the GOM laid out a tax system which simplified exemptions for VAT and corporate tax, and laid out tax breaks for industrial parks and technoparks as centers for economic development. The early 2000s brought a series of trade agreements with the U.S., Turkey, and neighboring Arab states, which are reflected in Morocco's 0.70 score for trade freedom. The push for reforms also played a role in Morocco's improved scoring in the World Bank Doing Business report⁵, where it jumped from a placement of 69 to 53 out of 190 countries, in overall scoring, between 2018 and 2020. Still, Morocco presents a complicated environment for entrepreneurs, as displayed by its 0.51 score for *Business and Investment Environment* on the Morocco Roadmap. Access to credit remains an inhibitor for Moroccan businesses. Additionally, the 2017-2018 Global Competitive Index⁶ cites challenges with Morocco's innovation environment, higher education and training, and labor market efficiency. These areas represent the main gaps between Morocco and more developed economies.

Disparities in economic opportunity based on gender remain a problem for Morocco. Morocco's 2021 score of 0.29 for *Economic Gender Gap* sits significantly below the average scoring for peer countries in the low- and middle-income tiers. Significant progress in women's rights has been made, with the Ministry of Family, Solidarity, Equality and Social Development embarking on the second round of the Governmental Plan for Equality (ICRAM 2017-2021), which seeks to capitalize on achievements under the first plan (ICRAM 2012-2016) to strengthen women's representation and effective participation in political decision-making. These national plans reflect the GOM's efforts to implement the principles of equity and equality between women and men enshrined in Article 19 of the reformed Constitution. However, Morocco still ranks 137 out of 149 countries according to the 2018 World Economic Forum's Global Gender Gap Report, and, more specifically, ranks 141 out of 149 countries in women's economic participation and opportunity. Although Morocco's score improved to 0.29 in 2020, up from 0.27 in 2019, women remain alarmingly underrepresented in elected office, leave school at younger ages than male students, and do not reach their full economic potential in Morocco. On an individual basis, this situation holds women in Morocco back. The statistics worsen if a person has multiple identities such as women with disabilities. At a macro-level, this alarming gender gap represents lost revenue and opportunities for Morocco, where women make up a mere 23 percent of the labor market. This low level of participation in Morocco contrasts starkly with the average of 47 percent of women participating in the workforce worldwide according to a 2019 World Bank report.

Capacity

Morocco's *Government Capacity* scores compare favorably with other countries in the low- and middle-income range. The *Government Effectiveness* score has dropped slightly, from 0.50 to 0.48

⁵ World Bank, Doing Business Report: 2020.

⁶ The Global Competitiveness Report: 2017-2018; Schwab, Klaus; World Economic Forum.

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between 2019 and 2021, and this programmatic area is where significant progress can be made. As stated above, Morocco seeks to enact a decentralization (the GOM's regionalization) program to bring government services and decision-making closer to citizens living outside of the economic hubs.

The *Tax System Effectiveness* score has increased slightly from 0.42 in 2016 to 0.44 in 2021, perhaps due to the GOM's recent steps to prioritize social security taxes, which are the country's second largest form of tax revenue, by seeking to formalize its collection for lower-skilled and non-professional employees.

Morocco's *Safety and Security* score is steady at 0.74 from 2019 to 2021 and remains a strong point for Morocco. Morocco has a significant and visible security apparatus, which includes police, gendarmes, and, at times, military personnel. Reported rates for both petty and violent crime are low compared to countries like the United States. Domestic terrorism remains a concern, with a large number of Moroccan nationals returning to their communities from Syria and Iraq. In December 2018, there was a high-profile ISIS-inspired murder of two Scandinavian women by four radicalized Moroccan men in Imlil in the region of Marrakech-Safi.⁷ The GOM reacted quickly to arrest the perpetrators. As of mid-2020, the four men have been convicted and an additional 24 of their associates have been arrested. Further, the GOM has dismantled a number of terror cells in recent years, in advance of planned attacks.

Morocco's *Civil Society Capacity* score remains strong compared to the average, but has decreased slightly from 0.66 in 2018 to 0.62 in 2021. Following the 2011 Arab Spring and 2017 Hirak protests, a large number of donors, including USAID under the prior CDCS, prioritized civil society strengthening, as reflected in Morocco's current scoring.

Scores under *Citizen Capacity* remain a concern in Morocco. The 2021 scoring is very encouraging, with a dramatic improvement in scoring for the poverty rate (reductions in poverty reflected in the score improving from 0.57 all the way to 0.74 in one year). However, the COVID-19 pandemic has likely greatly affected these recent improvements in the poverty rate. Studies show that Morocco should see an increase in the percentage of people "vulnerable to poverty" from 17.1 percent in 2019 to 19.87 percent in 2020, translating to an additional 1.06 million Moroccans that will become poor as a result of the COVID-19 pandemic.⁸ Similarly, *Child Health* scored at 0.89 in 2021, up from 0.84 in 2020, and an improvement from a previously strong 0.81 in 2019. However, there are concerns on how COVID-19 may impact those health scores as the continuity of healthcare for the general population was affected by the pandemic. Additionally, Morocco dropped in scoring for *Education Quality*, from 0.40 to 0.37 in the space of one year. This score is distressingly low for a country with Morocco's resources and remains a concern among Moroccan citizens, the GOM, and the donor community.

⁷ Martin Selsoe Sorensen and Aida Alami, New York Times, "4 Men Held in Tourist Killings in Morocco. Denmark Calls It 'Act of Terror.'"

⁸ Morocco's High Commission for Planning (HCP), the UN System in Morocco, and the World Bank, August 17, 2020, "Impact Social Et Économique De La Crise Du Covid-19 Au Maroc."

Morocco's scores for *Capacity of the Economy* clearly display its status as a middle-income economy.⁹ GDP per capita improved slightly, from 0.48 to 0.49 from 2019 to 2020, while in 2021 the score dropped to 0.46, perhaps already reflecting the initial impacts of the COVID-19 pandemic on the economy. *ICT Adoption* leapt from a score of 0.32 in 2019 to 0.43 in 2021. Continued investment in infrastructure and price reasonableness for handheld devices likely led to the increased *ICT Adoption* score. However, *Export Sophistication* (updated from *Export Diversification*, per the 2019 report) scoring shows the limited volume and reach of Moroccan exports, based on the adjustment in sub-dimension. While Morocco has made strides to manufacture and export, this sub-dimension will likely be held back by limitations in citizen capacity and the business environment.

Partner Country Vision and Approach

King Mohamed VI recently formed a committee to create a new development model to address social and economic inequalities. The committee's first report will serve as a roadmap for donors to align their support to the new model. Thus far, it is known that vocational training and entrepreneurship, which figure strongly in USAID/Morocco's approach, are two key priorities of Morocco. The formation of this development committee is the latest in a series of reforms and steps taken by the GOM to advance Morocco's development.

Constitutional Reform: On February 20, 2011, a series of demonstrations took place across Morocco. The protests were inspired by the Arab Spring uprisings and revolutions in other North African countries and demanded political reform, including reform against police brutality, electoral fraud, political censorship, and high unemployment. Thousands took to the streets of Rabat, Casablanca, Tangier, Marrakech, and many other cities in protests demanding a new constitution, a change in government, and an end to corruption. Within a matter of weeks, a favorable referendum prompted King Mohammed VI to announce his decision to undertake constitutional reforms to improve democracy and rule of law.

The subsequent constitutional reforms gave the prime minister and parliament more executive authority and added Amazigh as an official language in Morocco. The reforms also empowered the prime minister with the authority to appoint government officials and to dissolve the parliament, powers which were previously held by the King.

Advanced Regionalization: After the 2011 constitutional reform, Morocco has focused significant efforts on enhancing the role of local-level governmental structures through a devolution of authority and decentralization of decision-making. With the adoption of the 2011 Constitution and the Decentralization Organic Laws in 2015, Moroccan territorial governance structures have been significantly reshaped. Decrees specified the three layers of the new decentralized government as regions, provinces, and communes, and these governmental structures have been positioned as key players in territorial development. The GOM's advanced regionalization policy (*regionalization avancée*) establishes a new framework that integrates economic and social development at a regional and localized level. This restructuring of decision-making for regional and local development represents a tremendous opportunity for Morocco.

⁹ MCC's 2015 Growth Constraints Assessment

Industrial Development Plan (Plan Emergence Industrielle): In 2005, the GOM launched the first in a series of five-year economic development plans, to further integrate Morocco into the global economy. The “*Plan Emergence Industrielle*” initially focused on sectors where Morocco retained a comparative advantage, including offshoring in manufacturing for the automotive, aeronautic, textiles, leather, electronics, and food processing industries. As companies sought to benefit from offshore processing and manufacturing sites in Morocco, the GOM set policies to enable the environment for the growth of small- and medium-sized enterprises to cater to the manufacturing and processing companies. Interventions were centered around an effort to develop industrial parks, thus creating new economic ecosystems in specific sites around Morocco.

Incorporated within the initial and subsequent five-year plans called “*Plan d’Accélération Industrielle*” are a variety of legal and policy reforms, ranging from free trade agreements to job skills training programs for unemployed youth. The GOM’s goal throughout this series of economic development plans has been to increase GDP and reduce unemployment through the development of an environment that appeals to offshoring international organizations and enables creation and development of small-scale, local enterprises. The plan for 2021-2025 has yet to be released, but public reporting suggests it is intended to expand on its predecessors, policy-wise and geographically, to bring economic expansion to all regions of Morocco.

National Initiative for Human Development (Initiative Nationale pour le Développement Humain) (INDH): Concurrent to the “*Plan d’Accélération Industrielle*,” the INDH was launched in 2005 with a goal of solidifying Morocco’s gains by improving economic and social conditions for the poor. The initiative has addressed a variety of themes, including:

- Access to basic services
- Access to care and emergency services
- Social inclusion for youth
- Support for school inclusion
- Economic inclusion for rural areas and combating urban poverty

The INDH is now in its third phase, which will run from 2019 to 2023. This phase focuses on bridging the gaps in infrastructure and basic social services, supporting people living in precarious positions (marginalized/vulnerable populations), improving income and economic inclusion of youth, and boosting the human capital of upcoming generations (maternal and child health and education).

Religious and Ethnic Minorities: In recent years, Morocco has emerged as a regional leader in interfaith dialogue. Under the leadership of King Mohammed VI, Morocco’s reformed constitution of 2011 recognizes and celebrates the diversity of its citizens and the fundamental role that this diversity has played in shaping Morocco’s unique social makeup. The GOM recognizes that the country’s rich historical pluralism, tolerance, and protection of religious minorities is a key pillar of Morocco’s unique national identity, and preservation of the historic and cultural heritage of these groups supports the country as a whole. As highlighted by the Department of State 2019 Morocco International Religious Freedom Report, the GOM hosted the “First Regional Conference on Cultural Heritage Protection for Religious Communities” in October 2019, supported in part with USAID funding. The report also states: “Government officials, religious leaders, and cultural preservation experts from Morocco and other countries participated in the two-day conference that covered

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policies that promote respect for and protection of cultural heritage and efforts to restore cultural heritage sites of religious significance for Jewish, Christian, and Muslim communities.” This conference represents one of the GOM-led efforts to raise public awareness of the importance of cultural heritage related to religious communities.

Education Reform — Education Bill and Inclusive Education Strategy: In July 2019, the Moroccan parliament passed a law offering broad reforms of the education system, including the alignment of elementary and secondary education programs. Prior to passage, a 2015 World Economic Forum report placed Morocco at 101 out of 140 countries in a quality of education index.

Within the Education Bill, the GOM laid out extensive policies intended to close the performance gap between Moroccan students in public and private education systems, including the MOE Inclusive Education Strategy. The MOE is currently in the middle of its 2015-2030 strategy for inclusive education, which is intended to ready Moroccan students for the challenges of a globalized world economy. Notably, the Inclusive Education Strategy focuses on further changing the Moroccan education system to be more inclusive for learners with disabilities and offers ‘second chance’ options for youth who had previously left school. Implementation of the Education Bill is only in its second academic year, but the GOM appears fully committed to advancing its inclusive education approach.

In addition to the significant basic education reforms noted above, the GOM adopted and is implementing a vocational training roadmap that aims to create the so-called “cities of professions and skills” in each of the twelve Moroccan regions. The cities will focus on training in line with each region’s potential.

Gender Equality: In Morocco, gender equality occupies an increasingly important place in public debates among diverse stakeholders, including civil society, academia, researchers and government. The 2011 Constitution established the principle of equality between men and women and the equal enjoyment of civil, political, economic, social, cultural and environmental rights and freedoms, according to conventions and international covenants ratified by Morocco. It also established the principle of parity and the fight against all forms of discrimination. Several initiatives have been launched to integrate gender into public policies. These include the gender-sensitive budgeting policy, the creation of the Authority for Parity and the Fight Against Discrimination, the establishment of a quota for women in Parliament and territorial collectivities, and the entry in force of Law No. 103-13 to combat violence against women, among other initiatives.

II. Strategic Approach

In view of Morocco’s development trajectory and the country’s already encouraging levels of self-reliance, the Mission is pursuing a holistic strategy that aligns with the efforts of the GOM to enhance socio-economic opportunity for targeted marginalized regions and populations. The focus for the 2020-2025 CDCS will be on advancing resilience, prosperity, and self-reliance in Morocco through participatory governance, community resilience, and a strong focus on foundational human capacity development through enhanced education systems and economic opportunity. USAID plans to pursue a very collaborative approach to its development programs, focusing on continued

strong partnership with the GOM, civil society organizations, and the private sector to ensure local ownership and sustainability of USG investments.

United States Government Relationship with the Government of Morocco

The GOM has proven to be a strong development partner and USAID maintains collaborative and productive working relationships with key counterpart ministries. As noted above, the GOM displays high levels of both capacity and commitment, as demonstrated not only by Morocco's placement in the upper right quadrant of the Country Roadmap, but also by the strong partnerships and collaboration the Mission maintains with key GOM partners on robust reform efforts in education, governance, economic growth, and community resilience.

In close alignment with the Journey to Self-Reliance (J2SR) principle *Redefining our Relationship with Partner Governments (RDR)*, USAID/Morocco will explore the full range of available tools to further incentivize GOM commitment as well as design programs in a way that builds GOM capacity. The GOM has embraced reform efforts over the past decade that align closely with USAID policy objectives. Because of the GOM's willingness to scale up and expand successful development models (see "Use of Host Country Resources" below), USAID/Morocco does not envision the need to harness increased commitment through formalized cost-sharing or policy reform requirements beyond the Mission's existing and planned DOAG cost-sharing agreements. In alignment with RDR principles, USAID will continue to maintain its robust collaboration with the Ministry of Finance, the co-signatory on the Mission's Development Objective Agreement (DOAG). The DOAGs outline GOM commitments and cost-share for the entire USAID investment in Morocco. In addition to the Mission's DOAGs, USAID/Morocco uses RDR tools such as memorandums of understanding (MOUs) with GOM counterparts to ensure government commitment and accountability to key policy or program objectives. Examples of MOUs that will support this strategy include public-private partnership MOUs that involve multiple GOM counterpart agencies and an MOU signed with the Ministry of Education and a local non-governmental organization in 2019 to improve inclusive education. Furthermore, USAID/Morocco's experience has shown that the GOM is highly committed to harnessing their own resources when USAID actively engages the GOM in the design and implementation of programs and when programs merit scaling up.

Several partner ministries have prioritized the necessity of a strong evidence base for decision-making and policy reform processes. USAID has conducted several assessments for the Ministry of Education that have led to significant policy reforms, including the adoption of a new Education Bill in 2019. In its work with the Ministry of Education, USAID found that providing a strong evidence base, for example through assessments and student testing, led to greater buy-in and ownership by the GOM for needed reforms, resulting in greater impact and adoption of USAID pilot programs.

Private Sector Engagement

USAID/Morocco recognizes the private sector's fundamental role as a driver of economic and social development to support the country's journey to self-reliance. USAID/Morocco will advance opportunities across the Development Objective (DO) and all IRs to leverage private-sector investments in targeted regions and at the national level. The Mission will also explore in collaboration with the interagency at Post how to capitalize on the U.S.-Morocco Free Trade Agreement to attract U.S. private sector investment through the use of private-sector partnerships. Further, across all IRs, USAID/Morocco will leverage its unique position as a convener and

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facilitator to catalyze additional support and private sector engagement for its development objectives, while expanding best practices and testing new models that have the potential impact in the targeted regions.

The Mission will continue to focus on workforce development and youth employability with a pivot toward strategically engaging the private sector in targeted regions, including improving the business enabling environment to support small and medium enterprises, building capacity of high-value economic value chains in targeted regions, and promoting entrepreneurship and innovation.¹⁰ Actively engaging the private sector will be a requirement to enhance business and livelihood opportunities (IR 2).

USAID/Morocco will increase its work with the private sector in education (IR 4) by more actively seeking to leverage private-sector partnerships for increased investment in USAID education activities, through co-creation processes to strengthen the quality of learning and skills development for children and youth.

Civil Society

A more empowered and effective civil society is critical to Morocco's ability to channel citizen grievances into reform initiatives. Building the capacity of Moroccan civil society to hold the government accountable for development reforms was a core focus of the previous CDCS (2013-2020). Under the closing strategy, one of USAID's flagship projects built the capacity of civil society organizations in Morocco to advocate at the national level and to represent constituent needs and priorities. While critical advances were achieved, much more remains to be done to fully empower Moroccan civil society organizations. Under this new strategy, USAID will continue to build off of the work accomplished through the previous strategy by partnering directly with civil society organizations in key programming areas.

USAID values the role of civil society to advocate and hold the government accountable, but USAID also values partnering with civil society to reach grassroots and hard-to-access communities, such as at-risk youth in northern Morocco and rural communities without access to key services.¹¹ USAID will directly fund Moroccan civil society organizations to enhance civic education and political engagement of women, youth, and persons with disabilities under IR 1.

USAID will advance the Journey to Self-Reliance development approach by working with civil society organizations at national, regional, and communal levels to ensure that they have the capacity, appropriate tools, and efficient mechanisms to engage the government and hold it accountable for its commitments and actions. USAID plans to continue to utilize the Civil Society Organization Sustainability Index (CSOSI)¹² to inform civil society engagement and capacity building approaches. Moreover, USAID will work to enhance the ability of civil society and citizens to engage constructively in policy making and implementation, as well as the capacity of the GOM to respond to and incorporate citizen input in policymaking.

¹⁰ Youth's potential entrepreneurial role in small and medium enterprises is highlighted in the Morocco Cross-Sectoral Youth Assessment, October 2020.

¹¹ The Morocco Cross-Sectoral Youth Assessment, October 2020, highlights the importance of focusing on rural populations often lacking access to resources.

¹² [Civil Society Organization Sustainability Index](#) 2019

Environment and Biodiversity

As part of the Morocco Biodiversity Assessment (FAA 119), the Mission, with support from the USAID Middle East Bureau Technical Support Office (ME/TS) Water & Environment Team, identified several opportunities for the Mission to integrate biodiversity protection considerations into programs. As potential actions under IR1, the Mission identified strengthening local water and environmental governance and increasing civic engagement to promote environmental justice and protection of local biodiversity. The Mission will explore possibilities for broadening the reach of Morocco's environmental organizations to local citizens in order to build the constituency, and increase local awareness for biodiversity protection and climate resilience. Under IR 2, the Mission will explore opportunities for enhancing sustainable and green economic growth, which are essential for long-term self-reliance and for protection of Morocco's natural resources (e.g., promoting ecotourism, sustainable water and farming practices, and reconciliation ecology based business opportunities). Under IR 4, the Mission will amplify the great work of the Ministry of Education in terms of integrating environment and biodiversity topics into the national curriculum and extracurricular activities such as school environment clubs.

Although USAID/Morocco will not have direct biodiversity programming, these opportunities can greatly contribute to advancing natural resource management and biodiversity protection in Morocco and will be further explored during the activity design stage.

III. Results Framework

Goal Statement and Narrative

USAID's goal for the 2020-2025 CDCS is to advance Morocco's resilience, prosperity, and self-reliance. This goal focuses on increasing the self-reliance of a key U.S. partner by unlocking Morocco's potential to create new jobs, enhance the overall education performance level and job skills of its citizens, and increase citizen participation in governance. USAID will use its enduring and strong relationship with the GOM to assist in key areas of subnational governance and community resilience, as the GOM works to enhance the quality of subnational governance through its regionalization program. USAID will also strengthen its engagement with the MOE and private sector entities to promote systemic reform in Morocco's education system, and to address the concerning mismatch between the skills of Morocco's young workforce (labor supply) and available employment opportunities (labor demand).¹³ This labor market imbalance stunts Morocco's economic growth, frustrates Moroccan youth unable to find jobs with their skill sets, and hampers Morocco's development.

Multiple stakeholders will support the achievement of this goal statement in addition to USAID, including the GOM, other USG agencies operating in Morocco, other donors, the private sector, as well as civil society actors and local stakeholders, such as universities. The combined efforts of this wide range of development actors will ensure that the Moroccan people are more resilient and more prosperous, and that Morocco is increasingly self-reliant by the end of this strategy period.

¹³ This mismatch and other youth related supply/demand issues are documented in the Morocco Cross-Sectoral Youth Assessment, October 2020.

Development Objective (DO) Narrative

Morocco's inclusion-driven development enhanced through improved local governance, strengthened community resilience, and greater access to economic opportunity and quality education.

To achieve the goal of this CDCS (to advance Morocco's resilience, prosperity, and self-reliance), USAID/Morocco has consolidated its planned approach under one DO: Morocco's inclusion-driven development enhanced through improved local governance, strengthened community resilience, and greater access to economic opportunity and quality education.

Development Hypothesis Statement

If USAID programming in Morocco supports the GOM to improve and institutionalize sub-national participatory governance, enhances business and livelihood opportunities for Moroccans, supports local actors and government to strengthen community resilience among marginalized groups, and sustainably improves learning outcomes for Moroccan youth, *then* USAID will enable greater inclusion-driven development in Morocco.

Development Hypothesis Narrative

Morocco's resilience, prosperity and self-reliance are only achievable when Morocco maintains inclusive-driven development approaches through a focused effort to continue to address the most significant disparities in the country. By enabling continued inclusive development that takes into consideration the needs of marginalized populations, Morocco will be more *resilient* to poverty and socio-economic disparities. Another key component of inclusive-driven development in Morocco will be ensuring that all segments of society, including women, youth, and persons with disabilities, benefit from private-sector led growth and an improved education system, resulting in a more *prosperous* Morocco. Lastly, by building local capacity, whether in the education sector, at the local governance level, or among local civil society actors, USAID will aim to increase the *self-reliance* of Moroccan development actors to plan and finance their own development priorities.

To support inclusive development in Morocco, it is imperative for marginalized populations and marginalized regions to benefit from the economic gains realized by the country in recent years, and for citizens to have a voice in the decentralized governance structure as promised to them by the GOM in 2011. To support this CDCS development objective, USAID/Morocco will support inclusive development in Morocco through the following intermediate results.

Through IR 1, USAID will support the GOM's enhanced local governance plan by developing the capacity of local governments to provide, and partner CSOs to advocate for, improved government services and increased citizen participation in governance. Open governance is a key contributor to sustainable self-reliance, as indicated on Morocco's Country Roadmap. Support to the GOM's regionalization efforts represent the next phase in the Mission's support of Morocco's governance reforms. The previous CDCS focused on political party and civil society strengthening, while this strategy shifts focus to supporting local governance structures and regional councils through integrated economic growth and governance programs, while ensuring that civil society organizations are well positioned to play an oversight role on behalf of citizens.

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Through IR 2, the Mission will focus on job skills training and enhancing business opportunities, including pursuing opportunities to increase U.S.-Morocco trade and investment. The Mission will support workforce development and entrepreneurship in targeted economic value chains, ensuring a better match of training with job market needs. The Mission also will operationalize and streamline public policies to spur increased economic investment. All activities will continue to prioritize inclusion of marginalized populations to promote Morocco's sustainable development and self-reliance. Under this CDCS, the focus of economic growth interventions will be to support an improved business-enabling environment for investment and entrepreneurship in target regions.

Through IR 3, USAID will continue to address drivers of exclusion for at-risk groups and promote community resilience. This IR represents a stronger incorporation of the Mission's community resilience and socio-economic reintegration portfolio as a programming pillar of the strategy. This IR also includes the Mission's upcoming religious and ethnic minority programming which will focus on promoting community efforts to preserve cultural heritage sites of religious and ethnic minorities in Morocco, promoting religious tolerance and interfaith dialogue, and engaging broadly within and between communities at all levels, including among youth.

Through IR 4, USAID/Morocco will continue promoting literacy and language development through curriculum development and teacher training to improve learning outcomes. Further, the new strategy will support the key subject areas of English language, science, technology, engineering and math (STEM) instruction, and inclusive education, through building Moroccan Ministry of Education expertise and promoting supportive policies. Planned interventions also will expand to serve at-risk and marginalized populations, with increased attention to integrating principles of Universal Design for Learning to improve education for all, especially children and youth with disabilities. Importantly, the GOM understands and supports USAID education initiatives and serves as a vital partner in these activities. By working hand-in-hand with the Ministry of Education and all stakeholders, USAID education programming under the closing CDCS has seen significant scale-up and adoption by the GOM. The Mission will continue to use this collaborative programming approach to promote strong self-reliance in the education sector and ensure local ownership of USAID-funded education efforts. Enhanced education quality and access are key areas for improvement on Morocco's Country Roadmap and continue to be a priority for the Mission.

Cross Cutting

Cross-cutting themes for this Results Framework and CDCS include self-reliance, private sector engagement, and inclusion of marginalized populations. The cross-cutting theme of self-reliance is reflected in the focus on locally led development across all IRs, as well as through the focus on Financing Self Reliance under IRs 1 and 2. Private sector engagement (PSE) is also required to boost Morocco's self-reliance. PSE will be used throughout the course of this CDCS implementation to leverage private sector resources and expertise in target sectors and areas.

Gender will continue to be a cross-cutting priority for USAID's program in Morocco. Under IR 1, USAID will seek to empower women and build the capacity of civil society to promote women's participation in governance. Under IR 2, activities will seek to increase women's economic empowerment and entrepreneurial activity and to improve women's representation in the labor market. Under IR 3, USAID will support research to provide essential insight into women's roles in advancing resilience and reintegration. This research will help inform effective approaches in the reintegration and rehabilitation of at-risk youth. Under IR 4, USAID will work closely with the

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Ministry of Education to develop policies that address gender barriers and promote equitable education outcomes for boys and girls. Research and capacity building activities will help develop the skills of Ministry staff to ensure inclusiveness in learning materials, including by removing gender stereotypes.

Lastly, both the GOM and the USAID/Morocco Mission have prioritized inclusion of marginalized populations. There is a mutual understanding that Morocco must benefit from and for all of its citizens in order to continue growing socially and economically. This focus on inclusive development will be reflected through the DO: in USAID's regional socio-economic development programming to counter the sense of exclusion felt in marginalized regions, in economic growth activities to counter exclusion of women from the workforce, in community resilience programming to ensure at-risk youth and religious minorities are included in community development efforts, and in education programming to ensure children with disabilities are able to learn.

Intermediate Results (IR) Narratives

Intermediate Result (IR) 1: Sub-national participatory governance improved and institutionalized

IR 1 will enhance sub-national participatory governance by improving the performance, efficiency, and accountability of elected sub-national governments in targeted regions, empowering citizens and civil society to play a more active role in sub-national governance, and enhancing opportunities for collaboration between sub-national governments and citizens around regional and local development priorities. This IR 1 programming focus is critical to ensure Morocco maintains inclusive-driven development through improved participatory governance mechanisms.

Activities under IR 1 will take a supply-and-demand approach to improving sub-national participatory governance. On the supply side, support will be provided in order to increase the ability of targeted institutions at the sub-national level to engage with citizens and enhance their ability to respond to demands and to provide quality services. On the demand side, activities will build the capacity of elected local government and civil society to provide a venue for increased citizen participation, particularly for youth. This strengthened civic participation will increase demand on representational institutions to perform more effectively. USAID/Morocco expects that interventions of this program will primarily focus on the most disadvantaged urban, peri-urban and rural areas in targeted regions.

Three sub-IRs will help achieve this objective:

- **Sub-IR 1.1: Increased performance, efficiency, and accountability of elected sub-national governments** focuses more on the supply side, recognizing that if governing bodies, in this case local government (regional, provincial and communal levels), do not have the skills and tools to effectively engage with and respond to citizens, efforts to increase citizen participation will yield only limited results.
- **Sub-IR 1.2: Empowered citizens and CSOs play a more active role in sub-national governance** focuses on the demand side, recognizing that vibrant democracy requires

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active citizen participation and that unless youth, women and persons with disabilities are part of that active participation, they will be increasingly marginalized.¹⁴

- **Sub-IR 1.3: Enhanced opportunities for collaboration between sub-national governments and citizens** focuses on providing enhanced opportunities for interaction and collaboration between the supply-and-demand sides of governance. The sub-national level of the government is where the largest percentage of citizens, including youth, come into daily contact with the government. If they have a negative experience or feel excluded, they are increasingly likely to opt out of the system and feel marginalized.¹⁵

Supporting Morocco's Journey to Self-Reliance: In line with J2SR principles, and given the Mission's limited budget, IR 1 activities will be designed as pilots to test, document, and learn from the modalities and methodologies that can be easily scaled up. This approach will focus primarily on two key marginalized regions to test the models' abilities to succeed in challenging environments. The approach will also utilize co-creation processes to develop activities around the current strategic priorities of the target regions at the regional and communal levels.¹⁶

By bringing together broad bases of civil society and related CSOs, private sector entities, academia and local government representatives to pilot collaborative models of GOM's enhanced regionalization that support local priorities, Mission programming seeks to further leverage Morocco's country capacity and commitment. Furthermore, the GOM has shown its capability and political will to scale up and institutionalize interventions when provided an evidence base from pilot activities. This GOM commitment and capacity is evidenced through the USAID Career Center and the Reading for Success activities, which are being scaled up and institutionalized nationally by the GOM. Financing Self-Reliance will also be an important focus in IR 1 by working with local governance structures to implement the Regional Development Plans. In this connection, a necessary component of USAID's programming will be to support sustainable revenue generation, public financial management, and accountability structures in target regions.

IR 1 GOM Policy Framework: In pursuit of the ideals of the 2011 Constitution, three Decentralization Organic Laws were adopted in 2015, thus significantly reshaping the Moroccan territorial governance structures. These laws detail the three layers of the new decentralized structures: regions, provinces, and communes. These reforms have positioned the regions as key players in territorial development through an enhanced role in the GOM's advanced regionalization plan (*regionalisation avancée*), which establishes a new framework that integrates the economic and social dimensions of regional development. The foundations of the plan are:

- The consolidation of local democracy and inter- and intra-regional solidarity,
- Coordination between the various actors in the region to achieve integrated and diversified regional development; and
- A new deconcentration (or administrative devolution) framework.

¹⁴ The CDCS Gender Analysis (November 2020) underscores the importance of women's participation in the political process.

¹⁵ The Cross-Sectoral Youth Assessment (October 2020) highlights the important role subnational institutions can play in engaging youth in the political process.

¹⁶ These locally defined strategies include the *Plans de Développement Régional* (PDR) and *Plans d'Action Communal* (PAC).

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More recently, the government refocused on the Constitution's advanced regionalization plan, leading to the adoption of the National Administration Deconcentration Charter in early 2019. With the adoption of this charter, government ministries were tasked with developing plans for detailing authorities to be devolved, corresponding human and financial resources, and a three-year timeline for the transfer of those services.

IR 1 Local Actors/Stakeholders: Focused on selected key regions, IR 1 will actively engage a wide range of local actors and stakeholders in a manner reflective of the combined top-down, bottom-up approach. This engagement will reach from regional and local governments and their consultative bodies to national and local CSOs, private sector, and civil society members, including:

- Elected sub-national governments at the communal, provincial, and regional levels
- King-appointed regional and provincial leaders, including walis, governors, and regional representatives of each ministry reporting to the wali, such as the Ministry of Tourism
- Consultative bodies in the regional, provincial/prefectural, and municipal councils that each address the key issues of youth, women, and economic inclusion/equity
- Universities/academia - openness and integration
- Local and national civil society organizations
- Private sector, associations, and cooperatives.

These stakeholders will be key in:

- Securing broad cooperation toward development and implementation of the multi-year regional development plans,
- Establishing and managing effective citizen participation mechanisms to inform official decision making and track resolution of issues raised, and
- Engaging regional investment councils to attract private sector investment and know-how to address critical challenges.

Additionally, the Mission will collaborate with key donors implementing governance programs in Morocco, such as the World Bank's commune performance and capacity building efforts, along with other donors' related efforts to replicate and scale up these capacity-building components at the communal and municipal levels.

IR 1 New and Innovative Partnerships: IR 1—together with IR 2—will engage in collaborative, co-creation approaches to activity development with a focus on local entities as implementing partners. These local entities, identified through regional Political Economy Analyses, will range from local universities and think tanks to CSOs and private sector entities that can bring innovative approaches and needed resources to bear on critical governance issues. Academia and think tanks may provide useful research/analysis regarding local governance issues and citizens' needs, and private sector entities may support communal or municipal governments in enhanced service provision.

Intermediate Result (IR) 2: Business and livelihood opportunities enhanced

Under IR 2, the Mission will focus on job skills training and enhancing business opportunities, including pursuing opportunities to increase U.S.-Morocco trade and investment. The Mission will support workforce development and entrepreneurship in targeted economic value chains, ensuring

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a better match of training with job market needs. The Mission also will operationalize and streamline public policies to spur increased economic investment. All activities will continue to prioritize inclusion of marginalized populations to promote Morocco's prosperity and self-reliance. With the economic downturn caused by the COVID-19 pandemic¹⁷, IR 2's focus on improving livelihoods is of a particular importance as the GOM will be looking to rebuild its economy after acute losses in core economic sectors, such as tourism and industry.

Activities under IR 2 will contribute to the regional efforts of bringing key stakeholders together and to actively contribute to the implementation of the major axes of the regional development plans and other relevant strategies. The target regions of Beni Mellal-Khenifra and Marrakech-Safi present great opportunities for growth and job creation, and a high potential to attract domestic and foreign investment. Given USAID's past and ongoing experiences, areas that can be supported include: improving the business environment, fostering the creation and expansion of businesses, strengthening the entrepreneurship ecosystem, introducing a stronger public-private partnership culture, addressing the skills deficit and gap mismatch between demand and supply of skilled labor, and boosting innovation.

- **Sub-IR 2.1: Workforce skills enhanced:** The target regions, especially the most marginalized communes, are known for a deficit in skilled labor. Regional partners will be mobilized to address this issue, to respond to the job market needs and equip job seekers, including youth, with competencies to find and retain a job or create their own businesses. Availability of skilled labor in the target regions can significantly contribute to attracting domestic and foreign investors. USAID will also continue to build on public-private partnerships that focus on demand-driven workforce development training in key job market areas such as agriculture and agribusiness, tourism, wastewater management, Information and Communications Technology (ICT) and transport.
- **Sub-IR 2.2: Operationalized and streamlined policies and procedures for increased investment:** Under the regional development plans, positioning the regions as destinations of investment is a major priority. This positioning requires an improvement of the business environment through streamlining of investment procedures, which makes it easier to start and maintain a business. To build on the successful creation of the National Business Environment Committee created under a past USAID/Morocco program (2005-2009), USAID will support the operationalization and strengthening of regional business environment committees to work on the simplification of investment procedures and the promotion of the regions as interesting destinations for investment and businesses' growth.
- **Sub IR 2.3: Entrepreneurship and innovation promoted:** The Moroccan economy does not create enough jobs, especially in underdeveloped regions such as Marrakech-Safi and Beni Mellal-Khenifra. Promoting entrepreneurship and innovation will help address the unemployment issue by unlocking regional opportunities and bringing jobs or enterprise development opportunities to target regions. An untapped pool of youth in those regions

¹⁷ United Nations and World Bank report on the "Social and Economic Impact of the COVID-19 Crisis on Morocco" (March 2020).

represents an opportunity for small business creation and innovation.¹⁸ USAID will support efforts to enable entrepreneurship and innovation ecosystems. Universities in the two pilot regions have existing experience in this effort through multiple initiatives such as incubators and other initiatives. Key actors such as banks, accounting firms, regional investment centers, education institutions (the Office of Vocational Training and Employment Promotion (OFPPT), high schools), and the Office of Trade and Patents need to work together at the regional level on the entrepreneurship and innovation enabling ecosystem.

Supporting Morocco's Self-Reliance: By actively engaging the private sector, activities under IR 2 directly support J2SR objectives of supporting partner countries to sustainably finance development. Improving the business enabling environment, involving the private sector as active participants in Morocco's inclusive growth, and fostering a strong environment for entrepreneurship and innovation are essential components of Morocco's journey to self-reliance. By supporting regional governments to engage actively with the private sector and civil society to implement and finance the Regional Development Plans, IR 2 will support domestic resource mobilization at the regional level.

IR 2 GOM Policy Framework: The GOM has prioritized several economic policy reform initiatives to enhance Morocco's competitiveness globally and address the grievances that have emerged regionally in underserved regions. More recently, to address the economic losses due to the COVID-19 pandemic, the King immediately put into place a COVID-19 fund which raised \$3.6 billion (as of July 2020) of which \$2.6 billion was spent on medical equipment and social safety nets for small businesses and informal sector micro-businesses which suffered due to the long country-wide quarantine period. Furthermore, Morocco is injecting \$12.8 billion as a post-coronavirus crisis stimulus package to offer incentives and develop solidarity measures to support businesses, especially small and medium-sized enterprises. The package represents 11 percent of Morocco's GDP, including \$4.8 billion for strategic investment in major projects and \$8 billion for facilitating access to business financing.

Other long-term GOM economic growth policy efforts of note include the Ministry of Industry's Industrial Acceleration Plan 2014-2020, which has two main objectives: first, the creation of 500,000 jobs, and second, increasing industry's share of GDP by nine percent. In a 2018 speech the King highlighted the importance of industry for job creation, stating, "Jobs cannot be created, nor can a proper, modern social system be set up, without a qualitative leap in investment, and without the support of the nation's private sector."¹⁹

At the regional level, the GOM's Centers for Regional Investment (CRI) serve as the primary actors to attract investment. The King has highlighted the need to speed up reforms that support the CRI and the government passed legislation to this effect the following day. The King also encouraged the CRI to focus on small and medium enterprises as a vehicle for job creation. Since its appointment in 2017, Morocco's government coalition led by the Justice and Development Party

¹⁸ The value of linking youth to entrepreneurship and innovation efforts to drive economic growth is highlighted in the Cross-Sectoral Youth Assessment (October 2020).

¹⁹ King Mohammed VI, July 29, 2018, Throne Day Speech.

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continues to roll out reforms initiated under the previous government, focusing mainly on social protection programs, job creation, and reducing economic disparities across the country.

The GOM has taken a comprehensive approach to responding to the economic downturn due to the COVID-19 pandemic and has set up strong systems to monitor and study the economic impact. Morocco's *Haut Commissariat du Plan* (HCP) has also conducted several important surveys and reports on the socio-economic impact of the COVID-19 pandemic in collaboration with the World Bank and the United Nations system. Additionally, in order to anticipate the direct and indirect economic repercussions of the COVID-19 health crisis on the national economy, Morocco has set up an "economic watch committee," within the Ministry of the Economy, Finance, and Administration Reform. This committee is responsible, on the one hand, for closely monitoring the development of the economic situation through rigorous monitoring and evaluation mechanisms and, on the other hand, for identifying the appropriate measures in terms of support for the sectors impacted. With the support of these economic impact studies and others, the Mission will continuously be assessing the impact of COVID-19 during the first year(s) of the CDCS to determine any necessary programmatic adaptations and ensure USAID is aligned with GOM efforts to restart the economy.

IR 2 Local Actors and Stakeholders: To achieve IR 2, USAID will engage a wide variety of stakeholders, working with sub-national governments (at the communal, provincial and regional levels) to bring together local authorities and regional and provincial leaders, the private sector, and civil society. USAID will cooperate closely with several central Ministries and offices to achieve IR 2 objectives, namely the Ministry of Education, the Ministry of Industry and Commerce and the OFPPT. USAID will also engage the Chambers of Commerce, the Commission for Business Environment, the Confederation of Moroccan Businesses, and the private sector, as well as Regional Investment Centers and Moroccan universities. Additionally, to ensure inclusion of marginalized segments of the population, IR 2 activities will have significant focus on engaging women, youth, and persons with disabilities.

IR 2 New and Innovative Partnerships: IR 2 will be achieved through a combination of innovative partnership mechanisms. USAID will continue to implement and pursue public-private partnerships to support IR 2 objectives, and the Mission will use co-creation methods to design and implement the regional programs in Beni Mellal-Khenifra and Marrekech-Safi. These collaborative design approaches help to ensure greater local ownership of and buy-in to the activities, leading to greater impact and sustainability. New partners include Moroccan universities as sub-awardees. This partnering approach will ensure universities in marginalized regions become drivers of innovation and harness the talent of local youth and women to drive regional development and growth.²⁰

Intermediate Result (IR) 3: Community Resilience Strengthened

Under IR 3, the Mission will strengthen community resilience by addressing drivers of exclusion among at-risk groups, enhance Moroccan-led community resilience initiatives, and promote religious and cultural tolerance initiatives. Drivers of exclusion are community specific, and activities under this IR will identify community-level social, economic, and political drivers.

²⁰ The CDCS Gender Analysis (November 2020) highlights the potential economic benefits in terms of business loans to, as well as revenue from, women-led businesses.

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Expected results and programmatic activities will be adjusted accordingly. IR 3 directly supports the development objective of enhanced inclusion-driven development by working with some of Morocco's most marginalized and at-risk communities. USAID will conduct comprehensive research on women's roles in relation to socio-economic reintegration of at-risk youth to help inform innovative and effective programming approaches.

This IR also includes a new sub-IR for the Mission's upcoming religious and ethnic minority (REM) programming. Morocco has emerged as a regional leader in interfaith dialogue. Following the constitutional reform of 2011, Morocco officially recognized and celebrated the shared heritage of its diverse citizenry and the central role that this diversity has played in shaping Morocco's unique social makeup. The GOM is taking concrete steps to engage Moroccan and international stakeholders in initiatives that promote tolerance and facilitate intercultural and interfaith dialogue. Despite these achievements by the GOM, there is, however, a need for grassroots initiatives to strengthen and maintain Morocco's historical tolerance. Activities under this IR will contribute to strengthening target communities by enhancing social cohesion, reducing marginalization, and fostering a culture of tolerance.

- **Sub-IR 3.1: Drivers of exclusion addressed among at-risk groups:** The Mission will seek to address the growing sense of exclusion among disaffected youth by addressing the socio-economic and political drivers behind their disaffection. These drivers include high rates of social exclusion and marginalization, limited economic opportunities, disillusionment with politics, and the perceptions of pervasive corruption. Activities will seek to generate sustainable resources for development in economically disadvantaged areas through private and public sector engagement, as well as through innovative approaches to engage new partners to foster community participation and volunteerism.
- **Sub-IR 3.2: Moroccan-led community resilience initiatives enhanced:** The Mission will seek to enhance the performance and sustainability of Moroccan-led community resilience initiatives by enhancing the capacity of local actors to identify drivers and develop and sustain interventions to mitigate those drivers. This approach will aim to have the dual effect of increasing the number of socioeconomically reintegrated and productively engaged youth and also lowering costs per beneficiary. Activities will help facilitate the institutional relationships and policymaking processes that will enable local actors to better serve the unique needs of community members.
- **Sub-IR 3.3: Religious and cultural tolerance initiatives promoted:** The Mission will promote religious and cultural tolerance initiatives through tailored and innovative approaches. The Mission's REM program will focus on religious and cultural preservation, strengthen social cohesion in target communities, and support local initiatives that promote tolerance, interfaith dialogue, and multiculturalism. The Mission will work with local partners to capitalize on Morocco's experience by supporting initiatives that instill tolerance and celebrate the country's diverse heritage.

Supporting Morocco's Self-Reliance: Morocco has robust local systems, and the sustainability of community resilience interventions envisioned by the Mission rely on the contributions of multiple, interconnected stakeholders. The Mission's approach will be to assess and strengthen local systems that allow communities to build resilience and mitigate drivers of exclusion and

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disenfranchisement, as well as respond to changing circumstances. In programming terms, this approach means creating models and endowing stakeholders (including citizens, community organizations, and other local actors) with the tools and resources needed to create responsive, sustainable programming. This approach also entails building the capacity of organizations, including one-stop shops and their affiliated community-based organizations, and institutionalizing successful models via the government, community, formal or informal education providers, and private-public partnerships, among others. This community-led approach will produce shared goals and a commitment by stakeholders to implement collaborative actions. Additionally, this approach will enhance the community's sense of ownership and agency in order to promote the sustainability of initiatives to ensure that citizens and community-led groups continue activities after the life of the project.²¹

The Mission's REM program will reinforce the GOM's efforts to preserve the kingdom's religious and cultural heritage, bridge religious divides, and uphold the rights of religious minorities. The Mission will seek collaboration and partnership with various GOM religious and ethnic minorities initiatives. To ensure sustainability and self-reliance, partnerships will focus on key institutions such as the Ministry of Culture, Ministry of Tourism, National Archives of Morocco, and the Rabita Mohammedia for Religious Councils.

IR 3 GOM Policy Framework: Morocco's human development policies are multi-faceted and seek to fight poverty, improve education, and promote tolerance. Recognizing the role of economic marginalization in hindering the country's development, King Mohammed VI launched the National Human Development Initiative (INDH) in 2005 to fight poverty and enhance economic opportunity in the poorest communities. The INDH has a strong focus on bridging the gaps in basic social services to support people living in precarious conditions, namely, marginalized and vulnerable communities; improving income and economic inclusion of youth; and investing in the human capital of upcoming generations through health and education interventions.

Furthermore, King Mohammed VI, as Commander of the Faithful, has consistently promoted moderate and peaceful interpretations of Islam.²² Under the leadership of King Mohammed VI, Morocco's reformed constitution of 2011 recognizes and celebrates the diversity of its citizens and the fundamental role that this diversity has played in shaping Morocco's unique social makeup. The GOM is taking concrete steps to engage Moroccan and international stakeholders in initiatives that promote tolerance and facilitate intercultural and interfaith dialogue.

IR 3 Local Actors and Stakeholders: To achieve IR 3, USAID will engage a wide variety of public, private, and civil society stakeholders. Partners will include King-appointed regional and provincial leaders (Walis and governors), police prefectures, local associations, private sector, faith-based organizations, *Entraide Nationale* (National Mutual Aid), the OFPPT, the Ministry of Youth, Sports, and Culture, the Ministry of Tourism, the National Archives of Morocco, and the Rabita Mohammedia for Religious Councils.

²¹ The importance of working locally through bottom-up approaches to enhance ownership and engagement is highlighted in the Cross-Sectoral Youth Assessment (October 2020).

²² U.S. Department of State International Religious Freedom Report on Morocco (2018/2019)

IR 3 New and Innovative Partnerships: Under IR 3, efforts to build resilience will focus on facilitating collaboration between citizens and governmental and non-governmental actors, within a framework of inclusive citizen participation, as well as building communities' own capacities to take proactive steps to address vulnerability. Through sub-grants to community-based organizations, USAID will support socio-economic reintegration services including, but not limited to, assistance for school reinsertion, non-formal education, and workforce preparation (including vocational training, employability and life skills, entrepreneurship training, health education, and psycho-social support). To build and reinforce linkages with community-based organizations and social services, activities will strengthen the capacity of local youth-serving organizations, to adapt and provide quality services to at-risk youth in marginalized neighborhoods. In addition to re-integrating marginalized youth into society through service provision, these local organizations are key to institutionalizing the model and to ensuring the existence of a sustainable self-reliant network of local organizations.

To achieve sub-IR 3.3, USAID will seek to fund partnerships or consortia, including arrangements whereby local organizations lead as “primes” and international organizations provide capacity building, expertise, and specialization as needed. The REM program will promote, strengthen, and support sustainable local organizations that champion sound concepts and innovative practices. USAID will also encourage initiatives that support local organizations and work with new partners to build their capacity to manage U.S. Government awards.

Intermediate Result (IR) 4: Learning outcomes and skills sustainably improved

Activities under IR 4 will improve learning outcomes and students' and educators' skills by enhancing the effectiveness of Morocco's education systems, strengthening the institutional capacity of the Ministry of Education and other actors to implement education reforms, and increasing inclusive access to quality education services. USAID will address barriers to access quality equitable and inclusive education, improve quality of content and teacher preparation and professional development, and enhance governance through policy reform and more efficient learning management systems. Education was cited as a core grievance in USAID's Development Context Assessment, and working closely with the Ministry of Education to carry out education reforms and improve the quality of education will contribute directly to ensuring enhanced inclusion-driven development in Morocco.

- **Sub-IR 4.1 Effectiveness of education systems improved:** Activities under this sub-IR will focus on improving the effectiveness of education systems through reinforcing the Ministry's systems for delivering Arabic and English Language instruction in basic education levels²³, building a strong Science, Technology, Engineering, and Mathematics (STEM) program, and creating a learning management system using state of the art resources to ensure the education system can counter any malign influences.
- **Sub-IR 4.2 Institutional capacity to implement education reforms strengthened:** Activities under this sub-IR will focus on strengthening GOM institutional capacity to implement education reforms through direct training and exposure to U.S. models.

²³ USAID conducted the Landscape Assessment for Multilingual Instruction (LAMI) in 2018 to inform MOE opportunities and challenges to expand multilingual instruction.

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USAID/Morocco will continue building the capacity of the MOE officials and practitioners to take the lead. Research activities will provide evidence to education leaders to inform and influence their policies and reforms.

- **Sub-IR 4.3 Access to inclusive quality education services increased:** Activities under this sub-IR will help increase access to inclusive quality education services through mainstreaming inclusive education training in all our activities. In addition, a specific teacher training for inclusive education will prepare teachers to teach students with disabilities, especially deaf and hard of hearing students.²⁴

To measure progress against this IR, USAID and the MOE will be collecting student learning data through the Progress in International Reading Learning Study (PIRLS), Trends in International Mathematics and Science study (TIMSS), and Early Grade Reading Assessment (EGRA) to ensure education reforms and activities are resulting in improved learning outcomes.

Supporting Morocco's Self-Reliance: To achieve IR 4, USAID/Morocco will develop its interventions around the core priorities of self-reliance, inclusion, and stronger private sector and community engagement. In fact, the entire program stands on the principle that equal access to quality education is a foundational driver of a country's journey to self-reliance.

To support the MOE to plan and finance their education reforms, the Mission is conducting several assessments through the Middle East Education, Research, and Training Support (MEERS) mechanism. The first of these assessments serves as an exploratory analysis of the Moroccan Ministry of Education's existing digital platforms. The second assessment will provide an analysis of the alignment between primary and middle school Arabic language curricula and approaches. The third assessment will serve as a comparative analysis of primary and middle school math and STEM curricula and teaching materials. The fourth MEERS assessment examines the inclusiveness and accessibility dimensions of primary curricula. All activities will focus on strengthening the capacity of the Ministry of Education to achieve sustainable, quality learning and education outcomes. USAID's investment in education builds Morocco's self-reliance by improving the learning outcomes of those children and youth who will become tomorrow's leaders. Supporting a responsible transition to full GOM implementation through capacity building and direct funding is a top priority.

By capitalizing on current momentum and building upon the long-term partnership between the U.S. and Morocco, USAID will take advantage of both capacity and commitment within the GOM. Ultimately, USAID's investment and approach will ensure the leaders of tomorrow have the knowledge, skills, and attitudes to maintain Morocco's role as a keystone of peace and stability in the Middle East and contribute towards the country's self-reliant future.

IR 4 GOM Policy Framework: The Government of Morocco passed a new Education Bill²⁵ in 2019 to implement education reforms that will promote equality of opportunities, quality education, and

²⁴ The CDCS Gender Analysis (November 2020) underscored the importance of teacher training and teachers' roles in promoting positive self-esteem and creating safe environments, these together with other actions can reduce school dropout, eventually leading to better learning outcomes.

²⁵ Morocco Education Bill December 2019: http://www.sgg.gov.ma/BO/FR/2019/BO_6836_Fr.pdf?ver=2019-12-13-151627-543

human development. This new law recognizes the importance of investing in teacher training and introduces a new law for pre-service teacher training by which teacher preparation will shift from a six-month program to a five-year program. To build on this momentum, and to respond to the Ministry's need for a quality teacher training system, USAID will support Moroccan universities and training institutions to design and pilot a comprehensive approach to primary teacher preparation leading to the newly established undergraduate degree in primary teaching.

The new education bill also supports the instruction of foreign languages, with greater emphasis on English. This new law represents an opening to work more intensively with the GOM on English language instruction, which will further reinforce the links between the U.S. and Morocco. USAID will work with the Ministry of Education to develop content, textbooks, and teacher guides, and will provide training of trainers and support to the MOE to set up a pre-service and in-service teacher training program for the roll-out of an English language program in all public schools. By supporting GOM-led systemic education reform, USAID funding is expecting to impact Morocco's over 80,000 teachers, and over 4 million students who will benefit from enhanced English language instruction at grades 5-12, and Arabic and STEM at grades 7-9. Technical assistance will be provided to the MOE to develop effective curricula and instructional materials, and to improve teaching skills and techniques.

IR 4 Local Actors and Stakeholders: USAID values its strong relationship with the Ministry of Education and will leverage the goodwill built over decades of partnership to accelerate the introduction and implementation of important reforms. The Ministry has demonstrated significant ownership of the USAID-funded Reading for Success project. Stakeholders at the Ministry's central level and in field directorates and schools must continue to be engaged to achieve the ambitious targets set by the GOM in education. As the Ministry transitions into the role of prime leader of USAID-funded activities, USAID will continue to provide technical assistance to ensure success and sustainability. To achieve IR 4, USAID will expand its partner base, and hold those partners accountable, to achieve nationwide access to safe learning environments, innovative teaching, and modern learning materials.

IR 4 New and Innovative Partnerships: Sustainably improving learning outcomes requires USAID to engage with a variety of actors to support shared objectives. It is especially important to strengthen collaboration with universities, accreditation bodies, and royal entities, such as the Lalla Asmaa Foundation for the Deaf. Parents and communities must be supported to engage in the education of their children to improve education outcomes. As a crosscutting effort, USAID will promote private-sector engagement, particularly with respect to teaching and learning materials and education technology, to advance efforts to build self-reliance through local resource mobilization.

IV. Monitoring, Evaluation, and Learning

USAID/Morocco's approach to monitoring, evaluation, and learning (MEL) for the 2020-2025 CDGS is grounded in the program cycle principles of evidence-based decision-making and adaptive management. The Mission's approach seeks to understand the extent to which USAID is

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achieving—and ultimately will achieve—its CDCS objectives in Morocco, as well as to learn from experience and make informed decisions based on data. The Mission’s Performance Management Plan (PMP) will be designed to monitor progress against performance indicators for each IR and relevant context indicators at the DO level. Secondary self-reliance metrics and other high-level indicators will be used by the Mission to track Morocco’s progress in capacity and commitment to achieve self-reliance.

Intentional, regular learning events such as portfolio reviews, joint annual work planning sessions, and strategic consultations with implementing partners, stakeholders, sector-working groups, and relevant GOM offices will capture successes and failures and identify evidence-based adaptation needs. The Mission will utilize contextual indicators to monitor Morocco’s progress toward implementing reform initiatives, particularly those related to USAID’s programming. Specific outcome and performance indicators will be selected to capture USAID’s contribution and attribution in terms of advancing Morocco’s reform priorities. Additionally, in some areas such as education, USAID’s MEL efforts will directly inform and support counterpart institutions’ internal MEL capacity to operationalize their reform agenda.

Furthermore, the PMP will serve as the basis for a CDCS mid-course stocktaking in FY 2022/2023 to determine whether the Mission should make any major strategic adjustments. The PMP will incorporate performance indicators with baselines and targets, as well as the collection and analysis of specific J2SR primary and secondary metrics to monitor the Results Framework’s assumptions and triggers, and to inform the broader learning agenda.

Evaluations and assessments will test the DO development hypotheses and examine the performance and impact of IRs, projects and activities. USAID will continue to engage relevant stakeholders to provide inputs and feedback to evaluations at key stages such as development, mid-point, draft, or final, to increase wide buy-in to the results and, where possible, to increase local capacity to undertake such work.

The Mission will pursue a robust learning agenda by embedding learning agenda questions into planned evaluations. Critical learning questions include:

- *Journey to Self-Reliance*: How can USAID/Morocco better develop activities that are adopted, scaled up and/or implemented by GOM (whether local, regional or national level)?
- *Journey to Self-Reliance*: How can USAID/Morocco better foster the capacity and commitment of all actors at different levels of the system (local, sub-national, regional, and national)? (Self-Reliance Learning Agenda [SRLA] Q1)
- *Financing Self-Reliance* (FSR): How can we identify and adapt evolving approaches to FSR to the Moroccan context? (SRLA Q5)
- *Private Sector Engagement*: How can PSE better support Morocco in advancing on the Journey to Self-Reliance? (SRLA Q4)
- *Locally Led Development*: What factors contribute to local organizations taking the lead in decision-making, priority setting, implementation, and measurement? (SRLA Q10)
- *Inclusion*: What are the most successful approaches for inclusive engagement in local policy and decision-making? (SRLA Q10)

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Required Annexes

1. **Journey to Self-Reliance FY 2020 and FY 2021 Country Roadmaps**