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**The World Bank**

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Report No: PAD5391

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

PROJECT PAPER

ON A

PROPOSED ADDITIONAL LOAN

IN THE AMOUNT OF EUR 318.7 MILLION  
(US\$350 MILLION EQUIVALENT)

TO THE

KINGDOM OF MOROCCO

FOR THE

Morocco COVID-19 Social Protection Emergency Response Project Additional  
Financing

May 18, 2023

Social Protection & Jobs Global Practice  
Middle East and North Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective as of April 30, 2023)

Currency Unit = Moroccan Dirhams (MAD)

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MAD 11.07 = EUR1

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EUR 0.91= US\$1

## FISCAL YEAR

January 1 - December 31

Regional Vice President: Ferid Belhaj

Country Director: Jesko S. Hentschel

Regional Director: Nadir Mohammed

Practice Manager: Anush Bezhanyan

Task Team Leaders: Mahdi Barouni, Dalal Hasan Sharif Sayed Moosa

## ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AM	Accountability Mechanism
AMO	Mandatory Health Insurance ( <i>Assurance maladie obligatoire</i> )
AWP	Annual Work Plan
BD	Budget Directorate
CDG	National Pension and Insurance Fund ( <i>Caisse nationale de retraites et d'assurances</i> )
CERC	Contingent Emergency Response Component
CNRA	National Pension and Insurance Fund ( <i>Caisse nationale de retraite et d'assurance</i> )
CNSS	National Fund for Social Security ( <i>Caisse nationale de sécurité sociale</i> )
CPF	Country Partnership Framework
DA	Designated Account
DAAM	Morocco's safety net program that provides cash transfers to widows taking care of orphans (Programme d'aide directe aux veuves en situation de précarité ayant à charge des orphelins)
DES	Disability Evaluation System (Suivi et évaluation du handicap - SEH)
DPF	Development Project Financing
E&S	Environmental and Social
ECT	Emergency Cash Transfer
EEP	Eligible Expenditure Program
ENSR	Enquête nationale sur les sources de revenu (HCP household survey conducted in 2019)
ESCP	Environmental and Social Commitment Plan
FA	Family Allowance
FM	Financial Management
FY	Fiscal Year
GDP	Gross Domestic Product
GM	Grievance Mechanism
GoM	Government of Morocco
GRM	Grievance Redress Mechanism
HCP	Haut-Commissariat au Plan
IBM	Iterative Beneficiary Monitoring
ICPC	Central Corruption Prevention Authority
IEMS	Integrated Expenditure Management System ( <i>Gestion intégrée des dépenses - GID</i> )
IGF	The Inspectorate General of Finances ( <i>Inspection Générale des Finances</i> )
INPPLC	National Authority for Probity, Prevention and Fight against Corruption ( <i>Instance Nationale de Probité, Prévention et Lutte contre la Corruption (INPPLC)</i> ).
IPF	Investment Project Financing
IVA	Independent Verification Agent
LMP	Labor Management Procedures
M&E	Monitoring and Evaluation
MAD	Moroccan Dirhams
MEF	Ministry of Economy and Finance
MENPS	Ministry of National Education, Preschool and Sports
MIS	Management Information System
Mol	Ministry of Interior

MS	Moderately Satisfactory
MSSIF	Ministry of Solidarity, Social Integration and Family
NPR	National Population Registry
PBC	Performance-Based Condition
PDO	Project Development Objective
PEFA	Public Expenditure and Financial Assessment
PFM	Public Financial Management
PMT	Proxy-Means Test
POM	Project Operational Manual
PSC	Project Steering Committee
RAMED	Regime of medical assistance for economically deprived individuals and families ( <i>Régime d'assistance médicale</i> )
RF	Results Framework
SA	Social Audit
SAI	Supreme Audit Institution
SEA/SH	Sexual Exploitation and Abuse and Sexual Harassment
SEP	Stakeholder Engagement Plan
SIA	Social Impact Assessment
SR	Social Registry
TA	Technical Assistance
TGR	Kingdom's General Treasury ( <i>Trésorerie Générale du Royaume - TGR</i> )
TNS	Non-Salaried Worker ( <i>Travailleur non-salarié</i> )
UIFR	Unaudited Interim Financial Report
UNICEF	United Nations Children's Fund
WB	World Bank
WBG	World Bank Group

Morocco

Morocco COVID-19 Social Protection Emergency Response Project Additional Financing

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**BASIC INFORMATION – PARENT (Morocco COVID-19 Social Protection Emergency Response Project - P172809)**

Country Morocco	Product Line IBRD/IDA	Team Leader(s) Mahdi Barouni		
Project ID P172809	Financing Instrument Investment Project Financing	Resp CC HMNSP (9344)	Req CC MNC01 (392)	Practice Area (Lead) Social Protection & Jobs

Implementing Agency: Ministry of Economy and Finance

Is this a regionally tagged project?  No	
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Bank/IFC Collaboration  No	
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Approval Date 03-Dec-2020	Closing Date 31-Dec-2023	Expected Guarantee Expiration Date	Environmental and Social Risk Classification Substantial
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**Financing & Implementation Modalities**

<input type="checkbox"/> Multiphase Programmatic Approach [MPA]	<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input checked="" type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input checked="" type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)



**Development Objective(s)**

Mitigate the negative impacts of the COVID-19 crisis by providing emergency cash transfers and guaranteeing access to and strengthening cash transfer programs to support poor and vulnerable households.

**Ratings (from Parent ISR)**

	Implementation				Latest ISR
	06-Apr-2021	28-Oct-2021	30-Jun-2022	17-Jan-2023	11-Apr-2023
Progress towards achievement of PDO	S	S	S	S	S
Overall Implementation Progress (IP)	S	S	MS	MS	MS
Overall ESS Performance	S	S	S	MU	MS
Overall Risk	S	S	S	S	S
Financial Management	S	S	S	S	S
Project Management	S	S	S	S	S
Procurement	S	S	S	S	S
Monitoring and Evaluation	S	S	S	S	S

**BASIC INFORMATION – ADDITIONAL FINANCING (Morocco COVID-19 Social Protection Emergency Response Project AF - P180741)**

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
P180741	Morocco COVID-19 Social Protection Emergency Response Project AF	Restructuring, Scale Up	No



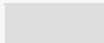


Financing instrument Investment Project Financing	Product line IBRD/IDA	Approval Date 09-Jun-2023	
Projected Date of Full Disbursement 30-Jun-2026	Bank/IFC Collaboration No		
Is this a regionally tagged project? No			

**Financing & Implementation Modalities**

<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input checked="" type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)
<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)	

**Disbursement Summary (from Parent ISR)**

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
IBRD	400.00	245.35	154.08	 61 %
IDA				 %
Grants				 %

**PROJECT FINANCING DATA – ADDITIONAL FINANCING (Morocco COVID-19 Social Protection Emergency Response Project AF - P180741)**

**FINANCING DATA (US\$, Millions)**





**SUMMARY (Total Financing)**

	Current Financing	Proposed Additional Financing	Total Proposed Financing
<b>Total Project Cost</b>	400.00	350.00	750.00
<b>Total Financing</b>	400.00	350.00	750.00
<b>of which IBRD/IDA</b>	400.00	350.00	750.00
<b>Financing Gap</b>	0.00	0.00	0.00

**DETAILS - Additional Financing**

**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	350.00
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**COMPLIANCE**

**Policy**

Does the project depart from the CPF in content or in other significant respects?

Yes  No

Does the project require any other Policy waiver(s)?

Yes  No



**Environmental and Social Standards Relevance Given its Context at the Time of Appraisal**

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

**NOTE:** For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

**INSTITUTIONAL DATA**

**Practice Area (Lead)**

Social Protection & Jobs

**Contributing Practice Areas**

**Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks



**PROJECT TEAM**

**Bank Staff**

Name	Role	Specialization	Unit
Mahdi Barouni	Team Leader (ADM Responsible)	Economist	HMNSP
Dalal Hasan Sharif Sayed Moosa	Team Leader	Economist	HSASP
Walid Dhouibi	Procurement Specialist (ADM Responsible)	Procurement	EMNRU
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Jean Charles Amon Kra	Financial Management Specialist	Financial management	EMNGU
Antoine V. Lema	Social Specialist (ADM Responsible)	Social development	SMNSO
Khalid Anouar	Environmental Specialist (ADM Responsible)	Environment	SMNEN
Alfred Jean-Marie Borgonovo	Team Member	Finance	WFACS
Andrey Tretyak	Team Member	Social protection	HSPGE
Carlo Del Ninno	Team Member	Social protection	HMNSP
Charlene D'Almeida	Social Specialist	Social development	SMNSO
Conrad Charles Daly	Team Member	Data privacy	LEGOP
Devarakonda Priyanka Kanth	Team Member	Health	HMNHN
Elena Segura Labadia	Counsel	Legal	LEGAM
Fatiha Amar	Team Member	Operations	HMNSP
Fatiha Bouamoud	Team Member	Administration	MNCMA
Federica Marzo	Team Member	Economics	EMNPV
Jorge A. Coarasa	Team Member	Program Leader	HMNDR
Laila Moudden	Team Member	Financial management	EMNGU
Majda Benzidia	Team Member	Economics	EMNPV
Mohamed El Aziz Ben Ghachem	Team Member	Social protection	HMNSP
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Pascale Schnitzer	Team Member	Social protection	HECSP
Soukaina Tazi	Team Member	Education	HMNSP
<b>Extended Team</b>			
<b>Name</b>	<b>Title</b>	<b>Organization</b>	<b>Location</b>

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## I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

### A. Introduction

1. This Project Paper seeks the approval of the World Bank Group (WBG) Board of Executive Directors to provide a loan of EUR 318.7 million (US\$350 million equivalent) for an Additional Financing (AF) to scale up and restructure the activities of the Morocco COVID-19 Social Protection Emergency Response Project (P172809) (The parent project). The parent project is financed by a US\$400 million IBRD loan. It was approved on December 3, 2020 and became effective on February 2021. Its development objective is to “Mitigate the negative impacts of the COVID-19 crisis by providing Emergency Cash Transfers (ECTs) and guaranteeing access to and strengthening cash transfer programs to support poor and vulnerable households.” It consists of four components to accompany the social protection initiatives of the Kingdom of Morocco to provide relief from the impacts of the pandemic to the population in the short term and design Morocco’s universal Family Allowance (FA) program, as well as strengthen the adaptive social safety net system in the medium term. As of April 2023, the parent project has disbursed US\$245 million, representing 61 percent of the project’s total loan amount. Additional disbursements are projected during the current Fiscal Year (FY) and will increase the disbursement rate to over 80 percent by the end of FY 2023. The proposed AF will scale up and broaden the parent Project’s Development Objective (PDO). It expands the support for Morocco’s existing cash transfer programs and the implementation of the new health insurance non-contributory program for poor and vulnerable households. The parent project will also be restructured by amending its current components, adding a new activity to enhance the information system of social protection programs, introducing a new component, revising its Results Framework (RF), implementation and procurement arrangements, Performance-Based Conditions (PBCs), Eligible Expenditure Programs (EEPs), and extending its closing date to June 30, 2026.

### B. Country context

2. **Morocco achieved substantial economic and development gains in the past two decades.** The Kingdom has made significant social and economic progress since 2000, aided by political stability, large public investments as well as institutional and sector reforms. Accelerated economic growth led to a sharp decline in the national poverty rate (extreme poverty was close to be eradicated in 2019, with a national poverty rate of 1.7 percent<sup>1</sup>), increased life expectancy, greater access to basic public services, and significant public infrastructure development. The 2011 Constitution provided further reform impetus, including measures to make public spending more equal and expand the protection of citizens against several risks. Most petroleum price subsidies, which had largely benefited the better-off in society, were phased out between 2012 and 2015, one of the most successful reforms in the Middle East and North Africa region, resulting in a fiscal savings of about 4.5 percent of Gross Domestic Product (GDP).<sup>2</sup>

3. **The COVID-19 pandemic, climate-related shocks, and various crises have all had significant impacts on the Moroccan economy, hampering its recovery following a recession in 2020.** The pandemic led to reduced economic activity, disrupted supply chains, and decreased demand for Moroccan goods and services,

<sup>1</sup> Official Haut-Commissariat au Plan’s (HCP) rate, based on the *Enquête Nationale sur les Sources de Revenu* (ENSR) 2019. WB calculations based on data from the Household Consumption and Expenditures Survey 2013/14, HCP and updated using quintile growth from ENSR 2019 indicate a rate of 3 percent.

<sup>2</sup> Bousselmane, 2017.



particularly in tourism. Climate-related shocks, in particular droughts, have also affected the agricultural sector, leading to reduced productivity and higher production costs. Furthermore, consecutive crises have impacted global energy prices affecting Morocco's energy imports and increasing its energy costs. All these factors have contributed to the slowdown of Morocco's economic recovery, creating challenges for reducing poverty in the country. After a sharp drop in economic activity in 2020 (-7.2 percent), real GDP rebounded strongly in 2021 (7.9 percent) but dropped sharply to an estimated 1.2 percent in 2022.

4. **These consecutive shocks may threaten shared prosperity in Morocco and may exacerbate pre-existing vulnerabilities.** After several years of declines, the poverty rate (US\$3.2 PPP international poverty line) is estimated to have increased from 5.4 percent in 2019 to 6.6 percent in 2020, an increase that could have been larger, if it had not been for the cash transfer programs which supported vulnerable households. In addition, poor, vulnerable, and rural households are disproportionately suffering from the impact of the inflationary surge. The annual inflation may be 30 percent higher for the poorer decile of the income distribution than for the wealthier one. These inflation differentials are mostly due to the impact of food price increases, which represent a higher share of poorer households' consumption baskets<sup>3</sup>. An adaptive and a better targeted social protection system will constitute a more cost-effective tool to mitigate the impacts of these supply shocks.

### C. Sector Context and the Government of Morocco (GoM) social protection generalization agenda

5. **Morocco has launched a comprehensive reform program for the whole social protection sector.** His Majesty the King announced the reform of the social protection system on July 29, 2020, during his annual speech on the anniversary of his accession to the throne. In April 2021, these royal orientations were translated into the adoption of the Social Protection Framework Law (Loi Cadre 09-21). The reform strategy envisions gradually building and improving an integrated social protection system that protects people against potential risks by: (i) harmonizing and regrouping existing social protection programs to create more efficiency and effectiveness; (ii) progressively expanding the coverage of programs; and (iii) prioritizing and reforming contributory social protection programs. In May 2021, the Government introduced a strategic reform agenda, the New Development Model, charting a path toward inclusive and sustainable growth and defining key priorities for the period up to 2035. The model is importantly focused on strengthening human capital as a key driver of inclusive economic development. The report sets several objectives to be achieved by 2035, including:

- a. Economic growth: doubling per capita GDP by 2035, which would require an average annual growth rate of 6.8 percent over the period 2021-2035.
- b. Social inequalities: reduce the poverty rate and close the gap between the richest and poorest regions.
- c. Health: improve access to healthcare for all citizens and reduce infant and maternal mortality.

6. **Morocco has made significant headway in implementing the social protection reform.** In December 2022, the amendment to the Basic Medical Coverage (Loi 65-00) to integrate the previous health insurance scheme for the poor and vulnerable (*Régime d'assistance médicale – "RAMED"*) - as the non-contributory pillar of the mandatory health insurance regime (*Assurance maladie obligatoire – "AMO"*), administered by the National Fund for Social Security (*Caisse nationale de sécurité sociale – CNSS*) was promulgated. This new

<sup>3</sup> Morocco Economic Monitor, WB 2023.



non-contributory pillar, called AMO-TADAMON (solidarity in Arabic), harmonizes benefits and coverage parameters with the contributory pillars of AMO for salaried and self-employed workers. In particular, it guarantees coverage for spouses, children up to 21 years old or up to 26 years old if they are in higher education, and children with disabilities, regardless of their age. Under this new scheme, the state pays the contribution of the poorest eligible for AMO-TADAMON, up to 27.5 percent of the total population. Box 1 provides a brief description of the Moroccan health insurance schemes.

**Box 1. Health insurance: RAMED, AMO and AMO-TADAMON**

In 2012, Morocco generalized the subsidized health insurance program, RAMED, managed by the National Health Insurance Agency (*Agence nationale de l'assurance maladie – "ANAM"*). RAMED had a positive impact on improving access to healthcare and reducing out-of-pocket expenses for medical care for the vulnerable population in Morocco. Its beneficiaries were issued a health card that allows them to access medical care at public healthcare facilities. As of 2021, the program has enrolled over 10 million beneficiaries. However, it suffered from non-negligible identification and targeting errors. Only 30 percent of RAMED beneficiaries belonged to the poorest quintile of the welfare distribution.

AMO is Morocco's Mandatory Health Insurance. Since 2005, it provides general medical care to all Moroccans at a time when they all had to be registered with this insurance and pay their contribution. It offers coverage to employees in both the public and private sectors against health risks, their spouses, and children under 21 who are not married. As part of the social protection and health reform, the contributory AMO has gradually been expanded since 2021 to include non-salaried workers.

AMO-TADAMON (with TADAMON meaning solidarity in Arabic) is the new non-contributory pillar. It harmonizes benefits and coverage parameters with the contributory pillars of AMO, for salaried and non-salaried workers. Among others, it ensures the coverage of spouses, children up to 21 years old or up to 26 years old if they are in tertiary education, and children with disabilities regardless of age. Within this new regime, the government pays the premia of poor and vulnerable households eligible for AMO-TADAMON, up to 27.5 percent of the population. The transition to AMO-TADAMON is expected to further improve access to healthcare in the public and private sectors, reduce financial barriers to medical care and increase the sustainability of the program over the long term. The new system is expected to improve the identification and targeting of the poor and vulnerable population, utilizing the new Proxy-Means Test (PMT) score under the Social Registry (SR). Under AMO-TADAMON, eligible families do not have to pay contributions. The monthly contribution of Moroccan Dirhams (MAD) 189 would be paid by the Government.

7. **The GoM has made substantial progress in designing the FA program.** The design is led by a technical committee chaired by the Ministry of Economy and Finance (MEF), under the inter-ministerial commission chaired by the Chief of Government created to oversee the social protection reform. Currently, only salaried workers (from the public and private sectors) receive an FA financed through contributions. The FA program aims to progressively universalize coverage, starting with the poor households with children under 21 years old and some vulnerable households without children. The World Bank (WB) is providing Technical Assistance (TA) through the *Maghreb Social Protection and Jobs Policy Dialogue III Advisory Services and Analytics* (P179489) on key design parameters of the FA program such as conditionalities and accompanying measures. The MEF, in collaboration with the WB, has also launched a mapping exercise of existing social programs to understand their reach, design parameters, and budget – to better inform the design and implementation of the FA program. Existing cash transfer programs, including Tayssir and DAAM (*Programme d'aide directe aux veuves ayant des orphelins à charge*) will be harmonized and integrated into the FA program. Box 2 introduces both cash transfer programs.



### Box 2. Today's key cash transfer programs: Tayssir and DAAM

**Tayssir** is a conditional cash transfer program launched in 2008 to promote access to education for children from low-income households. It provides financial assistance to families to help cover the costs of school supplies, transportation, and other expenses associated with attending school. Depending on whether it is an urban or rural primary or secondary school, the program does not allow for more than 4 to 6 absences in a given month. As of 2021, the program has provided benefits to over 2.3 million students from 1.5 million poor and vulnerable households across the country. The program combines geographical targeting and targeting based on the same eligibility criteria as the RAMED program. Nearly 47 percent of program beneficiaries belong to the first consumption quintile. It is managed by the Ministry of National Education, Preschool and Sports (MENPS).

**DAAM** is a conditional cash transfer program that was launched in 2015. It targets vulnerable widows and orphan children up to the age of 21 years old, conditional on their school attendance, as well as children living with disabilities regardless of their age. In 2022 it had supported 127,000 widows (corresponding to 216,000 orphans). The program is granted to a maximum of 3 children per household and had formerly conditioned it RAMED beneficiaries only. A Government decree, approved in April 2023, stipulates that DAAM will adopt the SR targeting formula.

## D. Parent Project Performance and Implementation Progress

8. As of April 2023, progress towards achievement of PDO remains satisfactory and overall implementation progress has been rated Moderately Satisfactory (MS). The MS rating was based on the successful disbursement of project funds to finance TADAMON and Tayssir cash transfers, and the achievement of PBCs 2 and 3.1. However, there were significant delays associated with carrying out the Iterative Beneficiary Monitoring (IBM) survey of the TADAMON program to draw key learning lessons to improve the current cash transfer programs and the design of the FA. These delays stemmed largely from challenges in data accessibility. There were also implementation challenges related to the Tayssir payment system, beneficiaries' identification and enrollment, and timely payments to the program beneficiaries. It is worth noting, however, that the ongoing digitalization of the enrollment and payment process of the Tayssir program will improve the delivery of cash transfer benefits and reduce these delays. In addition, the strong involvement from the National Pension and Insurance Fund managed by the Management and Deposit Fund (CDG/CNRA) and CNSS will allow to meet the relevant Environmental and Social (E&S) safeguards requirements and the achievement of PBC 1. Furthermore, the Technical Commission for the Social Protection Reform will facilitate the implementation of the parent project and the AF and the achievement of all PBCs proposed under this operation.

9. **Component 1 (US\$165 million, of which US\$5 million allocated to the first PBC 1<sup>4</sup>)** supported the ECTs that Morocco made in response to the COVID-19 pandemic. Under the TADAMON program, the GoM provided 5.5 million households who derived their income primarily from the informal sector with three waves of emergency transfers between April and July 2020. The benefit amount of each wave ranged from MAD 800 (around US\$82 at the time) to MAD 1,200 (about US\$124), depending on the size of the family. This component provided retroactive financing of US\$160 million to cover 1 million households. It also aimed to improve the Grievance Redress Mechanism (GRM) system by conducting an IBM survey to help improve the

<sup>4</sup> The achievement of PBC 1 included publishing and disclosing a process evaluation report of the implementation of the ECT, including results of the Social Impact Assessment, audit recommendations, and an action plan to improve the cash transfer programs. Funds under component 2 will only be disbursed once the SIA is prepared, published, and implemented.





implementation of future programs – associated with PBC 1. This PBC has yet to be achieved, and the MEF, the MENPS, and the Ministry of Solidarity, Social Integration and Family (MSSIF) are conducting beneficiaries' consultation and quantitative surveys to collect information and feedback on the implementation of existing social protection programs. The implementation assessment that will follow will provide recommendations for the design and implementation of the FA program.

**10. Component 2 (US\$189.25 million, of which US\$4.25 million allocated to PBC 2<sup>5</sup> and US\$20 million to PBC 3<sup>6</sup>)** provided direct financing of the existing conditional cash transfer program Tayssir to ensure its continuity and the mitigation of COVID-19 impacts on families with children – with a total of US\$165 million. It also supported the adoption of specific temporary design modifications of the Tayssir program for Morocco's school year 2020/2021 through PBC 2 – to suspend the conditionality related to school attendance during the pandemic. It also allowed for the preparation and publication of the evaluation of the program through PBC 3. Moreover, the Social Impact Assessment (SIA) of the Tayssir program, which was prepared as part of the project, contributed to identifying and mitigating the risks of exclusion and delays in the delivery of benefits. Based on this report, the GoM prepared an action plan to improve the country's most critical program, including its GRM system. Furthermore, the MEF and the MENPS introduced several governance and technical changes to harmonize the Tayssir and DAAM cash transfer programs and prepare the design and implementation of the integrated FA program. A new partnership agreement was signed between the MENPS, the MEF, and the CDG/CNRA on July 22, 2022. With this agreement, the CDG/CNRA now manages the monetary transfers of both Tayssir and DAAM. Important innovations to ensure that beneficiaries receive their payments easily and on time have been introduced.

**11. Component 3 (US\$45 million allocated to PBCs 4<sup>7</sup>, 5<sup>8</sup>, 6<sup>9</sup>, 7<sup>10</sup>, 8<sup>11</sup> and 9<sup>12</sup>)** supports building the foundation for a modern and efficient social protection system that would promote the resilience of the poor and vulnerable and response to shocks. **PBCs 4-6** focus on the design of the FA program as well as on improving the quality, implementation, Monitoring and Evaluation (M&E), and oversight of the Tayssir program. **PBC 4** (US\$10 million) supports the FA design and implementation plan to be approved by the MEF; **PBC 5** (US\$10 million) finances the design and launch of an awareness and communication campaign for the FA program; **PBC 6** (US\$10 million) contributes to the establishment of an operational manual for the FA program; **PBC 8** (US\$5 million) finances the digitalization of payments for all cash transfer programs; while **PBC 9** (US\$5 million) supports accompanying measures for early childhood development and economic inclusion that target the

<sup>5</sup> The achievement of PBC 2 requires the adoption of specific temporary design modifications of the Tayssir Program for the school year 2020-2021 under the terms and conditions described in the Verification Protocol.

<sup>6</sup> The achievement of PBC 3 included the preparation and the publication of two (2) annual reports on the M&E of the Tayssir Program under terms of reference as further described in the Verification Protocol: (a) an annual report in a given year; and (b) an annual report in a subsequent year.

<sup>7</sup> The achievement of PBC 4 requires the approval of a technical report on the design and implementation plan of the FA program by the MEF, all under terms and conditions described in the Verification Protocol.

<sup>8</sup> The achievement of PBC 5 entails designing and launching an outreach and communication campaign on the FA program, all under terms and conditions established in the Verification Protocol.

<sup>9</sup> The achievement of PBC 6 relies on the preparation and adoption of the operational manual of the FA program, including the procedures of the GRM system, under terms and conditions described in the Verification Protocol.

<sup>10</sup> The achievement of PBC 7 requires the approval by the Inter-ministerial Steering and Governance Committee for Social Protection of a technical report on the strategy and action plan for harmonized institutional arrangements governing GoM's social assistance programs.

<sup>11</sup> The achievement of PBC 8 involves the approval by the Borrower's Strategic Committee of the National Strategy on Financial Inclusion of the roadmap for the digitalization of payments under the GoM's social assistance programs.

<sup>12</sup> The achievement of PBC 9 includes the approval by the Borrower's Inter-ministerial Steering and Governance Committee for Social Protection of a feasibility study on the strengthening and the harmonization of the GoM's social assistance system with accompanying measures to enhance human capital development and productive and economic inclusion, all under terms and conditions established in the Verification Protocol.



poor and vulnerable. Progress on this component includes an approved and published law announcing the strategy of the social protection reform in April 2021, which included the introduction of the FA program. The implementation of the FA program is expected to start at the end of 2023.

12. **Component 4 is a contingency emergency response of US\$0** included to allow Morocco to respond to shocks.

13. **The main lessons learned are emerging from the parent project implementation.** The implementation of the parent project highlighted several challenges associated with the impact evaluation of the TADAMON program to be carried out to improve the current cash transfers programs and offer recommendations to design the FA program. It also shed some light on the implementation challenges related to the payment system of the Tayssir program, the identification of its beneficiaries, their enrolment, and timely payments. The AF adjustments proposed by the GoM stemmed directly from the lessons learned during the implementation of the parent project and the willingness to address these issues by introducing changes to institutional arrangements to improve coordination between all project stakeholders and to capitalize on the management and steering bodies created for the design and implementation of the social protection reform.

#### **E. Rationale for Additional Financing and Restructuring**

14. **This AF will support two key aspects of the social protection reform.** The first relates to the transition from the existing social protection system to the integrated system anchored by the FA program. The second is the implementation of AMO-TADAMON to ensure poor and vulnerable households are protected against health-related financial risks and can access care when needed.

15. **Ensuring a seamless transition from existing cash transfer programs into the new FA program is imperative.** Given the importance of these programs to the welfare and resilience of households, guaranteeing continuity of program benefits will be essential to a successful transition and the digitalization of payments and Management Information System (MIS). The government is keen on ensuring that the progress made in digitizing payments is maintained and further leveraged by the FA program. Moreover, the GoM, through the CDG/CNRA, has already begun implementing a process to digitalize Tayssir payments. However, more support is needed to ensure that all beneficiaries of both Tayssir and DAAM can receive their transfers digitally and on time, including the period of the transition between these programs and the FA.

16. **Moreover, support is also needed for the implementation of AMO-TADAMON – a key pillar for protecting households against health risks, which are expected to be exacerbated by the impacts of climate change.** AMO-TADAMON plays an important role in protecting children, women, persons with disabilities and households living in rural and/or remote areas who are also particularly vulnerable to climate-related risks. Effective implementation will rely on two key pillars: (i) improving the identification and targeting of the poor and vulnerable so they can benefit from AMO-TADAMON; and (ii) ensuring that the system is adequately prepared to manage the transitions of households between AMO-TADAMON and the two other pillars of AMO. These enhancements will entail support to identify, reach and enroll entire households with a focus on women, children, elderly and persons with disabilities. It will be critical to ensure financial sustainability, continuity of insurance coverage, inclusive eligibility criteria, and exit strategies.



17. **The transition to an integrated social protection system will rely on the effective roll-out of the SR.** The development and implementation of the SR is supported by the *Identity and Targeting for Social Protection Project* (P155198). Following the National Population Registry (NPR) revised architecture, GoM considered creating an integrated NPR-SR system that uses shared infrastructure and services to save cost and enhance the functionality, integrity, separation, and data protection of the NPR and the SR. The NPR and the SR are already implemented in all regions. Enrollment in the SR can be completed online via the web portal ([www.rsu.ma](http://www.rsu.ma)) or at one of the 1500 Citizen Service Centers. Yet, enrolling in the NPR and obtaining a digital, civil and social identity number is a prerequisite to enroll in the SR. In addition, the WB supported the social protection reform through the Strengthening Human Capital for Resilient Morocco Development Project Financing (DPF) (P176937). This reform aims to strengthen the coverage and effectiveness of health insurance and cash transfer programs in Morocco. The reform process started with expansion of AMO to non-salaried workers and the transition from RAMED to AMO-TADAMON. AMO-TADAMON is the first social protection program to use the SR and its targeting system. While this will make it more effective in reaching the poorest, it will be important to closely monitor implementation and build in a mechanism that allows to evaluate targeting performance and inform modifications along the way. The DAAM program also recently adopted the SR as a targeting method. A transition is underway so that beneficiaries are supported to register for the NPR and the SR to continue to be eligible for DAAM.

#### F. Alignment with objectives of the Country Partnership Framework (CPF)

18. **The scaled up and restructured project remains aligned with the strategic objectives of the WBG, its response to the COVID-19 pandemic and ensuing downturn and Morocco’s CPF (2019-2024) (Report No. 131039-MA) that was discussed by the Board of Executive Directors on February 19, 2019.** More specifically it is aligned with the CPF’s second area of strategic focus “strengthening human capital<sup>13</sup>” and one of its two cross-cutting themes, “digitalization.” The AF activities provide cash transfers as well as direct support to protect and promote human capital. They also strengthen the national social protection system to respond to future crises. A Progress and Learning Review of the CPF is being readied to be distributed to the Board before end FY23; the focus on human capital development and the support for social protection reforms is maintained. The AF is also aligned with the Middle East and North Africa enlarged strategy, contributing to strengthening resilience to shocks, renewing the social contract, and human capital. This scaled-up operation will support increased access to social protection programs for the poor and vulnerable with a specific focus on the design of cash transfer programs with accompanying measures for mothers of young children, persons with disabilities and beneficiaries living in rural and remote areas. In addition, the proposed activities aim to increase the coverage of health insurance by protecting the most poor and vulnerable.

#### G. Alignment with the WBG Global Crisis Response Framework (GCRF)

19. **The proposed AF is aligned with the WBG GCRF<sup>14</sup>** by responding to three of the four GCRF pillars, Pillar 2, Protecting People and Preserving Jobs, by fostering gender equality, Pillar 3, Strengthening Resilience, through adaptive social protection systems, and Pillar 4, Strengthening policies, institutions and investments for rebuilding better, through institutional strengthening, capacity building and digital development.

<sup>13</sup> The CPF is structured around three strategic focus areas: (A) Promoting Job Creation by the Private Sector; (B) Strengthening Human Capital; and (C) Promoting Inclusive and Resilient Territorial Development. It also includes governance and citizen engagement as its foundational pillar and integrates two cross-cutting themes on gender and digital technology.

<sup>14</sup> Link to the report *Navigating Multiple Crises, Staying the Course on Long-term Development: The WBG’s Response to the Crises Affecting Developing Countries*.



## II. DESCRIPTION OF ADDITIONAL FINANCING

20. **Since project effectiveness, the commitment of the GoM to achieve the project's objective continued unabated.** The GoM has made important headway in strengthening its cash transfer programs for the poor and vulnerable, and in the digitalization and the timeliness of payments. Yet, making the transition from Tayssir and DAAM to the new FA programs will require further support and additional financial resources. Moreover, there is a need to capitalize on the NPR and the SR as the entry point for all social protection will improve the targeting and efficiency of the existing social protection programs, an important lever for the generalization of the FA. Furthermore, linking social protection reforms to key human capital outcomes is paramount to the enhancement of the country's current capital index, despite notable improvements in education and health outcomes, there is still room for improvements. Therefore, the generalization of health insurance is a step forward in achieving inclusive, non-contributory social protection for the poor and vulnerable, including women, children, and people with disabilities. Such generalization and coverage expansion will require significant financial resources.

21. The proposed AF will provide part of the additional funds to allow Morocco to build a strong foundation for the transition to the FA program and implement the AMO-TADAMON to guarantee improved access to health care and better protect the poor and vulnerable households.

22. **The proposed changes to be introduced by the scale-up operation and its restructuring will entail the following:**

- **PDO:** revising the PDO to read, "Mitigate the negative impacts of the COVID-19 crisis, strengthen cash transfer programs and support the transition toward the new social protection system for poor and vulnerable households." This modification broadens the objective in response to the scaled-up project, which now supports more programs and a wider range of activities.
- **Closing date:** extending the current closing date of the parent project by 30 months from December 31, 2023, to June 30, 2026, to ensure the successful implementation of the activities of the scaled-up operation.
- **Project Components:** amending the components and cost by expanding Component 2 activities to provide additional support to cash transfer programs, adding a new activity to enhance the MIS of social protection programs under Component 3, and introducing a new Component 4 to accompany the first phase of AMO-TADAMON implementation.
- **PBCs:** revising and simplifying Component 3 PBCs by merging PBCs 4 and #7 into a new PBC 6 and deleting PBC 9, and introducing two new PBCs 4 and 5 under Component 2, one new PBC 10 under Component 3 and four new PBCs 11, 12, 13 and 14 under Component 4.
- **RF:** revisiting the RF to add one PDO level results indicator, revise one PDO level results indicator, amend one intermediate indicator, add two intermediate indicators, and eliminate five.
- **Implementation arrangements:** adjusting the implementation arrangements to include the main stakeholders involved in the implementation of Tayssir, DAAM, AMO-TADAMON and the overall social protection reform, namely the Ministry of Interior (Moi), the CNSS, the MSSIF, the MENSF, and the CDG/CNRA. Their respective roles and responsibilities are clarified in Figure 2.
- **Procurement arrangements:** including procurement arrangements to procure goods and provide



advisory services to conceptualize and develop the MIS for social assistance programs.

- **EEPs:** Funds allocated to PBCs are expected to be disbursed against Tayssir, DAAM and AMO-TADAMON expenditures.

23. **The MEF - Budget Directorate (MEF-BD) will also coordinate with other stakeholders responsible for the implementation of Tayssir, DAAM and AMO-TADAMON.** The proposed revisions to the institutional arrangements stem from the need to include implementing ministries/agencies in the overall management of the project, namely the Mol, which manages the registration of the AMO-TADAMON beneficiaries, the CNSS, which manages the AMO, the MSSIF which manages DAAM, the MENPS which manages Tayssir, and the CDG/CNRA which is responsible for the management of Tayssir and DAAM payments.

24. Table 1 below summarizes the proposed changes to the initial operation cost and components.

**Adjusted Components and Costs**

**Table 1– Components and Cost of the Parent Project and the AF**

Component Name	Parent Project (US\$ million)	Proposed AF (US\$ million)	Total (US\$ million)
<b>Component 1:</b> ECTs in response to COVID-19	165.00	0.00	165.00
<b>Component 2:</b> Cash transfer program for recovery and for protecting human capital <b>renamed to</b> Improve and modernize cash transfer programs to protect human capital	189.25	120.00	309.25
<b>Component 3:</b> Enhanced cash transfer programs for resilience <b>renamed to</b> Enhanced cash transfer and social programs for resilience	45.00	23.125	68.125
<b>New Component 4:</b> Protect the poor and vulnerable against health risks	0.00	206.00	206.00
<b>Component 5:</b> Contingency emergency response	0.00	0.00	0.00
<b>TOTAL</b>	<b>399.25</b>	<b>349.125</b>	<b>748.375</b>

**Component 1 – ECTs in response to COVID-19 (US\$165 million)**

25. **Component 1 has supported the ECT made through the “Tadamon” program in March, April, and July 2020 to mitigate the impact of the strict confinement policy on informal workers and their families.** This component will remain unchanged. The ex-post evaluation expected under this component will be conducted during the first half of 2023 to draw lessons from the temporary ECT and support the design of the FA program.

**Component 2 – Improve and modernize cash transfer programs to protect human capital (US\$309.25 million, including an additional US\$120 million)**

26. **Component 2 will continue to support and finance conditional cash transfer programs to support recovery from recent shocks and protection, and development of human capital going forward.** This component will provide direct financing for Tayssir and DAAM transfers up to US\$100 million. In doing so, it aims to ensure that poor households, especially in rural areas, women-headed households and households



with persons with disabilities, will continue to receive the financial assistance needed to maintain their level of consumption, have access to adequate health care and basic services, and protect their food security and the human capital of their children. The implementation of all cash transfers will gradually adopt the new NPR and SR identification and targeting tools. The SR targeting model uses two formulas: one for urban areas and one for rural areas. This approach accounts for the factors that influence the standard of living and overall conditions of households in rural areas. In addition, the NPR digital ID and the cash transfer programs' digital management system will facilitate access to benefits to the poor and vulnerable to climate shocks as 75 percent of the poor live in rural areas. Furthermore, the NPR will provide reliable information on the citizen residential location and the SR will allow to frequently update the information on household welfare and living conditions and reassess their eligibility to cash transfer programs. This would allow to identify and target households impacted by climate-related events in a timely manner. The selection process, among other criteria, includes a location identifier (linked to area code) and allows to identify vulnerable populations in need of social protection due to adverse climatic conditions. Cash transfer programs are an effective way to increase resilience by substituting for income lost from climate-related events or helping vulnerable households to cope with immediate climate risks, especially the risks for children. Additionally, cash transfer programs are important in building longer-term resilience when they are linked to education services and human development measures, improve educational outcomes for children in vulnerable households and help to increase the economic prospects of recipients, therefore building resilience to adverse climate impacts. Preparing the children for school during climate shocks puts a dent in the budget of low-income households. Children in remote rural areas are especially negatively affected because their commute to schools is longer than in urban locations. Social protection programs assist children, orphans and widows, improve school attendance rates and respond to climate shocks. Moreover, cash transfers would support vulnerable households in rural areas to recover from the effects of the drought of 2022 which negatively affected their income. The additional resources allocated to this component will also finance cash transfer programs upon the achievement of two new PBCs 4 and 5 (US\$20 million).

**27. This component will finance cash transfer programs upon the achievement of the new PBC 4 (US\$10 million).** This PBC 4 will strengthen the M&E of DAAM through the preparation and publication of an annual report. The aim is to improve coverage and protection of poor and vulnerable female-headed households and support the human capital development of their children. Similar to PBC 3 under the parent project covering Tayssir, this assessment will allow to draw key lessons that would inform the design of the FA program. In 2020, 16.7 percent of households were female-headed households<sup>15</sup>, among which 42.6 percent were unmarried women with children (divorced, widow). While widows represent the majority of female-headed households, 45 percent are divorced women or other profiles. The expected M&E work could lead to recommendations on the expansion of coverage to a broader range of beneficiaries and how the ongoing social protection reform could effectively reach vulnerable caregivers. More precisely, it would: (i) explore criteria to provide support to pregnant women; (ii) explore different types of support (childcare support, mobility aid); and (iii) evaluate the change of the limitation of three children. These various assessments will also support the inclusion of persons with disabilities in the FA program. This could lead to eventually introducing conditionalities or accompanying measures linked to medical visits, screening, and education services.

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<sup>15</sup> Haut-Commissariat au Plan (*Enquête nationale sur l'emploi*).



28. **This component will also finance cash transfer programs upon the achievement of the new PBC 5 (US\$10 million).** The PBC 5 will simplify the application and recertification process of DAAM through a paperless system. Unlike Tayssir, the identification and enrollment process for DAAM is still paper-based. The widows are required to provide an application form and at least 7 supporting documents confirming the socio-economic situation of the household, the schooling attendance, and the health status (children with disabilities or not) of their children. Beneficiaries need to provide a certificate of school attendance and a valid RAMED card each school year. The process involves several stakeholders at the local and central levels.

**Component 3 – Enhanced Cash Transfer and social programs for resilience (US\$68.125 million, including an additional US\$23.125 million)**

29. **Component 3 will continue to support the design of the FA program and promote the linkage of cash transfers with social assistance services for human capital development and socio-economic inclusion.** The component will support the GoM's plan to launch the implementation of the FA program during the fourth quarter of 2023. It will also support the design and implementation of an efficient MIS of social assistance programs to link the FA program beneficiaries to accompanying measures.

30. **PBC 6 (merged, US\$15 million).** The parent project PBCs 4 and 7 will be merged into a new PBC 6. It will finance cash transfer programs upon the preparation of a technical report on the key design features of the new FA program and the implementation plan for its rollout and harmonize existing social services that would strengthen its impact.

31. **The AF will introduce a new activity (US\$13.125 million)** to finance the acquisition of goods and the provision of advisory services to support the design and implementation of the FA program. The activities to be carried out include the development and implementation of an integrated MIS for social assistance programs to support the implementation of an inclusive social protection system and an adaptive FA program. The activities to be carried out will entail designing and implementing the Disability Evaluation System (DES) which is part of the national reform and sectoral vision of the MSSIF. The new **PBC 10 (US\$10 million)** will contribute to achieving this objective by developing the necessary operational and legal framework and enabling the coordinated implementation of the new DES, a cornerstone in social protection reform.

32. **This component will also support the digital transformation of social assistance programs** to (i) ensure better beneficiary identification; (ii) facilitate the exchange of dynamic data to better serve the beneficiaries in a more efficient manner; and (iii) improve delivery of social services in a coherent manner that is adapted to the needs of the beneficiaries. It will finance all, or part of, the investments related to (i) services needed for the design and implementation of the Information Technology systems and (ii) capacity-building activities, change management accompanying the stakeholders, and communication with beneficiaries and among stakeholders. This activity might also leverage existing GoM's efforts and finance the digital transformation of social benefit systems for persons with disabilities.

33. **This component will ensure the protection of personal data**, with attention being given to ensuring that the country's legal regime is respected and that appropriate measures are integrated from the point of design into component activities as defaults. Data sharing arrangements will be established through appropriate



legal instruments in the operationalization of the G2G interoperability platform, and appropriate capacity-building and awareness-raising exercises will be undertaken. Notably, while connected systems will be rendered interoperable, they will be supported and protected through appropriate system and security controls, maintain their own identities, and not be integrated into each other, and benefit from their own independent administrative oversight. Particular focus will be given to taking a human-centered design approach wherever beneficiaries are directly engaged.

#### **Component 4 – Protect the poor and vulnerable against health risks (US\$206 million)**

**34. The new Component 4 will finance the implementation of AMO-TADAMON related to the health insurance contribution that the government pays on behalf of poor and vulnerable strata.** About 60 percent of the overall disease burden in Morocco is set to be aggravated by the impact of climate change.<sup>16</sup> The elderly, children, the chronically ill, the socially isolated and at-risk occupational groups are particularly vulnerable to heat-related conditions. Infants are vulnerable to health conditions which will be exacerbated by climate change, such as diarrheal diseases, and elderly and elderly people and people with cardiovascular diseases are vulnerable to heat waves, the mortality burden of which is expected to increase by over ten times.<sup>17</sup> Climate-linked conditions that currently cause the largest deaths and are expected to become worse include ischemic heart disease, strokes, hypertensive heart disease, chronic kidney disease, diabetes, lower respiratory infections, COPD, and lung cancer.<sup>18</sup> Therefore, activity under this component aims to both protect the poor and vulnerable against catastrophic health expenditures and out-of-pocket payments as well as helping their adaptation to the heightened health risks caused by climate change.

**35. This component will directly support AMO-TADAMON expenditures related to the insurance contribution that the government pays on behalf of the poor and vulnerable, with a total of US\$150 million.** It is worth noting that the AMO-TADAMON program stands out for its NPR and SR identification and targeting features<sup>19</sup>, which enable more accurate identification of vulnerable populations, particularly those in remote rural areas and disproportionately impacted by climate change. To achieve this, the PMT targeting model uses two formulas: one for urban areas and one for rural areas. This approach considers the factors that influence the standard of living and overall conditions and vulnerabilities of households in rural areas. Furthermore, the household data can be updated periodically via the interoperability platform, which allows for better tracking of economic and climate change-related shocks that affect the welfare of rural households. Through these tools, the program aims to enhance the resilience and reduce the fragility of households in rural areas by improving the coverage of these populations against health risks. To further strengthen this crucial program, the component will have four new PBCs.

**36. This component will finance AMO-TADAMON upon the achievement of the new PBC 11 (US\$10 million).** This PBC will support the establishment of a simplified and accessible enrollment system for poor and vulnerable households and facilitate enrollment of households most affected by climate change-induced health risks. This PBC will support the development and implementation of a multichannel registration

<sup>16</sup> IHME Global Burden of Disease data, 2019. This includes: nutritional deficiencies (1 percent); chronic respiratory diseases (3 percent); relevant cancers (8 percent); neglected tropical diseases and malaria (0.25 percent); sense organ diseases and other non-communicable diseases (10 percent); skin diseases (1 percent); respiratory infections and tuberculosis (4 percent); cardiovascular diseases (26 percent); and diabetes and kidney diseases (6 percent).

<sup>17</sup> World Health Organization, 2015. Climate and Health Country Profile for Morocco. <https://www.who.int/publications/i/item/WHO-FWC-PHE-EPE-15.10>

<sup>18</sup> <https://www.healthdata.org/morocco>

<sup>19</sup> Supported by Identity and Targeting for Social Protection Project (P155198).





system, which will provide the beneficiaries with the choice to be registered either at one of more than 1500 Citizen Service Centers or through the online platform. This people-centered enrollment system will also improve access to health insurance. This enrollment process allows to capitalize on these multi-service centers already deployed at the local level by the MoI – an important feature of outreach and accessibility of the Moroccan social protection system design. Furthermore, the use of the digital platform allows to reduce journeys and the cost of transport for beneficiaries, especially those living in remote rural areas. In addition, this new registration system will also improve access for people with disability, households with additional vulnerabilities and those living in remote areas. In summary, the system will improve accessibility and provide savings in CO2 emissions compared to a process in which beneficiaries need to make long trips to be enrolled in the program.

**37. This component will also finance AMO-TADAMON upon the achievement of the new PBC 12 (US\$26 million).** This proposed new PBC and indicators (see RF) will support the government in ensuring that families are enrolled in their entirety, and more importantly women and children are covered by the AMO-TADAMON program with the following milestones:

- i. PBC 12.1 (new, US\$10 million): 2.5 million individuals (principal insured and dependents) are covered, out of which 35 percent female.
- ii. PBC 12.2 (new, US\$8 million): 4 million individuals (principal insured and dependents) are covered, out of which 40 percent are female.
- iii. PBC 12.3 (new, US\$8 million): 6 million individuals (principal insured and dependents) are covered, out of which 45 percent are female.

**38. The progress will be achieved through improved identification and targeting of poor and especially climate vulnerable families** as 75 percent of the poor live in rural areas. The improvement of the coverage of poor and vulnerable families is expected to improve the population’s health status and alleviate poverty due to an expected reduction in out-of-pocket expenditures. Thus, the well-targeted AMO-TADAMON<sup>20</sup> will increase resilience against climate-related events.

**39. This component will finance AMO-TADAMON upon the achievement of the new PBC 13 (US\$10 million).** It will contribute to developing Morocco’s recertification strategy for the AMO-TADAMON program that defines important program features such as the minimum duration of insurance coverage, exclusion criteria for households exiting the insurance program and moving towards other insurance regimes. The recertification strategy also protects households from potential coverage volatility, by considering transitions between AMO-TADAMON and AMO-TNS. The PBC will support an evaluation and economic analysis of the impact and cost-effectiveness of the program parameters, allowing Morocco to make informed decisions about AMO-TADAMON design and implementation. This activity will make it possible to provide recommendations for an inclusive system for vulnerable households and in particular those very close to the threshold and with a volatile income often impacted by climatic conditions (drought, for instance). The recommendations will also take into consideration the sustainability of the program and the fiscal space available. This activity will help the GoM to ensure complementarity with the AMO-TNS and thus contribute to the goal of universal coverage of health insurance through an adaptive and sustainable system.

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<sup>20</sup> The AMO-TADAMON is the first social protection program to use the SR and its targeting system.



40. **PBC 14 (new, US\$10 million).** This PBC will enable the introduction of categorical inclusion criteria not included in the SR targeting formula. This will allow including specific vulnerable groups, like persons with disabilities or elderly people without support. These categories have more difficult access to contributory health insurance schemes given the greater obstacles to accessing jobs opportunities. They are also more vulnerable to climate shocks which lead to loss of opportunities and income, particularly in rural areas. This activity will build on the social impact evaluation of AMO-TADAMON and may capitalize on the DES to be implemented under component 3.

**Component 5 – Contingent Emergency Response, CERC (US\$0)**

41. **This component will remain available to provide immediate response to an eligible crisis or emergency, as needed.** It will allow Morocco to request the WB for a rapid allocation of project funds to the CERC to respond promptly and effectively to an eligible emergency or crisis. If the requirements for activation are met, WB will reallocate resources from the disbursement categories of the project to the CERC category to finance eligible expenditures for the emergency response. Expenditures will be evaluated and reviewed to determine if they are acceptable to the WB prior to disbursement.

**Table 2– Updated list of PBCs (US\$160.25 million)**

Description	Status	Parent project	AF	Total
<b>Component 1 – ECT in response to COVID-19</b>				
<b>PBC 1:</b> A process evaluation report of the implementation of the ECT, including results of the SIA, audit recommendations and an action plan to improve the cash transfer programs, has been prepared and published.	<i>Unchanged</i>	5	0	5
<b>Component 2 – Improve and modernize cash transfer programs to protect human capital</b>				
<b>PBC 2:</b> Specific temporary design modifications of the Tayssir Program for the Borrower’s school year 2020-2021 have been adopted under terms and conditions described in the Verification Protocol.	<i>Unchanged Disbursed</i>	4.25	0	4.25
<b>PBC 3:</b> The Borrower has prepared and published two (2) annual reports on the M&E of the Tayssir Program under terms of reference as further described in the Verification Protocol: (a) Annual report in a given year (b) Annual report in a subsequent year.	<i>Unchanged Partially Disbursed</i>	10 10	0	20
<b>PBC 4:</b> The Borrower has prepared and published one (1) annual report on the M&E of the DAAM Program under terms of reference as further described in the Verification Protocol.	New	0	10	10
<b>PBC 5:</b> The Borrower has simplified the application and recertification process for women-headed households to benefit from DAAM cash transfer programs, by reducing paper-based requirements from the current 9 documents to 2.	New	0	10	10
<b>Component 3 – Enhanced cash transfer and social programs for resilience</b>				
<b>PBC 6:</b> A technical report on the harmonization of the borrower’s social assistance programs and the design and implementation plan of the FA program, approved by the Project Steering Committee (PSC).	Merged Previously PBC 4 and 7	10 + 5	-	15
<b>PBC 7:</b> An outreach and communication campaign on the FA program has	Unchanged	10	0	10



Description	Status	Parent project	AF	Total
been designed and launched, all under terms and conditions established in the Verification Protocol.	Previously PBC 5			
<b>PBC 8:</b> The Borrower has prepared and adopted the operational manual of the FA program, including the procedures of the GRM system, under terms and conditions described in the verification protocol.	Unchanged Previously PBC 6	10	0	10
<i>[The roadmap for the digitalization of payments under the Borrower's social assistance programs has been approved by the Borrower's Strategic Committee of the National Strategy on Financial Inclusion.]</i>	Deleted Previously PBC 8	0	0	0
<b>PBC 9:</b> A feasibility study on the strengthening and the harmonization of the Borrower's social assistance system with accompanying measures to enhance human capital development and productive and economic inclusion has been approved by the PSC, all under terms and conditions established in the verification protocol.	Revised Previously PBC 9	5+5	0	10
<b>PBC 10:</b> The Borrower has prepared and published a government decision for the implementation of the disability evaluation system and setting forth the conditions and the procedure for providing the disability card.	New	-	10	10
<b>Component 4 – Protect the poor and vulnerable against health risks</b>				
<b>PBC 11:</b> The Borrower has designed and implemented a multi-channel registration for AMO-TADAMON through both civil and social centers, and online platform.	New	-	10	10
<b>PBC 12:</b> Vulnerable families are covered by the AMO-TADAMON program as follows:				
<i><b>PBC 12.1:</b> 2.5 million individuals (principal insured and dependents) are covered, out of which 35 percent female.</i>			10	
<i><b>PBC 12.2:</b> 4 million individuals (principal insured and dependents) are covered, out of which 40 percent are female.</i>	New	-	8	26
<i><b>PBC 12.3:</b> 6 million individuals (principal insured and dependents) are covered, out of which 45 percent are female.</i>			8	
<b>PBC 13:</b> A recertification strategy for the AMO-TADAMON program has been developed and approved by the PSC.	New	-	10	10
<b>PBC 14:</b> The inclusion criteria for greater inclusion of selected vulnerable groups in the AMO-TADAMON program have been approved by the PSC	New	-	10	10
<b>Total</b>		<b>74.25</b>	<b>86</b>	<b>160.25</b>

### Project Beneficiaries

42. The AF will expand the current parent project's beneficiaries to include the beneficiaries of Tayssir, DAAM, and AMO-TADAOMON:

- **Tayssir program's beneficiaries:** The target population consists of vulnerable households with children enrolled in primary and secondary schools. In the academic year 2020/2021, the program benefitted 2,290,752 children from 1,546,651 households<sup>21</sup>. The AF aims to cover 450,000 children receiving Tayssir benefits.

<sup>21</sup> Ministry of National Education, Preschool and Sports, annual report of the Tayssir program for the school year 2020-2021.



- **DAAM program’s beneficiaries:** The program covers 93,022 widows and 158,043 orphans. The AF will support this program by covering 100,000 orphans.
- **AMO-TADAMON program’s beneficiaries:** Beneficiaries are targeted through the SR with an eligibility threshold set at about 27.5 percent of the population. The AF target that the AMO TADAMON will cover 6,000,000 beneficiaries of which 45 percent are women and 5 percent are persons with disabilities.

43. In addition, the AF will also cover persons with disabilities through the implementation of a disability assessment system that will facilitate identification and access to services. This system aims to reach all persons with disabilities in Morocco (about 2.6 million).

Results Chain

Figure 1: Results Chain

	Activities	Output	Outcome	Long term outcome	Result
<b>Component 1</b> Emergency cash transfers (ECT)	<ul style="list-style-type: none"> <li>• Finance ECT in response to COVID-10</li> <li>• Evaluate the process of the ECT</li> </ul>	Number of informal household heads that receive cash support	Families smoothen consumption and retain welfare	Mitigated impact of COVID-19 on spending and savings	<b>A modern social protection system for more resilient poor and vulnerable households</b>
<b>Component 2</b> Modernize CT programs to protect human capital	<ul style="list-style-type: none"> <li>• Finance and support Tayssir and DAAM</li> <li>• Monitor and evaluate the implementation of DAAM</li> <li>• Simplify the application and eligibility processes for CT programs</li> </ul>	<ul style="list-style-type: none"> <li>• Number of children that receive CT, incl. girls</li> <li>• Recommendations on coverage expansion</li> <li>• Reduction of paper-based requirements</li> </ul>	<ul style="list-style-type: none"> <li>Households smoothen consumption</li> <li>Children continue to be enrolled in school</li> <li>Programs reach the right people</li> </ul>		
<b>Component 3</b> Strengthen the social protection system	<ul style="list-style-type: none"> <li>• Design &amp; plan for the expanded FA</li> <li>• Modernize CT payments</li> <li>• Study the feasibility of Cash+ programs (ECD &amp; Pi)</li> <li>• Implement a coherent IT system for CT programs</li> <li>• Support legal framework to help PWD</li> </ul>	<ul style="list-style-type: none"> <li>• FA is launched with appropriate communication &amp; operations manual</li> <li>• Digital payments fully operational</li> <li>• Modern IT system to support persons with disabilities</li> </ul>	<ul style="list-style-type: none"> <li>All eligible families with enroll in FA</li> <li>Beneficiaries of CTs served efficiently</li> </ul>	Improved efficiency, accountability & cohesion of CT program	
<b>Component 4</b> Protect the poor & vulnerable against health risks	<ul style="list-style-type: none"> <li>• Simplify and make accessible enrollment into AMO-TADAMON</li> <li>• Identify and enroll households, esp. women</li> <li>• Develop a recertification plan</li> <li>• Support the inclusion of vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>• Multi-window registration system implemented</li> <li>• Millions of individuals covered</li> <li>• Recertification plan approved</li> <li>• Plan is approved on inclusion of vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>Households are insured against health risks</li> <li>Vulnerable groups are insured against health risks</li> </ul>	Improved resilience of beneficiaries	

Institutional and Implementation Arrangements

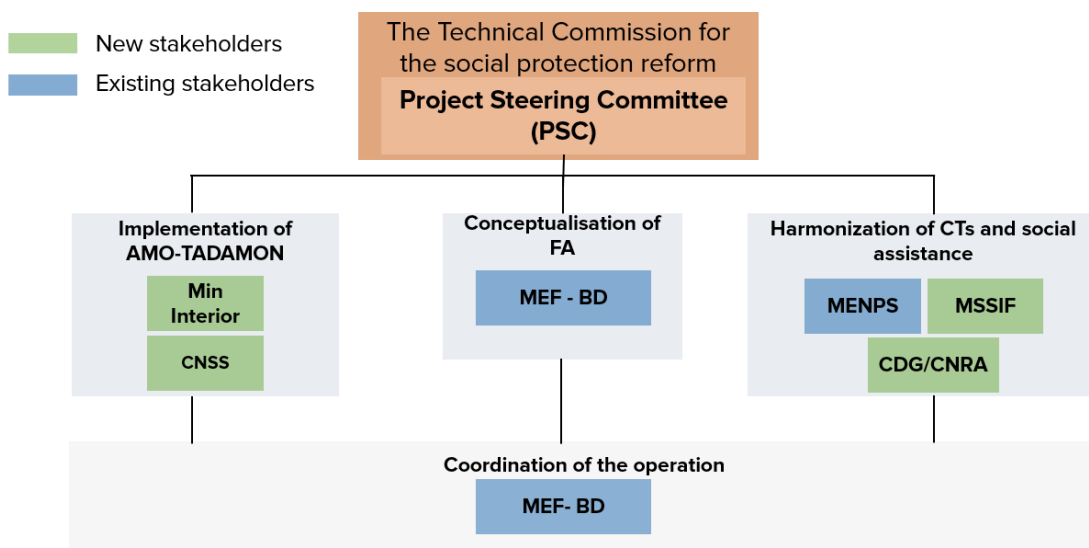
44. The current parent project institutional arrangements will be revised (Figure 2). The MEF-BD will remain responsible for all fiduciary aspects and daily management of the project as well as M&E. The MEF-BD will also coordinate closely with other stakeholders responsible for the implementation of Tayssir, DAAM and AMO-TADAMON. The proposed revisions to the institutional arrangements stem from three reasons: (i) to guarantee the inclusion of key implementing ministries/agencies in the overall management of the project, namely the MoI, which manages the registration of the AMO-TADAMON beneficiaries, the CNSS, which manages the AMO, the MSSIF which manages DAAM, the MENPS which manages Tayssir, and the CDG/CNRA which is responsible for the management of Tayssir and DAAM payments; (ii) to ensure the participation and ownership of all stakeholders in the management and decision-making of the activities supported by the project; and (iii) to amend the provisions of the PSC.



45. **The PSC will be the Technical Commission chaired by the Minister Delegate in charge of Budget<sup>22</sup>, under the Inter-ministerial Commission chaired by the Chief of Government created to oversee and coordinate the social protection reform.** This new arrangement will better meet the Kingdom’s needs for the generalization of social protection, allow a better anchoring of the activities, and guarantee the sustainability of the project results. In addition, the implementation technical team will be formed and entrusted with the implementation of project components. The first technical team will be headed by the MEF-BD already responsible for the design of the FA program. The second technical team will be headed by the MoI as it manages the AMO-TADAMON beneficiary registration and eligibility. The third technical team will be responsible for the overall enhancement and harmonization of the cash transfer programs and the provision of social assistance, with membership of the MENPS, the MSSIF and the CDG/CNRA.

46. **The MEF-BD will be accountable for the M&E of the AF activities.** The MEF-BD will coordinate with the project implementation committees leading the different components to develop an M&E plan. The activities of the scaled-up project will be monitored on an ongoing basis to support achievement of the PDO. The MEF-BD will ensure frequent reporting with the WB and other donors/partners.

Figure 2: New Institutional Arrangements



### Promoting Gender Equality

47. **Morocco has made strong progress in closing gender gaps in access to education and healthcare, but female labor force participation remains a challenge<sup>23</sup>.** Around 80 percent of working-age women are out of the labor market and many of those who are working, especially in rural areas, are engaged in informal work. Hence, social protection coverage linked to formal sector work – including parental leave, coverage against work accidents and pension right accumulation – reaches only a few women. Many women are caught in a

<sup>22</sup> Article 6 of the decree n° 2.21.532 published in the Official Gazette No. 7043 BIS dated November 29, 2021.

<sup>23</sup> The share of women participating in the labor market (varying around 20 percent depending on the source), is significantly lower than the male labor force participation rate and has been decreasing in the past decade.



vicious cycle, hindering their ability to enter and advance within the formal, paid workforce and excluding them from other social benefits. In addition, the COVID-19 crisis has affected both women and men, albeit in different ways, and has the potential of aggravating gender inequalities in the long term. When well-designed and gender-sensitive, social protection is a key tool in addressing vulnerability and gender equality for long-term development outcomes and increased human capital. To support greater gender equity, the social protection reform may support women in several ways: (i) expanding cash transfer programs to more vulnerable women beyond widows; (ii) providing cash transfers linked to health and nutrition services to pregnant women; and (iii) facilitating linkages to other complementary services for men and women, boys and girls.

**48. Morocco aims to improve the economic inclusion of women.** It also aims to increase the participation of women in the labor market from 20 percent to 30 percent by the end of 2026. When designed well and accounting for the specificities of men and women, social protection systems can be an essential support for promoting gender equality and fostering the economic inclusion of women.

**49. The proposed AF aims to increase the resilience of vulnerable households and in particular women-headed households to climate change.** Component 2 will continue to support the education cash transfer program Tayssir. About 75 percent of Tayssir beneficiaries live in rural areas. By providing direct financial assistance to households in need, Tayssir helps improve access to essential goods and services such as food, healthcare, and education. Women and, in particular, widows with orphans covered by DAAM, often face greater economic and social barriers than men in accessing resources. By providing them with monthly financial assistance cash transfer programs can help to address these barriers and promote gender equality. In addition, women are often key actors in natural resource management and agriculture, which are critical sectors for climate change resilience. The evaluations of existing cash transfer programs supported by component 2 will provide recommendations in this respect for the design of the FA program supported by component 3.

### Persons with Disabilities

**50. The AF will put special emphasis on better assessing the needs of persons living with disabilities to improve their access to the social protection programs supported by the project.** While recent data is scarce, a survey from 2014 estimated that 6.8 percent of the population in Morocco<sup>24</sup> live with a disability, with the prevalence in rural areas being slightly higher than urban areas – but no significant difference between men and women. The survey shows that two-thirds of this group had not completed any level of formal education, compared to only 35 percent among persons without disabilities. Women with disabilities had significantly lower levels of education than. Moreover, about 87 percent of persons with disabilities were found to be out of the labor force in 2014. More generally, women are providing informal care within the family for children, persons with disabilities and older persons, which can put an additional burden on them and impact their ability to participate fully in other areas of life. As a result, AF activities can help to alleviate some of these challenges and create more equitable opportunities for women. In addition, by improving access to education, healthcare, and employment opportunities, these programs can empower women with disabilities and help them to fully participate in society. Moreover, social programs that provide resources and support to caregivers, including women, can help to reduce the workload on caregivers and allow them to better balance their caregiving responsibilities with other aspects of their lives. This, in turn, can lead to greater gender equity

<sup>24</sup> MSSIF Disability Survey, 2014.



within families and communities.

**51. During the AF preparation, the MSSIF and the WB organized a first consultation with associations working with persons with disabilities.** This helped to identify the main barriers that persons with disabilities are facing in access to social programs, notably cash transfers (Tayssir and DAAM) as well as their access to health coverage based on the implementation of RAMED. These discussions allowed to identify first steps for better inclusion of persons with disabilities. The project component 2 will provide recommendations for the design of the FA to ensure that interventions are accessible and address needs of persons with disabilities, including: (i) dedicated outreach efforts to target persons with disabilities, including outreach through organizations of persons with disabilities; and (ii) disability awareness trainings and booklets for program staff. The project component 3 will provide the GoM with additional support for the operationalization of the DES and the disability card. Under Component 4, the AF aims for persons with disabilities to represent 5 percent of beneficiaries of the AMO-TADAMON. Additional meaningful consultations will be organized during the project implementation to better consider the needs of persons with disabilities.

### **Addressing Climate Change and Climate Co-benefits**

**52. According to the Country Climate and Development Report published in 2022, Morocco is a Climate Change Hot Spot.** Since the 1960s, the country's mean annual temperature has increased 0.9°C, with an average increase of 0.2°C per decade – higher than the global average. Mean annual temperature is expected to increase by 1.1 to 3.5°C by 2060 with the projected rate of warming growing faster in the interior regions than in those closer to the coast.<sup>25</sup> This has come with more erratic rainfall, which has caused flooding in some months as well. The hazard of coastal flooding is considered high. Potentially damaging waves are expected to flood the coast at least once in the next 10 years. The hazard of river floods and landslides are also considered high. Climate change is likely to alter slope and bedrock stability through changes in precipitation and/or temperature.<sup>26</sup> As a result, Morocco is recognized as vulnerable to climate change impacts, ranked 70<sup>th</sup> out of 182 countries in the 2021 Notre Dame Global Adaptation Index.

**53. Climate change has disproportionate impacts on the poor and vulnerable – the target population of this project.** As a considerable share of the poor live in rural areas and work in agriculture (28.1 percent of total employment),<sup>27</sup> climate change directly affects their income-generating opportunities and the country's overall food security. Droughts and erratic rainfall also impact the welfare of the poor and put vulnerable populations such as children and women further at risk. Tayssir beneficiaries can be directly impacted if extreme heat, for instance, reduces the ability of children to attend school. Given that Tayssir focuses primarily on rural areas, its beneficiaries remain at increased risk related to climate change. Moreover, as most working women in Morocco are in agriculture and women represent more than a third of those employed in the sector,<sup>28</sup> female-headed households who are beneficiaries of DAAM in rural areas can be especially impacted. Moreover, climate change can exacerbate health conditions, requiring additional care, which makes AMO-TADAMON an important climate change adaptation mechanism. Finally, the income-related impacts of climate change can push the near-poor into poverty. They can exacerbate health conditions, requiring additional care, which has ramifications on access through AMO-TADAMON.

<sup>25</sup> Climate Risk Profile: Morocco (2021): The WBG.

<sup>26</sup> ThinkHazard.org.

<sup>27</sup> HCP, The labor market situation in the first quarter of 2023.

<sup>28</sup> HCP, Moroccan Women in Figures 2020.



54. **The proposed AF, through Components 2, 3 and 4, can directly influence the government’s adaptive capacity to tackle climate impacts on the poor and vulnerable.** By ensuring the continuity of cash transfers, Component 2 allows the reduction of the vulnerability to climate-related shocks, in particular droughts, which are becoming increasingly frequent and severe due to climate change. Component 3 aims to enable the FA program to be adaptive by expanding to most vulnerable populations in case of climate and other shocks. Morocco’s COVID-19 experience showed Morocco’s capacity to put in place a sophisticated disaster risk management and financing architecture. This includes, for example, a Natural Disaster Resilience Fund which now also co-finances investment in disaster risk reduction and preparedness at the local level, as well as catastrophic risk insurance. However, financing remains an issue<sup>29</sup>. The establishment of an appropriate MIS system as planned in Component 3 can also directly improve the swiftness of the government to reach people in case of shocks, using the system’s location features.

55. **The project will also help directly identify, enroll, and protect people living in rural areas whose livelihoods are at risk due to climate change.** Component 4 helps identify and register vulnerable groups, especially those in agriculture and living in rural areas to the non-contributive health insurance (AMO-TADAMON). This links directly to the pipeline project *Morocco Climate Operation/Support to Nationally Determined Contribution* (P178763), which will help facilitate the implementation of an efficient and flexible enrollment and contribution collection process to non-salaried farmers (AMO-TNS). The two operations will therefore support the GoM’s effort to operationalize the Country Climate Development Report and accelerate the implementation of universal health coverage.

### Citizen Engagement

56. **The activities supported by the AF strengthen engagement with citizens, beneficiaries, and stakeholders at the national and local level, including access to information and GRM.** The AF incorporates key lessons learned from the implementation of the parent project. The SIA of Tayssir provided relevant elements on the strengths and weaknesses of the delivery processes, including the GRM system. The new process deployed by CDG/CNRA early in 2023 to deliver Tayssir benefits allowed to increase the number of payment points from 4000 to about 12,000 and respond to one important issue which had been raised by beneficiaries. In addition, the enrollment tool was designed based on citizen feedback. In fact, the CDG/CNRA organized focus groups and beneficiaries’ consultations that allowed students and parents receiving Tayssir benefits to test the new enrollment Mobile App and Web platform. These actions allowed the CDG/CNRA to deploy a simplified system more accessible to beneficiaries, including videos and guidelines in Arabic – Darija. More than 67 percent of Tayssir beneficiaries used the Mobile App and Web platform for the last payment wave despite the significant increase in physical payment points<sup>30</sup>. The design of the FA program will benefit from this experience. Component 3 will support the implementation of an outreach and communication campaign and a new GRM system to ensure the inclusion of all children. Eligibility criteria, enrollment, and grievance redressal procedures of AMO-TADAMON are widely disseminated through massive media campaigns conveyed through the internet, mobile applications, television, radio networks, and the front-line units at the local level.

<sup>29</sup> Country Climate Development Report, 2022.

<sup>30</sup> Payment points also provide a free enrollment service in the program.





57. **The project will benefit from the feedback received through the following channels:** (i) continuous consultations with the most vulnerable beneficiaries; and (ii) periodic reports throughout project implementation on grievances' management. Beneficiary feedback indicators to be monitored by the project relate to: (a) improvements of communication tools, and (b) percentage of claims received and responded within 30 days according to the law.

58. **Development partners are supporting the generalization of social protection.** The WB is part of a well-coordinated and substantial international support to the generalization of the ongoing social protection reform. The international support package includes parallel policy-based operations prepared by the WB, the French Development Agency and the African Development Bank. Extensive complementary TA will continue to be made available to inform policy dialogue and project implementation. In addition, the WB in collaboration with the United Nations Children's Fund (UNICEF), has been providing joint TA to inform the government on potential design features for the FA program. The WB and UNICEF will facilitate the exposure to international best practices in terms of designing and implementing adaptive social protection. The WB is also providing TA for other aspects related to Component 3, i.e., the harmonization of institutional arrangements, as well as linking cash transfer programs with accompanying measures for human capital and productive inclusion. It will also continue to inform the government's digitalization paths for the whole of social protection in Morocco.

### III. KEY RISKS

59. **The overall risk rating for the project is substantial,** due to the Macroeconomic, Institutional Capacity for Implementation and Sustainability, Fiduciary, Environment and Social and Stakeholders risks, which are all rated substantial. Fiduciary risks and respective risk mitigation measures are described in detail in sections B and C of the Appraisal Summary below.

60. **The macroeconomic risk is rated substantial.** Global market conditions and frequent droughts due to climate change may continue to put pressure on commodity prices and adversely affect the post-COVID-19 recovery. Further downturn in the global economic outlook could reduce exports, tourism receipts, and foreign direct investment. Inflationary pressures remain strong, eroding household's purchasing power and thus consumption, while the monetary policy tightening has increased the sovereign's domestic borrowing costs. This could reduce the Government's ability to reverse the upward trajectory of the debt-to-GDP ratio over the medium term. In addition, the resulting accumulation of debt globally could trigger an episode of international financial instability, affecting Morocco's ability to access external finance and/or increasing the cost of covering its financial needs. The New Development Model and the reform agenda engaged by the government would improve the attractiveness of Morocco for private investment, especially in promising sectors with high value-added and mitigate the impact of these potential risks. Moreover, the AF supports the overall efficiency and effectiveness of Morocco's social protection system and hence the use of social public expenditures. The IMF has recently approved a US\$5 billion precautionary Flexible Credit Line, which will boost Morocco's external buffers contributing to mitigate residual macroeconomic risks.

61. **Institutional capacity, implementation and sustainability risks are assessed as substantial.** The implementation of the AF requires strong coordination efforts within the government to reduce the fragmentation of the social protection system and the breadth of the project components in general. The



second component relies on coordination with the MENPS, MSSIF and CDG/CNRA while the fourth also includes the MoI and CNSS. The harmonization and digitalization of the system, under the third component, will rely not only on a strong conceptualization of the system and its integrated information, but also a strong coordination between government agencies and relevant stakeholders. To mitigate this risk, the project will rely on the structures put in place for the governance of social protection reform. Moreover, by ensuring timely implementation and sustainability beyond the project duration, the WB will leverage its long-standing engagement with counterparts and support strong technical analysis for each of the proposed components to support the implementation of project activities and the social protection reform. The project will also leverage the collaboration with other partners to support generalization of social protection, including UNICEF.

**62. The E&S risks are considered substantial.** Environmental risks are assessed as low while social risks are considered substantial. The interventions supported under the AF, like the Parent Project, provide social benefits, in the form of cash transfers to poor and vulnerable households. Social risks are related to the potential exclusion of vulnerable and disadvantaged groups or individuals such as persons with disabilities, illiterate individuals, people living in remote areas, the elderly and women. In addition, there are risks given the large number of beneficiaries namely in the various technical biases and errors in the identification of the beneficiaries and weak stakeholder engagement practices. The social risks associated with the activities of the new component 4 are similar to those of the parent project since the activities target the same populations. The AF will not finance the procurement of materials nor support any civil works, and therefore it is not expected to have any negative environmental risks or impacts. As there are no activities with an identified physical footprint or that could lead to specific actions that could have associated environmental impacts, no environmental assessment is required. Social risks and impacts will be mitigated through the implementation of: (i) the Stakeholder Engagement Plan (SEP); (ii) the Labor Management Procedures (LMP); (iii) the SIA to be updated for Components 2 and 4 as well as (iv) the measures identified in the Social Audit (SA) for ECTs. In addition, the mitigating measures proposed under the parent project design will also apply to the AF, namely the use of existing national systems and databases (SR and NPR) that will be further updated, the digitalization of all payments, and the improvement and implementation of existing GRMs based on lessons learned.

**63. Stakeholders risk is assessed as substantial.** The introduction of the FA program, including its design (eligibility criteria and transfer amount) and implementation process, carries substantial risk. This risk increases as the program comes to replace several existing programs which are effective cash transfer programs but also suffering from both inclusion and exclusion errors. As the FA program improves its targeting and harmonizes some social programs, some current beneficiaries may become ineligible or may no longer receive specific benefits. The high stakeholder risk also extends to the process of registration and coverage of vulnerable households in the AMO-TADAMON, especially as the previous system, RAMED, had also suffered from inclusion and exclusion errors. These risks will be mitigated through the implementation of a clear communication campaign for the FA program, as well as a multi-channel registration approach and improvements of the inclusion criteria for AMO-TADAMON – all of which are funded by the project. Lastly, the WB is working with the GoM on the mapping of social protection programs and services which will provide recommendations for the harmonization plan, based on accurate information and data on each of the programs.

#### IV. APPRAISAL SUMMARY

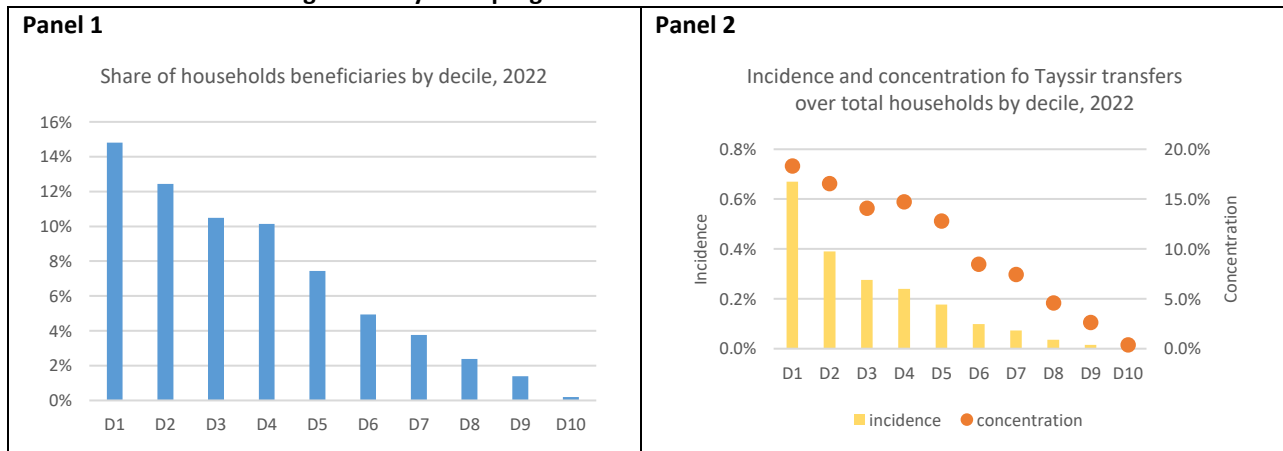
##### A. Economic and Financial (if applicable) Analysis

###### Economic Analysis

64. **The proposed operation will contribute to consolidating the gains achieved during the parent-project while ensuring a smooth transition towards a more progressive and poverty reducing system.** The Tayssir program provides critical resources to vulnerable households to reduce school dropout and consequently invest in the human capital of children. In the face of recent multiple crises, including the ongoing food and energy price shock, such support remains critical for households to preserve their welfare and not to go through negative and asset-depleting coping strategies.

65. **While strongly progressive, the Tayssir program targets relatively few households and amounts are too small to make a large difference in terms of welfare.** The current Tayssir program aims to reach vulnerable children in public primary schools in rural areas, and secondary school children in both urban and rural areas. This geographic feature explains the progressivity of the instruments in terms of coverage by decile (Figure 3, Panel 1) and in terms of incidence (Fig 3, panel 2). However, the amounts transferred are limited, representing less than 1 percent of the bottom decile’s income.

**Figure 3: Tayssir is progressive in both relative and absolute terms**



Source: WB staff calculations based on HBS2014<sup>31</sup> and administrative data

Note: Incidence refers to the average share of a transfers over available household income per decile of consumption (left axes Panel 2); Concentration refers to the distribution of the total transfer across deciles of consumption (right axes, Panel 2)

66. **The FA program will ensure a smooth transition from the high generosity/high coverage crisis response, and low generosity/low coverage pre-crisis, to an intermediate level of generosity and coverage that is still higher than before the crisis.** Before the crisis, the cash transfer programs for poor and vulnerable households amounted to only US\$25 million per month. During the first few months of the crisis, the level of disbursement increased about 17 times to US\$420 million a month for April, May, and July of 2020. While the

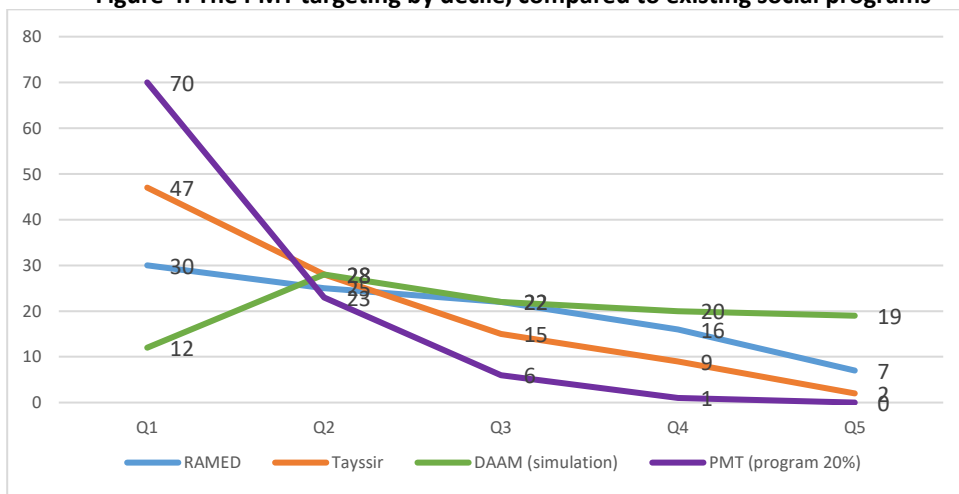
<sup>31</sup> Household Budget Survey (HBS2014) refers to HCP-ENCDM 2013-14 (Enquête Nationale sur la Consommation et les Dépenses des Ménages).



ECT program was clearly communicated as temporary and to be discontinued after the crisis, going back to the pre-crisis program was not considered a viable option by the GoM. The generalization of the FA program would increase the coverage of cash transfers from about a quarter of the population (Tayssir and DAAM), to about two-thirds. It would increase the coverage from 4 million children in formal sector families, by an additional 7 million children, including those of poor and vulnerable families without employed members, and those employed in the informal sector.

67. **The new non-contributory FA program will be better targeted than existing cash transfers, increasing the efficiency of the intervention and its impact on households' welfare.** The FA program will use the new PMT scoring and ranking. The simulation of the PMT ranking using the 2014 Household Budget Survey by HCP suggests that the targeting based on the PMT is much more effective in identifying poor and vulnerable households, as Figure 4 below illustrates.

Figure 4: The PMT targeting by decile, compared to existing social programs



Source : HCP/WB 2021, PMT Note

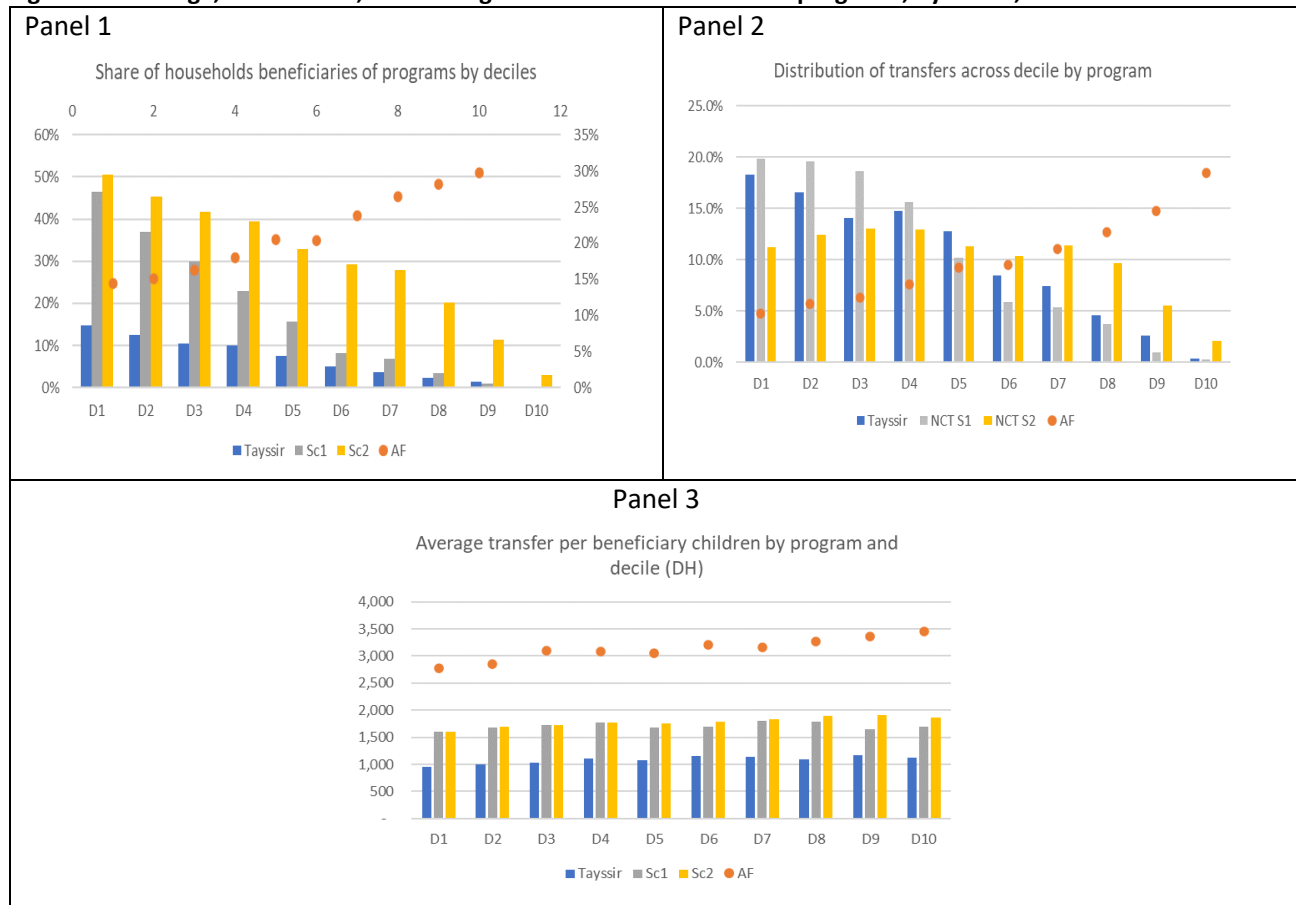
68. **To assess the impact of the new non-contributory FA program several scenarios are possible since the parameters of the generalization of social protection have not yet been finalized.** The estimation is based on a benefit level of MAD 150 (about US\$13) per child per month to non-covered children enrolled in primary education and lower, and MAD 200 (about US\$17) per child to non-covered children enrolled in secondary education and higher. To target the new non-contributory FA, these simulations use the PMT ranking, capped to the bottom at 27.5 percent of the population for Scenario 1 (Sc1) and to the bottom 70 percent for Scenario2 (Sc2), which should allow covering almost all excluded children (results in Figure 5 below). While the proposed amounts are lower than the FA benefit for formal sector children of a maximum of MAD 300 (about US\$31) per child, with a cap on the number of children covered, it doubles the cash transferred to poor, vulnerable and middle-income families, previously benefitting, in the best case, from Tayssir only (Figure 5, panel 3).

69. **Closing the gap to reach the universal coverage of the FA could be achieved in many ways, proceeding sequentially and targeting the most vulnerable first, either in terms of coverage or amounts transferred.** Based on the estimates presented below, the total cost of the new FA program would be around 1.1 percent

of GDP (Sc2). This is equivalent to the budget currently allocated to the liquified petroleum gas subsidy. However, unlike the LPG subsidy, the simulation shows that the FA program covering all excluded children is progressive. If fiscal space is limited, the GoM could start by covering a subset of the children population – for example, children 0-4 years old, or the cohort for which human capital support programs have the most impact, especially for poorer and more vulnerable households – or could proceed with an intermediate benefit level. Our two scenarios offer a possible sequential way forward, targeting the very bottom of the distribution first, then expanding to reach the bottom 70 percent.

**70. Whichever implementation scenario the GoM chooses, the FA program will have most of the benefits accruing to children and their families from the poorest two quintiles.** Coverage of households in the bottom decile reaches almost 50 percent in both scenarios and less than 3 percent for the top decile (Fig. 5, Panel 1). Children in the poorest quintile will receive 40 of the total transfers in scenario 1 and 24 percent in scenario 2, while those in the second poorest quintile will receive from 34 to 26 percent of the total, against only between 1.2 and 7.6 percent for the top decile, depending on the scenario (Fig. 5, Panel 2).

**Figure 5: Coverage, distribution, and average transfers for old and new programs, by decile, 2022**

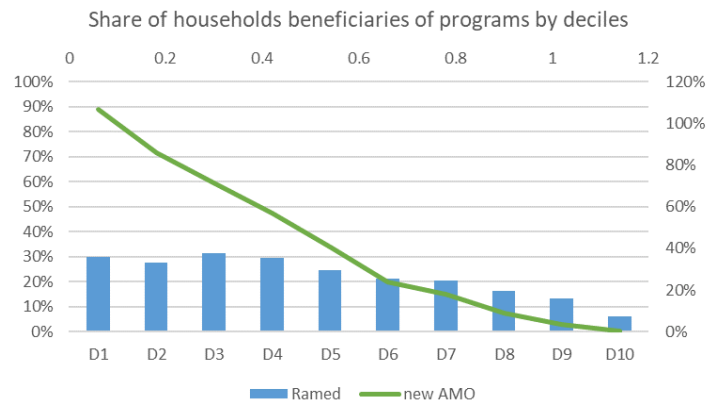


\* Definitions: AF refers to “allocation familiale” for households in the formal sector, or FA. “NCT” refers to non-contributive cash transfer. “Sc1” refers to scenario 1 (targeting bottom 27.5 percent) and “Sc2” refers to Scenario 2 (targeting the bottom 70 percent). World Bank staff simulations based on HBS2014 and administrative date.



71. Finally, the new non-contributory health insurance program will also allow to increase the efficiency of public expenditure, as well as protection of the most vulnerable, thanks to the improved targeting of the program. The new program AMO-TADAMON aims to replace the existing RAMED, which used beneficiary identification based on declared income. The AMO-TADAMON will use the new PMT-based targeting system, reducing inclusion and exclusion errors, such that it benefits the poorest households the most (Figure 6).

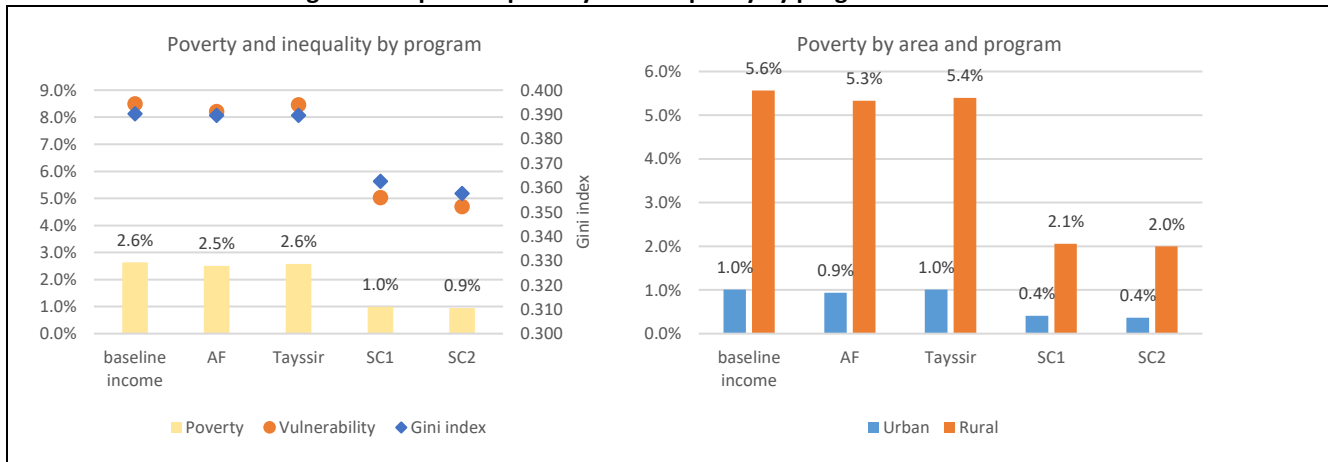
Figure 6: Share of household beneficiaries of programs by deciles, 2022



Source: WB staff calculations based on HBS2014 and administrative data

72. The potential economic and equity impacts of the harmonization of cash transfers can take several forms. First and foremost, by harmonizing several fragmented cash transfers currently administered to the poor and vulnerable, namely Tayssir and DAAM and potentially others, it is expected to generate efficiency gains in administrative costs and in the private costs of beneficiaries – both financial and human. Second, this type of programs is expected to increase consumption, human capital formation, and participation in productive activities for income-generation in the longer term for the poor and vulnerable. Better targeted programs will result in higher poverty and vulnerability reduction, especially in rural areas, and less inequality (Figure 7).

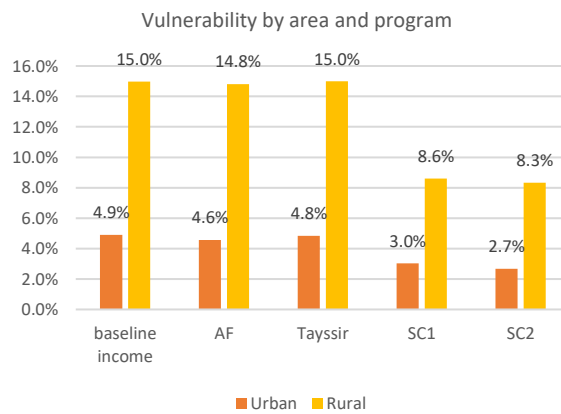
**Figure 7: Impact on poverty and inequality by program and scenarios**



Source: WB staff calculations based on HBS2014 and administrative data

Note: The baseline scenario refers to households' net market income excluding all transfers; AF refers to households' net market income plus the contributive Family Allowance program (AF in French); Tayssir refers to households' net market income plus the Tayssir program; SC1 refers to households' net market income plus new Family Allowance (FA) program targeting the bottom 27.5% of the population; SC2 refers to households' net market income plus a new FA program targeting the bottom 70% of the population. Poverty is measured against the National Poverty Line from 2014, updated to 2022. The vulnerability line corresponds to 1.5 times the poverty line.

**Figure 8: Vulnerability by area and program**



Source: WB staff calculations based on HBS2014 and administrative data.

## B. Financial Management (FM)

73. An FM Assessment of the AF was carried out in accordance with the WBG Investment Project Financing (IPF) Policy to evaluate the adequacy of FM arrangements for project implementation. The FM assessment was carried out virtually on-site and in accordance with the Bank Guidance "IPF with PBCs" issued in January 2020. The assessment concluded that with the implementation of agreed actions, the proposed FM arrangements will satisfy the minimum requirements of the Bank Policy on IPF. The assessment covers the MEF through the MEF-BD and the CNSS in charge of the compulsory health insurance (AMO-TADAMON) cash transfers, the MSSIF which will be procuring an evaluation information system for persons with disabilities, and the National Pension and Insurance Fund (CNRA) managed by the CDG in charge of the direct aid to



widows program (DAAM) and more recently of Tayssir cash transfers.

**74. The AF will benefit from the lessons learned from FM performance of the parent project.** The FM performance of the parent project is satisfactory albeit with some delays associated with the submission of: (i) bi-annual financial reporting on PBCs and investment activities; and (ii) the project's financial statements. To help mitigate these risks the FM section of the Project Operational Manual (POM) will be updated to include a detailed description of internal controls procedures in place to prepare the Intermediate Financial Reports (UIFRs) and the annual financial statements for each implementation entity. Strengthening FM capacity through training to all implementing entities will be ensured by the FM Bank team.

**75. The overall residual FM risk for the project's AF is rated substantial.** The following risk factors were identified: (i) the FM team at MSSIF, which had limited experience with Bank FM procedures through the implementation of the Small Grant Investment Financing Project (*Promoting accessibility of persons with limited mobility* (P128555)), may face some capacity challenges in complying with the Bank's requirements for a full-fledged IPF with PBC; (ii) the use of a spreadsheet "Excel" and data extracted from the national budget execution software and other public entities specific software may undermine the quality and timeliness in the preparation of semesterly UIFR and project annual financial statements; (iii) lack of timely consolidated financial reporting as identified throughout the implementation of the parent project because of fragmented social protection programs (DAAM, Tayssir, and AMO-TADAMON) managed by different entities, and (iv) delays in financial execution of the different contracts related to DES and launch of FA program conditioned by timeliness of procurement management and streamlining with the project's period.

**76. The following key mitigation measures will be included in project FM arrangements:** (i) assign to the MEF-BD, Mol, MENPS and MSSIF or recruit under terms of reference acceptable to the Bank, an experienced FM officer familiar with Bank FM procedures and requirements; this measure will be combined with capacity strengthening activities to be carried out by the Bank FM team; (ii) update FM section of the POM to include a description of the FM arrangements and responsibilities for the new implementing entities; (iii) ensure sufficient and timely budgeting within the Budget of the Social Cohesion fund (*funding source for all social protection programs*) through multi-year programming and the preparation of periodic reports on all Fund activities and programs, MSSIF and MEF to support the implementation of activities related to the PBCs and information system development; (iv) appropriate budget lines/codes under the identified existing MEF and MSSIF programs combined with adequate yearly follow up mechanisms during the preparation of the overall budget of the implementing entities.

77. A table describing detailed FM arrangements and risk mitigating measures with an FM action plan is provided in the **Annex**.

### C. Procurement

**78. While the Parent Project did not include any procurable activities, component 3** under the AF would mainly support the conceptualization and procurement of a coherent information system (**\$13 million**) that would allow the GoM to manage the non-contributory social protection services, including cash transfers and links to various social services that would further promote human capital and household resilience. Procurement under component 3 will be carried out in accordance with the WB's Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, November 2020. The Project





will be subject to the WB’s “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants,” October 15, 2006, revised in January 2011, and as of July 1, 2016. The project will use the Systematic tracking of Exchanges in Procurement (STEP) to plan, record, and track procurement transactions.

79. The *GoM*, with support from the WB, prepared a project procurement strategy for development with a procurement plan based on market and risk analyses. A more comprehensive description of the procurement under component 3 will also be provided during the project preparation and all such activities will be included in the procurement plan for the activities to be procured in compliance with Bank’s procurement regulations. The procurement plan may be updated at least every 12 months, or as required, to reflect the actual project implementation needs. Each update will require WB’s approval. All procurement plans will be publicly disclosed in accordance with the WB’s disclosure policy.

80. Considering that the DES would be procured and deployed by the MSSIF without previous exposure to the Bank procurement procedures and requirements, the overall procurement risk is deemed “**Substantial**.” The substantial risk is mainly justified by the project timeline and the risk of delays associated with the information system procurement process as other Bank-financed projects procuring information systems face the same delays (e.g., Identity and Targeting for Social Protection Project (P155198)). This risk will be addressed through the training by the Bank of MEF and MSSIF’s staff on the procurement of information systems.

**D. Legal Operational Policies**

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

**E. Environmental and Social**

81. As previously mentioned, the E&S risk is rated substantial due to the large scale of the activities as well as associated social risks and potential impacts.

82. The SIA of the Tayssir program and the LMP to be prepared for the parent project, were finalized and disclosed in May 2022. Nevertheless, there were delays associated with the implementation of some of the actions stipulated in the Environmental and Social Commitment Plan (ESCP), including conducting inclusive consultations, updating the preliminary SEP disclosed in June 2020, and preparing and disclosing the SA related to the cash transfer programs. As a result, the E&S performance was rated moderately unsatisfactory as of January 2023. As part of the corrective action plan, the MEF submitted to the WB the updated SEP, the draft SA and the first E&S progress report by negotiations. The MEF has made significant progress on the preparation and finalization of the latter documents which were submitted to the Bank in early April 2023. Accordingly, the E&S performance was upgraded to moderately satisfactory in April 2023. The SA was finalized and disclosed on May 10, 2023.



83. The Environmental and Social Framework instruments prepared for the parent project namely the ESCP, SEP, LMP and SIA are applicable to the AF and will be updated to reflect the new activities. The ESCP and SEP were updated and disclosed on April 28, 2023. The SIA for Tayssir will be revised to include aspects related to the DAAM and AMO-TADAMON programs within 60 days of effectiveness and before the disbursement of any related activities. Under Component 3, the use of the disability evaluation system will be subject to a SA. The updated LMP will reflect the new categories of workers associated with the AF activities and will be disclosed within 30 days of effectiveness. The SEP updating and implementation, including the Grievance Mechanism (GM), will facilitate the inclusion of previously excluded or new stakeholders, including disadvantaged and vulnerable groups. Regarding Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH), the labor code includes prohibitions against harassment and violence. SEA/SH sensitization and training will be conducted throughout project implementation to ensure project actors receive clear information about what constitutes SEA/SH and be informed that SEA/SH will be treated as misconduct under the Behavioral Standards. The GM will establish clear protocols for handling SEA/SH complaints and providing referral pathways. An E&S focal point was assigned to the project. This position will be maintained throughout project implementation. Additional capacity needs will be assessed periodically, and training will be provided during implementation.

## V. WORLD BANK GRIEVANCE REDRESS

84. **Grievance Redress.** Communities and individuals who believe that they are adversely affected by a project supported by the WB may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit <https://accountability.worldbank.org>.



**VI SUMMARY TABLE OF CHANGES**

	Changed	Not Changed
Project's Development Objectives	✓	
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Procurement	✓	
Implementing Agency		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Legal Covenants		✓
APA Reliance		✓
Other Change(s)		✓

**VII DETAILED CHANGE(S)**

**PROJECT DEVELOPMENT OBJECTIVE**

**Current PDO**

Mitigate the negative impacts of the COVID-19 crisis by providing emergency cash transfers and guaranteeing access to and strengthening cash transfer programs to support poor and vulnerable households.

**Proposed New PDO**

Mitigate the negative impacts of the COVID-19 crisis, strengthen cash transfer programs and support the transition toward the new social protection system for poor and vulnerable households



**COMPONENTS**

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Emergency Cash Transfers in Response to COVID-19	165.00	No Change	Emergency Cash Transfers in Response to COVID-19	165.00
Cash Transfer Program for Recovery and for Protecting Human Capital	189.25	Revised	Improve and modernize CT programs to protect human capital	309.25
Enhanced Cash Transfer programs for resilience	45.00	Revised	Enhanced Cash Transfer and social programs for resilience	68.12
Contingency Emergency Response	0.00	No Change	Contingency Emergency Response	0.00
	0.00	New	Protect the poor and vulnerable against health risks	206.00
<b>TOTAL</b>	<b>399.25</b>			<b>748.37</b>

**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IBRD-91870	Effective	31-Dec-2023	31-Dec-2023	30-Jun-2026	30-Oct-2026

**Expected Disbursements (in US\$)**

Fiscal Year	Annual	Cumulative
2021	167,347,264.00	167,347,264.00
2022	76,967,405.29	244,314,669.29
2023	100,000,000.00	344,314,669.29
2024	185,000,000.00	529,314,669.29
2025	85,000,000.00	614,314,669.29
2026	136,099,999.00	750,414,668.29



**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Substantial	● Moderate
Macroeconomic	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial
Environment and Social	● Substantial	● Substantial
Stakeholders	● Moderate	● Substantial
Other		
Overall	● Substantial	● Substantial

**LEGAL COVENANTS – Morocco COVID-19 Social Protection Emergency Response Project AF (P180741)**

**Sections and Description**

Section I.A.4(a)  
 No later than sixty (60) days after the Effective Date, or any later date as agreed by the Bank, update the Project Operational Manual (“Project Operational Manual” or “POM”), and immediately thereafter, ensure that the Project is implemented in accordance with the POM.

**Conditions**

Type	Financing source	Description
Disbursement	IBRD/IDA	Section III.B.1 (b): update, consultation, and publication of SIA/DAAM:  For payments under Category (1)(b) until and when the Borrower has updated, consulted and published the SIA/DAAM all in terms and in a manner acceptable to the Bank.
Disbursement	IBRD/IDA	Description Section III.B.1 (c): update, consultation, and publication of SIA/AMO-TADAMON  For payments under Category (2) until and when the



		Borrower has updated, consulted and published the SIA/AMO-TADAMON all in terms and in a manner acceptable to the Bank.
Type Disbursement	Financing source IBRD/IDA	<p>Description</p> <p>Section III.B.1 (d): PBCs# 4,5, and 10</p> <p>For payments under Category (3)(a) with respect to PBC#4, 5 and 10 as set forth in Schedule 4 to this Agreements, for which a withdrawal request has been submitted, unless the Borrower has: (1) updated, consulted and published the SIA/DAAM all in terms and in a manner acceptable to the Bank; and (2) submitted: (i) evidence, in form and substance satisfactory to the Bank, of the EEP paid, as reported in accordance with the terms of the IFR; and (ii) supporting documentation confirming the Borrower’s achievement of the respective PBC or PBCs in form and substance satisfactory to the Bank as reported in accordance with the terms of the Verification Protocol.</p>
Type Disbursement	Financing source IBRD/IDA	<p>Description</p> <p>Section III.B.1 (e): PBC#11-14</p> <p>for payments under Category (3)(b) with respect to PBC#11-14 as set forth in Schedule 4 to this Agreement, for which a withdrawal request has been submitted, unless the Borrower: (1) has updated, consulted and published the SIA/AMO-TADAMON all in terms and in a manner acceptable to the Bank; and (2) submitted: (i) evidence, in form and substance satisfactory to the Bank, of the EEP paid, as reported in accordance with the terms of the IFR; and (ii) supporting documentation confirming the Borrower’s achievement of the respective PBC or PBCs in form and substance satisfactory to the Bank as reported in accordance with the terms of the Verification Protocol.</p>
Type Disbursement	Financing source IBRD/IDA	<p>Description</p> <p>Section III.B.1 (f): CERC Part</p> <p>For Emergency Expenditures under Category (5), unless and until all of the following conditions have been met in respect of said expenditures: (i) (A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Financing amounts under Category (5); and (B)</p>



		the Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and (ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.
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VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Morocco

Morocco COVID-19 Social Protection Emergency Response Project AF

Project Development Objective(s)

Mitigate the negative impacts of the COVID-19 crisis, strengthen cash transfer programs and support the transition toward the new social protection system for poor and vulnerable households

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
<b>Mitigate the negative impacts of the COVID-19 crisis by providing emergency cash transfers</b>			
Household heads working in the informal sector receiving emergency cash transfers (Number)		0.00	1,000,000.00
<i>Action: This indicator has been Revised</i>			
Share of women heads of households receiving emergency cash transfers (Percentage)		0.00	50.00
<i>Action: This indicator has been Revised</i>			
<b>Guarantee access to cash transfers</b>			
Beneficiary children receiving cash transfers programs (Number)	PBC 2	0.00	550,000.00





Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator has been Revised</i>			
Share of beneficiary children receiving cash transfer programs - Girls (Percentage)		0.00	46.00
<i>Action: This indicator has been Revised</i>			
Share of beneficiary children receiving Tayssir program cash transfers - boys (Percentage)		0.00	54.00
<i>Action: This indicator has been Marked for Deletion</i>			
Beneficiaries eligible for the Family Allowance program who are informed about the program and its procedures (Number)	PBC 7, 7	0.00	3,000,000.00
<i>Action: This indicator has been Revised</i>			
Share of current Tayssir and DAAM beneficiaries informed about the Family Allowance program and its procedures (Percentage)		0.00	80.00
<i>Action: This indicator has been Revised</i>			
<b>Strengthen cash transfer programs to support poor and vulnerable households</b>			
Existing and new programs updating or implementing their grievance redress mechanisms based on lessons learned and feedback from beneficiaries of the emergency cash transfers experience (Number)	PBC 1	0.00	1.00
<i>Action: This indicator has been Revised</i>			
Beneficiaries of cash transfers who have payment accounts or bank accounts (Number)	PBC 15	100,000.00	1,000,000.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator has been Revised</i>			
Share of female beneficiaries of cash transfers who have payment accounts or bank accounts (Percentage)		0.00	20.00
<i>Action: This indicator has been Revised</i>			
<b>Protecting the poor and vulnerable against health risks (Action: This Objective is New)</b>			
Individuals covered by the non-contributory health insurance (Number)	PBC 12, 13	0.00	6,000,000.00
<i>Action: This indicator is New</i>			
Women covered by the non-contributory health insurance (Number)		0.00	2,700,000.00
<i>Action: This indicator is New</i>			
Children 0-21 years old covered by the non-contributory health insurance (Number)		0.00	1,700,000.00
<i>Action: This indicator is New</i>			

**Intermediate Results Indicators by Components**

Indicator Name	PBC	Baseline	End Target
<b>Emergency cash transfers in response to COVID-19</b>			



Indicator Name	PBC	Baseline	End Target
Eligible heads of households enrolled and paid in the first round of emergency cash transfers (Number)		0.00	1,000,000.00
<b>Action: This indicator has been Revised</b>			
Eligible heads of households enrolled and paid during the first round of emergency cash transfers - Female (Percentage)		0.00	50.00
<b>Action: This indicator has been Revised</b>			
Eligible heads of households enrolled and paid in the second round of emergency cash transfers (Number)		0.00	1,000,000.00
<b>Action: This indicator has been Revised</b>			
Eligible heads of households enrolled and paid in the second round of emergency cash transfers - Female (Percentage)		0.00	50.00
<b>Action: This indicator has been Revised</b>			
Heads of households who appealed and successfully resolved their application for the emergency cash transfer program and paid in the first and second round (Number)		0.00	1,200,000.00
<b>Action: This indicator has been Revised</b>			
Heads of households who appealed and successfully solved their application for the emergency cash transfer program and paid in the first and second round - Female (Percentage)		0.00	20.00
<b>Action: This indicator has been Revised</b>			
Beneficiaries who expressed satisfaction with the emergency cash transfer program during the IBM survey, on the delivery, communication, and complaint modalities (Percentage)		0.00	70.00
<b>Action: This indicator has been Revised</b>			



Indicator Name	PBC	Baseline	End Target
Share of beneficiaries who expressed satisfaction with the emergency cash transfer program, during the IBM survey on the delivery, communication, and complaint modalities - Female (Percentage)		0.00	50.00
<i>Action: This indicator has been Revised</i>			
Share of beneficiaries satisfied with the capacity of the emergency cash transfers to mitigate the impact of the COVID-19 crisis (Percentage)		0.00	45.00
<i>Action: This indicator has been Revised</i>			
<b>Cash Transfer program for the recovery and protection of human capital</b>			
Beneficiary households currently receiving Tayssir cash transfers (Number)	PBC 3	0.00	270,000.00
<i>Action: This indicator has been Revised</i>			
Beneficiary headed households currently receiving Tayssir Cash Transfers - Female (Percentage)		0.00	20.00
<i>Action: This indicator has been Revised</i>			
Beneficiary women headed-households receiving DAAM cash transfers (Number)	PBC 4, 5	0.00	90,000.00
<i>Action: This indicator is New</i>			
Beneficiary women headed-households living in rural areas receiving DAAM cash transfers (Number)		0.00	45,000.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator is New</i>			
<b>Enhanced Cash Transfer programs for resilience</b>			
Design and harmonization plan of the Family Allowance program validated and approved by the PSC (Yes/No)	PBC 6, 6	No	Yes
<i>Action: This indicator has been Revised</i>			
Family Allowance operational manual, including appeals and complaints management system prepared and adopted (Yes/No)	PBC 8, 8	No	Yes
<i>Action: This indicator has been Revised</i>			
Technical committee for the design and harmonization of social assistance programs set up and its work plan approved (Yes/No)		No	Yes
<i>Action: This indicator has been Marked for Deletion</i>			
Functional review of the main social assistance programs (DAAM, Tayssir, RAMED) carried out and validated by the Technical Committee and endorsed by the Steering Committee (Yes/No)	PBC 16	No	Yes
<i>Action: This indicator has been Marked for Deletion</i>			
Technical committee for the digitalization of payments under social assistance programs set up and work plan approved (Yes/No)		No	Yes
<i>Action: This indicator has been Marked for Deletion</i>			
Mapping of social assistance programs flow of payments (Yes/No)		No	Yes
<i>Action: This indicator has been Marked for Deletion</i>			



Indicator Name	PBC	Baseline	End Target
Validation of the roadmap on the organization of future flows of payments (Yes/No)		No	Yes
<b>Action: This indicator has been Marked for Deletion</b>			
Preparation and validation of the analysis and the feasibility study on the harmonization and the strengthening of the social assistance (Yes/No)	PBC 9, 9	No	Yes
<b>Action: This indicator has been Revised</b>			
Preparation and validation of the design of the ECD demand-side interventions (Yes/No)		No	Yes
<b>Action: This indicator has been Revised</b>			
Preparation and validation of the design of the economic inclusion demand-side interventions (Yes/No)		No	No
<b>Action: This indicator has been Revised</b>			
<b>Protecting the poor and vulnerable against health risks (Action: This Component is New)</b>			
Individuals enrolled in the non-contributory health insurance program (Number)	PBC 11	0.00	7,000,000.00
<b>Action: This indicator is New</b>			
Individual living in rural areas enrolled in the non-contributory health insurance (Number)		0.00	3,000,000.00
<b>Action: This indicator is New</b>			
Persons with disabilities enrolled in the non-contributory health insurance (Number)	PBC 10, 14	0.00	350,000.00



Indicator Name	PBC	Baseline	End Target
<i>Action: This indicator is New</i>			

**Monitoring & Evaluation Plan: PDO Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Household heads working in the informal sector receiving emergency cash transfers	This indicator will measure the number of female households working in the informal sector and covered by the emergency cash transfer program.	Once, after the completion of the Emergency Cash Transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Share of women heads of households receiving emergency cash transfers	This indicator will measure the number of female households working in the informal sector and covered by the emergency cash transfer program.	Once, after the completion of the emergency cash transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Beneficiary children receiving cash transfers programs	Number of children receiving program Tayssir cash transfers.	Annual.	DAAM and Tayssir (or any successor) program's	Ministry of Economy and Finance and the National Pension and Insurance Fund (CDG).	Ministry of Economy and Finance-Budget Directorate.



			MIS.		
Share of beneficiary children receiving cash transfer programs - Girls		Annual.	DAAM and Tayssir (or any seccessor) program's MIS.	Ministry and Economy and Finance and the National Pension and Insurance Fund (CDG).	Ministry of Economy and Finance-Budget Directorate.
Share of beneficiary children receiving Tayssir program cash transfers - boys		Annual.	Tayssir program's MIS.	Ministry of Education and MEFAR.	MEFAR-Directorate of Budget.
Beneficiaries eligible for the Family Allowance program who are informed about the program and its procedures	This indicator will measure the number of heads of households with children eligible for the Family Allowance program who have received information about the program and its procedures.	Once.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Share of current Tayssir and DAAM beneficiaries informed about the Family Allowance program and its procedures	The proportion of beneficiaries of existing programs (Tayssir and DAAM) among those covered by the outreach and communication campaign.	Bi-annual.	Ministry of Economy and Finance.	Ministry of Economy and Finance and Ministry of National Education, Preschool and Sports.	Ministry of Economy and Finance-Budget Directorate.
Existing and new programs updating or implementing their grievance redress mechanisms based on lessons learned and feedback from beneficiaries of the emergency cash transfers experience	This indicator will measure the number of programs updating or implementing their GRM based on lessons learned and a	Annual.	Ministry of National Education, Preschool and Sports.	Ministry of Economy and Finance and Ministry of National Education, Preschool and Sports.	Ministry of Economy and Finance-Budget Directorate.





	summary of key inputs and suggestions provided by beneficiaries through the IBM survey and SIA.				
Beneficiaries of cash transfers who have payment accounts or bank accounts	This indicator will reflect the number of cash transfer program beneficiaries such as Tayssir and DAAM who have payment accounts or bank accounts.	Annual.	Tayssir and DAAM programs' MIS.	Ministry of Economy and Finance, Ministry of National Education, Preschool and Sports, and the National Pension and Insurance Fund (CDG).	Ministry of Economy and Finance-Budget Directorate.
Share of female beneficiaries of cash transfers who have payment accounts or bank accounts	This indicator will reflect the number of female cash transfer beneficiaries (such as Tayssir's and DAAM's) who have payment accounts and bank accounts among all female cash transfer beneficiaries.	Annual.	Tayssir's and DAAM's MIS.	Ministry of Economy and Finance, Ministry of National Education, Preschool and Sports, and the National Pension and Insurance Fund (CDG).	MEF-Budget Directorate.
Individuals covered by the non-contributory health insurance	Number individuals covered by the non-contributory health insurance.	Annual.	AMO-TADAMON MIS.	Ministry of Interior.	Ministry of Interior.
Women covered by the non-contributory health insurance	Number of women covered by the AMO TADAMON.	Annual.	AMO-TADAMON MIS.	Ministry of Interior.	Ministry of Interior
Children 0-21 years old covered by the non-contributory health insurance	Number of Children 0-18 years old covered by the AMO TADAMON.	Annual.	AMO-TADAMON MIS.	Ministry of Interior.	Ministry of Interior.



**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Eligible heads of households enrolled and paid in the first round of emergency cash transfers	This indicator will measure the total number of beneficiaries of the emergency cash transfer program.	After the first wave of emergency cash transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Eligible heads of households enrolled and paid during the first round of emergency cash transfers - Female	This indicator will measure the percentage of female heads of households who received the first round of emergency cash transfers.	After the first wave of emergency cash transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Eligible heads of households enrolled and paid in the second round of emergency cash transfers	This indicator will measure the number of households who received the second round of emergency cash transfers.	After the first wave of emergency cash transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Eligible heads of households enrolled and paid in the second round of emergency cash transfers - Female	This indicator will measure the percentage of female head of households who received the second round of emergency cash	After the second wave of emergency cash	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.



	transfers.	transfers.			
Heads of households who appealed and successfully resolved their application for the emergency cash transfer program and paid in the first and second round	This indicator will measure the number of heads of households who received emergency cash transfers after submitting complaints.	After the completion of the emergency cash transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Heads of households who appealed and successfully solved their application for the emergency cash transfer program and paid in the first and second round - Female	This indicator will measure the percentage of female heads of households who received emergency cash transfers after submitting complaints.	After the completion of the emergency cash transfers.	Ministry of Economy and Finance's MIS.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Beneficiaries who expressed satisfaction with the emergency cash transfer program during the IBM survey, on the delivery, communication, and complaint modalities	This indicator will measure the percentage of beneficiaries who expressed satisfaction with the delivery process of the emergency cash transfers.	After the completion of the first IBM survey.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Share of beneficiaries who expressed satisfaction with the emergency cash transfer program, during the IBM survey on the delivery, communication, and complaint modalities - Female	This indicator will measure the percentage of female beneficiaries who expressed satisfaction with the delivery process of emergency cash transfers.	After the completion of the first IBM survey.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance's-Budget Directorate.
Share of beneficiaries satisfied with the capacity of the emergency cash transfers to mitigate the impact of the COVID-19 crisis	This indicator will confirm the percentage of beneficiaries who agree that the emergency cash	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.



	transfers managed to mitigate the impact of the COVID-19 crisis.				
Beneficiary households currently receiving Tayssir cash transfers	This indicator will monitor households with beneficiary children who are currently receiving Tayssir cash transfers.	Annual.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Beneficiary headed households currently receiving Tayssir Cash Transfers - Female	This indicator will monitor female households with beneficiary children who are currently receiving Tayssir cash transfers.	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Beneficiary women headed-households receiving DAAM cash transfers	Number of beneficiary women headed-households receiving cash transfers program through the new SR process and payed digitally.	Annual	DAAM (any successor) program's MIS	Ministry of Economy and Finance, Ministry of Solidarity, Social Integration and Family, and the National Pension and Insurance Fund (CDG).	Ministry of Economy and Finance, Ministry of Solidarity, Social Integration and Family, and the National Pension and Insurance Fund (CDG).
Beneficiary women headed-households living in rural areas receiving DAAM cash transfers	Number of women headed-households living in rural areas receiving cash transfers through the new SR process and are payed digitaly	Annual	DAAM (or any successor) program's MIS	Ministry of Economy and Finance, Ministry of Solidarity, Social Integration and Family, and the National Pension and Insurance Fund (CDG).	Ministry of Economy and Finance, Ministry of Solidarity, Social Integration and Family, and the National Pension and Insurance Fund (CDG).
Design and harmonization plan of the Family Allowance program validated and approved by the PSC	This indicator will measure whether the Government technical committee	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.



	validated and approved the design and implementation of the Family Allowance program.				
Family Allowance operational manual, including appeals and complaints management system prepared and adopted	This indicator will confirm the preparation of the Family Allowance operational manual, including the appeals and complaints management system.	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Technical committee for the design and harmonization of social assistance programs set up and its work plan approved		Once.	MEFAR	MEFAR.	MEFAR-Directorate of Budget.
Functional review of the main social assistance programs (DAAM, Tayssir, RAMED) carried out and validated by the Technical Committee and endorsed by the Steering Committee		Once.	MEFAR	MEFAR	MEFAR-Directorate of Budget.
Technical committee for the digitalization of payments under social assistance programs set up and work plan approved		Once.	MEFAR.	MEFAR.	MEFAR's Directorate of Budget.
Mapping of social assistance programs flow of payments		Once.	MEFAR and Bank Al-Maghrib.	MEFAR and Bank Al-Maghrib.	MEFAR-Directorate of Budget.
Validation of the roadmap on the organization of future flows of payments		Once.	MEFAR and Bank Al-Maghrib.	MEFAR and Bank Al-Maghrib.	MEFAR-Directorate General of Budget.



Preparation and validation of the analysis and the feasibility study on the harmonization and the strengthening of the social assistance	This indicator will monitor the preparation and the validation of the feasibility study on the harmonization and the strengthening of the social assistance.	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Preparation and validation of the design of the ECD demand-side interventions	This indicator will monitor the preparation and the validation of the design of the ECD demand-side interventions.	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Preparation and validation of the design of the economic inclusion demand-side interventions	This indicator will monitor the preparation and the validation of the design of the economic inclusion demand-side interventions.	Once.	Ministry of Economy and Finance.	Ministry of Economy and Finance.	Ministry of Economy and Finance-Budget Directorate.
Individuals enrolled in the non-contributory health insurance program	Number of Individuals enrolled in the AMO TADAMON through the new NPR and SR process	Annual	AMO-TADAMON MIS	Ministry of Interior.	Ministry of Interior.
Individual living in rural areas enrolled in the non-contributory health insurance	Individual living in rural areas enrolled in the AMO TADAMON through the new NPR/SR process.	Annual	AMO-TADAMON MIS	Ministry of Interior.	Ministry of Interior.
Persons with disabilities enrolled in the non-contributory health insurance	Number of Persons with disabilities enrolled in the AMO TADAMON through the NPR/SR process	Annual	AMO-TADAMON MIS	Ministry of Interior.	Ministry of Interior.



**Performance-Based Conditions Matrix**

Performance-Based Conditions Matrix				
<b>PBC 1</b>	Existing and new programs updating or implementing their grievance redress mechanisms based on lessons learned and feedback from beneficiaries of the emergency cash transfers experience			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	Yes	Number	5,000,000.00	0.01
Baseline	0.00			
2020			0.00	n/a
2021			5,000,000.00	n/a
2022			0.00	n/a
2023			0.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	
<b>PBC 2</b>	Beneficiary children receiving cash transfers programs			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	4,250,000.00	0.01
Baseline	0.00			
2020			0.00	n/a



2021		4,250,000.00	n/a
2022		0.00	n/a
2023		0.00	n/a
2024		0.00	
2025		0.00	
2026		0.00	

<b>PBC 3</b>		Beneficiary households currently receiving Tayssir cash transfers		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	20,000,000.00	0.06
Baseline	0.00			
2020			0.00	n/a
2021			10,000,000.00	n/a
2022			10,000,000.00	n/a
2023			0.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	





<b>PBC 4</b>	Prepare and publish one annual report on the M&E of the DAAM program under ToRs described in the Verification Protocol			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Number	10,000,000.00	0.00
Baseline	0.00			
2020			0.00	
2021			0.00	
2022			0.00	
2023			0.00	
2024			10,000,000.00	
2025			0.00	
2026			0.00	
<i>Action: This PBC is New</i>				
<b>PBC 5</b>	Simplify the application and recertification process for women-headed households to benefit from DAAM program, by reducing paper-based requirements from the current 9 documents to 2			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	10,000,000.00	0.00
Baseline	No			
2020	No		0.00	



2021	No		0.00	
2022	No		0.00	
2023	No		0.00	
2024	Yes		10,000,000.00	
2025	Yes		0.00	
2026	Yes		0.00	
<b>Action: This PBC is New</b>				
<b>PBC 6</b>	Design and harmonization plan of the Family Allowance program validated and approved by the PSC			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	Yes	Yes/No	10,000,000.00	0.03
Baseline	No			
2020			0.00	n/a
2021			0.00	n/a
2022			10,000,000.00	n/a
2023			0.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	

*Action: This PBC has been Revised. See below.*

<b>PBC 6</b>				
<i>Technical report on social assistance programs and design and implementation plan of the FA program approved by the PSC</i>				
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
<i>Output</i>	<i>No</i>	<i>Yes/No</i>	<i>15,000,000.00</i>	<i>0.00</i>
<i>Baseline</i>	<i>No</i>			
<i>2020</i>			<i>0.00</i>	<i>n/a</i>
<i>2021</i>			<i>0.00</i>	<i>n/a</i>
<i>2022</i>			<i>0.00</i>	<i>n/a</i>
<i>2023</i>			<i>15,000,000.00</i>	<i>n/a</i>
<i>2024</i>			<i>0.00</i>	
<i>2025</i>			<i>0.00</i>	
<i>2026</i>			<i>0.00</i>	
<b>PBC 7</b>				
<i>Beneficiaries eligible for the Family Allowance program who are informed about the program and its procedures</i>				
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
<i>Output</i>	<i>Yes</i>	<i>Number</i>	<i>10,000,000.00</i>	<i>0.03</i>
<i>Baseline</i>	<i>0.00</i>			
<i>2020</i>			<i>0.00</i>	<i>n/a</i>



2021			0.00	n/a
2022			10,000,000.00	n/a
2023			0.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	
<b>PBC 8</b>	Family Allowance operational manual, including appeals and complaints management system prepared and adopted			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	Yes	Yes/No	10,000,000.00	0.03
Baseline	No			
2020			0.00	n/a
2021			0.00	n/a
2022			0.00	n/a
2023			10,000,000.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	



<b>PBC 9</b>	Preparation and validation of the analysis and the feasibility study on the harmonization and the strengthening of the social assistance			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	Yes	Yes/No	5,000,000.00	0.01
Baseline	No			
2020			0.00	n/a
2021			0.00	n/a
2022			0.00	n/a
2023			5,000,000.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	

**Action: This PBC has been Revised. See below.**

<b>PBC 9</b>	<i>Feasibility study on the harmonization and strengthening of social assistance system with accompanying measures to enhance human capital and economic inclusion approved</i>			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	No	Yes/No	10,000,000.00	0.00
Baseline	No			



2020		0.00	n/a
2021		0.00	n/a
2022		0.00	n/a
2023		0.00	n/a
2024		10,000,000.00	
2025		0.00	
2026		0.00	

<b>PBC 10</b>	A government decision for the implementation of the disability evaluation system and setting forth the conditions for providing the disability card prepared and published			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	No	Yes/No	10,000,000.00	0.00
Baseline	No			
2020	No		0.00	
2021	No		0.00	
2022	No		0.00	
2023	No		0.00	
2024	Yes		10,000,000.00	
2025	Yes		0.00	



2026	Yes		0.00	
<i>Action: This PBC is New</i>				
<b>PBC 11</b>	Design and implement multi-channel registration for AMO-TADAMON through both civil and social centers, and an online platform			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	No	Yes/No	10,000,000.00	0.00
Baseline	No			
2020	No		0.00	
2021	No		0.00	
2022	No		0.00	
2023	No		0.00	
2024	Yes		10,000,000.00	
2025	Yes		0.00	
2026	Yes		0.00	
<i>Action: This PBC is New</i>				



PBC 12		Vulnerable families are covered by the AMO-TADAMON program		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	No	Yes/No	26,000,000.00	0.00
Baseline	No			
2020	No		0.00	
2021	No		0.00	
2022	No		0.00	
2023	Yes		10,000,000.00	
2024	Yes		0.00	
2025	Yes		8,000,000.00	
2026	Yes		8,000,000.00	
<i>Action: This PBC is New</i>				
PBC 12.1		2.5 million individuals (principal insured and dependents) are covered, out of which 35 percent female		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	No	Yes/No	10,000,000.00	0.00
Baseline	No			
2020	No		0.00	





2021	No		0.00	
2022	No		0.00	
2023	Yes		10,000,000.00	
2024	Yes		0.00	
2025	Yes		0.00	
2026	Yes		0.00	
<b>Action: This PBC is New</b>				
<b>PBC 12.2</b>	4 million individuals (principal insured and dependents) are covered, out of which 40 percent are female			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Outcome	No	Yes/No	8,000,000.00	0.00
Baseline	No			
2020	No		0.00	
2021	No		0.00	
2022	No		0.00	
2023	No		0.00	
2024	No		8,000,000.00	
2025	Yes		0.00	
2026	Yes		0.00	



<i>Action: This PBC is New</i>				
<b>PBC 12.3</b>	6 million individuals (principal insured and dependents) are covered, out of which 45 percent are female			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Outcome	No	Yes/No	8,000,000.00	0.00
Baseline	No			
2020	No		0.00	
2021	No		0.00	
2022	No		0.00	
2023	No		0.00	
2024	No		0.00	
2025	No		0.00	
2026	Yes		8,000,000.00	
<i>Action: This PBC is New</i>				
<b>PBC 13</b>	A recertification strategy for the AMO-TADAMON program has been developed and approved by the PSC			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	No	Yes/No	10,000,000.00	0.00
Baseline	No			



2020	No	0.00
2021	No	0.00
2022	No	0.00
2023	No	0.00
2024	No	0.00
2025	Yes	10,000,000.00
2026	Yes	0.00
<b>Action: This PBC is New</b>		

<b>PBC 14</b>				
The inclusion criteria for greater inclusion of selected vulnerable groups in the AMO-TADAMON program have been approved by the PSC				
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	No	Yes/No	10,000,000.00	0.00
Baseline	No			
2020	No		0.00	
2021	No		0.00	
2022	No		0.00	
2023	No		0.00	
2024	No		0.00	



2025	Yes		10,000,000.00	
2026	Yes		0.00	
<i>Action: This PBC is New</i>				
<b>PBC 15</b>	Beneficiaries of cash transfers who have payment accounts or bank accounts			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	Yes	Number	5,000,000.00	0.01
Baseline	100,000.00			
2020			0.00	n/a
2021			0.00	n/a
2022			0.00	n/a
2023			5,000,000.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	
<i>Action: This PBC has been Marked for Deletion</i>				



<b>PBC 16</b>	Technical report on the strategy and action plan for harmonized institutional arrangements governing GoM’s SA programs approved by the GoM’s Inter-ministerial Steering and Governance Committee for SP			
<b>Type of PBC</b>	<b>Scalability</b>	<b>Unit of Measure</b>	<b>Total Allocated Amount (USD)</b>	<b>As % of Total Financing Amount</b>
Output	Yes	Yes/No	5,000,000.00	0.01
Baseline	No			
2020			0.00	n/a
2021			0.00	n/a
2022			0.00	n/a
2023			5,000,000.00	n/a
2024			0.00	
2025			0.00	
2026			0.00	
<i>Action: This PBC has been Marked for Deletion</i>				

**Verification Protocol Table: Performance-Based Conditions**

<b>PBC1</b>	Existing and new programs updating or implementing their grievance redress mechanisms based on lessons learned and feedback from beneficiaries of the emergency cash transfers experience
<b>Description</b>	This indicator will measure the number of programs updating or implementing their GRM based on lessons learned and a



	summary of key inputs and suggestions provided by beneficiaries through the IBM survey and SIA.
<b>Data source/ Agency</b>	MEFAR.
<b>Verification Entity</b>	The Inspectorate General of Finances (Inspection Générale des Finances (IGF)).
<b>Procedure</b>	The MEFAR will coordinate the preparation of a process evaluation report, using information from the GRM system, the results of a social assessment based on a representative random sample of TADAMON program beneficiaries and potential beneficiaries, auditors' recommendations and an analysis on payment modalities. The MEFAR report will shed light on TADAMON's implementation strengths and weaknesses, challenges faced by female-headed households, and recommendations to improve cash transfer programs. The MEFAR will publish the report. The World Bank will receive the verification note confirming the publication of the report.
<b>PBC2</b>	Beneficiary children receiving cash transfers programs
<b>Description</b>	Number of children receiving program Tayssir cash transfers.
<b>Data source/ Agency</b>	The MEFAR and Ministry of Education.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The Ministry of Education will adopt an administrative document to introduce temporary revisions, and on an exceptional basis, to the Tayssir program's procedures on cash transfer conditionalities to facilitate transfers to beneficiaries for the entire school year 2020/2021, including the period of discontinuation of classes due to the COVID-19 crisis. The World Bank will receive the IGF verification report summarizing the changes implemented and the implementation of the Tayssir program.
<b>PBC3</b>	Beneficiary households currently receiving Tayssir cash transfers
<b>Description</b>	This indicator will monitor households with beneficiary children who are currently receiving Tayssir cash transfers.
<b>Data source/ Agency</b>	Ministry of Education (Tayssir's MIS), MEFAR.



<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The Ministry of Education, in collaboration with the MEFAR will prepare two (2) reports, produced once a year, on the implementation, financial management procedures, and delivery of the Tayssir program to its beneficiaries, and the monitoring of key results on access to school and the attendance of program beneficiaries, disaggregated by gender and region. Each report will highlight the strengths and weaknesses of the Tayssir implementation and challenges faced by the beneficiaries. The Ministry of Education will publish the report. The World Bank will receive the verification note from IGF confirming the publication of the document.
<b>PBC4</b>	Prepare and publish one annual report on the M&E of the DAAM program under ToRs described in the Verification Protocol
<b>Description</b>	Number of beneficiary women headed-households receiving cash transfers program through the new SR process and payed digitally.
<b>Data source/ Agency</b>	MEF, MSSIF, CDG (DAAM's MIS)
<b>Verification Entity</b>	IGF
<b>Procedure</b>	The MSSIF and the CDG in collaboration with the MEF will prepare one report on the implementation, financial management procedures, and delivery of the DAAM program to its beneficiaries, and the monitoring of key results on access to school and the attendance of program beneficiaries, disaggregated by gender and region. The report will highlight the strengths and weaknesses of the DAAM implementation and challenges faced by the beneficiaries. The MSSIF will publish the report. The World Bank will receive the verification note from IGF confirming the publication of the document.
<b>PBC5</b>	Simplify the application and recertification process for women-headed households to benefit from DAAM program, by reducing paper-based requirements from the current 9 documents to 2
<b>Description</b>	The PBC will support the simplification of the application and recertification process of DAAM through a paperless system.
<b>Data source/ Agency</b>	MEF, MSSIF, CDG



<b>Verification Entity</b>	IGF
<b>Procedure</b>	The MSSIF and the CDG will implement the new process for enrolment and recertification of eligible women-headed households to benefit from CT program. The new system will allow through the interoperability platform to automatically validate eligibility criteria and reduce paper-based requirements to 2 documents. The World Bank will receive the verification note from IGF confirming the implementation of the new process.
<b>PBC6</b>	Design and harmonization plan of the Family Allowance program validated and approved by the PSC
<b>Description</b>	This indicator will measure whether the Government technical committee validated and approved the design and implementation of the Family Allowance program.
<b>Data source/ Agency</b>	MEFAR's Directorate of Budget.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The MEFAR will elaborate a document which outlines the Family Allowance design, including a detailed implementation plan. The report will be validated by IMSC and approved by MEFAR's Minister. The World Bank will receive the IGF verification report with IMSC minutes which validated the design and the implementation plan with the annexes, the analyses, and reports that contributed to the final design and implementation plan.
<b>PBC6</b>	Technical report on social assistance programs and design and implementation plan of the FA program approved by the PSC
<b>Description</b>	This indicator will measure whether the Government technical committee validated and approved the design and implementation of the Family Allowance program.
<b>Data source/ Agency</b>	MEF-Directorate of Budget.
<b>Verification Entity</b>	IGF
<b>Procedure</b>	The MEF will prepare a document which outlines the Family Allowance design, including a detailed implementation plan. The report will outline an action plan to harmonize the social assistance programs and their institutional arrangements. The report will be approved by the Project Steering Committee and the MEF's Minister. The World Bank





	will receive the IGF verification report with Project Steering Committee minutes which validated the design and the implementation plan with the annexes, the analyses, and reports that informed the final design and implementation plan.
<b>PBC7</b>	Beneficiaries eligible for the Family Allowance program who are informed about the program and its procedures
<b>Description</b>	This indicator will measure the number of heads of households with children eligible for the Family Allowance program who have received information about the program and its procedures.
<b>Data source/ Agency</b>	MEFAR.
<b>Verification Entity</b>	IGF
<b>Procedure</b>	The MEFAR will prepare the design and the implementation strategy of outreach and communication campaign for the Family Allowance program. The IMSC will endorse the design and the implementation strategy outreach and communication campaign. The World Bank will receive the IGF verification report confirming the launch of the outreach and communication campaign and the estimation of the number of covered households, including annexes and technical documents summarizing its design and implementation plan.
<b>PBC8</b>	Family Allowance operational manual, including appeals and complaints management system prepared and adopted
<b>Description</b>	This indicator will confirm the preparation of the Family Allowance operational manual, including the appeals and complaints management system.
<b>Data source/ Agency</b>	MEFAR.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The MEFAR will coordinate the preparation of the operational manual, including a detailed process on the Grievance Redress Mechanism system. The World Bank will receive IGF's confirmation on the adopting of the operational manual by the institution(s) delivering the Family Allowance program.
<b>PBC9</b>	Preparation and validation of the analysis and the feasibility study on the harmonization and the strengthening of the social assistance



<b>Description</b>	This indicator will monitor the preparation and the validation of the feasibility study on the harmonization and the strengthening of the social assistance.
<b>Data source/ Agency</b>	MEFAR.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The MEFAR will coordinate the preparation of the technical assessment of remaining social protection programs and the feasibility of their harmonization, with accompanying measures for early childhood development and productive inclusion. The World Bank will receive the IGF verification report with the minutes of Inter-ministerial Steering and Governance Committee for Social Protection that validated the report; and, as annexes, notes and reports on the studies.
<b>PBC9</b>	Feasibility study on the harmonization and strengthening of social assistance system with accompanying measures to enhance human capital and economic inclusion approved
<b>Description</b>	This indicator will monitor the preparation and the validation of the feasibility study on the harmonization and the strengthening of the social assistance.
<b>Data source/ Agency</b>	MEF-Directorate of Budget.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The MEF will coordinate the preparation of the technical assessment of remaining social protection programs and the feasibility of their harmonization, with accompanying measures for early childhood development and productive inclusion. The World Bank will receive the IGF verification report with the minutes of the Project Steering Committee that validated the report; and, as annexes, notes and reports on the studies.
<b>PBC10</b>	A government decision for the implementation of the disability evaluation system and setting forth the conditions for providing the disability card prepared and published
<b>Description</b>	The PBC will support the preparation and the approval of the legal framework for the implementation of the Disability Evaluation System (DES) and setting forth the conditions for providing the disability card.



<b>Data source/ Agency</b>	MSSIF
<b>Verification Entity</b>	IGF
<b>Procedure</b>	The GOM will prepare and approve a decision to finalize the legal framework for the disability card and the new DES. The World Bank will receive the IGF verification report confirming the publication of the government decision.
<b>PBC11</b>	Design and implement multi-channel registration for AMO-TADAMON through both civil and social centers, and an online platform
<b>Description</b>	This PBC will aim to improve the access of poor and vulnerable families to health insurance through the design and implementation of a multi-channel registration for AMO-TADAMON via both civil and social centers, and an online platform.
<b>Data source/ Agency</b>	Ministry of Interior
<b>Verification Entity</b>	General Inspectorate of Territorial <i>Administration (Inspection Générale de l'Administration Territoriale - IGAT)</i>
<b>Procedure</b>	The IGAT will undertake a verification mission to confirm that eligible families enrolled in the NPR and the SR are able to enroll in the AMO-TADAMON : (i) in the Civil Services Center or (ii) virtually through a digital platform. The IGAT may conduct a survey on a representative sample if needed or use the information available in the AMO-TADAMON MIS. The World Bank will receive the IGAT's verification report confirming the achievement of the result.
<b>PBC12</b>	Vulnerable families are covered by the AMO-TADAMON program
<b>Description</b>	This PBC will contribute to ensuring that households enrolled through the new process are covered by the non-contributory health insurance.
<b>Data source/ Agency</b>	Ministry of Interior and CNSS/AMO-TADAMON' MIS
<b>Verification Entity</b>	IGF



<b>Procedure</b>	The IGF will undertake the following activities under terms and conditions described in the POM : (i) Verification of the number of person covered by the AMO-TADAMON and enrolle in the database through the new process based on National Population Registry and Social Registry features. (ii) Verification on the basis of a representative sample that they are covered by CNSS service and able to receive health insurance service when it's needed. The World Bank will receive the IGF verification report confirming the acheivement of the result in term of number and gender distribution.
<b>PBC12.1</b>	2.5 million individuals (principal insured and dependents) are covered, out of which 35 percent female
<b>Description</b>	
<b>Data source/ Agency</b>	AMO-TADAMON MIS
<b>Verification Entity</b>	IGF
<b>Procedure</b>	
<b>PBC12.2</b>	4 million individuals (principal insured and dependents) are covered, out of which 40 percent are female
<b>Description</b>	
<b>Data source/ Agency</b>	AMO-TADAMON MIS
<b>Verification Entity</b>	IGF
<b>Procedure</b>	
<b>PBC12.3</b>	6 million individuals (principal insured and dependents) are covered, out of which 45 percent are female
<b>Description</b>	
<b>Data source/ Agency</b>	AMO-TADAMON MIS



<b>Verification Entity</b>	IGF
<b>Procedure</b>	
<b>PBC13</b>	A recertification strategy for the AMO-TADAMON program has been developed and approved by the PSC
<b>Description</b>	The PBC will contribute to developing the GoM's recertification strategy for the AMO-TADAMON program. This strategy will be based on an evaluation and economic analysis of the impact and cost-effectiveness of the program parameters, allowing GoM to make informed decisions about AMO-TADAMON design and implementation.
<b>Data source/ Agency</b>	MEF, MI and CNSS
<b>Verification Entity</b>	IGF
<b>Procedure</b>	In collaboration with MoI and CNSS, the MEF will elaborate an evaluation and economic analysis of the impact and cost-effectiveness of the AMO-TADAMON parameters. The report will describe different scenarios and their impact on beneficiaries and program sustainability. It will provide a recertification strategy for the AMO-TADAMON. The strategy will be approved by the Project Steering Committee. The World Bank will receive the IGF verification report with Project Steering Committee minutes, which will validate the recertification strategy with the annexes, the analyses, and reports contributing to the final design.
<b>PBC14</b>	The inclusion criteria for greater inclusion of selected vulnerable groups in the AMO-TADAMON program have been approved by the PSC
<b>Description</b>	The PBC will contribute to the introduction of categorical inclusion criteria to reduce exclusion errors (if any) of vulnerable populations. It will be based on impact and process evaluation of the AMO-TADAMON program.
<b>Data source/ Agency</b>	MEF, MI and CNSS
<b>Verification Entity</b>	IGF
<b>Procedure</b>	The MEF in collaboration with MI and CNSS will elaborate an evaluation of the AMO-TADAMON program and



	analysis different scenarios to include vulnerable populations not covered by any health insurance schema and don't have the capacity to contribute. A technical document with the inclusion criteria for greater inclusion of selected vulnerable groups in the AMO-TADAMON program will be prepared and approved by the Project Steering Committee. The World Bank will receive the IGF verification report with Project Steering Committee minutes which validated the inclusion criteria with the annexes the analyses.
<b>PBC15</b>	Beneficiaries of cash transfers who have payment accounts or bank accounts
<b>Description</b>	This indicator will reflect the number of cash transfer program beneficiaries such as Tayssir and DAAM who have payment accounts or bank accounts.
<b>Data source/ Agency</b>	Bank Al-Maghrib and MEFAR.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The Financial Inclusion Strategy Committee (FISC) will approve and validate the cash transfer mapper document and the roadmap for the implementation of the digitalization flow structure. The World Bank will receive the IGF verification report with the FISC's meeting minutes that endorsed the cash transfers mapping and the road map for their digitalization; and, as annexes, the report on the mappers and the actions for its set-up.
<b>PBC16</b>	Technical report on the strategy and action plan for harmonized institutional arrangements governing GoM's SA programs approved by the GoM's Inter-ministerial Steering and Governance Committee for SP
<b>Description</b>	This PBC will support the technical analysis and the policy decisions needed to improve the governance and harmonize the Cash Transfer programs.
<b>Data source/ Agency</b>	MEFAR.
<b>Verification Entity</b>	IGF.
<b>Procedure</b>	The MEFAR will coordinate the preparation of a report that outlines an action plan to elaborate on the social programs' harmonized institutional arrangements. The World Bank will receive the IGF verification report together with the minutes of



the the Inter-ministerial Steering and Governance Committee for the Social Protection that validated the technical report on the strategy and the plan for the harmonization of social programs' management and governance.

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### ANNEX: Financial Management Assessment

1. **General framework.** The AF design entails revising Components 2, 3 activities, and adding the new Component 4. Component 1 will remain unchanged. The AF of US\$350 million equivalent includes US\$86 million allocated to PBCs. The overall coordination of the project, including FM will be carried out by the existing team within the MEF-BD in coordination with an extended team at the MoI, the MENPS, the MSSIF and other implementing entities executing cash transfers programs and the AMO-TADAMON. The MEF-BD has gained significant experience in managing Bank-financed IPF operations.

2. **Country public FM analysis.** The 2023 Public Expenditure and Financial Assessments (PEFA) is under preparation. It will allow the update of the assessment of the Moroccan Public Financial Management (PFM) before end of calendar year 2023. Public finances are subject to regular oversight from the Supreme Audit Institution (SAI) and other MEF control bodies (The Kingdom’s General Treasury - *Trésorerie Générale du Royaume (TGR)*, IGF, and *Direction des Entreprises Publiques et de la Privatisation*). Latest SAI’s 2021 annual report, highlights improvements in State budget deficits, and the need for better control of public spending, and a results-based performance approach for improving performance indicators of Moroccan PFM, streamlined with the New Development Model. The project will make use of the Moroccan PFM systems, such as the procedures for budget preparation, execution, internal control and monitoring; the national Integrated Expenditures system (*Gestion Intégrée de la Dépense-GID*); the Treasury single account system; and audits performed by the public sector oversight entities.

3. **An update of assessment of the FM system at the MEF, which is responsible for implementing the parent project was carried out to determine if the FM system meets the Bank’s minimum project management requirements as stipulated in the Bank policy on IPF with PBCs.** The assessment was extended to new entities currently responsible for the implementation of social protection programs, namely the MoI and CNSS for AMO-TADAMON and MNEPS, MSSIF and CDG/CNRA for Tayssir and DAAM, and MSSIF, which will deploy a new DES. The FM assessment included desk reviews and a series of virtual and in-person meetings with the MEF-BD, MSSIF, CDG/CNRA, and CNSS. The risk analysis and evaluation of FM capacity of the MEF-BD, through its project coordinator, within MEF is outlined below, as well as the other implementing entities. The MEF-BD is mandated to coordinate the overall generalization of the social protection reforms in the country. The project’s activities will follow the national budget execution and internal control procedures.

#### Risk Assessment and Mitigation

4. **As mentioned in Section IV.B, the overall residual FM risk for the project’s AF is rated substantial.** The following detailed mitigation measures are incorporated into the design of the project FM arrangements:

Table 1: Risk Assessment and Mitigation Measures of the Project’s Entities (IPF, DPF and PBCs)

Risk	Risk Rating	Risk Mitigating Measures Incorporated into Project Design	Condition for Effectiveness	Residual Risk
<b>Inherent risk</b>	<b>S</b>			<b>M</b>
<b>Country level</b> PEFA 2023 is in progress and is not yet completed. However, the latest assessment conducted by the SAI	S	Beyond the control of the project. The government is committed to a reform program that includes the PIM and budget reform (e.g., program budgeting).	No	M





Risk	Risk Rating	Risk Mitigating Measures Incorporated into Project Design	Condition for Effectiveness	Residual Risk
highlights several areas of strengths in the PFM. The government needs to work on the areas for improvements identified in the report.				
<b>Entity level</b> (i) The MEF and MSSIF are familiar with Bank-financed FM procedures and requirements in terms of budgeting, financial reporting, auditing, and disbursement. Yet, tools available for Bank-financed operations required some improvements. (ii) CNSS and CDG/CNRA do not have any experience with Bank-financed FM procedures.	M	<ul style="list-style-type: none"> <li>FM section of the POM will be updated to include new implementing entities and related FM arrangements responsibilities, in terms of financial reporting and execution.</li> </ul>	No	M
<b>Project level</b> The AF adds complexity to the original design of the parent project since it proposes activities to be executed in multiple sectors and by multiple government entities.	S	<ul style="list-style-type: none"> <li>WB team will assist the MEF, MSSIF in building the capacity of the Team in internal control operational effectiveness in areas such as financial controls and financial reporting, internal and external audit.</li> </ul>	No	M
<b>Control Risk</b>	<b>S</b>			M
<b>Budgeting:</b> (i) delays budgetary execution and control (ii) cost overrun or underrun, and reasons not detected in a timely manner.	M	<ul style="list-style-type: none"> <li>Annual Work Plan (AWP) and budget required each year and proclaimed. AWP reviewed and approved by the Board of directors). The POM for parent operation already defines the arrangements for budgeting, budgetary control and the requirements for budgeting revisions. Interim Financial Report will provide information on budgetary execution and analysis of variances between actual and budget.</li> </ul>	No	M
<b>Accounting:</b> poor policies and procedures, lack of familiarity with Bank FM procedures and requirement system and Bank FM requirements.	S	<ul style="list-style-type: none"> <li>A close follow up by the FM Bank team will be done on the planning of PBC related activities</li> </ul>	No	M
<b>Accounting:</b> poor policies and procedures, lack of familiarity with Bank FM procedures and requirement system and Bank FM requirements.	S	<ul style="list-style-type: none"> <li>The project will adopt the prevailing accounting system at the government PFM system.</li> </ul>	No	S
<b>Funds Flow:</b> (i) Risk of misused of funds; (ii) delays in disbursements of funds entities and beneficiaries at central and decentralized levels	S	<ul style="list-style-type: none"> <li>Assignment to the project of dedicated accountants; and Capacity building on WB FM procedures of the staff as needed.</li> </ul>	No	M
<b>Internal Control:</b> The internal control system may be weak due to the weak FM capacity of the team; lack of familiarity with Bank FM	S	<ul style="list-style-type: none"> <li>Update the FM procedures manual as part of the POM and training on the use of the manual.</li> </ul>	No	M



Risk	Risk Rating	Risk Mitigating Measures Incorporated into Project Design	Condition for Effectiveness	Residual Risk
procedures by CNSS and CDG/CNRA.  Project teams not familiarized with PBC related procedures and may not be able to identify control weaknesses and risks over the PBCs financing				
<b>Auditing:</b> Delays in submission of audit report. The scope of the mission may not cover expenditures incurred by all the levels/entities where the project activities are implemented, or audit findings/recommendations may not be implemented in a timely manner or effectively.	S	<ul style="list-style-type: none"> <li>The internal audit teams of implementing entities will be involved in identifying control weaknesses and risks over the PBCs financing.</li> </ul>	No	M
<b>Fraud and Corruption</b> The possibility of circumventing the internal control system with colluding practices such as bribes, abuse of administrative positions, mis-procurement, etc., is a critical issue.	S	<ul style="list-style-type: none"> <li>Periodic reviews of the risk management and controls over the management of project funds by the Bank teams during the implementation support mission.</li> </ul>	No	M

5. **Organizational arrangements and staffing.** The MEF-BD will be responsible for the implementation of the AF of the parent operation. The overall oversight will be ensured by the MEF-BD. A project coordinator, with the support of a larger team within the MEF-BD, will monitor financial reporting and disbursement, as well as coordinate the activities of the Inter-ministerial Steering Committee.

6. **Planning and Budget.** The Moroccan public finance system is governed by a complex legal and regulatory framework that offers guarantees of high reliability and transparency. Morocco’s compliance with rules and regulations and existing accountability arrangements provides an adequate framework for the use of PFM which is considered broadly transparent. The Loan shall be received by the Kingdom of Morocco for the MEF.

7. **Budget programming for new implementing entities (MSSIF, CDG/CNRA, CNSS) was assessed as adequate.**

- **The MEF and MSSIF budgets are part of the State budget. They are properly evaluated and annually voted through “budget law.”** These entities are responsible for the preparation of their annual budget for operating and investment programs, adopted through "Budget law" which is to be adopted afterwards by the first and second chambers of Parliament. The provisions relating to multi-year budget programming as embedded in the Organic Law of Finance came into force on January 1, 2019. They ensure budget sustainability, increase managerial accountability and offer better predictability and transparency in public management.
- **CDG/CNRA and CNSS are public entities which are also part of State budget and have adequate budget planning.** They are endowed with civil personality and financial autonomy. They receive their annual budgets from the MEF. Their management committees which have internal regulations regularly updated, present each year to the MEF activity report. The CDG/CNRA is under



supervision of CDG and the control of the Insurance and Social Welfare Supervisory Authority (ACAPS) whose purpose is to ensure compliance with the provisions of the law. The CNSS is now placed under the supervision of the MEF.

**8. Accounting. The GID, the National Integrated system used by the MEF and MSSIF, as well as CNSS and CDG/CNRA accounting systems (SAGE, SAP, and AGRIS Software) will be applicable.** The MEF-BD will ensure consolidation in Excel sheet to meet project reporting requirements. The project accounting will use the public-sector accounting standards in practice.

- In Morocco, all financial and accounting operations of the government (ministries, including MEF and MSSIF) are carried out, controlled and accounted for according to the public-sector accounting standards presented in the Public Accounting Decree n° 330-66 du 21/04/1967 (*Décret sur la comptabilité publique*), which is on cash basis. The bookkeeping by the network of accountants is supported by the GID, which is an integrated set of computerized applications developed in-house. Despite some limitations, the State's general accounts, after reprocessing operations at the central level, make it possible to carry out financial analysis, monitor cash flows, and draw up the management charts needed to pilot budget execution.

**9. CNSS and CDG/CNRA accounting and reporting procedures are governed by Law n°69.00 (Dahir n° 1.03.195 of November 11, 2003), regulating the financial control of the State over public entities.** The control of their expenditures is exercised at two levels. Ex ante, by the State Controller during the commitment of expenditures and by the paying Treasurer for payments. And ex-post, by an external audit carried out by a private company as well as by The IGF and the Court of Auditors. Their accounting procedures are based on accrual accounting and their budgeting and accounting systems are managed by integrated management systems which would allow the extraction of program expenditure. **Both entities have adequate accounting procedures, with sufficient staff for this purpose.** CDG/CNRA has five staff for the accounting function and two Entity managers. CNSS has a Finance and Accounting Department with 20 staff (accountants, budget and financial analysts and managers). This Department will have to continue recruiting to cope with this growing activity.

**10. Internal Controls.** The project will use the existing internal control systems in the MEF, MSSIF and other implementing entities. These systems are robust and encompass (i) guidelines for annual budget preparation and implementation; (ii) clear segregation of duties between the payment authorizers and the public accountant; (iii) ex ante control of the financial controller ("*Trésorier ministériel*"); (iv) acceptable procedures for documentation and record retention; and (v) verification of the eligibility of the expenditure as per requirements in the project Loan Agreement and Disbursement and Financial Information Letter.

- **The CDG/CNRA has adequate and operational internal audit function, as well as CNSS.** The CDG/CNRA also has a first-level control manual dedicated to Tayssir program and covering the operations of data completeness, double registration, reliability of the admissibility of rights and the reliability of documents. These controls ensure that (i) the registration data is completed; (ii) the control of MASSAR data and the admissibility of rights is operational; and (iii) document compliance and completeness is achieved. For the CNSS, its internal audit and management control functions are operational and annual missions are implemented to improve CNSS internal control procedures, including those related to cash transfers.



**11. Conflict of interest and related party transactions, Morocco's new Constitution, promulgated on July 1, 2011, explicitly mentions the need to fight corruption and ensure good governance and transparency as fundamental tools of public sector management.** It also recognizes the right to citizen participation in government decision-making and public engagement, as well as the right of access to public information. The new constitution lays the foundation for greater transparency and efficient use of public resources through Chapter II on Conflict of Interest, Misconduct in Public Procurement, Misuse of Public Funds, Greater Transparency, Accountability and the Fight against Fraud and Corruption, and Chapter XII for Good Governance. The Central Corruption Prevention Authority (ICPC) was created in 2007 as the central administrative body for the prevention of fraud and corruption. In 2011, the ICPC was elevated to the status of a constitutional institution and was granted legal, financial, and administrative independence. Since then, the institution has actively assumed its role. It has recently developed a national anti-corruption strategy based on the International Convention against Corruption. Jointly with the IGF, the ICPC has designed a map on corruption risks in public procurement. In addition, the ICPC has set up an electronic system enabling citizens and businesses to anonymously file complaints and claims in cases of corruption and fraud. Since the ICPC does not have the statutory capacity to investigate and impose sanctions, the institution has recently been transformed into the National Authority for Probity, Prevention and Fight against Corruption (INPPLC), which has a broad role and powers that will include the active fight against corruption.

**12. The project will make use as in the parent operation of the Moroccan Single Treasury account system centrally managed by MEF. A Designated Account (DA) managed by MEF for loans funds under PBCs credited to the GoM Single Treasury Account is already opened.** No changes will be implemented at this level. The MEF-BD will report (through) on the use of loan proceeds advanced to the project's DA in accordance with the Disbursement and Financial Information Letter. Financial flows come from the WBG and are organized according to the Bank's disbursement procedures. Funds will be transferred to the GoM through the Central Bank: (Bank Al-Maghrib).

**13. Disbursements will continue to be report-based prepared on a quarterly basis for the cash transfers component and semi-annual basis for the PBC component as in the parent operation.** The implementing agency will prepare the UIFRs, compile information from Budget Expenditure Reports of Tayssir, DAAM, and AMO-Tadamon prepared by responsible entities.

**14. Disbursements will be based on UIFRs, and, for Category 2, it will be conditional on the achievement of the PBCs.** Disbursements are made upon the WB's confirmation that the evidence of PBC achievement submitted by the MEF is satisfactory to the WB. Upon project effectiveness, an advance up to 6 month-expenditure forecasts will be disbursed into the DA opened at the TGR.

**15. The advance amount allocated to the PBCs will be justified by the eligible expenditures in respect upon receipt** of: (i) satisfactory evidence of the achievement of the PBC specified in Schedule 4 of the Loan Agreement, and (ii) the UIFR establishing an amount of eligible greater than or at least equal to the value corresponding to the amount of the realization of the PBC. This report will be, in part, prepared on the basis of a statement of expenditures from DAAM, Tayssir, AMO-TADAMON programs, evidencing actual expenditures of the current FY.

**16. Disbursement requests will be submitted to the WB by the MEF through the electronic submission of withdrawal applications** and using the WB disbursement form signed by an authorized Government



representative. A copy of the official WB communication confirming the achievement of the PBC must be attached to all disbursement requests.

17. **The qualified Expenditures from Tayssir, DAAM and AMO-TADAMON would be subject to standard WB supervision** activities and fiduciary requirements during the life of the project. Supporting documentation for disbursements would include the bi-annual UIFRs including reports on PBCs, as per an agreed reporting format to be annexed to the POM.

18. The project will finance 100 percent of eligible expenditures inclusive of taxes.

19. **Financial reporting.** The financial reporting on a semestral basis will continue to be undertaken by the MEF-BD--BD. The MEF-BD and MSSIF have experience in the management of projects financed by the WBG. However, CNSS and CDG/CNRA are new entities that will need to be trained in FM Bank procedures and reporting arrangements. The MEF-BD has a manual covering the budget and accounts that describes budgetary procedures and approval cycles of expenditures. The MEF-BD will be responsible for preparing the simplified semi-annual UIFRs and annual financial statements. The simplified semiannual UIFRs will be prepared manually using Excel as the national GID features and other public entities' accounting systems are not in accordance with the requirements of the Bank FM guidelines. Each UIFR will be submitted no later than 45 days after end of each semester and will include Budget Execution Reports for 14 PBCs. The UIFR will comprise the following: (i) a report for Components 2, 3 and 4 (ii) for Components 2, 3 and 4, PBCs' achievements during the period showing allocated amounts as compared with actual expenditures; and (iii) a reconciliation statement of the Directorate of Social Affairs. A Simplified reporting format will be developed by the MEF-BD, through its project coordinator, with technical support from the Bank FM team as soon as the loan agreement is signed.

20. **Reporting on achievements of PBCs targets.** The results-based financing modality will apply to some additional activities in components 2, 3 and 4. Decisions over compliance and disbursement against PBCs will be made by the Bank based on annual reports prepared by the MEF-BD, through its project coordinator, and reviewed by the external auditors (IGF), with supporting documentation. IGF will be the verifier of the achievement of the PBC targets and will have to report on the technical achievement of PBCs targets as well as the total amount of expenditure incurred to achieve each result. To address the perceived conflict of interest, different team members from the IGF will perform auditing of the project's annual financial statements in accordance with terms of reference acceptable to the Bank (more details are provided in the external audit section of the FMAR). The WB will receive reports on the assessment of the PBCs by end of March following each year of project implementation and will advise on the amount to be reimbursed to Morocco which should not exceed the actual value of the PBC that generates the results. Disbursements will be made to the GoM STA (*Compte unique du Trésor*).

21. **PBCs Verification.** The IGF will continue acting as the verifier of the 14 PBCs defined under the four components of the project with the support of other involved departments in cash transfers programs, such as the Mol. A detailed verification protocol will be annexed to the POM. The IGF will prepare a verification report based on the verification process that will be developed in accordance with the verification protocol. This verification of the PBCs will be separate from the annual audit of the project's financial statements, which will also be entrusted to the IGF. To ensure greater autonomy and independence in the conduct of these two types of missions, the IGF will set up two separate teams. The IGF will communicate to the Bank through



official correspondence on the composition of the different teams. The development and implementation of audit and verification procedures will be adapted exclusively for each type of mission. One will be punctual, according to the achievement of the PBCs and the other will be recurrent on an annual basis and relative to each FY.

**22. External audit.** The MEF shall have the Financial Statements for the project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions, by the Government Auditing Office (IGF). Each such audit of the financial statements shall cover the period of one FY of the Borrower. The MEF-BD, through its project coordinator, will prepare the project’s annual financial statements that will be timely submitted to the auditor. The audit report will be submitted no later than nine months following the end of each FY. These arrangements are similar to those currently applied in most of the Bank-financed operations in Morocco and deemed acceptable to the Bank. The Project will comply with the WB Access to Information Policy of audit reports and place the information provided on the official website within two months of the report being accepted as final by the team and the WB.

**23. Support to the implementation plan.** FM supervision will be conducted over the project’s lifetime. Based on the outcome of the FM risk assessment, the following implementation support plan is proposed (Table 2). The objective of the implementation support plan is to ensure the project maintains a satisfactory FM system throughout its life.

**Table 2: FM Action Plan**

Issue/Topic	Remedial action recommended	Responsible body/person	Completion date	FM Effectiveness Conditions
<b>Staffing</b>	Build capacity of the new entities in the areas of financial controls and financial reporting, internal and external audit.	WB	3-6 months after project effectiveness	<b>NO</b>
<b>Administrative Accounting &amp; Financial Manual</b>	Update the FM section of the Parent operation’s POM, covering the operational effectiveness of the internal control system of all implementing entities.	MEF/WB	1-3 months after project effectiveness	<b>NO</b>
<b>Independent IVA</b>	Conduct independent verification of achievement of PBC targets and submit the reports to the Bank and supporting documents.	MEF/IGF	March of every year	Condition of disbursement of PBC
<b>External auditing</b>	Prepare and submit the annual audited financial statements of the operation	MEF/IGF	9 months following end of each calendar year	<b>NO</b>

**24. The three social expenditure programs are financed through the Strategy Social Cohesion Fund and were assessed as adequate to support the project’s PBCs.** They are as follows: TAYSSIR, DAAM and AMO-TADAMON. The new Component 4 (new, US\$206 million) will finance the non-contributory health insurance scheme (AMO-TADAMON), which aims to cover poor and vulnerable households against health risks – with a total of US\$56 million under PBC 11, PBC 12, PBC 13, and PBC 14.



**Table 3: Social Cohesion Fund: Tayssir, DAAM, AMO-TADAMON budget lines**

Country Assistance Strategy: Social Cohesion Fund			
Budget lines for Tayssir and DAAM			
Eco.Code	Paragraph	Line	Account Description
572	30	12	Payment to the CDG/CNRA in accordance with Conditional Payment transfers of Tayssir
589	20	20	Direct payment to widows in precarious situation <i>Païement d'aide directe aux veuves en situation précaire</i>
572	10	10	CNSS (AMO-TADAMON)

25. Currently, the parent project uses Tayssir expenditures to justify PBCs disbursements. The WB-funded Education Support Program (PASE - P167619) uses Tayssir's expenditures to justify disbursements. It was agreed with the Ministry of Education and the MEF to have the following annual breakdown of Tayssir's expenses on both projects:

**Table 4: Tayssir and DAAM expenditures**

Year	2022			2023			2024			2025			2026			TOTAL 2023-2026
Tayssir transfers (MAD Million)	2.86			3.146			3.46			3.806			4.187			14.6
	nsfer 1	ns. 2	ns. 3	ans.1	ns. 2	ns. 3	ans.1	ns. 2	ns. 3	ans.1	ns. 2	ns. 3	ans.1	ns. 2	ans. 3	
	.025	22	97	0	0	16	.085	0	50	0	64	0	0	64	0	4.48
	0	0	0	046	37	0	0	64	0	085	0	50	085	0	950	6.619
/year (PASE+SP2)	2.645,4			2.7			2.8			2.8			2.8			11.099

26. The redesign of the Tayssir distribution between PASE and the parent projects has been updated according to the financial forecasts for disbursement of the additional PASE funding. Based on the analysis of the Tayssir program expenditure statements and the disbursement needs expressed for each program, it was proposed, in consultation with the MENPS/Directorate of Social Affairs, to adapt a dynamic distribution key based on the forecast needs of each support program as the transfers were executed.

**Table 5: Disbursement forecasts 2023/2026 for DAAM, Tayssir, AMO-TADAMON (in million US\$)**

Forecasts DAAM/Tayssir/AMO TADAMON	FY-2023	FY-2024	FY-2025	FY-2026
DAAM	64	64	64	64
TAYSSIR	230	230	230	230
AMO TADAMON	864	864	864	864
PforR Education	104	103	103	103
Balance Tayssir	126	127	127	127
Parent Project IPF component	80	105	50	60
Parent Project PBC component	15	50	30	39

27. The above-detailed forecasts provide sufficient assurance on DAAM, Tayssir, and AMO-TADAMON's eligibility as an expenditure program.



28. **DAAM and TAYSSIR programs were already evaluated SP-1 and deemed acceptable and reliable.** The Education PForR has also evaluated the budget lines of Tayssir. The evaluation concluded that the two programs qualify for WBG financing and for inclusion in the project’s PBC. The control processes ensure traceability of transfers to beneficiaries through reporting and monitoring mechanisms and are subject to oversight and both internal and external controls by the control institutions and line Ministries. DAAM has extensively grown, and transfers increased during the last 5 years, reaching US\$65 million annually. Tayssir has improved through recent CDG/CNRA’s management of transfers. The CDG/CNRA has a reliable procedure governing the terms and conditions for making Tayssir program funds available to it. As such, CDG/CNRA has developed MIS and control manuals for both Tayssir and DAAM programs to ensure the efficiency of transfers and minimize the risk of fraud and errors. CDG/CNRA has implemented various control measures to ensure that financial assistance is provided only to eligible families and that the funds are used for their intended purpose. These measures include risk management mapping, internal controls, and electronic payment system.

29. **New AMO-TADAMON.** The program has been assessed as acceptable based on robust arrangements implemented by the CNSS in terms of financial monitoring and monthly reporting to MEF. The contributory FA payments are completely digitalized since 2020. The CNSS now also manages the contributory health insurance (AMO) for both salaries and non-salaried workers, and since 2022 also began to manage the non-contributory health insurance (AMO-TADAMON) for up to US\$864 million per year. The first quarter of 2023 has registered a transfer of contributions in the value of 2,165 MMAD (US\$210 million) to cover more than 9 million individuals within AMO-TADAMON. A rate of 6.37 percent of the SMIG (Guaranteed Minimum Wage around 2970 MAD per month) is applied to determine the level of AMO-TADAMON contributions, i.e., 189.18 MAD per household (head of household).

30. **However, AMO may be confronted with certain risks as pointed out by the SAI in its 2021 report** regarding the delay in enrolling beneficiaries using the SR throughout the country. This would impact coverage of AMO-TADAMON households. In view of this risk, the adoption of financing mechanisms that can guarantee the sustainability, viability and durability of the compulsory AMO, at an accelerated pace, is recommended.

31. Detailed disbursement forecasts for parent project and additional financing are presented in table below.

**Table 6: Detailed disbursement forecast parent project and additional financing**





Description		PP	AF	2021	2022	2023	2024	2025	2026	Total	Program
<b>Component 1 – ECT in response to COVID-19</b>		<b>165</b>	<b>0</b>	<b>160</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>165</b>	
IPF	Emergency Cash transfer beneficiaries (retroactive)	160		160						160	Tadamon COVID-19
PBC	<b>PBC 1:</b> A process evaluation report of the implementation of the ECT, including results of the social impact assessment, audit recommendations and an action plan to improve the cash transfer programs, has been prepared and published.	5				5				5	Tayssir
<b>Component 2 Improve and modernize CT programs to protect human capital</b>		<b>189.25</b>	<b>120</b>	<b>0</b>	<b>75</b>	<b>154</b>	<b>70</b>	<b>10</b>	<b>0</b>	<b>309.25</b>	
IPF	Cash transfer program Beneficiaries (TAYSSIR)	165	50		75	90	50			215	Tayssir
	Cash transfer program Beneficiaries (DAAM)		50			30	20			50	DAAM
PBC	<b>PBC 2:</b> Specific temporary design modifications of the Tayssir Program for the Borrower’s school year 2020-2021 have been adopted under terms and conditions described in the Verification Protocol.	4.25				4				4	Tayssir
PBC	<b>PBC 3:</b> The Borrower has prepared and published two (2) annual reports on the M&E of the Tayssir Program under terms of reference as further described in the Verification Protocol: (a) Annual report in a given year (b) Annual report in a subsequent year	10				10				10	Tayssir
		10				10				10	
PBC	<b>PBC 4:</b> The Borrower has prepared and published one (1) annual report on the M&E of the DAAM Program under terms of reference as further described in the Verification Protocol.		10			10				10	DAAM
PBC	<b>PBC 5:</b> The Borrower has Simplified the application and recertification process for women-headed households to benefit from DAAM program, by reducing paper-based requirements from the current 9 documents to 2.		10					10		10	DAAM
<b>Component 3: Enhanced CT and social programs for resilience</b>		<b>45</b>	<b>23.125</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>34</b>	<b>5</b>	<b>4.125</b>	<b>68.125</b>	
PBC	<b>PBC 6:</b> A technical report on the harmonization of the borrower’s social assistance programs and the design and implementation plan of the FA program, approved by the Project Steering Committee (PSC).	10+5				15				15	Tayssir
PBC	<b>PBC 7:</b> An outreach and communication campaign on the FA program has been designed and launched, all under terms and conditions established in the Verification Protocol.	10					10			10	Tayssir
PBC	<b>PBC 8:</b> The Borrower has prepared and adopted the operational manual of	10					10			10	Tayssir



	Description	PP	AF	2021	2022	2023	2024	2025	2026	Total	Program
	the FA program, including the procedures of the GRM system, under terms and conditions described in the verification protocol.										
PBC	<del>PBC 7 (deleted PBC)</del>	5									
PBC	<del>PBC 8 (deleted PBC)</del>	5									
PBC	<b>PBC 9:</b> A feasibility study on the strengthening and the harmonization of the Borrower's social assistance system with accompanying measures to enhance human capital development and productive and economic inclusion has been approved by the PSC, all under terms and conditions established in the verification protocol.	5+5					10			10	Tayssir
PBC	<b>PBC 10:</b> The Borrower has prepared and published a government decision for the implementation of the DES and setting forth the conditions and the procedure for providing the disability card.		10			10				10	DAAM
PBC	Design and implementation of (i) DES (ii) activities for the implementation of the FA program (Integrated MIS, communication).		13.125				4	5	4.125	13.125	
<b>Component 4: Protect the poor and vulnerable against health risks</b>		<b>0</b>	<b>206</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>50</b>	<b>80</b>	<b>66</b>	<b>206</b>	
IPF	AMO-TADAMON premia for poor and vulnerable beneficiaries		150				40	60	50	150	AMO-Tadamon
PBC	<b>PBC 11:</b> The Borrower has designed and implemented a multi-channel registration for AMO-TADAMON through both civil and social centers, and an online platform.		10			10				10	AMO-Tadamon
PBC	<b>PBC 12:</b> Vulnerable families are covered by the AMO-TADAMON program as follows: <b>PBC 12.1:</b> (new, US\$10 million): 2.5 million individuals (principal insured and dependents) are covered, out of which 35 percent female <b>PBC 12.2:</b> (new, US\$4 million): 4 individuals (principal insured and dependents) are covered, out of which 40 percent are female <b>PBC 12.3:</b> (new, US\$6 million individuals (principal insured and dependents) are covered, out of which 45 percent are female.		10				10			10	AMO-Tadamon
			8					8		8	AMO-Tadamon
			8						8		8
PBC	<b>PBC 13:</b> A recertification strategy for the AMO-TADAMON program has been developed and approved by the PSC.		10					10		10	AMO-Tadamon
PBC	<b>PBC 14:</b> The inclusion criteria for greater inclusion of selected vulnerable groups in the AMO-TADAMON program have been approved by the PSC.		10					10		10	AMO-Tadamon
<b>Total</b>		<b>399.25</b>	<b>349.13</b>	<b>160</b>	<b>75</b>	<b>194</b>	<b>154</b>	<b>103</b>	<b>62.13</b>	<b>748.375</b>	