



1. Project Data:		Date Posted : 08/05/2004	
PROJ ID: P042414		Appraisal	Actual
Project Name: Social Priorities Program: coordination and monitoring of social programs, and labor promotion project	Project Costs (US\$M)	49.50	49.28
Country: Morocco	Loan/Credit (US\$M)	28.00	24.75
Sector(s): Board: SP - Other social services (79%), Central government administration (21%)	Cofinancing (US\$M)	0.0	0.0
L/C Number: L4026			
	Board Approval (FY)		96
Partners involved :	Closing Date	12/31/2003	12/31/2003

Prepared by :	Reviewed by :	Group Manager :	Group:
Howard Nial White	Roy Gilbert	Alain A. Barbu	OEDST

2. Project Objectives and Components

a. Objectives

- (i) Improve basic infrastructure and generate income transfers in rural communities through the use of labor -intensive techniques;
- (ii) Set up a body that would have the permanent capacity to monitor and analyze the socioeconomic standards of living of the population; and
- (iii) Raise public and political awareness of social issues .

b. Components

This project was one of three created from a larger project originally covering also health and education all under the Social Priorities Project (SPP or BAJ in Arabic). This large proposed project was split into three smaller projects : BAJ Basic Education, BAJ Basic Health and, this project (BAJ Coordination and Monitoring of Social Programs and Labor Promotion), with the following components:

Component A : Employment promotion (Planned : US\$39.8 million, Actual : US\$42.78 million): to be executed by the Promotion Nationale (PN). an agency established in 1961 with long experience in implementing infrastructure projects. This component would support activities in the areas of rural infrastructure, literacy and institutional capacity building. Through the labor-intensive works undertaken by the PN, this component pursued a twofold objective : (i) contribute to the improvement of basic social infrastructure with activities complementing the interventions undertaken under the education and health projects comprising the SPP /BAJ and (ii) create temporary employment in the targeted provinces, transferring income to poor households .

Component B : Statistical monitoring (Planned : US\$4.4 million; Actual : US\$4.5 million): to be executed by the Department of Statistics (DS) of the High Commissariat of Planning. This component consisted of two sub-components: (i) establishment of an Observatory for Monitoring Living Conditions and (ii) carrying out a second Household Living Standards Measurement Study (LSMS).

Component C : Strategy implementation and program coordination (Planned : US\$5.2 million; Actual : US\$4.0 million): to be executed by the Secrétariat established under the High Commissariat of Planning. This component would support a small program coordination unit, the Secrétariat, whose role would be to (i) monitor the impact of the three SPP/BAJ projects; (ii) set up the Program Management Information System (PMIS) and a Geographical

Information System (GIS); (iii) coordinate and synchronize the actions recommended under the Social Development Strategy (SDS); (iv) keep the Social Strategy Steering Committee (CSSS) informed about the pace of implementation; (v) prepare any documentation or analysis that the CSSS or government might need in order to monitor, readjust and correct the country's SDS; and (f) mobilize internal and external constituencies to work together toward the goals of and channel the necessary resources to the SDS .

c. Comments on Project Cost, Financing and Dates

The shortfall in Bank expenditure reflects under-expenditure on the second (statistical monitoring) component of the project. (No reason is given in the ICR for this shortfall). Nevertheless the actual government counterpart was US\$24.53 million, rather than US\$ 21.50 million as planned, on account of greater expenditure on the first component resulting from a budget increase for PN to cope with the effects of the drought .

Annex 2 shows actual expenditure on the third component at US\$ 4.0 million, but the final table in that Annex shows Bank and borrower spending as US\$ 1.5 and US\$0.5 million respectively.

The project closed on schedule .

3. Achievement of Relevant Objectives:

Improve basic infrastructure and generate income transfers in rural communities through the use of labor-intensive techniques : fully achieved

A total of 1,396 projects were implemented, generating 4,289,284 working days so as to transfer nearly US\$ 20 million in payments to poor families in rural areas . Projects included water supply (wells and pipelines), sanitation, boundary walls, rural roads and other community buildings . A cost effectiveness analysis shows that the works, using labor-intensive methods, were cheaper than private sector alternatives in Morocco, and costs generally compared favorably to international standards .

Set up a body that would have the permanent capacity to monitor and analyze the socioeconomic standards of living of the population : fully achieved

The Observatory for Monitoring Living Conditions was established and the LSMS carried out . Both of these activities have contributed to analysis of poverty .

Raise public and political awareness of social issues : not achieved

Although the work of DS and the observatory has generated some public awareness of social issues, there has been an erosion of political support for the Secretariat (created under component C) which was intended to coordinate the government's social policies. The project design in support of this objective was weak, and there were no indicators to measure progress toward achievement of the objective (or otherwise).

4. Significant Outcomes/Impacts:

- Creation of rural infrastructure to complement social investments financed through other projects, achieved at a lower cost than comparable infrastructure constructed by the private sector
- Generation of rural employment and income transfer to poor rural families
- Creation of Observatory and conducting LSMS

5. Significant Shortcomings (including non-compliance with safeguard policies):

Misallocation of resources : PN's budget covers temporary clerical work in urban areas (emplois d'opportunit  occasionelle, EOO). One of the legal covenants was to reduce the share of PN's budget allocated to EOO from 50 percent in 1996 to 20 percent by the end of 2000. This was not achieved, the share falling to 22 percent by 2002, but increasing back up to 30 percent in 2003. Government is putting in place mechanisms to deal with the problems underlying this adverse trend .

Lack of arrangements for sustainability . The SAR stated that cost recovery would not be used as this would create a discrepancy between rural and urban areas . Additional budget support to PN was foreseen for at least five years . The implication is that O&M was not to be a beneficiary responsibility - it is also not mentioned in the section of the SAR on stakeholder participation. However the ICR notes that dormitories (to facilitate school attendance) are maintained by a variety of means, including contributions from parents . Roads have not been maintained by communities, as this has not been their responsibility, but the ICR says that it is expected that communities will

assume maintenance responsibilities once they become aware of the benefits of the infrastructure . Decentralization is expected to contribute to this process .

Lack of indicators for objective of raising issues of social awareness Data on public awareness of social issues can be collected through survey instruments, or less formal measures used, such as monitoring of media coverage . However, the indicator matrix uses simply the publication of reports, which is by itself insufficient to achieve the objective.

6. Ratings :	ICR	OED Review	Reason for Disagreement /Comments
Outcome :	Satisfactory	Satisfactory	
Institutional Dev .:	Modest	Modest	
Sustainability :	Likely	Likely	Whilst dormitories are maintained by a variety of means, including contribution from parents, arrangements for the maintenance of project-financed infrastructure are not clear . The ICR confirms that maintenance arrangements are often not in place .
Bank Performance :	Satisfactory	Satisfactory	
Borrower Perf .:	Satisfactory	Satisfactory	
Quality of ICR :		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

- Use of labor-intensive methods to create rural infrastructure has dual benefits of creating infrastructure and transferring income to poor rural families which provide a possible alternative to the current fashion for community-driven approaches.
- Arrangements for sustainability need to be clearly understood and agreed prior to investments taking place; this project did not create such understandings with consequent adverse consequences, specifically irregular maintenance of roads.
- A multi-sectoral approach can work, and need not imply a single multi -sectoral project. By splitting a larger project into three separate parts, this project side -stepped the coordination problems that frequently beset multi-sectoral interventions.
- The Bank and borrower should assess the social and political implications of proposed legal covenants before agreeing to them: the legal covenant required that EOO be reoriented from urban areas to support the rural poor, but EOO is part of the country's safety net scheme in urban areas and attempts to reduce it proved political sensitive.

8. Assessment Recommended? Yes No

Why? Comparative experience of local involvement in community projects using non -CDD approach.

9. Comments on Quality of ICR:

The ICR could have elaborated further on the third objective (public awareness), which was poorly designed and not achieved.