

A Participatory Approach to Building Human Capital: Morocco's National Human Development Initiative

Introduction

From 2000 to 2020, Morocco made significant strides in improving both its economic and its social status. Compared to the growth rates it maintained on average during the 1980s and 1990s, it increased its GDP growth rate and diversified its economy by focusing on sectors that had growth potential, such as the aeronautical, automobile, and solar energy industries. Encouraged by the positive results and improved indicators, Morocco strove to close its economic gap quickly and join the ranks of upper-middle-income countries. From a social standpoint, the country's performance was also sound. It significantly reduced overall poverty and nearly eradicated extreme poverty.

Over that 20-year period, Morocco also made progress in developing its human capital. A prominent national program driving the development of the country's human capital was the National Human Development Initiative (NHDI). Launched in 2005 by King Mohammed VI, he described it as “a royal project that places the human element at the center of national policies.” The main goal of the NHDI was to address critical gaps in Morocco's development trajectory, such as high poverty in rural areas, social exclusion in urban areas, and the lack of opportunities and resources available to vulnerable populations (Benkassmi and Abdelkhalek 2020; World Bank 2017a). It was designed to improve socioeconomic conditions in targeted poor areas through participatory local governance mechanisms. The government implemented the initiative at the level of rural and urban local governments (known in Morocco as communes) and in urban neighborhoods (Bergh 2012). The program was implemented in multiple phases, adapting to changing circumstances as it facilitated projects that advanced human capital development.

The NHDI demonstrated the effectiveness of the “whole of government” approach that, according to the World Bank's Human Capital Project, can overcome challenges countries face in developing their human capital. The three elements of this approach are: continuity (sustaining effort across political cycles), coordination (ensuring that sectoral programs and agencies work together), and evidence (expanding and using the evidence base to improve and update human capital strategies) (Human Capital Project 2019a).

This delivery note focuses on the first and second elements—continuity and coordination. It examines how the NHDI guided development policy over time and incorporated regional- and local-level actors in selecting, financing, and implementing development projects around the country across multiple sectors.

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Development Challenge

When the NHDI was launched in 2005, Morocco struggled in some areas of human capital development and aimed to improve its education and health indicators in particular.

In the education sector, the country's net primary school enrollment was 86.7 percent, slightly below the world average of 86.8 percent and the Middle East and North Africa average of 89.0 percent.¹ The indicators for secondary school net enrollment, however, were much worse, with Morocco at only 40.1 percent in 2005, far behind the world average of 58.5 percent and the Middle East and North Africa average of 65.5 percent.²

In the health sector, the prevalence of stunting among Moroccan children under five years old was 23.1 percent in 2003, which was higher than the 2005 Middle East and North Africa average of 20.5 percent, although better than the world average of 29.2 percent.³

Delivery Challenges

Successfully implementing the NHDI as a broad, participatory, and multi-sector development framework required the government to overcome two main challenges.

Inter- and Intra-Governmental Coordination

When the king announced the NHDI in 2005, he highlighted the need for a development action plan that prioritized good governance, including citizen participation. The government thus based the initiative on principles of local participatory governance and community-driven development, and incorporated core values of inclusiveness, accountability, and transparency. To put these principles into effect, the NHDI called for the creation of participatory local governance mechanisms (World Bank 2017a). This required the government to build entirely new coordination structures to manage the project across levels of government.

1 Data from the World Bank: <https://data.worldbank.org/indicator/SE.PRM.NENR?locations=MA-1W-ZQ>

2 Data from the World Bank: <https://data.worldbank.org/indicator/SE.SEC.NENR?locations=MA-1W-ZQ>

3 Data from the World Bank: <https://data.worldbank.org/indicator/SH.STA.STNT.ZS?locations=MA-1W-ZQ>

Stakeholder Engagement

Morocco wanted to ensure widespread citizen participation in the program. The challenge was how to engage with actors around the country and involve them in the selection and implementation of development projects.

Addressing Delivery Challenges

The Moroccan government raised the profile of the NHDI, created a coordination structure bringing together stakeholders at the national, regional, and local levels, and expanded and updated the program in response to changing circumstances.

Establishing a National Policy Framework to Promote Coordination

When the government launched the NHDI in 2005, the intention was to define a broad government vision for economic and social development, establish priorities for action, and build the momentum needed to address specific issues. The king played an important leadership role in establishing the NHDI as a framework to guide the work of government institutions and other stakeholders. (Morocco was a constitutional monarchy in which the king held significant executive powers.) The king established the initiative as one of his core priorities, utilized extensive media coverage to comment on the program's progress, and personally inaugurated newly established projects on a regular basis. The NHDI would also become the only public policy in the country that had a publicly celebrated anniversary (May 18), a slogan, and a logo (Bergh 2012). The importance of the NHDI in the country's development policy was further underlined by the decision to place it under the purview of the powerful Ministry of Interior (Lütjens-Schilling 2013).

To direct resources to those most in need, the government chose hundreds of target localities for NHDI implementation, based on government poverty data (Bergh 2012). Morocco mobilized DH 14.1 billion (roughly USD 145 million) to finance the first phase, which ran from 2005 to 2010 (Benkassmi and Abdelkhalek 2020). The central government provided 60 percent of that financing, local government provided 20 percent,

and international donors provided the remaining 20 percent (World Bank 2017a).

The initiative consisted of four large-scale programs to guide development throughout the country. A program to fight poverty in rural areas supported the development of projects that aimed to improve the living conditions of rural populations through increased access to needed equipment and social services such as healthcare and education. The program also promoted income-generating activities; supported social, cultural, and sports-related activities; and strengthened the capacities of local groups. A second program to fight social exclusion in urban areas implemented similar programs in the urban neighborhoods targeted by the NHDI (World Bank 2015).

A third program under the NHDI aimed to fight social and economic vulnerability by improving the quality of life of people in 10 targeted demographic categories, including widows, the disabled, orphans, and drug users. This program funded activities that reintegrated vulnerable people into their families and society, helped them develop skills to support them in finding employment, and built the capacity of NGOs managing social-care centers.

A fourth, cross-cutting program under the NHDI supported high-impact activities nationwide in poor areas not targeted by the three other programs. The financing of the projects under this program was done through a competitive fund to which beneficiaries from around the country could apply (World Bank 2015).

In addition to these four main programs, the NHDI sought to improve the social safety net, foster social development and cohesion, and promote open governance (World Bank 2015). Despite its broad scope, the NHDI did not replace other government programs. Each sector continued to implement separate development strategies to achieve specific objectives (Benkassmi and Abdelkhalek 2020).

Creating a Collaborative Coordination Structure

To support the inclusion of local communities in the NHDI, the government put in place a collaborative coordination structure that incorporated inter-ministerial coordination and reached from the national level to the local level. At the national level, a broad range of different ministries and public agencies were

involved in steering the NHDI. A strategic committee headed by the prime minister oversaw budget allocation, training, communication strategies, and monitoring and evaluation. A steering committee headed by the Ministry of Social Development ensured overall coherence and led the NHDI's work in assisting vulnerable populations. The NHDI's National Coordination Unit within the Ministry of Interior was responsible for day-to-day management of the initiative (Bergh 2012).

Below the national level, the government established 700 regional, provincial, and local committees to monitor the implementation of programs and the selection of proposed projects. These committees included about 11,000 elected officials, public administration members, and civil society representatives (Lütjens-Schilling 2013). These committees allowed NHDI beneficiaries to air their needs and identify and prioritize projects for their communities (Government of Morocco 2013). The regional and provincial committees—Morocco consisted of 12 regions subdivided into 75 provinces and prefectures—had the power to approve and consolidate the development plans and projects drawn up by local committees. Projects under the NHDI benefitted from an accelerated financing process in which regional governors could disburse funds within one month of a request rather than the nine months or so that it usually took the Ministry of Finance (Bergh 2012).

The local committees were composed of 10 to 15 locally elected officials, representatives of local associations, and representatives of government ministries or civil servants employed by the provinces or the Ministry of Interior. These committees were responsible for implementation and follow-up of projects and ensuring convergence with top-down sectoral programs. When the NHDI began, the government trained 12,000 local officials to conduct participatory needs assessments and strategic planning (Bergh 2012).

Engaging Stakeholders Through a Participatory Approach

To involve relevant local actors in the NHDI, the government worked with more than 5,000 associations and cooperatives that participated in selecting and implementing development projects. More than half of these groups were created after the inception of the NHDI in 2005 (Government of Morocco 2013). The

government employed thousands of local facilitators to help the initiative engage with local actors (Bergh 2012).

These associations and cooperatives were required to contribute a part of the cost of the development projects in which they were involved. To create local ownership and responsibility, the NHDI requested contributions from beneficiaries. These contributions were not necessarily financial; beneficiaries could, for example, offer hours of labor in the construction of local infrastructure (Bergh 2012).

A different group of stakeholders was also beneficial to the initiative. The king asked wealthy national and local elites to contribute to the NHDI in the form of private and organized philanthropy, either by reorienting their own charitable initiatives to the NHDI, setting up a charitable association or foundation for direct financial or material contributions, or contributing to royal foundations created to fight against poverty. In return, these donors might receive benefits such as tax breaks (Bergh 2012).

Expanding the NHDI and Adapting to Changing Circumstances

After the first phase of the NHDI ended in 2010, the government embarked on a second phase that expanded the initiative's reach. This was a time of upheaval in the Middle East and North Africa as protests that began in Tunisia spread through the region and people increasingly demanded improved governance and service delivery.

In Morocco, public service delivery had been marked by large geographic inequities, such as region-to-region variations in access to education and health care. Citizen dissatisfaction with public services was a potential source of conflict and instability, particularly in regions with poorer access to those services. A major reason for inefficient service delivery was governance challenges at the sectoral level, including the diversion of public resources and corruption. There were also problems of absenteeism among public servants and low-quality service provision (World Bank 2017b).

One of the government's responses to the unrest of 2011 was to amend the constitution to create new institutional capacities and political incentives to enhance the effectiveness and accountability of the state to the people, and to support better, more equitable service

delivery. There were also laws implemented to promote political reform. To address citizen concerns, the government took redistributive steps such as increasing civil service wages, but this failed to generate the levels of human capital and access to jobs needed to provide sustainable opportunities for all households (World Bank 2017b).

The second phase of the NHDI (2011–2018) tried to address some of these challenges. This phase targeted 702 rural communes and 532 urban neighborhoods, far more than had been covered by phase one. To reduce regional gaps in standards of living, the government set up a second initiative to complement the NHDI—a special territorial infrastructure upgrading program that allocated more than USD 500 million to improve the living conditions of people in mountainous and other isolated, hard-to-reach areas (Benkassmi and Abdelkhalek 2020; World Bank 2015).

The NHDI clearly had a large impact on Moroccan citizens, but there were some concerns that the initiative did not achieve the levels of local engagement it had intended. A 2012 paper found that the provincial human development committees lacked close links to local-level actors in the communities where projects were being implemented. NHDI resources were delegated only to the provincial level, which limited local stakeholder control over resource allocation (Bergh 2012). A 2015 World Bank report found that most important coordination decisions happened at the national level and that coordination at the local level varied greatly from region to region. The report called for local-level coordination to be further developed. The same report also raised concerns about how comprehensive the NHDI's beneficiary targeting was. As of 2015, more than 75 percent households in extreme poverty lived in localities that were not included in the program's targeting (World Bank 2015).

The government took further steps to tackle persistent inequality and to achieve a greater local-level impact in needy communities. In 2015, it launched a USD 5 billion rural development program that sought to improve public administration and accelerate economic growth and job creation throughout the country (World Bank 2017c).

In 2019, the government launched a third phase of the NHDI, planned to run through 2023, designed to help reduce inequalities in five priority sectors: education,

health, drinking water supply, roads and civil engineering works, and rural electrification. The NHDI would do this by contributing to an already existing program (launched in 2017) to bring basic services to communities throughout the country, along with additional direct support to high-impact infrastructure projects (National Human Development Initiative 2019).

This third phase of the NHDI had has a five-year budget of DH 18 billion (USD 1.9 billion), with 60 percent coming from the national government budget, 30 percent from territorial authorities, and 10 percent from international partners (Government of Morocco 2019). The government sought to build upon the accomplishments of phases one and two. In the first two phases, efforts had been concentrated on infrastructure and basic social services. In phase three, the government sought to strengthen NHDI actions in relation to 'softer' aspects of human development, through new programs aimed at improving the incomes and economic inclusion of young people. These programs were intended to create centers for youth employment and entrepreneurship, and to develop the human capital of future generations. The government also found that the network of associations and partnerships in the first two phases was often disparate and fragmented. In the third phase, the government aimed to enhance the professionalism, cohesion, and interconnectedness of this network to improve implementation (Government of Morocco 2019).

As part of this third phase, the king also called for an overhaul of the national health system to reduce stark regional disparities in access to good-quality healthcare. Under the umbrella of the NHDI, a program was launched to improve maternal and child health in three regions of the country that lagged significantly behind others in their health and nutrition indicators (Benkassmi and Abdelkhalek 2020).

Outcomes

The NHDI, overall, contributed to Morocco's human capital development. In the health sector, the rate of stunting in children under five fell from 23.1 percent in 2003 to 15.1 percent in 2017, virtually attaining the Middle

East and North Africa average of 15 percent.⁴ Data from the World Bank's Human Capital Project showed that life expectancy at birth rose from 70 years in 2000 to 76 in 2017, in part as a result of significant investments in health infrastructure (Benkassmi and Abdelkhalek 2020).

Morocco also significantly improved its education system, including the attainment of near-universal primary education (Benkassmi and Abdelkhalek 2020). Morocco made great gains in net secondary school enrollment, growing from 40.1 percent in 2005 to 64.5 percent in 2018, just behind the world average of 66.3 percent.⁵

In reducing poverty, it appeared that NHDI programs were effective in reducing poverty. A national demographic survey in 2011 found that the poverty rate in NHDI target communities had decreased from 36 to 21 percent (Bergh 2012).

By 2019, the 14-year-old program had reached 702 rural communities and 532 urban communities. These communities had received a total investment of DH 43 billion (USD 4.4 billion), of which DH 28 million (USD 2.9 billion) was financed by the NHDI. The initiative had also facilitated the implementation of about 43,000 projects. Project outcomes included the construction of 8,200 km of roads, 230,000 households supplied with drinking water, and 60,000 households connected to the electricity grid. In the health sector, the NHDI led to the construction of 519 health centers and 240 maternal health centers, and the provision of 1,150 ambulances. Education interventions under the NHDI included the construction of 1,400 boarding schools and the provision of 1,260 school buses (Government of Morocco 2019).

In 2019, Morocco had achieved a level of human capital development roughly the same as those of comparable countries such as Egypt, Tunisia, and Algeria (as measured using the World Bank's Human Capital Index). Morocco's 2019 HCI was lower than the average for the Middle East and North Africa region but higher than the average for countries in its income group (Benkassmi and Abdelkhalek 2020).

⁴ Data from the World Bank: <https://data.worldbank.org/indicator/SH.STA.STNT.ZS?locations=MA-1W-ZQ>

⁵ Data from the World Bank: <https://data.worldbank.org/indicator/SE.SEC.NENR?locations=MA-1W-ZQ>

Lessons Learned

Establishing a National Framework Drove Investment in Human Capital

Morocco created a clear policy framework for human development projects, and the government strongly promoted this initiative, raising its national profile and making clear that it would be central to the country's development policy—for instance, by declaring a national day to commemorate the initiative. The powerful Ministry of Interior also took strong ownership of the initiative. This promoted coordination and continuity in implementation throughout the government.

Collaborative Governance Structures Promoted Local Involvement in Development Projects

Morocco created a system that valued local, provincial, and regional contributions to the NHDI and established clear lines of authority that ran up to the king and the national government. Local and provincial stakeholders had a voice, and the projects they agreed upon received the top-down support they needed to drive them to completion.

Requiring Local Contributions Encouraged Local Ownership of Projects

The national government did not fully fund projects, instead requiring local and regional actors to contribute for a project to be implemented. These contributions included monetary and non-monetary assistance, such as community members contributing their labor to a project. This had the effect of creating local buy-in and encouraging multiple layers of government to have a vested interest in seeing projects through to their completion.

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The Human Capital Project is a global effort to accelerate more and better investments in people for greater equity and economic growth. The Project is helping create the political space for national leaders to prioritize transformational investments in health, education, and social protection. The objective is rapid progress toward a world in which all children are wellnourished and ready to learn, can attain real learning in the classroom, and can enter the job market as healthy, skilled, and productive adults.

For more information on the Human Capital Project, please visit www.worldbank.org/humancapital.



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