Phase 2: consolidating an open and inclusive economy

Two decades of fruitful collaboration

Since 2005, the OECD and the Kingdom of Morocco have built a productive relationship. Morocco chaired the MENA-OECD Initiative on Governance and Competitiveness from 2009 to 2016 and played a critical role in its consolidation and impact. Bilateral relations have expanded along the years building a strong institutional relationship. Indeed, Morocco has already adhered to around 30 OECD legal instruments and regularly participates in 11 committees as a participant, associate, or member.

Morocco is one of four partner economies – alongside Kazakhstan, Peru, and Thailand – to have benefited from a Country Programme. The first phase of the Country Programme (2015-2018) has proven its relevance and effectiveness for:

- supporting key reforms in Morocco,
- strengthening the articulation and coherence of public policies,
- consolidating a participatory and open government,
- supporting evidence-based policy making, and
- further anchoring a culture of evaluation and monitoring.

The OECD External Relations Committee evaluated positively the first phase of the Morocco Country Programme in February 2019 and welcomed the request of Morocco to engage in a second phase.

The second phase of the Country Programme

The Secretary General of the OECD Angel Gurría and Saad Dine El Otmani, Head of Government of the Kingdom of Morocco, signed in Paris on June 25, 2019 the Memorandum of Understanding for the for a second phase of the Country Programme for period of three years. The objective of the Country Programme is to provide Morocco with information and key recommendations to develop and strengthen its economic and social reform plan with a view to revitalising strong, inclusive, and sustainable growth. The disruptions linked to the COVID-19 crisis impeded the effective launch of the Programme in 2020. Following in depth discussions between the parties, the scope of the Country programme was revisited in order to incorporate the necessary adaptations in the COVID-19 scenario with a view in supporting the upcoming recovery period.

Under the Phase II of the Country Programme, it is expected that Morocco adheres to a number of legal instruments and increases its participation in OECD committees:

Adherence to OECD instruments:

- Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and four associated recommendations;
- Recommendation of the Council on Gender Equality in Public Life;
- Recommendation of the Council on Budgetary Governance;
- Recommendation of the Council on Principles for Independent Fiscal Institutions;
- Recommendation of the Council on Principles for Public Governance of Public-Private Partnerships;
- Recommendation of the Council on Principles for Transparency and Integrity in Lobbying;
- Recommendation of the Council on Regulatory Policy and Governance;
- Recommendation of the Council on Public Service Leadership and Capability;
- Signature and ratification of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting;
- Ratification of the Convention on Mutual Administrative Assistance in Tax Matters as amended by its Protocol;
- Adherence to instruments linked to the Declaration on International Investment and Multinational Enterprises;
- Recommendation of the Council on the OECD-FAO Guidance for Responsible Agricultural Supply Chains;
- Recommendation of the Council on Guidelines for

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1 The OECD Council has invited the Arab Republic of Egypt and Vietnam to engage in a country programme, which will be launched in 2021.
Recipient Country Investment Policies relating to National Security; Adherence request to the Recommendation of the Council Concerning Guidelines on Earthquake Safety in Schools; Adherence request to the Declaration on Future Educational Policies in the Changing Social and Economic Context; Active participation to the consolidation work and adherence request to the Recommendation of the Council on Financial Literacy.

**Participation in OECD committees:** Public Governance Committee; Working Group on Bribery in International Business Transactions; Tourism Committee; Committee on Fiscal Affairs – OECD/G20 Inclusive framework on BEPS; Expert Group on Supply and Use Tables (Committee on Statistics and Statistical Policy); Education Policy Committee; Regional Development Policy Committee.

**Projects**

**Public governance, integrity, and the fight against corruption**

1. **Creation of conditions for accession to the OECD Anti-corruption Convention and business integrity**
   Support to the creation of conditions for possible adherence to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. Promote integrity by fostering public-private dialogue and support for the establishment and operation of the High Level Reporting Mechanism (HLRM) for preventing bribery.

2. **Public Governance Review and capacity building**
   Support to Morocco’s accession process to OECD legal instruments and compliance with public governance policies and practices, through a review of public administration with a focus on steering, coordination, integrity, gender, budgeting and human resources, as well as providing support to the implementation of digital government recommendations and integrity.

3. **Digital transformation of justice**
   Based on the recommendations of the *Digital Government Review of Morocco* (2018), comparative analysis, evaluation, and capacity-building workshops, to build an open, transparent, and accessible legal sector.

4. **Support to the implementation of the OECD recommendations on risk management**
   Pursuing the strategic strengthening of the risk management policy at national and local levels with the aim of strengthening the capacities of public structures, consolidating the resilience of the private sector and infrastructure, and investing in social resilience.

5. **Capacity building of the Presidency of the Government on strategic performance and communication**
   Continuing the work carried out during phase 1 with the objectives of strengthening inter-ministerial co-ordination for the effective implementation of Morocco’s strategic objectives, strengthening monitoring and evaluation capacities, and supporting the public communication of the Presidency of the Government.

**Economic growth, investment**

6. **Investment Policy Review**
   Review of Morocco’s investment policies via an inventory and detailed analysis of the investment regulatory and institutional environment. Recommendations based on the review and a comparative analysis in order to strengthen the attractiveness of Morocco and its territories.

**Human capital, including education and gender equality**

7. **Supporting education**
   Support to national and local capacities for the evaluation of students’ competencies through the organisation of two training workshops on the integration of the competency approach in the students’ assessment.

8. **Women’s economic empowerment**
   Improvement of data collection on women’s economic empowerment, support to female entrepreneurship at the regional level and integration of a gender perspective into the Programme.

**Territorial development**

9. **Territorial dialogue, phase 2**
   Review of the national urban policy to support Morocco’s roadmap in the implementation of post-COVID-19 urban planning and territorial watch indicators to support urban, regional and rural development policies through statistical tools and territorial analysis indicators.

10. **Morocco-OECD dialogue on the deconcentration reform**
    Support to regional development policies in the new overall environment resulting from the crisis with support to the identification of obstacles and levers for the implementation of the deconcentration reform and a case study of the Tanger-Tetouan-Al Hoceima region.

11. **Support to contractualisation** *(being finalised)*
    Publication of a report on the support to regionalisation reform through the use of contracts, including a summary report and a checklist on the use of State-Region contracts, as well as the application of this approach to three areas (economic activity zones, employment, and vocational training).
Governance of the Country programme

The coordination of the Country Programme will be carried out by the Middle East and Africa Division within the OECD Global Relations Secretariat, in collaboration with the Services of the Head of Government. This includes biannual meetings of the Coordination Committee and regular progress reports. There will be consistent communication between the project teams and with OECD Member States, notably through a newsletter.

“Morocco and the OECD have entertained a close relationship for more than 15 years, notably through the MENA-OECD Initiative. This process of rapprochement accelerated in 2015 when Morocco became the first country in the MENA region to support a programme of strategic economic and social reform, to adhere to a set of OECD legal instruments and to benefit from the expertise developed by the Organisation for more than half a century. Following the success of the first Country Programme, Morocco has reaffirmed its willingness to strengthen this cooperation.” Mr. Saad Dine El Otmani, Head of Government, on the occasion of the 60th anniversary of the OECD, December 2020

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To learn more about the Morocco Country Programme:
oe.cd/programme-maroc