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**Report No. 14674**

**PROJECT COMPLETION REPORT**

**KINGDOM OF MOROCCO**

**SECOND VOCATIONAL TRAINING PROJECT  
(LOAN 2779-MOR)**

**JUNE 26, 1995**

**Population and Human Resources Division  
Country Department I  
Middle East and North Africa Region**

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## EVOLUTION OF THE EXCHANGE RATE

At Appraisal :	April 1986	US\$ 1 = DH 10.1
Period Average :	1987	US\$ 1 = DH 7.8
	1988	US\$ 1 = DH 8.2
	1989	US\$ 1 = DH 8.1
	1990	US\$ 1 = DH 8.0
	1991	US\$ 1 = DH 8.2
	1992	US\$ 1 = DH 9.0
Estimate :	1993	US\$ 1 = DH 9.3

## BORROWER FISCAL YEAR

January 1 - December 31

## ACRONYMS

AFPFC	Vocational Training Administration Administration de la Formation Professionnelle et de la Formation des Cadres
BAD	African Development Bank Banque Africaine de Développement
CNSS	National Social Security Fund Caisse Nationale de Sécurité Sociale
CQP	Vocational Training Centers Centres de Qualification Professionnelle
IBRD	International Bank for Reconstruction and Development
ISTA	Higher Institute of Applied Technology Institut Supérieur de Technologie Appliquée
ITA	Institutes of Applied Technology Instituts de Technologie Appliquée
ITAC	Institute of Applied Commercial Technology Institut de Technologie Appliquée Commercial
MPW	Ministry of Public Works and Vocational Training
OFPPT	Office for Vocational Training and Employment Promotion Office de la Formation Professionnelle et de la Promotion du Travail
UNDP	United Nations Development Programme
VTT	Vocational Training Tax

THE WORLD BANK  
Washington, D.C. 20433  
U.S.A.

Office of Director-General  
Operations Evaluation

## MEMORANDUM TO THE EXECUTIVE DIRECTORS AND THE PRESIDENT

**SUBJECT: Project Completion Report on Morocco  
Second Vocational Training Project (Ln. 2779-MOR)**

Attached is the Project Completion Report (PCR) on the Morocco Second Vocational Training project (Ln. 2779-MOR, approved in FY87) prepared by the Middle East and North African Regional Office. Part II was prepared by the Borrower.

The project was designed to complement the earlier First Vocational Training project (OED Report No. 12320, September 17, 1993) which focussed on expanding the capacity of the public vocational training system. The objectives of the second project were to consolidate the gains made under the first project, to improve the quality of vocational training, to reduce unit costs and to increase cost recovery.

The short time between the projects did not allow the design of the second project to benefit sufficiently from the experience of the first. As a result the project design was deficient in several areas, for example, manpower projections and institutional development. However, the project was consistent with the government's key subsector objectives, and addressed the key issues in vocational training. A willingness to be flexible allowed the Bank and the borrower to adjust many of the project components during implementation to better align them with the needs of the sector. For example, data processing equipment was provided to most training centers rather than the few identified at appraisal; and instead of fully equipping a few vocational and technical training centers, nearly all centers were fitted with selected, specialized equipment, allowing the supply of training places to be better matched to demand. Some unneeded components were canceled (e.g., mobile maintenance units), others were deleted when alternative funding became available.

In the vocational training sector much remains to be done to improve funding, strengthen the institutional framework and forge better links with the private sector. But, the project was a step in the right direction and the Government is fully committed to further improving the vocational training system. The project outcome is therefore rated as satisfactory, sustainability as likely and institutional impact as modest. Bank performance, while deficient during design, was exemplary during implementation.

An audit of this and the preceding project is planned.

Attachment



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## KINGDOM OF MOROCCO

SECOND VOCATIONAL TRAINING PROJECT  
(Loan 2779-MOR)

## PROJECT COMPLETION REPORT

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Map - IBRD 19859

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**KINGDOM OF MOROCCO**  
**SECOND VOCATIONAL TRAINING PROJECT**  
**(Loan 2779-MOR)**

**PROJECT COMPLETION REPORT**

**PREFACE**

This is a Project Completion Report (PCR) for the Second Vocational Training Project in Morocco, for which a loan of US\$22.3 million (Loan 2779-MOR) was approved on January 20, 1987. The loan was closed on December 31, 1993, eighteen months behind schedule, and disbursements continued through May 9, 1994 reaching 98 percent of the loan. The undisbursed amount was cancelled in July 1994 for US\$0.3 million.

The PCR was jointly prepared by the Population and Human Resources Division of the Middle East and North Africa Region (Preface, Evaluation Summary and Parts I and III), and the Office de la Formation Professionnelle et de la Promotion du Travail (Part II).

Preparation of this PCR was started during the Bank project completion mission in May 1994, and is based on the Staff Appraisal Report, the Loan Agreement, the Project Agreement, supervision reports, correspondence between the Bank and the Borrower and internal Bank memoranda.



**KINGDOM OF MOROCCO**

**SECOND VOCATIONAL TRAINING PROJECT  
(Loan 2779-MOR)**

**PROJECT COMPLETION REPORT**

**EVALUATION SUMMARY**

**Objectives**

1. The project objectives of the Second Vocational Training Project were to consolidate and improve the quality of Morocco's vocational training system and to implement cost reduction and cost recovery mechanisms. It was designed to be complementary to the previous First Vocational Training Project (Loan 2479-MOR) which focused on expanding the capacity of the public vocational training system. Project beneficiaries included the Office of Vocational Training and Employment Promotion (*Office de la Formation Professionnelle et de la Promotion du Travail*, OFPPT) and the Vocational Training Administration (*Administration de la Formation Professionnelle et de la Formation des Cadres*, AFPFC). The project would address its objectives by (i) improving instructor training; (ii) upgrading training programs, particularly, the re-equipment and minor refurbishing of 33 existing training centers and 15 technical centers; (iii) minor construction and equipping of 10 regional coordination units and 50 sub-regional units; (iv) equipping of 10 training/repair service units; (v) improving planning and management of the system; (vi) providing financing for expert services, fellowships and studies.

**Project Implementation**

2. The project closing date was postponed from December 31, 1992 to December 31, 1993 to allow for the completion of two studies. In addition two sub-components were cancelled with the Bank's agreement: the provision of 10 mobile maintenance units and the provision of 10 production units. The financial covenant that the OFPPT would ensure the financing of 100 percent of recurrent expenditures by the end of 1990 was also amended to lower the target to 70 percent. By the end of 1993 OFPPT was financing 73 percent of its recurrent expenditures. Several components were implemented outside the project framework, under bilateral, UNDP and budgetary financing. Some remain to be completed, as for example the training programs for instructors.

3. The provision of equipment for specific vocational and technical training centers was changed, with the agreement of the Bank, to the provision of equipment for specific training

specializations in practically all vocational and technical training centers. This allowed the OFPPT to better target training activities according to identified needs, as opposed to providing equipment for specializations for which little or no demand existed at all. Similarly, the initial provision to equip a number of vocational and technical training centers with data processing equipment was modified to include most of the training centers plus OFPPT's regional offices and headquarter offices. This modification helped implement a general managerial accounting system for the OFPPT.

4. At the time of the project closing date (12/31/93) total disbursement had totaled US\$21.5 million, or 96 percent of the original loan. At the time of the account's closure, total disbursements had totaled US\$21.9 million, or 92 percent.

### **Project Results and Outcomes**

5. Overall, the project has had a positive impact in improving the quality of training of the public system in Morocco. The need to develop solid links with enterprises is now a strategic concern of the OFPPT. Important developments have taken place in the areas of contractual training, alternate training and developing links with enterprises, although further expansion of these activities vis-à-vis traditional residential training is necessary; industrial experience for trainers is an area where further improvements are also necessary. There are important decentralization initiatives that have been implemented, like the strengthening of the 10 regional offices of the OFPPT, but further work is needed, particularly, at the level of the training centers themselves. Further progress on decentralization will depend on greater autonomy in the management of the investment budget. Important initiatives have been adopted to keep track of students after graduation. Tracer studies tend to show a low insertion rate, at around 40-50 percent. It would be a mistake however to conclude that the other half of the graduates are unemployed. Some of them find jobs in the informal sector, either as self-employed workers, or as employees in small firms, but declare themselves as unemployed because their actual occupations do not correspond to their expectations. Greater coordination with other training institutions is necessary. The AFPFC needs to strengthen its role as a coordinator of training activities including the private sector.

### **Major Lessons Learned**

6. Project design. A project aiming at qualitative improvements, in the context of a rapidly expanding OFPPT, would have required the identification, at the moment of project design, of operational mechanisms and incentives to support change, particularly as a guide to develop links with enterprises or to move towards decentralization. Project implementation would have benefited from early identification of such concrete mechanisms. Such mechanisms should take into account the specific pace of change which can be efficiently implemented and establish realistic and quantifiable goals. Of equal importance is the development of outcome indicators for each major component of the project that would allow a measurement of the extent to which the objectives have been achieved.

7. In order to improve the efficiency of training such a project needs to reach beyond the OFPPT and address the national vocational system, including training programs under other ministries and private training institutions. The support of competition between different public and private training institutions could have improved the quality, demand responsiveness and efficiency of the existing system. This is where the AFPFC could play a central role, and as such, remains an objective still to be achieved.

8. Manpower projections of future labor demand should be avoided as the sole justification for capacity expansion or change. Such projections should be part of a more comprehensive analysis of labor market trends, that should include more thorough quantitative and qualitative analysis. Moreover, building institutional linkages between employers and training providers can help improve the analysis of actual skill needs.

9. Implementation. A certain degree of flexibility in implementation can be efficient as shown by the adjustments made to the project. It requires, however, careful monitoring on the part of the Bank, as was the case in the project. The more mature (i.e. capable of developing relevant strategic options) the executing agency, the more flexibility can be introduced. This also enhances the process of ownership by the Borrower.

10. Some of the studies conducted under the project did not lead to concrete recommendations. It is important that the terms of reference of the studies ensure that the results and recommendations of studies financed under a loan are translated into operational guidelines and measures to facilitate project implementation.

11. Project impact. The problem of the financing of further improvements of the system remains unresolved. The VTT is earmarked to finance the OFPPT recurrent expenses. Thus, the financing of dual training activities (enterprise/training center) and of in-service training will need to be addressed, especially if such activities are open to all training operators, public and private. The financial participation of enterprises as well as the possibility of using part of the VTT for these new activities has also to be considered.

12. Decentralization is one of the main ingredients for a system that is flexible and responds to a rapidly changing demand for training. The OFPPT has started a process in which regional offices have greater autonomy in managing recurrent expenses. However, the investment budget for training remains tightly controlled at the central office of the OFPPT, and thus, impedes a true decentralization. Further progress in this area will have to be measured in terms of greater responsibility, at the level of regional offices, for investment decisions.

13. The lack of instructors' industrial experience remains a major weakness and hinders quality improvements in training. To a large extent, this is the result of trainers' civil service status, as public sector wages do not seem to attract experienced private sector staff. The OFPPT approach has been to develop in-plant training for instructors through contractual agreements with employer's associations, but the number of beneficiaries is still low.

Flexibility in the setting of instructor's salaries would help attract instructors with work experience.

14. There has been a clear effort on the part of the OFPPT to enhance the relevance of training vis-à-vis the needs of enterprises. "Dual training", contractual training agreements with employers' associations and night courses have become a permanent and growing feature of public vocational training. The system is, however, still dominated by the need to accommodate a large number of school dropouts from general education which explains the current predominance of pre-employment training. The necessary shift from pre-employment to in-service training can only be achieved through substantial improvements in the quality of general education, and a clear definition of the respective roles of general education and vocational training.

15. Tracer studies tend to show a low insertion rate (i.e. 50 percent) among vocational training graduates, but some caution should be exercised in interpreting these results. Vocational training graduates have built-in expectations of access to formal employment, particularly in the public sector, in the context in which the share of formal sector employment is declining throughout the Moroccan economy. Questionnaires are designed to measure insertion in formal employment, and many graduates who are actively employed may declare themselves unemployed if their current occupation does not correspond to their built-in expectations of formal employment and wages. The impact vocational training has had on the informal sector has yet to be measured and determined.

KINGDOM OF MOROCCO  
SECOND VOCATIONAL TRAINING PROJECT  
(Loan 2779-MOR)

PROJECT COMPLETION REPORT

**PART I. PROJECT REVIEW FROM BANK'S PERSPECTIVE**

**1. Project Identity**

Project Name	:	Second Vocational Training Project
Loan	:	2779-MOR
RVP Unit	:	Middle East and North Africa Country Department I
Country	:	Morocco
Sector	:	Education
Sub-sector	:	Technical and Vocational

**2. Project Background**

2.1 Vocational Training Strategy. In 1984, the Government of Morocco introduced a basic reform in its vocational training system to ensure its optimal development. The reform had two key objectives: (i) economic, to provide the emerging industrial sector, especially export-oriented activities, with skilled labor corresponding to their projected manpower requirements; and (ii) social, to absorb secondary school leavers and give them job specific skills to enhance their prospects to find a job or generate self employment opportunities. Priority to capacity extension, as provided by the 1981-1985 Development Plan, was confirmed, with an emphasis on the need to meet manpower demand from the industrial sector (adéquation emploi/formation).

2.2 The Ministry of Public Works and Vocational Training (MPW) has relied on its training agency, the Office for Vocational Training and Employment Promotion (Office de la Formation Professionnelle et de la Promotion du Travail, OFPPT), to implement its vocational training strategy. As a result, it has supported capacity expansion for its Vocational Training Centers (Centres de Qualification Professionnelle, CQP), and

introduced, in 1981, a post-secondary technician level in the new Institute of Applied Technology (Institut de Technologie Appliquée, ITA). In 1984, the Vocational Training Administration (Administration de la Formation Professionnelle et de la Formation des Cadres, AFPFC) was created within the MPW to coordinate the national vocational training system, including training institutions from other ministries and the private sector.

2.3. Consolidation of the Vocational Training System. Following the reform of 1984, the MPW gave priority to the expansion of the vocational training system and launched a major expansion program. This strategy was supported by the Bank's First Vocational Training Project (2479-MOR) which became effective in September 1985. The first project was designed primarily to support the expansion of the OFPPT's vocational training capacity (creation of 22 new CQPs). It also introduced some initiatives for the coordination and financial management of the OFPPT. Massive capacity expansion with a projected upgrade in skill levels implemented in a public agency raised issues of adequacy in terms of quality (pedagogic equipment, skills and experience of new instructors, relevance of training programs to the industrial world) and internal as well as external efficiency to fulfill the economic and social objectives. Finally, financial viability of the fast expanding OFPPT became an issue. As a result, the Government and the Bank agreed to a second project in order to give priority to improving the quality and management of the existing vocational training system in order to consolidate its expansion.

### 3. Project Objectives and Description

3.1 To address key issues concerning the consolidation of Morocco's vocational training system, the project objectives were:

- 3.1.1 To improve the vocational training programs of the OFPPT so as to meet the needs of the Borrower's economy for skilled manpower and to enhance employment opportunities for skilled workers, and in particular for women and for low income groups;
- 3.1.2 To increase the efficiency of the vocational training system through the decentralization of its activities so as to enhance the system's responsiveness to local labor markets and improved coordination of vocational training services;
- 3.1.3 To improve recovery of the costs of the vocational training programs of the OFPPT.

To achieve these objectives, the project included provisions for:

A. The OFPPT

- 3.2.1 (a) Re-equipping and refurbishing of 33 Vocational CQPs, and (b) developing an upgraded training program in electronics at 15 ITAs with the provision of electronics equipment and training of instructors;
- 3.2.2 Technical assistance to establish in-plant instructor training program;
- 3.2.3 Technical assistance for periodic upgrading of vocational training courses;
- 3.2.4 Technical assistance to develop specialized programs to upgrade the skills of employees, introduce entrepreneurship, and pre-employment training courses;
- 3.2.5 Establishment of 10 pilot training/repair production units in 10 CQPs;
- 3.2.6 (a) Establishment of 10 Office regional coordination units with (b) the provision of equipment and 10 mobile maintenance units;
- 3.2.7 Technical assistance for implementation of a management training program for about 50 CQPs and ITAs directors, and provision for data processing and office equipment;
- 3.2.8 Technical assistance to upgrade the system of selection, testing and certification of instructors and trainees;
- 3.2.9 Fellowships to enhance the skills of staff and managers of OFPPT.

B. The AFPFC

- 3.2.10 Provision of data processing equipment and other office equipment to enhance the planning and management capacity of the AFPFC;
- 3.2.11 Technical assistance to upgrade the skills of AFPFC staff;
- 3.2.12 Technical assistance for studies on planning, management and evaluation of the vocational training system, for tracing graduates, and studies on manpower needs in several key economic sectors;
- 3.2.13 Technical assistance to improve its system of accreditation and quality control of private training programs.

#### 4. Project Design and Organization

4.1 The Second Vocational Training Project was designed to build upon the First Vocational Training Project. However, the short time span between the launching of the two projects (one and a half years) did not allow preparation of the second project to benefit from the operational experience of the first project and, in particular, to better identify some of the key constraints in the vocational training system. This was accentuated by the fact that activities under the first project were, at the beginning, almost exclusively focused on capacity expansion. Moreover, both projects were grounded on studies and approaches to manpower supply and demand projections aimed at showing that the supply of skilled workers would be insufficient to meet demand "over the next decade". In fact, most of these projections showed to be poorly adapted to Morocco's labor market as later empirical evidence was able to show. Surprisingly, the projections of skilled labor demand were not focused on the new export-oriented industries which, at the time of appraisal, were already showing a period of rapid growth. As a result, although the second project did properly identify key qualitative issues and objectives, and rightly stressed the needs for responsiveness to enterprise demand, flexibility, overall efficiency, and financial viability, it lacked sufficient perspective to design activities capable of meeting these objectives.

4.2 Project Activities. The project aimed at achieving its objectives through a large scope of activities designed to improve key operational functions of the vocational training system. Except for construction and equipment components which were precisely outlined, most activities were structured to provide essential guidelines to achieve objectives. This approach gives a significant level of flexibility to the process of implementation of activities, and proved to be a very valuable one in the context of a changing environment. It also implies that the different structures responsible for carrying out these activities share the project's objectives and priorities, and have the means to implement them (which will not always be the case during implementation). In as much as the project introduced a wide range program to improve the quality and efficiency of relatively young and fast growing public agencies, it did not include precise incentives and/or guidelines to develop operational and institutional mechanisms that would: (i) facilitate the achievement of key objectives (e.g. employers/vocational training system relations); and (ii) meet basic structural constraints (e.g. the "decentralization process" of OFPPT, or the coordinating role of AFPFC). Such mechanisms could have contributed to better identify key success factors during implementation, especially within the proposed flexible framework of activities. It could also have helped define levels of qualitative success indicators which are somewhat lacking in the project (e.g. enterprise implication in training programs design). Finally, it could have helped achieve a better coherence in the many activities designed to meet project objectives.

4.3 Response to Manpower Demand. The project correctly emphasized the importance of responsiveness of the vocational training system to the demand of enterprises. However, qualitative needs at all levels appeared to be so prevalent in the newly expanded vocational system, and the shortage of skills supply to be a potential major constraint to industrial output, that a significant part of the project focuses on the technical improvement of "supply"

of training (equipment, pedagogy, management), without developing the corresponding approaches and mechanisms to take into account the evolving needs of the industrial environment, i.e. to structure the output of vocational training in terms of the "demand" of enterprises.

4.4 The Vocational Training System. The project was designed to provide support to the public vocational training system of the MPW (i.e. OFPPT and AFPFC). It does not deal with institutions from other ministries, and its only provision for the private sector is "improving the system of accreditation and quality control". At the time of appraisal, the Government relied primarily on the MPW to develop a public vocational training structure that could meet its economic and social objectives, which required heavy investments for capacity expansion, and qualitative skill training. In view of other existing training structures, public or private, OFPPT represented a potentially efficient and adaptable tool to meet the Government's objectives. Thus the support given by the First and the Second Projects. It would have been relevant at that time to anticipate support for the evolution of vocational training towards a more diversified system, and allow for the development of other efficient operators. The project remained at the level of regulatory provisions, and did not stress needed legal changes to support the development of the private sector.

4.5 Financial Viability. In order to achieve financial viability for the OFPPT (i.e. cover recurrent expenditures), the project identified different procedures to augment receipts, including increase of the vocational training tax (VTT) from 1% to 1.6%, and extending the base of the levy to public enterprises. The project also estimated that certain activities would contribute to this objective, i.e. income from the production units, shorter training courses, etc. However, besides Annex 14 which gives a summarized status between expected revenues and budget, the SAR does not propose a comprehensive analysis of potential costs increases in OFPPT's budget, especially on the impact of the rapid expansion and higher levels of training programs on salaries and operating costs.

## 5. Project Implementation

5.1 The project closing date was postponed from December 31, 1992 to December 31, 1993 to allow for the realization of two studies for the OFPPT (managerial accounting system, and organization of the OFPPT) which had been added to the project. The two studies were not completed at the expected date, but will be continued under OFPPT's budget. As described below, implementation of the project was characterized by a series of amendments and adjustments.

## Project Amendments

### A. OFPPT

5.2 Two components were cancelled with the Bank's agreement: (i) component 3.2.6 b for the provision of 10 mobile maintenance units which were intended to provide maintenance services to the temporary training premises built in advance of the fully equipped centers. With the rapid pace of construction of CQPs and ITAs which had their own maintenance services, the temporary centers were phased out, and the need for mobile units disappeared; (ii) component 3.2.5 for the provision of 10 production units in CQPs. Since the 10 units were potentially in competition with the private sector, the OFPPT decided to introduce another approach in the form of "practical activities" realized within the framework of some of the training programs (e.g. leather goods manufacturing). The goods produced by trainees are sold to manufacturers, and the proceeds from these "special contracts" are entered in the Center's account outside the regular budget. This initiative meets the component objectives.

5.3 As part of the financial covenant of the loan, and in order to meet the objective of financial viability, the OFPPT was to ensure that the VTT would cover at least 100% of its total current expenditures by 1990. While revenues from the VTT regularly increased and grew at an average rate of 19% between 1987 and 1992, the OFPPT's operating costs grew at an average rate of 22% during the same period. Enrollment remained stable, but overall training costs increased particularly as a result of the development of higher training levels in new sectors. The covenant had to be amended in February 1992 on the basis that VTT should cover no less than 70% of operating costs. Figures from 1993 indicate that coverage was 73%.

5.4 Three components were implemented outside the project framework: (i) component 3.2.2 for the development of permanent in-plant training programs for instructors was, from the beginning, difficult to put into place except in sectors where mechanisms of cooperation with employers' associations were initiated. The OFPPT established statutory in-plant training for all instructors, but only few have benefited from this provision. Some instructors also received fellowships to visit European training structures. As a result, in plant training and experience of OFPPT's instructors remains limited (except for sectors where contractual agreements were established), and the component objectives only partly met; and (ii) components 3.2.7 management training programs and component 3.2.9 fellowships for the staff and managers of the OFPPT were implemented under bilateral agreements (e.g. Directors spent two weeks in the French public vocational training system).

### B. AFPFC

5.5 Three components were implemented outside the project framework: (i) component 3.2.11 training program for AFPFC staff was realized under bilateral agreements (e.g. 10 fellowships per year in France); (ii) within component 3.2.12, the feasibility study for a

research center in vocational training was realized by the Ministry of Labor (financing from BAD), and sector studies on tourism and textiles were financed by UNDP.

### Project Adjustments

#### A. OFPPT

5.6 Two major components were modified and adjusted during implementation: (i) component 3.2.1 (a) with provision for equipment of 33 specific CQPs was utilized to equip or re-equip specific training sectors in most CQPs and ITAs. This adjustment was coherent with the OFPPT's sectoral approach to training which implied the possibility to create, modify, or close training sections according to identified demand, rather than focusing on equipping whole centers. It was also beneficial in supporting contractual agreements with employers' associations (e.g. textile and leather industries) by financing pedagogic equipment necessary to train skilled personnel for the enterprises. This adjustment was implemented in agreement with the Bank through acceptance of procurement specifications; and (ii) component 3.2.7 with provision for data processing equipment to about 50 CQPs and ITAs was modified to provide computer equipment to all vocational training centers (60 CQPs and 55 ITAs) as well as to the 10 regional units and to 12 directors' services at OFPPT's head office. This adjustment responded to the need to improve management and cost control at the OFPPT, and provide equipment for the planned managerial accounting system. Development of the computer organization and system was to a large extent (75% of total costs) financed by the project, but was not initially part of planned technical assistance.

5.7 Other components were either transferred from the First Vocational Training Project i.e. technical assistance for the ITA Berb Ghallef, and three studies covering professional orientation and pedagogic tools, or added to the project, i.e. two key studies on (i) managerial accounting, and (ii) reorganization of the OFPPT which were requested by the Bank to support achievement of the objectives of efficiency (especially within the framework of decentralization and increased autonomy for the centers), and cost control.

#### B. AFPEC

5.8 Studies that were intended to foster the development of suitable approaches and procedures, aimed at establishing efficient training policies and coordination of the national vocational training system (e.g. appropriate tracer studies, new employment creation programs, planning of vocational training programs) were conducted without the introduction of new methodologies (e.g. the annual insertion studies). Efforts were focused on classical sectoral studies considered necessary by the AFPEC to provide an information base to analyze the needs for skilled labor in Morocco's major sectors of activity.

5.9 Financial Status. The total amount disbursed at the project closing date (12/31/93) was US\$21.5 M (96.4% of loan), and US\$21.9 M at the closing date of the account (4/30/94). The undisbursed balance of US\$356,309.10 was cancelled. The single risk

identified in the SAR was that implementation could be slowed by budgetary shortages in the context of the Government's austerity program, which did not materialize during implementation.

## 6. Project Results and Outcome

Overall, the project is perceived by the OFPPT and the AFPFC as having had a very positive impact on the general improvement in quality and efficiency of the OFPPT's vocational training activities. A significant part of the project objectives have been met, and the basis for future improvement and accomplishment of these objectives has been established.

### A. OFPPT

6.1 Project Qualitative Objectives. The project has contributed to the overall qualitative improvement of the OFPPT's training organization. Specifically, results can be evaluated as follows: (i) refurbishing of 31 CQPs contributed to adapt training classrooms to upgraded pedagogic equipment and new sections; (ii) provision for equipment (as modified during implementation) had a strong impact in supporting the development of new training sections and the conversion or upgrading of existing sections. Since most training centers received new equipment, the impact was generalized. Greater efficiency in the choice of equipment was achieved in sections where contractual agreements for training existed with employers associations. In other sectors, equipment was not always adapted to pedagogic use, and sometimes at the limit of obsolescence at the time of procurement (e.g. computers without hard disks for the electronic sections of the ITAs in 1988/89); (iii) selection of students has been improved by the development and use of psychometric and proficiency tests, and orientation procedures; (iv) skill training has progressively moved towards higher levels, including recently to higher education levels with the Instituts Supérieurs de Technologie Appliquée (ISTA). The upgrading of electronics in the 15 ITAs has served as a reference for other sections; and, (v) instructors' industrial experience and overall pedagogic efficiency remain one of the major weaknesses in OFPPT's qualitative development. The public service status for salaries has not permitted the recruitment of personnel with real industrial experience. In-plant training programs for instructors have only been effective in sectors where contractual agreements existed with employers' associations, and the country's still small industrial base does limit the number of enterprises (and sectors) where such training could be organized. Many instructors were recruited at the time of capacity expansion, and close to 80% are under 40 years of age. Most will need significant retraining. Technical assistance under the project helped produce improved pedagogic approaches.

6.2 Training Adjustment to Demand. The project direct impact on the responsiveness of OFPPT's training to skill demand from the economy has been positive. Although the programs under the OFPPT remain to a significant extent supply driven, new mechanisms to establish links with enterprises are being vigorously pursued. The project did not include any component for the development of mechanisms to facilitate the cooperation between the

OFPPT and the industrial community. However, fast growing needs for skilled personnel in export oriented industries (textile, leather), common understanding of the need to develop collaboration in training between these industries and the OFPPT, as well as strong Bank support for such collaboration, resulted in the development of contractual agreements between various professional associations and the OFPPT. In these sectors, training programs have been adjusted to match employers' needs and have been structured accordingly. As a result, the OFPPT has developed alternate training (enterprise/center), and short preparatory courses (textile) which has demonstrated its ability to adapt training to demand. The OFPPT has contracted with other employers' associations (graphic arts, mills), and projects to enlarge this type of collaboration. Although these new forms of training still represent a smaller fraction of all training activities, its importance is growing over time and is laying the foundation for future closer links with enterprises. In other training sectors, programs have remained structured along a two-year curriculum, with, most of the time, limited industrial exposure. Moreover, training centers still lack the autonomy to adapt programs and courses to local and regional needs. Thus, many programs remain uniformly organized over the national territory, sometimes with little relevance to local, or even national needs. One of the project components (3.2.4) encouraged the development of specialized courses for employees. This component objective was achieved during the last part of the project implementation through a growing emphasis on in-service training programs with private and public enterprises by the Division des Entreprises at the OFPPT and by the Regional units. Moreover, evening courses have been upgraded.

6.3 External Efficiency. Existing tracer studies and annual occupational surveys on the insertion of graduates in the labor market could be improved in order to capture insertion in informal sector activities. Nevertheless, these studies together with information from training centers and enterprises, indicate some of the major trends on insertion. The projections in the SAR on skilled labor demand and supply in industry did not materialize. Even in the electromechanical sector where strong demand and needs had been identified, insertion rates for some of the sections appear to average 30%. During the period covered by project implementation, job creation has been mainly for non-wage activities, in which the informal sector may have played a major role. In the formal sector, the process of insertion was most successful in export-oriented activities where contractual agreements had been established. However, closer analysis reveals that a significant part of the jobs were on temporary contracts to adapt to production fluctuations. Insertion rates in the formal sector vary according to industries and geographic areas, but the OFPPT gives an average estimate of 40% insertion rate for its graduates. In some industrial sectors, employers still indicate their preference for recruiting outside the vocational training system and providing their own training, and ITA graduates find themselves in competition with post-baccalaureat applicants who are chosen for their "general education" and trained by the enterprise. Anecdotal evidence points to increasing number of "bac plus" graduates undertaking vocational training at the level of technicians. In general, the image of OFPPT's graduates has regularly improved in the eyes of enterprises. Many graduates enter the informal sector as self-employed or working for small informal structures. Little information is available on their activity, but it seems that their training contributes to their ability to enter professional life

(e.g. maintenance jobs). Participation of women has increased mostly in textile and leather training sections. Success rates for graduation is fairly equal to men, including at the ITA level.

6.4 Internal Efficiency. The process of decentralization was one of the crucial elements in the design of the project to foster the ability of the OFPPT to achieve the overall objectives of quality and efficiency. The 10 regional units were built, staffed, and equipped as planned. Two studies have been added to the project to define the basis for reorganization of the OFPPT, and establish a workable system of managerial accounting. These studies were programmed to support the implementation of this process which has been slowly coming into place. In effect, the structural foundation upon which decentralization can be achieved is being set up. However, operationally, decentralization will require a level of autonomy in management which implies mechanisms for financial autonomy both, for the training centers and the regional units. Decentralization is essential to orient training sectors in terms of local and regional demand, establish contractual agreements with enterprises, develop in-service training, etc. The OFPPT has designated "pilot centers" to initiate a process of closer cooperation with local enterprises, and is slowly starting to put the action into effect. Thus, the operational side of decentralization remains to be achieved.

#### B. AFPFC

6.5 Sectoral Studies. The practical impact of sectoral studies appears to have been limited. In general, studies provided extensive analyses on current and anticipated skills demand from a relatively large sample of enterprises in each of the sectors covered by the project. The content and recommendations from each study was presented to the Administration/Employers pilot committee in charge of overseeing its realization. Little impact could be identified between recommendations and actual courses adjustments in the vocational training system, including the OFPPT. Moreover, updating of results and recommendations has not been conducted by the AFPFC, which may imply obsolescence of information.

6.6 Accreditation of Private Vocational Training Centers. The study on the development of a system of accreditation for private vocational training centers has been completed. Implementation of propositions has not yet been put into effect.

6.7 The role of the AFPFC. The AFPFC is responsible for the coordination of the national (including the OFPPT and training at other ministries) and private vocational training system. The project aimed at strengthening its planning and management capacity to enhance this role, but it has proved to be a difficult objective to achieve. The AFPFC belongs to the same Ministry as the OFPPT, and does not have the institutional and budgetary means (i.e. management of the VTT) to have a key influence on the OFPPT. It does not hold a strong position vis-à-vis other Ministries which have their own training agencies, and its direct impact on the private sector development has been limited. Finally, the AFPFC remains an institutional structure, which strives to develop creative strategic

options for the vocational training system, but which lacks the positioning towards the training system, and a clear participation and support from the employers community.

## 7. Major Lessons Learned

7.1 Project design. A project aiming at qualitative improvements, in the context of a rapidly expanding OFPPT, would have required the identification, at the moment of project design, of operational mechanisms and incentives to support change, particularly as a guide to develop links with enterprises or to move towards decentralization. Project implementation would have benefited from early identification of such concrete mechanisms. Such mechanisms should take into account the specific pace of change which can be efficiently implemented and establish realistic and quantifiable goals. Of equal importance is the development of outcome indicators for each major component of the project that would allow a measurement of the extent to which the objectives have been achieved.

7.2 In order to improve the efficiency of training such a project needs to reach beyond the OFPPT and address the national vocational system, including training programs under other ministries and private training institutions. The support of competition between different public and private training institutions could have improved the quality, demand responsiveness and efficiency of the existing system. This is where the AFPFC could play a central role, and as such, remains an objective still to be achieved.

7.3 Manpower projections of future labor demand should be avoided as the sole justification for capacity expansion or change. Such projections should be part of a more comprehensive analysis of labor market trends, that should include more thorough quantitative and qualitative analysis. Moreover, building institutional linkages between employers and training providers can help improve the analysis of actual skill needs.

7.4 Implementation. A certain degree of flexibility in implementation can be efficient as shown by the adjustments made to the project. It requires, however, careful monitoring on the part of the Bank, as was the case in the project. The more mature (i.e. capable of developing relevant strategic options) the executing agency, the more flexibility can be introduced. This also enhances the process of ownership by the Borrower.

7.5 Some of the studies conducted under the project did not lead to concrete recommendations. It is important that the terms of reference of the studies ensure that the results and recommendations of studies financed under a loan are translated into operational guidelines and measures to facilitate project implementation.

7.6 Project impact. The problem of the financing of further improvements of the system remains unresolved. The VTT is earmarked to finance the OFPPT recurrent expenses. Thus, the financing of dual training activities (enterprise/training center) and of in-service training will need to be addressed, especially if such activities are open to all training operators, public and private. The financial participation of enterprises as well as the

possibility of using part of the VTT for these new activities has also to be considered.

7.7 Decentralization is one of the main ingredients for a system that is flexible and responds to a rapidly changing demand for training. The OFPPT has started a process in which regional offices have greater autonomy in managing recurrent expenses. However, the investment budget for training remains tightly controlled at the central office of the OFPPT, and thus, impedes a true decentralization. Further progress in this area will have to be measured in terms of greater responsibility, at the level of regional offices, for investment decisions.

7.8 The lack of instructors' industrial experience remains a major weakness and hinders quality improvements in training. To a large extent, this is the result of trainers' civil service status, as public sector wages do not seem to attract experienced private sector staff. The OFPPT approach has been to develop in-plant training for instructors through contractual agreements with employer's associations, but the number of beneficiaries is still low. Flexibility in the setting of instructor's salaries would help attract instructors with work experience.

7.9 There has been a clear effort on the part of the OFPPT to enhance the relevance of training vis-à-vis the needs of enterprises. "Dual training", contractual training agreements with employers' associations and night courses have become a permanent and growing feature of public vocational training. The system is, however, still dominated by the need to accommodate a large number of school dropouts from general education which explains the current predominance of pre-employment training. The necessary shift from pre-employment to in-service training can only be achieved through substantial improvements in the quality of general education, and a clear definition of the respective roles of general education and vocational training.

7.10 Tracer studies tend to show a low insertion rate (i.e. 50 percent) among vocational training graduates, but some caution should be exercised in interpreting these results. Vocational training graduates have built-in expectations of access to formal employment, particularly in the public sector, in the context in which the share of formal sector employment is declining throughout the Moroccan economy. Questionnaires are designed to measure insertion in formal employment, and many graduates who are actively employed may declare themselves unemployed if their current occupation does not correspond to their built-in expectations of formal employment and wages. The impact vocational training has had on the informal sector has yet to be measured and determined.

## **Part II. PROJECT REVIEW FROM BORROWER'S PERSPECTIVE**

### **A. Office of Vocational Training and Employment Promotion**

#### **1. Introduction**

This report presents the description, realization and evaluation of the Second Vocational Training Project in Morocco, for which Loan 2779-MOR, amounting to US\$22.3 million was approved on March 13, 1987.

The project objectives are:

- To improve OFPPT's programs of vocational training in order to satisfy the needs in qualified manpower, and to increase employment possibilities for qualified manpower, in particular for women and low income groups.
- Increase the efficiency of the system of vocational training by decentralizing the management of its activities to ensure a better adaptation of the system to local markets and improve coordination of vocational training services.
- Improve OFPPT cost-recovery for vocational training programs.

#### **Summary**

In accordance with the Loan Agreement, almost all tasks at OFPPT have been completed:

- construction, refurbishing and equipment works, as well as studies linked to the training of "trainers", the improvement of training programs and training systems have all been 100% completed.
- two operations have been cancelled with World Bank approval: the acquisition of ten mobile maintenance units and the equipment of ten production units.
- Only studies relating to the reorganization of OFPPT services, analytical accounting, realization of data applications are delayed compared to the closing date of the project.

#### **2. Loan Withdrawals**

Table 1 presents work categories, supplies and services financed by the Loan, as well as loan amounts initially allocated to each category, and the percentage of expenses the financing of which is authorized by category:

Table 1

Section	Category	US\$ Amount	% of Financed Expenses
A (OFPPT)	a) Civil works (including architect and studies services)	1,500,000	50%
	b) Equipment, furniture and vehicles	12,500,000	- 100% of foreign currency expenses - 100% of local currency expenses (Ex-factory) - 80% local currency expenses for other locally purchased supplies
	c) Consulting services	1,000,000	100%
	d) Financial Aid	1,000,000	100%
B (AFPFC)	a) Equipment, furniture and vehicles	200,000	- 100% of foreign currency expenses - 100% of local currency expenses (Ex-Factory) - 80% of local currency expenses for other locally purchased supplies
	b) Consulting services	600,000	100%
Non-allocated amount		5,500,000	
<b>Total</b>		<b>22,300,000</b>	

3. Allocation of Loan Funds

Table 2 presents the situation of credits allocated by category of expenses, as well as the new repartition of funds at OFPPT:

**Table 2**  
(in US\$)

Section	Category	Initial Repartition	Repartition of funds as per letter of Ministry of Finance of 7/30/93 to IBRD	New repartition of funds commitments established by OFPPT
A	a) Civil works (including architecture and studies)	1,500,000	2,100,00	2,120,000
	b) Equipment, furniture & vehicles)	12,500,000	13,950,000	13,725,000
	c) Consulting services	1,000,000	5,000,000	4,875,000
	d) Financial Aid	1,000,000		
B	a) Equipment, furniture & vehicles	200,000	256,309.94	256,309.94
	b) Consulting Services	600,000	963,948.52	963,948.52
	Unallocated amount	5,500,000	29,741.54	29,741.54
	Unused Amount			330,000
	Total	22,300,000	22,300,000	22,300,000

#### 4. Project Scope

The Moroccan Vocational Training System. In 1987, Morocco's vocational training policy was historically reoriented using the insertion parameter as strategic objective, and by clearly stating the desire to further mobilize the training apparatus to meet this objective. Hence, everything should be done to have vocational training linked with identified jobs.

Since then, the development of the training apparatus was two-pronged:

- the implementation of a program to contract training with professional partners to meet their specific needs in qualified manpower, by involving them in the training process.

- the set-up of the decentralization process of vocational training establishments, as a first step, and autonomy as a second step. This important measure's purpose is to remove training from centralized planning and management to better root it in its socio-economic environment. Thus, the establishment will better meet local training needs and is better prepared to directly address these needs.

Concurrently, the vocational training apparatus acquired new and diversified instruments to better identify training needs at the local and national level. These instruments allowed studies on identifying sector needs and to proceed with regional studies by employment category to identify local needs, in collaboration with establishments concerned.

Furthermore, consultation groups at all levels led to the commitment of the majority of concerned partners (local elected officials, local authorities, professionals, etc.) in local training choices. Among these groups, are the Commission Nationale de la Formation Professionnelle, Commissions Provinciales de la Formation Professionnelle, Conseils de Perfectionnement placed with all vocational training establishments.

## 5. Project Description

The project comprises the following:

### Section A - OFPPT

- (a) Supply of equipment to 33 priority CQP providing training in industrial and commercial specialties and refurbishing of these 33 CQPs.
- (b) Implementation of a vocational training program in electronics in 15 ITAs, with supply of electronics equipment and training of "trainers" needed for this program.
- (c) Elaboration and implementation of permanent training programs on job sites for vocational trainers.
- (d) Elaboration and implementation of a program of periodic improvement of vocational training courses ensured by OFPPT so that it may continue to offer courses adapted to the needs of the national economy, and supply of computers and printing equipment necessary to this end.

- (e) Elaboration and implementation of a program of courses including:
  - (i) specialized courses conceived in order to improve qualifications of employees of companies in the industrial and commercial sectors.
  - (ii) courses conceived in order to develop necessary qualifications to managers.
  - (iii) training courses prior to employment.
- (f) Elaboration and execution of a pilot program to organize, staff and create in 10 CQPs services ensuring:
  - training in maintenance and repair operations for cars, electronics equipment, household appliances and buildings, as well as woodwork and printing activities.
  - related maintenance, repair and production operations

The pilot program includes the enlargement and equipment of workshops required for such services.

- (g) Elaboration and execution of measures to improve efficiency of OFPPT's activities on the overall territory, i.e.:
  - (i) implementation of a program allowing the organization, staffing and functioning of 10 regional coordination services in the country. This program includes the construction of buildings for the 10 coordination services, the supply of audiovisual material and computer equipment, and the supply of vehicles, the elaboration and execution of a management training program for staff responsible for these services, as well as the supply of mobile maintenance units.
  - (ii) implementation of a management training program for the managers of 50 CQPs and ITAs and supply of computer equipment, office supplies and vehicles.
- (h) Execution of a program to improve the selection, evaluation and qualification of trainers and trainees of the OFPPT.
- (i) Set-up of a program of financial aid in order to improve qualifications of OFPPT staff and management.

**Section B: AFPFC**

- (a) Supply of computer equipment and other office equipment to permit AFPFC to improve its activities of planning and management.
- (b) Elaboration and execution of training programs to improve qualifications of AFPFC staff.
- (c) Execution of the following studies:
  - (i) feasibility study of a research center in vocational training.
  - (ii) study to elaborate an adequate system of socio-professional follow-up of graduates of vocational training.
  - (iii) study to establish appropriate professional profiles for the industrial and artisanal sectors.
  - (iv) study to identify, evaluate and recommend new programs for the creation of new jobs.
  - (v) study to elaborate relevant systems and principally a statistical system, and adequate procedures for planning vocational training.
  - (vi) study of manpower needs and training plans in agricultural and agro-industrial sectors, construction, fisheries, textile and tourism sectors.
- (d) Elaboration and execution of an improved system of approved private vocational schools.

**6. Tasks at OFPPT**

- (a) Supply of equipment (renewal, additional equipment, section conversion) for 33 priority CQP.
- (b) Installation of the 33 CQPs.
- (c) Electronics programs: implementation of an electronics program in 15 ITAs and training of trainers.
- (d) Construction and equipment of 10 regional coordination services.
- (e) Acquisition of 10 mobile maintenance units (canceled operation).

- (f) Enlargement and equipment of workshops in 10 CQPs for the production (canceled operation).
- (g) Technical assistance and training of trainers and managers:
  - (i) improvement program of OFPPT and company managers.
  - (ii) reinforcement of training system for trainers and management staff.
  - (iii) studies on elaboration and adaptation of training programs.
  - (iv) improvement of staff selection procedures and orientation of candidates towards vocational training.
  - (v) assistance to the set-up of production units (canceled operation: linked to task #6)
  - (vi) Training plan for coordinators and management directors (operation completed within the framework of French-Moroccan cooperation).
  - (vii) Master technology scheme of OFPPT (equipment and technical assistance).

In addition to tasks planned by the project, OFPPT completed this program with the following actions:

- (i) assistance in start-up of ITAC Derb Ghallef in Casablanca.
- (ii) set-up of a career orientation system at OFPPT\*.
- (iii) set-up of methodology for the elaboration of listings of profiles and training programs at OFPPT\*.
- (iv) Management of resources in audiovisual and training in educational technology\*.
- (v) Study on set-up of analytical accounting at OFPPT.
- (vi) Study on OFPPT's reorganization\*

## 7. Project Implementation

7.1 Improve vocational training programs in order to satisfy the market needs in qualified manpower.

In order to improve the quality of training, the Office realized refurbishing works in about 30 training establishments, and operations to re-equip about 20 subsidiaries reaching 70 establishments.

For technical assistance, works related to the training of trainers, improvement of training programs, set-up of new orientation and selection systems, production of audiovisual teaching materials.

Work completed within the framework of the first objective are as follows:

7.1.1 Refurbishment of sites. Installation of CQPs (para. A.1 of the Loan Agreement): on the 33 CQPs selected for refurbishment, two were not financed by the project because of non respect of contract terms as far as the public and opening bid was concerned. These are the Ifrane and Tiomliline CQPs, the refurbishment of which were completed with the Office's budget.

The 31 CQPs refurbished within the project's framework for a total investment of DH 24,155,000 are detailed in Table 3. Details of refurbishment operations of these establishments are included in annex 1.9.

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\* These operations were transferred from the first to the second Project (cf. IBRD telex of 12/18/90).

Table 3

Establishment	City	Establishment	City	Establishment	City
CQP Agadir	Agadir	CQP Khenifra	Khenifra	CQP Oujda	Oujda
CQP Al Hoceima	Al Hoceima	CQP Larache	Larache	CQP Rabat 1	Rabat
CQP Demnate	Demnate	CQP Maarif	Casablanca	CQP Safi	Safi
CQP El Jadida	El Jadida	CQP Marrakech 1	Marrakech	CQP Saknia	Kenitra
CQP Essaouira	Essaouira	CQP Meknes 1	Meknes	CQP Settat	Settat
CQP Fes 1	Fes	CQP Meknes 2	Meknes	CQP S. Bernoussi	Casablanca
CQP Guercif	Guercif	CQP Nador	Nador	CQP Tan	Tan Tan
CQP Hay Hassani	Casablanca	CQP Ouaouizerht	Ouaouizerht	CQP Tanger 1	Tanger
CQP H Mohamma	Casablanca	CQP Ouarzazate	Ouarzazate	CQP Tanger 2	Tanger
CQP Kasba Tadia	Kasba Tadia	CQP Oujda 1	Oujda	CQP Tetouan	Tetouan
				CQP Youssoufia	Youssoufia

7.1.2 Refurbishment of training establishments. The Loan Agreement stipulates the refurbishment of 33 CQPs (para. A1), 15 ITAs (para. A.2), as well as about fifty other establishments (para A.7b) and technical teaching material).

However, and for a better profitability of the training system, equipment renewal operations have been grouped by category at the national level. Thus 21 categories and 113 sections were affected by the equipment renewal programs during the life of the loan.

The total number of establishments which were refurbished within the project's framework amounts to 125 (69 CQPs and 56 ITAs), in addition to the ten regional delegations and some central services.

Annual equipment programs are as follows:

- 1988/89** - Equipment of 4 electronics lines in 15 ITAs for a total cost of DH 43,421,000 (see details in annex 1.10): 17 sections of the common part, 7 sections in industrial electronics, 7 sections in commercial electronics and 3 sections in specialized electronics.
- 1989/90** - Refurbishment of 51 sections for a total cost of DH 21,446,000 (Annex 1.1):
- Equipment of 31 sections for renewal in customized cutting in 23 establishments: 18 CQPs, 2 CFPs and 3 ITAs

- . Equipment of 20 sections for reconversion in 9 lines: tricot production, customized cutting, electricity of building, refrigeration and cooling, maintenance mechanics, woodwork, refrigeration repairs, sewing machines repairs. 18 establishments have benefitted from these equipments: 15 CQPs, 1 CFP and 2 ITAs.
- . Equipment of establishments with audiovisual and technical materials for a total cost of DH 7,687,000 DH (Annex 1.2):  
Audiovisual material: 39 CQPs, 41 ITAs, 10 regional delegations.  
Typewriters: 18 CQPs, 29 ITAs, 5 regional delegations.  
Duplicators: 19 CQPs, 23 ITAs, 8 regional delegations.  
Photocopy machines: 9 CQPs, 12 ITAs, 4 regional delegations.
- 1990/91** - Investment of DH 17,387,000 for the refurbishment of 27 sections divided as follows (Annex 1.3):
  - . Equipment of 22 sections for renewal in 10 lines:  
Driver, tricot line, customized cutting, management of companies, management technology, woodwork, repairs of household appliances, repairs of sewing machines, secretariat.
  - . Equipment of 5 sections for reconversion in 4 lines:  
tricot line, customized cutting, repairs of household appliances.  
4 CQPs benefitted from this program.
  - Additional equipment in office furniture and technical material for a global investment of DH 1,185,000 (Annex 1.4):
    - . Stabilizers for 15 ITAs.
    - . Office furniture for 11 CQPs and 13 ITAs.
    - . Workbenches for 5 CQPs and 1 ITA.
- 1991/92** - Equipment of 6 sections of the course Cooking and Catering newly created in 6 establishments, for a total amount of DH 4,762,000 (Annex 1.5)
- 1992/93** - Purchase of dormitory material for 34 establishments (19 CQPs and 15 ITAs), with an investment of DH 1,419,000 (Annex 1.7)
- 1993/94** - Reconversion of 8 sections in 5 CQPs and 1 ITA concerning the lines: Customized cutting, Maintenance electricity, Electromechanics, Woodworking and Sewing machines repairs. Total investment DH 8,676,000 (Annex 1.8)

**7.1.3 Technical assistance (training of trainers).** This operation reached a total of 82 trainers in the electronics lines, 58 of which trained in Canada and 24 in Italy:

- Second session of improvement of trainers in electronics at Khouribga (Annex 2.7)
- Third session of improvement of trainers in electronics at Khouribga (Annex 2.8)
- Fourth session of improvement of trainers in electronics in Italy (Annex 2.9)
- Study on strengthening of trainers training.

**Improvement of training programs:**

Three studies were completed in order to adapt training programs to the needs of the market. Two of these studies concerned the elaboration and adaptation of training programs, and the third is geared towards production and use of audiovisual teaching materials:

- study on elaboration and adaptation of training programs: realized in part within the project framework, and the remainder within the framework of bilateral cooperation and on the Office's resources (Annex 2.11).
- study of adaptation of elaboration methodology of profiles and vocational training programs (Annexes 2.12 and 2.13).
- technical assistance on production of audiovisual material (Annex 2.14).

**Set-up of staff selection systems and orientation of candidates towards vocational training:**

Three studies were completed within this framework:

- Study on improvement of staff selection system and implementation of an adequate system for the orientation of candidates towards vocational training (Annex 2.15).
- Study on set-up of a system of career orientation in pilot areas (Annex 2.16).
- Study on extension of set-up of career orientation system to other regions of the country (Annex 2.17).

**Assistance to start-up of ITA Confection de Derb Ghallef in Casablanca (Annex 2.22).**

**7.2 Increase efficiency of the vocational training system by decentralizing the management of its activities for a better adaptation to local markets.**

This objective mostly concerns OFPPT, and partly AFPFC. For the Office, the following work has been completed:

7.2.1 Construction (para. A.7 of the Loan Agreement). Ten regional coordination services were built and equipped between 1989 and 1992. The total building cost amounted to DH 13,937,000 (Annex 1.11). These services, created in Regional Delegations, are located in the following cities:

City	Area
Agadir	Sud
Casablanca	Centre 1
Fes	Centre Nord
Khouribga	Centre 3
Marrakech	Tensift
Meknes	Centre Sud
Oujda	Oriental
Rabat	Nord Ouest 1
Settat	Centre 2
Tanger	Nord Ouest 2

7.2.2 Equipment. Purchase, installation and start-up of computer equipment on sites of 10 regional coordination services, 120 vocational training establishments (59 CQPs and 56 ITAs), and the Office's central services. The total investment for this operation was DH 18,218,000 (Annex 1.6).

7.2.3 Technical assistance. The following studies are being performed to allow the implementation of a decentralized management in order to ensure autonomy of vocational training establishments:

- study on elaboration of computer applications within the framework of the main technology scheme (cf. para. 6.2.2.). This study is pending and will be completed on Office budget.
- study on OFPPT's reorganization: the objective of the study is to install a new structure defining respective responsibilities of establishments as direct operators of vocational training, central services as technical advisers and carriers of human resources, financial and material means, and regional delegations as intermediaries between the two. This study is pending and will be completed on Office budget.
- study on implementation of analytical accounting: pending. It will be completed on Office budget for 5 pilot establishments at the end of 1994 and will be extended to 15 other pilot establishments in 1995.

### 7.3 Improve the recovery of OFPPT's vocational training costs

7.3.1 Initial financial clause. Vocational training tax (TFP) must cover OFPPT's operating expenses up to 80% for FY88, 90% for FY89, and 100% for the following fiscal years, i.e. all operating expenses for each fiscal year.

7.3.2 Amendment to the financial clause. By letter of February 14, 1992, the World Bank approved the amendment to section 4.02 of the Loan Agreement as follows:

*"In order to improve the recovery of costs borne by OFPPT for vocational training services, the borrower continues, on a permanent basis, to withdraw and makes sure that each private company pays, as soon as possible, a vocational training tax, for OFPPT's account, of a level sufficient to ensure that the total revenues generated by this tax, for each fiscal year, starting with the fiscal year ending December 31, 1991. I.e. the equivalent of at least 70% of the total operating expenses of OFPPT for each of these fiscal years". (cf. OFPPT letter No. 53 of March 18, 1992).*

7.3.3 Improvement of vocational training tax recovery. OFPPT worked at different levels and took the following steps to ensure improvement in tax recovery:

- signing of agreements with state companies (Royal Air Maroc, Régie des Tabacs, and Subsidiaries of Office Chérifien des Phosphates) for the payment of tax due by these organizations since the date of effectiveness of the tax.
- periodic withdrawals of the monthly advance on collected tax.
- increase in benefits of accounts and forced recoveries.
- furthermore, and following World Bank recommendations for the extension of the tax to industrial and commercial state companies, OFPPT initiated to present in July 1992 a project of decree in this respect to the relevant governmental authorities.

OFPPT has indeed no control over the tax's proceeds since the recovery of the tax is performed by the Caisse Nationale de Sécurité Sociale (CNSS). Even external auditors have never been able, in their audit reports, to account for the tax proceeds.

For information, tables 4 and 5 present the evolution of tax proceeds and OFPPT operating resources. Table 6 indicates OFPPT's expense coverage rate by the tax.

**Table 4**  
**Evolution of Tax Proceeds since 1984**  
DH'000

Rate	1%		1.6%							
Year	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Gross*	78,609	86,506	96,637	150,825	184,926	205,983	248,343	295,592	352,286	356,675
Net*	77,037	84,776	94,704	147,808	181,228	201,863	243,376	289,680	346,130	350,007

\* A 2% commission is withdrawn by CNSS for the tax recovery from companies, with the exception of state enterprises (RAM, RT and OCP subsidiaries) who pay directly the tax proceeds to OFPPT.

**Table 5**  
**Evolution of Operating Resources since 1988**  
DH'000

Resources	1988	1989	1990	1991	1992	1993
TFP	184,926	205,983	248,343	295,592	352,286	356,675
Subsidies	70,000	90,000	85,000	69,213	70,000	81,900
Grants	15,065	15,167	31,471	23,689	43,845	32,878
Other proceeds	1,987	1,632	2,867	2,416	4,501	5,421
<b>Total</b>	<b>271,978</b>	<b>312,782</b>	<b>367,681</b>	<b>390,910</b>	<b>470,632</b>	<b>476,874</b>

**Table 6**  
**Evolution of Tax expense coverage rate**  
%

Year	1988	1989	1990	1991	1992	1993
Tax/Operating Expenses	76	81	81	84	87	75

## 8. Impact of Project on OFPPT's Training Apparatus

The project had a very positive impact on improvement of efficiency of the vocational training system and its increase presence in its socio-economic environment through the set-up of contractual training, managing and technical committees, the organization of internships in companies for trainers and the set-up of a career orientation system.

8.1 Impact of Physical Accomplishments. The building of the ten regional delegations allowed to decentralize a certain number of OFPPT's activities and to get closer to the local socio-economic environment of training establishments. These delegations act as intermediaries between central services and employers at the local level, study their needs in qualified manpower, and offer training meeting these needs.

Refurbishment and equipment of training establishments allowed to consolidate sites and modernize teaching material, resulting in a marked improvement in services offered to trainees.

The renewal of equipments in electronic lines and training of trainers in this sector offered training of technical quality and level meeting, best the needs of local industries. The 15 ITA equipped within this framework may accommodate 1020 trainees. The total number of technical graduates from these establishments since 1988-89 is of 2,777, of which 595 are female, i.e. 21 % of graduates. As for the total number of graduates of electronic lines at the national level since the same year, it is of 4,407, of which 1,009 female, i.e. 23 % of graduates.

Concurrently, other steps were taken to improve electronics training. In this regard, 26 sections of the qualification level were removed as the profiles required from employers require high technical knowledge, and the trainees of the qualification level did not receive the basic necessary instruction to assimilate this type of training. Furthermore, the rotation system which existed before 1988 was progressively phased out as it did not allow practical internships in good conditions. Finally, training in this sector has been raised to the specialized technician level as of 1993/94 to train highly qualified technicians in electronics, and the project facilitated the set-up at that level.

The kitchen-restaurant line was created upon the pressing demand of employers and was implemented in 6 establishments. The second project allowed to equip these sections in technical and teaching materials. Two promotions are presently being trained with a total of 187 interns, 27 of which are female.

Renewal and conversion operations of other lines concerned all sectors. A total of 17 lines and 86 sections were included in these operations. The number of graduates is 6,569 during the life of the loan, of which 5,361 are female. The high number of female graduates is due to the fact that of the 86 sections which were equipped within the project's framework, 62 were related to the textile sector where female interns are a majority.

8.2 Impact of Technical Assistance - Strengthening of Trainers' Training Apparatus. The studies completed in this respect allowed to raise the technical and teaching levels of OFPPT's trainers, which resulted in a marked improvement of the quality of training offered in training centers.

Table 7 presents the number of trainers who received additional training during the period 1988-1993:

**Table 7**

Year	1988		1989		1990		1991		1992		1993	
	#	%	#	%	#	%	#	%	#	%	#	%
Training in Morocco	1340	50	962	36	1076	38	923	32	1007	36	1544	51
Training abroad	85	3	154	6	277	10	246	9	125	4	n/a	n/a
Internships	285	11	127	5	150	5	256	9	212	8	244	8
Total	1710	64	1243	47	1503	53	1425	50	1344	48	1788	59

# Number of trainers

% Percentage compared to total number of trainers at OFPPT

n/a Not available

Improvement of Training Programs. The studies performed within this framework allowed to adapt training programs to the real needs of the market. The set-up of a methodology to elaborate professional profiles and training programs resulted in the production of modular programs easily adaptable to the training needs. The sectors targeted by studies are electric works, textile, leather, graphic arts, audiovisual and metallurgy.

Another study on the production and use of audiovisual teaching aids was added to provide additional and more efficient teaching aids to the trainers.

Staff Selection and Orientation of Candidates. The studies completed in this framework permitted to assist candidates and interns to select lines corresponding to their profiles and motivations, also meeting the needs of the market. Considering the success of this system, it is planned that it will be extended to all centers and at all levels starting in 1995, and discontinuation of all entry exams. The evolution of extension of the coverage rate of the orientation system at the national level over the traditional exam is very rapid as demonstrated in table 8:

Year	1989	1990	1991	1992	1993	1994*	1995*
Percentage of candidates admitted to training through orientation	5.3	22	28	51	66	82	100

\* Estimates

Improvement of the Efficiency of the OFPPT Training Apparatus. The decentralized management of OFPPT's activities for a better adaptation to the local markets will be reinforced and largely facilitated by a series of studies outstanding.

The elaboration of data applications within the framework of the set-up of the master technology scheme will allow an autonomous management of all center activities (teaching, human means, equipment, financing), while integrating this management in a computerized system including also regional delegations and central services.

The purpose of this study on OFPPT's reorganization is to set up new structures ensuring the autonomy of the centers and clearly define their role as well as the respective roles of the regional delegations and of the central services in the training apparatus.

The set-up of analytical accounting will allow to better master training costs and to provide centers with the necessary financing to meet this objective and strengthen their autonomy.

#### 9. Relations with the World Bank

The execution of the second project witnessed a spirit of good collaboration between IBRD and OFPPT. World Bank experts who were leading the different supervision missions are professional and competent in their respective fields.

OFPPT would like to receive the coordinates of all IBRD members associated with the project in order to contact them in case they need to solve potential problems in order to avoid any delays in the execution of the project.

Some statistical tables requested by the Bank were presented in such a way that it was difficult, sometimes impossible to fill them out or work with them. These tables have been modified in collaboration with World Bank experts.

Some modifications were made to the loan agreement with World Bank approval, as follows:

- The initial clause on the Training Tax which was to cover 100% of operating expenses as of 1991 has been reduced to at least 70%.
- The following tasks were canceled: purchase of 10 mobile maintenance units, program of 10 units of production, program of internships for trainers, program of management training.
- The following tasks were transferred from the first to the second project: implementation of a career orientation system, adaptation of methodology to elaborate profiles and training programs listings, management of audiovisual resources, study of OFPPT's reorganization.
- The following tasks were added: assistance to start-up of ITA Confection of Derb Ghallef, set-up of analytical accounting and master technology scheme.

## **B. Vocational Training Administration**

### **10. Technical Assistance**

**10.1 Impact of Studies on the Vocational Training System.** Within the framework of the second FP project, the Administration de la Formation Professionnelle et de la Formation des Cadres completed vocational training planning studies in the following sectors:

- Administration-management and trade
- Building, civil works
- Artisanal work
- Tourism
- Agriculture
- Mechanics, Metal and Electricity industries
- Agribusiness
- Fisheries

The purpose of these studies is to:

- Define vocational training needs through analysis of employment and diagnosis of the sector's manpower.
- Establish a training strategy to meet training needs.

These studies have been completed, their findings were made available to public and

private operators for implementation of recommendations.

The contents of these studies were helpful, they allowed to:

- Create new lines
- Adapt training by lines depending on identified needs.
- Renovate the lines training programs.
- Measure the level of inappropriateness of vocational training and propose measures to fix it.
- List qualified jobs with detailed description serving as reference to the training system and first step for national classification of jobs Morocco wishes to build.
- Create a fertile consultation framework between training operators and economic partners within committees of follow-up of studies.

However, the completion of these studies encountered three categories of difficulties, i.e.:

Firstly, studies tried to cover all employment sectors, hence reaching a large population economically organized. For this reason, and with justified reasons, the informal sector was explored in a rather incomplete and summarized way.

Secondly, evaluations of job creations were made on operational units, putting aside all jobs created through new production units. Further, the self-employment phenomenon has not been considered as well as the low prospect on new jobs.

Finally, the determination of hiring needs is based on direct estimate from employers whether private or public units. This process consists in obtaining from employers their own short- and medium-term estimates of jobs available. This entails that all units in the employment sector establish staffing projections, which is not always the case. In reality, the task of establishing staffing plans is delicate, in some cases complicated (artisanal work and agriculture for example).

10.2 Relations with the World Bank. The completion of studies was performed under good conditions through close collaboration between the World Bank and AFPFC. Indeed, World Bank experts undertook several missions to enquire on the progress and discussion of the studies findings. Also, the active participation of the World Bank contributed largely to the improvement of the quality of these studies.

The initial project was slightly modified, with approval from the World Bank, for the study the purpose of which was to identify, evaluate and recommend new job creation programs, which was not completed. This was done within the framework of sectoral studies.

Other studies were done within the framework of the general budget or other financing (BAD, PNUD, French Cooperation), i.e.:

- Feasibility study on a research center in vocational training
- Study to elaborate a system to follow-up on vocational training graduates
- Study to elaborate systems for vocational training planning
- Study on textile sector
- Study on tourism sector
- Elaboration of an accreditation system for private vocational training centers

Finally, the World Bank may play an important role in the implementation of recommendations by examining with the follow-up Commission the possibility of financing tasks requiring substantial credits to be created.

## 11. Computer Equipment

11.1 Impact of Computer Equipment. In 1986, the Administration de la Formation Professionnelle et de la Formation des Cadres completed a study on a master technology scheme which resulted in the purchase of IBM AS/400 financed through IBRD Loan No. 2779-MOR.

This equipment contributed efficiently and satisfactorily to the development of structure information system for vocational training at the central level, and the availability of decision-makers on map situation, insertion, graduates, final exam results, budget, etc., within a reasonable timeframe.

11.2 Relations with the World Bank. There were good cooperative relations with the World Bank. Some difficulties initially encountered with disbursement were solved after a procedural change in the payment of suppliers.

**PART III STATISTICAL INFORMATION**

Table 1 : PROJECT TIMETABLE

<b>Core Steps</b>	<b>Date Planned</b>	<b>Date Actual</b>
Identification	07/28/85	08/31/85
Preparation	01/17/86	02/-/86*
Appraisal Mission	04/15/86	04/14/86
Loan Negotiation	11/19/86	11/24/86
Board Approval	01/20/87	01/20/87
Loan Signature	03/13/87	03/13/87
Loan Effectiveness	N/A	08/12/87
Project Completion	06/30/92	12/31/93
Loan Closing	10/31/92	04/30/94
Last Disbursement	N/A	05/09/94

\* Preparation mission date not available due to error in MIS data.

Table 2 : ESTIMATED AND ACTUAL DISBURSEMENTS  
(US\$ Million Equivalent)

<i>CY</i>	<i>1986</i>	<i>1987</i>	<i>1988</i>	<i>1989</i>	<i>1990</i>	<i>1991</i>	<i>1992</i>	<i>1993</i>	<i>1994</i>
<i>Appraisal Estimate</i>			2.50	8.30	10.30	0.80	0.40		
<i>Actual</i>			0.75	5.95	3.43	5.31	2.96	2.05	1.03
<i>Actual as % of Est.</i>			31%	72%	33%	664%	740%		

**Table 3: TIMELINE OF DISBURSMENT SCHEDULE**

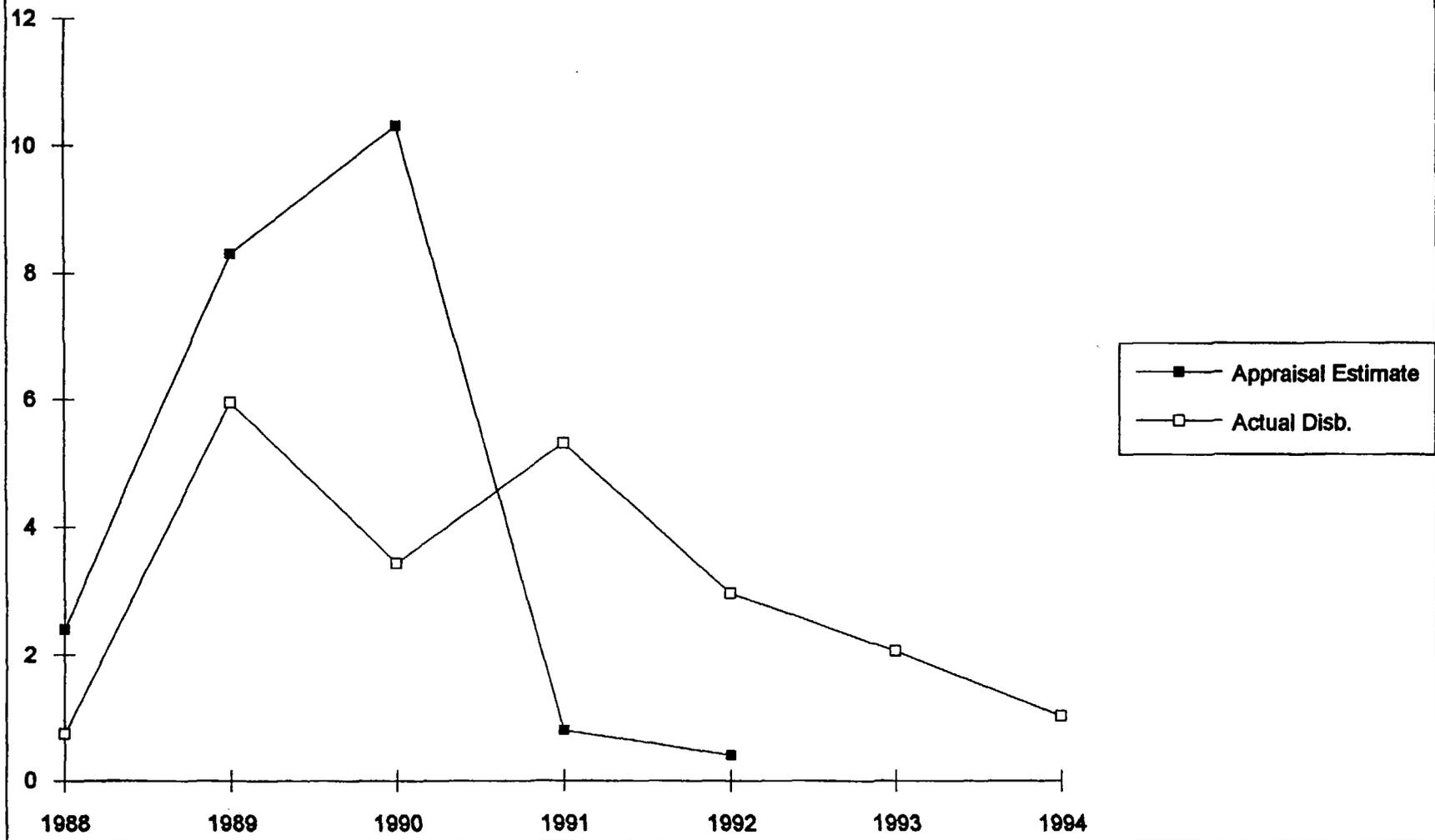


Table 4a : PROJECT COST BY CATEGORY  
(US\$ Thousand Equivalent)

Category	Appraisal Estimate			Actual		
	Local	Foreign	Total	Local	Foreign	Total 1/
Construction & Professional Services	1,667	1,538	3,205		2,118	
Furniture & Equipment	1,959	12,666	14,625		13,984	
Technical Assistance	605	2,645	3,250		5,839	
Total Base Cost	4,231	16,849	21,080	3,413	21,941	25,354
Physical Contingencies	423	1,685	2,108	341	2,194	2,535
Price Contingencies	960	3,824	4,784	683	4,388	5,071
<b>TOTAL PROJECT COST</b>	<b>5,614</b>	<b>22,358</b>	<b>27,972</b>	<b>4,436</b>	<b>28,523</b>	<b>32,959</b>

1/ Breakdown of actual local costs is not available; physical and price contingencies are estimated at 10% and 20%, respectively.

Table 4b : PROJECT FINANCING  
(US\$ Million Equivalent)

Source of Funds	Planned	%	Final	%
IBRD Loan	22.36	80%	21.94	80%
Co-financing Institutions				
Other External Sources				
Domestic	5.61	20%	5.61	20%
<b>TOTAL</b>	<b>27.97</b>	<b>100%</b>	<b>27.97</b>	<b>100%</b>

Table 5 : PROJECT RESULTS  
(in US\$ Million)

INDICATORS AT APPRAISAL	ACTUAL DEVELOPMENT
<b>A. OFFICE OF VOCATIONAL TRAINING AND EMPLOYMENT PROMOTION (Office) (OFPPT)</b>	
3.2.1. (a) Re-equipping and refurbishing of 33 Vocational CQPs, and (b) developing an upgraded training program in electronics at 15 ITAs with the provision of electronics equipment and training of instructors.	(a) Refurbishing of 31 CQPs. (b) re-equipping of 70 CQPs and 56 ITAs.
3.2.2. Technical assistance to establish in-plant instructor training program.	Implemented outside project framework. Partly met.
3.2.3. Technical assistance for periodic upgrading of vocational training courses.	Partly implemented with bilateral cooperation. T.A. included 2 studies and expert services for the production of audiovisual material.
3.2.4. Technical assistance to develop specialized programs to upgrade the skills of employees, introduce entrepreneurship, and pre-employment training courses	Completed.
3.2.5. Establishment of 10 pilot training/repair service in 10 CQPs.	Cancelled.
3.2.6. (a) Establishment and equipping of 10 Office regional coordination units with (b) the provision of 10 mobile maintenance units.	(a) 10 Office regional coordination units established and equipped. (b) Cancelled.
3.2.7. Technical assistance for implementation of a management training program for about 50 CQPs and ITAs directors, and provision for data processing and office equipment.	T.A. implemented under bilateral agreements. Data processing equipment provision to all vocational training centers [60 CQPs and 15 ITAs as well as 10 regional units and 12 director's services at OFPPT].
3.2.8. Technical assistance to upgrade the system of selection, testing and certification of instructors and trainees.	Completed.
3.2.9. Fellowships to enhance the skills of staff and managers of OFPPT.	Implemented under bilateral agreements.
<b>B. VOCATIONAL TRAINING ADMINISTRATION (VAT) (AFPFC)</b>	
3.2.10. Provision of data processing equipment and other office equipment to enhance the planning and management capacity of the AFPFC.	Completed.
3.2.11. Technical assistance to upgrade the skills to AFPFC staff	Implemented outside project framework - bilateral agreements.
3.2.12. Technical assistance for studies on planning, management and evaluation of the vocational training system, for tracing graduates, and studies on manpower needs in several key economic sectors.	Partially completed. Some T.A. implemented through bilateral cooperation.
3.2.13. Technical assistance to improve its system of accreditation and quality control of private training programs.	Study completed. Implementation of recommendations not yet put into effect.

Table 6 : STUDIES

SUBJECT/TITLE	PURPOSE AS DEFINED AT APPRAISAL	STATUS
Feasibility study of a vocational training development center. (1/92)	Feasibility study for a vocational training development center.	Completed outside the project. Financing from BAD.
(a) Preparation of a tracer system for vocational training graduates. (9/89) (b) Development of an employment counselling system for vocational training graduates. (9/87)	A study to develop an appropriate system for tracing graduates of vocational training programs.	Both implemented.
(a) Survey on industrial trade specifications. (1/88) (b) Study on trade specifications in the handicraft sectors. (1/90)	Study to develop appropriate occupational profiles for the industrial and handicraft sectors of the Borrower's economy.	(a) Done. (b) Done.
Study of job creation investment possibilities. (9/88)	Study to identify, evaluate and recommend new employment creation programs.	Done.
(a) Review of national and regional systems and procedures for the planning of the vocational training. (9/87) (b) Development of a statistical system for vocational training. (9/87)	Study to develop appropriate systems (including a statistical system) and procedures for the planning of vocational training programs.	Done.
(i) Study on manpower needs in the agriculture and agro-industrial sectors. (9/88) (ii) Study on manpower needs in the construction sector. (9/88) (iii) Study on manpower needs in the fishery sector. (9/88) (iv) Study on manpower needs in the textile sector. (9/88) (v) Study on the manpower needs in the tourism sector. (9/89)	Studies of the manpower requirements of the (i) agriculture and agro-industry; (ii) construction; (iii) fisheries; (iv) textiles; and (v) tourism sectors of the Borrower's economy.	(i) Done (ii) Done (iii) Done (iv) & (v) Financed by UNDP.

Run Date: 10/21/94  
at 11.16.31

Middle East & No Africa Regional  
HMA: Country Department I  
MN1PH - POP & HUMAN RESOURCES CPR DIV  
PFLCR1 - Latest Status of Covenant Compliance  
CD 13.05 - ANNEX D5  
FORM 590 DATE: 01/10/94

Project ID: MA-PA-5426 - VOC.TRAINING II

Agreement	Loan/ Credit Number	Text Reference	Covenant Class(es)	Status	Original Fulfill Date	Revised Fulfill Date	Description of Covenant	Comments
SD5A1	L27790	SCHEDULE 5 A(1)	12	C	11/30/88		OFF. SHALL NOT LATER THAN 11/30/88 EMPLOY CONS. FOR PART B(2) OF PROJECT IN ACCORDANCE WITH PROVISIONS OF SECTION II OF SCHED. 4.	DONE.
SD5A2	L27790	SCHEDULE 5 A(2)	12	C	04/30/89		OFF. (A) TAKE ALL MEASURES NEC. TO ENSURE THAT TRG PROGRAMS REFERRED IN PART B(2) SHALL BE DEV & FURNISHED TO BANK NOT LATER THAN 4/30/89; (B) THEREAFTER CARRY OUT SUCH TRG. PROGRAM TAKING INTO ACCOUNT BANK COMMENTS THEREON.	DONE.
SD5B2	L27790	SCHEDULE 5 B(2)	12	CP	03/31/92		THE VTA SHALL TAKE ALL MEASURES NECESSARY TO ENSURE THAT SAID STUDIES SHALL BE COMPLETED NOT LATER THAN 03/31/92 & COPIES THEREOF FURNISHED TO THE BANK IN ACCORDANCE WITH TIMETABLE AGREED WITH THE BANK.	EXCEPT FOR TWO STUDIES WHICH HAVE BEEN DONE OUTSIDE THE PROJECT, CONDITION WAS MET.
SD5B3	L27790	SCHEDULE 5 B(3)	9	CP			BORROWER & BANK EXCHANGE VIEWS ON FINDINGS & CONC. OF STUDIES & RECOMMENDATIONS BASED UPON THEREON, & BORR. TO CARRY OUT RECOMMENDATIONS, LEVELS OF VOC. TRG. TAX IN ORDER TO MEET SUCH REQUIREMENTS.	DISCUSSIONS AND RECOMMENDATION OF SEVERAL STUDIES HAVE BEEN CARRIED OUT.
SD5C1	L27790	SCHEDULE 5 C(1)	12	CP	08/31/90		TO DEV. IMPROVED SYSTEM OF PRIV.VOC. SCHOOL ACCREDITATION REF. PART B(4) OF PROJECT, VTA SHALL NOT LATER THAN 9/30/88 EMPLOY NEC. CONS. AND ALL MEASURES TO ENSURE SYSTEM BE DEVELOPED.	A REPORT HAS BEEN SUBMITTED TO THE BANK OCTOBER 1992. NO CONSULTANTS HAVE BEEN HIRED.
SD5C1A	L27790	SCHEDULE 5 C(1) A	12	CP			BORROWER & BANK SHALL THEREAFTER EXCHANGE VIEWS ON SAID SYSTEM, AND BORROWER SHALL PROMPTLY IMPLEMENT SAID SYSTEM ON THE BASIS OF SAID EXCHANGE OF VIEWS.	THE PROPOSED SYSTEM HAS BEEN REVIEWED AND IS ACCEPTABLE TO THE BANK. IMPLEMENTED NOT STARTED.
S4-5B1	L27790	SCHEDULE 4 SECTION II & SCHEDU	12	C	09/30/87		THE OFFICE & VTA SHALL EMPLOY CONSULTANTS TO CARRY OUT THE STUDIES, NOT LATER THAN 09/30/87.	DONE.

TABLE 7: STATUS OF COVENANTS

Status: C - Complied with  
CD - Compliance after Delay  
NC - Not Complied with  
SOON - Compliance Expected in Reasonably Short Time  
CP - Complied with Partially  
NYD - Not Yet Due

Run Date: 10/21/94  
at 11.16.31

Middle East & No Africa Regional  
HNA: Country Department I  
MNTPH - POP & HUMAN RESOURCES QPR DIV  
PFLCR1 - Latest Status of Covenant Compliance  
CD 13.05 - ANNEX D5  
FORM 590 DATE: 01/10/94

Project ID: MA-PA-5426 - VOC TRAINING II

Agreement	Loan/ Credit Number	Text Reference	Covenant Class(es)	Status	Original Fulfill Date	Revised Fulfill Date	Description of Covenant	Comments
4.02A	L27790	4.02(A)	2	CD			COLLECTED FROM EACH PRIVATE ENTERPRISE A VOC.TRG. TAX AT LEVELS SUFFICIENT TO ENSURE THAT TOTAL REVENUES I) FY88 EQUIV. NO LESS THAN 80%; II) FY89 EQUIV. NO LESS THAN 90%; III) EACH FY THEREAFTER EQUIV. NO LESS THAN 100% OFF. TOT.CUR.EXPEND. YEAR	TARGET RATIO AMENDED IN FEB. '92 TO 70% OF TOTAL CURRENT EXPENDITURE. ACHIEVED IN FY93.
4.02B	L27790	SCHEDULE 4.02 B	2	CD			BEFORE 6/30 EACH OF OFF.FY. BORR. SHALL ON BASIS OF FORECASTS PREPARED BY BORR. & OFF. & SATISF. TO BANK REVIEW WHETHER REQUIREMENTS IN COV. 1 SHALL BE MET IN RESPECT OF SUCH YR & FOLLOWING FY AND FURNISH RESULT OF REVIEW UPON COMPLETION.	SEE 4.02 A ABOVE.
4.02C	L27790	SCHEDULE 4.02 C	2	CD			IF REVIEW SHOWS THAT REQUIREMENTS IN COV.1 NOT MET FOR OFF. FYS COVERED BY REVIEW, BORROWER SHALL TAKE NEC. MEASURES (INCL. W/OUI LIMITATIONS, ADJ. OF STRUCTURE OR LEVELS OF VOC.TRG. TAX) IN ORDER TO MEET SUCH REQUIREMENTS.	SEE 4.02 A ABOVE.

Covenant Class

- 1 Accounts/audit
- 2 Financial performance/generate revenue from beneficiaries
- 3 Flow and utilization of Project funds
- 4 Counterpart funding
- 5 Management aspects of the Project or of its executing agency
- 6 Environmental covenants
- 7 Involuntary resettlement
- 8 Indigenous people
- 9 Monitoring, review and reporting
- 10 Implementation
- 11 Sectoral or cross-sectoral budgetary or other resource allocation
- 12 Sectoral or cross-sectoral regulatory/institutional action
- 13 Other

TABLE 8 : BANK MISSIONS

Through BOARD APPROVAL

MISSION	MONTH/YEAR	# OF PERSONS	# OF FIELD STAFF DAYS	SPECIALIZATION REPRESENTED
Reconnaissance	N/A	N/A	N/A	N/A
Identification	July/Aug. 1985	1	5	Vocational Educator
Preparation	Jan./Feb. 1986	2	22	Technical Education & Vocational Educator
Appraisal	April/May 1986	3	22	Technical Educator; Vocational Educator; Architect

SUPERVISION

MISSION	MONTH/YEAR	# PERSONS	# STAFF DAYS IN FIELD	SPECIALIZATION REPRESENTED	OVERALL STATUS	TYPES OF PROBLEMS
1	Oct/Nov 1987	1	6	Tech./Voc. Specialist	1	n/a
2	March/April 1988	1	3	Tech./Voc. Specialist	1	n/a
3	October 1988	1	2	Tech./Voc. Specialist	1	Payroll tax and counterpart funds
4	October 1989	2	6	Tech./Voc. Spec. & Edc./Econ.	1	n/a
5	March 1990	1	16	Economist	1	n/a
6	September 1990	2	11	Economist & Financial Analyst	2	Delays in procurement of equipment
7	Feb./March 1991	1	38	Financial Analyst	2	OFPT financial equilibrium
8	September 1991	1	10	Financial Analyst	2	Delays in completion of studies
9	February 1992	1	12	Financial Analyst	2	Training of trainers
10	Sept./Oct. 1992	2	18	Financial Analyst & H.R. Economist	2	Placement of trainers in enterprises
11	April/May 1993	4	9	Training Policy Spec.; H.R. Economist; Industrial Dev. Spec.; Financial Analyst	1	Placement of trainers in enterprises
12	Nov./Dec. 1993	4	18	Training Policy Spec.; H.R. Economist; Industrial Dev. Spec.; Financial Analyst	1	Placement of trainers in enterprises

Table 9 : STAFF INPUTS  
(Staff-weeks)

Fiscal Year	Preappraisal	Appraisal	Negotiation	Supervision	Other	Total
1983	6.5					
1984	14.0					
1985						
1986	7.9	23.3				
1987		10.1	2.2		1.2	
1988					4.6	
1989					4.4	
1990					7.5	
1991					8.0	
1992					9.0	
1993					15.0	
1994					10.4	
Totals	28.4	33.4	2.2	60.1		124.1

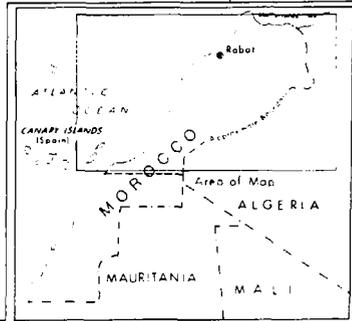
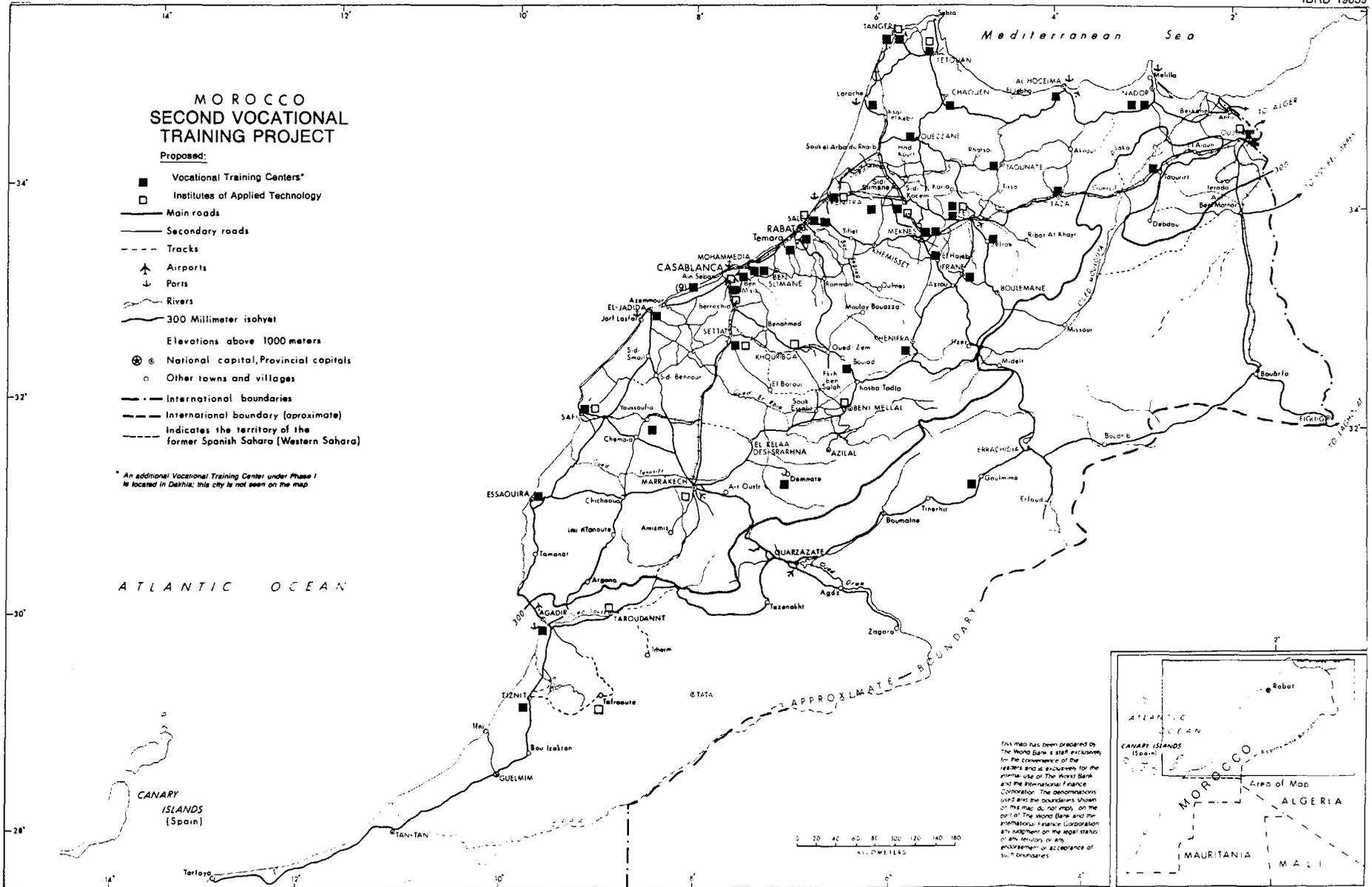


# MOROCCO SECOND VOCATIONAL TRAINING PROJECT

Proposed:

- Vocational Training Centers\*
- Institutes of Applied Technology
- Main roads
- - - Secondary roads
- - - Tracks
- ✈ Airports
- ↓ Ports
- ~ Rivers
- ~ 300 Millimeter isohyet
- ⊕ Elevations above 1000 meters
- ⊙ National capital, Provincial capitals
- Other towns and villages
- - - International boundaries
- - - International boundary (approximate)
- - - indicates the territory of the former Spanish Sahara (Western Sahara)

\* An additional Vocational Training Center under Phase I is located in Dakhla; this city is not seen on the map



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