Introduction
Morocco has made dramatic improvements in access to education over the last two decades. The country has built thousands of schools, hired and trained teachers, achieved universal primary education, and registered large improvements in student learning outcomes. While the education system has recorded impressive and rapid improvement, challenges remain. Student dropout rates remain high and regional and gender inequalities in access to education and learning outcomes persist. As part of efforts to tackle these remaining challenges, the government has provided greater autonomy to regional education offices as a way of encouraging improvements in the quality of education programs and to ensure that they are sensitive to local needs. The Results in Education for All Children (REACH) Trust Fund provided a grant aimed at exploring how performance contracts between the central ministry and its regional offices could improve cooperation between different levels of government and renew a focus on results.

Intervention
In 2016, REACH provided a small grant to the World Bank country team to help the Government of Morocco develop a model for performance-based contracts between the national government and the Regional Academies for Education and Training. Performance contracts can provide incentives to the academies to use centrally allocated funds to achieve specific results that both sides agree on rather than focusing solely on “inputs” and activities. The grant helped to support the conduct and analysis of the Service Delivery Indicator (SDI) survey, done by the National Observatory of Human Development under the Prime Minister’s office. The survey generated data on teacher and student knowledge, the state of school infrastructure, and teacher attendance to help identify the major challenges in the education sector and to provide useful information and potential indicators for the
design of performance-based contracts. The Bank team also held workshops to train central and regional officials on how to design and implement performance contracts.

**Impact**

A key achievement under the grant was the completion of the Service Delivery Indicator (SDI) survey, which helped to highlight key constraints in Morocco’s education system. Discussion on these results has helped government officials to focus on several findings that can be addressed through performance contracts or other performance-based approaches. These include weak teacher performance, the importance of preprimary education, and the general poor quality of education services.

The REACH grant also provided initial support to Morocco’s education ministry and regional authorities to design a framework for performance-based contracts between the national government and regional academies. This support provided initial draft contracts which have been developed further by the government. Draft contracts are under discussion at the education ministry and will require updating to align with a new education bill enacted in August 2019. The final version is expected to incorporate core aspects of the draft contract, including the use of education-specific indicators, such as student-teacher ratio, and of public financial management indicators, such as education budget execution rate in a specific area.

Completion of the performance contract and its adoption by Morocco’s education system is one of the disbursement-linked indicators included in a new US$500 million World Bank project for the country approved in 2019. The REACH grant helped lay the groundwork for this project by building Morocco authorities’ capacity to design and enact performance contracts in the education sector. It also strengthened support for the use of a results-based approach in education. Finally, the grant helped to strengthen collaboration between Morocco’s education and finance ministries, with both agencies committed to using performance contracts to push for improvements in education services and ultimately, learning outcomes.