



Summary of the 2018 edition of the Report on Results-based Budget taking into account the Gender aspect

The 13th edition of the Results-based Report on Budget taking into account the Gender aspect constitutes a new pillar in terms of applying the provisions of the new organic Law related to the Finance Act (LOF) adopted in 2015. The article 39 of this new LOF lays the foundation of a results-based and gender-sensitive budget management, and sets forth the tools and rules related thereto covering the development, execution and follow-up and assessment of public budgets in order to better meet the various needs of the targeted population.

In this regard, the Ministry of Economy and Finance continues its efforts in accompanying the Ministerial Departments in the process of the progressive adaption of the provisions of the LOF, particularly at the level of crystallizing the gender dimension in the results-based budget management. With the ambition of effectively implementing the principle of gender equality as set forth in the Kingdom's Constitution of 2011, this process has been supported by the circular of the Head of Government (No. 7/2017) aiming at putting the gender dimension in the heart of the processes of budget programming and development of Ministerial Performance Projects.

Status of the operationalization of Article 39 of the new LOF

The institutionalization of the systematic consideration of the gender dimension in the programming practices of the Ministerial Departments has been framed through article 39 of the new LOF, making Morocco a pioneer country in this area. This article sets forth that each program within the same Ministry or the same public institution, ranging between projects and actions, should be associated with defined objectives, with indicators allowing to measure the results achieved, the gender dimension taken into consideration.

Base on this range, the budget choices are indexed on activities having strong impact in terms of gender inequalities. This would, indirectly, strengthen the accountability for the commitments made in terms of promoting gender equality.

The Ministry of Economy and Finance (MEF) continues its efforts of accompanying the public institutions in progressively adapting these provisions. In this respect, the first prefiguration phase has been started by the Center of Excellence for Gender-Sensitive Budgeting (CE-GSB), under the MEF, in the occasion of the drafting of the 2017 Finance Act. It concerned ten Ministerial Departments (Economy and Finance, Health, Family, Solidarity, Equality and Social Development, Youth and Sports, Culture, Employment, Water, interior, Agriculture, Maritime Fisheries). A

second prefiguration phase has been launched during the preparation of the 2018 Finance Bill in order to expand this process to include all Departments.

As part of this continuous dynamic, a circular of the Head of Government (No. 7/2017), aiming at launching GSB prefiguration operations that are based on performance within the framework of the LOF reform, has been communicated to all ministerial departments and public institutions. The purpose of this circular is to define the procedures for setting up prefiguration operations (foundations for establishing the gender dimension in budget planning and performance projects development processes), as well as its steering committees (the CE-GSB ensures the operational management of this process through the establishment of an interministerial¹ committee and a monitoring committee²).

The follow-up of this process, through the Results-based Report on Budget taking into account the Gender aspect, shows that the degree of adopting the integration of the gender dimension in budgets varies among Departments. The ongoing support effort made by the CE-GSB starts to yield encouraging results in terms of applying the gender-sensitive performance approach. In fact, the Departments that benefited from the first prefiguration wave in terms of GSB showed remarkable progress in this regard. Concerning the other Ministries, the support efforts already launched by MEF in 2017, and those expected in 2018, will enable them to be better equipped to successfully carry operationalize the provisions of article 39 of the new LOF.

Economic empowerment of women: a necessary tool for laying the foundations of an inclusive development

In terms of the efforts made in the legal and regulatory fields in favor of promoting gender equality, Morocco has hastened the process of harmonizing its national legislation with the international human rights instruments ratified by the Kingdom. In this regard, many Bills have been adopted or put in the adoption process for the recent period. It is namely the act No. 79.14 related to the Authority for Parity and the Fight Against All Forms of Discrimination (APALD) adopted by the Parliament on August 8, 2017 at the end of the second reading at the Chamber of Representatives.

The bill No. 103.13 related to the fight against violence against women adopted by the Chamber of Representatives on July 21, 2016, is currently under study at the level of the Chamber of Consultants.

Besides, the act No. 19.12 determining the conditions of work and employment of domestic workers, has been adopted by the Parliament in July 2016 and entered into force on August 10, 2017. In addition, on August 10, 2017, the Government Council adopted two draft decrees relating to the act No. 19.12. The first decree determines the domestic workers contract form while the second sets forth the list of prohibited work for domestic workers aged 16 and 18 years.

Besides, the Chamber of Representatives has adopted the act No. 78.14 related to the family and children Advisory Council in the second reading in June 2016 and has been promulgated in the National Gazette No. 6491 in August 2016...

With regard to strengthening women's participation in decision-making and public affairs management, the Interministerial Consultation Network for Gender Equality in the Public Service (RCI), created in 2010, developed a new strategy to institutionalize the principle of gender equality in the Public

¹ The interministerial committee is presided by the Budget Director and comprises the General Secretaries of the Ministerial Departments/public institutions concerned by the prefiguration

² The monitoring committee is created at the level of each Ministerial Department and presided by its General Secretary. This committee comprises the Department central Directors.

Service (2016-2019) based on the transversal integration of the principle of equity and gender equality in reforms related to the public service.

In short, the rate of woman presence in the public administration is 35% (this rate is 39% without taking into account the number of personnel working for national security and civil protection). The share of women remains significant in the Ministries considered to be "typically feminine", namely, the Ministries of Health and National Education and Vocational Training (with a share of 74%). However, in terms of access to positions of responsibility, the proportion of women remains low, representing only 19.1% in 2017.

In terms of equitable access to social rights, progress is being made, but significant challenges still need to be dealt with.

As for access to education, the gender parity index (GPI) in public primary education has increased significantly at the national level, from 0.84 in 2000-2001 to 0.90 (90 girls enrolled versus 100 boys enrolled) in 2016-2017, an increase of 6 percentage points. At the junior high school level, the public GPI increased during the same period from 0.75 to 0.84, i.e. an increase of 9 percentage points. The GPI for public high school education increased from 0.85 in 2000-2001 to 0.98 in 2016-2017 at the national level, i.e. an increase of 13 percentage points.

Despite this progress, there are still some constraints, including the school drop-out rate that particularly affects girls in rural areas. While this rate fell sharply at the primary level to 1.7% during the 2016-2017 school year, it remains high in the junior high school level, with 8% for the same school year.

With regard to equitable access to literacy, a gradual reduction in the illiteracy rate has been recorded. In fact, according to the results of the last General Census of Population and Housing (2014), the illiteracy rate at the national level is 32.2% compared to 43% in 2004, i.e. a decrease of 10.8 percentage points over 10 years. Rural areas continue to be strongly affected by illiteracy, with a rate approaching 47.5% compared to 22.6% in urban areas. However, the female population remains the most affected by the scourge of illiteracy (41.9% against 22.1% for men at the national level). The situation is particularly alarming in rural areas, where 60.1% of women are illiterate compared to 34.9% for men.

With regard to access to health services, encouraging progress has been made over the past two decades in reproductive health, maternal and child health. Nevertheless, further efforts should be made in this area to significantly reduce infant and maternal mortality rates, which are a major source of concern in rural areas.

Thus, the maternal mortality rate has remarkably declined during the period 2010-2016, recording a decrease of 68% to reach 72.6 per 100,000 live births, according to data from the National Survey on Health and Family Population (2017). Significant disparities persist, however, between urban and rural areas, with a rural maternal mortality rate of 111.1 per 100,000 live births compared to only 44.6 per 100,000 in urban areas.

Similarly, infant and child mortality rates fell to 28.8 and 30.5 per 1,000 live births in 2011 respectively, a decrease of 28% and 35% compared to 2004. Neonatal mortality (risk of death before the age of one month) and post-neonatal mortality (risk of death between 1 month and 12 months) fell sharply over the 2004-2011 period, from 27 to 21.7 respectively and from 14 to 7.1 per 1000 live births.

In terms of access to medical coverage, including Compulsory Health Insurance (AMO), the latter has been generalized for students from the 2015-2016 school year, it should help to reach an estimated target population between 288,000 and 420,000 beneficiaries over the period 2015-2016 / 2019-2020. As for RAMED « medical assistance plan for the economically disadvantaged », the

continuation of efforts of generalization made it possible to reach a number of beneficiaries exceeding the target population, i.e. 11.46 million people and a coverage rate of the target population of 135% at the end of August 2017, against about 7.8 million people and a coverage rate of 97% in 2014. It should be noted that 48% of beneficiaries come from rural areas and 52% of those concerned are women.

In terms of access to decent housing, the Housing Department continues to implement housing deficit reduction programs, while ensuring a dignified living environment adapted to the needs of all socio-economic categories. According to the survey carried out by the concerned Department, the Cities Without Slums (CWS) program has ensured that its beneficiaries have easy access to basic services and infrastructure. Thus, for health services, CWS beneficiaries took advantage of decreasing the average distance separating their new homes from the nearest health center by two thirds, i.e. a decrease of 30km to 8km. Similarly, the rate of connection to drinking water systems rose from 22.3% to 85.5%, i.e. a gain of 63 points. Accordingly, the chore of searching water, generally done by women and girls, has been alleviated to about 39 points, moving from 53.3% to 14.4%.

Besides, the said program contributed to the improvement of women's access to housing ownership, moving from 15.3% to 18.7%, i.e. a gain of 3 points. However, this rate remains very low compared to the high rate of ownership of men at 80.9%. This situation reflects, in particular, the persistence of cultural constraints on women's access to property.

Regarding access to the financing of housing acquisition operations, the distribution of Fogarim beneficiaries by gender shows a predominance of women, i.e. a 57% share of the total beneficiaries of the Fund in 2016 against 56.5% in 2015. For the Fogaloge-public, women represent 40.5% of the total number of beneficiaries of the Fund for the year 2016, almost the same level observed in 2015, which is 40%.

In terms of access to drinking water in rural areas, the continuation of the implementation of the Program for the Generalization of Drinking Water Supply for Rural Populations (PAGER) has helped to achieve an access rate of 96 % at the end of 2016 with an individual connection rate of around 40%, i.e. a rural population served of 12.54 million inhabitants.

Regarding access to energy, the Global Rural Electrification Program (PERG) allowed, in 2016, to electrify 349 villages through interconnected networks, thus enabling 11,883 new rural households to benefit from access to electricity. As a result, about 39,445 villages have been electrified by grid connection, corresponding to 2,099,675 households and nearly 51,559 households have been equipped with individual photovoltaic kits in 3,663 villages since the launch of PERG. Accordingly, the rural electrification rate reached the level of 99.43% at the end of 2016 and 99.47% at the end of June 2017.

In terms of access to transport infrastructure, the evaluation of the results of the National Rural Roads Program (PNRR) II at the end of 2016 shows improved transport conditions and living conditions for the targeted rural population. The said program has, in fact, allowed to serve 2.974 million inhabitants in rural areas at the end of 2016, where women represent 50.7% (RGPH 2014). This helped to reach a rural road accessibility rate of 79.3% in 2016 and reduce the transport costs of people and goods by 26% and 15% respectively.

In terms of equal access of women and men to economic opportunities, several programs and measures to improve women's access to factors of production, institutions and economic mechanisms have been deployed.

In this way *in terms of employment*, the achievements of the main employment promotion programs indicate that the "Idmaj" program has allowed the insertion of 75,613 job seekers in 2016, 48% of whom are women. The "Tachil" program, for its part, registered 16,542 job seekers in 2016, 65% of whom are women. With regard to the Self-employment program, aimed at promoting the

creation of very small enterprises, 1,904 project leaders were supported in 2016, 25% of whom are women, and 848 funded and self-financed projects (21% by women), created 1,835 jobs. Since the start of the "Tahfiz" program aimed to promote employment in newly created businesses or associations, until the end of 2016, 2,235 protocols have been filed and validated for 2,235 employees and 906 businesses of which 34% are women.

In order to promote women's entrepreneurship, the Central Guarantee Fund (CCG) launched, in 2013, the guarantee instrument "ILAYKI" intended to encourage the creation of companies promoted exclusively by women, by granting a guarantee up to 80% of the bank loan. Initially benefiting women's businesses (100%), in the process of creation and having a bankable investment project not exceeding MAD 1 million, the configuration of the "ILAYKI" mechanism was reviewed in June 2017 to encompass businesses that are mostly owned by one or more women and to include short-term bank loans with a guarantee fee rate of 0.5% (Before Tax). Likewise, with the aim of increasing the number of women businesses benefiting from the "ILAYKI" guarantee, the processing operation has been dematerialized through an electronic exchange of data between the CGC and the banks.

It should be noted that since its launch in March 2013 till September 2017, about 480 "ILAYKI" files have been approved. The volume of guaranteed loans thus reached about MAD 157 million, benefiting mainly the health and social action sectors (36%), trade (27%), services (16%), hotels and restaurants (6%), industry (5%) and education (4%).

Despite these efforts, women are underrepresented (quantitatively and qualitatively) in the labor market, as evidenced by their participation rate of no more than 23.6% in 2016 (after 30% in 1999) compared to 70.8% for men, i.e. a difference of more than 47.2 points. On the other hand, women are mainly hired in low productivity sectors, in low-skilled, low-paid jobs. In addition, the gap between women and men in terms of activity rates is more significant in urban areas, where this rate is more than three times higher than that of women, compared with a gap of more than twice in rural areas. In rural areas, women rather suffer from discrimination in terms of access to paid work (in 2015, about 60.8% of employed rural women have the status of unpaid carers and apprentices). Moreover, despite the decline in wage disparities between men and women, with equal academic levels and equal professional experience, gaps still persist (women earn about 17% less than men).

In this regard, a study³ was conducted by the Directorate of Studies and Financial Forecasts to analyze the factors behind the low participation of Moroccan women in the labor market. This study shows that the gradual process of structural transformation of the national economy does not seem to have generated enough job opportunities for women. The still high weight of some sectors with high level of low-skilled workforce, such as agriculture and textiles and leather, continues to limit the access of women graduates to the labor market.

The results of the study also highlighted that urbanization has not been accompanied by a clear improvement in women's participation in the labor market. This could be attributable, on the one hand, to the mismatch between the qualifications of rural women migrating to cities and urban jobs and, on the other hand, to the prevalence of certain deterrents to women participation in the labor market, including the poor quality of transport services and the constraints of insecurity and incivility in certain urban areas. With regard to the demographic dimension, the study found that fertility and the youth dependency ratio have a negative effect on women's participation rate.

³ Entitled "Gender equality, public policies and economic growth in Morocco", prepared in 2017 in partnership between the Directorate of Studies and Financial Forecasts and OCP Policy Center.

Other factors have a negative impact on women's participation in the labor market, such as household income, high number of children per household, the importance of male dominance, the number of adults in the family, the unemployment rate, the high level of employment in the agricultural sector and the low level of women education.

Nevertheless, there are several factors that favor women's activity, in this case the high level of education of the population in each administrative region, the dominance of the female sex at the level of adults in the same family, the high level of jobs in the services sector and access to the road network.

In terms of public policy responses, the study identified three levels of action to enhance the effectiveness of policies promoting gender equality. It involves the containment of discriminatory gender bias in the workplace, the strengthening of women's bargaining power in the household and the reallocation of mothers' time to girls. The combination of these measures would be appropriate to improve the process of women's integration into the labor market.

The projections established in the framework of the study allowed to highlight, according to the adopted level of actions, the positive impact of the pro-gender measures on growth, with a substantial economic gain of between 0.2 to 1.95 percentage points in annual rate of GDP growth rate.

In conclusion, the analyses carried out in this edition of the Results-Based Budget Report taking into account the Gender aspect clearly underline that the actions undertaken by the Ministerial Departments are in line with the main guidelines of the new LOF in terms of including gender in their programming, planning and monitoring /evaluation practices.

The participation of these Departments in this large-scale project and the collective appropriation of related issues should help to entrench the principles of results-based management, taking into account the gender dimension as presented in the new LOF and the Prime Minister's circular (No. 7/2017).

Nevertheless, this membership cannot fully produce its virtues without the establishment of certain necessary organizational and operational prerequisites. In this case, this involves all the structures within each Ministerial Department in to the horizontal nature of the gender concept, as well as the genderization of their information systems to be equipped with appropriate tools that are able to ensure successful control of public policy evaluation exercises under the gender prism.