

PART 1: ADMINISTRATION REFORM AND STRENGTHENING OF GOOD GOVERNANCE AND ANTI-CORRUPTION TOOLS

I. ADMINISTRATION REFORM AND IMPROVEMENT OF SERVICES PROVIDED TO THE PUBLIC: 2018-2021 NATIONAL ADMINISTRATION REFORM PLAN

Administration reform constitutes a structuring project of the general policy of the Government. This organizational, managerial, digital and ethical reform is part of the framework of the "2018-2021 National Administration Reform Plan". This plan includes 5 key areas:

1. Administrative decentralization and the challenge of modernizing the administration at the organizational level

Decree No. 2-17-618 (December 26, 2018) on the national administrative decentralization charter was a turning point in the new structuring of the administration; A configuration in which the Administration becoming less centralized and closer to the citizen would reflect the local aspect of administrative action. As such, the charter puts the region at the heart of the implementation of the national policy of administrative decentralization and gives the wali the highly strategic role of coordinating decentralized services.

2. Public services Charter: changing management methods within the public service

It is part of structural reforms of management. Enacted by article 157 of the constitution and called upon to invoke, in accordance with the Royal Will, a binding nature, it should lay down "all the rules of good governance relating to the functioning of public administrations, regions and other local authorities and public bodies".

3. Strengthening of good governance bodies: General Inspectorates of Ministries

As part of the strengthening of good governance and the improvement of the functioning of the public service, the general inspectorates of ministries assume the responsibilities of control, audit and evaluation which are accorded to them by decree No. 2- 11-112 of June 23, 2011. More precisely, they carry out the following missions:

- Inspection and control, in particular with regard to the application of legislative and regulatory texts and the rules for the good management of public funds; internal control; respect for ethics;
- Audit and evaluation;
- Relations with the mediator.

4. Service Improvement Program

It consists of simplifying the services used most by citizens while taking into account the essential role of the front office. It also aims to set up simpler administrative procedures for companies in order to improve the business climate. As such, the program provides for the publication of 26 administrative services for companies on the website www.business-procedures.ma in collaboration with the National Committee for the Business Environment.

5. Digital transformation of public administration: strengthening and diversification of digital services

This is a program that aims to develop a public service that is better equipped in terms of the use of new technologies and more capable of meeting the requirements of the citizen / client and the ambitions of the administrations.

II. THE FIGHT AGAINST CORRUPTION AND THE STRENGTHENING OF INTEGRITY AND TRANSPARENCY TOOLS

The fight against corruption and the strengthening of good governance tools is an essential component of the government program. It involves 4 main areas:

1. National anti-corruption strategy: significant achievements

The monitoring of the implementation of the national anti-corruption strategy is a top priority for the government. This strategy includes, among other things, programs focused on improving the service provided to citizens, the digitization of administrative services, control and audit, accountability and awareness-raising actions. As such, a summary report providing details on the implementation of anti-corruption projects for the period 2016-2018 was published by the services of the Head of Government. There is also talk of developing a communication plan around this strategy and of developing a legal framework to regulate conflict of interest situations.

2. Strengthening public governance

Good governance requires the assessment of the level of relevance of the reform projects planned by public administrations. In this regard, it is worth highlighting the role of FOMAP in the financing of reform projects proposed by public administrations.

3. Open Government Partnership (OGP) 2018-2020

In 2018, Morocco had become the 76th member country of the Open Government Partnership. This membership represents the Government's commitment to adopt open and transparent managerial practices and to promote participatory democracy. It also made it possible to launch an action plan for the period 2018-2020, which includes 18 priority commitments such as the global fight against corruption, citizen participation, access to information, e-government and budget transparency.

4. Right of access to information: a guarantee of transparency between the Administration and the citizen

The law adopted in this regard provides for the right of citizens to access different categories of information held by public services in a structured and official framework. Since the issuance of this law on March 12, 2018, progress has been made so that the application of its terms becomes effective. As such, a roadmap for the implementation of this law has been submitted to the network of Secretaries General of ministerial departments. Members of the right to access information committee have also been appointed on March 15, 2019, and other actions relating to training and awareness-raising are being considered.

III. SOCIAL DIALOGUE: A MEANS OF IMPROVING NEGOTIATION AND STRENGTHENING SOCIAL PEACE

Social dialogue, as a governance tool, is a commitment by all parties (government, employers and union representatives) to establish social equity and to support the purchasing power of citizens. The social dialogue process was confirmed in 2019 by the signing of a tripartite agreement on April 25, 2019. This was an opportunity, on the one hand, to strengthen the climate of trust and understanding between the government and its economic partners and on the other hand, to join efforts to improve the conditions and the purchasing power of citizens.

PART 2: HUMAN RESOURCES OF MOROCCAN PUBLIC SERVICES

I. CHANGES IN THE POPULATION AND CIVILIAN STAFF DURING THE PERIOD 2009-2019

1. Workforce and population

Over the past decade, the Moroccan population has grown from 31.79 million inhabitants in 2009 to 35.59 million inhabitants in 2019, recording an overall growth rate of 11.96% and an additional population of 3.8 million people.

During the same period, the working population increased on average by 78,200 additional workers per year out of the 11.33 million workers recorded in 2009, representing an average increase of 0.67% per year.

When compared to the working population available on the job market, the public civil service employs nearly 47 civil servants for 1,000 active inhabitants (see table below).

Year	2009	2019
Total population	31,786,000	35,587,000
Working population	11,326,000	12,108,000
Number of civilian staff	542,670	564,549
Ratio of civilian staff to total population	1.71%	1.59%
Ratio of civilian staff to working population	4.79%	4.66%

2. Evolution of job creations and layoffs

The change in the number of State civil servants is the result of the combined effect of operations to create and cut positions in previous years.

✓ *Job creations*

25,572 positions were created under the General Budget for the 2019 fiscal year. The head of government is authorized to allocate 250 positions to the various ministerial departments or institutions, of which 200 positions are reserved for people with disabilities.

Over the past decade, 241,124 positions have been created; another 70,000 positions were created at the level of the Regional Academies of Education and Training (AREF) for the recruitment of teachers:

Year	Positions created at AREF level
2016	11,000
2017	24,000
2018	20,000
2019	15,000
Total	70,000

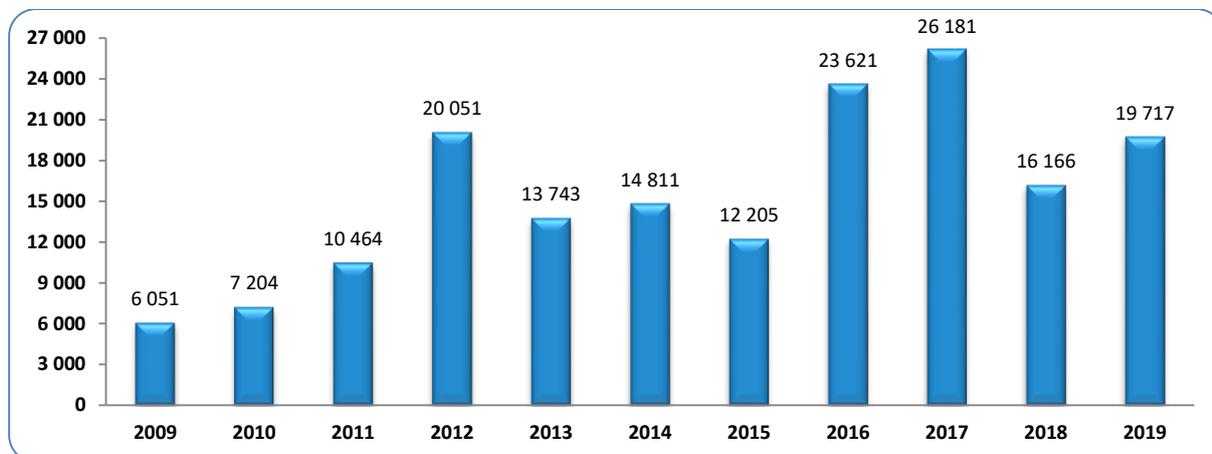
In terms of job creation during the period 2009-2019, priority was given to the social and security departments. In fact, 71% of the positions created were allocated to the Departments of Education and

Higher Education, the Interior, and Health.

✓ *Job cuts*

Retirement is the main factor in job cuts. The graph below shows the evolution of job cuts that have occurred over the past decade:

Evolution of job cuts for the period 2009-2019



The job cuts by department are as follows:

- 60% of job cuts during this period are within the Department of National Education and Higher Education;
- 12% and 11% of job cuts were recorded respectively at the level of the departments of the Interior and Health, 3% at the level of the Ministry of Economy and Finance and 14% in the other ministerial departments.

3. Public service recruitment competition

✓ *Recruitment competition*

As part of the implementation of the provisions of article 31 of the Constitution relating to the principle of equality of citizens for access to public service based on merit, and in application of article 22 of the General Statute of the Public Service instituting the competition as a general rule of access to the Public Service, the ministerial departments proceeded since 2012 to the organization of 1,759 competitions to fill 109,981 positions, or nearly 63 open positions on average per competition.

	2012	2013	2014	2015	2016	2017	2018	1st semester 2019	Total
Number of competitions organized	309	316	319	159	214	140	168	134	1,759
Number of open positions	18,505	16,911	15,850	9,259	20,387	10,075	14,798	4,196	109,981
Average number of positions offered per competition	60	54	50	58	95	72	88	31	63

✓ *Special unified competition for the recruitment of people with disabilities*

It is important to note that a unified recruitment competition in the public service, all sectors combined, was organized for people with disabilities, under the supervision of the Head of Government and under the supervision of the Ministry Public Service Officer on December 23, 2018.

This competition, the first of its kind, was open exclusively to people officially recognized as disabled and holding a degree, all majors considered, to fill 50 positions of 3rd level administrator.

The number of candidates who applied for this competition was 1,012 people, 50 candidates were selected, and 18% of whom were female.

It should also be noted that 200 positions have been reserved to repeat this operation under the 2019 Finance Law, without considering the 7% of positions allocated to this category in public sector competitions.

✓ *Recruitment of experts*

The decree No. 2.15.770 dated August 9, 2016 relating to the conditions and methods of recruitment by means of contracts in the public administrations as well as the implementing orders of this decree aim to allow the public administrations to satisfy their skills and expertise needs in various fields, particularly in the context of major and structuring projects.

As such, 20 calls for applications were launched to recruit 28 experts from 2018 until the first half of 2019.

4. Appointments to senior positions

Since the entry into force of Law No. 02.12 of July 17, 2012, relating to the appointment to senior positions and until June 16, 2019, the Government Council approved 1,071 appointments to senior positions in application of article 92 of the Constitution, of which 122 appointments were women.

II. CURRENT STATE OF THE CIVIL SERVANT WORKFORCE

The Moroccan civil service has a workforce of 564,549 civil servants in 2019. The analysis of the structure of this workforce and its evolution provides an estimate of the human capital available to the public administration.

1. Breakdown by department

The analysis of the breakdown by department of the civil servant workforce, for the year 2019, shows that more than 90% of the Moroccan public service's civil servants can be found in 6 ministerial departments:

In fact, the Department of National Education and Higher Education employs almost half of the civil servant workforce (48.6%), followed by the Departments of the Interior (23.6%), Health (9.5%), Justice (3.5%), Economy and Finance (3.3%) and Prison Administration (2.1%). The rest of the ministerial departments combined employ 9.4% of civil servants.

2. Breakdown by level

The following table shows the breakdown of the civil servant workforce by level in 2019:

Level	Workforce 2019	Share in %
Level <= 6	108 900	19,3%

Level 7 to 9	87 658	15,5%
Level 10 or higher	367 991	65,2%
Total	564 549	100%

3. Breakdown by statute

Civil servants are governed by three main types of statutes, namely: interministerial statutes, other specific statutes and special statutes. The breakdown of civil servant workforce by statute shows respective proportions of 28%, 69% and 3%.

4. Breakdown by age group

This analysis makes it possible, on the one hand, to have visibility in terms of retirement forecasts, and on the other hand, to keep track of the developments in jobs and skills within the Administration.

The breakdown of the civil servant workforce by age group, for the year 2019, is as follows:

- Young civil servants under the age of 35 make up almost 25.7% of the total civil servant workforce;
- Civil servants belonging to the age groups (35 to 50) and (50 years and over) represent 40.5% and 33.8% respectively.

5. Breakdown of retirements planned for the period 2019-2024

Retirements due to age limit, planned for the next 6 years, would reach a total workforce of 69,360 civil servants, an average of 11,560 retirements per year.

6. Breakdown by gender

Even though Moroccan women have benefited from several institutional and societal reforms in recent years guaranteeing them more and more rights and promoting their contribution to the development of the country, the level of participation of women in the labor market remains, in most cases, significantly lower than that of men. In fact, according to the latest figures from the HCP, the female participation rate reached 22.2% compared to 70.9% for men.

The current percentage of women in the public administration is 34.8% compared to 65.2% for men.

7. Breakdown by region

The advanced regionalization adopted by Morocco and which constitutes a strategic choice to establish a new mode of territorial governance aiming at good decentralized management of administrative services, remains dependent on the human and material resources made available in the various regions of the Kingdom.

However, the current breakdown of civil servants by region reveals large disparities, as shown in the following table:

Region	Rabat-Sale-Kenitra	Casablanca-Settat	Fez-Meknes	Marrakech-Safi	Tanger-Tetouan-Al Hoceima	Souss-Massa	Beni Mellal-Khenifra	Oriental	Draa-Tafilalet	Laayoune-Sakia El Hamra	Guelmim-Oued Noun	Dakhla-Oued Ed-dahab	Total
Share in %	23.4%	13.9%	11.7%	10.5%	9.9%	7.5%	6.1%	6.9%	5.3%	2.3%	1.7%	0.7%	100%

PART 3: STAFF EXPENDITURE

The government continues to implement the principles of public finance reform contained in the new Organic Law No. 130.13 relating to the Finance Law (LOF), in particular with regard to staff expenditure, through the implementation of the new financial and accounting rules with regards to maintaining a balanced budget.

To this end, it should be recalled that:

- The principle of limitation of staff budgets and that of the three-year budgetary programming of expenditure entered into force respectively from January 1, 2017 and January 1, 2019;
- State contributions for retirement and social welfare will be included in staff costs from the fiscal year 2020.

1. Evolution of staff expenditure during the period 2009-2019

Between 2009 and 2019, staff expenditure went from 74.03 billion dirhams to 112.16 billion dirhams, i.e., an overall increase of 51.51%, and an average increase of 4.24% per year.

2. Staff expenditure indicators

✓ Staff expenditure to Gross Domestic Product (GDP) ratio

Over the 2009-2019 period, staff expenditure represented on average nearly 10.4% of GDP (excluding employer contributions for retirement and social welfare).

✓ Staff expenditure to the General Budget ratio

Staff expenditure represents 31.48% of the General Budget in 2019, and is considered the largest item of public expenditure.

✓ Staff expenditure to the Operating Budget ratio

During the period 2009-2019, the budgets allocated to staff expenditure represent more than half of the operating budget with an average of 53.44% per year.

✓ Staff expenditure to Ordinary Income ratio

Over the period 2009-2019, the share of ordinary income allocated to staff expenditure reached an average of 40.50% per year. In 2019, this percentage was 44.26%.

In this respect, it is important to note that the share of ordinary income allocated to staff expenditure remains high, and this is due to a substantial allocation of resources to public investment expenditure.

3. Public service staff expenditure for the year 2019

1. Civil staff expenditure by department

The breakdown by department of civil staff expenditure for the year 2019 shows that almost 90% of civil staff expenditure is in six departments, namely that of National Education, Professional Training, Higher Education and Scientific Research with 49.8%, followed by the Ministry of the Interior with 19.5%, the Ministries of Health, Justice, Economy and Finance and Foreign Affairs and International Cooperation, with 10.3%, 4.8%, 2.8% and 2.6% respectively; and the other departments with nearly 10%.

2. Civil staff expenditure by region

The breakdown by region of civil staff expenditure shows that:

Region	Rabat-Sale-Kenitra	Casablanca-Settat	Fez-Meknes	Marrakech-Safi	Tanger-Tetouan-Al Hoceima	Souss-Massa	Beni Mellal-Khenifra	Oriental	Draaa-Tafialet	Laayoune-Sakia El Hamra	Guelmim-Oued Noun	Dakhla-Oued Ed-dahab	Total
Share in %	22.9%	15.8%	11.8%	10.5%	9.6%	7.4%	6.3%	6.0%	4.9%	2.4%	1.7%	0.7%	100%

- 77.95% of staff expenditure is in the regions of Rabat-Sale-Kenitra, Casablanca-Settat, Fez-Meknes, Tanger-Tetouan-Al Hoceima, Marrakech-Safi and Souss-Massa;
- The Rabat-Sale-Kenitra region, whose contribution to GDP is 16.3%, accounts for almost 22.91% of staff expenditure. This is due mainly to the regrouping of central departments in the city of Rabat;

However, the correlation is not observed between the breakdown of staff expenditure by region and the contribution to GDP. In fact:

- In the Casablanca-Settat region, a leading economic center, where the share of GDP is the highest (32%) and which has a large population, staff expenditure represents only 15.84%.
- The four regions of Casablanca-Settat, Fez-Meknes, Tanger-Tetouan-Al Hoceima and Marrakech-Safi created 60% of the national wealth, and represent 47.68% of staff expenditure while the other eight regions represent 52.32% of this expenditure but only contribute up to 40% to the gross domestic product.

3. Staff expenditure by level

The breakdown of staff expenditure for 2019 by level is as follows:

- The salaries of staff at level ≤ 6 (executive staff) represent 13.14% of the total staff expenditure;
- The salary cost of the supervisory staff (civil servants at level 7 to 9) represents 17.97% of the total staff expenditure;
- The salaries intended for the executives and senior executives of the State (personnel at level 10 and more) represent 68.89% of the total staff expenditure. This high percentage is mainly due to the acceleration in the rate of promotions and the massive recruitment of executives in recent years.

4. Main indicators relating to salary levels in the public service for the year 2019

✓ Average monthly net salary in the public service

The average monthly net salary in the public service increased by 32.21% between 2009 and 2019 from 6,051 dirhams to 8,000 dirhams, an average annual increase of 2.83%.

✓ Breakdown of civil servants by salary

The breakdown of the civil servant workforce by salary shows the following:

- 9.73% of civil servants receive a monthly net salary varying between 3,000 dirhams (minimum wage) and 4,000 dirhams;
- Nearly 33.72% of civil servants benefit from a monthly net salary less than or equal to 6,000 dirhams;

- 60.18% of civil servants receive monthly net salaries between 6,000 dirhams and 14,000 dirhams;
- 1.75% of civil servants have salaries exceeding 20,000 dirhams / month.

✓ Minimum wage

Following the decisions taken by the government within the framework of the various social dialogue sessions, the minimum wage in the public service has undergone significant revisions, going from 1,885 dirhams in 2009 to 2,800 dirhams in 2011 to reach 3,000 dirhams in 2014 and 3,041 dirhams in 2019.

5. Implementation of staff expenditure for 2018

With an implementation rate of almost 98% compared to the 2018 Finance Law, the staff expenditure for this year was around 106 billion dirhams (92.4 billion dirhams paid by the Staff Expenditure Department (DDP) and 13.6 billion dirhams paid by the accountants of the TGR networks) compared to 104.9 billion dirhams in 2017, an increase of 1.04%. The goal is to achieve a 100% implementation rate in the coming years thanks in particular to the commitment of the various authorizing officers and the departments concerned of the Ministry of Economy and Finance for the implementation of the various principles of organic law No. 130.13 relating to the finance law.

✓ Accruals of recruitments, promotions and level advancement

The accruals in terms of promotions and level advancement in 2018 reached respectively 1.897 million dirhams and 634 million dirhams, which represents approximately 59% and 20% of the total amount of accruals covered by the Staff Expenditure Department for the same year and which reached a budget of 3,230 million dirhams, or 3.5% of all staff expenditure covered by the DDP in 2018.

Accruals in 2018 to cover recruitment and reintegration expenses reached 256 million dirhams compared to 672 million dirhams for 2017, a decrease of -61.9%.

✓ Statutory deductions

For the year 2018, the statutory deductions for Income Tax and social welfare contributions reached 22.06 billion dirhams, or respectively 8.526 million dirhams and 10.355 million dirhams and represent 23, 88% of staff expenditure covered by the DDP.

6. Implementation of staff expenditure for the year 2019 (from January 1 to August 31, 2019)

The implementation of staff expenditure over the first 8 months of 2019 amounted to 73.182 billion dirhams, of which nearly 63.581 billion were covered by the Staff Expenditure Department (DDP) and 9.601 billion dirhams by the accountants of the TGR networks, and an implementation rate of 65.26% compared to the staff expenditure forecasts of the Finance Law for the year 2019.