AFRICAN DEVELOPMENT BANK

Language: English
Original: French

PROGRAMME "CAP-COMPETENCES 2030 TOWARDS INCLUSIVE VOCATIONAL TRAINING AND RAPID SUSTAINABLE INTEGRATION" (*Cap-Compétences* 2030)

COUNTRY: MOROCCO

IDENTIFICATION NUMBER: P-MA-IAE-006

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RESULTS-BASED FINANCING APPRAISAL REPORT

AHVP/AHHD/RDGN/COMA

May 2026

Translated Document

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CURRENCY EQUIVALENTS

(31 March 2026)

UA 1	=	Moroccan Dirham (MAD) 12.71480
UA 1	=	Euro (EUR) 1.17968
UA 1	=	US dollar (USD) 1.35639

FISCAL YEAR

1 January – 31 December

WEIGHTS AND MEASURES

1 tonne	=	2,204 pounds
1 kilogramme (kg)	=	2.200 pounds
1 metre (m)	=	3.28 feet
1 millimetre (mm)	=	0.03937 inch
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres

ACRONYMS AND ABBREVIATIONS

AFD	French Development Agency
AfDB	African Development Bank
ALMP	Active Labour Market Policy
ANAPEC	National Employment and Skills Promotion Agency
ANEP	National Agency for Public Facilities
Cap-Compétences 2030	Cap-Compétences 2030 Programme towards Inclusive Vocational Training and Rapid Sustainable Integration in Morocco
CBA	competency-based approach
CMC	Trades and Skills City
CNSS	National Social Security Fund
COMA	Bank's Country Office in Morocco
COP	Career Guidance Centre
CRI	Regional Investment Centre
CSP	Country Strategy Paper
DFP	Directorate of Vocational Training
DLI	Disbursement-Linked Indicator
ESIS	Employment and Skills Information System
ESSA	Environmental and social system assessment
ESS	Environment Health & Safety
HCP	High Commission for Planning
IDS	Integrated Data System
IFMEAE	Training Institute for Water, Sanitation and Environment
IGF	General Inspectorate of Finance
INDH	National Human Development Initiative
LMIS	Labour Market Information System
LOLF	Organic Law on Appropriation Acts
MAREF	markets, support, regulation, education, and financing
MASI	Moroccan All Shares Index
MEF	Ministry of Economy and Finance
MIEPEEC	Ministry of Economic Inclusion, Small Businesses, Employment, and Skills
NDM	New Development Model
NEET	Not in Education, Employment or Training
NOCES	Environmental and Social Compliance Note
NPPS	National Public Procurement System
OFPPT	Vocational Training and Employment Promotion Bureau
OMPIC	Moroccan Industrial and Commercial Property Office
PAASIFEJ	Support Program for Inclusive Solidarity Agriculture for Women and Youth
PAP	Programme Action Plan
PARC	Consolidated Capacity Building Action Plan
PCN	Programme Concept Note
PDP	Performance projet
PEFA	Public Expenditure and Financial Accountability
PIAFE	Integrated Training and Education Support Programme
PIFD	Financial Sector Development Department
PMU	Programme Management Unit
RBF	Results-Based Financing

RDGN	North Africa Regional Development and Business Delivery Office
REC	Jobs and Skills Framework
SEPA	Skills for Employability and Productivity in Africa
SNFI	Fiduciary and Inspection Department
SNSC	Environmental and Social Safeguards and Compliance Department
TAEHIL	Qualification or Retraining Programme for Employment
TFPs	Technical and Financial Partners
UA	Unit of Account
VAR	Rural Support and Apprenticeship Village
VSME	very small and micro enterprise
YJSMS	Youth, Jobs and Skills Marker System

PROGRAMME INFORMATION SHEET

SECTOR(S)	Social
THEME(S)	Vocational training - Employment – Young people

LOAN/GRANT INFORMATION

Client Information

BORROWER/BENEFICIARY:	Kingdom of Morocco
EXECUTING AGENCY:	Ministry of Economic Inclusion, Small Business, Employment, and Skills (MIEPEEC)
CONTACT:	Ministry of Economy and Finance Directorate of Budget Boulevard Mohamed V Quartier administratif 10 000, RABAT Kingdom of Morocco Fax: (212) 537 67 75 30 Tel.: (212) 537 537 67 72 / 67
Other agency	Ministry of Economic Inclusion, Small Businesses, Employment, and Skills (MIEPEEC) - Secretariat General Rue Al Jommayz, Hay Riad - Rabat - Morocco Tel.: (212) 537,760,360

Key AfDB Financing Information

Loan Currency	EUR
Loan Type	Fully Flexible Loan
Tenor	20 years
Grace Period	5 years
Weighted Average Maturity**	12.75
Repayments	Consecutive half-yearly and equal payments
Interest rate	Base rate + Financing cost margin + Lending margin + Maturity premium. (This interest rate will be floored to zero)
Base rate	Floating base rate (6-month EURIBOR reset every 1 February and 1 August), with a free-fixing option.
Funding cost margin	The Bank financing cost margin is revised every 1 January and 1 July, and applied to the base rate every 1 February and 1 August.
Lending margin	80 basis points (0.8%)
Maturity premium	0
Front-end fee	0.25% of the loan amount
Commitment fee	0.25% of the undisbursed amount. Commitment fees start accruing 60 days from signature of the Loan Agreement and are payable on the due dates.
Base rate conversion option*	Besides the free fixing option, the borrower may revert to the floating rate or reset the rate on all or part of the disbursed loan amount. Transaction fees apply.
Rate cap or collar option*	The Borrower may cap or collar the base rate for all or part of its loan. Transaction fees apply.
Loan currency conversion option*	The Borrower may change the currency of all or part of its loan, whether disbursed or not, into another loan currency of the Bank. Transaction fees apply.

* Conversion options and transaction fees are subject to the Bank Conversion Guidelines available on https://www.afdb.org/fr/documents/document/guidelines-for-conversion-of-loan-terms-july-2014-87643/

** A calculator is available to determine weighted average maturity on https://www.afdb.org/en/projects-and-operations/financial-products/african-development-bank/loans/

[1] To implement the Employment Roadmap 2025-2030, the Government mobilised an additional MAD 15 billion under the 2025 Finance Law, allocated as follows: (i) MAD 12 billion to encourage investment mainly through support for MSMEs, as well as the enhancing the opportunities offered by major infrastructure projects and sectoral strategies in the fields of sport, housing, agriculture, digitalisation and tourism; (ii) MAD 1 billion to protect jobs in rural areas; and (iii) MAD 2 billion to enhance the effectiveness of employment promotion programmes.

[2] The total cost of the programme has been estimated on the basis of forecasts which may be subject to change in the light of the achievements of the various programmes.

[3] Idem.

KEY PROGRAMME INFORMATION

Programme Development Objective	Contribute to improving the relevance, quality and diversity of training by digitising services and promoting massed learning and integration.	
Compliance		
Policy Does the programme contradict the CSP regarding content or other aspects?	Y [ ]	N [X]
Does the programme comply with the eligibility criteria?	Y [ ]	N [ ]
Is the Board requested to approve any policy waivers?	Y [ ]	N [X]
Overall Risk Assessment: Moderate		
Legal Status	See the section of this report on Legal Instruments and Compliance.	

PROGRAMME EXECUTIVE SUMMARY	
Programme Name	"Cap-Compétences 2030 towards Inclusive Vocational Training and Rapid Sustainable Integration" (Cap-Compétences 2030)
Programme Duration	Five years covering the 2026, 2027, 2028, 2029 and 2030 fiscal years. Last Disbursement Deadline: June 2031
Programme Cost	EUR 200 million, equivalent to UA 169.538 million
Borrower	Morocco
Programme Executing Agency	Ministry of Economic Inclusion, Small Business, Employment and Skills (MIEPEEC)
Financing Data	AfDB loan of EUR 200 million, equivalent to UA 169.538 million
Programme Description	
Programme Development Objective	Contribute to improving the relevance, quality and diversity of training by digitising services and promoting massed learning and integration.
Results Areas (components)	Cap-Compétences 2030 has the following three main result areas: Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030, with an indicative allocation of EUR 139.25 million, or 69.80% of the total budget; Area 2: Setting up an inclusive training, integration and placement system based on business needs, with an indicative allocation of EUR 57.75 million, or 28.9% of the total budget; and Area 3: Enhancing digital transformation, institutional capacity building and operational systems, with an indicative allocation of EUR 2.5 million, or 1.3% of the total budget.
Disbursement Linked Indicators (DLIs)	The disbursement of loan resources is subject to the achievement of outcomes as measured by the following seven indicators: **DLI 1:** Employment rate of young graduates of the TADAROJ programme, nine months after completing their training (female employment rate); **DLI 2:** Employment rate of beneficiaries in year N-1 who completed of the Employment-oriented Qualifying or Reconversion Training Programme (TAEHIL[4]), during the first three months after programme completion; **DLI 3:** Young beneficiaries of the TADAROJ programme *(disaggregated by sex);* **DLI 4:** Young beneficiaries of the TAEHIL programme, including NEETs (disaggregated by sex); **DLI 5:** Establishment of the Institute for Training in Water, Sanitation and Environment Professions in Fez (IFMEAE); **DLI 6:** Status of implementation of ANAPEC's digitalisation plan; **DLI 7:** Periodic environmental and social (E&S) reports attesting to the implementation of the Environmental and Social Action Plan (ESAP).
Alignment with Bank Priorities	The Cap-Compétences 2030 programme will operationalise the African Development Bank's Ten-Year Strategy (2024–2033) and align with the Bank's Cardinal Points. It will contribute to unlocking Africa's capital (Point 1) by linking very small and micro enterprises (VSMEs) and partner enterprises in institutes focused on strategic sectors through public-private partnerships (PPPs); strengthening the demographic dividend (Point 3) by enhancing skills development and labour market integration; and supporting the development of resilient infrastr ucture by creating value-added (Point 4) through the digitisation of training services and infrastructure, and by ensuring that training provided is aligned with national strategic sectors. The programme aligns with the Bank's key sector strategies, particularly the Jobs for Youth in Africa Strategy (2016 – 2025, extended to 2026), specifically its component aimed at strengthening employability and job -creation capacity in regional member countries. It also aligns with the Bank's Private Sector Development Strategy (2021–2025, extended to 2026), as it supports the establishment and growth of VSMEs, promotes on-the-job training, and strengthens the link between the supply of skills and the needs of the productive sector. The programme is also aligned with the Bank's Gender Strategy (2021–2025, extended to 2026), "Investing in Africa's Women to Accelerate Inclusive Growth", particularly the pillar focused on improving women's access to social and economic services, which includes clear targets for female participation and sex-disaggregated outcome indicators. Lastly, the programme is strategically aligned with Pillar I of the Country Strategy Paper (CSP 2024–2029) for Morocco, which aims to strengthen inclusive growth by developing skills, employability and entrepreneurship. The programme incorporates the CSP's cross-cutting themes of the green and energy transition, digitisation, and the reduction of gender inequalities. It meets the Bank's selectivity criteria by focusing on the main structural labour market challenges and by collaborating with technical and financial partners.

[4] TAEHIL : is a professional integration programme based on contract-based training agreements with enterprises. It is tailored to specific job positions or to reskilling, enabling young people, including NEETs, to access formal employment.

Needs Assessment and Rationale	Morocco has made significant strides on the macroeconomic, social and institutional fronts over the past decade. However, the vocational training system continues to face certain challenges, including territorial coverage, curricula update and strengthened on-the-job learning, as well as full integration of digital technologies. Over the years, employment intermediation mechanisms have focused on graduates, whereas non-graduates, NEETs (Not in Education, Employment or Training), and young people in rural areas now constitute the majority of tho se who face difficulties accessing employment services. Despite tens of thousands of job vacancies across sectors, including in textiles manufacturing, cabling, digital services, agriculture, public works and civil engineering, the labour market remains characterised by high youth unemployment, with 2.94 million young people not in education, employment or training (NEETs) amongst those aged 15-29[5], and a persistent mismatch between available skills and market needs. This paradox reflects an untapped pool of talent alongside growing demand for business skills. The Employment Roadmap 2025–2030 clearly identifies these constraints: the need to scale up on-the-job training, strengthen the labour market integration of non-graduates, improve access in rural areas, and accelerate the digital transformation of public employment services. In this context, it is necessary to improve the coherence, efficiency, and impact of vocational training and employment intermediation services by addressing key bottlenecks: fragmented services, inadequate support for non-graduates, insufficient digital tools to scale assistance, and an insufficient integrated management. The use of results-based financing mechanism (RBF) in Cap-Compétences 2030 programme= is fully justified, as it links disbursements to measurable results, whilst strengthening national systems, enhancing institutional performance and accelerating the operational implementation of priority reforms.
Harmonisation	The Bank's intervention through the CAP-Compétences 2030 programme will strengthen sector governance by ensuring close, effective coordination with technical and financial partners (TFPs) operating in Morocco's employment, vocational training and human capital development sectors. Aid coordination is structured around ex isting sector consultation frameworks, in which the Bank plays an active role. It is also underpinned by regular dialogue with the Government and donors, ensuring coherence and complementarity of interventions. Several partners are providing complementary support for the Cap-Compétences 2030 programme. For several years, the French Development Agency (AFD) has supported delegated management institutes (IGDs) and is gradually extending this support to strategic sectors. The European Union (EU) is supporting vocational training reform through a programme with targeted projects such as PIAFE, and institutional twinning initiatives. The German Cooperation Agency (GIZ) is implementing regional projects focused on local governance, work-based learning, and the integration of young people who are not in education, employment or training (NEETs). The World Bank (WB) is supporting employment and training policies and will support the Employment Roadmap 2025-2030 through a PforR for an amount of USD 250 million (nearly EUR 217.4 million). Active thematic groups, including the recently established 'Employment' group, co-led by the African Development Bank, the International Labour Organisation (ILO) and the Belgian Agency for International Cooperation, strengthen coordination among TFPs. This framework helps to ensure the alignment of activities, reduce duplication and maximise collaboration, particularly across components related to the digitisation of services, territorial inclusion, and youth entrepreneurship. Furthermore, discussions are on-going with the Swiss Agency for Development and Cooperation (SECO) on support for the Cap-Compétences 2030 programme through a EUR 5 million operation, to support private training service providers, in line with international Best Practices. Enhanced coordination with training service providers will strengthen collective action in the sector, optimise resource use, and support the effective implementation of the Employment Roadmap 2025–2030.
Bank's Value Added	This operation will enable the Bank to consolidate its strategic commitments in Morocco and to strengthen its position as a key partner in human development, particularly in the areas of employment, skills development and social inclusion. For several years, the Bank has supported the Kingdom in these areas through a coherent portfolio of programme support operations and results-based financing, contributing to the implementation of structural reforms in the labour market, vocational training, and social protection sectors. The Bank has a track record of designing, implementing, and monitoring similar operations in Morocco, particularly through several results-based financing operations in the employment, training, and human capital development sectors. It also builds on lessons learned from previous RBF projects, such as the Employment and Entrepreneurship Financ e Support Programme, as well as from other projects focused on employability, investment, and integration. The Bank's value added also lies in its ability to support the Moroccan Government in implementing complex, multi - sector reforms, including financing, policy dialogue and technical support. It will provide structural support for the Employment Roadmap 2025–2030 through the Cap-Compétences 2030 programme. This support involves aligning financing with verifiable outcomes and strengthening the institutional capacity of the key public bodies involved,

[5] International Labour Organization & European Union (2025), Y-NEET Statistical profile Morocco - Technical Report.

	including the Ministry of Economic Inclusion, Small Business, Employment and Skills (MIEPEEC) and the National Employment and Skills Promotion Agency (ANAPEC). The Bank also plays a key catalytic role in coordinating the activities of technical and financial partners in the employment and vocational training sector. Building on existing sector consultation frameworks, it actively facilitates dialogue with donors. This helps to ensure that activities complement one another and avoid duplication, particularly with AFD, the European Union, GIZ, the World Bank and Swiss Cooperation. This coordination capacity enhances the overall effectiveness of aid and maximises the impact of mobilised resources. Lastly, the Bank's Country Office in Morocco is a valuable asset. It facilitates regular, in-depth dialogue with the national authorities, enables the rapid mobilisation of sector expertise, and allows close monitoring of programme implementation. The use of the RBF instrument under the Cap-Compétences 2030 programme will enable the Bank to continue and expand its support for results-based public management, improve the performance of national institutions, and strengthen its position as a reliable strategic partner in promoting labour market reforms and skills develo pment in Morocco. The Bank's operations are implemented in a complementary manner to support the Employment Roadmap 2015–2030. Thus, the PAFE-Emploi RBF operation targets the investment and entrepreneurship component (Axis 1); the Agriculture RBF operation focuses on rural employment; and the current RBF operation seeks to strengthen youth employability, apprenticeships and intermediation (Axis 2). In line with the New African Financial Architecture for Development (NAFAD), a framework promoted by the Bank aimed at strengthening domestic resource mobilization, this programme, designed to leverage the catalytic effect of public financing with measurable results in employment and skills, will contribute to strengthening the effectiveness and impact of national vocational training financing mechanisms.
Overall Risk Assessment	Moderate.
Contribution to Gender Equality and Women's Empowerment	The Cap-Compétences 2030 programme is classified under Category 2 in accordance with the Bank's Gender Marker System (GMS). This classification reflects the programme's significant contribution to reducing gender inequality and promoting women's economic empowerment, particularly through improved access to vocational training , apprenticeships and labour market integration schemes. Despite the progress made by Morocco towards gender equality, women remain seriously under -represented in the labour market with a low participation rate, and the unemployment rate among women is higher than that among men. Women face persistent structural constraints, including social norms, limited access to childcare, mobility challenges and unequal distribution of employment opportunities across sectors. Although more women are entering the vocational training sector, they remain under-represented in technical, industrial, and digital fields, which offer strong employment prospects. The Cap-Compétences 2030 programme will help to address these challenges by mainstreaming gender considerations across all its components and mechanisms. Specifically, it aims to: (i) set explicit targets for at least 40% female participation in the training, apprenticeship and integration schemes supported by the programme, while ensuring that outcome indicators are systematically disaggregated by gender; (ii) improve young women's access to promising sectors and emerging professions, including those related to the green transition and digitalisation; (iii) support formalization of jobs by qualifying and re-skilling non-graduates, including women, through the TADAROJ and TAEHIL programmes; and (iv) extend access to training and guidance services in rural areas and underserved regions, where women are disproportionately represented among vulnerable population groups. By targeting young women who are not in education, employment or training (NEET) and who constitute a significant proportion of young people excluded from the labour market, the programme will help reduce gender-based economic inequalities and strengthen women's economic empowerment. All these activities align with the African Development Bank's (AfDB) Gender Strategy, particularly Strategic Pillar 2, which aims to accelerate women's integration into the labour market and create jobs through skills development. They also align with Morocco's national priorities on female labour market participation and inclusive development.
Contribution to the Improvement of the Situation of Young People, Employment and Skills	The programme is classified as Category 1 under the Youth, Employment and Skills Markers (YJSMS) system and puts young people at the heart of its design. It is well-aligned with the four dimensions of the YSJMS: (i) quantity, through large-scale programs directly targeting young people, with direct employment targets; (ii) quality, through positive orientation towards integration results, supported by the digitalization of ANAPEC and the interconnection with the CNSS; (iii) inclusiveness, with a focus on vulnerable youth; and skills for employment, through pathways oriented towards promising sectors and a linkages with employers. Young people are the main target group of the programme and the majority of funding resources are directed to them.
Contributions to Green Growth and Climate Change	The Cap-Compétences 2030 programme has been classified under Category 2 of the Bank's Climate Safeguards System, indicating moderate climate vulnerability. The planned activities are mainly social and institutional and are not expected to cause any significant increase in greenhouse gas emissions. The programme will not finance heavy infrastructure construction or carbon-intensive activities, nor will it pose any major climate risks that could jeopardise the achievement of its development objectives. The programme will indirectly contribute to building climate resilience and to support the transition to green growth, amid Morocco's growing vulnerability to the effects of climate change, particularly recurrent droughts and increasing pressure on natural resources. By improving the alignment between skills and labour market needs, the programme will

	support the development of skills tailored to different industries across the energy transition, the green economy and sustainable resource sectors, as outlined in the national development and climate transition strategies. The programme also includes aspects of digitalisation and mass learning, helping to reduce mobility constraints, optimise resource usage and promote lower-carbon service delivery models. Furthermore, by targeting the most socio-economically vulnerable territories, including rural areas, the programme will help to strengthen the resilience of young people and population groups exposed to climate shocks. This will be achieved by enhancing their employability and adaptive capacity amid structural transformations driven by climate change. The programme appraisal was carried out using the joint methodologies of Multilateral Development Banks for Paris Agreement alignment. On this basis, the contribution provided by Cap-Compétences 2030 to establishment of the Institute for Training in Water, Sanitation and Environment Professions (IFMEAE)e is consistent with the objectives of the Paris Agreement and with Morocco's Nationally Determined Contribution (NDC) and the Bank's Action Plan on Climate Change and Green Growth (2021–2025, extended to 2026), as it supports a just transition that integrates social inclusion, job creation, and human capital development.
Borrower's Environmental and Social Implementation Capacity	The programme has been classified under Category 2 (moderate E&S risk), in accordance with the environmental and social (E&S) requirements applicable to results-based financing operations. The Bank, in collaboration with the Borrower, prepared an Environmental and Social Systems Assessment (ESSA) and an Environmental and Social Action Plan (ESAP) and published both on its website on 6 April 2026. The programme will be implemented by a programme management unit (PMU) attached to the Ministry of Economic Inclusion, Small Businesses, Employment, and Skills (MIEPEEC), in collaboration with key operators, particularly the National Employment and Skills Promotion Agency (ANAPEC). The PMU will comprise an environmental and social (E&S) focal point, who will be responsible for coordinating and monitoring programme activities to ensure compliance with the Bank's E&S requirements. The focal point will be supported by counterparts at the National Agency for Public Facilities (ANEP), the delegated programme owner responsible for the support to the Training Institute in the Water, Sanitation and Environment Professions (IFMEAE) in Fez, and counterparts at other entities involved in implementing the Environmental and Social Action Plan (ESAP). Entities involved in programme implementation will benefit from a capacity-building plan for their E&S focal points. The plan will include targeted training in E&S risk management and monitoring, as well as in the application of national procedures and Bank requirements. This mechanism will ensure effective ownership of environmental and social safeguards at all programme stages.
Contributions to Resilience-building	The labour market and the vocational training sector in Morocco are characterised by a nuanced balance combining solid institutional assets and certain challenges related to the realities of rural economies, the integration of the young people, and the gaps in supply and labour market needs. Against this backdrop, Cap-Compétences 2030 will create value by building on existing comprehensive mechanisms and a robust institutional framework. This aligns with the Bank's priorities for building resilience, particularly by developing human capital, supporting labour market integration and transforming training systems. The programme contributes to the strengthening and acceleration of existing mechanisms, particularly the National Apprenticeship Training Programme (TADAROJ)[6] and the Qualification or Re-skilling Training for Employment Programme (TAEHIL)[7] (Technical Annex 1), as well as the digitalisation of services. It will also provide concrete measures to improve access, extend coverage and enhance operational efficiency, particularly through improved monitoring tools. This contribution is characterised by a dual focus on competitiveness and inclusion. While the programme clearly supports the need to modernise the system and meet the requirements of growth sectors, its success in reducing vulnerabilities depends on its ability to effectively target the most vulnerable population groups and territories. In this regard, the programme's resilience additionality can be realised through targeted operational adjustments. This includes strengthening targeting within existing mechanisms, improving monitoring of inclusion outcomes, and adopting a more regionalised, forward-looking approach to identifying skills needs. These aspects are critical to enabling the programme to exceed quantitative performance objectives and to contribute effectively to building inclusive and sustainable resilience.

[6] TADAROJ is a national apprenticeship programme that helps young people, particularly those not in education, employment or tr aining (NEET), non-graduates and those living in rural areas, to develop skills within enterprises. The training comprises 80% practical work and 20% theory, and participants receive an annual grant and structured monitoring to facilitate their rapid integration into the labour market.

[7] TAEHIL is a professional integration programme based on contract-based training agreements with enterprises. It is tailored to specific job positions or to reskilling, enabling young people, including NEETs, to access formal employment quickly from 2025.

CAP-COMPÉTENCES 2030 PROGRAMME RESULTS FRAMEWORK

RESULTS FRAMEWORK									
A	**PROGRAMME INFORMATION**								
I PROGRAMME NAME AND SAP CODE: "Cap-Compétences 2030 for Inclusive Vocational Training and Rapid and Sustainable Integration" (Cap-Compétences 2030) - Programme SAP Code: P-MA-I00-020							I COUNTRY/REGION: MOROCCO / RDGN		
IMPACT: Contribute to improving the living conditions of people in Morocco, especially young people and women, by developing skills, promoting professional integration, fostering inclusive entrepreneurship, and enhancing regional competitiveness. DEVELOPMENT OBJECTIVE: Contribute to improving the relevance, quality and diversity of training by digitising services and promoting mass learning and integration. RESULTS AREAS: (i) Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030; (ii) Area 2: Setting up an inclusive training, integration and placement system based on business needs; and (iii) Area 3: Enhancing digital transformation, institutional capacity building and operational systems. ALIGNMENT INDICATORS: (i) Employment as a percentage of the population (disaggregated by sex); (ii) Youth unemployment rate (15–24 years); (iii) Share of MSMEs in GDP (%).									
RESULTS MATRIX									
RESULTS CHAIN AND INDICATOR DESCRIPTION	**DLI (Y/N)**	**UNIT**	**Baseline (2025)**	**2026**	**2027**	**2028**	**2029**	**2030**	**MEANS OF VERIFICATION**
I OUTCOME STATEMENT 1: Access to relevant and diverse training opportunities and employment rates among beneficiaries after training are improved.									
OUTCOME INDICATOR 1.1: Employment rate of young graduates of the TADAROJ programme, nine months after completing the training (female employment rate)	**Y**	%	0	0	0	0	70% (65% of female graduates)	75% (70% of female graduates)	DFP
OUTCOME INDICATOR 1.2: Young people (including women) gaining access to a wide range of courses across sectors linked to the jobs of the future (digital, tourism, public works and civil engineering, aeronautics, etc.)	N	Number	95,130 (including 38,100 women)	98,300 (including 39,320 women)	100,000 (including 40,000 women)	101,800 (including 40,720 women)	103,500 (including 41,400 women)	105,300 (including 42,120 women)	DFP

OUTCOME STATEMENT 2: The alignment between skills developed and labour market needs in Morocco is improved by 2030.									
OUTCOME INDICATOR 2.1: Employment rate among graduates of beneficiaries in year N-1 who completed the Qualification or Retraining Programme for Employment (TAEHIL), during the first three months	**Y**	% or process	55%	Procedures Manual adopted	67%	70%	72%	75%	DE / ANAPEC
OUTCOME INDICATOR 2.2: Number of direct jobs for young people supported by Cap-Compétences 2030[8] (including women)	N	Number (Cumul.)	0 (0)	0 (0)	14,100 (including 6,750 women)	56,550 (including 24,975 women)	119,110 (including 51,505 women)	191,910 (including 81,905 women)	ANAPEC/ DE / DFP
Results Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030									
OUTPUT INDICATOR 1.1: Young people benefiting from the TADAROJ programme (including women)	**Y**	Number (Cumul. from 2027)	0	1 Procedures Manual adopted / 7 programme contracts signed / Order on trades and qualifications published	50,000 (including 25,000 women)	110,000 (including 55,000 women)	180,000 (including 90,000 women)	260,000 (including 130,000 women)	DFP
OUTPUT INDICATOR 1.2: Establishment of the training institute for the Water, Sanitation and Environment Professions (IFMEAE) in Fez	**Y**	Qualita. indicator (% of progress)	0	Partnership agreement signed with ANEP	Works progress ≥ 10%	Works progress ≥ 50%	Works progress ≥ 80% and equipment procurement launched	Work completed and equipment accepted (100%),	DFP
Results Area 2: Setting up an inclusive training, integration and placement system based on business needs									
OUTPUT INDICATOR 2.1: Young beneficiaries of the TAEHIL programme (disaggregated by sex)	Y	Number (Cumul.)	1,480 (2025)	New Procedures Manual adopted	15,000 (including 6,000 women)	26,000 (including 10,400 women)	40,000 (including 16,000 women)	60,000 (including 24,000 women)	ANAPEC / DE
Results Area 3: Enhancing digital transformation, institutional capacity building and operational systems									
OUTPUT INDICATOR 3.1.1: Setting up and deployment of the national digital learning system (INFFT and national platform) [9]	N	Qualita. indicator	NA	NA	Technical assistance committed (to support the	Methodologic al guide to digitalization developed	Operation to digitize training content (key	Operational and interoperable national platform	DFP

[8] Composite indicator calculated based on the professional integration of graduates from the TAHEIL, TADAROJ, OFFPT and IGD programmes.

[9] This activity will be implemented through support financed from EAA blending resources.

					transformation of the vocational training system)	Implementation of the INFFT Platform	modules and competencies) launched	Key operational and accessible functionalities (operator spaces, AI engines, DFP dashboard)	
OUTPUT INDICATOR 3.1.2: Status of implementation of ANAPEC's digitalisation plan	**Y**	Qualita. indicator	NA	Development of ANAPEC's action plan including its digitalization plan	AI integrated into business modules. The digitalisation of sourcing, including the TAEHIL and TADAROJ programmes operationalised (digital tools for identifying and registering beneficiaries installed).	Interconnection of information systems with the CNSS completed (database cross-referencing and automated data exchange effective).	The supply-and-demand matching interface deployed (operational and allows for automated matching).	Digitalisation Plan completed and implemented (all components of the plan deployed and operationalised)	ANAPEC
OUTPUT INDICATOR 3.2: ANAPEC advisers trained in the use of digital tools.	N	% (Cumulative)	0	NA	20%	40%	60%	80%	ANAPEC
OUTPUT INDICATOR 3.3: Periodic environmental and social (E&S) reports confirming the implementation of the Environmental and Social Action Plan (ESAP)	**Y**	Number	0	1 periodic E&S report on ESAP implementation	4 periodic E&S reports on ESAP implementation	4 periodic E&S reports on ESAP implementation	4 periodic E&S reports on ESAP implementation	4 periodic E&S reports on ESAP implementation	MIEPEEC's periodic E&S report submitted to the Bank
OUTPUT INDICATOR 3.4: Number of staff members who have benefited from capacity-building in best practices for results-based financing in target regions (disaggregated by sex)	N	Number (Cumul.)	0	0	10 (4 women)	15 (6 women)	20 (8 women)	25 (10 women)	*Swiss Blending Grant Implementation Report*

THE PROPOSAL

1. Management hereby submits this proposal for the award of an AfDB loan of EUR 200 million (UA 169.538 million) to Morocco to finance the "Cap-Compétences 2030 towards Inclusive Vocational Training and Rapid Sustainable Integration" programme (Cap-Compétences 2030).

2. Morocco enjoys long-term political and institutional stability and has made significant progress in human development, economic modernisation, and the development of its human capital. Despite the economic recovery observed in recent years, the labour market is still characterised by imbalances. In 2025, the unemployment rate was 13%, affecting mainly young people (37.2%)[10], graduates (19.2%) and women (20.5%).[11] In addition, 33.6% of young people aged 15 to 29, that is, almost 2.94 million, are not in employment, education or training (NEET). This proportion is even higher in rural areas and among young women.[12] Nearly 27.6% of these young NEETs are unemployed, while nearly 72.4% are economically inactive and show no genuine interest in joining the labour market.[13] Beyond these employment indicators, two systemic issues require urgent attention, namely: (i) uneven geographical coverage of vocational training, curricula of varying relevance, inconsistent quality of apprenticeship, and inadequate integration of digital technologies; and (ii) job placement that has traditionally prioritised graduates, whereas the majority of those currently excluded from the labour market are those without qualifications, NEETs and young people in rural areas. This situation underscores the need to implement reforms, better target training and job placement policies, adapt skills development to regional needs, and extend employment support to non-graduates. These fragilities reflect a mismatch between training and labour market needs, a prevalence of informal employment, and significant regional disparities in access to economic opportunities, training and job placement services. The government has made concrete commitments on access to services, social justice and regional equity. These commitments reaffirm the priority placed on a balanced public response that combines skill development with inclusive intermediation, with particular attention to non-graduates and rural areas.

3. To address these challenges, the Moroccan Government has made skills development, apprenticeships and the integration of young people and women into the labour market a strategic priority. This approach is in line with the country's New Development Model (2021–2035), the Strategic Vision for the Reform of Education and Training by 2030,[14] and the Employment Roadmap 2025–2030, adopted through a circular issued by the Head of Government in February 2025.

4. The Employment Roadmap 2025–2030 seeks, in particular, to reduce the unemployment rate to 9% by 2030, create 1.45 million jobs and increase the labour force participation rate. It is based on eight key initiatives, including revitalising investment through the Investment Charter, reducing job losses in the agricultural sector, the Reform of Education and Training, promoting mass apprenticeships, implementing active labour market policies, modernising the National Employment and Skills Promotion Agency (ANAPEC), promoting women's inclusion, and reducing school dropout rates.

5. Cap-Compétences 2030 will provide structural support for implementing the Reform of Education and Training and the Employment Roadmap 2025–2030 at the national level. Emphasis will be placed on supporting non-graduates, women and young people in the most vulnerable regions, particularly in rural areas. The programme aims to contribute to improving the relevance, quality and diversity of the vocational training offer and formalization among non-graduates benefiting from the TADAROJ and TAEHIL programmes, while accelerating the digital transformation of public intermediation and vocational training systems and services.

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[10] Young people aged between 15 and 24 years.

[11] High Commission for Planning. (2026). Briefing Note prepared by the High Commission for Planning on the labour market situation in 2025. Rabat: HCP. Rabat: HCP.

[12] International Labour Organization & European Union (2025), Y-NEET Statistical profile Morocco - Technical Report.

[13] High Commission for Planning. (2024). Profiles and Determinants of Young NEETs in Morocco: Insights from the 2022 National Employment Survey. Planning Briefs, No. 29. Rabat: HCP.

[14] The Strategic Vision for Reform 2015–2030 was prepared by the Higher Council for Education, Training and Scientific Research (CSEFRS) and enacted by Framework Law No. 51-17 in 2019.

I. STRATEGIC CONTEXT

1.1. Country Context

1.1.1. Despite an unstable regional context, the Kingdom of Morocco is pursuing its institutional reform agenda thanks to its political and security stability. The 2011 Constitution enshrined the rule of law, transparency and equality, and extended political rights. The reforms initiated have consolidated political pluralism and accountability mechanisms, while the decentralisation process launched in 2015 promotes more participatory and results-oriented local governance. Citizen engagement and rising social expectations, especially among young people, have prompted the authorities to reaffirm and strengthen their commitments to improving access to public services, advancing social justice and promoting territorial equity. In accordance with the Constitution, the parliamentary term following the 2021 elections will end in 2026. New parliamentary elections will be held on 23 September 2026, resulting in the formation of a new government.

1.1.2. Despite a series of shocks (the COVID-19 pandemic, global inflation, droughts and the 2023 earthquake), Morocco has maintained a sustained growth trajectory, through reforms and public investments. Real GDP per capita increased by 26% between 2010 and 2024,[15] with growth reaching 3.8% in 2024.[16] On the supply side, growth was driven by recovery across the agricultural, manufacturing, public works and civil engineering, and tourism sectors.[17] Inflation continued to trend downward, reaching 0.8% in 2025, down from 0.9% the previous year, driven by falling global food and energy prices.[18] The budget deficit gradually narrowed to 3.5% of GDP in 2025, down from 3.8% in 2024, due to higher tax revenue and reduced spending on wheat and butane gas subsidies. Public debt remained under control, at 67.7% in 2024, down from 68.7% in 2023. Treasury debt declined slightly to 67.2% of GDP in 2025, compared with 67.7% in 2024.[19]

1.1.3. According to the High Commission for Planning (HCP), the absolute poverty rate rose from 1.7% in 2019 to 3.9% in 2022.[20] The COVID-19 health crisis and rising inflation in 2022 adversely affected social indicators and the vulnerability rate, which rose from 12.5% in 2014 to 12.9% in 2022.[21] The HCP estimated the multidimensional poverty rate to be 5.7% in 2022. The multidimensional poverty rate in rural areas is estimated at 11.2%, compared with 1.6% in urban areas, underscoring the need for greater territorial focus in public policy.[22] Conversely, the Human Development Index improved in 2023, placing Morocco in the high human development category for the first time, with a score of 0.71.[23]

1.1.4. Despite the economic recovery, the labour market continues to face persistent pressures. The unemployment rate reached 13% in 2025[24], particularly affecting young people aged between 15 and 24 (37.2% in 2025, compared with 36.7% in 2024), graduates (19.2%, compared with 19.6% in 2024) and women (20.5%, compared with 19.4% in 2024).[25] According to the HCP, underemployment occurs when people work fewer hours than desired or hold positions below their skill level. In 2024, underemployment stood at 10.9% nationally (9.6% in urban areas and 13.2% in rural areas).[26] The labour force participation rate is low and has continued to decline, reaching 43.5% in 2025.[27] In the same year, nearly 46.4% of the employed population had no qualifications, while 33.5% had an intermediate-level qualification, and 20.1% had a higher-level qualification.[28] In addition to these indicators, two structural factors contribute to these imbalances, namely: (i) vocational

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15 High Commission for Planning. (2025). National Accounts: long volume series (2014 Basis), 2010–2024. Rabat: HCP.

16 High Commission for Planning. (2025, June). Provisional national accounts for 2024. Rabat: HCP.

17 AfDB Statistics Department (March 2026).

18 High Commission for Planning. (2025). Briefing Note on Consumption Price Index Trends in 2025. Rabat: HCP: High Commission for Planning. (2024). Briefing Note on Consumption Price Index Trends in 2024. Rabat: HCP.

19 Idem, page 9.

20 High Commission for Planning (HCP), "Poverty & Vulnerability" and Results of the National Survey on Household Living Standards 2022–2023.

21 High Commission for Planning (HCP), "Poverty & Vulnerability" and Results of the National Survey on Household Living Standards 2022–2023.

22 High Commission for Planning (HCP). (2022). Multidimensional Poverty Rate in Morocco: Results of the 2022 National Survey on Household Living Standards. Rabat: HCP.

23 United Nations Development Programme (UNDP). (2025). Human Development Report 2025. New York: UNDP. Summary Note on the Situation in Morocco: https://www.undp.org/fr/morocco/publications/le-rapport-sur-le-developpement-humain-2025-une-affaire-de-choix-individus-et-perspectives-lere-de- lintelligence-artificielle).

24 High Commission for Planning. (2026). Labour Market Situation in 2025. Rabat: HCP.

25 High Commission for Planning. (2026). Labour Market Situation in 2025. Rabat: HCP: High Commission for Planning. (2025). Labour Market Situation in 2024. Rabat: HCP.

26 High Commission for Planning. (2025). Labour Market Situation in 2024. Rabat: HCP.

27 High Commission for Planning. (2026). Labour Market Situation in 2025. Rabat: HCP.

28 High Commission for Planning. (2026). Briefing Note Prepared by the High Commission for Planning on the Labour Market Situation in 2025. Rabat: HCP. Rabat: HCP.

training, which still faces certain challenges in terms of territorial coverage, relevance of curricula, quality of work-based learning and integration of digital technology; and (ii) intermediation that has long focused on graduates, whereas the majority of those now facing difficulties entering the labour market are non-graduates, NEETs and young people in rural areas. These findings underscore the need for joint training and placement reforms to improve the alignment of skills with jobs, enhance access to economic opportunities and reduce regional disparities.

1.1.5. **In 2025, the rate of female participation in the workforce reached 19%.**[29] This gap was attributed to restrictive social norms, lack of childcare services, occupational segregation, and the perceived risk of harassment. According to the 2023 National Employment Survey, 63% of respondents believed that a woman's primary role was in the home, while only 23% thought that employed women were safe from harassment.[30]

1.1.6. **Governance: Morocco is pursuing the implementation of transformative institutional reforms, particularly in social protection, and has made measurable progress in governance.** Its Ibrahim Index score rose from 39 to 62 between 2014 and 2024, ranking it 8th in Africa,[31] and among the safest countries, according to the 2025 Global Terrorism Index (GTI).[32]

1.1.7. **The Bank's intervention through results-based financing (RBF) will provide structural support for implementing national priorities in skills, learning and employability, in line with Government policy guidelines.** The choice of RBF is justified by the nature of the reforms to be implemented under Cap-Compétences 2030, which require the refocusing of input financing to achieve tangible outcomes. The Bank's comparative advantage lies in enhancing sector performance by aligning with national systems and promoting accountability. Additionality entails supporting comprehensive systemic reforms and bringing partners together around a common performance framework and independent verification. A strengthened governance framework will facilitate coordination among institutions and ensure stakeholder accountability. Lastly, to maximise impact on sustainable employment and human capital by 2030, the supported initiatives will meet high standards of relevance, effectiveness (in terms of social and geographical coverage), and value for money.

1.2. Sector and Institutional Context

Skills Development Challenges and Human Capital Transformation

1.2.1. **Despite significant progress in education, Morocco continues to face a persistent mismatch between acquired skills and labour market needs.** In addition, although the country has reached a milestone in human development, with an HDI of 0.710 in 2023,[33] significant regional and social disparities in access to education and basic services persist. These imbalances reflect the limitations of training and intermediation systems in meeting the economy's needs, especially for young people and women.

1.2.2. **Youth unemployment in Morocco stems from five structural factors:** (i) a persistent mismatch between available skills and the needs of growth sectors; (ii) limited employment opportunities in productive sectors dominated by VSMEs, constrained by the business environment and access to finance; (iii) limited support for youth entrepreneurship and VSME development; (iv) regional inequalities, particularly in rural areas, where access to training and employment opportunities is limited; and (v) a high number of NEETs with diverse profiles, often permanently excluded from the labour market.

1.2.3. **Morocco has embarked on an ambitious economic and energy transition (targeting 56% renewable energy by 2027),** driving growing demand for specialised skills in renewable energy, water management, smart agriculture and green industries. These emerging professions necessitate the swift adaptation of training systems and the establishment of partnerships with relevant sectors.

1.2.4. **Although the economy continues to diversify, the limited contribution of the private sector, particularly VSMEs, to transformative investment (in technology and the environment) and skills training is preventing higher-end growth and the integration of skilled young people.** Constraints on productivity,

[29] High Commission for Planning. (2026, February). Labour Market Situation in 2025. Rabat: High Commission for Planning.
[30] High Commission for Planning. (2024). Gender and Labour Market Report – National Employment Survey 2023 (pp. 18–21).
[31] Mo Ibrahim Foundation. (2024). Ibrahim Index of African Governance 2024: Key Findings. London: Mo Ibrahim Foundation.
[32] Institute for Economics and Peace (IEP). (2025). Global Terrorism Index 2025: Measuring the Impact of Terrorism. Sydney: IEP.
[33] United Nations Development Programme (UNDP). (2025). Human Development Report 2025. New York: UNDP. Summary Note on the Situation in Morocco: https://www.undp.org/fr/morocco/publications/le-rapport-sur-le-developpement-humain-2025-une-affaire-de-choix-individus-et-perspectives-lere-de- lintelligence-artificielle).

limited access to finance, the dominance of the informal sector, and weak linkages between training and job placement systems reduce the depth of the labour market and exacerbate regional disparities. This results in uneven capacity to absorb new entrants, even within expanding value chains.

Reforms and Modernisation of the Vocational Training System

1.2.5. The vocational training sector is managed by the Directorate of Vocational Training (DFP) under the 2019 Roadmap for the development of vocational training. This strategy builds on the Strategic Reform Vision for the 2015–2030 period (Framework Law No. 51-17), which aims to modernise the education system, improve alignment between training and the labour market, and increase private-sector involvement. Although there are more than 2,000 public and private schools, about 37% are concentrated in the Casablanca-Settat and Rabat-Salé-Kénitra regions, limiting access in other areas.[34] Morocco currently offers 519 courses at various levels: specialisation, qualification, technician and specialised technician.[35] The average labour market absorption rate for graduates is about 70%, though this varies by course and region. This modest performance highlights the importance of adapting teaching methods and strengthening partnerships with the private sector.

1.2.6. The Bank is providing structuring and complementary support within the framework of the Employment Roadmap 2025–2030. Previously under the investment and entrepreneurship support component, the Bank approved a specific RBF (PAFE-Emploi); the present operation supports the central pillar of vocational training. Morocco is strengthening its training offer in strategic sectors with high skills intensity. The Cap-Compétences 2030 programme supports the establishment of the Institute for Training in Water, Sanitation and Environment Professions (IFMEAE) in Fez to meet the water infrastructure needs.

Employment Situation of Young People, Graduates and Vulnerable Population Groups

1.2.7. The Moroccan labour market is grappling with persistent structural imbalances that disproportionately affect young people, graduates, and vulnerable groups. According to the High Commission for Planning (HCP), the national unemployment rate was 13% in 2025, with youth unemployment at 37.2%.[36] More than 33.6% of young Moroccans aged 15 to 29 (i.e. about 2.94 million young people) are not in education, employment or training (NEET).[37] About 27.6% of NEETs are unemployed, while the remaining 72.4% are not in the labour force.[38] According to the HCP, rural areas have a high rate of NEETs, recording . 32%, compared with 21.9% in urban areas. The rate of young NEETs among women in rural areas is 61%, compared with 33% among women in urban areas and 13% among men, regardless of location. Furthermore, according to the HCP, young NEETs in rural areas remain in this situation longer than their urban counterparts.

1.2.8. VSMEs, which generate 70% of jobs, contribute only 30% to GDP due to several constraints, including low productivity, limited access to finance (with 80% reporting difficulties), low formalisation rates, and lack of appropriate support. According to data from the HCP and the National VSME Observatory[39] about 70% of VSMEs operate in the informal sector. Despite a five-year survival rate of 53%, most of these enterprises remain very small, employing fewer than 10 people. In addition, the existing mechanisms are fragmented, offer limited support to young graduates, and are not monitored to assess their impact on employment. These constraints hinder the development of a productive sector capable of providing sustainable employment opportunities for young people. This is especially the case given that support mechanisms are fragmented and poorly coordinated.

1.2.9. The 2025–30 Employment Roadmap, the subject of a circular issued by the Head of Government on 26 February 2025, is a significant initiative that aims to modernise the labour market, reduce the unemployment rate and ensure a better match between training and business needs. The findings confirm the need to accelerate the implementation of planned structural reforms.

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[34] Vocational Training and Employment Promotion Agency. (2024). Annual Report for 2023–2024. Rabat: OFPPT.

[35] Vocational Training and Employment Promotion Agency. (2024). National Catalogue of Vocational Training Programmes. Rabat: OFPPT.

[36] High Commission for Planning. (2025). Labour market situation in 2024. Rabat: HCP: High Commission for Planning. (2026). Labo ur market situation in 2025. Rabat: HCP.

[37] International Labour Organization & European Union (2025), Y-NEET Statistical profile Morocco - Technical Report

[38] High Commission for Planning. (2024). Profiles and determinants of young NEETs in Morocco: Insights from the 2022 National Employment Survey. Planning Briefs, No. 29. Rabat: HCP.

[39] National VSME Observatory (2024). Annual Report for 2023–2024. Rabat: OMTPME; National VSME Observatory (2024). Private Sector Productivity Report. Rabat: OMTPME: High Commission for Planning. (2025). National Survey of Production Units Operating in the Informal Sector 2023/2024. Rabat: HCP.

1.3. Linkage with the CSP

1.3.1. Strategically, the programme aligns with Pillar I of the Country Strategy Paper (CSP 2024–2029), which seeks to strengthen inclusive growth by developing skills, employability and entrepreneurship. It aligns with three CSP cross-cutting themes: green growth and the energy transition, the digital economy and digitalisation, and reducing gender inequalities. By strengthening human capital, economic competitiveness, and climate resilience, the programme supports both the Moroccan Government's priorities and the Bank's priority areas. It meets CSP selectivity criteria by addressing key development challenges, enhancing coordination with partners, and maximising impact.

1.4. Rationale for the Bank's Involvement and Choice of Instrument

1.4.1. As at 6 February 2026, the Bank's active portfolio in Morocco comprised 37 projects with a total commitment of UA 3.29 billion (equivalent to more than USD 4.54 billion), spanning eight sectors: industry and mining (22%); transport (16%); social (14%); agriculture (13%); finance (11%); governance/multisector (10%); water and sanitation (8%); and energy (6%). The portfolio comprises 28 public-sector operations (9 institutional support/technical assistance projects, 7 results-based financing operations, 2 budget support operations and 9 investment projects) and 9 operations without sovereign guarantees (representing 31.6% of commitments), distributed across 4 credit lines, 3 corporate loans, 1 partial credit guarantee and 1 risk-sharing agreement. The average age of public-sector operations is 2.6 years, indicating that the portfolio is relatively young. The overall disbursement rate of 43.95% is consistent with the start-up of numerous new operations in 2024 and 2025. Although no projects are classified as at-risk, 7 out of 37 (19%) projects have been flagged for first disbursement or for disbursement delays.

1.4.2. The Bank builds on two decades of support for human capital development in Morocco, drawing on its multi-sector experience and previous RBF programmes. This programme is intended to complement the Bank's previous RBF programmes, particularly the Results-Based Programme for Improving Access to Employment (PARAAE) and the Entrepreneurship Support and Financing Programme for Job Creation (PAFE-Emploi). It draws on lessons learned in results-based management, independent verification, and the design of pathways to integration and entrepreneurship. This continuity helps to strengthen portfolio coherence and ensures the gradual scaling up of targets. Cap-Compétences 2030 will strengthen donor partnerships by drawing on lessons from previous RBF programmes (PARAAE, PAAPS, PAAIIS, and UM4.0), particularly the need to develop a capacity-building plan, provide targeted training for teams, adjust investment advances, and streamline the disbursement indicators. The lessons learned from PARAAE also underscore the importance of dedicated programme management, clear institutional coordination and integrated budgeting. This includes: (i) delegated infrastructure management, supported by integrated planning that systematically aligns investment in buildings and equipment with curricula and training programmes; (ii) mapping of DLI responsibilities and the preparation of an operations manual at start-up; (iii) identification of technical assistance needs at the design stage; (iv) involvement of regional private-sector representatives; and (v) introduction of impact indicators and planning for tracking surveys prior to programme start-up. The involvement of the private sector and the introduction of impact indicators at the design stage will improve programme accountability. Cap-Compétences 2030 aligns with and complements PAFE-Emploi (RBF operation approved in 2025) within the framework of the Employment Roadmap 2025–2030. Operational consistency will be guaranteed by: (i) ensuring the interoperability of platforms and systems for tracking apprenticeship-integration-entrepreneurship pathways; (ii) setting harmonised inclusion targets (≥40% women, with a focus on NEETs and rural areas); and (iii) extending performance contracts (modelled on PAFE-Emploi) to training and placement mechanisms. The Bank implements its interventions in a complementary manner to support the Employment Roadmap. Thus, the PAFE-Emploi RBF operation targets the investment and entrepreneurship component (Axis 1); the PAASIFEJ (Agriculture RBF operation) focuses on rural employment (Axis 3); and this RBF operation seeks to strengthen youth employability, apprenticeship and intermediation (Axis 2).

1.4.3. Cap-Compétences 2030 operationalises the Bank's Ten-Year Strategy (2024–2033) and aligns with its Cardinal Points. It will contribute to unlocking Africa's capital (Point 1) by mobilising VSMEs and partner enterprises through public-private partnerships (PPPs) for institutes in strategic sectors ; strengthening the demographic dividend (Point 3) by enhancing skills and labour market integration; and building climate-

resilient infrastructure by creating value-added (Point 4) through the digitisation of training services and facilities and by ensuring that the training provided is consistent with national strategic sectors. It aligns with the Jobs for Youth in Africa Strategy (2016–2025, extended to 2026), particularly through pillar I, which aims to strengthen job-creation capacity in regional member countries. It will also help to implement Priorities I and II of the Bank's Strategy for Addressing Fragility and Building Resilience in Africa (2022–2026) by strengthening the institutional capacity of the National Employment and Skills Promotion Agency (ANAPEC), supporting governance and human resources, and investing in social and rural infrastructure. The programme is also consistent with the Bank's Gender Strategy (2021–2025), "Investing in Africa's Women to Accelerate Inclusive Growth," particularly the pillar that focuses on increasing women's access to social and economic services through infrastructure.

1.4.4. Results-based financing (RBF) complements traditional financing instruments (loans and budget support) by improving the quality of public programmes and the effectiveness of institutions. It is flexible and tailored to national context, and requires results-oriented governance, effective management, and reformed incentives. Given its alignment with the Bank's policies and the absence of high E&S risks (Category 1), RBF is the most appropriate instrument for this operation. It helps to link disbursements to verifiable results while improving the efficiency of public spending and performance contracting. The RBF instrument supports the Moroccan Government's reforms in collaboration with technical and financial partners. It also helps build institutional capacity for monitoring, accountability, and self-assessment in accordance with the Organic Law on Appropriation Acts (LOLF).

1.4.5. Several studies and analytical reports by the EInA platform team (details in Technical Annex 20) have enabled the Bank to position itself strategically and influence the adoption of operational innovations across key public programmes that support entrepreneurship, VSEs and employment. The survey on Morocco's Entrepreneurial Profile identified different types of entrepreneurs, their aptitudes and the constraints they face, which informed the structuring of the operation. The study on outsourcing mechanisms recommended adopting a performance-based contracting model to bolster support from the private and association sectors.

1.4.6. Several technical and financial partners are actively engaged in Morocco's vocational training sector, providing additional support for the Cap-Compétences 2030 programme. Since 2008, the French Development Agency (AFD) has supported delegated management institutes (IGDs) with integration rates of 80% to 100%, and has recently extended this support to the pharmaceutical sector. The European Union (EU) is supporting the reform through a budget support programme (PIAFE) of EUR 140 million. The German Cooperation Agency (GIZ) is implementing regional programmes focused on local governance, work-based learning and the integration of young NEETs (TAMHEEN II). Donor coordination is organised into thematic groups, with the active participation of the AfDB. In addition, a new 'Employment' thematic group has been formed, with the Bank serving as co-leader alongside the ILO and the Belgian Agency for International Cooperation. Lastly, the country team maintains regular dialogue with the EU, GIZ, AFD, the Swiss Agency for Development and Cooperation, and the World Bank to ensure that interventions complement one another, particularly in digitalisation, territorial inclusion, and entrepreneurship. Discussions are ongoing with the Swiss Agency for Development and Cooperation (State Secretariat for Economic Affairs – SECO) on applying the RBF principle to private training service providers to support the Cap-Compétences 2030 programme, in line with best practices developed in Colombia and Tunisia.

Box 1 – The Bank's approach: a coherent intervention linking public financing to measurable results at scale

The African Development Bank is taking a coordinated, systemic and results-oriented approach to employment promotion in Morocco, aligning its financial, analytical and policy dialogue instruments around the Government's Employment Roadmap 2025-2030. This approach is based first and foremost on structuring analytical support, through economic and sectoral work dedicated to the Bank's contribution to the Employment Roadmap 2025-2030, which has made it possible to identify the main bottlenecks in the labour market and to guide the design of financed operations according to a large-scale impact logic.

At the operational level, the Bank is deploying a long-term systemic vision, articulated around several complementary operations over time, covering all three structuring axes of the Roadmap: (i) Axis 1 – Support for investment entrepreneurship and MSMEs: supported through the PAFE-Emploi program (phase 1 in 2025, phase 2 planned for 2027); (ii) Axis 2 - Employment and skills: supported by the Cap-Compétences 2030 programme (from 2026), focused on apprenticeships, vocational training and intermediation; and (iii) Axis 3 - Rural employment: the PAASIFEJ (FAR Agriculture (2025) supports rural employment and agricultural transformation.

The Bank is also playing a leadership role within the Technical and Financial Partners (TFP) group on the employment agenda, taking the initiative to structure a common matrix of donor interventions, in order to strengthen complementarities, avoid overlaps and maximize the leverage effect of support. This approach resulted in a significant leverage effect of catalytic financing, where each euro mobilized by the Bank made it possible to raise around two euros in partner financing (Cardinal Point 1), thus strengthening the scale and sustainability of the interventions.

The coherence of the Bank's intervention is also reflected in its close alignment with its infrastructure portfolio (Cardinal Point 3). The Cap-Compétences 2030 program contributes directly to meeting the skills needs of the sectors of growth supported by the Bank, including water, road, rail and aviation infrastructure, thus strengthening the economic impact and absorption of investments. Finally, the Bank supports the Government in strategic discussions aimed at national ownership of results-based management tools.

II. PROGRAMME DESCRIPTION

2.1. Programme Scope

2.1.1. Cap-Compétences 2030 is part of the national drive towards economic and social transformation and the development of human capital, in line with the Strategic Vision of Education and Training Reform of 2030, the Roadmap for the Promotion of Vocational Training (2019), the New Development Model (NMD) 2021–2035, and the Employment Roadmap 2025–2030. These strategic frameworks aim to stimulate economic growth, strengthen competitiveness, modernise infrastructure, and promote social inclusion in accordance with the Royal Directives.

2.1.2. The Employment Roadmap 2025–2030, adopted in February 2025 by a circular issued by the Head of Government, has three key objectives, namely to: reduce the unemployment rate to 9% by 2030, create 1.45 million jobs, and increase the labour force participation rate, which currently stands at 43.5%.[40] It is based on eight structuring initiatives (Initiative 1: Supporting VSMEs through the Investment Charter; Initiative 2: Strengthening active labour market policies and extending apprenticeship training to 100,000 young people per year; Initiative 3: Reducing job losses in the agricultural sector; Initiative 4: Unifying active employment programmes; Initiative 5: Modernising ANAPEC and personalised support; Initiative 6: Ensuring women's inclusion in the labour market; Initiative 7: Reducing school dropout rates and integrating young people without qualifications; and Initiative 8: Reforming vocational training). These reforms are financed by an initial budget of MAD 15 billion, allocated by the Government under the 2025 Finance Law. This additional budget is allocated as follows: (i) MAD 12 billion to encourage investment mainly through support for MSMEs, as well as the enhancement of opportunities offered by major infrastructure projects and sectoral strategies in the fields of sport, housing, agriculture, digitalization and tourism; (ii) MAD 1 billion to protect jobs in rural areas; and (iii) MAD 2 billion to enhance the effectiveness of employment promotion programmes.

2.2. Bank-financed Programme

2.2.1. Description of the Cap-Compétences 2030 Programme

2.2.1.1. The objective of the programme is to contribute to improving the relevance, quality and diversity of training by digitising services and promoting massed learning and integration. To this end, the programme is structured around three (3) main result areas: (i) Results Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030; (ii) Results Area 2: Setting up an inclusive training, integration and placement system based on business needs; and (iii) Results Area 3: Enhancing digital transformation, institutional capacity building and operational systems.

[40] These objectives are defined on the roadmap with the assumption that rainfall will return to normal

2.2.1.2. Programme duration and cost: Cap-Compétences 2030 will be implemented over a five-year period, from 2026 to 2030. Morocco has requested Bank financing of EUR 200 million (equivalent to UA 169,538 million). This financing will support the implementation of the Government's priorities for skills development, apprenticeships, and employability, as set out in the Employment Roadmap 2025–2030, and the reforms to the vocational training system. This contribution represents 32.31% of the Government Programme, which is expected to cost nearly EUR 619 million (equivalent to UA 525 million).

2.2.1.3. The Government has requested the Bank's assistance to finance part of Cap-Compétences 2030, as presented in Section 2.2.2. The selected priorities were discussed in technical discussions with MIEPEEC and the various partners supporting the Government Programme.

2.2.2. Cap-Compétences 2030 Activities

Result Area 1: Development of skills and establishment of strategic partnerships to support Morocco's development by 2030.		
Activities	***Responsible Entity***	***Technical Support Needs***
1.1. **Extending the TADAROJ programme to provide 260,000 apprenticeships for young people (130,000 of whom are women), including NEETs, in vocational training institutes under the remit of line ministries that have signed programme contracts, and in private training institutes, including those providing workplace apprenticeships.** TADAROJ is a key component of generalizing apprenticeship. . Anchored on Law No. 12-00, it comprises about 80% practical workplace training and 20% theoretical training. It covers more than 200 trades, ranging from handicrafts and agriculture to tourism and industry, and is designed to respond rapidly to labour shortages in these sectors. Its implementation involves public, private, and associative operators, as well as host companies (apprenticeship supervisors). It is supported by a grant of MAD 5,000 per apprentice per year, with the option to invest in equipment and training centres.	Directorate of Vocational Training (DFP)	NA
1.2. **Public-Private Partnerships (PPPs) for institutes in strategic sectors: Training institute for Water, Sanitation and Environment Professions (IFMEAE) in Fez – PPP:** Studies, public works and civil engineering, equipment, curricula, training of trainers, and start-up support (delegated management).	DFP	GIZ (TBC)
Guiding trainees towards growth sectors (tourism, public works and civil engineering, digital technology, aeronautics, etc.).	DFP	NA
Results Area 2: Setting up an inclusive training, integration and placement system based on business needs		
Activities	***Responsible Entity***	***Technical Support Needs***
2.1. **Extending the TAEHIL programme to non-graduates to cover 60,000 young people (24,000 of whom are women) and respond promptly to corporate recruitment needs while addressing skills shortages among jobseekers and employees.** The aim is to prepare non-graduates (including A-level holders) and graduates of vocational training for positions sought by employers through modular upskilling courses, reskilling programmes and work-study programmes. The TAEHIL programme helps job seekers enter the labour market and provides enterprises with candidates ready to fill identified roles. It comprises two mechanisms: (i) contract-based training for employment, structured around a job position defined in advance with the employer; and (ii) skills development or re-skilling focused on sectors facing labour shortages or on emerging sectors, as identified through sector analysis.	ANAPEC (DE)	Technical support from SECO
Results Area 3: Enhancing digital transformation, institutional capacity building and operational systems		
3.1. **Digitalising transformation** 3.1.1. Establishment of a national training system focused on E-learning: This involves the deployment of a national Digital Learning ecosystem including: (i) the operational commissioning of the National Institute for the Training of Trainers and Tutors (INFFT) acting as a national hybrid platform for the professionalization and certification of trainers/tutors; (ii) the structuring of a national digital base for vocational training (methodological guide for the digitization of programs, digitized content, national platform) in order to harmonize and massify access to modern training courses for all public and private operators; (iii) the production and pooling of digitized content (including key skills for employability); and (iv) the establishment of a sovereign and interoperable national Learning Experience Platform (LXP) for digital learning for the benefit of vocational training trainees at the national level	DFP	Technical support from the EAA Foundation
3.1.2. **Digital transformation of ANAPEC:** Digitalising TAEHIL's services and the job offer and demand interface; training advisers in the use of digital tools; establishing a virtual ANAPEC agency; digital tools to support young people (profiling, dynamic	ANAPEC	EAA Technical Support

guidance, self-assessment, e-coaching, etc.); developing a dedicated mobile app with a personalised dashboard and remote access to services, etc.		
3.2. **Building institutional capacity and operational systems** 3.2.1. Strengthen results-based management at the level of the DFP 3.2.2. Pilot performance-based contracts (PBCs) for job placement training in collaboration with private training centres. 3.2.3. Strengthening the monitoring of the integration outcomes of the TAEHIL programme 3.2.4. Anticipating skills needs	DFP ANAPEC/DE ANAPEC/DE DFP	Swiss technical support from SECO Swiss technical support from SECO Swiss technical support from SECO The EU technical support includes: Methodological guide to be adapted at the regional level Setting up smart dashboards for anticipating skills needs

2.2.2.3 Logical Intervention and Theory of Change

The programme's intervention logic is grounded in a theory of change centred on three complementary levers: (i) transforming training provision by developing strategic sectors and work-based learning; (ii) strengthening integration and placement mechanisms to improve access for young people, particularly the most vulnerable, to effective integration pathways; (iii) promoting digitalisation and building institutional capacity to improve system quality, effectiveness and governance. These activities aim to enhance the adequacy and diversity of training, improve access to employment opportunities, and ultimately increase beneficiaries' professional integration in a sustainable manner. Technical Annex 11 presents the detailed theory of change, including the full causal chain, assumptions, and risks.

2.2.2.4. Through these activities, Cap-Compétences 2030 will provide direct support for initiatives 2, 4, 5 and 8 of the Employment Roadmap 2025–2030. The programme will strengthen active labour market policies and mass learning (Initiative 2), support the integration of mechanisms through a digital platform (Initiative 4), modernise ANAPEC through digitalisation (Initiative 5), create pathways between education system, vocational training and higher education (Initiative 8).

Table 1: Scope of Result Areas

Expected Outcomes	Geographical Scope
Results Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030	
Deployment of the TADAROJ programme (apprenticeship training) nationwide to benefit 260,000 young people, including 130,000 women, as well as NEETs, non-graduates, graduates, rural residents and workers in the informal sector.	National
Establishment of the Training Institute for Water, Sanitation and Environment (IFMEAE) in Fez: construction/rehabilitation, equipment, curricula, training of trainers, start-up	Fez
Guiding trainees towards growth sectors (tourism, public works and civil engineering, digital technology, aeronautics, etc.).	National
Results Area 2: Setting up an inclusive training, integration and placement system based on business needs	
Extension of the TAEHIL programme (training and integration) to benefit 60,000 young people, 24,000 of them women.	National
Results Area 3: Enhancing digital transformation, institutional capacity building and operational systems	
Digital transformation of vocational training.	National
Digital transformation of ANAPEC and its network of regional agencies.	National
Institutional and operational system capacity building.	National

Sustainability: Cap-Compétences 2030 has been designed to deepen skills development, employability and integration, ensuring that these remain in place beyond the financing period. The programme will strengthen the institutional capacity of training and employment and apprenticeship service providers in a sustainable manner. It aligns with national reforms (the Employment Roadmap 2025–2030 and the modernisation of the vocational training system). The results-based financing (RBF) approach helps to increase ownership of reforms. Monitoring and evaluation mechanisms, together with the interconnectivity of information systems (training,

employment and apprenticeship), will ensure that data continues to inform and adjust policies and target beneficiaries more effectively. The programme's operational and budgetary sustainability hinges on integrating actions into existing frameworks and on the recurrent resources of the relevant institutions. The programme will strengthen partnerships with the private sector and local actors to improve the alignment of skills with jobs and to support sustainable integration. It will also incorporate environmental and climate considerations (green jobs, the energy transition, the circular economy and sustainable resource management). Lastly, close alignment with national priorities and the 2030 vision will help to strengthen and extend achievements.

2.2.3. Government Programme Financing

The total cost of the Government programme is estimated at EUR 619 million. The Bank will provide EUR 200 million in financing (equivalent to UA 169.538 million) as a loan, alongside Government financing (EUR 267 million) and other donor financing.

2.2.4. Cap-Compétences 2030 Development Objective

The objective of the programme is to contribute to improving the relevance, quality and diversity of training by digitising services and promoting massed learning and integration. The key expected outcomes of the programme are set out in Table 2.

2.2.5. Key Cap-Compétences 2030 Outcomes and Disbursement-linked Indicators

2.2.5.1. The disbursement of loan resources will be conditional on the achievement of agreed outcomes, as measured by disbursement-linked indicators (DLIs) derived from the results framework. The DLIs were selected based on their weight and the main deadlines of the Cap-Compétences 2030 programme. Given the current status of implementation of the Government's ongoing programme, the selected DLIs relate to outcome indicators but are more focused on outputs and processes, thus providing information on the programme's overall performance at any given time. Three main criteria guided the selection of the DLIs: (i) relevance and direct contribution to the programme's development objective; (ii) measurability and achievability; and (iii) coherence with the results chain.

2.2.5.2. Results Chain and DLIs: Table 2 summarises the results chain, which, starting from the sector challenges, specifies the outcomes, outcome indicators, and intermediate indicators required to achieve the Cap-Compétences 2030 programme's development objective. Loan resources will be allocated based on the nature of DLIs (with priority given to output DLIs) and the amounts required to achieve targets. The resources allocated to each DLI will then be divided into sub-allocations for fiscal years and the various DLI components. Disbursements will be adjustable and prorated based on performance (if the target reached is at least the baseline).

Table 2: Results Chain

RESULTS AREA	ACTIVITIES[41]	INTERMEDIATE RESULTS INDICATORS / OUTPUTS	OUTCOME
RESULTS AREA 1: Developing skills and strategic partnerships to support Morocco's development by 2030			
Results Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030	• Extend the TADAROJ programme to 260,000 young people, of which 130,000 are women, including NEETs, through public, private and voluntary vocational training centres and host enterprises. • Implement the PPP through the Institute of Training in the Professions of Water, Sanitation and Environment (IFMEAE) in Fez: studies, works, equipment, curricula, training of trainers • Steer vocational training (VT) participants towards growth sectors (tourism, public works and civil engineering, digital technology, aeronautics, etc.).	• Young people benefiting from the TADAROJ programme (cumul): 260,000, ≥130,000 of them women. • Water, Sanitation and Environment Institute: 100% built, equipment installed, and programmes finalised. • Young people pursuing vocational training in high-growth sectors: 500,000 (≥200,000 of them women) by 2030.	• Inclusive and increased access to apprenticeship and VT programmes aligned with market needs. • VT placement rate after 9 months: 75% by 2030 (70% for women).
Result Area 2: Setting up an inclusive training, integration and placement system based on business needs	• Extend the TAEHIL programme to non-graduates to cover 60,000 young people, 24,000 of them women, through contract-based qualifying training and conversion programmes.	• Young people benefiting from the TAEHIL programme (cumul): 260,000, ≥30,000 of them women.	• VT placement rate after 3 months: 75% by 2030 (DLI).
Results Area 3: Enhancing digital transformation, institutional capacity building and operational systems	• Establishment of a national training system focused on E-learning: - adaptation of the APC methodological framework to digital learning - Development and digitization of training content related to priority key competencies - implementation of an e-learning training system for trainers (INFFT) o Establishment of a national training platform for the benefit of trainees • Digitise ANAPEC: digital sourcing through TAEHIL/TADAROJ, supply-demand matching, e-coaching, mobile app, virtual agency, and system integrations (including the CNSS). • Strengthen the system: results-based management (DFP), pilot performance-based contracts, monitoring integration (SECO), skills forecasting, national VT strategy, TFP coordination.	• Digitalization guide developed, training content (modules and key skills) digitized. • Full implementation of the ANAPEC digitalisation plan. • Nearly 80 % of advisers trained in digital tools.	• Satisfaction among young people participating in active labour market programmes: 90% by 2030. • Placements after digital orientation: 120,000 (≥50,000 of them women) (cumul.) by 2030.

2.2.5.3. The allocation of loan resources to the DLIs in Annex 1 was based on the extent to which each DLI contributed to achieving the development objective. Details are provided in Technical Annexes 2C and 3.

2.2.5.4. Main capacity-building and systems activities: In addition to the financial assistance provided by the Bank, MIEPPEEC will benefit from the Bank's support, including:

[41] A comprehensive and exhaustive list of activities is given in paragraph 2.2.2: Programme Activities.

- Technical perspective: The programme will support capacity-building for MIEPEEC and key stakeholders (DFP, DE and ANAPEC) to implement reforms in vocational training, apprenticeships, and labour market integration. The activities will mainly include: (i) developing the skills of trainers, apprenticeship instructors and career guidance advisers; (ii) building the capacity of administrative and technical staff responsible for steering, monitoring and evaluating programmes; and (iii) establishing and implementing decision-support tools and integrated information systems to monitor apprenticeship and integration training pathways and to measure DLI outcomes.
- Fiduciary and organisational perspective: It is necessary to prepare an operational procedures manual that includes specific provisions relating to results-based financing. It will set out the roles and responsibilities of actors involved in programme implementation, fiduciary channels, DLI disbursement procedures and internal control mechanisms. This will help ensure effective implementation in line with the Bank's requirements.
- Climatic, environmental and social perspective: The capacity-building activities identified at this level are: (i) designing tools to strengthen environmental and social systems, to be included in the programme's operations manual; and (ii) raising awareness and disseminating information on climate, environmental and social risk management, as well as promoting sustainable solutions.[42] To improve programme management and performance and to institutionalise best practices, it will also be necessary to build the capacity of key actors at the central and regional levels in the environmental and social sectors. This will involve developing action plans based on the 'E&S' reports prepared and monitoring the implementation of the measures set out in those plans.

III. PROGRAMME IMPLEMENTATION

3.1. Institutional and Implementation Arrangements

3.1.1. The PMU attached to MIEPEEC will be responsible for coordinating operations, collecting technical and financial data, and preparing reports. It will supervise programme implementation and submit reports to the AfDB through MEF. The PMU will comprise a programme coordinator, a procurement officer, a member in charge of financial management, a monitoring and evaluation officer and a member in charge of E&S safeguards. The PMU will ensure overall programme coordination, with assistance from other relevant bodies responsible for apprenticeship training and employment. A technical monitoring committee will be established within MIEPEEC to provide guidance, monitor programme implementation, and ensure that objectives are met. The MEF will chair a Steering Committee for the project including all stakeholders from both the Employment Department and the Vocational Training Department. This will include strategic coordination, arbitration, facilitation of project implementation and problem solving.

3.1.2. MIEPEEC will be responsible for implementing and monitoring the agreed investment programme to achieve CAP-Compétences 2030 outcomes. The PMU will therefore coordinate the implementation of the programme and capacity-building activities for actors at the national and regional levels. It will forward documents to the AfDB via MEF. The General Inspectorate of MIEPEEC (IG-MIEPEEC) will verify the DLIs. The PMU Coordinator will be required to provide the IG-MIEPEEC with all documents necessary to verify DLIs in relation to the achievement of outcomes.

3.1.3. The Bank's Country Office in Morocco will play a key role in monitoring the programme on a day-to-day basis and in maintaining high-level dialogue with the authorities on ongoing sector reforms and the programme's performance. The Bank will provide technical support based on the country's expressed needs.

3.2. Monitoring and Evaluation of Outcomes

3.2.1. The PMU will be responsible for collecting and consolidating all data and documentation required to monitor and evaluate the programme. It will provide this information to MEF for onward transmission to the Bank. The Government and the Bank will thus be fully informed of progress through the

[42] Cf. Technical Annex 8C.

PMU's half-yearly reports.[43] Furthermore, the IGF will submit annual programme audit reports. The Bank will conduct supervision missions at least twice a year. These regular on-site monitoring missions will provide an opportunity to engage with various stakeholders on the status of programme implementation, the challenges faced, and the solutions to be implemented in real time, through meetings, technical visits and data analysis. A mid-term review will be conducted at the end of the second year of programme implementation, after which a joint programme completion report will be prepared. Recommendations from these reports will be considered promptly, and lessons learned and best practices will be shared.

3.2.2. The programme's monitoring and evaluation system is consistent with the Government's performance monitoring system established for designing and implementing performance-based programmes (PBPs) aligned with sector strategies. Almost all of the Cap-Compétences 2030 programme indicators are derived directly from the MIEPEEC performance programme and from the indicators used to monitor the implementation of the Employment Roadmap 2025–2030. This enables the harmonisation of indicators and calculation methods and facilitates the annual collection of data. In addition, the PBP monitoring system provides continuous updates to the three-year budget plan and closely monitors the implementation of budget forecasts for each financial year. The system is closely linked to the PBP results framework, which helps to monitor the activities, outputs, and outcomes of the Cap-Compétences 2030 programme.[44]

The programme monitoring and evaluation framework is satisfactory overall. It is primarily based on existing national systems and aligns with results-based financing principles. The institutional capacity for monitoring and evaluation is generally satisfactory. However, the programme includes targeted capacity-building measures, particularly in information-system interoperability, data quality, and verification mechanisms (including administrative data cross-checks). Monitoring and evaluation costs are included in the overall programme budget, particularly for PMU activities, information system strengthening, results verification and technical support. These resources are considered proportionate to the programme's complexity and to the requirements of results-based financing.

3.3. Disbursement Arrangements and Verification Protocols

3.3.1. Disbursement Arrangements

3.3.1.1. Disbursements will be made in accordance with the results-based financing (RBF) procedures. Thus, on the basis of the programme's investment programme agreed with the Government, CAP-Compétences 2030 is eligible for a cash advance of up to 25% of the loan, enabling the Government to launch the first activities requiring start-up investments (construction works, equipment to be procured, capacity-building, etc.). In a context marked by a sustained budgetary effort by the Government in favour of the TAEHIL and TADAROJ programs, representing about EUR 80 million per year, the advance constitutes a facilitating mechanism to support the start of structuring investments, and to ensure a smooth implementation of activities before the first disbursements related to the achievement of results. The disbursement of this advance is subject to the Government's request to the Bank. Thereafter, disbursement requests will be sent to the Bank as and when the agreed results are achieved, based on the verification report's recommendations confirming that the disbursement indicators have been met. The verification of results will be entrusted to an audit firm, namely the General Inspectorate of MIEPEEC. Thus, for each DLI, the reference levels, annual targets, conditions and deadlines are set out in the verification protocol presented in Technical Annexes 2B and 2C. Prior to transmission to the Bank, the verification report will be reviewed by the entities concerned by the verified DLIs if the report's conclusions do not confirm the results they presented. MEF will forward the final verification report, incorporating any responses from the aforementioned entities, to the Bank. The Bank will make the final decision on whether the objectives have been achieved based on its compliance analysis of the results presented.

3.3.1.2. Flow of funds: An EUR account has been opened with Bank Al Maghrib on behalf of the General Treasury of the Kingdom to receive the Bank's financing resources. Loan resources will be disbursed in proportion to the results achieved. Unpaid amounts for unattained DLIs will be subject to a specific disbursement request upon realisation, or combined with the next payment tranche. Expenditure will be fully accounted for

[43] Environmental and social monitoring reports will be prepared on a quarterly basis.

[44] MIEPEEC has a performance plan designed to clarify the terms and conditions for implementing activities, thereby maximising expected results. This plan serves as a monitoring and evaluation system. The system's existing capabilities are satisfactory.

within the country's public finance management system and reflected in the budget of the entity concerned, namely MIEPEEC, under the CAP-Compétences 2030 programme.

3.3.1.3. Reimbursement of the balance: At the end of the loan closure audit, any excess of disbursed funds over the actual expenditure recorded by the DLI must be returned to the Bank within six months of the last disbursement.

3.3.2. Programme Verification Protocols

3.3.2.1. In line with practices in other RBF programmes implemented in Morocco, the Inspectorate of MIEPEEC will be responsible for verifying the programme's DLIs. The General Inspectorate of MIEPEEC will be responsible for verifying the achievement of the results in accordance with the verification protocol. It will operate independently of the units responsible for programme implementation and will have ready access to information sources and databases. The General Inspectorate of MIEPEEC has adequate human resources within the central administration. The General Inspectorate of MIEPEEC will act as the technical verifier of the programme's DLIs, based on an analysis of the documentation provided by the implementing parties involved in implementing the verification protocols. The system may include field visits to the regions/provinces targeted by the Cap-Compétences 2030 programme. The General Inspectorate of MIEPEEC will, in particular, verify, in accordance with the verification protocol, the accuracy of the submitted data, the reliability of the databases, the quality of the implementation reports submitted, the accuracy of the results, and the evidence of construction and renovation, layout and installation of equipment, allocation of human resources, and completion of training plans, as well as all DLIs. The audit will culminate in the preparation of the DLI achievement audit report.

3.4. Programme Financing and Expenditure Framework

3.4.1. Fiduciary risks associated with the programme's funds flow management at Bank Al Maghrib, where the Public Treasury's current account is held, are minimal.

3.4.2. According to the performance plan, the loan resources provided under Cap-Compétences 2030 will be fully reflected in the State budget. MIEPEEC will plan its expenditure and implement the required activities to achieve RBF outcomes, in line with the national budget cycle. All payments and expense accounting will be processed through the network of accountants of the General Treasury of the Kingdom (TGR), which uses integrated financial management and information systems, including the Integrated Expenditure Management (IEM) system. The relevant public accountants prepare and submit annual management accounts to the Court of Auditors.

3.4.3. The Government's Programme is financed to nearly 43.13% by the Government's own resources. [45] The other technical and financial partners contributing to the financing of various components of the Government Programme are the AfDB, AFD, KfW, the Swiss Agency for Development and Cooperation and the EAA Foundation (with parallel financing of EUR 352 million, representing 56.87% of the total). AfDB loan resources amounting to EUR 200 million (i.e., 32.30% of the Government Programme) for the financing of CAP-Compétences 2030 will be channelled through the budget, with staggered disbursements based on results. The budget for this programme was confirmed by MEF, and the Government has undertaken to provide the necessary resources to ensure the timely achievement of the agreed outcomes under the Cap-Compétences 2030 programme.

IV. APPRAISAL SUMMARY

4.1. Technical Appraisal

4.1.1. Strategic Relevance

4.1.1.1. Although Morocco has made progress in human capital development and in improving employability, structural challenges persist. These include a mismatch between skills and jobs, high unemployment among young people and graduates, low economic participation among women, and regional disparities in access to opportunities. Cap-Compétences 2030 will address these challenges by contributing to the improvement of vocational training provision, accelerating integration through ANAPEC's guidance, support, and services,

[45] The total cost of the programme has been estimated on the basis of forecasts which may be subject to change in the light of the achievements of the various programmes.

promoting youth entrepreneurship, and improving the digitalisation of information systems and public employment and training services. It thus contributes to improving the quality and relevance of training provision for growth sectors (industry, public works and civil engineering, tourism, and the digital and green sectors) and to strengthen institutional governance and capacity to deliver more effective and inclusive services.

4.1.1.2. Cap-Compétences 2030 is fully aligned with the Government's strategic priorities and is a continuation of the implementation of the New Development Model (2021–2035), the Employment Roadmap 2025–2030 and the Education and Training Reform. The programme will operationalise these priorities by adopting an integrated approach to training, apprenticeships and integration, prioritising young people, particularly young women, in areas where opportunities are severely limited. The RBF instrument enhances accountability and the efficiency of public spending, promotes inter-institutional coordination, consolidates ongoing systemic reforms, ensures consistency with previous government programmes, and accelerates the transformation of the skills development system by 2030.

4.1.2. Technical Reliability

4.1.2.1. The implementation of national reforms in employment and vocational training is supported by multi-year budgetary planning and a results-measurement framework. This structure provides a solid institutional foundation for implementing Cap-Compétences 2030. The departments responsible for vocational training and employment have practical experience in implementing performance-based programmes, ensuring accountability, and integrating activities into a three-year planning cycle. The programme's technical approach is strengthened by tried-and-tested mechanisms for budget management and programme monitoring, as well as the gradual integration of information and data systems (training and integration) to support programme management.

4.1.2.2. Additional measures will be put in place to ensure smooth implementation and rigorous monitoring, particularly with regard to organisation, inter-institutional coordination, and the availability of key human resources within the MIEPEEC entities. Implementing the programme's capacity-building plan will enable relevant actors to enhance their skills in line with RBF requirements, particularly in financial management, DLIs, and monitoring and evaluation. The Bank will organise targeted technical training sessions (on financial management, procurement procedures, monitoring of DLIs, data quality, and verification protocols) based on needs identified during missions. The Consolidated Capacity-building Action Plan (PARC), as set out in the DLI Verification Protocol (Technical Annex 2B), incorporates the actions outlined in both the Programme Action Plan (Technical Annex 8B) and the Capacity-building Plan (Technical Annex 8C).

4.1.3. Results Framework

4.1.3.1. The results framework presented describes in detail CAP-Compétences 2030's main expected outputs and outcomes. This framework includes the key expected outcomes, the investment programme, and the incentives for the Government to accelerate the implementation of the agreed activities.

4.2. Economic Evaluation of CAP-Compétences 2030

4.2.1. The economic analysis (Technical Annex 12) demonstrates the programme's strong social justification and economic viability, driven by gains in human capital (improved alignment of skills with job requirements), rapid integration of young people (including NEETs) and young women into the labour market, and reduced social costs arising from unemployment and underemployment. The expected benefits stem particularly from aligning vocational training and apprenticeship provision with the needs of companies, upskilling in growth sectors (export-oriented industry, public works and civil engineering, tourism, digital technology, and the green economy).

4.2.2. Results-based financing strengthens performance governance (with disbursements linked to verifiable DLIs), improves implementation, and ensures the sustainability of reforms through data, monitoring and evaluation, and inter-institutional coordination.

4.3. Fiduciary Systems

4.3.1. Financial Management

4.3.1.1. Assessments of fiduciary risk within Morocco's public finance management system over the past five years concluded that the **overall level of fiduciary risk is moderate** (see the detailed analysis in Volume II of the report under Technical Annex 6). Consequently, the system is eligible for the Bank's result-based financing. Components of the public financial management system (planning, budgeting, accounting, internal controls, cash management, financial reporting and audit) ensure the transparent use of funds and the safeguarding of assets.

4.3.1.2. The programme will be implemented through the **public expenditure chain**, using the **integrated expenditure and revenue management systems (GID and GIR)**. It will be guided by an expenditure framework set out in the finance laws passed during its implementation period, with budget lines aligned to results indicators. This framework will underpin the programme's financial reports and annual financial statements, which will be submitted to the Bank and the auditor, respectively.

4.3.1.3. The assessment of the financial management capacity of programme-executing agencies, particularly MIEPEEC and its central directorates and national agencies, has shown that they have adequate experience in implementing projects and programmes financed by technical and financial partners, especially those involving results-based financing. In addition, the operational autonomy of Cap-Compétences 2030 implementing entities, the effective coordination of fiduciary management, and the production of reliable, comprehensive financial information justify the establishment of a PMU. The fiduciary risk associated with the programme's financial management has therefore been rated as moderate, taking into account the recommended fiduciary arrangements and the fiduciary risk mitigation measures set out in the technical annexes.

4.3.2. Procurement

4.3.2.1 Assessment of Fiduciary Risk in Procurement

At the national level, the Bank assessed the National Public Procurement System (NPPS) in 2017 (BPAR 2017) and updated the assessment in 2023. This assessment concluded that, overall, the system was acceptable under the Bank's procurement policy and could be used for a group of, or all, procurements planned for certain Bank-financed operations. In addition, the 2023 assessment, based on the PEFA-2023 framework, awarded the system a B+ rating. Furthermore, the Bank's 2023 country fiduciary risk assessment for procurement concluded that the overall country fiduciary risk was *moderate* (CFRA 2023).

At the programme level, MIEPEEC will be responsible for procuring goods, works and services for the programme through the MIEPEEC's central directorates and national agencies. MIEPEEC will be supported by a delegated programme manager (DPM), namely the National Public Equipment Agency (ANEP). In addition, the proportion of expenditure subject to procurement under the programme will be small, as most will be covered by subsidies. The procurements will include the construction and equipping of a training institute and the roll-out of a national Digital Learning ecosystem. Based on the information gathered and the analysis of various monitoring and audit reports, the programme's risk assessment indicates that the national-level ecosystem (executing agencies and private operators) has a proven track record of designing and implementing similar programmes. Firstly, the works, goods and services envisaged under the programme are standard and have previously been procured by programme executing agencies. These agencies generally have sufficient capacity for procurement and contract management. Secondly, there is a thriving ecosystem of qualified private service providers at the national level, ensuring strong competition. This assessment, therefore, indicates that the fiduciary risk associated with the programme's procurement component is *moderate*.

4.3.2.2. Applicable Procurement Policy and Framework

All procurement of goods, works, and services financed by Bank resources under the CAP-Compétences 2030 programme will be made in accordance with the Procurement Policy on Bank Group-financed Operations ("AfDB Policy"), dated October 2015, and the provisions set out in the Financing Agreement. In compliance with the AfDB Policy on results-based financing and taking into account the Bank's assessments, all procurement will be carried out in accordance with the Borrower's procurement system ('National System'), as provided for

in Decree No. 2-22-431 of 8 March 2023 on public procurement in force ('Decree'), and will use the standard national bidding document templates.

4.3.3.3. Special Terms and Conditions for the use of NPPS

Eligibility rules: **The Bank's resources earmarked for financing programme activities will be provided through the AfDB window. Consequently, the eligibility rules specific to this window shall apply.** Consequently, these resources will not be used to finance the procurement of activities by: (i) firms in an excluded country or for goods manufactured in an excluded country, in accordance with a decision of the United Nations Security Council adopted under Chapter VII of the United Nations Charter; and/or (ii) firms sanctioned by the Bank in line with its anti-corruption policies; and/or (iii) firms from a non-member country of the Bank, for goods contracts exceeding UA 1 million, consultancy contracts exceeding UA 300,000, and works contracts exceeding UA 6 million.

Exclusions: In line with the Bank's Policy on Results-Based Financing, the programme will not finance high-value contracts exceeding USD 50 million for works, turnkey, supply, and installation contracts; USD 30 million for goods; USD 20 million for IT systems and non-consulting services; and USD 15 million for consulting services. Regarding implementation support, the Bank will ensure that no high-risk activities are undertaken under Cap-Compétences 2030.

Public procurement audit: The General Inspectorate of Finance (IGF) will conduct an annual public procurement audit using a sample, and the findings will be included in the audit report on the programme's financial statements.

Programme Action Plan (PAP): Based on the assessment of fiduciary risks associated with the programme's procurement process, the Programme Action Plan (PAP) outlines key priority actions to strengthen the capacity and performance of executing agencies, and risk mitigation measures to enhance the programme's potential to achieve its outcomes and address fiduciary concerns.

4.3.2.4. Other proposed special arrangements: As part of its fulfilment of fiduciary obligations regarding the use of the National Public Procurement System (NPPS), the Bank will agree a series of measures with the Borrower, the rationale, objectives and details of which are set out in Technical Annex 5 of the programme appraisal report, particularly the Programme Action Plan.

4.3.3. Governance

4.3.3.1. According to the 2024 Ibrahim Index of African Governance (IIAG), Morocco ranks among the top 10 African countries, coming 8th with a score of 62 out of 100, an improvement on its position over the 2014–2023 period. This performance places the country above the African average, reflecting consistent improvements in security, the rule of law, human development and economic opportunities. Regarding public integrity, Morocco ranks 91st out of 180 countries in Transparency International's 2024 Corruption Perceptions Index (CPI), with a score of 39 out of 100. This is an improvement on 2023, when it ranked 99th out of 180 countries with a score of 37 out of 100. This underscores the need to continue and deepen governance and integrity reforms.

4.3.3.2. The CAP-Compétences 2030 programme will strengthen sector governance by using RBF to institutionalise accountability and align disbursements with verifiable results. This approach aligns with the national drive towards performance-focused public management and greater transparency. It enhances effectiveness in policy implementation and efficiency in public spending, while reducing fiduciary risk. It also encourages relevant institutions, such as those responsible for vocational training, apprenticeships and professional integration (ANAPEC), to improve service quality and ensure a better match between skills and employment.

4.3.3.3. The implementation of the project will be supported by the Steering Committee, which will ensure, among other things, strategic coordination, arbitration, facilitation of project implementation and problem solving. This governance architecture is aligned with the best practices promoted by the Bank and aims to achieve measurable improvement in results.

4.4. Environmental and Social Impacts

4.4.1. ***E&S category:*** CAP-Compétences 2030's classification under Category 2 was approved on 17 October 2025. The programme activities, which are mainly related to the construction and equipping of the Training Institute in the Water, Sanitation and Environment professions, are considered to pose moderate environmental and social risks that could lead to E&S impacts. The RBF instrument applicable to the programme excludes any programme that poses critical and/or irreversible environmental and/or social risks, and is likely to be classified under Category 1 in accordance with the Bank's Integrated Safeguards System (ISS).

4.4.2. ***E&S system assessment:*** In accordance with the applicable E&S requirements for results-based financing, the Bank collaborated with the Borrower to assess the programme's national E&S system (ESSA), including the Environmental and Social Action Plan (ESAP). The ESSA report, including the ESAP, was published on the Bank's website on 7 April 2026. The draft ESAP Financing Agreement was finalised by the DFP on 9 April 2026 and published on both the MIEPEEC and the Bank's websites.

4.4.3. ***Assessment of the E&S capacity of the programme executing agency:*** The programme will be coordinated by the Department of Vocational Training of the MIEPEEC. The Department of Vocational Training capacity to manage infrastructure projects remains limited particularly for monitoring and implementation aspects of E&S. This is compounded by the fact that the construction and monitoring of facilities fall outside the Department of Vocational Training remit. The same applies to managing the E&S aspects of such projects, the Vocational Training Department does not have any E&S specialists. Regarding the management of the E&S aspects of the Results-Based Programme for Improving Access to Employment (PARAAE), a focal point was appointed to oversee the implementation of the programme's E&S Action Plan. This focal point received training and support from the Bank's E&S specialists. PARAAE's environmental and social performance was deemed satisfactory upon completion. The mission was informed that the National Public Equipment Agency (ANEP) would serve as the Delegated Programme Manager for the Ministry's infrastructure construction. ANEP will therefore be responsible for the design, finalisation of feasibility studies, construction, and monitoring of the Fez Water, Sanitation and Environment Institute. ANEP has the technical and E&S capacity to ensure that the sub-programme's E&S requirements are met. It should be noted that ANEP manages Bank-financed projects in collaboration with the Ministry of Health, and the E&S performance of these projects is satisfactory. The institutional arrangements for implementing E&S measures, including the appointment of E&S experts within the PMU and, where applicable, within the entity at ANEP, as well as E&S monitoring reports and annual independent E&S audits, have been agreed with the Borrower and included in the programme's E&S action plan under the ESSA. These obligations have been set out in the E&S conditions of the Financing Agreement and in the attached ESMP.

4.4.4. ***E&S compliance:*** In addition to the above requirements, the Borrower will prepare quarterly reports on the implementation of E&S measures. An annual E&S performance and compliance audit, conducted by an independent E&S safeguards expert, will be submitted during the second year of programme implementation, no later than the end of the first quarter of the following year. These reports are shared with the Bank and made available to stakeholders. Furthermore, the Borrower undertakes to establish a programme-level grievance redress mechanism (GRM) at programme start-up, to inform all stakeholders of its existence and to keep it operational throughout the programme life cycle. Furthermore, in the event of an occupational health and safety (OHS) incident on a programme site, the Borrower undertakes to inform the Bank no later than 72 hours after the incident, to provide the investigation report of the competent national authority, and, where deemed necessary by the Bank, to have an independent root cause analysis prepared. This report will be approved by the Bank for implementation. These obligations will be set out in the E&S conditions of the Financing Agreement. The CAP-Compétences 2030 programme is therefore compliant and ready for the Board's consideration, as evidenced by the attached ESCON (Annex V).

4.5. Climate Change and Green Growth

4.5.1. The components of the programme will have a positive impact on adaptation to climate change, in particular through: (i) the provision of vocational training; (ii) improving employment opportunities; and (iii) contributing to raising awareness of climate issues.

4.5.2. Category 2 under the GCS is assigned on a preliminary basis. In terms of climate change mitigation, but also green growth, energy efficiency solutions and the integration of renewable energies will be considered for the building of the Institute to be built in Fez on the basis of technical and economic analyses.

4.5.3. The programme is aligned with the Paris Agreement. An alignment note with this Agreement is contained in the technical annexes.

4.6. Resilience-building Opportunities

4.6.1. The analysis of Morocco's employment and vocational training sector reveals vulnerabilities despite its strong institutional capacity. The main vulnerability is the ongoing decline in agricultural employment, with a cumulative loss of 180,000 jobs in 2024-2025 (HCP), under the effect of climatic -shocks and water stress, accentuating territorial disparities and the vulnerability of rural economies. These dynamics are accompanied by unemployment among young people aged 15-24 reached (37.2% in 2025), well above the national average (13% in 2025), and a significant proportion of NEETs (around 25%), particularly among women and rural populations, reflecting persistent structural imbalances between training and employment. However, these fragilities coexist with strong resilience factors, including a coherent policy framework and strong institutions (OFPPT, IGD, ANAPEC). The training system, dominated by the OFPPT, which welcomes nearly 63% of the trainees, offers a capacity for large-scale intervention. In this context, Cap-Compétences 2030 is -closely aligned with the Bank's Strategy to Address Fragility and Build Resilience (2022-2026), in particular the pillars relating to building resilient societies and strengthening the private sector, through the development of human capital and employability. The impact of the project on the reduction of fragility will nevertheless depend on its ability to effectively reach the most vulnerable populations and territories, particularly in rural areas. In this regard, targeted operational adjustments, building on existing mechanisms, are essential: explicit targeting of women and NEETs in TADAROJ and TAEHIL, strengthening monitoring and accountability.

4.7. Promotion of Gender Equality and Women's Empowerment

4.7.1. The programme has been classified under Category 2 in accordance with the Bank's Gender Marker System (GMS) because it will have a transformative impact on reducing gender inequalities by providing training to 50% of women and by developing infrastructure and services to support labour market integration for at least 40% of young women.

4.7.2. Despite Morocco's progress towards gender equality, women remain significantly under-represented in the labour market, with a labour force participation rate of 23% in 2025 and an unemployment rate that is higher than that of men. Inequalities in access to childcare, safe transport and economic opportunities hinder women's integration into the labour market. Pay gaps, poor working conditions and the gendered division of labour contribute to low levels of female labour market participation.

4.7.3. Although women account for an increasing share of trainees in the vocational training sector, they remain underrepresented in technical, industrial and digital fields. The Cap-Compétences 2030 programme includes specific measures to promote women's access to promising sectors and entrepreneurship, as well as integration mechanisms, in line with the objectives of the CSP 2024–2029. The programme will help to reduce gender-based economic inequalities and improve employability by developing women's skills and expanding their access to training, entrepreneurial support, and integration services. Gender-specific performance indicators have been integrated into the results framework to monitor these commitments.

4.8. Improving the situation for Young People

4.8.1. The programme has been classified under Category 1, in accordance with the Youth, Skills and Jobs Marker System (YSJMS). All programme activities are aimed at young people who are enrolled in training programmes and registered with ANAPEC as jobseekers.

4.8.2. Cap-Compétences 2030 will target young people particularly NEETs, representing about 33.6% of 15–29-year-olds, or nearly 2.94 million young people, more than 70% of whom are women and a majority of whom

live in rural areas. These young people do not form a homogeneous group. Their circumstances vary widely depending on their level of education (graduates, semi-graduates, non-graduates), their place of residence (urban or rural), their labour market status (school leavers, graduates, or university student NEETs), and the economic opportunities available in their locality. The 15–30 age group also varies widely. The youngest (15–19-year-olds) are often transitioning out of school or have left the education system early, while 20–24-year-olds are more likely to be seeking their first job, and 25–30-year-olds are seeking more stable employment or pursuing entrepreneurial paths. The digitalisation of recruitment and job placement will enable more detailed segmentation of profiles, allowing each age group to be directed towards support better suited to their level of maturity, experience, and specific needs. Cap-Compétences 2030 therefore prioritises non-graduate NEETs, young people in rural areas, and young women. Other groups, such as older graduates and those with innovative programmes, receive additional support through Bank initiatives or via technical and financial partners.

4.8.3. The measures envisaged by the programme will help to reduce the socioeconomic vulnerability of NEETs. These measures are intended to address gender inequalities and promote the economic empowerment of women and young people, in line with the recommendations of national studies and the targets of SDGs 5 and 8.6. All the resources of the loan will enhance young people's employability. Recommendations from consultations with youth organisations converge with the programme's interventions. Monitoring the successful integration of young people into the labour market after completing apprenticeships and integration programmes will help to evaluate programme impact.

4.9. Integrated Risk Assessment Summary

The technical, fiduciary, environmental and social assessments have concluded that the overall risk rating for the Cap-Compétences 2030 programme is moderate. The differentiated risk ratings are shown in Table 3. The main risks and their corresponding mitigation measures are presented in Technical Annex 8A. Box 3 of Annex VIII below outlines the state of preparedness and the key risk mitigation measures.

Table 3: Integrated Risk Assessment Summary

Risk (low, moderate, high, very high)	Rating
Technical	Low
Fiduciary (financial management and procurement)	Moderate
Climatic, environmental and social	Moderate
Disbursement-linked indicator	Moderate
Other risk: Institutional change	Moderate
Overall risk	**Moderate**

4.10. Programme Action Plan

The technical, fiduciary, environmental, and social assessments led to recommendations and either safeguard or capacity-building measures to operationalise the Cap-Compétences 2030 implementation framework and to facilitate the achievement of the expected programme outcomes. These measures aim to strengthen the capacity and performance of the entities responsible for programme implementation and to mitigate identified technical, fiduciary, environmental and social risks. They are set out in the Programme Action Plan, presented in Appendix 8B. This plan is binding on the Cap-Compétences 2030 programme and is also included as an annex to the Loan Agreement.

4.11. Legal Authority and Compliance

4.11.1. Conditions precedent to effectiveness of the Loan Agreement: Effectiveness of the Loan Agreement shall be subject to fulfilment by the Borrower, to the Bank's satisfaction, of the conditions set out in Section 12.01 of the General Conditions Applicable to Loan Agreements and Guarantee Agreements of the Bank (sovereign entities).

4.11.2. Condition precedent to first disbursement: The first disbursement shall be subject to fulfilment by the Borrower, to the Bank's satisfaction, of the following condition: "provide evidence of establishing the programme's institutional framework by setting up a programme management unit and a steering committee".

4.11.3. Conditions precedent to disbursement of loan resources: The disbursement of the loan resources allocated to each DLI shall be subject to the achievement by the Borrower, to the Bank's satisfaction, of the expected outcomes set out in Annex 1, after submission of an independent verification report deemed satisfactory to the Bank, attesting to the achievement of the relevant DLI.

4.11.4. Commitments: The Borrower shall redeploy the human resources required for programme implementation, particularly for the institutions established under the programme, and shall refrain from using loan resources to finance activities ineligible for RBF.

4.11.5. Compliance with Bank policies: The programme complies with all applicable Bank policies.

V. IMPLEMENTATION ARRANGEMENTS

5.1. Institutional Framework for Implementation

5.1.1. Cap-Compétences 2030 will be coordinated by a Programme Management Unit (PMU) within MIEPEEC. The institutional and implementation arrangements set out in paragraph 3.1 above are confirmed by the appraisal.

5.1.2. The Bank's Country Office in Morocco will play a key role in monitoring the programme on a day-to-day basis and in maintaining high-level dialogue with the authorities on ongoing sector reforms and the programme's performance. The Bank will provide technical support aligned with the country's expressed needs.

5.2. Disbursement

5.2.1 Requests for disbursement of Bank financing are conditional on the achievement of DLIs, which measure the extent to which the programme's development objectives have been met. All disbursement arrangements, as outlined in paragraph 3.3.1 above, are confirmed by the appraisal.

VI. RECOMMENDATION

Management recommends that the Board of Directors approve the proposal to award an AfDB loan of EUR 200 million to Morocco to finance the Cap-Compétences 2030 programme, under the terms and conditions set forth in this report.

ANNEX I: MATRIX OF DISBURSEMENT-LINKED INDICATORS

Indicators (DLI)	Total Amount Allocated to Indicators (DLI) in EUR million	Percentage of Total Loan	DLI Baseline	Indicative DLI Schedule				
				2026	2027	2028	2029	2030
DLI 1: Employment rate of young graduates of the TADAROJ programme, nine months after completing their training (female employment rate)				0	0	0	70% (65% of them for women)	75% (70% of them for women)
Amount allocated	5	2.5%		0	0	0	2.5	2.5
DLI 2: Employment rate of beneficiaries in year N-1 who completed the Contract-based Training for Employment Programme (TAEHIL), during the first three months				Procedures Manual adopted	67%	70%	72%	75%
Amount allocated	3.5	1.75%		0	0.5	1	1	1
DLI 3: Young beneficiaries of the TADAROJ programme (including women)				1 Procedures Manual is adopted / 7 programme contracts signed / Order on trades and qualifications published.	50,000 (25,000 women)	110,000 (55,000 women)	180,000 (90,000 women)	260,000 (130,000 women)
Amount allocated	128,75	64.375%		21	27	25,75	22,75	22,25
DLI 4: Young beneficiaries of the TAEHIL programme, including NEETs (disaggregated by sex)			1,480 (2025)	New Procedures Manual adopted	15,000 (including 6,000 women)	26,000 (including 10,400 women)	40,000 (including 16,000 women)	60,000 (including 24,000 women)
Amount allocated	54.25	27.125%		16,5	9.5	8.75	9.25	10.25
DLI 5.: Establishment of the Institute for Training in Water, Sanitation and Environment Professions (IFMEAE) in Fez				A partnership agreement is signed with ANEP	Progress of work ≥ 10%	Work progress ≥ 50%	Progress of work ≥ 80%	Work completed and equipment accepted (100%)
Amount allocated	5.5	2.75%		2	0.5	2	1	
Amount allocated	1.75	0.875%		0.5	0.5	0.25	0.25	0.25
DLI 6: Status of implementation of ANAPEC's digitalisation plan				Development of ANAPEC's action plan including its digitalization plan	Integration of AI into business modules. Digitalization of sourcing, including TAEHIL and TADAROJ programs, operational (Implementation of digital tools for the identification and registration of beneficiaries)	Interconnection of information systems with the CNSS (effective cross-referencing of databases and automated exchanges)	Commissioning of the supply-demand matching interface (Operational functionality allowing automated matchmaking)	Completion of the implementation of the digitalization plan (All components of the plan deployed and operational)
Amount allocated	1.25	0.625%		0.25	0.25	0.25	0.25	0.25
DLI 7: Periodic environmental and social (E&S) reports confirming the implementation of the Environmental and Social Action Plan (ESAP)			N	1 periodic E&S report on the implementation of ESAP	4 periodic E&S reports on the implementation of ESAP	4 periodic E&S reports on the implementation of ESAP	4 periodic E&S reports on the implementation of ESAP	4 periodic E&S reports on the implementation of ESAP
Amount allocated	1.25	0.625%		0.25	0.25	0.25	0.25	0.25
Front-end fee								
Amount allocated	**0.5**	**0.25%**						
Total (excluding front-end fee)	**199.5**	**99.75%**		**40**	**40**	**40**	**40**	**39.5**

ANNEX II: RESULTS AREAS AND DETAILED ACTIVITIES

Results Area 1: Developing skills and strategic partnerships to support Morocco's development by 2030

ACTIVITY	DESCRIPTION OF ACTIVITY	TYPE	LOCATION	IMPLEMENTING ENTITY
1.1 Generalisation of the TADAROJ programme	Provide 260,000 young people (130,000 of them women), including NEETs, with access to apprenticeships through public/private/voluntary training centres and host enterprises; a subsidy of MAD 5,000 per year; +200 trades covered.	Apprenticeship/On-the-job training	National	DFP
1.2 Public-Private Partnerships for the Institute for Training in Water, Sanitation and Environment Professions (IFMEAE) in Fez	Studies, construction, equipment	PPP / Infrastructure	Fez	DFP
1.3 Orientation of vocational training (VT) enrolment	Reorienting training programmes and trainees towards growth sectors (tourism, public works and civil engineering, digital technology, aeronautics, etc.)	Strategic management/ Readjustment of national VT programmes	National	DFP

Result Area 2: Setting up an inclusive training, integration and placement system based on business needs

ACTIVITY	DESCRIPTION OF ACTIVITY	TYPE	LOCATION	IMPLEMENTING ENTITY
2.1 Generalisation of the TAEHIL programme	Train 60,000 young people (including 30,000 women) through contracted training for employment and training leading to qualifications or retraining	Training integration / Retraining/qualification	National	ANAPEC / DE

Result Area 3: Enhancing digital transformation, institutional capacity building and operational systems

ACTIVITY	DESCRIPTION OF ACTIVITY	TYPE	LOCATION	IMPLEMENTING ENTITY
3.1 Digital transformation of VT	INFFT deployment; structuring of a national digital base for vocational training (methodological guide for the digitization of programs, digitized content, national platform) in order to harmonize and massify access to modern training courses for all public and private operators	Digitalisation/ Instructional design/ Data	National	DFP
3.2 Digital transformation of ANAPEC	Digitalization of ANAPEC's services	Digitalisation/ Intermediation	National	ANAPEC
3.3 Institutional capacity building and systems	Results-based management; Pilots of performance-based contracts for integration training; monitoring of integration (SECO); anticipation of skills needs; TFP coordination on the employment component.	Governance/ Performance /M&E	National	DFP / ANAPEC / DE

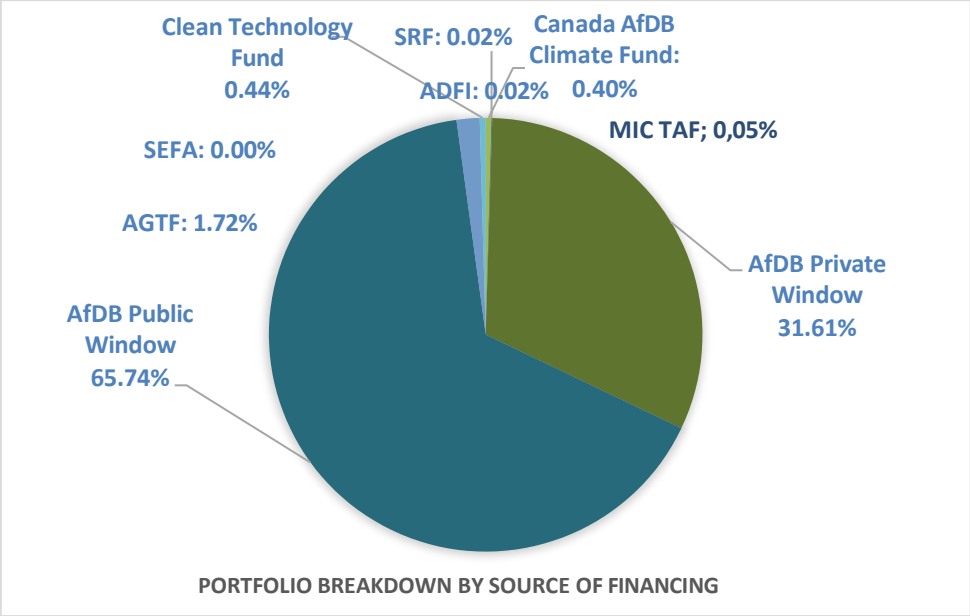
ANNEX IV: COUNTRY PORTFOLIO

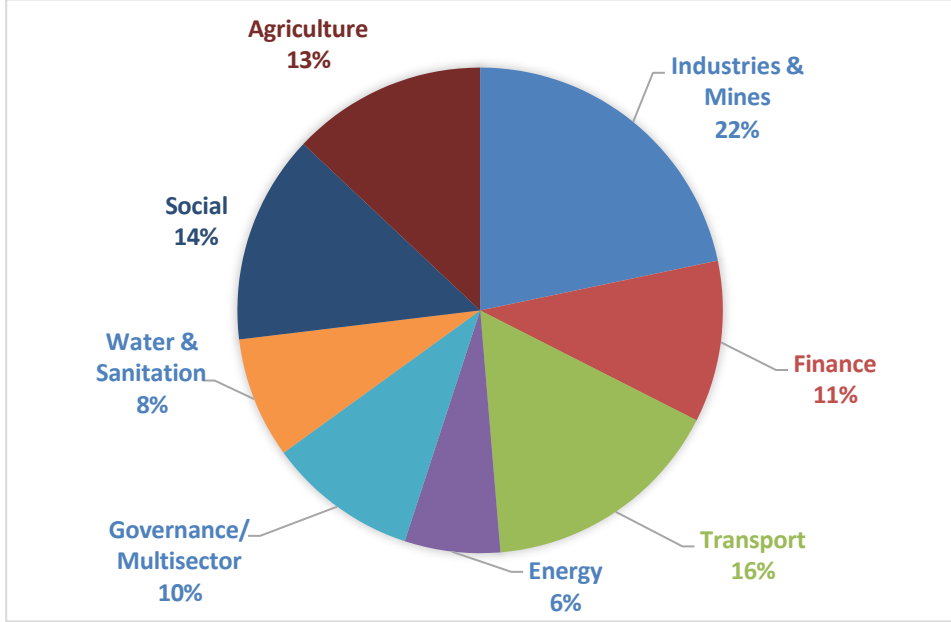
- **Portfolio:** As at 6 February 2026, the Bank's active portfolio in Morocco comprised 37 projects for a total commitment of UA 3.29 billion (equivalent to more than USD 4.54 billion).

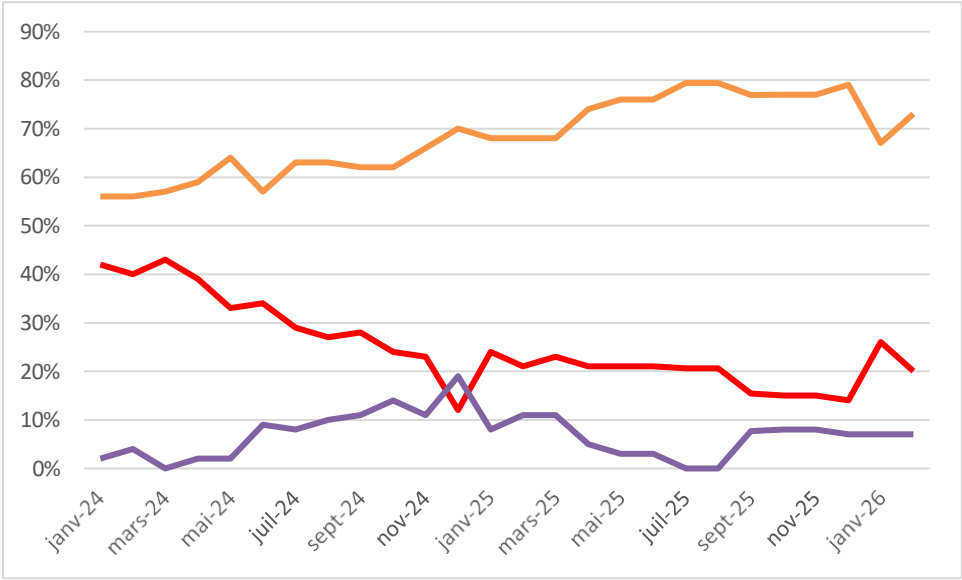
- **Portfolio breakdown by sector:** The portfolio spans eight sectors: energy (6% of total commitments), social (14%), water and sanitation (8%), transport (16%), agriculture (13%), financial sector (11%), industries and mining (22%), and governance/multisector (10%). It aligns with the Government's priorities and the Bank's Ten-Year Strategy. The portfolio includes 28 public sector operations, comprising nine (9) institutional support/technical assistance operations, seven (7) results-based financing (RBF) operations, two (2) budget support (PBO) operations, and nine (9) investment operations. It also comprises nine (9) non-sovereign guarantee operations (31.6% of the Bank's commitments in Morocco), comprising four (4) lines of credit, three (3) corporate loans, one (1) partial credit guarantee, and one (1) risk-sharing agreement.

- **Performance:** The average age of public-sector operations is 2.6 years, indicating that the portfolio is relatively young. It has no aged projects[1]. The overall portfolio disbursement rate was 43.95% as at 6 February 2026, which is good given the introduction of many new operations over the past year (10 in 2024 and 13 in 2025). It should also be noted that the Bank's portfolio of operations in Morocco does not include any risky operations (problematic or potentially problematic projects). As at 6 February 2026, 19% of projects (7 out of 37) were flagged (marked in red). The reasons for the flags vary, but they are mainly due to first disbursement delays or slow disbursement rates.

[1] The Bank's definition, in this regard, is at least eight years for investment operations and five years for technical assistance operations.


Clean Technology Fund 0.44%
SRF: 0.02%
Canada AfDB Climate Fund: 0.40%
ADFI: 0.02%
MIC TAF; 0,05%
SEFA: 0.00%
AGTF: 1.72%
AfDB Private Window 31.61%
AfDB Public Window 65.74%
PORTFOLIO BREAKDOWN BY SOURCE OF FINANCING


Agriculture 13%
Industries & Mines 22%
Social 14%
Finance 11%
Water & Sanitation 8%
Governance/ Multisector 10%
Energy 6%
Transport 16%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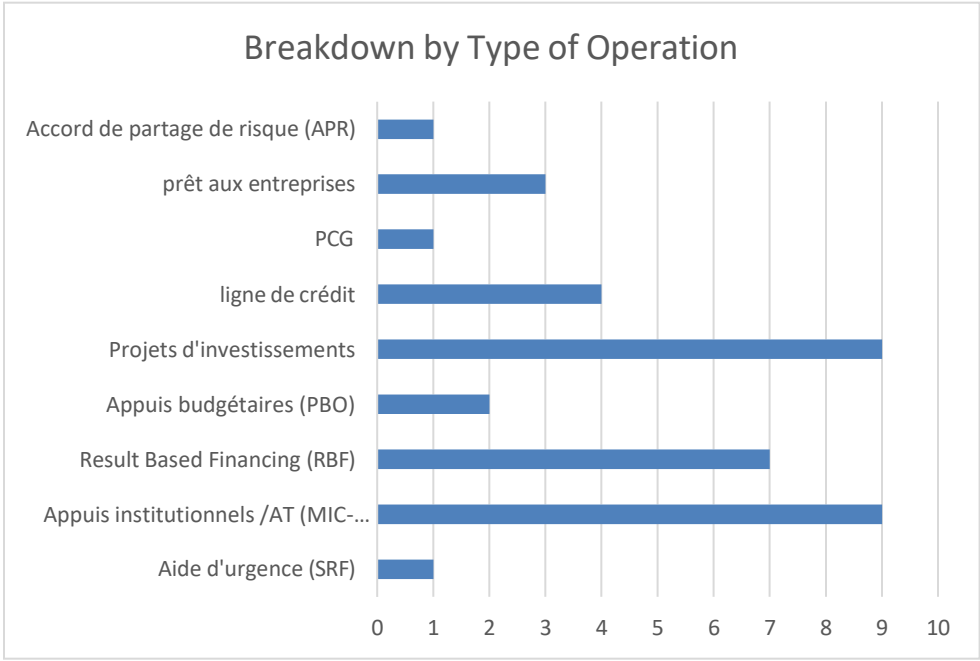
Breakdown by Type of Operation
Accord de partage de risque (APR)
prêt aux entreprises
PCG
ligne de crédit
Projets d'investissements
Appuis budgétaires (PBO)
Result Based Financing (RBF)
Appuis institutionnels /AT (MIC-...
Aide d'urgence (SRF)
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ANNEX V: ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)

ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)

AFRICAN DEVELOPMENT BANK GROUP
2023 ISS Update v01

A. Basic Information[47]			
Project Title: CAP Competences 2030 for Inclusive vocational training and rapid, sustainable integration into the workforce			**Project SAP or TFMS Code:** P-MA-IAE-006
Region: RDGN	**Country:** Morocco		
Project Sector Unit: Social		**Lending Instrument:** Result Based Financing (RBF)	
Appraisal dates: 2-Mar-26 **to** 13-Mar-26		**Estimated Approval Date:** 20-May-26	
Task Team Leader: Oussama Ben Abdelkarim		**Alternate Task Team Leader:** Leila Jaafor Kilani	
Environmental Safeguards Officer(s): Noura AIT OUBAHA | xx			
Social Safeguards Officer(s): xx | xx			
E&S Category: Category 2 (Moderate Risk)	**Operation Type:** Sovereign Operation / Public Sector Operation		**Financial Intermediary:** No
Categorization Date: 17-Oct-25	**Categorization Date in ISTS:** 17-Oct-25	**Categorization Date in SAP:** 17-Oct-25	
Is this project processed under rapid responses to crises and emergencies?			No
Is this project processed under a waiver to ISS requirement(s) requested by the Borrower/Client and granted by the Board?			No
B. Disclosure and Compliance Monitoring **B.1 Mandatory disclosure**[48]			
Environmental and Social Assessment/Audit/System/Others: (1) Environmental and social (E&S) system assessment of the programme			
Was/Were the document (s) disclosed ***prior to appraisal?***			**No**
Date of "in-country" disclosure by the borrower/client			Click to select the date
Date of receipt, by the Bank, of the authorization to disclose			*6-Apr-26*
Date of disclosure by the Bank			7-Apr-26
Resettlement Action Plan (RAP)[49]**:** *Not Applicable*			
Was/Were the document (s) disclosed ***prior to appraisal?***			**Not Applicable**
Date of "in-country" disclosure by the borrower/client			Click to select the date
Date of receipt, by the Bank, of the authorization to disclose			Click to select the date
Date of disclosure by the Bank			Click to select the date

[47] ***Note***: *This ESCON shall be appended to project appraisal reports/documents before Senior Management and/or Board approvals.*

[48] *For multiple disclosure dates of the same type of document/instrument (ESIAs, RAPs, etc), please indicate the date of the last disclosure that meets the 50%+1 disclosure requirement.*
[49] *Including Livelihood Restoration Plan (LRP)*

Stakeholder Engagement Plan (SEP)[50]: *Not Applicable*	
Was/Were the document (s) disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Pest or Vector Management Plan (PMP/VMP): *Not Applicable*	
Was/Were the document (s) disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Vulnerable Peoples Plan (VPP): *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Biodiversity Management Plan (BMP)[51]: *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Livelihood Restoration Plan (LRP)[52]: *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Riparian Communities Participation Plan (RCPP): *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Emergency Preparedness & Response Plan (EPRP): *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable

[50] Including Grievance Redress Mechanism (GRM)

[51] Refer to footnote 212 of the ISS: Depending on the nature and the scale of the risks and impacts of the project, the Biodiversity Management Plan (BMP) may be a stand-alone document, or it may be included as part of the ESMP prepared under OS1. Select this if a standalone BMP is required.

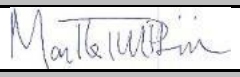
[52] Refer to footnote 190 of the ISS: The Livelihood Restoration Plan (LRP) is normally part of the Resettlement Action Plan (RAP). However, for complex livelihood restoration, a stand-alone LRP can be prepared as part of the ESMP. Select this if a standalone LRP is required.

Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Hazardous/Medical Waste Management Plan (HWMP): *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Riparian Notification (RN): *Not Applicable*	
Was the document disclosed ***prior to appraisal?***	Not Applicable
Date of "in-country" disclosure by the borrower/client	Click to select the date
Date of receipt, by the Bank, of the authorization to disclose	Click to select the date
Date of disclosure by the Bank	Click to select the date
Environmental and Social Management Plan of the Financing Agreement (FA-ESMP) [53]	
Was the document disclosed ***prior to appraisal?***	*No*
Date of "in-country" disclosure by the borrower/client	*9-Apr-26*
Date of receipt, by the Bank, of the authorization to disclose	***9-Apr-26***
Date of disclosure by the Bank	**9-Apr-26**
Is in-country disclosure of any of the above required documents not allowed as per the country's legislation or not expected because of crises/emergencies: Not Applicable **If applicable, please explain below:**	
xx	

B.2. Compliance monitoring indicators	
Has satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	**Yes**
Has costs related to environmental and social measures, including for the running of the grievance redress mechanism, been included in the project cost?	**Yes**
Is the total amount for the full implementation for the Resettlement of affected people, as integrated in the project costs, effectively mobilized, and secured?[54]	**Not Applicable**
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	**Yes**
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	**Yes**
C. Clearance	
Is the project compliant with the Bank's environmental and social safeguards requirements, and can be submitted to Approval?	**Yes**

[53] *As referred to in section III.2.3 of the Bank's Environmental and Social Policy (ESP)*

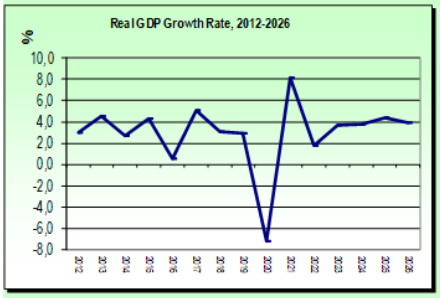
[54] *In case a Resettlement Action Plan (RAP) is/are not required although the Environmental and Social Impact Assessment (ESIA) is/are disclosed, attached the image/picture/photo of the area/site/landscape to evidence that it is free of any encumbrance (simple statement or letter from the borrower does not suffice), in addition to the statement by the Borrower that it is a public-owned land.*

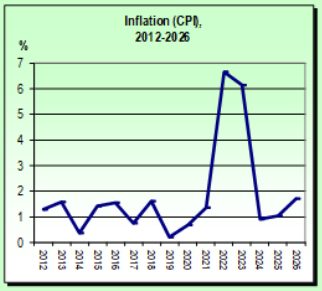
Prepared by	*Name*	*Signature*	*Date*
Environmental Safeguards Officer(s):	**Noura Ait Oubaha xx**		9-Apr-26
Social Safeguards Officer(s):	**xx xx**		9-Apr-26
Task Team Leader:	**Oussama Ben Abdelkarim/Leila Jaafor Kilani**		9-Apr-26
Submitted by			
Sector Director:	**Martha T.M. PHIRI**		9-Apr-26
Cleared by			
Director SNSC:	**Maman-Sani ISSA**		4-May-26

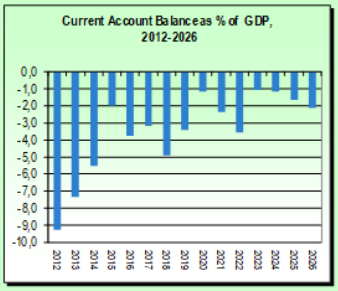
ANNEX VI-1: KEY MACROECONOMIC INDICATORS

Morocco
Selected Macroeconomic Indicators

Indicators	Unit	2010	2021	2022	2023	2024	2025 (e)	2026 (p)
National Accounts								
GNI at Current Prices	Million US $	103 570	134 145	138 118	142 553	146 232	...	...
GNI per Capita	US$	3 190	3 630	3 700	3 780	3 840	...	...
GDP at Current Prices	Million US $	93 217	142 022	131 245	146 057	160 606	188 352	207 556
GDP at 2010 Constant prices	Million US $	93 217	127 180	129 470	134 260	139 362	145 506	151 260
Real GDP Growth Rate	%	3,8	8,2	1,8	3,7	3,8	4,4	4,0
Real per Capita GDP Growth Rate	%	2,4	7,1	0,8	2,6	2,8	3,5	3,1
Gross Domestic Investment	% GDP	34,1	30,7	30,5	29,0	30,1	30,9	31,5
Public Investment	% GDP	30,0	5,8	5,8	5,5	5,3	5,1	5,0
Private Investment	% GDP	4,1	24,9	24,7	23,5	24,8	25,8	26,5
Gross National Savings	% GDP	28,1	28,2	26,7	27,8	28,8	28,5	28,5
Prices and Money								
Inflation (CPI)	%	1,0	1,4	6,6	6,1	0,9	1,0	1,7
Exchange Rate (Annual Average)	local currency/US$	8,4	9,0	10,2	10,1	9,9	9,3	9,0
Monetary Growth (M2)	%	4,9	4,4	4,8	...	...	...	...
Money and Quasi Money as % of GDP	%	154,3	154,4	154,8	...	...	...	...
Government Finance								
Total Revenue and Grants	% GDP	24,7	22,5	25,7	24,0	25,6	25,5	25,6
Total Expenditure and Net Lending	% GDP	29,1	28,0	31,0	28,3	29,4	29,1	28,8
Overall Deficit (-) / Surplus (+)	% GDP	-4,5	-5,5	-5,4	-4,3	-3,8	-3,5	-3,2
External Sector								
Exports Volume Growth (Goods)	%	89,2	12,9	11,7	7,4	1,5	3,6	3,7
Imports Volume Growth (Goods)	%	5,7	13,6	12,2	7,5	2,4	4,1	3,7
Terms of Trade Growth	%	-7,4	2,4	-5,2	2,1	-0,1	-0,1	-0,1
Current Account Balance	Million US $	-4 518	-3 330	-4 658	-1 531	-1 864	-3 096	-4 436
Current Account Balance	% GDP	-4,8	-2,3	-3,5	-1,0	-1,2	-1,6	-2,1
External Reserves	months of imports	7,1	7,1	5,3	5,9	5,9	5,9	...
Debt and Financial Flows								
Debt Service	% exports	6,6	11,5	10,1	7,1	13,6	9,9	9,1
External Debt	% GDP	26,8	45,8	49,4	47,7	44,7	47,6	46,8
Net Total Financial Flows	Million US $	3 553	1 309	1 911	1 705	0	...	...
Net Official Development Assistance	Million US $	971	995	1 417	772	1 025	...	...
Net Foreign Direct Investment	Million US $	1 574	2 266	2 260	1 055	1 639	...	...







Source : AfDB Statistics Department: African; IMF: World Economic Outlook,October 2025 and International Financial Statistics, October 2025; AfDB Statistics Department: Development Data Portal Database, February 2026. United Nations: OECD, Reporting System Division.

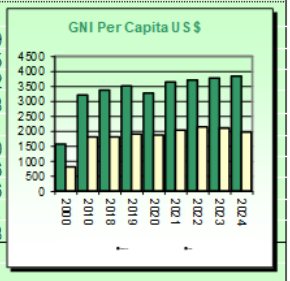
Notes: ... Data Not Available (e) Estimations (p) Projections Last Update: February 2026

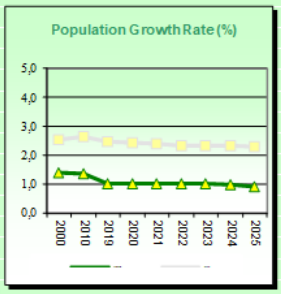
ANNEX VI-2: MOROCCO'S COMPARATIVE SOCIO-ECONOMIC INDICATORS

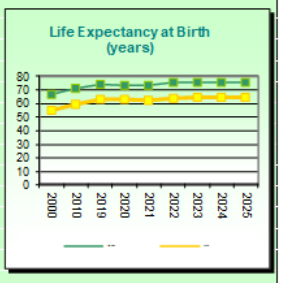
Morocco

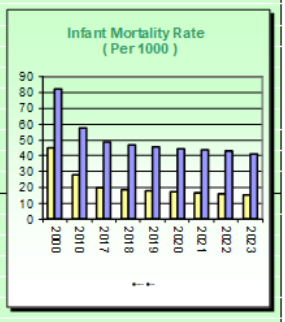
COMPARATIVE SOCIO-ECONOMIC INDICATORS

	Year	Morocco	North Africa	Africa	Develo-ping Countries
Basic Indicators					
Surface Area ('000 Km²)	2025	447	6 784	30 116	77 699
Total Population (millions)	2025	38,4	229,4	1 548,0	6 563,5
Urban Population (%of Total)	2025	67,3	55,6	45,0	53,2
Population Density (per Km²)	2025	86,1	33,9	52,7	84,8
GNI per Capita (US $)	2024	3 840	4 049	1 965	5 971
Labor Force Participation *- Total (%)	2025	43,9	43,8	65,9	61,0
Labor Force Participation **- Female (%)	2025	19,7	18,9	57,5	47,6
Sex Ratio (per 100 female)	2025	101,6	102,0	99,8	105,6
Human Develop. Index (Rank among 193 countries)	2023	120	...	...	...
Popul. Living Below $ 3.00 a Day (2021 PPP)(% of Population)	2010-23	3,7	1,3	37,7	11,8
Demographic Indicators					
Population Growth Rate - Total (%)	2025	0,9	1,4	2,3	1,0
Population Growth Rate - Urban (%)	2025	1,8	1,9	3,5	1,6
Population < 15 years (%)	2025	25,2	29,8	38,8	26,4
Population 15-24 years (%)	2025	16,1	16,6	19,7	16,3
Population >= 65 years (%)	2025	8,5	6,3	3,7	8,3
Dependency Ratio (%)	2025	50,7	56,6	73,9	54,3
Female Population 15-49 years (%of total population)	2025	25,5	25,1	24,7	24,9
Life Expectancy at Birth - Total (years)	2025	75,7	73,8	64,6	72,0
Life Expectancy at Birth - Female (years)	2025	78,0	75,9	66,7	74,3
Crude Birth Rate (per 1,000)	2025	16,1	19,1	30,4	17,6
Crude Death Rate (per 1,000)	2025	5,8	5,4	7,6	7,1
Infant Mortality Rate (per 1,000)	2023	15,5	17,2	41,4	29,3
Under-five Mortality Rate (per 1,000)	2023	16,6	19,3	62,4	40,0
Total Fertility Rate (per woman)	2025	2,2	2,6	3,9	2,3
Maternal Mortality Rate (per 100,000)	2023	70,0	49,9	383,0	205,0
Women Using Contraception (%)	2025	71,0	61,2	39,3	...
Health & Nutrition Indicators					
Medical doctors (per 100,000 people)	2013-23	74,0	95,9	36,0	131,3
Nurses and midwives (per 100,000 people)	2013-23	86,9	194,9	167,0	244,2
Births attended by Trained Health Personnel (%)	2012-22	86,6	95,3	68,6	82,7
Peop. Using at least basic drinking water services (% of Population)	2024	92,2	94,9	71,6	90,5
Peop. Using at least basic sanitation services (%of Population)	2024	87,8	92,1	45,5	80,1
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2024	0,1	0,1	2,6	1,0
Incidence of Tuberculosis (per 100,000)	2024	98,0	38,5	181,0	157,0
Child Immunization Against DPT, Diphtheria, Pertussis and Tetanus (%)	2024	96,0	95,1	76,0	84,2
Child Immunization Against Measles (%)	2024	98,0	96,1	71,6	83,7
Underweight Children (%of children under 5 years)	2012-24	...	4,0	16,2	13,7
Prevalence of stunding	2012-24	...	12,9	29,4	...
Prevalence of undernourishment (%of pop.)	2023	7,0	7,4	19,6	10,0
Current health expenditure (%of GDP)	2022	5,7	4,7	5,0	5,3
Education Indicators					
Gross Enrolment Ratio (%)					
Primary School - Total	2014-24	116,6	102,4	96,9	102,0
Primary School - Female	2014-24	115,4	102,3	95,8	100,9
Secondary School - Total	2014-24	90,0	88,5	54,9	73,6
Secondary School - Female	2014-24	91,3	88,7	54,0	73,1
Primary School Female Teaching Staff (%of Total)	2014-24	64,7	68,4	53,3	65,5
Adult literacy Rate - Total (%)	2014-24	64,3	75,9	68,6	85,2
Adult literacy Rate - Male (%)	2014-24	75,4	83,2	77,6	89,0
Adult literacy Rate - Female (%)	2014-24	53,4	69,8	61,8	81,3
Gouvernment expenditure on Education (%of GDP)	2013-23	6,0	5,9	4,6	3,6
Environmental Indicators					
Land Use (Arable Land as % of Total Land Area)	2023	15,4	3,3	8,8	11,9
Agricultural Land (as %of land area)	2023	66,7	20,7	39,5	42,9
Forest (As %of Land Area)	2025	12,8	1,4	22,3	27,7
Per Capita CO2 Emissions (metric tons)	2020	1.8	2.5	0.9	3.3









Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators; UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports. *last update : February 2026*

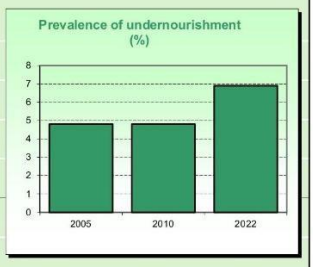
*Note : n.a. : Not Applicable ; ... : Data Not Available. * Labor force participation rate, total (% of total population ages 15+)*
*** Labor force participation rate, female (% of female population ages 15+)*

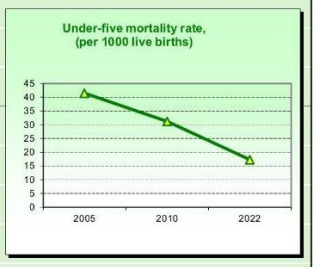
ANNEX VI-3: PROGRESS TOWARDS ACHIEVING THE SDGs IN MOROCCO

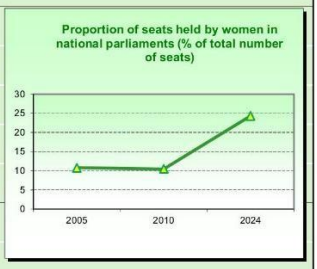
Morocco

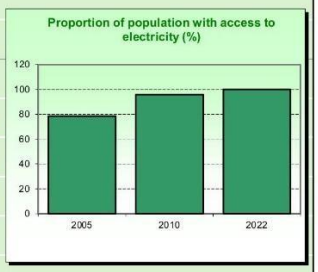
PROGRESS TOWARD ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS

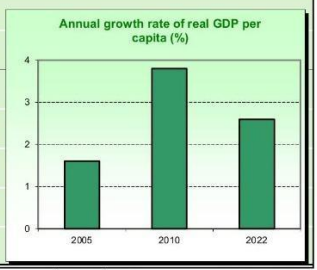
Goal 1: End poverty in all its forms everywhere	2005[1]	2010[2]	2024[3]
Proportion of population living below the international poverty line of US$ 2.15 (PPP) per day	7,9	4,2	1,4
Proportion of population living below the national poverty line (%)	15,3	8,9	4,8
Employed population below the international poverty line of US$2.15 per day, aged 15-24 (%)	...	...	...
Employed population below the international poverty line of US$2.15 per day, aged 25 and over (%)	...	...	...
Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture			
Prevalence of undernourishment (%)	4,8	4,8	6,9
Proportion of children moderately or severely stunted (%)	20,3	16,8	12,8
Agriculture orientation index for government expenditures	0,3	0,3	0,4
Total official flows for agriculture (Millions of Constant 2021 US$)	37	112	462
Goal 3: Ensure healthy lives and promote well-being for all at all ages			
Maternal mortality ratio	194	134	72
Proportion of births attended by skilled health personnel (%)	62,6	74,1	86,6
Under-five mortality rate (deaths per 1,000 live births)	41,5	31,2	17,3
Malaria incidence per 1,000 population at risk	0,0	0,0	0,0
Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all			
Proportion of children and young people at the end of primary achieving a minimum proficiency level in: Reading (%)	33,4	25,7	40,6
Proportion of children and young people at the end of primary achieving a minimum proficiency level in: Maths (%)	8,1	8,6	18,5
Adjusted gender parity index of teachers with the minimum required qualifications, primary (Ratio)	1,0	1,0	1,0
Total official flows for scholarships (Millions of Constant 2021US$)	...	6	29
Goal 5: Achieve gender equality and empower all women and girls			
Proportion of seats held by women in national parliaments (% of total number of seats)	10,8	10,5	24,3
Proportion of women who make their own informed decisions regarding contraceptive use (% of women aged 15-49 years)	...	...	...
Proportion of women who make their own informed decisions regarding reproductive health care (% of women aged 15-49 years)	...	...	...
Goal 6. Ensure availability and sustainable management of water and sanitation for all			
Proportion of population using safely managed drinking water services, (%)	43,8	53,5	74,8
Level of water stress: freshwater withdrawal as a proportion of available freshwater resources (%)	63,5	50,8	50,8
Total official development assistance for water supply and sanitation (Millions of Constant 2021 US$)	131,8	159,2	200,3
Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all			
Proportion of population with access to electricity (%)	78,6	95,7	100,0
Proportion of population with primary reliance on clean fuels and technology (%)	99,7	96,6	97,9
Renewable energy share in the total final energy consumption (%)	20,0	13,9	10,9
Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all			
Annual growth rate of real GDP per capita (%)	1,6	3,8	2,6
Unemployment rate, (aged 15-24) (%)	15,7	17,6	32,7
Unemployment rate, (aged 25 & over) (%)	9,5	6,9	9,2
Proportion of youth not in education, employment or training (%)	...	...	35











Sources : *ADB Statistics Department Database;* *last update :* *February 2025*
United Nations Statistical Division, Online Database on Sustainable Development Goals (https://unstats.un.org/sdgs/).

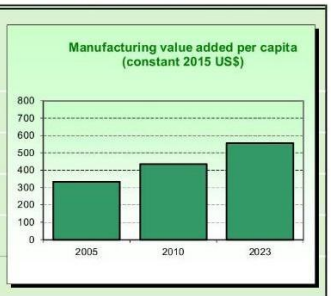
Note : *n,a, : Not Applicable ; ... : Data Not Available,*

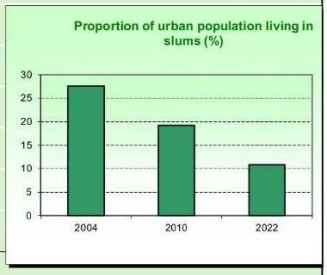
[1] *Latest year available in the period 2000-2005;* [2] *Latest year available in the period 2006-2010;* [3] *Latest year available in the period 2011-2024*

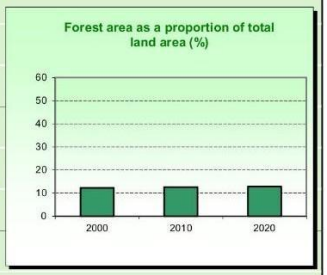
Morocco

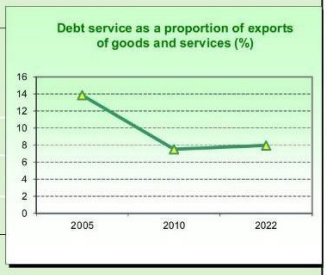
PROGRESS TOWARD ACHIEVING THE SUSTAINABLE DEVELOPMENT GOALS (Contn'd)

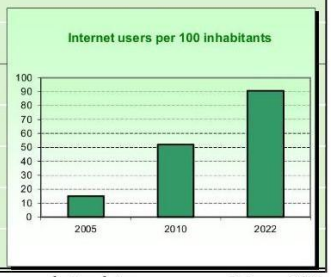
Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	2005[1]	2010[2]	2024[3]
Manufacturing value added per capita (constant 2015 US$)	333	434	555
Manufacturing employment as a proportion of total employment (%)	11,6	11,5	11,0
Carbon dioxide emissions from fuel combustion (millions of tonnes)	39,4	46,4	67,4
Total official flows for infrastructure (Millions of Constant 2021 US$)	452	986	1 554
Goal 10: Reduce inequality within and among countries			
Labour share of GDP (%)	...	...	...
Total assistance for development (Millions of current US$)	2 224	3 568	1 928
Average remittance costs of sending $200 to a receiving country as a proportion of the amount remitted (%)	...	...	5,4
Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable			
Proportion of urban population living in slums (%)	27,6	19,2	10,9
Number of deaths due to disaster (number)	11,0	206,0	39,0
Direct economic loss attributed to disasters relative to GDP (%)	...	0,0	0,0
Goal 12: Ensure sustainable consumption and production patterns			
Domestic material consumption per capita, coal (tonnes)	0,2	0,2	0,3
Domestic material consumption per capita, natural gas (tonnes)	0,0	0,0	0,0
Electronic waste generated, per capita (Kg)	...	...	...
Goal 13: Take urgent action to combat climate change and its impacts			
Number of deaths and missing persons attributed to disasters per 100,000 population	0,0	0,7	0,10
Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies (%)	...	...	...
Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development			
Coverage of protected areas in relation to marine areas (Exclusive Economic Zones) (%)	...	...	...
Average proportion of Marine Key Biodiversity Areas (KBAs) covered by protected areas (%)	37,2	40,6	55,6
Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss			
Forest area as a proportion of total land area (%)	12,3	12,7	12,9
Forest area annual net change rate (%)	...	0,3	0,1
Red List Index	0,91	0,90	0,88
Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels			
Unsentenced detainees as a proportion of overall prison population (%)	55,8	47,0	12,8
Proportion of children under 5 years of age whose births have been registered with a civil authority (% of children under 5 years of age)	...	...	96,9
Goal 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development			
Proportion of domestic budget funded by domestic taxes (% of GDP)	67,5	69,7	68,6
Volume of remittances (in United States dollars) as a proportion of total GDP (%)	6,7	6,4	8,5
Debt service as a proportion of exports of goods and services (%)	14	7,5	8,0
Proportion of individuals using the Internet (%)	15,1	52,0	90,7











Sources : *ADB Statistics Department Database;* *last update :* *February 2025*
United Nations Statistical Division, Online Database on Sustainable Development Goals (https://unstats.un.org/sdgs/).

Note : *n.a. : Not Applicable ; ... : Data Not Available,*

[1] Latest year available in the period 2000-2005; [2] Latest year available in the period 2006-2010; [3] Latest year available in the period 2011-2024