

Document of
The World Bank

FOR OFFICIAL USE ONLY

PROJECT PAPER

FOR

SMALL RETF GRANT

(US\$720,000 EQUIVALENT)

TO

CARE INTERNATIONAL MAROC

MOROCCO

FOR

LEAD Project Linking Education and Accountability for Development

September 12, 2014

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS
(Exchange Rate Effective September 12, 2014)
Currency Unit - Moroccan Dirham
US\$ 1.00 = 8.58 MAD

FISCAL YEAR
January 1 - December 31

ABBREVIATIONS AND ACRONYMS

AREF	Regional Education Offices
CNEF	National Education and Training Charter
CPS	Country Partnership Strategy
CSC	Community Score Cards
CSO	Civil Society Organization
DPL	Development Policy Loan
FM	Financial Management
GoM	Government of Morocco
GPSA	Global Partnership for Social Accountability
IAF	Integrated Assessment Framework
MDG	Millennium Development Goals
M&E	Monitoring and Evaluation
MEN	Ministry of Education
MNA	Middle East and North Africa
NEF	Near East Foundation
ORAF	Operational Risk Assessment Framework
PA	Parent Association
PAMT	Participatory Assessment and Monitoring Tool
PDO	Project Development Objective
PUEN	Education Emergency Program
RETF	Recipient Executed Trust Fund

Regional Vice President:	Inger Anderssen
Country Director:	Neil Simon Gray
Sector Director:	Robert Hunja
Program Manager:	Roby Senderowitsch
Task Team Leader:	Luis Equivel

MOROCCO
LEAD PROJECT LINKING EDUCATION AND ACCOUNTABILITY FOR DEVELOPMENT

TABLE OF CONTENTS

	Page
I. STRATEGIC CONTEXT	1
A. COUNTRY CONTEXT	1
B. SECTOR AND INSTITUTIONAL CONTEXT	1
C. HIGHER LEVEL OBJECTIVES TO WHICH PROJECT CONTRIBUTES	3
II. PROJECT DEVELOPMENT OBJECTIVES.....	3
A. PROJECT DEVELOPMENT OBJECTIVE (PDO)	3
B. PROJECT BENEFICIARIES	4
C. PDO LEVEL RESULTS INDICATORS	4
III. PROJECT DESCRIPTION	4
A. PROJECT COMPONENTS	4
B. PROJECT FINANCING	7
IV. IMPLEMENTATION.....	7
A. IMPLEMENTATION ARRANGEMENTS.....	7
B. RESULTS MONITORING AND EVALUATION	8
C. SUSTAINABILITY	8
V. KEY RISKS AND MITIGATION MEASURES.....	8
VI. APPRAISAL SUMMARY.....	9
A. TECHNICAL	9
B. FIDUCIARY CAPACITY.....	9
C. SAFEGUARDS	10
ANNEX 1: RESULTS FRAMEWORK AND MONITORING	11
ANNEX 2: INTEGRATED ASSESSMENT FRAMEWORK (IAF)	13

DATA SHEET

Morocco

LEAD Project Linking Education and Accountability for Development

Small RETF Grant Project Paper

Middle East & North Africa

Education

Basic Information			
Date:	September 12, 2014	Sectors:	Education (100%)
Country Director:	Neil Simon Gray	Themes:	Social Accountability
Sector Director:	Robert Hunja	EA Category:	C
Project ID:	P150875		
Instrument:	RETF World Bank Grant		
Team Leader(s):	Luis Equivel		
Recipient: CARE International Maroc			
Executing Agency: CARE International Maroc			
Contact:	Nissrine Bouhamidi	Title:	Project Manager
Telephone No.:	+212-5-2245-2916	Email:	bouhamidi@caremaroc.org
Project Implementation Start Date:	09/30/2014	End Date:	01/30/2019
Expected Effectiveness Date:	10/15/2014		
Expected Closing Date :	09/30/2014		
Project Financing Data(US\$M)			
<input type="checkbox"/> Loan	<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Other	
<input type="checkbox"/> Credit	<input type="checkbox"/> Guarantee		

Financing Source					Amount(US\$)					
GPSA Grant					720,000					
Co-financing					0					
Total					720,000					
Expected Disbursements (Bank FY/US\$)										
Fiscal Year	Year 1	Year 2	Year 3	Year 4						
Annual	210,000	173,000	266,000	71,000						
Cumulative	210,000	383,000	649,000	720,000						
Project Development Objective(s)										
The objective of the Project is to develop participatory mechanisms to identify areas for improvement in primary education, while strengthening collaboration between Parents Associations (PAs) and education authorities, in order to improve decision-making processes at the local, regional, and national levels.										
Components										
Component Name:					Cost (US\$)					
1. Monitoring and Feedback					159,000					
2. Government Responsiveness					140,000					
3. Scaling up and Knowledge					324,000					
4. Evaluation and Coordination					97,000					
Compliance										
Policy										
Does the project depart from the CAS in content or in other significant respects?					Yes	[]	No	[X]		
Does the project require any exceptions from Bank policies?					Yes	[]	No	[X]		
Have these been approved by Bank management?					Yes	[]	No	[]		
Is approval for any policy exception sought from the Board?					Yes	[]	No	[X]		
Does the project meet the Regional criteria for readiness for implementation?					Yes	[X]	No	[]		
Safeguard Policies Triggered by the Project					Yes		No			

Environmental Assessment OP/BP 4.01			X
Natural Habitats OP/BP 4.04			X
Forests OP/BP 4.36			X
Pest Management OP 4.09			X
Physical Cultural Resources OP/BP 4.11			X
Indigenous Peoples OP/BP 4.10			X
Involuntary Resettlement OP/BP 4.12			X
Safety of Dams OP/BP 4.37			X
Projects on International Waters OP/BP 7.50			X
Projects in Disputed Areas OP/BP 7.60			X
Team Composition			
Bank Staff			
Name	Title	Specialization	Unit
Luis Equivel	Operations Officer	Task Team leader	GGOGA
Josef Trommer	Sr. Operations Officer	Operations	GGODR
Madhavan Balachandran	Sr. FM Specialist	FM	GURCA
Douglas I. Graham	Consultant	FM	OPSOR
Seyoum Solomon	Consultant	Procurement	GPSA
CSO Recipient			
Name	Title	Office Phone	City
Emma San Segundo	Acting Executive Director	+212 5 22 45 29 16	Casablanca
Nissrine Bouhamidi	Project Manager	+212 5 22 45 29 16	Casablanca
Najat Rouane	Financial Management and Procurement Specialist	+212 5 22 45 29 16	Casablanca
TBD	Education Specialist	+212 5 22 45 29 16	Casablanca
TBD	Social Accountability Specialist	+212 5 22 45 29 16	Casablanca
TBD	M&E Specialist	+212 5 22 45 29 16	Casablanca

I. STRATEGIC CONTEXT

A. Country Context

1. In 2011, the Government of Morocco (GoM) faced a level of social unrest that, while non-violent in nature, revealed demands from Moroccan citizens similar to those expressed in other MNA countries in the wake of the Arab Spring. Citizens' concerns focused on corruption, poverty, inequality and unemployment. In March 2011, the King of Morocco, hearing the demands from the citizenry, called for a referendum to adopt a new Constitution that included broad political and governance reforms.

2. After the referendum, held in July 2011, the new Constitution presented a revised governance framework, strengthening the powers of the Head of Government and of Parliament, while highlighting the independence of the judiciary. It also granted greater human and social rights. Moreover it provided a more open and decentralized system of governance. As a result of this process, the GoM started implementation of the new constitutional provisions. These new provisions entailed, among others, certain governance reforms, such as access to information, and public consultations. The GoMs currently in the process of adopting legislation in these areas.

3. These governance reforms aim to move the GoM toward open government principles by increasing government accountability, transparency and public participation. Furthermore, the GoM recognizes that a more open government is critical to achieving more inclusive growth, improve effectiveness of public policies and services, while generating economic opportunities for the unemployed. Due to this, the principles of open government and the importance of governance reforms are at the core of the government development plan for the period of 2012-2016.

4. As the GoM moves forward with enhancing participation, the role of non-state actors and the context in which they operate become more relevant. The development of civil society in Morocco has taken place in recent decades. More recently, CSOs have gained a growing influence in the public sphere. There is a perception that prominent CSOs are relatively influential, and those working at the local level on service delivery are well regarded by the citizenry.

5. Yet, challenges remain. For instance, as Morocco advances its decentralization process, there is a need for strong across-government collaboration, involving both the national and local levels. Citizens must also understand their rights under the new Constitution in order to exercise them, and there are capacity gaps from both government and civil society hindering the exercise of such rights, particularly in relation to participatory and citizen-centric policy development.

6. Notwithstanding current challenges for participation in Morocco, there are encouraging signals that underscore the potential that CSOs have to develop a constructive relationship with the government. Public engagement in government decision-making is enshrined in the new constitution, giving civil society an important role in the public sphere. This role includes becoming a more relevant partner in shaping public policy. Additionally, CSOs are increasingly engaging with the government in policy-making through different participatory mechanisms such as advisory boards, including in the education sector, consultative bodies, etc.

B. Sector and Institutional Context

7. **Sectorial context.** In the past years, Morocco has been making progress in the education sector, and investing in human capital through quality education is one of the priorities in Morocco's development process. In order to address challenges in the education sector, the GoM launched in 1999 the National Education and Training Charter (CNEF). The CNEF enjoyed strong national consensus, and was instrumental to declaring 2000-2009 as the "education and training decade" thus ensuring that the issue remained as one of the main priorities. Following up to the CNEF, the GoM launched an ambitious Education Emergency Program (PUEN) for 2009-2012. The goal of the

PUEN was to build on the progress made under CNEF and it was supported by a series of Development Policy Loans (DPLs) as well as funding from other donors.

8. Both the CNEF and the PUEN contributed significantly to major progress in the education sector in Morocco. For instance, from 1991 to 2013 the enrollment rate in primary education increased from 52.4% to 98.2%. Increase in enrollment at the other levels of education also emerged. Furthermore, at the primary level, this increase resulted in more equitable enrollment rates, with the gap between urban boys and rural girls narrowing to 3.5 percent.

9. While these results are commendable, various challenges remain. School completion rates for elementary school have increased, yet Morocco seems unlikely to achieve the Millennium Development Goal (MDG) for universal primary school completion by 2015. Moreover, the quality of education needs to be enhanced. Performance indicators on learning outcomes, such as for math and reading literacy for grades 4 and 8, place Morocco as one of the weakest performers in the Arab world.

10. In addition, research conducted by civil society, including a widely disseminated report by Transparency Maroc (Moroccan chapter of Transparency International) highlight specific challenges that have a direct impact on the outcomes in the education sector. Some of the main challenges identified include high student/teacher ratios, which places a burden for teachers to perform effectively; parents concerns regarding the conditions of schools facilities; teachers absenteeism; and limited transparency in the use of resources by regional and school level authorities.

11. **Institutional context.** The decentralization (also called regionalization) process that Morocco is currently undergoing had several implications for the education sector. The Ministry of Education (MEN) has transferred some administrative and financial autonomy to the Regional Education Offices (AREFs). The role of AREFs to further reform efforts at the regional and sub-regional levels has increased. They plan, and request their budget to the MEN, and execute it at the regional level. AREFs also prepare regional yearly action plans to work toward improving the quality of education in their regions. In addition, at this regional level, the AREFs have boards that participate in its decision-making. These boards include school principals, members of parents associations, and AREF staff.

12. The third tier of authorities in the education governance framework, after the MEN and AREFs, are delegations, however their autonomy and decision-making power is limited. Delegations collect input from schools and provide it to AREFs in order for AREFs to request their budget from MEN. Delegations are the last education authority level before the schools, yet as mentioned, their role is more of an intermediary between AREFs and schools, rather than decision-making.

13. In addition to the education sector governance structure, municipal authorities can also play a role in addressing some of the challenges in schools. While their jurisdiction in this regard is rather limited, municipalities can provide specific support at the school level to improve certain conditions, especially those related to school facilities and infrastructure.

14. With the new Constitution enshrining public participation in decision-making, and with the need to enhance oversight over AREFs and their use of resources, mechanisms to gather information from the public and then effective engagement with education authorities at various levels become critical. Furthermore, public participation can generate a positive impact on the overall performance of the education sector.

15. In this sense, there have been efforts led by civil society to foster the participation of parents and parents associations (PA) in monitoring and decision-making in the education sector, mainly at the school level. One of those efforts was led by CARE International Maroc, aiming at engaging parents in monitoring the quality of education in a pilot project. This was done by facilitating meetings with parents and school staff, and through utilizing community score cards to provide feedback on the quality of education.

16. The SCORE project contributed to enhancing the participation of parents and PAs in selected schools, and revealed relevant lessons that will be incorporated in the current project. The first lesson is that there seems to be an appetite from parents to engage in these issues, as SCORE saw active participation from parents. Another key lesson

is that while the community scorecard can be useful to generate feedback on certain issues, parents identified other key issues that are not necessarily best addressed through this tool (e.g. teacher absenteeism, lack of transparency in school procurement). Accordingly, the use of community scorecards in this project needs to be complemented with the use of other tools such as citizen report cards, social audits of purchases, or budget analysis, among others. Finally, engagement with media, particularly radio, was critical to showcasing the impacts of participation and social accountability mechanisms to improving performance in education.

17. In this context, this project will aim to strengthen performance in the education sector by increasing the monitoring and oversight of schools and AREFs. On the one hand, schools have incentives to understand the challenges they face in order to better articulate their requests (resources, personnel, policies, etc) at the AREF level. On the other hand, with their responsibilities increased as part of the decentralization process, the capacity of AREFs to oversee schools under their jurisdiction needs to increase. Collaboration with PAs and civil society can enhance their capacity in this regard. Furthermore, inputs from PAs and citizens inform the yearly action plans they prepare to improve education in their region, while fulfilling their new responsibilities under the new constitution to enable citizen participation. In addition, a better understanding of the challenges at this level, enables them to strengthen their position when negotiating with the MEN. Finally, with pressure from the GoM, as education is one of the priorities, the MEN has an incentive to ensure that quality of education in Morocco increases. As the AREFs have more independence after the decentralization process, the MEN can also benefit from participation from PAs and citizens in monitoring schools and AREFs performance.

C. Higher Level Objectives to which Project Contributes

18. The proposed Project supports the GoM's long standing commitment toward improving education, as materialized in the CNEF initiative from 1999 to 2009, and following the PUEN from 2009 to 2012. The Project is also aligned with the current MEN Action Plan 2013-2016. Furthermore, by fostering participation, the Project contributes to advancing various governance reforms stemming from the referendum to adopt a new constitution. These include greater openness and civic participation by facilitating engagement of PAs in monitoring and decision-making; as well as effective decentralization of authority by enhancing the accountability and effectiveness of AREFs.

19. On the other hand, the Project's objectives are consistent with the Country Partnership Strategy (CPS) 2014-2017 for Morocco, which aims to support Morocco's open government agenda. Specifically, the Project contributes to achieving the CPS's *Strategic Outcome 3.3 Education*, under *Result Area 3: Strengthening Governance and Institutions for Improved Service Delivery to All Citizens*. As highlighted in the CPS, the WB will focus on improving quality, equity and governance of education, while improving the governance of the education sector. Finally, the project will complement ongoing WB support operations in open government and transparency (Accountability and Transparency DPL, P130903) and education (Second Education Development Policy Loan, P120541).

II. PROJECT DEVELOPMENT OBJECTIVES

A. Project Development Objective (PDO)

20. The objective of the Project is to develop participatory mechanisms to identify areas for improvement in primary education, while strengthening collaboration between Parents Associations (PAs) and education authorities in order to improve decision making processes at local, regional and national levels in the education sector in the Project Area.

B. Project Beneficiaries

21. **Direct beneficiaries include:** at least 5,000 students (approximately 50% girls) from 50 primary schools and their families in the regions of Grand Casablanca and Marrakech-Tensift-Al Hauz. In addition, the project will directly benefit 1,000 members of Parent Associations (PAs); 20 pedagogical and administrative staff from the MEN (provincial and regional levels). The regions targeted by the project present high poverty vulnerability rates (13% and 30% in targeted areas of Grand Casablanca and Marrakech-Tensift-Al Hauz)¹ and the highest concentrations of population in Morocco (12.1% of national population in Grand Casablanca and 10.3% in Marrakech-Tensift-Al Hauz).²

22. Demand side stakeholders such as the PAs will benefit from capacity building to obtain and use information through a new social accountability tool: the Participatory Assessment and Monitoring Tool (PAMT). This will enable them to issue informed recommendations and to amplify their voices and oversight. Furthermore, supply side stakeholders will benefit directly by improving collaboration with PAs and other key stakeholders. This in turn will lead to better informed policy decisions, responsible management and leadership, more efficient investment decisions and more inclusive and responsive services.

23. **Indirect beneficiaries include:** students and PAs across Morocco that will benefit from enhanced policy making at the national level. Furthermore, by identifying areas for improvement at the national level, the MEN and the National Federation of PAs will benefit from project outcomes. The documentation and dissemination of lessons learned from this project will ultimately benefit stakeholders in Morocco and beyond working on similar issues.

C. PDO Level Results Indicators

24. The key performance indicators for this project include:
- Number of PAMT exercises in target schools through which PAs monitor flow of funds, provide feedback, and issue recommendations to AREFs and the MoE.
 - Number of recommendations by PAs considered by AREFs and the MoE in action plans
 - Number of reports documenting the various stages of the project prepared.

III. PROJECT DESCRIPTION

A. Project Components

25. The approach that followed by this project is two-fold and sequential. **First**, the project will equip the recipient, its partners, and PAs from the two selected regions with tools to gather and process information regarding specific topics in the education sector such as the student/teacher ratio, teacher attendance, procurement of education materials, and maintenance of schools. The project will also entail monitoring resource flows from AREFs to schools. This will enable them to generate feedback regarding performance in the education sector and recommendations for improvements. In order to do so, the project will develop and deploy a Participatory Assessment and Monitoring Tool (PAMT) in the selected delegations. Focusing on those topics and others that might emerge, the Recipient, its partners and PAs will identify which of those areas can be addressed at the school/delegation level, which at the AREF level and which at the national level. With this information, stakeholders' engagement with education authorities at these levels will be strategic, approaching each level of authority only with suggestions for improvements that fall under its mandate.

¹ Source: HCP, 2007

² Source: Tableau de Bord Social, Ministère de l'Economie et des Finances, Maroc (July 2013)

26. **Second**, the project will strengthen the capacity of demand side stakeholders to engage constructively with education authorities at the delegation, AREF and national levels, regarding their recommendations. In parallel, the project will build the capacity of delegation and AREF level authorities to incorporate feedback. Finally, the project will capitalize on existing mechanisms for dialogue such as the AREF Boards to facilitate constructive collaboration. Thus, the project will generate information regarding performance in the education sector and feedback from PAs, while ensuring that such information is used by public authorities to enhance decision making and service delivery in the education sector.

27. Aggregated information from the 50 target schools of this Project will also provide input shaping recommendations from the recipient and partners to the MEN on systemic issues that need to be addressed at the national level. This will prompt improvements in the education sector as a whole.

28. In addition to deploying the PAMT in 50 primary schools and fostering collaboration between PAs and education authorities at the school, AREF and national level on issues corresponding to each level, this project also entails engagement with stakeholders at the national level from both the supply and demand side, such as the National Federation of PAs and the Ministry of Education to mainstream the PAMT in other regions. Through this engagement, the recipient, partners and other stakeholders will showcase results and lessons from the project in order to elaborate the mainstreaming plan for the PAMT and the interaction between PAs and education authorities in other delegations and regions. The documented experiences will also be disseminated widely in Morocco and beyond to contribute to expanding the knowledge base on social accountability.

29. The project is structured around four components as follows:

Component 1: Monitoring and Feedback

30. This component includes the development and deployment of the PAMT. The PAMT comprises: (1) the gathering of information on resource flows, materials available, etc; and (2) the generation of user feedback. First, through the PAMT, stakeholders will identify rights and resources recognized by law for primary education, and will track the use and distribution of resources from the national level downwards. Independent budget analysis and social audits will be used by the recipient and partners at this stage of the PAMT; furthermore, they will process and share this information with PAs from the selected schools. This will enable PAs to know what the schools are entitled to receive and what they actually received. In parallel, through the use of accountability tools such as community score cards (CSCs) or citizen report cards, the recipient and partners will guide PAs to provide feedback on key performance indicators from their schools based on the key focus areas.

Activities under this component will include:

- (a) Designing a Participatory Assessment and Monitoring and Tool (PAMT), taking into consideration the local context.
- (b) Deploying PAMT in approximately 50 primary schools targeted by the Project.
- (c) Carrying out and disseminating an independent budget analysis on resource flows to delegations and schools.
- (d) Carrying out social audits on materials and resources purchased by schools.
- (e) Carrying out mobilization activities of PAs to increase membership and involvement in the Project.
- (f) Provision of training for PAs on using information regarding resources allocated to the primary schools.
- (g) Carrying out public awareness activities, and disseminating results of independent budget analysis and social audits to PAs.
- (h) Developing participatory recommendation notes based on the PAMT for education authorities to integrate in their action plans.

Component 2: Government Responsiveness

31. The information emerging from *Component 1: Monitoring and Feedback* will help the recipient, partners, PAs and education authorities at the local level identify the required changes to improve specific areas in education. This information will be targeted toward agencies responsible for improvements in the selected areas— student/teacher ratio, teachers' attendance, procurement, maintenance, and other emerging ones. For example, in order to improve the student/teacher ratio, PAs and local authorities must engage with the Ministry of Education at

the national level. Thus, information generated in the first stage will be used to inform dialogue at the delegation level to achieve improvements in selected schools; at the level of AREFs to achieve improvements at the regional level; and at the national level with the Ministry of Education and other relevant actors (e.g. Ministry of Finance) to achieve systemic improvements in the whole education sector.

32. This component will include capacity building for PAs on how to use this information to engage constructively with AREFs and delegations, and capacity building for officials from AREFs and delegations to incorporate information from PAs into their policy making process and strategic policy dialogues (through already existing mechanisms, such as the AREFs boards, to foster collaboration between these stakeholders). Furthermore, as part of the PAMT, PAs will monitor the impact of the recommendations from action plans and community score cards on policy making in the education sector.

33. At the regional level, the project will capitalize on the need expressed by AREFs and other education authorities to incorporate feedback from PAs. In particular, the project will secure the commitment of AREFs by signing cooperation agreements with them that will spell out specific joint activities and collaboration from all parties involved. These agreements will describe the periodic feedback mechanism that will be put in place to share, discuss and monitor the findings and specific recommendations arising from the PAMT at the district/school level. Furthermore, the project will leverage existing mechanisms for coordination such as the AREFs boards, as representatives from PAs sit in this board.

34. At the national level, the project will secure the commitment of relevant agencies such as the Ministry of Education, the Ministry of Finance, and Public Procurement authorities by signing cooperation agreements. Strategic partnership with the National Federation of PAs and AREFs will also take place. These agreements will include specific joint activities as well as a periodic monitoring mechanism to assess progress and devising the required steps to mainstream the PAMT country-wide.

Activities under this component will include:

- (a) Organizing strategic networking between PAs and authorities in the education sector to increase the voice and representation of PAs through meetings.
- (b) Providing training to AREF staff on monitoring and using social accountability information emerging from the PAMT.
- (c) Organizing working sessions between PAs and local and regional education authorities to create spaces of dialogue around data collected through the PAMT, and integrating of recommendations emerging from the PAMT.

Component 3: Scaling up and Knowledge

35. Feedback and data on the *Government Responsiveness Component* will constitute evidence to showcase the results and impact of this kind of initiatives at the national level, and support collaboration with the Ministry of Education to develop the required steps to mainstream the use of the PAMT across the country. This will require that the experiences are documented and disseminated among key stakeholders as well as strategic partnerships with the National Association of PAs.

36. In addition, the project emphasizes the generation and dissemination of knowledge. The recipient and partners will document the experiences with PAs and AREFs during all the stages of this process. This will contribute to expanding the knowledge base around social accountability in the education sector. These experiences will also be disseminated through the media, the GPSA Knowledge Platform, and the Affiliated Network for Social Accountability.

Activities under this component will include:

- (a) Documenting and disseminating case studies and lessons learnt.
- (b) Preparing a roadmap for national scaling-up by the Member County's Ministry of Education, in collaboration with education authorities.
- (c) Strengthening of the Recipients', NEF's and PA's monitoring and evaluation capacities through training.
- (d) Facilitating effective coordination of federations of PAs at the local, regional and national levels.

Component 4: Project Evaluation and Coordination

37. This component includes the final evaluation and audit of the project at the end of four years. At the end of the project the recipient will evaluate the whole project, taking into consideration information and documents generated throughout implementation. Documents prepared for showcasing results and impact at the national level during *Component 3* will inform this evaluation. In addition, this Component includes activities that provide supplemental Project support, including coordination, monitoring, evaluation (including audits) of Project activities

Activities under this component will include:

- (a) Carrying out the coordination, monitoring and evaluation of the Project's activities.
- (b) Carrying out the audits of the Project.

B. Project Financing

38. The financing instrument elected for this project is a Recipient Executed Trust Fund (RETF) Grant. The source of financing for this Grant is the Global Partnership for Social Accountability (GPSA), housed within the World Bank. As per World Bank Trust Fund guidelines, given that this Trust Fund is smaller than US\$5 million and larger than US\$500,000 this Project is subject to World Bank procedures related to project preparation and supervision of Small RETF Grants. The Project cost is estimated to be US\$720,000 to be financed completely by the GPSA grant. Additionally, the World Bank will commit an annual Project supervision budget in the amount of US\$20,000, totaling US\$80,000 for the duration of the project.

Project Costs	Total Project Cost (US\$)	GPSA Grant Financing (US\$)	WB Financing (US\$)	% GPSA Financing
Monitoring and Feedback	159,000	159,000	0.00	100
Government Responsiveness	140,000	140,000	0.00	100
Scaling up and Knowledge	324,000	324,000	0.00	100
Evaluation and Coordination	97,000	97,000	0.00	100
Total Cost	720,000	720,000	0.00	100
World Bank Supervision*	80,000	0.00	80,000	0.0
Total Project Cost	800,000	720,000	80,000	90

* Equates with an Annual World Bank project supervision budget of US\$20,000.

IV. IMPLEMENTATION

A. Implementation Arrangements

39. **Project Implementing Agency:** CARE International Maroc will be the sole agency responsible for managing the Project's operational activities and financial, fiduciary, and reporting aspects toward the Bank. CARE International Maroc staff devoted to the Project include: Project Manager, Financial and Administrative Officers, an Administrative Assistant, and two Education Specialists from the Near East Foundation, which is a partner CSO. Additional employees and up to five consultants are envisioned to join the Project Team when the Grant Agreement is signed.

40. Because of its strategic role in the Project, the Near East Foundation (NEF) will play a significant role in assisting CARE International Maroc to implement the Project (specifically in projects activities related to training AREF staff, and supporting collaboration between AREFs and PAs). This partnership between CARE International Maroc and NEF will be reflected in an agreement defining the NEF's respective roles and responsibilities. This agreement must be deemed acceptable to the Bank.

41. **Flow of Funds:** CARE International Maroc designated account will be opened at the Société Générale Bank. An Indicative Schedule of Advance Payments and Final Reimbursement will be included in the Disbursement Letter. Requests for withdrawal of Grant funds will be made in accordance with a schedule of milestones (disbursement linked indicators) agreed between CARE International Maroc and the World Bank. Disbursements will be subject to the attainment of these milestones, which will be verified by the Bank team through the project's monitoring and evaluation system.

B. Results Monitoring and Evaluation

42. CARE International Maroc and the World Bank will monitor the PDO level indicators, as well as implementation of activities supported by each Project component. In this context, CARE International Maroc, together with World Bank Staff, will work to develop a results framework that will enable the monitoring of progress throughout implementation of the project. The CARE International Maroc project team will include an M&E specialist to help implement and strengthen the Project's results framework. In addition, CARE International Maroc plans to devise additional monitoring tools that will enable the organization and the Bank to keep better track of the Project's progress, identify any obstacles, and to generate information that can allow adjustments in planning in a dynamic and flexible way. The project will also seek support from international experts or academic organization that may guide this process.

43. The project's theory of change follows these stages: (1) Gather and analyze information regarding specific topics within the education sector; (2) PAs, in coordination with the recipient and partners, generate feedback on performance in the education sector; (3) Participatory identification and submission of priority issues, based on information gathered and feedback provided; (4) Service providers' auto-evaluation; (5) Dialogue and collaboration between PAs and education authorities to incorporate feedback and recommendations from PAs into authorities' action plans to improve service delivery in education (this dialogue includes authorities at the delegation, AREF and national level); and (6) Action plan implementation and M&E, including monitoring of the extent to which recommendations are incorporated and carried out.

C. Sustainability

44. The Project pays close attention to the goals of replicability and sustainability. During the implementation of *Component 3*, the project will aim to ensure that the PAMT and the collaboration mechanisms between PAs and education authorities are institutionalized and integrated into the regular decision making processes in the education sector and in all AREFs. This will be done by engaging with the MEN at the national level as well as with the national federation of PAs. Furthermore, stakeholders involved in the implementation of this project will become multipliers in order to build the capacity of other stakeholders in additional delegations.

V. KEY RISKS AND MITIGATION MEASURES

45. Overall rating for the project is estimated as Moderate. A detailed description of all risk and mitigation measures is included in Annex 3: ORAF

46. The main risks identified during preparation of the project are related to engagement levels of parents, as well as coordination with and responsiveness of education authorities, particularly at the school level. To mitigate these risks, CARE International Maroc will coordinate closely with PAs to ensure that parents are engaged

throughout this project. On the other hand, the grantee and its partners will ensure that AREFs and the MEN are part of the process, in order to put additional pressure on school staff who are not willing to engage with parents.

47. The engagement of parents faces various challenges, including mistrust towards a project that aims to collaborate with government agencies; limited understanding of the importance of engagement in demanding and achieving improvements in education; and limited knowledge of the role of PAs. To mitigate this risk, the Project envisions hiring local consultants who will work in coordination with partners and PAs. These local consultants will facilitate processes to showcase the importance of participation and clarify the roles and responsibilities of the different stakeholders.

48. Principals and school staff often do not see parents as partners, and fail to include them in school business or decision-making. This can be detrimental for the project, as constructive engagement between schools and parents is critical. In order to mitigate this risk, CARE International Maroc will put in place a two-fold measure. First, local consultants will facilitate coordination between parents, PAs and school staff in order to build trust. Second, in cases where this coordination does not take place initially, CARE International Maroc, together with its partners will reach out to AREFs and MEN to build additional pressure on schools to embrace collaboration with PAs and parents.

49. Sustainability risks of the project are associated with insufficient support from the MEN to institutionalize the use of the PAMT across AREFs in Morocco. This Project targets two AREFs, yet the goal is for the PAMT to be institutionalized across Morocco. As such, any lack of commitment from MEN to implement it elsewhere will limit the PAMT's potential for scale up and sustainability. To mitigate this risk, CARE International Maroc will document and showcase achievements in the two AREFs, while continuously engaging with MEN authorities to strengthen their already existing buy-in for this Project.

VI. APPRAISAL SUMMARY

A. Technical

50. The principal stakeholders in the Project (including the GPSA Steering Committee, Government of Morocco, civil society, and the World Bank) had the opportunity to comment on design aspects of activities to be supported by the GPSA Grant. CARE International Maroc has taken into consideration these comments when finalizing the technical design of the Project. Furthermore, the project design accounts for strong community engagement and capacity building objectives, while recognizing implementation challenges, for which risk mitigating measures are added. CARE International Maroc will have its staff dedicated to this Project.

B. Fiduciary Capacity

51. An Integrated Assessment Framework (IAF) of CARE International Maroc to undertake Project Financial Management and Procurement was conducted in May 2014 and is included in Annex 2. Principal conclusions of the assessment are noted below.

52. **The financial management system** of CARE International Maroc meets the minimum requirements of the Bank as stipulated in OP/BP 10.00, subject to implementation of mitigating measures and the proposed financial management arrangements for the project (see Annex 2). CARE International Maroc has internal control procedures that are robust, well documented, and available to all personnel for easy reference. CARE International Maroc also has experienced personnel to ensure that financial management matters are handled adequately.

53. On the basis of the Bank's FM assessment, the overall FM residual risk is considered **Moderate**. The main FM risk for the project arises from the many activities to be contracted to other NGOs. Measures to mitigate risks will include centralized payments for goods and services rendered, with no advance funds to sub-contractors; the use of CARE International Maroc's documented internal controls and effective monitoring procedures; and the execution of regular audits and results-based disbursements (see Annex 2 for more information).

54. Care International Maroc's financial reports are prepared according to donor's requirements and normally on a quarterly basis. Information includes income, expenditures, and burn rate. Bank statements are reconciled on a monthly basis. The implementing entity will prepare consolidated semi-annual unaudited Project Interim Financial Reports (IFRs, in the format provided in Annex 5 of the Disbursement Letter) and the annual audited Project Financial Statements. These reports will be prepared on a cash basis, in local currency. The IFRs will be furnished to the Bank no later than 45 days after the end of each calendar semester and the audited financial statements, not later than six months after the end of the fiscal year.

55. **In Procurement**, a preliminary assessment carried out by the Bank's Procurement Specialist concluded that the Project's procurement risk is **low**. As the implementing agency, Care International Maroc has already worked with several international donors, including the World Bank, European Union and Global Fund, and has adapted to these agencies' procurement procedures. The Financial Management Officer will require and receive further training in World Bank procurement as soon as the Grant agreement is signed. In addition, CARE International Maroc has adequate office space, office and communications equipment, and cabinets for storing project files.

C. Safeguards

56. This project will not involve any civil works thus no environment safeguard policy is triggered. Therefore the Project is assigned an environmental category C, requiring no further assessment. The Project also does not trigger any social safeguard. Moreover, the project activities are expected to have a positive social impact in the communities involved as different stakeholders will have the opportunity to be part of many participatory processes that will allow them to indicate their needs and budget priorities, demand for a more transparent and efficient use of resources allocated and more importantly to demand the delivery of better health and education services.

Annex 1: Results Framework and Monitoring

<p>Project Development Objective (PDO): To develop participatory mechanisms to identify areas for improvement in primary education, while strengthening collaboration between Parents Associations (PAs) and education authorities, in order to improve decision-making processes at the local, regional, and national levels.</p>											
PDO Level Results Indicators	Core	Unit of Measure	Baseline	Cumulative Target Values				Frequency	Data Source/ Methodology Please mention specific data source /tools /methodology	Responsibility for Data Collection	Description (indicator definition etc.)
				YR 1	YR 2	YR 3	YR 4				
Indicator One: Number of PAMT exercises in target schools through which PAs monitor flow of funds, provide feedback, and issue recommendations to AREFs and the MoE		Number	0	22	60	112	162	Annual	Reports prepared by recipient	CARE International Maroc and Partners	
Indicator Two: Number of recommendations by PAs considered by AREFs and the MoE in action plans		Number	0	5	10	15	20	Annual	Reports prepared by recipient	CARE International Maroc and Partners	
Indicator Three: Number of reports documenting the various stages of the project prepared		Number	0	0	0	0	6	Once at end term	Reports prepared by recipient	CARE International Maroc and Partners	
INTERMEDIATE RESULTS											
Intermediate Result (Component One): Monitoring and feedback											
<i>Intermediate Result indicator One:</i> Number of parents trained in the use of the PAMT		Number	0	800	1,440	2,000	2,000	Annual	Reports prepared by recipient	CARE International Maroc and Partners	
<i>Intermediate Result indicator Two:</i> Number PAMT exercises (e.g. community scorecard exercises, procurement monitoring, etc.) performed by PAs at the school level		Number	0	20	56	106	156	Annual	Reports prepared by recipient	CARE International Maroc and Partners	

<i>Intermediate Result indicator Three:</i> Number of PAMT exercises performed by CARE International Maroc and partners at AREF level (e.g. budget analysis)		Number	0	2	4	6	8	Annual	Reports prepared by recipient	CARE International Maroc and Partners	
Intermediate Result (Component Two): Government responsiveness											
<i>Intermediate Result indicator One:</i> Number of meetings held between PAs federation and AREFs		Number	0	4	8	12	16	Annual	Reports prepared by recipient	CARE International Maroc and Partners	
<i>Intermediate Result indicator Two:</i> Number of education authorities trained on the PAMT		Number	0	22	38	52	52	Annual	Reports prepared by recipient	CARE International Maroc and Partners	
Intermediate Result (Component Three): Scale up and knowledge											
<i>Intermediate Result indicator One:</i> Number of knowledge products prepared		Number	0	0	0	0	6	Once at end term	Reports prepared by recipient	CARE International Maroc and Partners	
<i>Intermediate Result indicator Two:</i> Number of meetings with Ministry of Education		Number	0	2	4	6	8	Annual	Reports prepared by recipient	CARE International Maroc and Partners	

Annex 2: Integrated Assessment Framework (IAF)

Item: General information on grant Recipient and grant context	
Question	Recipient Response
Name and contact information of Recipient organization ie signatory of grant agreement (address, telephone, fax, email and website)	<p>CARE International Maroc, NGO</p> <p>Address: 134 angle route Ouled Ziane et rue Asswane, Imm B, Appt 5 et 6, Casablanca, Morocco</p> <p>Phone: +212 5 22 45 29 16 Fax: +212 5 22 45 29 22</p> <p>Executive Director: Sophie Perez Email: sansegundo.caremaroc@gmail.com Website: www.caremaroc.org</p>
Name and contact information of Recipient's implementing agency (The Recipient), if different from Recipient organization (address, telephone, fax, email and website)	Same
Is the Recipient a government entity (eg government department, public institute or body, state owned enterprise)?	NO
Is the Recipient a legal entity? What is the year of registration (attach statute and proof of registration) and years of operations?	2008, 6 years (see statutes and legal registration attached)
Has the Recipient or its directors ever been convicted of a criminal offence? If so, please provide details including dates.	NO
Does the recipient organization, the Recipient or any of its directors or staff have ownership or a stake in any firm that provides the same type of services/goods/works as will be procured under the grant?	NO
Does the Recipient have a Code of Ethics? Is it published? Are staff of the Recipient subject to a civil service code of ethics?	<p>CARE is a signatory to: the Code of Conduct for the International Red Cross/Crescent Movement, the Sphere Project and the Humanitarian Accountability Partnership. As part of the recruitment process, all CARE Morocco employees must sign a document which shows adherence to these codes of conducts and their protection principles ("Protect people from physical and psychological harm; Assist people to claim their rights, access available remedies and recover from the effects of abuse"). The signed document also describes the HR procedures and sanctions in place for employees or partners in case of inappropriate behavior.</p> <p>The signed copy of the code of ethics is kept in the employee's file. The code of ethics is not published on our website but our vision, mission, and values are.</p>

Item: General information on grant Recipient and grant context	
Question	Recipient Response
Does the Recipient publish an annual or other report eg on its website? If so please attach or provide the link to the website.	Yes, each year the annual report (programmatic and financial) is published on our website (www.caremaroc.org) and copies are shared with the Government of Morocco, donors and partners
Does the Recipient have prior experience with WB-financed project or grant implementation: eg previous grants (years and grant amounts)? If so please specify and include project names and numbers including years of implementation.	Previous grant: Grant agreement MMoE011, FY2012 Social Development Civil Society Fund signed on July 26 th , 2012, for a duration of one year and an amount of US\$ 95,721.00 to support the “Supporting Community based Organizations in Requesting Equity in Service Provision” Project.
Has the Recipient entered into an MOU with the Bank for the purpose of collaborating with the Bank on activities for which they will directly receive a grant?	NO
What are the main challenges facing the Recipient that arise from the design of the project?	Two main challenges have been identified: - A potential lack of participation of Parents Associations (PAs). To mitigate this risk, parents will be mobilized and trained to increase their representation in PAs and enhance the feeling of ownership. - A potential lack of engagement of the targeted AREFs. To mitigate this risk, they were closely associated in the design of the project. Also, they will be part of the project steering committee and they will be trained and supported to use social accountability information.
Which individuals or organizations are likely to benefit from or be adversely affected by the project? Eg government, private enterprises, NGOs, others? In what way?	Benefit: <u>The Ministry of Education and its local representations</u> will benefit from the project: 1) They will lead the improvement of governance, transparency and service delivery; 2) They will benefit from capacity building activities and lessons learnt to replicate the model. <u>Parents’ associations will benefit from the project:</u> they will strengthen their capacity, representation and voice at local, regional and national levels. <u>Students and marginalized communities will benefit from the project:</u> as the quality of education is expected to improve and they will benefit from leadership training to amplify their voices. No organizations or individuals are expected to be adversely affected by the project.

Item: General information on grant Recipient and grant context	
Question	Recipient Response
What other donors are likely to be involved or in any way affected by the project? How might this project affect them positively or negatively?	<p>The private sector in the targeted areas will be involved in the project and in the reflection on social responsibility and accountability, as they are major actors who support the education sector in Morocco. They will also be encouraged to financially support the Parent's Associations action plans and the school projects prizes. They will benefit from the project as their relation and dialogue with the communities will be facilitated.</p> <p>In addition, in order to support the sustainability of the project, PAs and School Management Boards will be trained in fundraising.</p>

Item: Fiduciary Arrangements	
Question	Recipient Response
Does the Recipient (Implementing Entity) have secure access to the internet and does it have experience of electronic banking?	<p>CARE Morocco has secured access to internet. We do not do electronic transactions but we have access to banking statements through the bank online services.</p>
In what bank does the Recipient hold a bank account if any? Who is authorized to deposit and withdraw funds?	<p>CARE Morocco's bank account is opened at the Société Générale.</p> <p>CARE Morocco opens a specific bank account for each approved project.</p> <p>The country director is authorized to deposit and withdraw funds.</p>
<p>Describe Recipient system for recording:</p> <p>(a) financial transactions, including funds received and paid (e.g. up-to-date cash book, as well as reconciled bank statements – include a sample of your Financial Management System if available);</p> <p>(b) complete records of procurement transactions and contract administration eg copies of public advertisements, the bidding/proposal documents, the final bid/proposal evaluation report</p> <p>(c) signed originals of the final contract, invoices etc.</p> <p>Are cross-references to pertinent files adequate and clear?</p>	<p><u>For cash management:</u></p> <p>Petty cash is limited to 10 000 MAD (approx 1 100 US\$). Daily inventory is done and registered in cash books. Weekly controls are done by the assistant country director-Program Support. Unplanned controls are done by the country director. Monthly reconciliations are done and validated by the country director and attached to the monthly closing.</p> <p>Project advances are done on a monthly basis and are justified by appropriate invoices. No additional advances can be made until the previous one is cleared.</p> <p>Bank statements are reconciled on a monthly basis.</p> <p>All financial transactions are validated by the assistant country director-program support and approved by the country director.</p> <p><u>For procurement:</u></p> <p>Each project prepares a procurement plan and/or terms of references for consultancies.</p> <p>Internal procedures are in place for purchase request, purchase order, validation of disbursements (including quality check of goods or services received) before commitment and payment (final validation done by</p>

Item: Fiduciary Arrangements	
Question	Recipient Response
	<p>country director).</p> <p>Bidding process is based on competition:</p> <p>All procurement above 7 000 MAD (approx 800 US\$) is done on the basis of two quotations.</p> <p>All procurement above 30 000 MAD (approx 3 500 US\$) is done on the basis of three quotations.</p> <p>All procurement above 150 000 MAD (approx 17 500 US\$) is publicly advertised.</p> <p>The bidding process is well documented and analyzed; a selection committee is in place. All members of the committee sign a declaration of non conflict of interest.</p> <p>A contract is then prepared detailing the services to be provided or the good to be purchased, and the rights and obligations of the two parties.</p>
Does the Recipient have a filing system for maintaining written records of procurement, financial and contract documents? Who has access to these records? Can anyone in the office access the files during working hours?	<p>All original documents (signed contracts, invoices, etc) are filed and kept in the administrative department according to donors requirements.</p> <p>Only the Assistant country director has access to it.</p>
Does the Recipient have staff specialized in (a) financial management and (b) procurement (c) contract management? If yes, please specify the qualifications and years of experience for each.	<p>CARE Morocco's finance and administrative team includes:</p> <p>1 Program Support Assistant Country Director (qualified accountant) in charge of validating all procedures (HR, procurement, finance) and reporting. Qualifications:</p> <p>Master in financial management, Institut des Hautes études économiques et sociales, Casablanca.</p> <p>Years of experience: 15 years</p> <p>1 Admin Assistant in charge of cash management, treasury, and procurement data entry. Qualifications: University degree in enterprise management, Hassan II University, Casablanca.</p> <p>Years of experience: 10 years</p>
Does the Recipient organization have an Operating Manual that describes (a) the internal control system and (b) procurement management of the project? If yes, please attach a copy.	<ul style="list-style-type: none"> - Finance and admin procedures manual - Procurement manual
Is the accounting system computerized or done manually?	CARE Morocco uses a computerized accounting and financial system called SAGA.
Do standard templates (ie contract forms) exist for the type of expenditures (consulting services, goods, works) and procurement methods that will be financed by the grant? If so please attach copies.	Yes, see annexes in the attached manuals
How often does the Recipient produce interim financial reports? What information is included in the	Financial books are closed on a monthly basis. Financial reports are prepared according to donor's requirements

Item: Fiduciary Arrangements	
Question	Recipient Response
financial reports (such as income and expenditure tables, balance sheet, reconciled bank accounts)?	and normally on a quarterly basis. Information includes: income, expenditures, and burn rate. Bank statements are reconciled on a monthly basis.
Does the Recipient have financial audit reports? If yes, please attach a copy of each of the two most recent audited financial statements (including the Management Letters from the auditors for the same periods) and procurement reports. Does the audit include procurement? If not, is there any form of oversight of procurement eg third party monitoring? Are the annual financial statements audited by an external audit firm? If so, please provide name and contact information. Are the audit reports public and/or published on the website? If so please provide the link.	Legal accounts are done by a chartered accountant and audited by an external auditor every fiscal year. CARE Morocco financial statements are certified by an audit firm (<u>Audit Concept</u> , 13-15 Avenue Houmane El Fetouaki, Casablanca. rboubakry@gmail.com). Audit includes procurement, HR procedures, and finance. Financial statements and certification from auditor are included in annual reports which are published on the website (www.caremaroc.org).
What measures are in place to ensure the integrity of the (a) FM and (b) procurement process (eg regular board meetings, externally audited reports)? Do the evaluation committee members sign a declaration of impartiality and disclose any conflicts of interest? If so please attach a copy of the declaration.	The bidding process is well documented and analyzed; a selection committee is in place. All members of the committee sign a declaration of non conflict of interest. See annex 6 in procurement manual. Financial management and procurement procedures are reviewed by our external auditor. Senior management team meets on a monthly basis to discuss all management issues, including procurement processes.
Has the Recipient procured and administered contracts of a similar type and size to the one for which it will be responsible under the grant-financed project/activity? If so, please indicate (for the last two years): (a) type of contracts (consulting firms, individual consultants, goods, works); (b) the average contract amount per each type of contract; (c) the number of such contracts per year.	Examples of grants and contracts: <ul style="list-style-type: none"> - Cooperative Agreement received from USAID for a water and sanitation project: total amount 700 000US\$ for a 2-year project (sept 2009 – May 2011). Under this project, a public bidding process was done for the construction of an irrigation system. Contract signed with a construction firm for a total amount of 1 345 529 MAD (approx 158 000 US\$). - Grant received from Fondation Société Générale France for an education project for a total amount of 307 000 EUR (july 2009- nov 2013). Procurement of education materials for a total of 289 994 MAD (approx 34 000US\$). - Grant received from Fondation AttijariwafaBank for an education project for a total amount of 300 000 EUR (nov 20012- nov 2015). Procurement of education materials for a total of 480 000 MAD (approx 56 400 US\$). - Grant agreement MMoE011, FY2012Social Development Civil Society Fund signed on July 26th, 2012, for a duration of one year and an amount of US\$ 95,721.00 to support the “Supporting Community based Organizations in

Item: Fiduciary Arrangements	
Question	Recipient Response
	Requesting Equity in Service Provision” Project. Contract signed with consultancy firm for the final evaluation of the project for approx 9000 US\$.
<p>What experience does the Recipient have in monitoring and evaluation of projects?</p> <p>Does the Recipient have staff capable of undertaking M&E work?</p> <p>Does the Recipient already have an M&E system in place?</p>	<p>For each project, a logframe with objectives, expected results and indicators is developed according to donors’ requirements.</p> <p>Data collected is generally disaggregated by gender. Data is used to regularly monitor progress towards the performance indicators. Corrective action is taken where necessary. Final external evaluations are conducted to demonstrate achievement of the goals and objectives, the impact and sustainability of the action, and identify lessons learned and program best practices which could educate further replication of similar initiatives in the region or in other regions. Periodic reports are shared with partners and all stakeholders.</p> <p>Under the SCORE project (funded by the World Bank), CARE Morocco received technical assistance on M&E to reinforce the global capacity of its team. It is the responsibility of the project manager to ensure proper M&E.</p>

Item: Environment and social safe-guards	
Question	Recipient Response
<p>How will the project affect any of the following?</p> <ul style="list-style-type: none"> • natural habitats • forests • pest management • physical cultural resources • indigenous peoples • involuntary resettlement • safety of dams • international waterways • disputed areas • any other environmental feature • any other social group 	<p>The project will not support any physical investments or civil works and we do not anticipate any environmental impact.</p> <p>Furthermore, selected areas (Great Casablanca and the Marrakech region) don’t include Indigenous Peoples communities.</p>

FINANCIAL MANAGEMENT ASSESSMENT AND MITIGATING ACTIONS

1. **Introduction:** This assessment was conducted in accordance with OP/BP 10.00, the Procedures for Small Recipient-Executed Trust Fund Grants and the Financial Management Guidelines for Small Grants.
2. **Project Development Objective:** To develop participatory mechanisms to identify areas for improvement in primary education, while strengthening collaboration between Parents Associations (PAs) and education authorities, in order to improve decision-making processes at the local, regional, and national levels.
3. **Components:** The total value of the grant amounts to US\$720,000 allocated across the following components:
 - **Component 1: Monitoring and Feedback**
 - **Component 2: Government Responsiveness**
 - **Component 3: Scaling up and Knowledge**
 - **Component 4: Evaluation and Coordination**
4. **Implementation Arrangements:** The Project will be led and coordinated by CARE International Maroc (Morocco), who will provide strategic guidance, training and support to Parents Associations, officials working in the education sector, and other stakeholders. The organization will also be responsible for operational activities, Project monitoring, internal evaluation, and conducting research activities included in the Project.
5. During Project implementation CARE International Maroc will work with different local and international organizations for the purpose of developing the PAMT, conducting trainings, reaching out to other key stakeholders, etc. The main partner in this project is the Near East Foundation (NEF). NEF possesses expertise in collaborating with Education authorities (AREFs and delegations). In this context, NEF will help to train AREF staff, and support collaboration between AREFS and PAs. Additional partners at the local level will include PAs in selected delegations in order to develop and deploy the PAMT. At the national level, this initiative will also entail a strategic partnership with the Federation of PAs, particularly for Component 3. No transfer of funding to PAs will take place.
6. **Staffing Capacity:** The Project's FM functions, including accounting, budgeting, flow of funds, as well as the preparation of financial and disbursements requests to be submitted to the Bank, will be carried out by the implementing entity's financial management staff as described above in this IAF and in the Procedures manual.
7. **Previous Experience with World Bank Operations:** As noted in the IAF, the implementing entity has prior experience with WB-financed projects.
8. **Budgeting:** Budgeting and Budget monitoring procedures are described in CARE International Maroc's Manual of Financial and Administrative Procedures.
9. **Accounting:** CARE International Maroc uses a computerized accounting and financial system called SAGA.

10. **Internal Controls:** the Operations Manual stipulates relevant measures to ensure the integrity of financial management and procurement processes, including internal control procedures.

11. **Financial Reporting:** Financial reports are prepared according to donor's requirements and normally on a quarterly basis. Information includes income, expenditures, and burn rate. Bank statements are reconciled on a monthly basis. The implementing entity will prepare consolidated semi-annual unaudited Project Interim Financial Reports (IFRs, in the format provided in Annex 5 of the Disbursement Letter) and the annual audited Project Financial Statements. These reports will be prepared on a cash basis, in local currency. The IFRs will be furnished to the Bank no later than 45 days after the end of each calendar semester and the audited financial statements, not later than six months after the end of the fiscal year.

12. **Flow of Funds and Disbursements:** CARE International Maroc's bank account is opened at the Société Générale. CARE International Maroc opens a designated account for each approved project. An Indicative Schedule of Advance Payments and Final Reimbursement will be included in the Disbursement Letter. Requests for withdrawal of Grant funds will be made in accordance with a schedule of milestones (disbursement linked indicators) agreed between CARE International Maroc and the World Bank. Disbursements will be subject to the attainment of these milestones, which will be verified by the Bank team through the project's monitoring and evaluation system.

13. **External Audit:** Legal accounts are prepared by a chartered accountant and audited by an external auditor every fiscal year. CARE International Maroc's financial statements are certified by an independent audit firm. Audit includes procurement, HR procedures, and finance. Financial statements and certification from the auditor are included in annual reports which are published on the website. CARE International Maroc's unqualified financial audit reports for FYs 2011 and 2012 were submitted and reviewed. They revealed no major accountability issues. Annual audits of the Project financial statements and eligibility of expenditures will be performed by an independent audit firm acceptable to the World Bank, under terms of reference acceptable to the Bank.

14. **Supervision strategy:** The scope of project supervision will review the implementation of FM arrangements and FM performance, identify corrective actions if necessary, and monitor fiduciary risk. It will include: (a) reviewing IFRs; (b) reviewing the auditors' reports and follow-up of any issues raised by auditors in the management letter, as appropriate; and (c) participation in project supervision, including at least one on site-visit and one desk review per year.

15. **Risk assessment.** The main FM risk for the project arises from the many activities to be contracted to other NGOs. Risk mitigating measures will include centralized payments for goods and services rendered, with no advance of funds to sub-contractors, CARE International Maroc's internal controls and effective monitoring procedures, audits and results based disbursements as described above. On the basis of the Bank's FM assessment, the overall FM residual risk is considered **Moderate**, as explained in the following table:

Risk Rating Summary and Mitigation Measures			
Risks	Risk Rating	Risk Mitigating Measures	Residual Risk Rating
Inherent Risk			
• Country Level	M		M
• Entity Level	M		M
• Grant Level	M		M
Overall Inherent Risk	M		M
Control Risk			
• Budgeting	M	Monitoring achieved DLIs, see above	M
• Accounting	M		M
• Internal Control	M		M
• Funds Flow	H		S
• Financial	M		M
• Auditing	M		M
Overall Control Risk	M		
Overall FM Risk	M		M
Conclusion: The FM arrangements meet the Bank’s minimum requirements under OP/BP			

PROCUREMENT ASSESSMENT AND MITIGATING ACTIONS

16. **Introduction:** This procurement capacity assessment was carried out on CARE International Maroc, the GPSA Grant Recipient, to determine its ability to carry out procurement for the LEAD Project Linking Education and Accountability for Development in Morocco. The assessment was carried out by Seyoum Solomon, Procurement Accredited Consultant for the GPSA, on March 25, 2014. The assessment has focused on CARE Maroc’s operations and its ability to follow well established procedures in procurement management; and also, to identify possible weaknesses in the organization which unless addressed appropriately early on, may raise the level of procurement risk and cause delays in project implementation.

17. Procurement under the LEAD Project Linking Education and Accountability for Development in Morocco project will be carried out in accordance with the *Guidelines: Procurement of Goods, Works and Non Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers*, January 2011; and *Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers*, January 2011; and provisions in the agreed Grant Agreement.

18. **Organization Functions and Staffing:** The project implementing agency CARE International Maroc has a total of 12 staff members that will be working on the implementation of the GPSA project. The agency has assigned a Project Manager, Financial and Administrative Officers, an Administrative Assistant, and two Education Specialists from the partner CSO, Near East Foundation. The Procurement functions of the project will be handled by the Financial Management Officer. The Financial Management Officer will require further training in World Bank procurement as soon as the Grant agreement is signed. CARE International Maroc has adequate office space, and office and communications equipment, and

cabinets for storing project files. Procurement documents are kept in separate files, and by projects. The overall risk rating is low.

19. There are a number of **issues to be addressed** related to procurement:

- (a) **Procurement Planning:** There is a need to prepare a Simplified Procurement Plan for the project which will be reviewed and agreed upon by CARE International Maroc and the World Bank, and will be used as a monitoring tool for procurement carried out under the GPSA Grant.
- (b) **Procurement Training:** A project launch workshop should be organized by the World Bank Country Office Procurement Specialist to be offered to select staff of CARE International Maroc immediately after the signing of the Grant Agreement.
- (c) **Eligible expenditures and Eligible Categories under GPSA Grant:** The following list specifies the types of eligible expenditure items that grantees are allowed to procure under GPSA grant funding.

Eligible expense categories under GPSA Recipient Executed Trust Funds (RETFs) include:

Consulting services – individuals and firms

Training

Goods

Operating Costs

Others

Services (individual or firms): They are distinguished as a separate expense category for the purpose of providing clarity about the use of funds by grantees, especially since RETFs under GPSA are expected to encompass training and capacity-building activities. This category is also included as a standard category in the Simplified Procurement Plan applicable to small RETFs.

Training: related expenses may require both the purchase of goods and contracting of consultant

Goods: Includes tangible products that fall under a variety of commodity headings, including but not limited to stationery supplies, office equipment, computer hardware and software, audio visual equipment, photocopiers and printed materials. Art, furniture, carpet, vehicles and generators are excluded as eligible goods, as are any other goods per GPSA policy, as defined by the GPSA Board Paper.

Operating Costs: Cover overhead and staff costs (including staff salaries); office rental, secretarial service, transportation, basic utilities (electricity, water), and communication expenses (telephone, internet access, among others).

Grantees will be required to provide justification of the use of funds for goods and operating costs when submitting their grant budget proposal. As explained in the Procedures for Small Recipient-Executed Trust Fund Grants, in the second paragraph above, procurement and consultant selection methods, the Bank's Procurement and Consultant Guidelines apply, which include a menu of different selection and procurement methods.

Eligible Expense categories under GPSA RETFs:

Staff costs (incl. indirect costs)

Associated overheads

Consultant fees – individuals and firms

Contractual services

Extended term consultants
Media, workshop, conference and meeting
Temporary Support staff costs
Travel Expenses
Equipment Costs Lease

(d) Prior/Post Review by the World Bank

For procurement subject to prior review, Bank staff are responsible for reviewing relevant procurement documents and key grant recipient's recommendations, and issuing a "no objection" prior to the grantee implementing the next major step in the process. The prior review process reassures the Bank and the Borrower that the procurement process is consistent with the Bank's Procurement Guidelines at key stages in the process and provides advice to the Borrower for enhancing the quality of the documents and/or the procedures. Prior review by the World Bank will be carried out on those procurement activities that are identified as "prior review" in the simplified procurement plan.

Post procurement reviews will be carried out by the World Bank on an annual basis during project supervision missions and will be governed by the procedures as set forth in paragraph 4 of Appendix I to the relevant Guidelines. All records and documents used for the procedures of contracting, recruitment of consultant services, evaluation of awards shall be retained for subsequent examination by auditors and IBRD/IDA supervision missions.

The main objectives of post reviews are to: (i) verify that the procurement and contracting procedures followed by the project were in accordance with the agreed grant, and identify noncompliance with the agreed provisions of the legal agreement and applicable Guidelines; (ii) check that the procurement arrangements agreed with the Borrower are still in place; (iii) report contract management issues as may have been identified by the executing agency; (iv) check that technical compliance and physical completion reviews for the contracts in the selected sample have been carried out; (v) note fraud and corruption red flags and report any evidence of fraud and corruption; (vi) review and comment on contract administration and management issues as dealt with by executing agencies; and (vii) identify mitigating measures or remedies to correct procurement deficiencies and recommend them to the grant recipient.

SIMPLIFIED OPERATIONAL RISK ASSESSMENT FRAMEWORK (ORAF)

1. Project Stakeholder Risks	Rating	Moderate	
<p>Description:</p> <p>The main risks identified during preparation of the project are related to engagement levels of parents, as well as coordination with and responsiveness of education authorities, particularly at the school level.</p> <p>On the one hand, parents' engagement faces various challenges that include mistrust towards a project that aims to collaborate with government agencies, limited understanding on the importance of engagement in order to demand and achieve improvements in education, and limited knowledge on the role of PAs.</p> <p>On the other hand, principals and school staff oftentimes do not see parents as partners; therefore do not include them in school business or decision-making. This can be detrimental for the project as constructive engagement between schools and parents is critical.</p>	<p>Risk Management: To mitigate these risks, CARE International Maroc will implement a two-fold measure. This measure draws from lessons learned through CARE International Maroc's previous project in education, SCORE. The measure consists of:</p> <p>a) Close coordination with PAs to ensure that parents are engaged throughout this project. As part of the Project, CARE Maroc International envisions hiring local consultants that will work in coordination with partners and PAs. These local consultants will convene meetings together with PAs and will facilitate processes to showcase the importance of parents' participation in monitoring and decision making at the school level, while clarifying the roles and responsibilities of the different stakeholders.</p> <p>b) Coordination with education authorities at the school, AREF and MEN levels. First, local consultants will facilitate coordination between parents, PAs and school staff in order to build trust between these stakeholders. This is expected to reduce the resistance from school staff to collaborate with PAs. Second, in cases where this coordination does not take place initially, CARE International Maroc, together with its partners will reach out to AREFs and MEN, when necessary, to build additional pressure over the school to embrace collaboration with PAs and parents.</p>		
	Resp: Client	Due Date: Throughout project implementation	Status: Planned
2. Implementing Agency Risks (including fiduciary)			
Capacity	Rating:	Moderate	
<p>Description:</p> <p>CARE International Maroc has experience in managing large scale projects. However, there is still a moderate risk regarding coordination for this particular project, that entails working with 50 schools in two AREFs.</p>	<p>Risk Management: In order to ensure effective implementation of the project, reaching out to the 50 target schools in this project, the recipient plans to do so in stages, targeting 20 schools during the first year of implementation, 36 during the second year, and 50 schools during the third and fourth years.</p>		
	Resp: Client	Due Date: Throughout project implementation	Status: Planned
Governance (including Fraud & Corruption)	Rating:		
<p>Description:</p> <p>There is limited risk of mismanagement and inefficiency in the use of resources. CARE International Maroc will only hire one partner NGO, the Near East Foundation, and various local consultants to facilitate collaboration at the school level.</p>	<p>Risk Management: CARE Maroc International will provide information to the Bank every six months on its transaction through the financial reports. Furthermore, ToRs for Near East Foundation, including oversight and reporting mechanisms, will be agreed with the Bank.</p>		
	Resp: Client/Bank	Due Date: Throughout project implementation	Status: Planned

3. Project Risks			
Design		Rating:	Moderate
Description: Sustainability risks of the project are associated with insufficient support from the MEN to institutionalize the use of the PAMT across AREFs in Morocco. As this Project targets two AREFs, yet the goal is for the PAMT to be institutionalized across Morocco, not having support from the MEN to implement it elsewhere will limit the potential for scale up and sustainability.		Risk Management: In order to mitigate this risk, CARE International Maroc will document and showcase the achievements in the two AREFs. This will contribute to build the evidence about the impact of this project in targeted AREFs. Furthermore, relying on the evidence base built throughout the project, CARE International Maroc, together with NEF and the national federation of PAs will continuously engage with MEN authorities during different stages of the project in order to strengthen their already existing buy-in for this Project. If necessary, engagement with the Bank country office will also contribute to strengthen the case for overall institutionalization of the PAMT across Morocco.	
		Resp: Client/Bank	Due Date: Throughout project implementation Status: Planned
Social & Environmental		Rating:	N/A
Description: N/A. This project does not trigger any social and environmental safeguards		Risk Management:	
		Resp:	Due Date: Status:
Delivery Monitoring		Rating:	Moderate
Description: Capacity to produce, consolidate and analyze monitoring data may prove to be weak		Risk Management: In order to ensure proper monitoring of the project, the capacities for M&E activities of CARE International Maroc and its partners will be strengthened as part of the project. Furthermore, the project also entails a final external evaluation.	
		Resp: Client	Due Date: Throughout project implementation Status: Planned
4. Overall Risk Rating		Rating:	Moderate