

# The African Economic Outlook

## *Morocco Country Note*

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développement humain au Maroc*

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- Morocco's **economic performance**
  - Favourable international conditions and
  - Macroeconomic modernisation
- **Thriving production sectors** greatly increased imports
- Financial sector reform & stabilisation of government spending.
- **Free-trade agreements** with its main trading partners
- Design a range of reforms and targeted strategies focusing on **upgrading and expanding economic infrastructure**
- **Modernisation** of government services, and
- The strengthening of the institutional and legal framework



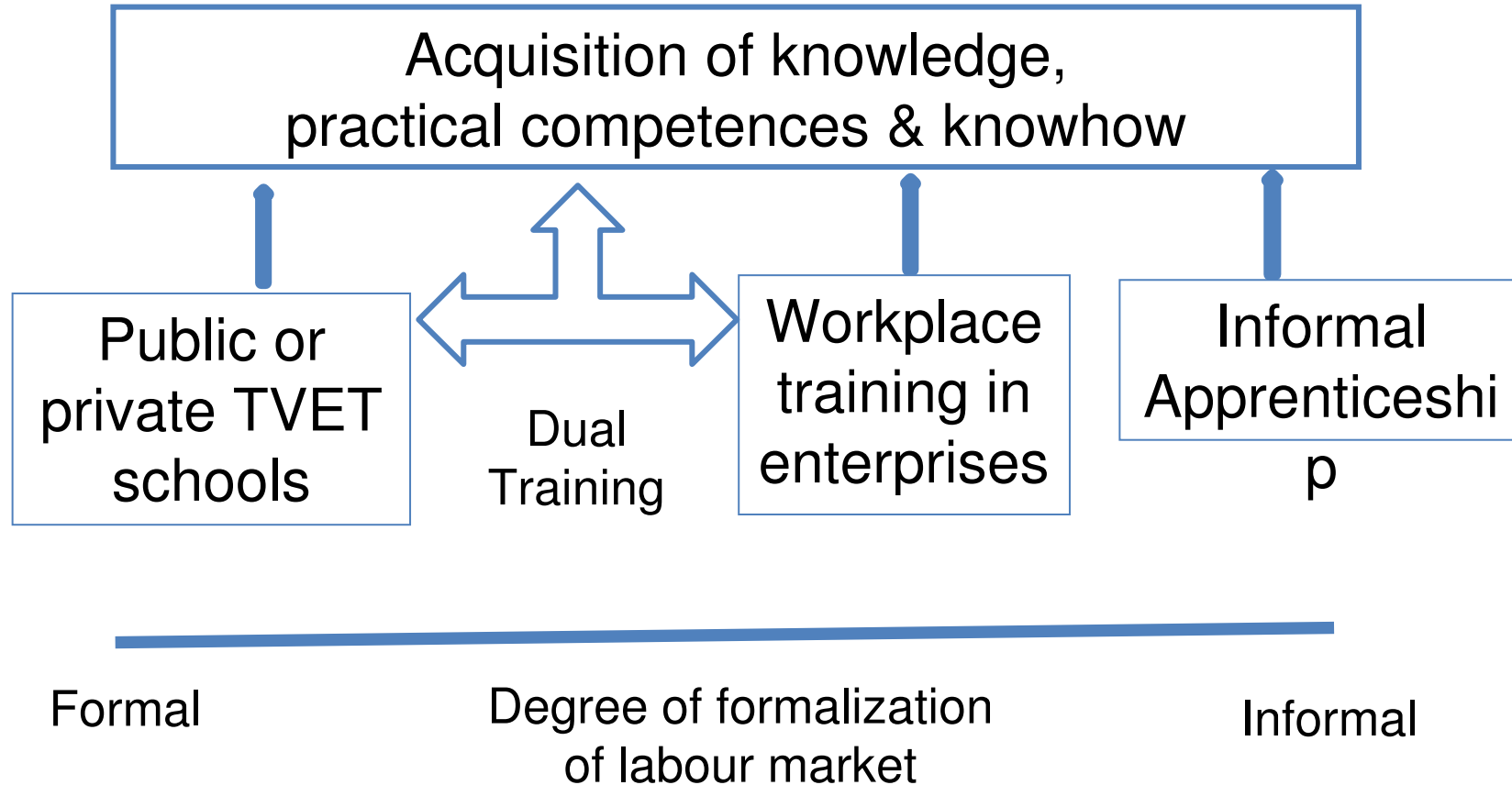
- Extensive **reform programme** continued in 2007
- **Substantial progress** made in government services reform.
- **The 2006-12 Progress Contract** to push ICT growth.
- Programme to modernise public services
- Management of public bodies continued to be streamlined
- The 2006 Emergency Plan aims to
  - Morocco in the world e-services market and
  - Delocalisation and outsourcing of work in new fields.
- The plan, which promote private sector, is based:
  - on support for telecommunications and the Internet and
  - on **expanding skills and human resources.**



## Definition

# Technical and vocational skills

development



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- **TVET is clearly distinguished** from General education:
  - Own ministry and
  - A public structure : The financially-autonomous **national office for vocational training and work promotion (OFPPT)**.
- **OFPPT** is crucial for initial and continuous TVET because:
  - Received two-thirds of the TVET tax in 2007 and
  - Provides about half of all initial training.
- **Weaknesses and shortcomings** of the education system were detected from the 1980s with rising unemployment.
- **Job promotion at the centre** of its economic and social development strategy.



## development

- Meeting the **needs of firms** for skilled workers and
- Getting trainees **into the job market**.
- **Reforms** include:
  - Boosting the **TVET sector's institutional autonomy** from the rest of the education system and
  - Welcoming **participation by the private sector** and a range of providers.
- **TVET regulated** at national, provincial and local levels.
- Morocco has **1858 private** vocational and technical schools (79 % of the total TVET institutions)
- The minority of **government-run schools** train 71% of the students.



- Initial training at **government centres** is free, while
- **Private schools** are funded by student registration fees.
- **The four sources of funding** for initial training are:
  - TVET tax (1.6% of the wage bill of organisations signed up to the national social security Fund)
  - Government budget allocations,
  - Money from aid donors and
  - Family contributions.
- On the job training is funded by
  - the GIAC inter-professional aid and
  - advisory groups and special training contracts (CSF)
- Funding of TVET in 2007
  - Government: 5.4%
  - OFPPT: 75.8%



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## Lesson Learnt

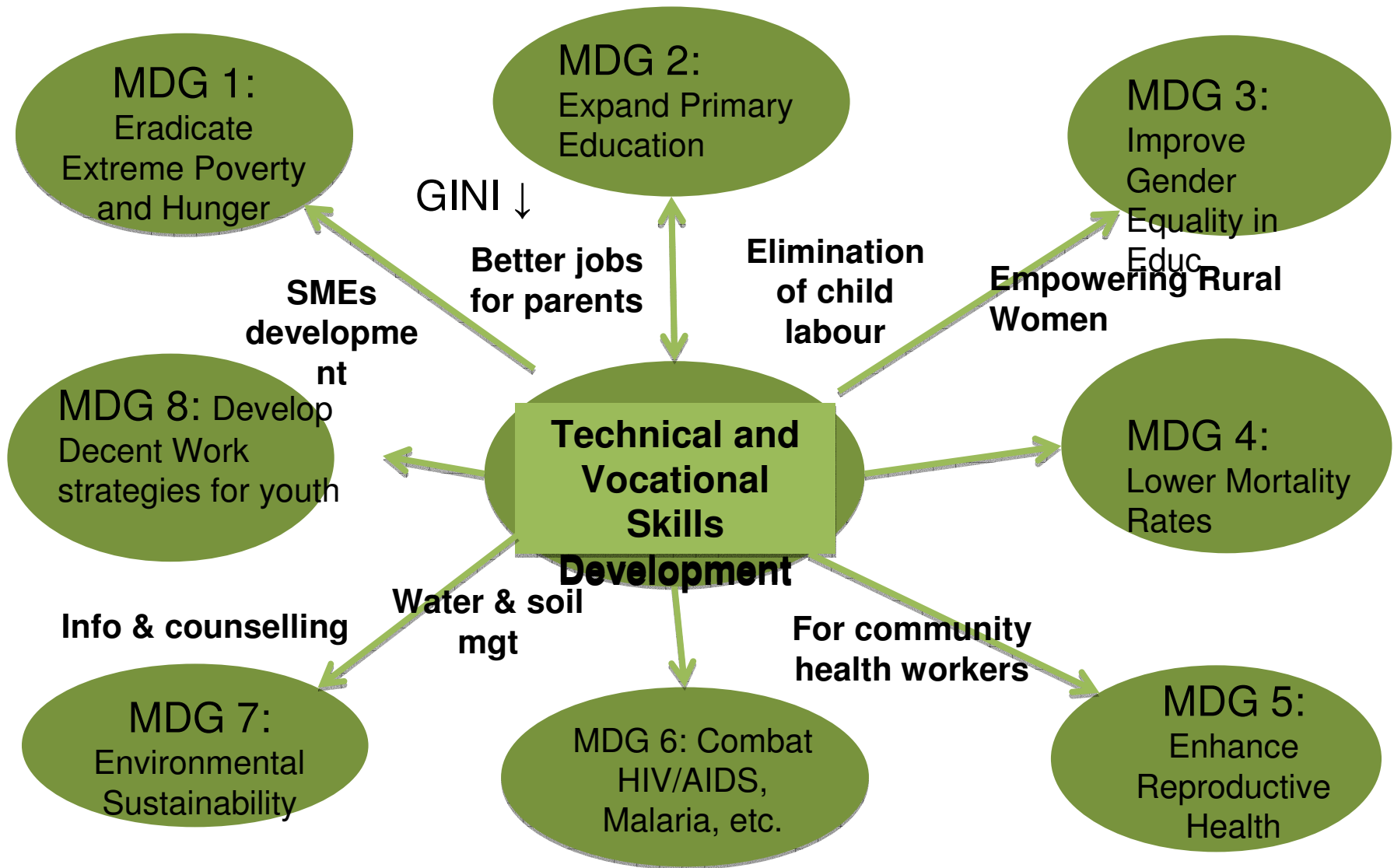
# Technical and vocational skills development

- **Number of women trainees** steadily rising: 44% of total.
- TVET schools achieved **good results**: 70% with a certificate.
- More than half of them **find a job** within 9 months.
- More people are signing up for TVET: Number of pupils rose
  - from 133000 in 1999/2000 and should reach 300000 in 2009/10.
- **9 new government-funded TVET schools** with 1530 places were opened in 2006/07.
- OFPPT 2008-12 five-year plan: Train 650 000 young people.
- **Meet the skills needs** of new economic actors such as:
  - Tourism and hotels, ICT,
  - construction, transport and
  - agro-industry.



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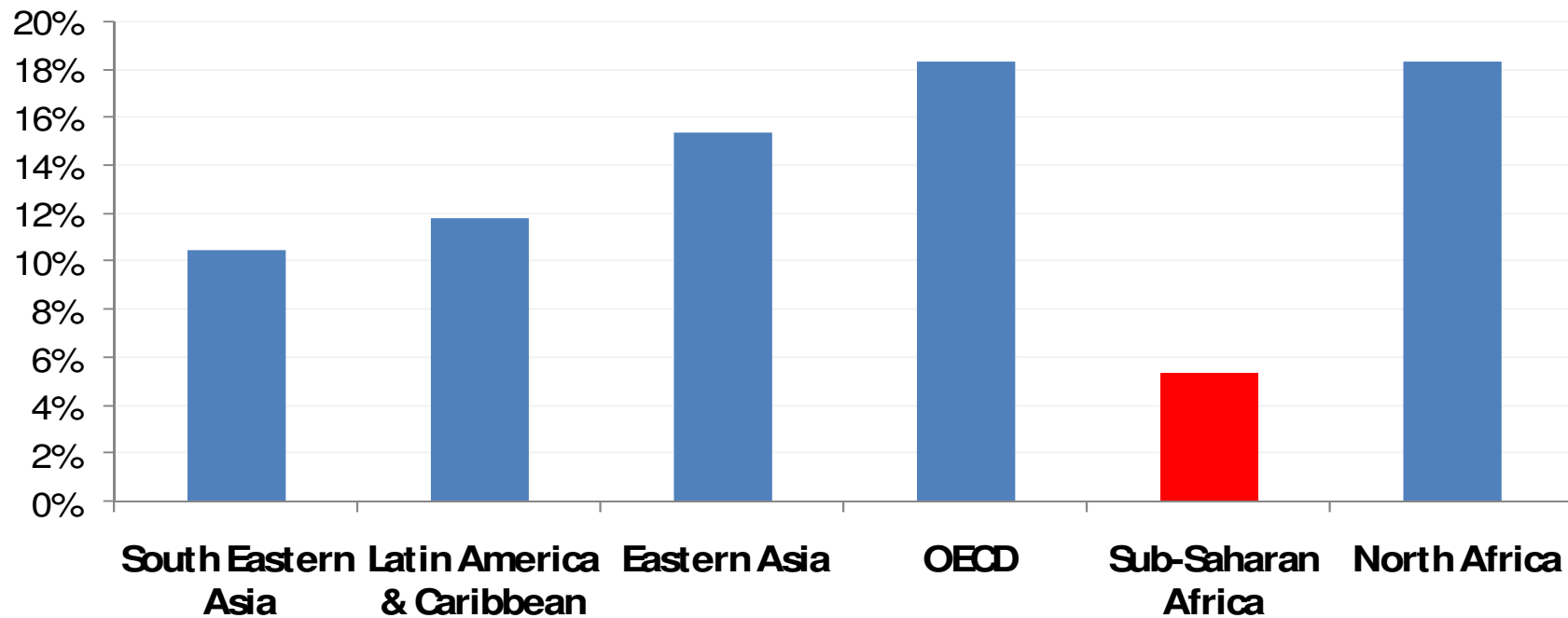




# Enrolment in Secondary Technical and Vocational Training – International Comparison

## Comparison

Percent, average 2002-2006



Source: OECD Development Centre / UNESCO-UIS (2006), 2008

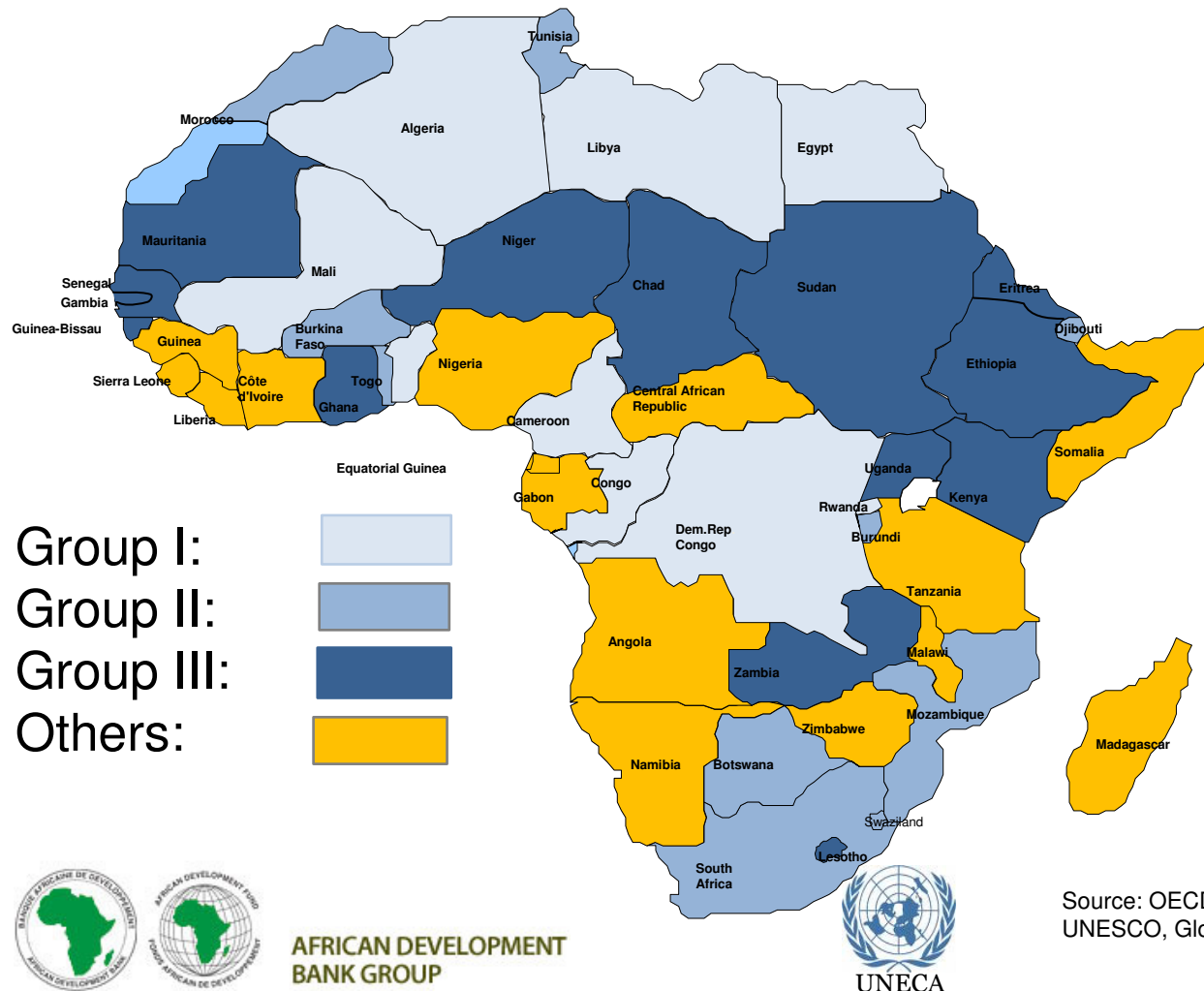


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# Formal Training, Only 5 % of Students

The percentage of total secondary students enrolled in technical and vocational programmes in 2005



African countries can be grouped in three categories:

**Group I:** Proportion of TVET enrolment > 10%.

**Group II:** Proportion of TVET enrolment between 5 % and 9%.

**Group III:** Proportion of TVET enrolment < 5%.

**Others:** Data not available



1. **Coherent vision and governance to TVSD: One stop shop**
2. **Make TVSD bankable: Strategies, action plan and identification of objectives & resources needed**
3. **Increase awareness about benefits of TVSD among firms and parents**
4. **Foster evaluation and monitoring mechanisms**



To be fully effective, **TVSD strategies:**

- Must be **integrated into comprehensive employment policies**
- and **focus on sectors experiencing employment growth and skill shortages**



*Thank you*

More information:

[www.oecd.org/dev/aeo](http://www.oecd.org/dev/aeo)

[www.afdb.org](http://www.afdb.org)



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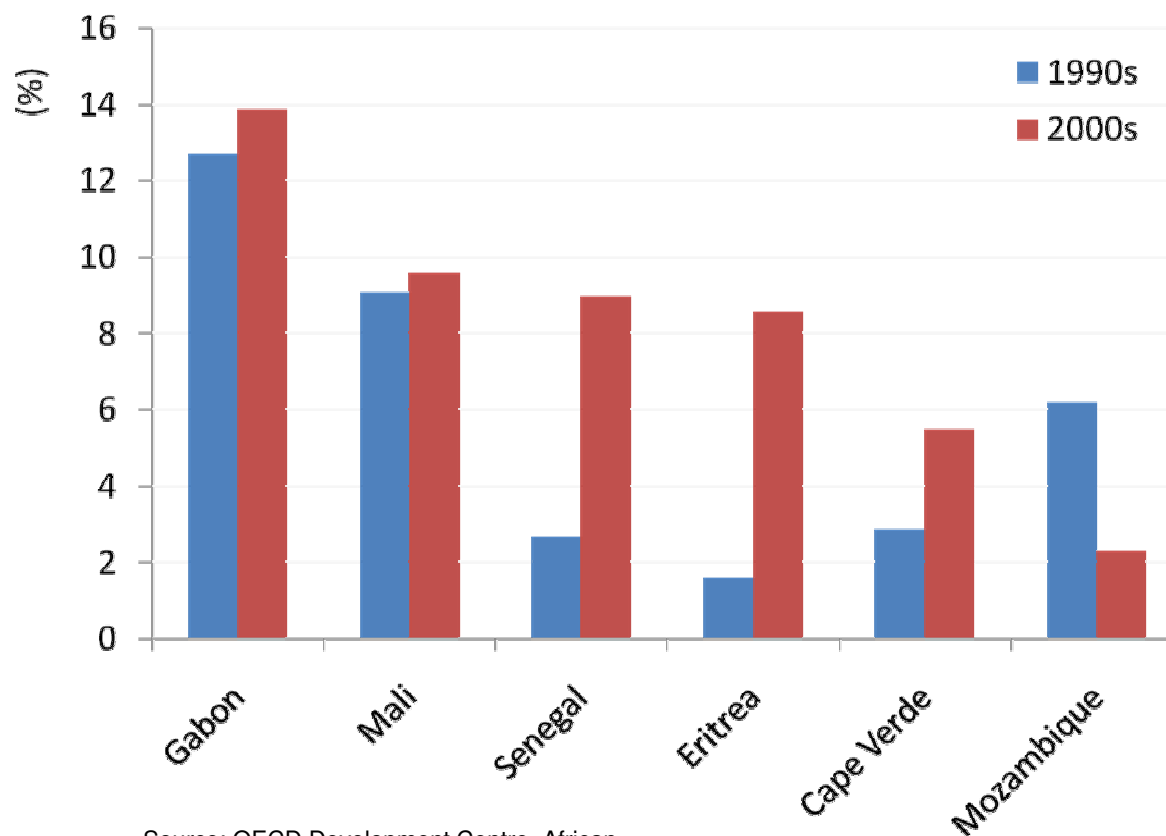


Mode	Strengths	Weaknesses
Public Training Centres	<ul style="list-style-type: none"> <li>• Follow-up national pol.</li> <li>• Address priority skills needs (AGR, IND)</li> </ul>	<ul style="list-style-type: none"> <li>• Quality depends on budget</li> <li>• little relevance</li> <li>• Outdated curriculum</li> </ul>
NGOs	<ul style="list-style-type: none"> <li>• Important providers</li> <li>• Training for vulnerable groups</li> </ul>	<ul style="list-style-type: none"> <li>• Large variation of quality</li> <li>• Training: Low capital invest.</li> </ul>
Private Training Providers	<ul style="list-style-type: none"> <li>• Fastest growing segment (train more than 65% students in Mali, Benin, more than 80% in Uganda)</li> </ul>	<ul style="list-style-type: none"> <li>• Range of pgm. &amp; quality vary</li> <li>• high tuition fee</li> </ul>
Traditional Apprenticeships	<ul style="list-style-type: none"> <li>• largest training provider in urban Africa (accounts for 60-80 % of training in Ghana, Mali , Senegal), target informal sector<sup>o</sup></li> <li>• On-the-job &amp; high relevance</li> <li>• Self-financed &amp; self-regulated</li> </ul>	<ul style="list-style-type: none"> <li>• Training of poor quality</li> <li>• Very long training period</li> <li>• Unsuitable for modern industry</li> <li>• Skills usually not recognised by TVSD</li> </ul>
Enterprise Based Training	<ul style="list-style-type: none"> <li>• Self-financed &amp; self-regulated</li> <li>• Based on actual tasks performed</li> </ul>	<ul style="list-style-type: none"> <li>• Training is selective (large firms)</li> <li>• Small firms less likely to train</li> </ul>

# Financing – National Education Budget Allocation

- Mostly financed by government's **budgetary allocations**
- On average, only **about 2 to 6%** of educational budgets are devoted to (mainly formal) TVSD.

Public Expenditure on TVSD (% of total public expenditure on education ) in selected African Countries



Source: OECD Development Centre, African Development Bank / ILO world Employment Report (98-99), 2008



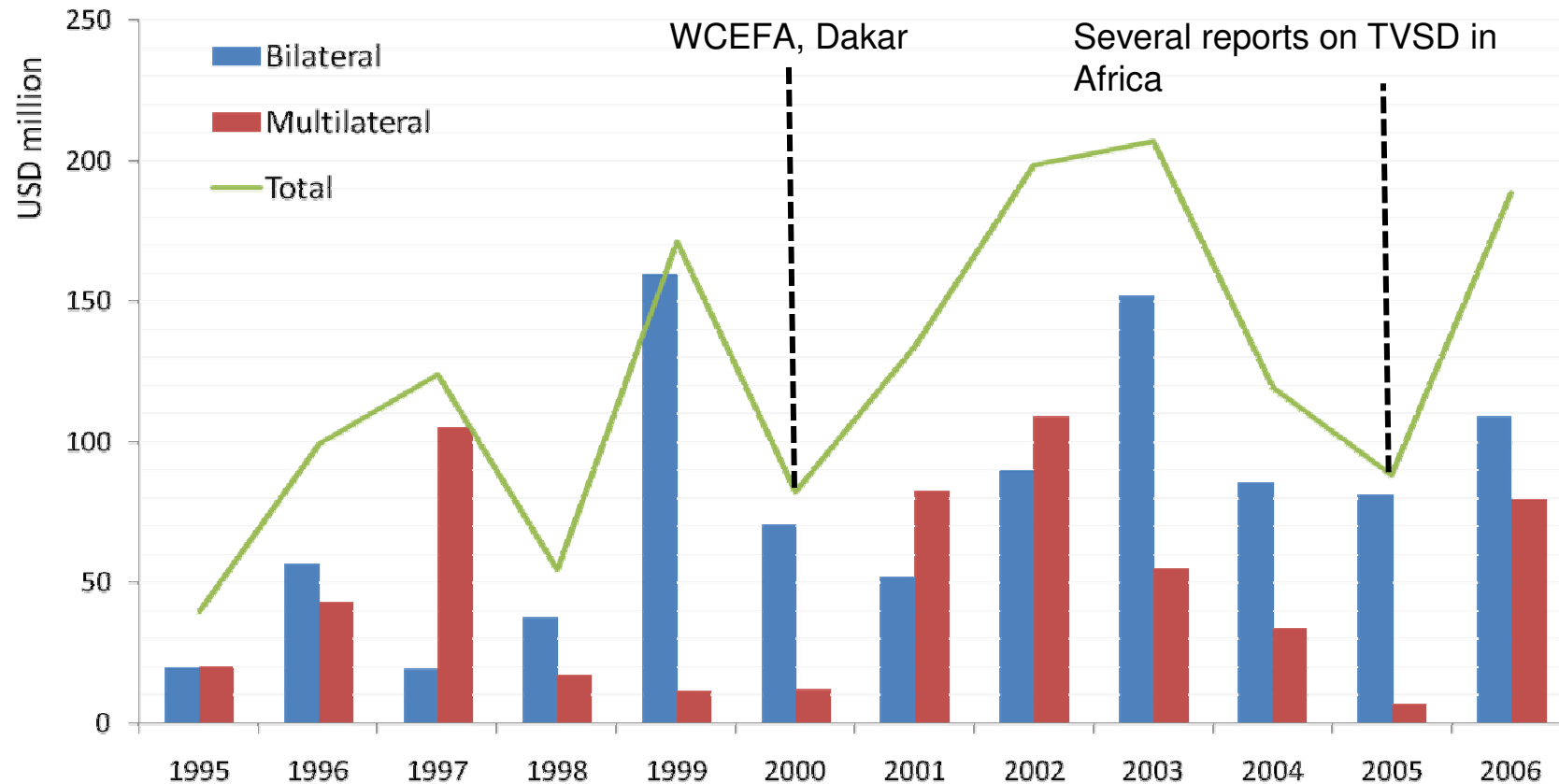
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back on track?

## The donor development agenda

(commitments in USD millions, 2005)

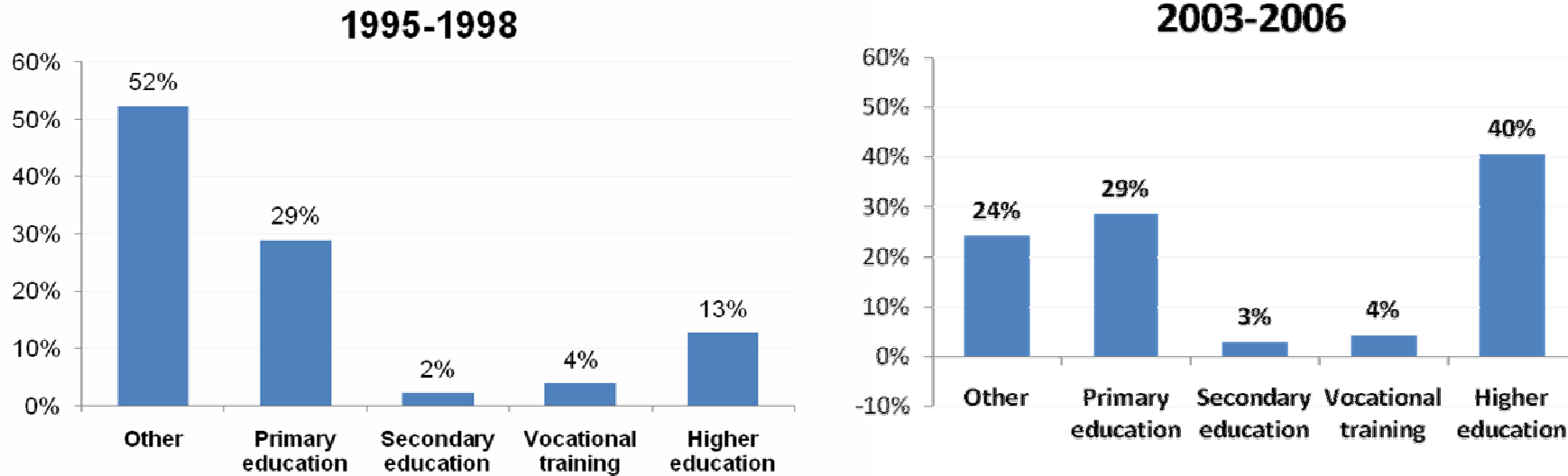


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Source: OECD Development Centre / DAC  
Creditor Reporting System, 2008

## Bilateral ODA as share of total education expenditure per cent total (avg.)



Source: OECD Development Centre / DAC Creditor Reporting System, 2008

## Total Bilateral ODA for TVSD still dwarfed by ODA to Primary Education

- The share of **Bilateral donor** ODA commitments to **primary education** stayed unchanged whereas that of **higher education** has increased significantly.
- The share of **vocational training** in bilateral ODA commitment to education has remained unaltered at 4% throughout the entire period.



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### Challenges

- The training system in Africa is largely **underfinanced**.
- Many enterprises **undertrain** their staff.
- **Donors' support** to training has been erratic & insufficient to upgrade the quality and access to training.
- Countries must make **better use of existing funds**
- **State** retains the crucial role of designing financial support mechanisms to facilitate access by the poor and vulnerable.

### Needs

- **Greater diversification** of funding sources for TVSD,
- Development of **private training markets**,
- Increased **competition** between public and private TVSD providers,
- Encourage more and higher quality **enterprise training**.



## 1. Financing pre-employment training

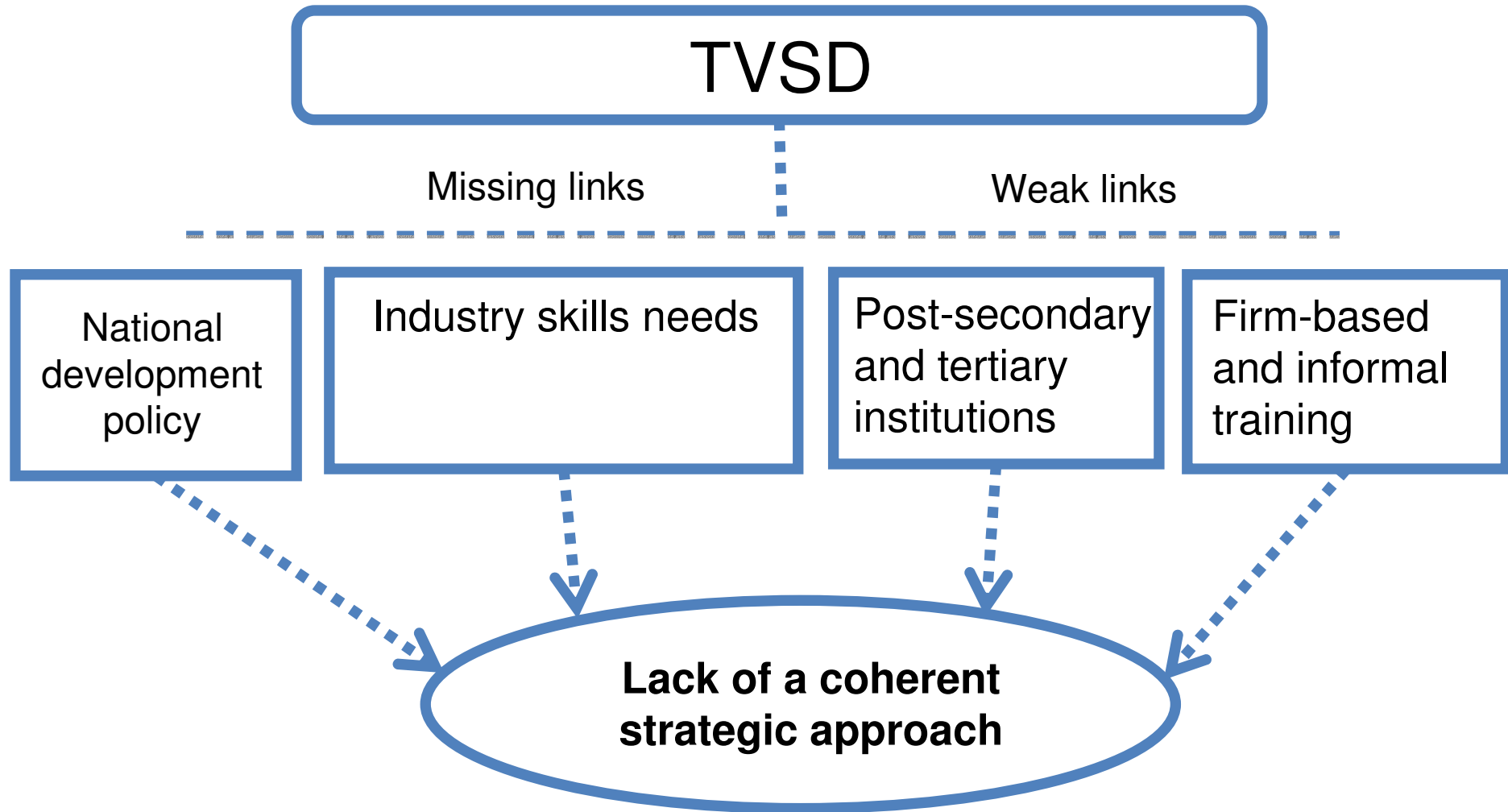
- **Mozambique:** Improvement of schools' capacity to carry out annual budgeting.
- **Botswana:** Community-owned TVET centres generate external income by mixing training with productive work.
- **South Africa:** Implementation of Cost-sharing schemes.
- **Uganda:** Uganda Association of Private Vocational Institutions works to foster collaboration between private training institutions.

## 2. Financing continuing training:

- Most African countries have set up **national training funds** to generate funds to support skills training and motivate firms
- **Morocco:** Encourages in-service training as part of integrated company strategy.
- **South Africa:** Continuing training is financed through a skills development levy-grant scheme.
- **Côte d'Ivoire:** The payroll levy financed Vocational Training Development Fund (FDFP) extends its training support to include training for small firms and the informal economy.



# Constraints on TVSD's impact & expansion



### 1. Adopting an integrated vision and clear lines of authorities :

- **Senegal:** Launched a TVSD reform making the TVSD a tool for competitiveness
  - **Zambia:** clear legal and regulatory framework: Technical, Vocational and Entrepreneurship Training Authority, 2005
- Yet in many cases it remains difficult to identify the leading institution.
  - Training authorities need to be given clear mandate and authority over resources.

### 2. Improving Forecasting and Planning for Skills Needs

- Successful TVSD reforms include
  - Long-term planning + skill audits (**Rwanda**)
  - Monitoring and Evaluation mechanisms
- **Benin:** Labour Market Observatory (tracking graduates, Labour Market survey)



## 3. Improving the quality of TVSD

- Switch to **demand-driven training model**.
- TVET National Qualification Framework (NQF):
  - **Ethiopia:** New Quality Management System (2006)
  - **South Africa:** A new statement for the NQF was developed to enhance the efficacy and efficiency (2007)- involving users and providers

## 4. Addressing the informal sector's skill needs (and those of vulnerable groups)

- In view of its large size, Training in the **informal sector** should be recognised.
  - **Benin:** Test, certification of skills acquired through traditional apprenticeship (Vocational Skill Certificate).
  - **Senegal:** Pilot scheme to transform traditional apprenticeship into a dual system.



### 5. Setting up accompanying measures

- Design of **integrated programs** that couple training with access to finance, Business development services, Marketing support, network
- **AfDB & ILO**: Support to growth oriented women entrepreneurs (GOWE).
- **Angola First Job Law**: Active labour mkt policies to facilitate transition to work (internships, 60 per cent contribution to salary, support SMEs creation)

### 6. Foster Partnership with All stakeholders

- Policy design and actual delivery of education and training can best be achieved through **a partnership** between government, social partners and various stakeholder groups in the formal and informal sectors of the economy.
- **Mauritius & Tunisia**: strong partnership with private sector
- **Egypt**: The most successful example of **PPP** between training institutions & businesses is **the Mubarak-Kohl Initiative (MKI)**.



## Learnt

### 7. Involving Local Communities and Strengthening Local Management of TVSD

- Delegation of responsibilities to regional authorities.
- **Ethiopia:** Consider establishing autonomous TVET Authorities at federal and state levels, governed by TVET Council.
- **Tunisia:** The decentralization process is based on the devolution of responsibilities to the training centres.

But...

- in many countries local authorities and school mgmt have Insufficient pedagogical, managerial, and administrative capacity to discharge new responsibilities
- **Mozambique:** School Advisors

