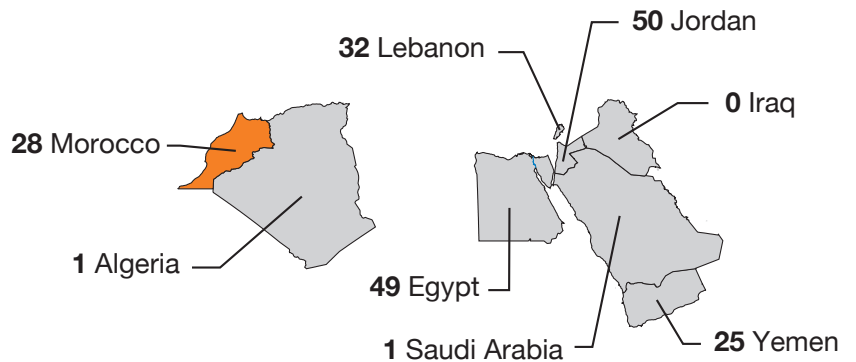
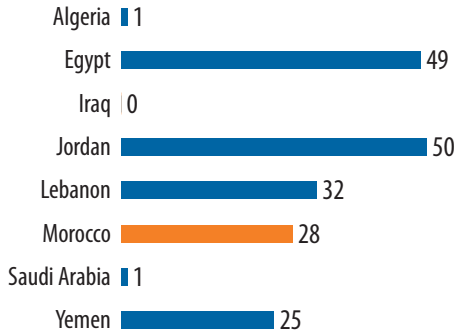


**Overall score: 28** (Out of 100) Provides minimal information to the public in its budget documents during the year.

### How Does Morocco Compare to Its Neighbors?



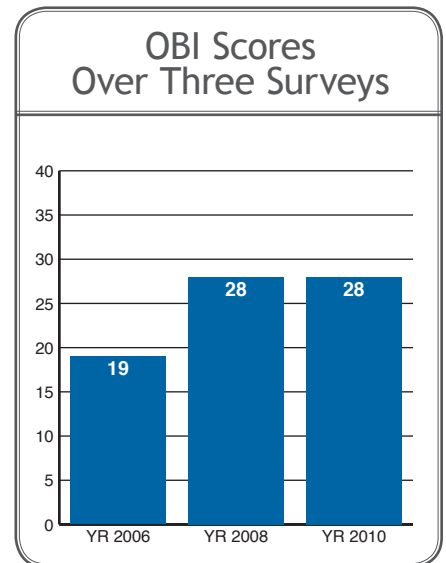
## Key Findings

The scores for 92 questions from the Open Budget Survey 2010 (see text box) are used to compile objective scores and rankings of each country's relative transparency. These scores constitute the Open Budget Index (OBI).

Morocco's OBI 2010 score is 28 out of 100, which is just two-thirds of the average score (42) for the 94 countries surveyed. In the Middle East & North Africa region, Morocco scores less than Egypt (49), Jordan (50) and Lebanon (32).

Morocco's score indicates that the government provides the public with minimal information on the central government's budget and financial activities assessed by the Survey. This makes it quite difficult for citizens to hold the government accountable for its management of the public's money.

Morocco's score remained the same from 2008 to 2010.



**Adequacy & Availability of Eight Key Budget Documents**

Document	Level of Information Grade*	Publication Status
Pre-Budget Statement	E	Not Produced
Executive's Budget Proposal	D	Published
Enacted Budget	B	Published
Citizens Budget	E	Not Produced
In-Year Reports	D	Published
Mid-Year Review	E	Not Produced
Year-End Report	E	Produced, Not Published
Audit Report	E	Not Produced

\* Grades for the comprehensiveness and accessibility of the information provided in each document are calculated from the average scores received on a subset of questions from the Open Budget Survey 2010. An average score between 0-20 (scant information) is graded as E; 21-40 (minimal) is graded as D; 41-60 (some) is graded as C; 61-80 (significant) is graded as B; and 81-100 (extensive) is graded as A.

The **Executive's Budget Proposal** is the government's most important policy instrument. It presents how the government plans to raise revenues and where these funds are allocated, thus transforming policy goals into action. In Morocco, the budget proposal is published but is far from comprehensive. Major gaps in information in the budget proposal are found in the following areas:

- The budget proposal lacks information that can help explain the relationship between the government's revenue and expenditure plans and its policy and macroeconomic goals. This information is important if the executive wishes to facilitate a broader debate about planned expenditures.
- The budget proposal lacks information on certain fiscal activities that can have a major impact on the government's ability to meet its fiscal and policy goals, including information on extra-budgetary funds, quasi-fiscal activities, tax expenditures, contingent and future liabilities, and financial and other assets. Absent this information, the public does not know the government's complete fiscal position.
- The budget proposal lacks information on outputs and outcomes. This information is important for those who are interested in monitoring the budget's impact.

A **Pre-Budget Statement** sets forth the broad parameters that will define the government's forthcoming budget. Morocco does not produce a Pre-Budget Statement.

The **Enacted Budget** becomes a country's law and provides the baseline information for all budget analyses conducted during the budget year. In general terms, the Enacted Budget should provide the public with the data it can use to assess the government's stated policy priorities and hold it to account. Morocco publishes a fairly comprehensive Enacted Budget, but it does not present the approved budget for all programs.

A **Citizens Budget** is a nontechnical presentation of a government's budget that is intended to enable the public — including those who are not familiar with public finance — to understand a government's plans. Morocco does not produce a Citizens Budget.

# OPEN BUDGET SURVEY 2010

## Morocco

The International Budget Partnership's Open Budget Survey assesses the availability in each country assessed of eight key budget documents, as well as the comprehensiveness of the data contained in these documents. The Survey also examines the extent of effective oversight provided by legislatures and supreme audit institutions (SAI), as well as the opportunities available to the public to participate in national budget decision-making processes.

Research to complete this country's Open Budget Survey was undertaken by:

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**In-Year Reports** provide a snapshot of the budget's effects during the budget year. They allow for comparisons with the Enacted Budget figures and thus can facilitate adjustments. Morocco publishes In-Year Reports that are far from comprehensive. Data on actual expenditures and revenues are not released.

The **Mid-Year Review** provides a comprehensive overview of the budget's effects at the midpoint of a budget year and discusses any changes in economic assumptions that affect approved budget policies. Information in this report allows the government, legislature, and the public to identify whether or not subsequent adjustments related to revenues, expenditures, or borrowing should be made for the remainder of the budget year. Morocco does not produce a Mid-Year Review.

The **Year-End Report** compares the actual budget execution to the Enacted Budget. Year-End Reports can inform policymakers on tax policies, debt requirements, and major expenditure priorities, facilitating adjustments for upcoming budget years. Morocco produces the Year-End Report, but it is not made public.

The **Audit Report** is an evaluation of the government's accounts by the country's supreme audit institution (SAI). It reports whether the government has raised revenues and spent national revenue in line with the authorized budget, whether the government's bookkeeping is balanced and accurate, and whether there were problems in the management of public funds. Morocco does not produce an Audit Report.

### *Public Participation and Institutions of Accountability*

Beyond improving the availability and comprehensiveness of key budget documents, there are other ways in which Morocco's budget process can be made more open. These include ensuring the existence of a strong legislature and SAI that provide effective budget oversight, and providing greater opportunities for public engagement in the budget process.

#### **Are oversight bodies effective in their budget role?**

Oversight Institution	Strength**
Legislature	Weak
SAI	Weak

\*\* Legislature and SAI strengths are calculated from the average scores received for a subset of questions from the Open Budget Survey 2010. An average score between 0-33 is graded as weak, 34-66 as moderate, and 67-100 as strong.

According to the Open Budget Survey 2010, budget oversight provided by Morocco's legislature is weak because it does not:

1. have sufficient powers to amend the Executive Budget Proposal at the start of the year;
2. hold open budget discussions at which the public can testify or allow the public to be present during legislative hearings at which the executive testifies on its proposed budget; and
3. it does not adequately scrutinize audits.

According to the Open Budget Survey 2010, budget oversight provided by Morocco's SAI is weak due to the following reasons:

1. it is not fully independent from the executive; the executive can remove the head of the SAI without seeking final consent from the legislature or judiciary;
2. it does not have sufficient resources to meaningfully exercise its mandate;
3. it does not issue timely Audit Reports on the final expenditures of national departments;
4. it does not have proper channels of communication with the public; and
5. it does not have adequate reporting on the follow-up steps taken by the executive to address audit recommendations for remedial action.

## Recommendations

### **Morocco should:**

- publish the Year-End Report on the government's website (this document is now produced for internal purposes only);
- begin to produce and publish an Audit Report, Pre-Budget Statement, Citizens Budget, and Mid-Year Review;
- increase the comprehensiveness of the Executive's Budget Proposal;
- provide opportunities for the public to testify at legislative hearings on the budget;
- increase the powers of the legislature to provide more comprehensive oversight not only when the budget is being approved but also during the budget execution period; and
- strengthen the oversight role of the SAI.