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FROM THE AMERICAN PEOPLE

Issue Date: November 17, 2020
Questions Due: November 24, 2020 at 4:00 PM (Morocco Time)
Closing Date & Time Concept Notes: December 15, 2020 at 4:00 PM (Morocco Time)

Subject: Science, Technology, Innovation, and Partnerships (STIP)
Program Annual Program Statement, APS No.: 7200AA20APS00006

Opportunity Title: Inclusive Socio-Economic Development in Marrakech-Safi, Morocco.

To: All Interested Respondents/Parties:

The United States Government represented by the United States Agency for International Development (USAID) through USAID/Morocco invites Concept Notes that capitalize on improving livelihoods of citizens in Marrakech-Safi region of Morocco by improving sub-national participatory governance and promoting economic development.

Subject to the availability of funds, USAID/Morocco may allocate up to \$18 million in total over the course of the next year to fund a portfolio of programs, with funding for individual program applications. The proposed period of performance is between three to five years. Priority will be placed on supporting the most promising approaches to the objectives described herein. USAID reserves the right to fund any or none of the application(s) submitted. All terms and conditions of the FY2020-FY2021 [STIP APS](#) apply to the addendum for Marrakech-Safi.

Issuance of this notice of funding opportunity does not constitute an award commitment on the part of the United States Government nor does it commit the U.S. Government to pay for any costs incurred in preparation or submission of comments/suggestions or an application. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

To be eligible for award, the applicant must provide all information as required in this Notice of Funding Opportunity (NOFO) and meet eligibility standards of this NOFO. This funding opportunity is posted on www.grants.gov, and may be amended. Potential applicants should regularly check the website to ensure they have the latest information pertaining to this notice of funding opportunity.

It is the responsibility of the applicant to ensure that the entire NOFO has been received from the internet in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion process. If you have difficulty registering on www.grants.gov or

accessing the NOFO, please contact the grants.gov Helpdesk at 1-800-518-4726 or via email at support@grants.gov for technical assistance.

Please send any questions by the due date to the point of contact identified in section IX of this addendum. Responses to questions received prior to the deadline will be furnished to all potential applicants through an amendment to this notice posted to www.grants.gov

Thank you for your interest in USAID programs.

Sincerely,

Craig Smith Digitally signed by Craig Smith
Date: 2020.11.17 09:42:02 +01'00'

Craig Smith,
Regional Agreement Officer



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U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

ANNOUNCEMENT

CALL FOR CONCEPT NOTES

Inclusive Socio-Economic Development in Marrakech-Safi, Morocco

An Addendum under the existing Science, Technology, Innovation, and Partnerships Annual Program Statement (APS No. 7200AA20APS00006)

PLEASE NOTE: This is an addendum to an existing announcement. All interested organizations should carefully review both this addendum AND the full announcement, which can be found here: [STIP APS](#) Important information contained in the full worldwide announcement is not repeated in this specific addendum.

This program is authorized in accordance with Part 1 of the Foreign Assistance Act of 1961, as amended.

Through this Addendum to the FY2020-FY2021 Science, Technology, Innovation and Partnership (STIP) Annual Program Statement (APS) No. 7200AA20APS00006 (the STIP APS Full Announcement), USAID/Morocco is making a special call for the submission of Concept Notes focused on **Inclusive Socio-Economic Development in Marrakech-Safi, Morocco**.

The goal of the Inclusive Socio-Economic Development Program is to support the Government of Morocco (GOM) in ensuring that the Moroccan people benefit from the reforms made in the 2011 Constitution by enabling them to participate fully economically, politically, and socially in their communities. This solicitation aims to improve the livelihoods of citizens in the Marrakech-Safi (MS) region of Morocco by improving sub-national participatory governance and promoting economic development. USAID/Morocco expects that activities under the Marrakech-Safi program will achieve two overarching objectives:

1. Improve and institutionalize sub-national participatory governance in Marrakech-Safi
2. Enhance business and livelihood opportunities in Marrakech-Safi.

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I. BACKGROUND

Although Morocco has made significant strides in enhancing its human development indicators, it continues to confront significant challenges, particularly in rural areas. Morocco's twelve regions (including MS) are plagued with inter and intra-regional economic inequalities, high rates of youth unemployment, low levels of literacy, gender inequality, and a deep-seated crisis in education. More recently, the COVID-19 pandemic has created further economic disparities throughout Morocco and in marginalized areas especially. These disparities have the potential to increase frustration among Morocco's citizens most in need of socio-economic support. Furthermore, MS is suffering from growing water shortages in a region already over-dependent on agriculture and tourism for livelihoods.

In his 2019 Throne Day speech, King Mohammed VI stated that Morocco's "achievements have not been [equally] felt by all segments of the Moroccan society." Indeed, citizens have lower tolerance to inequalities, are becoming more conscious of their rights, and are increasingly expressing their needs and expectations, including through protests and social media. In Morocco, the Government has put in place many programs and strategies to fight poverty and social exclusion and to reduce inequalities in accessing basic services, as well as to address regional disparities. Some of these initiatives are sector-specific and are geared toward a particular subset of the population (e.g. the Assistance Medical Plan [RAMED] which was designed to serve poor and vulnerable families; Moukawalati intended to support young entrepreneurs etc.), while others, such as the National Initiative for Human Development (INDH) and the advanced regionalization plan are of a cross-cutting nature.

Although Morocco has made significant progress, various forms of inequalities continue to negatively impact the country's social cohesion. In recent years, citizens' dissatisfaction has often been linked to the ineffectiveness of the education system, unmet expectations of government reforms, unequal access to secure livelihoods, youth exclusion from meaningful participation in political, economic, and social spheres, and largely unrealized progress in gender equality. On several occasions in 2019, the King highlighted the need for a new development model that tackles socio-economic inequalities. Recently, he appointed a committee of intellectuals, businessmen, civil society, and others that will serve as an advisory body to make suggestions to improve reforms in fields such as education, health, agriculture, investment, and taxation, among others. Over the coming months, the committee members will lead a national debate and will develop recommendations for a new integrated development model for Morocco.

In close collaboration with the regional stakeholders, USAID conducted an engagement workshop in MS using systems thinking methodology to better understand the systems for local governance and economic opportunities, using the Regional Development Plan (PDR) as a platform. The importance and effort of engaging local actors is expected to continue during and after the procurement phase to inform activity design and implementation approaches, and to foster local ownership and sustainability.

A. Local Governance

With the 2015 Decentralization Organic Laws, the Moroccan territorial governance structures have reshaped significantly. These laws detail the three layers of the new decentralized structures: regions, provinces, and communes. These reforms have positioned the regions as key players in territorial development through an enhanced role in the advanced regionalization plan (*regionalisation avancée*), which establishes a new framework that integrates the economic and social dimensions of regional development. The foundations of the plan are:

- The consolidation of local democracy and inter- and intra-regional solidarity,
- Coordination between the various actors in the region to achieve integrated and diversified regional development, and
- A new deconcentration (or administrative devolution) framework.

Despite the Moroccan government's efforts to promote decentralized governance, much remains to be done in order to respond to current challenges and improve socio-economic development outcomes. Morocco's decentralized institutions need to be reinforced, and new mechanisms and communication channels must be developed between these institutions and citizens in order to build trust in the government, deliver quality public services, respond to citizen needs, support the ongoing decentralization and devolution process and build institutional capacity at the local level.

As in many other Morocco regions, local government institutions in the MS region, including regional, provincial, and communal councils, face significant challenges meeting their new responsibilities and fulfilling the larger role they play in the region's social and economic development. Weaknesses include a multiplicity of stakeholders, confusion of responsibilities, absence of coordination mechanisms, limited participation by constituents and insufficient financial and human resources. In a recent speech sent to the participants in the first National Conference on Advanced Regionalization held in Agadir in December 2019, King Mohamed VI called on local governments to "increase the effectiveness of policies, programs and projects at the regional level to make sure they actually benefit target populations [and] from which all citizens should profit on an equal footing." Without strong, efficient, and capable local government institutions, MS citizens will not see their livelihoods enhanced despite all the planning for development projects, and the poverty and marginalization rates in that region will not improve.

However, strengthening the capacity of local government alone is not sufficient. A key deficiency in the Moroccan framework for local governance is that deconcentration has lagged behind decentralization. The recently adopted Deconcentration Charter (*Charte de Déconcentration*) has vested substantial powers with the Wali (a Ministry of Interior Official appointed by the King), while the Constitution and the regionalization law have substantially increased the role of the Regional Council (elected directly by citizens) in local development. This may create a situation where the region could appear to be managed by two parallel systems; one headed by the Wali as the primary State representative possessing all the resources and heading a large bureaucracy composed of all government agencies at the local level, and a second one led by the Regional Council with limited resources but with great political stakes as the primary representative of citizens and their needs at the regional level, and the one who's directly accountable to them for development. In addition, the Deconcentration Charter has not yet been implemented and sectoral ministries continue to plan and allocate resources from Rabat with little or no coordination with

concerned local governments. This represents a major impediment for the Regional Council and communes that need central support to finance and coordinate the implementation of the regional and local development plans. A key recommendation from the recent Regionalization conference in Agadir was the need to strengthen territorial planning mechanisms in accordance with the State's general policies, and the importance of ensuring the convergence and the adequacy of regional development programs with Ministerial/sectoral plans. Whether this recommendation will be implemented anytime soon remains to be seen.

To provide the regions with the necessary financial means to properly carry out their new mandates, Article 66 of the 47-96 law stipulates that the region benefits from taxes including business, income, and special taxes. In theory, the region now has a fiscal base composed of its own resources. However, while the law did help restructure and simplify local taxation, it missed the opportunity to develop a regional fiscal base commensurate with the new important mandates assigned to all regions, including MS. To overcome this issue, participants in the recent Regionalization conference called on the State to strengthen the capacities of the regions in terms of governance and financial management and to diversify the region's sources of financing through innovative solutions.

In MS, the Regional Council developed an ambitious regional development plan (PDR) that has been validated by the Ministry of Interior. The MS Regional Council will rely heavily on the central government to fund this plan and will therefore be dependent on the goodwill of the Ministries to provide the requested funding and will receive the disbursements at their pace.

B. Livelihoods and Employability

Morocco's government continues to roll out reforms focusing mainly on social protection programs, job creation and reducing economic disparities across the country. Economic reforms to date increased targeted sector exports, developed infrastructure, and established some global industry leaders, thus increasing foreign direct investment. Over the medium term, Morocco's economic prospects should improve provided the government remains committed to implementing deep and comprehensive reforms. However, these reforms are not sufficient to increase the job growth rate enough to keep up with demand. Sustainable progress requires structural reforms in key areas, like education, in order to reduce unemployment (especially among young people) and enhance human capital for inclusive growth.

The MS region is distinguished by its historical, cultural, and natural attributes which make it a top tourist destination. It holds untapped potential for both governance and economic growth through new initiatives such as the Plan Régional de Développement (PDR), and promising sectors such as tourism, agri-business, mining, and renewable energies, among others. The region contributes significantly to the national agricultural GDP (12.6 percent) and constitutes an important agricultural production and export basin for olive oil, fruits, and vegetables. The region also hosts one of the oldest ports in the country, while a second port is currently under construction in the city of Safi and is intended to boost the region's fisheries sector. The region is the leading tourist destination at the national scale and represents 20 percent of the national hotel capacity. As to mining, MS boasts significant phosphate reserves estimated at 15 billion tons. In addition, this region is characterized by a rich and diversified handicraft production and harbors a very diverse

mining potential which could favor the emergence of an industrial sector with high potential. More recently, there is a high level of entrepreneurial start-ups in the region that promise the advancement of a strong digital sector. All these assets positively impact the activity of several sectors including trade, transport, tourism, and catering.

The MS region, however, faces substantial economic disparity, high youth unemployment, and social inclusion inequalities. Current levels of growth do not generate sufficient jobs to reduce unemployment or accommodate the number of job seekers. In 2018, the unemployment rate has reached 7.1 percent, and is especially prevalent among educated youth and women. Agriculture remains the main employment vector in the region, employing more than 42 percent of the active population. This region comes second after Beni Mellal- Khenifra in terms of poverty, with a rate of 14.8 percent. This rate does not capture the substantial intra-regional disparities that exist between the eight provinces and the 215 communes across this region in terms of access to basic services, infrastructure, and education. Efforts to address poverty and access to services tend to be concentrated in the major urban agglomerations, such as Marrakech and Safi, where most economic activity is concentrated, keeping marginalized areas such as Al Haouz, Yousoufia, Essaouira and Chichaoua in the cycle of poverty. An exodus of rural populations to major cities further amplifies urban and peri-urban socio-economic issues. This situation may get worse in light of the current pandemic and its impact on the region's already precarious socio-economic fabric.

Demographic growth represents an opportunity for the region to accelerate its development but faces the challenge of creating enough quality jobs. For this to happen, it is necessary for the national government and regional stakeholders to implement reforms that boost the region's competitiveness, raise the level of youth training, ensure a better matching of training with job market needs and strengthen the synergy of national, regional and local public policies. Like in all other regions, employability and unemployment challenges in MS are inextricably linked to the nation-wide education crisis, while quality jobs remain at the heart of the interaction between stability, growth, and equity.

Another primary impediment to socio-economic development in MS is the weak road infrastructure, especially interprovincial and interregional connections. The level of accessibility remains limited in rural and mountainous areas. About 60 percent of the population lives in mountainous areas, which poses the problem of access to basic services such as electricity, drinking water, roads, education, and health. Commerce is not sufficiently developed and is not diversified, while the region has weak agri-business capacities. The region's enterprises are mostly family-run small and medium size enterprises, with very few enterprises engaged in research and development and in production innovation.

Furthermore, this said, MS has a very diversified and complementary economic potential, placing the region third in terms of wealth creation at the national level. The MS Regional Council developed a sound regional development plan (PDR) for the period of 2017-2022 (see attached). The plan's budget is estimated at around \$1.6 billion, out of which the Regional Council is committed to contribute about \$600 million. The plan comprises sixty (60) projects, thirty (30) out of which are scheduled to be funded by the central government.

Faced with the major challenges of employment, inclusion and sustainability, the PDR sets a target

of a 50 percent contribution to the national GDP by 2022. The plan intends to boost innovative sectors such as energy transition, sustainable agriculture, cultural creativity, enhancement of the environmental heritage and the chemical and port industries. It also aims to create more than 280,000 long-term jobs through the promotion of entrepreneurship and inclusion projects. In sum, the plan aims to boost growth and job creation by attracting high growth investment projects in the agri-business, tourism, energy, mining, and craft sectors. For this to happen, the region needs to work on improving its business environment and to prepare the needed skilled labor.

Under the recent Regional Investment Centers (CRI) 47-18 law reform, CRIs play a key role in the development of the region through facilitation of investment and ease of business creation. The goal of this legal reform is to make these centers an efficient lever for promoting investment, reducing spatial disparities, and achieving equitable economic and social prosperity for all Moroccans. In addition, the Ministry of Education recently announced a road map to create “Cities of Professions and Skills” in every region. These cities will serve as multi-functional structures that will provide training in line with each region’s potential and will focus on tomorrow’s jobs including digital offshoring. The Cities will also host programs to empower youth working in the informal sector as well as Career Centers that assist youth transition from vocational training to employment and provide them with a better understanding of employment trends and opportunities to connect with the private sector. The Office of Vocational Training and Promotion of Employment (OFPPT) will have a central role in managing these Cities, in close partnership with universities that will provide expertise and research capabilities and will support the Cities’ job placement efforts.

These initiatives represent a significant opportunity for the MS region to implement its PDR. While the CRI will constitute a strategic lever for competitiveness and investment promotion in the region, the City of Professions will play a major role in the integration of youth in the job market. The Cities of Professions’ road map has a governance structure composed of the Regional Council, the Regional Investment Center (CRI), the General Confederation of Moroccan Enterprises (CGEM), and the National Agency for Employment and Skills Promotion (ANAPEC), an area for potential support in the target region.

C. Cross-cutting priorities: Women, Youth, and Persons with Disabilities

One of the key aspects of the “Inclusive Socio-Economic Development” Program is the inclusion of especially marginalized populations, particularly women, youth, and persons with disabilities. USAID/ Morocco expects that special attention to these groups will cut across this program’s interventions.

1. Gender

While Morocco’s Constitution dictates legal equality between women and men, significant challenges remain for women in Morocco, especially in underdeveloped regions such as MS. In fact, Morocco ranks 143 out of 153 countries in the World Economic Forum’s Global Gender Gap Report for 2020. Of the four components of the index, Morocco fares worst on economic participation and opportunity (146 out of 153). In fact, female participation in the labor market rates have been declining in the last 20 years, despite higher overall growth in the past decades. In MS region, unemployment rate is 9.4 percent; it is higher among women compared to men (13.9

percent vs 8 percent), and in urban compared to rural areas (12.7 percent vs 4.5 percent)¹. In the 15-19 age range, which remains the most vulnerable to unemployment, unemployment is higher among women compared to men: 49 percent vs. 38.3 percent respectively. In addition, unemployment is specifically widespread among highly educated women, with a rate of 39.6 percent (compared to 33 percent at the national level) and is higher in urban compared to rural areas: 20.3 percent vs. 12.4 percent. Unemployment is also higher among women with a vocational training certificate: 32.6 percent vs. 18.7 percent for men. Similarly, the activity rate is much higher among men compared to women: 75.5 percent vs. 30.1 percent.² In turn, the Not in Employment, Education or Training (NEET) rate in MS is estimated at 43.2 among women vs. 11.8 among men³. As far as illiteracy is concerned, it is estimated at 47.6 percent for women vs 28.1 percent among men and is more significant in the rural areas compared to the urban areas: 60.9 percent and 31.6 percent, respectively.

Like in many other regions, gender rights are largely dependent on social class in MS. Women from well-connected families are more likely to be educated, employed and participate in politics than those who are less well-off. Other gender-related challenges stem from a lack of societal support for increased women's involvement in the public sphere. A large portion of Moroccan society still sees women in a traditional role and as dependent upon men, who are viewed as the heads of their households. Although Moroccan law dictates equal pay for equal work, men are often given higher salaries than women for the same work.

2. Youth

Despite their demographic proportion which gives the country a unique opportunity for economic and social development, young people suffer from several obstacles. In MS, people in the 15-59 age range make up 60.3 percent of the total population. Youth in the 15-24 age category are the most affected by unemployment, with a rate of 38.5 percent, while it is estimated at 21 percent for those aged 25-34, and 8 percent among those aged 35-44. Unemployment affects mostly urban areas, with a rate of 14.3 percent vs. only 2.5 percent in the rural areas. To maintain the unemployment rate at this level, it is necessary to create 184,000 new jobs in the horizon of 2030, at a rate of 12,000 every year.⁴

Today, access to decent work, quality education and health care remains a challenge for many of the region's youth. Youth prospects for influencing public policies are minimal, thus preventing them from becoming a major driving force for the country's development. For the most part, they have not equitably benefited from the country's sustained economic growth over the last ten years. The dropout rate is high among youth; there are inequalities between public and private education systems, compounded by the offering of curricula that are not in line with the needs of the private sector. In addition, youth do not participate in civic life and devote most of their time to personal or group activities. This undoubtedly reflects a crisis of confidence in public institutions and political parties, translated by the weak presence of young people in traditional forms of political

¹ https://www.hcp.ma/Emploi-chomage-activite_r123.html

² Diagnostic sur l'État de la Région de Marrakech-Safi, Embarek Bouchehboub et Brahim Badri, Avril 2018

³ Situation de l'Emploi au Maroc en 2017, Haut Commissariat aux Plans (HCP).

⁴ Diagnostic sur l'État de la Région de Marrakech-Safi, Embarek Bouchehboub et Brahim Badri, Avril 2018

participation. In fact, only one percent of youth in Morocco participate in a political party or union.⁵

All these factors expose young Moroccans to delinquency, crime, and a growing desire to search for new opportunities abroad, most of the time through illegal immigration. With many young people feeling that the government does not meet their needs and ambitions, their frustration is often expressed through participation in social protests or can even lead some of them to join extremist groups. Between 2011 and 2017, nine terrorist cells have been dismantled in the MS region, the most recent among which dates to June 2019 when four young people were arrested for affiliation with ISIS. MS comes fourth after Tangier-Tetouan-Al Huceima (19), Fes-Meknes (14) and Oriental (11), in terms of the number of terrorist groups dismantled during this same period.

For the Government and the MS Regional Council, investing in youth is now becoming a pressing challenge. In 2019, the World Bank approved a \$55 million loan to the Moroccan Government to enable the government develop youth employability programs in MS region within the frame of a new project destined to provide economic support to youth. This project will combine training of lower skilled youth, supporting potential entrepreneurs and investments in promising value chain investments. USAID expects that its interventions should build on this project for complementarity and synergy.

3. Persons With Disabilities (PWD)

Social disparities are a feature of Moroccan society, and disabled Moroccans are the main social class affected. According to Haut Commissariat aux Plans (HCP)'s 2014 census, Morocco counts 2.26 million persons with disabilities (PWD), about 6.8 percent of the total population. 66.6 percent of them are female; 66 percent are illiterate, while 47.7 percent are economically inactive. 66.1 percent of PWD are uneducated, (79.5 percent for women vs 53.4 percent for men). Education levels are also low among this category: 19.6 percent completed primary level education; 9.5 percent have reached high school and only 1.8 percent attained a higher-level education. According to the same source, more than 47.6 percent of PWD are unemployed, four times the national average.

According to the Ministry of Solidarity's 2014 Handicap survey, MS region has a PWD rate of 3.9 percent, which is below the national average (6.8 percent).

II. FUNDING OPPORTUNITY

In publishing this Addendum to the Science, Technology, Innovation, and Partnerships (STIP) Annual Program Statement (APS), **USAID/Morocco is soliciting collaborative Concept Notes from partnerships and/or consortia of organizations proposing integrated approaches to achieving USAID/Morocco's inclusive governance, economic growth, and local engagement objectives, as detailed below.** As a requirement of the STIP APS, Prime applicants must engage with one or more Higher Education Institutions (HEIs, in the US and/ or in Morocco), as well as one or more other local actors (i.e. CSOs, Government institutions, private businesses, etc.) to

⁵ UNFPA - United Nations Population Fund, <https://www.tawjihnet.net/vb/threads/5917/>

support outcomes and bolster impact. In addition to improving economic and political inclusion for the people of MS, a primary goal of this addendum is to advance the Government of Morocco in its journey to self-reliance by strengthening local organizations and institutions.

Subject to the availability of funding, USAID/Morocco anticipates supporting up to three new awards under this Addendum, over the course of three to five years. USAID reserves the right to award more or fewer awards OR none at all. All terms and conditions of the FY2020-FY2021 **STIP APS** apply

III. ELIGIBILITY

Any type of organization is eligible to submit a Concept Note under the Inclusive Socio-Economic Development Addendum. However, in accordance with the requirements of the overarching Science, Technology, Innovation, and Partnership Annual Program Statement (7200AA20APS00006, page 14), Concept Notes submitted in response to this Addendum must include partnerships with the following actors *at minimum*:

1. **A Higher Education Institution (HEI).** Partnerships with Morocco, U.S., or international HEIs are acceptable. Consistent with guidance from USAID/E3/Education, a higher education institution is defined as an organization that provides educational opportunities that build on secondary education, providing learning activities in specialized fields; this may include public or private universities, colleges, research institutes, training institutes, vocational training centers, etc.
2. **A Local Partner.** Local partners can be any type of Moroccan organization (public, private, Civil Society Organizations (CSOs), etc.) preferably those based or with an existing permanent presence in the Marrakech-Safi region of Morocco.

Further, the organization must be a legally recognized organizational entity under applicable law, legally registered in a country within the geographic code 937 (“the United States, the recipient country, and developing countries other than advanced developing countries, excluding any country that is a prohibited source” per ADS 310.3.1.1).

The eligible Prime Applicants are expected to be the lead on one Concept Note only.

Concept Notes from organizations that do not meet the above eligibility criteria will not be reviewed and evaluated. Individuals are not eligible to apply for funding under this Addendum.

IV. THEORY OF CHANGE

To achieve the project purpose, USAID/Morocco posits that **If** sub-national participatory governance is improved and institutionalized, and business and livelihood opportunities are enhanced, **then** inclusive development will be enhanced in the region of Marrakech-Safi.

V. PROGRAM OBJECTIVES

The primary objectives of the Inclusive Socio-Economic Development program are detailed below. Though each objective is discussed separately for clarity, USAID/Morocco sees these objectives as highly overlapping. As such, it is expected that a successful program will take a systems approach to meeting objectives, with significant and meaningful coordination and integration of activities, such that some activities support multiple objectives.

All results listed under Sub-Objectives are illustrative only and are not meant to be prescriptive in nature. Applicants are encouraged to think creatively and propose any activities and results that support the primary Objectives and Sub-Objectives (i.e. those in bold face above), provided the approach and rationale are clearly presented. Please refer to the “Evaluation Criteria” section below for additional information about how Concept Notes will be evaluated.

Objective 1: Improve and institutionalize Sub-National Participatory Governance in Marrakech-Safi

USAID/Morocco seeks to improve sub-national participatory governance with activities that target both local public institutions and civil society. There are two Sub-Objectives under Objective 1.

Sub-Objective 1.1. Increase transparency and performance of sub-national government institutions.

Successful applicants should expect to work with the BMK Regional Council and/ or other sub-national government institutions to achieve this Sub-Objective. Activities under this Sub-Objective may support the following illustrative results: increased sub-national government openness to and collaboration with citizens, improved mechanisms; increased opportunity for civil society participation in local governance; improved sub-national government performance; improved accountability and transparency of sub-national institutions; and/or increased devolution and deconcentration of authority.

Sub-Objective 1.2. Strengthen the role of Citizens and CSOs in sub-national governance.

Activities under this Sub-Objective may support the following illustrative results: more positive perceptions and increased trust of local government institutions among citizens; and/or individuals and CSOs (particularly women, youth, and PWD) are more active and engaged in local governance activities and decision-making processes

Objective 2: Enhance Business and Livelihood Opportunities in Marrakech-Safi

The region of BMK presents great opportunities for economic growth and job creation. USAID/Morocco aims to enhance economic opportunity in the region, focusing on the following Sub-Objectives:

Sub-Objective 2.1. Workforce Skills are Better Aligned with Labor Market Needs.

Activities under this Sub-Objective may support the following illustrative results: tertiary education curricula (universities, vocational training programs, etc.) are better aligned with labor market needs; youth are exposed to work readiness training and develop appropriate soft skills; strengthened partnerships between training institutions and private sector

employers; and/or improved representation by women, youth, and PWD in the labor market.

Sub-Objective 2.2. Improve the Business and Innovation Ecosystem in Marrakech-Safi.

Activities under this Sub-Objective may support the following illustrative results: improved environment for private sector investment; creation of a Regional Business Environment Committee (RBEC), and ensure their coordination with the National Business Environment Committee, in order to create an environment that is more permissive of innovation/ entrepreneurship; increased entrepreneurial activity among citizens of BMK (including youth, women, and PWD); and/or local business creation/ expansion.

VI. CROSS-CUTTING CORE PRINCIPLES

In addition to the Objectives discussed above, USAID/Morocco expects the following core principles to be applied across the design and implementation of activities under this program:

- ***Innovate, pilot, and develop scalable models:*** Morocco’s permissive environment and USAID’s strong partnerships make it an ideal place to pilot innovative approaches that promote learning and facilitate scale-up of proven models. USAID consultations highlight the desire of GOM counterparts for technical support in line with regional development priorities. Activities will be designed in ways that promote learning and innovation to inform:
 - Activity implementation through adaptive management
 - Follow-on activities under USAID/Morocco’s future CDCS
 - Models that can be adopted by local partners (particularly the GOM)
 - Impact evaluation on identified components for mission and agency level learning
 - Approaches to potentially be used in other countries.

In addition, experience with past programming, such as USAID’s Civil Society Strengthening Program, Career Center program, and Reading for Success program, highlights the potential for political will of the GOM to scale up proven models.

- ***Engagement of local actors:*** The program was designed in close collaboration with local actors through a consultative process, including a systems mapping workshop in the region. Local actors are also expected to be involved in the design of the largest implementing mechanisms under the program, which will be procured through the [STIP APS](#). This consultative process will aim to tailor activities to address the governance and economic growth priorities identified by the pilot region using a co-creation approach⁶ and the Agency’s new “Journey to Self-Reliance” metrics. “Journey to Self-Reliance” is a new strategic approach that aims to more systematically orient the agency’s programming toward building partner countries’ capacity to address their own development challenges

⁶ Co-creation is a design approach that brings people together to collectively produce a mutually valued outcome, using a participatory process that assumes some degree of shared power and decision-making.

and lead their own reforms. USAID recognizes the vital role of local actors (spanning both the private sector and local community members) as key partners, thought leaders, and sustainability drivers throughout its work.

- ***Local ownership/leadership and capacity building:*** In addition to achieving participatory governance and economic growth objectives, a key objective under this program aims to build capacity, support, and ownership within MS to sustain progress beyond the life of award(s) made under this Addendum. USAID/Morocco believes strongly that local organizations/ institutions should be substantially involved in all activities funded under this program, leading activities, where appropriate. Local partners and other local stakeholders should be the primary drivers at every step in the process, from program design through implementation and evaluation. In cases where local partner Moroccan organizations and institutions have capacity deficits, the program should work to strengthen their capacities. USAID/Morocco is interested in funding activities which will strengthen sub-national government institutions, as well as local partnering organizations (i.e. implementing partners, HEIs, CSOs, private sector companies, etc.)
- ***Integration between economic growth and governance activities:*** USAID/Morocco sees integration of activities under the two objectives as essential to success. Activities, and the partners involved, should make every effort to combine innovative economic development approaches with new and adapted governance models toward improved socio-economic inclusion in the region.
- ***Inclusion of marginalized populations:*** The sense of exclusion disproportionately affects marginalized populations in MS including women, youth and PWDs, among others. Activities will be carefully designed to ensure interventions benefit these populations in the target region.
- ***Central level engagement:*** Efforts should be coordinated with the central government in order to influence the reform agenda, obtain necessary support to implement national strategies at the regional level and to position the region as a model that can inspire other regions in the advanced regionalization process.
- ***Focus on learning:*** The Mission will incorporate learning agendas at both the project and activity levels to ensure that key questions and knowledge gaps are addressed, including sustainability and scale-up. The findings from implementing the learning agenda will lead to the adaptation of activities and will serve as a knowledge base to guide future USAID activities and implementation of successful models. USAID/Morocco expects substantial cross-fertilization and sharing between activities implemented in the BMK and MS regions during implementation and evaluation of this program.
- ***Tailored training and technical assistance:*** Sustainability is an important part of all USAID/Morocco activities; training and capacity building are typically important parts of reaching this goal. As such, training should always be tailored and specific to needs and, in itself, not sufficient to ensure needed capacity is built. As part of any training approach (which could take many forms including, but not limited to, the establishment of engagement spaces, collaboration pathways, subawards, etc.), the Mission expects a

broader view of deep capacity development which could include, but not limited to, coaching, mentorship, networking, technical assistance, workshops on both technical and business/leadership skills, etc.

- ***Private Sector Engagement (PSE)***: The private sector should be an active contributor to this program. Businesses and corporations can also act as vectors of innovation and change to improve provision of social services in the MS region. This program should act as an intermediary to encourage public/private sector discussions and partnerships to provide support in key areas and to outsource public services. The private sector can also be directly involved in improving transparency and participatory governance in the region using innovative approaches.
- ***Adaptability in light of COVID-19***: The COVID-19 pandemic has changed nearly all aspects of daily life and is expected to continue to shape activities and systems at every level. As such, activities and the management of work will need to be highly adaptive. The pandemic has also changed the nature of the needs and helped identify new challenges across Morocco (such as sector diversification, the hard-hit SME sector, digitalization, and connection, etc.) The Mission expects a highly flexible, creative, and innovative approach, management and activity plan that can continue to change as the pandemic evolves.

VII. EVALUATION CRITERIA

In concurrence with the evaluation criteria outlined in the umbrella STIP APS (see Concept Note/Full Application Evaluation Criteria and Considerations section), Concept Notes submitted to the Inclusive Socio-Economic Development Addendum will be assessed using the following review criteria.

Note: Applicants who are invited to submit a Full Application may be evaluated on additional or revised criteria, to be disclosed in the associated Request for Full Applications.

Criterion 1: Feasibility and Alignment with USAID/Morocco Objectives and Priorities

Sub-Criterion 1.1: Responsiveness to Objective 1: Improve and institutionalize Sub-National Participatory Governance in Marrakech-Safi

- Extent to which the proposed partnerships, projects, and activities are well-defined, achievable, and respond to the Participatory Governance Objective and Sub-Objectives articulated in this Addendum (Section V).
- Extent to which proposed activities will effectively increase transparency and performance of sub-national government institutions throughout the life of the award.
- Extent to which proposed activities will effectively strengthen the role of citizens and CSOs in sub-national governance throughout the life of the award.

Sub-Criterion 1.2: Responsiveness to Objective 2: Enhance Business and livelihood Opportunities in Marrakech-Safi

- Extent to which the proposed partnerships, projects, and activities are well-defined, achievable, and respond to the Economic Opportunity Objective and Sub-Objectives articulated in this Addendum (Section V).
- Extent to which proposed activities will effectively improve alignment of workforce skills with labor market needs throughout the life of the award.
- Extent to which proposed activities will effectively improve the business and innovation ecosystem in Marrakech- Safi throughout the life of the award.

Criterion 2: Partner Engagement and Collaboration

Sub-Criterion 2.1: Higher Education Institution Engagement and Collaboration

- Extent to which proposed HEI partnership(s) and roles are appropriate and additive to the success of proposed projects or activities.

Sub-Criterion 2.2: Partner / Consortium Engagement and Collaboration

- Extent to which proposed partnerships are appropriate and additive to the success of proposed projects or activities.
- Extent to which application demonstrates partner commitment to proposed collaboration(s).
- Extent to which proposed partners/ consortium (1) has the existing capacity to meet the stated objectives and/or (2) has clearly identified important gaps in capacity that would need to be filled for successful implementation.

Criterion 3: Potential for Impact

Sub-Criterion 3.1: Alignment with Core Principles

- Extent to which Concept Note proposes innovative and/or pilot approaches to the stated objectives.
- Extent to which proposed activities demonstrate high levels of collaboration and engagement with local actors from design through implementation and evaluation.
- Extent to which proposed activities and approaches support local ownership, leadership and capacity building
- Extent to which the proposed governance, economic growth, and local capacity/ownership activities are meaningfully integrated from design through implementation.
- Extent to which proposed activities are inclusive of marginalized groups in MS, including women, youth, and persons with disabilities.
- Extent to which proposed activities/ partnerships with sub-national government institutions are in line with national GOM policies and/or priorities and demonstrate high levels of engagement with national government agencies.
- Extent to which proposed activities incorporate learning agendas as appropriate to ensure that key questions and knowledge gaps are addressed, including for adaptive management, sustainability and scale-up.
- Extent to which proposed training and technical assistance are tailored to specific needs and use a mix of approaches to ensure effective capacity building.

- Extent to which the private sector contributions are incorporated in the proposed activities, including in the governance sector.
- Extent to which application demonstrates high levels of adaptation, creativity and innovation to

Sub-Criterion 3.2: Long-Term Impact and Sustainability

- Extent to which the anticipated results (and proposed partnerships, projects, or activities, where appropriate) are likely to be sustained beyond the life of the Award.

VIII. APPLICATION INSTRUCTIONS AND REVIEW PROCESS

The selection process for the Inclusive Socio-Economic Development Program will happen in three phases: (1) An open call for brief Concept Notes, (2) virtual and/or in-person co-creation discussions and/or workshops/s with selected applicants, and (3) submission and review of Full Applications by invitation only. USAID/Morocco will be responsible for the review of Concept Notes and Full Applications and management of any subsequent awards issued under this Addendum. Additional information about each phase is provided below.

Concept Notes

Applicants are required to follow the Application and submission information instructions set forth in Section VIII and submit concept Notes using the provided Concept Note Template (See Appendix I). Concept notes received under this Addendum to the STIP APS will be reviewed in full and open competition and under the procedures and evaluation criteria identified in Section VII.

The Concept Note content:

- Applicants should submit only the information and materials requested in the Concept Note Template
- Concept Notes must be written in good readable English
- Concept Notes must not exceed five (5) pages, using 1inch page margins with 12 point font.
- Concept Notes must be submitted electronically as MS Word or Adobe PDF.

The Concept Note and all required supporting information should be submitted by email to Salya Yacoubi at syacoubi@usaid.gov with a copy to usaidmoroccocontracts@usaid.gov as specified on the cover page of this document. The email subject line should follow this naming scheme: “Applicant Organization Name - ISED in MS Concept Note Submission”. No additions or modifications will be accepted after the submission date. Concept Notes that are submitted late or incomplete will not be considered for the co-creation phase. Additional information in the Concept Note not requested by the Addendum may be removed and may adversely affect an applicant’s evaluation/review.

USAID/Morocco will acknowledge receipt of Concept Notes submission.

Concept Notes received after the above deadline or not in the required format will not be considered. After receipt of a Concept Note, USAID/Morocco may request supplementary information or pose clarifying questions to any applicant; however, doing so does not obligate USAID/Morocco to engage all applicants nor does it guarantee invitation of that applicant to the co-creation discussions and/or workshops/s and/or Full Application phase.

Eligible Concept Notes will be evaluated by USAID/Morocco according to the evaluation criteria detailed in Section VII of this Addendum. After all Concept Notes have been reviewed, USAID/Morocco anticipates two (2) possible initial responses from the Concept Note Merit Review process:

- **Conditional acceptance** - Invited for Co-creation: Concept Note received a strong rating against the Merit Review Criteria. USAID/Morocco will select a small subset of the most highly qualified Concept Notes applicants to engage in a round of Co-Creation with USAID and other stakeholders.
- **Rejection** - Concept Note received an average to low rating against the Merit Review Criteria and was not selected to move forward with Co-creation at this time.

Authors of Concept Notes will be updated on the status of their application.

Co-Creation

Contingent on the availability of funds, USAID/Morocco will invite a select group of the most promising Concept Note authors to engage in one or more virtual Co-Creation discussions and/or workshop(s) with USAID and other stakeholders, tentatively planned for early 2021. If the pandemic situation allows, in-person co-creation sessions may also be organized. Co-creation sessions can be done one-on-one (i.e. between USAID and individual applicants) or in groups (involving more than one applicant). The goal of the co-creation discussions and/or workshops is to collaboratively refine needs, objectives, opportunities, challenges, solutions, etc. related to Inclusive Socio-Economic Development in MS. Co-creation discussions can also serve to promote consortia-building among different international and local applicants. Additional information regarding the process, expectations, etc. will be provided to those selected.

Please note that Co-Creation may involve extensive discussions with USAID/Morocco staff and/or other experts within or outside of USAID, including other implementing partners representatives of government, private sector, academia, among others. In submitting a Concept Note to this Addendum, applicants give USAID the right to share Concept Notes with appropriate external partners solely for the purposes of evaluation or co-creation. All parties privy to the contents of submitted Concept Notes, whether within or outside of USAID, will be required to sign non-disclosure agreements and keep contents in confidence. Additional information about the co-creation process can be found in the Co-Creation, Collaboration, and Communication section of the umbrella [STIP APS](#).

USAID/Morocco envisions that the Co-Creation discussions and/or workshop(s) will inform the final program description/NOFO, as well as quantitative and/or qualitative indicators or performance milestones.

If USAID remains interested in moving forward with an Applicant's proposed projects or activities following the co-creation discussions and/or workshops/s, USAID may request a Full Application from the Applicant. Invitation to or participation in Co-Creation or other communication with USAID during the application process does not guarantee a request for a Full Application or funding. **Furthermore, any expenses incurred during the application process, including expenses incurred to prepare for and attend the co-creation discussions and/or workshops/s, are the sole responsibility of the applicant(s).**

Full Application

USAID will only accept Full Applications from applicants explicitly invited to submit Applications after participation in the Co-Creation discussions and/or workshop/s. Full Applications will expand upon the Concept Note and respond to key learnings from Co-Creation. Applicants will be asked to provide extensive detail about proposed projects and activities, as well as a fully elaborated budget, monitoring and evaluation plan, stakeholder engagement and communications plan, and other components to be detailed at the time of its request.

Pursuant to Part 25.110 of Title 2 of the Code of Federal Regulations (2 CFR 25.110), an organization must also do the following in order to apply:

1. Be registered in the U.S. Government's System for Award Management (SAM) (www.sam.gov) before submitting its application;
2. Provide a valid DUNS number in its application; and
3. Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding Department or Agency.

Note: Request for a Full Application is NOT a commitment to funding.

Award

Subject to the availability of funds, USAID may allocate up to \$18 million in total over the course of the next year to fund one award or a portfolio of programs. The proposed period of performance is between three to five years. Priority will be placed on supporting the most promising approaches to the objectives described herein. USAID reserves the right to fund any or none of the application(s) submitted. All terms and conditions of the FY2020-FY2021 STIP APS [STIP APS](#) apply.

Note: This Addendum serves primarily to outline the goals and priorities of USAID/Morocco in making one or more awards under the STIP APS. More comprehensive information regarding the application and review processes (including Concept Note submission, Co-Creation, Full Application, and Evaluation stages) can be found in the umbrella [STIP APS](#). Applicants are advised to refer extensively to both documents in preparing Concept Notes.

Funding Restrictions

Construction is not an allowable activity under this Addendum to the STIP APS. Also, USAID/Morocco does not allow reimbursement of pre-award costs under this Addendum.

IX. ADDITIONAL INFORMATION

Context and Resources

- **USAID’s Journey to Self-Reliance Initiative (J2SR)**
[Journey to Self-Reliance](#) is a new strategic approach that aims to more systematically orient the agency’s programming toward building countries’ capacity to address their own development challenges. This new strategic approach encompasses metrics for both commitment and capacity of a country to achieve a level of self-reliance that no longer requires U.S. foreign assistance. **Applications should include appropriate indicators that align with J2SR metrics in order to measure success in the region. The FY 2021 Morocco roadmap can be accessed [here](#).**
- **USAID/Morocco Strategy (CDCS)**
The Inclusive Socio-Economic Development (ISED) program in the Region of Marrakech-Safi (MS) will support USAID/Morocco’s upcoming Country Development and Cooperation Strategy (CDCS) 2020-2025 which is currently in development and will be finalized in December 2020. This new strategy will be implemented through two projects: the General Development Office (GDO) Project Appraisal Document (PAD) and the Education PAD. This activity will directly contribute to achievement of results articulated in the GDO PAD. The following Intermediate Results (IRs) make up the intentional purpose of the ISED activity: IR 1 “sub-national participatory governance is improved and institutionalized” and IR 2 “business and livelihood opportunities are enhanced.” The activity will directly contribute to Sub-IR 1.1 “Increased performance, efficiency, and accountability of elected sub-national (regional and local) governments”, Sub-IR 1.2 “Empowered citizens and CSOs play a more active role in sub-national governance”, Sub-IR 1.3 “Enhanced opportunities for collaboration between sub-national government and Citizens”, Sub-IR 2.1 “ Workforce skills enhanced”, Sub-IR 2.2 “ Operationalized and streamlined policies and procedures for increased investment”, and Sub-IR 2.3 “entrepreneurship and innovation promoted.”
- **Government of Morocco National Strategy**
The activity will support the Advanced Regionalization Strategy that Morocco has put at the heart of its socioeconomic development model. In one of his recent speeches, the King of Morocco noted that regions are expected to become local governments wielding the kind of powers that enable them to shape their own destiny. USAID/Morocco will work with the Regional Council and other local stakeholders to implement initiatives to improve local governance and economic growth in the region of MS. Efforts will be coordinated with central partners such as la Direction Générale des Collectivités Territoriales (DGCT), key sectoral ministries, the National Business Environment Committee, the Moroccan General Confederation of Businesses (CGEM) and any other relevant partner to ensure sustainability and scale. Eventual awardees would be expected to engage and work in close partnership with GOM officials.

Questions and Further Assistance

Questions regarding the substance and objectives of the Inclusive Socio-Economic Development Addendum should be directed to Salya Yacoubi at syacoubi@usaid.gov with a copy to

usaidmoroccocontracts@usaid.gov, as specified on the cover page of this document. The email subject line should follow this naming scheme: “Applicant Organization Name - ISED in MS Concept Note Questions”. Responses to applicant questions will be posted publicly on grants.gov.

Questions regarding the substance and terms of the broader STIP APS Full Announcement should be directed to LABCDR_Feedback@usaid.gov.