

## Regional development model for the Kingdom's southern provinces

Assessing effective access to  
basic human, economic, social,  
cultural and environmental rights  
in the southern provinces

## Summary

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Economic, Social and Environmental Council

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This document is a first step in the preparation, by the Economic, Social and Environmental Council (CESE), of the Report on the new development model in the southern provinces<sup>1</sup>, further to the high instructions of His Majesty King Mohammed VI. It is a tool that can help identify the «turning points» required for an overhaul and re-engineering of the development process in the southern regions. It is based on the premise - indeed the conviction of all CESE components - that respect for basic human rights as they are universally defined and as they are enshrined in the Kingdom's Constitution, is both the condition and critical lever for the success of any development policy, at both national and regional levels. This is the reason why this first report is devoted to reviewing effective access to basic human, economic, social, cultural and environmental rights in the southern regions, and of civil and political rights, which are part and parcel of the above rights.

20. The purpose of this work is to present, against the backdrop of legitimate and binding universal principles and standards, an « overview of the current situation » in the areas of human development in the three southern regions. These findings are the result of meetings held, in the regions concerned, with more than 1,000 people representing a wide range of stakeholders (advocacy associations, local community groups, trade unions, professional associations, chambers of agriculture, trade and industry, industrial leaders, central and external departmental services, the Agency for the development of the southern provinces etc..). Findings were also based on an extensive review of statistical data and analysis and information reports by central and local government agencies as well as by international institutions and associations.

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<sup>1</sup> Address by His Majesty King Mohammed VI on the occasion of the Green March anniversary (November -, 2002)



## A deeply transformed society

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1. The territory, demography, economy and society in the three southern regions have changed dramatically since their decolonization (Guelmim and Tata from French colonial rule in 1958, then, successively, from Spanish colonization: Tan Tan and Tafaya in 1958, Es-Smara and the Laayoun - Boujdour - Sakia el Hamra region in 1975, and the Oued Ed-Dahab-Lagouira region in 1979. Through its sovereign prerogatives, and in support of public investment, government expenditure and distribution of social assistance, the State was the key player in this transformation. The work done is impressive. It is worthy of praise on several accounts. But there are also shortcomings and limitations that need to be addressed - for the sake of a clear vision for the future - through a real reform of the conceptual approaches used in the development of the southern provinces. Also needed is a wake-up call for a change of the mindset, behaviors and habits of the policymakers and elites in charge of ensuring these regions' development.
2. In few decades, the population of the ten southern provinces has become predominantly urban and has increased more than tenfold. It now exceeds one million inhabitants, or 3.5 percent of the total population<sup>2</sup>. In 2010, the GDP of the three southern regions was 21.7 billion dirhams, or 3.5 percent of the national wealth produced annually. Local household spending amounted to 12.7 billion dirhams in 2011, again representing 3.5 percent of the country's total household expenditure.
3. However the ten southern provinces, which account for more than half the country's surface area, are home to barely more than 1 percent of bank deposits and loans. The private sector is weak: in 2010, the industry turnover represented a mere 1.2 percent of the value of the national industrial output. The 7,714 employees in the industrial sector represent 1.6 percent of the country's industrial workforce. On the other hand, in 2011, the region contributed 57.8 percent of coastal fishing products. Whereas unemployment<sup>3</sup> stands at 15.2 percent of the working population, against 8.9 percent at the national level (with a rate of 35.1 percent for women, against 10.2 percent at the national level), the Laayoun and Dakhla regions are among the country's least poor regions (with poverty rates of 2.2 percent and 2.6 percent respectively, against an average national rate of 8.9 percent).
4. Nevertheless, the relative prosperity implied by the figures is not uniform, neither between regions - since Guelmim has a 9.7 percent poverty rate - nor within regions, considering the glaring disparities between urban centers and small municipalities, especially in rural areas. Overall, and according to figures from the HCP, the poverty rate in 2007 was lower in the south (4.9 percent) than in the rest of the country (8.9 percent). Although there are acute disparities - with a Gini<sup>4</sup> coefficient of 0.35 - they are less pronounced than in the rest of the country (national Gini coefficient of 0.41). However, vulnerability to poverty is slightly higher in the south (19.6 percent, against 17.5 percent at the national level<sup>5</sup>). In these regions, it is the State that plays the role of bulwark against poverty. Given that there is no observatory on development in the southern provinces, and considering the manner in which the national accounts are written, it is not possible to give a precise figure about the value

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<sup>2</sup> The rate of urbanisation is 93 percent in the Laâyoune-Boujdour-Sakia-el-Hamra region, 63 percent in Oued-ed-Dahab-Lagouira region

<sup>3</sup> 2007/2011 HCP survey

<sup>4</sup> The Gini coefficient is a fairly recognized indicator which measures inequality, with 1 on the Gini scale meaning "total inequality", and 0 indicating "perfect equality".

<sup>5</sup> Vulnerability to poverty concerns the proportion of people whose average annual expenditure is between the poverty line and 1.5 times that threshold.

of state transfers to these provinces. According to estimates provided by the APDS to the CESE, the annual state contribution - both direct and indirect subsidies - granted to the region to fight poverty is around 4.6 billion dirhams. Direct aid given by the Promotion Nationale program to some 34,000 beneficiaries, amounting to 589 million dirhams, represents half the total budget allocated to this program at the national level.

## Need for a holistic vision: taking into account the colonial legacy and the geopolitical constraint

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5. To understand the situation in the southern regions, as a prelude to rethinking the development model for them and make it dynamic, it is important to have a holistic perception of these regions, taking duly into account the weight of history and the geopolitical constraints that have affected society and stakeholders in those regions. The CESE will commission studies of a scientific nature on this important aspect. For the sake of a sound understanding of the situation, and in order to come up with feasible solutions that can boost activities and bolster social cohesion in the southern regions, it is essential to take into account the geopolitical hurdle that has impeded regional integration since the mid-1970s. Challenging Morocco's sovereignty over its southern provinces has meant that natural linkages which are essential to cooperation and exchanges were blocked between these provinces and their eastern neighbors, and, further down, with the Sahel region. Sooner or later, these barriers will be lifted. It is important that Morocco should continue to endeavor to develop its southern provinces in this spirit of openness and complementarity with its neighbors. Any development model for the Kingdom's Saharan provinces should rely on endogenous resources and dynamics on the one hand, and on state assistance, public support and linkages with the other provinces of the Kingdom, on the other, and, ultimately, with the vast North-West African sub-region. The CESE's ambition is to contribute to substantiating the role of the entire region as a hub for cooperation, prosperity and peace.
6. Given this environment of tension, and considering the limited financial resources available to Morocco, and in view also of the poor state of infrastructure and social services in the southern provinces at the time they were recovered, it is a fact that the demographic, economic and social evolution witnessed in the southern regions shows many strengths and real achievements. But alongside these accomplishments, there are also deficits, signs of loss of impetus, as well as failures in several of the key areas in the CESE's evaluation frame of reference.

## Achievements and strengths to be further enhanced

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7. The right to life and security, as well as the safety of people and property are guaranteed in the southern regions through common law guarantees and under the same conditions as in the rest of the Kingdom. The right to move, to leave the southern provinces and municipalities or to settle therein is fully exercised.
8. There are no legal or regulatory provisions which specifically restrict individual liberties in the southern regions. However, cases of abuse of power are denounced by human rights activists; they consist in intimidation, because of the views held, or ill-treatment in prison. Similarly, allegations of unjustified

refusals to deliver a declaration receipt have been made by human rights activists who perceive this as an infringement of the right of association. It is regrettable that such allegations are not followed by investigations or official explanations.

9. There are no legal or regulatory restrictions to collective freedoms either. All representative unions are operating in these regions and can legally intervene in industrial relations. They hold meetings and demonstrations in the southern provinces, including on May 1, on the occasion of Labor Day. The right to strike is exercised freely, and there are no known cases in the region of application of Article 288 of the penal code, which punishes the organization or participation in strikes on grounds of «violation of freedom to work». Some unions have made credible allegations to the CESE concerning cases of refusal by certain civil servants to recognize union branches.
10. Similarly, the activities of political parties in the southern regions come under common law.
11. All children in the region benefit from pre-school education. The achievement of 100 percent access of all school-aged children - including girls - to primary education is undoubtedly one of the most important, most promising accomplishments in the region. The literacy rate in the southern regions (63 percent) is now higher than the national rate (57 percent). However, many observers criticize the quality of teaching and some regret that the history of the Hassani culture is not taught at school.
12. Life expectancy and health indicators have been greatly improved and are now in line with national indicators. Indicators of the average number of beds, doctors and nurses per thousand inhabitants are comparable to national averages. Beyond the figures, however, the populations are faced with serious problems of access to health facilities, the quality of technical equipment and the availability of medical and paramedical personnel.
13. Although the southern regions are remote from major production centers and distribution networks, the chief logistic services are efficiently ensured. Markets are busy, and price index variations are the same as in other provinces. Connections with the other regions of the Kingdom, including air and road traffic, however, remain difficult and costly.
14. Access indicators to key public services, including water, sanitation and electricity connection exceed national averages (over 84 percent, against 70 percent nationally for electricity, around 70 percent for drinking water, against 55 percent at the national level). As is the case in the rest of the country, disparities within and between provinces, particularly between urban and rural communities, still exist.
15. Slums have been mostly eradicated. However, pockets of substandard housing persist, and the failure of the program on developing fishing villages means fishermen in several places are facing unbearable living conditions.
16. The implementation of the National Initiative for Human Development (INDH) in the southern regions has had a significant impact. Between 2007 and 2012, approximately 10 percent of INDH projects were implemented in the southern provinces (2,242 projects out of a total of 23,000). 495,840 people benefited from those projects (compared to 5 million beneficiaries nationwide). Half of these projects concerned associations and cooperatives (1,065 out of 2,242), with funding accounting for 10 percent of the budget (152.4 million dirhams). 702 projects (31 percent) concerned income-generating activities.

## Some weaknesses and causes for concern

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17. In addition to the above achievements, there have been serious difficulties with respect to the development policies applied in the southern regions.
18. The water policy - a key issue in an arid environment - is not very clear. In ten years (2000-2010), due to urban development and intensive household consumption, there was a 29 percent increase in drinking water consumption in the region (from 10,651 cubic meters to 13,817 cubic meters), compared with an 18.3 percent increase at the national level. While resources are limited (less than 100 mm of rainfall per year), the use of fossil water in areas such as Dakhla and its utilization for export-oriented vegetable farming do not seem to be a reasonable course of action. This challenge must be met through an approach that promotes conservation and sustainability, without monopolizing scarce water resources. Also required is an objective assessment of water reserves and rational use of the resource. Similarly, the use of sea-water desalination, as a «substitute» for fossil water to ensure the sustainability of agricultural activity, raises the question of the contribution to costs and the integration of costs in farming activity and products.
19. Environmental constraints in the southern regions are not properly taken into account. Although state resources for monitoring and preventing coastal pollution have improved, they are still limited. Excessive pumping of water resources is a serious threat. When they exist, actions for the protection of biodiversity and ecological sites are still too vague. On the other hand, local development opportunities for renewable and clean energy or for domestic and international ecological and cultural tourism have clearly been underestimated so far.
20. Town layout does not seem to be based on promoting a consistent or harmonious architectural style. The functionality of urban spaces and people's social needs (recreation, parks, sports and cultural facilities) are not adequately taken into account.
21. The housing policy is poorly integrated. Large private social housing operators are not engaged locally.
22. The same significant failures observed at national level in the management of the network of basic health care, distribution of medical assistance cards for the poor, or the implementation of health coverage for private sector employees, are found in the southern regions. On top of that, remoteness from decision-making centers in the capital city adds to the populations' dissatisfaction.
23. Most stakeholders interviewed by the CESE regretted the absence of university education in the region and the weak enrollment of students in scientific subjects.
24. There is no employment policy per se in the southern regions. Recruitment budget lines were allocated several years ago (6,000 jobs according to certain testimonies) to young people from the southern provinces who were recruited in various civil service departments and public institutions, but some of them apparently perform no tasks, nor do they report to work. The lack of information or corrective measures creates the impression that state officials have the discretionary authority to distribute remunerations and other stipends.

25. The tax system applied to the region's provinces is purely practical, without any specific legal framework. It has an adverse effect on investment and deprives communes, especially in rural areas, of means they need. The exemption system from value added tax (VAT) is partial (it does not concern inputs), and causes widespread dissatisfaction. The same thing applies to the land tenure registration system which is characterized by significant malfunctions. Oppositions to registration, the slow pace in the examination of land issues and the payment of compensation raise legitimate complaints.
26. Private investment and the expansion of the commercial sector remain limited in the region. There are, in the 10 southern provinces, 125 bank branches, out of a total of 5,113 nationwide (2.4 percent). Access to bank credit is said to be very difficult because of unrealistic collateral requirements, which are also out of step with the activities and profiles of project developers. Conversely, several banking operators complain about the high failure rate and difficulties in claiming security rights. In some places, as in the Dakhla fishing villages, there are no banking services, and part or all of the sailors' remuneration is in the form of vouchers managed by intermediaries.
27. The lack of a social dimension in the fisheries policy is one of the most worrying public policy gaps in the southern provinces; it is also one of the most frequently mentioned causes of dissatisfaction. According to certain sources, the fisheries sector contributes 60 to 80 percent of the national catch. It accounts for 15 percent of the wealth produced in the southern regions and for 30 percent of jobs in the region. Fisheries resource development takes place outside the region, just like profit from deep sea fishing activities, which generate the largest share of added value. Likewise, the income of coastal fishing workers is insecure, and their living conditions are extremely poor.  
  
The absence of a social policy is also felt in the agricultural sector which accounts for nearly 10 percent of local jobs. Although usable agricultural land represents a mere 1.2 percent of the total area in the southern provinces, the efforts made so far to create cooperative jobs in the livestock farming sector (camels, goats, sheep) are still very limited. Nor are there any significant efforts in the crafts sector or in small trade, which remain dominated by the informal sector. There is no real strategy to create jobs or foster the development of cultural and ecological tourism.
28. The very low local added value of private income from agriculture and the fisheries, combined with a lack of information in these areas regarding the criteria and requirements for licensing and access to financing, have led to a rent-seeking economy and spirit which benefit a privileged few.
29. The system whereby social benefits are defined and distributed in the region is one of the most controversial features of public policies at the regional level. The programs of the Promotion Nationale, the delivery of subsidies and food aid, subsidies to cover petrol and gas costs, the allocation of land and housing, student scholarships and recruitments in government services are all provided but without any apparent coordination or accountability regarding impact assessment. As a result, the state's social policy is problematic for three reasons: firstly, because expenditures are neither controlled nor optimized; secondly, as it is unintelligible, this type of window policy is neither understood nor supported by the citizens; and, thirdly, because this mode of assistance which is not or insufficiently targeted leads to no lasting effects on capacity building for the beneficiaries, nor does it foster entrepreneurship and empowerment.
30. The commitment to the principle of non-discrimination and gender equality remains very limited at all levels in the region, as in the rest of the Kingdom. Women's labor force participation has dropped by nearly 10 percentage points between 2000 and 2011, falling below 15 percent (against 25 percent nationally).

31. Similarly, commitments regarding non-discrimination and promotion of equal opportunity and treatment for vulnerable segments of the population are not clearly supported by government authorities, nor are they encouraged by economic and social actors. Many people in vulnerable situations rely on family solidarity networks as the ultimate support (veterans and retirees - whose contribution to pension schemes, at the time, was below the minimum required to entitlement to benefits - widows, people with disabilities, former prisoners of war).
32. Several of the associations with whom the CESE representatives have met in the various southern provinces stigmatized the predominance of security concerns in the behavior of local government authorities as well as their interference in the planning and conduct of their activities. These worrying allegations do not give rise to any explanation on the part of the authorities concerned.
33. There is ample room for improvement concerning the civil dialogue - which is both guaranteed and encouraged by the Kingdom's Constitution - especially if the independence of civil society actors were to be clearly respected, and if institutional platforms were to be created at local and regional level for consultation and dialogue between civil society and public authorities. The lack of such a dialogue - which shows that civil society is not involved in the design, implementation, monitoring and evaluation of social policies - has an impact on the work of institutions such as the Agency for the development of the southern provinces. The action of the Royal Advisory Council for Saharan Affairs (CORCAS), whose membership and terms of reference made of it a first civil forum experience, is limited.

## Critical issues for democracy and development in the southern regions

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34. Five basic issues are essential to release energies for the promotion of development and democracy in the southern regions. They concern the following:
  - a. the steering of local public policies to promote, in order of priority, the creation of wealth and jobs, transparency, equity and social justice in the management of public affairs;
  - b. the refocusing of benefits derived from the region's resources to meet the basic needs of citizens and provinces;
  - c. the protection of the environment, making formal, measurable and controlled commitments to promote sustainable development;
  - d. revisiting the reflection on valorization of regional cultural specificities, and promoting its influence on shaping the national identity and interacting with it;
  - e. rekindling trust among the populations of the southern regions and fostering confident ties between the populations in these regions and public institutions.
35. The technical steering and administrative governance of development in the southern regions are becoming a breeding ground for dissatisfaction. The decision making and management methods used in connection with economic and social affairs are reaching their limits. The creation of the Agency for the development of the southern provinces has not made it possible to engage a comprehensive review of the approach to public investment in the southern regions. Prioritization

work and determining the social utility of public programs and projects are still not based on indicators that can help measure the number of jobs created, the income generated, the decline in poverty or gender discrimination, the improved conditions of vulnerable people or groups and, more generally, social betterment. A number of the major achievements made in recent years are criticized because of their cost or extravagance, because they were not completed, or because they were completed but are not operational (unreasonably large convention center, huge swimming-pool compared to the size of the population, gigantic library made of concrete, with expensive air conditioning and maintenance costs, a conservatory which is finished but not used, etc.)..

36. Neither the Agency for the southern provinces nor any other government agency has a comprehensive, updated database on the conditions and mechanisms of social and economic development in the southern provinces. Part of the data available is centralized at the level of the HCP but the information available cannot help answer basic questions on the process of creation and redistribution of wealth, neither at regional level nor on a national scale. It is important to be able to determine as accurately as possible the destination of local added value and of inter-regional transfers in order to define and spell out key principles and equitable, predictable distribution mechanisms between the State, regions and municipalities. This approach is not only fundamental, but it is also an indispensable mechanism in the framework of advanced regionalization.
37. Protection of the environment is a kind of overlooked dimension in local public policies. The commitments made under Agenda 21 are not followed by monitoring or public reporting on the work in progress. Yet, critical issues are at stake, be it with respect to the protection of water resources and the fisheries, or pollution prevention, including that of the coastline, and the potential for clean and renewable energy (both solar and wind). As is advocated by the national Charter for the environment and sustainable development, the environmental dimension should be a central part of evaluation criteria for any investment project. It should be a defining element of any new regional development model.
38. Basic issues relating to the cultural specificities of the southern regions were raised on several occasions during the meetings held locally by the CESE in January and March 2013. These questions may seem uneasy because they are not part of the customary public debate in our country, even though the Moroccan Constitution recognizes the pluralistic nature of the nation's cultural and linguistic heritage. The reflection on the society's mixed Hassani, Amazigh and Arab cultural identity in the southern provinces has not yet taken place. The absence of this reflection has an impact on the development and implementation of public policies as well as on the debate on social conditions and on these regions' future development. That reflection requires openness, integration, and the ability to listen and to engage in dialogue. It also implies that serious inadequacies should be pinpointed and addressed in connection with the proper understanding that officials in charge of government agencies and institutions in the region should have of the history and culture of these regions.
39. It should be noted that many of the deficiencies identified at the regional level are rooted in - and call for a solution at - central level. The devolution of greater powers to independent bodies such as the National Council for Human Rights (CNDH) or the ICPC (Central Authority for the Prevention of Corruption) does not guarantee, in and of itself, the actual effectiveness of regulatory and control functions that are needed in a democratic society based on the rule of law. The ICPC is not yet represented in the region; it receives few complaints from the southern provinces. The CESE received several testimonies regarding requests submitted by the CNDH and the ICPC to various

administrations regarding alleged violations of human rights or acts of corruption committed in the southern provinces, for which no action was taken. The question of government accountability remains open. In this respect, and given that the relevance of advanced regionalization is no longer called into question, intensive modeling efforts should be made regarding the principles, technical preparation and procedural implementation of such an accountability objective.

40. In many respects, it may be argued that the southern provinces are a miniature replica of the impediments hindering development at the national level. This analysis applies to access to basic services and social welfare, employment, education, culture, social inclusion, the protection of the environment, the business environment, governance and control of public decision-making, as well as for civil dialogue and social dialogue. What is at stake, however, is the trust both in the operation of local government services and in the economic future and social cohesion of the southern regions. The tragic events at Gdeim Izik in November 2010, and Dakhla, in September 2011, should be considered carefully because they are not mere epiphenomena due to some deficiency of the security apparatus. These events raise questions about the influence, the vibrancy and - ultimately - the credibility of mediation institutions, including associations, which are empowered and supposed to regulate and facilitate social relations. These are signs of a crisis of confidence which raises questions not only about the ability of social actors to build their representativeness and their action on their actual autonomy, but also the ability of government authorities to respect that autonomy and taken it into account. After listening to many stakeholders, it appears that expectations are high - and growing - in terms of social well-being, the realization and exercise of freedoms, and transparent, responsible attitudes by government authorities and their representatives.
41. Underpinning these expectations is an aspiration, in the southern provinces, for the advent of a mature civil society which is recognized and empowered to run local affairs. Because of this aspiration, the classical approaches of financial dependency and administrative control of the internal functioning of civil society organizations are rejected. Oftentimes, the following message was voiced by various local actors: « We have liberated the land, we have invested heavily in concrete, but we must do much more for the dignity and well-being of the citizens». This aspiration to participation should be leveraged in a positive manner by tackling the factors that impede economic activity and the development of the private sector, and by addressing the signs and root causes of the lack of the citizens' trust in the government's ability to respect and guarantee their human rights. The purpose of this first report is precisely to review the situation of fundamental human, economic, social, cultural and environmental rights, with a view to making appropriate recommendations to shore up their realization and improve governance in order to ensure social cohesion and prosperity in the southern regions.
42. This diagnosis will be made public and will be shared with the largest possible number of stakeholders so that they may enrich it with their comments and suggestions; further to the framework paper submitted by the CESE President to His Majesty the King on 22 January 2012, it is hoped that this diagnosis would serve as a frame of reference for the development of the new regional development model for the southern provinces.











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