

## **The Moroccan Model of Public Governance: Current Situation in Morocco**

## **Le modèle marocain de gouvernance publique : Etat des lieux au Maroc**

**NAFZAOUI Mohammed Achraf**

Enseignant chercheur

Ecole Nationale de Commerce et de Gestion Kenitra

Université Ibn Tofail

Laboratoire de Recherche en Sciences de Gestion des Organisations (LRSGO)

Maroc

**FERDOUSSI Soukayna**

Doctorant

Ecole Nationale de Commerce et de Gestion Kenitra

Université Ibn Tofail

Laboratoire de Recherche en Sciences de Gestion des Organisations (LRSGO)

Maroc

**Date de soumission :** 03/03/2024

**Date d'acceptation :** 29/05/2024

**Pour citer cet article :**

NAFZAOUI M.A. & FERDOUSSI S. (2024) «The Moroccan Model of Public Governance: Current Situation in Morocco», Revue Internationale du chercheur «Volume 5 : Numéro 2» pp : 135 - 144

## Abstract

In recent years, Morocco has embarked on a journey towards a new model of public governance aimed at enhancing transparency, efficiency, and accountability in the management of public finances. This transformation is grounded in a strategic shift towards multi-year budget programming and program-based budgeting, aligning resource allocation with anticipated outcomes. Known as New Public Governance, this approach emphasizes performance-oriented management and rigorous evaluation of public policy effectiveness. NPG also seeks to foster stakeholder engagement, ensuring decisions are legitimate and backed by transparent fiscal practices. Despite substantial progress, challenges persist, including the need to strengthen institutional capacities, improve performance monitoring, and adapt swiftly to economic and social changes. Organizational hurdles, such as inter-ministerial coordination and resource mobilization for ongoing reforms, further complicate implementation. Moreover, resistance to change within administrative structures and the demand for comprehensive staff training remain significant obstacles. This paper underscores Morocco's efforts to modernize its public financial governance, navigating global economic uncertainties while striving to meet international standards and address domestic imperatives.

**Keywords:** New Public Governance, Performance, Program-Based Budgeting, Result-based Management, budgetary Reforms.

## Résumé

Ces dernières années, le Maroc s'est engagé dans une transition vers un nouveau modèle de gouvernance publique visant à renforcer la transparence, l'efficacité et la responsabilité dans la gestion des finances publiques. Cette transformation repose sur la programmation budgétaire pluriannuelle et la budgétisation par programme, alignant ainsi l'allocation des ressources sur les résultats attendus. Connue sous le nom de Nouvelle Gouvernance Publique, cette approche met l'accent sur une gestion orientée vers la performance et une évaluation de l'efficacité des politiques publiques. Malgré des progrès substantiels, des défis persistent, afin de renforcer les capacités institutionnelles, d'améliorer le suivi des performances et de s'adapter rapidement aux changements économiques et sociaux. Cet article étudie les efforts du Maroc pour moderniser sa gouvernance financière publique, naviguant dans un contexte d'incertitudes économiques mondiales tout en s'efforçant de répondre aux normes internationales et aux impératifs nationaux.

**Mots clés :** Nouvelle Gouvernance Publique, Performance, Budgétisation par Programme, Gestion Axée sur les Résultats, Réformes Budgétaires.

## Introduction

The importance given today to the notion of "governance" in public management has seen a rapid rise. This concept, introduced relatively recently, has sparked considerable interest, questioning, and extensive research into public reforms. It is noteworthy that in earlier works on public management reforms, governance did not receive as much attention, as evidenced by the influential work of Pollitt and Bouckaert (2004) on public management reforms, which only includes three references to governance. However, governance has since gained prominence and now occupies a significant place in French-language public literature. This evolution may reflect an increasing recognition of the importance of interorganizational relationships, citizen participation, and other collaborative aspects in modern public administration. Governance has thus become a key concept for understanding the complex dynamics and challenges of contemporary public administration management.

New Public Governance represents a public management approach that emphasizes collaboration, transparency, and stakeholder participation in the delivery of public services. It diverges from the principles of New Public Management (NPM), often associated with policies of liberalization, privatization, and a focus on efficiency and achieving results. Moreover, NPM has shown limitations such as service fragmentation, cost reduction at the expense of quality, and lack of stakeholder participation. These limitations have prompted a shift towards a new governance approach aimed at addressing perceived issues of NPM by focusing on collaboration, citizen participation, flexibility, and a more holistic approach to public service delivery.

It is important to note that New Public Governance does not follow a universally accepted model, and its application may vary depending on national and local contexts. Some argue that it offers better adaptation to contemporary challenges, while others highlight concerns regarding the complexity and coordination of multiple actors involved in a pluralistic state.

Focusing exclusively on financial aspects, it is crucial that expenditure be efficient, compliant with regulatory frameworks, and initiated by a designated authority known as the "authorizing officer." In this context, New Public Governance (NPG) emerges as a model for public policy management aimed at enhancing both the legitimacy of the public sector and the effectiveness of the budgetary process. Currently, NPG occupies a central role in governments' strategic

orientations, exploring financial and economic opportunities available to their countries. It is perceived as a model for organizational interaction between the public and private sectors, distinguished by its perspective on qualitative measurement and analysis of public policy processes, evaluation of policy outcomes, and development of probable forecasts. This paper seeks to explore and analyze the Moroccan model of public financial governance in light of these challenges. Specifically, it aims to examine how this governance model contributes to enhancing budgetary performance while addressing the complexities and obstacles inherent in its implementation. By critically evaluating the strengths and weaknesses of Morocco's approach to public financial governance, this study aims to provide insights into potential avenues for improvement and adaptation in the face of current and future economic uncertainties.

Through a thorough review of existing literature and documentary analysis, this research aims to contribute to the ongoing discourse on public financial governance, offering practical recommendations for policymakers and stakeholders invested in the sustainable management of public finances in Morocco and beyond.

## **1. Towards a New Model of Public Governance**

### **1.1. The Approach of New Public Governance**

The New Public Governance is a regime reflecting a trend towards what Stephen Osborne describes as a "plural state," where multiple interdependent processes contribute to the delivery of public services while informing the policy-making system (2010, p.97). The concept of "new public governance" represents a paradigm shift in how governments and public administrations approach their roles, responsibilities, and interactions with citizens and stakeholders. This approach contrasts with traditional models, such as the New Public Management (NPM), which focused heavily on efficiency, privatization, and market-oriented reforms. Instead, new public governance emphasizes collaboration, transparency, inclusiveness, and responsiveness to public needs and expectations. One of the key aspects of new public governance is its emphasis on networked governance structures. Rather than relying solely on hierarchical and bureaucratic systems, new governance models encourage partnerships and collaborations across sectors, including public, private, and nonprofit organizations. These networks aim to harness collective intelligence, resources, and expertise to address complex societal challenges more effectively.

Transparency and accountability are also central tenets of new public governance. Governments are expected to engage in open dialogue with citizens, disclose information proactively, and involve stakeholders in decision-making processes. This not only enhances trust in public institutions but also ensures that policies and services reflect the diverse needs and preferences of the population.

Moreover, new governance models prioritize flexibility and adaptability in responding to changing circumstances and emerging issues. This agility allows governments to innovate, experiment with new approaches, and adjust policies based on real-time feedback and evaluation.

Critically, new public governance recognizes the importance of outcomes and impacts over mere outputs. It encourages the use of performance metrics and evaluation frameworks to assess the effectiveness and efficiency of public policies and programs. By focusing on results, governments can demonstrate tangible improvements in service delivery and public welfare, thereby enhancing legitimacy and public confidence.

In summary, the new public governance represents a holistic approach to modernizing public administration, characterized by collaborative networks, transparency, accountability, flexibility, and a results-oriented mindset. This model seeks to address the complexities of contemporary governance challenges while fostering innovation and responsiveness in public service delivery.

## **1.2. The Moroccan Model of Public Governance**

The complexity of the global economic situation has prompted Moroccan authorities to undertake significant reforms aimed at strengthening budgetary flexibility and ensuring medium-term sustainability of public finances. Thus, the public financial policy adopted in recent years primarily aims to support economic growth, improve economic balances, and enhance performance within public administrations. The strategic direction of the Moroccan government in public governance revolves around three main objectives: enhancing the public performance of the state, strengthening control, and bolstering transparency.

The new Moroccan constitution, promulgated by Dahir No. 1.11.91 on July 29, 2011, marked a significant advancement for improving the public financial system in Morocco. While some notions related to rights in public finances are not explicitly formulated, this constitution directs

the Moroccan financial system towards development, rationality, and balance, thereby providing a constitutional basis for improving financial laws. It aims to expand the powers of public actors while reinforcing their responsibilities for each decision made. Therefore, the public financial system currently aspires to achieve set objectives, establish financial balance, and position the country on the path of economic and financial development.

Moreover, the new constitution has successfully established a critical link between good governance and public financial control by implementing control bodies that acquire paramount importance within a legal and constitutional framework. This process constitutes a vast undertaking that requires stringent measures to meet the challenge of good governance.

The Organic Law on Budgetary Law No. 130-130 subsequently integrated public financial management into a multi-year framework oriented towards results-based logic. Such a crucial and delicate reform affecting a country's financial management demands not only robust regulation but also substantial inter-ministerial support. Consequently, this reform has been progressively implemented within Moroccan ministerial departments through carefully planned prefiguration phases over time. Nouredine Bensouda likened this situation to a cumulative process of reforms that has reached a level of maturity where it represents a pivotal point in the deep restructuring of financial structures and the reconfiguration of the state's intervention scheme (2011, p.3).

However, while the goal is to modernize public management, significant developments in the Moroccan financial system aim to strengthen the entire public finance system. These changes include reforms designed to modernize financial processes, improve transparency, and enhance managerial accountability. The government plans to assess the transparency of its management by implementing monitoring mechanisms through clear performance indicators. Nevertheless, despite these advancements, several constraints persist within this new managerial culture that warrant exploration.

## **2. Challenges for the Success of the Public Financial Governance System**

### **2.1. Public Finance in the Face of Economic and Health Crises**

The challenge facing the Moroccan government today is unprecedented. The conjunction of the Covid-19 health crisis and the conflict in Ukraine reveals new and complex aspects,

necessitating an adaptation of public financial structures to these circumstances. It appears that the structure of the public financial governance model is weakened by the multiple economic shocks affecting the world. However, despite the government's intention to reform the current system, defining a new model of public governance amidst such uncertain frameworks in global and Moroccan public finances would be particularly challenging. Therefore, it is essential to adopt a continuous approach to adapting the public financial governance model that regularly considers the evolution of crises and their economic and social consequences.

It is noteworthy that this approach is not new to Morocco, as the government has consistently committed to proactive strategies to improve public finances. Indeed, the Kingdom of Morocco has continuously adopted proactive financial strategies to streamline public finances, as evidenced by its engagement in initiatives such as the Structural Adjustment Program, the Pact for Good Governance, the Economic and Social Development Plan, and the Public Administration Reform Support Program. These experiences have provided numerous lessons in modernizing public management, particularly in response to an outdated budgetary system characterized by paralyzing procedures and lacking performance principles. Despite similarities with previous crises, the current situation highlights the deconstruction of an established model in favor of an ever-evolving public financial governance model.

## **2.2. Public Finance Facing the Challenge of Public Performance**

The current model of public financial governance is geared towards budget management based on results measurement. This approach supports maximizing outcomes for defined resources through the adoption of a Triennial Budget Programming and Program Budgeting with Results-Based Management. The logical framework of the performance approach focuses on presenting ministry strategies, translating strategies into programs and objectives, defining measurement indicators, and developing performance projects. This approach culminates in consolidating results in a performance report that accounts for progress made. However, this approach has revealed several weaknesses that need to be addressed.

Firstly, it is imperative, given the current conditions, to address the shortcomings revealed by Triennial Budget Programming over time. While multi-year budget programming initially aimed to ensure budget sustainability, it is evident that this expected visibility has not been fully achieved. Furthermore, deficiencies in the Program Budget Nomenclature are observed, which

managers do not always find flexible and straightforward due to difficulties encountered in budget allocation and execution by program. Added to this is the issue of program responsibility, which is not clearly defined. Finally, strategic alignment around objectives may not fully meet the requirements of the performance approach, as it remains challenging to define SMART objectives aligned across a diversified typology that considers effectiveness, efficiency, and service quality. These points are compounded by weak interactions within public administrations, minimal involvement of personnel in the success of the new budgetary architecture, and a lack of human and material resources to develop quality budget projections and translate government strategic orientations into relevant programs, projects, and actions.

### **2.3. Public Finance Facing the Challenge of Establishing a Results Culture**

Result evaluation is one of the main innovations of the new model of public financial governance aimed at maximizing the efficiency, effectiveness, and impact of programs and projects by focusing on expected results. This approach was intended to optimize resource utilization and achieve maximum set objectives. However, the current performance approach faces significant challenges in terms of the feasibility and adaptability of the measurement system to the Moroccan administrative environment. Additionally, there is a challenge in the reliability of result monitoring, due to the lack of competence and qualifications in calculating and monitoring indicators among personnel tasked with this mission within public administrations. Consequently, the effectiveness of the Moroccan Results-Based Management model in producing quality information is questionable. Moreover, the reporting surrounding results is also very weak. Despite the quality of information provided on budgetary performance, these results are not used in decision-making. In other words, the administration does not base budget allocation or program execution on this information. Similarly, it is not used to guide internal control activities, such as audit and inspection, towards programs that show weaknesses in performance.

## **Conclusion**

The landscape of public financial governance is undergoing profound transformations globally, driven by unprecedented challenges such as economic crises, health emergencies like the Covid-19 pandemic, and geopolitical instabilities. These dynamics compel governments, including the Moroccan authorities, to reassess and strengthen their approaches to managing



public finances. In Morocco, recent years have seen a deliberate shift towards enhancing fiscal resilience, improving economic balances, and fostering performance within public administrations.

The strategic direction of Moroccan governance now revolves around three pivotal objectives: enhancing state public performance, reinforcing control mechanisms, and bolstering transparency. This strategic framework is significantly supported by the 2011 Moroccan Constitution, which has provided a constitutional foundation for advancing financial laws, expanding public actors' powers, and clarifying their responsibilities in decision-making processes.

Moreover, the Organic Law on Budgetary Law has further institutionalized a results-oriented approach to budget management, aimed at maximizing outcomes within defined resources through mechanisms like Triennial Budget Programming and Program Budgeting with Results-Based Management. However, despite these advancements, challenges persist in effectively implementing these reforms. These challenges include adapting to evolving global economic landscapes, overcoming internal administrative hurdles, and ensuring the quality and reliability of performance measurement systems.

Recent global economic crises have highlighted a crucial question: the ability of governance mechanisms to ensure the sustainability of public finances. Broadly speaking, the sustainability of public finances refers to the government's capacity to meet its present and future financial obligations by adopting economically viable and politically realistic policies, as defined by the International Monetary Fund. This concept encompasses two main approaches: a budgetary approach and an economic approach.

In Morocco, the model of public financial governance is part of a process of modernization and reform aimed at enhancing transparency, efficiency, and accountability in the management of public resources. This evolution has been supported by several structural reforms, including legislative and constitutional revisions, aimed at strengthening the institutional framework for public financial management. Morocco adopts a multi-year budget programming and program budgeting approach, linking available resources to expected results. This model promotes performance-oriented management and enhanced evaluation of the effectiveness of public policies. Moreover, it encourages stakeholder involvement in the budgetary process, thereby

enhancing the legitimacy of decisions made and ensuring increased transparency in public finances.

Despite these significant advancements, several challenges remain. These include strengthening institutional capacities, the need for effective performance monitoring, and continuous adaptation of the model to economic and social fluctuations. Other organizational challenges also arise, such as inter-ministerial coordination and mobilizing necessary resources to support ongoing reforms. Additionally, obstacles related to resistance to change within certain administrative structures and the training of personnel to integrate new practices can hinder the full implementation of planned reforms.

In conclusion, public financial governance in Morocco remains an area of ongoing evolution, with continuous efforts to improve the efficiency and transparency of public resource management. The progress made reflects a commitment to adapting to international standards while addressing the specific needs of the Moroccan context. However, addressing persistent challenges is essential to consolidate and sustain these advances over time.

## BIBLIOGRAPHIE

- ❖ Bensouda, N. (2011), La stratégie de l'investissement public et l'efficience des marchés publics, publication officielle de la Trésorerie Générale du Royaume, 21p. ;
- ❖ Dahir n°1.11.91 du 27 chaabane 1432 correspondant au 29 juillet 2011 portant promulgation du texte de la Constitution marocaine de 2011 ;
- ❖ Dahir n° 1-15-62 du 14 chaabane 1436 correspondant au 2 juin 2015 portant promulgation de la loi organique n°130-13 relative à la loi de finances, 2015 ;
- ❖ Osborne S. P. (2010), The new public governance? Emerging perspectives on the theory and practice of public governance, Routledge Taylor and Francis Group, USA and CANADA, 448p;
- ❖ Pollitt C, Bouckaert G. (2011), Public Management Reform: A Comparative Analysis – New Public Management, Governance, and the Neo-Weberian State, Oxford University Press, Third edition, 392p., Oxford, Royaume-Uni;