



SOCIAL PROTECTION SERIES

THE INTERSECTIONS OF THE POLITICAL AND THE TECHNICAL IN THE DESIGN OF MOROCCO'S SOCIAL TARGETING SYSTEM

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Cover photo: An Amazigh man sells men's jalabiyas in the village of Imlil, Atlas Mountains, Morocco, November 2016. (c) dominika zara - shutterstock

September 2024

Introduction

The coronavirus pandemic has exposed the ongoing “strain” on social safety nets due to structural political, economic, and governance issues that characterized the methodology of designing and leading social programs. The absence of prior criteria for identifying target groups led to the establishment of “random” targeting that resulted in the exclusion of some people who deserved support while benefiting those who did not meet the conditions. Consequently, priority was given to designing a new targeting system based on innovative tools, to ensure technical efficacy and the need to maintain political oversight to guarantee the state's control over the reach and outcomes of social policies. To this end, the Unified Social Register has served as a pivotal mechanism for the compilation of lists of eligible households and for determining the threshold for benefiting from social programs based on a centralized base of socio-economic data.

This paper examines the transformations and prospects of the targeting mechanisms of social safety nets in Morocco. For this, it seeks to answer the following questions:

- What are the existing and potential intersections between the political and technical dimensions in the design of the new social targeting system?
- What are the main opportunities it offers?
- What are the risks it may entail in terms of controlling the lists of eligible families and defining the scope of access to social programs?

This study is divided into four sections. First, it reviews the general features of the new targeting system by identifying the contexts of the emergence of the Unified Social Register and its implications. It then describes and surveys the mechanisms of the new targeting methodology and the ensuing changes. In the third and fourth sections, the paper traces the manifestations and effects of the “politicization” and “technitization” of the ongoing attempts to design the targeting system from a political economy and socio-political perspectives, before concluding with recommendations to guide the integration of the political and technical dimensions to improve the effectiveness and sustainability of public intervention for social protection.

Targeting in the New Generation of Social Protection Programs: Challenges and Opportunities

The poor vision behind the criteria for assessing who can benefit from social assistance programs has undermined the realization of the principles of justice and equality in determining the lists of beneficiaries. This has prompted the development of a new targeting system based on political and economic considerations. While this system may appear to advance social justice, its legislative references and technical mechanisms could perpetuate discrimination and inequity among those targeted.

1.1 The Chaos of Targeting in Social Protection Programs

Previous social policies did not limit the gradual disintegration of safety nets until the COVID-19 pandemic crisis, which revealed that 75% of Moroccans were outside the social protection system and that more than 66% needed the support provided by the state during the quarantine period through a special fund whose financial envelope exceeded \$1,5 billion, and the difficulty of reaching the most affected social groups.¹ The database of the medical assistance program (RAMED)² was used to provide support to about

1 Economic, Social and Environmental Council, “The health, economic and social implications of COVID-19 and possible ways to overcome them”, Referral No. 2020/28, p. 44, available at <https://bit.ly/4esZJ3d>

2 The medical assistance system (RAMED) was launched on a pilot basis in some governorates in 2008 and later generalized nationwide in 2012, to support access to health coverage for poor groups.

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5.5 million families,³ which had several shortcomings due to the lack of precise criteria for determining who is eligible for public support. This has contributed to the reproduction of situations in which Moroccans are excluded from the social protection system and encouraged the reproduction of advanced situations of “social rent” in such a way that many well-off people benefited from the support allocated to those affected, while some vulnerable groups were deprived.

Based on diagnostics conducted by the public authorities and Morocco's international partner organizations, a state of “chaos” emerged in the targeting system,⁴ with more than 50 institutional actors, each with its own vision, in the absence of a unified platform for assessment and implementation. This has exacerbated conflicts among those overseeing the management of the social issue. At the same time, the number of social assistance programs continued to increase to more than 140 programs that were independently designed and implemented,⁵ with different targeting methods and governance mechanisms, without a centralized database that provides adequate and accurate data on the most vulnerable groups. This has led to indiscriminate targeting, whereby affluent groups benefited from social programs while large numbers of the poorest were excluded.

1.2 Foundations of the New Generation of Targeted Social Programs

In light of these circumstances, there was an urgent need to develop appropriate solutions to direct financial assistance in a targeted manner, based on a Unified Social Registry that would serve as a basis for compiling the lists of families eligible for support. This shift from a generalized system to micro-targeting in the design of social programs was also motivated by budgetary concerns. It reflected a will to move away from social policies that target the general population to “selective” policies targeting a limited group, which would allow control over the size of the base benefiting from subsidized services.

³ Izabela Marcinkowska. Digital Solutions for a New Social Protection Project in Morocco. World Bank, 2020, p.30.

⁴ Othman Makhoun, “Morocco's Social Protection Programs: Can the Country Overcome the Odds?“, Arab Reform Initiative, 5 September 2023, available at <https://www.arab-reform.net/publication/moroccos-social-protection-programs-can-the-country-overcome-the-odds/>

⁵ Banque Africaine de Développement. Programme d'appui à la gouvernance de la protection sociale, Juin 2016, p. 5, available at <https://bit.ly/3IUcOUQ>

This confirms the government's conviction that, in a middle-income country with high inequality, a unified targeted social network is the best option to reduce the costs of social protection, instead of a comprehensive social protection system.⁶

For this purpose, a legislative roadmap was put in place in August 2020 with the issuance of Law No. 72.18 on the targeting system for beneficiaries of social support programs and the establishment of the National Registry Agency (ANR). This law sets the foundation for establishing reliable and stable databases that use a set of technical standards to allow the classification of households based on their economic and social data, which would then limit the categories covered by social programs after conducting verification and Proxy Means Testing.

A review of similar international experiences indicates that Morocco has uniquely designed two parallel platforms for collecting demographic and social data. The first is the National Population Register (RNP), which serves as a centralized and secure digital database, containing basic information such as personal and family name and address, as well as iris-based biometric data to avoid duplication and fraud and ensure fair access to social services.⁷ The registration process is completed by providing each registered person with a unique identification number used to facilitate and secure access to government social support programs.

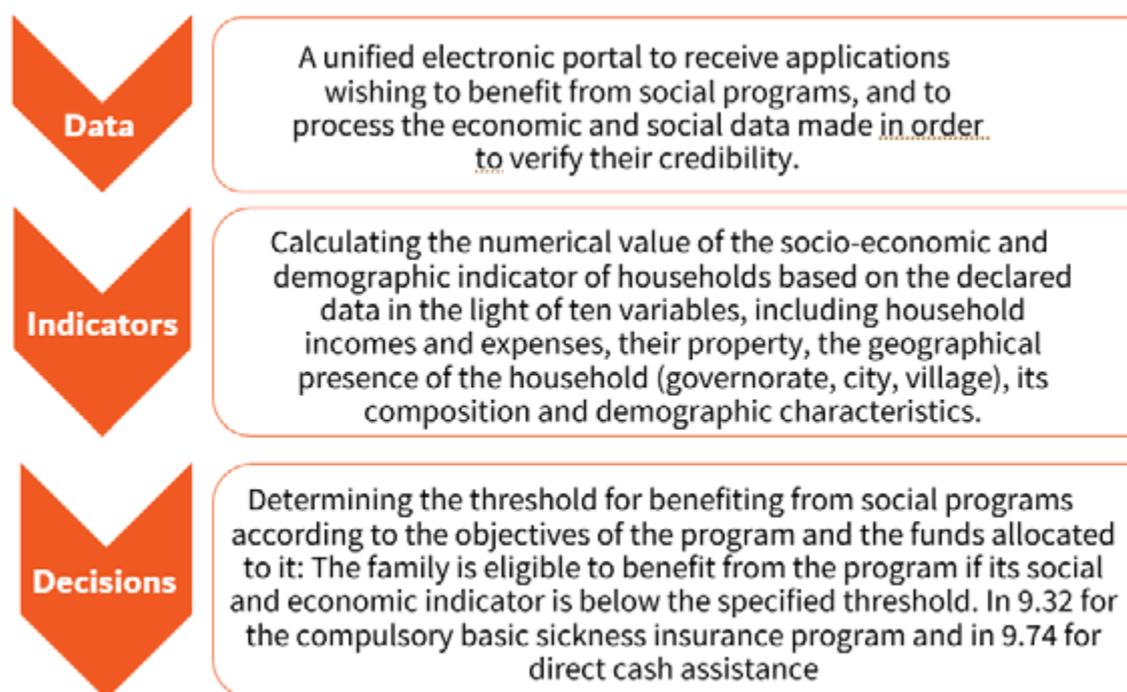
The registry is important because it forms the backbone of the Unified Social Register, as demographic data allows the identification of persons registered in the Unified Social Register who wish to benefit from social support programs.⁸ Therefore, registering households in the Unified Social Register platform plays the role of a filter to nominate target groups for social programs, since the lists of families eligible for various forms of assistance provided by the state, public institutions, and territorial communities are based on the electronic processing of economic and social data and in line with the threshold of each program.

⁶ Banque Mondiale. Royaume du Maroc: Ciblage et protection sociale note d'orientation stratégique, 2012, p.94

⁷ Mohamed El Yaoubi and Naaman El Yallaoui, “The government starts the implementation of the national population registry,” El Akhbar, January 3, 2022. Available at <https://bit.ly/45KRcUH>

⁸ Brahim Mokhliss. “Le Registre social unifié, maillon indispensable pour la réforme des programmes sociaux”, le matain.ma, 22 October 2020, available at <https://bit.ly/43kNe3L>

Figure 1: Components of the Unified Social Register



Source: Researcher's synthesis based on the founding references of the new social targeting system

1.3 The Political, Economic, and Legal Context for the Establishment of the Unified Social Register

In addition to the legislative texts directly related to the targeting system, a series of legislations were issued to redesign the social protection system based on the social targeting methodology, including Law No. 09.21 on Social Protection,⁹ which includes provisions to universalize social protection services, such as health coverage, family allowances, the right to a pension, and compensation for job loss by 2025. However, to achieve this goal, it is necessary to rely on secure socio-economic databases to facilitate the targeting of those covered by these programs. Consequently, the Unified Social Registry has emerged as a key pillar to

achieve the indicators stipulated in the law, especially with regard to the precise targeting of beneficiaries of the basic compulsory sickness insurance system directed at those who are unable to afford the contribution costs.¹⁰ In this regard, we recall the dual nature of the new approach to universalize social protection services, by forcing independent workers who are able to pay contribution premiums to the National Social Security Fund in exchange for exempting those who are unable to pay contributions duties.¹¹

The differentiation between the contributory and solidarity systems of health coverage depends on the existence of a dynamic databank that enables the identification of the groups covered by free or concessional benefits, as well as the scrutiny of the methods used to calculate the value of contributions.¹² The universalization of family allowances also requires applying precise criteria to ensure that vulnerable families benefit from child risk protection programs, and this applies to other social protection programs.

⁹ A framework law issued in April 2021 stipulated the principles, agenda, and guarantees associated with the universalization of social protection programs to cover all eligible poor families within five years. The law was operationalized through dozens of ordinary laws and regulations.

¹⁰ High Council of Accounts, Annual Report 2022, Official Gazette No. 7175, 7 March 2023, p. 2593, available at <https://bit.ly/3N9kKnQ>

¹¹ Article 11 of Framework Law No. 19.21 on Social Protection, Official Gazette No. 6975, 5 April 2021.

¹² Chadli Nadia and Boutouil Siham. "L'impact de la protection sociale sur la croissance économique", *Revue Internationale des Sciences de Gestion*, Vol. 5, No. 3, 2022, p.217.

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In light of this, the government has bet on the social registry to implement a “non-contributory system” of social protection and to regulate the procedure for benefiting from social assistance operations, by adjusting the criteria for listing eligible persons and improving coordination and tracking between different social support programs.¹³ However, this bet does not take into account the fact that developing and maintaining the social registry is very costly, involves significant errors and data biases due to technical, social, and political factors, and undermines the transition toward a comprehensive social protection system that targets all citizens and residents regardless of their social status.

The new social targeting system carries some strategic risks to the function of the state and its position in the structure of public administration, especially in light of the pressures of international financial institutions that push toward consolidating the neoliberal character of public policies and social programs in particular, by reducing social budgets and limiting the target demographic base according to a budgetary logic that aims to consolidate a model with as little state and as few beneficiaries of protection and assistance programs as possible.¹⁴

The New Methodology of Social Targeting: References and Mechanisms

To address the problems that have so far characterized the regulatory framework for social targeting, a new structure was created to provide political and technical oversight for the implementation of the new methodology. This included the establishment of a joint ministerial committee working under the Prime Minister to activate the legislative and administrative frameworks of the social protection system while developing institutional communication between all concerned parties to ensure the consistency and effectiveness of targeting measures. A technical sub-committee overseen by the Minister Delegate to the Ministry of Economy and Finance in charge of the budget was established to implement the decisions of the ministerial committee and propose measures and tools to reform the social protection system as a whole.

The National Registry Agency was created to manage

¹³ Ministère de l'économie, des finances et de la réforme de l'administration département, projet de politique publique intégrée de la protection sociale 2020-2030, Rabat, 2019, p.26.

¹⁴ Abdeslam Seddiki. “L'état social: un concept ‘fourre-tout’ et une réalité complexe”, quid.ma, 17 January 2023, available at <https://bit.ly/3Xm7OAB>

the National Population Registry and the Unified Social Registry as a public institution responsible for monitoring the information systems of those registered and verifying the validity of data. This agency promotes the exchange of information between public administrations and accredits and monitors intermediary bodies to ensure that data is used in a fair and legitimate manner that protects the privacy of registered persons. In addition, the High Commission for Planning, with technical support from the World Bank, developed a mathematical formula for the Alternative Means Test and for ranking households by urban and rural residence, based on economic and social data that is constantly audited and updated.¹⁵ This role, despite its technical nature, is not without political implications, as the mathematical formulas will form the solid core of decisions to accept or exclude applications for social support programs. Based on scoring and ranking indicators, the agency issues decisions to determine the list of eligible families. This means that the algorithms used to test household income may not necessarily benefit the poor, due to the invisibility of unstructured economic activities, as well as technical errors that characterize the computer processing of socio-economic data, as has happened in many international cases such as the Sri Lankan experience.¹⁶

Consultations to digitize social data in Morocco were inspired by India's Unique Identification System (Aadhaar), which has become a guiding model for international organizations to develop a centralized and secure digital infrastructure in the social sphere.¹⁷ After the completion of the information architecture of the National Population Register and the Unified Social Register, the storage of demographic, economic, and social data of the population was initiated in two ways: automatically through e-registration and by opening more than two thousand Citizen Service Centers to facilitate registration, data collection and updating, and handling complaints. However, these various mechanisms remained insufficient, especially in remote areas characterized by poor internet connectivity and difficult access to registration offices. This added an exclusionary factor, leaving thousands of families unregistered in the Unified Social Register and therefore excluded from protection and assistance programs.¹⁸

¹⁵ The scoring given to households is based on mathematical relationships to address the value of specific socio-economic variables (number of people and rooms, quality of property, equipment, expenditures, resources...), with a fixed amount given to the region in which households reside (each of the twelve regions of the Kingdom has a special point) and their living environment (urban, rural).

¹⁶ Ashwini Sebastian, et al. A Proxy Means Test for Sri Lanka, The World Bank, Poverty & Equity Global Practice Working Paper 173, October 2018, p.19. available at: <https://bit.ly/4bZDLmM>

¹⁷ Riya Thomas Rekhi. “Aadhaar Architecture: Morocco and the Philippines Building Distinct Identifier Systems for Citizens”, TheGlobeEconomics, 23 March 2023. available at <https://bit.ly/3WQAwqI>

¹⁸ Abdelrafie Zaanoun, “Achieving Territorial Justice requires a fresh approach” Moroccan Institute for Policy Analysis, 20 September 2023, available at <https://mipa.institute/en/11029>

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From the start of the process in October 2022 until mid-June 2023, approximately 21.5 million people were registered in the National Population Register and 18 million in the Unified Social Register, belonging to five million households.¹⁹ While registration in the National Population Register is mandatory to centralize demographic data, joining the Unified Social Register is only available to households that wish to benefit from social programs. The new targeting system is expected to be fully operational by the beginning of 2025, but the initial outcome is not in line with this goal, given the slow pace of registration and review processes, not to mention the flaws in the targeting methodology. This has so far resulted in the exclusion of about one million people registered in the Unified Social Register from the direct support program.²⁰

To tune the new entitlements with the targeting methodology, the government adapted the financial portfolio of social programs to the requirements of rationalization and eligibility by setting an annual budget for social protection programs of 51 billion dirhams.²¹ The financial accounts were also consolidated by replacing the Social Cohesion Fund with the Social Protection and Social Cohesion Fund under the 2022 Finance Law, with an annual financial envelope estimated at 10 billion dirhams, which includes 3.5 billion dirhams to support children's education through the "Taysir" and "One Million Schoolbag" programs and support for destitute widows with children, 4.2 billion dirhams to integrate 11 million vulnerable people in the basic compulsory sickness insurance system, and 1.7 billion to support vulnerable groups access medicines and treatments.²²

In light of the progress made in establishing the financial, informational, and institutional foundations of the new targeting system, some indicators of the application of entitlement criteria in determining the groups prioritized for benefiting from social programs have begun to emerge. For instance, in the health coverage program, the number of registered individuals in the National Social Security Fund (CNSS) increased from 7.8 million in 2021 to nearly 23.2 million by the end of 2023.²³ This rise followed the

¹⁹ Tarik Qattab. "Transparence, simplicité et fiabilité: Comment le RNP, le RSU et le "Mouachir" révolutionnent la relation administration-citoyen au Maroc", le360.ma, 12 juin 2024, available at <https://bit.ly/3VGt4zA>

²⁰ Mouaz Boudhah, "The exclusion of one million Moroccans from support for the poor questions the implementation of the social protection workshop," Sowt al-Maghrib, 14 June 2024, available at <https://bit.ly/3xkN-mFy>

²¹ House of Representatives. Report of the Social Sectors Committee of the House of Representatives on the draft Framework Law No. 09.21 on social protection, extraordinary session of the fifth legislative year of the tenth legislative term, 2021, p. 5.

²² Ministère de l'économie et des finances. "Rapport économique et financier l'économie marocaine a l'épreuve des chocs exogènes de différentes natures", revue Almalya, N 22 Mai 2024, p.56.

²³ "Social Security receives 22,000 files daily for treatment, and the government reveals the results of expanding the insured base." Madar 21. July 28, 2023. Available at <https://madar21.com/171553.html>

inclusion of professionals and non-salaried workers and their dependents, estimated at three million, as well as the previous beneficiaries of the medical assistance system, whose number approached 11 million. The state covers their contributions to the aforementioned fund with an annual financial allocation equivalent to 9.5 billion dirhams.²⁴

Several social programs have also been reviewed to align them with the new requirements of the targeting system. Since the end of 2022, the relevant authorities have begun adapting social assistance programs to the new approach to strengthen social safety nets, such as the "Taysir" program for combating school dropout rates and the support program for widows in vulnerable situations who care for their school-aged children, to centralize and consolidate various social support programs into a unified program for direct cash transfers.

By the end of 2023, the government began to generalize direct support in the form of cash transfers to 3.3 million families, while requests for support exceeded 4.4 million applications, which have been processed in light of the data recorded in the Unified Social Register. Registration in the Unified Social Register has become a necessary step to access many services, such as applying for university scholarships; a ministerial committee has been tasked with compiling the lists of eligible beneficiaries based on the scoring level assigned to the applicant's family in the Unified Social Register.²⁵

The Political Economy of Social Protection Programs in Light of the New Targeting Methodology

Given the methodological flaws in the processes of identifying beneficiary groups and the ways of establishing and calculating the criteria used in issuing decisions for benefiting from social programs, the targeted transfers pose significant challenges at various political, social, and economic levels.

²⁴ Ministry of Economy and Finance, "Guidance Note for the Draft Finance Law for 2024", August 2023, p. 6.

²⁵ Decree No. 2.23.564 amending and supplementing Decree No. 2.18.512 of May 15, 2019, determining the conditions and manner of disbursement of scholarships for students, Official Gazette No. 7214 of July 20, 2023.

3.1 Political and Social Implications of the Unified Social Register and Targeting Methodology

The renewal of the methodology of targeting citizens has been of great importance in the new course of social policies, stemming from political considerations that aim to rationalize public action to achieve the best outcome at the lowest costs. However, many concerns have been raised about the new approach to targeting being used as a kind of systematic shift in public policies, and about the transition from interventions focused on providing public services to all citizens in vital areas such as education, employment, and transportation, to limited social safety nets for a selective audience. This narrowing of the coverage may leave outside the protection networks several groups, such as the elderly, irregular migrants, and the unemployed, among others. This vision shows the will of the state to shift from caring for everyone to focusing on the most vulnerable, with the assumption that other groups can access public services at their own expense. This contradicts the notion that social protection is a human right and a socio-economic right for all. Moreover, this perception is flawed, as the targeted programs do not include all the populations belonging to vulnerable social groups. Many of them are excluded, as studies from different contexts around the world have shown. For example, a survey by the Australian Agency for International Aid regarding direct cash transfers in several African and Asian countries found that the exclusion of beneficiaries was staggering due to errors and flaws in the methodology of counting the beneficiary population.²⁶

“Targeting algorithms” can contribute to limiting the number of individuals included in social protection programs, as many experiences funded by the World Bank show the perpetuation of a state of “systematic exclusion” of many deserving groups. One such case is Jordan, which has introduced conditional cash transfers through the Takaful program since 2020, which enables the provision of regular cash assistance to 120,000 families. However, this number represents only a small percentage of families living below the poverty line in Jordan.²⁷ Moreover, the targeting mechanisms do not take into account the needs of some vulnerable groups such as women, children, migrants, workers in the informal sector,

and people with disabilities.²⁸ Other aspects indicate that conditional cash transfers can be an effective means of developing human capital and escaping the cycle of poverty, but they can also be a trap for the poor.²⁹ These transfers are “inherently” flawed since they do not take into account the rate of inflation, which can diminish their value to the point that it becomes difficult to maintain the dignity of beneficiaries in the face of the continuously rising cost of living. Furthermore, the value of these transfers is already small; they do not meet the basic needs of families and are unsustainable due to their dependence on fluctuating economic and political conditions. This can lead sometimes to their suspension or a delay in their disbursement.³⁰

In this regard, it is worth noting the danger of “politicizing” the targeting goals and making them hostage to political settlements, as happened during the dispute between the components of the government majority over the approval and continuation of support for widows in difficult economic conditions. This issue, along with other disputes, contributed to creating a “political blockade” that prevented the formation of Abdelilah Benkirane’s second government in 2016. In addition, the government of Saadeddine Othmani did not express its desire to double the support allocated to this category and universalize it to include all destitute women until the end of the governmental term 2016-2021 approached. Indeed, the legislative formalization of the criteria for determining the beneficiary base and mechanisms for targeting it would mitigate the impact of the “electoral” exploitation of the social issue.³¹ However, this does not eliminate the risk of fueling political clientelism through manipulating the targeting criteria by some political actors, which would ensure the inclusion or exclusion of certain groups. This raises the need to narrow the scope of targeted social programs as opposed to expanding comprehensive social policies that seek to achieve equality for all citizens.

On the other hand, the new targeting methodology points to

26 Australian Aid. Targeting the Poorest: An Assessment of the Proxy Means Test Methodology, 2011, p. 31. available at <https://bit.ly/3yZ5tRM>

27 Brian Stauffer, Automated Neglect: How the World Bank's Push to Allocate Cash Assistance Using Algorithms Threatens Rights, Human Rights Watch, 13 June 2023. available at <https://bit.ly/478Gvfk>

28 Farah Al Shami, “Arab Region Social Protection Systems: Research and Policy Design Challenges”, IDS Bulletin, Volume 54, Number 2, October 2023, p.134.

29 Jane Harrigan, “The Political Economy of Food Sovereignty in Arab Countries,” National Council for Culture, Arts and Literature, Kuwait, No. 465, October 2018, p. 268.

30 Ahmed Salmi, “The government abruptly stops direct financial social support for families and an official reveals the reasons,” Hawiyat Press, April 1, 2024, available at <https://bit.ly/4bZL3GV>

31 For example, we refer to the electoral program of the National Rally of Independents (RNI) party, which assumed the leadership of the government in October 2021. It made a number of social promises, such as a dignity income estimated at 400 dirhams with a view to reaching 1,000 dirhams by the end of the government's term in 2026, 300 dirhams per child, and birth grants for needy families. Despite the inclusion of these promises in the government program, they are yet to be implemented because they contradict the funding and management agenda of the social protection workshop as defined by Law No. 09.21 on the Universalization of Social Protection.

the “nationalization” of social action, making it a “state” affair, as this would prevent certain political actors from exploiting vulnerable groups as an electoral base. Nevertheless, this approach could hinder the leading roles of social movements and solidarity networks in supporting the cohesion of the social fabric in the face of the state’s inability to reach all those deprived of safety nets, and in recognizing the added value of civil society organizations in improving the efficiency of targeting processes. Therefore, it is essential to involve all stakeholders in the various efforts aimed at strengthening the social safety net, ensuring that the actual needs of the targeted individuals are taken into account, on one hand, and preventing the political exploitation of an issue that could undermine the cohesion of the social fabric if not addressed in a participatory and equitable manner, on the other.

3.2 The Economic Implications of the Unified Social Register and Targeting Methodology

The new reforms promise to open broad prospects for diversifying the financing mechanisms for social protection programs. This includes the use of solidarity contributions, contributions, transfers from the state and public institutions, as well as the expected surpluses gained from the removal of direct subsidies. These reforms thus aim to move from comprehensive commodity subsidies to conditional cash transfers, estimated at around 16 billion dirhams, to directly target disadvantaged groups.³² The final elimination of subsidies on butane gas, wheat, and sugar by 2025 is expected to provide financial margins to cover the expenses of the programs under implementation.³³ However, it will have many negative effects, given the neoliberal background of the reform, which is part of the requirements under Morocco’s partnership with international financial institutions. These institutions are pushing for austerity in financing social policies and the reduction in the number of people covered by state care, in light of the outcomes of some Arab experiences such as Iraq, where targeted transfers designed and funded by donors did not help strengthen social safety nets.³⁴

32 Lamiae Boumahrou. “Hausse des prix : n'est-il pas temps d'activer le Registre social unifié”, coactu.ma, 18 February 2022, available at <https://bit.ly/3qrsetx>

33 The International Monetary Fund. Morocco: 2022 Article IV Consultation-Press Release and Staff Report, IMF Country Report No. 23/42, January 2023, p.14, available at <https://bit.ly/3OTK0o4>

34 Farah Al Shami, “From Tangential Livelihood Programming to Integrated Social Protection: Conceiving a Long-Term Approach to Youth Economic and Social Policy in Iraq”, Arab Reform Initiative, 28 July 2023. available at <https://bit.ly/4eoMErz>

The complete abandonment of price subsidies for basic commodities raises concerns about the purchasing power of some social groups, who are left at the mercy of the market. This shift could threaten to move the goals of the approach to targeting the poor and, to a lesser extent, the middle class, while “entangling” the latter in the solidarity financing of social policies by imposing new taxes that would burden them, such as the imposition of a social contribution on profits and income for every employee or worker whose monthly salary equals or exceeds 20,000 dirhams, up to a limit of 1, 5% of the net salary.³⁵ This requires a comprehensive and progressive reform of the tax system to ensure fair and sustainable financing of social policies, while proactively addressing the potential effects on the purchasing power of the middle class and putting in place appropriate measures to support them.

In addition, it is necessary to be alert to the limited effects of direct monetary support, as abandoning subsidies for basic items without providing effective alternatives may lead to an accumulated erosion of citizens’ purchasing power, especially with rising prices and stagnant wages, as happened in Algeria since the adoption of the price liberalization policy in 2008.³⁶ It is also necessary to recognize the side effects of the direct cash transfer system, which may perpetuate continued dependence on state welfare, as happened in Senegal, without ensuring the continuity and sustainability of this type of care. For example, since their launch in 2012, direct cash transfers to vulnerable groups in Senegal have not helped to reduce poverty and vulnerability indicators, because they were not sufficiently directed to income-generating projects.³⁷ This requires balancing direct support with investment in social infrastructures and human resources to enhance the rehabilitation of the most vulnerable individuals and strengthen their financial independence, thereby bolstering their ability to confront threats that affect their purchasing power. For instance, allocating funds to build and equip schools may be more beneficial than providing financial assistance for people to attend them.³⁸

Controlling the lists of those who benefit from social programs has been a major concern in developing partnerships between

35 Abderrafie Zaanoun. “Generalization of Social Protection: Is It Establishing the Welfare State or Instilling the Policy of Abandonment?”, The Moroccan Institute for Policy Analysis, July 2022. available at <https://mipa.institute/en/9317>

36 Hacem Hami. “Algeria’s Social Support Policy: Economic Costs and the Need for Reform”, 24 February 2022, Arab Reform Initiative. available at: <https://bit.ly/3NatRoh>

37 Mamadou Aguibou Diallo. “La protection sociale au Sénégal entre 2012-2022: analyse d’une décennie d’assistance sociale”, Revue Internationale des Sciences Économique et Sociales, No. 3, 2022, p.99.

38 Jonathan Thiermann, “Reformation: How Nations Survive and Thrive in a Crumbling World,” World of Knowledge Series, No. 494, National Council for Culture, Arts and Literature, Kuwait, 2022, p. 56.

Morocco and donor agencies³⁹ that have been involved in designing the new targeting methodology by contributing to the development of information databases and algorithms for counting the beneficiaries. However, this process carries several risks, as the conditions imposed by international financial institutions are often insensitive to the principles of social justice.⁴⁰ In addition, excessive borrowing may restrict the state's ability to meet its social obligations in the future and may result in measures that could jeopardize basic social welfare. In this context, this model is attributed to the shift toward the use of market logic in the management of social affairs, as can be seen in the experiences of some countries in Latin America and Southeast Asia, where the provision of loans by the World Bank is linked to an integrated set of conditions, including price liberalization and the removal of universal subsidies.⁴¹

Technical Engineering of the Social Targeting System: Risks Outweigh Opportunities

The technical requirements for designing the Unified Social Registry promise to improve the governance of social program management. However, "technitization" of the management of the targeting system can be counterproductive, excluding several groups from protection unless corrective measures are taken to make the technical procedures work in the service of social justice. Thus, building a "central bank"

39 For example, the World Bank allocated two loans to Morocco to finance social policies after the Covid-19 crisis: The first in 2020 worth \$400 million to develop conditional cash transfer applications, and the second worth \$350 million in 2023 to accompany the establishment of the social protection system, especially with regard to the universalization of family allowances and the strengthening of the health insurance program for those unable to contribute.

40 Azza Haj Suleiman, "The Dynamics of the Right to Social Protection in the Arab Region: Exploring the Role of the State in Changing Times," Arab Reform Initiative, June 9, 2023. Available at <https://www.arab-reform.net/publication/the-dynamics-of-the-right-to-social-protection-in-the-arab-region-exploring-the-role-of-the-state-in-changing-times/>

41 Reem Abdel Halim, "Egypt's Political Discourse and Changing Social Assistance Systems," Arab Reform Initiative, February 24, 2023. Available at <https://www.arab-reform.net/publication/egypts-political-discourse-and-changing-social-assistance-systems/>

of social data will allow the understanding of the social conditions of the population based on reliable data, but its effectiveness will remain contingent on regularly reviewing it to ensure it reflects the changing realities of households. The experience of Brazil illustrates this, where monitoring of the anti-poverty program (Bolsa Familia) led to the removal of half a million people after investigations proved that they were ineligible for support a year after its launch in 2006.⁴² Similarly, in Egypt, research teams and social accountability committees helped update the database of the Karama and Takaful programs, which led to the exclusion of more than one million ineligible beneficiaries based on the results of the poverty measurement test, which proved that they exceeded the maximum allowable limit for families benefiting from cash support.⁴³ In the Moroccan case, the rush to clear the base of beneficiaries of the programs before the new system for targeting was ready has led to the continued ineffectiveness of social protection programs.⁴⁴

Because of this, the standardization of social data remains incomplete unless appropriate measures are taken to integrate vulnerable groups active in the informal sector.⁴⁵ This bet faces great challenges due to the difficulty of documenting and proving the financial status of this category of workers, in light of the multiplicity of undeclared incomes and the presence of non-productive assets that affect the calculation of social status, such as owning unused land and real estate and practicing professions that generate limited income. This pushes some to sell assets and properties, creating "fictitious" socio-economic data that highlights their destitution and justifies their benefit from assistance and protection programs. This happened with the conditional cash transfer system in Egypt, which encouraged many families to escape work-based contributory pension systems and continue in informal employment systems.⁴⁶

While technical criteria are important in neutralizing the political aspect of social protection, as they rely on mathematical formulas to set the threshold for free access to social programs, this "technical overzeal" may lead to the exclusion of large social groups. An indicator of this is the

42 Brian J. Fried, "Distributive politics and conditional cash transfers: the case of Brazil's Bolsa Familia." *World Development*, Vol. 40, Issue 5, May 2012, p.1043.

43 World Bank, Additional Financing Project for Strengthening Social Safety Nets in Egypt: Pre-Appraisal Report, November 2018, p. 8. Available at <https://bit.ly/43kdwCZ>

44 Hassan Bouikhif, "The largest social protection workshops at the mercy of poor targeting," Moroccan Institute for Policy Analysis, 2022, available at <https://mipa.institute/9158>.

45 Farah Al Shami, "The Mediterranean Region: A Hotspot of Inequalities in the Aftermath of COVID-19", Arab Reform Initiative, November 18, 2021. available at: <https://bit.ly/3rRlmWV>

46 Reem Abdel Halim, "Egypt's Political Discourse and Changing Social Assistance Systems".

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exclusion of about one million former beneficiaries from the basic compulsory health insurance program for those unable to afford subscription fees (AMO-TADAMON) because they were above the threshold, which should be equal to or below the rate of 9.32.47 This was due to secondary factors that weakened their chances of obtaining the appropriate score, such as their presence in urban areas, although some of them are located in semi-rural areas, or due to “mechanical” aggregation of socio-economic indicators, as happened in the case of an elderly couple who obtained a 9.52 score despite having no income other than child support, and having minimal equipment: No landline phone, no antenna, one gas bottle, and a water and electricity bill that does not exceed 40 dirhams per month.⁴⁸ Such outcomes make it imperative to review social safety nets based on targeting and to move toward comprehensive programs that evoke the principles and criteria of social justice to make them inclusive of all welfare recipients, especially since direct cash transfers will at best only target 60% of Moroccan families.⁴⁹

The unified identification number enables the automatic linking of various public databases, facilitating the emergence of a homogeneous information system that allows information exchange and the coordination of social interventions between different actors. This facilitates their use by administrations, public institutions, and grassroots groups when designing their development programs or diagnosing their social environment. However, the efficiency of this system may decline in light of administrative inertia and the consolidation of digital bureaucracy, imposing the need to establish clear mechanisms to bridge coordination and integration processes,⁵⁰ especially in light of the difficulties encountered by a networked information exchange system following the implementation of the law on the simplification of administrative procedures.

To improve the visibility of benefit conditions, the new targeting system has been surrounded by several technical guarantees to ensure the transparency of the criteria and tracking indicators, and to facilitate appeals against rejection decisions, making information technology a key pillar for

citizens to contribute to improving the new targeting system and increasing its efficiency and credibility. However, some groups still face great difficulty in registering in the Unified Social Register because they are in remote areas with poor internet coverage, or because they have poor access to digital means of communication. This calls for intensifying communication campaigns and providing mobile administrative structures to bring eligible people into the targeting system. It also requires the production of periodic reports to clarify changes in the beneficiary base of social programs, the amount of funds allocated, the evolution of economic and social indicators, and the level of contribution of various social policies to combating the factors that lead to insecurity and exclusion.

In this context, we point out the danger of overreliance on a quantitative approach in achieving the indicators of the social protection project, especially with regard to the quality of services and the size of the treatment basket. This risk is clear in the limited access of large segments of the target groups to the medical assistance system, due to their inability to contribute financially and the limited margins of the state budget.⁵¹ This appears as if the issue is merely creating “nominal health coverage” through mechanical measures to reach the specified ceiling, rather than establishing “real health coverage”, as beneficiaries face severe difficulties in bearing the costs of hospitalization and treatment, not to mention that the amounts recovered are not sufficient to cover the costs of treatment and medicines due to the large difference between the national reference tariff and the actual bill.⁵² This is a harbinger of an adverse impact of the targeting system on the social protection system, based on the experiences of some Arab countries like Egypt. While Egyptian health coverage expanded from 10% in 1990 to 58% in 2015, the proportion of per capita spending on health out of total public spending increased from 34% to 45% during the same period.⁵³

In sum, the policy and technical options of the social targeting system must be harmonized. Mechanisms must be created to enhance the governance, effectiveness, and sustainability of its effects,⁵⁴ ensuring a balance between the political

47 Mohamed Fernan, “Inclusion or Exclusion. Has the government abandoned Ramid holders?”, *Telekil* in Arabic, April 18, 2023. Available at: <https://bit.ly/43iJgbG>

48 Mohamed Fernan, “Government decree announces imminent ‘abandonment’ of widow support and wholesale criticism of the social registry index”, *Tekel Balarabeya*, April 07, 2023, available at <https://bit.ly/3OV9Ljg>

49 “Did the government get the numbers mixed up? Baytas announces that 7 million Moroccan families benefit from direct support after Akhannouch spoke of 3.5 million”, *Al Jazeera*, 24 May 2024, available at <https://bit.ly/3VpYYiz>

50 Moustatraf Abdellatif and Fatima Touhami. “L’identifiant unique comme un des instruments indispensables au pilotage de la couverture sanitaire universelle, le cas du Maroc”, *Santé Publique*, vol. 36, no. 1, 2024, p.123.

51 Bank of Morocco, *Annual Report for the Fiscal Year 2021*, Rabat, 2021, p.7.

52 Abderrafie Zaanoun, “Legislative and administrative issues hindering the universalization of health coverage,” *Al-Ayyam Weekly*, Issue 1038, May 2023, p. 22.

53 Adib Nehmeh’s intervention in the social protection symposium during the pandemic, within the seminar of the Arab Forum for Social Protection on the theme “The Genesis and the Evolution of the Concept of Social Protection in the Arab Region”, minute 22. Arab Reform Initiative, 18 February 2021, available at <https://bit.ly/3Vpsjd4>

54 Le Conseil Économique Social et Environnemental. “Projet de loi 72-18 relatif au système de ciblage des bénéficiaires des programmes d’appui social et à la création de l’Agence nationale des registres”, *Auto-saisine* n°44/2020, p.9.

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economy of social development and the requirements of entitlement and social justice in the engineering of protection and assistance programs. Related to this, the new challenges raise the need to aspire to build an advanced model of the social state in Morocco, away from the “recipes” of international financial institutions, which often lack a deep understanding of the real economic and social challenges facing the targeting system. In addition, wasting development funds on costly and pointless targeted programs must be stopped and replaced with comprehensive social protection schemes led by the state first, albeit in partnership with other non-state actors.

Conclusion

The new targeting methodology promises to rationalize the management of social policies to make them more effective in identifying those that need to be covered, but reality shows the difficulty of achieving this in light of the risks that surround the work of the Unified Social Registry. One of these risks is the ongoing attempts to “politicize” technical measures to direct them to control the number of beneficiaries. Another risk is the possibility of reproducing some manifestations of “random targeting” as a result of technical challenges related to updating and processing the socio-economic data of the target population, which could lead to the use of technical conditions as a pretext to restrict the social action of the state and narrow the scope of social programs.

To ensure the integration of the political and technical dimensions in the redesign of the social targeting system,

the approach adopted in the design and management of social programs should be revised from a targeting-based perspective to a rights-based perspective. Within this context, we recommend:

1. To be inclusive in redesigning social programs in light of the dangers of targeting-based interventions due to their exclusionary nature against large social groups.
2. Scrutinize the criteria for benefiting from social protection and assistance programs in light of the ambiguity of the adopted calculation formulas, which should be subject to continuous improvement to ensure efficiency and fairness.
3. Establish safeguards to prevent the new targeting methodology from becoming a way to remove the state from its social responsibility, such as strengthening the role of parliament in monitoring social policies and diversifying the sources of funding for social programs beyond borrowing and taxation.
4. Aligning social protection benefits with social justice through policies that balance universal targeting for all citizens with programmed targeting to enhance access to social safety nets for the poor and low-income population.
5. Cautiously deal with the algorithms framed to legalize targeting methods, by surrounding the automated processing of data and social indicators with “flexible” human processing that takes into account the requirements of equity and entitlement.

About the Arab Region Hub for Social Protection

We are a space in and through which professionals dedicated to exploring, understanding and advocating for better social protection in the Arab region exchange ideas and explore and initiate collaborative action. We envision an Arab region in which all people, regardless of their identities, are guaranteed social protections that secure their access to the essential goods and services needed to ensure their well-being and decent standards of living, which in turn gives them the opportunity to prosper and contribute as active members of society. We aim to facilitate the development of equitable and sustainable social protection systems in the region by: executing, encouraging and facilitating the production, analysis, collation, and dissemination of interdisciplinary knowledge about the topic; facilitating dialogue within professional spheres and awareness raising among the wider public; and enhancing collective action that amplifies advocacy efforts with the different stakeholders and decisionmakers.

About the Social Protection Program

The Arab Reform Initiative's Social Protection Program, which gave birth to the Arab Region Hub for Social Protection, aims to place social policy and its impact on the socio-economic rights of citizens and residents in Arab countries center stage in the research and advocacy efforts seeking to achieve social justice and social equality. By mobilizing and coordinating a community of practice and knowledge on social protection, the program aims to create a safe space for regular and systematic dialogue between the different stakeholders, in order to help addressing the problem of fragmented, non-inclusive, ineffective, and unsustainable social protection systems in the region. While doing so, the program adopts different perspectives – from addressing the necessary policy, programmatic, institutional, financial, legal and legislative reforms; to the political economy involved in the feasibility of these reforms; passing by social activism around welfare policies.



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About the Arab Reform Initiative

The Arab Reform Initiative is an independent Arab think tank working with expert partners in the Middle East and North Africa and beyond to articulate a home-grown agenda for democratic change and social justice. It conducts research and policy analysis and provides a platform for inspirational voices based on the principles of diversity, impartiality, and gender equality.