

Morocco

Technical Assistance in Fiscal Year 2019

Public Financial Management (May 29–June 1, 2018, October 22-31, 2018, March 14-22, 2019):

Building on its regional workshop on public enterprises and fiscal risks (February 2018), METAC organized a national workshop for the Entreprises Publiques et de la Privatisation (DEPP) to: (i) present international standards, best practices, and experiences in identifying, monitoring, and managing fiscal risks related to public corporations, and (ii) discuss their possible transposition in the Morocco context, where public enterprises play a key role in public investment and benefit from significant budgetary transfers. The workshop highlighted the strengths of the DEPP's monitoring of public enterprises and the potential benefits of a strengthened and systematic risk-based management of the fiscal risks arising from their activities. They also helped the DEPP to identify a set of actions to be developed in the context of their Strategic Action Plan for 2017-21.

In Morocco, public enterprises are instrumental in the implementation of the national development plan; they execute about 60 percent of public investment. Building on METAC's regional workshop on public enterprises and fiscal risks, and the follow-up above, a joint METAC- FAD mission assisted the authorities in further strengthening the control and disclosure of fiscal risks arising from public enterprises and PPPs. METAC also provided expertise on fiscal risks and oversight related to investment projects executed by public enterprises.

Following the 2017 PIMA, this activity supported the DEPP in assessing and managing the fiscal implications of Public Private Partnership (PPPs), including identifying the appropriate institutional framework. The tasks focused on developing a common understanding of various aspects related to PPPs management within the DEPP and providing training on the PPP PFRAM to strengthen the DEPP's current risk assessment methodology.

Revenue Administration (October 29-November 13, 2018, April 14-26, 2019):

METAC and FAD undertook a TADAT assessment of the tax administration. The assessment identified strengths and weaknesses in all relevant issues pertaining to the collection of major taxes, created a baseline for measuring reform progress over time, and provided the authorities with input for determining future TA needs. METAC will provide a follow-up to this activity in FY19 and FY20, to support the realization of some outcomes of the assessment.

METAC assisted the tax administration in strengthening the integrity of the taxpayers register. This was a follow up to the TADAT conducted by FAD in November 2018. The expert reviewed the organization and processes related to the register, and provided recommendations for their improvement, including: high-level mapping of the process for the temporary de-activation of inactive taxpayers, and key elements for cleaning the register and treatment of non-filers. The expert also assisted tax administration in developing measures for detecting unregistered taxpayers and an implementation plan for strengthening the integrity of the registry.

