

**The moment of truth: how the EU can build the ground
for lasting environmental policy change in Morocco**

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The stage of implementation is the moment of truth for every attempt to change a policy. Accordingly, the European Union (EU) can only promote lasting policy change within its Neighborhood Policy (ENP) if reforms are reaching the ground. In Morocco, the EU promoted environmental reform agenda is often successfully adapted into national law, but its application is lacking. The cases of Morocco's water and renewable energy show that *administrative capacity and the interests of domestic actors* are crucial in supporting a comprehensive change in environmental policy.

Exploring the challenges at the root of EU environmental policy implementation in Morocco is especially revealing. This is not only because of the EU's longstanding engagement with the country, but also – and especially – because of the successful track record of EU-Morocco cooperation at the level of adaptation of policy change. The nation's scarcity of water resources and its dependence on fossil energy imports called for a substantial overhaul of water and renewable energy policy. While the EU induced policy change was quickly transformed into national legislation, its implementation has fallen short with significant gaps between the formulation of reforms and their implementation depending on the focus of the policy and its level of domestic support.

Variation in success: water and renewable energy in Morocco

The EU could enhance implementation with tailoring their current instruments with a tighter fit to domestic conditions. Sufficient administrative capacity as well as domestic support are decisive to moving change beyond legislation for implementation on the ground. Three main findings are leading to this conclusion:

First, there is a significant difference at the level of implementation between water and renewable energy policy. While water management

receives the most support from the international donor community and the EU in particular, renewable energy policy demonstrates a far more robust track record in terms of implementation despite it receiving less engagement from the EU, national development agencies or the World Bank. Meanwhile, the German GIZ serves as a remarkable exception of the rule, but with unclear estimates of the effects of its engagement in policy reform. Therefore, financial support does not appear to be the necessary variable leading to change.

Second, this difference in implementation track record between water and renewable energy can only be partly explained by the varying degree of engagement by international donors and within the EU. More critical seems to be the level of *domestic support* behind the reform project and the constellation of national actors supporting it. In water policy for example, these domestic interests are in conflict. While there is relatively strong support for reform in principle, the goals of reform are contested between advocates for expanding the supply side – who are to be found within the Ministry of Environment and the agricultural industry – and others that favor regulating the demand – mainly represented by the Water ministry, NGO's and some international donors. The EU applies a differentiated approach pushing for reforms on both the supply and demand side by inducing broad support of the national budget instead of targeting specific goals. This constellation of interest brought about significant changes in Morocco's environmental law as well as several environmental Charta enshrining goals of water policy in Morocco. Nevertheless, the inherent conflicts between ministries and their lack of coordination hinder implementation.

A different picture can be drawn from renewable energy policy, which enjoys strong domestic support on both the political and

economic level. Supported by the King and his industrial consortium, renewable energy policy reforms were pushed through parliament in less than four years, including the establishment of a governmental-private hybrid agency for solar energy and a call for international investments supporting several solar panel and wind farm projects. Here, the German-led industrial investment fund Desertec took the lead while the EU's role was insignificant.

Third, the distribution of funds and administrative capacity varies significantly between these two environmental policy areas due to the conflict of domestic interests. Water policy implementation is hindered by understaffing at the national and local level. More specifically, reform implementation suffers from a lack of enforcement at the local level and insufficient follow-up by national administrators. This scarcity of administrative resources in water policy contrasts strongly with the high-level staffing (and salaries) of the Moroccan Agency of Solar Energy (MASEN), which is backed by the Palace. As a result, renewable and solar energy in particular develop “at a mind blowing speed” (GIZ official). The EU's support for water management policy in the national budget therefore does not trickle down to the local implementation level, while the EU could take on a more prominent role in shaping Morocco's renewable energy agenda.

Recommendations for even implementation and long term impact

Three short- and two long-term changes of the EU's role in environmental policy could enhance a more balanced implementation of environmental reform in Morocco. While this study analyzed mainly the implementation of EU environmental policy, some of the recommendations could be beneficial to successful long-term cooperation in other policy fields as well.

Short term.

Environmental impact assessments (EIA). Only when environmental impact in all policies of cooperation is addressed, comprehensive policy cooperation can be ensured. Mentioning the impact on the environment in the sectoral progress reports of the ENP could not only enhance

the cross-sectoral coherence of environmental issues within the cooperation but would also improve their overall quality and implementation. EIAs (Directive 85/337/EEC) together with Strategic Environmental Assessments (Directive 2001/42/EC) already ensure within the EU that environmental consequences for projects are taken into consideration before co-financing measures are authorized. Similar regulations could support the already existing national EIA legislation, counter sectoral and ministerial conflicts in Morocco and foster the national discourse on environmental policy goals.

Coordinate donor activity. To actively promote policy implementation, it is important to coordinate the technical support of the different donors in Morocco. As for water and energy, the EU delegation should **coordinate the sectorial group meetings of all international donors and actively play a role in coordinating their work.** The sectorial meetings, which existed irregularly in the past need to be revitalized in order to achieve a better understanding of what is needed on the ground and can be commonly financed. A more coordinated effort and exchange of ideas within the thematic groups is favored by international donors and governmental officials alike. Such a coordination role would not only make the EU more visible in the country. Environmental policy reform could also profit from the extensive experience of policy implementation efforts of other donors, such as multiannual projects of technical assistance experience of the German GIZ in water and renewable energy policy. Especially in these two areas, there is much potential for better tuned coordination of international support to tackle the constraints of implementation.

Post-twinning and TAIEX program. To foster rule implementation in Morocco, it is important to combine a closer monitoring of applied rules and refine the analysis of the policy cooperation outside a project-based focus. One step towards this awareness would be to provide continuous support reaching beyond the formal adaptation of rules in national norms. Post-twinning projects could be one instrument to this effect that could be implemented in the short term. The prolonging of twinning perspectives would

need to entail an emancipation of the enlargement logic inherent in this ENP instrument. A year term of twinning might be a sufficient time span to prepare countries with a high interest in implementing regulatory norms for EU accession and starting out at a higher level of capacity, but especially for the southern ENP countries without this perspective and capacity, the assistance period is not sufficient. Intensifying the reach of twinning should be complemented by a review of its rules. Twinning projects should be tailor-fit to the specific challenges of implementation in different policies such as lack of ministerial coordination or conflict of interest and respond accordingly. Instead of focusing mainly on technical assistance and projects, twinning teams could for example also **cooperate on cost-effective management**. This alignment of implementation instruments should not only aim to address the policy but also include the consultation of actors that are not part of the ruling elite but **civil society**. The latter may be able to facilitate policy change within the country in the short but also in the long term. For this reason, financial guidelines for twinning projects need to be changed in order to include not only funding for specific projects but also support of basic public management. One way to achieve this institutional oriented support scheme in the short term would be to enhance TAIEX programs which are less regulated, easier to apply for and also open for interested actors outside the agreement of the National Indicative Program. Interested actors include but are not limited to public officials at mid-level administration. Thereby, TAIEX cooperation could circumvent road blocks of implementation by serving interested actors within water administration for example.

Long term.

Become a stakeholder in the decentralization process. The EU delegation could draw from the EU's extensive experience in supporting regionalization in Europe and assist in formulating a regional framework of legislation and shared responsibilities. A possible instrument for this enhanced subnational cooperation could be more sister-cities or regional partnerships between Morocco and the EU. Especially now with the

constitution of 2011, in which the 16 regions in Morocco are for the first time recognized, the political elite seems open to explore a bigger role of its regional entities. More administrative autonomy at the regional level would not only help the implementation of environmental policy. It also corresponds with the national economic modernization strategy as well as a further economic and democratic development in Morocco, as it would allow a more targeted approach to the needs of different regions in the country. The EU has a rich experience in empowering and cooperating with subnational entities at regional and local levels. Close consultations with the Committee of the Regions to incorporate this dimension in the ENP revision would be beneficial.