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Second country cooperation framework for Morocco (2002-2006)

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Introduction

1. The second country cooperation framework (CCF) between Morocco and UNDP, for the period from 2002 to 2006, is based on the orientations of the economic and social development plan 2000-2004, which confirms the priority accorded to the promotion of sustainable human development and the fight against poverty, and on the aims and objectives of the United Nations Development Assistance Framework. It also incorporates the strategic orientations of UNDP and the recommendations of the final review of the first CCF (1997-2001).

I. Development situation from a sustainable human development perspective

Socio-economic context

2. Morocco is a lower middle-income country with an estimated population in 2000 of 28.7 million inhabitants and a per capita income estimated at 1,280 dollars in 1998. Agriculture continues to play a major role in the economy, contributing some 15 per cent of gross national product (GNP) over the past 20 years and employing about 40 per cent of the economically active population. This figure is 25 and 35 per cent respectively for industry and the service sector. The economy is relatively liberalized; export and imports account for 65 per cent of GNP.

3. The Moroccan economy is characterized by macroeconomic stability and low growth. The economic strategy has made it possible to control the budgetary and external deficits, curb inflation and reduce the external public debt, which decreased from 75 per cent of GNP in 1991 to 55 per cent in 1999. This strategy has not, however, been able to ensure adequate economic growth. Indeed, in the 1990s, average yearly growth was less than 2 per cent. The growth of gross domestic product (GDP) is not only weak but also fluctuating (6.8 per cent in 1998, -0.7 per cent in 1999 and 0.8 per cent in 2000), leaving it largely dependent on variations in agricultural production owing to the unpredictability of the climate.

4. Liberalization of foreign trade has progressed very slowly in recent years. However, the Free Trade Agreement concluded with the European Union in

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March 2000 is proving to be a decisive step towards the integration of the country in the international economy; this raises questions with respect to competitiveness and will require the restructuring of many sectors of the economy, including the textile and agri-food sectors.

5. Given the low job-creation rate, it has not been possible to reduce urban unemployment, which is particularly high among young people and graduates; in 2000, the unemployment rate was estimated at 21.5 per cent of the economically active population.

6. In addition, the increasing degradation of natural resources (particularly the forests, water and soil) and the vulnerability of Morocco to climatic variations are having an ever greater impact on the quality of life of rural inhabitants, leading to rapid urbanization; this has resulted, inter alia, in the exacerbation of social problems and the impoverishment of the population.

Poverty and social inequities

7. Despite significant progress in recent years towards the establishment of a free, democratic and fair society and a stable economy, the population as a whole has not benefited on an equitable basis from the positive effects of growth, as demonstrated by the worsening of the main human development indicators during this period. In the period 1998-1999, the number of persons living below the national income poverty line was estimated at 5.3 million, representing 19 per cent of the total population; that was an increase of 50 per cent compared with 1990-1991. Disparities persist between rural and urban areas and between women and men. In rural areas, 85 per cent of the women are illiterate and the maternal mortality rate was close to 307 per 100,000 live births in 1992-1997. Access to basic social services is uneven: in rural areas the enrolment ratio for girls is 47 per cent, about half that in urban areas. In addition, 60 per cent of the rural population lack access to safe drinking water. compared with 20 per cent in urban areas.

8. The study conducted for the implementation of the 20/20 Initiative in Morocco showed that public spending on basic social services averaged about 17 per cent in the 1990s, despite a strengthened social policy. This percentage remains relatively low and is proving to be insufficient to reduce the existing disparities. In this regard, it should be emphasized that development cooperation resources devoted to basic social services are even more limited.

9. With an estimated human development index (HDI) of 0.596 in 1999, Morocco ranks 112th out of 162 countries, according to the *Human Development Report 2001*. The HDI has increased, from 0.554 in 1992 to 0.596 in 1999.

Orientations of the economic and social development plan 2000-2004

10. In the light of the foregoing, the authorities, firmly committed to laying the foundations for genuinely sustainable human development and reducing poverty, adopted, in July 2000, an economic and social development plan for the period from 2000 to 2004, the priorities of which are: (a) promotion of an institutional framework favourable to development through governance; (b) creation of an environment conducive to high growth; (c) development of human resources through education and training; (d) social development and the fight against poverty; and (e) protection of the environment and of natural resources. The plan also emphasizes the strengthening of the "monitoring and evaluation" function for measuring the progress made in realizing its objectives.

II. Results and lessons of past cooperation

11. The first CCF, for the period 1997-2001, focused its interventions on two levels: (a) support for the formulation of national policies and strategies in the priority areas of development; and (b) experimentation in the field, through pilot schemes, with new approaches to development, in order to test the validity of these policies and strategies and the possibility of reproducing them on a larger scale.

12. This framework made it possible, inter alia, to confirm the importance and relevance of the programme approach, the participatory approach and of partnerships for ensuring that the initiatives undertaken, particularly at the local level, were more has been coherent and better integrated. It characterized by the conclusion of very diverse and, in several respects, innovative partnerships, particularly with civil society and the private sector, but also by the organization of the people in village associations and involvement of non-governmental direct the

organizations and local authorities with a view to ensuring the sustainability of the initiatives at the level of grass-roots communities. In addition, the resource mobilization targets have been greatly exceeded thanks to the conclusion of partnerships with the private sector in particular.

13. The sustained advocacy conducted throughout the period has enabled the priority themes of UNDP to be incorporated in the economic and social development plan 2000-2004, around the unifying theme of the fight against poverty, at the centre of national concerns. At the institutional level, advocacy and the actions subsequently initiated have made possible, inter alia, the establishment of the human rights centre and the creation in the Government of a department responsible for the status of women, children and disabled persons. These initiatives bear witness to the willingness of the country's authorities to put gender issues at the centre of national concerns.

14. Other results include the designation of gender focal points in all the ministries. Similarly, a major impact of the advocacy to promote microfinance has been the Government's recognition of this sector as an effective instrument for combating poverty and the royal decision to allocate \$10 million for expanding access by the poor to microcredit.

15. Despite these convincing results, the annual review of the first CCF noted the lack of institutional arrangements capable of ensuring the integration, and coordination of the initiatives durability undertaken from a sustainable development perspective. Consequently, recommendations were made: (a) for the identification and testing with the different partners, in the context of the second CCF, of ways of rectifying this situation; and (b) for the adoption of local management methods based on a continuous monitoring and evaluation system.

III. Objectives, programme areas and expected results

A. Objectives of the country cooperation framework

16. In accordance with the priorities of the economic and social development plan 2000-2004 and the Framework 2002-2006, on the one hand, and the main areas of intervention identified by UNDP, on the other, the areas of intervention of this CCF are the fight against poverty, governance, the preservation of the environment and of natural resources and gender.

17. In this regard, the CCF will help strengthen the contribution of UNDP to the acknowledgement of poverty as a major national problem. The objectives of the second CCF are to: (a) support the formulation of national policies, strategies and programmes to reduce human poverty and income poverty; (b) expand the opportunities and choices offered to poor rural populations for the realization of sustainable human development through the establishment of a favourable environment for local governance; (c) strengthen the capacities of the key institutions in the area of governance with a view to the efficient, participatory and transparent management of development; (d) promote sustainable management of the environment and of natural resources, and develop renewable energy sources with a view to improving the living conditions of the most disadvantaged populations; and (e) strengthen national capacities in the integrated implementation of the international conventions.

B. Orientations of the cooperation

18. In order to ensure that the planned interventions have greater impact, the strategy for implementing this CCF will be structured around the following main points: (a) concentration on a limited number of priority areas with strong potential for the realization of measurable change: (b) continuation and strengthening of the programme approach with a view to furthering the effective integration of development actions and promoting the establishment of strategic partnerships and the mobilization of resources; and (c) development of advocacy and consulting services to promote the implementation of an institutional framework incorporating the multidimensional aspects of poverty, governance and management of the environment and of natural resources from a sustainable development perspective.

19. To this end, the second CCF will accord particular importance to: (a) the dissemination of and capitalization on successful experiments with a view to taking the necessary steps for their widespread use; (b) the establishment, from the design phase, of structures capable of taking over the programmes and projects implemented and of creating favourable conditions for their sustainability; (c) the setting up of innovative financial arrangements and partnerships; and (d) the creation of meeting points and forums for reflection common to a range of projects and programmes, the actions of which are focused on the same development objectives.

C. Areas of concentration of the second cooperation framework

20. Promotion of human development and the multidimensional nature of poverty presuppose the adoption of an integrated and coordinated approach, facilitating the synergies between the four designated areas of concentration. That is the approach that has been favoured and adopted; however, for didactic and practical reasons these different areas of concentration are presented separately to make it easier to grasp their intrinsic objectives and expected results.

The fight against poverty

21. The designated objectives are to continue working to integrate the fight against human and monetary poverty into national development policies and strategies, on the one hand, and to preserve and develop sustainable means of subsistence for the poor, on the other.

22. In that regard, UNDP will contribute to the formulation of such policies and strategies and, on the basis of lessons drawn from prior cooperation, to their implementation. To that end, when formulating new programmes, special attention will be given to the following aspects: (a) the potential for generalized application of the approaches developed; (b) the establishment and strengthening of local agencies with a view to creating a local development dynamic on the basis of a local operation; (c) the development of partnerships with the academic world in promoting human development concepts and approaches; (d) the development of innovative partnerships, particularly with the private sector; and (e) the mobilization of resources.

23. The second CCF will contribute to the following areas: (a) the institutional strengthening of national bodies with a social remit in terms of ensuring that they benefit from successful trial experiments and are given the necessary capacities to enable them to take over and secure their general application and replication on a larger scale; (b) the consolidation of

activities in the areas of renewable energies, and microfinance sustainable agriculture as development vectors with a high potential for reducing poverty and the promotion of new opportunities, such as rural tourism, as a way of contributing to the opening up of poor regions and the creation of new means of sustainable subsistence, duly integrating the gender dimension; (c) the consolidation of knowledge acquired through pilot interventions in the fight against poverty and the establishment of tools and structures capable of ensuring that it is preserved and facilitating its replication on a larger scale; (d) the continued preparation and dissemination of the national human development report with greater involvement of the development partners, including civil society, the university and other centres of excellence.

The main results expected in the area of the fight 24. against poverty can be summarized as: (a) determination by the Government of national monetary and human poverty reduction objectives as part of a national strategy, in accordance with the commitments made at the Millennium Summit; (b) preparation and implementation of local and provincial plans of action for the fight against poverty; (c) consolidation and extension of microfinance in rural areas and a substantial increase in the number of women with access to microcredit, which should reach some 200,000 women; and (d) preparation, adoption and implementation of a rural tourism development strategy in the northern provinces.

Governance

25. The promotion of good governance and support for the reform of the administration play a decisive role in the development process and to a large extent determine the success of the fight against poverty and of sustainable development. In order to consolidate UNDP's gains in this area and to pursue its support activities in the context of the ongoing reforms, the CCF for 2002-2006 will extend its support for good governance by devoting more attention to the aspects dealing with participation, transparency, equity and consideration of the needs and expectations of the poor.

26. At national level, one of the structural challenges facing the Government today is how better to adapt to the demands of globalization. Many reforms are already under way, but tangible transformations still have to be made at the institutional level, and the machinery still has to be set in place at regional and

local levels so as better to respond to citizens' expectations and to consolidate the foundations of sustainable human development.

27. Furthermore, an analysis of UNDP's past and present cooperation reveals that development problems related to the management of public affairs and governance concern, in particular, the capacities of the institutions responsible for development, the decentralization of development and the establishment of a broader partnership, particularly in the private sector and civil society.

28. The strategic objective of UNDP support in the area of governance will be to strengthen the capacities of the principal development actors at local, regional and national levels, and to promote a more transparent, participatory and decentralized management of public affairs which integrates the rights-based approach in accordance with the priorities of the economic and social development plan 2000-2004 and the strategy of the strategic results framework 2000-2003 and the Framework 2002-2006. The designated priority areas also link up with those of the UNDP's second regional cooperation framework for the Arab States 2002-2004 on the subject of governance.

29. That being the case, the second CCF has designated the following as priority areas: (a) supporting the key institutions of governance in the reform processes that are under way; (b) promoting local governance by supporting the process of decentralization and deconcentration; (c) encouraging a culture of human rights; and (d) promoting access to information and communication technologies in the service of development and of the fight against poverty.

30. In this context it is proposed that UNDP cooperation be part of the reflection and analysis already initiated with the national authorities during the previous programming period to draw up and implement a national programme of governance and programmes for cooperation with Parliament, the Court of Auditors, the Supreme Court, the Ministry charged with Human Rights and the Ministry of Economic Forecasting and Planning.

31. The results expected from UNDP support in these areas are as follows: (a) stronger executive, legislative and judicial institutions and mechanisms, as a result of the promotion of new information technologies, and more efficiency and transparency on the part of key institutions of governance such as Parliament, the

Court of Auditors and the Supreme Court; (b) a planning process for the strategic 2000-2004 development plan implemented at national and decentralized levels, with broad participation by the partners concerned and the establishment of more effective tools for analysing, programming and following up strategic planning; (c) decentralized and more effective financial supervision of public affairs along with the establishment of regional courts of auditors; (d) national programmes to broaden access by disadvantaged groups to basic social services such as drinking water, education, health and HIV/AIDS care, managed in a decentralized and participatory manner; and (e) a fully operational human rights documentation and education centre.

Preservation of the environment and natural resources

32. The reforms and programmes undertaken in the last five years to support implementation of the different sectoral programmes of the social development strategy have created a new dynamic of sustainable development. Significant progress has been made particularly in terms of the adoption of innovative approaches and concepts such as the participatory approach, the programme approach, the development of local operations, bottom-up planning, consultation and the promotion of partnership. However, local development activities on the ground have shown the limitations of using sectoral approaches in the absence of a global strategy that covers not only concerns for production, preservation of natural resources, access to basic social services and infrastructures but also economic activities.

33. In this context the activities designated to form part of the second CCF will contribute to the achievement of the following two principal objectives: (a) improvement of central and local capacities for planning and implementing integrated approaches to development, based on better environmental and management promotion of sustainable energies, in order to improve the living conditions of the most disadvantaged groups of the population; and (b) integration of global concerns and commitments relating to environmental protection and sustainable development into national development plans and policies.

34. The activities proposed under the two areas of intervention can be expressed as:

(a) The promotion of operational arrangements for implementing the integrated approach with a view to overcoming the limitations of the current sectoral approaches, optimizing the impact of the development activities that are carried out, and rationalizing the investments that are made. In this connection special attention will be given to the integrated implementation of the national plan of action for the environment, the 20/20 rural development strategy and the programme of action to combat desertification and drought as part of the fight against poverty, capitalization and largerscale trials of the lessons drawn from the dynamic of local development initiated during the first CCF, both in developing catchment basins and in developing rainfed agricultural zones (bour), with a view to better defining the prerequisites of sustainable local development;

(b) Widening the range of opportunities on offer to the rural populations of the rain-fed agricultural zones (*bour*) and catchment basins who are increasingly affected by the degradation of natural resources and the country's great vulnerability to unexpected changes of climate. In that context, close cooperation will be established between UNDP and the International Fund for Agricultural Development (IFAD) to implement the programme to fight poverty in the province of Haouz;

(c) Development of the partnership with civil society and the private sector. Special attention will be given to procedures for institutionalizing the partnership between Government and the private sector — especially in the fields of energy and climate change — and that between Government and the NGOS;

(d) Strengthening the capacity of State services and local actors in implementing the United Nations Conventions concerning climate change, desertification and drought and protection of biodiversity: the main activities that are envisaged include the development of a national solar water-heating programme; the establishment of participatory plans for managing natural resources both in humid zones and in zones of transhumance; soil protection and combating erosion, particularly through the planting of cactus.

35. The support thereby given will seek to determine ways and means of removing the current constraints relating to the rigidity of procedures for the allocation and management of budgets, the excessive centralization of programme planning and management, the absence of operational staff for local and regional coordination of sectoral interventions and the marginalization of the population in the programme planning and implementation process.

The main results to be expected are: (a) a system 36. of reference for realization of the integrated and participatory approach at rural development level through a pilot programme to implement the national plan of action to combat desertification and drought; financial institutional, organizational, and (b) partnership strategies and technological practices and tools adapted to sustainable local development; (c) a national plan of action for the environment duly recognized by all the actors and approved; (d) a fully operational network on renewable energies, protection of the environment and the fight against poverty involving government departments, relevant national institutions, civil society and the private sector; (e) a system of information on sustainable agriculture; (f) strengthened capacities on the part of local actors in the areas of managing the environment and natural resources through siting local Agenda 21s in pilot and rural regions (humid zones and urban defined clearly transhumance zones); (g) environmental priorities, especially in the areas of biodiversity, climate change and desertification, duly integrated into national policy guidelines and the future economic and social development plan; (h) a portfolio of projects in the area of adaptation to climate change and reducing the vulnerability of the country and its economy to unexpected changes of climate.

Gender

37. A positive dynamic has been created with the development of the plan for the integration of women in development, the creation of the ministry responsible for the status of women, protection of the family and children and integration of the disabled, and the designation of gender focal points in all ministerial departments. However, women are still poorly represented in the political arena and have a precarious status. In terms of their personal status, despite positive changes, women are still a subordinate to some degree and subject to discrimination. Given the mixed results concerning the status of women it is essential that sustained support be given to this area.

38. In this context, one of the CCF objectives is to promote integration of the gender dimension in

development policies, to improve the status of women and to eliminate obstacles to their advancement. The designated area of strategic action targets the institutionalization of tools and methods for identifying and measuring progress achieved in this field.

In order to ensure better integration of the gender 39. approach, the present CCF sets itself the following objectives: (a) strengthening the institutional capacities of the ministry responsible for the status of women, protection of the family and children and integration of the disabled and those of women's associations; (b) encouraging the practice of taking the gender approach into account in the area of governance and acting to strengthen the resources available to focal points so accomplish their mission; (c) that they can strengthening United Nations inter-agency coordination with other actors in this field right from the design phase of the project; (d) enhancing the implementation, follow-up and evaluation of the gender approach in all UNDP programmes.

40. Specific support will also be given to the promotion of a political dialogue aimed at improving the status of women and institutionalizing the tools and methods for identifying and measuring changes in the status of women.

41. The expected results are: (a) increased awareness on the part of the main national and local actors and partners and a strengthening of their capacities to integrate gender in development activities; (b) creation of a national strategy to combat violence against women; (c) updating and dissemination of existing data on gender and the undertaking of basic studies on gender; and (d) integration of the whole question of gender into the planning and implementation of development activities at local and national levels.

IV. Management arrangements

General orientations and provisions

42. UNDP's new vision with regard to cooperation and the new tools developed for the implementation of results-based management set out specific objectives for the second country cooperation framework (CCF) 2002-2006, in particular in the area of advisory services and the promotion of partnerships, and the obligation to produce results. 43. The "national execution" approach which generally yielded satisfactory results in the first country cooperation framework will be continued and strengthened through greater ownership of the programmes by the bodies concerned, as well as increased involvement of local institutions and partners. In addition, management capacities at the national level will be reinforced through:

(a) Greater use and effective implementation of the "programme approach";

(b) Systematic adoption of a participatory approach and partnerships with non-governmental organizations;

(c) Access for national partners to the UNDP financial management system database;

Technical cooperation among developing (d) countries (TCDC) and transfer of knowledge through expatriate nationals (TOKTEN) will be two implementation mechanisms highlighted in the second cooperation framework. country The principal activities planned within the context of TOKTEN will help better define Morocco's objectives, needs and expectations and facilitate the establishment of networks for scientific and technical exchange with the country. Production and updating of the directory of identification skilled expatriates, of promising institutions and development of a web site to facilitate sharing of information are activities which may serve to increase opportunities for cooperation in that area;

(e) Data analysis and the lessons learned from cooperation with UNDP at the regional level show that Morocco is in a situation similar to that of many Arab countries and that it could benefit from all the objectives and programmes contained in the second regional cooperation framework for the Arab States (DP/RCF/RAS/2), which contains four priority areas: globalization, governance, growth and crisis management. For each area, specific objectives have been identified and appropriate services will be available. In developing the programme for the second country cooperation framework, special attention will be given to the priority objectives of the 2002-2004 regional cooperation framework with a view to maximizing synergies and complementarity between the two. Conditions are currently favourable for such efforts since the Arab Maghreb Union movement is enjoying renewed vigour. Similar links with other regional and global UNDP programmes and regional cooperation institutions will be sought and reinforced.

Monitoring and review

44. Implementation of the present country cooperation framework will be based on development of a rigorous monitoring and review system for each programme planned, taking into account the expected situations and the indicators of progress identified in the common country assessment (CCA) and within the framework of strategic results. Effective implementation of that system will be structured around the following two strategic measures: (a) development of a monitoring/review culture through, on the one hand, strengthening of the capacities of the relevant national partners and, on the other hand, development of the necessary tools in order to ensure continued monitoring of actions undertaken and systematic evaluation of their impact; (b) collection of relevant data and support for development of the statistical information system.

45. The performance of the country cooperation framework will be evaluated through a yearly appraisal in which national partners and development partners involved in the various programmes under way will participate. The appraisal process planned in that context will help: (a) monitor and measure, based on indicators and a well-defined starting point, progress made towards realization of the objectives defined within each of the CCF areas of concentration; (b) identify, in close cooperation with the main development partners concerned, issues of a strategic nature which might influence the realization of the expected results as well as priorities to be considered when planning actions for the following 12 months. The framework will also be subject to a mid-point evaluation which will help assess its contribution to realization of the framework plan for 2002-2006.

46. In addition to monitoring and review mechanisms, thematic evaluations and impact analyses will also be undertaken within the context of the resident coordinator system.

V. Resource mobilization

47. Bearing in mind the successes of the first country cooperation framework, a substantial level of additional resources will have to be mobilized to

implement the current framework in order to compensate for the sharp reduction in UNDP's core funds. The resource mobilization strategy adopted to that end is based principally on: (a) a significant increase in the Government's share of the costs in relation to the core funds; (b) continued promotion and consolidation of the strategic partnership already initiated with the private sector and interested associations, in particular through the development of advocacy initiatives and promotion of the programme approach with national and international development partners.

48. In that regard, the principle of cost-sharing, with the Government contributing at least three quarters of the costs, will continue to be applied systematically and there will also be systematic efforts to mobilize complementary funding from third parties (private sector, foundations, local communities, bilateral donors, multilateral funds) and thematic trust funds established by UNDP.

In addition, and in accordance with UNDP's new 49. strategic orientations, partnership development will constitute a central focus for implementation of the programmes selected, with a view to creating the necessary synergies and mobilizing the efforts of all sustainable partners concerned within а the development perspective. To that end, joint efforts for advocacy and coordination of development actions undertaken will be implemented in close consultation with the various United Nations system agencies and the Ministry of Foreign Affairs and Cooperation.

Annex

	Amount	Comments	
Source	(In thousands of United States dollars)		
UNDP core funds			
Estimated carry-over	972	Carry-over from TRAC 1, TRAC 2 and previous AOS allocations.	
TRAC 1.1.1	3 200	Assigned immediately to country.	
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.	
SPPD/STS	536		
Subtotal	4 708 ^a		
Non-core funds			
Government cost-sharing	9 500		
Third-party cost-sharing	500		
Funds, trust funds and other comprising:	6 450		
GEF, Montreal Protocol, Capacity 21	5 000		
Gender	200		
Poverty	250		
Governance	500		
Environment	500		
Subtotal	16 450		
Grand total	21 158 [*]		

Resource mobilization target table for Morocco (2002-2006)

^a Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: AOS = administrative and operational support; GEF = Global Environment Facility; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core.