



Morocco Disaster Risk Management Development Policy Loan with a Catastrophe Deferred Drawdown Option (P168580)

MIDDLE EAST AND NORTH AFRICA | Morocco | Urban, Resilience and Land Global Practice |
IBRD/IDA | Development Policy Lending | FY 2020 | Seq No: 4 | ARCHIVED on 18-May-2023 | ISR55749 |

Implementing Agencies: Kingdom of Morocco, Ministry of Economy, Finances and Administrative Reform

Key Dates**Key Project Dates**

Bank Approval Date: 11-Dec-2019

Effectiveness Date: 17-Mar-2020

Original Closing Date: 15-Jun-2023

Revised Closing Date: 15-Jun-2023

Project Development Objectives

Program Development Objective (from Program Document)

The development objective of the proposed operation is to support the Government of Morocco in (a) strengthening the country's institutional capacity to deal with the adverse financial impacts of disasters and climate-related shocks, and (b) strengthening Morocco's institutional framework for disaster and climate-related risk management.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Overall Ratings

| Name | Previous Rating | Current Rating |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Progress towards achievement of PDO | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Satisfactory |
| Overall Implementation Progress (IP) | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Satisfactory |
| Overall Risk Rating | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |

Implementation Status and Key Decisions

The Government of Morocco has made significant progress regarding the implementation of the policy program supported by the Morocco Cat DDO: i) The *Fonds de Solidarité contre les Évènements Catastrophiques* (Solidarity Fund, FSEC) has continued strengthening its human resources and has been receiving, since 2020, regular revenues from the parafiscal tax that exceeded initial targets; ii) the development of the online platform for the registration of victims of catastrophic events has made significant progress and is in its final phase; iii) insurance companies have built up prudential reserves to strengthen their financial capacity against catastrophic events; iv) Morocco's institutional capacity for flood management is being strengthened through the implementation of an integrated flood risk management system in four pilot zones, which is about to be operationalized; and v) the Civil Protection continued strengthening its human resources, especially with focus on skills upgrading of its staff.

Risks**Systematic Operations Risk-rating Tool**

| Risk Category | Rating at Approval | Previous Rating | Current Rating |
|---------------|--------------------|-----------------|----------------|
|---------------|--------------------|-----------------|----------------|



| | | | |
|--|--------------------------------------|-----------------------------------|-----------------------------------|
| Political and Governance | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |
| Macroeconomic | <input type="checkbox"/> Low | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |
| Sector Strategies and Policies | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |
| Technical Design of Project or Program | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |
| Institutional Capacity for Implementation and Sustainability | <input type="checkbox"/> Substantial | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |
| Fiduciary | <input type="checkbox"/> Low | <input type="checkbox"/> Low | <input type="checkbox"/> Low |
| Environment and Social | <input type="checkbox"/> Low | <input type="checkbox"/> Low | <input type="checkbox"/> Low |
| Stakeholders | <input type="checkbox"/> Low | <input type="checkbox"/> Low | <input type="checkbox"/> Low |
| Other | -- | <input type="checkbox"/> Low | <input type="checkbox"/> Low |
| Overall | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate | <input type="checkbox"/> Moderate |

Results

Results Indicators

| Strengthening the institutional capacity to deal with the adverse financial impacts of disasters | | | | |
|--|---|-------------------|------------------|--------------------------|
| IN01278147 | | | | |
| ► Availability of an audit of the FSEC's internal control systems confirming that the FSEC's systems and procedures allow for the appropriate use of funds. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | No | No | Yes |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | Delayed. A procedures manual, on which the audit of FSEC's internal control systems will rely, has been created and reviewed by FSEC during dedicated workshops in March 2023. Based on these comments, a revised and finalized version of the manual is expected to be available by end of May 2023. In calendar year 2024, and based on this manual, an external auditor will conduct an audit of the internal control systems encompassing calendar years 2020 to 2023. FSEC's decision to postpone the internal audit to 2024 is based on the following rationale: given the initial delay in the scale up of FSEC's activities and recruitments due to the pandemic, FSEC's operational activities became stronger starting 2022 and significantly expanded in 2023. Delaying the audit to 2024 allows to account for civil year 2023 operations, thus including the most informative year in the internal audit's scope and making the best use of the funds allocated to the recruitment of the external auditor. Considering the procedures manual is almost finalized and FSEC has a strong rationale for delaying the internal audit to civil year 2024, this indicates a positive step towards meeting the indicator for the internal audit. | | | |
| IN01278149 | | | | |
| ► Annual revenues from the new parafiscal tax created to finance the FSEC. (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | N/A | MAD 195 million | MAD 243 million | MAD 200 million (annual) |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | Completed. The collected parafiscal tax revenues reached MAD 197 million in CY2020, MAD 230 million in CY2021, and MAD 243 million in 2022. The indicator is expected to reach MAD 254 for CY2023, exceeding initial targets. | | | |



| | | | | |
|---|--|-------------------|------------------|-------------|
| IN01278176 | | | | |
| ► Share of local officials of the Ministry of Interior responsible for the administration of the register trained on the registration procedures. (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 90.00 |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | Delayed. Currently, no training has been conducted. However, out of the 83 focal points designated in the MI circular of September 30, 2022, 81 have already been appointed. The plan is to commence the trainings once the final online registration platform becomes operational in late 2023 and all focal points have been designated. The advanced development of the registration platform and the high number of assigned focal points strongly suggest that the government will implement the trainings after Program closing. | | | |
| IN01278178 | | | | |
| ► The Government has deployed an online platform for the registration of people affected by a catastrophic event. (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | N/A | No | Yes | Yes |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 31-Dec-2023 |
| Comments: | Completed. A first version of the online platform has been finalized and can be deployed in case of disaster. Some minor modifications will be made, for an operationalization of the final online platform by the end of 2023. | | | |
| IN01278179 | | | | |
| ► The Government has developed a specific outreach and communication mechanism to inform the population of the registration procedures for people affected by a catastrophic event, with a focus on women. (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | N/A | No | No | Yes |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | Completed. The FSEC has validated its communication strategy concerning the compensation procedures and launched initial actions (including the development of a dedicated website), including guides on compensation procedures. The FSEC also plans to produce short videos for the general public. The FSEC will continue to reflect on communication methods that can specifically target women. | | | |
| IN01278180 | | | | |
| ► Insurance companies comply with the prudential requirements established by the circular. (Yes/No, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No | Yes | Yes | Yes |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | Completed. The regulatory annual reporting for 2021, which was due to at the end of year, shows MAD 84.88 million for direct businesses and MAD 58.65 million for reinsurers' acceptances, in accordance with the objective of the circular. | | | |



| Strengthening Morocco's institutional framework for disaster and climate-related risk management | | | | |
|---|--|-------------------|------------------|-------------|
| IN01278148 | | | | |
| ▶ Number of provinces covered by an integrated flood risk management information system. (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 4.00 |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | In progress. The technical infrastructure for the integrated flood management support system has been established in four pilot provinces, awaiting the imminent start of the operational phase, which is scheduled to begin before the end of June 2023. | | | |
| IN01278150 | | | | |
| ▶ Number of Civil Protection search and rescue units applying operational and staffing procedures in line with INSARAG standards (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 1.00 | 1.00 | 1.00 | 12.00 |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Mar-2025 |
| Comments: | Delayed. The Civil Protection has conducted some core unit training and education, which involved representatives from regional units, in preparation for the INSARAG reclassification. However, due to the COVID-19 pandemic and the availability of INSARAG, the reclassification hat to be postponed until early 2025. Training of 12 regional mobile units with INSARAG standards is planned to be conducted after that. | | | |
| IN01278177 | | | | |
| ▶ Percentage increase in the number of female staff members in the Civil Protection (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | N/A | 2% | 11% | 5% |
| Date | 12-Nov-2019 | 30-Nov-2021 | 07-Apr-2023 | 15-Jun-2023 |
| Comments: | Completed. As of March 2023, the Civil Protection employs 405 female staff, which represents a 11 percent increase from the baseline (364 female Civil Protection staff members in November 2019). | | | |

Data on Financial Performance

Disbursements (by loan)

| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|----------------|-----------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P168580 | IBRD-90270 | Effective | USD | 275.00 | 275.00 | 0.00 | 271.98 | 0.00 | 100% |

Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|--------|---------------|--------------|--------------------|--------------------|-------------------|
|---------|----------------|--------|---------------|--------------|--------------------|--------------------|-------------------|



| | | | | | | | |
|---------|------------|-----------|-------------|-------------|-------------|-------------|-------------|
| P168580 | IBRD-90270 | Effective | 11-Dec-2019 | 16-Jan-2020 | 17-Mar-2020 | 15-Jun-2023 | 15-Jun-2023 |
|---------|------------|-----------|-------------|-------------|-------------|-------------|-------------|

Tranches

Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
