



1. Project Data

Project ID
P144539

Program Name
MA: Integrated Risk Management Program

Country
Morocco

Practice Area(Lead)
Urban, Resilience and Land

L/C/TF Number(s)
IBRD-86090,IBRD-92620

Closing Date (Original)
31-Dec-2021

Total Program Cost (USD)
300,000,000.00

Bank Approval Date
20-Apr-2016

Closing Date (Actual)
31-Mar-2025

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	300,000,000.00	0.00
Revised Commitment	300,000,000.00	0.00
Actual	300,000,000.00	0.00

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2. Program Context and Development Objectives

a. Objectives

The Program Development Objective (PDO) as stated in the Financing Agreement and reflected consistently in the Program Appraisal Document (PAD) is: "To improve the institutional framework to finance disaster risk reduction activities and strengthen financial resilience to natural disasters for targeted populations in the Program Area."



For the purpose of this Implementation Completion and Results Report Review (ICRR), the PDO is unpacked into two distinct but closely related objective dimensions that reflect the Program's intended development outcomes:

- **PDO 1:** To improve the institutional framework to finance disaster risk reduction (DRR) activities in the Program Area.
- **PDO 2:** To strengthen financial resilience to natural disasters for targeted populations in the Program Area.

According to the PAD (p. 13), the "Program Area" included the following geographic areas: the regions of Tanger, Tétouan-Al Hoceima, l'Oriental, Fès-Meknès, Rabat-Salé-Kénitra, Béni-Mellal- Khénifra, Casablanca-Settat, Marrakech-Safi, Draâ-Tafilalet, Souss-Massa, and the provinces of Guelmim, Tan-Tan, and Sidi-Ifni.

b. Were the program objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

11-Jun-2021

c. Will a split evaluation be undertaken?

No

d. Components

The PforR Program financed three subprograms of the Government of Morocco's disaster risk management and resilience program. Subprograms 1 and 2 contribute to PDO 1 and Subprogram 3 contributes to PDO 2.

Subprogram 1: Promotion of Institutional Reform and Capacity Building (Subprogram financing was not disaggregated): This subprogram supported reforms to strengthen the institutional framework for disaster risk management (DRM), including the transformation of the Fund for the Fight Against Natural Disasters (FLCN) into a national resilience fund, improved governance and allocation procedures, development of monitoring systems, and capacity building at national and subnational levels.

Subprogram 2: Scaling Up Disaster Risk Reduction (DRR) Activities (Subprogram financing was not disaggregated): This subprogram financed eligible structural and non-structural DRR investments through competitive calls for proposals, implemented by line ministries, public institutions, and local governments. Post-disaster reconstruction and activities with significant adverse environmental or social impacts were excluded.

Subprogram 3: Improving Disaster Risk Financing (DRF) and Insurance (Subprogram financing was not disaggregated): This subprogram supported the design and implementation of a national catastrophe



insurance program and a Solidarity Fund to compensate uninsured households affected by catastrophic events.

e. Comments on Program Cost, Financing, Borrower Contribution, and Dates

The Integrated Disaster Risk Management and Resilience Program was financed through a stand-alone Program-for-Results (PforR) operation. At appraisal, total government program costs were estimated at US\$256 million, of which US\$200 million was financed by an IBRD loan and US\$56 million by the Government of Morocco (PAD, p.15). Following Additional Financing, total World Bank financing increased to US\$300 million, all of which was fully disbursed by Program closing. National contribution remained unchanged, resulting in total program cost of US\$356 million (ICR, p. 36).

The Program was approved on April 20, 2016, became effective on November 16, 2016, and closed on March 31, 2025. The Program underwent two restructurings on December 2, 2021, and December 15, 2023:

- The 2021 restructuring and AF of US\$100 million:
 - Scaled up the Program with corresponding increased targets to DLI 1, 2, 5, 6, while DLI 4 target was adjusted downwards slightly. DLI 9 was added.
 - Extended the closing date to allow full realization of planned and additional activities.
- The 2023 restructuring:
 - Recalibrated DLI targets; targets of DLI 2, 7 and 9 were increased, while DLI 5 target was decreased.
 - Extended the closing date to accommodate for implementation delays.

Changes to the results framework are considered minor, although decreasing the target of DLI 5 did reduce the Program's focus on outcomes (ICR, p. 7). No changes were made to the PDO or overall program Theory of Change (ToC) during project implementation.

3. Relevance

a. Relevance of Objectives

Rationale

Alignment with sector and country strategy

The Program addressed a core development challenge for Morocco: the high fiscal and social costs of natural disasters in a context of rapid urbanization and growing exposure of people and economic assets to floods and earthquakes. Between 2000 and 2013 alone, Morocco experienced 13 major floods causing 263 deaths and over US\$427 million in direct damages, while earthquakes such as Agadir (1960) and Al-Hoceima (2004) demonstrated the country's exposure to low-probability, high-impact seismic risk (ICR, p.1).



Prior to the Program, DRM was characterized by institutional fragmentation and heavy reliance on ex-post budget reallocations and ad hoc financing.

The PDO was closely aligned with Morocco's government strategy to shift from reactive disaster response toward a more proactive, transparent, and results-based DRM system. The Government's reform agenda focused on integrating three core pillars: strengthening institutional coordination and mandates, particularly between the Ministry of Interior and the Ministry of Economy and Finance; scaling up DRR investments through transparent and decentralized financing mechanisms consistent with Morocco's decentralization framework; and establishing catastrophe insurance and solidarity-based financial protection to manage residual risk and protect vulnerable populations (PAD, pp. 5–7).

This strategic alignment remained intact at closing. The PDO continued to be consistent with Morocco's national DRM framework and its emphasis on climate resilience, as reflected in the 2020–2030 DRM strategy, the Nationally Determined Contribution, and the WB Country Climate and Development Report (2022). It also remained well aligned with the Country Partnership Framework (FY19–24), particularly Objective 10: "Strengthen adaptation to climate change and resilience to natural disasters" and CPF Objective 7: "Strengthen social protection for the poor and vulnerable" related to building resilience to shocks and improving protection for vulnerable populations.

World Bank previous sector and country experience

The Program built on more than a decade of World Bank engagement with Morocco on integrated risk management, beginning with analytical and advisory services after 2008 that addressed disaster risk, fiscal exposure, and insurance and culminating in the 2013 "Building Morocco's Resilience" programmatic framework (ICR, pp. 1–2). This earlier engagement had already helped initiate reforms of the FLCN and develop the foundations of a national DRF system. Building on this engagement, the Program moved beyond technical assistance toward institution-building and system-level reforms. The PDO reflected this progression.

Country capacity and adequacy of the PforR instrument

The PDO was appropriately pitched for Morocco's institutional capacity and development status, characterized by relatively strong central government systems alongside weaknesses in coordination, subnational implementation, and DRF. While the breadth and ambition of the Program could have justified a PDO framed further downstream in terms of DRR outcomes (PDO 1), the focus on institutional frameworks was appropriate given that this was Morocco's first DRM-focused PforR operation. In this context, the PDO targeted institutionally demanding but feasible outcomes, aligned with existing legal mandates, public financial management systems, and the country's decentralization process.

The use of the PforR instrument was appropriate given the Program's focus on reforming Morocco's existing DRM and financing system rather than financing stand-alone investments (PAD, pp.6-7). The scope of the Program, covering institutional reform, investment selection, and financial protection across multiple ministries and levels of government, required an instrument that could link disbursements to system-level milestones and operate through government fiduciary, environmental, and social systems. The justification for the use of the PforR instrument was well-articulated in the PAD and ICR.

Therefore, the Relevance of the Objective is rated High.



Rating

High

b. Relevance of DLIs

DLI 1

DLI

The FLCN strategic orientation and governance structure are redesigned with a focus on disaster risk reduction

Rationale

This DLI directly targeted the fragmentation and reactive use of the FLCN. By conditioning disbursement on the formal redesign of the FLCN's mandate, governance structure, and operating rules, the DLI addressed a necessary precondition for shifting from ex-post response toward ex-ante DRR financing. The DLI was clearly aligned with PDO 1 and sat at an appropriate intermediate outcome level. The DLI was sufficiently material in disbursement terms to incentivize inter-ministerial coordination and formal adoption as per table 3 in the ICR (p. 5) and was supported by a clear verification protocol.

Rating

High

DLI 2

DLI

Cumulative amount of FLCN funds allocated to eligible subprojects

Rationale

This DLI aimed to operationalize the reformed FLCN by introducing competitive, rule-based allocation mechanisms for DRR investments. It was well aligned with PDO 1 as it linked institutional reform to actual financing decisions. It complemented the more upstream DLI 1 by providing a downstream measure of whether the FLCN was actually being resourced and used to finance eligible subprojects, thereby incentivizing budget allocations to the Fund and helping translate institutional changes into tangible progress toward PDO 1. Finally, the DLI was sufficiently material in disbursement terms to incentivize the operationalization of FLCN.

Rating

High

DLI 3

DLI

Minimum percentage of FLCN funds allocated to eligible non-structural subprojects



Rationale

DLI 3 aimed to promote a balanced mix of DRR investments between structural and non-structural measures. While the PAD and ICR provide limited explicit evidence of a systemic bias against non-structural investments, interviews with the TTL indicate that, at preparation, investment practices were largely focused on physical works, with limited emphasis on non-physical activities such as risk assessments and preparedness measures. In this context, the DLI helped incentivize financing for non-structural investments that were considered necessary to strengthen risk understanding and inform more effective physical risk reduction. As such, the DLI supported good DRM practice and contributed to PDO 1 by encouraging balance in DRR investment portfolio.

Rating

Substantial

DLI 4

DLI

Minimum percentage of total funding of eligible subprojects provided by the entities responsible for implementation and their partners

Rationale

DLI 4 was designed to ensure ownership and buy-in by requiring co-financing from the entities benefiting from FLCN resources, thereby encouraging more disciplined project selection and embedding DRR within regular budget processes. By leveraging FLCN funding to mobilize additional resources and reinforce shared responsibility, it directly supported the PDO's objective of strengthening the institutional framework for financing DRR.

Rating

High

DLI 5

DLI

Cumulative value of total funding of completed eligible subprojects achieving disaster risk reduction targets

Rationale

DLI 5 complemented the more upstream institutional reforms under DLI 1 and the financing and allocation incentives under DLI 2 by capturing whether FLCN-funded projects were completed and delivering DRR benefits. By linking disbursements to verified completion and associated financing, the DLI created incentives to move beyond fund allocation toward results on the ground, directly supporting PDO 1. As a strongly outcome oriented DLI, the amount allocated to the achievement of this DLI was adequately higher than other DLIs, ensuring it provided strong enough incentives. However, as a result, the decrease of DLI 5's target in 2023 restructuring was a decrease in the Program's focus on outcomes.



Rating
High

DLI 6
DLI

Minimum percentage of entities responsible for the implementation of eligible subprojects having received technical assistance and/or training

Rationale

DLI 6 was relevant to the PDO's emphasis on strengthening institutional capacity, reflecting recognized capacity constraints among implementing entities related to limited understanding of DRM concepts as well as fiduciary and environmental and social requirements. The training followed an annual capacity-building and training plan, developed from the second year onward, that targeted the specific needs of implementing entities and partners (PAD, p. 57). The objective was to broaden awareness and build minimum implementation capacity to enable entities to prepare stronger funding proposals and ensure adequate execution of FLCN-financed subprojects. Despite the DLI's broad formulation, counting, at minimum, one individual attending a single training event, or receiving any form of technical assistance across technical, fiduciary, social, or environmental areas (PAD, p. 57), the DLI, according to the TTL interview, incentivized capacity building as intended.

Rating
Substantial

DLI 7
DLI

Adoption of the catastrophic risk insurance legislative and regulatory framework and minimum number of people in the Program Area insured for bodily injuries against catastrophic events

Rationale

DLI 7 was strongly aligned with PDO 2, as it addressed the low insurance coverage against natural disasters for homeowners and businesses in Morocco. By linking disbursements to both the adoption of the legislative and regulatory framework of a National Insurance Program as well as initial insurance coverage for bodily injuries, the DLI incentivized both a technically complex reform and downstream adoption. While the coverage threshold was modest, this was appropriate given the novelty of the scheme. The DLI was clearly defined, verifiable, and well-integrated into the results framework. The DLI was sufficiently material in disbursement terms to incentivize formal adoption and implementation.

Rating
High

DLI 8
DLI



Establishment and operationalization of the Solidarity Fund against Catastrophic Events (FSEC) to protect uninsured populations

Rationale

DLI 8 was strongly aligned with PDO 2 and complemented DLI 7 by addressing protection gaps for populations unable to access private catastrophic insurance. While DLI 7 focused on the mandatory insurance scheme, DLI 8 captured the establishment and implementation of FSEC. Implementation of FSEC was adequately captured by monitoring financial contributions to the Fund as per the provisions of the law, creating a clear disbursement-linked incentive for operationalization of the Fund. Together, the two DLIs reflected the core outcomes of the catastrophic risk insurance law by covering both private insurance and solidarity-based protection mechanisms. The DLI was clearly defined, verifiable, and provided a strong incentive for operationalizing the full DRF framework.

Rating

High

DLI 9

DLI

Added: Cumulative number of structural subprojects benefitting from at least one site visit

Rationale

DLI 9 was introduced during implementation to strengthen monitoring and implementation oversight and was indirectly aligned with PDO 1. According to the TTL interview, the DLI responded to the realization that the PIU lacked sufficient visibility over the implementation status of individual subprojects. By linking disbursement to site visits for structural subprojects, the DLI incentivized closer supervision, enabling earlier identification and resolution of implementation issues with subproject implementers.

Rating

Substantial

OVERALL RELEVANCE RATING

Rationale

The relevance of the PDO to Morocco’s country context at appraisal, the Government’s strategy, and the Bank’s country strategy at closing is rated High. The relevance of DLIs is rated High, as the DLIs were well aligned with the PDO and appropriate for driving the intended results.

Rating

High



4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

PDO 1. To improve the institutional framework to finance DRR activities.

Rationale

ToC: The Program's logic for PDO 1 was to (i) reform the governance and strategic orientation of the FLCN and create an institutional anchor for DRM; (ii) use improved rules, transparency, and M&E to co-finance eligible DRR subprojects for implementing entities; and (iii) scale investments in DRR. While the PAD did not originally include a ToC, the ICR reconstructs a coherent results chain that links governance reforms and financing mechanisms to scaled-up investments in DRR and institutionalization of risk-informed planning (p. 4). The ICR's ToC identified realistic and relevant assumptions that were closely aligned with achievement of PDO 1, namely that reforms to the FLCN would be adopted, timely and adequate budget transfers, and effectively implemented and maintained DRR subprojects.

Outputs and intermediate outcomes:

- FLCN's strategic mandate was revised to focus on risk reduction rather than reactive disaster response and its governance structure formalized through corresponding specification in the Budget Law and associated circulars (DLI 1 was met). As a result, a Steering Committee, National Selection Commission and Secretariat were established to support FLCN.
- The National DRM Strategy (2020-2030) was prepared (DLI 1).
- The FLCN website was created to provide information on subproject eligibility, selection criteria, status and results (DLI 1).
- According to the ICR and supported by TTL interview, the Program also supported the operationalization of the Directorate for Natural Risk Management (DGRN). An added DLR under DLI 1, helped support the operationalization of the DRM Directorate and the National DRM Strategy, which identified the establishment of a dedicated DRM directorate as a key reform action, thereby providing the policy and institutional basis for its creation and subsequent operationalization.
- A total of 304 resilience-oriented subprojects were financed over the Program cycle, amounting to MAD 1,509 million, exceeding the target of MAD 1,400 million under DLI 2. Of this amount, 46.8 percent was allocated to non-structural subprojects, exceeding the 10 percent target (DLI 3), and 65.5 percent was financed by implementing entities and their partners, exceeding the 45 percent target (DLI 4).
- 102 site visits were conducted against a target of 100 (DLI9).
- Training/TA was provided to 81% of implementing entities, exceeding the target of 70% (DLI 6).

Outcomes:

- At Program closing, the FLCN was reformed and the DGRN was established and staffed with 89 qualified personnel, providing an institutional anchor for DRM. Core governance and operational arrangements, including the Steering Committee, National Selection Commission, Secretariat, and the FLCN website, were operational and fulfilled their intended functions. Morocco's first National DRM



- Strategy (2020–2030) was adopted and its implementation action plan, endorsed by the Council of Government in February 2021, had already completed 21 of 81 priority actions by Program closing.
- A total of 111 eligible DRR subprojects were completed with cumulative financing of MAD 1,169 million, exceeding the revised target of MAD 1,000 million (DLI 5) but falling just below the pre-2023 restructuring target of MAD 1,200 million. These included 52 structural subprojects, and 59 non-structural subprojects.
 - In total, DRM investments financed through FLCN directly benefitted 688,734 people, exceeding the target of 250,000, and indirectly benefitted 36.1 million.
 - Notable subprojects, highlighted in the ICR (p. 10), included the launch of the *Vigirisque Inondations* early warning system in four high-risk provinces (benefiting approximately 240,000 people) and the development of 40 multi-hazard urban planning maps to guide safer land use.
 - Independent audits of 37 sampled subprojects confirmed technical and fiduciary soundness of subprojects (ICR, p.10).

The evidence presented in the ICR supports a strong and plausible results chain from governance and institutional reforms of the FLCN to scaled financing and completion of DRR investments, with clear evidence of strengthened institutional arrangements, expanded investment volumes, and verified outputs. All key DLIs and PDO-level targets associated with PDO 1 were met or exceeded, and independent verification supports the credibility of reported results. The Efficacy rating of PDO 1 is therefore rated as High.

Rating
High

OBJECTIVE 2

Objective

PDO 2. To strengthen financial resilience to natural disasters for targeted populations in the Program Area.

Rationale

ToC: The Program’s logic for PDO 2 (ICR, p. 4) was that through legal reform establish a dual financial protection system combining (i) a mandatory catastrophe insurance scheme and (ii) a Solidarity Fund against Catastrophic Events (FSEC) to cover uninsured populations, thereby expanding household protection and reducing reliance on ad hoc post-disaster budget reallocations. The ICR notes that the ToC assumes adoption and implementation of the legal and regulatory reforms but does not explicitly articulate the assumption of sustained demand for private catastrophic risk insurance, which is central to increasing insurance coverage.

Outputs and intermediate outcomes:

- Adoption of the implementing decrees Article 71 under Law 110-14, enabling activation of the catastrophe insurance scheme and the budgetary setup for the FSEC.
- Initial budgetary contribution of MAD 5 million was made to fund the FSEC, in line with provisions set out in the Catastrophic Risk Insurance Law (p. 11). According to the ICR, the annual funding for the following years exceeded the initial target by three orders of magnitude.



Outcomes:

- At Program closing, the mandatory insurance scheme for catastrophic events covered 19.8 million people, exceeding the target of 5.85 million (DLI 7)
- FSEC was funded and operationalized, with reserves reportedly reaching about MAD 1.2 billion in 2025. An initial budget allocation of MAD 5 million was made to start operations, meeting the target of DLI 9. Subsequently, parafiscal revenues from insurance premia provided USD 27 million in annual revenue for the FSEC by 2024, exceeding the original target of USD20 million, due to the higher-than-expected adoption of insurance noted above, enabling it to accumulate liquidity, operate sustainably and purchase sovereign reinsurance. Because FSEC exceeded its financing target, the ICR argued that DLI 9 was exceeded. However, the target, as formulated in the PAD is “FSEC received initial financial contributions as per the provisions of the catastrophic risk insurance law” and as such, the Review conclude that the target was met rather than exceeded.
- The effectiveness of the dual insurance-solidarity system was demonstrated following the September 2023 Al Haouz earthquake, when the FSEC mobilized approximately US\$300 million from reserves and reinsurance within one month to compensate eligible beneficiaries, marking the first deployment of a large-scale, rapid compensation mechanism in Morocco (ICR, p. 11).
- These mechanisms were consolidated through the Government’s approval of a national DRF strategy in March 2025, providing a long-term framework for integrating public and private DRF instruments and strengthening fiscal resilience.

Overall, the evidence supports strong achievement of PDO 2. The Program successfully established a dual DRF system combining mandatory private insurance and a solidarity-based public fund, addressing structural gaps in household financial protection against natural disasters. Legal and regulatory reforms enabled operationalization of both mechanisms, resulting in insurance coverage far exceeding targets and the creation of a financially viable Solidarity Fund with substantial reserves and access to reinsurance. The rapid mobilization of compensation following the September 2023 Al Haouz earthquake provides credible evidence that the system functioned as intended in practice. Efficacy of PDO 2 is therefore rated as High.

Rating
High

OVERALL EFFICACY

Rationale

Efficacy is rated High, as the Program achieved or exceeded its intended outcomes across both PDOs. The ICR provided complementary evidence strongly related to the achievement of the PDO, especially PDO 2 related to FSEC reserve accumulation, purchase of reinsurance and performance in the response to 2023 Al Haouz earthquake. This complementary evidence was crucial in evidencing the achievement of the PDO.

Rating



High

5. Outcome

Overall, the relevance of the PDO to Morocco's country context at appraisal, the Government's strategy, and the Bank's country strategy at closing is rated High. The relevance of Program design is rated High, as the DLIs were well aligned with the PDO and appropriate for driving the intended results. Efficacy is rated High, as the Program achieved or exceeded its intended outcomes across both PDOs. Taking these ratings together, the overall Outcome of the Program is rated Highly Satisfactory.

Outcome Rating

Highly Satisfactory

6. Risk to Development Outcome

The ICR provides a detailed discussion of risks to the sustainability of development outcomes (p. 19). Key risks relate to the durability of financing for disaster resilience, as continued progress depends on sustained budget allocations, stable fiscal space, and the integration of DRM priorities into sectoral strategies amid competing demands. Additional risks include potential gaps in hazard assessment and risk information, which could weaken risk-informed planning if mapping and analytical efforts are not regularly updated, as well as uneven awareness and stakeholder engagement at the territorial level that may limit ownership and coordination. While the FLCN proved effective for small- and medium-scale local investments, its limited suitability for large-scale resilience projects points to a need for complementary financing mechanisms as the system matures.

These risks are partly mitigated by reforms that strengthened the sustainability of Program-supported investments, including improved FLCN governance, stronger inter-institutional coordination, transparent financial management, and reinforced co-financing arrangements that reduced the risk of funding gaps (ICR, p. 10). In addition, the adoption of the National DRM Strategy (2020) and the National DRF Strategy (2025) provide longer-term policy and financing frameworks to sustain the Program's reforms.

7. Assessment of Bank Performance

a. Quality-at-Entry

The Program was grounded in more than a decade of analytical and advisory engagement on DRM and financing in Morocco and built directly on lessons from prior Bank-supported technical assistance and policy dialogue. The Bank appropriately identified binding constraints, including fragmented institutional arrangements, limited ex-ante disaster financing, and weak incentives for prevention, and designed the Program to address them through institutional reform, results-based financing, and financial protection



mechanisms. Extensive consultation with key ministries supported strong ownership and alignment with government priorities.

The choice of the PforR instrument was well justified, given the Program's focus on system-level reforms, use of country systems, and the need to incentivize results across multiple institutions rather than finance discrete investments. The selected results areas and DLIs were broadly aligned with the PDO and adequate in its balance of upstream and downstream, as well in their ability to incentivize and drive reforms. Technical, fiduciary, environmental, and social assessments were conducted at appraisal, and mitigation measures were identified for substantial risks related to institutional capacity, governance, fiduciary management, and environmental and social systems.

Implementation arrangements, M&E systems, and risk assessments were generally adequate at entry. While the results framework relied heavily on institutional milestones and beneficiary counts rather than direct measures of risk reduction, this was aligned with the upstream formulation of PDO 1, deemed adequate for a pioneering PforR in DRM. Overall, the Bank's preparation and appraisal appropriately balanced ambition with country capacity and positioned the Program to achieve its intended outcomes. The Quality at Entry is rated Satisfactory.

Quality-at-Entry Rating

Satisfactory

b. Quality of supervision

Throughout implementation, the Bank maintained active supervision, including 16 supervision missions, which enabled the bank to identify and address challenges early on (ICR, p. 18). Performance reporting was generally candid and used to flag implementation constraints and inform corrective actions in a timely manner.

The Bank team demonstrated flexibility and responsiveness by supporting one additional financing with restructuring and a subsequent restructuring, which allowed the Program to scale up impact, refine the results framework, and address implementation delays, while maintaining a clear focus on the PDO and core reform objectives (ICR, p. 15). These adjustments strengthened implementation oversight and supported the achievement of results.

The Bank also managed major external shocks effectively. Implementation continued despite disruptions caused by the COVID-19 pandemic, including delays in physical work and capacity-building activities, with adaptive measures such as verified virtual training introduced to mitigate impacts (ICR, pp. 15-16). In addition, the institutional and financial protection systems supported under the Program, particularly the insurance scheme and the Solidarity Fund, were tested during the September 2023 Al Haouz earthquake and functioned as intended, providing rapid compensation. Overall, the quality of supervision is rated Satisfactory.

Quality of Supervision Rating



Satisfactory

Overall Bank Performance Rating

Satisfactory

8. M&E Design, Implementation, & Utilization

a. M&E Design

The Program articulated a coherent results chain linking institutional reforms, financing mechanisms, and implementation of DRR and financial resilience measures to the intended PDO outcomes. While the PAD did not present a fully articulated theory of change, the results framework and DLIs reflected a logical sequencing of outputs and intermediate outcomes that plausibly supported achievement of the PDO (with some weaknesses in the results framework's ability to capture outcomes, discussed below). The Program's ToC was illustrated in the ICR (p. 4).

As previously discussed, the DLIs were adequately linked to both upstream and downstream results, provided clear incentives to advance reforms, and were well aligned with the Subprograms and respective PDOs. The DLIs were clearly defined, measurable, and supported by verification protocols, including independent audits and third-party reviews for investment-related results. M&E arrangements clearly assigned responsibilities for data collection, reporting, and verification, creating a feedback loop between the results framework, DLIs, and supervision that reinforced the credibility of reported results and ensured that financial incentives supported the achievement of objectives (ICR, p.16).

The M&E design had limitations in capturing PDO-level outcomes. While broadly consistent with PDO 1's focus on institutional frameworks, the scale of risk-reduction investments, particularly in flood protection, would have warranted an indicator capturing the impact of this. Existing indicators focused on financing volumes, and broad beneficiary counts. These limitations were more pronounced for non-structural interventions with largely unspecified and indirect benefits. For PDO 2, the framework captured insurance coverage and initial capitalization of the FSEC but did not reflect key financial resilience outcomes later evidenced in the ICR, including the sustainability of the FSEC financing model and use of reinsurance, which was evidenced by the system's performance during the Al Haouz earthquake. A more outcome-oriented M&E design would have reduced reliance on narrative reporting to assess PDO achievement.

b. M&E Implementation

According to the ICR (p. 16), the M&E arrangements were implemented largely as designed. Baseline information was available for most indicators, and data for PDO indicators and DLIs were regularly collected, analyzed, and reported. The implementing agencies demonstrated sustained attention to M&E during implementation, and some weaknesses in indicator formulation were addressed through refinements to targets and verification arrangements. During implementation, an additional DLI (DLI 9) was introduced to address limited visibility by the PIU over the progress of individual subprojects. According to the TTL interview, the DLI strengthened hands-on monitoring by incentivizing site visits and contributed to improved implementation quality and timeliness. While overall data quality was adequate, certain indicators, such as beneficiary estimates for non-structural activities, relied on proxy measures that limited precision. Despite these limitations, M&E systems were institutionalized within government



structures, and the processes and platforms established under the Program are likely to be sustained beyond Program closing.

c. M&E Utilization

According to the ICR (p. 16), the Program's M&E system was complete and timely, and its outputs were actively used by both the Government and the Bank to inform implementation and decision-making. Regular monitoring of results framework indicators, fiduciary and E&S aspects, combined with field-level oversight (including site visits under DLI 9), enabled identification of implementation bottlenecks, underperforming areas, and opportunities for scaling up. M&E findings informed the design of the additional financing and subsequent restructuring, including adjustments to targets and measures to accelerate implementation. The system also supported accurate execution forecasting, transparency, and accountability through regular reporting and analytical outputs, and has since been mainstreamed into the Government program as a model for ongoing monitoring beyond Program closure.

M&E Quality Rating

Substantial

9. Other Issues

a. Safeguards

According to the ICR (p. 17), an Environmental and Social Systems Assessment (ESSA) was conducted at appraisal to assess the adequacy of Morocco's systems for managing environmental and social risks associated with eligible Program activities. The Program excluded activities with potentially significant or irreversible environmental or social impacts. During implementation, environmental and social performance was generally satisfactory, and no major adverse impacts or instances of non-adherence to core environmental and social principles were reported. The Program contributed to strengthening government systems through improved screening, monitoring, and supervision of DRR subprojects.

b. Fiduciary Compliance

Fiduciary systems assessments conducted at appraisal concluded that Morocco's financial management and procurement arrangements were adequate for PforR implementation (PAD, p. 26). During implementation, financial management and procurement performance were generally satisfactory. Financial reports and audits were submitted on time, and audit opinions were unqualified. While some delays in procurement and disbursement occurred, largely reflecting capacity constraints and the complexity of subproject implementation, there were no reported cases of mis-procurement or misuse of funds (ICR, p. 17).



c. Unintended impacts (Positive or Negative)

No significant unintended positive or negative impacts attributable to the Program were identified beyond those anticipated in the Program design.

d. Other

na

10. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Satisfactory	Highly Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

11. Lessons

The ICR included 5 relevant lessons learned. Drawing on these lessons and adding reflections from the ICRR, the following lessons were identified:

Lesson 1: The PforR instrument can be highly effective for advancing integrated DRM–DRF reforms when objectives require simultaneous progress on institutional, investment, and policy fronts. Morocco’s experience reflects the effectiveness of a sustained approach over nine years, in which results-based financing, supported by a Cat DDO, complementary technical assistance, cross-GP collaboration, and coordinated engagement across vertical and horizontal levels of government, converged to advance a coherent national vision for resilience and DRR. By disbursing against results, the instrument incentivized achievement of tangible outcomes while using the government’s own systems, which enhanced ownership and sustainability. This integrated approach provides a replicable model for middle-income countries seeking to scale resilience and DRF solutions.

Lesson 2: Sustained technical assistance was critical to strengthening implementation readiness and supporting effective reform. In Morocco, upstream advisory support helped shape the national DRM strategy and guided early reforms of the FLCN, while hands-on capacity building supported operationalization. This continuous engagement helped align institutional structures, strategic vision, and technical capacity, bridging policy and operational gaps and reinforcing government ownership and sustainability of DRM reforms.

Lesson 3: Adaptable and outcome-oriented M&E frameworks are critical for complex PforR programs. The Program demonstrated the value of flexible DLI architectures: the ability to revise



targets, extend timelines, and introduce new DLIs in response to implementation realities, opportunities and external shocks helped preserve relevance and feasibility and supported achievement of the PDOs. At the same time, limitations in outcome-level indicators can constrain assessment of impact, which requires additional assessment to demonstrate achievement of Program objectives. Together, these lessons highlight the importance of designing M&E systems that both anticipate outcome measurement challenges and allow adaptive management when conditions change.

12. Assessment Recommended?

No

13. Comments on Quality of ICR

The ICR is well written, coherent, and analytically strong, and usefully complements the results framework with additional evidence supporting achievement of the PDOs – particularly for financial resilience outcomes under PDO 2 that were not fully captured by PDO indicators and DLIs. It presents a clear reconstruction of the Program’s ToC, provides a candid discussion of implementation challenges, and appropriately references and triangulates evidence.

The ICR could have more clearly justified certain design choices, including the rationale for selected DLIs (notably DLI 3, DLI 6, and DLI 9) and the overachievement of DLI 8, and could have more explicitly discussed limitations in the M&E design and mitigating factors in the risk to development outcome assessment. Finally, the Review also noted that DLI results table in Annex 1 (pp. 24-28) was not updated. Notwithstanding these issues, the ICR offers a credible and evidence-based account of Program performance and generates useful lessons for future DRM PforR operations. Overall, the quality of the ICR is rated Substantial.

a. Quality of ICR Rating

Substantial