
LOAN NUMBER 9317-MA

Loan Agreement

(Additional Financing for Public Sector Performance -ENNAJAA- Program)

between

KINGDOM OF MOROCCO

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between KINGDOM OF MOROCCO (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of two hundred thirty-three million one hundred thousand Euros (EUR 233,100,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the program described in Schedule 1 to this Agreement (“Program”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread; or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are June 15 and December 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROGRAM

- 3.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower shall carry out the Program through the Ministry of Economy and Finances (“MEF”) in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower's Representative is the Minister in charge of finances.

5.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's address is:

Ministère de l'Economie et des Finances
Quartier Administratif
Avenue Mohammed V
Rabat
Kingdom of Morocco; and

5.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

| | |
|------------------------------|----------------|
| Telex: | Facsimile: |
| 248423(MCI) or 64145(MCI) | 1-202-477-6391 |

AGREED as of the Signature Date.

KINGDOM OF MOROCCO

By



Authorized Representative

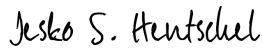
Name: Nadia Fettah

Title: Minister of economy and finances

Date: 18-Jul-2024

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By



Authorized Representative

Name: Jesko S. Hentschel

Title: Country Director

Date: 12-Jul-2024

SCHEDULE 1

Program Description

The objective of the Program is to improve performance and transparency of government operations and service delivery.

The Program consists of the following activities:

Result Area 1. Improving the Efficiency of Public Expenditure

Provision of support for the implementation of the Organic Budget Law and the strengthening of the value for money in public procurement through the following activities, including: (a) the adoption of quality standards of performance indicators and a management control charter; (b) the reform of the budget structure of the Regions, including a performance-based classification; (c) the integration of gender and climate responsive considerations into the Borrower's results-based budget, including the provision of training on gender-budgeting to selected ministries; (d) the upgrading of the Borrower's public procurement database; (e) the preparation of an open contracting data Standards readiness study; (f) the implementation of management controls for programmatic budgeting; (g) the strengthening of budgetary unity through the rationalization of special treasury accounts; (h) the implementation of financial management instruments to non-commercial establishments (*établissements et entreprises publics*); (i) the identification of expenditures under regional development programs in the Program Area (at project level) in the Integrated Financial Management System ("GID"), (j) the publication of citizen budgets at regional and municipal levels in the Program Area; (k) the roll-out of an open budget platform; (l) the roll-out of a multi-year action plan aimed at increasing budget transparency, and (m) the upgrade of the *Isthitmar* public investment monitoring platform.

Result Area 2. Improving Public Revenue Management

Provision of support for the strengthening of public revenue management through the following activities, including: (a) the roll-out of a multi-year risk management action plan aimed at ensuring increased tax compliance; (b) the strengthening of the data sharing with the tax administration through the interoperability of relevant platforms; (c) the introduction of digital tools to pay taxes and the digitalization of back-end processes; (d) the upgrade of the GIR-CT system to synchronize central government systems with municipal systems; (e) the preparation of the new reform law on local taxation; (f) the update of the revenue recovery code for non-commercial establishments; (g) the upgrade of the DDE state domain geographic information system ("GIS") platform; and (h) reengineering of procedures manuals and elaboration of risk mapping for revenue collection I connection with state domains.

Result Area 3. Improving the Foundations of Digital Transformation through Interoperability and Open Data

Provision of support for the implementation of the Borrower's agendas on national interoperability and open data to support digital transformation and citizen-centric service delivery through the following activities, including: (a) the adoption and operationalization of the enabling legal and regulatory framework for improved data and systems interoperability; (b) the operationalization of an upgraded national interoperability platform to support administrative simplification and e-

service delivery through integrated data exchanges (“use cases”); (c) the strengthening of the regulatory and institutional framework for the proactive disclosure of open data; (d) the preparation of a data inventory to identify priority datasets for publication; (e) the improvement of the relevance, quality and usability of datasets through the carrying out of consultations with government entities and end users on data standards, prioritization criteria for publication of datasets and hackathon themes to promote user demand for open data; (f) the upgrade of the national open data platform to include an integrated interactive window to collect feedback and support user engagement; and (g) the publication of open data in an open and reusable format, with the appropriate safeguards and accompanying open database license to support trusted reuse.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Institutions

1. The Borrower shall vest the overall responsibility for the coordination, monitoring and evaluation of the Program in the MEF, and to this end, shall, through the MEF:
 - (a) maintain, throughout Program implementation, the Program Management Unit (“PMU”), responsible for the monitoring of day-to-day implementation of the Program, including the preparation of the Program’s annual progress reports, preparation of pertinent financial statements, and staffed with adequate professional, fiduciary, administrative and technical personnel, with qualifications, experience and terms of employment acceptable to the Bank, all as described in the POM;
 - (b) maintain, throughout Program implementation, a steering committee (“Strategic Steering Committee”), chaired by the MEF and composed of representatives of the Borrower’s ministries and institutions participating in the implementation, monitoring and evaluation of the Program, responsible for strategic oversight and policy guidance under the Program, all under terms and conditions as described in the POM;
 - (c) maintain, throughout Program implementation, a technical committee (“Technical Committee”), chaired by the Director of the DAAG, and composed of technical representatives from the Borrower’s ministries and institutions participating in the technical implementation of the Program, all under terms and conditions as described in the POM; and
 - (d) ensure, throughout Program implementation, the coordination among its directorates and with other Borrower’s ministries and agencies, including the MI, the MTNRA and the ADD, all under terms and conditions as set forth in the POM.
2. The Borrower shall ensure, throughout Program implementation, the participation and collaboration of the Regions (including their AREPs) in the implementation, coordination, monitoring and evaluation of Program activities to be carried out at the regional level, including to ensure compliance with relevant provisions of POM as applicable to said Region(s), including the pertinent actions under the Program Action Plan and the Anti-corruption Guidelines.

B. Additional Program Implementation Arrangements

Program Operational Manual

1. The Borrower shall: (a) no later than one hundred (120) days after the Effective Date, or such later date as agreed by the Bank, update the Program Operational Manual under terms

and conditions acceptable to the Bank (“Program Operational Manual” or “POM”); and (b) immediately thereafter, carry out the Program in accordance with the POM. The Borrower shall not amend or waive any provision of the POM without the Bank’s prior written consent. In case of any conflict between the terms of the POM and those of this Agreement, the terms of this Agreement shall prevail.

Program Action Plan

2. The Borrower shall carry out the Program Action Plan, or cause the Program Action Plan to be carried out, in accordance with the schedule set out in said Program Action Plan and in a manner acceptable to the Bank.

Verification Protocol

3. The Borrower shall carry out verification missions through the IGF for the verification of achievement of the DLRs which are set forth in the table in Section IV.A.2 of this Schedule in accordance with the Verification Protocol, and furnish to the Bank not later than sixty (60) days after the verification of compliance of said DLRs, a report on the results of said verification of compliance process of such scope and in such detail as the Bank shall reasonably request.

Section II. Excluded Activities

The Borrower shall ensure that the Program excludes any activities which:

- A. in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
- B. involve the procurement of: (a) works, estimated to cost USD115,000,000 equivalent or more per contract; (b) goods, estimated to cost USD75,000,000 equivalent or more per contract; (c) non-consulting services, estimated to cost USD75,000,000 equivalent or more per contract; or (d) consulting services, estimated to cost USD30,000,000 equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

1. The Borrower shall furnish to the Bank each Program Report not later than one hundred twenty days (120) days after the end of each CY, covering the CY.
2. Without limitation upon the provisions of Section 5.13 of the General Conditions, the Borrower shall prepare or cause to be prepared periodic ACG Reports, in form and substance satisfactory to the Bank. The Borrower shall furnish, or cause to be furnished, each ACG Report to the Bank together with the Program Report not later than one hundred twenty (120) days after the end of each CY, covering the CY.

Section IV. Withdrawal of Loan Proceeds

A. General

1. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Program Expenditures (inclusive of Taxes), on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Borrower, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”); and (b) (i) the Front-end Fee; and ii) pay each Interest Rate Cap or Interest Rate Collar premium; all as set forth in the table in paragraph 2 of this Part A.
2. The following table specifies each category of withdrawal of the proceeds of the Loan (including the Disbursement Linked Indicators as applicable) (“Category”), the Disbursement Linked Results for each Category (as applicable), and the allocation of the amounts of the Loan to each Category:

| Category (including Disbursement Linked Indicator as applicable) | Disbursement Linked Result (as applicable) | Amount of the Loan Allocated (expressed in EUR) |
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| (1) DLI #1: Strengthening the performance approach introduced by the Organic Budget Law | DLR#1.1: the MEF has issued a circular (or equivalent administrative/legal act) establishing the quality standards to be met by the Performance Projects. | DLR#1.1: 0 |
| | DLR#1.2: the MEF has issued a circular (or equivalent administrative/legal act) establishing a model of management charter. | DLR#1.2: 0 |
| | DLR#1.3: Eleven (11) ministries have implemented at least two quality standards laid out in the MEF’s circular (or equivalent administrative/legal) mentioned under DLR. 1.1. | DLR#1.3: 0 |
| | DLR#1.4: Ten (10) ministries have adopted the management charter referred to in DLR#1.2. | DLR#1.4: 0 |
| | DLR#1.5: Additional nine (9) ministries have adopted the management charter referred to in DLR#1.2. | DLR#1.5: 4,079,700 From a baseline of 10, for each additional ministry having adopted the management charter, 453,300 |

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| | <p>DLR#1.6: Sixteen (16) ministries/institutions have adopted a roadmap/guidelines for implementing management control.</p> <p>DLR#1.7: Streamline of Special Appropriation Accounts (“CAS”) through :</p> <p>(a) the introduction of a capping rule for earmarked tax revenues;</p> <p>(b) the reduction of CAS earmarked tax revenue in proportion to general budget tax revenue, annually.</p> <p>DLR#1.8: Nine (9) non-commercial establishments (<i>établissements et entreprises publics</i>) having adopted at least two additional instruments to modernize their financial management as further described in the POM.</p> | <p>DLR#1.6: 9,324,000 For each ministry/institutions having adopted a roadmap/guidelines, 582,750.</p> <p>DLR#1.7 (a): 9,324,000 DLR#1.7(b): 14,918,100 For each CY with a decrease as defined in the POM, 4,972,700.</p> <p>DLR#1.8: 8,392,050 From a baseline of 0, per non-commercial establishment (<i>établissement et entreprise public</i>), 932,450.</p> |
| <p>(2) DLI#2: Introducing a sustainable and equitable budgeting</p> | <p>DLR#2.1: The MEF has issued a circular establishing the procedures, the calendar, definitions and scope of application of climate budgeting.</p> <p>DLR#2.2: Adoption of climate tagging in the budget of three (3) ministerial departments.</p> <p>DLR#2.3: Publication of a climate-sensitive budget in compliance with the circular in DLR#2.1.</p> <p>DLR#2.4: The MEF implements gender budget tagging through:</p> <p>(a) integration of gender tagging in three-year budget programming</p> | <p>DLR#2.1: 0</p> <p>DLR#2.2: 0</p> <p>DLR#2.3: 0</p> <p>DLR#2.4(a): 7,459,000</p> |

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| | <p>pursuant to the <i>Chef du Gouvernement's</i> circular on drawing up three-year budget programming proposals, or any other circular or equivalent act on gender marking.</p> <p>(b) application of the gender marking methodology by eight (8) ministerial departments.</p> | <p>DLR#2.4 (b): 18,648,000 From a baseline of 0, per ministerial department having applied the gender marking methodology, 2,331,000.</p> |
| <p>(3) DLI#3: Enhancing the regionalization agenda by strengthening the budget programming of the Regions</p> | <p>DLR#3.1: Publication of an MI's circular requesting Regions to present a three-year budgeting of each public investment project programmed in their Regional Development Plans and State-Region Contract.</p> <p>DLR#3.2: The platform monitoring Regional Development Plan, with functionalities described in the POM, including performance indicators, is operational in at least three Regions.</p> <p>DLR#3.3: Timely publication of two (2) semestrial financial and physical public investment execution as detailed in the POM:</p> <p>(a) by the Region of Fes Meknes (b) by two additional Regions.</p> <p>DLR#3.4: The platform for monitoring the Regional Development Plan is enhanced for improved reporting and sustainability monitoring:</p> <p>(a) Accounting identification at project-level in GID is operational.</p> <p>(b) A module for monitoring the sustainable development objectives of projects is</p> | <p>DLR#3.1: 0</p> <p>DLR#3.2: 0</p> <p>DLR#3.3(a): 0 DLR#3.3(b): 0</p> <p>DLR#3.4 (a): 9,324,000 DLR#3.4 (b): 3,730,000</p> |

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| | <p>operational in the Regional Development Plan monitoring platform.</p> <p>DLR#3.5: Extension of the GID and GIR-CT accounting and budgeting information systems:</p> <p>(a) Six (6) Regional Project Execution Agencies (AREP) in the Program Area have adopted and are using the GID-AREF and GIR-CT information systems.</p> <p>(b) The DGCT and the Directorates General Services of the six (6) Regions and of the six (6) largest Municipalities in the Program Area have access to GID reporting information systems data for consultation (with a maximum of one-week lag).</p> <p>DLR#3.6: Annual publication of a citizen's budget by six (6) largest Municipalities, and six (6) Regions on their websites.</p> | <p>DLR#3.5: (a) 5,594,100 From a baseline of 0, per AREP in the Program Area, 932,350.</p> <p>DLR#3.5 (b): 5,594,100 From a baseline of 0: per Municipality, 466,175 per Region, 466,175.</p> <p>DLR#3.6: 9,324,000 From a baseline of 0: per largest Municipality, 777,000 per Region, 777,000.</p> |
| <p>(4) DLI #4: Improving the efficiency of public procurement through data production and analysis</p> | <p>DLR#4.1: The TGR has upgraded the procurement database under terms of reference set forth in the POM to inform the future national procurement observatory.</p> <p>DLR#4.2: The national procurement observatory is operational.</p> <p>DLR#4.3: Six (6) statistical reports of the national procurement observatory have been published.</p> <p>DLR#4.4: Digitalization of the post contract award documents.</p> | <p>DLR#4.1: 0</p> <p>DLR#4.2: 0</p> <p>DLR#4.3: 0</p> <p>DLR#4.4: 7,459,000</p> |
| <p>(5) DLI#5: Improving tax compliance and</p> | <p>DLR#5.1: The MEF has adopted a multi-year action plan to</p> | <p>DLR#5.1: 0</p> |

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| <p>performance of the tax administration</p> | <p>improve tax compliance, under terms of reference as set forth in the POM.</p> <p>DLR#5.2: A national tax compliance management and risk analysis unit in the MEF is created and operational.</p> <p>DLR#5.3: A tax compliance risk management committee is operational.</p> <p>DLR#5.4: Based on the actions proposed by the national tax compliance management and risk analysis unit by March 31, 2024, 60% of the actions proposed have been subject to decision for action.</p> <p>DLR#5.5: The debt recovery rate has increased:</p> <ul style="list-style-type: none"> (a) By 5 percent on average for a total of twenty (20) public establishments (<i>établissement et entreprise publiques</i>); (b) By a cumulative 10 percent for each of the twenty (20) public establishments in DLR#5.5(a). | <p>DLR#5.2: 0</p> <p>DLR#5.3: 0</p> <p>DLR#5.4: 0</p> <p>DLR#5.5(a): 6,993,000</p> <p>DLR#5.5(b): 6,993,000 Per public establishment achieving 10% debt recovery date, 349,650.</p> |
| <p>(6) DLI#6: Increasing resources of Municipalities</p> | <p>DLR#6.1: The Borrower's has published an <i>arrêté</i> implementing article 6 of Law 07-20 on local taxation management.</p> <p>DLR#6.2: Interfacing functions of the GIR-CT with local systems is implemented in at least 100 large Municipalities enabling these Municipalities to manage the entire local taxation chain of operations.</p> | <p>DLR#6.1: 0</p> <p>DLR#6.2: 0</p> <p>DLR#6.3: 0</p> |

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| | <p>DLR#6.3: The electronic declaration and payments system for municipal taxes is operational.</p> <p>DLR#6.4: the new governance framework mandated by article 6 of Law No. 07-20 is operational in 400 Municipalities.</p> <p>DLR#6.5: Pursuant to Framework Law No. 69-19 on tax reform, a draft law on local taxation and fees is submitted to the <i>Secrétariat Général du Gouvernement</i>.</p> | <p>DLR#6.4: 0</p> <p>DLR#6.5: 7 ,458,950</p> |
| <p>(7) DLI#7: Improving data exchange and interoperability of information systems</p> | <p>DLR#7.1: The Government Council has adopted and submitted to Parliament draft Law on digital administration.</p> <p>DLR#7.2: A general interoperability framework consolidating the norms, procedures and technical standards required for users to interface with the national interoperability platform, has been adopted.</p> <p>DLR#7.3: The national interoperability platform is operational.</p> <p>DLR#7.4: The regulatory acts implementing Law on interoperability have been prepared and submitted to the <i>Secrétariat Général du Gouvernement</i>.</p> <p>DLR#7.5: The list of administrative procedures prioritized for digitalization in conformity with Law No. 55-19 on the simplification of administrative formalities and procedures has been validated by the National Commission on Simplification of Administrative</p> | <p>DLR#7.1: 0</p> <p>DLR#7.2: 0</p> <p>DLR#7.3: 0</p> <p>DLR#7.4: 0</p> <p>DLR#7.5: 0</p> |

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| | <p>Procedures.</p> <p>DLR#7.6: the ADD has integrated 12 use cases with the national interoperability platform for digitalization of associated services.</p> <p>DLR#7.7: The integration of the 12 use cases on the interoperability platform has resulted in the simplification of administrative procedures.</p> <p>DLR#7.8: A public administration and institutions users satisfaction survey of the platform regarding the national interoperability platform has been completed by the ADD.</p> <p>DLR#7.9: One (1) end-users satisfaction survey among companies and citizens regarding the digitalization of priority service has been completed by the MTNRA.</p> | <p>DLR#7.6: 0</p> <p>DLR#7.7: 0</p> <p>DLR#7.8: 0</p> <p>DLR#7.9: 0</p> |
| <p>(8) DLI#8: Improving the proactive disclosure of open public data</p> | <p>DLR#8.1: List of priority actions to be implemented for open data is established by the Open Data Steering Committee in consultation with non-government stakeholders.</p> <p>DLR#8.2: (a) The COPIL's membership is extended to include actors identified in the ODRA; and (b) the COPIL has: (i) defined in guides or manuals the norms and standards for the processing and publication of data and metadata by the public administration and institutions on the open data platform; and (ii) adopted a monitoring and evaluation plan for the open data</p> | <p>DLR#8.1: 0</p> <p>DLR#8.2: 0</p> |

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| | <p>initiative.</p> <p>DLR#8.3: The draft regulatory text on proactive disclosure under the Access to Information Law No. 31.13 has been validated by the MNTRA for its submission to the Council of Government.</p> <p>DLR#8.4: The national open data portal is operational and include an interactive module to facilitate user participation in quality control and rapid feedback.</p> <p>DLR#8.5: A data inventory has been developed, and priority data sets for processing and publication have been identified.</p> <p>DLR#8.6: At least one (1) annual hackathon-type event to promote public open data use has been organized by the ADD.</p> <p>DLR#8.7: 245 quality, updated, priority datasets published free of charge with essential metadata in an open and reusable format on the national platform data.gov.ma (or linked to a sectoral data platform), from a baseline of 145 datasets.</p> | <p>DLR#8.3: 0</p> <p>DLR#8.4: 0</p> <p>DLR#8.5: 0</p> <p>DLR#8.6: 0</p> <p>DLR#8.7: 0</p> |
| <p>(9) DLI#9: Improving budget transparency</p> | <p>DLR#9.1: Publication of a citizen's budget for the mid-year budget execution phase.</p> <p>DLR#9.2: the open budget platform is operational.</p> <p>DLR#9.3: (a) adoption, and (b) implementation of an action plan up to 60% to enhance budget transparency.</p> | <p>DLR#9.1: 2,797,000</p> <p>DLR#9.2: 9,324,000</p> <p>DLR#9.3(a): 4,662,000</p> <p>DLR#9.3(b): 17,716,000 From a baseline of 0, per each 15% threshold of the</p> |

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| | | action plan implemented as further described in the Verification Protocol, 4,429,000. |
| (10) DLI#10: Improvement of the programming, monitoring and transparency of public investments | <p>DLR#10.1: Introduction of a provision for prioritizing public investments in the draft amendment of the Organic Law of Finance.</p> <p>DLR#10.2: <i>Istithmar</i> platform is interoperable with budget programming module of the Triennial Budget Program (PBT).</p> <p>DLR#10.3: A link is established between the investment projects programmed by the annual budget law and supported by <i>Istithmar</i> , and the execution of their budget appropriations in GID:</p> <p>(a) Piloting for three (3) ministerial departments/institutions.</p> <p>(b) Roll-out to ten (10) ministerial departments/institutions in charge of major investment projects as defined in the Verification Protocol.</p> | <p>DLR#10.1: 7,459,000</p> <p>DLR#10.2: 4,662,000</p> <p>DLR#10.3(a): 5,594,100 Per ministerial department/institutions, 1,864,700.</p> <p>DLR#10.3(b): 5,594,100 Per ministerial department/institutions, 559,410.</p> |
| (11) DLI#11: Enhancing the value of state-owned private domain | <p>DLR#11.1: The DDE has collected and digitized graphic data via the GIS platform in the Program area.</p> <p>DLR#11.2: The DDE has achieved annually at least 90% of defined targets in terms of land area subject to the registration procedure (<i>procédure d'immatriculation</i>) in the Program Area , during three (3) CYs.</p> <p>DLR#11.3: The DDE improved revenue collection through:</p> | <p>DLR#11.1: 9,324,000</p> <p>DLR#11.2: 8,392,050 From a baseline of 0, per each CY achieving 90% of defined targets in terms of land area subject to the registration procedure in the Program Area, 2,797,350.</p> |

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| | <p>(a) The MEF has submitted (i) the draft law on the state private domain; and (ii) the related draft implementation decrees; to the <i>Secrétariat Général du Gouvernement</i>.</p> <p>(b) The DDE has drawn up and implemented a risk mapping for the revenue circuit managed at DDE level, together with an action plan for implementing related measures.</p> <p>(c) The annual increase in revenues generated by the state's assets averages at least 7% of the target defined in the budget law (excluding innovative financing) in the Program Area, in two (2) CY.</p> | <p>DLR#11.3 (a)(i): 1,399,000 DLR#11.3 (a)(ii): 466,000</p> <p>DLR#11.3 (b): 1,865,000</p> <p>DLR#11.3 (c): 18,648,000 Per CY, 9,324,000</p> |
| (12) Front-end Fee to be paid pursuant to Section 2.03 of this Agreement in accordance with Section 2.05(b) of the General Conditions | | 582,750 |
| (13) Interest Rate Cap or Interest Rate Collar premium to be paid pursuant to Section 4.05 (c) of the General Conditions | | 0 |
| TOTAL AMOUNT | | 233,100,000 |

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) on the basis of DLRs achieved prior to the Signature Date;
 - (b) for any DLRs under Categories (1) to (11), until and unless the Borrower has furnished evidence satisfactory to the Bank that said DLR has been achieved; and
 - (c) for DLR#3.3(a) under Category (3), until and unless the Borrower has furnished evidence satisfactory to the Bank that the grievance mechanism system at the level of the Region Fez-Meknes is operational in a manner acceptable to the Bank and as further described in the POM.

2. Notwithstanding the provisions of Part B.1(b) of this Section, the Borrower may withdraw an amount not to exceed Euro 58,275,000 as an advance against DLRs to be met; provided, however, that if the DLRs in the opinion of the Bank, are not achieved (or only partially achieved) by the Closing Date, the Borrower shall refund such advance (or portion of such advance as determined by the Bank in accordance with the Disbursement Calculation Formula set forth in the right column of the table above) to the Bank promptly upon notice thereof by the Bank. Except as otherwise agreed with the Borrower, the Bank shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Bank shall specify by notice to the Borrower.
3. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs under Categories (1) to (11) have not been achieved, the Bank may, by notice to the Borrower: (a) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR; and/or (b) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.
4. The Closing Date is December 31, 2028.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments

| Principal Payment Date | Installment Share |
|---|--------------------------|
| On each June 15 and December 15 Beginning December 15, 2029 through June 15, 2039 | 2.65% |
| Beginning December 15, 2039 through June 15, 2049 | 2.35% |

APPENDIX

Definitions

1. “ACG Report” means the Borrower’s periodic report, in form and substance satisfactory to the Bank, and in accordance with the provisions of the Anti-Corruption Guidelines, including whether or not there has been: (1) any credible and material allegations and other indications of fraud and corruption under the Program which come to the Borrower’s attention during such period, (2) any investigations launched by the Borrower into such allegations, their progress and findings, and (3) any remedial or corrective actions taken or planned in response to such allegations or the findings of such investigations.
2. “ADD” means *Agence pour le Développement Digital*, the Borrower’s *Digital Development Agency* established within the MTNRA.
3. “Anti-corruption Guidelines” means, for purposes of paragraph 6 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015.
4. “AREP” means the regional agency for project implementation in each Region.
5. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
6. “Council of Government” means the Borrower’s *Conseil du Gouvernement*.
7. “COPIL” means the *Comité de Pilotage du Gouvernement Ouvert*, the Borrower’s Open Government Steering Committee.
8. “CY” means the Borrower’s calendar year, from January 1 to December 31.
9. “DAAG” means *Direction des Affaires Administratives et Générales*, the Borrower’s Directorate for Administrative and General Affairs established within the MEF.
10. “DDE” means the State Domains Directorate of the MEF.
11. “DEPP” means the Directorate of Public Enterprises and Privatization within the MEF.
12. “Disbursement Linked Indicator” or “DLI” means in respect of a given Category, the indicator related to said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
13. “Disbursement Linked Result” or “DLR” means in respect of a given Category, the result under said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement, on the basis of the achievement of which, the amount of the Loan allocated to said result may be withdrawn in accordance with the provisions of said Section IV.

14. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Program-for-Results Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
15. “GIR-CT” means Integrated Revenue Management System for Local Governments.
16. “IGF” means *Inspection Générale des Finances*, the Borrower’s General Inspectorate of Finances.
17. “Integrated Financial Management System” or “GID” means the Borrower’s integrated financial management system.
18. “MI” means *Ministère de l’intérieur*, the Borrower’s ministry in charge of interior affairs, or any successor thereto.
19. “Ministry of Economy and Finances” or “MEF” means *Ministère de l’économie et des finances*, the Borrower’s ministry in charge of economy and finance, or any successor thereto.
20. “MTNRA” means *Ministère de la Transition numérique et de la Réforme administrative*, the Borrower’s Ministry Delegate to the Head of Government in charge of Digital Transition and Administrative Reform, or any successor thereto.
21. “Municipalities” means the Borrower’s municipalities participating in the Program, as set forth in the POM.
22. “ODRA” means Open Data Readiness Assessment.
23. “Open Contracting Data Standards” means a standard enabling the disclosure of data and documents at all stages of the contracting process by defining a common data model, established to support organizations and allow deeper analysis of contracting data by a wide range of users.
24. “Organic Budget Law” means the Borrower’s 2015 Organic Budget Law No. 130-13, as the same may be amended.
25. “Performance Projects” means *projets de performance*, annexes to the Borrower’s annual budget law outlining the strategy, the objectives, the indicators and the targets for each budget program.
26. “Program Area” means the Regions and Municipalities participating in the Program, as set forth in the POM.
27. “Program Management Unit” or “PMU” means the program management unit within the DAAG referred to in Section I.A.1(a) of Schedule 2 to this Agreement.
28. “Program Action Plan” means the Borrower’s plan dated November 10, 2021 and revised as of May 17, 2024, and referred to in Section I.B.2 of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Bank.

29. “Program Operational Manual” or “POM” means the Borrower’s manual referred to in Section I.B.1 of Schedule 2 to this Agreement, setting forth, *inter alia*: (a) the technical, administrative, and fiduciary procedures applicable to the Program, (b) the list of Regions (and AREPs) and Municipalities participating in the Program; (c) the Verification Protocol; (d) the Program Action Plan; (e) the Program Report and ACG Report templates; (f) the protocol/arrangements for periodic reporting to the Bank on, and sharing the findings of, any case of fraud and corruption denounced and/or investigated under the Program, in accordance with the Anti-Corruption Guidelines (to be included as an attachment to the POM); as the POM may be amended from time to time with the Bank’s prior written consent.
30. “Regions” means the Borrower’s regions participating in the Program, as set forth in the POM.
31. “Regional Development Plans” means, for each Region, the *Plan de Développement Regional*, the six (6) years development program developed by regional government as per the 2016 Borrower’s Organic Law on Regions no. 111-14.
32. “*Secrétariat Général du Gouvernement*” means the Borrower’s Secretary General of the Government.
33. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
34. “State-Region Contract” means *Contrat de Partenariat Etat-Region*, the partnership agreement on co-financed public investment programs implemented by the Borrower’s regional government.
35. “Strategic Steering Committee” means the committee referred to in Section I.A.1(b) of Schedule 2 to this Agreement.
36. “Technical Committee” means the committee referred to in Section I.A.1(c) of Schedule 2 to this Agreement.
37. “TGR” means *Trésorerie Générale du Royaume*, the Borrower’s Treasury General.
38. “Verification Protocol” means the protocol referred to in Section I.B.3 of Schedule 2 to this Agreement and included in the POM.