

# IEG ICR Review

Independent Evaluation Group

<b>1. Project Data :</b>		<b>Date Posted :</b> 08/27/2013	
<b>Country:</b>	Morocco		
	<b>Is this Review for a Programmatic Series?</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No	
<b>Series ID:</b>			
<b>First Project ID :</b>	P115659	<b>Appraisal</b>	<b>Actual</b>
<b>Project Name :</b>	Urban Transport Sector Dpl	<b>Project Costs (US\$M):</b>	136.7
<b>L/C Number:</b>		<b>Loan/Credit (US\$M):</b>	136.7
<b>Sector Board :</b>	Transport	<b>Cofinancing (US\$M):</b>	
<b>Cofinancers :</b>	<b>Board Approval Date :</b>		03/15/2011
	<b>Closing Date :</b>	12/31/2011	12/31/2011
<b>Sector(s):</b>	General transportation sector (100%)		
<b>Theme(s):</b>	Other urban development (50% - P); Public expenditure; financial management and procurement (30% - P); Environmental policies and institutions (10%); Other social development (10%)		
<b>Evaluator:</b>	<b>Panel Reviewer :</b>	<b>ICR Review Coordinator :</b>	<b>Group:</b>
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## 2. Project Objectives and Components:

### a. Objectives:

The objective of the Urban Transport Sector Development Policy Operation (DPO), as stated on page 23 of the Program Document (PD), was: "to improve the efficiency of urban transport in large cities, ultimately promoting economic growth, social development, and quality of life in a sustainable way for Morocco's urban citizens". This was translated into three specific objectives (PD, page i): "(i) better governance of the sector; (ii) increased performance and supply of urban transport services and infrastructure; and (iii) higher environmental and social sector sustainability".

### b. If this is a single DPL operation (not part of a series), were the project objectives/ key associated outcome targets revised during implementation?

No

### c. Policy Areas:

The program included three policy areas, with ten prior actions taken by the Government .

**(i) Improving the Governance of the Urban Transport Sector** . To improve institutional capacity, the operation supported the governance agenda of the Moroccan urban transport strategy through the following prior actions in this area: (1) the strengthening of Casablanca's urban transport planning and management agency, (2) the establishment of the National Commission for Urban Transport (Commission Nationale des Déplacements Urbains -CNDU), (3) the reinforcing of the Urban Transport Division (Division des Déplacements Urbains et du Transport - DDUT) at the Ministry of Interior, and (4) the training of a core group of managers in the urban transport sector .

**(ii) Improving the efficiency and increasing the supply of urban transport services and infrastructure** . The DPO helped in the implementation of the government strategy to address the bus network inefficiency, the absence of a proper framework for private provision of public transport services and the weaknesses of urban transport infrastructure management through: (5) implementation of a new bus organization in Rabat- Salé-Témara with a new single bus service operator, (6) the restructuring of the provision of bus services in the agglomeration of Casablanca,

(7) the adoption of adequate rules and regulations for selecting and contracting public services concessionaires, and  
(8) the adoption of eligibility criteria for the state funding of urban transport investment projects .

(iii) **Improving the Environmental and Social Sustainability of Urban Transport** . The DPO supported the government's program to tackle the issues of rapid motorization, aging vehicle fleet and an insufficient attention to social issues through (9) the restructuring of the vehicle inspection centers, and (10) the adoption and dissemination of an action plan to improve the accessibility of people with limited mobility .

**d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:**

The IBRD Loan was approved by the Board on 3/15/2011, and became effective on 8/18/2011. The Loan was fully disbursed in a single tranche upon effectiveness . The operation closed as scheduled on 12/31/2011.

**3. Relevance of Objectives & Design:**

**a. Relevance of Objectives:**

**High.**

During the DPO preparation, the provision of urban transport services and infrastructure in the main cities was inadequate, with many structural and interrelated institutional weaknesses . Rapid motorization, an aging vehicle fleet, as well as insufficient attention to social issues, particularly accessibility, were undermining the environmentally and socially sustainable growth of the sector . The DPO reform areas were well aligned with the main themes of the government strategies for the sector . The objectives were also relevant to the World Bank Group's Country Partnership Strategy (CPS) for Fiscal Years 2010-2013 for the Kingdom of Morocco, which identified an urban transport DPO and highlighted its capacity to contribute to three main strategic pillars : (1) encouraging growth, competitiveness and employment, (2) improving the access to, and the quality of, public services, and (3) addressing climate change challenges . In addition, the DPO contributed to important cross cutting reforms, which feature in the CPS, such as local government development, governance, and public private partnerships .

**b. Relevance of Design:**

**Modest.**

The causal chain between the three policy areas, the ten prior actions, and the operation's specific objectives was clear and logical. For example, in the policy area of increased performance and supply of urban transport services and infrastructure, the prior actions targeted the restructuring of bus services and operators' contracts, improvement of the regulatory and institutional framework for public private partnerships, and funding of urban transport services and infrastructure (PD, Annex 2).

The program's design reflected the importance of (i) achieving short-term results quickly; (ii) strong ownership by key stakeholders; and (iii) the Government's ability to implement the reforms fully and in a timely manner consistent with its budgetary constraints and planning cycle . The design also reflected the importance of building consensus among various government entities on critical actions that did not have specific investment implications . This particularly concerned addressing the gaps in the sector's institutional structure and capacity, and removing existing weaknesses in urban transport coordination and planning .

However, as the ICR acknowledges, the main objective -- improved efficiency of urban transport -- could not be expected to be attained within the lifetime of a single-tranche DPO, and would also require substantial complementary investments and technical assistance . Moreover, a DPO, by its nature, tends to focus on the central government and its agencies, whereas many of the policy actions related to urban transport reform in Morocco are within the remit of local authorities, influenced by local political constraints . Addressing these constraints, and providing incentives for reform, would normally also require accompanying investments and technical assistance .

**4. Achievement of Objectives (Efficacy):**

Evidence of achievement of the DPO's objective - *to improve the efficiency of urban transport in large cities* - is, thus far, limited. While the foundations have been laid for improved coordination and planning, together with enhanced sector governance, few concrete indications are presented of improved efficiency, except in the area of environmental sustainability. The operation's efficacy is further assessed through analyzing the degree of attainment of the three specific objectives .

**Better governance of the sector . Modest.**

(i) *Efficient planning and management of the urban transport sector in the Casablanca agglomeration*

- The Casablanca urban transport management and planning agency (Autorité Organisatrice des Déplacements Urbains du Grand Casablanca - AODU) became fully operational and benefitted from technical assistance . The agency plays today a key role in the planning and coordination of the urban transport sector in the agglomeration of Casablanca, the largest in the country . However, it still needs to achieve a greater degree of financial and institutional independence to become a full -fledged planning, coordinating, and regulatory authority. The outcome indicator of measuring the efficiency of planning and management under the project was a clear plan shared by all stakeholders for the restructuring of the bus route network of the agglomeration that was well coordinated with the development of all other modes of transport . The bus route network restructuring plan was still in the process of finalization at project closure due to intensive consultations . But the project team subsequently confirmed that the plan had been completed and negotiations were ongoing with M'dina Bus to adopt the new route structure, which is expected to enable the full integration of the tramway system with the bus system. The authorities in Casablanca indicate January 2014 as a possible date for achieving integration .

*(ii) Effective coordination of policies and programs among the main government departments involved in the urban transport sector*

- The role of the National Commission for Urban Transport (CNDU) is to ensure that the strategies of the main ministries involved in the urban transport sector are consistent and complementary . It also provides a technical forum to rapidly review in a uniform and collegial manner investment projects proposed by local governments for national budget financing . The commission is also tasked with the monitoring of the development of the sector over time. CNDU was supposed to meet at least twice before the closing date of the project . The first meeting of CNDU in Morocco, however, only took place after project closure, on May 23, 2012.

*(iii) Effective central government support provided to local authorities on urban transport issues*

- The Urban Transport Division (*Division des Déplacements Urbains et du Transport* - DDUT) of the General Directorate of Local Governments of the Ministry of Interior has now become the technical focal point for central government action in the sector and the complement of the CNDU, which it is meant to support at a technical level. It has already managed government programs in the sector, particularly the fund dedicated to the preparation of urban transport master plans, reviewed large investment proposals in Casablanca and Rabat-Salé-Témara, launched a coordinated action plan for improving traffic management, and is the central point for collection and dissemination of information in the sector . Conventions were signed by the DDUT of the Ministry of Interior and the local governments of four major cities to assist the latter with funding and with the preparation of municipal urban strategies and priority investment plans . The agreements constitute, according to the ICR (page 15), a first step toward endowing state support with a formal structure and defining priority actions for local authorities.

*(iv) Increased urban transport expertise in the cities that had carried out or launched the preparation of municipal urban strategies and priority investment plans*

- 32 experts from 11 cities benefited from the training program for a core group of managers in the urban transport sector. The ICR (page 15) reports that feedbacks on the program are positive and it is being continued in 2012. Together with a similar program carried out by the World Bank with French Aid in 2008, around 55 persons have been trained in total, forming a core group of managers who share basic competences in the sector, and common approach and a pool of information . The training has also allowed for the exchange of experiences in various Moroccan cities on urban transport activities, and an informal network of urban transport experts is being created to share the relative experiences and mutually assist each other on urban transport issues . However, no information is provided on the impact of the training either on the performance of participants or the views of their employers.

***Increased performance and supply of urban transport services and infrastructure . Modest.***

*(v) Improved quality and quantity of bus services in the agglomerations of Rabat -Salé- Témara and Casablanca*

- A single private operator (*Stareo*) was selected through competitive bidding to provide bus services in the Rabat-Salé- Témara metropolitan area, which were previously provided by informal bus operators . *Stareo* renewed the bus fleet, rationalized the route network, and absorbed many of the staff and vehicles of the previous operators . It supplied 2.26 billion passenger seat-km against the target of 2 billion considerably increasing service on some previously neglected routes like those linking Rabat to the fast developing western part of the agglomeration. However, mainly because it had overestimated the potential growth in demand, and offered a very low tariff in the competitive bidding process, *Stareo's* revenues could not meet its operating costs .

In view of the local governments' refusal to consider a renegotiation of its contract, in particular a tariff increase, *Stareo* abruptly filed for bankruptcy and was shortly thereafter taken over by the municipalities of Rabat, Salé, and Témara. According to the ICR, the authorities have drawing appropriate lessons from this experience and are searching for a long-term solution that would ensure the sustainable provision of bus services under a renewed public-private partnership arrangement in the agglomeration. The potential creation of a single agency in charge of organizing and managing both the bus and the tramway network in the agglomeration was also being discussed.

- Changes induced by the restructuring plan of Casablanca's bus services ensured that all bus services in the Casablanca agglomeration would be placed under single management and supervisory structure, and provided by a strengthened operator with appropriate financial capability. M'dina Bus supplied 2.4 billion passenger seat-km increasing the supply from 1.9 billion but not yet reaching the targeted 2.6 billion. The phasing out of the old concessionaires has not yet taken place, since the authorities judged that M'dina Bus did not have yet the required availability of vehicles to cover all the transport needs of Casablanca. According to the project team, negotiations were ongoing with M'dina Bus to adopt a new route structure, which would enable integration of the tramway and bus systems. M'dina Bus had, by project closure, started to install a new electronic ticketing system, a prerequisite for fare integration with the tramway.

*(vi) Alignment of the procurement process for outsourcing public transport services with international best practice*

- The target of achieving a competitive and transparent selection process for future public transport operators in large cities was achieved. An Order, dated August 25, 2010, setting forth the selection process for public services concessionaires is in place and enforceable. It specifies the procedures for bidding, bid evaluation, contract award and the main clauses of concession contracts. The preparation of this regulation necessitated a long coordination process between all ministerial departments involved. The impact, which will be evidenced mostly over the long term, is expected to be fair, fully competitive, and transparent selection of private providers of public transport services. No concessions had been issued by ICR completion (June 2012), and the compliance with the Order could not, therefore, be tested.

*(vii) Improved allocation of government financial support to those urban transport investment projects with superior economic and social returns*

- The Ministry of Interior issued a Circular dated November 4, 2010, defining the eligibility criteria for state funding of urban transport investment projects. According to the ICR (page 18), the eligibility criteria are intended to provide a strong incentive to municipalities to develop their institutional capacity, put in place multi-modal sector strategies and priority investment programs, and to conceive their investments within the context of the strategies. This, in turn, is expected to ensure that local authorities are well prepared to undertake urban transport investments and provide the government with the necessary information to properly assess and prioritize these investments. By June 2012, no project had been put forward for central government financing in order to test whether the eligibility criteria were properly implemented.

**Higher environmental and social sector sustainability . Substantial .**

*(viii) Effective vehicle inspection and monitoring systems in place*

- The restructuring of the vehicle inspection centers completed by the Ministry of Equipment and Transport comprised the establishment of an automated electronic process for preparing the vehicle technical inspection reports and the selection of a firm for technical and financial audit of the vehicle inspection centers. The reforms implemented inspection procedures that aimed to reduce the likelihood of fraud by (i) directly and automatically reporting the recorded measures from inspection equipment to secured and standardized electronic sheets, and (ii) directly and electronically communicating the results of the inspections from the various centers to the Ministry of Transport where the bar-coded electronic sheets are issued. The reforms substantially improved the quality of vehicle inspections and the Ministry of Equipment and Transport was able to properly monitor the roadworthiness of vehicles and their emissions of pollutants. For 2011, 1,606,013 car inspection visits were reported that had the report issued through the automated electronic process, slightly less than the targeted 1,700,000. The ICR reports that the renovated system of vehicle inspection is functioning well, with all vehicle inspection centers working in tandem with three certified operators: Decra, SGS and Salama. In addition, the company in charge of auditing both the inspection centers and the certified operators has started operations.
- To complement the reform of the inspection centers, additional measures to improve air quality are also being taken: (i) Euro 4 norms have been adopted for all imported vehicles and should be adopted progressively for all

vehicles produced or assembled in Morocco, (ii) all imported vehicles have to be less than five years old and, (iii) the definition of tighter emission thresholds by the Ministry of Transport and the Ministry of Environment is currently under way.

- The impact of measures supported by the DPO in terms of reduction of Greenhouse Gas (GHG) emissions was estimated by the DPO preparation team at about 400,000 Tons/year (ICR, page 20). The reductions would result primarily from the implementation of the vehicle inspection centers' reforms (GHG emissions reduction of about 350,000 Tons/year) and the restructuring of bus operations in Rabat and Casablanca (GHG emissions reduction conservatively estimated at about 50,000 Tons/year). According to the ICR, the introduction of Euro 4 norms and tighter vehicle emissions thresholds would likely induce additional reductions in GHG emissions .

*(ix) The accessibility of persons with limited mobility mainstreamed in urban transport projects and awareness increased*

- The Ministry of Social Development, Family and Solidarity in consultation with relevant ministries adopted an action plan to improve the accessibility of people with limited mobility, and organized a national seminar to raise awareness and disseminate the action plan . Following the plan adoption, the government has approved a draft execution decree of law 10-03 on accessibility, the Ministry of Housing is studying the accessibility requirements that need to be included in the new construction code, the Ministry of Interior is demanding additional attention to accessibility in urban transport master plans, and the Ministry of Transport is developing a detailed action plan for all agencies and departments it oversees .
- Three cities included an accessibility component in their rehabilitation or improvement urban transport infrastructure projects, exceeding the target of two . The city of Marrakech has a US \$2 million pilot accessibility project underway financed by a grant from the Government of Japan for infrastructure upgrading work to improve the accessibility of selected infrastructure in the city . Other cities like Rabat and Oujda have also started undertaking accessibility infrastructure-upgrading work.
- According to the ICR, the efforts that took place in the context of the preparation of the DPO have "created a positive dynamic and raised the awareness on the issue of the accessibility at both the national and at the local level" (page 20). The result is that several public and private agencies have been taking measures to address accessibility: the railway company is including accessibility in its station upgrading plans, bus operators are increasingly aware of the needs of persons with disabilities, and select cities are attempting to improve the accessibility of sidewalks and pedestrian environment .

#### **5. Efficiency (not applicable to DPLs):**

#### **6. Outcome:**

Relevance of objectives was high and that of design modest . While the program substantially contributed to an enhanced environmental sustainability in the targeted cities, the efficacy of policy reforms targeting increased performance and supply of urban transport services and infrastructure was modest, mainly due to the lack, thus far, of progress on the restructuring of bus services and operator contracts . Similarly, the impact of the DPO's support of initial actions to improve the sector's institutional governance can be seen, so far, in the form of institutional outputs, with downstream outcomes only expected over the medium term (beyond the program's closure). The institutional reforms and outputs achieved represent what the ICR describes as the first incremental steps toward a higher level of efficiency of urban transport. Based on the above, overall outcome is rated moderately satisfactory .

**a. Outcome Rating :** Moderately Satisfactory

#### **7. Rationale for Risk to Development Outcome Rating:**

There are four main risks to development outcome :

- **Commitments to the reform and inter -agency cooperation risk** . Despite measures taken to address these issues in Morocco, inter-ministerial cooperation remains difficult and is not yet fully institutionalized . This is witnessed by the fact that the first meeting of the National Commission for Urban Transport (CNDU) was substantially delayed. The ICR states that this and other delays are purely administrative, and that, in the meantime, government agencies have been increasingly taking measures, separately or through informal cooperation, to tackle urban transport issues, each within their own competency .

- **Modest performance of the sector 's institutions that might diminish the authorities ' interest in continuing the reform program as planned** .The institutions created or supported through this reform program require continuous monitoring and assistance from relevant authorities to ensure their success in meeting their objectives. This is particularly important for Casablanca's AODU, given that it is the first metropolitan transport agency in Morocco. If Casablanca's AODU proves successful, this may have a favorable impact on the decision of other Moroccan agglomerations to adopt similar governance structures for the management of the urban transport sector. Although AODU is not yet a full-fledged urban transport authority, with financial and institutional independence, it already assumes, according to the ICR, an important role in transportation planning and coordination. The ICR further reports that continued support for AODU's role would be provided by the planned second urban transport DPO. A similar authority is being discussed for Rabat.
- **Risk to the financial sustainability of the sector and efficient allocation of resources** . The capacity of local authorities to provide co-financing for their planned mass transit systems, and notably to cover the expected operation and maintenance deficits of these systems is currently limited . The fares on mass transit systems are generally set at levels below those required to cover operation and maintenance costs . This risk needs to be fully assessed.
- **Private sector participation in the financing and operations of public transport remains fragile** . Bus service contracts are currently net cost contracts that shift all commercial risks to operators . The failure of Stareo in Rabat resulted, at least partially, from the contract conditions . While this model failed in Rabat, private sector bus concessions have been relatively successful for a longer time in other cities in Morocco, notably Marrakesh and Tangier.

**a. Risk to Development Outcome Rating** : Moderate

## **8. Assessment of Bank Performance:**

### **a. Quality at entry:**

The Urban Transport DPO was based on widespread consultations and previous analytical work conducted by the World Bank that contributed to an understanding of the challenges facing the sector in Morocco . The Bank had been significantly involved in Morocco's urban transport sector and was therefore well positioned to accompany the government in its sector reform program . Bank teams prepared a number of sector notes on urban transport in Morocco, including five thematic diagnostic reports on urban transport (2006), a study on urban transport financing systems (2007), a review of investment options for Casablanca (2008) and a strategy note on Morocco's Urban Transport (2008). In addition, several workshops and high-level seminars were conducted and technical visits for Moroccan experts and decision makers were organized to Tunisia (2007), France (2008), and Brazil (2008). Strong policy and analytical support had allowed the Bank to assist the government of Morocco in designing its urban transport strategy . As such, the government request for an urban transport DPL to support it in the implementation of the sector strategy was regarded as an extension of the policy dialogue and advisory role the Bank had been playing in the sector for several years . Nevertheless, as indicated in Section 3b, it is unclear if the choice of lending instrument was appropriate for the goals the operation intended to achieve .

**Quality-at-Entry Rating** : Moderately Satisfactory

### **b. Quality of supervision:**

Despite being a single tranche DPO with a short supervision time (of about 5 months), the ICR reports that the DPO program implementation has been supervised thoroughly by the Bank task team . Two missions were carried out during implementation with detailed supervision reports and aide memoires . The supervision included a detailed follow up on the progress of the different components with all agencies involved, with each agency responsible for the collection of the M&E data relevant to its respective actions . The findings were discussed with the government and corrective measures taken when needed . The ICR reports that the careful supervision helped to build a strong relationship between the client and the Bank, as confirmed by government counterparts during the ICR mission.

**Quality of Supervision Rating** : Satisfactory

**Overall Bank Performance Rating** : Moderately Satisfactory

## 9. Assessment of Borrower Performance:

### a. Government Performance:

The implementation of the reform program required the execution of the prior actions by multiple ministries, namely the Ministries of the Interior, Transport, and Social Development . Several other Ministries were substantially consulted during the program preparation and implementation (Housing, Energy and Environment, Finance, and General Affairs) in addition to local authorities in the major agglomerations . M&E data were collected by the relevant departments and discussed during supervision missions . The substantial efforts undertaken by all institutions involved in the program to implement prior actions and follow up on shortcomings in implementation illustrated the government commitment to the program's objectives .

**Government Performance Rating :** Satisfactory

### b. Implementing Agency Performance:

The Ministry of the Interior was the designated implementing agency, given that urban transport falls under its responsibilities. The Ministry played an important role in coordinating the actions of this program and in facilitating the dialogue with several agencies, notably at local level . The Ministry was also responsible for directly implementing a large number of prior actions, some of which were very important to the reform of the sector and notably to its governance, and it was generally successful in doing so .

Nevertheless, and despite its efforts, inter -ministerial coordination during the project preparation and implementation was only partially achieved and the Bank team had sometimes to follow up directly with other relevant ministries. There were also some delays in the execution of some of the reform actions, notably regarding the issuance of the Circular establishing the CNDU, and in following up on the implementation of the reforms, such as calling a meeting for the CNDU .

**Implementing Agency Performance Rating :** Moderately Satisfactory

**Overall Borrower Performance Rating :** Moderately Satisfactory

## 10. M&E Design, Implementation, & Utilization:

### a. M&E Design:

The project's M&E was integrated in the PD's Operation Policy Matrix (Annex 2). The outcome indicators associated with prior actions were specific, relevant and measurable.

The Ministry of Interior was in charge of data collection as well as of the execution and the monitoring of the 8 out of 10 of the program's prior actions, except for prior action 9 (executed by the Ministry of Transport) and prior action 10 (executed by the ministry of Social Development).

### b. M&E Implementation:

M&E implementation was undertaken by Bank supervision missions . The framework allowed for a close monitoring of the program's execution. The Bank's missions prepared detailed aide-mémoires highlighting progress on each action and allowing for the coordination of the DPO . Data collection methods and data quality were deemed to be appropriate by the ICR team.

### c. M&E Utilization:

World Bank missions and involvement provided implementing agencies with data and independent international expert opinion that informed their decision-making and resource allocation .

**M&E Quality Rating :** Substantial

## 11. Other Issues

**a. Safeguards:**

No safeguards policies were triggered by this operation .

**b. Fiduciary Compliance:**

No fiduciary issues arose from this operation .

**c. Unintended Impacts (positive or negative):**

**d. Other:**

<b>12. Ratings :</b>	<b>ICR</b>	<b>IEG Review</b>	<b>Reason for Disagreement /Comments</b>
<b>Outcome:</b>	Moderately Satisfactory	Moderately Satisfactory	
<b>Risk to Development Outcome:</b>	Moderate	Moderate	
<b>Bank Performance :</b>	Satisfactory	Moderately Satisfactory	It is unclear whether the choice of lending instrument was appropriate for the goals to be achieved .
<b>Borrower Performance :</b>	Moderately Satisfactory	Moderately Satisfactory	
<b>Quality of ICR :</b>		Satisfactory	

**NOTES:**

- When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.
- The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

**13. Lessons:**

The ICR draws the following lessons from the preparation and implementation of this operation :

- **The support of urban transport sector reform through single tranche DPOs requires a sufficiently long implementation period to carry out and assess the impact of the reforms, and accompanying the operation by appropriate investments and technical assistance** . In a complex sector such as urban transport, a series of single tranche DPOs has the advantage of allowing for flexibility in supporting reforms that are implemented at different speeds. Furthermore, they make it easier to adapt and accompany reforms when priorities shift with time. That said, however, goals such as greater sector efficiency are likely to require accompanying investments in infrastructure and equipment, as well as technical assistance to key institutions, both central and local.
- **It is difficult for a DPO, by its nature, to influence decision making at the local level** since this depends on many factors, many of them political, which are beyond such an operation's scope . Since urban transport strategies and projects in Morocco are conceived and implemented by local authorities, building capacity there and providing direct incentives for their decision making process, is a necessary complement to a DPO .
- **Reforms requiring inter -ministerial coordination move more slowly than others** . In order to achieve a successful implementation of the proposed reforms, it is essential to build consensus among the different



stakeholders and ensure smooth cooperation . While awaiting the development of the required institutions to fully assume their intended functions, the Bank has to initially play an important role as a catalyst in fostering program coordination .

- **Given its important policy implications, the timely and successful implementation of the DPO reform program requires continuous support from senior government counterparts** . The risks associated with the multiplicity of implementing agencies, and sometimes divergent views regarding the respective roles of the various existing and newly created agencies could be assuaged by strong involvement of senior counterparts on key issues, thus ensuring the progress on reforms during the implementation of the DPO .

**14. Assessment Recommended?**  Yes  No

**15. Comments on Quality of ICR:**

The ICR text is clear and concise. The analysis is outcome-oriented. No major points appear to have been overlooked. The lessons are evidence-based. Some statements in the ICR could have been better supported by sources of evidence and data .

**a. Quality of ICR Rating** : Satisfactory