



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

Date Prepared/Updated: 10/18/2022 | Report No: ESRSC03047



## BASIC INFORMATION

### A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Morocco	MIDDLE EAST AND NORTH AFRICA	P179612	
Project Name	Accelerating Blue Economy Development in Morocco		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Environment, Natural Resources & the Blue Economy	Investment Project Financing		12/2/2022
Borrower(s)	Implementing Agency(ies)		
Ministry of Economy and Finance	Ministry of Economy and Finance		

### Proposed Development Objective

The Project Development Objective is to develop Morocco's institutional frameworks, improve integrated management of natural resources, and strengthen selected sectors for a climate-resilient blue economy in targeted areas. The targeted areas refer to the geographical scope of the PforR program as described in its Operation Manual.

Financing (in USD Million)	Amount
Total Project Cost	5.00

### B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

### C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The Accelerating the Blue Economy Development in Morocco project (P179612) will support the implementation of the Blue Economy Program for Results (P172926), which aims to develop Morocco's institutional frameworks, improve integrated management of natural resources, and strengthen selected sectors for a climate-resilient blue economy in targeted areas. The PforR stimulates a transformational change for the blue sectors to work collaboratively, through the budget programming process.



The present project will accelerate the implementation of the PforR and enable the government to (i) develop analytical underpinning and foster enabling conditions for an integrated governance for the blue economy; (ii) take an innovative approach and apply behavioral science and collaborative leadership to facilitate vertical and horizontal coordination; and (iii) boost climate actions within the PforR to support the development of climate-resilient blue economy. This project responds to the government's request for technical assistance as recorded in the minutes of the negotiation of the PforR. The project is also in line with the PROBLUE FY 23 Work Plan, which emphasizes on climate and innovative financing to deliver integrated and sustainable economic development in healthy oceans.

#### **D. Environmental and Social Overview**

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

The Project Development Objective is to foster collaborative governance for the blue economy and integrate climate action into fisheries and coastal tourism. The project will be implemented through 3 components:

Component 1: Develop collaborative governance for the blue economy. The objective of this component is to support the government in establishing an analytical foundation and enabling condition for developing institutional frameworks for the blue economy. The component has two sub-components: (a) Sub-component 1.1 Accelerate institutional and policy development; and (b) Sub-component 1.2 Apply behavioral science and collaborative leadership.

Component 2: Strengthen resilience and integrated planning. This component aims at supporting the government to integrate climate action in the blue sectors. coastal tourism, and fishery. The component has two sub-components which are designed to support respective sectors: (a) sub-component 2.1: Strengthen climate action by coastal tourism, and (b) sub-component 2.2: Support climate-informed spatial planning. The activities under this component will contribute to the implementation of Nationally Determined Contributions (NDC) under the United Nations Framework Convention on Climate Change.

Component 3: Program management .The project will strengthen the capacity of the Program Implementation Unit (PIU) of the PforR. This existing PIU for PforR will also serve as the PIU for this particular project to ensure close linkages. Additional consultants with specific expertise will be recruited to support the implementation of the project activities. The PIU will coordinate cross-sectoral stakeholders at the national and regional levels and provide secretariat services to the inter-ministerial commissions and organize consultation meetings at the national and regional levels. The PIU will conduct monitoring and technical supervision and prepare overall project progress reports. It will also be responsible for fiduciary management and environmental and social risk management. The PforR will provide training in these areas.

#### **D. 2. Borrower's Institutional Capacity**

The MEF, the responsible ministry of the government's BE program, will be the implementing entity of the project. The MEF has a long-standing experience with the World Bank, is familiar with the World Bank instruments and experienced in managing TA projects. The MEF has convening power to coordinate multiple sectors and it currently leads multisectoral operations such as the Morocco Public Sector Performance (ENNAJAA) Program (P169330) and the Blue Economy PforR. Previously, the MEF implemented policy reformed supported by a programmatic series of Transparency and Accountability Development Policy Loans (Hakama I P130903 and Hakama II P154041). For the Blue Economy PforR, the MEF has established a PIU and this PIU will also serve as the PIU for this project.

Under Component 1, the MEF through the PIU will implement all activities. For Sub-component 1.2, the MEF will engage a local university as an executing partner while maintaining the fiduciary responsibility. For Component 2, the



MEF will engage DPM (Direction des Pêches Maritimes) and SMIT (Société Marocaine de l'Ingénierie Touristique) as executing partners, while also maintaining the fiduciary responsibility.

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Moderate

#### Environmental Risk Rating

Moderate

The project is classified to have 'Moderate risks' at the concept stage, after considering, in an integrated manner the project types of activities. Specifically, the project will finance technical assistance and capacity building focused interventions that will support the Government of Morocco in establishing an analytical foundation and enabling conditions for developing institutional frameworks for the blue economy (component 1), will help the government to integrate climate action into the blue sectors: coastal tourism, and fishery (component 2) and will strengthen the capacity of the Program Implementation Unit (PIU) of the PforR. (Component 3). Based on the project components identified at the concept stage, the overall risks of the project are expected to be low. No physical interventions or studies focused on the delivery of infrastructure will be undertaken under project financing nor will it involve construction or other activities that involve physical interventions to the environment to be undertaken via the use of project financing. Institutional strengthening activities proposed under the project will not include the purchasing and/or replacement of IT hardware. In addition, the TA will not finance any activities that will involve the modification or the creation of new policies or regulations, it will only support the assessment of current policies and regulations and their enforcement. This TA will only help identify suitable locations in setting MPA boundaries using Marine Spatial Planning approaches. Regarding MPAs, these will only be established offshore with the objective of avoiding the over-exploitation of marine resources for fishing purposes. They are defined through a large participation of the fishermen/ fisheries sector professionals and upon their request. This is particularly the case of the ongoing analytical work, funded by the Korean Green Growth Trust Fund under the Programmatic ASA North Africa Blue Economy and Coastal Management (P170596) that supports the Department of Marine Fisheries in order to develop MPAs in the Agadir region. However, the TA activities may have potential impacts related to Biodiversity Conservation and Sustainable Management of Living Natural Resources, especially for the activities under component 2, and may also lead to potential user conflicts over space and resources. These impacts will be assessed and evaluated by the ESIA.

#### Social Risk Rating

Moderate

The TA activities supported under the project are focused mainly on strengthening the coordination and capacity of government institutions. The TA will neither finance nor support any civil works activities. Project activities do not envisage any land acquisition, activities that would restrict land use, or cause impacts relating to involuntary resettlement. Some activities could lead to restricting access to marine resources but these risks are covered under the Blue Economy Development PforR. In this sense, the activities supported by the TA activities are likely to have minimal adverse impacts, if any. Instead, the TA will contribute toward good governance and greater social accountability and would strengthen the overall business environment, especially for SMEs and new entrepreneurs that are facing currently many constraints. In this regard, the component 2 activities are envisaged to have a positive social impact through enhancing gender equity and social inclusion since they are intended to support the inclusion of youth and women entrepreneurs in tourism and fisheries. Under the Blue Economy Development PforR (P172926) and according to the ESSA action Plan, the borrower will elaborate and implement before the starting of any activities



stakeholders engagement plans for the sectors of tourism, fisheries and forestry. This process is expected to provide inputs to generate strategies to avoid, minimize or mitigate any risk of exclusion, and social discrimination regarding the beneficiaries' participation and feedback. For the reasons stated above, the project is classified to have 'Moderate' social risks.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

ESS 1 is relevant to understanding and assessing potential environmental and social risks associated with the Project in addition to assessing the overall capacity of the client to mitigate and manage potential environment and social risks of future activities. Based on the components identified at Concept stage, overall risks are expected to be moderate as stated in section II-A. Institutional strengthening activities proposed under the project will not include the purchasing and/or replacement of IT hardware, thus potential risks associated with e-waste generation are also low.

The TA will foster collaborative governance for the blue economy and integrate climate action into fisheries and coastal tourism. For this purpose and through its three components, the TA will support the government in establishing an analytical foundation and enabling conditions for developing institutional frameworks for the blue economy (Component1), will help the government to integrate climate action in the blue sectors. coastal tourism, and fishery (Component 2) and will strengthen the capacity of the Program Implementation Unit (PIU) of the PforR. (Component 3).

The nature of the activities will be assessed by the Borrower further during project preparation via Environmental and Social Screening to understand if there will be any resulting E&S impacts. An ESIA is to be prepared and will include mitigation, monitoring and institutional measures to be implemented during the implementation phase of the project. The ESIA commitments will be incorporated into the ESCP. The terms of reference of the ESIA and the final products financed by the technical assistance will be drafted so they are consistent with ESSs1–10.

##### **Areas where “Use of Borrower Framework” is being considered:**

The TA will not undertake a Borrower's E&S framework assessment to replace certain aspects of WB requirements of the ESSs. All WB requirements will be applied as per the relevant ESSs.

#### **ESS10 Stakeholder Engagement and Information Disclosure**

The borrower will built on the work which will be done under the Blue Economy Development PforR (P172926). Indeed, and according to the ESSA action Plan, the borrower will elaborate and implement before the starting of any activities stakeholders engagement plans for the sectors of tourism, fisheries and forestry. This process is expected to provide inputs to generate strategies to avoid, minimize or mitigate any risk of exclusion, and social discrimination regarding the beneficiaries' participation and feedback.



## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

This standard is relevant. The project will involve a) direct workers (Government/SOEs); and b) contracted workers engaged in consultancy (trainings, capacity building, undertaking studies, etc.).

Labor risks associated with the involvement of government/ SOEs workers and consultants in the TA's activities are minimal and the Labor Management Procedures, according to and consistent with, the objectives of ESS2, (including the provision of a worker grievance mechanism sensitive to SEA/SH complaints), will be incorporated into the ESCP.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

At this stage of project identification, ESS3 is considered relevant. Under ESS1 an ESIA will be prepared and will assess the potential impacts related to resource efficiency and pollution prevention and management, especially for the activities under component 2.

### **ESS4 Community Health and Safety**

This standard is not relevant. Since no construction or infrastructure development activity is envisaged under the TA, project activities are not expected to cause risks and impacts on local communities and as stated above, the TA will not finance any activities that will involve the modification or the creation of new policies or regulations, it will only support the assessment of current policies and regulations and their enforcement. This TA will only help identify suitable locations in setting MPA boundaries using Marine Spatial Planning approaches. Regarding MPAs, these will only be established offshore with the objective of avoiding the over-exploitation of marine resources for fishing purposes. In addition, no induced impacts will be generated by the TA as the activities aim to strengthen either the systems or capacities of the involved entities in the blue economy.

### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

At this stage of project identification, ESS5 is considered relevant. Under ESS1 an ESIA will be prepared and will assess the potential impacts related to land acquisition and resettlement, especially for the activities under component 2.

### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

At this stage of project identification, ESS6 is considered relevant. Under ESS1 an ESIA will be prepared and will assess (i) the potential impacts related to Biodiversity Conservation and Sustainable Management of Living Natural Resources, especially for the activities under component 2, and (ii) potential User conflicts over space and resources.

### **ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**

This standard is not relevant

No communities identified as Indigenous Peoples by ESS7 standards are among project beneficiaries.



### ESS8 Cultural Heritage

This standard is not relevant

The project is technical assistance and does not have any direct physical infrastructure investments. In addition, the TA will not finance any activities that will involve the modification or the creation of new policies or regulations, it will only support the assessment of current policies and regulations and their enforcement. This TA will only help identify suitable locations in setting MPA boundaries using Marine Spatial Planning approaches. Regarding MPAs, these will only be established offshore with the objective of avoiding the over-exploitation of marine resources for fishing purposes.

### ESS9 Financial Intermediaries

This standard is not relevant

The funded activities will not involve any financial intermediaries.

## C. Legal Operational Policies that Apply

<b>OP 7.50 Projects on International Waterways</b>	No
<b>OP 7.60 Projects in Disputed Areas</b>	No

## III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

**A. Is a common approach being considered?** No

### Financing Partners

There are no possible financing partners being considered

### B. Proposed Measures, Actions and Timing (Borrower's commitments)

#### Actions to be completed prior to Bank Board Approval:

Stakeholders Engagement Plan (SEP)

Environmental and Social Commitment Plan (ESCP)

Provisions on Labor Management Procedures will be included in the ESCP.

ToRs for environmental and social consultants to prepare the ESIA.

#### Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

Implementation of E&S risk management instruments.



#### IV. CONTACT POINTS

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##### Borrower/Client/Recipient

Borrower: Ministry of Economy and Finance

##### Implementing Agency(ies)

Implementing Agency: Ministry of Economy and Finance

#### V. FOR MORE INFORMATION CONTACT

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#### VI. APPROVAL

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Practice Manager (ENR/Social) Senait Nigiru Assefa Recommended on 17-Oct-2022 at 12:01:42 GMT-04:00