



Program Summary Information

Date of Document Preparation: June 9, 2025	
Program Name	Morocco Climate Operation - Support to the Nationally Determined Contribution Program
Program Number	P000885
AIIB member	Morocco
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	The Program's objective is to support the implementation of Morocco's Nationally Determined Contribution (NDC) by scaling up actions that deliver dual benefits for climate mitigation and resilience of targeted vulnerable ecosystems, while strengthening Morocco's institutional coordination capacities.
Program Description	<p>This Program is a co-financing operation with the World Bank's (WB) Program-for-Results (PforR) "Climate Operation – Support to the Nationally Determined Contribution (NDC)," declared effective since January 8, 2024 and which consists of two Result Areas (RAs):</p> <ul style="list-style-type: none"> - RA1: Strengthen Policy and Institutional Capacity in Green Public Finance Management, Green Finance, and Climate Data; and - RA2: Enhance Resilience to Climate Change of Vulnerable People and Ecosystems. <p>AIIB's co-financing of USD200 million is designed to add value to the WB's efforts and scale up the activities and impact across both Result Areas of the PforR.</p> <p>Under RA1 (RA1.2), the Program will enhance the PforR by supporting the expansion of Morocco's climate information infrastructure, notably through the acquisition and operationalization of new all-weather radars. This will bolster real-time weather forecasting, disaster preparedness, air quality monitoring, and data-driven climate planning which are also needed for optimization and safety of renewable energy operations, especially hydropower and wind power.</p>

	<p>Under RA2 (RA2.2), AIIB will scale up the PforR’s scope of activities by supporting the creation or upgrading of agricultural and para-agricultural service cooperatives in oasis areas, as well as the construction and equipping of additional date palm valorization units. In addition, AIIB will finance complementary activities to the PforR: the plantation of climate-resilient species (e.g., cactus, carob, argan, olive, data palm, almond, caper), the support to targeted research programs on palm tree and argan tree, and the rehabilitation of traditional hydrological infrastructures. Together, these efforts will enhance the depth of RA2 by reinforcing the carbon sequestration as well as resilience of vulnerable oasis ecosystems through targeted nature-based solutions and improved rural value chains.</p> <p>These interventions, aligned with both the mitigation and climate adaptation and resilience goals of the Paris Agreement, deliver dual climate benefits—sequestering carbon and enhancing resilience—while supporting rural livelihoods, especially for women and youth.</p> <p>This Program aligns with the national priorities set out in Morocco’s 2021 NDC, the 2023 Finance Law, and multi-year budget frameworks. The use of Results-Based Financing (RBF) ensures a strong strategic fit with AIIB’s priorities and capitalizes on Morocco’s proven capacity to plan and execute budget-linked reforms.</p>
<p>Expected Results</p>	<ul style="list-style-type: none"> - Disbursement Linked Indicator (DLI) 5 - The National Climate Network is operational and delivers services to users. - DLI 8 - Traditional oasis ecosystems are more resilient to climate change and generate economic opportunities for local population - DLI 9 - Water resources in targeted oases are protected and the living conditions of the populations are improved
<p>Environmental and Social Category</p>	<p>B</p>
<p>Environmental and Social Information</p>	<p>Applicable Policy and Categorization. The Program will be co-financed with the WB’s PforR program and its PforR policy framework is applicable. AIIB has reviewed the WB’s core environmental and social (ES) principles and has determined that they are consistent with the Bank’s Articles of Agreement and materially consistent with AIIB’s environmental and social policy (ESP), including the Environmental and Social Exclusion List (ESEL). The ES risks and impacts of the Program have been assessed by the WB through an Environmental and Social Systems Assessment (ESSA). The Program was categorized by the WB as Moderate which corresponds to Category B as per AIIB’s ESP, as it involves a limited number of potentially adverse ES impacts. Monitoring procedures in place have been deemed adequate for the nature and scale of the Program.</p>

Environmental and Social Instruments. The ESSA has been conducted for the parent program and a Program Action Plan (PAP) has been prepared by the WB in consultation with stakeholders included in the ESSA. The ESSA analyzed the ES risks and impacts of the Program's activities, legal framework, institutional capacity, and operational systems for the program planning, implementation, and monitoring. As part of the Program's restructuring, an Addendum of the ESSA of the parent program will be prepared by the WB in collaboration with AIIB, consulted upon and finalized before the Program appraisal. The prepared PAP will be updated with ES actions and arrangements for management of identified environmental risks and impacts by the new activities to be financed under the Program. In addition, ES Technical Manual (ESTM) will be updated to guide the implementation. As part of this ESTM, guidelines for the Program's activities to ensure adherence to ES best practices during implementation of the Program will be developed. These guidelines may include (i) criteria for selecting activities to identify potential ES risks; (ii) guidance for assessing the ES impacts of activities; (iii) mitigation measures to reduce negative impacts; (iv) procedures for managing waste, chemicals, and polluting emissions; (v) guidelines for protecting workers and local communities; and (vi) provisions for stakeholder engagement and public consultation.

Environmental and Social Aspects. Supports under the Program would reduce soil erosion, and improve water and air quality, and water cycle regulation. The Program would create green employment while it strengthens sustainable date cultivation in oases through creating and upgrading cooperatives. Despite its benefits, the Program has potential ES risks and impacts. Rehabilitation of meteorological stations would pose risks related to working conditions, occupational health and safety risks. Under the Program, given the national scope of the Program, activities supporting the resilience of vulnerable ecosystems and nature-based solutions would carry some social risks, including the scarcity of natural resources such as land and water in oases areas, the vulnerability of oases' farmers and the small size of their plots, and the informal uses of rural forests for the extraction of non-timber resources such as honey, plants for basketry and handicrafts, and firewood. In addition, the anticipated impacts of the Program (particularly RA 2.2) would include the potential exclusion of vulnerable groups and impacts of labor influx, as well as potential conflicts related to land and water use. The assessed ES risks and impacts of the parent program are considered moderate and reversible with the help of proper mitigation measures and responsible planning conducted during implementation phase.

Stakeholder Engagement and Program Grievance Redress Mechanism (GRM). The PAP in the ESSA details procedures to address gaps in Morocco's Environmental and Social Management Systems (ESMS). The plan also outlines stakeholder engagement requirements. Morocco has established grievance mechanisms at both institutional and constitutional levels, including at the local level, with multiple channels in place to support

	<p>independence and accessibility. The Program will ensure these systems are inclusive, accepting anonymous grievances when related to activities supported by the PforR and the Program. Mitigation activities include addressing vulnerable groups, developing gender assessments, and managing ecosystem services through improved compensation and livelihood restoration mechanisms for affected communities.</p> <p>Monitoring and Reporting Arrangement. The Program builds on the existing Monitoring and Evaluation (M&E) systems of each implementing entity, with streamlined reporting to the Ministry of Economy and Finance upon activity completion and biannually through established channels. The Program Implementation Unit coordinates monitoring across Results Areas, ensure data quality, and submit to the World Bank and AIIB: (a) biannual progress reports, (b) a midterm review, and (c) a final report to inform the Implementation Completion and Results Report. WB is the lead co-financier and will supervise the Program and serve as the focal point for the AIIB vis-à-vis the Borrower. More details will be determined with WB and the Borrower during the appraisal of the Program.</p>			
Cost and Financing Plan	<p><u>Total Program Cost:</u> USD900 million</p> <p>AIIB: USD200 million WB: USD350 million Government of Morocco: USD350 million</p>			
Borrower	Kingdom of Morocco			
Implementing Entity	<p>Agence pour le Développement Agricole (ADA) Agence Nationale de Développement des Zones Oasiennes et Arganier (ANDZOA) Direction Générale de la Météorologie (DGM) Direction de l'Irrigation et de l'Aménagement de l'Espace Agricole (DIAEA) Institut National de la Recherche Agronomique (INRA)</p>			
Estimated date of loan closing (SBF)	June, 2030			
Contact Points	AIIB	WB	Borrower	Implementation Organization
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Date of Concept Decision	June 02, 2025
Estimated Date of Appraisal Decision	Q3, 2025
Estimated Date of Financing Approval	Q4, 2025

Independent Accountability Mechanism	<p>The Program will be co-financed with the WB. AIIB has agreed that the WB's ES policies and procedures will apply to this Program. Pursuant to the agreement with the WB, the WB's independent accountability mechanism (IAM), Inspection Panel, will handle submissions relating to ES issues under the Program. Consequently, in accordance with the Bank's Policy on Project-affected People's Mechanism (PPM), submissions to the PPM under this Program will not be eligible for consideration by the PPM. Information on WB's Inspection Panel is available at Home Inspection Panel.</p>
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