

 Early Warning System

AFDB-P-MA-H00-033

MOROCCO - "Fonds d'Equipement Communal (FEC)"



Quick Facts

Countries	Morocco
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	A
Voting Date	2025-12-10
Borrower	Fonds d'Équipement Communal (FEC)
Sectors	Communications, Education and Health, Energy, Industry and Trade, Infrastructure, Transport, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	\$ 175.52 million
Loan Amount (USD)	\$ 175.52 million



Project Description

As stated by the AfDB, the project supports the Fonds d'Équipement Communal (FEC), Morocco's public financial institution dedicated to financing local and regional governments, with the objective of strengthening territorial development and improving access to essential public infrastructure across the country. Through this operation, the FEC enhances its capacity to finance sustainable and climate-resilient infrastructure projects implemented by local authorities, in line with Morocco's national development priorities, the decentralization agenda and the Sustainable Development Goals. The project targets a broad range of local investments, including urban development, local road networks, rural connectivity, water and sanitation, energy efficiency, public transport, social facilities and other priority municipal infrastructure.

The overall objective of the project is to strengthen territorial governance and financing mechanisms in Morocco in order to promote inclusive, green and resilient local development. More specifically, the project aims to improve equitable access to basic public services, reduce territorial disparities between regions, and enhance the capacity of local governments to plan, finance and implement sustainable infrastructure investments. It also seeks to support Morocco's advanced regionalization process by empowering subnational authorities, strengthening institutional capacity at the local level, and integrating climate resilience, social inclusion and gender considerations into local investment planning.

The direct beneficiaries of the project are Morocco's local and regional governments, including regions, provinces, prefectures and municipalities, which benefit from improved access to financing and technical support for infrastructure development. Indirect beneficiaries include local populations across urban, peri-urban and rural areas who gain improved access to essential services such as roads, water supply, sanitation, public transport, energy-efficient infrastructure, health, education and recreational facilities. Women, youth and vulnerable communities are expected to benefit in particular from improved service delivery, job creation linked to local investments, and enhanced resilience to climate and socio-economic shocks.



Investment Description

- African Development Bank (AFDB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- **Bank Al-Maghrib contracts with Fonds d'Équipement Communal (FEC)** (Financial Intermediary)



Private Actors Description

As stated by the AfDB, FEC is a public financial institution whose share capital is fully owned by the Moroccan State. It was established in 1959 to finance the investments of local authorities. As a banking institution, FEC is supervised by Bank Al Maghrib and has been operating as an accredited credit institution since 1997. It is Morocco's only specialised financial institution that supports local authorities by financing projects aimed at improving the living conditions of local communities in sectors such as urban planning, urban mobility, rural accessibility, municipal roads, the development of economic activity zones, sports and leisure facilities, rural electrification, sanitation, access to drinking water, public lighting, development of green spaces, solid waste collection, disposal and treatment, the development of tourism infrastructure, schools upgrading, cultural and artistic activities, the development of commercial infrastructure, integrated information technologies and the promotion of clean technologies.



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [NOTE DE SYNTHESE DE PROJET](#)
- [PROJECT SUMMARY NOTE](#)
- [RAPPORT D'EVALUATION DU SYSTEME DE GESTION ENVIRONNMENTAL ET SOCIAL \(SGES\)](#)