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Environmental and Social Data Sheet

Overview

Project Name:	Morocco Post-Earthquake Reconstruction
Project Number:	2023-0783
Country:	Morocco
Project Description:	Financing of multi-sector infrastructure components of Morocco's post-earthquake reconstruction programme.
EIA required:	EIB Finance is structured as a Framework Loan (FL) operation. Some of the sub-projects (schemes) under the FL may require an EIA.
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

The Project supports the 'Integrated Programme for the reconstruction and comprehensive upgrade of the disaster areas (2024-2028)', which was drawn up by the Moroccan authorities in response to the earthquake of 8 September 2023. While this programme encompasses all areas of economic and social life, the EIB operation will focus on investments in the education sector (ca. 40%), the health sector (ca. 14%) as well as the roads sector (46%). The Project will be implemented in two phases:

- The first phase of the Project (Emergency) aims to reestablish the provision of basic public services in the area of education and healthcare through the reconstruction of infrastructures including their accessibility through safe roads.
- The second phase (Development) follows the principle of 'building back better' and aims to accelerate the development of the affected areas. This includes reinforcing the provision of public services in these underserved regions by constructing additional education and healthcare-related infrastructure and ensuring better and safer access to these infrastructures and the areas in general.

The Borrower is the Kingdom of Morocco. The Agence de Développement du Haut Atlas (ADHA), once created and operational, will be the Promoter of the programme. ADHA, a public institution with legal and financial autonomy under the authority of the Head of Government, will coordinate the implementation of the national reconstruction programme. Until ADHA is operational, the line ministries, namely the Ministries of Equipment, of Education, of Health, and the Roads Directorate will act as Promoters for the programme.

The promoters have experience in management of environmental and social plans and are familiar with the application of international financing institutions' standards. However, given the scale of the works, Technical Assistance (TA) will be made available to support the Promoter in the preparation and implementation of the Project.

EIB operation will focus on investments in the provinces of Al Haouz, Taroudant, Chichaoua, Ouarzazate, Azilal and Marrakech.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.



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The construction period started immediately after the earthquake with emergency measures and is estimated to last until the end of 2030.

Environmental Assessment

Compliance with applicable Environmental Legislation

The Law n°12-03 of the Kingdom of Morocco on Environmental Impact Assessments (EIA) describes the content and procedure for carrying out EIAs.

The environmental authority in Morocco is the Sustainable Development Department of the Ministry of Energy Transition and Sustainable Development. The regions have their own decentralized environmental authorities, which are located within the Unified Public Regional Investment Commissions (URICs), managed by the Regional Investment Centres. The role of the URICs is to decide on the environmental acceptability of investment projects based on the EIA.

The URICs will issue the environmental decisions, certificates, permits or licenses relevant for the implementation of the sub-projects under this FL.

Sub-projects in the education and health sector are likely to fall within the categories of moderate-risk, low-risk or no-risk projects that would not require a full ESIA. Sub projects in the road sector may require a full ESIA as it may involve improvement or construction of new roads in protected areas. Their implementation will not start until the Promoter has received all necessary approvals from the relevant authority. Road rehabilitation works would fall under Annex II of the EIA Directive, and if there are no significant environmental impacts, are expected, to be screened out.

Whilst there may be some minor negative impact during the construction/implementation phase of the sub-projects, substantial positive social and economic impacts of the investment programme are expected once the works are completed.

Environmental and social management of the FL

The ESMF and RPF will be prepared, with the support of the TA, in line with international best practice and EIB's environmental and social standards and take into consideration national environmental legislation. This will include the technical guidance for environmental and social assessment and management during preparation and implementation of the sub-projects supported by this FL.

Climate aspects

The location of the sub projects has not yet been defined but the geographic area is subject to extreme weather conditions. Main risks affecting roads and buildings include heat waves, solar radiation, flood, and solifluction. Morocco has in place a national climate change adaptation strategy² as well thermal regulations for buildings³ and a guide for adaptation of roads to climate risk⁴. The TA will provide support to the Promoter to carry out climate risk vulnerability assessments of the schemes and integrate the recommendations in the technical designs.

The reconstructed and newly built infrastructure will be required to follow higher seismic standards than was required in the region before the earthquake and rehabilitated and new built schools. Health clinics and hospitals will be required to incorporate energy efficient measures.

² PNSA_Morocco_Fr.pdf (unfccc.int)

³ <https://www.amee.ma/fr/reglementation-thermique>

⁴ World Bank Document



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Social Assessment

The Project is expected to have a positive impact on the living conditions of the affected population, mostly traditional rural communities, by providing better education and health facilities and improving access to services and livelihood opportunities both in the short and long term these rural, remote areas. It is also expected that the rehabilitated roads as well as the new roads will be safer and more resilient. In addition, the investments will provide job opportunities during the works phase.

It is possible that the Project will have a positive impact on improving access for girls to lower secondary schools and will therefore include a "gender" aspect, but this is not part of a specific strategy. This improvement is a secondary effect of the overall improvement in the geographical distribution of lower secondary schools.

Based on the information provided to the Bank, the potential schemes under the emergency phase (phase 1) are not likely to trigger any large land acquisition and/ or any permanent physical or economic displacement. Works will be kept as much as possible along the existing road reserve areas and within the perimeters of existing facilities.

However, for the second phase, as part of the criteria to select the location of the schools and health infrastructure and to assess land acquisition for roads, the Promoter will take into consideration the current formal and informal use of the land, aiming at avoiding both physical and economic displacement. When displacement cannot be avoided, the Promoter will have to comply with the requirements of the EIB Standard of Involuntary Resettlement. To this end, when required, individual Resettlement Action Plans (RAPs) will be developed and implemented in compliance with EIB standards. For sites requiring displacement, due implementation of each RAP will be required before disbursement for the affected infrastructure can be approved.

Moroccan law is broadly consistent with ILO Labour Conventions, with some key exceptions. In addition, compliance with minimum wages and provisions on hours remains an issue. In order to ensure that the core principles and labour standards are followed, the relevant provisions will be included in ESMF to be approved by the EIB and be required in the tender documents for any contract, including health, safety and security standards. When relevant, road and traffic safety management plans will be required given the nature of some of the investments.

In addition, compliance with the principles of the Road Infrastructure Safety Management Directive (2008/96/EC as amended by Directive 2019/1936) will be verified for each sub-project to be financed under the FL. Road safety audits will be completed for each sub-project to inform the design and scope of work, as relevant to the project according to international good practices.

Public Consultation and Stakeholder Engagement

For all sub projects, the Promoter will be requested to conduct an identification and analysis of stakeholders and put in place an effective grievance mechanism as part of the ESMF.

For sub projects requiring an ESIA, the Promoter will be required to develop a stakeholder engagement plan, consistent with the level of E&S risks and impacts anticipated in the ESIA.

The operation takes place in a context and area characterized by the presence of extremely vulnerable populations as a result of the earthquake. Affected people live in temporary camps established next to their destroyed homes while awaiting reconstruction. The Promoter will take actions so that that affected communities have the opportunity to participate in public



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consultations and engagement activities related to the project and have equal access to its benefits.

Other Environmental and Social Aspects

Overall, the outcome of the operation is expected to be beneficial to the affected population and improve the quality of life of the population in these provinces.

Conclusions and Recommendations

Given that detailed information on the sub-projects is not available at this stage, the environmental and social impacts and mitigants will be evaluated at allocation stage. The Bank will require the Promoter implement the sub-projects according to EIB E&S standards. The Promoter shall provide the Bank proof of no negative impacts on biodiversity or that the appropriate mitigation measures are being taken according to the applicable national law, EU relevant legislation and EIB E&S Standards.

Conditions for first disbursement

- The Borrower through the Promoters shall submit the relevant environmental and social draft documents (including an Environmental and Social Management Framework (ESMF), a Resettlement Policy Framework (RPF), Labour Management Procedures (LMP) and a Stakeholder Engagement Framework (SEF) including the Grievance Mechanism (GM)) covering the project to the satisfaction of the Bank.

Conditions to second disbursement:

- The Borrower through the Promoters shall submit an updated final version, to the satisfaction of the Bank, of an Environmental and Social Management Framework (ESMF) as well as a Resettlement Policy Framework (RPF), Labour Management Procedures (LMP) and a Stakeholder Engagement Framework (SEF) including the Grievance Mechanism (GM).

Undertakings:

- At the request of the Bank, the Promoters shall carry out an independent health and safety and labour audit(s) by an independent consultant and report to the Bank.
- The Promoters will submit the design of schools and health centers to be built according to EDGE certification. To be eligible for EIB finance, the energy consumptions of the new buildings will need to be 20% lower than the baseline defined by the certification scheme. A minimum of 20% of electricity production for the needs of the schools and the health centres via photovoltaic panels is requested from the Promoters. When selecting implementation sites, some schools may require a higher percentage in the event of local network failure.
- The Promoters will obtain all necessary authorisations to implement the sub-projects and provide the Bank with certified copies of all government or administrative approvals required for the Project Environmental and Social Permits.
- The Promoter undertakes to manage and implement the FL in line with the approved ESMF, RPF, LMP and SEF.



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- The Promoter will conduct a meaningful consultation of the population at large including women, vulnerable groups and ethno-linguistics communities regarding risks and impacts of individual projects including during the emergency phase.
- The Promoter shall report to the Bank within 2 working days any accident with fatalities or severe environmental damage.
- When displacement cannot be avoided, the Promoter shall comply with the requirements of the EIB Standard of Involuntary Resettlement. For sub-projects entailing physical or economic displacement the Promoter will prepare Resettlement Action Plan (RAP) and/ or Livelihood Restoration Plan in line with the RPF before approval of the allocation. The Promoter shall assure that compensation has been paid to the people affected by the schemes both formal and informal, before start of the relevant works on the Project sites, and according to the EIB Standards.
- The Promoter will, on a best effort basis:
 - develop a project gender strategy before 30 June 2025 at the satisfaction of the Bank. It will identify priority measures impacting on gender equality, such as through gender-responsive design and prioritisation criteria for the relevant sector components. It will also outline promoter capacity and potential support needs on gender mainstreaming;
 - based on the gender strategy, undertakes a gender analysis for the majority of the schemes that informs the design and/or implementation of the project on how to reduce any specific and disproportionate adverse gender impact and promote improved gender equality, to be tracked and reported on through gender-equality relevant indicators;
 - include an analysis from the gender perspective for all construction design under this Framework Loan. The schemes shall include specific measures for integration of the gender perspective resulting from the aforementioned analysis.

Considering the above, the Project is acceptable for EIB financing from an environmental and social point of view.