



1. Project Data

Project ID
P121271

Project Name
MA-GEF Integrated Coastal Zone Mgt

Country
Morocco

Practice Area(Lead)
Environment & Natural Resources

L/C/TF Number(s)
TF-12284

Closing Date (Original)
31-Mar-2017

Total Project Cost (USD)
25,181,818.00

Bank Approval Date
05-Jul-2012

Closing Date (Actual)
31-Dec-2017

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	5,180,000.00	5,180,000.00
Revised Commitment	5,180,000.00	5,121,383.94
Actual	5,121,383.94	5,121,383.94

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2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) as stated in the Global Environmental Facility (GEF) Grant Agreement (Schedule 1, page 5) and the Project Appraisal Document (PAD, page 6) is:

"To pilot the application of Integrated Coastal Zone Management (ICZM) approach in the Project Area on the eastern Mediterranean coast of Morocco"

The PAD also states that ICZM implemented at local level by all users of the coastal resources was expected to leverage rural pollution reduction and protection of biodiversity and ecologically sensitive areas.



b. Were the project objectives/key associated outcome targets revised during implementation?
No

c. Will a split evaluation be undertaken?
No

d. Components

There were three components (PAD, pages 8-12).

One. Capacity building and institutional strengthening to incorporate ICZM approach into local development planning. Appraisal estimate US\$0.68 million. Actual cost US\$0.67 million. This component aimed at strengthening the capacity of government institutions and local communities to incorporate the ICZM approach in their local development plans. Activities included: (i) promoting awareness and building capacity of the provincial and local government to apply ICZM in the project area: (ii) technical assistance for incorporating ICZM in the development plans of six selected communes: and, (iii) piloting the spatial development method in the communal plans for one of the six communes. (This method aims at mainstreaming ecosystem-based methods for biodiversity conservation and sustainable economic development of marine and coastal environments) (PAD, page 9).

Two. Investments to improve coastal resource management and livelihoods through co-management approach. Appraisal estimate US\$4.12 million. Actual cost US\$4.11 million. According to the PAD (page 7), the term co-management refers to delegating responsibilities of management of resources and enforcement of regulations to local stakeholders. The resource is therefore "co-managed" by both the Government and empowered local stakeholders). This component had four sub-components aimed at improving: (1) conservation and management of sensitive coastal areas. (2) management of Fisheries. (3) diversify income-generating activities from agriculture. and, (4) promote the development of ecotourism.

Three. Project management and M&E. Appraisal estimate US\$0.38 million. Actual cost US\$0.38 million. This component aimed at project management support and capacity building of the Project Management Unit.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost. Appraisal estimate US\$25.18 million. Revised estimate US\$25.54 million. Actual cost US\$25.48 million.

Project financing. The project was financed by a Global Environment Facility (GEF) Grant of US\$5.18 million. The amount disbursed was US\$5.16 million.

Borrower contribution. There was government financing for complementary activities (such as, installing a purification station, forestry work, agriculture and fisheries projects, a feasibility study and environmental and social impacts of installing seaweed and shellfish farms). The appraisal estimate of government funding was US\$20.00 million. Actual government funding at closure was US\$20.36 million.



There was also co-financing of US\$0.63 million from the Government for activities associated with project management.

Dates. Two changes were made through a Level 2 restructuring on October 13, 2016. First, the PDO and intermediate outcome indicators were modified to strengthen the links between planned outputs and overall objectives (see Section 9 below). Second, the Grant closing date was extended by nine months to complete ongoing activities which were delayed due to weather conditions (the activity associated with installing artificial reefs could only be undertaken during the winter period). The project closed on December 31, 2017.

3. Relevance of Objectives

Rationale

The PDO is relevant to the government strategy. 56% of the urban population in Morocco live in cities located along the coast. Morocco's coastal resources are negatively affected by various forms of pollution and unsustainable practices (including land-based sources of pollution such as industrial effluents, municipal sewage discharge and solid waste disposal). Consequently, coastal biotopes and marine species, including coral reefs, were rapidly becoming endangered. Before appraisal, the Government had taken steps to strengthen coastal management through applying an integrated approach, in which relevant government sectors work together and in close cooperation with coastal communities and other stakeholders.

The Government's Vision for the period 2012-2016 focused on rapid and sustainable growth, improved governance, poverty reduction and improvement of social conditions. The PDO was consistent with the Government's ongoing work in different sectors such as the strategies on water, tourism (Plan Azur, Vision 2020) and agriculture, fisheries and the program on waste water collection and treatment in the National Sanitation Program. At appraisal, Morocco was in the process of ratifying the Protocol on Integrated Coastal Zone Management in the Mediterranean, the first legally binding instrument of its type in the world, adopted by a conference held in Madrid, Spain, on January 21, 2008. The government had also integrated the ICZM approach into a bill on Zoning, Protection, Development and Conservation of Coastal Zones, which was pending before parliament at the time of project preparation. Three years after this project started, Law 81-12 on the coastline was promulgated, establishing the basic rules for the development, protection, enhancement and conservation of the coastline.

The PDO was well-aligned with the Bank strategy. The third pillar of the World Bank Group's Country Partnership Strategy (CPS) for the 2010-2013 period highlighted the need for "sustainable development in a changing climate". The CPS identified the three long-term challenges facing Morocco as, achieving higher growth and job creation, reducing social disparities and ensuring sustainability. The PDOs were also consistent with the three strategic results areas of the CPS for the 2014-2017 period: (1) promoting competitive and inclusive growth. (2) building a green and resilient future. and, (3) strengthening governance and institutions for improved service delivery for all citizens.

The PDO was relevant to the priorities of the 2014-2018 Global Environment Facility (GEF)-6, on International Waters and the GEF objectives of enhancing multi-state cooperation and catalyzing



investments to rebuild marine fisheries, restore and protect coastal habitats, reduce pollution of coastal habitats and of coasts, and strengthen land management.

Rating

High

4. Achievement of Objectives (Efficacy)

Objective 1

Objective

To pilot the application of ICZM approach in the Project Area on the eastern Mediterranean coast of Morocco.

Rationale

Theory of Change. Institutional strengthening activities such as training, raising public awareness and technical assistance, aimed at incorporating an Integrated Coastal Zone Management (ICZM) approach for biodiversity conservation and sustainable economic development of marine and coastal environments in regional and local development plans. The plans thus developed were to be applied on a pilot project area on the Eastern Mediterranean coast of Morocco. These activities were combined with structural investments in coastal resource infrastructure (such as protection of the Moulouya estuary and regeneration of its biodiversity, fisheries management, fruit plantations for sustainable land-based conservation of soil and water and physical investments targeting aquaculture, apiculture and ecotourism). The combination of these activities would eventually be expected to improve the living conditions of the coastal population through creation of alternative livelihoods, while at the same time conserving coastal resources and thereby to the long-term objective of sustainability of natural resources in the Mediterranean region.

Outputs

- Six local development plans were revised incorporating the ICZM approach and climate change adaptation principles as targeted. These plans had been approved by communal council by project closure.
- 18 workshops and training sessions were held on various topics (such as the ICZM approach, integrated water and land management practices, impact of climate change on coastal zones, environmental safeguards, biodiversity and wetlands). A Website on ICZM was developed. This website included best practices and guidelines for implementation and replication in other areas.
- One public awareness campaign on co-management of the Moulouya estuary was completed as per target. Two hydrological and ecological studies of the Moulouya (Site of Biological and Ecological Interest) (with associated maps and monitoring system) were completed as targeted.
- Two feasibility studies of establishing seaweed and shellfish pilot farms were completed as targeted. A shellfish barge with hydraulic equipment was constructed. The staff of the Fishing Department was trained on scientific and technical monitoring, setting up artificial reefs and supervising cooperatives.
- Four cars for beekeeping cooperatives were acquired.
- Three agricultural tractors and six tanks were acquired for associations benefitting from planting works.



- The feasibility study for implementing an integrated approach to ecotourism development was completed. Three small-scale tourist eco-lodges were rehabilitated based on the results from the feasibility study.
- 42 new permanent jobs and 267 temporary jobs were created.

Outcomes

- Two degraded wetlands and dune ecosystems at Moulouya were restored and rehabilitated as targeted (The ICR (page 30) states that the Moulouya estuary was internationally recognized as being of significance to biodiversity and its ecosystem was under particular pressure due to economic development and related coastal erosion.
- One site in the project area with artificial reefs was under co-management at project closure as targeted (The ICR (page 31) reports that this reef would allow for more abundant fish stocks in the protected area and this was expected to improve the livelihoods of artisanal fisherman). Two pilots of seaweed and shellfish farms in project area were operating and co-managed as targeted by the Department of Fisheries and target cooperatives.
- Four associations of cooperatives of women were provided with 1200 bee hives and trained as targeted. The first honey crop had been produced and sold by closure.
- 500 hectares of land area were rehabilitated through planting of fruit trees adapted to local climatic conditions, including olive trees and carobs. The ICR (page 15) notes that this area is less susceptible to erosion due to reduced land degradation and provides an opportunity for alternative income-generation for local livelihoods.
- A Socio-Economic Impact Study conducted at project closure indicated that the average income of households participating in project activities was expected to increase by between 10 percent and 25 percent in the short term, with potential for income growth of between 20 percent and 500 percent in the medium to long term. As the projections indicate, the income effect varies considerably between different activities.

Rating

Substantial

Rationale

There is only one objective rated Substantial, thus illustrating the overall rating for Efficacy.

Overall Efficacy Rating

Substantial

5. Efficiency



Economic analysis. At appraisal, an incremental cost analysis was conducted. The costs and benefits of project activities were separated from a baseline set of activities (which were likely to be carried out independently of the availability of GEF resources) and compared with the global benefits associated with additional project activities financed through the GEF grant. Prior to the project, there was little collaboration between the Government and local communities in managing coastal areas. The global benefits of project-supported activities were assumed to come from better conservation of coastal ecosystems along the Mediterranean coast, conservation of Ramsar sites, better management of fisheries and reduction in land degradation.

There was an ex-post analysis of the incremental costs and achievements. GEF's incremental investment of US\$677,000 build the capacity of over 700 participants in 18 different workshops, thereby fostering the integration of Integrated Coastal Zone Management into the Local Development plans of six communes on the eastern Mediterranean coast of Morocco. The project also aided in job creation and income generation. Nearly 300 jobs were realized in the short term, of which 42 were permanent and 267 temporary. The project's likely impact on local incomes has already been noted in Section 4 above. The ICR (page 48) reports that based on these outcomes, it is reasonable to assume that the benefits accrued – and expected to be accrued – to the environment, natural resources, biodiversity and local livelihoods in the sensitive coastal zone area would outweigh by some margin the value of GEF's incremental investment.

Administrative and Operational Issues. There were delays associated with procurement and with setting up the project's management units (coordinator, permanent Project Management Unit, support consultants and focal points). These delays, in conjunction with institutional issues following a government reshuffle in October 2013, contributed to significant disbursement delays in the initial years. By January 2014, more than a year after project effectiveness, levels of commitment, payments and disbursements amounted to only 23%, 12% and 9% respectively of the GEF grant. Inadequate coordination and engagement by governmental agencies (including lack of clarity about roles and responsibilities of different stakeholders) reduced synergies between the multiple ministries, while inadequate staffing of the Project Management Unit further contributed to delays during implementation. At the time of the Mid-Term Review on March 24, 2015, the project had disbursed less than US\$0.50 million - or 9% of the total funds and the Bank was considering suspending the project (ICR, paragraph 91). These issues were only resolved with the appointment of a dedicated regional Project Management Unit.

Efficiency Rating

Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable



ICR Estimate	0	0 <input type="checkbox"/> Not Applicable
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* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Relevance of the PDO to the Government strategy, the Bank strategy and the GEF strategy is rated High. Efficacy of the single objective, "To pilot the application of Integrated Coastal Zone Management (ICZM) approach in the Project Area on the eastern Mediterranean coast of Morocco", is rated as Substantial, as the pilot activities had been implemented at project closure and associated outcome targets largely met. Efficiency is rated at Modest, reflecting administrative and operational inefficiencies, especially in the initial years of implementation. Overall, shortcomings are assessed as moderate, reflected in an outcome rating of Moderately Satisfactory.

a. Outcome Rating

Moderately Satisfactory

7. Risk to Development Outcome

Institutional Risk. Although the Government, both at the local and at the national level, is committed to an Integrated Coastal Zone Management (ICZM) approach, sustainability of the initiatives funded by the project depend on widening the circle of ICZM stakeholders, advocates and participants. Further, the continued maintenance of the infrastructure investments and operation of pilot projects depends on the modalities of the co-management conventions, which must take into account the diverse interests and concerns of multiple stakeholders.

8. Assessment of Bank Performance

a. Quality-at-Entry

Preparation was based on similar Bank-financed projects (China: Sustainable Coastal Resources Development Project; Indonesia: Coral Reef Rehabilitation and Management Project; and Tanzania: Marine and Coastal Environmental Management Project (PAD, page13). Lessons incorporated in the design of this project included focusing on pilot approaches and demonstration schemes to improve livelihoods by increasing income for farmers/fishermen and creating jobs for vulnerable groups through diversification of the coastal economy. The need for effective co-management between government and local communities was another important lesson. Several risks were identified at preparation including substantial risk associated with the lack of experience of the implementing agency with managing Bank projects. Several mitigation measures were incorporated and with the mitigation measures the overall



project risk was rated as moderate. The arrangements made at appraisal for safeguards were satisfactory (discussed in Section 10).

There were some moderate shortcomings. Design overestimated the capacity of the Project Management Unit (PMU) in the Department of Energy of the Ministry of Energy, Mines and the Environment to address financial and procurement issues. Further, there was no specific financial management manual at appraisal (only general guidelines were provided in the general Operational Manual) and the PMU did not have a procurement specialist. The PMU's general inexperience with implementing Bank projects together with institutional challenges at the national level following a government reshuffle in October 2013, contributed to disbursement delays in the initial years (see Section 5 above). There were weaknesses in M&E design (see Section 9a below).

Quality-at-Entry Rating

Moderately Satisfactory

b. Quality of supervision

Supervision missions were held twice a year during implementation (ICR, page 23). Implementation was also aided by the close proximity of the Task Team Leader (TTL) based in the regional World Bank office in Tunisia. Continuity of leadership was maintained with only one change in TTL during the six years of implementation. The supervision team was proactive and the measures it took included: providing additional training to the procurement and financial management specialists, intensive communication with the Project Management Unit and Ministry of Finance from both Washington DC and the Country Office in Rabat, and high-level intervention from the Country Management Unit, which aided in resolving the procurement delays and delays following the government reshuffle in October 2013 (ICR, page 22). The Bank team also modified the results framework with the Level 2 restructuring to capture better the outcome of piloting an ICZM approach in the project area. The support provided by the supervision team aided in compliance with safeguards (see Section 10 below). The remedial actions taken following the recommendations of the Mid-Term Review (which included a time bound action plan to bring the project back on track) and frequent technical missions aided in the completion of most planned activities in the final year of project implementation (ICR, page 23).

Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

Most outcome indicators at design - the number of approved local development plans that were revised to incorporate the ICZM approach at project closure and the formulation of a public awareness campaign for the



promotion of biodiversity diversion through co-management - were process or output, rather than outcome,- oriented.

Design envisioned that M&E was to be executed at two levels, centrally by the Project Management Unit (PMU) in the Department of Environment (DE) and by the regional PMU.

b. M&E Implementation

The Results Framework was modified through the project restructuring on October 13, 2016, with the two original PDO indicators moved to the intermediate level and four intermediate outcome indicators were moved to the PDO level, as they were deemed to be more appropriate for monitoring project performance. The four indicators were, completion of works pertaining to rehabilitation of coastal dunes, the number of sites in the project area with artificial reefs under co-management, the number of seaweed and shellfish farm piloted in the project area and the hectares of land area where sustainable land management practices had been adopted at project closure.

During implementation, as envisioned at design, the Project Management Unit (PMU) monitored project activities at the central level and at the regional level, by the regional PMU by the monitoring committees set up for each of the activities.

A socio-economic impact study was carried out at closure to identify project outcomes more clearly.

c. M&E Utilization

M&E data was used to track project implementation and performance. The periodic reports submitted by the regional Project Management Unit were shared with the local cooperatives engaged in co-management with the government to inform local decision making in a transparent manner.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The project was classified as Category B for purposes of environmental assessment. In addition to Environmental Assessment (OP/BP 4.01), the Natural Habitats (OP/BP 4.04) safeguard was triggered, since works aimed at enhancing biodiversity and co-management regimes were to include at least one Ramsar Site (Wetlands of International importance).

The PAD (page 24) notes that the potential negative environmental impacts were expected to be minor, temporary and site-specific. An Environmental and Social Impact Assessment (ESIA) was conducted and an Environmental and Social Management Plan (ESMP) was prepared at appraisal and publicly-disclosed (PAD, page 24).



The ICR (page 25) notes that 11 environmental and social management plans were prepared between 2014 and 2017. It states that feasibility studies were conducted during implementation for the establishment of one artificial reef, one seaweed farming facility, one aquaculture (shell fish farming) facility and the establishment of eco-tourism facilities, to assess potential negative impact risks and provide specific mitigation measures. According to the ICR (page 25), the project complied with both triggered safeguards policies.

b. Fiduciary Compliance

The Project Management Unit established in the Department of Energy (DE) of the Ministry of Energy, Mines, Water and the Environment was in charge of fiduciary management (PAD, page 14).

Financial Management. An assessment of the financial management capacity conducted at appraisal, concluded that the DE had sufficient capacity to managing the financial issues (PAD, page 21). The ICR (page 26) notes that the financial reports were submitted in a timely fashion and in compliance with Bank procedures and that annual external audits were conducted according to international standards. The ICR does not state whether the external auditor's opinions were qualified or not..

Procurement. A procurement assessment conducted at appraisal concluded that the procurement risk was substantial in view of the lack of experience of the Department of the Environment staff in Bank procurement policies and procedures. Mitigation measures such as training workshops for DE staff were incorporated at the design stage (PAD, page 22). These were, however, of limited effectiveness as shown by the significant procurement delays in the initial years, due not only to implementing agency weaknesses, but also to the lack of clear signing authority in the wake of the government reshuffle. These issues were eventually resolved, and procurement management was reasonably satisfactory by closure (ICR, page 26). There were no reports of misprocurement.

c. Unintended impacts (Positive or Negative)

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	---



Bank Performance	Moderately Satisfactory	Moderately Satisfactory	---
Quality of M&E	Substantial	Substantial	---
Quality of ICR		Substantial	---

12. Lessons

The the four most important lessons drawn by the ICR are the following (with some modification of language):

(1) Public consultation and community engagement are essential to building trust and ownership and to sustaining an ICZM approach on the ground. This project had a high level of commitment and ownership at the community level, due partly to the involvement of the stakeholders in the design of the project and the ongoing consultations with project stakeholders throughout implementation.

(2) Avoiding early implementation delays requires a carefully targeted, comprehensive and coherent training plan for implementing agency staff. This is particularly so in a project involving multi agencies. In this case, implementation delays in the initial years were due to a combination of factors including, the weak implementation capacity of the implementing agency to address procurement issues and the lack of clearly defined roles and responsibilities regarding procurement procedures.

(3) Introducing new approaches such as ICZM can benefit greatly from piloting and learning by doing followed by replication and scaling up activities. Given limited resources, a pilot approach can enhance the chances of effective allocation of limited financial and human resources to activities that have been proven to work at various scales.

(4) An actively engaged and supporting Country Management Unit (CMU) is critical for a pilot project with inherent implementation risks. The delays during implementation in this project were resolved through the proactive follow-up by the CMU and high-level engagement by the Country Director.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is reasonably well written. It candidly discusses the issues experienced in the initial years of the project (such as procurement delays and lack of clarity of roles of the relevant government agencies) and during implementation (such as inadequate staffing of the Project Management Unit. Reasonably good lessons are drawn from the experience of preparing and implementing this project.

The ICR is unduly long (29 text pages, most double the recommended length) and would have benefitted from stronger editing.

a. Quality of ICR Rating



Substantial