

Press release

Signing of a loan agreement for the amount of US \$ 165 million between the Fonds d'Equipelement Communal (FEC) and the Japan International Cooperation Agency (JICA) for the financing of development projects of the Territorial Communities (Local governments) of the Kingdom of Morocco : Contributing to sustainable economic growth by supporting infrastructure development implemented by the Territorial Communities under the JICA's Private Sector Investment Finance program

May 17th, 2021

On March 31, 2021*, the Japan International Cooperation Agency, and the Fonds d'Equipelement Communal, a public financial institution in Morocco whose main mission is to contribute, through its credits, to the financing of the implementation of the equipment and infrastructure projects and programs of the Moroccan Territorial Communities (local governments), signed a loan agreement for the amount of US \$ 165 million to strengthen the Bank's capacities for the financing of territorial development projects.

This important agreement fits within the framework of the strategic orientation of the Fonds d'Equipelement Communal aiming to diversify its sources of financing on an international scale, in particular, with international lenders, in a context particularly marked by the implementation of advanced regionalization and the intensification of Territorial Communities investment projects, and therefore, the significant increase in the volume of loans addressed to the Institution.

This financing agreement, which is the first project under the non-sovereign operation scheme granted by JICA to Morocco, has several reasons for satisfaction and therefore, allow the Fonds d'Equipelement Communal to pursue, resolutely, its strategy aiming to provide Territorial Communities with the best possible financing conditions.

This financing also makes it possible to mark the commitment of the Fonds d'Equipelement Communal to promote an inclusive development of the territories by emphasizing that the Institution strives to strengthen its funding mainly towards high sustainability projects where both environmental and social components are taken into account. In this perspective, the projects covered by the facility granted by JICA will respond to a dual consideration, both environmental and social aspects.

For JICA, this operation is a new opportunity to mark its contribution to the improvement of sub-national socio-economic infrastructure and collective services in urban and peri-urban areas. This loan is positioned as an initiative that contributes to the « G7 2X Challenge: Financing for Women » announced at the Charlevoix G7 Summit (Canada) in June 2018 as well as to objectives 9, 11 and 17 of the Sustainable Development Goals (SDGs).



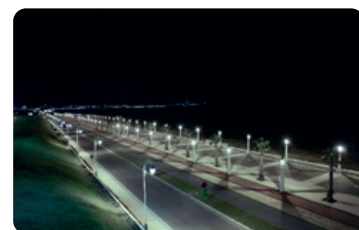
Liquid sanitation



Urban Transportation



Rural roads



Urban development

* Effective date of the loan agreement on May 1st, 2021, after the lifting of the conditions precedent.