


















Denmark's Support to the Territoires Durables Project Morocco 2024 - 2028

<p>Key results: The resilience of the population in the areas of the High Atlas affected by the earthquake has been strengthened regarding the sustainable use of natural resources, especially water.</p> <ul style="list-style-type: none"> - Output 1: The conditions for participatory governance of water resources are strengthened. - Output 2: Water infrastructure measures for resilient reconstruction in the earthquake-affected area in the High Atlas are implemented - Output 3: The technical and entrepreneurial capacities of cooperations and MSMEs are strengthened in a gender-responsive manner - Output 4: The capacities of state actors for the upscaling of tried and tested practices for enhancing resilience of the population are strengthened. <p>Denmark's financial support to the Territoires Durables project will be applied in all output areas.</p> <p>Justification for support: The intervention zone is plagued by poverty, lack of state presence and fragility of ecosystems. The Territoires Durables project aligns with Denmark's strategic priorities and seeks to address the three central issues in the intervention zone through strengthening water resource governance and value chains and implementing nature-based solutions.</p> <p>Major risks and challenges:</p> <ul style="list-style-type: none"> - Delay in operation of Greater Atlas Development Agency; - Delay in the implementation of reconstruction measures; - Reduced availability and staff turnover of partners; - Lack of donor coordination; - Ourika water users are blocking the river contract process; - Innovative approaches might be difficult to include in national strategies during the project period; - Measures in the River Treaty cannot be financed and/or included in territorial development plans; - Disregard for environmental standards; - If governance of cooperatives is not improved fast enough; - Women / marginalised groups not equally informed; - Corruption-related risks. 	File No.	23/30716					
	Country	Morocco					
	Resp. Unit	Embassy of Denmark, Morocco					
	Sector	Water / Climate					
	Partner	GIZ: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH					
	<i>DKK million</i>	2024	2025	2026	2027	2028	Total
	Commitment	30					30
	Proj. disbursement	6	4	8	6	6	30
	Duration	2024-2028					
	Prev. grants	None					
	Finance Act code	06.34.01.40					
	Head of unit	Ambassador Berit Basse					
	Desk officer	Serena Hebsgaard					
	Reviewed by CFO	YES: Alberte Sofie Linde Forsell					
Comment: The project is co-funded with BMZ. The total budget of the project is approximately 12 million EUR, consisting of 8 million EUR (BMZ funds) and 30 million DKK (Danida)							
Relevant SDGs							
 No Poverty  No Hunger  Good Health  Quality Education  Gender Equality  Clean Water, Sanitation							
 Affordable Clean Energy  Decent Jobs, Econ. Growth  Industry, Innovation, Infrastruct  Reduced Inequalities  Sustainable Cities, Communities  Responsible Consumption & Production							
 Climate Action  Life below Water  Life on Land  Peace & Justice  Partnerships for Goals							

Strategic objectives:

Support to Territoires Durables aligns with the water sector cooperation prog. in Morocco, the new Africa Strategy and the strategic objectives of the Danish government in climate diplomacy, sustainable development cooperation and inclusive economic growth, as also specifically included in the Danish Arab Partnership Programme 2022-2027 (DAPP). Morocco is a migration hotspot and a highly climate-vulnerable country. The project's focus on nature-based solutions for water infrastructure and inclusion of women in environmentally sustainable economic activities are key aspects that resonate with Denmark's efforts for just, green transition and sustainable development.

Environment and climate targeting - Principal objective (100%); Significant objective (50%)

	Climate adaptation	Climate mitigation	Biodiversity	Other green/environment
Indicate 0, 50% or 100%	100%	0%	0%	0%
Total green budget (DKK)	30 million	0	0	0

Justification for choice of partner:

GIZ is the German Development Cooperation agency, with the Federal Ministry for Economic Cooperation and Development (BMZ) as main commissioning party.. Active in 120+ countries, GIZ is a global leader in strengthening climate change adaptation and value chain strengthening in Africa, and elsewhere. GIZ is a highly relevant partner to implement present project in the specific area of water and resource management in response to the earthquake in 2023 and facilitates Danish-German co-financing in Morocco.

Summary:

Denmark will provide support through the GIZ project Territoires Durables (TD ; Resilient Livelihoods) in Morocco. The TD project will from 2024 to 2028 address important natural resource management-related challenges in the earthquake-affected High Atlas region, strengthening government capacities, participatory water governance and local cooperatives and MSMEs, as well as implementing nature-based solutions for water resource management. Danish support is provided in all outputs and outcomes, deepening and widening the intervention.

Budget (engagement as defined in FMI):

Total direct eligible project costs covered by Danida (all outputs)	DKK 29.6 million
Audit costs covered by Danida (auditing of Danish contribution and funds)	DKK 0.4 million
Total	DKK 30.0 million

Ministry of Foreign Affairs of Denmark (MFA)
Territoires Durables

**Danish Support to the Territoires Durables – Resilient
Livelihoods Project in Morocco 2024 - 2028**

Project Document

FINAL

1 December 2024

Abbreviations and acronyms	
AMG	Danida Aid Management Guidelines
ABH	Water Basin Authorities « <i>Agences de Bassins Hydrauliques</i> »
ABHT	Agence du Bassin Hydraulique Tensift
AMG	Danida Aid Management Guidelines
ANEF	National Agency for Water and Forests (Agence Nationale des Eaux et Forêts)
AUEA	Association of Agricultural Water Users (« <i>Association d'usagers de l'eau agricole</i> »)
AWP	Annual Work Plan
BMZ	Federal Ministry for Economic Cooperation and Development
COP	Conference of the parties (under the UNFCCC)
CO ₂	Carbon dioxide
DAC	Development Assistance Committee (OECD)
Danida	Brand name for Danish international development cooperation, under the MFA
DAPP	Danish Arab Partnership Programme
DEA	Danish Energy Agency
DEPA	The Danish Environmental Protection Agency (Miljøstyrelsen)
DEPP	Danish Energy Partnership Programme
DGH	Direction Régionale de l'Hydraulique
DH (MAD)	Moroccan Dirham (1 DKK = 0.68573 DH)
DKK	Danish Kroner (1 DKK is 0,13404 Euro)
DREF	Direction Régionale des Eaux et Forêts
GCF	Green Climate Fund
GHG	Greenhouse gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, German development agency
GoM	Government of Morocco
HRBA	Human rights-based approach to development
IPCC	Intergovernmental Panel on Climate Change
IWRM	Integrated Water Resource Management
JET-P	Just Energy Transition Partnership
KPI	Key performance indicator
LDC	Least Developed Country
LNOB	Leaving no-one behind
MEE	Ministère de l'Équipement et de l'Eau (Ministry of Infrastructure and Water)
MFA	Ministry of Foreign Affairs of Denmark
MSMEs	Micro, small and medium-sized enterprises
MTR	Mid-term Review
NBS	Nature Based Solutions
NDC	Nationally Determined Contribution
ODA	Official development assistance, as defined by OECD DAC
OECD	Organisation for Economic Co-operation and Development
PANT	Human Rights Principles of participation, accountability, non-discrimination, and transparency
PAP	Process action plan
PCN 2030	National Climate Plan 2020-2030 (« <i>Plan climat national horizon 2030</i> »)
PDAIRE	Integrated Water Resource Management Master Plan (« <i>Plan directeur d'aménagement intégré des ressources en eau</i> »)
PD	Project document
PIN	Project Identification Note
SC	Steering Committee

SDG	Sustainable Development Goal
SMART	Specific, Measurable, Achievable, Relevant, and Time-Bound
SNDD	Stratégie Nationale de Développement Durable
SSC	Strategic sector cooperation
SWOT	Strengths, weaknesses, threats, and opportunities
TD	Territoires Durables (Resilient Livelihoods)
TEI	Team Europe Initiative (EU-Morocco Green Partnership)
ToC	Theory of Change
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UPR	The Danish Council for Development Policy, in English also known as CDC
WB	World Bank

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1. Introduction and background

The present Project Document (PD) outlines the background, rationale and justification, objectives and management arrangements for development cooperation concerning “Territoires Durables” Project (Resilient Livelihoods in Morocco, PN 2023.2206.3) 12/2024 – 11/2028 (implementation period) in Morocco as agreed between the parties: The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and Embassy of Denmark in Morocco. The project document is an annex to the grant agreement and constitutes an integral part thereof. This Project Document contains the Partner Documentation for the supported intervention “Territoires Durables” which has been supplied to Denmark.

Denmark will make a grant contribution of DKK 30 million to the Territoires Durables (TD) project. The Danish contribution has no earmarking, i.e. it is a general contribution.

The PD was formulated from May to November 2024 by the Danish Embassy in Morocco, in liaison with MFA Department for Financial Management, Oversight and Support in Relation to Grants (Tilskud) and in close cooperation with GIZ. An external process consultant supported the formulation. The PD was presented for appraisal in October 2024 and will after revision be presented to the Danish Minister of Foreign Affairs in November 2024, with a view to making a commitment and first disbursement before the end of 2024 (please see the Process Action Plan (PAP) in Annex 8 for further details of the process).

2. Context, strategic considerations, rationale, and justification

2.1 Context and strategic considerations

The lives of many people in rural and peri-urban areas of Morocco are marked by poverty. On September 8, 2023, an earthquake of magnitude 6.8 occurred in the northwestern part of the High Atlas Mountains. Due to the damage caused, the government officially declared several municipalities in the region to be disaster areas. The Marrakech-Safi region was the most affected by the earthquake, especially the provinces of Al Haouz (669,028 inhabitants/persons), Chichaoua (357,720 persons) and Marrakesh (553,134 persons). Almost 3,000 people died in the earthquake. In total, about 300,000 people in around 3,000 villages are directly affected. Around 60,000 buildings as well as the basic infrastructure in the areas of water, wastewater and energy, as well as cultivation terraces and irrigation systems, were damaged and in some cases completely destroyed by the earthquake. The earthquake hit a population with an already low resilience to environmental and climate change. Employment in agriculture and services is largely informal, subject to seasonal and annual fluctuations, and largely dependent on increasingly variable rainfall. As a result, job security is low, and incomes are often below what is needed to maintain a decent standard of living. The impact of the damage on economic activities is enormous and increases the vulnerability of the population. According to the unemployment statistics of the Moroccan High Commissioner for Planning (Haut Commissariat au Plan), the official unemployment rate in the second trimester of 2023 in the Marrakech-Safi region was 10.1%, with an employment rate of 16.5% for women compared to 76.2% for men. In addition, 9.3% of the labour force is underemployed (2019). Young people are particularly affected by unemployment (33.6%). Specific barriers for women in the labour market include access to resources (including land, financing, technology, counselling), lack of education, low commercial experience, cultural norms and limited employment opportunities. The poverty rate in Al Haouz is 48.7%.

Many people find an income in informal tourism. However, ecosystems are often overloaded in the process. In the Ourika Valley in the province of Al Haouz, for example, countless, often informal restaurants pollute the banks and the riverbed with sewage, waste and traffic. The degradation of natural vegetation due to overgrazing and logging on the upper slopes endangers the fragile ecosystem. The consequences are increasing soil erosion, which is in some cases irreversible and complicates efforts at reforestation and terracing. In addition, there are flood risks for people and infrastructure, which repeatedly lead to damage in the steep Atlas valleys.

The Moroccan national strategy for sustainable development (Stratégie Nationale de Développement Durable, SNDD), as revised in 2023, lists as its third priority (Objectif stratégique 3, OS3) “Strengthening the resilience and adaptation of ecosystems and population to climate change and natural disasters”. The September 2023 earthquake, with its epicentre in the Haouz province, demonstrated the country’s vulnerability to natural hazards, with a death toll of nearly 3.000 people reported. Alongside the seismic risks, climate change and particularly the rain patterns it affects prove risks that affect the population of the southern Moroccan provinces highly. Hence, BMZ/GIZ seeks to support Morocco in strengthening the climate and natural hazard resilience of populations in the three most affected provinces: Haouz, Chichaoua and Marrakech.

The main partners of the project, the Water Management Agency for the Tensift Region (Agence du Bassin Hydraulique Tensift, ABHT) and the National Agency for Water and Forests (Agence Nationale des Eaux et Forêts, ANEF), are familiar with digital tools such as GIS, satellite photos, databases and modelling. Additionally, the project targets the provincial authorities of Haouz, Chichaoua and Marrakech, as well as local municipalities therein. The target groups (cooperatives, farmers) are usually well equipped with mobile phones and agile when it comes to using different applications.

In response to the earthquake, the Moroccan government has launched a reconstruction and development programme totalling around €11 billion over eight years. This mobilisation of budgetary resources represents an opportunity to make public investment in sustainable development models. The Moroccan Government is promoting a "build back better" approach: the aim of reconstruction is to achieve greater disaster resilience and exploit development potential. A concrete opportunity for this is the new participatory approach of river contracts (contrat de rivière) as envisaged by the Ministry of Water and Forestry (MEE: Ministère de l'Équipement et de l'Eau) in the national water plan, which is intended to reconcile the different interests of users and nature conservation and, for the first time, establish binding rules for use. In the Ourika Valley, this river treaty is to be implemented for the first time in Morocco. The Ourika Valley comprises 3 municipalities of the province of Al Haouz and has a population of approximately 77,400 people. There are 5,663 cooperatives in the Marrakech-Safi region, 15% of which are women's cooperatives. In Morocco, women's cooperatives are mainly active in crafts, agriculture, argan cultivation, food and medicinal and aromatic plants.

In this context, the government of Morocco submitted a request for support to the German government focusing on water governance, resilience, and sustainable economic development in the earthquake zone. The German government, whose technical cooperation focused on sustainable development and management of natural resources in Morocco in the last twenty years, granted 8 Mio € to Morocco for a bilateral cooperation project. The project was co-designed by Germany and Morocco, between December 2023 and June 2024. The cooperation project will be implemented by GIZ over a period of 4 years (implementation period) and aims at strengthening the resilience of the population in the earthquake-affected areas of the High Atlas with respect to the sustainable use

of natural resources, particularly water. It is structured around 4 outputs. The first output is dedicated to water governance, the second output to small innovative (nature-based solution) water infrastructural work, the third output supports gender-responsive and sustainable value chains, and the fourth output seeks the integration of successful approaches into national planning documents.

Denmark voiced its interest in co-financing the overall project, adding 30 Million DKK (approximately 4 Mio €) to the 8 Mio € already allocated by BMZ. Through its embassy in Morocco, Denmark participated in the project instruction mission in December 2023 and in a high number of meetings with the Moroccan and the German partners in 2024 during the project design phase. The co-financing was prepared between December 2023 and November 2024.

The additional funding provided by Denmark for this project will be used to: 1) increase the project indicators; 2) widen the scope of the water infrastructural work; 3) strengthen methodological approaches; 4) enhance institutional exchanges and 5) complement the project team regarding communication, monitoring and reporting (please refer to Annex 7 for plan for communications and visibility). The Danish contribution has no earmarking, i.e. it is a general contribution to the project.

2.2 Rationale and justifications

The proposed project is part of Federal Ministry for Economic Cooperation and Development (BMZ's) "Comprehensive Risk Management" strategy and the "Sendai Framework for Disaster Risk Reduction 2015-2030". The project supports integrated measures that together reduce the vulnerability of the population in the Atlas Mountains. It combines income-generating measures with the reconstruction of adapted infrastructures and resource conservation as well as participatory approaches for more effective management of scarce water resources.

The module (project) contributes to the goals of the BMZ Water Strategy (2017), in particular to Goal 2 "Promoting water resource security", with the funding priorities resilience to the impacts of climate change and sustainable water management in agriculture, and to Goal 3 "Contribute to mitigation and adaptation to climate change".

The development cooperation module is part of the following thematic focus of development cooperation of BMZ's Africa Strategy (2023): "Sustainable economic development, employment and prosperity", and in the case of Just Transition, "Socio-ecological transformation of the economy and preservation of natural resources".

In line with the Team Europe Initiative (TEI) "EU-Morocco Green Partnership", which also aims to strengthen cooperation on climate change adaptation, the module contributes integrated management models for watersheds and the protection of water resources.

The project is fully aligned with Danish priorities, policies, and strategies as articulated in Denmark's Strategy for Development Cooperation "[The World We Share](#)", specifically with Objective 1 of the strategic objective "The Fight for Climate, Nature and Environment", namely *Strengthen action to support climate change adaptation, nature, the environment and resilience in the poorest and most vulnerable countries.*¹

¹ Also refer to the "how to note" on climate adaptation, nature and environment: <https://amg.um.dk/-/media/country-sites/amg-en/policies-and-strategies/how-to-notes-implementation-of-danish-strategy/3-how-to-climate-adaptation-nature-and-environment.ashx>

In 2024, the Danish government has stated its priorities for development cooperation: first priority is climate aid which will comprise 30% of the assistance to developing countries and which will be focusing primarily on climate adaptation in the world's poorest and most vulnerable countries. In this context, Denmark wants to take the lead in efforts for the just and green transition. Second priority is the creation of sustainable development and stability, especially in Africa and in regions of origin of irregular migration among which Northern Africa.

Additionally, the project seeks to promote the strengthening of the rights, representation and participation in economic activities of marginalised and poverty-affected people, especially women and girls and young people (human rights, gender equality and inclusion). Large parts of these particular people (groups) have difficult or even denied access to resources and services due to precarious living conditions, traditional role models and low education. This is in alignment with human rights and inclusion theme of the Danish Arab Partnership Programme 2022-2027 (DAPP), with its objective being listed as Promotion and protection of human rights with a focus on youth enhanced, as well as cross-cutting priorities Leave-No-One-Behind (LNOB) and gender & youth.

Additionally, the project specifically is aligned to Outcome B and C of the Strategic Sector Co-operation in the Water Sector between Denmark and Morocco. I.e. the project aligns well with Outcome B (Improved water utility management by knowledge exchange with Danish institutions and utilities on water services, optimization practices, network operation, asset management and customer communication) and Outcome C (Improved use of nature-based solutions in planning and management of climate change adaptation and flood management).

Finally, the project is well aligned with the new Denmark Africa Strategy tabled in September 2024, i.e. the Danish government's new Africa plan focused on equal partnerships across foreign policy, security, and development. Partnerships that are to be established in a time of climate crises and increasing global inequality, among others, which the project directly will deliver results on in Morocco.

The project aligns well with the above mentioned strategic priorities and initiatives: the sustainable use of natural resources leads to climate adaptation and Morocco is a climate change hot spot and among the most climatic vulnerable countries. The project's focus on nature-based solutions for water infrastructure and the inclusion of women in environmentally sustainable economic activities are key aspects that resonate with Denmark's efforts for the just, green transition and for sustainable development.

Based on the DAC criteria, the project design can be justified as follows:

- **Relevance:** The project responds to country-level institutional and population needs, as well as policies and development priorities pertaining to reducing the vulnerability to natural hazards and climate change impacts in the target provinces.
- **Impact:** The expected economic, ecological and social impacts of the project are designed for durable long-term impacts (e.g. contribution to digitisation, increased incomes/employment, regeneration of vegetation, higher access to education for underserved groups), as well as

measurable shorter-term impacts (e.g. introducing a river contract in the Ourika Valley, initiation of business relationships between producers and retailers).

- **Effectiveness:** The project is expected to achieve its outcomes and indicators and risks to their achievement have been analysed in detail, including political risks (e.g. delay in the establishment of a Greater Atlas Development Agency), implementation risks (e.g. slow administrative processes), risks for long-term anchoring (e.g. novelty of river contracts in Morocco), environmental and social risks (e.g. inequality of information access for women and marginalised groups) and corruption risks (e.g. corruption risks relating to the selection of rehabilitation and construction measures).
- **Efficiency:** The project is designed to run for four years, with 3 international long-term experts, 6 national long-term and short-term experts, 5 administrative long-term staff and 2 national assistants. This is an efficient set-up for achieving ambitious targets.
- **Coherence:** The project design specifically describes its alignment with other ongoing technical cooperation projects. To support the Moroccan government in mitigating the socio-economic consequences of the earthquake, various European donors, including the EU, the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB) have committed significant resources. The EIB has committed a EUR 1.0 billion loan to the Moroccan Ministry of Economy and Finance to support the Moroccan reconstruction and development programme. The EU is providing budget support to the Moroccan government for a total of EUR 225 million. The EBRD is planning a loan of EUR 250 million with a focus on reconstruction, the economic inclusion of women and the promotion of micro, small and medium-sized enterprises (MSMEs). These funds will directly assist to the government's reconstruction programmes and target the socio-economic development of the earthquake-affected region and macroeconomic stabilisation. Resilience-strengthening and nature-based solutions are developed and tested with the affected population through ongoing measures in previous initiatives – and will be further tested and verified, whereafter the results can be incorporated into the reconstruction programmes and escalated (impact level). A formal framework for exchange, coordination and the achievement of synergies in this regard is provided by the working groups of the TEI Green Partnerships (Partenariat Vert), in which all donors are represented. Further technical and financial contributions are planned from Belgium (Enabel) with a focus on supporting the socio-economic integration of young people and women and promoting de-cent jobs. Synergies are created in the up-scaling of measures to strengthen the socio-economic participation of young people and women in the project region (impact level).

Further, the projects implemented by GIZ "Job Partnerships and SME Promotion II" (Partenariats pour l'emploi et Promotion des petites et moyennes Entreprises au Maroc, PPE II, PN 2023.4930.6), "Promotion of entrepreneurship with a focus on micro, small enterprises and start-ups" (Promotion de l'entrepreneuriat axée sur les petites et très petites entreprises et les startups, PROMET, PN 2019.2295.4), as well as "Employment Promotion in Water and Sanitation Management II", (Création des opportunités d'emploi dans le secteur de l'assainissement rural, CESAR II, PN 2020.2202.8) support reconstruction with additional funds through the resumption of economic activities of MSMEs and cooperatives and through the creation of jobs in the fields of agricultural products, eco-tourism and wastewater treatment. The technical support offered to the cooperatives within the framework of the module can be supplemented by advice on legal, regulatory and administrative issues relating to the PPE or PROMET pro-

jects (outcome level). The module and CESAR II complement the creation of jobs in the water and sanitation sector in the earthquake region (outcome level).

- **Sustainability** (partner choice, aid modalities, capacity building, TA): A key implementation partner at national level is the National Agency for Water and Forests (Agence Nationale des Eaux et Forêts, ANEF). It is responsible for the management and use of natural resources in protected areas, forests and other natural areas on state land (a total of 9 million ha). In 2021, it was transformed from a department of the Ministry of Agriculture into a national agency. The most important local implementation partner is the Regional Water Management Agency for the Tensift Region (Agence du bassin hydraulique Tensift, ABHT), based in Marrakech. Its task is to ensure integrated water resource management in the respective water catchment areas within the framework of regional water management plans. Another important local implementation partner is the Forestry Office (Direction Régionale des Eaux et Forêts du Haut Atlas), which is under the authority of the ANEF. The specialists and managers of both offices are technically well trained, but there is a lack of capacity to steer multi-stakeholder processes for integrated approaches to resource conservation. Institutions of the downstream partner structures are other local authorities, which are also involved in the framework of the river contracts and the integrated approaches. The provincial administration of Al Haouz province, which has a strong mandate for the functioning of all public services in the region, is not an elected body, but is appointed directly by the Ministry of Interior. The project will strengthen this structure in its new coordination tasks. The local municipal administrations in the project region cover a wide range of responsibilities in the areas of local economic development, spatial planning, infrastructure, social services and environmental protection.

The project strengthens the capacities of selected cooperatives with regard to ecological value chains. In doing so, the project can build on the experience of the "Green Jobs" module (project), which over the past five years has promoted the value chains for ecotourism, medicinal and aromatic plants and carob trees, among other things. In this way, the new project can benefit from decentralised institutional partners who are competent in these value chains, thus increasing its impact. In addition, the project strengthens capacities for participatory governance of water resources. In doing so, the project builds on the experience of the modules 'Appui à la Gestion Intégrée des Ressources en Eau' (PN 2016.2057.4) and 'Résilience Rurale' (PN 2018.2115.6), which have developed the methodology, guidelines and approaches for participatory water governance at different levels.

3. The Project

3.1 Root causes and project's strategy

In the intervention zone, **three root causes** are largely responsible for unsustainable livelihoods and the vulnerability of the population: (i) poverty, (ii) the lack of state presence and (iii) the fragility of ecosystems. These factors reinforce each other. The example of informal tourism in the Ourika Valley (a mountainous valley in the intervention zone) illustrates this causal relationship. The valley's economic potential is recognized by informal economic actors and, in the absence of state presence, activities are carried out that have a negative impact on the river ecosystem but generate immediate revenue.

The limited presence of the State in the area, the lack of spatial planning, building or environmental regulations, and the lack of coordination between the various actors regarding the sustainable use

of natural resources, especially water, mean that no concerted action is taken to plan for the sustainable management of natural resources. The limited commercial experience of the population in these remote regions in the management of small businesses, especially in value chains based on the sustainable use of natural resources, has led to activities with negative environmental impacts. On the other hand, the ecosystems of the High Atlas are fragile and particularly vulnerable to the effects of climate change. The over-exploitation of the natural resources, the use of inappropriate technologies, pollution by sewage and waste from economic activities further aggravate this situation. These causes can be changed by the project.

The **project's strategy** focuses on empowering key actors in the High Atlas region affected by the earthquake in 2023, especially in the provinces of Haouz and Chichaoua, to strengthen the resilience of the population in terms of water availability and economic development. To achieve this, the project's strategy is focused on organizational, management and technical advice to state institutions, municipalities, NGOs, MSMEs and cooperatives. The context-specific capacity development strategy is geared towards all three levels, (1) individual level through training, (2) organizational level through consulting and strategy development, and (3) society level through the support of dialogue and stakeholder processes. It is envisaged that the participatory management of water resources will be improved, and measures will be taken to rehabilitate damaged water infrastructure for drinking and agricultural water and to implement new innovative nature-based approaches. It also aims to support people in creating sources of income related to the sustainable use of natural resources, especially water. A value chain-based approach is pursued and the market orientation of the actors in the value chains is promoted. In all outputs, there is a focus on the implementation of gender-responsive approaches through targeted support for women or women's cooperatives and organizations. In addition, the project is based on the digital-by-default approach and advises the partners on the use of digital tools to strengthen both institutional actors (cartography, planning, monitoring) and MSMEs (e-commerce).

3.2 Project Objective

The development objective is defined by the development cooperation parties as: *The resilience of the population in the areas of the High Atlas affected by the earthquake has been strengthened with regard to the sustainable use of natural resources, especially water.*

As highlighted in Rational section above, this objective is directly aligned with the Strategic Sector Co-operation in the Water Sector between Denmark and Morocco.

The project's progress towards reaching this overall objective is assessed through the monitoring of 3 indicators, namely:

1. Eight measures of the action plan for nature-based solutions of a river contract, which was adopted after a participatory process in the Ourika Valley, have been included in the investment planning of the participating partners. (Baseline: 2 nature-based measures)
2. 1000 people in the High Atlas area have access to improved wastewater management through nature-based measures. (Baseline: 200 people)
3. 1000 people, 40% of whom are women, have increased their income as part of a sustainable value chain supported by the project. (Baseline: 0 people)

These baseline and target values of target indicators 1-3 are provisional and need a detailed assessment of the situation in the intervention zone, they will therefore be reviewed in the first year of implementation and adjusted, if necessary, as part of the initial reporting.

Furthermore, an inception review (technical review) is recommended at the end of the inception period (with participation of the Danish Embassy). This review would be the opportunity to adjust quantitative indicators as well as to add a number of qualitative results (indicators) within innovation or other relevant key project aspects. The new qualitative indicators could build on successful piloting of innovative activities and consider a stronger focus on selected areas such as:

- Examples of river contracts with local community involvement that display improved water management for selected locations by 2028.
- Cooperatives are able to produce and sell nature-based products, and selected products have shown specific potential for replication by 2028 in the Ourika Valley.
- Use of wastewater has been successfully improved, and use of certain technologies shows a particular potential for replication in the future.
- Local and/or central ministry officials have managed to introduce and include innovation-based methods into provincial, regional or national policies or planning frameworks by 2028.

3.3 Short summary description of the Project

The project is structured around 4 outputs. Each output pursues a specific objective with its related indicators.

Output 1 aims to improve the conditions for participatory governance of water resources, especially in the Ourika valley. To this end, the relevant stakeholders will be identified, and a stakeholder dialogue will be held to draw up a river contract in the Ourika Valley. A river contract is an agreement between water users on the use of the water resources in a catchment area. It consists of a protocol of agreements between different actors (prefects, water authorities, local authorities, civil society, etc.) and concerns the community's objectives in terms of water quality, water distribution, prevention of natural risks, etc. Subsequently, an action plan to operationalize the river contract will be created in a participatory manner. River contracts were never established in Morocco and the government of Morocco explicitly asked the support of the technical cooperation to pilot such an instrument in the Ourika valley where water resources are under great pressure between the different users. Employees or members of selected governmental, private or civil society organizations will thus be trained on participatory water management approaches in general and river contract in particular. The institutional partners for this output are ABHT, which is responsible for drawing up the river contract, DREF, the province of Haouz and its municipalities. At the local level, the project will work together with the representatives of the water user groups.

According to the Moroccan government, the added value of GIZ's support in this initiative is that it is a neutral, external actor perceived as such by the people. Besides, GIZ has a real know-how in establishing dialogues between different actors.

In this output, the **additional funding provided by Denmark** will mostly be used to strengthen the methodological approach used to establish the river contract. A prospective dimension to the river contract will be added by characterizing future water availability under different climate scenarios. This will allow the river contract to be more adaptable and resilient to future changes. Additionally, the supplementary funding will be used to improve communication and awareness around the river contract (please refer to Annex 7 for plan for communications of results), and help establishing it as a trademark for the Ourika Valley and similar valleys in Morocco. This will contribute to a better political endorsement and support for the initiative.

Output 1 objective: The conditions for participatory governance of water resources have improved.

Output 1 indicators:

1. One stakeholder dialogue on the preparation of a river contract has been carried out in the Ourika Valley with the participation of 25 stakeholders. (Baseline: 0 dialogue).
2. In 20 selected state, private or civil society organisations, 5 employees or members each have been successfully trained on participatory water management approaches. (Baseline: 20 employees trained).

Output 2 aims to implement water infrastructure measures for resilient reconstruction in the areas of the High Atlas affected by the earthquake. On the one hand, sources destroyed or damaged by the earthquake (for drinking water and/or irrigation) will be rehabilitated, and on the other hand, new innovative nature-based measures will be implemented to improve water management, such as flood protection measures or wastewater management or erosion control. Nature-based measures are considered to be measures that use natural ecosystems and processes through innovative approaches to create more sustainable and effective solutions for tackling water problems. These solutions rely on the integrity and ecological functions of ecosystems to conserve, protect and sustainably use water resources. The institutional partners for this output are the ABHT, the DREF and the selected provinces. The project will focus primarily on the water sources in need of rehabilitation identified by the ABHT according to criteria of economic efficiency and effectiveness. Construction companies are contracted for the construction work.

Through this cooperation project, the Moroccan government wants to achieve tangible realizations that can bring concrete benefits for the local population in the earthquake region. The government acknowledges the know-how in Germany and Denmark regarding water infrastructure and nature-based solutions.

In this output the **additional funding provided by Denmark** will be used to widen the scope of the water infrastructural work: more pilot projects benefiting to a higher number of inhabitants can be planned. Nature based solutions for sanitation and for erosion will be piloted and a higher number of water sources will be rehabilitated.

Besides, this output will be an opportunity to complement the results of the Strategic Sector Cooperation in the Water Sector between Denmark and Morocco by concretely piloting nature-based solutions in the field.

Output 2 objective: Water infrastructure measures for resilient reconstruction in the areas of the High Atlas affected by the earthquake have been implemented.

Output 2 indicators:

1. 26 nature-based measures in the areas of erosion control, flood management and wastewater management have been implemented. (Baseline: 20 nature-based measures).
2. 13 earthquake-damaged water sources have been rehabilitated. (Baseline: 5 rehabilitated water sources).

Output 3 aims to improve the technical and business capacities of cooperatives and MSMEs to develop environmentally and water-friendly value chains. The focus is on the further development of certain value chains in which the cooperatives and companies are already active. In particular, value chains in which women find income and employment are promoted (e.g. sustainable agriculture and pasture farming, medicinal and aromatic plants, handicraft, eco-tourism). Cooperatives and MSMEs run by women are specifically targeted. The cooperatives and MSMEs are advised, trained and supported in developing strategies to increase their income in a sustainable way. In addition, cooperatives and MSMEs are supported by material resources. The most important

institutional partner for this output is DREF, as the activities of the targeted cooperatives and MSMEs depend largely on the forestry sector. The project will also work directly with the cooperatives and MSMEs.

The partner acknowledges GIZ's know-how in terms of capacity building programs and support to green value-chains. Besides, the partner sees in this international support to cooperatives and MSMEs, the potential for their international networking (export of goods) and the promotion of innovations in the value chains and in their commercial strategies (e-commerce).

In this output, the **additional funding provided by Denmark** will allow to strengthen the support to cooperatives and MSMEs by providing them more equipment/ material. Instead of increasing the number of cooperatives/ MSMEs/ female members trained, the strategy is to deepen the support provided to these entities and equip them with the material needed to venture into innovations with limited risks.

Output 3 objective: The technical and business capacities of cooperatives and MSMEs have improved in terms of gender-responsiveness.

Output 3 indicators:

1. 20 cooperatives or MSMEs supported by the module, 10 of which are led by women, have developed a strategy to sustainably increase their income through environmentally and water-friendly economic activities along a value chain. (Baseline: 10 cooperatives/ MSME).
2. 300 female members of cooperatives or entrepreneurs have confirmed that they apply the knowledge acquired in training courses in their work. (Baseline: 0 member/ entrepreneur).

Output 4 aims to improve the capacity of state actors to upscale proven practices to strengthen population resilience. Successful approaches are thus made accessible and scalable to other regions and other financing partners. State actors at the national level receive expert and process advice on the analysis and compilation of experience from the pilots and on the use of digital tools. In addition, demand-oriented training courses for specialists and managers at various administrative levels are created and carried out on this basis in order to enable them to monitor and implement the tried and tested approaches. The training courses include the use of digital technologies in the planning, implementation and monitoring of measures as well as in the analysis and prediction of changes in the water balance influenced by climate change. The institutional partners for this output are the MEE, the ANEF and its decentralized bodies (ABH and DREF) as well as the provinces and municipalities.

The partner trusts Germany's and Denmark's expertise in water management planning, innovative water infrastructure and advanced monitoring. Germany and Denmark already have bilateral cooperation mechanisms established with the MEE which are fruitful.

In this output, the **additional funding provided by Denmark** will on the one hand seek the anchoring of the provided training courses in national training entities and on the other hand enhance institutional exchanges through a study trip. This study trip – taking place in a region with similarities in water governance and/or hydroclimatic conditions (e.g. Spain, Jordan, France)- would focus on visiting institutions managing/ operating successful water governance instrument and nature-based solutions for sanitation / flooding such as the ones piloted in the project.

Output 4 objective: The capacities of state actors to upscale proven practices to strengthen the resilience of the population have been improved.

Output 4 indicators:

1. 4 Lessons learned from proven approaches and practices to strengthen the resilience of the population in the earthquake-affected areas of the High Atlas with regard to access to water and sustainable economic development were integrated into two government planning documents. (Baseline: 0).
2. 300 experts and managers from the national institutions relevant to the water sector use an example to confirm that they can make an improved contribution to strengthening resilience through the content learned in training courses. (Baseline: 100)

4. Theory of change and key assumptions

The Theory of Change (ToC) outlines a collaborative approach to strengthening Morocco's national water sector framework and institutional capacity for climate adaptation, resilient water management, and sustainable development. The partnership involves Denmark, Germany, the Moroccan Ministère de l'Équipement et de l'Eau (MEE), the Direction Régionale de l'Hydraulique (DGH), the Agence du Bassin Hydraulique du Tensift (ABHT) and other national Moroccan partners, who will collectively work towards achieving these goals through a series of strategic actions and commitments (for more details on partners please refer to Annex 2).

4.1 Theory of Change (ToC) for Denmark's support

The narrative ToC for the proposed Danish Contribution, as outlined in this PD, is fully aligned with the overall Project ToC prepared by GiZ (see Annex 3) and is summarised as follows:

If Denmark provides earmarked grant funding to the project to substantially increase the total impact;

And *if* Denmark uses its core expertise, best practice knowledge, and learning based capacity development approaches to assist all involved stakeholders in addressing weaknesses and gaps in national policies, regulations, and systems on 1) Improved conditions for participatory governance of water resources; 2) Water infrastructure measures for resilient reconstruction; 3) Technical/business capacities of cooperatives and MSMEs; and 4) Upscaling;

And *if* Denmark assists all project stakeholders in striving for jointly using knowledge and networks from the Project on 1) Improved conditions for participatory governance of water resources; 2) Water infrastructure measures for resilient reconstruction; 3) Technical/business capacities of cooperatives and MSMEs; 4) Upscaling resilience-building practices; to identify national requirements and gaps to inform and involve the Danish private sector (or other identified contributors) to provide innovative solutions for climate change and improved water management;

And *if* Denmark takes an active role and be a member of the Steering Committee for the supported project.

Then:

- ✓ The resilience of the population in the areas of the High Atlas affected by the earthquake has been strengthened with regard to sustainable use of the natural resources, especially water.

And then:

- ✓ The national water sector framework and institutional capacity of Moroccan partner institutions is improved for implementing climate adaptation activities, water management and governance and natural resources uses are more sustainable.

And then:

- ✓ The bilateral and diplomatic engagement between Denmark and Morocco are strengthened in terms of supporting climate adaptation, just transition and sustainable water management and good governance

And then:

- ✓ There is an enhanced exposure of the German and Danish private sector's sustainable development solutions and green financial investments in Morocco for tackling challenges in climate adaptation and sustainable water management

This Theory of Change illustrates a pathway where collaborative efforts, strategic investments, and shared expertise converge to enhance Morocco's resilience to climate change, improve water management, and support sustainable development, all while fostering stronger international partnerships and private sector involvement.

4.2 Key assumptions and drivers for Denmark's support

Key assumptions and drivers for Denmark's support for this cooperation project in the High Atlas region include the following:

1. Alignment with Denmark's Strategic Priorities:

- The project aligns with Denmark's strategic priorities in climate diplomacy and sustainable development cooperation, and inclusive economic growth. The focus on nature-based solutions for water management and the inclusion of women in economic activities are key aspects that resonate with Denmark's development cooperation policies.

2. Government Commitment:

- The Moroccan government, particularly the Ministry of Infrastructure and Water (MEE), shows a strong commitment to the project "Territoires Durables". Their dedication to enhancing water resource management and supporting post-earthquake reconstruction efforts is crucial for the success of the project.

3. Collaborative Framework:

- Effective collaboration among various national and local partners, including MEE, Direction Régionale de l'Hydraulique (DGH), ANEF, ABHT, Direction Régionale des Eaux et Forêts (DREF), provincial and municipal administrations, and local

cooperatives and MSMEs, is assumed. The project's success hinges on the active participation and cooperation of these stakeholders.

4. Community Engagement and Inclusivity:

- The project assumes that local communities, especially those in the earthquake-affected areas, will actively engage in the participatory governance of water resources. The inclusion of women and marginalized groups is essential for achieving the project's objectives and enhancing resilience.

5. Green Development and economic inclusion:

- There is an assumption that the development of sustainable value chains and support for local businesses and cooperatives will lead to long-term economic benefits. This includes improved income opportunities for women and youth through environmentally sustainable practices.

6. Technical and Institutional Capacity:

- Building and enhancing the technical and institutional capacities of local and national actors is a key driver. Denmark's support assumes that targeted training and capacity development will lead to effective implementation and scaling of project activities.

7. Digital Solutions and Innovation:

- The use of digital tools and innovative approaches in water management and economic activities is seen as a critical driver. Denmark's support is based on the assumption that these technologies will significantly enhance project outcomes and ensure efficient monitoring and evaluation.

8. Resilience to External Shocks:

- The project assumes that the targeted communities and institutions will become more resilient to future shocks, such as natural disasters and climate change impacts, through improved water management and sustainable practices.

9. Ongoing Support from the Donor Community:

- Continued proactive engagement and support from the donor community and the Moroccan state are assumed. This includes financial support, technical assistance, and policy backing for water and sanitation improvements and sustainable economic development.

10. Monitoring and Adaptability:

- The project assumes that regular monitoring and the flexibility to adapt strategies based on initial results and changing circumstances will be maintained. This includes the potential adjustment of baseline and target values for indicators as needed.

Special Considerations

• Gender Equality and Social Inclusion:

- Special consideration is given to gender equality and the inclusion of disadvantaged groups. The project's design and implementation specifically target women's participation and leadership in decision-making processes and economic activities.

- **Climate Change Adaptation:**

- The project incorporates climate change adaptation measures, ensuring that the strategies and solutions implemented are sustainable and resilient to future climate variability and extreme weather events.

Denmark’s support, under these key assumptions and drivers, aims to significantly enhance the resilience and sustainable development of the High Atlas region, fostering a collaborative, inclusive, and innovative approach to tackling water management and economic challenges.

5. Summary of the results framework

For results based management, learning and reporting purposes Denmark will base the actual support on progress attained in the implementation of the project as described in the Partner documentation, integrated into the Project Document. Progress will be measured through the GIZ’s monitoring framework focusing on a limited number of key outcome(s) and corresponding outputs and their associated indicators.

Result framework for Territoires Durables – Resilient livelihoods in Morocco:

Project	Territoires Durables – Resilient livelihoods in Morocco		
Project Objective	The resilience of the population in the areas of the High Atlas affected by the earthquake has been strengthened with regard to the sustainable use of natural resources, especially water.		
Impact Indicator	(1) Eight measures of the action plan for nature-based solutions of a river contract, which was adopted after a participatory process, have been included in the investment planning of the partners involved; (2) 1000 people in the High Atlas region have access to improved wastewater management through nature-based measures; (3) 1000 people, 40% of whom are women, have increased their income as part of a sustainable value chain supported by the project.		
Baseline *	(1) 2 nature-based measures; (2) 200 people; (3) 0 people.		
Target *	(1) 8 nature-based measures; (2) 1000 people; (3) 1000 people.		

** The baseline and target values of target indicators 1-3 are provisional and need a detailed assessment of the situation in the intervention zone, they will therefore be reviewed in the first year of implementation and adjusted, if necessary, as part of the initial reporting (the same applies to below output indicators).*

Output 1	The conditions for participatory water resource management are improved.		
Output indicator	(a) One stakeholder dialogue for the establishment of a river contract has been conducted with the participation of 25 stakeholders; (b) in 20 selected state, private or civil society organisations, 5 employees or members each have been successfully trained in participatory water management approaches.		
Baseline	Year	2024	(a) 0 stakeholder dialogues; (b) 20 trained employees or members from 4 selected government, private or civil society organizations.
Target	Year	2027	(a) 1 stakeholder dialogue; (b) 100 trained employees or members from 20 selected government, private or civil society organizations.

Output 2	Water infrastructure measures for resilient reconstruction in the earthquake-affected areas of the High Atlas have been implemented.		
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Output indicator		(a) 26 nature-based measures in the areas of erosion control, flood management and wastewater management have been implemented; (b) 13 earthquake-damaged water sources have been rehabilitated.	
Baseline	Year	2024	(a) 20 nature-based measures; (b) 5 sources.
Target	Year	2027-28	(a) 26 nature-based measures; (b) 13 sources

Output 3		The technical and business capacities of cooperatives and MSMEs have improved in terms of gender-responsiveness.	
Output indicator		(a) 20 cooperatives or MSMEs supported, 10 of which are run by women, have developed a strategy to sustainably increase their income through environmentally and water-friendly economic activities along a value chain; (b) 300 female members of cooperatives or entrepreneurs, who have been successfully trained in entrepreneurial, management and technical skills to create income-generating activities in the context of sustainable value chains, are applying the knowledge they have acquired.	
Baseline	Year	2024	(a) 10 cooperatives or MSMEs; (b) 0 members or entrepreneurs.
Target	Year	2027-28	(a) 20 cooperatives or MSMEs; (b) 300 members or entrepreneurs.

Output 4		The capacities of government actors to upscaling proven practices to strengthen population resilience have improved.	
Output indicator		(a) 4 experiences (lessons learned) from proven approaches and practices to strengthen the resilience of the population of the earthquake-affected areas of the High Atlas with regard to access to water and sustainable economic development have been integrated into two government planning documents; (b) 300 experts and managers from national institutions relevant to the water sector, 40% of whom are women, confirm by example that they can make an improved contribution to strengthening resilience through the content learned in training courses.	
Baseline	Year	2024	(a) 0 experiences; (b) 100 experts and managers.
Target	Year	2027-28	(a) 4 experiences in 2 planning documents; (b) 300 experts and managers.

Indicators are generally considered SMART².

6. Inputs/budget

Danish Ministry of Foreign Affairs, through its Embassy in Morocco will provide a grant of 30.000.000 DKK (approximately 4 million EUR) to support the implementation of the Project by the BMZ/GIZ, bringing the total project funding envelope to approximately 12 million Euro.

The project provides technical and organizational support through:

- GIZ national and international long-term advisors who work with implementing partners on a day-to-day basis, partially also providing coaching on-the-job. They provide technical expertise and help conceptualize strategies and implement identified joint priorities with partners. The advisors monitor agreed priorities to ensure effective and efficient implementation, paying attention to lessons learnt for better outcomes. The project team will comprise technical (2 international and 6 national staff) and administrative staff (1 international staff, 1 part time

² Specific, measurable, achievable, relevant, and time bound.

international staff and 5 part time national staff). The project locations are Marrakech in premises of the ABHT and Rabat in the MEE.

- Short-term consultants with expertise on specific topics;
- Local and international trainings that might be conducted in the form of seminars, conferences, workshops, study trips, exchange of experiences and international good practices as well as peer-learning to develop capacities of partner staff;
- Provision of goods (such as working materials, technical equipment, logistics) and construction contracts for the implementation of pilot measures.
- Financing (grants) for think tanks, civil society organizations.
- Experts at GIZ headquarters in Eschborn and Bonn, Germany, who provide technical and administrative backstopping for the project. This quality assurance service improves the final delivery of products in terms of quality and efficiency.

The budget per output is provided in table below, for further details please refer to Annex 5. The project budget will be updated and adjusted during the inception period, hence it should be possible to respond to changes at outcome and other levels according to the Danish MFA (and the GiZ) procedures for adaptive management.

Table 6.1: Budget allocation*

Budget allocation for Danish Funds to TD Project³	
Cross-cutting costs (Output 0)	DKK 0,1 million (EUR 18.508)
Output 1: Participatory governance of water resources	DKK 6,2 million (EUR 835.865)
Output 2: Water infrastructure measures	DKK 9,0 million (EUR 1.210.207)
Output 3: Capacities of cooperatives and MSMEs	DKK 7,1 million (EUR 951.301)
Output 4: Capacity of state actors	DKK 5,5 million (EUR 742.251)
Overheads incl. risk mark-up (up to max. 7% of Total Direct Costs, i.e. output 0–4)	DKK 2,0 million (EUR 263.069)
Audit	DKK447.628 (EUR 60.000)
Unallocated	DKK 0 million
Total	DKK 30.0 million

*This table is based on the exchange rate on the date of preparation, 19/11/2024 (DKK-EUR) = 0,13404.

6.1 Disbursements

The Grant shall be disbursed in advance instalments twice a year based on the liquidity needs of the Project for the coming six months period.

Indicative disbursement schedule:

³ Amounts in EUR are provisional and may be subject to change according to exchange rate.

Instalment	Provisional date for disbursement
DKK 6,000,000	Upon signature
DKK 4,000,000	August 2025
DKK 4,000,000	February 2026
DKK 4,000,000	August 2026
DKK 3,000,000	February 2027
DKK 3,000,000	August 2027
DKK 3,000,000	February 2028
DKK 3,000,000	August 2028

Disbursement requirements:

Disbursements are based on written request from Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH to the Danish MoFA in time for planned activities.

The disbursement request shall include:

- Funds previously received.
- Funds previously spend.
- Work plan and budget for the next period.
- Disbursement schedule.
- Amount requested for disbursement expressed in DKK.
- Bank details (IBAN account number, recipient bank name and address)
- Two authorised signatures.

The first disbursement will be made upon signature of the agreement by both parties and upon receipt and approval of the budget for the first reporting period by the Danish MoFA.

All subsequent disbursements will be made on the condition that the below requirements are fulfilled:

- A work plan and budget has been approved by the MoFA for the period to be financed.
- Satisfactory narrative and financial reporting being submitted for previous periods.
- Satisfactory use of prior disbursements.
- Confirmed reception of prior disbursements.

Bank account:

All payments by the Danish MoFA will be transferred into GIZ's bank account:

Bank: [Commerzbank Frankfurt am Main]
Account holder: [Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH]
Account No.: [588 9555 00]

IBAN: [DE 45 5004 0000 0588 9555 00]

BIC: [COBADEFFXXX]

Reference: 2023.2206.3

The amount in DKK will be disbursed by the Danish MoFA in EUR.

GIZ must confirm receipt of funds as soon as possible and no later than 14 days after receipt of funds from the Danish MoFA.

The funds from FMA shall be booked in a separate sub-unit account created for the grant agreement.

The Danish funds are part of a joint funding. The reception of funds is clearly attributable to the DK MFA. Expenditures can be attributed based on a percentage distribution. Budgeting and reporting will cover funds directly related to this agreement.

6.2 Deviation from the budget

The partner can only spend the funds on activities approved within the agreed budget.

Changes in the main budget lines between outputs and reporting periods exceeding 10 % are allowed. This applies to changes between individual budget lines and different periods, as well as the individual budget lines and periods per output - and consequently also combinations thereof.

In the event that GIZ identifies a potential deviation of more than 10% between main budget lines, it is required to promptly notify the Danish Embassy and seek prior written approval via e-mail.

6.3 Eligibility of costs

6.3.1 Overheads and VAT due in Germany

The Overheads (including Risk-markup) shall be declared as a flat-rate of 7% of the total eligible direct costs.

The remuneration does not need to be supported by accounting documents.

VAT due in Germany is not eligible unless it is covered by the administration costs/overhead (up to 7%).

6.3.2 Costs related to the closure of the project

In addition to the stipulations set up in Article 4, Paragraph 2 (Grant Agreement), costs linked to the closure of the project, such as audit costs and administrative support costs for the termination, may be incurred after the implementation period. Costs related to the closure are only eligible if incurred no later than the submission of the final narrative and financial report.

Unused funds and any interest shall be returned to the Danish MoFA after approval of final accounts for the engagement. Negative interests are to be accounted for as expenditures and may be covered by the grant.

6.4 Sub-Grants

Sub-grants are to be managed following GIZs established and BMZ-aligned procedures regarding assessment, management and auditing of sub-grantees.

6.5 Management of Assets

Management of assets will be in accordance with GIZs standards and transferred to the political partner in accordance with GIZs partnership agreements.

7. Institutional and Management arrangement

The management arrangement must aim to ensure adequate reporting, dialogue, learning and timely decisions about the project, including possible adaptations to ensure achievement of agreed outcomes. The following is envisaged in this project:

- The project will be a joint action of the Danish Ministry of Foreign Affairs and BMZ/GIZ. It will be commissioned by BMZ as part of the Territoires durables project. The Danish Embassy in Rabat is in regular contact with GIZ and the beneficiary institutions for the monitoring on the ground. The Danish Embassy will be part of the overall Territoires durables steering committee which will take place once a year. The steering committee will be composed of the MEE, GIZ, ABHT, ANEF and other sectoral entities yet to be nominated by the MEE.
- The project steering committee, with Danish participation, which meet at minimum once per year, will monitor progress to ensure delivery of outputs; address issues related to implementation, including developments of risks; draw lessons and ensure dissemination of learning; provide advice on potential changes and/or adaptations to the project for the achievement of outcomes.
- GIZ ensures that the Danish Embassy receives invitations to all relevant meetings with the project partners. GIZ invites the Danish Embassy to participate in major events related to the implementation of the project such as annual planning, launching of initiatives, strategic partner meetings, etc.
- The Danish grant contribution will be channelled to the project through GIZ, based on a donor (grant) agreement between GIZ and the Ministry of Foreign Affairs of Denmark (MFA). The GIZ administrative, financial and procurement rules and regulations, which are deemed appropriate, apply to the Danish funds.
- The Embassy of Denmark in Morocco shall have the right to carry out any technical or financial supervision mission that is considered necessary to monitor the implementation of the project.
- After the termination of the project support, the Embassy of Denmark in Morocco reserves the right to carry out evaluations in accordance with this article.

8. Financial management, planning and reporting

Planning and Reporting will adhere to the Danish [General Guidelines for Financial management](#) . In the event of deviations from the Financial Management Guidelines, this Project Document prevails.

8.1.2 Overview on Reporting

The following schedule on reporting applies:

Type of report	Period covered	Deadline
Bi-annual progress reports including brief budget situation	4 months (first)/ 7 months (second) / 6 months (all subsequent)	Each 6 months between 01.05.2025 and 01.06.2028 (except for the second report)
	1.12.2024-31.03.2025	1.05.2025
	1.04.2025-31.10.2025	1.12.2025
	1.11.2025-30.04.2026	1.06.2026
	1.05.2026-31.10.2026	1.12.2026
	1.11.2026-30.04.2027	1.06.2027
	1.05.2027-31.10.2027	1.12.2027
	1.11.2027-30.04.2028	1.06.2028
Narrative and financial inception report	1.12.2024-31.05.2025	31.07.2025
Narrative and financial report for year 1	1.12.2024-30.11.2025	31.03.2026
Externally audited financial report ⁴ for year 1	1.12.2024-30.11.2025	31.05.2026
Narrative and financial report for year 2	1.12.2025-30.11.2026	31.03.2027
Externally audited financial report for year 2	1.12.2025-30.11.2026	31.05.2027
Narrative and financial report for year 3	1.12.2026-30.11.2027	31.03.2028
Externally audited financial report for year 3	1.12.2026-30.11.2027	31.05.2028
Final narrative and financial report for the entire project	1.12.2024-30.11.2028	31.03.2029
Externally audited financial report for the entire grant	1.12.2024-30.05.2029	30.10.2029

8.2 Format and Content of Reports

⁴ In deviation from the Financial Management Guidelines, the term financial report (and not financial statement) is used here.

According to the provisions of Article 3 in the Grant Agreement, GIZ will provide project narrative and financial reports every 12 months to the Embassy of Denmark in addition to bi-annual progress reports.

Annual narrative and financial reports (a) endorsed by management according to the GIZ' regulations (Head of Project and – in the case of Morocco - Cluster Coordinator) as well as certified external audited financial reports (b) will be completed and shared within four months (a) and respectively six months (b) after the reporting period.

The financial reporting (financial report) with respect to the Grant shall be expressed in EUR and it shall be drawn up to the same level of detail as is done in the project budget – and if changes are made during implementation reflecting any agreed changes made. The financial reports shall clearly state the disbursements made by the Ministry of Foreign Affairs of Denmark, interest, as well as the outstanding balance at the time of reporting.

Accounts are kept in accordance with internationally accepted accounting principles and managed by an accredited professional accountant.

As part of the final audited financial report a specification of any remaining unspent funds and interest earned, but not yet transferred to the MFA, is presented.

Bi-annual progress reports including brief budget will be completed and shared within the deadline specified under the overview on reporting in 8.1.

The inception, narrative and biannual progress reports will include i) explanations of challenges encountered and how these have been handled, ii) progress to date compared to output and outcome targets for the entire project period, as stipulated in the results framework, iii) lessons learnt during the period with an analysis of what works and what has worked less well and why supported by evidence, iv) a brief budget situation and, v) specification of recommended changes and adjustments, including budget re-allocations for approval by the relevant authorities.

8.3 Audits

The audit must be conducted in accordance with the ISAs in order to meet the requirements applicable to audits of funds granted through the MFA, as regulated by the office of the Danish Auditor General.

The audit must be in accordance with the specific requirements established in the Terms of Reference for the audit, which will be agreed upon by GIZ and the Danish embassy.

9. Risk management

A short summary of key risk factors and mitigating measures is provided below, taking departure in the Project outline / formulation by GIZ, and as seen from Denmark's perspective to the extent possible. All significant risks identified will be addressed in the inception period to be mitigated/reduced to ensure that residual risks are at acceptable level (this will form part of inception review).

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Contextual risks					
Delay in the establishment of the Greater Atlas Development Agency	Unlikely	Minor	Direct cooperation with the Ministry of the Interior at regional level (Province of Haouz)	The potential impact is minimal due to alternative coordination measures with the Ministry of the Interior	The Greater Atlas Development Agency would be an important project partner, considering its role in coordinating overall development in the target region. However, as it is not one of the included partners in the project description, its potential delayed establishment would not significantly affect the project.
Women and marginalized groups do not have equal access to information	Unlikely	Major	Application of gender-specific approaches to the design and implementation of workshops and consultations	While the probability of unequal access is reduced, any remaining issues could still have significant consequences	The project's gender-specific approaches take into account the special role of women in the Moroccan rural context. Workshops and counselling are designed to involve women and vulnerable groups and take their needs into account.
Some Ourika water users are blocking the river contract process	Unlikely	Minor	Promotion of participatory approaches and involvement of water users Targeted promotion of cooperation between elected authorities and vulnerable actors	After mitigation the risk is reduced to a level where it might have less significant consequences or occur less frequently	There is a risk that some water users in Ourika may be resistant to participating in the river contract process due to conflicts with their historical practices and interests regarding water usage.
Reduced availability of partners due to the large number of local and international players	Unlikely	Minor	Consultations, support for coordination meetings, and regular exchanges during implementation	Minor challenges in engagement may still occur due to competing priorities	The involvement of numerous local and international actors, combined with the urgency of earthquake-related projects, can limit the availability of partners and government agencies
Programmatic risks					
Delay in the implementation of reconstruction measures	Unlikely	Minor	Parallel involvement of partners at central and regional level	Potential loss of trust among communities and stakeholders	If there are delays in implementing reconstruction measures due to slow administrative processes, it can severely disrupt the coordination of these efforts and complicate the reconstruction process for the local population.
Measures in the River Treaty cannot be financed and/or included in territorial development plans	Unlikely	Minor	Involvement of regional and municipal decision-makers in the identification and planning of measures from the beginning	Minor setbacks if unforeseen issues arise	Measures planned in the river contract will not be funded and/or included in territorial development plans due to budget constraints and other earthquake-related priorities
Disregard for environmental standards leads to more	Unlikely	Major	Stringent monitoring, training and business cooperation	Any failure to adhere to environmental standards,	The promotion of economic activity can have an impact on the environment. The communication of and

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
environmental problems				despite mitigation, would have serious consequences for the environment	compliance with environmental standards and environmentally friendly production processes is one of the main concerns of the project
The governance of cooperatives cannot be improved fast enough	Unlikely	Minor	Raising awareness, Involvement of state and civil society actors, exclusion of problematic cooperatives if necessary	While there might still be minor challenges or delays, they are expected to be minimal and unlikely to have significant consequences.	The governance of cooperatives is inadequate in many places. This can lead to a consolidation of inequalities in the membership and to the consolidation of gender inequality
Institutional risks					
Limited absorption capacity of partners at the local level	Unlikely	Minor	Enhance cooperation among key partners through ongoing consultation and joint planning, while also supporting transparency and governance in the sector by maintaining close communication with other donors.	Minor capacity constraints at the local level could still occur	Given the numerous large-scale donor interventions, there is a risk that partner institutions may lack sufficient capacity for absorption and coordination
Lack of donor coordination	Unlikely	Minor	Support measures for steering in the sector	Different donors may have conflicting or overlapping priorities, creating confusion and reducing the effectiveness of project implementation	
Risk of corruption in the selection of subsidized cooperatives or in sales markets	Unlikely	Minor	Transparent and participatory selection of cooperatives and the measures to be implemented	The risk is likely to remain minor due to the transparent and participatory processes in place, which should help in reducing the possibility of corruption	A possible influence of corruption risks on the intended effects of the module is the selection of cooperatives and MSMEs to be supported as well as potential sales markets for the products of the cooperatives and MSMEs In addition, there are risks of corruption in the selection of rehabilitation and construction measures
Risk of corruption in the selection of rehabilitation and construction measures	Unlikely	Minor	Raising awareness among partners	Raising awareness among partners should help in maintaining ethical practices and reducing the likelihood of corruption, so the risk remains minor	
Innovative approaches	Unlikely	Minor	Advice on organizational and	The advice should help in	Innovative approaches such as the river treaties not yet

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
cannot be included in national strategies during the project period			technical issues relating to the integration of innovations into national strategies	overcoming some of the barriers, but there might still be residual challenges if the integration is not fully achieved	established in Morocco and innovative nature-based solutions in the field of water management and climate change adaptation will not yet be included in national strategies during the project period
Staff turnover at the partner	Unlikely	Minor	Institutionalization of learning content and anchoring in planning documents as well as improved knowledge management and digitization	Staff turnover necessitates ongoing training and onboarding processes, which can divert resources and time away from core project activities.	High staff turnover at the partner organization may negatively impact the quality of contributions

10. Closure

An exit strategy for the Danish support will be discussed within the Steering Committee from the onset of the project, and subsequently aligned and updated with the maturation and development of the project. This exit strategy aims to ensure the sustainability of the project's results, build local capacity and ensure ownership of the initiatives by local communities and stakeholders. It is based on the following points:

Capacity Building and Transfer of Responsibilities:

The project directly addresses and covers capacity building for national and local stakeholders and incorporates (has the intention for) the gradual transfer of responsibilities. During the initial phase of the project's activities, a capacity-building plan will be formulated in detail and subsequently implemented, with a particular focus on the appropriation of governance approaches by national and local actors. For infrastructure interventions, particularly hydrological improvements, a progressive transfer plan for management and maintenance responsibilities will be established. Multi-party agreements will specify the roles and responsibilities of each local stakeholder. Technical training will be provided to actors involved in the management of infrastructure and socio-economic initiatives established within the project framework. The goal is to ensure that local actors and state institutions are fully capable of continuing and developing the project's initiatives independently.

Integration and sustainability of initiatives:

There will be a dedicated focus on the sustainable integration of project initiatives in the local context. Project actions will be integrated into existing local and regional development plans. Partnerships with local organizations, NGOs, and state actors will be strengthened to ensure the continuity of actions. Active community participation will be encouraged in decision-making and activity implementation. Further, a particular focus will be placed on developing the capacities of state actors to scale up good practices and resilience techniques. Mechanisms for sharing knowledge and experiences between local and national institutions will be established. All these actions aim to create an ecosystem capable of supporting and developing the project's initiatives and achieving long-term up-scaling.

Monitoring, evaluation and closure:

The exit strategy will be integrated into the project's overall operational plan and will be regularly monitored. Clear indicators and specific milestones will be defined to measure the level of readiness for project closure, and regular evaluations will be conducted during Steering Committee meetings. This monitoring will confirm the achievement of project objectives and the preparedness of local, regional and national actors to continue the initiatives independently.

The Danish embassy's final results report will follow the Project / GIZ final report.

Closure of accounts, final audit and administrative closure will be completed by ultimo-2029 at the latest.

Annex 1: Context analysis

I. Poverty and inequality analysis:

The Moroccan economy has performed relatively well in the past two decades and notable economic and social strides have been made in poverty reduction (from 15.3% in 2001 to 1.7 % in 2019)⁵, access to education, health care and services, and infrastructure development. However, these positive developments have not benefited all geographical areas and population groups, as there are important regional and gender disparities and large wealth and income inequality. The Moroccan economy relies on its performance in the agricultural sector, which accounts for nearly 15% of GDP and employs around 40% of the workforce. Efforts have been made to attract FDI and to diversify the economy by supporting industries such as the automotive and aeronautics sector and the industry now accounts for approximately 25% of GDP.

Morocco is classified as a so-called “late-dividend” country, meaning that it has a declining share of working age population between 2015 and 2030, yet can continue to benefit from the first demographic dividend. Well aware of these challenges, the Moroccan government is seeking to address them through a number of national development plans. The most prominent is the establishment in December 2019 by King Mohamed VI of a commission of renowned Moroccan experts who presented their recommendations for a new development model for Morocco in May 2021, following a large consultation process with key stakeholders in the country.

With regards to progress related to the SDGs, the country faces major challenges on a number of them, e.g. regarding gender equality (SDG 5) mainly due to the ratio of male-female labour participation, where Morocco has one of the lowest in the MENA region, and decent jobs and economic growth (SDG 8) although both are moderately improving. In relation to peace, justice and strong institutions (SDG 16), significant challenges remain with a stagnating trend (with the exception of e.g. the press freedom index, which is decreasing), while challenges remain for partnerships for the goals. The table below shows the latest update on Morocco in terms of SDGs:

⁵ Following the COVID crisis, poverty increased slightly again from 3 to 4.9 per cent between 2021 and 2022

SDG Dashboards and Trends

Click on a goal to view more information.



Morocco has endured multiple crises in recent years including the Coronavirus pandemic and the earthquake that hit the country on September 9, 2023. The aftermath of these crises produces what could be described as two Moroccos: one for the wealthier and better educated, another for the poorer and less educated. Moroccans are clearly divided in their views of almost all issues based on their socioeconomic status. Economic pressure persists, with only a third of Moroccans rating their economy positively. While optimism about the future of the economy has increased, it is largely driven by those with a higher socioeconomic status. The less fortunate are far less optimistic and more concerned about increasing inequality and food insecurity. Trust in the Moroccan government remains relatively low, but trust in parliament, regional government, judiciary, and civil society organizations has increased. Still, those struggling financially tend to be less trusting of all these bodies. Similarly, satisfaction with government performance on economic issues is low, especially among the poor. Moroccans are more satisfied with the provision of certain services, including security and infrastructure. Meanwhile, education is among the public services in which Moroccans exhibit the lowest levels of satisfaction.

In terms of foreign relations, Morocco engages in broad consultation with the European Union, the United States, China and Japan on a wide variety of policy issues. In 2021, the European Union and Morocco renewed their partnership to promote green growth, human development, good governance and the rule of law. The European Union also provides expertise in public administration and CSOs. In addition, the relationship emphasizes close cooperation on democratic reform and economic modernization. Within the framework of the European Union's Neighbourhood Partnership with Morocco (2022 – 2025), the European Union pledged to further consolidate political cooperation on anti-discrimination, the implementation of the reform of justice and human rights training for legal professionals. Morocco receives EU support to strengthen the role of the parliament and has pledged to implement most priorities identified in the fields of human rights, rule of law and democracy. The Council of Europe has established close cooperation with Morocco to improve the functioning of the justice system in Morocco and the efficiency and quality of judicial services.

While the European Union remains one of Morocco's main strategic partners, the kingdom has in recent years stepped up efforts to diversify its partners. Rabat has sought to strengthen cooperation with China,

India, Brazil and Russia. To limit its traditional dependence on Europe and the West, Morocco has strengthened trade with Brazil and anticipates more tourists from China. Morocco is diverting focus from the Gulf to western African countries and the Sahel. Trade, business and “religious diplomacy” have become key components of Morocco’s presence on the continent.

II. Political economy and stakeholder analysis:

Morocco has experienced a number of protests, strikes and social tension since the Arab uprisings in 2011. The protests have been spread across the country and have often originated in marginalized and underserved regions. These social tensions are fuelled by the large geographic and socio-economic disparities and by youth unemployment. Nevertheless, there are no indications of a threat to the overall stability nor a risk of regime breakdown in Morocco.

The government is well aware that unemployment is a key source of frustration, potential unrest and youth becoming prone to recruitment by extremist groups and irregular migration and has therefore made employment generation a top priority. However, there are a number of major challenges to youth employment. The public sector does not create sufficient jobs to absorb the growing number of youth entering the job market each year and the private sector faces a number of constraints.

Youth and those facing financial pressure are far more likely to have a desire to leave their country, mainly in pursuit of better economic opportunities. Western countries remain the preferred destination for most of the potential migrants in Morocco, many of whom are willing to leave even if they did not have the required documents to do so. While support for democracy has fluctuated over the past few years, recent trends suggest an increase in support for democratic governance. Moroccans acknowledge that democratic systems have their shortcomings, yet they maintain a belief that democracy is preferable to other forms of governance and particularly support a multi-party parliamentary system.

In terms of participation of women or minorities in the political arena, there are no limitations in the law. In the 2016 elections, a record number of women were elected in Morocco. However, these numbers were not matched by high-level positions as government ministers or presidents of parliamentary commissions. As regards the equal distribution of economic resources, Moroccan women have a very low labour market participation and men (as is the case in all MENA countries) are favoured in the law on inheritance.

In terms of **key stakeholders** in Morocco in relation to the TD project, the following figure represents the key actors in water management in Morocco:

GOVERNANCE DE LA GESTION DE LA SECHRESSE

> Organisation du secteur de l'eau



1

The top level includes the key structures responsible for coordination and planning related to the national and sectoral planning frameworks. **At the level of the ministries' departments**, it is noted that the political partner Ministry of Equipment and Water coordinates and works together with Ministry of Interior (often in an overall coordinating function), the Ministry of Agriculture, Ministry of Health, Ministry of Economy and Finance, and the Ministry of Energy and Sustainable Development. **At the operational levels**, there are the agencies responsible for integrated management of water resources, the private and public entities in charge of drinking water and water for industrial use, the units responsible for irrigation and the units responsible for energy production.

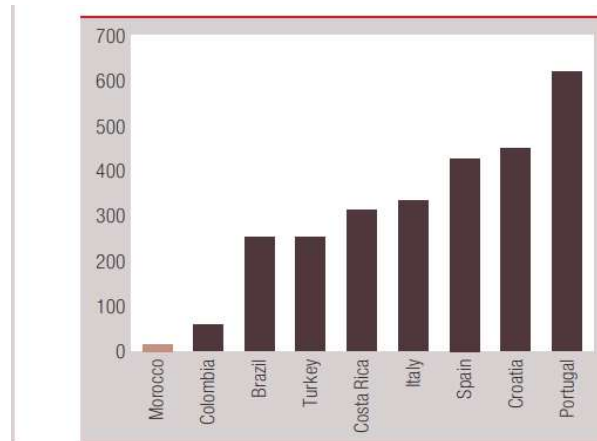
Regional differences in Morocco make up a key issue for the development plans of the country as described above. A study from 2019 compared regional differences in Morocco in relation to key thematic areas. A comparison between Morocco in general with the Marrakech- Safi region and a comparison of data between 2000 and 2019, show the developments as reflected in the table below:

	Morocco general		Marrakech-Safi	
	2000	2019	2000	2019
Economy: GDP per capita (US \$, current prices, PPP)	3878	7856	2468	5006
Share of the VA of manufacturing industry (% in total VA)	20.9	19.5	14.3	11.9
Human capital: Share of working people with at least an upper secondary diploma (%)	23	44	17	35
Share of employment in manufacturing industry (% in total employment)	13	21	10	18
Labour market: Employment rate (%)	52	46	52	47
Unemployment rate (%)	10.8	9.2	8.9	5.7
Social: Share of households with broadband internet access (%)	20	19	15	15
Health: Rate of active physicians (Per 1000 inhabitants)	0.6	0.7	0.3	0.6
Gender: Infant mortality rate (Deaths under one year old per 1000 live) births	23	14	24	15
Environment: Air pollution (Average level of PM 2.5 µg/m3)	31	33	16	17
Governance: Participation rate in general elections (%)	42	51	44	58

Source of data: <https://pmc.ncbi.nlm.nih.gov/articles/PMC10078024/>

While GDP growth has doubled for both Morocco and Marrakech Safi over the period, the value-added of manufacturing has stagnated or even declined reflecting the difficulties to transform to a high-productivity economy. The level for the Marrakech Safi region started from a significantly lower level than the Moroccan average, which is still reflected by 2019. In terms of human capital, there are substantial changes in terms of educational level as well as the share of people in manufacturing between 2000 and 2019, and again - with significantly different points of departure between Marrakech Safi and Morocco in general from 2000 onwards. Improvements in general are substantial in relation to infant mortality, where the rates have dropped substantially between 2000 and 2019. Meanwhile, access to broad band has remained stable for the last two decades, while Marrakech has experienced a high increase in number of physicians as well as in participation rates in elections, which is above the national average.

The overwhelming majority of **Moroccan firms** remain small. As of 2019, companies with revenue between 0 and 1 million dirhams (micro-enterprises) represented 84.4 percent of all companies in Morocco, followed by 7.5 percent for companies with revenues between 1 and 3 million dirhams.



Source: WB and OMPME staff calculations based on Moroccan firm-level administrative data; WB Entrepreneurship Database; OECD.

Density of high-growth firms (no. of HGF per million inhabitants)

Medium and large enterprises account for 0.6 percent and 0.3 percent of all companies respectively. More than 80 percent of firms employ less than 10 employees even after 10 years of activity. There is also a very small fraction of high-growth firms (HGF), often in low-skill sectors: Interestingly, the larger companies appear to have low productivity, whereas medium and small companies have a higher productivity, reflecting that productivity is apparently not rewarded in the process of company growth.

III. Fragility, Conflict, and Resilience

This section concentrates mainly on the earthquake in 2023. The devastation mainly affected two major economic activities:

First tourism, especially in cities like Marrakesh, and in rural villages such as Ourigane. While Marrakesh, a UNESCO World Heritage site, is the larger tourist attraction, the hiking lodges, inns, resorts and hotels in the High Atlas Mountains provided many jobs for the locals of the Ourigane Valley. This includes jobs in hotels, restaurants and recreational activities. The New York Times reported that by 2019, before the coronavirus pandemic paralyzed the sector, tourism accounted for about 7 percent of the kingdom's gross domestic product and an estimated half-million jobs, a vital source of growth in a largely agricultural country struggling with drought.

Second, the agricultural sector, which has limited opportunities overall, is the second impacted area. Crops include corn, wheat, olives, almonds and walnuts. Agricultural production is small-scale, for either personal use or small sale. In rural communities, subsistence agriculture has been affected by years of ongoing drought. In addition, the drought also caused wildfires and reduced harvests.

While search-and-rescue teams and relief organizations from Spain, Qatar, Britain, and the United Arab Emirates were allowed to enter the country, those from other countries—including France, Germany, Tunisia, Canada, and the United States—were not. The Moroccan government noted that this decision was made to avoid complicating ongoing relief efforts with traffic bottlenecks on the limited road network within the earthquake zone. The government later clarified their position, stating that all aid was welcome, but it needed to enter the country through proper channels to allow for coordination in the most efficient manner possible.

In response to the earthquake, the Moroccan government early on declared the establishment of the High Atlas Development Authority (*Agence de Développement de Haut Atlas*, ADHA). The bill related to the ADHA allows for the development of a multi-sector integrated program spanning five years (2024-2028), with an overall budget of 120 billion Dirhams, presented before HM King Mohammed VI, during a working session held on 20 September 2023, pointing out that the first version of this program covers the six provinces and prefectures affected by the earthquake (Marrakech, Al Haouz, Taroudant, Chichaoua, Azilal and Ouarzazate), whose population is estimated at 4.2 million inhabitants. To immediately deal with natural disasters, the programme envisaged a large platform of essential reserves, including blankets, beds, tents, medicines and foodstuffs.

The rehabilitation includes the reconstruction and rehabilitation of affected areas, taking into consideration the environmental dimension and ensuring respect for the unique heritage, traditions and lifestyles of the local population and seismic construction standards, as well as the implementation of socio-economic development projects in the regions targeted by this program.

IV. Human Rights, Gender, Youth, applying a Human Rights Based Approach

The past two decades, Morocco has taken several steps to bring the country in line with international human rights and gender equality standards. A process of revision of the Constitution was initiated in 2011, which introduced a number of rights regarding gender equality. This was followed by the adoption of a new migrant policy in 2013 and the ratification of the UN Option Protocol to the Convention Against Torture in 2014. The National Human Rights Institution (CNDH) was appointed as the National Preventive Mechanism in 2018. Morocco also participated in launching the Convention against Torture Initiative aimed to achieve universal ratification and implementation of the UNCAT by 2024. Challenges remain, however, at the level of practical implementation. A number of constitutional revisions are yet to be translated into law and into changes in the practices of persons involved in the administration of justice.

In terms of gender equality, a new family law was adopted in 2004 enhancing women's rights. The nationality code was amended in 2007, and reservations on CEDAW were partially lifted in 2011. Reforms that are more recent include the adoption of the law on domestic workers in 2017 (many of whom are young and female), and the adoption of a law on Gender Based Violence (GBV) in 2018. Despite these legislative improvements, a number of provisions continue to discriminate against gender equality and the operationalisation of the laws is lagging behind, making realities on the ground less promising. Morocco has a low score on most gender related parameters, and ranks 143 out of 153 countries in the Global Gender Gap Index. A few figures to illustrate this: only 21% of women are (formally) working, twice as many women are illiterate (41.9%), 46.9% work in the agricultural sector, 1% of women own agricultural land, 54.4% of women are victims of violence (2019), 10% of all marriages are child marriages (2015).

Youth, which make up one third of Morocco's population, lack avenues of engagement in civic life and in the traditional political system. Less than one percent of youth are active in political parties and trade unions. Large, formalised NGOs do not have much appeal to youth either, as many of them do not enjoy much legitimacy among youth or are perhaps not focusing on the priorities which youth find important. Instead youth are participating through other means, notably via social media.

Regarding freedom of religion, the Moroccan Constitution states that Islam is the state religion and guarantees freedom of religion. Morocco has ratified the International Covenant on Civil and Political Rights (ICCPR) with no reservations to art. 18 and 20 that protect Freedom of religion or belief.

Support for women's rights has slightly declined recently, with the majority of Moroccans believing that men are better suited for political leadership, for example. There remain some disparities in views of women's rights when it comes to education, employment, and social roles within the household.

A system of reserved seats for women is meant to encourage their participation in the electoral process at the national and local levels, partly offsetting traditional social pressures that discourage their engagement. Electoral laws passed in 2021 helped facilitate an increase in women candidates for that year's local and municipal elections: 27 percent of candidates were women, compared to 12 percent in 2015. Despite this, women lead only 1 percent of districts. In national elections, 60 of the 395 seats in the Chamber of Representatives are reserved for women, as well as half of the 30 seats reserved for youth. The cabinet formed in October 2021 included a record seven women.

V. Inclusive sustainable growth, climate change, and environment

Much like other countries in the MENA region, Morocco belongs to one of the most water scarce environments in the world, making it vulnerable to climate change and to desertification. Morocco's economic performance is dependent on rainfall, given that its economic growth is highly dependent on the performance of the agricultural sector, which uses 80% of the country's water resources. Water scarcity is also closely linked to potential social tensions, which became apparent by some of the protests a few years ago in Southern Morocco because of limited access to water. Furthermore, Morocco is importing approximately 95% of its energy. The government has thus taken important steps to reduce this dependency towards energy transition. A number of green economy initiatives have been rolled out, making Morocco top the German watch' Climate Change Performance Index.

In its 2023 Global Water Security Assessment, the UN University classified Morocco as water insecure. Water scarcity, largely attributable to climate change, was rapidly approaching the absolute water scarcity threshold in the country. In February, the National Human Rights Council of Morocco published a report warning of the decline of water resources in the country. The Council called on authorities to take urgent measures, including fighting water pollution; investing in and developing water infrastructure and alternative water sources, such as treating wastewater and desalination; and examining the impact of agriculture, particularly of high water-consuming products such as watermelons and avocados, on water stress. World Weather Attribution reported that Morocco experienced climate change-related extreme heatwaves. In April, high temperature records were broken in several parts of the country, with temperatures exceeding 41°C in some cities. On 11 August, the General Directorate of Meteorology documented a temperature of 50.4°C in Agadir, the highest ever recorded in the country.

The economy depends on agriculture, fisheries and tourism, all of which are highly sensitive to climate change. Problems such as water scarcity, food insecurity, desertification and shoreline erosion have intensified. As most lands are arid or semiarid, agriculture requires around 80% of water resources. The conversion of cereals to arboriculture has contributed to the water crisis, as fruit requires more water in a country that still relies on rainfall for its agriculture. Watermelon and avocado cultivation have overexploited groundwater resources. Small farmers have to contend with the lowering of water tables and soil depletion.

The constitution stipulates equal access to services for citizens. Morocco has made access to drinking water and electricity a priority for many years. In 2020, 100% of the population will have access to electricity, with households living in remote areas generating electricity through solar home systems. This is largely the result of private investments in power plants. Regarding water, 90.4% of the population has access to at least basic water services, but water is more accessible in urban areas than it is in rural communities, which exacerbates inequalities between regions. Some rural villages are supplied by water tankers that overcharge water, which further strains the limited financial resources of households. Other villages use reservoirs to catch rainwater, but this water is consumed without treatment, which causes health issues. Residents in shanty towns lack access to clean water and sanitation services, as only 39.3% of the population has access to safely managed sanitation. Drought has limited access to water in Morocco. In March 2022, Morocco experienced its worst drought in 40 years. To conserve water, the Moroccan authorities decided in July 2022 to ban the use of drinking water to irrigate green spaces and wash cars, among other measures. In an attempt to put an end to this water scarcity, the same year, the National Office of Electricity and Drinking Water (ONEE) launched a new investment program to mobilize MAD 70 billion (about €6.5 billion) for the supply of drinking water and the reuse of treated wastewater by 2035.

Morocco submitted its revised NDC in 2021. The country commits to an unconditional emissions reduction target of 18.3% and conditional target of 45.5% by 2030 as compared to a 2010 baseline. The revised NDC covers mitigation actions for energy, transport, agriculture, industry and forestry as well as priority adaptation measures for meteorology, agriculture, water, fishing and aquaculture, forestry, vulnerable environments, health, housing, territorial and urban planning. The cost of NDC implementation is estimated at USD 38.8 billion for mitigation measures and USD 40 billion for adaptation measures.

VI. Matching with Danish strengths and interests, engaging Danish actors & seeking synergies

Denmark is mainly present in Morocco through the Danish-Arab Partnership Programme (DAPP) and the Strategic Sector Cooperation (SSC). While DAPP has some activities in Marrakech, and also a focus on youth employment creation, the SSC plays a very direct role in connection with the TD project, as it is already present in the Marrakech Safi region. In a future perspective, the newly launched Danish Strategy for Africa with its new strategic orientations, may also become increasingly relevant for the TD project.

Danish Moroccan Water Cooperation project:

Denmark and Morocco have been engaged in a strategic sector cooperation (SSC) within the water sector. The objective of the partnership is to support implementation of the national water policy in Morocco with focus on sustainable groundwater management, efficient water supply and climate change/nature-based solutions.

The Government of Morocco gives high priority to water sector development and infrastructure, which is also reflected in water sector investment plans and public budgets. A large part of the investments is for construction of large dams, reservoirs, desalination plants, expansion of irrigation systems, wastewater treatment facilities and development of bulk and distribution systems for drinking water. Investments are infrastructure oriented and directed towards production and supply management of water. There is however also a need to develop a more demand-based approach, optimizing and making water supply systems and services more efficient by reducing water loss and lowering energy consumption, developing a more

sustainable use and management of groundwater resources and introducing nature-based solutions in managing climate changes.

The SSC water cooperation with Morocco makes use of Danish core competences and expertise in water governance, holistic and integrated water resources management, sustainable groundwater management, innovative water supply services and approaches and tools to climate change adaptation.

The SSC partnership in the water sector between Denmark and Morocco was launched in June 2023 for a first three-year period until June 2026. The Danish Environmental Protection Agency (DEPA) collaborates with the Ministry of Equipment and Water (General Directorate of Water - DGH), the national water supply company, ONEE, and the regional water resources organization (RBO) in the Tensift basin. 3VAND, represented by Vandcenter Syd, is also involved in the Programme with focus on water supply services. The SSC cooperation in Morocco is financed by the Danish Ministry of Foreign Affairs (MFA) under a framework agreement between Danish MFA and the Danish Ministry of Environment. The Programme is designed based on Moroccan water sector priorities as well as on Danish core competences from the Danish and international water sector.

Activities in Phase 1 of the SSC water cooperation with Morocco include, among others, the following:

- Policy dialogue on sustainable groundwater management, efficient water supply and climate adaptation/nature-based solutions.
- Strategic advice on regulatory framework, legislation, governance, organisation and financing in the water sector.
- Advice on water sector governance and development, in particular on groundwater management, water supply and climate adaptation/nature-based solutions.
- Advice on water resources planning and management at regional level with regional water resources authorities.
- Exchange of knowledge and lessons learned with green transition and solutions to groundwater management, water supply and climate adaptation/nature-based solutions.
- Enhancement of cooperation between public institutions and private sector, private sector involvement and promotion of investment opportunities in the water sector.

Annex 2: Partner assessment

A 2.1 Partners and Target Groups

GIZ is a service provider in the field of international cooperation for sustainable development and international education work. It has over 50 years of experience in a wide variety of areas, including economic development and employment promotion, energy and the environment, and peace and security. GIZ is a German federal enterprise providing its services for a wide range of donors: the German Government, European Union institutions, the United Nations, the private sector, and governments of other countries. GIZ's main commissioning party is the German Federal Ministry for Economic Cooperation and Development (BMZ). The registered offices of GIZ are in Bonn and Eschborn. In 2023, GIZ generated a business volume of around EUR 4 billion. It has 25,634 employees, almost 70 per cent of whom are staff from the partner countries, and it works in around 120 countries.

GIZ has been working in Morocco on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) since 1975. GIZ is now taking on an increasing number of commissions in Morocco for other clients, such as the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), the Federal Foreign Office (AA), the Federal Ministry for Economic Affairs and Energy (BMWi), the European Union, and Moroccan companies. It opened its office in Rabat in 1999. GIZ's portfolio in Morocco focuses primarily on sustainable economic development, conservation and management of water resources, renewable energies & energy efficiency, environment & climate change and good governance.

The GIZ is the contract holder and the organisation responsible for the implementation of the TD project, and for this reason the partner assessment has a focus on GIZ. In the present policy framework of the BMZ there is a focus on two areas of cooperation: a) Sustainable economic development, training and employment, and b) Climate and energy, and just transition. GIZ has a presence of some 200 staff, and an overall portfolio of some 45 projects and programmes, GIZ has almost 50 years of experience in working under the national policy frameworks of Morocco, with a presence within different line ministries, and playing a key role for coordination efforts, both in tandem with the government of Morocco as well as internally among its portfolio of projects and programmes.

The actual preparation of the TD project originated in previous GIZ projects and programmes, and in line with the cooperation modalities defined between GIZ/the Federal Government of Germany and the Moroccan government. The relevance of the TD project is therefore based on past results and experiences, including a focus on digitization and gender equality, while the response to the earthquake has been added during the preparation process within GIZ. With this approach, there is a continuity in terms of **lessons learnt** and **relevance** to national frameworks that was adapted to meet the change in needs following the earthquake. This approach is also testimony to the **change readiness and ownership**, which is considered important in Danida partner identification processes.

The TD project operates with GIZ providing expert staff in technical areas relevant to the TD project. This approach is deemed to support **efficiency and effectiveness**, although the TD project's focus on innovation will require that some resources will be reallocated accordingly. At this point, it is envisaged that the likelihood of **ensuring longer-term sustainability of results** needs to be ensured in tandem with a project management approach that emphasizes **learning, innovation, change and transformation**. These issues are highlighted in the project's management structure, where all actors (GIZ, Moroccan partners and Denmark) work together to navigate these elements successfully.

Gender equality meanwhile plays a key role in GIZ (please refer to the detailed analysis under annex 1: Context analysis above) as do adequate policies related to **Prevention of Sexual Exploitation and Abuse and Sexual Harassment (SEAH)**.

In terms of financial and administrative management, the EU pillar assessment made in 2020 confirms that GIZ has high standards. According to EU regulations, the assessment looked at 8 different areas: a) Internal control system, b) accounting system, c) independent external audit, d) grants, e) procurement, f) exclusion from access to funding, g) publication on information on recipients, and h) protection of personal data. In relation to all of these areas, the assessment concluded that GIZ fulfilled the criteria and had a good capacity.

The project's **political partner** is the Ministry of Infrastructure and Water (*Ministère de l'Équipement et de l'Eau*, MEE). At the national level, the MEE is responsible for the management and planning of water resources as well as the development of hydraulic structures. Due to the drought that has lasted for six years and the responsibility for all infrastructural measures such as dams, canals and desalination plants, the ministry has great political weight. The MEE is a political partner and at the same time an **implementing partner** for project activities at the national level.

Implementation partners: A key implementation partner at the national level is the National Agency for Water and Forests (*Agence Nationale des Eaux et Forêts*, ANEF). It is responsible for the management and use of natural resources in protected areas, forests and other natural areas on state land. In the last 10 years, capacities have also been built up with the help of the technical cooperation to involve the local population in sustainable use concepts.

The most important **local implementation partner** is the Regional Water Management Agency for the Tensift Region (*Agence du bassin hydraulique du Tensift*, ABHT), based in Marrakech. It is subordinate to the MEE and has 52 employees, 37% of whom are women, its own budget and extensive decision-making autonomy. Its task is to ensure integrated water resource management in the respective water catchment areas within the framework of regional water management plans.

Another important **local implementation partner** is the Forestry Office (*Direction Régionale des Eaux et Forêts du Haut Atlas*), which is under the authority of the ANEF. It has 333 employees, 57 of whom are women (17%). Its tasks relevant to the project are the protection of vegetation and soils in the Atlas valleys and

the creation of sustainable income opportunities for the population groups living on public land with collective rights of use. The specialists and managers of both offices are technically well trained. There is a lack of capacity to steer multi-stakeholder processes for integrated approaches to resource conservation.

Additional **local implementation partners** are other local authorities, which are also involved in the framework of the river contracts and the integrated approaches. The provincial administrations of Al Haouz Province and Chichaoua Province, which have a strong mandate for the functioning of all public services in the region, are not an elected body, but are appointed directly by the Ministry of the Interior. Since the earthquake, the provinces have been responsible for coordinating relief efforts and managing resources in their areas. The project will strengthen these structures in their new coordination tasks. The specific requirements are defined as part of the preparation of the capacity development strategy. The local municipal administrations in the project region cover a wide range of responsibilities in the areas of local economic development, spatial planning, infrastructure, social services and environmental protection.

Target group: Intermediaries are experts and managers from the partner organizations: MEE, ANEF, ABHT, the Regional Directorate for Water and Forests (*Direction Régionale des Eaux et Forêts*, DREF) as well as the provincial administrations and local municipal administrations as well as experts and managers of cooperatives and MSMEs in the High Atlas region. It is estimated that 200 professionals and managers are reached from MEE, ANEF, ABH, DREF, provincial and municipal administrations (national, regional and local level) and 300 in the cooperatives/MSMEs.

Through these intermediaries, the Moroccan population in the earthquake region, especially in the Ourika Valley, is reached.

A. 2.2 Summary of key partner features

Name of Partner	Core business <i>What is the main business, interest and goal of the partner?</i>	Importance <i>How important is the project for the partner's activity-level (Low, medium high)?</i>	Influence <i>How much influence does the partner have over the project (low, medium, high)?</i>	Contribution <i>What will be the partner's main contribution?</i>	Capacity <i>What are the main issues emerging from the assessment of the partner's capacity?</i>	Exit strategy <i>What is the strategy for exiting the partnership?</i>
GIZ	GIZ main business is international cooperation for sustainable development. GIZ implements development projects in the field. GIZ interest in this co-financing is to increase the project's impacts and diversify its commissioning partners. GIZ plays an important role in coordination of projects and programs within BMZ priority areas and in ensuring their integration with key Moroccan partners and policies in the concerned areas.	Medium The project (with or without the cofinancing) is a medium-size project in GIZ Morocco's portfolio It is however resulting from a specific pledge done by the BMZ Minister in Marrakech in October 2023 and as such it is politically important.	High GIZ directly implements its project in the field, in close collaboration with the Moroccan political partners.	GIZ is commissioned by BMZ to implement the 8 Mio EUR project, which this co-financing is topping up. Technical support and presence, and hereby ensure that project results are integrated into the work of Moroccan water management institutions over time.	Well established and highly robust admin and financial procedures at GIZ Morocco, long standing cooperation with the water ministry and the ABHT in Marrakech. GIZ also has substantial technical presence with many experts employed in Morocco.	No special requirements after end of agreement The TD project has an adaptive approach to achieve project results within GIZ guidelines, and a plan to integrate and scale over time with Moroccan partners.

Name of Partner	Core business	Importance	Influence	Contribution	Capacity	Exit strategy
MEE	MEE has overall responsibility for infrastructure, water, and the implementation of sector policies in these areas. MEE also has a responsibility for disaster response in some areas, e.g. in relation to the earthquake in 2023.	High, as the MEE will play a key coordinating role as the political partner of both GIZ and Denmark.	High, together with other partners on the ground.	Political and technical support to the TD project's innovation, co-management of the TD project, and its network of technical expertise both centrally and in Marrakech Safi.	Capacity of MEE described above. No individual capacity assessment carried out for MEE in relation to the TD project as cooperation with the GIZ is well-established.	No special requirements after end of agreement. The TD project has an adaptive approach to achieve project results, and a plan to integrate and scale over time with Moroccan partners.
ABHT	The ABHT has responsibility of water and infrastructure at the regional level in line with the organigram of MEE. Located in Marrakech, ABHT covers an area of 26,000 sq km, and a population of approx. 3 mill.	High, as many activities will be carried out with ABHT.	High, the ABHT works directly with local government, communities and a network of other actors.	Technical capacity to support project implementation, mainly in relation to water and infrastructure issues.	Capacity of ABHT described above. No individual capacity assessment carried out for ABHT in relation to the TD project as cooperation with the GIZ is well-established.	Not decided yet. The partner advocates for a flexible approach given the focus on innovation.
ANEF	Conservation and sustainable development of nature (forests, water), and focus areas on desertification, biodiversity, research and hunting/fishing.	Medium to high, as activities will be carried out by MEE, ABHT and ANEF.	Medium to high, depending on the individual outputs of the project.	Preservation of nature and natural resources, forests, engagement in river contracts, cooperation with communities, and coordination with authorities,	Capacity of ANEF described above. No individual capacity assessment carried out for the ANEF in relation to the TD project as cooperation with the GIZ is well-established.	Not decided yet. The partner advocates for a flexible approach given the focus on innovation.

Annex 3: Theory of Change, Scenario and Results framework

The Theory of Change (ToC) outlines a collaborative approach to strengthening Morocco's national water sector framework and institutional capacity for climate adaptation, resilient water management, and sustainable development. The partnership involves Denmark, Germany, the Moroccan Ministère de l'Équipement et de l'Eau (MEE), the Direction Régionale de l'Hydraulique (DGH), the Agence du Bassin Hydraulique du Tensift (ABHT) and other national Moroccan partners, who will collectively work towards achieving these goals through a series of strategic actions and commitments (for more details on partners please refer to Annex 2).

In the following section, the ToC is outlined specifically for the Danish contribution.

Theory of Change (ToC) for Denmark's support

The narrative ToC for the proposed Danish Contribution, as outlined in this PD, is fully aligned with the overall Project ToC prepared by GiZ (see Annex 3) and is summarised as follows:

If Denmark provides earmarked grant funding to the project to substantially increase the total impact;

And if Denmark uses its core expertise, best practice knowledge, and learning based capacity development approaches to assist all involved stakeholders in addressing weaknesses and gaps in national policies, regulations, and systems on 1) Improved conditions for participatory governance of water resources; 2) Water infrastructure measures for resilient reconstruction; 3) Technical/business capacities of cooperatives and MSMEs; and 4) Upscaling;

And if Denmark assists all project stakeholders in striving for jointly using knowledge and networks from the Project on 1) Improved conditions for participatory governance of water resources; 2) Water infrastructure measures for resilient reconstruction; 3) Technical/business capacities of cooperatives and MSMEs; 4) Upscaling resilience-building practices; to identify national requirements and gaps to inform and involve the Danish private sector (or other identified contributors) to provide innovative solutions for climate change and improved water management;

And if Denmark takes an active role and be a member of the Steering Committee for the supported project.

Then:

✓ The resilience of the population in the areas of the High Atlas affected by the earthquake has been strengthened with regard to sustainable use of the natural resources, especially water.

And then:

✓ The national water sector framework and institutional capacity of Moroccan partner institutions is improved for implementing climate adaptation activities, water management and governance and natural resources uses are more sustainable.

And then:

✓ The bilateral and diplomatic engagement between Denmark and Morocco are strengthened in terms of supporting climate adaptation, just transition and sustainable water management and good governance

And then:

✓ There is an enhanced exposure of the German and Danish private sector's sustainable development solutions and green financial investments in Morocco for tackling challenges in climate adaptation and sustainable water management

This Theory of Change illustrates a pathway where collaborative efforts, strategic investments, and shared expertise converge to enhance Morocco's resilience to climate change, improve water management, and support sustainable development, all while fostering stronger international partnerships and private sector involvement.

Key assumptions to ToC are:

- The consequences of the earthquake in September 2023 will not lead to a further deterioration of the social, local political and economic situation

in the affected areas.

- The donor community and the Moroccan state continue to work proactively on necessary improvements in the water and sanitation sector and on post-earthquake reconstruction as a prerequisite for improving livelihoods.
- The ministries and authorities of the Moroccan government relevant to the project support inclusive and intersectoral cooperation despite often unclear or overlapping institutional responsibilities.
- The government promotes the replication of project-supported experiences beyond the project provinces.
- The staff turnover among the partners allows for the continuous implementation of project activities.
- Authorities and non-governmental actors have a continuing interest in implementing more sustainable and nature-based approaches to reconstruction in the earthquake region.

Key assumptions to ToC are:

- The consequences of the earthquake in September 2023 will not lead to a further deterioration of the social, local political and economic situation in the affected areas.
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- The ministries and authorities of the Moroccan government relevant to the project support inclusive and intersectoral cooperation despite often unclear or overlapping institutional responsibilities.
- The government promotes the replication of project-supported experiences beyond the project provinces.
- The staff turnover among the partners allows for the continuous implementation of project activities.
- Authorities and non-governmental actors have a continuing interest in implementing more sustainable and nature-based approaches to reconstruction in the earthquake region.

Result framework for Territoires Durables – Resilient livelihoods in Morocco:

Project	Territoires Durables – Resilient livelihoods in Morocco
Project Objective	The resilience of the population in the areas of the High Atlas affected by the earthquake has been strengthened with regard to the sustainable use of natural resources, especially water.
Impact Indicator	(1) Eight measures of the action plan for nature-based solutions of a river contract, which was adopted after a participatory process, have been included in the investment planning of the partners involved; (2) 1000 people in the High Atlas region have access to improved wastewater management through nature-based measures; (3) 1000 people, 40% of whom are women, have increased their income as part of a sustainable value chain supported by the project.
Baseline *	(1) 2 nature-based measures; (2) 200 people; (3) 0 people.
Target *	(1) 8 nature-based measures; (2) 1000 people; (3) 1000 people.

* The baseline and target values of target indicators 1-3 are provisional and need a detailed assessment of the situation in the intervention zone, they will therefore be reviewed in the first year of implementation and adjusted, if necessary, as part of the initial reporting (the same applies to below output indicators).

Output 1	The conditions for participatory water resource management are improved.		
Output indicator	(a) One stakeholder dialogue for the establishment of a river contract has been conducted with the participation of 25 stakeholders; (b) in 20 selected state, private or civil society organisations, 5 employees or members each have been successfully trained in participatory water management approaches.		
Baseline	Year	2024	(a) 0 stakeholder dialogues; (b) 20 trained employees or members from 4 selected government, private or civil society organizations.
Target	Year	2027	(a) 1 stakeholder dialogue; (b) 100 trained employees or members from 20 selected government, private or civil society organizations.

Output 2	Water infrastructure measures for resilient reconstruction in the earthquake-affected areas of the High Atlas have been implemented.		
Output indicator	(a) 26 nature-based measures in the areas of erosion control, flood management and wastewater management have been implemented; (b) 13 earthquake-damaged water sources have been rehabilitated.		
Baseline	Year	2024	(a) 20 nature-based measures; (b) 5 sources.
Target	Year	2027-28	(a) 26 nature-based measures; (b) 13 sources

Output 3	The technical and business capacities of cooperatives and MSMEs have improved in terms of gender-responsiveness.		
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Output indicator		(a) 20 cooperatives or MSMEs supported, 10 of which are run by women, have developed a strategy to sustainably increase their income through environmentally and water-friendly economic activities along a value chain; (b) 300 female members of cooperatives or entrepreneurs, who have been successfully trained in entrepreneurial, management and technical skills to create income-generating activities in the context of sustainable value chains, are applying the knowledge they have acquired.	
Baseline	Year	2024	(a) 10 cooperatives or MSMEs; (b) 0 members or entrepreneurs.
Target	Year	2027-28	(a) 20 cooperatives or MSMEs; (b) 300 members or entrepreneurs.
Output 4		The capacities of government actors to upscaling proven practices to strengthen population resilience have improved.	
Output indicator		(a) 4 experiences (lessons learned) from proven approaches and practices to strengthen the resilience of the population of the earthquake-affected areas of the High Atlas with regard to access to water and sustainable economic development have been integrated into two government planning documents; (b) 300 experts and managers from national institutions relevant to the water sector, 40% of whom are women, confirm by example that they can make an improved contribution to strengthening resilience through the content learned in training courses.	
Baseline	Year	2024	(a) 0 experiences; (b) 100 experts and managers.
Target	Year	2027-28	(a) 4 experiences in 2 planning documents; (b) 300 experts and managers.

Indicators are generally considered SMART⁶.

⁶ Specific, measurable, achievable, relevant, and time bound.

Annex 4: Risk management matrix

* All significant risks identified will be addressed in the inception period to be mitigated/ reduced to ensure that residual risks are at acceptable level (this will form part of inception review).



Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Contextual risks					
Delay in the establishment of the Greater Atlas Development Agency	Unlikely	Minor	Direct cooperation with the Ministry of the Interior at regional level (Province of Haouz)	The potential impact is minimal due to alternative coordination measures with the Ministry of the Interior	The Greater Atlas Development Agency would be an important project partner, considering its role in coordinating overall development in the target region. However, as it is not one of the included partners in the project description, its potential delayed establishment would not significantly affect the project.
Women and marginalized groups do not have equal access to information	Unlikely	Major	Application of gender-specific approaches to the design and implementation of workshops and consultations	While the probability of unequal access is reduced, any remaining issues could still have significant consequences	The project's gender-specific approaches take into account the special role of women in the Moroccan rural context. Workshops and counselling are designed to involve women and vulnerable groups and take their needs into account.
Some Ourika water users are blocking the river contract process	Unlikely	Minor	Promotion of participatory approaches and involvement of water users Targeted promotion of cooperation between elected authorities and vulnerable actors	After mitigation the risk is reduced to a level where it might have less significant consequences or occur less frequently	There is a risk that some water users in Ourika may be resistant to participating in the river contract process due to conflicts with their historical practices and interests regarding water usage.
Reduced availability of partners due to the large number of local and international players	Unlikely	Minor	Consultations, support for coordination meetings, and regular exchanges during implementation	Minor challenges in engagement may still occur due to competing priorities	The involvement of numerous local and international actors, combined with the urgency of earthquake-related projects, can limit the availability of partners and government agencies
Programmatic risks					
Delay in the implementation of reconstruction measures	Unlikely	Minor	Parallel involvement of partners at central and regional level	Potential loss of trust among communities and stakeholders	If there are delays in implementing reconstruction measures due to slow administrative processes, it can severely disrupt the coordination of these efforts and complicate the reconstruction process for the local population.

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
Measures in the River Treaty cannot be financed and/or included in territorial development plans	Unlikely	Minor	Involvement of regional and municipal decision-makers in the identification and planning of measures from the beginning	Minor setbacks if unforeseen issues arise	Measures planned in the river contract will not be funded and/or included in territorial development plans due to budget constraints and other earthquake-related priorities
Disregard for environmental standards leads to more environmental problems	Unlikely	Major	Stringent monitoring, training and business cooperation	Any failure to adhere to environmental standards, despite mitigation, would have serious consequences for the environment	The promotion of economic activity can have an impact on the environment. The communication of and compliance with environmental standards and environmentally friendly production processes is one of the main concerns of the project
The governance of cooperatives cannot be improved fast enough	Unlikely	Minor	Raising awareness, Involvement of state and civil society actors, exclusion of problematic cooperatives if necessary	While there might still be minor challenges or delays, they are expected to be minimal and unlikely to have significant consequences.	The governance of cooperatives is inadequate in many places. This can lead to a consolidation of inequalities in the membership and to the consolidation of gender inequality
Institutional risks					
Limited absorption capacity of partners at the local level	Unlikely	Minor	Enhance cooperation among key partners through ongoing consultation and joint planning, while also supporting transparency and governance in the sector by maintaining close communication with other donors.	Minor capacity constraints at the local level could still occur	Given the numerous large-scale donor interventions, there is a risk that partner institutions may lack sufficient capacity for absorption and coordination
Lack of donor coordination	Unlikely	Minor	Support measures for steering in the sector	Different donors may have conflicting or overlapping priorities, creating confusion and reducing the effectiveness of project implementation	
Risk of corruption in the selection of subsidized	Unlikely	Minor	Transparent and participatory selection of cooperatives and the	The risk is likely to remain minor due to the transparent and participatory processes in place, which should help in	A possible influence of corruption risks on the intended effects of the module is the selection of cooperatives and MSMEs to be supported as well as potential sales markets for the products of the cooperatives and MSMEs

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
cooperatives or in sales markets			measures to be implemented	reducing the possibility of corruption	In addition, there are risks of corruption in the selection of rehabilitation and construction measures
Risk of corruption in the selection of rehabilitation and construction measures	Unlikely	Minor	Raising awareness among partners	Raising awareness among partners should help in maintaining ethical practices and reducing the likelihood of corruption, so the risk remains minor	
Innovative approaches cannot be included in national strategies during the project period	Unlikely	Minor	Advice on organizational and technical issues relating to the integration of innovations into national strategies	The advice should help in overcoming some of the barriers, but there might still be residual challenges if the integration is not fully achieved	Innovative approaches such as the river treaties not yet established in Morocco and innovative nature-based solutions in the field of water management and climate change adaptation will not yet be included in national strategies during the project period
Staff turnover at the partner	Unlikely	Minor	Institutionalization of learning content and anchoring in planning documents as well as improved knowledge management and digitization	Staff turnover necessitates ongoing training and onboarding processes, which can divert resources and time away from core project activities.	High staff turnover at the partner organization may negatively impact the quality of contributions

Annex 5: Budget details and financial reporting template

A.5.1 : Overall Budget (in EUR in GIZ format) – as per Agreement between the partners (Danish Ministry of Foreign Affairs and GIZ)

Budget Template						
						 <small>Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH</small>
Project name	Project number		Name of officer responsible for the commission (AV)	Date of issue		
Territoires Durables – Resiliente Lebensgrundlagen in Marokko	2023.2206.3		Dr. Anne Chaponniere	22-11-2024		
	Total Cost Estimate of joint implementation (planned value)	Total Cost Estimate based on DK MOFA contribution to total direct costs	Forecast of DK MOFA Contribution Reporting Period 1 (from 12/24 to 11/25)	Forecast of DK MOFA Contribution Reporting Period 2 (from 12/25 to 11/26)	Forecast of DK MOFA Contribution Reporting Period 3 (from 12/26 to 11/27)	Forecast of DK MOFA Contribution Reporting Period 4 (from 12/27 to 11/28)
		(1)	(2.1)	(2.2)	(2.3)	(2.4)
	EUR	EUR	EUR	EUR	EUR	EUR
Joint Budget Cost Allocation						
1. Assignment of experts	7.467.408	2.718.407	709.313	692.012	653.424	663.898
2. Materials and equipment and construction contracts	2.237.960	814.698	167.271	240.078	272.841	134.508
3. Financing	160.000	58.246	-	23.298	23.298	11.649
4. HCD formats: participant-related costs	68.600	24.973	-	24.973	-	-
5. Other direct costs	389.542	141.807	32.609	31.235	31.235	46.487
6. Total direct costs	10.323.510	3.758.131	909.194	1.011.597	980.799	856.542
7. Overheads incl. risk mark-up	1.697.690	263.069	63.644	70.812	68.656	59.958
8. Estimated total costs	12.021.200	4.021.200	972.837	1.082.408	1.049.455	916.499

DK MFA contribution	
Total direct eligible costs by the DK MFA	3.698.131
Audit (covered by DK MoFA, included in (1))	60.000
<i>DK MFA contribution to total direct costs (incl. Audit)</i>	<i>36%</i>
Overheads incl. risk mark-up (up to max. 7% of Total Direct Costs)	263.069
Total eligible cost by the DK MFA	4.021.200
Total eligible cost by the DK MFA in DKK	30.000.000
DK MOFA contribution within joint implementation %	33%

BMZ contribution	
Total direct eligible costs by BMZ	6.565.379
<i>BMZ contribution to total direct costs</i>	<i>64%</i>
Overheads incl. risk mark-up	1.434.621
Total eligible cost financed by BMZ	8.000.000
BMZ contribution within joint implementation %	67%

Exchange rate on the date of preparation, 19/11/2024 (DKK-EUR)

0,13404


A.5.2 Table 2: Preliminary Budget estimates per output (in EUR in GIZ format)

	Total Cost Estimate	Total Cost Estimate	Forecast of DK	Forecast of DK	Forecast of DK	Forecast of DK
	of joint implementation	based on DK MOFA	MOFA Contribution	MOFA Contribution	MOFA Contribution	MOFA Contribution
	(planned value)	contribution to total	Reporting Period 1	Reporting Period 2	Reporting Period 3	Reporting Period 4
	EUR	EUR	EUR	EUR	EUR	EUR
		(1)	(2.1)	(2.2)	(2.3)	(2.4)
	EUR	EUR	EUR	EUR	EUR	EUR
Cross-cutting costs (Output 0)						
1. Assignment of experts	50.840	18.508	4.627	4.627	4.627	4.627
2. Materials and equipment and construction contracts	-	-	-	-	-	-
3. Financing	-	-	-	-	-	-
4. HCD formats: participant-related costs	-	-	-	-	-	-
5. Other direct costs	-	-	-	-	-	-
6. Total overarching costs	50.840	18.508	4.627	4.627	4.627	4.627
Output 1						
1. Assignment of experts	2.065.934	752.075	219.144	215.157	178.298	139.476
2. Materials and equipment and construction contracts	88.750	32.308	8.077	8.077	8.077	8.077
3. Financing	24.000	8.737	-	4.368	4.368	-
4. HCD formats: participant-related costs	20.580	7.492	-	7.492	-	-
5. Other direct costs	96.840	35.253	8.118	7.774	7.774	11.587
6. Total direct costs Output 1	2.296.104	835.865	235.338	242.868	198.518	159.141
Output 2						
1. Assignment of experts	1.609.760	586.011	148.486	141.145	140.326	158.054
2. Materials and equipment and construction contracts	1.571.710	572.159	124.838	179.443	194.005	73.873
3. Financing	24.000	8.737	-	4.368	4.368	-
4. HCD formats: participant-related costs	20.580	7.492	-	7.492	-	-
5. Other direct costs	98.383	35.808	8.256	7.913	7.913	11.726
6. Total direct costs Output 2	3.324.413	1.210.207	279.580	340.362	346.612	243.652
Output 3						
1. Assignment of experts	2.027.614	738.125	183.803	179.816	179.361	195.145
2. Materials and equipment and construction contracts	488.750	177.923	26.279	44.481	62.682	44.481
3. Financing	-	-	-	-	-	-
4. HCD formats: participant-related costs	-	-	-	-	-	-
5. Other direct costs	96.840	35.253	8.118	7.774	7.774	11.587
6. Total direct costs Output 3	2.613.204	951.301	218.199	232.071	249.818	251.213
Output 4						
1. Assignment of experts	1.713.920	623.929	155.254	151.267	150.812	166.596
2. Materials and equipment and construction contracts	88.750	32.308	8.077	8.077	8.077	8.077
3. Financing	112.000	40.772	-	14.561	14.561	11.649
4. HCD formats: participant-related costs	27.440	9.989	-	9.989	-	-
5. Other direct costs	96.840	35.253	8.118	7.774	7.774	11.587
6. Total direct costs Output 4	2.038.949	742.251	171.449	191.669	181.225	197.909
Total (Outputs 1-5)						
6. Total direct costs	10.323.510	3.758.131	909.194	1.011.597	980.799	856.542
7. Overheads incl. risk mark-up	1.697.690	263.069	63.644	70.812	68.656	59.958
8. Estimated total costs	12.021.200	4.021.200	972.837	1.082.408	1.049.455	916.499

Explanations of the budget lines

1	Assignment of experts	
1.1	International staff	International personnel assigned to the project/contribution: salary incl. all relevant components like fixed salary, variable remuneration, social security, external qualification measures, living abroad allowance, non-recurring costs at the end of staff assignment such as compensation payments and other personnel-related costs. Incl. Development Workers, Integrated and Returned Experts
1.2	National staff	National personnel assigned to the project/contribution : Salary incl. all relevant components like fixed salary, variable remuneration, social security, external qualification measures, non-recurring costs at the end of staff assignment such as compensation payments and other personnel-related costs.
1.3	GIZ internal services	Personnel not directly assigned to the project/contribution, from HQ and the respective GIZ Country Offices delivering technical, methodological, advisory services, as well as other administrative project support, as bookkeeping, HR, procurement and travel management. These services are logged in with time sheets and are charged to the project in accordance with the causality principle based on German price law on hourly rates.
1.4	External Expertise incl. travel costs	International, regional and local consultants and consultancy firms (incl. travel costs) , audit costs for financing agreements (service contracts)
1.5	Travel costs	Travel expenses of international personnel, national personnel, personnel working at HQ in Germany, assigned to the project/contribution, as well as backstopping and support through GIZ HQ personnel. Including flight tickets, transportation costs, accommodation and subsistence allowance pursuant to the German regulations on wage tax as published by the German Federal Ministry of Finance.
2	Materials and equipment and construction contracts	
2.1	Materials & Equipment	International and national procurement of activity-related goods, as well as office and IT equipment and consumables. For international procurement there are also transport costs, and insurance costs included. If and when applicable: training and workshop materials; access to databases & journals, as well as procurement made by consultants within there contractual agreements.
2.2	Construction materials & services	Construction material, procurement of goods for constructions, construction contracts
3	FINANCING	
3.1	Financing agreements to govern. partners	Grants with government authorities, political partners and local ministries
3.2	Local subsidies	Grants to local organisations, that do not yet have sufficient technical, commercial or administrative capacity to administer the funds independently. The financial processing of those funds are carried out by the GIZ Country Office in the respective Countries.
3.3	Subsidy and grant agreements to non-govern. partners	Grants to German or other international organisations and institution. Incl. scholarships to HCD participants.
4	HCD formats: participant-related costs	Costs for partners that participate in training, study tours, etc. Costs include travel, preparation costs, such as language training, insurances. Subsistence allowances follow regulations by the German Federal Ministry of Finance.
5	Other direct costs	
5.1	Other direct costs HQ	Project office costs for project personnel working at the Headquarters in Germany. Expenses for medical services (vaccinations, check-up, medical treatment) of international personnel directly assigned to the project/contribution, preparatory costs of the initial assessment in line with the BMZ agreement.
5.2	Running costs local	Project office costs in the country of implementation such as rent, additional rental charges, telecommunication, Internet, maintenance, etc.
5.3	Other external services	Repairs, vehicle maintenance, catering and room costs for workshops and seminars (travel costs, consultants, etc are booked in the respective budget lines), printing, translation and interpretation services, moderators, facilitators, websites, print media for public relations, etc.
5.4	Other costs and revenues	Travel costs of partners not related to a training measure, internal staff trainings, revenues and other reimbursements.
6	TOTAL DIRECT COSTS	
7	Overheads incl. risk mark-up	Overhead costs for which a direct causal relation to an individual project cannot be established with reasonable effort (i.e. different from budget line 1.2 internal technical/ administrative services) arise for costs for internal service providers, e.g. finance and accounting, procurement, HR, IT, corporate communications, legal affairs, risk management, compliance etc. The German public price law applies to all commissions awarded by the German public sector and projects are calculated based on a cost reimbursement price. Legislation stipulates that a price-based risk mark-up must be included in order to cover entrepreneurial risks. The risk mark-up varies between 1-2%, depending on the cost type, cost reimbursement price without or with price cap. German VAT, if applicable, is included. The maximum overhead rate (incl. the statutory reserve) to be charged to DK MoFA shall not exceed seven percent (7%) of the total direct costs, pro rata to the donor's contribution for the entire duration.
8	ESTIMATED TOTAL COSTS	Total direct costs and overheads incl. risk markup

A.5.2 Output allocation overview template

Output Allocation Overview Template						
				giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH		
Project name	Project number		Name of officer responsible for the commission (AV)	Date of issue		
Territoires Durables – Resiliente Lebensgrundlagen in Marokko	2023.2206.3		Dr. Anne Chaponniere	22-11-2024		
	Total Cost Estimate of joint implementation (planned value)	Total Cost Estimate based on DK MOFA contribution to total direct costs	Forecast of DK MOFA Contribution Reporting Period 1 (from 12/24 to	Forecast of DK MOFA Contribution Reporting Period 2 (from 12/25 to	Forecast of DK MOFA Contribution Reporting Period 3 (from 12/26 to	Forecast of DK MOFA Contribution Reporting Period 4 (from 12/27 to
		(1)	(2.1)	(2.2)	(2.3)	(2.4)
	EUR	EUR	EUR	EUR	EUR	EUR
Cross-cutting costs (Output 0)						
1. Assignment of experts	50.840	18.508	4.627	4.627	4.627	4.627
2. Materials and equipment and construction contracts	-	-	-	-	-	-
3. Financing	-	-	-	-	-	-
4. HCD formats: participant-related costs	-	-	-	-	-	-
5. Other direct costs	-	-	-	-	-	-
6. Total overarching costs	50.840	18.508	4.627	4.627	4.627	4.627
Output 1						
1. Assignment of experts	2.065.934	752.075	219.144	216.157	178.298	139.476
2. Materials and equipment and construction contracts	88.750	32.308	8.077	8.077	8.077	8.077
3. Financing	24.000	8.737	-	4.368	4.368	-
4. HCD formats: participant-related costs	20.580	7.492	-	7.492	-	-
5. Other direct costs	96.840	35.253	8.118	7.774	7.774	11.587
6. Total direct costs Output 1	2.296.104	835.865	235.338	242.868	198.518	159.141
Output 2						
1. Assignment of experts	1.609.760	586.011	146.486	141.145	140.326	158.054
2. Materials and equipment and construction contracts	1.571.710	572.159	124.838	179.443	194.005	73.873
3. Financing	24.000	8.737	-	4.368	4.368	-
4. HCD formats: participant-related costs	20.580	7.492	-	7.492	-	-
5. Other direct costs	98.363	35.808	8.256	7.913	7.913	11.726
6. Total direct costs Output 2	3.324.413	1.210.207	279.580	340.362	346.612	243.652
Output 3						
1. Assignment of experts	2.027.614	738.125	183.803	179.816	179.361	195.145
2. Materials and equipment and construction contracts	488.750	177.923	26.279	44.481	62.682	44.481
3. Financing	-	-	-	-	-	-
4. HCD formats: participant-related costs	-	-	-	-	-	-
5. Other direct costs	96.840	35.253	8.118	7.774	7.774	11.587
6. Total direct costs Output 3	2.613.204	951.301	218.199	232.071	249.818	251.213
Output 4						
1. Assignment of experts	1.713.920	623.929	155.254	151.267	150.812	166.596
2. Materials and equipment and construction contracts	88.750	32.308	8.077	8.077	8.077	8.077
3. Financing	112.000	40.772	-	14.561	14.561	11.649
4. HCD formats: participant-related costs	27.440	9.989	-	9.989	-	-
5. Other direct costs	96.840	35.253	8.118	7.774	7.774	11.587
6. Total direct costs Output 4	2.038.949	742.251	171.449	191.669	181.225	197.909
Total (Outputs 1-5)						
6. Total direct costs	10.323.510	3.758.131	909.194	1.011.597	980.799	856.542
7. Overheads incl. risk mark-up	1.697.690	263.069	63.644	70.812	68.656	59.958
8. Estimated total costs	12.021.200	4.021.200	972.837	1.082.408	1.049.455	916.499

A.5.3 Budget reporting template

Budget Reporting Template											
Project name		Project number			Name of officer responsible for the commission (AV)				Date of issue		
NN		<XXXX.XXXX.X>			NN				DD.MM.YYYY		
	Total Cost Estimate of joint implementation (planned value)	Total Cost Estimate based on DK MOFA contribution to total direct costs (1)	Budget Period Reporting Period (from ... to ...)	Actual Spent Period Reporting Period (from ... to ...)	Budget vs. Actual Period		Comments budget variance	Budget Utilisation			
					Budget Variance	Budget Variance %		Accumulated Actual Spent	Balance available to date	Grant utilised to date %	Forecast (next period)
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Joint Budget Cost Allocation											
1. Assignment of experts	7.467.405	2.718.407									
2. Materials and equipment and construction contracts	2.237.900	614.090									
3. Financing	160.000	58.246									
4. HCD formats: participant-related costs	68.600	24.973									
5. Other direct costs	380.542	141.807									
6. Total direct costs	10.323.510	3.758.131									
7. Overheads incl. risk mark-up	1.697.690	263.069									
8. Estimated total costs	12.021.200	4.021.200									
DK MFA contribution within joint implementation											
Total direct eligible costs by the DK MFA	3.698.131										
Audit (covered by DK MOFA, included in 1.)	60.000										
DK MFA contribution to total direct costs (incl. Audit)											36%
Overheads incl. risk mark-up (up to max. 7% of Total Direct Costs)											263.069
Total eligible cost by the DK MFA	4.021.200										
Total eligible cost by the DK MFA in DKK	30.000.000										
DK MOFA contribution within joint implementation %	33,45%										
BMZ contribution within joint implementation											
Total direct eligible costs by BMZ	6.585.379										
BMZ contribution to total direct costs	6496										
Overheads incl. risk mark-up	1.434.621										
Total eligible cost financed by BMZ	8.000.000										
BMZ contribution within joint implementation %	67%										
Exchange rate on the date of preparation, 19/11/2024 (DKK-EUR): 0,13404											

A.5.4 Output allocation reporting template

Output Allocation Reporting Template											
Project name		Project number			Name of officer responsible for the commission (AV)				Date of issue		
NN		XXXXX.XXXXXX.X			NN				DD.MM.YYYY		
	Total Cost Estimate of joint implementation (planned value)	Total Cost Estimate based on DK MOFA contribution to total direct costs (1)	Budget Period Reporting Period (from ... to ...)	Actual Spent Period Reporting Period (from ... to ...)	Budget vs. Actual Period		Comments budget variance	Budget Utilisation			
					Budget Variance	Budget Variance %		Accumulated Actual Spent	Balance available to date	Grant utilised to date %	Forecast (next period)
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Cross-cutting costs (Output 0)											
1. Assignment of experts	50.840	18.508							18.508		0%
2. Materials and equipment and construction contracts	-	-									
3. Financing	-	-									
4. HCD formats: participant-related costs	-	-									
5. Other direct costs	-	-									
6. Total overarching costs	50.840	18.508							18.508		0%
Output 1											
1. Assignment of experts	2.068.934	752.075							752.075		0%
2. Materials and equipment and construction contracts	89.750	32.308							32.308		0%
3. Financing	24.000	8.737							8.737		0%
4. HCD formats: participant-related costs	20.580	7.492							7.492		0%
5. Other direct costs	96.840	35.253							35.253		0%
6. Total direct costs Output 1	2.239.104	835.865							835.865		0%
Output 2											
1. Assignment of experts	1.609.760	586.011							586.011		0%
2. Materials and equipment and construction contracts	1571.770	572.159							572.159		0%
3. Financing	24.000	8.737							8.737		0%
4. HCD formats: participant-related costs	20.580	7.492							7.492		0%
5. Other direct costs	98.363	35.808							35.808		0%
6. Total direct costs Output 2	3.324.413	1.210.207							1.210.207		0%
Output 3											
1. Assignment of experts	2.027.614	738.125							738.125		0%
2. Materials and equipment and construction contracts	488.750	177.923							177.923		0%
3. Financing	-	-									
4. HCD formats: participant-related costs	-	-									
5. Other direct costs	96.840	35.253							35.253		0%
6. Total direct costs Output 3	2.613.204	951.301							951.301		0%
Output 4											
1. Assignment of experts	1.712.320	623.929							623.929		0%
2. Materials and equipment and construction contracts	88.760	31.981							31.981		0%
3. Financing	110.000	40.772							40.772		0%
4. HCD formats: participant-related costs	27.440	9.989							9.989		0%
5. Other direct costs	96.840	35.253							35.253		0%
6. Total direct costs Output 4	2.035.360	742.924							742.924		0%
Total (Outputs 1-5)											
6. Total direct costs	10.323.510	3.758.131							3.758.131		0%
7. Overheads incl. risk mark-up	1.697.690	263.069							263.069		0%
8. Estimated total costs	12.021.200	4.021.200							4.021.200		0%

Annex 6: List of supplementary materials

International conventions that protect fundamental economic, social and environmental human rights

The International Covenant on Economic, Social and Cultural Rights, adopted by the United Nations General Assembly on 16 December 1966,

Decision of the General Assembly of the United Nations No. 47/199 of 22 December 1992.

The United Nations Convention to Combat Desertification (UNCCD) in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (1994) specifies that: (i) sustainable economic growth, social development and poverty eradication are priorities for affected developing countries, particularly in Africa, and are essential for achieving sustainability goals, and (ii) desertification and drought undermine sustainable development due to the correlation between these phenomena and important social problems such as poverty, poor health and nutrition and food insecurity, as well as those resulting from migration, population displacement and population dynamics

The Paris Agreement (November 2015) on climate change (United Nations Framework Convention) by assisting countries in the implementation of the actions of the global climate agenda;

The Universal Declaration of Human Rights

International Covenant on Civil and Political Rights

[International Covenant on Economic, Social and Cultural Rights](#)

Convention on the Rights of the Child 1989

Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)

Naciri, Rabéa (2020): State of Equality and Parity in Morocco, National Council for Human Rights (CNDH), https://www.cndh.org.ma/sites/default/files/cndh_-_etat_egalite_final22.pdf

Ministry of Solidarity: Government Plan for Equality (PGE) "ICRAM in perspective of parity", Phase I 2012-2016; Phase II 2017-2021, <http://www.social.gov.ma/fr/domaine-de-la-femme/plan-gouvernemental-pour-l%E2%80%99egalit%C3%A9>

DANIDA Financial Management Guidelines

DANIDA Aid Management Guidelines

Background document for the Strategic Sector Cooperation on water

Annex 7: Plan for communication of results

What? (the message)	When? (the timing)	How? (the mechanism)	Audience(s)	Responsible
The official start of the project The project vision, its partners, budget and time-frame	January/ February 2025: tbd depending on availability of minister & ambassadors	High level workshop with official statement, presentation and signature ceremony (signature of the execution contract between water ministry and GIZ, in the presence of the two donors: German BMZ and Danish MoFA)	Ministry of Water and Infrastructure Agence de bassin du Tensift Partner ministries (tbd) German embassy Danish embassy GIZ	GIZ project staff
Project progress	To be defined in the project's communication strategy			GIZ project staff
The official closing of the project The project achievements	November 2028	High level workshop with official statement, presentations and round table	Ministry of Water and Infrastructure Agence de bassin du Tensift Partner ministries (tbd) German embassy Danish embassy GIZ	GIZ project staff

Annex 8: Process action plan

Activity	Timing	Responsible
Final draft Project Document Submitted	4 th October 2024	Rabat embassy / Process Consultant
Appraisal	October 2024	Rabat embassy / Appraisal Consultant
Final Project Document based on appraisal recommendations	November 2024	Rabat embassy / Process Consultant / GIZ
Approval by the Danish Minister of Foreign Affairs	November/ December 2024	Rabat embassy
Commitment of 1 st tranche of funding	December 2024	Rabat embassy
Start of project implementation (with Denmark's engagement, project has started in Q4 2024)	December 2024	Rabat Embassy / GIZ
Meetings in the Steering Committee	Per agreed schedule	Rabat Embassy / GIZ
Completion of project implementation period	Q3 or Q4 2028	Rabat embassy / GIZ
Final external audit (6 months after project completion)	2029	Rabat embassy / GIZ
Final Results Report within MFA	2029	Rabat embassy

ANNEX 10: QUALITY ASSURANCE CHECKLIST

File number/F2 reference: _____ 23/30716 _____

Programme/Project name: _____ Territoires Durables _____

Programme/Project period: _____ 2024-2028 _____

Budget: _____ 30 million DKK _____

This Quality Assurance Checklist should be used by the responsible MFA unit to document the quality assurance process of appropriations, where development specialists from either ELK or other units are not involved in the process; i.e.

- (i) *internal appraisals* of appropriations up to DKK 10 Million where this checklist constitutes the appraisal.
- (ii) *external appraisals* of appropriations between DKK 10 – 43 million and (iii) appraisal in exceptional cases. The checklist aims to help the responsible MFA unit ensure that key questions regarding the quality of the programme/project are asked and that the answers to these questions are properly documented and communicated to the approving authority.

Presentation of quality assurance process:

An external appraisal of the project has been undertaken and the appraisal report can be found attached to the grant documents. The Danish embassy in Rabat has also conducted thorough internal quality assurance of the project documents and grant agreement in close cooperation with TILSKUD, LÆRING, ØKO and DKJUR.

The design of the programme/project has been appraised/appraisal checklist filled out, by someone independent who has not been involved in the development of the programme/project.

Comments:

The recommendations of the appraisal/comments in the appraisal checklist have been reflected upon in the final design of the programme/project.

Comments:

The programme/project complies with Danida policies and Aid Management Guidelines, including the fundamental principles of Doing Development Differently.

Comments:

The programme/project addresses relevant challenges and provides adequate responses.

Comments:

Issues related to HRBA, LNOB, Gender, Youth, Climate Change, Green Growth and Environment have been addressed sufficiently in relation to content of the project/programme.

Comments:

Comments from the Danida Programme Committee (if applicable) have been addressed
Comments: N/A

The programme/project outcome(s) are found to be sustainable and in line with the partner's development policies and strategies. Implementation modalities are well described and justified.

Comments:

The theory of change (if applicable), results framework, indicators and monitoring framework of the programme/project provide an adequate basis for monitoring results and outcome.

Comments:

The programme/project is found sound budget-wise,

The agreed budget and financial reporting procedures provide an adequate basis for financial monitoring of funds.

Comments:

The programme/project is found realistic in its time-schedule.

Comments:

Other donors involved in the same programme/project have been consulted, and possible harmonised common procedures for funding and monitoring have been explored.

Comments: The project has been formulated and developed in close coordination with co-donor BMZ.

Key programme/project stakeholders have been identified, the choice of partner has been justified and criteria for selection have been documented.

Comments:

The implementing partner(s) is/are found to have the capacity to properly manage, implement and report on the funds for the programme/project and lines of management responsibility are clear.

Comments:

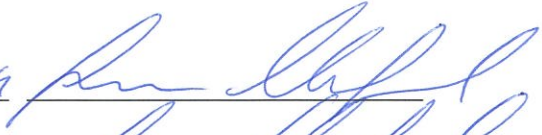
Implementing partner(s) has/have been informed about Denmark's zero-tolerance policies towards (i) Anti-corruption; (ii) Child labour; (iii) Sexual exploitation, abuse and harassment (SEAH); and, (iv) Anti-terrorism.

Comments:

Risks involved have been considered and risk management integrated in the programme/project document.

Comments:

In conclusion, the programme/project can be recommended for approval: yes

Date and signature of Desk Officer: 29.11.29 

Date and signature of Management: 29.11.29 