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Report No. P-5987-MOR

MEMORANDUM AND RECOMMENDATION

OF THE

PRESIDENT OF THE

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

TO THE

EXECUTIVE DIRECTORS

ON

PROPOSED LOANS

IN AMOUNTS EQUIVALENT TO US$4 MILLION

TO

THE KINGDOM OF MOROCCO

AND

US$100

TO

THE FONDS D'EQUIPEMENT COMMUNAL

WITH THE GUARANTEE OF THE KINGDOM OF MOROCCO

FOR A

FIRST MUNICIPAL FINANCE PROJECT

May 21, 1993

CURRENCY EQUIVALENTS

US$1 = DH 8.50
(as of January 1, 1993)
DH 1 = US$0.12

FISCAL YEAR

January 1 - December 31

ACRONYMS

BM	Banque Al-Maghrib (Moroccan Central Bank)
CDG	Caisse de Dépôt et de Gestion (Administrator of Insurance and Pension Funds)
CL	Collectivités Locales (Local governments)
FEC	Fonds d'Equipement Communal (Communal Infrastructure Fund)
GT	General Treasury of the Kingdom
ICB	International Competitive Bidding
LCB	Local Competitive Bidding
MOF	Ministry of Finance
MOI	Ministry of Interior
USAID	United States Agency for International Development
TDMI	Training Directorate of the Ministry of the Interior
VAT	Value-Added Tax

KINGDOM OF MOROCCO

FIRST MUNICIPAL FINANCE PROJECT

Loan and Project Summary

Borrowers: Kingdom of Morocco and Fonds d'Equipement Communal (FEC), the municipal finance agency, with the guarantee of the Kingdom of Morocco.

Beneficiaries: Local Governments of the Kingdom of Morocco.

Amount:

Kingdom of Morocco	US$ 4 million
FEC	US$ 100 million

Terms: Bank's standard variable interest rate, with 20 years maturity.

Onlending terms: FEC will onlend to the beneficiaries US$100 million equivalent in dirhams with a margin of about 4 percentage points to cover the foreign exchange risk plus 2.0 - 2.5 percentage points to cover the commercial and interest risks, and management costs. Maturities will be up to 15 years with a grace period on principal of up to two years. The Kingdom will assume exchange losses on FEC's loan in excess of the exchange margin.

Financing Plan:

Subborrowers' resources	US$	35.3
FEC	US$	42.0
Government	US$	1.0
Bank	US$	104.0
TOTAL	US$	182.3

Economic Rate of Return: 10 percent--minimum--for projects with quantifiable benefits.

Staff Appraisal Report: Report No. 11562-MOR

MEMORANDUM AND RECOMMENDATION OF THE PRESIDENT OF THE
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
TO THE EXECUTIVE DIRECTORS
ON PROPOSED LOANS
TO THE KINGDOM OF MOROCCO
AND TO THE FONDS D'EQUIPEMENT COMMUNAL
FOR A FIRST MUNICIPAL FINANCE PROJECT

1. I submit for your approval the following memorandum and recommendation on proposed loans of US$4 million to the Kingdom of Morocco and of US$100 million to the Fonds d'Equipement Communal (FEC), with the guarantee of the Kingdom of Morocco, for a First Municipal Finance Project which combines two interrelated projects with the effectiveness of the FEC loan being conditional upon the effectiveness of the Kingdom loan and any default by the Government on its loan being an event of default of the FEC's loan. The loans would be at the Bank's standard variable interest rate, with a maturity of 20 years, including five years of grace.

2. Background. The local sector in Morocco generates almost 5 percent of GDP, even with present low service and investment levels. Most urban services such as potable water supply, sewerage, solid waste and disposal, and markets are deficient, while local governments and their enterprises strive to cope with an urban population growing at about 4 percent p.a. To achieve acceptable levels of local services, Morocco's local governments need to invest about US$600 million p.a. over this decade. Yet limited financial resources now constrain investment levels to some US$400 million p.a., despite the fiscal reform of 1988, which allocated 30 percent of the value-added tax (VAT) to local governments.

3. Although the paucity of funds is a binding constraint, Morocco has ample margin to improve sector policies and institutions. Leaving distribution of the local share of the VAT among local governments largely to Government discretion is conducive neither to an efficient allocation of resources nor to the accountability of elected local authorities to their constituencies (para. 10). In particular, the distribution of part of the local share of the VAT on the basis of forecast budget deficits, which include debt service, encourages local governments to finance low-priority investments with debt beyond their capacity to pay with their own resources. Although the Government has just implemented a reform of local taxes aiming to increase local government revenues, it can further improve the country's local and intergovernmental finance. This ought to be considered once a reform of the system to distribute the local share of the VAT is introduced and results of the reform of local taxes can be assessed.

4. The local sector in Morocco comprises the following institutions: (a) about 1,600 urban municipalities and rural communes governed by elected officials, but for which the Ministry of the Interior (MOI) approves budgets and the Ministry of Finance (MOF) manages cash; (b) provinces (which comprise municipalities and rural communes), a hybrid of local government and line unit within MOI; (c) the Régies, semi-autonomous water distribution, power distribution, and urban transportation agencies serving the major cities; and (d) FEC, the municipal finance agency. Local governments lack sufficient trained staff and adequate management systems. The Government, for its part, lacks adequate systems to monitor sector performance. The Régies, under the tutelage of local authorities and MOI, generally perform well below the standards of business enterprises. Ongoing and planned water and sewerage sector projects will address their problems. FEC, until recently a government fund managed by the Caisse de Dépôts et de Gestion (CDG - an agency that manages government

pension funds), has lacked standard banking procedures, effective control by MOF, and supervision by the Central Bank (Banque Al-Maghrib - BM). Yet, FEC will continue to dominate municipal finance until local governments can manage their own cash (for use as collateral for commercial bank loans). Following the recommendations of Bank sector and completion reports, the Government began restructuring FEC by converting it into a legally autonomous financial agency overseen by both MOI and MOF and supervised as a financial institution by BM (para. 10). Furthermore, FEC's Board has approved a comprehensive statement of sound lending and financial policies (Policy Statement) giving FEC effective managerial autonomy. Also, the Government, by the end of May 1993, plans to contribute an additional DH 75 million to FEC's equity, and local governments, at the Government's request, will take charge of their enterprises' loans in arrears with FEC, to bring down FEC's debt-to-equity ratio to 15 to 1 (previously 70 to 1) by the end of 1993. These measures, together with FEC's financial undertakings (para. 12) provide FEC with financial independence. FEC, moreover, has been able to submit the appraisal of several subprojects complying with its recently approved Policy Statement.

5. To overcome the above constraints (para. 3), the Government plans to distribute most of the local share of the VAT among local governments for coverage of operating costs, debt service, and investments on the basis of objective criteria. Under this reform, no less than 50 percent of the local share of the VAT will be distributed on the basis of population, per capita endowment of tax base (poorer communities will receive more per capita), and collection rate of some taxes as an incentive to local effort; MOI will still enforce repayment of FEC's debt as a first priority and approve local budgets. In addition, the Government will: (a) formulate a strategy to further improve intergovernmental finance and local taxation; (b) carry out an action plan to upgrade local government capacity as well as the Central Government's information system for the local sector; and (c) to the extent possible, help the local sector reach an investment level of around US$500 million p.a.

6. Project Objectives. The proposed project aims to: (a) improve the efficiency of local investments (partly by restructuring FEC); (b) improve the distribution of the local share of the VAT and lay the basis for further improving intergovernmental finance; (c) increase the availability and improve the delivery of local services; and (d) upgrade the management of local governments and central tutelage over the local sector.

7. Project Description. The project will be implemented between 1993 and 1999, albeit substantially completed in early 1998. It includes the following components: (a) funding for local investments (96.8 percent of total project cost), excluding major water systems and rural power systems, which other Bank loans will assist; (b) technical assistance, training, and equipment to increase FEC's capabilities (0.4 percent); (c) training for local government staff (1.3 percent); and (d) purchase of computer equipment and software, training for central government officials, and studies to improve local sector management (1.5 percent). These studies aim to: (i) formulate a strategy to improve further intergovernmental finance and local taxation, including an assessment of prospects for privatizing local services; (ii) introduce improved reporting, accounting and budgeting systems for local governments; and (iii) introduce a system to produce, collect, and disseminate information on local governments from a centralized data base. Terms of reference for the studies have been agreed upon. The total cost of the project is US$182.3 million with a foreign exchange content of US$68.2 million (FEC, with other funds, will finance a larger part of the local sector investment program). A breakdown of costs and the financing

plan for the proposed project are shown in Schedule A. Amounts and methods of procurement and disbursement are in Schedule B. A timetable of key project processing events and the status of Bank Group Operations are given in Schedules C and D, respectively.

8. Project Implementation. The Kingdom of Morocco will borrow US$4.0 million for training and technical assistance to improve local sector management systems. FEC will borrow US$100.0 million for financing local investment projects and its own institutional improvement. Local governments will carry out most investments. MOI, in coordination with MOF, will carry out the studies on local finance, information systems of the local sector, investments and the data base, as well as training for the local sector. FEC will finance priority investments that: (a) match eligible sectors as indicated in FEC's Policy Statement; (b) meet FEC's borrower and project eligibility criteria; and (c) have been listed in the local authorities' investment programs. In general, FEC will apply the same eligibility criteria, standards, and lending conditions to all its operations, regardless of sources of financing. Eligible sectors include water, sewerage, solid waste, markets, communal facilities, and some productive facilities such as slaughterhouses and markets. Eligibility criteria include maximum debt service ratios for borrowers and minimum economic rates of return of 10 percent for projects. FEC will lend in local currency at both variable and fixed interest rates. Its average interest is estimated at around 14.5 percent over the project period. That rate includes: a 2 percentage point margin to cover costs and commercial risk; a 0.5 percentage point margin to cover interest risk (for fixed-rate loans); and an estimated 4 percentage point margin to cover the cost to FEC of the foreign exchange risk which the Government assumes. The Government, out of its own resources, covers the foreign exchange losses under the Bank loan over the "reference cost," which is equivalent to average rates paid on bank term deposits, plus 0.75 percentage points. FEC will supervise subprojects and manage a special account of US$6 million to expedite payments for project expenditures from Bank loan proceeds. The Government for its part will manage a special account of US$0.25 million. FEC is already capable of managing project start up and will further enhance its capabilities by, first, hiring new staff, and, second, improving management systems through technical assistance financed by USAID and French agencies early during project execution and later by the present project. Ministerial units that carry out training and supervise consultants for the studies are well organized and staffed with qualified professionals.

9. Project Sustainability. The project is designed to lay the groundwork for further upgrading of intergovernmental finance in Morocco, foster FEC's financial viability, and improve the capabilities of FEC and the local governments. This will support project objectives as well as overall sector improvement beyond project completion.

10. Lessons from Previous Bank Involvement. Bank's past involvement in the sector includes a pilot project, and sector and economic work. The completion report for the pilot project recommended that FEC supervise projects more closely and become managerially autonomous, recommendations that underlie the proposed project design. The sector report on local finance identified the issues that pervade project conditionality (paras. 3, 4 and 12). The sector report on issues and prospects of the public sector concludes that the system to distribute the VAT share among local governments has been detrimental to savings performance by local governments. The reform of that system is a major policy objective of the present project (paras. 5 and 12).

11. Rationale for Bank Involvement. The project supports the main pillars of the Bank's country assistance strategy for Morocco, as discussed in the Board in February 1993. First, the project is designed to enhance the efficiency of the public sector management. This is expected to be achieved through the reform of the system to distribute the local share of the VAT among local governments, and through the restructuring of FEC. Second, improved local sector performance will necessarily help consolidate and deepen macroeconomic adjustment by extending the reform beyond the Central Government level. Third, the project will help alleviate poverty and improve social indicators, as it will improve the coverage and quality of essential services for the poor. Fourth, the project, mainly by increasing local transport infrastructure and the reliability of water and power services in many municipalities, will help the private sector achieve its potential as an engine of growth. Finally, the project specifically aims to improve water resource and environmental management, as project eligibility criteria include conditionalities to foster cost recovery -- notably to reduce the wastage of water -- control any adverse environmental impact, and enhance FEC's environmental competence and improve its coordination of environmental management with the central and local governments.

12. Agreed Actions. Main sector issues the project will address are the paucity of funds, the weakness of sector institutions including FEC, the inadequacy of the system to allocate the local share of the VAT, and the difficulties in monitoring local sector performance. In addition to project components, the following conditionalities agreed with the Moroccan authorities address these issues: (a) By the end of May 1993, the Government will contribute DH 75 million to FEC equity. (b) As conditions of effectiveness of the FEC loan: (i) local governments will have assumed or guaranteed their Régies' loans in arrears with FEC; and (ii) FEC will have appointed its four main line managers and two environmental specialists. (c) During negotiations, the Government confirmed that it would: (i) introduce a new system to distribute the local share of the VAT among local governments by 1995 (unavailability of data on 600 new municipalities precludes an earlier introduction); (ii) implement the plan agreed with the Bank (paras. 3.6 and 5.4 of SAR), during project execution, to improve local sector management, including training; and (iii) take all measures to enable FEC to comply with its obligation under the FEC loan agreement (including, if needed, an equity contribution of DH 60 million to enable FEC to achieve the debt-to-equity ratio target for 1997). (d) During negotiations, FEC confirmed that it would: (i) adhere to and maintain the agreed Policy Statement and related project eligibility criteria and subloan conditionality; (ii) gradually increase return on assets to 1.2 percent by 1997; (iii) maintain operating costs at no more than 0.75 percent of assets; (iv) maintain a debt-to-equity ratio of not more than 15 to 1 in 1993, 1994, and 1995 and of not more than 12 to 1 in 1997 and thereafter; and (v) implement the plan agreed with the Bank (paras. 4.9 and 5.4 of SAR), during project execution, to improve its capabilities, including training. During negotiations, an understanding was also achieved on carrying out annual reviews (including a major mid-term review) to assess project performance with FEC and the Government, as well as the implementation of a system, to monitor that performance, according to a set of indicators.

13. Environmental Aspects. Many subprojects, particularly those in water, sewerage, and solid waste collection and disposal, will have a positive environmental impact. Any possible adverse environmental impact will be screened, assessed, and mitigated as needed, consistent with the present project's environmental category of "B." FEC will approve a subproject for a sewerage system, solid waste collection and disposal, marketplace, or slaughterhouse only when such a subproject or any other subproject by the same

beneficiary addresses all significantly adverse environmental aspects. FEC will employ two environmental specialists to assess environmental issues. When the Environmental Secretariat of MOI--with Bank assistance--becomes operational, FEC will comply with the guidelines of the Secretariat and clear with it environmentally complex subprojects, as needed.

14. Benefits. The project, with improved services, would benefit about two million people living in urban and rural agglomerations, including many poor. All investments financed under the loan will have high priority and meet demanding quality criteria. Subprojects will have an economic rate of return of at least ten percent. Further, project benefits are expected to go well beyond Bank-financed investments on at least three additional counts. First, policy reforms and project conditionalities are designed to increase the efficiency of all investments--regardless of sources of financing--through the local sector. Second, actions to improve management systems of local governments and central authorities dealing with the local sector are designed to improve local services and the financial performance of local entities. Third, the restructuring of FEC and the reform of the distribution of the local share of the VAT are designed to enhance the financial discipline of local governments and thus increase their savings. These amount to a substantial reform in terms of economic public sector management.

15. Risks. Improving local services and sector management countrywide is an ambitious undertaking which will require sustained effort for many years. The project addresses key sector issues and involves many agencies, some of which are institutionally and operationally weak. Three main risks have been identified. The first is that limited project preparation capacity at the local level compounded by a still untested restructured FEC may result in a slow pipeline of quality subprojects and thus delay project execution. FEC's rapid appraisal of some eligible subprojects complying with its new Policy Statement has already mitigated this risk (para. 4). Training of local government staff and technical assistance to FEC will further reduce that risk later. The second main project risk is that FEC's management and governing bodies may fail to uphold their demanding Policy Statement. Government and Bank collaboration in designing the new FEC have already reduced this risk. Financial conditionalities should reduce it further. The third major risk is that political pressures may undermine the Government's resolve to maintain the reform in the distribution of the local share of the VAT. Intense discussion of sector issues throughout project preparation have already reduced this risk. Implementing the VAT reform early during project execution will further reduce such a risk. The annual reviews of project performance including a major mid-term project performance one should additionally mitigate all major project risks.

16. Recommendation. I am satisfied that the proposed loans would comply with the Articles of Agreement of the Bank and recommend that the Executive Directors approve the proposed loans.

Lewis T. Preston
President

Attachments

Washington, D.C.
May 21, 1993

Schedule A

KINGDOM OF MOROCCO

FIRST MUNICIPAL FINANCE PROJECT

Estimated Costs and Financing Plan

	US$ MILLION		
	LOCAL	FOREIGN	TOTAL
ESTIMATED COSTS			
Local projects			
Infrastructure	109.6	63.4	173.0
Studies and designs	2.0	0.5	2.5
Institutional development	0.5	0.5	1.0
	112.1	64.4	176.5
Local government training	1.1	1.2	2.3
Institutional improvement of FEC	0.0	0.8	0.8
Institutional improvement of Central Government units	0.9	1.0	2.7
TOTAL PROJECT COST[1]	114.1	68.2	182.3
FINANCING PLAN			
Subborrowers' resources	35.3	0.0	35.3
FEC	42.0	0.0	42.0
Government	1.0	0.0	1.0
Bank	35.8	68.2	104.0
TOTAL FINANCING	114.1	68.2	182.3

1/ Includes about US$25 million for taxes and duties.

Schedule B

KINGDOM OF MOROCCO

FIRST MUNICIPAL FINANCE PROJECT

PROCUREMENT ARRANGEMENT
(US$ million equivalent)

PROJECT ELEMENT	PROCUREMENT METHOD*				TOTAL COST
	ICB	LCB	Shopping	Other	
1. Works					
1.1 Infrastructure under FEC subprojects	4.6 (2.8)	143.4 (79.4)			148.0 (82.2)
2. Goods					
2.1 Under FEC subprojects	2.4 (1.5)	3.0 (1.7)	20.0 (11.7)		25.4 (14.9)
2.2 Equipment for MOI, MOF and FEC			1.4 (1.2)		1.4 (1.2)
2.3 Equipment and materials for CL training			1.0 (0.8)		1.0 (1.2)
3. Consultancies					
3.1 Design/Supervision				2.5 (1.5)	2.5 (1.5)
3.2 Technical Assistance, training				3.5 (2.9)	3.5 (2.9)
3.3 External courses				0.5 (0.5)	0.5 (0.5)
TOTAL	7.0 (4.3)	146.4 (81.1)	22.4 (13.7)	6.5 (4.9)	182.3 (104.0)

* Figures in parentheses are the respective amounts financed by the Bank loan.

LOAN DISBURSEMENT SCHEDULE

Bank Fiscal Year	94	95	96	97	98	99
Annual	8	31	33	23	8	1
Cumulative	8	39	72	95	103	104

Schedule C

KINGDOM OF MOROCCO

FIRST MUNICIPAL FINANCE PROJECT

Key Processing Events and Responsibilities

Timetable of Events:

Time taken to prepare:	18 months
Prepared by:	Government, with Bank assistance
First Bank Mission:	May 1991
Appraisal Mission Departure:	October 1992
Negotiations:	April 1993
Board Presentation:	June 1993
Planned Effectiveness:	October 1993

Relevant PCR:	Communal Infrastructure Fund Pilot Project (Loan 2272-MOR, Cr. 10075)

Responsibility for preparation:

Task manager:	Julio Linares (MN1IN)
Division Chief:	A. Amir Al-Khafaji (MN1IN)
Country Director:	Harinder Kohli (MN1)
Regional Vice President:	Caio Koch-Weser (MNAVP)
Peer Reviewers:	Tim Campbell (LATAD) James Hicks (TWURD)

Schedule D
(page 1 of 2)

The Status of Bank Group Operations in Morocco
Statement of Bank Loans and IDA Credits
(As of April 30, 1993)

Loan or Credit No.	Fiscal Year	Borrower	Purpose	US$ Million Amount (less cancellations) Bank	IDA	Undisbursed
Sixty-eight loans and five credits fully disbursed				3,368.78	45.16	
Of which SALs, SECALs, and Program Loans /a						
2377	1984	Kingdom of Morocco	Ind. Tr. Pol. (SAP)	150.40		
2590	1985	Kingdom of Morocco	Agric. Sector I	100.00		
2604	1986	Kingdom of Morocco	Ind. Tr. Pol. Adj. II	200.00		
2684	1986	Kingdom of Morocco	Education Sector I	150.00		
3001	1989	Kingdom of Morocco	SAL I	200.00		
2820	1987	Kingdom of Morocco	PERL I	239.56		
2885	1988	Kingdom of Morocco	Agr. Sector II	225.00		
Sub-total				1264.96		
Disbursing Loans						
2217	1983	Kingdom of Morocco	Ag. Dev. Ouimes	13.50		1.35
2253	1983	Kingdom of Morocco	Small & Med. Irrig.	34.00		3.47
2572	1985	Kingdom of Morocco	Health Development	28.40		5.78
2656	1986	Kingdom of Morocco	Large Irrgn. Improv.	46.00		2.34
2657	1986	Port Authority	Port Project	22.00		2.15
2779	1987	Kingdom of Morocco	Voc. Training II	22.30		1.98
2798	1987	ONPT	Telecommunications I	118.00		30.74
2806	1987	BNDE	Ind. Exp. Finance I	69.08		3.24
2825	1987	Kingdom of Morocco	Natl. Water Supply	60.00		37.81
2826	1987	Kingdom of Morocco	Greater Casablanca Sew.	60.00		40.29
2910	1988	Kingdom of Morocco	Power Distribution	90.00		64.64
2954	1988	Kingdom of Morocco	S & M Irrig. II	23.00		16.80
3026	1989	Kingdom of Morocco	Rural Primary Education	83.00		43.93
3036	1989	Kingdom of Morocco	Agric. Ext. & Res.	28.00		21.57
3046	1989	Kingdom of Morocco	Public Admin. Loan	23.00		16.07
3088	1989	CNCA	National Agric. Credit	190.00		1.06
3121/22	1990	CIH	Housing Finance	80.50		2.66
3136	1990	Kingdom of Morocco	Industrial Finance	170.00		14.79
3156	1990	Kingdom of Morocco	Forestry II	49.00		43.59
3168	1990	Kingdom of Morocco	Highway Sector	79.00		31.87
3171	1990	Kingdom of Morocco	Health Sector	104.00		88.93
3262	1991	Kingdom of Morocco	Rural Elect. II	114.00		114.00
3283	1991	Kingdom of Morocco	Port Sector	33.00		28.09
3284	1991	ODEP	Port Sector	99.00		93.36
3295	1991	Kingdom of Morocco	Rural Basic Educ. Dev.	145.00		142.50
* 3385	1991	Kingdom of Morocco	Financial Sector Dev.	235.00		118.52
3403	1992	Kingdom of Morocco	Agric. Sector Invest.	50.00		17.81
* 3463	1992	Kingdom of Morocco	SAL II	275.00		137.00
3567	1993	Kingdom of Morocco	Telecommunications /c	100.00		100.00
3587	1993	Kingdom of Morocco	Second LSI /b	215.00		215.00
	TOTAL			6,025.58	45.16	1,431.33
		Of which has been repaid (only amortization)		1,542.21	8.55	
		Total held by Bank and IDA		4,483.35	36.61	
		Amount sold	20.11			
		of which repaid	20.11			
		Total Undisbursed				1,431.33

* SAL, SECAL or Program Loan
/a Approved after FY80
/b Not yet signed
/c Not yet effective
N:\MN1DR\MOR-MOP

Statement of IFC Investments in Morocco
(As of April 30, 1993)

Fiscal Year	Obligator	Type of Business	Original Gross Commitment (US$ Million) Loan	Equity	Total *
1962 1976 1983 1985	Banque Nationale pour le Dev. Econ. (BNDE)	Development Finance	42.51	1.54	44.05
1980	Societe Miniere du Bou-Gaffer (SOMIFER)	Mines	12.69	2.89	15.57
1982 1983 1992	Cimenterie Nouvelle de Casablanca (CINOUCA)	Cement Production	29.30	2.10	31.40
1986	Fruitiere Marocaine de Transformation (FRUMAT)	Agroindustry	4.97	-	4.97
1987	Credit Immobilier et Hotelier (CIH)	Tourism	65.93	-	65.93
1987	Settat Filature (SETAFIL)	Textile Factory	3.28	1.33	4.61
1989	Compagnie Maritime Maroco-Norvegienne (COMARIT)	Ferry Service	4.30	-	4.30
1991	Cerame Afrique Industriee (CAI)	Ceramics	3.47	1.70	5.17
1992	CIMASFI	Cement	15.69	-	15.69
1992	Banque Commerciale de Maroc (BCM)	Banking	12.00	-	12.00
1992	Banque Marocaine du Commerce Exterieur (BMCE)	Banking	12.00	-	12.00
1992	Credit du Maroc (CDM)	Banking	8.00	-	8.00
1992	Wafabank	Banking	8.00	-	8.00
1993	International de Financement et de Participation (INTERFINA)	Capital Markets	—	4.1	4.10
	Total gross commitments		222.44	13.15	231.49
	Less cancellations, terminations, repayments, sales and exchange adjustments		43.11	3.91	47.02
	Total commitments held by IFC		179.33	9.24	188.67
	of which undisbursed		24.65		24.65

* IFC net. Does not include participants from commercial banks