

provincial hospitals, vehicles, furniture, medical equipment and supplies, training and technical assistance in support of these programs. After a slow start, project implementation has significantly improved. Progress is as follows: the implementation of the basic health centers renovation and re-equipment and the renovation of hospital and diagnostic services is well advanced. Procurement and distribution of drugs are practically completed, studies related to the administrative reform of the MOPH and the drug supply system have been carried out and MOPH is evaluating their findings and recommendations.

Ln.3262-MOR Second Rural Electrification Project:

US\$114.0 Million Loan of June 14, 1991; Effective Date: February 9, 1993; Closing Date: June 30, 1997;

Implementing Agency: Office National de l'Electricité. The project is addressed to insure the connection to the main grid of about 460 villages located in 34 provinces, and would cover the cost of connecting about 170,000 new consumers, thus increasing the rate of electrification of the rural areas from 25% to 45%. It also will help expand ONE's operating facilities and regional offices and continue the institution building efforts, strengthening ONE's planning, distribution and marketing capabilities, and its financial performance. The pace of project implementation is less than satisfactory due to the lack of counterpart funding and the complex arrangements for project execution. The procurement program for phase "FG" has been completed. Only US\$10.9 Million or 10% of the loan have been disbursed. About US\$33.5 Million or 30% of the loan are committed through signed contracts currently under execution. In order to accelerate the pace of project implementation and disbursements, the project will be restructured through the implementation of measures currently being discussed by the Bank and the Moroccan authorities.

Ln.3283-MOR & Ln. 3284-MOR Port Sector Project:

US\$33.0 Million and US\$99 Million Loans of May 9, 1991: Effective date: January 6, 1992: Closing Date: June 30, 1996: Implementing Agency Ministry of Public Works and ODEP.

The objectives of the project are to: (i) improve the operational efficiency of the Borrower's ports, so as to assist the Borrower in adapting its operations to the growth and changing structure of foreign trade; (ii) assist the Borrower in strengthening the economic viability of its investments in the port sub-sector generally and increasing the recovery of related infrastructure costs; and (iii) promote policies and institutional measures for improving the planning and coordination of the Borrower's port operations in relation to its promotion of foreign trade. The effectiveness date had been