

Ln.2825-MOR National Water Supply Rehabilitation Project: US\$60.0 Million Loan of July 27, 1987; Effective Date: April 22, 1988; Closing Date: June 30, 1996; Implementing Agencies: Hydraulics Administration. Office National de l'Eau Potable and Régies. This loan supports the rehabilitation of water supply and distribution systems in Morocco. Its principal objective is to introduce long-term policy reforms to strengthen the development of the water supply sector. The project includes (i) provision of leak detection equipment; (ii) rehabilitation of production and distribution facilities; (iii) acquisition of water meters; (iv) studies for water master plans, preventive maintenance programs and investment programs; (v) introduction of new financial policies; (vi) studies of sector organization, cost accounting, M.I.S., and provision of computer equipment; (vii) training and technical assistance; (viii) development of water resource management practices; and (ix) improvement of procurement procedures. Progress in implementing the action plan has been slow, and arrears built up until 1992, causing serious concerns. The financial situation of the Régies was difficult until 1991, but began to improve in 1992 with the water tariff increase of 10% in July 1992 and continued to improve in 1993, 1994 and 1995 through the further water tariff increase and the payment of the first tranche (33%) of the arrears (as of 12.31.92) of local communities (about DH 200 million). The payment of Government arrears (as of 12.31.92-DH576 million) to the Régies took place at the end of FY94, which further improved the financial situation of the Régies. Currently all major procurement has been completed and disbursements are improving. The signature of ONEP's contract program 1993-1995 took place in November 1992. The signature of "protocoles d'accord" between Government and the Régies: RAD, RADEEF, RADEEM, RADEEMA, RAK and RED took place in December 1993; this was a loan effectiveness condition of the Fifth Water Supply project. The closing date was Postponed to June 30, 1996.

Ln.2826-MOR Greater Casablanca Sewerage Project: US\$60.0 Million Loan of July 27, 1987; Effective: October 14, 1988; Closing Date: June 30, 1996; Implementing Agency: Régie of Casablanca (Sewerage Master Plan and Sewerage Works) and eight Régies (Sewerage Master Plans). The project is the urgent implementation stage of the Greater Casablanca Sewerage Master Plan. The objectives are: to rehabilitate the existing sewerage system; identify the least cost alternative for the treatment and disposal and possible reuse of waste water and to promote the creation and development of appropriate institutional, financial and technical structures to manage sewerage services in urban centers. The project has