

JBIC Signs ODA Loan with Morocco

--Addressing Poverty Reduction by Supporting Rural Secondary Education--

1. Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) signed an ODA loan agreement totaling up to 8.935 billion yen with the Kingdom of Morocco to finance the Rural Secondary Education Expansion Project.
2. The Kingdom of Morocco has placed education and human resource development high on its agenda of national economic and social development by adopting the National Education and Human Resource Development Charter and preparing the Economic and Social Development Plan for 2000-2004. This loan, which follows Morocco's national policy, will finance the construction of 101 junior high schools and the procurement of equipment for these schools in the rural areas of the five regions of Marrakech, Tensift and Al Haouz, Taza, Al Hoceima and Taounate, Doukkala and Abda, Tanger and Tétouan, and Souss, Massa and Draâ.
3. The Government of Morocco has been making strenuous efforts to propagate and improve basic education. As a result, the national primary school enrollment ratio rose from 52.5% in 1990 (henceforth academic year) to 90% in 2001.^[1] However, infrastructure development for secondary education such as school construction and educational equipment has failed to keep up with the sharp increase in the number of students graduating from primary schools, thereby constraining the national secondary school enrollment ratio to 63.1% in 2001. Particularly, a shortage of educational facilities in rural areas is a serious issue, where the secondary school enrollment ratio remains only 42.1%. The main factor behind the low enrollment ratio is an absence of junior high schools in neighborhoods. Another problem is a low enrollment ratio of female children living in remote rural areas. The enrollment ratio of female children in rural areas was 32.9%, compared with 78.9% in urban areas, in 2000. Therefore, one of the priorities of the educational sector in Morocco is to construct junior high schools within commuting distance of these students, so as to increase the secondary school enrollment ratio in rural areas.
4. Financial support for education and human resource development in this Project is expected to help reduce disparities in access to education between urban and rural areas and between male and female children, thereby serving to raise living standards in the rural areas of Morocco.

(See Appendix for details)

[1] The academic year in Morocco starts in September and ends in June.

1. Loan Amount and Terms

Project Name	Amount (Mil. Yen)	Interest Rate (% per annum)	Repayment Period/Grace Period (Year)	Procurement
Rural Secondary Education Expansion Project	8,935	0.9	20/6	General Untied

2. Project Description

Rural Secondary Education Expansion Project

(1) Background and Necessity

Raising secondary school enrollment, particularly in rural areas, remains an urgent issue for Morocco. To address this situation, the government set the goal of spreading and improving the quality of basic education by adopting the National Education and Human Resource Development Charter in 1999. Furthermore, the Economic and Social Development Plan for 2000-2004 prepared in August 2000 recognized stable growth, a decrease in unemployment, poverty reduction and strengthening external competitiveness against the backdrop of establishing a free trade association with the European Union as national challenges and set forth policies for reducing regional disparities through rural development, poverty reduction, human resource development and reducing social disparities. The Plan also stated explicitly human resource development as one of the important issues on the agenda for economic development. As described above, there is a high priority as well as a significant need for human resource development for Morocco's economic and social development.

(2) Objective and Project Outline

The Project consists of constructing 101 junior high schools and providing necessary equipment in the rural areas of five regions (Marrakech, Tensift and Al Haouz, Taza, Al Hoceima and Taounate, Doukkala and Abda, Tanger and Tétouan, and Souss, Massa and Draà), where access to educational service remains inadequate. These schools are part of the 329 junior high schools (of which 184 are in rural areas and 145 are in urban areas) that will be constructed in accordance with the Ministry of National Education and Youth's Secondary School Construction Program (which covers schools to be opened after 2005-2006) based on the National Education and Human Resource Development Charter and the Economic and Social Development Plan for 2000-2004. The Project aims at propagating secondary education in rural areas and helping to reduce disparities in access to education between urban and rural areas as well as between male and female children, thereby serving to raise living standards in the rural areas of Morocco.

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