Executive Board
148th Session
Rome, 15 September 2026

President's report
Proposed loan
Kingdom of Morocco
Integrated Rural Development Project in the Province of Khenifra (PDRIK)
Addendum

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Addendum

The Executive Board is invited to consider the amendments to document EB 2026/148/R.3. The changes to the documents are reflected as follows: deleted text with strikethrough, added text underlined.

On page ii, Financing summary:

Total project cost:

> "~~US$87.96 million~~ EUR 75.85 million"

Amount of IFAD loan (performance-based allocation system [PBAS]):

> "~~Amount in EUR[1]~~ EUR 20.38 million, equivalent to US$23.64 million"

Amount of IFAD loan (Borrowed Resource Access Mechanism [BRAM]):

> "~~Amount in EUR[2]~~ EUR 36.22 million, equivalent to US$42.00 million"

Terms of IFAD loans:

> "Ordinary: ~~maximum term of 30 years, including a grace period of up to 8 years, with a maximum average repayment maturity of 18 years~~ with a maturity of 25 years, a grace period of 4.5 years, subject to interest at a rate equal to the IFAD reference interest rate, plus a variable spread."

Contribution of borrower:

> "~~US$19.34 million~~ EUR 16.68 million"

Contribution of participants:

> "~~US$2.97 million~~ EUR 2.57 million"

Amount of IFAD climate finance:

> "~~US$39.60 million EUR~~ 34.15 million"

On page ii (financing summary), footnotes 1 and 2 are deleted.

Page 4, paragraph 23:

> "All three project components are partially counted as climate finance. In accordance with the multilateral development banks' methodologies for tracking climate change adaptation and mitigation finance, the total amount of IFAD climate finance for this project is estimated at ~~US$39,596 million~~ EUR 34.15 million."

Page 4, paragraph 24:

> "The total cost of the project is estimated at ~~US$87.955 million~~ EUR 75.85 million. IFAD's contribution will amount to ~~US$65.643 million~~ EUR 56.61 million (74.6 per cent of the total cost), including ~~US$23.643 million~~ EUR 20.38 million under the PBAS loan and ~~US$42.0 million~~ EUR 36.22 million under the BRAM loan. The contribution of the Government of Morocco will be ~~US$19.338 million~~ EUR 16.68 million (22 per cent), of which 86.5 per cent will be in the form of tax exemptions, 6 per cent in the form of in-kind contributions to project management and 4.5 per cent in the form of cash contributions. The contribution of participants, which will be provided in kind, is estimated at ~~US$2.974 million~~ EUR 2.57 million (3.4 per cent)."

Page 5, table 1 is amended as follows:

Table 1
Project costs by component and subcomponent and financier
(Thousands of euros)

Component/subcomponent	IFAD loan (PBAS) Amount	%	IFAD loan (BRAM) Amount	%	Participants Contributions in cash	Participants Contributions in kind	%	Borrower Contributions in cash	Borrower Contributions in kind	%	Total Amount	%
1. Integrated and climate-resilient livestock farming systems												
1.1 Strengthening the resilience and performance of sheep and goat farming systems	~~6 765~~ 5 834	28,5	~~12 075~~ 10 413	50,9	-	~~142~~ 122	0,6	-	~~4 746~~ 4 093	20,0	**~~23 728~~ 20 462**	**27,0**
1.2 Diversifying and integrating agropastoral systems for adaptation to climate change	~~1 576~~ 1 359	28,8	~~2 802~~ 2 416	51,2	-	-	-	-	~~1 094~~ 943	20,0	**~~5 472~~ 4 719**	**6,2**
1.3 Strengthening the capacity of agropastoralists to apply climate-resilient practices and techniques	~~913~~ 787	25,7	~~1 623~~ 1 400	45,6	-	~~310~~ 267	8,7	-	~~711~~ 613	20,0	**~~3 557~~ 3 067**	**4,0**
Subtotal	**~~9 254~~ 7 980**	**28,3**	**~~16 500~~ 14 229**	**50,4**	**-**	**~~452~~ 390**	**1,4**	**-**	**~~6 551~~ 5 649**	**20,0**	**~~32 757~~ 28 249**	**37,2**
2. Value addition, market access and resilient infrastructure												
2.1 Economic development and market access	~~4 414~~ 3 806	24,1	~~7 846~~ 6 766	42,8	-	~~2 390~~ 2 061	13,1	-	~~3 662~~ 3 158	20,0	**~~18 312~~ 15 792**	**20,8**
2.2 Development and rehabilitation of climate-resilient rural infrastructure	~~5 412~~ 4 667	27,2	~~9 543~~ 8 230	48,0	-	~~133~~ 115	0,7	743	~~3 940~~ 3 398	24,1	**~~19 890~~ 17 152**	**22,6**
2.3 Institutional strengthening and support	~~1 729~~ 1 491	28,8	~~3 074~~ 2 651	51,2	-	-	-	-	~~1 201~~ 1 036	20,0	**~~6 004~~ 5 178**	**6,8**
Subtotal	**~~11 555~~ 9 965**	**26,1**	**~~20 463~~ 17 647**	**46,3**	**-**	**~~2 523~~ 2 176**	**5,7**	**743**	**~~8 803~~ 7 591**	**21,9**	**~~44 206~~ 38 122**	**50,3**
3. Development policies and project management								-				
3.1 Development policies	~~216~~ 186	28,8	~~384~~ 331	51,2	-	-	-	-	~~150~~ 129	20,0	**~~750~~ 647**	**0,9**
3.2 Project management	~~2 618~~ 2 258	25,6	~~4 653~~ 4 013	45,4	-	-	-	-	~~2 973~~ 2 564	29,0	**~~10 243~~ 8 833**	**11,6**
Subtotal	**~~2 833~~ 2 443**	**25,8**	**~~5 037~~ 4 344**	**45,8**	**-**	**-**	**-**	**-**	**~~3 122~~ 2 692**	**28,4**	**~~10 993~~ 9 480**	**12,5**
Total	**~~23 643~~ 20 389**	**26,9**	**~~42 000~~ 36 219**	**47,8**	**-**	**~~2 975~~ 2 566**	**3,4**	**743**	**~~18 477~~ 15 934**	**22,0**	**~~87 956~~ 75 850**	**100,0**

Page 6, table 2 is amended as follows:

Table 2
Project costs by component and subcomponent and financier
(Thousands of euros)

	IFAD loan (PBAS)		IFAD loan (BRAM)		Participants			Borrower			Total	
Expenditure category	*Amount*	*%*	*Amount*	*%*	*Contributions in cash*	*Contributions in kind*	*%*	*Contributions in cash*	*Contributions in kind*	*%*	*Amount*	*%*
I. Investment costs												
1. Equipment and materials	~~10 292~~ 8 875	26,6	~~18 345~~ 15 820	47,4	-	~~2 293~~ 1 977	5,9	-	~~7 732~~ 6 668	20,0	**~~38 662~~ 33 341**	**44,0**
2. Technical assistance	~~2 190~~ 1 889	28,8	~~3 893~~ 3 357	51,2	-	-	-	-	~~1 521~~ 1 312	20,0	**~~7 603~~ 6 557**	**8,6**
3. Training, studies and agreements	~~3 272~~ 2 822	27,3	~~5 816~~ 5 016	48,5	-	~~549~~ 473	4,6	-	~~2 361~~ 2 036	19,7	**~~11 998~~ 10 347**	**13,6**
4. Works and improvements	~~7 889~~ 6 803	27,6	~~13 946~~ 12 027	48,9	-	~~133~~ 115	0,5	~~862~~ 743	~~5 708~~ 4 922	20,0	**~~28 538~~ 24 610**	**32,5**
Total investment costs	**~~23 643~~ 20 389**	**27,2**	**~~42 000~~ 36 219**	**48,4**	**-**	**~~2 975~~ 2 566**	**3,4**	**~~862~~ 743**	**~~17 322~~ 14 938**	**20,0**	**~~86 801~~ 74 854**	**98,7**
II. Recurrent costs												**0,0**
1. Salaries and allowances	-	-	-	-	-	-	-	-	~~649~~ 560	100,0	**~~649~~ 560**	**0,7**
2. Operating costs	-	-	-	-	-	-	-	-	~~506~~ 436	100,0	**~~506~~ 436**	**0,6**
Total recurrent costs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**~~1 155~~ 996**	**100,0**	**~~1 155~~ 996**	**1,3**
Total	**~~23 643~~ 20 389**	**26,9**	**~~42 000~~ 36 219**	**47,8**	**-**	**~~2 975~~ 2 566**	**3,4**	**~~862~~ 743**	**~~18 477~~ 15 934**	**22,0**	**~~87 956~~ 75 850**	**100,0**

Page 7, table 3 is amended as follows:

Table 3
Project costs by component and subcomponent and project year (PY)
(Thousands of euros)

Component /subcomponent	*PY1*		*PY2*		*PY3*		*PY4*		*PY5*		*PY6*		*PY7*		*PY8*		*Total*
	Amount	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*
1. Integrated and climate-resilient livestock farming systems																	
1.1 Strengthening the resilience and performance of sheep and goat farming systems	~~82,7~~ 71,3	0,3	~~36,1~~ 31,1	0,2	~~4 176,4~~ 3 601,6	17,6	~~6 913,0~~ 5 961,5	29,1	~~8 831,2~~ 7 615,7	37,2	~~2 822,5~~ 2 434,0	11,9	~~866,7~~ 747,4	3,7	-	-	**~~23 728,5~~ 20 462,7**
1.2 Diversifying and integrating agropastoral systems for adaptation to climate change	~~22,7~~ 19,6	0,4	~~764,7~~ 659,5	14,0	~~1 187,3~~ 1 023,9	21,7	~~1 358,5~~ 1 171,5	24,8	~~1 185,2~~ 1 022,1	21,7	~~953,2~~ 822,0	17,4	-	-	-	-	**~~5 471,6~~ 4 718,5**
1.3 Strengthening the capacity of agropastoralists to apply climate-resilient practices and techniques	-	-	-	-	~~1 091,0~~ 940,8	30,7	~~801,7~~ 691,4	22,5	~~817,7~~ 705,2	23,0	~~834,1~~ 719,3	23,5	~~12,4~~ 10,7	0,3	-	-	**~~3 557,0~~ 3 067,4**
Subtotal	**~~105,4~~ 90,9**	**0,3**	**~~800,8~~ 690,6**	**2,4**	**~~6 454,8~~ 5 566,4**	**19,7**	**~~9 073,2~~ 7 824,4**	**27,7**	**~~10 834,1~~ 9 343,0**	**33,1**	**~~4 609,7~~ 3 975,3**	**14,1**	**~~879,1~~ 758,1**	**2,7**	**-**	**-**	**~~32 757,1~~ 28 248,6**
2. Value addition, market access and resilient infrastructure																	
2.1 Economic development and market access	~~54,6~~ 47,1	0,3	~~1 013,5~~ 874,0	5,5	~~7 219,0~~ 6 225,4	39,4	~~6 602,2~~ 5 693,5	36,1	~~2 448,9~~ 2 111,8	13,4	~~869,9~~ 750,2	4,8	~~68,8~~ 59,3	0,4	~~35,1~~ 30,3	0,2	**~~18 312,1~~ 15 791,7**
2.2 Development and rehabilitation of climate-resilient rural infrastructure	~~187,5~~ 161,7	0,9	~~2 539,3~~ 2 189,8	12,8	~~3 400,6~~ 2 932,6	17,1	~~4 315,4~~ 3 721,5	21,7	~~4 540,0~~ 3 915,1	22,8	~~2 893,8~~ 2 495,5	14,5	~~1 961,1~~ 1 691,2	9,9	~~52,1~~ 44,9	0,3	**~~19 889,8~~ 17 152,3**
2.3 Institutional strengthening and support	-	-	~~121,5~~ 104,8	2,0	~~1 078,6~~ 930,1	18,0	~~1 353,7~~ 1 167,4	22,5	~~1 592,5~~ 1 373,3	26,5	~~784,2~~ 676,3	13,1	~~719,7~~ 620,6	12,0	~~353,4~~ 304,8	5,9	**~~6 003,6~~ 5 177,3**
Subtotal	**~~242,1~~ 208,8**	**0,5**	**~~3 674,3~~ 3 168,6**	**8,3**	**~~11 698,2~~ 10 088,1**	**26,5**	**~~12 271,4~~ 10 582,4**	**27,8**	**~~8 581,4~~ 7 400,3**	**19,4**	**~~4 547,8~~ 3 921,9**	**10,3**	**~~2 749,6~~ 2 371,2**	**6,2**	**~~440,6~~ 380,0**	**1,0**	**~~44 205,5~~ 38 121,3**
3. Development policies and project management																	
3.1 Development policies	-	-	~~439,1~~ 378,7	58,6	~~91,8~~ 79,2	12,2	~~46,8~~ 40,4	6,2	~~47,8~~ 41,2	6,4	-	-	~~124,2~~ 107,1	16,6	-	-	**~~749,6~~ 646,4**
3.2 Project management	~~297,8~~ 256,8	2,9	~~1 697,2~~ 1 463,6	16,6	~~1 367,9~~ 1 179,6	13,4	~~1 364,5~~ 1 176,7	13,3	~~1 423,9~~ 1 227,9	13,9	~~1 320,9~~ 1 139,1	12,9	~~1 482,4~~ 1 278,4	14,5	~~1 288,7~~ 1 111,3	12,6	**~~10 243,4~~ 8 833,6**
Subtotal	**~~297,8~~ 256,8**	**2,7**	**~~2 136,3~~ 1 842,3**	**19,4**	**~~1 459,7~~ 1 258,8**	**13,3**	**~~1 411,3~~ 1 217,1**	**12,8**	**~~1 471,7~~ 1 269,1**	**13,4**	**~~1 320,9~~ 1 139,1**	**12,0**	**~~1 606,6~~ 1 385,5**	**14,6**	**~~1 288,7~~ 1 111,3**	**11,7**	**~~10 993,0~~ 9 480,0**
Total	**~~645,3~~ 556,5**	**0,7**	**~~6 611,4~~ 5 701,4**	**7,5**	**~~19 612,7~~ 16 913,3**	**22,3**	**~~22 756,0~~ 19 624,0**	**25,9**	**~~20 887,2~~ 18 012,4**	**23,7**	**~~10 478,5~~ 9 036,3**	**11,9**	**~~5 235,3~~ 4 514,7**	**6,0**	**~~1 729,4~~ 1 491,4**	**2,0**	**~~87 955,6~~ 75 849,9**

Page 8, paragraph 25:

"The total cost of the project, which will run for seven years (2027–2033), amounts to ~~US$87.9 million~~ EUR 75.8 million, including an allowance for physical and financial contingencies. The base cost is ~~US$79 million~~ EUR 68.1 million, including an estimated total of ~~US$17.3 million~~ EUR 14.9 million for taxes. The allowance for physical and financial contingencies is ~~US$8.9 million~~ EUR 7.7 million."

Page 8, paragraph 26:

"Investment and recurrent expenditures amount to ~~US$86.8 million~~ EUR 74.9 million (98.7 per cent of the total cost) and ~~US$1.1 million~~ EUR 1 million (1.3 per cent), respectively. The base costs broken down by component are as follows: (i) ~~US$29.9 million~~ EUR 25.8 million (or 38 per cent of the total base costs) for component 1; (ii) ~~US$38.2 million~~ EUR 32.9 million (48 per cent) for component 2; (iii) ~~US$10.8 million~~ EUR 9.3 million (14 per cent) for component 3."

Page 8, paragraph 27:

"The project financing plan is as follows: (i) IFAD will contribute ~~US$65.6 million~~ EUR 56.6 (74.6 per cent of the total cost); (ii) the Government of Morocco will contribute ~~US$19.3 million~~ EUR 16.7 million (22 per cent); (iii) the project participants will contribute ~~US$2.9 million~~ EUR 2.6 million (3.4 per cent), mainly in the form of the provision or transfer of collective or private land for the realization of certain investments for their benefit. The table above shows the financing plan for the project by component and subcomponent."

Page 8, paragraph 30:

"In order to accelerate project start-up, the Government will be able to use the retroactive financing mechanism. A list of activities, specifying the ceiling of expenditures eligible for IFAD retroactive funding (estimated at approximately ~~US$536,000~~EUR 465 000 for the "training, studies and agreements category)," is provided as an annex to the project implementation manual. Of these expenditures, only those incurred on or after 31 March 2026 will be eligible for IFAD financing."

Page 8, paragraph 31:

"The economic and financial analysis confirms the viability of PDRIK for the participants and the community. Based on a "with project/without project" approach and conservative assumptions, the analysis used secondary data and recognized tools. The project will benefit 112,000 people (28,000 households), of which 40 per cent will be women and 20 per cent will be young people, at a cost of approximately ~~US$785~~EUR 677 per participant. Beyond the income gains, the project is expected to produce positive impacts in terms of employment, economic diversification, inclusion and resilience."

Page 12, paragraph 59:

"I recommend that the Executive Board approve the proposed financing in terms of the following resolution:

> RESOLVED: that the Fund shall provide a loan on ordinary terms to the Kingdom of Morocco in an amount of ~~XXX euros,~~[3] ~~equivalent to twenty-three million six hundred and forty-three thousand United States dollars (US$23,643,000)~~ twenty million three hundred eighty-five thousand euros (EUR 20,385,000), and upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented herein.
>
> RESOLVED FURTHER: that the Fund shall provide a loan on ordinary terms to the Kingdom of Morocco in an amount of ~~XXXX euros,~~[4] ~~equivalent to forty-two million United States dollars (US$42,000,000)~~ thirty-six million two hundred and twenty thousand (EUR 36,220,000), and upon such terms and conditions

as shall be substantially in accordance with the terms and conditions presented herein.

Pages 12 and 13, footnotes 3 and 4 in the recommendation are deleted.