



الاتحاد العربي للنقابات  
ARAB TRADE UNION CONFEDERATIO

# Financing a Just Transition in Morocco





## Financing a Just Transition in Morocco

## Defining the concept of “just transition” in the Moroccan context and its link to climate justice

The concept of a just transition refers to shifting toward an environmentally sustainable economy and development model in a way that ensures a fair distribution of costs and benefits and prevents the exclusion of vulnerable groups or those negatively affected by the transition. In the Moroccan context, this concept has gained momentum within climate and development policies. Moroccan civil society organizations stress that climate change is an issue of climate justice, human rights, and development; the absence of climate justice deepens social and economic vulnerability, especially among marginalized groups such as women, youth, persons with disabilities, and rural communities. Therefore, a just transition is viewed as an integral part of achieving climate goals while protecting the rights of workers and local communities. Recent national declarations (such as the Rabat Declaration 2025) have called for integrating just transition principles into energy, industry, agriculture, and transport policies to ensure that workers and local residents are not harmed by the shift to a green economy. This linkage between just transition and climate justice means that Morocco seeks an environmental transformation that leaves no one behind and includes broad community participation in climate decision-making to ensure a fair distribution of sustainable development gains.

## Sources of financing for the just transition

Financing a just transition in Morocco requires mobilizing significant resources from diverse sources. Financing can be classified into domestic, international, and private sources, as follows:

### Domestic financing (government, local authorities, and national funds)

The Moroccan government and national institutions play an important role in financing elements of the just transition through public budgets and development funds. The state has integrated climate objectives into its economic strategies, including funding renewable energy and climate adaptation projects. For example, in previous years Morocco created a national fund for energy development to support clean energy projects. Morocco has also received budget-support financing for climate policies: in 2024, it signed a €100 million concessional loan agreement with the German Development Bank (KfW) to finance a climate policy support programme. This government programme aims to strengthen Morocco’s capacity to adapt to extreme climate events and transition toward a low-carbon economy, demonstrating the state’s commitment to allocating resources to climate challenges.

In addition to central government financing, regional and local authorities contribute to funding some sustainability initiatives locally through regional development plans, though their capacities remain limited. National sustainable development programmes (for example in agriculture and water)

also benefit from government allocations and national partnerships to ensure a fair distribution of investment across regions. Despite these efforts, it should be noted that the contribution of domestic public finance to green transition projects remains below ambitions, making it necessary to strengthen earmarked national resources and reinforce partnerships with other actors.

### **International financing (grants and loans from institutions and countries)**

Morocco receives substantial international support to finance its climate and transition projects. International sources include multilateral institutions such as the Green Climate Fund (GCF), the World Bank, the African Development Bank, the European Bank for Reconstruction and Development (EBRD), and the European Union, in addition to major initiatives such as the Climate Investment Funds. For example, Morocco developed a strategic programme with the GCF consisting of 18 projects in adaptation and mitigation across priority sectors. The GCF has financed flagship projects such as support for sustainable argan cultivation to protect argan forests and improve the livelihoods of local communities.

The Clean Technology Fund (CTF) under the World Bank also contributed to financing the Noor Ouarzazate solar complex through concessional loans, supporting Morocco's renewable energy strategy. In addition, the European Union announced a new cooperation package with Morocco worth €624 million in 2023 to support the green energy transition and governance improvements. This package includes funding for the "Green Transition – Terre Verte" programme (€115 million) to support Morocco's agricultural and forestry

strategies and to promote decent work opportunities, green entrepreneurship, and climate-adaptive social protection for workers, as well as the "Green Energy" programme (€50 million) to green the economy and energy sector in line with the Morocco–EU Green Partnership.

Active bilateral partners include Germany, France, Japan, the United States, and others, providing concessional loans and grants for energy transition and adaptation projects. For example, Germany (through KfW) provided loans to strengthen climate resilience in water and agriculture, while France (through the French Development Agency, AFD) provided loans for green infrastructure development (such as southern port development and renewable energy projects). The International Monetary Fund (IMF) also made available a financing line for Morocco under the Resilience and Sustainability Facility (RSF) of about \$1.24 billion to support financial stability efforts linked to climate risks. Overall, international financing is a core lever for large-scale climate projects in Morocco and often comes on concessional terms given Morocco's status as a developing country committed to the climate agenda.

### **Private financing (private sector, partnerships, and investment)**

The domestic and international private sector plays a growing role in financing the just transition through direct investment and partnerships with the public sector. Major renewable energy projects in Morocco rely on Public–Private Partnership (PPP) models, where public institutions (such as the Moroccan Agency for Sustainable Energy, MASEN) collaborate with global investors

and companies to implement projects. For example, the Noor Ouarzazate solar complex was financed through a consortium that included international investors and development banks alongside the state; significant financing challenges were overcome through packages of concessional loans from international institutions.

Recognizing the importance of private capital, Morocco has improved the green investment climate by establishing attractive regulatory frameworks for renewables. Green bonds have emerged as an important financing tool to mobilize private participation. In 2016, MASEN issued Morocco's first green bonds worth 1.15 billion Moroccan dirhams (around \$118 million) to finance three photovoltaic solar projects with a combined capacity of 170 MW. These bonds are debt instruments earmarked for low-carbon investments and helped mobilize capital from domestic and international markets for clean energy projects.

National banks have also played an intermediary role through green credit lines supported by international institutions. For instance, a Moroccan commercial bank (such as BMCI) received €65 million in green financing to support private investments in climate technologies. The EBRD also provides green economy financing programmes (GEFF) through local banks to encourage companies to adopt renewable energy and energy efficiency solutions.

Foreign direct investment is also growing in emerging green sectors: Morocco is attracting international firms in areas such as renewable energy equipment manufacturing and green hydrogen. Long-term Power Purchase Agreements

(PPAs) with private producers are another mechanism supporting private investment in wind and solar plants. In sum, the private sector contributes to financing a just transition through direct investment, green bank lending, bond issuance, and structured partnerships with the public sector reducing pressure on public budgets and accelerating the pace of transition.

## Financing mechanisms and instruments used

Morocco uses a variety of financial instruments to mobilize resources for a just transition, aiming to ease financing conditions and reduce the overall cost to the national economy. The main mechanisms include:

- **Concessional loans:** Preferential loans (low interest rates and long grace periods) obtained from donors. For example, the €100 million KfW climate policy loan supports Morocco's adaptation and decarbonization plans. Morocco has also received concessional loans from the World Bank and the African Development Bank to finance large renewable energy projects (solar and wind). These loans reduce financing burdens and enhance long-term project viability.
- **Grants and direct support:** Several donors provide non-repayable grants for projects with social or pilot dimensions. The Adaptation Fund and the Global Environment Facility, among others, have funded initiatives such as improving agriculture's resilience to drought or protecting oases. The EU also allocates grant funding through its programmes (including part of the €624 million package) to support green entrepreneurship and climate-related social

protection without increasing Morocco's debt burden. Such grants strengthen social-justice components of projects, including worker training and support for small farmers.

- **Public–Private Partnerships (PPP):** PPPs are among the most effective mechanisms for financing green infrastructure. Costs and risks are shared between government and private investors. Many renewable energy projects in Morocco large wind farms and solar plants have been implemented through PPPs: the state provides land, regulation, and purchase guarantees, while the private partner contributes financing and technology. This model has attracted international investors (e.g., companies from Spain, France, and China in wind projects) and expanded renewable capacity without placing the full burden on the public budget.

- **Dedicated funds:** Some specialized funds were created to support specific aspects of a just transition. These include the national energy development fund (financed by the state and Arab partners) to support clean energy projects, and a natural disasters fund to finance measures responding to climate impacts such as droughts and floods. There is also the Innov Invest fund, dedicated to financing start-ups in green technology fields supporting the transition through innovation and entrepreneurship.

- **Green bonds:** As noted, Morocco's first sovereign/quasi-sovereign green bond issuance took place in 2016 via MASEN to finance solar projects. Green bonds pool investor funds in exchange for a fixed return, with proceeds earmarked for sustainable projects. MASEN's success encouraged consideration of additional

green bonds by public entities (such as the national electricity utility) or by banks, to finance energy efficiency and sustainable transport. These instruments help involve capital markets in financing the transition and sharing risks with the state.

- **Other innovative mechanisms:** These include Payment by Results agreements, where donors finance climate programmes and disburse funds based on achieving specific targets (such as emissions reductions). Debt swaps where part of Morocco's debt could be forgiven in exchange for domestic investment in green projects are also discussed internationally as a way to expand climate finance in developing countries. Morocco is also exploring future use of carbon markets by selling emissions-reduction credits to international buyers, which could generate additional funding for just transition projects.

This blend of tools has helped Morocco reduce financing costs and increase climate investment volumes. However, coordination across these mechanisms remains important to ensure stable financing flows and avoid excessive indebtedness by balancing loans, grants, and private investment.

## **Programmes and projects adopting a just transition approach in Morocco**

Morocco has adopted a just transition approach in several programmes and projects across key sectors especially those most affected by climate and energy transformation such as energy, agriculture, and transport alongside initiatives targeting affected local communities to ensure they are not marginalized. Key examples include:

● **Energy sector (energy transition):** The energy transition is the cornerstone of Morocco's just transition. Morocco set an ambitious target of reaching 52% of installed electricity capacity from renewable sources by 2030, which requires reducing reliance on fossil fuels, particularly coal. In this context, Morocco announced a gradual commitment to fully phase out coal-fired power generation by 2040, conditional on receiving international climate financing support. Morocco joined an international coalition in 2023 supporting coal phase-out and effectively stopped planning new coal plants. This commitment is part of a just transition approach that accounts for workers in the coal sector and coal-dependent regions, where early retirement of plants and labour contract transitions would be managed with support from international climate finance. At the same time, Morocco invested heavily in large solar and wind projects. The Noor Ouarzazate solar complex is one of the largest solar projects in the world and a model of Africa's energy transition. It reflected aspects of a just transition by creating jobs during construction and operation, but it also faced challenges related to local community involvement in early phases. Still, it demonstrates how mobilizing international finance (banks and climate funds) alongside national financing enabled Morocco to build large clean energy capacity and reduce emissions. Morocco also aims to lead in green hydrogen: in 2025 the government approved a major hydrogen project package worth 319 billion dirhams (around \$32.5 billion) with participation from global investors from the United States, Europe, and China. These projects aim to produce climate-friendly products (green ammonia, green steel, and synthetic fuels), and the state

provides up to 30,000 hectares of land per project. These initiatives could create a new energy ecosystem with high-skilled jobs and integrate Morocco into global green value chains, facilitating a just transition from traditional industry jobs toward cleaner future industries.

● **Agriculture and natural resources:** Agriculture is a major livelihood source in Morocco but is highly exposed to climate risks such as drought. Rural and agricultural development programmes increasingly adopt a just transition lens through adaptation and resilience-building projects. Initiatives have been launched to improve irrigation efficiency and conserve water in arid areas, supported by international financing to assist small farmers. The EU-funded Terre Verte programme (€115 million) supports sustainable agricultural and forestry strategies, promotes youth employment in green agricultural activities, and expands social protection coverage for rural workers facing climate impacts. Other projects—financed by the World Bank and the GCF focus on transforming agricultural production in regions such as oases and cereal plains through drought-resistant crops and farmer capacity-building. Reforestation and biodiversity protection also feature in this approach: the GCF-supported “argan” project aims to plant 10,000 hectares of argan trees, protecting this unique ecosystem and creating income opportunities for women through traditional argan-oil cooperatives. Overall, Morocco's approach combines investment in techniques (drip irrigation and climate information) with social empowerment (income protection during drought and agricultural insurance), backed by state and partner financing.

◆ **Sustainable transport:** Urban and intercity transport in Morocco has shifted toward lower-carbon, more socially equitable projects. Clean public transport networks such as tramways in Rabat and Casablanca expanded with financing support from institutions like the European Investment Bank and AFD. These investments aim to reduce pollution while offering affordable services to wide population groups, supporting mobility justice. The government has also developed plans for electric buses and charging infrastructure in major cities, seeking financing through international partnerships. For intercity mobility, Morocco is modernizing its rail network (including high-speed rail) as a sustainable alternative to road transport. To ensure a just transition, emphasis is placed on creating jobs and training transport workers for clean technologies, while limiting negative impacts on existing workers (e.g., retraining traditional bus drivers to work on electric systems). Programmes have also emerged to help small truck and bus owners replace older vehicles with lower-emission ones through concessional loans, supported by local banks and climate funds.

◆ **Affected local communities (local just transition cases):** Beyond national sectors, targeted projects have emerged in regions previously dependent on traditional, polluting activities in decline. Jerada Province in northeast Morocco is a clear example: a mining area affected by coal mine closures, leading to unemployment and protests demanding economic alternatives. In response, the government launched a comprehensive development plan for Jerada in 2025 aligned with just transition principles. The plan includes restructuring the mining sector through digitizing mining

licenses and promoting investment in alternative extraction projects transparently, revising mining legislation to reflect local conditions, and requiring companies to develop fair mine-closure plans ensuring environmental and social sustainability. A solar power plant project (3 MW expandable to 10 MW) was also launched specifically to benefit Jerada residents suffering from silicosis linked to mine work. With a budget of 36.5 million dirhams, the project provides lower-cost electricity for silicosis patients who rely on breathing devices an example of investment aimed at addressing past harms and compensating local communities with direct benefits from the green transition. The plan also includes reserving a share of jobs from new projects for local residents and creating a training centre to requalify former mine workers for sustainable sectors, implemented with participation from local authorities and civil society actors. Jerada's case illustrates a new development approach combining territorial justice, digitalization, efficiency, and social justice, reinforcing the state's commitment not to abandon regions that paid a social price due to energy transition. Similar initiatives exist elsewhere, such as support programmes for traditional fishers in climate-affected coastal areas and microfinance support for artisans shifting to eco-friendly materials.

## **The role of civil society and trade unions in ensuring a fair transition**

Civil society and trade unions play a crucial role in advocating for a just transition and monitoring the implementation of climate policies to ensure social equity. In Morocco, networks and organizations promoting

climate justice and broader public participation in climate decision-making have emerged in recent years. For example, the Moroccan Coalition for Climate Justice (CMJC) includes environmental, human-rights, and trade union organizations and has organized national meetings to align views on just transition policies. These actors argue that the shift to a green economy is not merely a technical issue but a social struggle that requires union involvement in decision-making so policies protect workers and popular classes. Union activists have noted that working-class people and women are often the first victims of top-down economic transformations without consultation, and they therefore demand that unions be partners in planning the gradual closure of polluting industries and in creating decent job alternatives.

In practice, Moroccan trade unions have engaged in discussions on energy transition plans to secure decent work in the renewable energy sector and protect the rights of mining and conventional power plant workers during the transition. When a thermal plant or mine closes, unions push for retraining programmes, fair compensation, and alternative investments that create jobs in the same areas. Unions also call for climate finance agreements (such as donor partnerships) to include provisions ensuring social justice and preventing harm to workers. The 2025 Rabat Declaration by civil society emphasized the need to involve civil society and social movements in evaluating climate policies and monitoring implementation of international commitments, highlighting the role of public oversight. It also stressed embedding just transition principles in energy, industry, agriculture, and transport policies to protect workers' rights and local

communities reflecting shared positions among climate activists and union actors.

Civil society organizations also raise awareness among citizens on climate issues and just transition principles through campaigns and local initiatives, emphasizing that the transition must be inclusive rather than elite-driven. Some work with municipalities to involve residents in local projects such as tree nurseries or pollution monitoring, fostering community ownership of the transition. Independent research centres contribute by proposing fair policy alternatives and warning against approaches that could harm vulnerable groups, such as land appropriation without adequate compensation.

Meanwhile, unions have increasingly integrated climate change into their agendas as a workplace health and safety issue and have strengthened regional coordination among North African unions to exchange experience on protecting workers in the context of green transformation. Moroccan union representatives have participated in regional workshops (e.g., Cairo 2023) to build union capacities to support a just transition and demand employment policies aligned with climate objectives. This has contributed to greater official recognition of the importance of social dialogue on climate, with strategy documents increasingly referencing consultation with social partners to ensure successful decarbonization and adaptation plans.

Overall, civil society and unions serve as a safeguard that Morocco's climate transformation is conducted democratically and fairly. They advocate for transparency in the use of climate finance and for directing

resources to those who truly deserve them. They also demand assessment of climate projects' impacts on different social groups to prevent deepening inequality. Here, joint initiatives between the state and civil society matter: in 2024 a national project to track climate finance was launched with the participation of the Ministry of Energy Transition, international experts, and the Climate Action Transparency Initiative praised for improving public access to information on funded projects. Involving civil society in implementing climate commitments and ensuring benefits reach all segments of society is essential for achieving a just transition. A complementary relationship between the state and an informed civil society makes climate policies more effective and equitable and helps prevent deviations that could exclude some groups or waste resources.

## Challenges facing the financing of a just transition

Despite notable progress, financing a just transition in Morocco faces several challenges that must be addressed to achieve goals fairly and effectively:

- **Ability to mobilize sufficient finance:** The World Bank estimates that the investment needed to place Morocco on a green and resilient development pathway by mid-century is about \$78 billion (in 2022 dollars). This far exceeds current availability, implying a major financing gap. Estimates assume the private sector would carry a large share if enabling policies are in place, but attracting private investment at this scale is not guaranteed. A key challenge is incentivizing local and international investors to finance just transition projects especially in

sectors with delayed returns such as climate adaptation and rural development. Public international finance (grants and concessional loans) also depends on donor commitments that may fluctuate with global economic conditions. Although there are global ambitions to raise climate finance for developing countries (such as aiming for \$1.3 trillion annually by 2025), progress has been uneven, including delays in meeting the earlier \$100 billion annual goal. As a middle-income country, Morocco may not always be prioritized for grant funding compared to lower-income states, potentially pushing it toward more borrowing or internal budget reallocation.

- **Ensuring fair distribution of investments:** Without deliberate policies, green investments may concentrate in certain regions or sectors, deepening disparities. Large projects like wind farms or hydrogen hubs are often located where land and renewable resources are abundant (south and east), and communities elsewhere may benefit less. Mechanisms are needed to ensure surrounding communities benefit through jobs or social responsibility programmes. The Noor Ouarzazate experience showed that limited early community involvement can trigger protests over land ownership and benefit distribution—demonstrating that territorial justice is key to public acceptance. Moreover, climate justice requires that finance not flow overwhelmingly to mitigation (renewables) while underfunding adaptation and resilience-building in poorer rural areas. Protecting the most affected groups—small farmers, oasis residents, traditional fishers—requires dedicated resources, otherwise the green transition may widen gaps between those who can adapt and those who cannot. Civil society therefore calls for participation in tracking financing flows and ensuring they reach rightful beneficiaries.

● **Social gaps and risks of unfairness:** Transition processes carry the risk of job losses for certain groups if accompanying measures are not adopted. Coal and mining workers, cement industry workers, and workers in older transport systems may face disruption without retraining and alternative job creation. Financing retraining programmes and generating green jobs is part of transition costs, yet financiers often prioritize environmental outputs over social components. Morocco must therefore persuade donors that social measures training centres, temporary income support are integral to green projects. There is also the challenge of integrating women and youth into green economy opportunities; women may remain excluded from technical sectors unless dedicated capacity-building programmes are financed. Growing awareness that climate justice includes gender justice implies the need for targeted funding for women and youth in rural areas to participate in renewable energy and sustainable agriculture.

● **Institutional and governance constraints:** Securing finance is one thing; ensuring it is used efficiently and transparently is another. Weak institutional coordination and bureaucracy can delay projects, cause cost overruns, and reduce donor confidence. Limited data on project outcomes makes evaluation difficult. Independent reviews of climate finance in Morocco have noted that some projects remain vaguely defined even after implementation begins and that improving systems to track climate expenditure is urgent. Morocco has started developing a national climate finance tracking system, but success depends on strengthening local administrative capacities as well. Financing fragmentation is another

challenge, as each donor has different reporting requirements. Harmonizing a national framework for classifying and measuring climate spending would support accountability and reduce administrative burdens.

● **Debt and financial sustainability risks:** Heavy reliance on loans to finance the green transition can increase Morocco's external and domestic debt burden. Even concessional loans must be repaid. Analysts have warned about rising public debt partly linked to costly climate projects. With limited fiscal space, debt service may come at the expense of social spending unless revenues rise or debt relief mechanisms are applied. Managing the financing mix carefully is essential raising the share of grants and private investment relative to loans where possible. Caution is also needed with conditionalities attached to some financing (for example, rapid energy sector liberalization that could raise prices for poorer households). Morocco must balance attracting finance with maintaining policy sovereignty so the green transition is aligned with people's needs rather than donor agendas.

● **"Green colonialism" and corporate dominance:** The concept of "green colonialism" has emerged regionally to warn against foreign companies or advanced economies acquiring large areas of land or resources under the banner of green projects without sufficient returns for local countries. Morocco is attracting foreign investors in renewables and green hydrogen, but partnerships must be fair ensuring technology transfer and tangible local value creation (jobs, local procurement, and skills). Civil society recommendations have stressed strengthening Morocco's sovereignty and right to its natural resources and rejecting

any new “colonial” practices wrapped in green narratives, as well as resisting lobbying for technically profitable solutions that may not be socially optimal. This highlights the importance of vigilance, good governance, and transparency in financing and investment deals to prevent corruption or favoritism.

In short, addressing these challenges requires a comprehensive strategy that balances mobilizing finance with ensuring justice and transparency in its use. A positive sign is that Moroccan decision-makers are increasingly aware of these issues (for instance, emphasizing territorial justice in the New Development Model and recognizing the need to improve climate governance). Effective implementation depends on cooperation among government, civil society, and the private sector to develop innovative solutions that ensure no one is left behind.

Future opportunities for financing a just transition and Morocco’s ability to leverage global momentum

Despite challenges, Morocco has promising opportunities to expand and diversify financing for a just transition, supported by growing international interest in climate finance and Morocco’s reputation as a reliable partner. Key opportunities include:

- **Global momentum on climate finance:** The world is pushing to scale up climate finance, particularly after recent COPs. COP29 (November 2024) launched work toward setting a new collective quantified climate finance goal (NCQG) that could reach \$1.3 trillion annually by 2025, potentially increasing flows to developing countries. Morocco has advocated for Africa’s right to a larger share of finance and is likely to benefit from future increases in funds for

mitigation and adaptation. The creation of the Loss and Damage Fund (agreed at COP28 and operational discussions continued at COP29) could provide rapid support to countries hit by major climate disasters. Morocco has experienced repeated droughts and floods; in the event of a severe climate disaster, it could seek quick financing from this fund for compensation and reconstruction. New instruments (loss and damage, the NCQG, updated carbon market mechanisms under the Paris Agreement) represent potential additional channels to watch.

- **Just Energy Transition Partnerships (JETP):** There is a growing global trend toward large “Just Energy Transition Partnerships” packages (JETP), pioneered with South Africa (\$8.5 billion) and followed by Indonesia and Vietnam. At the EU–AU Summit (February 2022), Morocco was identified among African countries for which pilot partnership projects could be developed. This suggests Morocco could be a candidate for a coordinated, multi-billion-dollar package from G7 countries and the EU to support coal phase-out and accelerate renewables within a comprehensive agreement that includes social components. JETPs are designed collaboratively to match national needs, and Moroccan negotiators could push for grants and concessional loans to target key just transition elements such as worker training and community support. If developed, such a partnership would boost Morocco’s leadership position regionally and continentally.

- **Rising global interest in green hydrogen and Morocco’s position:** Morocco is emerging as a green hydrogen player due to abundant solar and wind resources and large land availability. Approved investment volumes (\$32.5 billion) and the participation of major international firms signal strong

interest that could translate into large financing flows from strategic investors and funds especially as EU demand grows for renewable hydrogen. Morocco could secure long-term export contracts (hydrogen or derivatives like green ammonia), generating foreign currency that can be reinvested in local development. International hydrogen support programmes are also expanding; institutions like the European Investment Bank may finance hydrogen infrastructure in neighboring regions. A future Africa-focused hydrogen finance initiative could place Morocco among the top beneficiaries. This creates an opportunity to make hydrogen a development engine for southern and desert regions through new jobs (construction, operations, maintenance) and downstream green industries (like green fertilizers).

● **Integration into global green value chains:** As international policies tighten around product carbon footprints (such as the EU's carbon border adjustment mechanism), investors will increasingly seek production in lower-carbon countries. Morocco is positioned to attract green manufacturing electric vehicles (battery assembly), renewable energy equipment leveraging its industrial base and free-trade agreements. If these investments materialize, private foreign capital would complement public support. Morocco's gateway location also makes it a candidate for hosting regional climate innovation hubs funded by UN or international partners, creating funded programmes and jobs for researchers and young professionals.

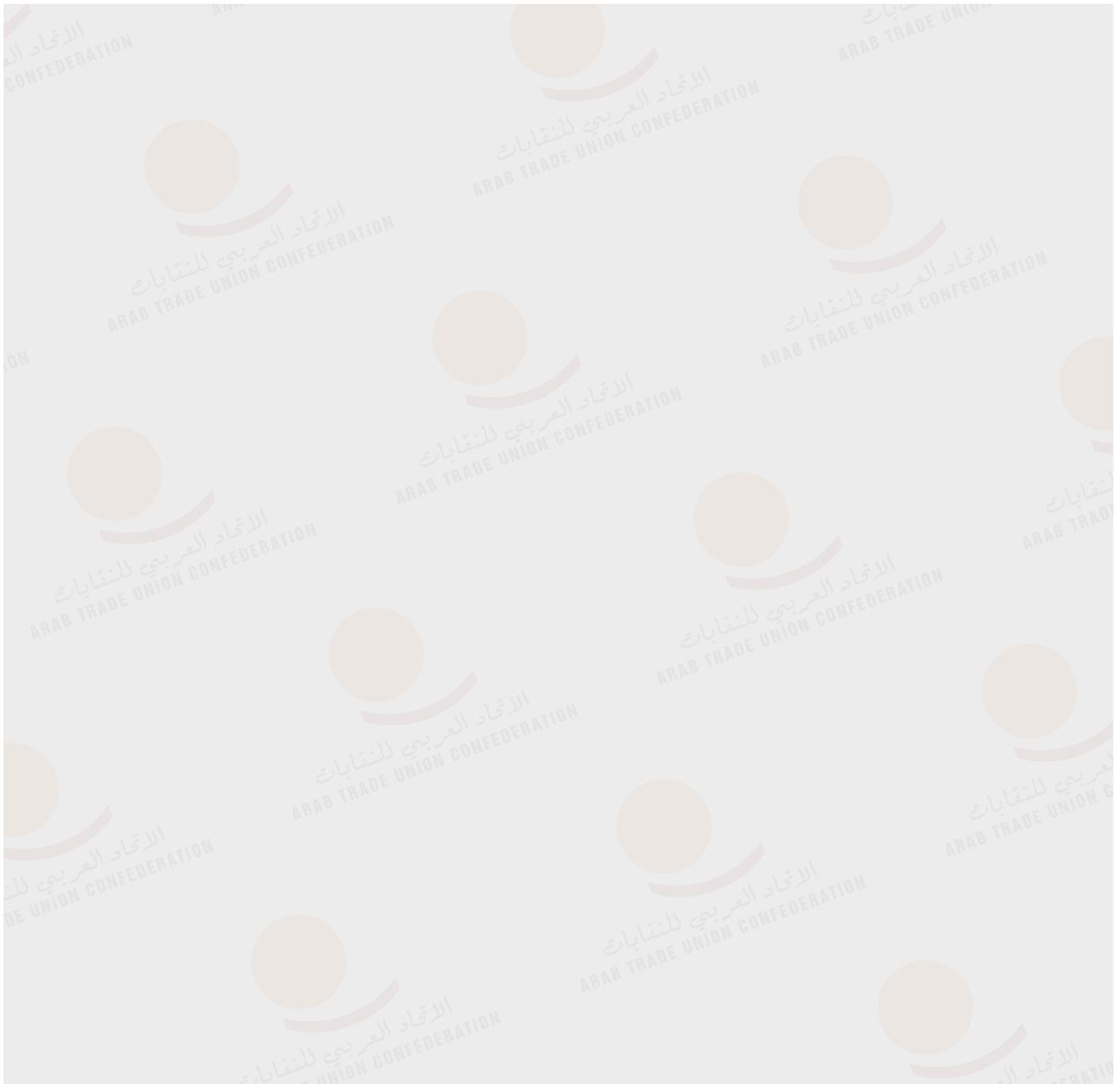
● **Developing new domestic financing instruments:** Moroccan financial markets are gradually expanding green products. Sovereign climate bonds could eventually

finance clean transport and climate-resilient infrastructure. Green sukuk (Islamic finance instruments) could also be used to fund rural solar deployment or water access. The Casablanca Stock Exchange issued green bond guidelines in 2017, and more private Moroccan companies may issue green bonds to finance industrial transition (hotels for energy efficiency upgrades, cement firms for emissions reduction technologies). These pathways can bring institutional investors (like pension funds) into climate finance through relatively safe, moderate-return instruments.

## Conclusion

Morocco is well-positioned to capitalize on growing global momentum around just transition finance particularly with relatively clear strategies and a track record in renewable energy. With continued domestic political commitment to green transformation and social justice, Morocco can negotiate larger resource envelopes through global initiatives or innovative bilateral partnerships. The key is

maintaining strong technical and institutional readiness: well-prepared projects, clear legal and regulatory frameworks, and close partnerships with the private sector and civil society so any additional financing can quickly translate into successful, on-the-ground projects that deliver sustainable development and real equity. Success would also strengthen Morocco's role as a regional model and generate benefits beyond its borders through South-South cooperation on climate and just development.



## Financing a Just Transition in Morocco



## Financing a Just Transition in Morocco

