GREEN FINANCE

TFVM: FRAMEWORK BEING FINALISED

Morocco sets a framework for classifying green activities

STRATEGIC SIGNAL

Morocco is finalising its draft Moroccan Green Finance Taxonomy (TFVM). A public consultation, conducted jointly by the Ministry of Economy and Finance, Bank Al-Maghrib, the Moroccan Capital Market Authority (AMMC), the Supervisory Authority of Insurance and Social Welfare (ACAPS), and the Ministry of Energy Transition and Sustainable Development, closed on 31 July 2026. The project seeks to establish a common framework, based on technical and scientific criteria, for identifying economic activities that may be classified as green. At this stage, the framework is still being finalised.

KEY FACTS

Two dimensions related to addressing climate change: the Moroccan Green Finance Taxonomy covers climate change mitigation and adaptation. In its first phase, the mitigation component primarily covers energy, transport and manufacturing, while the adaptation component notably addresses flood risks, heat stress and water stress.
Targeted first phase: Mitigation primarily covers energy, transport and manufacturing. Adaptation addresses risks including flooding, heat stress and water stress.
Alignment is conditional: Eligibility alone is not sufficient. Alignment requires compliance with the applicable technical criteria, the Do No Significant Harm (DNSH) principle and minimum social safeguards.
Expected uses: The framework may support the classification of instruments such as green bonds, loans, sukuk and blended finance, without itself constituting a source of financing.

STRATEGIC REVIEW – LIKELY IMPACTS

A) Project structuring: Feasibility studies and investment dossiers may need to incorporate measurable and verifiable environmental criteria at an earlier stage.

B) Dialogue with funders: A common framework can improve the readability of regional projects for banks, investors and development partners.

C) Greater data requirements: Project sponsors will need stronger evidence on emissions, energy, water and climate risks to demonstrate alignment.

D) Territorial opportunity: Regional projects involving energy, mobility, industry, infrastructure and climate resilience are particularly relevant to this development.

STRATEGIC REVIEW – WATCHPOINTS

Status of the framework: The public consultation has closed, but the authorities indicate that the project is still being finalised. Regional actors should therefore monitor publication of the final version and its implementation arrangements.

- **Eligibility ≠ alignment:** Operating in a covered sector does not automatically qualify a project as "green". Alignment must be demonstrated against thresholds, technical criteria, DNSH requirements and social safeguards.

- **Evidence capacity:** Access to green finance will increasingly depend on project sponsors' ability to document GHG emissions, energy, water, climate-risk exposure and adaptation measures.

- **Evolving scope:** The first phase covers only part of economic activity; the scope and criteria are expected to evolve.

- **No automatic financing:** Taxonomy alignment may facilitate dialogue with funders, but it guarantees neither eligibility for a financial product nor access to funding.

STRATEGIC RECOMMENDATIONS

1. **Anticipate the future TFVM** when preparing territorial projects by jointly identifying, through the Regional Council and its partners, projects that may meet green-finance criteria.
2. **Strengthen environmental and climate criteria** in project design, particularly for energy, transport, industry, water management and climate resilience.
3. **Structure and share the data** needed to assess project alignment—emissions, energy efficiency, water consumption and climate-risk exposure—by mobilising regional data holders.
4. **Raise awareness across the regional ecosystem** and track the framework's evolution so that the Council, public institutions, economic and financial actors, and project sponsors can progressively adapt their practices.
5. **Monitor the final version**, covered sectors, technical thresholds and implementation arrangements in order to update regional practices.

Regional stake: Make anticipation of the TFVM a collective lever for improving the environmental quality of territorial projects and preparing them for future green-finance mobilisation.

SOURCES:

Ministry of Economy and Finance, Draft TFVM: FAQ and Mitigation / Adaptation chapters, July 2026.
AMMC, press release on the TFVM public consultation, July 2026.