

Strengthening Micro-Entrepreneurship For Disadvantaged Youth

Evaluation Report

Kingdom of Morocco
Ministry of Youth and Sports

World Bank

2017

The publication of this study has been made possible through a grant from the Jobs Umbrella Trust Fund, which is supported by the Department for International Development/UK AID, and the Governments of Norway, Germany, Austria, the Austrian Development Agency, and the Swedish International Development Cooperation Agency.

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Acronyms

ACD	Association de Concertation et de Développement
ADS	Social Development Agency (Agence de Développement Social)
AJI	Association Jeunes pour Jeunes
ALCI	Association Mouvement Alternative Citoyenne
AMAPPE	Association Marocaine de Promotion de la Petite Entreprise
AMC	Association Marocaine des Chantiers Ecoles pour le Développement
ANAPEC	National Agency of Employment and Qualifications Promotion (Agence Nationale de Promotion de l'Emploi et des Compétences)
ANPME	National Agency for the Promotion of Small and Medium Enterprise (Agence Nationale pour la Promotion des Petites et Moyennes Entreprises)
CCP	Local Government Advisory Committees (Comité Consultatif Provincial)
CBO	Community Basis Organization
CDRT	Centre de Développement Régional de Tensift
CEED	Association « Centre of Entrepreneurial and Executive Development »
CGEM	General Confederation Of Entreprises of Morocco (Confédération Générale des Entreprises du Maroc)
CNSS	National Social Security Fund (Caisse Nationale de Sécurité Sociale)
CRI	Regional Investment Center (Centre Régional d'Investissement)
EN	Entraide Nationale
FGD	Focus Group Discussion
FJE	Young Entrepreneurs Foundation (Fondation Jeunes Entrepreneurs)
HCP	High Commission for Planning (Haut Commissariat au Plan)
IDI	In Depth Interview (Entretien en profondeur)
INDH	National Initiative for Human Development (Initiative Nationale pour le Développement Humain)
MA	Master Association
MGAG	Ministry of General Affairs and Governance (Ministère des Affaires Générales et de la Gouvernance)
MEF	Ministry of Economy and Finance (Ministère de l'Economie et des Finances)
MYS	Ministry of Youth and Sports (Ministère de la Jeunesse et des Sports)
M&E	Monitoring and Evaluation
ODCO	Cooperation Development Office (Bureau de développement de la Coopération)
OSMM	Organisation Scoutisme Mohammedia Marocaine
PDO	Project development objective
PMU	Project Management Unit (Unité de Gestion de Projet)
PRDA	Regional Artisan Plans (Plans artisanaux régionaux)
RECFR	Réseau Espace Civil Fès et Région
REMESS	Réseau Marocain de l'Economie Sociale et Solidaire
RESAQ	Réseau des Association de Quartiers du Grand Casablanca
RIHANATE	Association Mouvement Rihanate Citoyenne
SDM	Association Solidarité et Développement Maroc

Executive Summary

Project Objective and Targets

Despite Morocco's strong economic performance over the past 10 years, young people have been disproportionately affected by economic exclusion, with 51 percent of all people aged 15-29 years being out of school and out of work¹. Local institutions are increasingly interested in promoting work independence and autonomy. This makes micro-entrepreneurship for youth a promising potential remedy to youth unemployment, which is a central social, political and economic issue in the country. Morocco suffers from particularly high levels of unemployment: the rate of unemployment amongst 15-24-year-olds stood at 21.0% in 2017 (1st quarter), compared to a national rate of 10.7%.²

The *Strengthening micro-entrepreneurship for disadvantaged youth* project (P144134, financed by the World Bank) was designed with the purpose of supporting self-employment among disadvantaged youth by providing micro-entrepreneurship development services through community based organizations.

The project falls within a wider scope of work as it represents a key component under the Government's new Integrated National Youth Strategy, currently under development by the Ministry of Youth and Sports and supported by the World Bank. The National Strategy identifies youth with lower levels of education (secondary or less) as a priority target group, and strengthening youth economic opportunities as a strategic axis of intervention. Hence, the project aimed to address the urgent need of providing job opportunities for disadvantaged youth while also informing future reforms of publicly provided community-based services (e.g. Ministry of Youth and Sports, Entraide Nationale (EN), Initiative Nationale pour le Développement Humain (INDH) to improve economic opportunities through self-employment³.

Youth targeted by the project were disadvantaged men and women between the ages of 18-29 years who were aspiring and existing entrepreneurs with secondary education or less, currently outside the labor market or active in the informal sector, who have basic know-how in a specific activity or trade (e.g. prior technical training and/or work experience), and ideally also have an idea for a business start-up in mind.

The project adopted a locally based approach that involves bringing together local civil society organisations (NGOs and Community-Based Organizations (CBOs), local private sector and local government officials, with the relevant public-sector institutions. In doing so, the project aimed to foster local public-private-NGO partnerships to provide an integrated support model at the local level tailored to young people, thereby addressing the multiple barriers young people face to starting and expanding their income-generating activities. More broadly, this support model aimed at ensuring that youth services responded to the aspirations of young people as services rely predominantly on public providers.

¹ World Bank 2012. *Kingdom of Morocco: Promoting Youth Opportunities and Participation*. Washington DC.

² International Labour Organization, ILOSTAT database

³ This approach is closely aligned with the recommendations of the recent IEG evaluation of World Bank youth employment programs, which stressed the importance of helping countries design interventions targeted to low income youth (see IEG 2012. *Youth Employment Programs. An Evaluation of World Bank and IFC Support*. Washington DC.)

The project was implemented across all of Morocco's regions recognized by the United Nations⁴. Within those regions, a subset of communes and neighborhoods were selected based on:

1. Demonstrated market potential, based on priority sectors defined by the Regional Investment Centers (CRI) and Regional Artisan Plans (PRDA),
2. Locations with a conducive enabling environment, i.e. the presence and capacity of local civil society, private sector and microfinance organizations, as well as relevant public institutions (e.g., Ministry of Youth and Sports (MYS), National Solidarity "Entraide Nationale", provincial governments, etc.).

The Project Development Objective (PDO) was to provide beneficiaries in the geographic project areas with access to micro entrepreneurship development services. Furthermore, to ensure quality of services and institutionalization of the project to promote sustainability, there is also strong focus on a) strengthening the institutional capacity of national and local stakeholders to provide assistance to youth in starting and growing their micro enterprises and b) supporting rigorous learning about the effectiveness of comprehensive self-employment support to disadvantaged youth in view of facilitating an informed scaling-up.

The project design covered three components. Firstly, **integrated Micro-Entrepreneurship support for disadvantaged youth**, consisting of entrepreneurial training and post creation business development support. These modules were preceded by a market assessment to identify the key sectors offering promising livelihood opportunities (as well as saturated markets), constraints of existing businesses and trades, and possibilities for creating new and upgrading existing micro-enterprises — for example, by fostering value chain integration or exploring stronger distribution channels. Secondly, **institutional capacity building** to strengthen the MYS, implementing NGOs/CBOs, and other public and non-public stakeholders at the local level, as well as their planning and managerial competencies to lead youth entrepreneurship interventions. This entailed the development of training tools and curricula, capacity building for service delivery, capacity building for recipient agencies and local governments, and capacity building on monitoring and evaluation (M&E). Finally, the project also supported **Project Management and Monitoring**.

The Project Management Unit (PMU) at the Ministry of Youth and Sports (MYS) was responsible for overall coordination and implementation of the project. Key responsibilities included national and regional coordination, procurement, fiscal management, monitoring, communication and knowledge management, formalizing partnerships, as well as the selection and oversight of local implementing organizations and service providers.

The project was implemented by the MYS which has a strong mandate to foster youth policy coordination and advance a multi-sector agenda in favor of young people. Under the responsibility of its Directorate of Youth, Children, and Feminine Affairs, the MYS manages over 900 facilities, including more than 500 youth centers "Maisons de Jeunes", and 300 women centers "Foyers Féminins", those were made available for project implementation.

The project theory of change follows six stages with subsequent expected impacts as follows: (1) Eligible participants attend business training provided by local CBOs; (2) The training improves knowledge of good business management and participants develop a business plan; (3) The best business plans are awarded post-creation support for the young entrepreneurs; (4)

⁴Chaouia-Ouardigha, Doukhala-Abda, Fès-Boulemane, Gharb-Chrarda-Beni Hssen, Grand Casablanca, L'Oriental, Marrakech-Tensift-Al Haouz, Meknès-Tafilalet, Rabat-Salé-Zemmour-Zaer, Souss-Massa-Draa, Tadla-Azilal, Tanger-Tétouan, Taza-Al Hoceima-Taounate, Assa-Zag, Tan-Tat and Tata.

Participants are able to establish a business, and apply improved managerial practices and attitudes toward business; (5) The business performance improves and the business expands and begins to contribute to employment creation; (6) The business knowledge becomes deep-rooted and it is sustainable for future business activities.

Outputs and Outcomes

The project had a number of development indicators to capture the extent by which it achieved its expected results⁵:

1. The number of direct beneficiaries and the percentage of female beneficiaries
 - a. Target: 5,000 youth of which 40% young women (i.e. 2000 women)
 - b. Actual beneficiaries reached: 6,822 youth, of which 49% young women (i.e. 3343 women)
2. The direct project beneficiaries who successfully completed entrepreneurship training and the percentage of female beneficiaries
 - a. Target: 4,500 youth, of which 40% young women (i.e. 1800 women)
 - b. Actual beneficiaries reached: 5,761 youth, of which 44% young women (i.e. 2535 women)
3. The number of youth entrepreneurs who received post creation follow up support for at least 12 months and the percentage of female beneficiaries:
 - a. Target is 1,800 youth of which 40% young women (i.e. 720 women)
 - b. Actual beneficiaries reached: 2,567 youth of which 36% young women (i.e. 924 women), as of February 2018.

Project achievements and limitations, as determined from implementation information, the end-line survey and focus group discussions (FGD), are summarized below:

Participation. Youth Centers hosted the bootcamps and/or the training at the community level with a total of 225 Youth Centers in urban areas and 23 in rural areas. 13,293 youth of which 46% were females participated in the pre-identification phase (bootcamp). Subsequently, 4,861 youth from which 42% were females completed the business plan development phase.

Trainings delivered. The initial target of the project was to train 200 civil society professional staff members, which was slightly exceeded (reaching 204). The trained staff were responsible for implementing the project interventions in the field, both urban and/or rural. The project also intended to reach 250 institutional actors at a central and local level of government, of which 201 were successfully trained. 97% of trained officials rate the quality of training as useful or very useful while 94% of trained youth professionals rate the M&E training as useful and very useful.

Enterprises created. In terms of entrepreneurial creations, trade appears to be the largest field of interest with 36% of creations, followed by the service industry with 32%. In terms of organizational structure, auto-entrepreneurs represent almost two-thirds of creations followed by cooperatives which represent 33%. Many beneficiaries who turned to cooperatives felt more empowered by a joint collaborative effort alongside their peers for a first trial in entrepreneurship. Although the auto-entrepreneur status represents the majority of creations, the share of cooperatives is non-negligible. Based on the results of the quantitative phase, one of the most significant reasons for choosing cooperatives is the preference for teamwork in a

⁵ Results are from February 2018, unless indicated otherwise.

group dynamic. Beneficiaries were more confident and at ease working together, especially when all members were project beneficiaries. Each member has one or multiple areas of expertise from which all members could benefit.

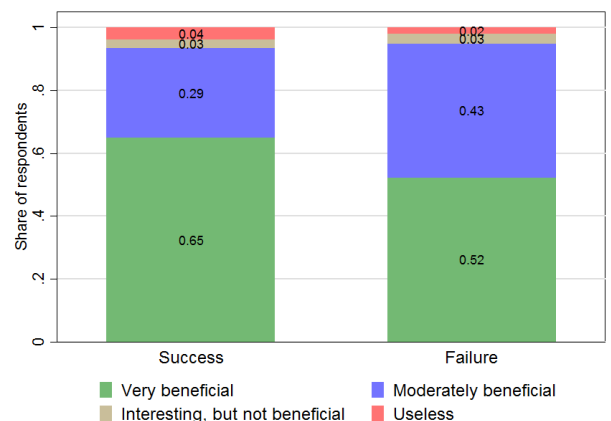
Perceptions of project usefulness. The end-line evaluation, which took the format of an outcome evaluation with combined quantitative and qualitative approaches, sought to capture the outcomes of the project on the individual level as per the respondents’ perceptions and personal ratings. When questioning the respondents who have succeeded about the extent by which they view the project as a contributor to their success, 38% of them reported that it contributed a lot and 47% that it contributed a little. Focus group discussions (FGDs) provided more insight as respondents reported that the project helped them understand the value of marketing studies. By having to conceive a business plan, beneficiaries learned to articulate their goals professionally. The project helped many take ownerships of the feasibility of their aspirations and learn to elaborate plans to achieve them.

The chart on the right plots the views of youth, 65% of respondents who have succeeded in becoming entrepreneurs view the project as being very beneficial, compared to 52% of the participants who did not succeed in becoming entrepreneurs. The majority of the participants (59% of males and 57% of females) view the project as being very beneficial. Less than 6% of respondents claim that there were no benefits from the project.

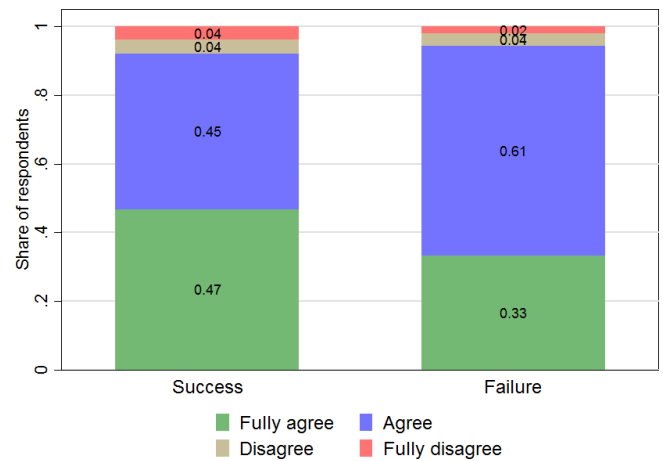
Rural-urban differences in perception. When asking participants on the effect of the project on their life, there were gender and urban-rural differences. Although most of the respondents chose the mid-point of the scale, females report, on average, that the project had a larger positive effect on their lives relative to males, with this difference being statistically significant (p-value < 0.01). Urban respondents also report higher overall benefits from the project than do rural respondent, with the difference also being statistically significant (p-value < 0.05).

Gender considerations. Despite these results, FGD unveiled deeper perceptions and outcomes related to the daily context of beneficiaries. Qualitative analysis showed that for some young rural women, the project had outcomes related to their socioeconomic wellbeing. Participating in the project widened their perspective on employment pathways. Most of these women, in the rural focus group discussion, had never considered working before the project and the empowerment combined with the skillset acquired during the project motivated them to create cooperatives locally and support each other as well as individually. Following the project, all rural female respondents in FGDs attested they felt more ambitious and enthusiastic about the future, with many stating they felt they could support one another and grow individually by using their training and complement each other’s strengths and weaknesses.

Inclusion of disadvantaged populations. According to qualitative sources, young respondents reported that they were very well received with a great hospitality. Furthermore, qualitative sources reported that youth praised the project for providing a sense of community and an exchanging platform for a disadvantaged youth that felt isolated and marginalized. This aspect of the project and the highly qualified and competent staff contributed to personal development that allowed many to overcome timidity, insecurity, hopelessness, lack of education/experience, and regional and local barriers.



Concerns with outreach methodology and training structure. Concerns youth have shared during FGD regarding the project were related to the outreach methodology that followed a snowball approach; each young person was requested to bring along 8-10 friends. This approach in their opinion made relationships deteriorate with the friends which were not selected after the bootcamp. Strains regarding the timing of the sessions was also a challenge especially for females who had family commitments, but working youth in general complained that the timings were not in accordance with their work schedules. Furthermore, the waiting period between one module and another made them lose interest and forget the foundations of the previous one. The biggest deterrent for youth was the complexity of the taxation system they would be faced with once they established their enterprise, specifically, their lack of knowledge about it, and its implications for business profitability and life cycle.



Concerns about curricula. Nevertheless, the main concern of respondents regarding the training was revealed in qualitative findings which state that respondents found the curricula challenging in some of its aspects, firstly because of the language barrier (the training was in some cases delivered in French rather than Arabic) and secondly because of the concepts it was introducing, which might not have been aligned with the academic background of participants. Overall as shown in the chart to the right, 92% of questionnaire respondents who have succeeded fully agree and agree with the intellectual contribution of the project and find it interesting. Females (mean 1.65) tend to agree more than males (mean 1.74) and this difference is statistically significant ($P=0.09$).⁶

Limited movement from informal sector. One of the ultimate objectives of this project was to promote the creation of entrepreneurs among disadvantaged youth and to encourage their movement from informal sectors to formal ones. In that regard, 4% of the respondents who were previously informal entrepreneurs moved into the formal sector. On the other hand, based on the end-line questionnaire, more than half the respondents (56%) did not create a small enterprise after the project. An additional 11% started their small enterprise after the project but have quit it since then. These two groups can be considered as entrepreneurial failures and together sum up to 67% of all end-line respondents. From a gender lens, nearly three quarters of all female respondents (74%) never created the enterprise after the project in comparison to male counterparts (42%), however this difference is not very statistically significant ($p= -0.33$).

Lessons and Recommendations

Lessons learned. The project has a set of successes it can celebrate and build upon for application in future similar projects and/or settings. The project adopted a local approach in its implementation and involved major stakeholders (public sector, private sector and civil society). Each had a clear designated role in the process. This approach was successful in centralizing project management within the PMU team. A detailed follow-up of all operations

⁶ The mean is related to the how youth ranked a statement that was on a scale from 1-4 (one being fully agree and 4 don't agree at all, so the lower the mean the more the respondent was penchant towards agreeing with the statement.

was necessary and fundamental to project development considering the wide spread of implementing partners and the geographical areas covered. Furthermore, the project was the combination of various entities from the local to the national level, making implementation a multilayered approach involving local authorities, ministries, financial associations and institutions, the private sector and other state agencies. Assigning work to local organizations promotes the sense of ownership and usually yields more buy-in from their management. This also entailed its own challenges which represent lessons learned for the future in implementation scenarios that include a wide range of parties. There appear to have some challenges in communication between parties. From the partners' standpoint, MYS imposed time and quantity pressures in exchange for a compensation, and did not distribute installments to MAs on time. Furthermore, having 14 sub-implementers caused a certain loss of control over processes and implementation details, and made it difficult to monitor progress since every MA had their own schedule and agenda, causing beneficiary experiences to be very heterogeneous.

Sustainability. The project aimed at promoting sustainability of its activities beyond its life cycle through the selection of champion implementing partners. The training of the 201 staff members by qualified NGOs within the public and private sector ensures sustainability as it provides stakeholders with human capital. Several Master Associations expressed their intentions to carry on the implementation of project activities beyond the project life cycle (ending in March 2018). They have indicated they will raise the funds necessary for implementation, and several associations have indicated their commitment to continuing to work with disadvantaged youth by creating an initiative to work together in that direction (The CBO "Intilaka Jadida – A New Start" was created February 3, 2018).

Unintended positive outcomes. The project also contributed to creating an informal alumni network. Many project beneficiaries eventually became employers and/or mentors to their former peers. Moreover, many alumni came back to the association after succeeding, to check how they can be of any help to their former peers. The project has become a platform to meet peers, experienced auto-entrepreneurs, potential employers, moderators, and teachers.

Recommendations. A number of recommendations related to its design and implementation need to be considered in upcoming phases.

Design:

- (i) The private sector's presence in the project was two-fold, first as the developer of the curricula for the training material, and then as a stakeholder in the ecosystem. Most beneficiaries expressed the desire for the project to include extensive practical and technical training and internships. Upcoming phases of the project could consider a **sound internship program or solid mentorship and coaching** to youth who have reached the business creation phase.
- (ii) The project design was aware of the importance of **interventions tailoring to meet gender targets**. These included adequate and flexible timings, provision of transportation and female trainers. These factors made a difference to the number of young women reached by the project, especially in rural areas where customs and traditions dictate daily lives. Unfortunately, those designs were not fully conceptualized, and were brought up as concerns by female respondents in the qualitative data collection settings.
- (iii) It was clear that youth struggled with understanding the tax system, particularly its implications and effect on their business. Their expectations were high when it came to startups but were soon confronted with the reality of the tax system and its requirements. The ambiguities around social security were equally challenging. It

might be very beneficial to have **structured orientation sessions**, potentially hosted by government representatives from those respective entities, to clearly illustrate the system to the youth and reduce the frustrations related to startups.

- (iv) The complexity of the tax requirements is a deterring factor when it comes to formalizing startups or micro and small enterprises. A simplified tax code or tax advisory for startups might help address the fiscal barrier.
- (v) Youth who arrived in the business creation stage faced challenges when it came to financing, and mostly relied on personal sources of finance, according to feedback received during FGD. Although the project was based on non-financial support, it might be useful in future designs to **network with financial institutions** that would accept to provide youth with credit at attainable rates or link them to businesses which would be interested in investing in startups.

Implementation:

Finally, a number of recommendations stemmed from absence of proper implementation which affected the quality of the project.

- (i) Implementing a **rigorous vetting system** for the selection of participants to ensure commitment and dedication.
- (ii) Shortening the **time lapse between training** modules to maximize benefits reaped from implementation.
- (iii) Some implementers had concerns regarding the language and mismatch between the level of the training curricula and the academic background of the beneficiaries. It was suggested that beneficiaries be grouped by similar educational levels to create more homogeneous groups. It also appears that the curricula was developed in French and not all beneficiaries spoke French. **Academically adapted and translated versions** in local dialects can assist in overcoming those bottlenecks.

1. Introduction

1.1 PROJECT SUMMARY

Despite Morocco's strong economic performance over the past 10 years, young people have been disproportionately affected by economic exclusion, with 51 percent of all 15-29 years old being out of school and out of work⁷. Thus, this project was designed with the purpose of supporting disadvantaged youth's self-employment by providing micro-entrepreneurship development services through community-based organizations.

The project falls within a wider scope of work as it represents a key component under the Integrated National Youth Strategy. The National Strategy identifies youth with lower levels of education (secondary or less) as a priority target group and strengthening youth economic opportunities as a strategic axis of intervention. Hence, the project sought to address the urgent need of providing job opportunities for disadvantaged youth while also informing future reforms of publicly provided community-based services (e.g. MYS, Entraide Nationale (EN), INDH) to improve economic opportunities through self-employment⁸.

Youth targeted by the project were disadvantaged men and women between the ages of 18-29 years who were aspiring and existing entrepreneurs with secondary education or less, being outside the labor market or active in the informal sector, having basic know-how in a specific activity or trade (e.g. prior technical training and/or work experience), and ideally having an idea for a business start-up in mind.

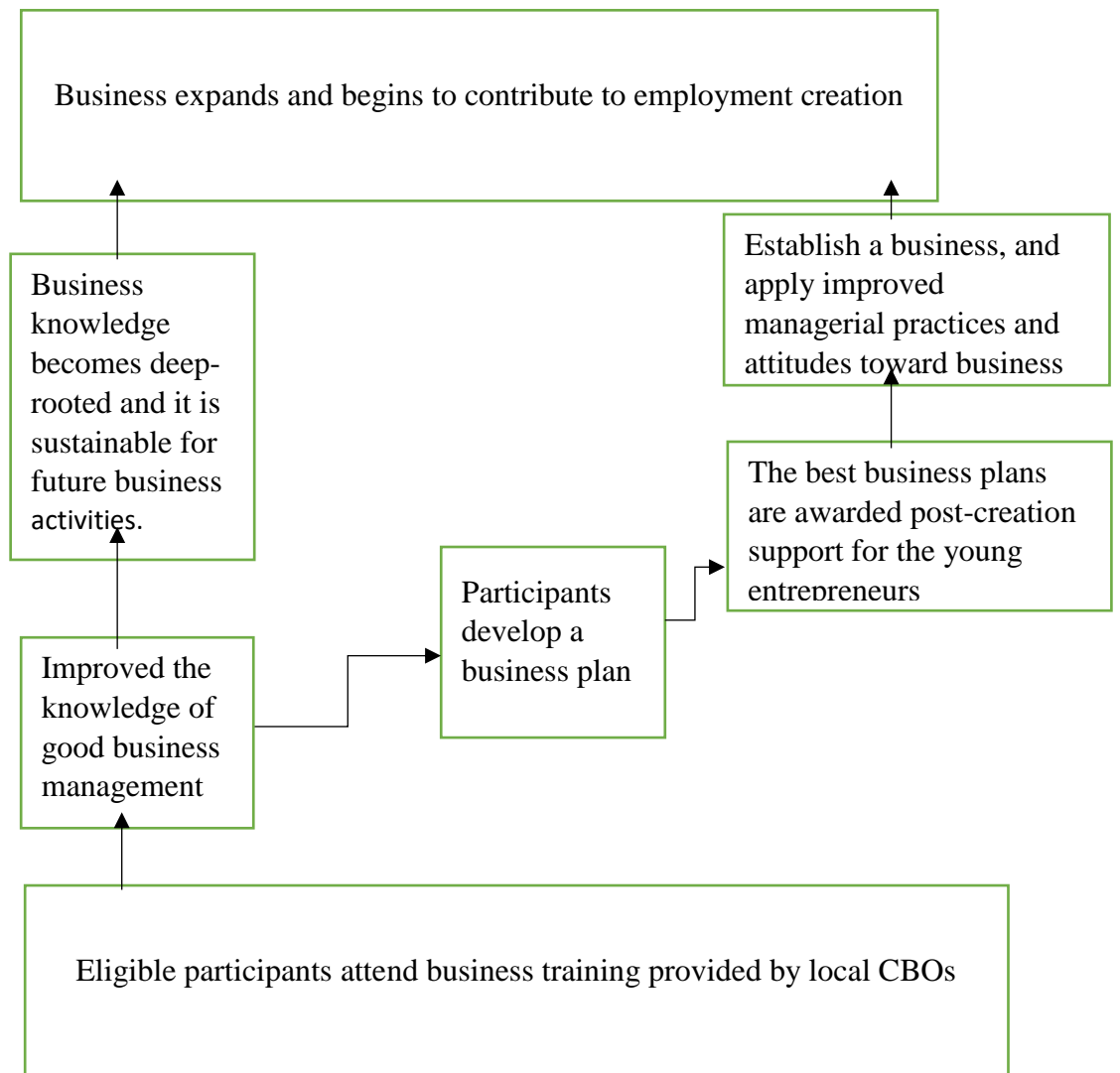
The Project Development Objective (PDO) is to provide beneficiaries in the geographic project areas with access to micro entrepreneurship development services. Furthermore, to ensure quality of services and institutionalization of the project to promote sustainability, there is also strong focus on a) strengthening the institutional capacity of national and local stakeholders to provide assistance to youth in starting and growing their micro enterprises and b) supporting rigorous learning about the effectiveness of comprehensive self-employment support to disadvantaged youth in view of facilitating an informed scaling-up.

The project theory of change plotted in Figure 1 below follows six stages with subsequent expected impacts as follows: (1) Eligible participants attend business training provided by local CBOs; (2) The training improves the knowledge of good business management and participants develop a business plan; (3) The best business plans are awarded post-creation support for the young entrepreneurs; (4) Participants are able to establish a business, and apply improved managerial practices and attitudes toward business; (5) The business performance improves and the business expands and begins to contribute to employment creation. (6) The business knowledge becomes deep-rooted and it is sustainable for future business activities.

⁷ World Bank 2012. *Kingdom of Morocco: Promoting Youth Opportunities and Participation*. Washington DC.

⁸ This approach is closely aligned with the recommendations of the recent IEG evaluation of World Bank youth employment programs, which stressed the importance of helping countries design interventions targeted to low income

youth (see IEG 2012. *Youth Employment Programs. An Evaluation of World Bank and IFC Support*. Washington DC.)

Figure 1: Theory of Change

The indicators used to capture the extent to which the project achieved its Development Objectives are as follows:

1. The number of direct beneficiaries and the percentage of female beneficiaries
2. The direct project beneficiaries who successfully completed entrepreneurship training and the percentage of female beneficiaries
3. The number of youth entrepreneurs who received post creation follow up support for at least 12 months and the percentage of female beneficiaries

The above were supported by intermediate result indicators:

1. Direct project beneficiaries participating in pre-identification (Bootcamp).
2. Direct project beneficiaries who complete a business plan.
3. Participants who rate the quality of the training package as useful or very useful.
4. Beneficiaries who evaluate the post-creation follow-up support as useful or very useful.
5. Trained Youth Professionals at implementing NGOs/CBOs providing training and support to youth.
6. Public officials at the central and local level trained by the program.
7. Trained officials who rate the quality of the training as useful and very useful.

8. Trained youth professionals who rate the quality of the M&E Training as useful and very useful.
9. Timely submission of monitoring report.
10. Impact evaluation carried out – which has been replaced by an outcome evaluation.

The project was implemented across all Morocco regions recognized by the United Nations⁹. Within those regions, a subset of communes and neighborhoods were selected based on:

1. a demonstrated market potential, based on priority sectors defined by the Regional Investment Centers (CRI) and Regional Artisan Plans (PRDA),
2. locations with a conducive enabling environment, i.e. the presence and capacity of local civil society, private sector and microfinance organizations, as well as relevant public institutions (e.g., Ministry of Youth and Sports (MYS), National Solidarity “Entraide Nationale”, provincial governments, etc.).

Table one below shows the regional distribution of Master Associations and their target number of beneficiaries. The project was implemented through fourteen Master Associations. 6 local Master Associations worked in Rabat Sale Zemmour which supported 2400 youth. The large Casablanca region supported 950 youth through its 3 Master Associations. Two local Master Associations worked in Fes Boulmane Region reaching out to 900 youth. Moreover, one local Master Association worked in each of the following regions respectively: Oriental reaching 400 youth, Marrakech Tensift El Haouz reaching 150 youth, Gharab Chrada Beni Hssen reaching 200 youth. Master Association budget allocations were based on the size of the beneficiary target. The highest target of 500 youth could be reached through REMESS and AMAPPE with a budgetary allocation of 2,000,000 MAD for each respective association. The lowest beneficiary target of 150 youth was reached by CDRT for a 600,000 MAD budgetary allocation.

Table 1. Implementing Organizations and Beneficiaries

ID	Master Association	Date of Creation	Region	Beneficiary	Allocated Budget (MAD)
AM-70	FJE	31/12/2009	GRAND CASABLANCA	350	1,400,000
AM-71	RESAQ	21/12/2003	GRAND CASABLANCA	250	1,000,000
AM-72	RIHANATE	09/03/2009	RABAT SALE ZEMMOUR ZAER	400	1,600,000
AM-73	ACD	01/10/2006	RABAT SALE ZEMMOUR ZAER	300	1,200,000
AM-74	AMAPPE	23/03/1991	RABAT SALE ZEMMOUR ZAER	500	2,000,000
AM-75	AMC	16/10/2008	RABAT SALE ZEMMOUR ZAER	300	1,200,000

⁹Chaouia-Ouardigha, Doukhala-Abda, Fès-Boulemane, Gharb-Chrarda-Beni Hssen, Grand Casablanca, L'Oriental, Marrakech-Tensift-Al Haouz, Meknès-Tafilalet, Rabat-Salé-Zemmour-Zaer, Souss-Massa-Draa, Tadla-Azilal, Tanger-Tétouan, Taza-Al Hoceima-Taounate, Assa-Zag, Tan-Tat and Tata.

ID	Master Association	Date of Creation	Region	Beneficiary	Allocated Budget (MAD)
AM-76	SDM	01/07/1998	ORIENTAL	400	1,600,000
AM-77	ALCI	09/03/2004	FES BOULMANE	450	1,800,000
AM-78	REMESS	26/02/2006	RABAT SALE ZEMMOUR ZAER	500	2,000,000
AM-79	AJJ	27/10/2005	RABAT SALE ZEMMOUR ZAER	400	1,600,000
AM-80	CDRT (*)	25/04/1998	MARRAKESH TENSIFT ALHAOUZ	150	600,000
AM-81	RECFR	12/07/2007	FES BOULMANE	450	1,800,000
AM-82	CEED	01/08/2013	GRAND CASABLANCA	350	1,400,000
AM-83	OSMM	23/03/1965	GHARB CHRARDA BENI HSEN	200	800,000

(*) Resumption of activities by the signing of the agreement on November 25, 2015

Source: RS07 MJS-PRMEJD semi-annual report July-December 2016

Project Structure

Beneficiary selection was based on a three-stage process. The first stage was pre-screening consisting of trust-building and training activities over a one-week period (bootcamp) to identify those who really wanted the program from those who did not. Psychometric testing was applied to determine potential entrepreneurial aptitude. In the second stage, those who demonstrated strong interest during the pre-screening were then eligible for the entrepreneurship training. Finally, a subset of youth was selected to receive post-creation support based on the potential viability of their new or existing self-employment project (third stage). The selection was based on the project/business plans developed as part of the training which was assessed by program staff and members of the local private sector, including MFIs.

The project is designed to fulfill three main components:

Component 1: Integrated Micro-Entrepreneurship Support for Disadvantaged Youth

This component provides a menu of non-financial support services designed to facilitate the start-up and expansion of local youth-led micro-entrepreneurship. These services were calibrated to fit the heterogeneous needs of youth at the local level. For example, a condensed version of the training component may be offered to existing business owners compared to the training offered to aspiring entrepreneurs. Similarly, if neither training nor access to finance are required, the project may directly offer post-creation support to selected micro-businesses.

- a) **Market assessments:** Private sector providers carried out local/regional market assessments to identify the key sectors offering promising livelihood opportunities (as well as saturated markets), constraints of existing businesses and trades, and possibilities for creating new and upgrading existing micro-enterprises — for example, by fostering value chain integration or exploring stronger distribution channels. The assessments guided the micro-entrepreneurship development support services, allowing them to specialize in strategic sectors and professions. The assessments also allowed identifying opportunities for non-traditional economic activities, especially for women,

thereby broadening the scope for income-generating activities beyond the traditional gender stereotypes.

- b) **Entrepreneurship training:** Local implementing organizations (e.g. CBOs, NGOs, private sector) provided a combination of skills needed to start and grow a business, including financial literacy (how to manage money and the use of financial services, such as savings and credit), behavioral and life skills (communication, goal setting and achievement, decision making, etc.), and business skills (market research, budgeting, etc.). As part of the training, the project also oriented beneficiaries in the startup/expansion process, in particular by preparing them to apply to local microfinance institutions (MFIs) and existing grant mechanisms such as INDH.
- c) **Post-creation business development support:** A sub-set of participants were eligible for ongoing business development services from local implementing organizations to help them sustain and grow their business. This included mentoring, access to physical space that can be used by for production and/or distribution, and assistance with access to market.

Component 2: Institutional Capacity Building

In order to support project implementation and build the institutional architecture for a national project, the project put strong emphasis on capacity building and technical assistance for all levels of the project. Specifically, this component strengthened the MYS, implementing NGOs/CBOs, and other public and non-public stakeholders at the local level to plan and manage youth entrepreneurship interventions.

- a) **Development of training tools and curricula:** Based on national and international training curricula and other micro-enterprise support tools, minimum standards for the delivery of the services offered under Component one were established and existing materials adapted to make them suitable for the project.
- b) **Institutional capacity building for service delivery:** Under this component the project also provided technical assistance and strategic advice to NGOs and youth-friendly services on the local level so that they could deliver the integrated services efficiently and effectively. This included capacity building on the content, curricula, and methods of the training and post-creation support provided, strengthening organizational functions of local organizations (budgeting, reporting, financing, etc.), and enhancing the capacity of civil servants in Youth and Women Centers managed by the MYS on outreach and programming.
- c) **Capacity building to recipient agency and local governments:** Targeting public officials at central and provincial levels (especially civil servants of the MYS, Entraide Nationale, and provincial governments, as needed) the project provided training on territorial planning and outreach of youth-focused programs, support the participation in specialized trainings and workshops on youth employment and entrepreneurship, and support the integration of lessons for future scaling up.

- d) **Capacity building on Monitoring and Evaluation (M&E):** The technical assistance covered training and coaching in M&E to ensure that quality data is collected as part of program implementation.

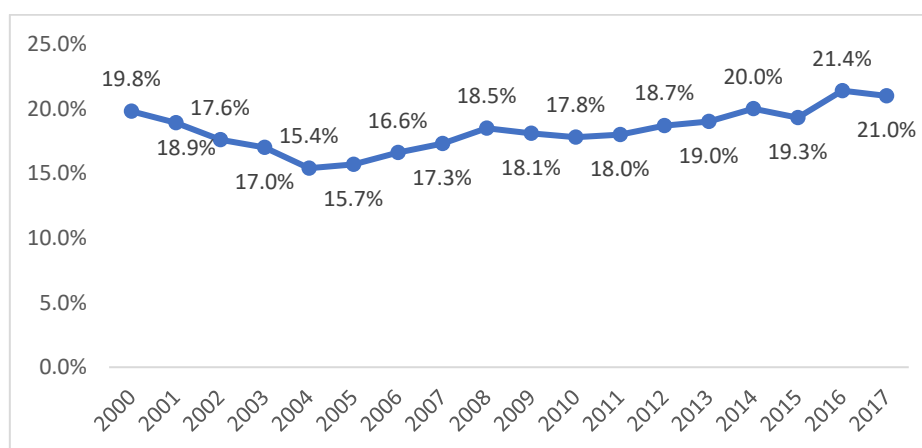
Component 3: Project Management and Monitoring

The PMU was responsible for overall coordination and implementation of the project. Key responsibilities included national and regional coordination, procurement, fiscal management, monitoring, communication and knowledge management, formalizing partnerships, as well as the selection and oversight of local implementing organizations and service providers.

1.2 PROJECT CONTEXT

In Morocco, local institutions are more and more interested in promoting work independence and autonomy which makes micro-entrepreneurship for the youth an immense potential remedy to youth unemployment. Despite the strong economic performance of Morocco over the past 10 years, young people have been disproportionately affected by economic exclusion, with 51% of all 15-29-year-olds being out of school and out of work¹⁰. Employment is an issue that draws a lot of attention and youth unemployment is the main social, political and economic issue. Morocco suffers from particularly high levels of unemployment and the rate of unemployment amongst 15-24-year-olds stood at 21.0% in 2017 (1st quarter), compared to a national rate of 10.7%.¹¹

Figure 2. Youth Unemployment Rate (age 15-24)



Source: International Labour Organization, ILOSTAT database. Data retrieved in March 2017.

The demand for workers in Morocco has grown slowly in part because growth has been job-poor. Morocco's very rapid labor productivity growth, 3.4% a year over 2000-2014, would have required growth rates near 6% (not the 4.5% achieved) to absorb the inflow of new workers¹². Plus, the Moroccan labor market is characterized by the overwhelming weight of the informal sector. Micro and very small businesses with less than 9 employees account for about

¹⁰ World Bank – PID – January 2013

¹¹ International Labour Organization, ILOSTAT database

¹² OCP – Jobs in the Middle East North Africa, and the Moroccan case

97% of business in Morocco, of which more than 60% or 1.7 million entities (2010) are in the informal sector¹³.

In Morocco, the official unemployment rate is at 10%. For the population segment younger than 25 years old unemployment rate reaches 21%, for the 25 to 34 years old segment it reaches 14% and for the 35 years old and older segment it reaches 5%. 95% of entrepreneurship in Morocco employs 5 or less staff members. Entrepreneurship in Morocco comprises 58% of the aggregate overall formal employment. (HCP 2014)

Table 2: Entrepreneurship and Employment

Number of Employees	% of overall businesses	% of formal employment
1 Employee	44%	15%
2 Employees	32%	21%
3 Employees	12%	12%
4-5 Employees	7%	10%
6 Employees or more	5%	42%

Source: *Stratégie Nationale de Promotion de la TPE - 2011*

In this context, several political, economic and social reforms have been initiated. The micro-entrepreneurship for youth project followed an official request by the Government of Morocco for Technical Assistance from the World Bank (letter received on November 5, 2012) to support the implementation of a new self-employment project targeted at disadvantaged youth through community-based services.

The project's implementation approach has been local, bringing together key members of civil societies, local authorities as well as members of the private sector. To promote the sense of ownership that would provide ground for possible sustainability of the project beyond its cycle, the project aimed at improving the use of as well as the quality of professional training provided by over 500 youth centers across the country and managed by MYS.

1.3 EVALUATION OBJECTIVES AND APPROACH

The outcome evaluation seeks to shed the light on three main objectives;

- To determine the extent to which the project achieved its PDO.
- To identify which types of interventions are suitable for scale-up in the context of youth from disadvantaged backgrounds, and which design features could benefit from further adjustments to increase effectiveness during a scale-up.
- To identify institutional strengths and weaknesses as the implementing agency of the project, MYS in Morocco.

The evaluation further seeks to understand:

- **Gender Effects:** The outcome evaluation will conduct interviews with young women who successfully completed the entrepreneurship training, but who did not succeed in starting their own business. The objective is to better understand the barriers to female self-employment among targeted beneficiaries.
- **Cooperatives:** The study will devote a sub-section to discuss the benefits and drawbacks of youth setting up their business as cooperative

¹³ *Stratégie Nationale de Promotion de la TPE - 2011*

- **Self-Employment:** Why are the motivating factors and barriers young people face when choosing to become entrepreneurs? Which advantages and disadvantages do young people perceive?
- **Sustainability:** Verify that beneficiaries and involved CBOs are able to ensure the continuation of any positive project effects beyond this project and any other governmental aid or external cooperation. Verify the capacity of the sustainability of the project results through the Ministry of Youth and Sports

The evaluation used a combination of quantitative and qualitative methods to address its objectives.

a. Quantitative Method

The consultancy team with the guidance of the World Bank technical team developed a questionnaire that consisted of 500 questions covering various areas – training, entrepreneurial perceptions, current business situation and changes in current economic wellbeing. The end-line questionnaire was to some extent aligned to the baseline questionnaire to allow progress comparisons over time. It was administered to 356 youth¹⁴, 199 males and 157 females who have participated in the project interventions through phone call interviews.

The quantitative study consisted in a baseline survey which was conducted between May 2015 and September 2016, the end-line sampling took place between November 16, 2017 and December 22, 2017. The sample comprises only those respondents who were in the treatment group, thus targeted by the project.

The interviews were conducted via phone in regions further away from Casablanca, such as Marrakech, Fès, Tangie, and 8 face to face interviews took place in Kenitra. The sampling procedure for the end-line phase was the following: a random sample of 500 baseline respondents stratified 50-50% by gender. In addition, 200 from the remaining baseline respondents were also randomly sampled (once again, stratified 50-50% by gender) and placed in a replacement list. Since the response rates were low, all of the replacements were used in order to reach the sample target. In an attempt to raise response rates, the end-line questionnaire was substantially shorter than the baseline questionnaire. In addition, end-line respondents were sent a text message whenever possible alerting and motivating them for the forthcoming phone call interview.

The end-line sample was randomly selected to ensure no systematic differences in the baseline characteristics between those who were re-surveyed during end-line and those who were not. However, the low response rate during end-line introduced the concern that perhaps the response propensity is correlated with the respondents' characteristics. If this would be the case, the resulting sample selection would prevent generalizations outside the pool of end-line respondents. The descriptive statistics, however, show that this is not the case.

Table three below presents the core socio-demographic features *at baseline*, which are summarized for those who were successfully interviewed at end-line (**Panel B**), and all other baseline respondents (**Panel A**). In general, there is no evidence of substantial sample selection of the end-line respondents. The only characteristic that is significantly different between Panel

¹⁴ A further six interviews were not considered because the respondents reported not having attended a single module from the training project, leaving 349 complete interviews to be analyzed.

A and Panel B is age, with end-line respondents being on average one year older (at baseline) than the other baseline respondents.

The end-line sample consists of 43% females; on average 27 years-old (at baseline); with 70% of the respondents living in urban areas; 16% being married and 11% having children.

Table 3: Socio-Demographic Characteristics (Baseline)

	Mean	SD	Min	Max	N
<i>Panel A: Baseline only</i>					
Female	0.43		0	1	632
Age	25.64	4.10	18	42	632
Urban	0.65		0	1	632
Married	0.14		0	1	632
Parent	0.09		0	1	632
<i>Panel B: Endline</i>					
Female	0.43		0	1	349
Age	26.50	4.47	18	48	349
Urban	0.69		0	1	349
Married	0.16		0	1	349
Parent	0.11		0	1	349
<i>Panel C: Baseline (total)</i>					
Female	0.43		0	1	981
Age	25.94	4.25	18	48	981
Urban	0.66		0	1	981
Married	0.15		0	1	981
Parent	0.10		0	1	981

Besides these basic socio-demographic characteristics, it is important to assess whether the two samples are similar in terms of their business attitudes measured at baseline (Table 4). None of the business attitudes measured in Table 4 are significantly different between the two samples in Panel A and B. Almost three quarters of the end-line respondents prefer bargaining over fixed price transactions; on average, asking a maximum price of 174 Dh for a (hypothetical) product they acquired for 100 Dh, but willing to sell it for an average minimum price of 141 Dh. End-line respondents report being generally patient and moderately risk taking by placing themselves almost two levels above the risk neutral position in the risk attitude scale. In general, these characteristics - patience, moderate risk taking and preference for bargaining – are good traits for entrepreneurship.

Table 4: Business Attitudes (Baseline)

	Mean	SD	Min	Max	N
Panel A: Baseline only					
Prefers bargaining over fixed price	0.76		0	1	632
Bargaining: maximum price	187.21	378.83	8	5000	632
Bargaining: minimum price	137.19	159.72	6	3000	632
Patience (0-10: very impatient -patient)	8.04	1.60	1	10	632
Risk attitude (0-10 very risk averse-taker)	6.87	1.98	0	10	632
Panel B: Endline					
Prefers bargaining over fixed price	0.72		0	1	349
Bargaining: maximum price	173.64	259.73	15	3000	349
Bargaining: minimum price	141.15	169.12	0	2000	349
Patience (0-10: very impatient -patient)	8.01	1.56	0	10	349
Risk attitude (0 - very risk averse ... 10 - risk taker)	6.79	2.11	0	10	349
Panel C: Baseline (total)					
Prefers bargaining over fixed price	0.75		0	1	981
Bargaining: maximum price	182.38	341.17	8	5000	981
Bargaining: minimum price	138.60	163.05	0	3000	981
Patience (0-10: very impatient -patient)	8.03	1.58	0	10	981
Risk attitude (0 - very risk averse ... 10 - risk taker)	6.84	2.03	0	10	981

Notes: "Bargaining: maximum price" is the answer to the question: *Bargaining: If a product cost 100 MAD, what is the maximum price you may tell the buyer?* "Bargaining: minimum price" is the answer to the question: *Bargaining: If a product costs 100 MAD, what is the minimum price you would accept from the buyer?*

In sum, there is no evidence that response rates correlated systematically with socio-demographic characteristics or business attitudes, so the end-line sample appears to be a truly random subsample of the baseline pool of respondents.

b. Qualitative Methods

Fieldwork for the qualitative methods was initiated by a workshop between the consultant and MA on the 7th of November 2017 explaining what the evaluation is about and presenting the qualitative tools' guides. During the workshop, the geographical areas where the evaluation would take place were decided. MA were responsible for the recruitment of participants who would take part in the evaluation process. The qualitative fieldwork started the 22nd of November and was finished the 13th of December 2017.

Below is description of the qualitative tools that were used in the end-line evaluation:

1. In depth interviews (IDI): 4 in depth face to face one on one interviews were conducted with MA and CBO representatives and trainers, community leaders, private sector corporations, local authorities, managers of Youth Centers, Regional Councils and Financial Associations to determine their perspective on youth micro-entrepreneurship and to evaluate the perceived relevance from their stand-point of such a project. It also captured feedback from direct implementing agencies related to mapping and screening project beneficiaries, as well as provide insights on success factors and challenges related to implementation. The interviews lasted for 45 minutes, and were conducted with eight MA members and trainers.
2. Focus group discussions (FGD): 14 FGD were conducted with youth who have undergone the project, two FGD were solely conducted with female participants. They last for two hours and Focus Groups participants selection was based: on geographic area, gender, residence status, marital status, age, and employment status. Table two below provides a detailed account for the profile of participants. With a total of 110 participants; 60 young men and 50 young women. 85% of participants lived with their parents, 48% were younger than 24 years old, 77% were single and 51% had an independent/informal employment activity.

The FGD aimed at having detailed insights about youth perceptions and dig more into more abstract outcomes of the project on their lives. Moreover, the two women FGD were meant to highlight challenges specific to women that would have been difficult to investigate in a mixed-gender dynamic. Table one below lists the FGD participants by location, gender and urban classification.

Table 5: Beneficiaries' selection for FGD

Geographic area	Gender	Urban / Rural	Number of groups
Casablanca	Gender Mixed	Urban	2
Fes	Gender Mixed	Urban	1
Tetouan	Gender Mixed	Urban	1
Marrakech	Gender Mixed	Urban	2
Kenitra	Gender Mixed	Rural	2
Marrakech	Gender Mixed	Rural	2
Marrakech	Women only	Urban	1
Fes	Gender Mixed	Rural	1
Sidi Bennour	Gender Mixed	Rural	1
Safi	Women only	Rural	1

Table 6: Focus Group Participants Profiles

Total geographic area	110		Gender		
Casablanca	17	15%			
Fès	15	14%	Male	60	55%
Kenitra	16	15%	Female	50	45%
Marrakech	32	29%	Residence Status		
Sebt Gzoula	14	13%			

Sidi Bennour	8	7%	Lives with parents	94	85%
Tetouan	8	7%	Lives alone	16	15%
Age range			Marital status		
Less than 24 years old	53	48%	Single	85	77%
Between 25 and 29 years old	32	29%	Married with children	16	15%
30 years old and over	25	23%			
Employment status			Married without children	7	6%
Unemployed	48	44%			
Self employed	56	51%	Divorced	2	2%
Employed	6	5%			

3. Tracer studies: 20 tracer studies were conducted with youth; thirteen males and seven females who had participated in the project in order to understand necessary conditions for success stories and identify their trajectory to a successful business including barriers and solutions along the way. The sample comprised youth who have succeeded in business creation (17 youth) and others who have not (3). The overall sample was split into these 3 categories based on the various phases the beneficiaries have been through and how their mindset evolved throughout the course of the project. The guideline requested beneficiaries to describe their professional situation and mindset 5 years ago, during the project and after the project ended. It also asked them to project and position themselves 5 to 10 years from and describe how they picture their professional situation as well as their mindset. The main objective of such a retrospective methodology is define the outcome of the project in terms of life changes, added value as well as identify the role of the project in meeting the beneficiary's aspirations before they joined the project.

Tracer studies¹⁵ provide valuable information as to what has happened to a group of people that have been exposed to one common experience. The ultimate measure of success is when the expected life changes are sustained even when the experience comes to an end. The tracer study explores what changes occurred in the lives of former beneficiaries, and how the project contributed to these changes.

1.4 REPORT STRUCTURE

This evaluation report consists of the following four sections that comprehensively lead to an in-depth analysis of the project's overall performance. First, the Process Evaluation identifies

¹⁵ The tracer or follow up surveys can rely on both qualitative and quantitative tools. The interviewees participate to a deep interview retracing their journey through life prior to entering a program. The 2nd step consists on the interview to move on to the period of the program. The moderator dives into the participant's journey during that specific time-period. Then, the interview goes in all the events that occurred after the program and see how and what type of evolutions in his / her life if any are linked to the program he/she followed. The analysis would rely on profiling as well as identifying the ways in which the profile evolved through time. The tracer survey answers the following questions: Who were the beneficiaries before entering the program?; What did they turn into (changes, evolutions...)? ; How the program contributed to the changes in their life?

the implementation challenges by defining the implementing partners' capacity to enforce the project, the legal and logistical challenges they faced. This section also assesses how conducive the arrangements, financial and logistical were to the overall implementation of the project as well as determine the impacts of delays and lack of compliance with pre-determined arrangements. Finally, this section will assess the project's timeline; and put its overall completion in perspective considering the final post-creation follow-up stage and the data collection of the overall performance results are still on-going.

Second, the Descriptive section lays out the profile of project participants, their overall appreciation of the training and the subjects taught, as well as their satisfaction in terms of organization and infrastructure. The description of the evaluation results is based on the beneficiaries perceived benefits. It also gives a break-down of drop-out rates, the drop-out factors per cohort and provides insight as to the perceived limitations of the project from the beneficiaries' experience.

Third, the evaluation of the Impact on Entrepreneurship consists of analyzing self-employment outcomes, the types of micro-enterprises created. More comprehensively, the evaluation tries to assess the impact on overall social inclusion of disadvantaged youth while identifying the unintended project dividends.

Finally, the report identified the Risks to Development Outcomes by listing all the possible detrimental changes and assessing their likelihood; as well as determine the overall impact of the project in terms of development outcomes. The evaluation wraps up by defining the lessons learned from success and challenges while laying out recommendations decision makers can consider when scaling up or replicating it the project in a similar context.

2. Process Evaluation: Project Implementation Challenges

2.1 CAPACITY OF IMPLEMENTING PARTNERS

The project adopted a locally based approach that involves bringing together local civil society champions (NGOs and Community-Based Organizations (CBOs), private sector and local government officials with the relevant public sector institutions that have a strong local presence, such as the MYS (through its “Maisons de Jeunes” and “Foyers Féminins”), Entraide Nationale (through its “Centres d’Education et Formation” and “Centres de Formation par Apprentissage”), and INDH (through its community animation teams). In doing so, the project aimed to foster local public private- NGO-partnerships that can provide the integrated support model at local level tailored to young people, thereby addressing the multiple barriers young people face to start and expand their income-generating activities. More broadly, this support model aimed at ensuring that youth services become more appealing to young people than those currently offered, which rely predominantly on public providers.

The project was implemented by the MYS which has a strong mandate to foster youth policy coordination and advance a multi-sector agenda in favor of young people. Under the responsibility of its Directorate of Youth, Children, and Feminine Affairs, the MYS manages over 900 facilities, including more than 500 youth centers “Maisons de Jeunes”, and 300 women centers “Foyers Féminins”, those were made available for project implementation.

Youth Centers hosted the bootcamps and/or the training at the community level with a total of 225 Youth Centers in urban areas and 23 in rural areas.

The initial objective of the project was to train 200 civil society professional staff members however it succeeded in reaching 204. The trained staff were responsible for implementing the project interventions in the field, both urban and/or rural. Moreover, within the project intermediate indicators, it was intended to reach 250 institutional actors at a central and local level of government however it was only able to train 201.

2.1.1 Project Partners

Sustainability of a project is usually achieved with the presence of successful factors one of which sense of ownership from local entities and well-rounded capacities. The project sought to promote sustainability when reaching out and involving local actors who are well aware of the local context. The project partnered with local, regional and national members of civil society such as NGOs and CBOs, the private sector, and the public sector through local regional communes. Those players are equipped with the necessary knowledge, proximity and local presence to implement the project. Technical and professional training centers through the help of National Solidarity « l’entraide nationale » have also been a major support in making the project available through their communal moderation staff.

The execution of the project was assigned to CBOs and Master Associations managed by MYS through PMU.

2.1.2 The Private Sector

In this project, the private sector was involved in two differing part; the first one as a service provider which was contracted to design the curricula and training material for the project and the second as a partner.

The project design sought to provide a strong ecosystem to support the young entrepreneurs in acquiring skillsets and also in launching or formalizing their economic activities. The project engaged the CGEM's Social and Economic Commission to ensure private sector outreach for the project. In particular, members of the local private sector participated in the selection process that assessed the quality of business plans/ideas developed during the training process and select the subset of beneficiaries eligible for post-creation business development support. In addition, the project intended to engage the private sector in offering the mentoring services that are part of the business development support, thereby facilitating the transfer of knowledge from existing to new businesses and strengthening social networks between program beneficiaries and other individuals and businesses in the community



2.1.3 Capacity of MAs and CBOs to implement the project

Five main criteria geared the selection of the implementing partners to ensure effective implementation: legitimacy, specified local knowledge, human resources, financial and logistical means.

a. Knowledge and understanding of local context

Reaching beneficiaries needs thorough understanding of the local context they live in. This is not only limited to the language, but also the cultural aspects and their day to day lives. Thus, while selecting the project partners, the selection of CBOs operating in remote rural areas tried to ensure they possess deep understanding of local realities, they adopt the same way of life or at least have enough specified knowledge to relate to the difficult local realities.

“I am from a rural area myself and I try to help women develop, in order to do that I have to walk through very difficult pathways in a hostile natural landscape that even men do not feel capable crossing, to get to the women I aim to help”. Association member in in depth interview

Furthermore, disadvantaged youth, especially women in rural areas, have cultural constraints that need to be taken into consideration when implementing projects to ensure participation and decrease dropouts. In one of the FGD conducted with young women in the rural area of Meknes provided an example of the cultural restraints that face young women. Some young women wanted to attend the training but faced two challenges: cultural customs and transportation costs. Cultural constraints involved the fact that it was impossible for them to all go and attend a training with strangers. *“There is a trust issue directly linked to the culture of the rural area”*. Understanding those constraints, respecting them and trying to overcome them can only result from entities and teams that are directly related to the context they work in.

Local knowledge is not only limited to understanding the context with its culture and constraints but also its physical environment. Many challenges are common to all across the country, but other challenges are specific to the territory itself, the local community, or the level of marginalization.

The picture on the right illustrates the difficulties faced by local CBOs to get in touch with youth in very difficult and

nature rough regions. Yet, as they state it, these CBOs operate in such areas and take pride in providing both young men and women with a solution for employment.

b. Human Resources

MAs and CBOs have committed volunteers that have been trained specifically for the needs of the project. The partners assigned the role of implementation received a training of trainers on the modules of the project giving them the necessary qualifications to help them make the project available to a wider audience by adapting the training modules based on the various levels.

Additionally, exchanges among MAs and CBOs were organized by the PMU for sharing knowledge and best practices to improve the training as well as raise the access for a wider segment of unemployed youth. The project also benefited from the participation of institutional actors who helped in adapting the project to the local context.

c. Financial Means

The project budget that amounts to USD 5,000,000 was financed by The Transition Fund of the Deauville Partnership and the management of the funds was assigned to the World Bank. The project's implementation was meant to last a total of 5 years. The total financing needs of the project were estimated at USD 5,800,000. The difference were raised by a Morocco contribution via MYS in the form of installments, equipment and dedicated staff.

A contract bound Master Associations and MYS defining the responsibilities and duties of each party. The contract also committed MYS to pay the MAs for their work. Through this method, MYS guaranteed MAs a compensation for their work which was MYS's way of financing the project. Also, there was no contractual link between CBOs and MYS.

d. Logistical Means

MYS and the "Women Household Solidarity" network "Entraide Foyers Féminins" made their offices and different locations available for the training. The initial conception of the project planned for a follow-up through a support system which would be an integrated approach to evaluation. The local associations had access to a follow-up and support platform TIC that was meant to track rigorously the progress of the project. National and regional NGOs were responsible for data collection on the progress periodically via local associations. All associations were supposed to communicate with the Monitoring & Evaluation (M&E) officer on all topics related to the follow-up system.

On another hand, the partners felt that the youth faced one major challenge; all the literature for beneficiaries was in French rather than Arabic thus impacting a full understanding for some staff of the NGOs. They also mentioned that young people working in the private sector who are the most prone to succeed in such a project on micro-entrepreneurship lost faith in the project after a while for a variety of reasons:

- they cannot make money while they are in training,
- they are not being compensated for their time during the training,
- the training is not on weekends so they cannot work at the same time,

- the time lapses between each module are too long and beneficiaries forget what they learned,
- lack of awareness and communication about the project.

2.2 LEGAL AND LOGISTICAL CHALLENGES

2.2.1 Legal Challenges

The project was implemented by MAs and CBOs that were key members of civil societies. The contractual relationship binding them with MYS was on the basis of delivery of services against payment. The contract put timeline and mobilization volume pressures on the partners in exchange for compensation. The conditional aspect of the compensation put a considerable pressure on the associations to recruit and mobilize beneficiaries in bulk without proper and reflected vetting. In such a situation, the role of the partners was less perceived as a collaborative effort to implement the project in a success-conducive manner and turned into a race to meet the objectives.

«We signed a contract that stipulated that to be paid we had to meet the set-out objectives, when we signed the contract we stopped being a partner and became a subcontractor ». MA

«it was a race for objectives, we had the obligation to get a specific number of young people and we had to recruit them through any means necessary even if the selection process was not adequate. » MA

« they asked me to bring young people along with me when they started the project, each one of us had to bring in 10 people ». Beneficiaries Group

The partners mobilized a pool of beneficiaries that were not selected under the vetting rules conducive for wide-range success. They were able to conduct the project despite the inadequate selection process and were able to reach the post-creation level with some beneficiaries from the project. MAs took note of the deficiencies in the vetting and selection process and kept implementing the project by doing other modules and following-up the at to post-creation.

The post-creation coaching faced some challenges related to the fiscal regime for auto-entrepreneurship. The fiscal regime of auto-entrepreneurship drafted by the Ministry of Economics and Finance addresses the following:

- ✓ Eligibility for auto-entrepreneur status
- ✓ Turn-over brackets eligible for such a status
- ✓ Tax payers that are excluded from such a fiscal status due to their profession
- ✓ The enforced rates of income tax: 1% if revenue is below or equal to 500,000 MAD in commerce and 2% if revenue is below or equal to 200,000 MAD in the service industry
- ✓ Net capital gains are taxable based on the regulations enforced
- ✓ Total exoneration of consumption and professional tax for a 5 years period.

In order to acquire an entrepreneurship card, the fiscal regime also details the procedure to follow:

- ✓ File an electronic application request on the National registrar of auto-entrepreneurship portal
- ✓ Print and sign the application
- ✓ Deposit the application at a local bank office of the Barid Al Maghreb Bank within 30 days from the electronic application filing

- ✓ Attach a photo and a copy of identification card with the application

This legislation presents the following challenges:

- i. The electronic filing and the necessity to have access to internet and to print is a challenge for many depending on their region. For many this requirement is perceived as a major obstacle considering the difficulty to reach the portal. It is worth noting that in rural areas some young people have a very low level of education and this requirement seems out of their reach.
- ii. However, this requirement also generated positive output because it has raised the income of some cyber cafés who charge for the application printing between 5 and 10dhs. *“it is a good thing it helps cyber cafés make money and the beneficiaries are not lost they get some help and assistance to get their application in”*. Getting the card seems like a major administrative challenge that has a chilling effect on the beneficiary the ability to have some coaching and support through the process is very important.
- iii. Al Barid Bank branches and national banks played major role by making it possible to get an auto-entrepreneur card in their offices. Al Barid Bank is definitely more approachable to beneficiaries than banks that can be intimidating and out of reach for young disadvantaged people.
- iv. However, many banks required of beneficiaries to open a bank account in order to pick up their auto-entrepreneur card. Out of fear of bank fees some beneficiaries give up in their card and walk away from the bank and the entire process.
- v. Another major challenge lies in the monthly or trimestral declaration of turn over. Many beneficiaries were very chilled by this information which in their perception entails that they are going to have to pay a considerable amount in taxes. In order to pay for taxes, the beneficiaries must turn to a tele-declaration followed by a tele-payment; the first of which occurs 30 days after the first declaration.

Despite the simplification of the fiscal regime, it remains highly complex for the beneficiaries and causes a strong apprehension which has an adverse effect on their micro-entrepreneurship endeavor and acts like a deterrent. For Beneficiaries who are new to micro-entrepreneurship and bureaucracy in general, the notion of taxes implies consequences if they misfile or omit something in their filing. The thought of tax related repercussions is a major deterrent for them. In their perspective, despite the challenges and lack of social security in informal employment or trade, there is some level of safety in opacity and anonymity, having to declare taxes strips them of anonymity and makes them accountable in the view of the state which is very intimidating to them. The fiscal legislation is complex, ambiguous and confusing to most beneficiaries and the process seems tricky and complex which makes them feel even less at ease. Another major deterrent is when after their first month of activity they are made to pay a sizable portion in taxes. Being new to entrepreneurship and administrative obligations, the notion of filling all these documents that trace exactly how much the beneficiary is making is an intrusive and challenging process that deters many.

The weaknesses stated for auto micro entrepreneurship are more linked to lacking macro synergies at the national level rather than linked to the concept itself. Indeed, many active actors of the micro entrepreneurship regret a lack of synergy with the tax department, the ongoing silence of social security and the profit maximization attitude of banks requiring new micro-entrepreneurs to open a bank account with a first deposit and bank fees that are very discouraging leading sometimes to abandon the auto-entrepreneur card despite having gone through the whole process of having it issued.

“Fiscal weight, in Meknes many auto entrepreneurs were taxed at the start of their status, it is discouraging and the people who had this experience would discourage others from seeking auto entrepreneur status”; “There is a lack of clarity for the status of auto entrepreneur, nothing is clear for taxes and social security, it needs to be highly clarified and simplified”; “This lack of communication between all key players, taxes, social security, banks, has a negative impact of the concept and leads to a major loss of credibility”. Financial Association

The auto entrepreneur card is a protection for those beneficiaries operating in the informal sector because through that status they can assess their existence as a business if bothered by local authorities. The paradox in the following collected statements from MAs shows the discordance in interpretations of the fiscal regime for auto-entrepreneurs. *« it is mainly positive for street vendors, if the police bothers them they can always show their entrepreneurship card » RECFR « I don't think the card protects beneficiaries because the authorities can always say that they are occupying public spaces to do business » CEED .* The contradiction in the statements collected in our various interviews shows the lack of clarity of the status of auto-entrepreneur. It is unclear if the card protects street vendors. The fiscal regime is not pronounced on the matter and the law is vague enough to leave the door open for interpretation which is even less reassuring for beneficiaries.

Furthermore, another legislation concern beneficiaries encountered is related to social security. CNSS is not clear on the status of auto-entrepreneur, thus leaving beneficiaries unassured and builds considerable frustrations. Even MAs do not consider CNSS as an incentive or a motivating statement to encourage young people into the project. *« For taxes, they were very quick to come up with a piece of legislation made into law but for social security it is very convenient for them to keep the status quo and keep people in the dark »; « there is nothing to gain from this project since as an auto-entrepreneur I cannot get social security through CNSS”. Youth respondents in urban areas.*

2.2.2 Logistical Challenges: Access and Mobility

Multiple logistical barriers strained the implementation of the project. The transport of beneficiaries for instance has been a major obstacle especially for young women in rural areas. For some, the cost of transport was the main reason for defection *“we are from rural areas, we decided to send one of us so that she could get training and then she is supposed to come back to the village and teach all of us, we all contributed for her transportation costs. She actually became the president of our cooperative. »*

Moreover, scheduling modules on days where a maximum of beneficiaries could attend was also a considerable challenge. A lot of motivated and struggling young people are working in the informal sector and although they are very interested and motivated by the idea they still have to provide for themselves and/or their families, which presented them with the dilemma of attending or going to work.

Cultural aspects also dictate certain logistical constraints. For example, it might not be well perceived by participants to have female trainers especially in rural areas. It occurred that beneficiaries from the rural areas refused to attend because the trainer was a woman and she smoked cigarettes. They felt her attitude and outfit were unconventional and they boycotted her modules.

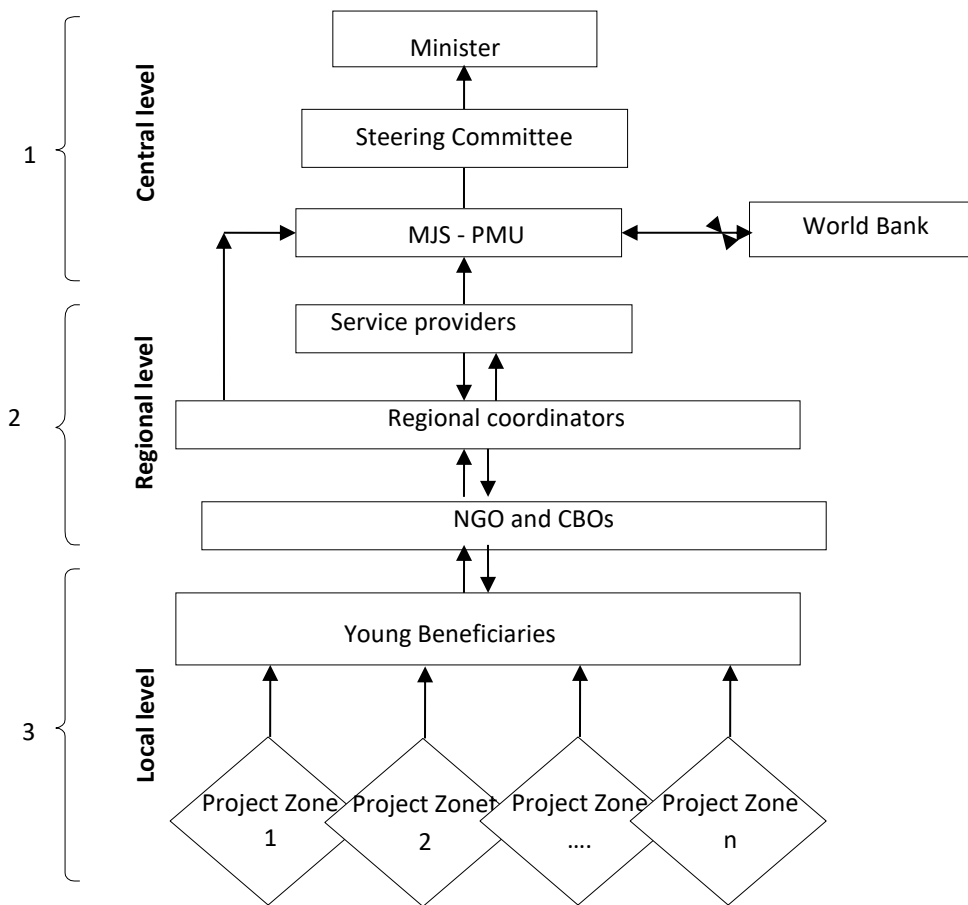
In a lot of modules, it was also difficult to get the beneficiaries interested in the content of the training because they only attended to meet up with their friends and socialize rather than having a real vested interest in micro-entrepreneurship this was especially reported in Kenitra.

2.3 IMPLEMENTATION ARRANGEMENTS AND DELAYS

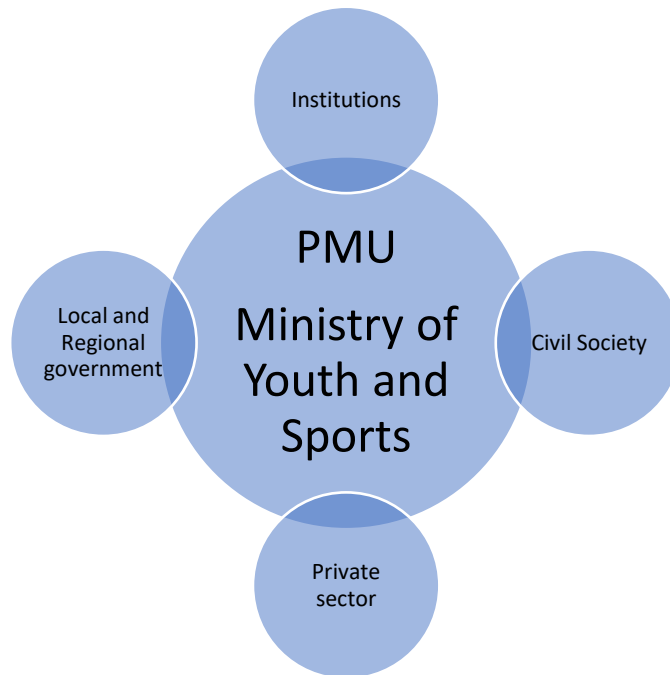
2.3.1 Implementation Arrangements

One of the project's strengths was bringing major actors completely independent from one another to work together. The cooperation and involvement of civil societies, local government, national institutions, and the private sector created a good implementing team. It was built on shared knowledge and procedures as well as the strong cooperation and communication channels. It allowed the project to address the issues of the disadvantaged youth in a comprehensive and efficient way. The entire project was piloted and guided by the supervision and assistance of the Ministry of Youth and Sports through their Project Management Unit (PMU). Figure three below plots the implementation arrangements between the various players and Figure four plots levels of implementation.

Figure 3: Project Implementation Arrangements



Source: Project Operational Manual June 23, 2016.

Figure 4: Levels of Implementation

2.3.1.1 Institutional Landscape

The success of the project relies on the ability of the various actors to collaborate and cooperate to meet the announced objectives. The project depended on the various parties' ability to communicate and work together in order to achieve the expected outcomes. The role of each partner was fundamental for an adequate and reliable project implementation. At the institutional level, below listed all the concerned players along with a description of their role.

i. Ministry of Economy and Finance (MEF)

The MEF represented the Moroccan Government and was responsible for approving all the loans and donations consented to the Government by the external financial institutions. The MEF was the signatory of the donation accord.

ii. Ministry of General Affairs and Governance (MAGG)

The MAGG ensured the coordination between the World Bank and the Government. All negotiations regarding the projects agreed upon with the World Bank were presided by the MAGG. The MAGG was kept updated and informed throughout the project implementation on advancements and developments.

iii. World Bank

The role of the World Bank was to manage the Transition Fund as well as be a signatory along with the MEF of the Donation Accord; as well as to ensure the following:

- The project implementation was consistent with the dispositions laid out in the Donation Accord as well as the manual of procedures;
- The World Bank guidelines regarding the handover of markets as specified in the Donation Accord were respected;
- The provisional financial reports were examined and ensured that they reflect the project expenditures.

The approval of the World Bank also referred to as « Non-objection » is also required in the following cases:

- In all market handovers flagged in the Donation Accord as requiring Non-objection;
- For all reference terms of hired consultants for the project, or terms of reference of training or other services.

The World Bank ran supervision assignments on the project regularly. The government was made aware of such assignments prior to their occurrence.

iv. The National Government's Advisory Committee

For this project, the National Government Advisory Committee involved members of the following Ministries: MGAG, MEF, Ministry of Interior (INDH), Ministry of Education and Professional Training, the Ministry of Industry, Investment, Digital Economy and Commerce, The Ministry of Women and Family Solidarity, the National Solidarity Social Development Group (Entraide Nationale), the Ministry of Craftmanship and Social and Solidarity economy, the Ministry of Employment and Social Affairs, as well as the delegate of the Ministry of Industry, Investment, Digital Economy and Commerce responsible for small businesses and the integration of the informal sector. Representatives of employers' organizations, financial institutions and micro-loan agencies were also involved in the advisory committee.

The advisory committee hosted the following partners: the National Agency of Employment and Qualifications Promotion ("Agence Nationale de Promotion de l'Emploi et des Compétences", ANAPEC), the Cooperation Development Office (ODCO), the Social Development Agency (ADS), the National Agency for the Promotion of Small and Medium Enterprise (ANPME) and SILATECH.

The advisory committee hosted meetings twice a year and oversaw the following:

- Validated and guided the project's approach
- Provided the necessary support to mobilize institutionally for the good implementation of the project
- Ensured the viability of the private-public partners and the NGOs involved with the auto-entrepreneur status and youth micro-entrepreneurship in general
- Consolidated the lessons learned from the project and disseminated them across all the different organizations involved in the project to guarantee viable sustainability.

v. Provincial Government Advisory Committee

The role of the Provincial Government Advisory Committees (Comité Consultatif Provincial CCP) evolved around the following objectives: to allow state and civil society actors to participate to the project implementation, to develop a vision and a shared knowledge on micro-entrepreneurship of the disadvantaged youth, and to inform and mobilize if necessary other actors involved in disadvantaged youth micro-entrepreneurship.

Their objective was also to initiate dialogue and public debate about disadvantaged youth and micro-entrepreneurship. The committee was meant to favor initiatives and innovations within public and civil society services. Their overall objective was to mobilize and converge all the various actors in the implementation of the project. Their role was extensive because it involved concerting, debating, maintaining open channels of communication, accompanying, organizing, coordinating and following-up.

Their role was two-folded in the sense that they had to provide the necessary support and access to the various partners in civil society, keep track of the development of the project, identify the most promising sectors as well as the biggest challenges the youth faced. At the same time, they were to coordinate with the public institutions and ensured institutional mobilization and accessibility.

vi. Civil Society and the Private Sector

The role of civil society was to implement the project locally in their communities. Through 14 Master Associations and CBOs with an overall staff of over 200 people, the associations were responsible for recruiting, training, teaching and counseling the beneficiaries. At the end of their training, the private sector was meant to step in by providing coaching and mentoring to beneficiaries in the post-creation phase. The private sector along with institutional actors listed above were local partners and were meant to coordinate with each other before launching any local intervention.

2.3.2 Implementation Delays

Various types of delays presented a challenge throughout the project implementation. Those were summarized below:

- The large majority of delays was due to payment issues due to the payment system adopted. These delays created serious issues in the project implementation. They caused an overall decrease in motivation of the team carrying the project locally, as well as affecting the reputation of the project in the views of civil society partners and beneficiaries.
- The delays between training sessions were also a major shortcoming of the project implementation. Beneficiaries had to wait long periods of time between modules which made them forget the content of the previous training. Beneficiaries who had passed and succeeded previous modules realized they forgot what they had learned by the time the next module started. The long lapses in time were not only detrimental to the knowledge acquired but also generated an overall decrease in enthusiasm.

Despite the delays the civil societies have faced, civil society representatives shared during interviews that those delays did not affect the achievement of the objectives; however, the outcome could have been of higher quality. In other words, if local partners were given the

means on time they could have vetted the recruited profiles and conducted the project in a more timely manner with small lapses between modules. They would have been able to select beneficiaries and follow-up with them more carefully with higher scrutiny which could have enabled a higher sustainability in the post creation phase.

2.4 FUND FLOW AND FINANCIAL TRANSFERS

2.4.1 Fund Flow

The overall cost of the project was a 5,000,000 USD donation. The financing was ensured by the Transition Fund of the Deauville Partnership while being managed by the World Bank. The project is implemented for a duration of 5 years.

All financing needs for the project were estimated at 5,800,000 USD. Morocco contributed the equivalent of 800,000 USD through MYS in the form of installments, equipment, and project-dedicated staff.

Table 7: Project Cost and Financing (in USD)

Project Components	Project Cost	Financing by Transition Fund	% of Financing
Component 1: Integrated Micro-Entrepreneurship Support	\$ 3,429,424	\$ 2,956,400	86.2%
<i>Activity 1.1 Market Assessments</i>		\$ 135,000	
<i>Activity 1.2 Entrepreneurship Training</i>		\$ 1,567,500	
<i>Activity 1.3 Post-creation Business Development Support</i>		\$ 1,253,900	
Component 2: Institutional Capacity Building	\$ 943,428	\$ 813,300	86.2%
<i>Activity 2.1 Development of training tools and curricula</i>		\$ 12,000	
<i>Activity 2.2 Institutional capacity building for</i>		\$ 267,000	
<i>Activity 2.3 Capacity building to recipient agency and local</i>		\$ 321,500	
<i>Activity 2.4 Capacity building on Monitoring and Evaluation (M&E)</i>		\$ 212,800	
Component 3: Project Management and Monitoring	\$ 1,276,000	\$ 1,100,000	86.2%
<i>Activity 3.1 Project Management & Administration</i>		\$ 1,035,000	
<i>Activity 3.2 Monitoring & Evaluation</i>		\$ 65,000	
Price Contingencies	\$ 151,148	\$ 130,300	86.2%
Total Project Cost	\$ 5,800,000	\$ 5,000,000	86.2%
Interests during Implementation			
Total Financing Required	\$ 5,800,000	\$ 5,000,000	86.2%

The funds; following the internal budgeting laid out in the “Finance Law” (“*Loi de Finance*”) were transferred to MYS according to the World Bank’s disbursement guidelines and according to the method agreed on the disbursement letter. The disbursement letter listed three payments methods: reimbursement, direct payment and advance. The MYS only approved two of the methods rejecting the direct payment option. The funds were managed by the Executing Agency. No funds were transferred to the offices of the regional coordinators of the project.

The payment justifications supporting documents were sent to the MEF's Directorate of Budget for verification, approval and then electronically for submission to the World Bank.

Table 8: Disbursement Forecast

	TOTAL ALLOCATED BUDGET	DISBURSEMENT FORECAST 2017/2018				
		3 RD Q. 2017	4 TH Q. 2017	1 ST Q. 2018	2 ND Q.2018	TOTAL
Component 1: Integrated micro- entrepreneurship support	22,930,073	900,000	4,200,000	1,400,000	-	6,500,000
Component 2: Institutional Capacity Building	6,795,378	-	-	679,537	-	679,537
Component 3: Project management and Monitoring	11,262,549	681,247	73,080	517,543	378,362	1,650,233
Total (MAD) (US\$)	40,988,000	1,581,247 160,017	4,273,080 432,423	2,597,081 262,817	378,362 38,289	11,378,783 4,099,327

The installment provisions predicted that by June 30th, 2018, 81.1% of the overall cost of the project (4,100,000 USD) would have been disbursed. Since the donation was meant to close on March 31st, 2018, the remaining 900,000 USD would be retained instead of disbursed unless the MEF approved the 800,000 USD budgetary extension previously agreed upon.

From a financial stand-point, on June 30th, 2017, the disbursement of the donation by the World Bank would have attained **3,205,780 USD** (30 670 965,70 MAD), i.e. **64.12%** of the overall amount of which **878,370 USD** (7,783,485 MAD) were an advance on the designated account that has yet to be utilized. The following table sums-up the commitments, payments and disbursements made up until June 30, 2017.

Table 9: Commitments, Payments and Disbursements issued until June 30th, 2017

	Amount in MAD	%
Allocated Budget (*)	40,988,000	-
Signed Contract Amount	38,176,314	93%
Total Commitment GIDE	37,316,444	91%
Total Payments	26,949,751	66%
Total Disbursements	30,670,966	75%

(*) Calculated based on the following exchange rate 1 \$USD = 8,1976 MAD

Source: RS08 MJS-PRMEJD Semester Report January -June 2017

2.5 PROJECT COMPLETION

The evaluation was not all-encompassing because MYS is still collecting performance data from MAs and CBOs. Moreover, the data obtained is not sufficient to evaluate accurately the 12 months post-creation stage, because it won't come to an end until March 30th, 2018. It is important to put this evaluation in perspective and in the context of the project's timeline which consisted of the following:

1. July 25, 2013 the Donation Accord was officially signed.
2. The PMU formed and by August 30, 2013 all contracts with the selected implementing partners were signed
3. September 2, 2013 the project implementation launched and announced to last a total of 48 months.
4. February 14, 2017, beginning of the 12 month-extension.

As described in the above timeline, the implementation of the last stage of the project consisting in accompanying young micro-entrepreneurs for a year, is still ongoing. MYS estimates the final implementation stage to be completed by March 30, 2018.

The table below shows the progress of the project's implementation from its launch on September 2, 2013 to performance data submitted as of June 30, 2017.

Table 10: Project Progress by Component

EVALUATION REPORT

Indicators	Target at the end of the project (N)	Completed on 30/09/17 (N)	Completion Rate 30/06/2017 (%)	% Of women
Performance indicators on development objective (PDO)				
Direct Project Beneficiaries participating to entrepreneurship training	5000	6822	136%	49%
Direct Project Beneficiaries that completed the entrepreneurship training successfully	4500	5761	128%	44%
Young micro-entrepreneurs supported by the project receiving follow-up post-creation for 12 months	1800	On Going	-	-
Component 1: Intermediate Performance Indicators -Young Beneficiaries receiving quality support services in entrepreneurship				
Direct Project Beneficiaries participating in pre-identification	10,000	13,293	133%	46%
Direct Project Beneficiaries that have completed a business plan	4500	4861	105%	42%
Young micro-entrepreneurs supported by the project who created a business (*)	3600	4221	117%	38%
Component 2: Intermediate Performance Indicators – Implementation Organisms and public authorities participating to the capacity-building process				
Total number of professionals trained in implementation organisms NGO/CBO	200	251	126%	42%
Total number of public servants at the central and local level trained by the project	250	201	80%	42%
Component 3: Intermediate Performance Indicators – Quality of Project Management and Evaluation & Follow-up				
Timely Submission of follow-up reports	16	12	75%	-

(*) This indicator was added to the logical framework of intermediate performance indicators
 Source: RT16_PRMEJD_MJS_30_09_2017

3. Descriptive Evaluation Results

3.1 Profile of Project Participants

Recruitment of participants consisted of a snowballing method. In other words, many young people corresponding the targeted profile were involved with the association, the Youth Center or the Industry Center (Maison de l'industrie), the Scouts Association and so on. Those known by the association were recruited for the project. They were then asked to bring other young people (8 to 10) to join in the project.

The project reached¹⁶ 6,822 young men and women of which 49% females. The profile¹⁷ of participants can be described as follows:

66% of youth lived in urban settings (61% of males, 74% of females) and the average age was of 24 years. 7% are heads of family with only 2% of them being female headed families. An average of 15% are married and only 10% are parents.

92% of youth completed primary education and only 30% reached high school (31% of males and 29% of females). The highest reason for dropping out of the educational system was lack of capacity (25%) followed by lack of interest (20%) and lack of financial means (14%).

24% of youth have somehow been involved in capacity building in the informal sector.

Among all 14 MAs responsible for recruiting beneficiaries and implementing the project locally, the following 3 were not included in the overall beneficiary sample: The Young Entrepreneurs Foundation (FJE), CDRT, and ACD. The Young Entrepreneurs Foundation (FJE) was disqualified due to a weak performance through the first stages of the project. The FJE recruited an initial sample of 526 beneficiaries. 172 of which reached the business plan stage. FJE was asked to stop its involvement with the project at the business plan stage.

The Regional Development Centre of Tensift has yet to submit its project completion data. At the pre-selection stage of the project the CDRT had a total of 236 beneficiaries. The latest data collected to date shows that 160 of the initial sample reached post-creation. Considering the overall data for this MA is incomplete for the intermediate stages and has not been submitted yet; it has been removed from the overall drop-out analysis.

The Moroccan Concertation and Development Association (ACD) has not submitted any post-creation stage data to the common platform. The only data available as of September 30th, 2017 is that the ACD accounts for total of 393 beneficiaries at the pre-selection stage. In trying to quantify the drop out sample the data for this MA cannot be included considering it is incomplete.

The data from the 3 above mentioned MAs is incomplete and cannot be taken in consideration when measuring the evolution of participation rate throughout the stages of the project.

3.2 Overall appreciation of the training

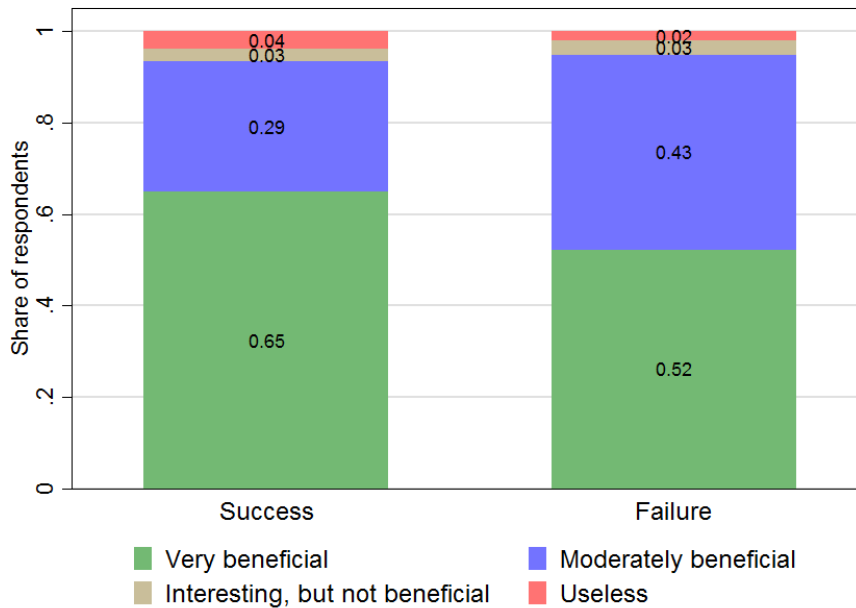
This section aims at shedding the light on the extent to which respondents appreciated the training and the contributions it might have had on them. Overall, the majority of the

¹⁶ By 29th of September 2017

¹⁷ The profile was extracted from the baseline questionnaire respondents which are representative of the targeted population due to randomized selection.

respondents view the project as being very beneficial with 59% males and 57% females. Less than 6% of the respondents claim that there were no benefits from the project. Looking at the data from the perception of respondents based on their success¹⁸ in the project (became entrepreneurs) 65% of respondents who have succeeded view the project as being very beneficial, compared to 52% of the participants who did not succeed to become entrepreneurs. Chart 1 below, plots the responses of respondents disaggregated by their success status.

Chart 1: Self-reported benefits of the project: distribution by success/failure to become entrepreneur



In an attempt to understand the extent by which respondents who have not succeeded perceive the training modules they have been introduced as beneficial or not, 90% of respondents (84% of males and 95% of females) who have not succeeded reported that they believe that the project allows young people to get started in micro-enterprises (fully agree and agree).

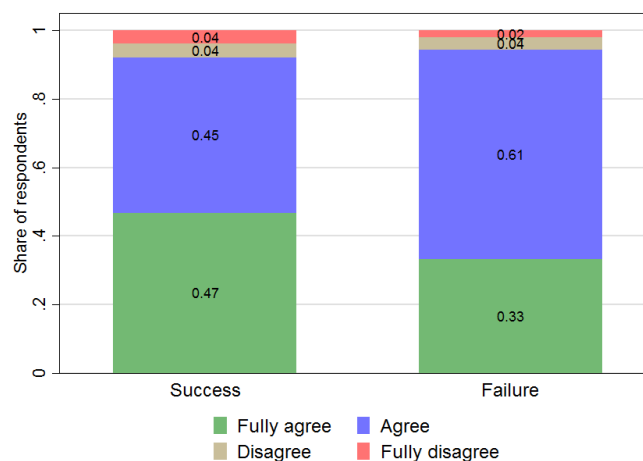
When questioning the respondents who have succeeded about the extent by which they view the project as a contributor to their success, 38% of them reported that it contributed a lot and 47% that it contributed a little. In both cases, some kind of spillover effect must have contributed the respondents' success but at various degrees based on their perceptions. FGD respondents reported that the project helped them understand the value of marketing studies. By having to conceive a business plan, beneficiaries learned to articulate their goals professionally. The project helped many take ownership of the feasibility of their aspirations and learn to elaborate plans to achieve them.

Qualitative findings state that respondents found the curricula challenging in some of its aspects, firstly because of the language barrier and secondly because of the concepts it was introducing; which might not have been to the academic background of participants. Many FGD respondents reported being bored during the training. *“there was too much talking and too many French papers they told us when they asked us to sign up that training was in Arabic and then*

¹⁸ N=349; 154 successes, 195 failures.

we show up and they give us French papers to fill up when none of us know French". Despite that, 92% of questionnaire respondents who have succeeded fully agree and agree with the intellectual contribution of the project and find it interesting against 94% of the ones who did not succeed. Females (mean¹⁹ 1.65) tend to agree more than males (mean 1.74) and this difference is statistically significant (P=0.09). Chart 2 below provides more detailed data disaggregated by the success of respondents.

Chart 2: The intellectual contribution of the project is interesting?



The end-line questionnaire focused on some areas whereby the respondents had to rank their perceptions on a scale, the smaller the average, the higher agreement they were in with the statement. When inquired about the project teaching them how to run a small business, females (mean 1.70) were in more agreement with the statement than males (mean 1.78) and that difference was statistically significant (P=0.08). Nevertheless, that was not the common trend among the remaining statements. When inquired about whether the project was the reason for their business creation, males were in more agreement (mean 2.93) than females (mean 3.14) but this difference was not very statistically significant (P= -0.22). This continued with the following statement were more males (mean 2.95) than females (mean 3.25) agreed that the project assisted in improving their small business (P= -0.30). In summary, females reported that the project content was interesting and that it taught them how to run a small business more than their male counterparts. This somehow can be supported by what some young female shared during a FGD, she felt that the knowledge acquired was very valuable and even though she did not go on to build a micro-entrepreneurship project of her own she went back to her rural area and built a cooperative.

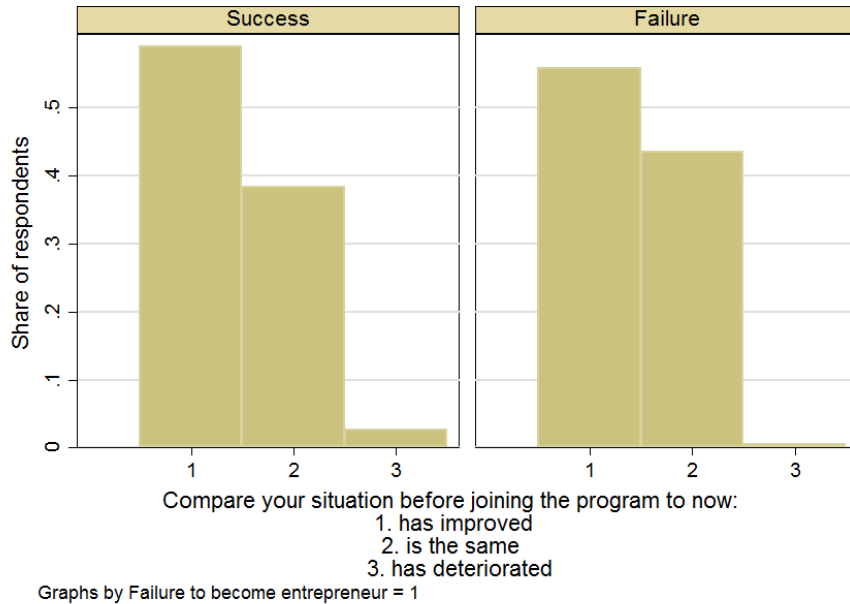
3.3 PROJECT OUTCOME ON BENEFICIARIES

The project intends to promote entrepreneurship among the disadvantaged young with the midterm outcome of improvement in their economic situation. The project might have contributed to this finding but cannot confirm it caused it. From the end-line, 57% of respondents who have succeeded report that there was an improvement in their overall situation before and after the enrolment in the project. 38% of respondents who succeeded did not

¹⁹ This statement had a response scale of 1-4, 1 being: fully agree, and 4 being: don't agree at all, thus the lower the mean the more agreement with the statement.

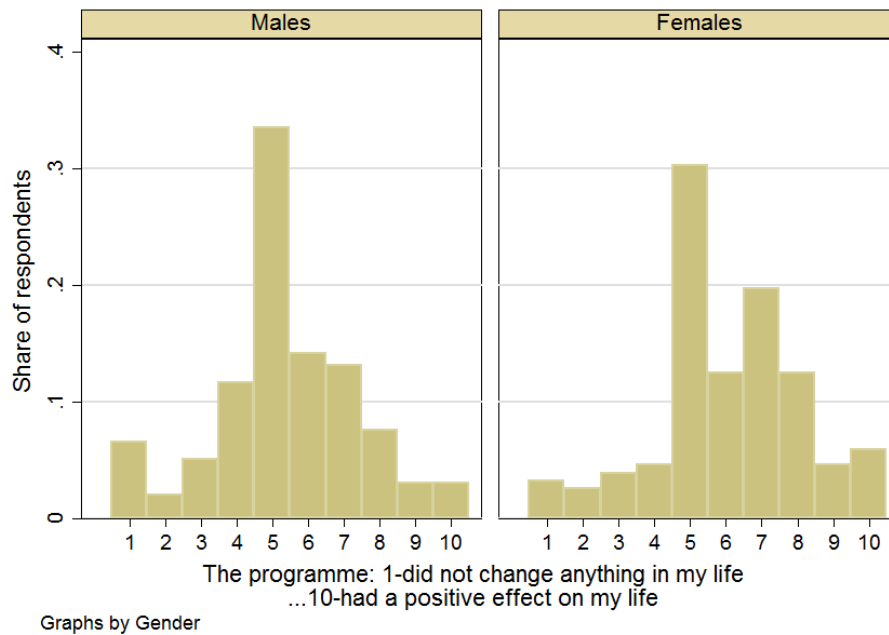
experience a change in their situation in the same period, and only a small percentage of the ones who have succeeded witnessed a deterioration in their situation. Chart 3 below plots the difference between responses of young respondents who succeeded and the ones who did not.

Chart 3: Improvement in one’s situation: before vs. after the project



Furthermore, the end-line questionnaire also tackled another area of change that could have been contributed by the project enrollment. When asking participants on the effect of the project on their life, there were gender and urban-rural differences (chart 4). Although most of the respondents chose the mid-point of the scale (outcome 5), females report, on average, that the project had a larger positive effect on their lives relative to males, with this difference being statistically significant (p-value < 0.01). Urban respondents also report higher overall benefits from the project than do rural respondent, with the difference also being statistically significant (p-value < 0.05).

Chart 4: Self-reported impact of the project on the respondents' lives: distributions by gender and residence status.



A qualitative activity the consultants used to collect some youth perceptions was the Mirror Analysis²⁰. From the responses youth have made, it concluded that the training was successful in providing the management and business planning skillset, however it lacked depth and follow up regarding budgetary management and profitability. Among all beneficiaries that reached the post creation phase, many respondents underestimated the costs of either equipment, staff or rent. Underestimating costs makes it very difficult to become profitable in the timing they had predicted. *“I thought I would be profitable before the end of the first year, but my business is way over a year old and I barely make any profits”*.

Based on the end-line questionnaire, the highest level of education reached by the disadvantaged youth targeted by the project is high school, which could indicate that this project represented a milestone in which they invested, committed to and showed interest in learning and applying knowledge and skillset in the real world. This could be confirmed as 43% of the young respondents who succeeded fully agree or agree with the statement “The project has completed my academic training”, while 45% of the young respondents who have not succeeded also agreed with the same statement.

²⁰ They were asked to describe what their plans and predictions were for their micro-entrepreneurship project, what has changed in their perception since they attended the training and then how they actually created their project. The purpose of this pre- and post-creation description exercise is to identify the gap between their predictions / expectations and the reality. The overall objective is to identify how to narrow that gap through the training and determine which elements were conducive to success and which elements were not.

3.4 SATISFACTION WITH THE ORGANIZATION AND INFRASTRUCTURE

There were areas that youth respondents appreciated about the implementing organizations and other aspects they disliked. Youth respondents in FGD reported their satisfaction with training, “The large majority felt that the training was of higher quality with very experienced and knowledgeable teachers. Many of them especially in rural Kenitra claimed they were very well received with a great hospitality *“we drank and ate good food”*. Furthermore, qualitative sources reported that youth praised the project for providing a sense of community and an exchanging platform for a disadvantaged youth that felt isolated and marginalized. This aspect of the project and the highly qualified and competent staff contributed to a personal development that allowed many to overcome their timidity, insecurity, hopelessness, lack of education/experience, regional and local barriers. This was further confirmed during an activity that uses Photo Sort²¹, youth felt assisted and cared for by their trainers. The fact that they were given so much time and attention through a step by step process that helped them build self-confidence. *“They were with us every step of the way and gave us so much of their time”*.

On the other hand, a miscommunication occurred between some MA and youth participants where the latter were put under the impression that there would be financial assistance (in the form of direct financing or support to guarantee financial support) as a project component. This created a sense of disappointment and discontent among numerous youth. A young man in Tetouan added *“my old teacher in the industry center told me that this training is great because I would get money at the end as well as help to start my own project and it was very exciting to me I accepted to participate because I believed I would get enough support financially and otherwise to start a business”*.

Moreover, the snowballing recruitment led to beneficiaries being blamed by their peers who were excluded from the project. They felt that if they were asked to make their friends and peers participate in the project the association should have found a way to include everyone and not exclude people mid-way. The exclusions led to beneficiaries remaining in the project losing friends and feeling guilty for encouraging them to participate.

3.5 SUBJECTS TAUGHT

The post-creation workshops modules varied in size and format. The groups were heterogeneous in profiles and activity sectors for some and others were grouped homogeneously. Literature on the following topics was used during the moderation of these workshops: the 4Ps of Marketing (price, placement, production and product), customer behavior theories, sales pitch and product / service description, Maslow theory as well as other tools such as sales /negotiation technics for client retention. Annex 1 describes the training phases.

The post-creation phase also consisted of accompanying the new young entrepreneurs through a “Diagnostic Manual of the micro-enterprise”. Overall the post-creation training, in its implementation remained very academic and theoretical. The beneficiaries felt it remained too superficial and did not related to their day to day activity.

²¹ Photo Sort method which consists making beneficiaries pick out the first image that strikes among a pile of random feeling-projective images. The selected image is meant to best describe their feeling and perspective on the project. The selection of the image must be spontaneous and related to the top of mind in other words it must be the image that strikes them the most when thinking of the project’s strengths and weaknesses

Quantitative data provides evidence on the contribution of the project modules in the project’s participants’ knowledge. 92% of respondents who have succeed and 87% of the ones who have not, fully agree or agree with the fact that the project taught them how to run a small business. Also, 52% of respondents who have succeeded fully agree or agree that the project helped them improve their business.

Nevertheless, qualitative information provided more detailed perceptions. *“I learned a lot of things I am using in my business now like treasury management and accounting but it is very difficult to apply the things I learned because the training was so theoretical and vague, when I get back to my business it seems very difficult to figure out how to apply the things they taught us; it might have been easier for me to figure it out if I had been in a formal internship in a similar business or if they put me in touch with someone who has a similar successful business that would tell me how to do things”* Urban male respondents in youth FGD

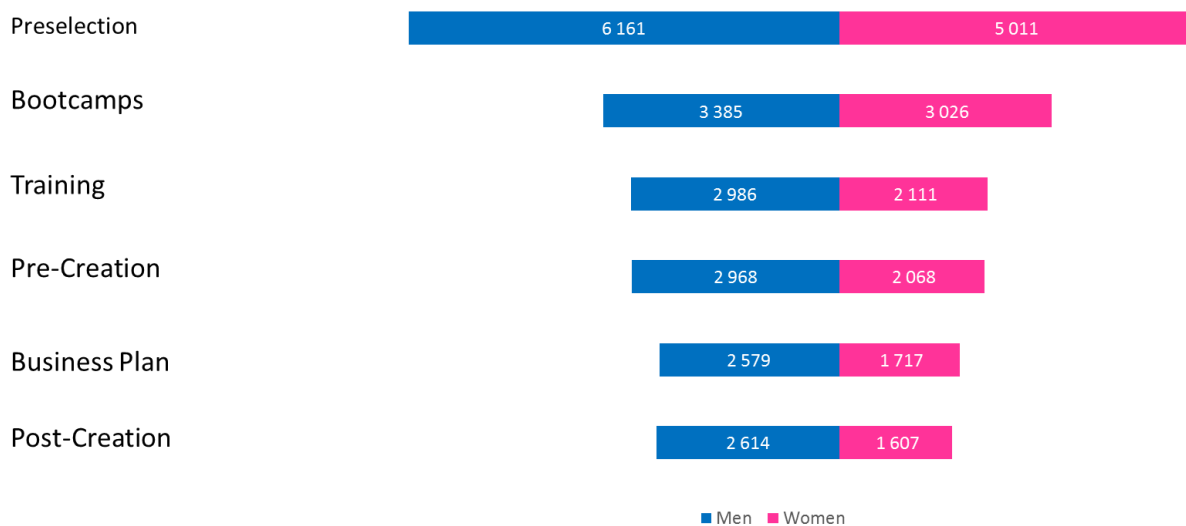
3.6 DROPOUTS

The project aimed at creating 5000 micro-enterprise at the national scale. The dropouts consist of the beneficiaries from the project who were not able to create and sustain a business.

It is important to identify the drop out trends per project stage. In order to evaluate the implementation of the project it is key to identify at which stage beneficiaries lose interest and motivation in the project. Analyzing the drop out trends helps gain insights as to factors of beneficiary retention as well as satisfaction.

The figure below shows the progression in beneficiary participation split by gender through each stage of the project from pre-selection to post-creation. Although data collection regarding the project implementation is still on-going the data below dates to September 30th, 2017.

Chart 5: Evolution of beneficiary sample through all the project’s phases split by gender



Bootcamps had attendance above capacity. There were more participants than spots available in the project. Therefore, those participants (4,761) have not been retained for the project and are not included in the drop out sample which consists of beneficiaries from the training stage until post creation. Beneficiary retention and commitment to the project really starts developing after the Training stage. 61 Beneficiaries dropped out of the project from the training phase to the Pre-creation phase; 70% of which were women. The 1st stage dropout rate as of September

30th, 2017 is of 2% among women and 1% among men. The 2nd stage drop-out rate from pre-creation to the conception of business plan is of 15%. This rate is slightly higher among women, (17%) than it is among men (13%). Finally, the 3rd stage drop-out rate from the business plan to post-creation is of 2% overall. The most significant drop-out pattern seems to occur between the pre-creation and business plan stage. Reasons behind that might be the language in which the literature is provided. This target population is more comfortable in learning in Arabic rather than French as they have repeatedly stated in the FGD. Possibly also, the lack of practical and technical teaching. This stage is more intellectual and theoretical for most beneficiaries and many lose motivation because they struggle to tie in the learning with their reality or their prospects in terms of enterprise conception. The majority of this target population is at ease in the informal sector and one of the main aims of this project is progressively integrating the young disadvantaged youth into society and the economy. When thinking of a micro-enterprise relative to the informal sector it is challenging to conceive a formal business plan and find relevance in marketing studies. One of the tracer studies put that into youth perspective, if the young person is thinking of switching from vegetable street vending to fish street vending the notion of a marketing study followed by a business plan seems to lack relevance and coherence in their immediate day-to-day routine.

More comprehensively, the number of dropouts from the training phase to the post-creation phase represents 17%. This rate is again higher among women, with 504 drop-outs of 2,111 female participants (24%) than it is among men with an overall drop-out rate of 12%.

In terms of volume performance per MA, the Centre of Entrepreneurial and Executive Development (CEED) has the highest number of creations as of September 30th, 2017 with a total of 637, and the Citizens Movement Association of Rihanate has the lowest number of creations as of September 30th, 2017, with 184 creations.

On another hand, based on the quantitative phase, 158 beneficiaries out of a sample of 361 created a company after the project, representing a drop-out rate of 56%. When looking at the reasons why they did not create a company, 84% of beneficiaries claim that the financial burden was too high and the skillset gained through the project training was not enough to overcome the budgetary obstacle. The second dropout reason, for 6% of respondents, is the desire to continue their education.

Based on the results of Focus Groups and IDIs, the most significant reason behind the dropouts remains the lack of financing. Some industries that are attractive to youth such as manufacturing require a considerable investment for heavy-duty equipment. To many, such an investment is a major deterrent and makes the foreseen feasibility of their micro-entrepreneurship endeavor unreachable *“they have to help us find ways to rent equipment for a year it costs so much I would never be able to afford it”*.

FGD with youth also shed the light on another major reason for dropouts, the apprehension of taxes and fiscal legislation. Most beneficiaries were new to micro-entrepreneurship and bureaucracy in general. The idea of having to follow specific administrative and procedural structure that remains very complex to them (monthly or trimestral declaration of turnover) to pay taxes makes them wary and distrustful. They prefer to stay in the informal sector. The benefits perceived from integrating into society and the economy only seem worth pursuing when beneficiaries are financially stable. In their perspective while financially unstable it would be too risky to formally declare their few earnings especially when social security is not even guaranteed to them. The fact that the fiscal legislation has not mentioned social security protection for the auto-entrepreneur and that CNSS has not made any statement that would

reassure young people into micro-entrepreneurship makes all beneficiaries question the necessity of the auto-entrepreneur status.

4 Impact on Entrepreneurship

4.1 SELF-EMPLOYMENT OUTCOMES

Perhaps the most pressing question is whether the project was successful achieving its purpose: supporting disadvantaged youth become entrepreneurs. Therefore, the variables of interest are the ones indicating whether an occupational transition took place from i) informal to formal entrepreneurial occupation and ii) from employee to entrepreneur.

Describing the findings in Table 11, 9% of respondents reported being new entrepreneurs (4.3% informal, category 1 and 4.6% formal, category 2). Among the former tinkering respondents (*travailleurs bricolais*), 5% became formal entrepreneurs (category 4). Furthermore, 4% of the respondents who were previously informal entrepreneurs moved into the formal sector (category 8). On the other hand, based on the end-line questionnaire, more than half the respondents (56%) did not create the small enterprise after the project (category 10). An additional 11% started their small enterprise after the project but have quit it since then (category 9). These two groups can be considered as entrepreneurial failures and together sum up to 67% of all end-line respondents. From a gender lens, nearly three quarters of all female respondents (74%) never created the enterprise after the project in comparison to male counterparts (42%), however this difference is not very statistically significant ($p = -0.33$). Despite those facts, FGD unveil deeper perceptions and outcomes related to the daily context of beneficiaries. Qualitative analysis showed that for some young rural women, the project had outcomes related to their socioeconomic wellbeing. Participating in the project widened their perspective on employment pathways. Most of these women, in the rural focus group discussion, never considered working before the project and the empowerment combined with the skillset acquired during the project motivated them to create cooperatives locally and support each other as well as individually. Following the project, all rural women attested they felt more ambitious and enthusiastic about the future, they felt they could support one another and grow individually by using their training and complement each other's strengths and weaknesses. *"I never even considered working unless I was helping my dad around the farm but now I work with other women like me I have ambitions to grow our business bigger and we support and help each other we learned so much from the project but it was easier to start together locally rather than by myself"*.

On the other hand, matching the quantitative findings with tracked data available and provided by the 11 MAs included in the measurement of the dropout rate, Table 11 shows that 4,221 beneficiaries did create a formal activity as of September 30, 2017. Among these creations, 2,614 were male beneficiaries (62%) and 1,607 (38%) were females.

Table 11: Entrepreneurial success after the project

	<i>Which statement applies the best to your situation?</i>					
	Males	%	Females	%	Total	%
1- Did not work for my own account before (student, employee or unemployed) and now I work for my own account but without formal structure	10	5.08	5	3.29	15	4.30
2- Did not work for my own account before (student, employee or unemployed) and now I work for my own account but with formal structure	13	6.60	3	1.97	16	4.58
3- I was working "bricolais" here and there on my own and I still do, no formal structure	25	12.69	4	2.63	29	8.31
4- I was working "bricolais" here and there on my own and today I have a formal structure	16	8.12	2	1.32	18	5.16
5- I had a formal structure before and I still have it. Nothing has changed	6	3.05	4	2.63	10	2.87
6- I had an informal company before and I still have it. Nothing has changed	7	3.55	6	3.95	13	3.72
7- I had a formal company before and today it is informal	1	0.51	0	0.00	1	0.29
8- I had an informal structure before and now it is a formal structure	10	5.08	3	1.97	13	3.72
9- I started a small business but it didn't work and I stopped it	27	13.71	12	7.89	39	11.17
10- I did not start a small business after the project	82	41.62	113	74.34	195	55.87
Total	197	100.00	152	100.00	349	100.00

Among all 349 respondents, 39 state being now an employer, 103 self-employed, and still 55 state that they never worked.

When looking at the transition between the former job and the current job, of the 304 respondents who, at baseline, have never worked, 98 (32%) are now in paid jobs, 91 (30%) are self-employed and 31 (10%) are now employers, while 53 (17%) still report to have never worked.

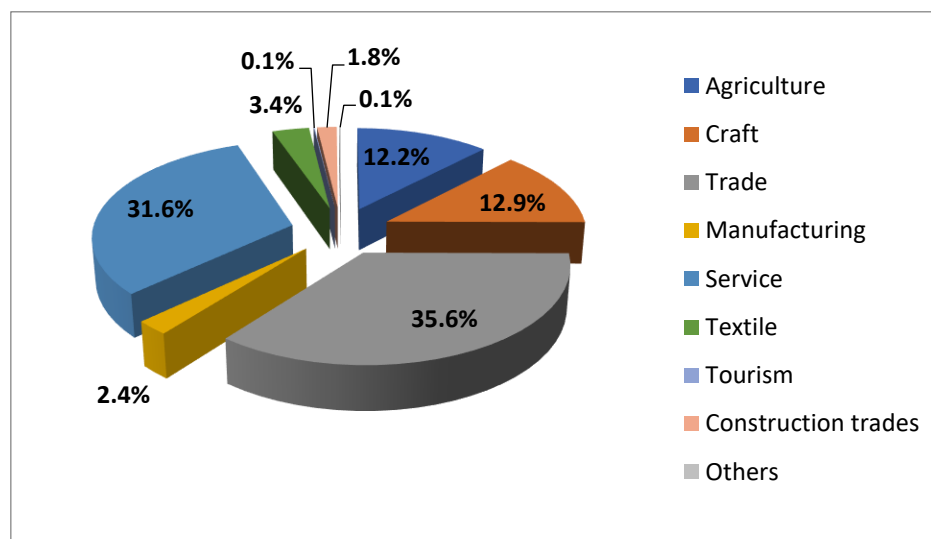
The explanation below explores the correlates of entrepreneurship success. As a first step, the correlates of becoming an entrepreneur are estimated. Next, among the entrepreneurs, the correlates of business success are also analyzed. To assess success in becoming an entrepreneur, a dummy variable is coded with value 1 (success) if the respondent falls into categories 1 to 9 of Figure 21, and 0 (failure) if she falls in category 10. This success dummy variable is the dependent variable in the regression estimates. The explanatory variables in the model are basic socio-demographic characteristics (gender, marital status, education, etc), as well as individual entrepreneurial traits (bargaining preference, patience, risk taking, financial education). The results show that females are less likely to become entrepreneurs. The effect is very large: females are 31 percentage points less likely than males to become entrepreneurs, holding constant demographics, education, and entrepreneurial traits. In contrast, married and older

people are more likely to become an entrepreneur. None of the other variables is a statistical significant predictor of becoming an entrepreneur.

In terms of entrepreneurial success analysis that involves project related factors. Attending five or more modules is associated with being 20-30 percentage points more likely to become an entrepreneur relative to having attended only one module. Those who submitted a project are significantly more likely to have become entrepreneurs. The same holds true for the participants who knew about the business support offered by the project. In general, these results suggest that being more knowledgeable and engaged with the project increased the likelihood of entrepreneurial success.

On the other hand, based on the data provided by MYS and the MAs, the evaluation was able to determine the various industry sectors where enterprises were created. The data collection is as recent as September 30th, 2017 and does not include data from the following MAs: FJE, CDRT, ACD and the Moroccan Solidarity and Development Association (SDM). As previously, mentioned, FJE was disqualified from the project and the data for CDRT and ACD was incomplete as of September 30th, 2017. The SDM data was not included in the sectorial post-creation analysis because it has not submitted any data as of yet for the post-creation stage. Consequently, an overall sample of 1,657 beneficiaries from the above-mentioned MAs have not been included in the figure below.

Chart 6: Micro-Enterprise Creation by Industry Sector



Trade appears to be the largest field of interest with 36% of creations, followed by the service industry with 32%. It also appears that the Mohamedia Scouts Organization (OSMM) is the only MA with beneficiaries launching their activity in the construction industry.

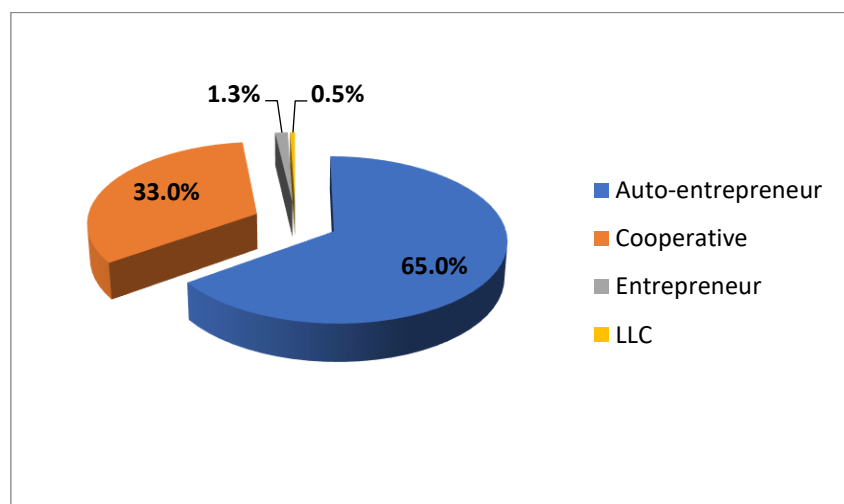
Youth have shared during the FGD that financing has been a major intellectual, logistical and administrative challenge for most beneficiaries at the post-creation stage. However, an indicator of social and economic integration is having a bank account which most beneficiaries at the post-creation stage did. Others have gone so far as to take a loan. In regions like Tétouan a beneficiary was able to sign up for a micro-loan from Albaraka under the auto-entrepreneur status. Albaraka is a micro-loan distributor that aims at helping people that are struggling financially to create or develop their professional activity. The overall objective of Albaraka is to integrate people who are financially marginalized into the economy. The project was successful is making some beneficiaries integrate the banking economy. Many beneficiaries

were able to overcome the financial strain by understanding the different options open to them to acquire capital for their business ventures. The project was successful in making these loan organisms known to beneficiaries and widening their perspective on financing options when trying to develop or sustain their micro-enterprise.

4.2 TYPES OF MICRO-ENTERPRISES CREATED/EXPANDED

Out of all the beneficiaries who reached post-creation the majority but not all of them took on the auto-entrepreneur²² status. The data below as of September 30th, 2017 is comprised of all the beneficiaries from 10 MAs excluding the above-mentioned 4 with a total of 1,654 beneficiaries unaccounted for in the legal status distribution Chart below.

Chart 7: Legal Employment Status of Beneficiaries after Post Creation



Auto-entrepreneurs represent almost two-thirds of creations followed by cooperatives which represent 33%. Many beneficiaries who turned to cooperatives felt more empowered by a joint collaborative effort alongside their peers for a first trial in entrepreneurship. Cooperatives provide easier and simpler approaches to financing as well as a team aspect that makes beneficiaries feel less lost on their own. cooperatives provide an adequate balance of individual growth and team collaboration which is reassuring to entrepreneurship beginners. Some women in FGD reported starting cooperatives in their rural area as a result of participating in the project. Additionally, auto-entrepreneur status presents an administrative burden and an institutional exposure that beneficiaries fear at this stage of their endeavor. As previously mentioned, social security is the most valuable perceived benefit in integrating the formal sector, considering the auto-entrepreneur status does not address social security coverage, most beneficiaries who turned to cooperatives consider the status useless.

Although the auto-entrepreneur status represents most of creations, the share of cooperatives is non-negligible. Based on the results of the quantitative phase, one of the most significant reasons for choosing cooperatives is the preference for teamwork in a group dynamic. Beneficiaries were more confident and at ease working together, especially when all members were project beneficiaries. Each member has one or multiple areas of expertise from which all members could benefit.

²² Auto entrepreneur is the status through a formal process to move youth from the informal sector to the formal one.

Tracer study results show that beneficiaries chose cooperatives when facing financial obstacles. When confronted with the choice of creating cooperatives with their peers and seeking out a loan from a financial organization many choose the former rather than the latter because the administrative burden is smaller and mainly because they prefer feeling a part of a team rather than venturing on their own. Many of those ending up in cooperatives were eligible for financing when they were at the creation stage. They could not meet the financing requirements and conditions and instead of dropping out of the project the way others have they chose to take the cooperative route to employment. These beneficiaries were aware of the support cooperatives acquire through the subsidizing regime under the National Human Development Initiative (INDH). Beneficiaries knew they were eligible for such mentoring and financial support on a short and medium term. Through the cooperative structure beneficiaries could launch their initial project idea and benefit from: the mentoring, coaching and training at the developmental stage as well as from the provision of the necessary equipment. The overall approach of cooperatives presents many benefits for this target population seeking alternative pathways to employment and more specifically self-employment whether it be an individual or a cooperative entrepreneurship. These advantages made many CBO staff members, trainers and moderators feel inclined to suggest even recommend it to many beneficiaries. In Kenitra and Sidi Benour, CBOs guided some beneficiaries towards this employment option. The local implementers of the project felt it was their duty to provide beneficiaries with all the guidance and information to ensure that beneficiaries won't give up on their project idea. In the face of institutional, administrative or financial obstacles, the local partners felt that beneficiaries should seek out other alternative ways to self-employment such as cooperatives. Their duty was not only to strengthen the entrepreneurial mindset but also to help the youth become more resilient and committed to pursuing fields of interest. Beneficiaries who turned to cooperatives after the project are not technically dropouts because they did not quit. The project contributed to their personal and intellectual development to the extent that it made them keep seeking alternative pathways to employment even when micro-entrepreneurship became financially or administratively unattainable.

4.3 SOCIAL INCLUSION OF DISADVANTAGED YOUTH

As specified earlier, Young respondent in qualitative sources reported that they were very well received with a great hospitality "*we drank and ate good food*". Furthermore, qualitative sources reported that youth praised the project for providing a sense of community and an exchanging platform for a disadvantaged youth that felt isolated and marginalized. This aspect of the project and the highly qualified and competent staff contributed to a personal development that allowed many to overcome their timidity, insecurity, hopelessness, lack of education / experience, regional and local barriers.

The tracer studies conducted with 20 young participants aims at providing youth's perceptions on their past, present and future projections. Three profiles could be concluded. The youth's perceptions regarding the outcome of the project and its added value vary depending on the mindset of the beneficiaries and their professional situation prior to the project.

PROFILE 1- Seeking Entrepreneurship

This profile consists of beneficiaries that have always wanted to work independently. Most of them did not know that what they aspired for was to become an entrepreneur they simply knew they wanted to work on their own for their own account. They have never considered formal employment as a way of improving their current professional situation. They have always been

wanted to start their own enterprise *«5 years ago I was in middle school and I was already thinking of starting my own business ».*

Within this profile, the aspirations and professional situations of beneficiaries vary. First, some of them have had a professional experience in the formal sector and wanted to launch their own business in the same industry: *« 5 years ago I was an employee in a hardware store and I decided that I wanted to open my own store because I know all the distributors now”.* The project for these participants was a real opportunity for them to start their own company and meet their objectives and by being fully committed and invested. These beneficiaries wanted their professional experience to benefit them in enterprise creation and development. They were committed to their initial project idea and did not want to go back to formal employment. The project was highly beneficial to them because it allowed them acquire knowledge on how to create and keep an enterprise functioning (administrative formalities, conditions, legal forms, etc...), as well as reassure them in their career choice and motivate them to pursue their entrepreneurship goal.

Other beneficiaries had a professional activity in the informal sector and wanted to switch to formal self-employment through entrepreneurship. For some, it was the pursuit of a dream to continue working in the field they had gained experience in but themselves: *« I used to bake from my home but I had always wanted my own bakery ».* Due to the project, these beneficiaries were able to exit the informal sector and integrate the formal sector by using the acquired knowledge and networking opportunities with private sector members to gain the necessary confidence to start their own enterprise. Today, their hope is to be able to develop their project into a sustainable and profitable activity: *«I would like to purchase more equipment and eventually own the store instead of renting it ».* The outcome of the project is measured by the leap from the informal to the formal sector by gaining knowledge and a specified skillset.

For other beneficiaries seeking entrepreneurship, the goal was to pursue their dream of self-employment outside of their current field : *«I used to work in glazing and marble but my ambition has always been to launch a cooperative in the beekeeping industry ».* This beneficiary is from the rural area of Sidi Benour ; he was able to reach his goal by creating a cooperative along with many other project beneficiaries. From his perspective, the added value of the project was not only the theoretical and technical knowledge but also the networking and social opportunities the project brought along. He was able to meet many people who shared his interest as well as experts in the field from the private sector. The project allowed him to be around his peers but also successful people that gave him the confidence to believe in his ability to make his goals. The project was a major source of confidence building for this type of profile because it put disadvantaged youth around examples of success while providing the tools to create a business which made many beneficiaries believe in the feasibility of their project idea as well as in themselves and their ability to create / sustain it. Being around private sector experts through the project gave them self-confidence, motivation and most importantly ambition *« I see things big now, for the long term I would like to eventually produce bee venom for the first time ».* The impact of the project was not only on their professional situation but also personally since it raised their self-confidence, ambition, motivation and triggered personal development overall.

Some beneficiaries in this category were unemployed and aspired to become entrepreneurs. They did not have a concrete idea on the field or industry they wanted to launch their project in but they had many interests: *« I was a housewife but i always thought if developing some sort of independent work opportunity for myself ».* These beneficiaries did not think they had the financial or intellectual means necessary to create their own enterprise. Most of them barely

have a complete high school education and they felt as though the project was a wonderful opportunity that progressively through time made them realize that they can open a business on their own and acquire the skills and financial tools necessary to develop. They did not feel constrained by their weaknesses anymore and gained a sense of empowerment from the project: *« I wanted to work for myself in the tailoring industry but I did not know how to go about it, I went through a very difficult time because I had to stop my schooling when I got married. Thanks to the project, I learned a lot about management, I made a business plan and I was able to start a cooperative with 3 other beneficiaries I met during the training »*. From their experience, the project had a wider impact than just entrepreneurship since it helped many people hope again, get out of depression, appreciate life again by having ambition, aspirations and by socializing with a variety of people like them.

Some beneficiaries were students 5 years ago and they wanted to seek entrepreneurship and be independent: *« 5 years ago I was still in school and I wanted to start my own photocopying center »*. This segment of the profile were young people who entered the project in the hopes of gaining knowledge through the training and modules regarding management and business development. One of the beneficiaries from the rural area of Marrakech decided to start in the informal sector and not formalize his business until he gained the necessary background and experience to ensure its sustainability in the long run. The project has had a considerable impact in triggering a starting point for these young students in the sense that it made them begin their activity and concretely launch it. Even though many preferred to remain in the informal sector until they felt more confident in the viability of their business they gained tremendous confidence and relevant knowledge in the training that helped identify their weaknesses and shortcomings as well as define improvement or corrective measures: *« my project failed for two reasons, first, the location and second, the lack of financial means made me purchase used equipment that requires a lot of maintenance and fixing » ; « the project helped a lot when i was launching my photocopying business but unfortunately I did not have enough experience to succeed and I made a bad location selection »*. Despite the challenges they faced and the lack of success of their activity they were able to identify the reasons that caused their project to fail and are keen on starting over until they can succeed. The project was major source of confidence and resilience to keep trying again until they reach their goals.

Finally, within this profile some beneficiaries were seeking entrepreneurship in a specific field of interest but along the way changed their mind and selected another field for their project. *« I was a manager at a family restaurant and I wanted to open my own restaurant. When I joined the project, I discovered tailoring and realized it would be a better fit for me start my business »*. In this case, the project opened the mind of beneficiaries to different allies and the social aspect of the project which makes beneficiaries meet their peers and others from all walks of life which helps them reorient their career choices based on the opportunities that come their way. The project made them take in consideration the realities of the market as well as discover new points of interests that they can develop and pursue professionally.

PROFILE 2- Seeking Formal Employment

This profile consists of beneficiaries that were not considering entrepreneurship or self-employment. From their perception, there was no other alternative but wage-earning jobs to get out of unemployment and starting a professional career. They did not start considering auto-entrepreneurship until they joined the project. Among these beneficiaries, some never considered entrepreneurship because of the preconceived notion that only wage-earning jobs are the only way of being employed. Others, never considered it because they felt it was of their reach financially and intellectually.

Within this profile of beneficiaries, many were unemployed and were looking for formal job positions: *«5 years ago I wanted to have a stable income with a job opportunity adapted on my handicap considering I am in a wheelchair»*. From this participant's perspective, given his handicap, there were no other options of employment along with stable income other than being employed formally by an employer. Joining the project opened his eyes to all the possibilities of entrepreneurship providing a stable income without being employed for someone other than himself. Thanks to the project, he understood he could become an auto-entrepreneur. He was able to develop his ideas further with the help of the trainers and was able to create a small recycling business of tires and carton. Until this day, his project remains informal, he is an intermediary that sales his merchandise to recycling companies however, he aspires to open a business formally in the long term and become an entrepreneur.

Another beneficiary from Safi never considered self-employment prior to the project and was very interested in hair and beauty. She was seeking formal employment with a fixed stable income. *« I was unemployed and my only goal was to gain practical experience and get a job »*. She was able to get a degree in hair and beauty and worked as an employee at a hair salon. When she joined the project, she realized that she could open her own hair salon and become an entrepreneur. The project helped her take advantage of the training and she was successful in opening her own salon by successfully obtaining a financial loan. *«For the future, i would like to save a certain amount of money to develop and diversify my services and eventually purchase my own location»*.

Within this profile of young adults who did not consider entrepreneurship as a career path, some beneficiaries were students and worked in the informal sector at the same time. Their hope was to acquire enough professional experience to be able to get a formal job position and ensure stable income right out of school. They never thought of launching a business on their own because they didn't have the necessary skillset, education and experience or qualifications. Moreover, from their perspective, independent self-employment implied considerable financial means they did not have access to. When they joined the project, they discovered that cooperatives get financial support from the Mohammed VI foundation. Trainers and moderators of the project realized that cooperatives could be an alternative for this youth who could not financially afford to become auto-entrepreneurs. They benefited from the overall experience in the project as well as the gained knowledge and used it to launch their cooperative in their field of interest. The project also allowed them to learn how to manage clients, distributors, run market studies and overall business management notions which were very useful to them in the context of the cooperative *« the project not only helped me work but it helped me work for myself independently. In the future, I would like to own a storage depot to avoid having to go purchase raw materials every time. Ideally, I would be able to save enough to finance it or even take a loan»*.

Within this profile, the project helped beneficiaries overcome their pre-conceived notions on entrepreneurship and overcome their fear of employment independence. It also helped many feel empowered in their decision to switch fields of interest and try to make a living in a different way than they had imagined prior to the project. In a lot of ways, it did not only contribute to self-confidence building but also to opening their mind to something different that seemed so unattainable and out of reach prior to the project but that eventually throughout the course of the experience seemed more and more feasible when given the right tools.

PROFILE 3- Seeking Informal Self-Employment

This profile consists of beneficiaries that were already working for their own account in the informal sector and did not see the relevance or utility in formalizing their professional activity

prior to the project. They considered the informal sector to be a better fit for them because they did not have to pay any taxes or declare any revenue to the state. The opacity of the informal sector made them feel safer financially. From their perspective, their professional activity did not need to be formalized and they could perceive any benefits or added value from becoming a formal entrepreneur. In their lines of business, clients do not ask for invoices or receipts. Another major finding within this profile is the fact that all beneficiaries knew that the legislation on micro-auto-entrepreneurship did not cover social security which in their perception was the only possible gain from formalizing. The legislation does not provide any information as to how entrepreneurs could be covered by social security « *regardless, entrepreneurs are not covered and do not benefit from CNSS* ». Additionally, the duty to declare the revenue of their professional activity was perceived as an exposure to the state which makes them subject to higher scrutiny. Making their business formal would mean having to justify to the state every expense and every revenue which is a major deterrent for these low-income earners. Moreover, administrative formalities and procedures to create an enterprise is intimidating to them despite the simplification of the auto-entrepreneur status. They prefer the opacity of the informal sector because the burden of bureaucracy seems too high especially when they cannot find any benefits or added value in integrating themselves in the formal economy. Therefore, they joined the project in the hopes of gaining knowledge and skills that would help them improve the management and marketing of their current professional activity. By the end of their project experience, they felt better equipped to improve their business but they did not want to let go of the autonomy and freedom the opacity of the informal sector provides them. They do not want to integrate the formal economy in order to avoid any sort of accountability from state institutions.

The most important thing for these beneficiaries is to be autonomous and self-employed. They wanted to avoid formal wage-earning jobs to keep their independence. The idea of developing a formal structure is unconceivable for them unless their professional activity grows tremendously to the point that it would have to be formalized and recognized by state institutions. Simply put, the bigger the business gets the more the need for formality manifests itself, the smaller the business the more the need for opacity and autonomy asserts itself.

Within this profile, one of the beneficiaries was gaining experience in the pottery industry as well as starting up their own rabbit breeding business. He joined the project with the goal of gaining the necessary knowledge and skillset to manage and develop his business without considering the necessity to formally structure his professional activity. The project allowed him to better organize his operation as well as improve his treasury up-keep « *The thing i needed the most was organizational skills, sales skills and the project helped me a lot with that along with giving some Marketing basic notions* ». However, his rabbit breeding business failed because of lack of experience, qualifications and specified knowledge « *I did not realize the investment necessary for this type of activity would be so major* ». Despite the failure of his informal professional activity, the impact of the project remains positive « *the project was crucial in helping me develop my idea concretely and launching my first business attempt and without the project i think i would have quit a lot sooner and i would have lost a lot more money* ». The project has a tremendous impact on this beneficiary because it gave him the resilience and motivation to try again and diversify his options. He decided that quitting was no longer an option and that he would combine his gained knowledge / training in the project as well as his skills in pottery to try to launch another entrepreneurial attempt in pottery. At the end of the project, he felt confident in the knowledge he gained and even though he was adamant about remaining in the informal sector he was keen on using the skillset he acquired for his future business ventures. In the end, the project met the beneficiary's needs by teaching him

business management, marketing and financial tools. The project succeeded in giving him the necessary confidence to launch an initial trial and it empowered him enough to be resilient even when he failed ; it also helped reorient his career choices and guided him through his decision-making « *as soon as my business is profitable enough, i would like to volunteer to train other young people from my rural area interested in pottery and hopefully grow enough to be able to employ some of them once I am big enough to establish a formal professional structure*». The project helped him build his self-confidence and gave the will to keep trying until he becomes successful despite a previous failed attempt.

Another beneficiary's experience with the project is very revealing in terms of measuring the impact. He was in a very difficult situation, had a few run-ins with the law and had been incarcerated in the past, he was struggling financially prior to the project. He was a vegetable street vendor but wanted to switch to fish street vending. He had no ambition or motivation. He did not have goals and aspirations other than sustaining himself. The only reason he joined the project was the insistence and resilience of the CBO staff. He did not really believe in the project's ability to help him improve his day to day reality, he simply gave in out of courtesy because the staff was constantly reaching out to recruit him. The project allowed him to considerably improve his life choices and gave him the guidance necessary to get his life back on track and avoid any further trouble with the law. The project's impact in this case goes beyond helping the beneficiary overcome his professional shortcomings. The impact is very significant in terms of personal development in the sense that it tremendously empowered the young man to pursue a professional interest, avoid criminal activity and believe in his ability to succeed. In a lot of ways the project contributed to confidence building, raising ambition / motivation and most importantly perceiving the possibility of success as feasible. When joining the project, the only possible gain he was predicting was benefiting from the training to improve his sales technics as well as learn about client retention «*I guess I wanted the project to give me the means to develop my activity so that it could financially sustain me long term*». The modules and training he received through the project helped him make the switch to fish street vending even though he remained in the informal sector. His goals evolved significantly after the project ended because he seemed to have major professional growth aspirations : «*in a few years, I hope I can reach a level where I can collaborate with restaurants and sale my produce to them, when i reach that point I will be able to view myself as an auto-entrepreneur*».

Out of the 20 beneficiaries interviewed in the context of the Tracer Study, all of them barely completed high school education. They unanimously benefited from the project and were able to launch a project whether formal or informal. Some of them succeeded and others failed but were able to determine the factors of failure and are determined to try again. By definition, disadvantaged youth had a smaller opportunity and possibility of achieving their goals such as higher education, financial stability and eventually social ascension. The project gave them hope and ambition by building their self-confidence, helping them elaborate goals, and they eventually aimed at achieving them because they were empowered by the skillset and knowledge provided by the project.

4.4 UNINTENDED PROJECT DIVIDENDS

Project implementations yield outcomes as spillover effects in the context they operate in, these can be positive but also negative.

A positive unintended finding is the possibility of employment of beneficiaries by previous beneficiaries who succeeded in starting and growing a business. Many beneficiaries who could

not achieve self-employment through the project were hired by the ones who did and are now working for them “5 participants of the project are now working with me in my catering service company”²³. Although the ultimate goal of the project is job creation and decrease unemployment, yet, the positive unintended dividend was the job creation led to employment as a result of networking among youth that took place within the project phase.

The creation of cooperatives among youth groups whom have undergone the training together. Although per se this is not an unintended dividend since it is a form of employment, nevertheless, the percentage of cooperatives started was not negligible, which in itself, is positive outcome.

Since issuing entrepreneurship card require internet connections which are not accessible by a lot of disadvantaged youth at the comfort of their homes, a lot resorted to cyber café which promoted their business and revenue.

A miscommunication occurred between some MA and youth at the enrollment phase. The project offered non-financial support to promote entrepreneurship. Yet, some youth were under the impression that the project would entail financial assistance for their startups at a certain phase of its cycle. It would not come as a surprise that this discontent might last a while with youth and deter them from enrolling in other promising projects conducted in their areas. Thus, making youth outreach even harder due to disappointment.

5 Risks to Development Outcome

5.1 LIKELIHOOD OF DETRIMENTAL CHANGE

The PMU team has been instrumental in the project implementation due to its provided structure and procedures. It became a fundamental element of the project responsible for ensuring the partners compliance with the rules and procedures of implementation. It has been crucial in the exchanges among the partners and following up with different project actors to coordinate the actions undertaken. However, the implied hierarchical bond between MYS / PMU and the MAs / CBOs put a great strain on implementation. The client-supplier dynamic triggered a misguided beneficiary pre-selection. The non-compliance with the pre-selection criteria and the entire vetting process led to a major loss of time, money and resources that went into training ineligible project participants.

Another interesting finding of the evaluation has been that some successful alumni beneficiaries became employers of current beneficiaries derailing from the project. This finding is positive in the sense that it opens the beneficiary’s perspective as to employment options as well as demonstrate that micro-entrepreneurship is feasible. On the other hand, the possibility of immediate full-time employment steers the beneficiary away from the auto-entrepreneurship and self-employment path. By joining the project, beneficiaries can be employed by those alumni who were successful in sustaining and growing their business. This raises the issue of coherence: is it coherent for a project aiming at strengthening microentrepreneurial to provide full-time job opportunities? The success stories of the project usually have good intentions and want to give back to their community and the association that helped them reach their goals. It seems more coherent with the project’s objectives to use their positive enthusiasm for practical/technical workshops as well as internship possibilities and post-creation mentoring.

The overall implementation suffered from a lack of private sector involvement. Beneficiaries struggled to connect the theoretical knowledge with their day to day reality. Using alumni with

²³ Mohamed Aztaf – Rural Kenitra

success stories not only strengthens beneficiary's commitment to self-employment but it reassures them with concrete relatable examples. Access to internships in micro-enterprises closer to their prospects in their field of interest will help make all the acquired knowledge concrete and practical. Instead of letting previous beneficiaries employ current beneficiaries, the project will gain in coherence and efficiency if it used alumni skills and practical knowledge to higher the project's impact in terms of experience and perceived relevance.

5.2 POTENTIAL IMPACT ON DEVELOPMENT OUTCOMES

As previously mentioned it is difficult to make assessments this early on considering the project's development outcomes as the 12 months post creation period was still ongoing when the initial data was collected for the purpose of this evaluation. and data collection related to those businesses is still on going by the implementing partners. The 12 months post-creation accompaniment phase will end on February 14, 2018. At this evaluating stage, it is safe to say that the project will achieve its announced target of 2500 micro-entrepreneurs by the time it closes its first year of post-creation support on March 2018.

The intermediary results from PMU show an overall of 4221 post-creations; 38% of which were launched by women and 62% of which by men. Considering the year is not completed yet it is impossible to measure the share of post-creation that lasted over 12 months or the share of beneficiaries having received post-creation training and mentoring during 12 months after their enterprise creation. However, based on the intermediary data, 2 567 creations were found to have over 6 months of professional activity.

The highest and most significant development outcome remains the fact that MAs and other implementing partners such as CBOs and financial associations are continuing the project despite its end. They have integrated the trainings and the literature into their curricula. The partners have gained enough expertise and experience though the first round under the structure and supervision of MYS and PMU. Being free from the contractual pressures they used to have with MYS, the MAs will hopefully implement a better and more targeted selection and vetting process which ensures that the training combined with all the supporting activities are being provided to beneficiaries showing potential, commitment and resilience. It is worth noting that the youth supported by the project outside the realm of MYS and PMU authority are not recruited by an incentive other than the desire to become an entrepreneur. The performance of this independent self-sufficient second wave of implementation might show better results due to a sharper selection, in comparison to the performance of the project implemented under MYS and PMU supervision.

Although data on enterprise creations older than 1 year is not available yet, the tracer study survey asks of beneficiaries in the post-creation stage to project themselves in the future and describe their aspirations and plans. Most beneficiaries who were successful in creating and sustaining a business aspired to grow their activity, purchase a location and/or equipment as well as grow sufficiently to hire more staff. The beneficiaries who needed a loan from a financial institution to launch their business aspired to be debt-free as fast as possible. Most beneficiaries at this stage opened a bank account and aspired to become home-owners or at least move out of their parent's household as soon as their business is reliable enough to ensure a stable income. The beneficiaries who failed in sustaining their business were able to identify their mistakes and shortcomings. They became more resilient and have the necessary confidence to try again with clear improvement tracks in mind. It is unquestionable that one of the most significant impacts of the project were related to personal development. The project made young men and women who felt insecure, hopeless, isolated and unqualified, believe in

their potential, articulate goals and understand how to go about them. The project made young people interact with their peers and socialize with members of the community they look up to. The project built their self-confidence and their resilience / commitment to keep trying until they succeed. Their goals and aspirations were very shortsighted and limited prior to joining the project. Their individual personal development continued after they left the project. Once they created their enterprise their personal growth was concurrent with their professional one. The project helped beneficiaries understand the various alternative options available to them in terms of employment and more specifically self-employment. Beyond providing a network, a community and a skillset it gave them the ability to articulate their goals and recognize their feasibility. The personal development acquired through the project continues through their professional experience. They adjust their plans depending on their accomplishments.

6 Lessons Learned and Recommendations

6.1 SUCCESSES

The project has a set of successes it can celebrate and build upon for application in future similar projects and/or settings.

Firstly, the project was successful in **centralizing project management** in the PMU team. A close follow-up of all operations was necessary and fundamental to project development considering the widespread of implementing partners and the geographical areas covered. It was very important to assign the supervision of progress and overall management to one agreed upon team: the PMU.

Another efficient feature of the project was the **combination of various entities from the local to the national level**, making project implementation a multilayered approach involving local authorities, ministries, financial associations and institutions, the private sector and other state agencies. Assigning work to local organizations promotes the sense of ownership and usually yields more buy-in from their management. However, it does increase transaction cost and the need for effective communication can become a serious challenge for the implementation.

The training of the 201 staff members by qualified NGOs within the public and private sector ensures **sustainability** as it provides stakeholders with human capital. Some partners expressed their intentions to carry on the project implementation beyond the project life cycle (ending in March 2018). They have indicated they will raise the funds necessary for implementation, applying the same methodology, delivering the same training with the same modules and finding other solutions for financing. Moreover, a very recent event showed how much associations are involved in seriously continuing working with disadvantaged youth, since several of them gathered on February 3, 2018 and created a **new initiative** “Intilaka Jadida – A New Start”, in order to work together in that direction.

Finally, the project also contributed to creating an informal **alumni network**. Many project beneficiaries eventually became employers and/or mentors to their former peers. Gaining inspiration from success stories during the business plan conception stage reinforced beneficiaries’ commitment and reassured them while attempting to launch an enterprise. Moreover, many alumni came back to the association after succeeding, to check how they could be of any help to their former peers. The project has become a platform to meet peers, experienced auto-entrepreneurs, potential employers, moderators, and teachers.

6.2 CHALLENGES

Despite the project’s successes, it faced a number of implementation challenges that hindered implementation and might have had some negative impacts on the project overall.

First, the project generated significant enthusiasm and momentum in its initial stages, which was lost gradually because of repetitive payment delays. The training was interrupted and frequently put on hold for extended periods of time. The **long pauses in between training sessions and workshops** led to an overall drop in motivation and commitment from beneficiaries. Considering the project’s impact is intended to be long-term, its implementation processes should have been consistent and uninterrupted to ensure the highest long-lasting impact.

Second, the contractual nature of the relationship between MYS and the implementing partners that was based on meeting targets in order to get payments, led to a detrimental **non-compliance with pre-selection criteria** that had been set at the kick off of the project, leading to the enrollment of youth that might not have been selected if a proper vetting selection has taken place.

Third, the project had **no direct relationship with any financial institutions** as its design revolved around non-financial support to youth entrepreneurship. It relied on financial institutions as a source of capital for new auto-entrepreneurs, yet, these financial entities can only lend to entrepreneurs with a profitable professional activity exceeding 6 months. Their objective is to help expand the professional activity, not to help to create it. Some financial associations such as INDH or Mohamed VI supported auto-entrepreneurs in acquiring the required equipment. However, these associations were not clear on the eligibility criteria and their involvement generated contention among beneficiaries and MAs. Many felt that the eligibility assessment was unfair and unbalanced.

Fourth, the project faced the **challenge of steering beneficiaries away from the informal sector**. The project failed to convince beneficiaries of all the advantages that come with formally integrating the society and economy. Most beneficiaries felt protected by the opacity of the informal sector. They were deterred by the administrative and tax burden that formal economic integration entails. Without the guarantee of social security coverage, most failed to see the relevance and utility in formalizing their professional activity. From their perspective, which remained unchanged for most after the project, there was nothing to be gained from declaring their earnings and having an auto-entrepreneur status. The fear of exposure to the state and taxing institutions, and the tax burden combined with the absence of CNSS coverage makes beneficiaries wary of formally integrating the economy. The auto-entrepreneur card issuance also presented a logistical challenge since it requires an online application submission. Most beneficiaries do not have access to the internet and must endure additional cyber café costs to go through the application or reach out to their association to be assisted through the application process.

Fifth, the **lack of private sector involvement** is a major shortcoming of project implementation. Most beneficiaries expressed the desire for the project to include extensive practical and technical training and internships. Tracer studies have shown that beneficiaries who failed their first enterprise creation conceded that had they previously received guidance from relatable role models in the private sector they would have been able to avoid the mistakes leading to their failure. Many beneficiaries who succeeded in their post-creation conceded that had they been mentored by relatable role models they would have been able to connect their theoretical training with daily realities in a concrete manner. All beneficiaries expressed that the training being theoretical and academic in nature remains abstract until it is put in practice by an entrepreneur. The beneficiaries can gain from higher private sector involvement in order to tie in the training with their business reality. Beneficiaries unanimously requested that the project provide more concrete experiences through relatable role models that would mentor, coach and even open their doors to interns interested in the same industry.

Sixth, it is common that entrepreneur support projects have a financial aspect in their components. This might have led to some **miscommunication between some MA and youth in the recruitment process, causing** some youth to believe that they would receive financial support to start up their business if they participated in the project, despite the project design and MYS being very clear about the lack of seed funding provided by the project. When youth

realized that funding would not be provided, they felt discontent and some of them dropped out, nevertheless, thousands of others continued.

Finally, there were **clear obstacles linked to implementing a project with a wide range of partners**. There appear to have been challenges in the communication between parties, including in terms of follow-up. From the partners' standpoint, MYS imposed time and quantity pressures in exchange for a compensation, and did not distribute installments to MAs on time. Furthermore, having 14 sub-implementers led to a loss of control over the processes and implementation details, and made it difficult to monitor progress since every MA had their own schedule and agenda, causing beneficiary experiences to be very heterogeneous.

6.3 RECOMMENDATIONS

This section draws on the findings of the evaluation in a way that would inform decision makers on approaches to improve project design and implementation.

1. A main concern was the **selection of beneficiary profiles** that, in the opinion of implementers had some drawback on the implementation. It is suggested that a more rigorous screening is done based on the agreed criteria of selection. This would ensure a more homogeneous group of youth.
2. Recommendations related to **timing** come in two-fold; the first relates to the **scheduled training sessions** which seemed to be a challenge to a non-negligible number of beneficiaries, especially the ones who are engaged in informal employment and women. It is important to consider customs and social barriers that would permit women to join trainings, such as family responsibilities within the household. Thus evening sessions and late training sessions are not well suited to female beneficiaries. As for those engaged in informal work, mapping the timings and offering various alternatives to the same session might increase participation and decrease dropouts. The second aspect related to time is the **time lapse** between training modules to ensure maximum benefits are reaped from implementation and to avoid reliance on memory, especially given that disadvantaged youth beneficiaries come from various educational backgrounds and are not specifically selected for their strong academic achievements.
3. Building on the previous recommendation, the project intended to cater for **female participants' needs**, but design adjustments were not sufficient in practice. This could have been accomplished through tailored assistance provided to female participants especially in areas where traditions and customs may hinder female mobility. It would be recommended to ensure that the design interventions that specifically target females be reinforced and budgeted for as some might entail costs such as the provision of transportation.
4. Beneficiary feedback highlighted the importance of introducing a module related to **internships or apprenticeships**, or at least strong **mentoring and coaching**. Through the course of the study, beneficiaries repeatedly mentioned that theoretical knowledge is abstract and not easy to apply in the absence of real-world application experience through mentoring/coaching or internships. It is unclear why the private sector was not more involved in this aspect of project design and implementation.

5. Some implementers had concerns regarding the training language and mismatch between the level of the training curricula and the academic background of the beneficiaries. It was suggested that beneficiaries be grouped by similar educational levels to create more homogeneous groups. It also appears that the curricula were developed in French and not all beneficiaries spoke French. **Academically adapted and translated versions** in local dialects can assist in overcoming those bottlenecks.
6. Introducing **briefing and orientation sessions on taxes, social security and registration**: It was clear that youth struggled with understanding the tax system, its implications and effects on their business. Their expectations were high when it came to startups but were soon confronted with the reality of the tax system and its requirements. The ambiguities around social security were equally challenging. It might be very beneficial to have structured orientation sessions, potentially hosted by government representatives from those respective entities, to clearly illustrate the system to youth so as to reduce the frustrations related to startups.
7. Youth who arrived at the business creation stage faced challenges when it came to financing – according to feedback received through FGD, most relied on personal sources of finance. Although the project was based on non-financial support, it might be useful in future designs to **network with financial institutions** that would accept to provide youth with credit at attainable rates or link them to businesses which would be interested in investing in startups.