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Promoting social entrepreneurship in the Mediterranean Region

MedUP! Promoting social entrepreneurship in the Mediterranean region
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NEEDS ASSESSMENT OF SOCIAL ENTERPRISE SUPPORT ORGANISATIONS IN MOROCCO

-Global report-

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Acronyms

AFEM	Association des Femmes chefs d'Entreprises du Maroc
CTPES	Centre des Très Petites Entreprises Solidaires
CES	Coopérative des Entrepreneurs Solidaires
EBF	Emerging Business Factory
FSJES	Faculté des Sciences Juridiques, Economiques et Sociales
GEM	Global Entrepreneurship Monitor
INDH	Initiative Nationale de Développement Humain
MENA	Middle East and North Africa
Moroccan CISE	Moroccan Centre for Innovation and Social Entrepreneurship
NGO	Non-governmental organization

SARL	Société à Responsabilité Limitée
SE	Social Enterprise
SSE	Social and Solidarity Economy
SESO	Social Enterprises Support Organizations
REMESS	Réseau Marocain de l'Economie Sociale et Solidaire

Executive Summary

In Morocco, the sector of Social entrepreneurship sector has emerged over the last decade. The political, economic and cultural contexts of the country are shaping the ecosystem and the social entrepreneurship. However, there is a lack of information and research about the sector.

Thus, the report aims to provide a mapping and description of relevant policies, legal frameworks, stakeholders, support organizations and key social enterprises operating in the Moroccan context.

We conducted interviews and focus groups with social entrepreneurs and stakeholders in order to gain an understanding of the needed support to develop the social entrepreneurship ecosystem.

The study established that Morocco has a long history of social and solidarity economy with a new generation of social entrepreneurs combining the social mission with an economic business model.

This report outlines the scope of the existing social entrepreneurship landscape in Morocco and, providing context on current policies and key actors supporting social enterprise activity. To date, there is no dedicated legal form for social enterprises. Social entrepreneurs use the for profit legal form « SARL or autoentrepreneur », not for profit « Association » or « Hybrid » legal forms. Regarding the stakeholders, most enabling programs are targeting youth especially in urban areas and very few are targeting women entrepreneurs.

The findings also revealed the challenges and barriers that social entrepreneurs and SESOs are facing such as access to funding and the lack of later stage support.

Each part of the report concludes with recommendations for social entrepreneurs and SESOs. Based on the findings, we suggest the following recommendations:

- Advocating for an appropriate legal framework for social enterprises;
- Providing capacity building programs for cooperatives and associations;

- Providing entrepreneurial programs for girls and youth in remote areas;
- Supporting the creation of a network of local incubators and accelerators;
- Developing more capacity building programs for enablers;
- Advocating for new investment mechanisms;
- Providing seed funding for social enterprises;
- Promoting inclusive dialogue among SESOs and fostering institutional relations between SSE key actors and SESOs;
- Encouraging SESOs to implement post programs evaluations;

- Supporting SESOs to launch regional subsidiaries and maximize their outreach to cover the greatest number and most diverse pool of potential social entrepreneurs across the nation.

Introduction

Social entrepreneurship has gained a lot of interest and recognition in the past few years. Social entrepreneurs are tackling social and environmental problems with innovative business solutions. This movement drive towards social entrepreneurship is actually pervasive across different societies and economies (developed and developing ones) and finds its roots mainly in its mission to bring about new solutions to social challenges and poverty while combining business with social impact.

Entrepreneurial approaches to sustainable development include a range of models from the delivery of socially-beneficial goods or services – like clean energy products or water filters – to an operational model that prioritizes a social purpose by engaging with marginalized communities (Schwab Foundation for Social Entrepreneurship, 2013).

In Morocco, the sector of Social entrepreneurship has emerged over the past decade. It is still in its infancy, social entrepreneurs are facing several barriers (kabbaj et al, 2016) and its prevalence rate is still low (GEM, 2016). Recently, we have witnessed a variety of outreach events and many programs encouraging social entrepreneurs; a local social entrepreneurship ecosystem has started forming around the organizations acting in this sector.

In practice, the political, economic and cultural contexts of Morocco are shaping the ecosystem and the social entrepreneurship, however, there is a lack of information and research about the sector in Morocco; " there is a dearth of research on social enterprise within the Moroccan context" (British Council, Moroccan CISE and Social Enterprise UK, 2014)

The MedUp project funded by the European Commission aims to enhance social entrepreneurship and inclusive growth in the Southern Neighborhood of the Mediterranean region by promoting the enabling environments in the Southern Mediterranean partner countries (including Morocco) for the development of the social entrepreneurship sector as a driver for inclusive growth and job creation.

In order to provide the needed support to develop social entrepreneurship ecosystem in the countries above, a deep understanding of the local context is mandatory including its challenges and opportunities. This is the main objective of this report.

Study Methodology

Study aims

The study aims to provide a mapping and description of relevant policies, legal frameworks, stakeholders, support organizations, programs and key social enterprises in Morocco. The objective of the study is to focus on the following areas:

- Providing a mapping of the social entrepreneurship ecosystem in Morocco (public, private and non-profit actors, initiatives, legal frameworks ...) with a focus on challenges and opportunities;
- Identifying Moroccan social enterprises, the challenges they encounter and their service and /support needs;
- Providing recommendations for the next steps of the project on the interventions needed especially to support social entrepreneurs and social entrepreneurship support organizations in Morocco.

Overview

Our survey of social enterprises sought to gather information on social entrepreneurship at all three levels of the project: Macro, Meso and Micro. It uses evidence-based strategies to clearly identify SE public and private actors, initiatives, policies and legal frameworks in place, main challenges of the sector and other relevant issues. Particular focus in the research is given to assessing the social economy and social entrepreneurship needs and priorities including the barriers.

Methodology

The research was conducted in three phases:

Phase 1: Desk review to identify the social entrepreneurial ecosystem stakeholders.

Phase 2: Detailed assessment of the Needs of the different SESOs and social entrepreneurs through (1) interviews and (2) focus groups.

(1) Interviews

We conducted an empirical study among four categories of stakeholders: social entrepreneurs, support structures, public institutions and academia. In total, twenty in-depth semi-structured interviews were conducted.

Sample composition

We opted for a sample including diverse stakeholders from the scene of social entrepreneurship in Morocco. The following table presents the composition of our sample:

Category	N° of interviews
Social entrepreneurs	11
SESOs	8
Public institutions	1
Academia	1
Total	20

Table 1: Sample Composition

- The category of support structures refers to associations engaged in raising awareness and promoting the social entrepreneurial mindset as well as the managers of social enterprise incubators.
- The Public institutions group is composed by policy makers in charge of the social entrepreneurship sector.
- The academia group includes individuals conducting research related to social entrepreneurship in Morocco as well as professors in the field.

(2) Focus Groups

We conducted three focus groups, one with social entrepreneurs, another one with SESOs and the third one with both social entrepreneurs and SESOs.

Phase 3: Conclusions of areas of intervention and Report Writing

Part I-Macro

1.Synopsis of macro-economic analysis

Since the 2000s, Morocco has made an undeniable progress in the economic and social spheres, this progress has been mainly facilitated by the political stability that Morocco is experiencing when compared with other countries in the MENA region. In July 2011, the constitution was amended through a referendum. The latter opened up the areas of pluralism, individual freedoms and human and political rights. Over the last decade, the Moroccan government has also focused on the issue of good governance by adopting a series of in-depth reforms to improve the public sector management, access to information, overhaul of the judicial system and fight against corruption. Political stability has been accompanied by a slight economic growth. Between 2008 and 2016, the national economy was able to achieve an average annual growth rate of 3.9% in terms of volume. In the same period, the agriculture sector's contribution represents 13% on average of the total added value increased by 5.7% per year on average. The contribution of the secondary sector increased by 2.5 % per year on average, which represents 28.9% on average of the total added value (TAV) and the tertiary sector, which accounts for 57.1% on average of the TAV increased by 3.6% on average annually.

In order to accelerate the structural transformation and to boost job creation, Morocco has undertaken major reforms through a series of ambitious sectorial strategies covering all sectors of the economy: agriculture and fishing (e.g.: Green Morocco Plan), energy and mining (e.g.: Solar Plan), manufacturing industries and services (e.g.: the industrial acceleration plan), tourism (e.g.: Azur Plan) in addition to information and communications technologies (e.g.: Maroc Numeric 2013)

Additionally, the Moroccan government has committed to strengthening equal opportunities between citizens in general and promoting equal access to human development opportunities between the two genders in particular. This has resulted in many legislative advancements such as the framework of the "Ikram" gender equality program (2012-2016), the Gender Equality Agenda for the 2011-2016 period, and the establishment of several structures such as the Authority for Parity and the Fight Against All Forms of Discrimination, the Gender Equality Observatory in the Civil Service and the Centre for Excellence in Gender-Responsive

Budgeting. In fact, since 2002, the Moroccan government has pursued a gender-responsive budgeting by adding a gender-specific annex in all finance bills aiming to mainstream the respective interests of women, men, girls and boys during the drafting, implementation and evaluation of public policies.

Among the priorities of the Moroccan government, we also find the absorption of the high rate of unemployment (10% in the first quarter of 2019). To achieve this, several programs have been put in place to reduce the unemployment rate like "Idmaj" ("Insertion"), "Moukawalati" ("My business") and "Taahil" ("Qualification") programs. In 2014, the authorities launched a new sole proprietor status « auto-entrepreneur » that provide an adequate entrepreneurship promotion framework for absorbing informal sector workers, unemployed persons and students capable of creating their own jobs.

With these accomplishments achieved, Morocco reduced its poverty level; the percentage of the population living below the national poverty line (US\$2.15 per day) fell significantly, from 15.3 percent in 2001 to 4.8 percent in 2014, and extreme poverty was eradicated (HCP 2016).

However, the Moroccan society is still facing several challenges related to persisting social and gender inequalities, 28% of 15-24 year olds (1.7 million Moroccans) are neither employed nor in education or training (NEET) and 80% of the NEET are women. In addition to that, only one in two young Moroccans aged between 25 and 35 years have a job. Unfortunately, these jobs are often informal and unstable (HCP 2015).

Universally, access to education and healthcare are considered pillars for human development. In Morocco, even if major efforts have been made to develop the social security system (e.g.: INDH, AMO, RAMED), access to medical coverage remains very low (36% of the population). The situation is even more complicated when it comes to the educational system. There exists a high rate of school drop-out especially among girls and nearly a third of the population is still illiterate (60% among women in rural areas).

All of these factors led to the low ranking of Morocco in the Human Development Index (HDI). In 2018, Morocco ranked 123rd out of 189 countries, placing it in the category of "average human development" countries, behind Tunisia (95th) and Algeria (85rd), classified in the "high human development" category.

To overcome this situation, several measures are taken recently, such as the reorganization of vocational training and the launch of the third phase of the National Initiative for Human Development (INDH) for the period 2019-2023, mobilizing an investment of 18 billion Moroccan dirhams and refocusing on the reduction of social and territorial disparities, the development of human capital, the support for categories in difficult circumstances, and the launch of a new generation of initiatives generating income and employment.

2-Enabling environment

In Morocco, youth under the age of 34 years old represent almost 60% of the population about half of which are women. However, when it comes to explain the challenges and opportunities within the entrepreneurship ecosystem a distinction has to be made between youth and women.

In Morocco, the youth population is suffering from high unemployment rate that exceeds 45% in some regions. Consequently, there is a general feeling of failure, discouragement. Moreover, many young adults feel that education is useless as it does not guarantee a job placement. These feelings come from the living and political conditions that have not improved or changed over the years. In fact, youth turn to entrepreneurship through the informal sector that represents a turnover estimated at 410 billion Dirhams in 2016. The characteristics below describe the profile of youth engaging in the informal sector:¹

- Low level of education
- 9% of informal production units are run by women

¹ https://www.huffpostmaghreb.com/2016/10/13/secteur-informel-pib-national_n_12467268.html

- 83% of the informal structures are individuals working by themselves
- 80% of the informal sector's customers are households
- More than half don't have a physical store
- More than 80% don't pay taxes

We notice through these statistics and facts that youth have numerous disabling factors preventing them from having a formal business. Indeed, the above-mentioned demographic, political and economic barriers operate in combination with other socio-cultural ones.

When looking at the dynamics by gender, we find that men and women do not go into entrepreneurship for different reasons. Men look for stable jobs since there is a deep cultural belief that the traditional education and employment paths pay off better than entrepreneurship which is seen as a risky endeavor. In fact, taking risks in Morocco is not common and people prefer stable and risk free situations, jobs and education streams. Success is not defined using risk but rather stability language. Global Entrepreneurship Monitor (2019) indicates that 64% of people seeing opportunities in Morocco would be deterred from starting a business due to a fear of failure.

The women's situation is different. Morocco is a country where the traditional breadwinner is the man. Women are supposed to be primarily home makers in charge of house duties and children's education and rearing. Yet, there exists a big divergence between the situation of women in rural and urban areas.

In urban areas, women have better access to education and employment. However, they still have to live in a traditional society with traditional gender assigned roles. Therefore, most women working in the city take over a double charge: the traditional homemaker role on top of the full time employment role. This doubled "mental charge" affects women's well and physical being and drive them to the burn out.

In rural areas, women's right to education itself is questioned. Breadwinners, and men in general, believe that women are made for domestic work, serving their fathers, brothers and husbands and can marry in early ages even before the age of 16. Forced into marriage or house work, women, or rather girls, leave schools very early on. Additionally, their activities revolve around helping the breadwinners in their family in agricultural work or making traditional handicrafts for their households from their homes. In consequence, women in rural areas either work informally or create collective structures such as cooperatives to make little profit without a real impact investment or social dimension.

In this social and cultural environment, youth, men and women, are enabled to breach into social entrepreneurship through :

- Many initiatives emerging to raise awareness among youth at the secondary school level about social entrepreneurship like Injaz Al Maghrib, Enactus, Moroccan CISE (through the Tamkeen program in urban and rural areas)
- Established organizations such as BIDAAYA, Dare Inc, serving youth in urban areas

However, there is a real need for two specific programs: one targeting youth in rural areas and another for the female gender. Specifically targeted programs will highlight each group's specific issues and find customized solutions that can help them. Currently, Morocco lacks programs that target these groups where awareness around social entrepreneurship is still low. Existing programs should inform and help set up the right program designs. These programs must be competitive to attract people around social entrepreneurship by adapting to the different targets to make sure future project owners will be able to embrace the mindset and contribute not only as beneficiaries but as change-makers. For example:

- In rural areas, in addition to solving local issues, the social entrepreneurship programs should bring an easy to take methodology adapted to the education level of the population to be inclusive.
- For women and girls' programs, cultural norms should be taken into consideration and programs adapted to the local culture and restrictions. Breadwinners and household heads should be involved to build trust with the community especially in

marginalized and rural areas.

3-Legal environment, policies, regulations

There are no policies dedicated to social enterprise activities in Morocco since the concept of “social enterprise” has not been recognized yet. Regarding the social economy, various programs have been launched by public policies since the early 2000s aiming to strengthen the sector. Among these programs we can mention the National Human Development Initiative “INDH” launched in 2005, and the creation of several institutions for the promotion and regulation of the social economy sector.

The following table shows the main institutions involved within the sector, their mission and an example of their programs:

Ministry / Agency	Missions	Examples of measures taken or Programs related to Entrepreneurship/Social Entrepreneurship
Secrétariat d’Etat chargé de l’Artisanat et de l’Economie Sociale, Ministère du Tourisme, du Transport Aérien, de l’Artisanat et de l’Économie Sociale	This government authority is responsible for handicrafts and social economy. This ministry prepares and implements government policy related to the sector. It is in charge of: -The execution of the development strategy of the handicraft and social economy sector -The business promotion of the companies in the social and solidarity economy	-National Strategy of social and solidarity economy 2010-2020 -New bill framing the social economy sector; -New Act 112.12 for cooperatives; -Regional plans for the development of the social and solidarity economy "PDRESS"

	<p>-The carrying out of all studies, surveys and statistics relating to the handicraft sector, at national and regional level;</p>	
<p>Ministère de l'Industrie, de l'Investissement, du Commerce et de l'Economie Numérique (MIICEN)</p>	<p>This Ministry is responsible for the design and implementation of development strategies in the fields of industry, trade and new technologies and their implementation into operational programs</p>	<p>-Business support program for very small enterprises (VSE) -Program of « Auto-entrepreneur »</p>

Ministère de l'Economie et des Finances	The Ministry is in charge of financial and monetary matters, it ensures the financial supervision of companies and public or state-owned establishments. The ministry is in charge of drawing up the budget law and monitoring its effective implementation. It also contributes to the definition, discussion and development of tax and customs policies and the monitoring of their implementation.	-Tax Incentives for Business Angels (Finance Act 2017)
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<p>Secrétariat d'état chargé du développement durable, Ministère de l'énergie, des mines et du développement durable.</p>	<p>The State Secretariat for Sustainable Development is responsible for monitoring, developing and implementing the Government's policy for the environment and sustainable development.</p> <p>Its missions are:</p> <ul style="list-style-type: none"> -Developing the national strategy for sustainable development and monitoring its implementation and evaluation -Proposal of draft laws and regulations relating to the protection of the environment and the control of their application - Monitoring the impact of projects and investment activities on the environment -Taking into account the dimension of climate change and the green economy and participation in the protection of biodiversity in government policies, strategies and programs 	<p>Cleantech Morocco Program: The Ministry of the Environment (MoE) has set up -with the support of the Global Environment Facility (GEF) and the United Nations Industrial Development Organization (UNIDO) -the Program for Innovation in Clean Technologies and Green Employment (Cleantech Morocco). It is part of the Global Cleantech Innovation Program (GCIP) which is an international initiative launched in eight countries around the world. The program is targeting auto-entrepreneurs, start-ups, small businesses and SMEs. Its objective is the promotion of green jobs by supporting clean technology innovations and green entrepreneurship through the organization of annual competitions to reward the most innovative projects, and the establishment of a program of acceleration and personalized support of projects, in relation with the Valorization of</p>
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Waste; Rational Use of Water, Energy Efficiency & Renewable Energy, and Green Building.

The selected entrepreneurs receive technical support (monitoring, training and mentoring) and a financial prize, the competition has also a special award for women Entrepreneurs.

<p>Maroc PME</p>	<p>In 2015, the National Agency for the Promotion of Small and Medium sized Enterprises adopted a new vision focused on the development of competitive ecosystems and on the specificities of business categories especially very small businesses.</p> <p>Its activities revolve around three levers: Improving the competitiveness of high-impact companies, contributing to inclusive growth and promoting entrepreneurship.</p>	<ul style="list-style-type: none"> -ISTITMAR Growth Program² -IMTIAZ Growth Program -Auto-entrepreneur program
<p>Caisse Centrale de Garantie (CCG)</p>	<p>The CCG is a public financial institution, considered as a credit institution under the Banking Act.</p> <p>It is in charge of sharing risks with financial sector players to facilitate access to financing.</p> <p>The CCG has committed recently to seed funding for innovative startups in order to ensure a continuum in the start-up funding chain, especially for ones in the early stages.</p>	<ul style="list-style-type: none"> -Mouwakaba Program: Guarantee of the interest free loans granted by the associative network for the benefit of the project holders. - Ilayki program: Preferential guarantee of bank loans ≤ 1 MDH for the creation of companies started exclusively by women. - Innov Invest Fund³

² <http://candidature.marocpme.ma/wp-content/uploads/2017/05/Note-dinformation-soutien-%C3%A0-linvestissement-de-croissance1.pdf>

³ <http://www.ccg.ma/innovation/>

Agence de Développement Social, Ministère du Développement Social, de la Famille et de la Solidarité	<p>The Agency contributes to the implementation of small employment and income-generating projects aimed at economically vulnerable populations who have difficulty entering the job market. It finances or co-finances projects and social programs submitted by associations, cooperatives, economic interest groups or any other project promoter acting to increase the resources of low-income populations and improve their living conditions.</p>	
Office de Développement Coopération	<p>The ODCO is in charge of technical assistance for cooperatives, their business and legal support. It also ensures the Diagnosis and control of Cooperatives as well as data collection and statistics development about them.</p>	<p>Mourafaka Program: Post-creation support program for newly created cooperatives</p>

Initiative Nationale de développement Humain, Ministère de l'Intérieur	<p>The National Initiative for Human Development is a development project with the main objective of improving economic and social conditions for the poor.</p> <p>Launched in May 2015, the project is focusing on four main programs: the first, to reduce the deficit in infrastructure and basic social services, the second in support of people in precarious situations, the third, to improve incomes and the economic integration of youth and the fourth is to backup the human development of future generations</p>	<p>The third phase of the INDH includes a dedicated program for business incubation for young entrepreneurs and supporting services for existing ones.</p>
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Table 2: Main institutions involved within SSE sector

- **List of relevant policies to Social Enterprises**

As mentioned previously, there are currently no policies explicitly targeting social enterprise activities in Morocco. However, the government has established some initiatives regulating the social economy sector in addition to some sectorial programs affecting social entrepreneurs indirectly.

The following table sets out some of those relevant policies in relation with the social enterprise sector:

Policies & Regulations	Lead agency	Description
National Strategy of SSE 2010-2020	Ministry of Handicrafts and the Social and Solidarity Economy	The National Strategy of SSE sets out several objectives to support the expansion of the social economy and and strengthen it by 2020. These objectives include: increasing the labor force participation in the social economy from 3.1% to 7.5%; increase the number of co-operative workers from 50,000 to 175,000; and increase the sector’s share of the GDP from 1.6% to 3.9%.
Cooperatives Law No. 112.12 promulgated by the Dahir 189.14.1 of 21 November 2014	Ministry of Handicrafts and the Social and Solidarity Economy	This law on co-operatives simplifies the procedure for the creation of a co-operative, establishes tax exemptions, and sets standards for good governance and the independence of co-operatives

Plan Vert Morocco (Green Morocco Plan)	Ministry of Agriculture	This strategy seeks to achieve agricultural development and food security through promoting small-scale farmers and increasing their yields and access to markets.
Artisanat Vision 2015	Ministry of Handicrafts and the Social and Solidarity Economy	This strategy includes a support for small-scale producers (sole traders and micro-enterprises) with the aim of increasing and sustaining their incomes, improving their working conditions and enhancing the design of craft products.
National Tourism Strategy	Ministry of Tourism	This strategy promotes and supports the development of rural tourism programs run by social economy organizations.
Law No. 114-13 on the status of the 'auto-entrepreneur'	Maroc PME	This law establishes a self-employed or "auto-entrepreneur" status, allowing any person to carry out a commercial activity or service. This status is intended to be a tool for the integration of the informal sector into the formal economy.

Table 3: Relevant policies to Social Enterprises

- **Legal framework:**

In Morocco there is no dedicated legal status for social enterprises. However, this does not preclude some social entrepreneurs from adopting traditional social economy frameworks such as “association” or “cooperative” or commercial forms such as the SARL or ‘auto-entrepreneur’ status.

In general, social entrepreneurs’ objectives and their activities’ nature are the determining factors that push them towards one organizational form or another. Overall, the four favorite legal forms for social start-ups are: (1) Associations, (2) Co-operatives, (3) SARL and (4) Auto-entrepreneur.

(1) The Association is the framework for non-profit organizations and requires three or more founders. Organizations registered as associations aren’t allowed to distribute profit and are typically reliant upon donations. Social enterprises that operate as associations work around this law through reinvesting any and all profit into operations.

Since the launch of the National Initiative for Human Development "INDH", the creation of an association has become easier and encouraged several social project holders to adopt this status.

(2) A cooperative is a jointly owned and democratically controlled enterprise created and managed by five or more members. Cooperatives are thought of as a classic form of social entrepreneurship. In Morocco, cooperatives are governed by the Law No. 112.12 of November 21, 2014; this law has been published in order to facilitate the creation of cooperatives, to develop their governance and to promote their activities. Entrepreneurs choose the cooperative model because it allows them to generate and distribute profit as well as work with a social purpose. In addition to that, cooperatives can legally benefit from special treatment for taxes (British Council, 2017).

(3) SARL (Limited liability company) is the most widespread business form in Morocco. Some social entrepreneurs prefer to use the SARL status given the ease of its creation and the absence of a mandatory minimum capital. Additionally, unlike cooperatives, the SARL doesn’t dictate the number of co-owners, whereas, an owner can launch a SARL by themselves.

the cooperative status mandates the social project owner to have multiple co-founders, an option that is not always favorable for entrepreneurs wishing to start alone their project.

(4) Auto-entrepreneur: The « auto-entrepreneur » statute is a simplified legal framework that was created to encourage entrepreneurs to carry *out* their activities under more favorable legal conditions. The annual turnover cannot go over 500.000 DH for commercial, craft and industrial activities, and to 200.000 DH for services delivery.

4-Policy dialogue, government engagement

In order to prepare the new law on the social and solidarity economy sector, the supervisory ministry did set up a working group in consultation with the various actors in the field. However, the participants were mainly representatives of the SSE organizations, coming from associations, cooperatives or academics which did not include social incubators and other structures belonging to the ecosystem of social entrepreneurship.

Efforts are being made by some organizations to strengthen the dialogue between the different actors of the public, private and third sector. For example, the British Council's Social Enterprise program scheduled different meetings between the actors and the decision-makers. However, these initiatives remain isolated in the absence of a platform that integrates all the actors on the ground and can have a more powerful lobby status when exchanging with policy makers.

5-Public awareness

In Morocco, social entrepreneurship in itself is a new phenomenon. However, the social and solidarity economy is considered as an established sector since Morocco's independence from the French Protectorate. The SSE has always been equated with « the economy of the poor », and is dominated by associations and cooperatives seeking out state subsidies.

The majority of people still work in a binary mindset when it comes to business and social issues (British Council, 2017), combining the two objectives isn't easily acceptable in the Moroccan community.

The movement of social enterprise has only appeared during the last decade in Morocco. The promotion of social entrepreneurship was mainly driven by the associative sector through awareness programs such as The Social Enterprise Competition program launched in 2014 by the British Council, the « CISE Tour », a social enterprise caravan launched by the Moroccan CISE in addition to extra-curricular programs in the universities such as Enactus or Injaz.

These awareness programs have contributed significantly to the emergence of a new generation of social entrepreneurs who have chosen to go beyond the extra-curricular activities and build their businesses. However, access to the information remains very limited. Most of the new generation of social entrepreneurs have been either in this university programs or were involved within the social enterprise ecosystem. In fact, awareness hasn't yet spread to the general public.

6-SE Programs and relevant international actors

Locally, there is no specific program focusing on women's social entrepreneurship. However, we do find either programs focusing on women's entrepreneurship without the focus on the social impact aspect or organizations working on social entrepreneurship where women participate at higher rates than men even without setting the gender as a selection criterion.

Below are some examples of entrepreneurship programs geared towards women:

-AFEM (Association des Femmes Chefs d'Entreprises du Maroc) : A Moroccan association working on promoting women entrepreneurs and women entrepreneurship specifically through its program "Maroc pionnières"⁴. Their program focuses on a specific category of women with a high level of education and living in big Moroccan cities.

⁴ <http://www.afem.ma/presentation-maroc-pionnieres/>

-APEFEE (Association pour la promotion de l'éducation et la formation à l'étranger): This association works in Morocco in partnership with the government on the program called "Minajliki"⁵ for the development of women entrepreneurship in Morocco. The Moroccan-Belgian program started in 2013 with 3 regions (Grand Casablanca, Meknès-Tafilalte et Tanger-tétouan) and is still running. It covers any woman-led business without a special focus on the social dimension. This program is open to women from different cities and areas. It provides local partnerships with mentors and trainers speaking Arabic and French to adapt to the audience. The program "Min ajliki" has four components: (1) *Min Ajliki Tahfiz* aiming to promote the entrepreneurial spirit among women, (2) *Min ajliki Takwin* offering capacity building programs for women entrepreneurs, (3) *Min Ajliki Mouwakaba* focusing on business incubation and (4) *Min ajliki Taswiq* that aims to boost the access to market of businesses launched by women. The new edition of the program (2017-2021) includes a new orientation for social entrepreneurship.

Regarding all the organizations offering mentoring and support for youth without gender focus, they are numerous and better presented in following section.

Internationally, Morocco is part of regional programs focusing on women's social entrepreneurship where the content is the same for all the participants from the MENA region countries. The programs assume similarity and commonality between the different countries in the region at the social, cultural, religious, economic and political levels. Here are the main programs in this clusters:

-She entrepreneurs: is a program run by the Swedish Institute in the MENA region for women holding projects with social impact. "She Entrepreneurs is a practical and leadership training based on real business experiences and collaborative learning. The program provides tangible tools, insights and connections for participants who want to grow their businesses and develop both as entrepreneurs and as leaders."⁶ The program runs over four months with two separate assemblies (modules) where the criteria of

⁵ <http://minajliki.ma/qui-sommes-nous/>

⁶ <https://si.se/en/apply/leadership-programmes/she-entrepreneurs/>

selection are English proficiency, gender and age of participants. In this way, this program is not open to all and focuses on the educated women elite.

-Womentum⁷: is a program run by WOMENA organization founded in 2014 to build an angel investment group. The organization's goal is building an inclusive ecosystem of women in business and women investors. The program, Womentum, is an early stage acceleration program focusing on female-led tech startups in the MENA region. Again, the English is the spoken language. Hence, even if it is not a requirement in the eligibility criteria, it is a barrier for many women making the program exclusive.

-WeMena⁸: is a business model challenge for women in the MENA region that takes place after receiving business training and mentoring sessions. The competition leads to a cash award for a share of 150 000 \$. It aims to solve specific social issues to build resilience in the countries targeted by the program. Likewise, this program is not inclusive because of the language barrier and the entry requirements.

Conclusions

- Social entrepreneurship is a new phenomenon in the Moroccan context, the majority of those involved in the SE ecosystem have had an international experience or have participated in programs such as Enactus or Social enterprise competitions of the British Council.

-Morocco has a long history of social and solidarity economy with a set of laws and public policies governing the sector.

-There is a certain dichotomy between the actors of the social entrepreneurship and those of the social economy sector

-There is no dedicated legal form for social enterprises. Social entrepreneurs use for profit « SARL or auto-entrepreneur », not for profit « Association » or « Hybrid » legal forms. The legal frameworks are tied to specific and varied forms of external financing, so

⁷ <https://womena.com/>

⁸ <http://www.we-mena.org/>

the legal framework choice is intricately tied to access to capital. Interestingly, access to non-financial resources like programs varies as well, with for-profit SARLs having a nearly exclusive access to the business support, mentorship and incubation programs and not for profits such as cooperatives or associations having access to grants and public financial support.

-The ministry of SEE is preparing a new law including a legal framework for social enterprises, the preparation of the law involved different stakeholders from the social economy sector but didn't engage key players from the social entrepreneurship ecosystem like incubators.

-Most enabling programs target youth especially in urban areas and very few target women entrepreneurs. Some international programs in MENA region are relevant for women entrepreneurs but most of them are using English language which only few women entrepreneurs are able to speak in Morocco.

-There are a few initiatives that aim to increase public dialogue around social enterprise.

Recommendations – specific to Project

- ✓ Advocate for an appropriate legal framework for social enterprises: A dedicated legal framework will help to overcome many challenges faced by social entrepreneurs and SESOs.
- ✓ Promote the different legal models of social enterprises: Raise awareness among social economy actors and invite them to learn more about the concept and the potential opportunities that social entrepreneurship can offer them.
- ✓ Provide capacity building programs for cooperatives and associations: In order to write proposals or apply for grants, cooperatives or associations should be able to use different languages (e.g.: French and English). This isn't the case for the majority of these entities. Additionally, marketing and public relations is a weak skill within social enterprises, especially co-operatives, who do not always have the adequate communication and language skills to promote their products.

- ✓ Raising awareness among cooperatives about their potential to become social enterprises: by integrating “innovation” and “impact” concepts in their business models, cooperatives will be able to create more sustainable change and scale up their impact.
- ✓ Provide entrepreneurial programs for girls and youth in remote areas: Current programs such as the Tamkeen initiative should extend their coverage and public institutions involved in rural areas should be encouraged to launch entrepreneurial awareness programs.

Part II: MESO

1. Definition SESO

Most of the SESOs focus on social entrepreneurs in Stage 1 (Ideation and Incubation) and stage 2 (Start-up). This finding may be due to the novelty of social entrepreneurship in the Moroccan context.

The main activities of the SESOs are: supporting and empowering social entrepreneurs in the seed phase and raising awareness about the importance of social entrepreneurship for policy makers and the general public.

In terms of support, we distinguish two types:

- *Technical support*: The incubators such as Bidaya and Dare Inc provide services such as training, mentorship and networking for their mentees.
- *Financial support*: Some incubators such as Impact Lab or Empact have recently been certified by the CCG as part of the Innov Invest program, so they are eligible to grant seed funding and interest-free loans for social entrepreneurs.

The following table summarizes the SESOs targeting normal enterprises in general and social enterprises in particular:

Name	Description	Type of support				
		Coworking	Training	Coaching	Funding	Networking
Bidaya	Bidaya is a social and green tech incubator. It was launched by “le comptoir de l’innovation” and supported by Drosos Foundation.	X	X	X	X	X
Dare Inc	Dare Incubation is a program supporting young social start-ups, it was launched by the Moroccan Center for Innovation and Social Entrepreneurship with the support of Drosos Foundation	X	X	X	X	X
Impact	Impact is an accelerator program launched by Enactus. It aims to support Enactus start-ups over 3 years, offering them the opportunity to grow their business.		X	X	X	X

Impact Lab	Impact lab opens up growth opportunities for start-ups by facilitating access to large companies and connecting them to a network of partners in different ecosystems. Their offers include personalized operational support (expertise, business development, financing ...) to start-ups at different levels of maturity.	X	X	X	X	X
Centre des Très Petites Entreprises solidaires	CTPES is a center that supports the creation of small businesses. CTPES puts an emphasis on creating economic opportunity for the unemployed and facilitating their professional growth.	X	X	X	X	X
Coopérative des Entrepreneurs Solidaires	CES provides support to entrepreneurs through creating and developing projects in a collaborative manner. It is the first organization promoting collective entrepreneurship.	X	X	X		X
Green Business Incubator	An incubator dedicated to support innovative startups in the solar and Green Tech sector.	X	X	X	X	X
LaFactory	A structure that accelerates collaboration between innovators and large companies. Its purpose is to get candidates to propose a product or a viable solution likely to have the approval of large corporates.	X	X	X	X	X

CIRA-ESS	The Incubation and Research-Action Center in Social and Solidarity Economics offers an incubation program in partnership with Inco Scholar, it is targeting entrepreneurs in the social economy sector (associative structures, start-ups, SMEs and cooperatives)	X	X	X		X
Social Innovative Students	It is an incubator dedicated to students with social or environmental impact projects. SIS is launched by Tamdout Youth for Culture and Development and supported by the MEPI initiative.	X	X	X		X
New Work Lab	New Work Lab has a program called “New Work Class” that accelerates start-ups that are at ‘ideation’ stage, prototyping, or market ready.	X	X	X		X
Technopark	Technopark offers low-cost workspaces for start-ups delivering new information and communication technologies, green tech and cultural projects.	X	X			X
Maroc Pionnières, AFEM	“Maroc Pionnières” is an incubator launched by the Association of Women Entrepreneurs in Morocco. It offers 18 months of incubation, a working space, mentoring and training on various business-centered topics and networking events.	X	X	X		X
Cluster Menara	The cluster developed an incubation programs for startups operating in the areas of Agribusiness, Cosmetics, Treatment and valorization of industrial		X	X	X	X

	waste.					
Emerging Business Factory	An incubator focused on information technology and media. The incubator offers several services to its residents (eg: coaching, training, accommodation ...) including support in the search for funding.	X	X	X		X

Table 4: Relevant SESOs targeting “normal” and social enterprises

2. Mapping SESOs

The following table presents additional SESOs focusing on youth and women:

Target	SESO's name	Mission	Offers & services				
			Competition	Training	Finance	Networking	Education & Research
Students	Enactus	Promoting social entrepreneurship among university students by encouraging them to tackle social needs through core businesses.	X	X	X	X	

	Injaz Maghrib	Al	Injaz allows students to start junior companies, master the basics of finance and prepare them for the challenges of the workplace based on the "learning by doing" approach.	X	X		X	
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	<p>The Faculty of Legal, Economic and Social Sciences (FSJES) of the Hassan II University</p>	<p>The faculty has a research team conducting research in order to offer innovative instruments adapted to the specificities of organizations with a social, societal and environmental purpose. FSJES Casablanca offers also different training programs dedicated to entrepreneurship in general and to social entrepreneurship in particular:</p> <ul style="list-style-type: none"> -Master's degree on "Social Innovations and Management of Economics, Social and Solidarity "in partnership with the Ministry of Tourism, air transport, crafts and the social economy (3rd Promotion) -A professional Bachelor in "Entrepreneurship and Management of TPMEs » -A Master's degree on « Entrepreneurship and Organization Management » -The faculty also has a research team working as the Moroccan team of the international study « Global Entrepreneurship Monitor ». 	X	X		X	X
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Economia- HEM Rabat	HEM Rabat has a research center with a dedicated team focusing on “ Social innovations” in addition to offering courses on the the topic for students enrolled in the bachelor and master degrees.					X
EM Lyon- Casablanca	Emlyon Casablanca offers courses on social entrepreneurship at the Bachelors and Masters’ levels as well as in the context of “summer sessions” with international students. Moreover, several permanent professors lead research on social entrepreneurship in Morocco and worldwide.					X
Career Centers	Several Career Centers have been launched recently by the support of the USAID at the Universities or by the management of business and engineering schools such as ESITH. Besides focusing on job integration, those Career centers are also promoting the entrepreneurial spirit through competitions and inspirational talks with successful entrepreneurs.	X	X			
ESSEC	Essec Maroc offers courses on social entrepreneurship in addition to mentoring programs for students in partnership with the social incubator Dare Inc.					X

	Jeunes Leaders Marocains	Promoting social entrepreneurship and civic engagement among students.	X	X			
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<p>Large public</p>	<p>Moroccan Centre for Innovation and Social Entrepreneurship</p>	<p>It is dedicated to finding entrepreneurial and innovative solutions to every social challenge in Morocco.</p> <p>Moroccan CISE has different programs :</p> <p>(1) Training and follow-up within the incubation program according to the needs of the entrepreneurs ; (2) Co-working and Networking : Dare Space is a co-working space in the heart of Rabat that allows entrepreneurs to work in a professional setting; (3) Seed Fund : \$3,000 seed fund, granted to incubated companies having reached the required level of maturity in return for 2% of the profit over 5 years or 5% of equity participation; (4) Crowdfunding Wuluj : It is the first pre-sale platform in the MENA region (www.wuluj.com); (5) Tamkeen Initiative: It is an awareness program launched by Moroccan CISE. Its objective is the promotion of social entrepreneurship and social innovation in public high schools; (6) D. Lab : The Moroccan CISE training program is a series of three independent trainings for social change actors, who wish to have access to the best tools and frameworks needed for training others in social entrepreneurship.</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>
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	Make sense	<p>Makesense is an international community that supports and brings together committed citizens, passionate entrepreneurs, and visionary organizations to address both social and environmental challenges. The Moroccan Hotspot at Casablanca is running (1) <i>Creativity workshop</i> to enable participating citizens to develop their social entrepreneurship project (2) Design thinking workshop to solve the challenge of a social entrepreneur and (3) Inspiration talks with social entrepreneurs.</p>	X	X		X	
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	British Council	British Council is running a social enterprise program including research on social enterprise and providing data about the Moroccan sector. In addition to that, they also organize Social Enterprise Competitions awarding and supporting successful social entrepreneurs.	X	X	X		X
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	Bidaya	<p>In addition to its incubation program, (1) Bidaya Incub, bidaya has developed several services such as (2) Bidaya Funds, a funding program dedicated to startups with a strong social or environmental impact that have validated their proof of concept; (3) Bidaya Space : It aims to promote social entrepreneurship to the general public in Morocco, and especially to vulnerable populations; (4) Bidaya Lab : It aims to share and promote Bidaya's expertise through consulting missions, the development of new projects and partnerships building.</p>	X	X	X	X	
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	CGEM	The General Confederation of Enterprises in Morocco has recently created a social entrepreneurship commission, it aims to strengthen the ecosystem and to advocate for a legal framework dedicated to social enterprises. Among the projects on which the commission is working: labeling of social enterprises, barometer of social entrepreneurship as well as support for university research on the field					
	Startup Maroc	Promoting entrepreneurial culture and innovation among young people. Startup Maroc organized some competitions or startup weekends dedicated to women entrepreneurs in order to encourage them to create and develop their businesses	X	X			
Woman entrepreneurs	Entrelles Entrepreneures	The Entrelles network is intended as a space of support, information, training and encouragement for women willing to start their businesses and as a space for support, networking and capacity building for women entrepreneurs.		X		X	
	Min Ajliki	Dedicated program for women entrepreneurs including raising awareness, training, business incubation and an access to market support	X	X	X	X	

	<p>AFEM (Association of Women Entrepreneu rs in Morocco)</p>	<p>In addition to its incubation program, AFEM is offering various services to its members and to women's co-operatives and businesses in general.</p>	X	X		X	X
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Social enterprises	Soleterre	<p>Soleterre is an NGO founded in Milan, it has been taking action in Morocco since 2003 with several programs including the program SOCIAL ENTERPRISE: support in the process of creation of companies of Social Impact Services (local capacity building through market research, drafting of the business plan, start up of business, networking and dissemination of social enterprise activity, dissemination of the concept of social enterprise in Morocco). Technical assistance to women's cooperatives and marketing of products; insertion of products in the international fair trade circuit; support for national and transnational entrepreneurship.</p>		X	X		
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	REMESS (Réseau Marocain de l'Economie Sociale et Solidaire)	A network dedicated to different agents of the social economy such as cooperatives, associations, economic interest groups and unions. It offers a public space for free debates and training in relation with the social economy sector, it also allows its members to create synergies and partnerships.	X	X		X	
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Table 5: SESOs mapping

3. Services provided by SESOs

As presented below, the majority of services provided by SESOs are focusing on capacity building programs and networking opportunities for social entrepreneurs. In the ideation stage, SESOs are focusing more on promoting social entrepreneurship through competitions and Hackathons while in the early stage, SESOs are offering trainings and mentorship in order to support social entrepreneurs in developing their ideas. Some SESOs are also offering seed funding up to 100.000 MAD for their mentees.

Regarding the duration and the objectives of the programs, all the incubators are offering a program of 12 to 18 months, their main objective is to boost social startups and to make them autonomous.

SESOs are using similar tools such as Business Model Canvas or Design Thinking. The main difference remains the selection process, some SESOs are focusing on the ideation stage such as Dare Inc, where many social entrepreneurs are Enactus alumni, others are focusing on an early or more advanced stage such as Bidaya or Impact Lab.

The following diagram shows the different services by level of maturity:



Figure 1: SESOs services

4. Gap analysis

- **Lack of funding for SESOs limits their support capacity:**

SESOs rely mainly on sponsorship and external funding. Many actors of the entrepreneurial ecosystem have depended mainly on the OCP Entrepreneurship network until it changed its strategy to only focusing on the regions where OCP operates. In the absence of alternative funding and revised business-models, the activities of SESOs will remain limited.

Large corporations and private foundations mainly support NGOs but there do have a few links with the social entrepreneurship ecosystem.

- **More competition than synergy between SESOs:**

The mapping of SESOs shows that there is little coordination and dialogue among them, which limits the potential of the social entrepreneurial ecosystem. Partnerships and continuous dialogue would allow the actors to play an important advocacy role for a recognition of social enterprises and an improvement in networking opportunities for entrepreneurs; they say “we have an ego-system and not an ecosystem”.

- **The non-recognition of the utility of SESOs:**

The general public and some institutions do not value the role of incubators « people do not perceive our role or the importance of incubators in Morocco, sometimes, they don't even understand what an incubator means» reported an incubator representative.

- **All SESOs are based only in the cities of Casablanca and Rabat:**

Some structures intend to duplicate their model in other regions but strive for institutional support.

- **Lack of later-stage support:**

Many of the available support organizations are dedicated to the early-stage phase (stage 1 & 2), in other words, "everyone is doing the same thing" reported a participant at the workshop. Very few initiatives target later stage startups in general (Endeavor, CEED), and, none of those focus on social startups. There is a real need to create a support system for later stage social enterprises in order to enable them to scale up their impact.

- **Language Barrier:**

The incubation structures focus only on social entrepreneurs with a high educational level (the majority of SE who are incubated have a university degree and speak the foreign languages used in the incubators French and English). Thus, social and solidarity economy structures are excluded from these support programs.

- **Lack of qualified mentors for social enterprises:**

Incubators and accelerators are suffering from the availability of qualified and committed mentors especially those who are aware of the double bottom line of social enterprises.

- **Limited pipeline of investable opportunities:**

According to our findings, even investors don't find enough social startups ready for investment when comparing Morocco to other African countries.

- **Lack of fundraising expertise:**

Social entrepreneurs do not have sufficient knowledge on how to approach an investor and how to manage their finances.

5. Quality, availability of services

Women are not well represented in social entrepreneurship programs whether as actors or beneficiaries. To start building an equitable ecosystem with an enabling environment for women, we need to:

- Make new programs for building men and women's capacities on how to be a change maker and leader of change through social entrepreneurship. To close the gap between the genders and enable women from different backgrounds and areas to participate in the impact investment movement, we need more gender sensitive programs driven by inclusivity and built by men and women together not to exclude men from the dialogue and to close the gap driven. Inclusivity and diversity are key words as they give an opportunity to include both men and women in this women inclusion processes but they also enable women from any area to participate in the impact investment process.
- Besides the program's design and implementation process to reinforce, we need more women at the helm of these programs. So to complete the already existing programs designed for youth in Morocco (rural and urban areas), we need a kind of social entrepreneurship caravan with inclusive and diverse choice of areas and stops to make, so women and girls and their breadwinners are included in the process and get to know the social entrepreneurship and its advantages. For designing successful programs, organizations should take into account the women's high levels of illiteracy and, early marriage, pervasive male dominant culture across the country and the importance of partnering with local actors in different areas to facilitate the dialogue and use creativity to design a fully inclusive and sensitive program.
- In addition to raising awareness on the topic, a real creative effort has to be made on the new inclusive and diverse programs. Historically many experiences for enhancing access to entrepreneurship have failed in Morocco because of the

difficulties women in marginalized and rural areas have in understanding and applying business principles and techniques. Consequently, we found out that women tried to run their small businesses individually but most of them end up doing it as a collective, especially in rural areas. So even if initiatives of peace corps arose such as the Anou project⁹, the problems of business success and short life cycle persist. There is a real need to create programs where women are the target, with a focus on matching women from a marginalized or rural area with other women with appropriate levels of education. This pairing will give strength to all stakeholders as there are so many entrepreneurial opportunities with social impact in marginalized and rural areas that could be tackled by combining forces in a sustainable manner.

6. Access to finance

Moroccan social entrepreneurs have access to different funding mechanisms that are available to “normal” enterprises such as:

- *Bootstrapping*: Financing the project by relying on the entrepreneur’s money and personal savings rather than looking for outside investments;
- *The "Love Money"*: Capital given by the entrepreneur’s family and friends to start a business;
- *Grants*: a donation or non-refundable financial assistance for a person, association or company. These can be inflexible and often only used for very specific purposes. They can also limit an organization’s ability to raise funds through other means as they often don’t allow you to make any surplus and therefore build reserves;
- *Seed funds*: financing by venture capital funds through equity investments in emerging companies with high growth potential.
- *The loans of honor*: It is a credit without interest and generally without security. The loan of honor is granted to entrepreneurs especially in the seed phase. The contribution aims at financing the feasibility study, the elaboration of the business plan, the trainings, etc;

⁹ Anou: project helps illiterate women having a platform for sales online towards local and foreign market by using only images download and voice message, <https://www.theanou.com/about>.

- *Loans with credit institutions*: a commercial loan granted by a bank or a microfinance association (in the case of amounts below 50,000 MAD). Unlike the loan of honor, this loan is repayable with interest and the entrepreneur is often required to issue his assets or personal property as a guarantee.

- *Crowdfunding*: it is a mechanism for raising funds - usually small amounts - from a wide audience through a platform on internet to finance entrepreneurship and innovation or to support the emergence of social, cultural and creative projects. Crowdfunding takes three different forms of financing: loans, capital investments and donations.

The following table presents available finance mechanisms for social entrepreneurs in Morocco:

Type of financing	Program/ Organization	Eligibility
Grants	CCG (Innov Idea)	For startups or newly created companies, whose applications have been validated by a CGC-certified organization wishing to demonstrate the potential and feasibility of their projects based on an innovative idea and not initially marketed
	Entraide Nationale	Supports social impact initiatives and helps to create institutions that facilitate access to work and social integration for orphans, people with disabilities and all those in vulnerable situations.
	INDH	Supports social development projects and income generating activities by providing grants, trainings and materials.

	Bidaya Fund	It is a fund launched by Bidaya incubator exclusively for enterprises with a strong social or environmental impact having validated their proof of concept. The funding is in the form of a grant, up to 50 000 MAD, and an honour loan up to 300 000 MAD.
	British Council	As part of its Social Enterprise program, the British Council has awarded grants ranging from 60,000 to 100,000 MAD to young social entrepreneurs.
Honour loan	Réseau Entreprendre Maroc (REM)	Offers financial assistance (soft loans from 50,000 to 100,000 MAD), a mentoring program, and networking events.
	CCG (Innov Start)	The financing is granted in the form of an honor loan (loan without sureties and without interest) up to 250 000 MAD per project and can go up to 500 000 MAD if the in case of project was presented by two or more candidates. The repayment is scheduled for a period of 2 years after the completion and operation of the project and is spread over a period of 5 years.
	Agence de développement social (Moubadara)	Open to viable projects, or any income-generating activity initiated by a person over 18 years of age. The loan is for a maximum amount of 80 000 MAD repayable over 36 months.
Crowdfundi ng	Wuluj	Launched in June 2017 by Moroccan CISE and Happy Smala, Wuluj is a pre-sale platform for innovative and social enterprise products.
	Cotizi	Cotizi is a fundraising platform for associations to enable them to collect donations more easily by appealing to the generosity of Internet users.

Seed funding	SEAF Morocco Growth Fund	The fund focuses on investments in innovative startups and growth stage companies in emerging sectors such as digital, agri-business, education and health.
	Azur Innovation Fund	An investment fund managed by Azur Patners, it is targeting innovative firms operating in emerging sectors such as renewable energies, technology, FinTech and energy efficiency.
	Maroc Numeric Fund II	Invests between 1 and 4 million MAD in start-up companies, and between 4 and 8 million MAD in companies in the growth phase.
Loans	Microfinance institutions	Offers financing up to 50,000 MAD for micro-entrepreneurs and small businesses that are usually excluded from traditional financing channels.
	Banking establishments	Banks offer different types of credits depending on the category of the business (eg: very small, SME, auto-entrepreneur), interest rates also vary depending on the repayment terms.

Table 6: Available finance mechanisms for SEs in Morocco

Besides the few available funds for social entrepreneurs, the ecosystem includes also funders that are supporting the work of SESOs most of which are international funders.

The following table provides a non-exhaustive list of donors and their sponsored programs:

Name	Sponsored programs
Drosos Foundation	Espace Bidaya – Dare Inc – PlaNet Finance Maroc – Injaz Al-Maghrib

APEFE	Programme Min ajliki
USAID	Career Centers
OCP Entrepreneurship Network	New Work Lab – Enactus – Startup Maroc – MIT Global Startup – Mowgli – Endeavor Maroc – Réseau Entreprendre Maroc
MEPI	Empowering Youth Through Entrepreneurship (Budget of \$1,9 Million)

Table 7: Relevant donors and their sponsored programs

6. Gap analysis:

- *Reluctance of banks to lend to social entrepreneurs:* Although Banks are offering several financial products, they are reluctant to lend to social enterprises considering them as “high risk” and “too socially-driven”. Additionally, in order to get the loan, the banks are always asking for personal guarantees which social entrepreneurs cannot always provide.
- *Low awareness levels of different types of financial services:* Social entrepreneurs and mainly cooperatives aren’t aware of the different funding options. The lack of awareness, it may be due to the marketing channels used by the funders (e.g.: call for applications via social medias or digital marketing on website) or due to the language used (e.g.: the applications are usually in French or English).
- *Legal barriers for new financial mechanisms:* the absence of legislation on new sources of funding that are suitable for the social entrepreneurial ecosystem is also considered as an obstacle to the ecosystem development. In countries where the social enterprise movement is at advanced levels, social entrepreneurs are enjoying several innovative financial mechanisms such as impact investing or crowdfunding platforms.

- *Lack of business angels:* Business angel activity in Morocco is constrained by several factors, including: the lack of a specific legal framework that clearly defines the role of the investor or, as well as shareholders' rights; the lack of fiscal incentives encouraging their activity and the absence of public support to the development of the business angel network.
- *Fund allocation:* The public authorities have developed funds to support entrepreneurs or stakeholders in the entrepreneurial ecosystem. However, the allocation of these funds still suffers from a few anomalies such as the lack of transparency or governance, these allocations might also be limited to some legal forms (e.g.: cooperative or association) so social entrepreneurs using commercial framework can't benefit from them.
- *Limited pipeline of investible opportunities:* we found that even when investors would like to invest they can't find enough social startups ready for investment when comparing Morocco to other African countries.

Conclusions

- Despite the existence of several support programs, most of them are punctual. In terms of incubation, there are only a few active incubators (mainly in the Casablanca- Rabat region);
- We note the existence of only two incubators dedicated to social entrepreneurs;
- SESOs, especially incubators, are highly dependent on external contributions (e.g. sponsoring) and have very little visibility on their future financing;
- The withdrawal of the OCP Foundation, one of the main supporters of the entrepreneurial ecosystem, limits strongly the sources of financing of the actors;
- Regarding funding, social entrepreneurs rely mainly on their personal resources, rewards from competitions and honor loans.
- Recently, the CCG (Caisse Centrale de Garantie) has launched a new fund "Innov Invest Fund" including:
 - Investment in seed capital and venture capital funds

- Technical assistance to incubators and accelerators
- Honor loans to startups

-Business angel networks and crowdfunding are underdeveloped due to regulatory barriers and a limited pipeline

-The Moroccan social entrepreneurial ecosystem lacks coordination and integration between actors

Recommendations – specific to project

- *Support the creation of a network of local incubators and accelerators:* In order to overcome the lack of coordination between the actors, there is a real need for a platform that gather all of them and to stimulate synergy between their activities;
- *Develop more capacity building programs for enablers:* The study findings indicate that there is a shortage of specialized training for social entrepreneurs. There is a need for tools and resources to support them in areas such as social impact measurement or financial management;
- *Advocate for new investment mechanisms:* Conventional finance and venture capital is often inaccessible to social enterprises for reasons such as high interest rates, short repayment periods, and limited revenue streams. Increasing access to capital for Moroccan social enterprises requires appropriate, specialized finance mechanisms, such as new models of impact investment and crowdfunding. The ecosystem players should advocate for those financial mechanisms but they also need advocacy skills in order to lobby with policy makers;

- *Provide Basic Business Training to the associations and cooperatives:* The actors of the social economy have a lack of business skills which might hinder their development and capacity to scale. Some associations and cooperatives have a high potential to solve social problems but they need business skills in order to develop their business models;
- *Raise awareness about the importance of social entrepreneurship:* Although NGOs such as Enactus and Moroccan CISE are promoting the concept of social enterprises, it is still unknown in the Moroccan ecosystem. Hence, it is important to boost awareness through initiatives at the national level;
- *Rebuild confidence in NGOs programs:* Nowadays, lot of cooperatives don't trust anymore international NGOs because of the lack of follow-up programs. Cooperatives have been involved in several needs assessment studies (eg: consultative workshops, interviews....) with the objective of receiving tangible contribution such as funding or business support, however, they were disappointed about the results.
- *Provide seed funding for social enterprises:* The existing funds are insufficient to cover all the financial needs of social entrepreneurs; the latter's majority depend on bootstrapping or "love money". It is important today to multiply seed funding for early stage startups in order to validate their proof of concept.

Part III- Micro

1. Target group

Generating income activities to tackle social needs is a historical practice that marked and still marks the Moroccan landscape, this is due to the Islamic principles and the Moroccan culture well known for solidarity and cooperation. These principals are underlined in social enterprises operating under three main models in Morocco:

- **Social enterprises deeply rooted in the associative movement:**

The associative movement plays a fundamental role in social solidarity, cultural animation and the strengthening of human rights, but also the promotion of civilization and the history of the Moroccan Kingdom. Associations even substitute sometimes the work of the government in some fields such as education and health care. They are enacted by the law (dahir) of November 15, 1958 - modified and completed in July 2002- defines association as 'the convention by which two or more natural persons permanently pool their knowledge or their activities for other purpose than to share profits'.

In Morocco, the number of associations is estimated at 150,000 in 2017. More than 90% of them are local, and the totality of their resources does not exceed 10 billion dirhams, representing 1% of GDP. Funding is limited and much of it emanates from public subsidies (+ 60%). The salaries of people working in associations are only 1.7 MMDH of which its participation in GDP does not exceed 1.2 billion dirhams, or 0.2%.

Despite the improvements made in the sector, some associations are still unable to adapt to the demographic changes among the youth or to the digital and technology revolution. In this context, many established social enterprises have been operating under the associations legal framework for many years. They have only started conceiving income generating activities when they understood that relying only on subsidies and grants could not guarantee anymore their mission and impact's sustainability.

- **Social enterprises deeply rooted in the cooperative movement:**

The Cooperatives were established by the protectorate authorities among the Moroccan producers since 1937 for political reasons. The law n ° 24-83 fixing the general statute of the cooperatives and the missions of the office of the development of the cooperation was promulgated by the dahir n ° 1-83-226 of October 5, 1984. After that, cooperatives purposes have gone through many changes to become, since the 2000s, an instrument of jobs creation, women integration into working life, organization of the informal sector etc.

Cooperatives play a crucial socio-economic role through the objectives and goals defined by the texts that govern the cooperative sector. Their main objectives are:

- The creation of income-generating projects to reduce unemployment through the direct or indirect creation of job positions;
- Enhancing the quality life of cooperatives adherents;
- The emancipation of Moroccan women, particularly in rural areas through women's cooperatives, (2280 entities at the end of 2015 with 37,960 members and about 18 million dirhams as capital);
- The integration of young graduates into the work life through the creation of income-generating activities within the cooperative sector (The number of co-operatives for graduates is 371 with 4,042 members).

According to the State Secretariat for Handicrafts and the Social Economy (2015), this sector has grown considerably in recent years. The number of cooperatives has reached more than 20,000 at the national level, with more than 2,600 that are 100% female cooperatives, which represents 14% of the total workforce of cooperatives. 1,190 of these structures are specialized in crafts, while 878 cooperatives operate in the agricultural sector.

The rest of the women's cooperatives specialize in the argan and food industry. Statistics also show that cooperatives employ more than 146,368 women, which represents 29% of the total number of workers in this sector, estimated at 504,715 members.

- **The ‘new generation’ of social enterprises:**

Since the mid 2010s, a new generation of social enterprises have emerged thanks to the involvement of several new structures created to support social entrepreneurship and contribute to its development in Morocco. International and local NGOs like Enactus and Moroccan CISE (Centre for Innovation and Social Entrepreneurship) were the pioneers who impulse this new dynamic.

Social entrepreneurs associated with this movement are generally young people aged under 30, who have completed a university degree (public universities) in different fields, and have been engaged in associative activities in student organizations like Enactus, Injaz Al Maghreb or JLM (Young Moroccan Leaders).

It is important to highlight that women represent more that 50% of social entrepreneurs, and they are moving towards non-traditional sectors such as renewable energies and information technologies.

This new generation of social entrepreneurs are operating under commercial forms such as the SARL and ‘auto-entrepreneur’ status. The commercial business form, or Sarl, is the most common form in Morocco. It’s a legal framework with limited liabilities that combines the risk limitation for stakeholders (specific to companies with limited liability) and the affectio societatis. The SARL may be constituted by one or more persons without exceeding fifty (50).

Since 2015, the ‘auto-entrepreneur’ statute is a simplified legal framework that was created to encourage entrepreneurs to carry out their activities under more favorable legal conditions. The annual turnover is limited to 500.000 DH for commercial, craft and industrial activities, and to 200.000 DH for services delivery.

2. SE definitions

In Morocco, there is no recognized definition of social enterprises or social entrepreneurship. However, there is an increasing interest in the concept in the political sphere and the for-profit sector especially since the royal speech of August 2018. In this

speech, the Moroccan King highlighted the importance of implementing practical mechanisms to improve the incentives for young people to set up small and medium-sized enterprises and support self-employment and social enterprise initiatives.

This decision reinforces the efforts made by several NGOs since 2005. Indeed, Enactus (ex Sife) has played a key role in promoting the mindset of transforming social needs into business opportunities. Other initiatives have also been established contributing to the emergence of the social entrepreneurship ecosystem: The Global Social Venture Competition in 2010, the creation of Moroccan CISE in 2012, the CMERES (Moroccan center for social enterprise research) in 2013, the British council competition in 2014, the launch of three social entrepreneurship incubators in 2015 were, among others, key initiatives in this process.

SESOs and social entrepreneurs currently operating in the Moroccan context have different perceptions of social entrepreneurship and social enterprises, which consequently is reflected by the used terminology. Some of them talk about Social enterprises, others are more convinced by high-impact enterprises or hybrid organizations:

- *“A Social enterprise is any business that has the pecuniary aspect and that responds to a social problem, so it has a double mission, not only earning money but also bringing a social or environmental solution”;*
- *“A social enterprise must have a clear and well-defined social and societal mission and secondly, it must be viable, generate revenue through the sale of its products and services”;*
- *“Hybrid organizations are companies that are not created to sell a product but to meet a need, it is the need that is behind all of this, and therefore, it comes to provide a solution to a social, societal or environmental issue based on business’ pillars but with a vocation to create a social and community impact”*

Despite of these differences, actors are commonly agreeing to designate a social enterprise as an ***organization that responds to a societal need through a viable and profitable economic model, focusing on human beings, communities and the global environment in which it operates.***

We found that legal status is not a priority but a tool to shape the social enterprise, but the choice of one or other legal framework depends on social entrepreneur's objectives and the nature of their activities. In fact, in some cases, it can allow or prevent social entrepreneurs from getting funds or participate in support program run by SESOs.

We noticed that perceptions shared by different stakeholders in the Moroccan context have some common insights with other international definitions of social enterprises such as:

- Social Enterprise Alliance defines social enterprise as: "Organizations that address a basic unmet need or solve a social or environmental problem through a market-driven approach."
- Social UK defines Social enterprises as: "Businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximize profit for shareholders and owners."
- The EMES approach derives from an extensive dialogue among several disciplines (economics, sociology, political science and management) as well as among the various national traditions and contexts in the European Union. Moreover, guided by a project that was both theoretical and empirical (1996-2000), it preferred from the outset the identification and clarification of indicators over a concise and elegant definition (Borzaga, Defourny, 2001)¹⁰. It describes an 'ideal-type' that enable to position a large spectrum of initiative in the galaxy of social enterprises. The indicators are:
 - a) A continuous activity producing goods and/or selling services;
 - b) A high degree of autonomy (vs dependency);
 - c) A significant level of economic risk;

¹⁰ <https://emes.net/focus-areas/>

- d) A minimum amount of paid work;
- Five indicators for the social dimensions of the initiatives:
 - e) An initiative launched by a group of citizens
 - f) A decision-making power not based on capital ownership
 - g) A participatory nature, which involves the persons affected by the activity
 - h) Limited profit distribution
 - i) An explicit aim to benefit the community

The **social mission** is the key concept that characterizes social enterprises in any context, whatever the nature of the organization (non-for-profit, for-profit, hybrid); it's devoted to tackle unmet social needs. Another shared characteristic is **earned income activities**: social enterprises should have direct and/or indirect incomes activities to achieve either a sustainable model or a self-sufficient model. The aim is to remove the dependency model that relies primarily on philanthropy, voluntary and public subsidies.

Other characteristics aren't clearly common between the different definitions mentioned above. The first characteristic is **profit reinvestment**: we don't have a minimum threshold of reinvested profit or a specific percentage to be contributed capital. Similarly, we don't have a special mention about **participative and democratic governance**. We can say that the principles of social enterprise governance in Morocco depend on the status chosen for the organization; shareholders or adherents are bound to follow the status specifications as mentioned in the legal texts.

3. Differentiation SE vs. Normal enterprise

In social entrepreneurship, the social mission is the main purpose and earned income activities are only a way to sustain this mission. The latter figures as a key component in the business model that aims to combine both the social interest and economic viability. This double bottom line can only be achieved by identifying, exploring and seizing new opportunities. Just like when classical entrepreneurship pursues new business opportunities, when social enterprises pursue new social opportunities, there comes a necessity to undertake the new risks they could bring.

At this stage, innovation is needed at different levels. Indeed, social enterprises face more challenges than the classical ones, this challenges occur when they have to cope with combining different resources (human, financial...) to address social needs while adopting new business models with a social logic.

In the Moroccan context, when key actors and social entrepreneurs define social enterprises they agree on (1) the primacy of social mission, (2) the requirement of economic viability and the inseparability between the concepts of impact and social entrepreneurship. Moreover, they consider these as elements that differentiate social enterprises from classical ones.

4. Impact

Social entrepreneurs' drive comes from having a significant impact. They want to change society for the better. However, they still don't have the necessary tools to measure their impact properly. Hence, they try to qualify the latter through number of jobs created. A social enterprise that creates a job for a person in difficulty offers them the opportunity to integrate working life, strengthen their capacities and build new skills. This has a direct impact on the person's income which will enhance their life quality especially at the basic needs level.

5. Listing of SEs: fields and examples of SEs

In the Moroccan context, social challenges are numerous. Education, agriculture and healthcare are the traditional fields in which social enterprises have been active. Because of degradations in these vital areas, Morocco hasn't been well ranked internationally (e.g.: HDI). Despite the efforts made by the Moroccan government, a lot of pressing issues are still unresolved. However, not all SEs tackle the classical issues, the new generation of Moroccan social entrepreneurs, especially young women, are increasingly interested in key fields such as Information Technologies (IT) or renewable energy.

The table below lists some of relevant social enterprises in Morocco:

Associations	
AMH	<p>It is an “association” of social entrepreneurship group. It operates in five complementary areas – health care, social action, training, entrepreneurship, advocacy - for an inclusive and ambitious society.</p> <p>AMH's mission is to promote the inclusion of people in vulnerable and disadvantaged situations in Moroccan society by creating new services and products with a high social impact.</p>
Amal Center	<p>Amal Center, a Marrakech-based nonprofit organization dedicated to the empowerment of disadvantaged women through restaurant training and job placement. Amal’s goal is personal transformation through job and life skills’ development for trainees, a stepping stone to economic and social stability.</p>
Terre et Humanisme Maroc	<p>THM (Terre et Humanisme Maroc) advocates for environment and humanity protection through highlighting and disseminating agro-ecological practices in Morocco. The association offers trainings for small farmers and project leaders. It has contributed to enhancing farmer’s life quality in many regions, it also preserves and maintains several disappearing local seeds.</p>
TIBU	<p>Tibu’s mission is to promote sports in Morocco and in particular Basketball. It uses sports as a means of education, social cohesion and human development. It allows the insertion of young people with reduced mobility through the 1st Handicapped basket school in Morocco. It also promotes the employability of young people in NEET situation (Not in Education, Employment or</p>

	Training).
Solidarité Féminine	Association Solidarité Féminine (ASF) has offered thousands of unwed mothers a shelter where they and their children are supported unconditionally. Approximately 100 women per year also participate in a three-year program, where they are offered psychological counseling and medical treatment as well as vocational programs which teach them new skills to become better prepared to enter the job market, thereby, gaining autonomy and a steady source of income. ASF also provides day care centers, both while women are preparing for future employment and after they have achieved it.
Ressourc'In	Ressourc'In is a social enterprise, supported by Al Ikram association, that helps unqualified out-of-school young people and socially disadvantaged women to succeed in their professional integration. It focuses on optimizing local waste, particularly through their transformation, to create artistic pieces. The profits generated are reinvested in the social enterprise to create new jobs for disadvantaged people
Cooperatives	

Anou	Anou (2012) is a community of artisans working together to reshape Morocco's artisan economy, it is about creating an artisan-centered craft economy based on a fundamental shift in the fair-trade industry through technology. It is Morocco's only artisan owned and managed online platform.
Ariaf Kissan	Member of the EIG of Rif foothills, region of Ghafssai, the cooperative was created in 2005. Ariaf Kissan tried to achieve their objectives by opting for an agri-ecological approach that aims to enhance local products and agricultural practices through the production and sale of local varieties, like bio olive oil, einkorn, bio bee products and inclusive touristic tours. The social enterprise works with local cooperatives and associations to improve the life quality of local population, reduce rural exodus, protect and above all maintain home ground varieties.
BioFemme	BioFemmes (2017) a feminine cooperative that was set up to change women lives through the valorization of the local bio product. It's a regional cooperative that aspires to become national by gathering women from different regions in Morocco.
Jnane Nemla	<p>Jnane Nemla (2014) is developing fair and organic agriculture in the region of Tangier.</p> <p>It aims to promote the use of biopesticides and the adoption of organic farming. It has two activities:</p> <ul style="list-style-type: none"> -Raising awareness of small farmers in the region and neighboring farms about the need to respect the land through the use of biopesticides. -The marketing of products (fruit, vegetables and flavoring herbs) of co-operatives and of people who have difficulty selling or reaching urban markets.

	<p>Today, the co-operative's products are certified CCPB (Organic Agriculture Inputs Certification). It includes ten farmers and has opened a shop selling its 100% organic fruit and vegetables</p>
<p>Coopérative Femmes de Casablanca CFC</p>	<p>This is a traditional weaving cooperative created by seven women in July 2010. The cooperative offers all kinds of weavings made on traditional looms and horizontal mechanical looms. It aims to strengthen the autonomy of cooperating women who can support their families.</p>
<p>SARL</p>	
<p>Amaz</p>	<p>Amaz (2017) is a vegan Moroccan brand, eco-responsible and supportive. It sells sneakers made by hand by "Maalem". It seeks to enhance ancestral craftsmanship while linking it to contemporary footwear. Amaz is a social enterprise with eco-responsible values. It does not use any material of animal origin, nor plastic or cardboard packaging, the pairs of shoes are indeed delivered in unbleached bags. Amaz has developed a program called "Amaz for Education", in partnership with the Moroccan NGO "Education For All". Thus, for each pair sold, a boarding school day is financed for a girl enrolled in secondary school in remote areas of the Moroccan High Atlas.</p>
<p>Educall</p>	<p>Located in Rabat, Educall operates in the field of education and offers education alternative approaches through two programs, Ancrage et Éclore, that allow youth to find learning more</p>

	enjoyable.
Amendy	Production and Marketing of Quinoa Seed and Its derivatives
Jodour	A Moroccan start-up that aims to provide educational resources to pass the Arabic language and cultural heritage on to children in a fun and attractive way.
Shems for lighting	A company that produces and sells solar bulbs based on plastic bottles.
SeaSkin	A social enterprise based in Sidi Rahal (region of Casablanca) and Essaouira (upcoming production unit), that aims to empowers small fisher's wives by producing leatherwork based on recycling fish waste and skin tanned with an ecological process.

Table 8: Listing of relevant SEs in Morocco

6. Challenges and barriers for SEs

- **Cultural and educational barriers:** The social entrepreneurship field suffers from a number of challenges that slows down its development. The general cultural barriers are exacerbated by the lack of confidence in the entrepreneurship model and underestimation of young entrepreneurs.

Other structural obstacles are linked to the Moroccan education system that does not encourage initiative, critical thinking or self-confidence and does not inculcate entrepreneurship basics from an early age.

- ***Support infrastructure barriers:*** We also noticed the lack of support structures for social entrepreneurship. Commendable initiatives exist but are still insufficient and do not have a national coverage. Indeed, all support structures are set up on the Casa-Rabat axis and very few initiatives cover other regions.
- ***Financial, legal and tax barriers:*** Another major handicap for many social enterprises is the lack of access to financing options to launch and grow social enterprises. We point to the lack of financial mechanisms adapted to this type of business and the gloomy Moroccan context in terms of investment. Other barriers are related to *the lack of legal frameworks* and statutes organizing the sector, and the absence of tax incentives favoring donations and grants.

7. Needs assessment for SEs

Assessment of needs of SEs in terms of support:

- Lack of information: beside SEs who already know some of SESOs or have already been involved in a para-university programs who are aware about the current funding programs, the others don't know which organizations refer to;
- The incubation structures focus only on social entrepreneurs with a high educational level (the majority of SE who are incubated have a university degree and speak the foreign languages used in the incubators French and English). Thus, social and solidarity economy structures are excluded from these support programs;
- SESOs have a limited geographical coverage which make their programs unavailable for social entrepreneurs off the axis Casa-Rabat;
- Social entrepreneurs face difficulties placing their products on the market, the incubated ones rely on one-off events, on their social network and social media. The other ones have to overcome logistical problems especially when production units are far from outlets;
- SEs They require practical trainings on impact measurement tools in order to evaluate their outputs;
- Social entrepreneurs in early stage don't have sufficient skills to manage their grants or loans.

Assessment of needs of SEs in terms of support:

- Lack of funding programs: there are some seed funds offered by incubators and some other SESOs but it's really insufficient;
- There is no specific bank offers for SEs;
- Crowdfunding platforms aren't yet allowed;

- There are no dedicated social investment funds.

Conclusions

-Social entrepreneurship is a concept that is perceived differently in Morocco. It is considered by some SESOs and social entrepreneurs as a new avenue that offers a large range of innovative opportunities for the SSE traditional sector. Others are convinced that it is an interruptive field that does not share the same philosophy with SSE.

-Social enterprises are considered as an organization that

(1) responds to a societal need;

(2) has a viable and profitable economic model;

(3) focuses on human beings, communities and the global environment in which it operates.

-The primacy of the social mission and the necessity to have earned income are the main characteristics shared with international definitions of social enterprises;

-Social entrepreneurs are driven by the creation of a significant impact and are also aware that the economic viability of their projects is the only guarantee to achieve their mission;

-Education, agriculture and healthcare are the traditional fields in which social enterprises have been active. Moreover, there is an increasing interest in renewable energies and IT fields especially among women;

-Social entrepreneurs face several challenges: cultural, legal, financial and support related barriers.

Recommendations:

- Promote inclusive dialogue among SESOs and foster institutional relations between SSE key actors and SESOs through one-off events that could enhance cooperation and allow the perceptions' convergence;
- Implement concrete financial, legal and fiscal measures, such as the reframing of INDH funds, the legitimization of crowdfunding, setting up funds dedicated to incubation structures or setting up tax incentives for private companies supporting social startups;
- Encourage SESOs to implement post programs evaluations in order to continuously improve their offers to meet social entrepreneur's needs evolution;
- Support SESOs to launch regional subsidiaries and maximize their outreach to potential social entrepreneurs across the nation.

Overall conclusion

Social entrepreneurship in Morocco is a nascent movement that had its first premises in the mid 2010s. This dynamic was introduced by national NGOs that were created to popularize and strengthen social entrepreneurship and innovation in Morocco. These initiatives were supported by some historical NGOs operating in the field internationally.

Even if social entrepreneurship is new and perceived differently in Morocco, social enterprises are deeply rooted in the Moroccan Social and Solidarity sector and operate in traditional fields like agriculture, education and health care. New social entrepreneurs are mostly oriented to more challenging fields like renewable energy and the IT sector.

We notice some important insights related to the general social enterprises' ecosystem (SSE and SE), social entrepreneurs and SESOs in particular:

The General ecosystem:

- The social enterprise field lacks guidelines that could help clarify its main characteristics;
- There are a few initiatives to increase public dialogue around social enterprises but the current Moroccan social entrepreneurial ecosystem lacks coordination and chain value creation;

SESOs and social entrepreneurs:

- Social entrepreneurs are driven by the creation of a significant impact but are facing several challenges:
 - Cultural: language barriers, lack of confidence in the entrepreneurship model;
 - Legal: there is no dedicated statute and no tax incentives;

- Financial: insufficient seed funds, no dedicated financial mechanism, crowdfunding and business Angels' mechanisms are not yet allowed; Social entrepreneurs relies mainly on their personal resources, rewards from competitions and honor loans;
- Support related barriers: several support programs exist, but are insufficient, punctual and geographically limited;
- SESOs, especially incubators, are highly dependent on external contributions and lack the expertise in some specific fields like impact measurement and fundraising.

Overcoming all of these barriers is not easy to implement and requires the collaboration of different stakeholders, especially policy makers, the private sector, universities and social entrepreneurship support structures. Nevertheless, the social enterprise sector has a high potential of development thanks to the Moroccan youth increasingly aware of the country challenges and progressively involved in solution finding approaches.

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Annexes

Annex 1: List of Participants to interviews and FG

Category	Name	Organization
Social entrepreneurs	Souhad Azennoud	Coopérative Ariaf Kissane
	Myriam Drissi	Coopérative BioFemme
	Meriem Cherraji	Coopérative Lamamy
	Hanane Rifai	Hydrobarley
	Mohamed Hafid	Granéco
	Nawal Allaoui	SeaSkin
	Mohamed Amine Zeriat	Tibu
	Aicha Krombi	Association Terre et Humanisme Maroc
	Nihal Mougaddar	Origine
	Zineb Naji	AMH
	Fadila Bennani	Amaz
	Sophia Zahid	Joudour
	Othmane Benhlime	Eco heat
SESOs	Adnane Addioui	Moroccan CISE
	Sarah Chellaoui	ENACTUS
	Zineb Fakihani	BIDAYA
	Khadija Bellache	INCO

	Jawad Echarqui	Centre des Très Petites Entreprises Solidaires
	Nawal Bakry	Min Ajliki
	Tifawt Belaid	British Council
	Omar Agodim	Cleantech
Academia	Ikhlassa El Aissami	FSJES Casablanca
Public institutions	Fatima zohra Belmoubarik	Secrétariat Général du Ministère délégué chargé de l'Environnement

Annex 2:

Guide d'entretien

Présentation du projet MedUp!

1-Pouvez-vous nous parler de vous ? votre parcours professionnel ?

2-Pouvez-vous nous parler de votre organisation (ou entreprise sociale pour les Ses) ?

3-Comment vous avez eu l'idée de créer cette entreprise (pour SEs)?

4 -Quelle est votre mission ? ou quel est le rôle de votre SESOs ?

5 -Quels sont les challenges ou défis que vous rencontrez en tant que SESOs ou SEs ?

6-Avez-vous bénéficié d'un accompagnement ou d'un appui ?

7-Si oui, pouvez-vous nous en dire davantage ? quelles sont les ressources dont vous avez bénéficié ? Etes-vous satisfait(e) de cet accompagnement ?

8-Quelle est votre perception de l'écosystème d'entrepreneuriat social au Maroc ?

9-Quelles sont les structures que vous connaissez et qui sont actives dans l'écosystème ?

10-Selon vous, comment peut-on améliorer l'écosystème d'ES au Maroc ?

Remerciement