

Self-Employment Programs in Morocco

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Introduction

Africa is the continent that presents the rate of poverty the more pupil in the world, but paradoxically her basement abounds huge potentialities in natural resources which makes it the richest containment on earth. However, several countries face problems linked to emergence which push its latter to reflections aimed at achieving financial stability because its countries are very indebted and underdeveloped.

Therefore, many strategies are put in place as part of the fight against poverty and the race towards development.

Morocco is a country of north Africa located between the coastal of Atlantic and the Mediterranean with an area of 446,550 km² and an estimated population of 37.37 million also faces budget shortfalls¹.

In effect, A report of the United Nations published in 2018 indicates that Morocco East one of the countries of the region of average east who suffer the more of poverty, it was specified that 60% of Moroccans live in need.

Morocco is ranked in 120 positions according to the index of development human in the country of world according to a report of 2024 of the United Nations development agenda. However, we notice that there are enormous disparities between the Moroccan populations with a very rich bourgeois class and an extremely poor working class.

So, thoughts arise about how to help the country achieve economic ascension?

In these terms, a certain number of measures have summer taken by the state as part of the fight, namely self-employment, micro-credits, reduction in unemployment, participation of women in the economy. We will focus on self-employment in the rest of our work because it is a very important theme in the 21st century.

Let us note that it has permit a lot of country to reach the summit capitalist. Self-employment or autonomous work is defined as the set of processes through which an individual or a group of people go through the creation of a micro enterprise to acquire financial independence.

Entrepreneurship generates a lot of job that's to say when a person decides to self-employ, he will always need other people since he will not be able to do all the work alone.

So, for helping the youth companies has seen the day, the state of Morocco decides to set up programs aimed at supporting entrepreneurs in the creation of their businesses or structures.

Our work will consist of studying self-employment programs without forgetting the sectors of intervention as well as the impact on unemployment which has been recorded.

1. SELF-EMPLOYMENT:

Morocco, a country in way of development of sector dominant agriculture and the agri-food industry without forgetting industry and the tourism which are not negligible. Despite this diversification in the field

¹ Report of Statista research department in Morocco total population ,10 July 2024

of employment, the country faces distress situations.

That was how, the state adopted a certain number of tactical for remedy this scourge by setting up several programs within the framework of self-employment, aiming particularly young people because the Moroccan population is mostly young.

We admit that the youth constitute the future of a country and above all are sources of hope for the poor countries.

we will try to state its programs as well as their concepts.

Concept of self- employment:

Unemployment, the main problem of underdeveloped countries, pushes those concerned towards ideologies aimed at reducing the unemployment rate.

In this struggle, Morocco aims specifically the youth graduates being most affected by this crisis due to very high demographic growth and insufficient jobs given that the active population is greater than the available labor supply.

The question then arises as to how to integrate the latter into the employment sector? the most likely solution is that of self-employment, in other words encouraging entrepreneurship.

Autonomous work as indicates by its name means employ oneself, be your own boss by creating your own business.

We can Also define it like entrepreneurship because it is the action to undertake in a domain good defined with a structure good organized of project. From where the question of financing arises because that a young diploma born does not have the necessary funds to start a project, so the state must intervene by setting up of the structures as far as possible to support the latter and be able to reduce the unemployment rate because a business creation means the creation of job offers.

In Morocco, the entrepreneurial intention is not so developed because of the weak culture on self-employment of the company, the lack of educational program concerning the subject and appropriate training.

In the field of employment, we note that there is the formal sector encompassing official activities recognized by the state and the informal sector bringing together self-determined services such as commerce, hairstyle, servants.

The concept of self-employment appeared in 1987, notably in the launch of first program because that there problematic of unemployment young graduates said in the 1980s².

1. The areas of intervention

Self-employment sectors are abundant. However, the diagnosis shows that the units of production which can be inserted in the framework of self-employment are very active in the context of the social and solidarity economy, in addition to the digital economy.

Note also that they are present in agricultural, industrial and service servers. Let us present its sectors and the contribution that self-employment represents³:

• The economy social and solidarity:

In this area, the production units that can be inserted there are income-generating activities capable of reducing the extent of poverty, precariousness through self-employment.

Projects funded under the initiative national are often located in very poor environments managed with

² Report of the economic, social and environmental council on the sole proprietorship, a lever for the development and integration of the informal sector, auto complete number 27/2016, page 11

³ Ibid., page 61

limited resources such as artisanal activities which are dependent on the support granted to them. Many of beneficiaries in this sector are unemployed, daily workers and employees of the informal sector suffering from difficult and primary conditions.

- **The economy agricultural, industrial and of the services:**

Agriculture is the dominant sector in Morocco, hence the need for self-employment intervention because the more the State establishes several jobs in this sector, the more the State will record a considerable drop in the unemployment rate.

The industrial sector and its services are also areas of promotion of self-employment.

So, his sectors allow has the entrepreneur to commit fully in the dynamics of self-entrepreneurship and business creation.

- **The Bursar digital, the technologies and innovation:**

The news technologies are the sectors promising of future for the country in economic deficient.

Innovation is assured by the people gifted and shiny having of the new ideas aimed at the emergence of the country.

As such, encouraging the digital economy will enable advancement and job creation with the spirit of diversification, competitiveness and modernization.

This will ensure an increase important of GDP because they There are several opportunities in these sectors. Now let's try to analyze these programs.

2. The programs of autonomous work:

The Moroccan state is working to improve the living conditions of its population. The explosion demographic of Morocco has pushed the state to take some measures to help citizens live adequately despite insufficient structures.

This is why we have a certain number of programs with the aim of supporting self-initiatives with the objective of perfecting the support functions for the creation of new businesses.

We have a lot of programs there but we will focus on some of them to achieve our research; we can enumerate Moukawalati, Infatih, Rawaj, Damane express, Intelaka, Istitmar as names of these programs. The majority of its programs have been established by the national agency for the promotion of small and medium-sized enterprises (ANPME) created in 2002 under article 56 in accordance with Law No. 53 00 form the charter of small and medium-sized enterprises.

a) the programs:

The projects cited above were adopted following the instructions of His Majesty King Mohammed VI. The challenge for the government is to enable the integration of young graduates, but also to help citizens with projects from disadvantaged backgrounds with no access to good education to acquire a financial stability.

We will start with the Infatih program; This one was initiated to encourage creation, digitalization and transparency for TDEs (companies with fewer than 20 employees).

Its main objective is to help people take advantage of new technologies. Between 2010 and 2013, it aimed to have a minimum of 10000 TPE beneficiaries with a budget of 15 million dirham per year⁴.

Rawaj program intervenes in the sector of trade constituting an essential lever for investment because the contribution of trade to GDP (gross domestic product) is considerable.

⁴ Journal of Le matin, launch of infatih program ,30 March 2011, retrieved 27 July 2024

It fixed as objective to support and to accompany in modernizing the trade of proximity and install their technologies of marketing.

Rawaj 's main objective is the creation of more than 450,000 jobs based on independent trade and supply market demands in 2020⁵.

Damane express is a fund deployed by the state as part of the fight against unemployment by encouraging entrepreneurship. It intervenes with the aim of granting credit to micro-enterprises and small businesses. So, it allows youth entrepreneurs having less of fear with the idea of seeing refuse for a ready banking because that when an individual borrows of money from the bank he is faced with the risks of operational and functional investment credits.

Damane express can finance up to 100% of the project and concerns all sectors except real estate development and offshore⁶.

Moukawalati or my business in French was launched in 2005 and started in 2006 in accordance with the instructions of ANAPEC (National Agency for the Promotion of Employment and Skills) which has seen the day on 5th June 2000 following their law 51-89 promulgated by the DAHIR. This agency has a decisive place in the fight for the integration of the citizens in the field of employment. Moukawalati imposes conditions to access its services: It's necessarily had the Moroccan nationality, being elderly between 20 and 45 years

before the date of deposit for the credit, to have a public or private diploma and the more crucial be registered at ANAPEC⁷.

This program aims basically the graduates with the innovative ideas but missing of bottom, it will act in three phases which are the market study phase then the technical study afterwards comes support for the launch and finally the follow-up to allow the survival of young companies because the hardest part is not the creation of the company but rather its follow-up despite the rigidity of the work field.

During of its creation, it had for aim of creating 30,000 companies on 3 years.

The industrial plan also included a plan to encourage self-employment. This is how the Imtiaz (SME) and Istitmar (TPE) program was initiated, which works in the interest of creating projects in the industrial field⁸.

The objective is to ensure their sustainability of technological innovation, in this ideology we can also note the program (Tahfiz) which supports the efforts of modernization of management information system going until 1.5 million dirham per beneficiary.

These said programs were applied following the 2016 finance law. Imtiaz aims to strengthen competition between Moroccan companies while improving their productivity and above all by guaranteeing an investment bonus which completes the financial package of their projects.

Between 2016-2019 the Maroc SME agency supported 343 projects among which there were 61 SME and 82 SMB for a total investment of 9.3 billion MAD.

Intelaka, a program launched following high royal instructions, also intervenes in the perspective of the fight against unemployment.

It is a financing program supporting and financing self-employment initiatives. It was launched in February 2020 and operates more in the informal sector, the general director of the central fund revealed

⁵ <https://www.cawtarclearinghouse.org/storage/AttachementGender/Rawaj2020.pdf>

⁶ <https://doers.ma/programme-damane-express/>

⁷ <https://daralmoukawil.com/fr/actualites/moukawalati-un-programme-dappui-la-creation-dentreprises>

⁸ <https://www.sgmaroc.com/tpme/>

during a speech that this program is composed of two guarantee products and a co-financing product aimed at supporting 13,500 SMEs each year with the objective of creating 27,000 jobs per year⁹.

The digitalization of businesses is part of the consequent aims of many of its programs, which is why the Moussanada program which encouraged the creation of SMEs, and which invited people to have the expertise was removed despite having recorded enormous results.

It had a digitalization enough weak, the projects that it supported was capped at 400000 Dirham and Moussanada could provide up to 70% of the investment amount¹⁰.

Following this analysis, we note that the Moroccan authorities are enormously involved in these steps. So, it is Thus that we will try to assess the impact of the creation of all these jobs on Moroccan society. Has self-employment decreased unemployment in Morocco?

b. The impact on the unemployment

The problem of unemployment appeared at the beginning of the 1980s in Morocco under the effect of the demographic and social changes that Morocco was experiencing because that the active population passed by 61.2% in 2004 at 62.4%, the forecasts for 2030 are 63% or more of the active population (15 years old - 59 years old)¹¹.

Illiteracy also contributes significantly to the unemployment rate because in the years 1960 the rate illiteracy was 87.90% against 43% in 2004 and 32% in 2014. It is around 20% in 2020 and could drop to 10% by 2026 according to a study carried out by the HCP (High Planning Commission).

In this regard, initiatives to promote self-employment were launched, including the “promising youth credits” program launched in 1987 and the program “Moukawalati” in 2006 to significantly reduce unemployment in Morocco and enable the social integration of the active population. Between 2001 and 2014 the rate of extreme poverty at the high threshold is pass from 15.3% to 4.2%, the rate of precariousness has a percentage of 22.8 to 11.5%¹².

As soon as structures were putting in place in the field of employment, we will notice enormous changes in the unemployment rate because by acting the entrepreneur causes job creation even though the latter are done indirectly. The workforce of the unemployed has regressed between 2000 And 2014 by passing from 1394 has 1167 millions of people.

From September 2017 to September 2018 the Moroccan state created 122,000 positions of employment, the majority of positions are paid jobs, this has reduced the unemployment rate from 10.6% in 2017 to 10% in 2018¹³.

The unemployment was decreasing in very significant manner in Morocco, the authorities planned to deploy several strategies for increasing this drop of unemployment rate but unfortunately the health crisis of 2020 caused a rebound in this rate which went from 9.2% in 2019 to 11.9% in 2020 because the small companies don't have not could bear the weight of lock down with covid-19.

The most affected areas are the agriculture and fishing sectors, yet these are sectors with a strong impact on self-employment.

⁹ Hayat Gharbaoui, the Intelaka funding program overshadowed by the crisis and the revival products, media 24,11 April 2021, retrieved 28 July 2024

¹⁰ <https://pegase.expert/afrique/blog/moussanada-n-est-plus-maroc-pme-devoile-ses-nouveaux-programmes-d-accompagnement>

¹¹ Report of Frédéric Debussy on the decline of the illiteracy rate, October 2017, Maroc

¹² Article of <<Maroc.ma>> on the poverty rate in Morocco, November 2017, retrieved 20 July 2024

¹³ Article of <media 24> on the unemployment rate in Morocco, April 2021, retrieved 23 July 2024

Young people were most affected by the rise in the unemployment rate which has 31.2% either a rise of 6.2 points with 2.9 points more for the men

(10.7%) and 2.7 points more for women or 16.2%.

The Moroccan economy has been heavily affected by this crisis but certain companies which are in the industrial or medical domain have given their increased job demands, particularly with the manufacturing of hydroalcoholic gels, masks and the covid test.

The trade also has known some improvements with this pandemic from which we can see a small recovery in the unemployment rate. However, the results published in 2023 by the HCP are the worst in Moroccan history, whether it is the volume of unemployment, or the number of jobs lost. We note 300000 jobs lost, mainly in rural areas, in 12 months and around 1,625,000 people unemployed¹⁴.

Through our study we note that Morocco is an emerging country with enormous potential and competent authorities who combine their thoughts to grant better living conditions to the population despite the multitude of disadvantages they face.

Moroccan powers public authorities have implemented a vast support policy. Entrepreneurs are the road to support development and the creation of more wealth with the creation of new businesses and support for existing ones.

Self-employment programs have enabled the integration of more than 92,000 people in 2017 an increase of 19% according to a report of 2016; That was very encouraging for the unemployed population¹⁵.

Morocco is on the right track regarding the subject of the race towards growth and financial dependence. Despite the crisis of 2023 we can hope that Morocco will try to maintain the pace.

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¹⁴ Article Media 24, unemployment reaches historic peak in 3 quarter of 2023, 3 November 2023, retrieved 23 July 2024

¹⁵ Article Media 24, the youth employment rate, April 2021, retrieved 25July 2024