



MOROCCO – SUPPORTING THE ECONOMIC INCLUSION OF YOUTH PROJECT

Youth economic inclusion remains a critical challenge for Morocco. The government has launched ambitious plans to boost job creation, enhance youth skills and promote entrepreneurship. Yet, programs' fragmentation and the challenge of matching the demand for skills with the available workforce have hindered effective youth economic inclusion.

The \$ 55 million **Supporting the Economic Inclusion of Youth project** will aim to develop integrated solutions to improve youth employability and entrepreneurship in the Marrakesh-Safi region, based on labor-market informed programs and enhanced synergies between relevant central entities, local authorities and the private sector.

Objectives of the project:

The **Supporting the Economic Inclusion of Youth project** will support increased access to economic opportunities for youth in the Marrakesh-Safi area. The project will finance an integrated approach to creating economic opportunities for youth by offering **personalized career guidance and training services geared toward skills in demand by the job market** as well as supporting **youth entrepreneurship** to boost job creation and promote value chains with high growth and jobs potential.

The project is financed through an Investment Project Financing with Disbursement-Linked Indicators whereby disbursement is conditioned by the achievement of project's objectives and results.



The project comprises three components:

Component 1: Promoting Youth Employability and Economic Inclusion by setting up youth Employment Centers (EEJ) to provide low-skilled youth with personalized career guidance, training services, and job-matching. The region has an estimated 640,911 youth not in Education, Employment or Training (NEET), and much of the youth population either has low skills or skills that are not relevant to the needs of the private sector.

The first component of the project is aimed at addressing the issues of skills matching and youth employability. The centers will be set up in the region's seven provinces as well as in the Marrakesh Prefecture and will aim to build youth skills and provide them with labor market intermediation services.

Morocco's employment agency (ANAPEC) will be responsible for managing EEJs. Regular monitoring and evaluation activities will assess learning outcomes and regularly analyze the skills in demand by the labor market so that training programs can adapt to remain relevant. About 19,000 female and male youth are to benefit from this program over the five-year implementation period. Project beneficiaries under this component will be long-term urban and rural inactive females and males with low skills as well as informal sector workers aged 18 to 34.

Component 2: Fostering the entrepreneurial ecosystem and supporting youth entrepreneurship opportunities in the region of Marrakech-Safi. A network of Regional/Provincial Entrepreneurship and Economic Development Centers (REEDC/PEEDC) will be set up under the supervision of the regional Investment center (CRI). As a point of entry to access entrepreneurship services and information, these one-stop centers will coordinate the action of public and private stakeholders operating in the entrepreneurial ecosystem and provide market analyses of local value chains with growth potential. In addition, an entrepreneurship development program will be set up by the National Initiative for Human Development, or INDH, to provide capacity building and financial support for new businesses at the pre-creation and post-creation stages. The goal will be to support the creation of 1500 new youth-led enterprises in the region over the duration of the project.

To promote job creation for young people, the project will also support the development of specific value chains in the region, with high potential in terms of growth and youth inclusion. Beneficiaries under this second component are aspiring young entrepreneurs, aged 18 to 34, with a viable market-oriented project proposal, as well as small to medium sized enterprises in high growth potential value chains.

Component 3: Capacity Building for Project Implementation to strengthen the capacity of involved actors (including the ministry of Labor and Professional Insertion as well as other project implementing agencies) to oversee the execution of project activities and strengthen the region's programs related to youth inclusion, skills training and territorial development. Monitoring and evaluation is embedded in project's design as well as beneficiaries' feedback mechanisms to improve project's service delivery and adapt to labor market demand. As such, relevant institutions will develop a regional labor market observation mechanism to remain tuned to emerging businesses and skills demand.



Institutional set-up:

The ministry of Labor and Professional Insertion is the project's implementing agency. Other involved constituencies in the roll out of the program, include the Secretary of State for Vocational Training, the Regional Investment Center (CRI), Morocco's employment agency ANAPEC, the Ministry of Interior through the INDH youth program as well as local non-governmental organizations for their role in delivering training/orientation services.

The institutional arrangement promotes strong coordination and involvement of regional authorities, under the coordination of the Wali of the region, in line with the ongoing process of decentralization in Morocco. The private sector will be involved throughout project implementation to ensure proper synergies on youth placement opportunities and tailored training programs.

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