



ACTIVITIES REPORT 2019



Upon the 10th National Solidarity Campaign launch, His Majesty King Mohammed VI, may God assist Him, inaugurated on November 8, 2007 the Mohammed VI Support Center for Solidarity Microfinance (CMS).

The CMS shows the importance that Mohammed V Foundation gives to solidarity with people in precarious situations, aiming at integrating them into the socio-economic environment, thereby fulfilling the Foundation mission, which places sustainable development at the heart of its strategy.

The CMS, created in consultation with the major microfinance stakeholders in Morocco, strives to support the efforts made by the Micro Finance Institutions (MFIs), promoting their activities through three main areas: training MFIs staff and beneficiaries on their products and services, promoting micro-enterprises and supporting the commercialization of their products and services, as well as the National Microfinance Observatory.

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Preamble

The year 2019 is characterized by the continuation of the process of professionalization and strengthening of Micro-Finance Institutions (MFIs) around the world, by the increasing and innovative use of new technologies, as well as by the multiplication of financial products and non-financial services offered.

The number of active microfinance clients worldwide in 2019 is estimated at around 149 million (140 million in 2018: + 6.4%) for an estimated outstanding loan portfolio of US\$130 billion (US\$124 billion in 2018: + 5%).

In Morocco, the number of active clients who benefited from national Microfinance reached 905,456 in 2019, against 901,654 in 2018, i.e. an increase of 0.4%. Outstanding microcredits rose to MAD 7.397 billion, against MAD 6.810 billion a year earlier, i.e. an increase of about 9%. The average outstanding loans per active customer increased by 8%, reaching MAD 8,169 in 2019, compared to MAD 7,553 in 2018.

As for the rate of the Portfolio At Risk (PAR) over 30 days, it stood at 3.13%, after the write-off of unhealthy debts, against 3.11% in 2018, still after write-offs, i.e. + 0.02 point.

Regarding products other than Micro-credit, the sector had 451,824 clients benefiting from Micro-insurance activities at the end of 2019. The number of domestic and international money transfer transactions reached 154,399 and 19,189 respectively. During that year, the number of bank accounts opened was 148,705, while the number of savings accounts was 13,363.

During this period, the total number of employees in the sector increased by 0.7% to 7,873 in 2019, compared to 7,818 in 2018. In the field, the staff of the Moroccan Micro-Credit Associations (MCAs) increased from 6,909 in 2018 to 7,089 in 2019, an evolution of 2.6%.

In this global context of Microfinance trends in the world and in Morocco, the Mohammed VI Support Center for Solidarity Microfinance (CMS) undertook, in 2019, a number of actions within its areas of intervention and aimed at the development of Microfinance in our country.

As such, the CMS devoted the year 2019 to the following key areas:

- Strengthening of the operational and managerial skills of human resources in the national Microfinance sector, in partnership with renowned national and foreign players;
- Intensification of the accompaniment and support of micro-entrepreneurs through specialized training, for the promotion of their micro-enterprises, and by support for the marketing of their products and services;
- Launch and follow-up of projects of sectoral scope and continuation of the usual missions of monitoring, studies, preparation of documents and support for researchers and trainees;
- Development of Communication and Partnerships to increase the reputation and national and international influence of the CMS.



**Highlights
of the Microfinance
Sector in 2019**

The year 2019 has been very rich in terms of events achievements in the Microfinance industry, both at a national and an international level, as highlighted below:

International :

- Publication of the:

- "Microfinance Barometer 2019" of the "Convergences" platform;
- Report on the "Global Microfinance Market 2019-2025" by the American platform "Research and Markets".

- Various events:

- The 3rd World Microfinance Summit in Istanbul (Turkey) to debate and understand the main challenges facing the sector, held on 24 and 25 January;
- The 14th annual conference of the SPTF (Social Performance Task Force) in Nairobi (Kenya), to discuss "The future digital inclusion", from 24 to 27 June;
- The 12th edition of the world forum "Convergences" in Paris, with the central theme: "Inequalities – Transitions – Solutions" based on sustainable development objectives, on 5 and 6 September;
- The annual conference of the Small Enterprise Evaluation Project (SEEP) in Arlington (USA) on the theme: "Building Resilience through Market Systems", from 21 to 23 October;
- The 4th "African Microfinance Week" in Ouagadougou (Burkina Faso) on the theme: "Inclusive Finance for Sustainable Development", from 21 to 25 October.



International Forum for innovations in Financial Inclusion

National :

- During the last quarter of the year, launch of preparations for the special programme of support and integrated financing of entrepreneurship in favour of the targeted categories of entrepreneurs (qualified young people with projects, VSMB-Very Small and Medium Businesses - and workers in the informal sector), in accordance with the wish expressed by His Majesty King Mohammed VI, may God glorify Him, in his speech at the opening of the autumn session of Parliament, on 11 October 2019;
 - Publication in the Official Gazette no. 6.804 of the decree no. 2-19-575 of 5 dhou al hijja 1440 (7 August 2019) fixing the maximum amount of Micro-credit, under certain conditions, at MAD 50,000, MAD 100,000 and MAD 150,000;
 - Delivery of the working groups' reports, including the Microfinance working group, for the implementation of the National Strategy for Financial Inclusion, particularly in favour of women, young people and VSBs, as well as the rural world;
 - Approval by the Parliament of the bill no. 15-18 on "Crowdfunding", aimed at promoting entrepreneurship;
 - Italian grant of 1.2 million euros for the realisation of a technical assistance study for the institutional strengthening of five Microcredit Associations: Amos, Ismailia, Inmaa, Atil and Attadamoune;
- Holding of the following events:
- The 8th edition of the National Fair of Social and Solidarity Economy in Oujda, under the High Patronage of His Majesty the King, from 09 to 18 November 2019;
 - The 5th edition of the CDG Foundation Prize in Rabat to reward 121 micro-projects out of 176 applications submitted, within the framework of the IGA Support Programme by supporting the creation of the Young Micro-Enterprise, set up in partnership with the FNAM (National Federation of Moroccan Micro-Credit Associations), the JAÏDA Fund and the CMS, on 05 December 2019;
 - The "Arab Day of Financial Inclusion", under the aegis of Bank Al-Maghrib, around the theme: "Financial inclusion for sustainable development ", from April 22 to 27, 2019;
 - The 5th edition of the International Forum of the VSB on the theme: "Financial and digital inclusion: new catalysts of opportunities for VSBs", on 18 April 2019;
 - "International Forum on Innovations in Financial Inclusion", in Casablanca, to contribute to the acceleration of financial inclusion development in Morocco, on 20 and 21 June 2019.



CMS stand at National Fair of Social and Solidarity Economy - Oujda

CDG Foundation Prize - Rabat





Skills Development Support

During the year 2019, the CMS training activities spanned the following areas:

- The realization of engineering and inter and intra training plans (Training for the sector and Training for some MCAs);
- The planning and implementation of continuous, initial and certifying training activities for the benefit of MCA staff, with the aim of developing their managerial and technical skills;
- Prospecting for partnerships with national and international organizations specializing in Microfinance, Inclusive Economy, Social Performance and Client Protection;
- Training of trainers, who will contribute to the transfer of skills and the duplication of knowledge to colleagues and clients;
- Provision of the CMS infrastructure to MCAs to enable them to organise their own training activities;
- Training of Microfinance beneficiaries in Morocco, micro-entrepreneurs and project leaders.

TRAINING ENGINEERING & 2019 TRAINING PLAN :

Training engineering consisted in assessing the quality of the training courses carried out in 2018 and detecting the training needs and expectations for 2019, in order to draw up the roadmap for the 2019 inter-MCA sectoral training plan and the intra-MCA training plan.

RESULTS OF THE SEMI-DIRECTIVE INTERVIEWS :

During the period from September to November 2018, MCA managers expressed the following needs in terms of Training themes for 2019 :

- Risk Management in Microfinance;
- Prospecting techniques;
- Recovery techniques;
- Governance of MCAs;
- Training of trainers;
- Staff motivation techniques;
- Management .



Governance training

THE 2019 TRAINING PLAN :

The CMS has drawn up an action plan for the training of MCA staff, for the year 2019, based on the guidelines of its Board of Directors and the expectations and needs of MCA managers. The following program has been drawn up :



- Managerial and Microfinance profession training actions;
- The share of regional training should experience a significant and efficient increase, with a view to developing the CMS proximity and mobility policy;
- "Common core" training courses for the integration of new recruits;
- Proposal of high value-added training actions for the industry, with international partner organizations of the CMS operating in

Microfinance and Inclusive Economy such as ADA Luxembourg, the Banking Profession Training Center (CFPB – France), BRS, etc.;

- Delivery of training courses focused on the Microfinance client: Digital Finance, Social Performance, Entrepreneurship Promotion, ...

VALIDATION OF THE 2019 TRAINING PLAN :

The inter MCA 2019 Training Plan of the CMS was discussed and validated during the "Annual Training Day", a meeting that brought together the management of MCAs and FNAM (National Federation of Moroccan Micro-credit Associations).

They had warmly welcomed the proximity policy adopted by the CMS in the planning of its training projects, which can be summed up in the consultation of the MCAs and the industry, upstream and downstream of the drafting of the annual inter-MCA sectoral plan.



IMPLEMENTATION OF THE 2019 TRAINING PLAN :

Following the validation of the CMS' 2019 inter-MCA sectoral Training Plan, the following programmed training actions were able to be carried out:

- Training on Client Protection, Social and Financial Performance of Microfinance Institutions, Financial Analysis, Financial Education and Internal Control;
- Training on the Microfinance profession: Introduction to Microfinance, credit files Evaluation, Digital Finance and Financial Education;
- New training courses: Governance of MCAs, Risk Management in Microfinance, and Personal Development & Emotional Intelligence;
- Training certification cycles:

- 4th promotion of the "Credit Officer" and "Branch Manager" cycles, in partnership with the CFPB;
- "Expert in Risk Management" and "Expert in Microfinance" cycles, in partnership with the Frankfurt School.



Training of MCA Agents - Midelt

In 2019, the CMS's training activities for MCA agents involved 397 people in face-to-face sessions and 853 in e-learning. As for the CMS's logistical support to MCAs in terms of making its training rooms available to them, it benefited a staff of 1,721 people.

The following table details the number of beneficiaries, MCA Agents and Micro-Entrepreneurs (ME), of the CMS 2019 Training actions and shows their correspondence in Professional Training Days. Upon reading this table, it appears that 8,854 people have benefited from all the CMS training actions for MCA staff and Micro-Entrepreneurs, which corresponds to 14,447 days of vocational training.

	Number of training days	Number of rooms	Number of participants	PTD (*)
Face-to-face training				
Certifying training	2	2	7	7
Specific & planned trainings	292	53	370	1 518
Training engineering	13	-	20	52
Training MCAs Agents	307	55	397	1 577
Training of micro-entrepreneurs	174	-	5 600	5 600
Logistical Support				
	282	305	1 721	5 713
Training via the e-learning platform				
Training MCAs Agents	425	-	853	425
Training of micro-entrepreneurs	1 132	-	283	1 132
Achievements January - December 2019	2.320	360	8.854	14.447

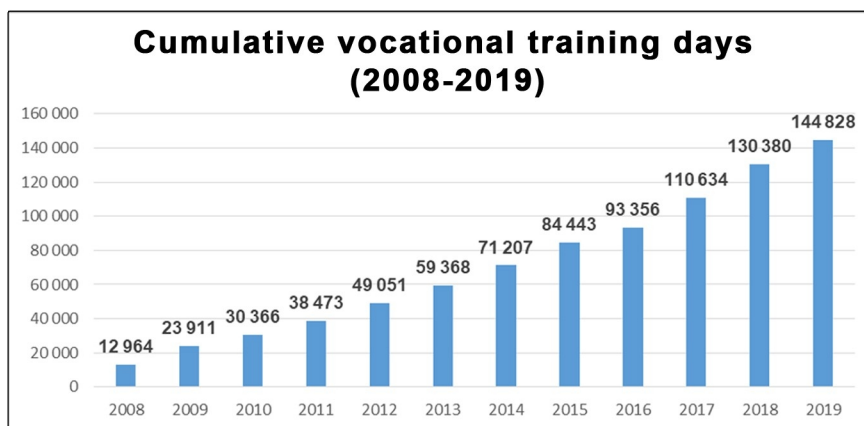
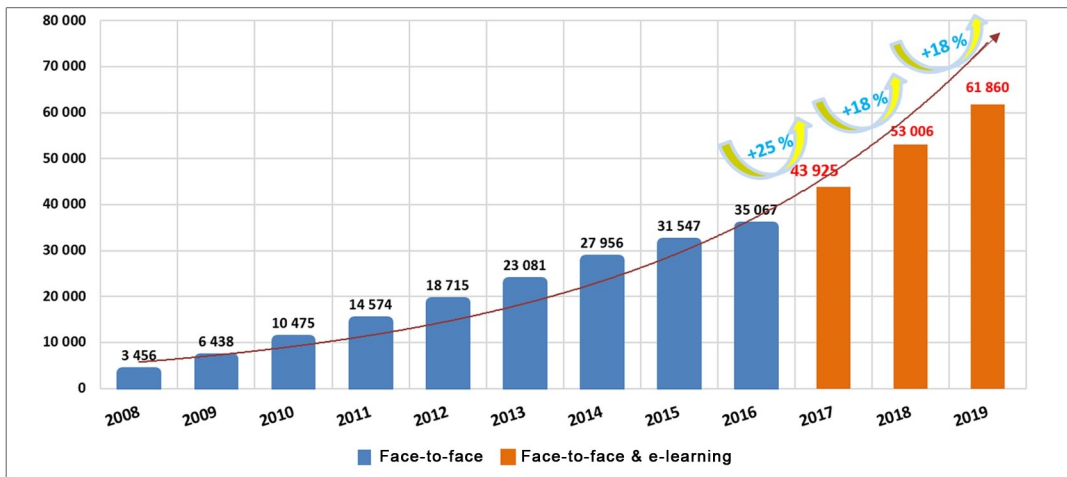
(*) PTD : Professional Training Days (Training days x Number of people trained)



Financial Analysis Training - Casablanca

In terms of cumulative beneficiaries of CMS training actions in face-to-face, e-learning and logistical support, it should be noted that a total of 61,860 beneficiaries has been reached by the end of 2019, corresponding to a total of 144,828 days of vocational training.

The two following graphs show the evolution of the beneficiaries cumulative number of CMS training actions and their equivalence in vocational training days during the 2008-2019 timeframe:



EVALUATION OF TRAINING ACTIONS 2019 :

A training needs identification form was sent to MCA managers in order to evaluate the training services provided by the CMS in 2019.

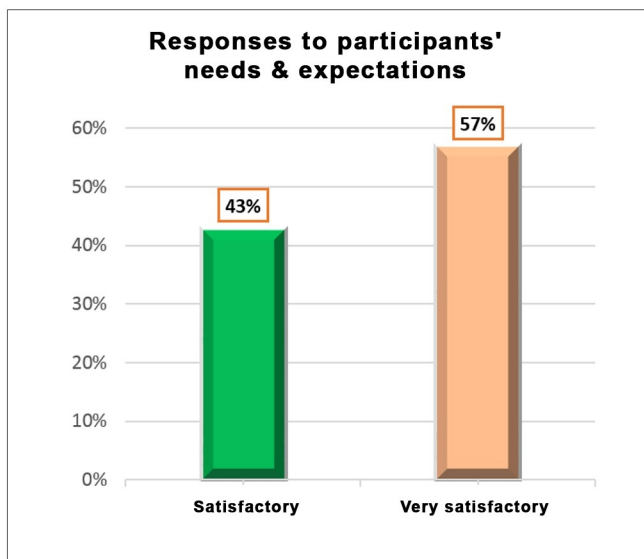
This sheet was used and analyzed, which enabled the CMS to identify its strengths and the areas for improvement.



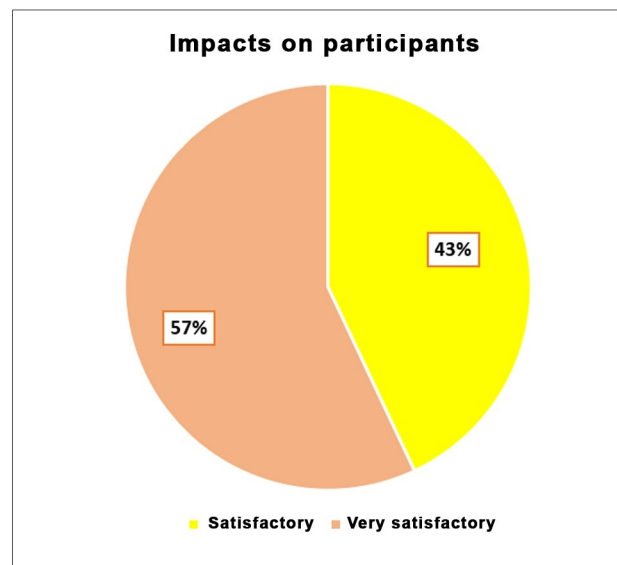
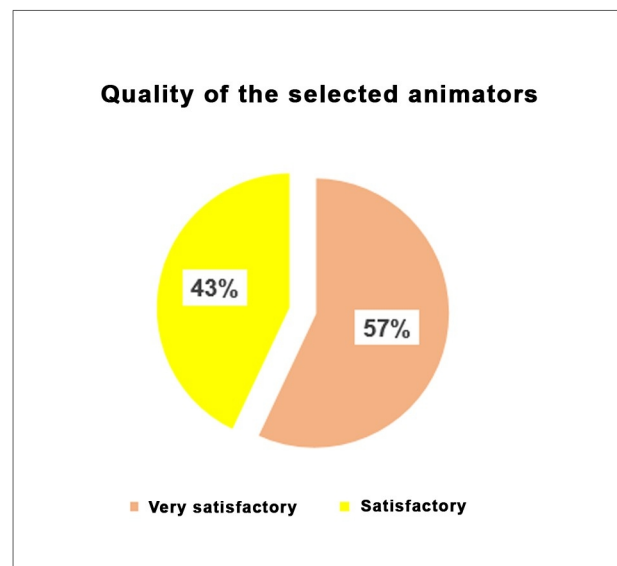
Agency manager training - Marrakech

SATISFACTION LEVELS OF THE CMS' TRAINING ACTIVITIES IN 2019

The general conclusion that can be drawn from the following graphs is that the Training actions programmed by the CMS within the full ecosystem, as well as the logistical support made available to MCAs for carrying out their Training actions in 2019, have generated satisfaction among all the MCAs.



Source: Training Needs Identification Sheets
November - December 2019.





**Commercial Development
and Promotion
of Micro-Enterprise**

The year 2019 was marked by the launch of new projects and new actions of the CMS aimed at micro-entrepreneurs throughout the Kingdom. Indeed, in line with its actions for the socio-economic inclusion of micro-entrepreneurs, the CMS has implemented an ambitious support program, including training services, as well as actions to promote their micro-businesses and support the marketing of their products and services.

REGIONAL MICRO-ENTREPRENEUR MEETINGS (RMEM):

Ten meetings were organized in the cities of El Kelaat des Sraghna, Casablanca, Midelt, El Jadida, M'diq, Oujda and Rabat, benefiting 1,082 people (+16% compared to 2018). The exhibiting micro-entrepreneurs benefited from the sharing of experiences, the synergy of their activities, exhibition spaces for their products and participation in training workshops.

Summary of the CMS' RMEM in 2019

Events	Dates	Places	Number of participants	Main activities	Gender	
					W	M
Regional meeting	February 11 - 17	Kelaat des Sraghna	200	Local products, traditional weaving and sewing, decoration, couscous and medicinal plants, beekeeping, organic cosmetics.	60%	40%
Regional meeting	March 18 - 24	Midelt	204	Essential oils, argan oil and derivatives, beekeeping, organic cosmetics, couscous and medicinal plants, pastry, clothing, traditional and modern sewing, accessories and decorative items, tapestry.	65%	35%
« Global Women Summit »	April 25 - 26	Casablanca	18	Accessories and decorative items, tapestry.	100%	-
Meeting «The future is African» at the French Institute of Casablanca	May 03	Casablanca	17	Sewing and Decorative.	100%	-
Ramadan Trade Fair	May 09 - June 04	Casablanca	184	Traditional sewing, traditional and modern weaving, leather goods and local products, beekeeping, accessories and decorative articles, tapestry.	70%	30%
Regional meeting	July 22 - 28	EL Jadida	194	Essential oils, argan oil and derivatives, beekeeping, organic cosmetics, couscous and medicinal plants, pastry, clothing, traditional and modern sewing, accessories and decorative items, tapestry.	60%	40%
Regional meeting	October 01 - 06	M'diq	162	Handicrafts, embroidery, olive and argan oils, leather goods, traditional weaving, natural cosmetics, decorative items, medicinal plants.	45%	55%
National Fair of Social and Solidarity Economy	November 09 - 18	Oujda	69	Local products, beekeeping, accessories and decorative items, natural cosmetics.	75%	25%
CDG Foundation Award	December 05	Rabat	14	Decoration products, natural cosmetics, beekeeping, decorative articles, argan oil and its derivatives.	80%	20%
Solidarity Bazaar Space at the Arribat Center complex	December 19, 2019 to February 25, 2020	Rabat	20	Sewing, jewellery, decorative items, natural cosmetics, beekeeping, argan oil and its derivatives.	50%	50%
TOTAL			1082		71%	29%

RAMADAN TRADE FAIR :

The CMS took part in the 35th edition of the Ramadan Trade Fair, from May 11 to June 04, 2019, at the Casablanca Office of Fairs and Exhibitions (OFEC). Thus, 20 stands were made available to micro-entrepreneurs who benefit from MCAs, on a surface area of 180 m². 84 exhibitors were able to display their products, following a rotation system in three groups.

The activities of the Ramadan Trade Fair were divided into two parts:

- Awareness-raising sessions on the advantages of better organisation and good customer relationship management (networking, exchanges, experience sharing and product traffic);
- Promotion and sale of micro-entrepreneurs' products (local products, local crafts, accessories and decorations, traditional clothing, ...).

ECOSS 2019 NATIONAL EXHIBITION:

The 8th edition of the National Exhibition of Social and Solidarity Economy (ECOSS) took place from November 9 to 18, 2019 in Oujda, on the theme "Social and Solidarity Economy: Renewable Initiatives and Promising Opportunities". A total of 700 national and international exhibitors from 16 countries welcomed nearly 300,000 visitors.

The CMS took part in this major event through an institutional stand and the free provision of 47 exhibition stands in favour of 69 micro-entrepreneurs benefiting from Microfinance and some cooperatives.

On the sidelines of this event, the CMS also organised the following support actions for the benefit of 303 micro-entrepreneurs benefiting from Microfinance:

- Awareness raising sessions on the advantages of a better organization of the client-base;
- Training actions on the characteristics of the Micro-entrepreneur and Financial Education;
- Networking, exchange and sharing of experiences;
- Product sales.



TRAINING OF MICRO-ENTREPRENEURS :

During the year 2019, 5,600 micro-entrepreneurs have benefited from face-to-face training on various themes such as personal development, the status of the auto-entrepreneur, the Validation of Acquired Experience, "Tahfiz" (stimulation to entrepreneurship), management of VSBs, commercialization, digital marketing and the micro-entrepreneur characteristics.

The table hereafter lists the training courses themes given, the number of participants and training days.

Training topics	Number of participants	Number of training days
Financial Education	2114	72
Characteristics of the Micro-Entrepreneur	847	14
« Tahfiz » to Entrepreneurship	665	17
Job search	516	3
Self-entrepreneur	380	4
Personal development	334	20
Validation of acquired experience	219	20
Digital Marketing	192	14
Creation of cooperatives	86	3
Microfinance	65	2
Information and awareness session on the "Solidarity Market"	33	1
The electrical composition	25	1
Safety at work	10	1
Legal forms	30	1
Merchandising	84	1
Total	5.600	174

The table below shows the distribution by region of the number of participants in the Financial Education program for micro-entrepreneurs.

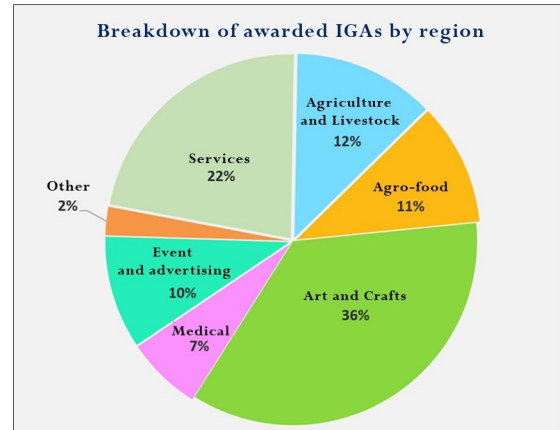
Financial Education Program for micro-entrepreneurs

Regions	Number of Participants	Gender in %	
		Women	Men
Drâa - Tafilalet	506	75%	25%
Fes - Meknes	157	100%	-
Casablanca - Settat	370	80%	20%
Beni Mellal - Khenifra	122	80%	20%
Marrakech - Safi	592	85%	15%
Oriental	231	80%	20%
Tanger - Tetouan - Al Hoceima	101	75%	25%
Rabat - Salé - Kénitra	35	-	100%
Total	2114		

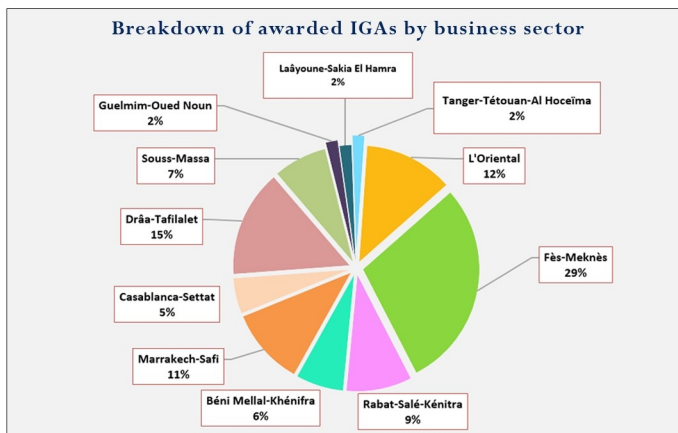


CDG FOUNDATION AWARD :

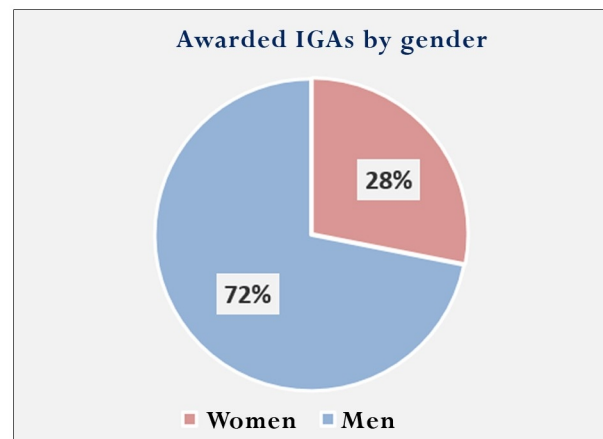
The CMS took part in the 5th edition of the Income Generating Activities (IGA) support Program by supporting the creation of young micro-enterprises, set up by the CDG Foundation, in partnership with the CMS, the Jaïda Fund and the FNAM. This program aims to promote the economic autonomy of the most disadvantaged young people and to facilitate their integration into the economic and social fabric of the country by contributing to the financing of their micro-projects.



The financial aid award ceremony, which took place on 5 December 2019, was the occasion to award 121 people, 29% more than last year, out of 176 candidates. In addition to the financial aid donated by the CDG Foundation, the winners also received certificates of merit. Distinctions were also awarded to the MCAs who took part in this edition.



In parallel to this ceremony, training courses on Personal Development, Financial Education, the self-employed person Statute, and the new provisions of Law No. 112-12 relating to cooperatives, were provided for the benefit of 121 micro-entrepreneurs. Similarly, training on financial analysis was conducted for 7 managers of Microcredit Associations who distinguished themselves in the said program.



TRAINING FOR VALIDATION OF LEARNING FROM EXPERIENCE :

As part of its actions to promote micro-enterprises and support the marketing of their products and services, the CMS has organized, in partnership with the Training and Qualification Center in Handicrafts (Fez), training workshops dedicated to the micro-entrepreneurs who are clients of the MCAs. These workshops, which were led by professionals, specialized in trades (Maâlams, field experts, designers, etc.), aimed to validate skills, upgrade the trades of micro-entrepreneurs and develop their know-how.

As a result, two groups with a total of 42 people benefited from in-depth support in their respective professions, bringing together technical tools and innovative methods, and managerial training in business management, personal development and financial education, between April and December 2019.



"MIN AJLIKI" PROGRAM :

This program, resulting from a partnership with the Belgian Association for the Promotion of Education and Training Abroad (APEFE Wallonia-Brussels), aims to promote female entrepreneurship. It has resulted in the organization of training and marketing support workshops.



In 2019, the CMS supported approximately 1,086 women; among them, women from the Fez-Meknes Region who were the subject of a study on the impact of micro-credit on their socio-economic level. It organized group training sessions on three themes: Personal Development and Self-Esteem, Digital Marketing, and Financial Education.

CMS PARTICIPATION IN THE 1ST PROVINCIAL FORUM FOR YOUNG PEOPLE AND THE VSB IN M'DIQ :

The CMS participated in the 1st provincial Forum for Youth and VSBs which was organized in M'diq on 29 April 2019, by the Moubadara Foundation for Youth and Entrepreneurship , in partnership with the National Initiative for Human Development (INDH), the M'diq-Fnideq prefecture, the Association of Moroccan Women Entrepreneurs (AFEM) and several other institutional and private partners.

The aim of the Forum was to promote the economic dynamism of the M'diq-Fnideq Region and to encourage the entrepreneurial spirit among young project leaders, income generators and job creators. The young people thus had the opportunity to share their concerns, challenges and ambitions, within the framework of their business creation projects. They could also benefit from workshops led by the CMS on supporting young micro-entrepreneurs through Financial Education for the success of their projects.

INTERNATIONAL FORUM OF THE VSB :

The CMS took part in the organization of the 5th edition plenary session of the "International Forum of the VSB", held in its premises on 18 April 2019 on the theme "Financial and Digital Inclusion: New Catalysts of Opportunities for VSBs". This event took place in partnership with the Consulting Firm "Attitudes Conseil".

Organized under the aegis of the Ministry of Industry, Trade, Green and Digital Economy, this edition aimed to lead a reflection with institutionals, experts and specialists in the world of financial and digital inclusion, around the access to and use of financial services and means of payment.



ARAB DAY OF FINANCIAL INCLUSION :

Within the framework of the Arab Day of Financial Inclusion (JAIF) organized by Bank Al-Maghrib (BAM), the CMS took part in the 3rd edition of this annual event, carrying out a number of actions, in accordance with an action plan validated by BAM. These actions allowed to raise awareness, both among micro-entrepreneurs and the inhabitants of the neighbourhoods surrounding the CMS, on the interest of financial inclusion.



SOLIDARITY SPACE IN THE "ARRIBAT CENTER" MALL :



On the occasion of the new multifunctional "Arribat Center" complex opening in Rabat on 19 November 2019, the CMS, in partnership with the firm Foncière Chellah (a subsidiary of the CDG Group), has made available to ten micro-entrepreneurs and cooperatives from different sectors of the craft industry and local products, a space of 205 m², free of charge, from 20 November 2019 to 25 February 2020, to enable them to display their products.

SIGNATURE OF AN AGREEMENT BETWEEN THE CMS AND THE PROVINCE OF M'DIQ-FNIDEQ :

As part of the National Initiative for Human Development (INDH) version 3.0 program, an agreement was signed between the CMS and the Province of M'diq-Fnideq on 18 June 2019, with the aim of supporting young project leaders in the said province. The CMS' contribution consists of providing training for micro-entrepreneurs, project leaders and young graduates.



Microfinance Observatory

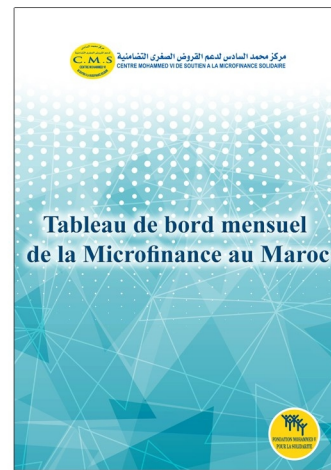
In 2019, the CMS Microfinance Observatory has deployed several projects with a sectoral scope in order to develop its usual roles of information, analysis and sector watch. These are essentially the following projects:

CONTINUATION OF THE ELABORATION AND DISSEMINATION OF THE CMS' REPORTING MEDIA :

In order to enable operators in the sector to have visibility in terms of development, performance and risks, the CMS has continued the elaboration and dissemination of its reporting media on the basis of a new framework, bringing together the "Monthly Scoreboard" and the "Quarterly Trend Note" of Microfinance in Morocco, which has been enriched by proposals from the MCAs.

" MONTHLY SCOREBOARD OF MICROFINANCE ACTIVITIES IN MOROCCO "

The "Monthly scoreboard of Microfinance Activities in Morocco" is a tool destined for steering, decision support and forecasting tasks. It presents, in a synthetic way, the Microfinance activity in our country, month by month, in the form of indicators and graphs, compared to the activities of the previous month of the same year and the same month of the previous year.



" QUARTERLY NOTE OF MICROFINANCE TRENDS IN MOROCCO "

The "Quarterly Note of Microfinance Trends in Morocco" has the advantage of allowing a quarter-based visibility of the national Microfinance trends.

Its new framework, disseminated to MCAs from 2019, includes all the indicators of the "Monthly Dashboard of Microfinance Activities in Morocco", in addition to quarterly financial indicators of the Balance Sheet and Income Statement.

FIELD STUDIES :

As part of the CMS support strategy for the sector, which consists in responding to the different requests and expectations expressed by the different operators in terms of sector studies and monitoring, the Microfinance Observatory has carried out the following 3 surveys:

DIGITALIZATION SURVEY:

A survey on digitalization was initiated during the 7th edition of the Social and Solidarity Economy National Fair in Agadir from 9 to 18 November 2018 and completed, during the two regional meetings of the Micro-Entrepreneur, in Kelaat Sraghna, from 11 to 17 February 2019 and in Midelt from 18 to 24 March 2019.

It involved more than 615 micro-entrepreneurs and resulted in the following main findings:

- 83% said they were satisfied with the technological means (smartphones, laptops and tablets) offered to them, for several reasons:
 - Ease and fluidity of communication;
 - Marketing support;
 - Development and promotion support of the micro-entrepreneur's activity;
- 85% stated that the new means of communication were an opportunity for them to develop their activities and market their products;
- 70% stated that the new technological means help develop their skills; - The advantages of the digitalization insertion in the activity of micro-entrepreneurs are as follows, in decreasing order of importance: time optimization (80%), better communication (75%), simplification of transactions (56%), cost reduction (24%) and reduction of administrative operations (11%);
- More than 62% of the micro-entrepreneurs surveyed use the new means of communication in their buying and selling transactions.

SURVEY ON THE IMPACTS OF MICROCREDIT AND CMS TRAINING PROGRAMS FOR MICRO-ENTREPRENEURS PARTICIPATING IN THE REGIONAL MEETINGS OF MICRO-ENTREPRENEURS (RMMEs):

A survey was carried out among 306 micro-entrepreneurs clients of MCAs during the Regional Meetings of Micro-entrepreneurs in Kelaat Sraghna, Midelt, El Jadida and M'diq, as well as during the Social and Solidarity Economy National Fair (ECOSS) in Oujda. Its main results are the following:

- More than 30% of the interviewed micro-entrepreneurs stated that their capital has quadrupled after the granting and allocation of their microcredit loans;
- 48% of the micro-entrepreneurs have diversified their activities, after the good use of their microcredits;
- More than 47% converged towards the formal sector, after having benefited from the micro-credit and developed their activities;
- The increase in income is the socio-economic indicator that captures the large part of the manifestations of the impact of micro-credit on the activity of the surveyed micro-entrepreneurs, with a rate of about 97%;
- The CMS training courses met the expectations of all the interviewed micro-entrepreneurs;
- 78% of the interviewed micro-entrepreneurs expressed their wish to follow the CMS training courses dedicated to them.

ENGINEERING SURVEY OF MICRO-ENTREPRENEURS TRAINING NEEDS :

An engineering survey of 366 micro-entrepreneurs training needs took place during the RMMEs of Kelaat Sraghna, Midelt and M'diq, and during the National ECOSS Fair in Oujda. The results of the survey led to the following conclusions:

- The expectations of the micro-entrepreneurs in terms of Trainings by the CMS are distributed as follows:

- 39% of managerial expectations;
- 28% of technical expectations;
- 20% of theoretical expectations (customer relations, etc.);
- 13% found no interest in Training.

- 72% of the surveyed micro-entrepreneurs would like to benefit from managerial type training and 28% would like to benefit from vocational training, particularly in crafts, traditional and modern sewing, and carpentry;

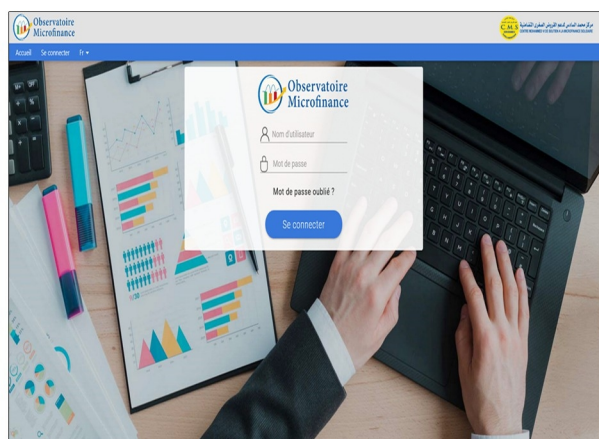
- The distribution of the Training themes, according to the micro-entrepreneurs needs, is as follows:

- 55% in Marketing: Marketing techniques, sales, packaging, etc.;
- 29% in Financial Education;
- 12% in Personal Development;
- 4% in Entrepreneurship Development and IGA creation.

FOLLOW-UP OF PROJECTS SUPPORTED BY THE WORLD BANK'S DEAUVILLE INITIATIVE:

Within the framework of the World Bank's Deauville partnership to support the development of the national microfinance strategy in Morocco with a donation of US\$ 4.9 million managed by the Moroccan Ministry of Economy and Finance, the CMS has ensured, in 2019, the follow-up of the following project:

THE CMS OBSERVATORY ELECTRONIC PLATFORM OF MICROFINANCE FINANCIAL AND SOCIAL REPORTING IN MOROCCO :



The CMS electronic platform for Microfinance financial and social reporting in Morocco will have the main objective of aggregating data and presenting detailed analyzes on the Microfinance sector situation in Morocco, as well as alerting on the risks of the sector as a whole. It will be addressed, via the CMS, acting in its capacity as a centralizing body, to recipients mainly comprising Micro Credit Associations, FNAM, Bank Al-Maghrib, and the Ministry of Economy and Finance.

PARTICIPATION OF THE CMS OBSERVATORY IN DEBATE MEETINGS IN MOROCCO:

As in previous years, the CMS Observatory participated, in 2019, in workshops, conferences, round tables, etc., organized in Morocco :

- Workshops of the International Forum for VSBs 5th edition, organized in Beni Mellal and Safi, on the theme "Financial and Digital Inclusion - New catalysts of opportunities for VSBs", within the framework of a CMS partnership with the consulting firm "Attitudes Conseil";
- "International Forum on Innovations in Financial Inclusion", in Casablanca;
- Meetings in Rabat of the workshop on "Microfinance" relating to the draft study for the elaboration of the National Strategy for Financial Inclusion (SNIF), supervised by the Ministry of Economy and Finance and Bank Al-Maghrib;
- Workshop in Rabat for the restitution of the phase "Elaboration of the roadmap of the National Strategy for Financial Inclusion (SNIF)";
- 4th edition of the Morocco Today Forum in Casablanca, on the theme: "The knowledge economy and new development: the opportunity of the intangible".



National Fair of Social and Solidarity Economy - Oujda

PROVIDING SUPPORT TO RESEARCHERS AND INTERNS :

The CMS Observatory continued its usual support for students' and researchers' thesis projects or graduation theses. It also supported trainees from national entities through professional supervision.



Communication & Partnerships

As part of the promotion of its activities and the development of its partnership relations with Microfinance actors in Morocco and around the world, the CMS took part in the:

- Third edition of the World Microfinance Summit, from 24 to 25 January 2019, in Istanbul (Turkey);
- First edition of the "Salon Smart Entreprise Morocco" (SEM), from 19 to 20 November 2019, in Casablanca.

The participation of the CMS in this Fair took place on two levels: upstream, by being a member of its scientific committee, and downstream, by taking part in the conference on "Alternative and Innovative Modes of Entrepreneurship". On this occasion, the CMS was able to present itself to the wide public present and establish new contacts for possible future partnerships.



Visit of a delegation of IDB representatives

As part of networking actions with reference actors in Morocco, the CMS attended to the:

- "VSB Forum", organized on 13 February 2019 by Attijariwafa bank on the theme: "What concrete measures to strengthen and structure the VSBs fabric in Morocco?". The numerous recommendations resulting from a rich debate of the stakeholders during this forum constitute the basis of a consolidated vision of support to VSBs, which will be listed in a "White Paper" as concrete to-be-implemented solutions and mechanisms;
- Graduation ceremony for the tenth promotion laureates of the International Master "Banking & Financial Markets", organized by the Attijariwafa bank Foundation, on 25 April 2019.



Visit of a delegation of representatives of the Ministry of Microfinance and Social & Solidarity Economy in Senegal

In 2019, the "Communication & Partnerships" unit continued its contribution to the implementation of the CMS's many projects, in particular the supervision and monitoring of all communication work related to events organized by the various CMS' divisions, but also initiated by or with other organizations. These include the CMS' participation in the:

- Celebration of the "Arab Day for Financial Inclusion" organized by Bank Al- Maghrib: communication and awareness-raising actions on financial inclusion in favour of micro-entrepreneurs and inhabitants of the neighbourhoods surrounding the CMS;
- Organization of the "International Forum for VSBs" fifth edition, in collaboration with the consulting firm "Attitudes Conseil", on the theme: "Financial and digital inclusion: new catalysts of opportunities for VSBs".

In order to provide useful information to support the Microfinance sector in Morocco, the CMS continued to disseminate its electronic newsletter "Industry's Flash Info", publishing its 78th issue at the end of 2019. Similarly, it continued to regularly update its website with articles, photos and videos relating to the various actions organized by the CMS.

The CMS is regularly consulted by foreign delegations from all over the world, with a view to exchanging practices and respective experiences, Morocco being a reference in the field of Microfinance, particularly for African and Middle Eastern countries. Three delegations visited the CMS' premises in 2019 :

- On January 22nd: visit of a delegation of the Islamic Development Bank representatives;
- On September 6th: visit of a delegation of the Ministry of Microfinance and Social and Solidarity Economy in Senegal representatives, as part of the preparation of the ECOSS revolving exhibition 2nd edition organized in Dakar;
- On October 16th: a delegation of eight American students, following a study program entitled "Semester at sea" and accompanied by their Economics professor, visited the CMS, in order to deepen their knowledge of Microfinance and, in particular, to discover the field reality. At the end of their training, these young Ph.D. students are expected to be called upon to hold high-level positions within the American administration.





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